

# Tine SA

Kingdom of Norway, Consumer Products

Issuer

**A-**

Outlook

**Stable**

Short-term debt

**S-1**

Senior unsecured debt

**A-**

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### Related methodologies

[General Corporate Rating Methodology, Apr 2026](#)

[Consumer Products Rating Methodology, Apr 2026](#)

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## Rating composition

Business Risk Profile		
Industry Risk Profile	A	<b>BBB</b>
Competitive Positioning	BBB-	
Financial Risk Profile		
Credit metrics	A+	<b>A+</b>
<b>Preliminary Credit Assessment</b>		<b>A-</b>
Supplementary Rating Drivers		
Liquidity	+/-0 notches	<b>+/-0 notches</b>
Financial policy	+/-0 notches	
Governance and structure	+/-0 notches	
<b>Secondary Credit Assessment</b>		<b>A-</b>
External Rating Drivers		
Parent/government support	+/-0 notches	<b>+/-0 notches</b>
Peer context	+/-0 notches	
<b>Issuer rating</b>		<b>A-</b>

## Key metrics

Scope credit ratios*	Scope estimates			
	2024	2025	2026E	2027E
Scope-adjusted EBITDA interest cover	25.4x	31.8x	28.1x	31.7x
Scope-adjusted debt/EBITDA	0.6x	0.4x	0.4x	0.4x
Scope-adjusted funds from operations/debt	143%	210%	208%	206%
Scope-adjusted free operating cash flow/debt	85%	130%	103%	104%
Liquidity	>200%	>200%	>200%	>200%

## Rating sensitivities

### The upside scenarios for the rating and Outlook (individually):

- Introduction of more conservative financial targets in tandem with a move towards a net cash position
- Improved business risk profile via more diversification and/or stronger profitability

### The downside scenarios for the rating and Outlook (individually):

- Debt/EBITDA sustained above 1.5x
- Material loss of domestic market shares and/or falling profitability

\*All credit metrics refer to Scope-adjusted figures.

## 1. Key rating drivers

Positive rating drivers	Negative rating drivers
<ul style="list-style-type: none"> <li>History of maintaining a conservative capital structure and strong cash flow cover</li> <li>Leading position in Norwegian dairy, evidenced by high market share, national network, and role as milk market regulator</li> <li>Operating environment is characterised by low cyclicalities and protective agricultural regulations</li> <li>Focus on implementing ESG in the value chain</li> </ul>	<ul style="list-style-type: none"> <li>Moderate profitability</li> <li>Low geographical diversification, and high concentration on dairy category</li> <li>Risks related to growth of international operations</li> <li>Potential for higher discretionary spending under financial targets limits financial risk profile upside</li> </ul>

## 2. Rating Outlook

The **Stable Outlook** reflects our expectation that Tine will maintain its leading domestic market presence in dairy. It also assumes that credit metrics will remain conservative despite higher expected capex in the next few years. This is likely to be supported by Tine's current financial headroom, stable agricultural regulations, and the company's resilient earnings profile with low product cyclicalities.

## 3. Corporate profile

Headquartered in Oslo, Norway, Tine is the largest dairy producer in the country. It collects and processes milk commodities into all types of dairy products and also offers non-dairy products, including juice, ice cream and fresh meals.

Largest dairy producer in Norway

Operations are organised into three main business lines:

Three main business lines

- Tine SA**, representing the domestic dairy business and including regulatory entity Norsk Melkeråvare
- Norwegian Subsidiaries**, mainly comprising Tine's wholly owned ice cream producer Diplom Is and its 51% stake in food producer Fjordland
- Tine International**, encompassing its international activities, mainly in the UK, Ireland, North America, and Sweden

Tine is organised as a cooperative, with a history dating back to 1856 and ownership by more than 7,500 milk farmers. It generates around 80% of revenues in Norway and has more than 5,300 employees.

Cooperative structure

## 4. Rating history

Date	Rating action/monitoring review	Issuer rating & Outlook
18 Jun 2026	Affirmation	A-/Stable
19 Jun 2025	Affirmation	A-/Stable
19 Jun 2024	Affirmation	A-/Stable

## 5. Financial overview (financial data in NOK m)

Scope credit ratios	Scope estimates					
	2023	2024	2025	2026E	2027E	2028E
EBITDA interest cover	17.4x	25.4x	31.8x	28.1x	31.7x	31.2x
Debt/EBITDA	0.9x	0.6x	0.4x	0.4x	0.4x	0.4x
Funds from operations/debt	97%	143%	210%	208%	206%	215%
Free operating cash flow/debt	67%	85%	130%	103%	104%	109%
Liquidity	>200%	>200%	>200%	>200%	>200%	>200%
<b>EBITDA</b>						
Reported EBITDA	2,978	3,466	3,725	3,711	3,689	3,729
add: operating lease payments	151	167	187	192	196	200
Gains and losses on asset disposals	(28)	(50)	(31)	(31)	(31)	(31)
<b>EBITDA</b>	<b>3,101</b>	<b>3,582</b>	<b>3,881</b>	<b>3,873</b>	<b>3,854</b>	<b>3,898</b>
<b>Funds from operations (FFO)</b>						
EBITDA	3,101	3,582	3,881	3,873	3,854	3,898
less: interest	(179)	(141)	(122)	(138)	(122)	(125)
less: cash tax paid	(129)	(123)	(273)	(233)	(230)	(228)
Other non-operating charges before FFO	(20)	(62)	(8)	-	-	-
Funds from operations	<b>2,774</b>	<b>3,256</b>	<b>3,478</b>	<b>3,502</b>	<b>3,503</b>	<b>3,546</b>
<b>Free operating cash flow (FOCF)</b>						
Funds from operations	2,774	3,256	3,478	3,502	3,503	3,546
Change in working capital	96	(321)	(198)	(119)	(82)	(84)
less: capital expenditures (net)	(817)	(859)	(982)	(1,500)	(1,500)	(1,500)
less: lease amortisation	(120)	(129)	(144)	(149)	(152)	(155)
<b>Free operating cash flow</b>	<b>1,933</b>	<b>1,947</b>	<b>2,154</b>	<b>1,734</b>	<b>1,770</b>	<b>1,808</b>
<b>Interest</b>						
Net cash interest per cash flow statement	147	104	80	94	77	80
add: interest component, operating leases	31	37	42	44	44	45
<b>Interest</b>	<b>179</b>	<b>141</b>	<b>122</b>	<b>138</b>	<b>122</b>	<b>125</b>
<b>Debt</b>						
Reported financial (senior) debt	3,903	2,904	2,687	1,829	1,889	1,902
less: cash and cash equivalents	(1,654)	(1,369)	(1,878)	(1,017)	(1,078)	(1,160)
add: non-accessible cash	3	3	4	4	4	4
add: operating lease obligations	622	743	845	870	887	905
<b>Debt</b>	<b>2,874</b>	<b>2,282</b>	<b>1,657</b>	<b>1,686</b>	<b>1,702</b>	<b>1,651</b>

## 6. Environmental, social and governance (ESG) profile<sup>1</sup>

Environment	Social	Governance
Resource management (e.g. raw materials consumption, carbon emissions, fuel efficiency)	Labour management	Management and supervision (supervisory boards and key person risk)
Efficiencies (e.g. in production)	Health and safety (e.g. staff and customers)	Clarity and transparency (clarity, quality and timeliness of financial disclosures, ability to communicate)
Product innovation (e.g. transition costs, substitution of products and services, green buildings, clean technology, renewables)	Clients and supply chain (geographical/product diversification)	Corporate structure (complexity)
Physical risks (e.g. business/asset vulnerability, diversification)	Regulatory and reputational risks	Stakeholder management (shareholder payouts and respect for creditor interests)

ESG factors: credit-positive credit-negative credit-neutral

We have not identified any company-specific ESG factors that have a substantial impact on credit risk.

ESG factors are credit-neutral

Tine is exposed to a series of ESG factors relevant to the food and beverage industry. These include environmental factors like carbon emissions, product waste and sustainable packaging, and social factors like health consciousness, product safety and sustainable supply chains.

Tine's ESG strategy includes defined commitments for 2030:

- All packaging must be recyclable and at least 10% use of recycled plastics
- A 42% reduction in greenhouse gas emissions (Scope 1 and Scope 2 emissions) relative to 2020 and a 30% reduction in milk suppliers' greenhouse gas emissions (Scope 3 emissions) for milk purchased in Norway.
- Reduction of Tine's own food waste by 25% between 2025 and 2030, as measured by volume, as well as continued efforts to support reductions in its value chain. This is part of the company's commitment to "Bransjeavtalen", an agreement coordinated by the Norwegian Ministry of Agriculture and Food, aiming to reduce food waste in Norway by 50% between 2015 and 2030.

In terms of social factors, Tine aims to support a healthier diet through product innovation, including the reduced use of saturated fat and sugar. Other initiatives include frameworks to support animal welfare as well as responsible sourcing.

Longer-term risks specific to Tine include changes in consumers' perception of animal-based agriculture and the health effects of dairy, as well as any changes in the government's commitment to sustaining dairy farming in Norway.

<sup>1</sup> These evaluations are not mutually exclusive or exhaustive as ESG factors may overlap and evolve over time. We only consider ESG factors that are credit-relevant, i.e. those that have a discernible, material impact on the rated entity's cash flow and, by extension, its credit quality.

## 7. Business Risk Profile: BBB

Tine's business risk profile assessment has not changed since the last rating review, reflecting an industry risk of A and a weaker competitive positioning of BBB-. The company's competitive positioning benefits from its good market position, supported by its domestic dairy operations. It is constrained by weaker diversification and profitability.

Unchanged business risk profile

Tine's business risk profile is mainly driven by its commercial business rather than its regulatory activities through the entity Norsk Melkeråvare.

We assess industry risk at A due to Tine's exposure to the food and beverages sector, mainly dairy. These are non-discretionary consumer products with low cyclicalities, medium entry barriers and low substitution risk.

Industry risk of A

Tine has a leading presence in the Norwegian dairy market as a national cooperative and the largest producer of dairy products. In 2025, Tine accounted for 57.7% of the volumes and 56.3% of the value in the Norwegian grocery market for dairy products, which is its largest market segment. This is relatively stable compared to 2020-2024, when volumes ranged from 57.8% to 58.6% and value from 55.3% to 56.8%.

Leading presence in domestic dairy

Tine held a government-protected monopoly in Norway until 1996 and has since then faced increased competition. Notable new entrants include Q-Meieriene, Synnøve Finden and Rørosmeieret. Growing imports, especially of cheese, have also reduced Tine's market shares.

From monopoly to competition

Tine and its domestic competitors benefit from regulations aimed at sustaining Norwegian agricultural production. One important measure is tariffs, designed to limit imports of agricultural products, such as dairy, based on their sensitivity to international competition and the extent of domestic production.

Support from agricultural regulations

**Figure 1: Simplified illustration of Norwegian import protection for agricultural products**

High tariff	Medium tariff	Low/no tariff	
Meat	Potatoes	Baked goods	Mineral water
Dairy	Vegetables	Pizzas, pies	Tropical fruits
Cereals	Fruit and vegetables	Jam	Sugar
Eggs		Soups, sauce	Rice, corn, soy
		Chocolate	Coffee, tea
		Ice cream	Leather
<i>Sensitive products</i>	<i>In Norwegian season</i>	<i>Processed agricultural products</i>	<i>No tariffs</i>

Source: Norwegian Ministry of Agriculture and Food, Scope

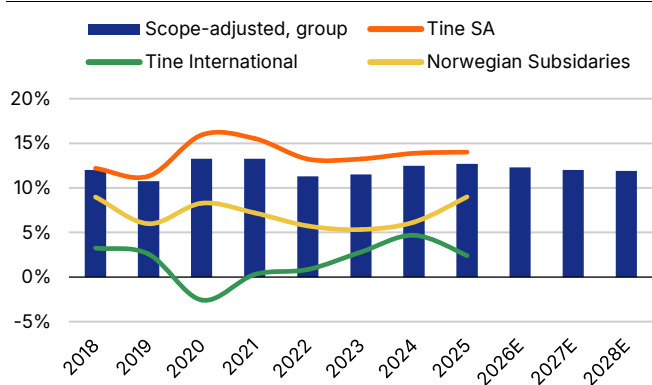
Other support measures for the agricultural industry include subsidies and a regulated environment for production volumes and prices of agricultural commodities such as meat, dairy, grains and eggs. Tine acts as a market regulator for milk through the entity Norsk Melkeråvare, under a mandate from the Norwegian Agriculture Agency. This involves quality control and market balancing to ensure that Tine's commercial business and other dairies can purchase milk commodities at the regulated price. Norsk Melkeråvare is separated from Tine's commercial business and operates on a non-profit basis.

We view the regulatory support provided for the Norwegian dairy industry as partly mitigating Tine's lack of international market share.

Tine generates more than 80% of revenues in Norway. Remaining revenues mainly come from Europe and North America, where Jarlsberg cheese is its largest brand. In recent years, the company has also offered more products from the Norwegian portfolio in other Scandinavian markets and created a small presence in Asia. This is challenging, however, as competition in these markets from established brands, both local and foreign, is high, and Tine does not have the same brand recognition as in its home market, Norway.

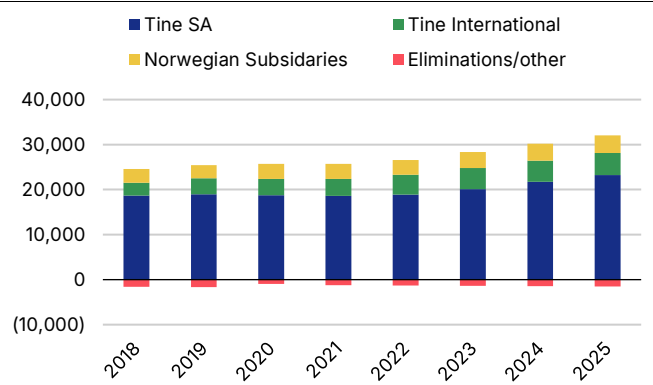
International presence

**Figure 2: EBITDA margin**



Source: Tine, Scope estimates

**Figure 3: Revenues by business line, NOK m**



Source: Tine, Scope

Domestically, Tine has a wide network of 29 dairy plants and four terminals. The network ensures proximity to cooperative farms and limits concentration risks. Tine has reduced its number of dairy plants in recent years. This and other projects related to capacity optimisation and product innovation should support future competitiveness.

Country-wide network

Tine has an adequate supplier base with direct access to feedstock from more than 6,200 cooperative farms in Norway. However, customer concentration is relatively high, with a few grocery chains making up around two-thirds of the company's domestic sales.

Relatively high customer concentration

The company's product offering and mix are moderate, mainly hampered by the focus on dairy. However, this is counterbalanced by its wide product portfolio and presence in all dairy sub-categories as well as some exposure to non-dairy food and beverages.

Moderate diversity of products, with focus on dairy

Nevertheless, the reliance on the Norwegian market results in moderate overall diversification despite extensive diversification in a domestic context.

Reliance on the Norwegian market constrains diversification

Tine's profitability, while moderate, has been relatively stable. Scope expects the company's EBITDA margin\* to remain at around 12% over the next few years, in line with the previous range of 11%-13% observed over 2018-2025. Tine's margin is mainly supported by Tine SA, the domestic dairy unit. Tine International and Norwegian Subsidiaries continue to constrain group profitability, with lower and less stable margins.

Moderate profitability

Tine has a portfolio of over 30 brands. Many of the brands hold strong positions in the Norwegian market, for example, TINE, Litago, Jarlsberg, Norvegia, Go' morgen, YT, Biola, Sunniva, IsKaffe, Piano, isTe, Østevindand Snøfrisk. Its products are associated with good quality and being rooted in local traditions and preferences. Given sustainability trends and greater health consciousness, we expect Tine to continue renewing and developing its product portfolio to retain the strength of its brands.

Good brand strength

**8. Financial Risk Profile: A+**

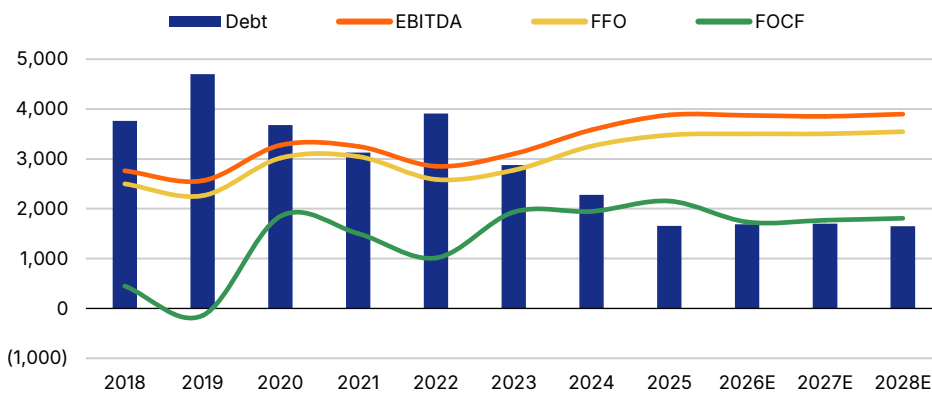
Tine's financial risk profile continues to support the issuer rating with strong credit metrics and ample financial headroom.

Strong credit metrics

Robust EBITDA performance and good cash flow generation have enabled Tine to fundamentally reduce debt in recent years, in the absence of major investments. Scope-adjusted debt was NOK 1.7bn at YE 2025, down from NOK 2.3bn at YE 2024 and NOK 2.9bn at YE 2023. The debt reduction has resulted in low leverage, with debt/EBITDA of 0.4x and funds from operations(FFO)/debt of 210% at YE 2025. At the same time, EBITDA/interest cover and free operating cash flow(FOCF)/debt were 32x and 130%, respectively.

Reduced debt

**Figure 4: Scope-adjusted debt and cash flows, NOK m**



Source: Tine, Scope estimates

We expect credit metrics to remain strong over the next few years, supported by stable operating performance with annual EBITDA of NOK 3.8bn-NOK 3.9bn. We project higher capex under Tine’s IMPACT 2030 strategy, launched in 2025, with an increase to around NOK 1.5bn annually in 2026-2028, up from NOK 0.8bn-NOK 1bn annually in recent years. The company plans investments to optimise dairy infrastructure, meet ESG-related objectives and requirements, and advance IT and technology projects, including a mandatory and time-sensitive transition to a new ERP system, as the current solution will no longer be supported from 2030. Based on these capex levels, as well as the maintenance of subsequent payments to owners (assumed at 85% of net income/upper range of payout policy), we expect debt levels to remain fairly stable, with debt/EBITDA of around 0.5x and FFO/debt above 200%.

Capex and subsequent payments to owners to limit further debt reduction

Nevertheless, Tine’s financial policy target of maintaining leverage (net interest-bearing debt/EBITDA based on the company’s definition) below 2x limits further upside to the financial risk profile. This reflects the risk that Tine could use available leverage headroom, e.g. for additional capex or bolt-on acquisitions.

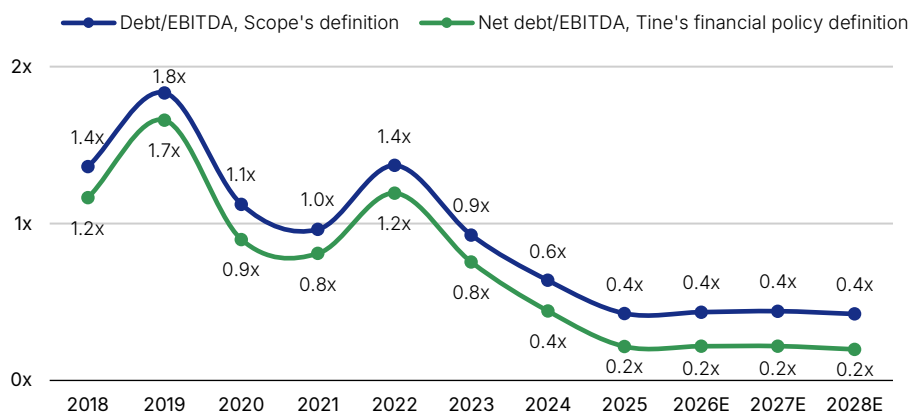
Financial policy constrains assessment

### 9. Supplementary Rating Drivers: +/- 0 notches

Supplementary rating drivers have no impact on the issuer rating. However, Tine’s financial targets allow for higher debt than the current level, which is a key rating driver as it restricts our financial risk profile assessment. The company is committed to maintaining leverage (reported net interest-bearing debt/EBITDA) below 2x and has historically stayed well within that threshold. Tine makes subsequent payments to cooperative members, which we see akin to dividends. It aims to pay between 50% and 85% of net profit, subject to an equity ratio of over 45%. These targets provide comfort regarding the expected upper level of leverage.

Supplementary rating drivers have no impact on the issuer rating

**Figure 5: Comparison of Tine's definition of net interest-bearing debt/EBITDA and Scope-adjusted EBITDA leverage**



Source: Tine, Scope estimates

We have made no adjustments based on the company's structure as a cooperative owned by its members. The members are paid for milk sold to Tine and take part in the value added through the company's operations by receiving part of its profit through the subsequent payment policy. In addition, we note that a potential exit of cooperative members in a greater number would not trigger a major liquidity event, given the very low capital investment per member (each owns one share only, with a nominal value of NOK 500).

Liquidity is adequate, supported by NOK 1.8bn of available cash and an undrawn amount of NOK 0.8bn from the company's committed revolving credit facility (maturing in 2031) at YE 2025, as well as robust cash flow generation. This amply covers debt maturities of NOK 0.9bn in 2026 and slightly over NOK 0.1bn in 2027, both at YE 2025. Tine has not issued new debt this year and we understand it plans to repay the 2026 maturities with internal liquidity.

Liquidity: adequate

**Table 1: Liquidity sources and uses (in NOK m)**

	2025	2026E	2027E
Unrestricted cash (t-1)	1,366	1,875	1,014
Open committed credit lines (t-1)	811	856	856
FOCF (t)	2,154	1,734	1,770
Short-term debt (t-1)	366	858	140
<b>Liquidity</b>	<b>&gt;200%</b>	<b>&gt;200%</b>	<b>&gt;200%</b>

Source: Tine, Scope estimates

## 10. External Rating Drivers: +/- 0 notches

We have made no adjustments related to external rating drivers.

## 11. Debt ratings

The senior unsecured debt rating is A-, aligned with the issuer rating.

Senior unsecured debt rating: A-

The S-1 short-term debt rating is based on the A-/Stable issuer rating, and is supported by ample liquidity cover, as well as good access to financing from banks and in the domestic bond market.

Short-term debt rating: S-1

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