



# Second half-year 2017

Bergen 8 February 2018





## Highlights 2HY 2017

---

- Total loss of NOK 45,5 million (loss of NOK 195,5 million in 2HY 2016)
  - Fleet utilisation of 87 percent (70 percent in 2HY 2016)
  - Subsea restructuring process concluded
  - Continued challenging market
-

## Highlights 2HY 2017 – Contract updates

---

- One year extension of the bare boat charter for the “Ernest Shackleton” until August 2019.
- Extension of the time charter agreement with Nexans Skagerrak AS (Nexans) for the “Polar King” until August 2019.
- The time charter with Senvion GmbH for the «Polar Queen» commenced in March 2017 was extended until early December 2017.
- The four-month contract for the «Polar Onyx» commenced in March 2017 was extended one month until the end of August 2017.

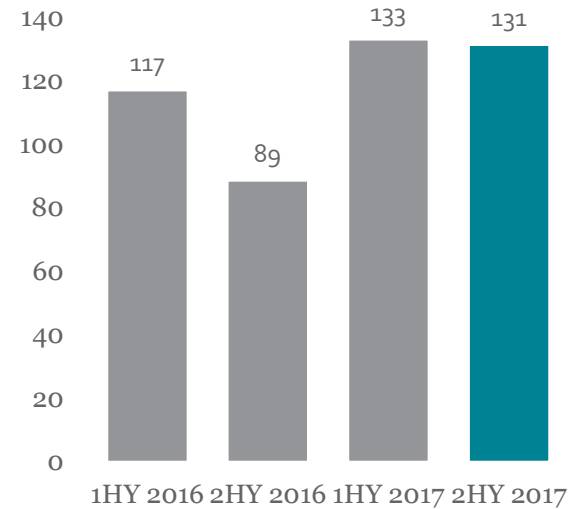
### Contract updates after the end of the period:

- A time charter agreement with Deepocean BV for the SURF vessel «Polar Onyx» have been entered into for for a fixed period of three years, with options to extend by up to two years.
-

## 2HY 2017 - Key financial figures continuing operations

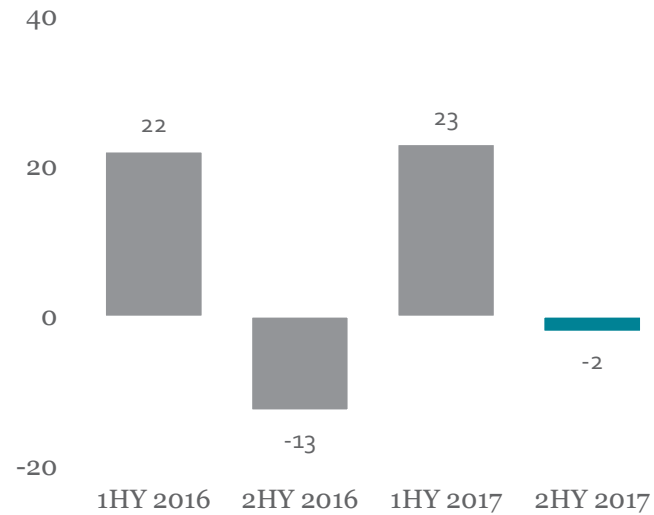
### REVENUES

NOK million



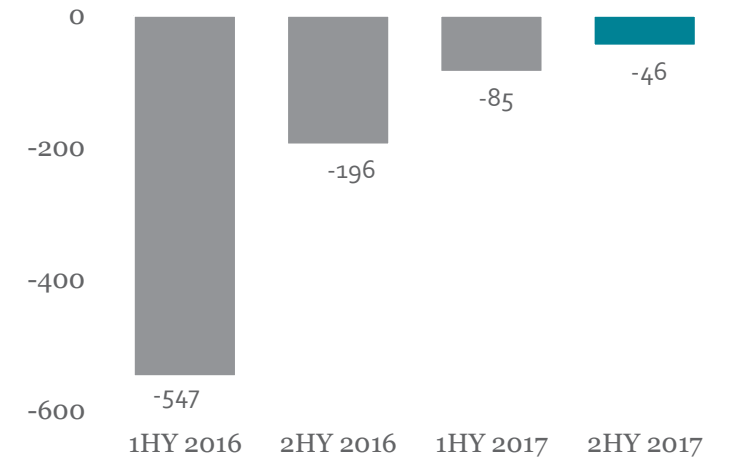
### EBITDA

NOK million



### NET PROFIT

NOK million



## Balance sheet per 31.12.2017

NOK million

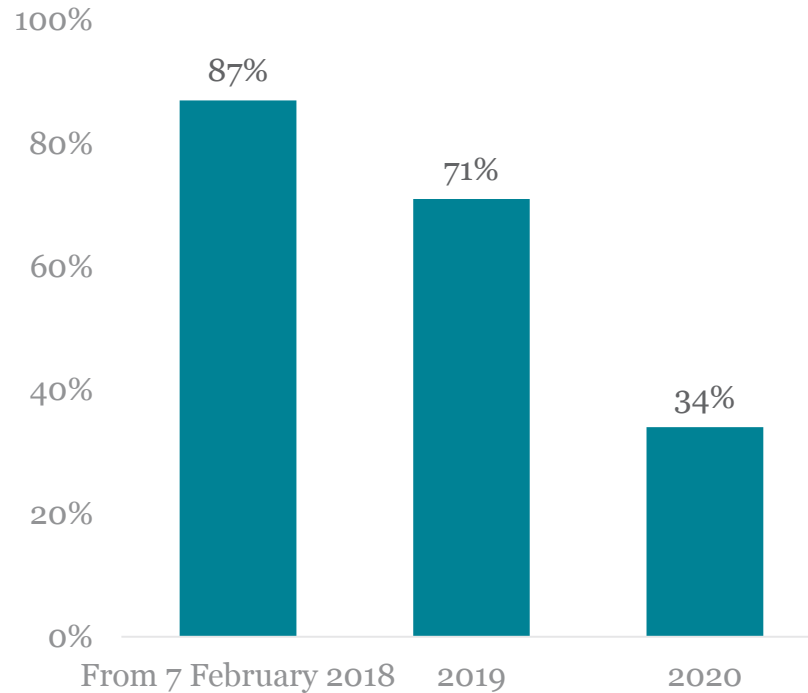


- Total balance NOK 2 446.6 million
- Equity ratio 46.6 percent
- Cash position NOK 107.7 million, including restricted cash of NOK 56.7 million
- Long term receivables include restricted cash of NOK 61.5 million
- Net debt NOK 1 123.1 million

## Total contract backlog of MNOK 569 million\* per 7 February 2018

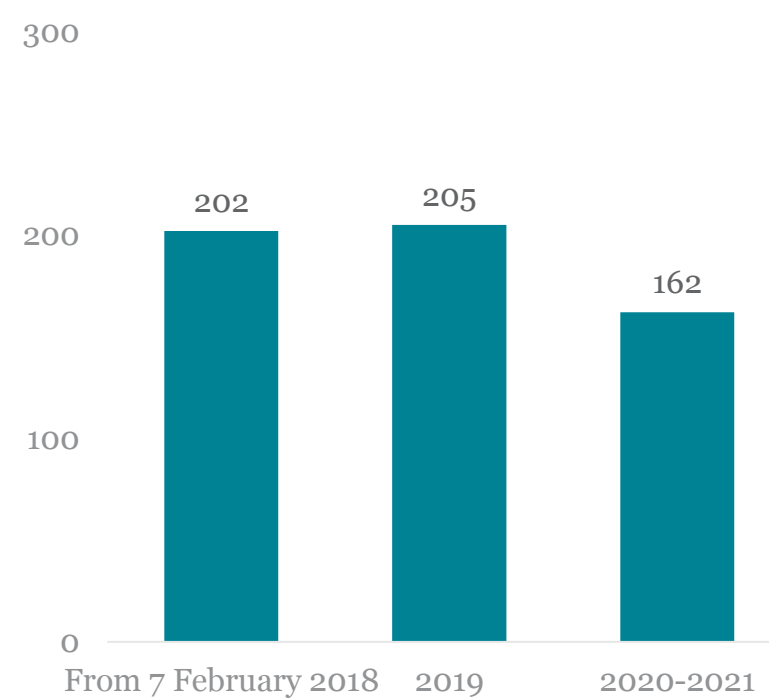
### CONTRACT COVERAGE\*

Utilisation rate



### CONTRACT BACKLOG\*

NOK million



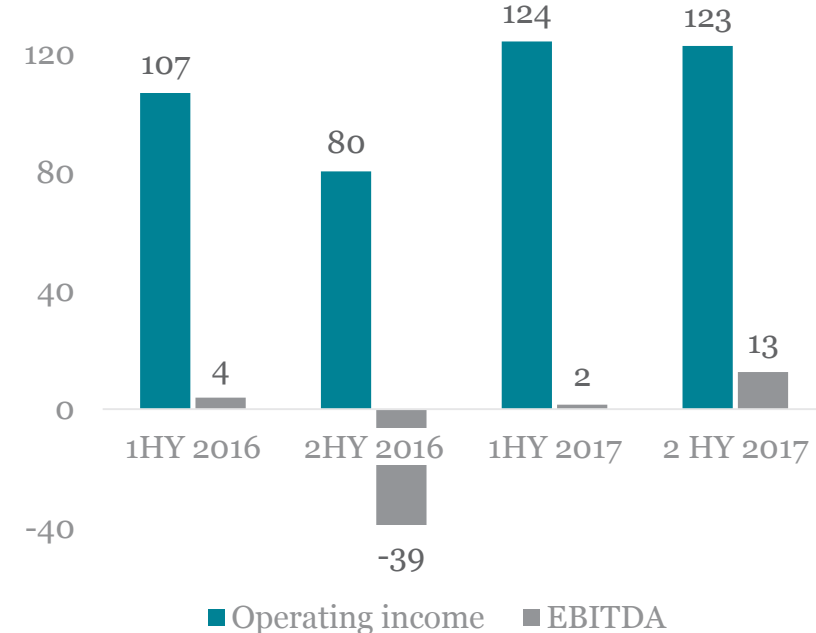
\*Including ice/support segment  
 Excluding marine seismic segment  
 Excluding options

## Subsea Segment

- Fleet utilisation of 72 percent in 2HY 2017, compared with 37 percent in 2HY 2016
  - «Polar King» on charter for the entire period
  - «Polar Queen» on charter from March 2017 until December 2017
  - «Polar Onyx» on charter from March 2017 until August 2017
- Market
  - Continued challenging market
  - «Polar King» on firm charter until August 2019
  - «Polar Onyx» on firm charter for three years from February 2018, with options for two more years.
  - «Polar Queen» currently idle, efforts ongoing to secure new charters

### KEY FIGURES

NOK million

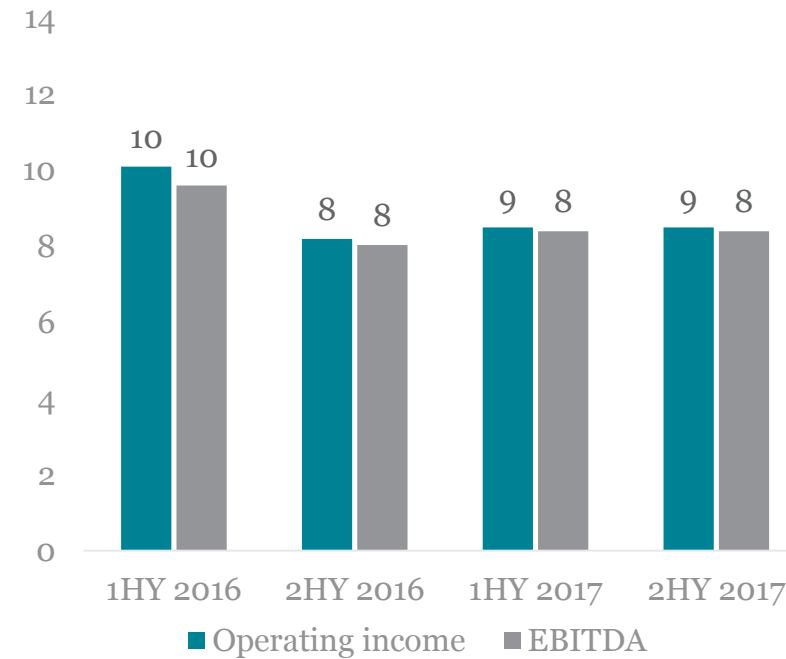


## Ice/Support Segment

- Fleet utilisation of 100 percent in 2HY 2017, compared with 100 percent in 2HY 2016
  - «Ernest Shackleton» on bareboat charter to British Antarctic Survey until August 2019
- Market
  - Stable development

### KEY FIGURES

NOK million

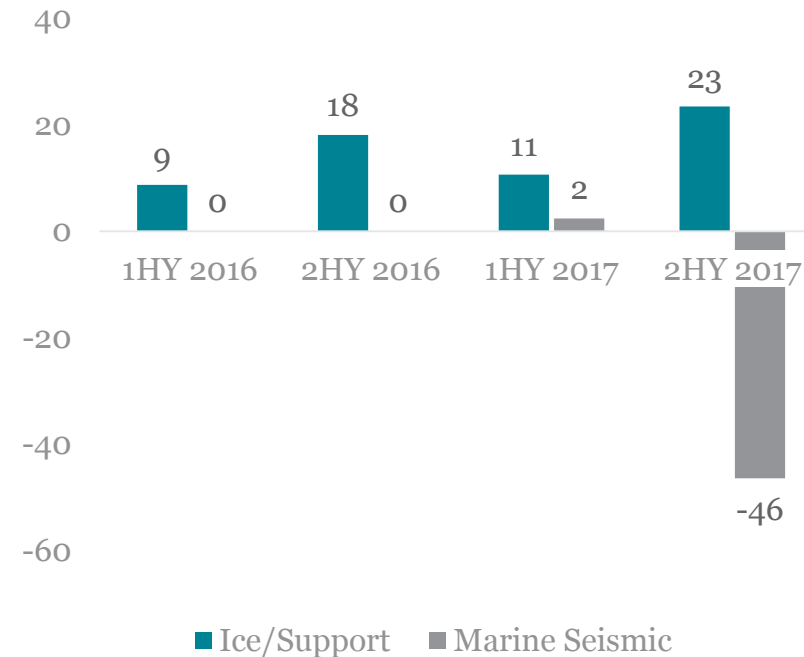




## Joint Ventures

- Ice/Support
  - Fleet utilisation of 100 percent in 2HY 2017
  - «Polar Pevek» on charter to Exxon Neftegas until 2021
  - «Polar Baikal» and «Polar Piltun» on charter to Sakhalin Energy Investment Corporation until end of 2019
  - Share of profit of NOK 23 million
- Marine Seismic / Shearwater GeoServices
  - Following an industry wide tough fourth quarter 2017, Shearwater achieved a fleet utilization of 67 percent for 2HY 2017. Shearwater performed better than expected in 2017 and is well positioned for 2018 following recently awarded contracts.
  - Share of profit negative NOK 46 million in 2HY 2017
  - «Polar Duke» cold stacked

SHARE OF  
PROFIT  
NOK million



## Liquidity and financing

---

- The proposed Rights Issue of NOK 100 million announced 21 December 2017 was successfully resolved in the Extraordinary General Meeting 26 January 2018.
  - The Rights Issue, combined with certain debt amendments agreed with the lending banks, will strengthen the competitive position of GC Rieber Shipping's subsea operations going forward.
  - In combination with the successful establishment of Shearwater GeoServices AS in December 2016, this concludes the refinancing processes initiated during the spring of 2016.
-

## Outlook

---

- Market view short term
    - In January 2018, the oil price has averaged above USD 65 per barrel. As a result, most oil and gas companies are again yielding positive cash flows, and a certain investment appetite has returned. However, the strong recovery in US onshore shale drilling and production constitutes a certain downward risk for the oil price.
    - Overall fleet utilisation shows sign of increasing, but as of yet limited or no pick-up on rates
  - Expected trends in segments
    - Subsea: Some uptick in activity, but continued rate pressure
    - Marine Seismic: Improvement in activities, but continued rate pressure
    - Ice/support: Stable and unchanged activities and rates
-

## Appendix: Income statement 2HY 2017

NOK mill	2HY 2017	2HY 2016	31.12.2017	31.12.2016
<b>Operating income</b>	<b>131.3</b>	<b>88.5</b>	<b>264.1</b>	<b>205.5</b>
EBITDA	-2.0	-12.5	21.0	9.7
<b>EBIT</b>	<b>-29.9</b>	<b>-181.3</b>	<b>-90.0</b>	<b>-303.9</b>
Net financial income and expenses	-16.1	-18.0	-40.1	-53.1
Profit before tax	-46.0	-199.3	-130.6	-357.0
<b>Net profit from continued operations</b>	<b>-45.5</b>	<b>-202.8</b>	<b>-130.1</b>	<b>-360.6</b>
Profit from discontinued operation	0.0	7.4	0.0	-382.3
<b>Profit for the period</b>	<b>-45.5</b>	<b>-195.5</b>	<b>-130.1</b>	<b>-162.0</b>
Normalized profit before tax (1)	-81.3	-72.7	-142.1	-162.0
Earnings per share	-1.04	-4.48	-2.98	-17.02

(1) Profit bef. tax adjusted for unrealised currency gains/losses, profit from disposals and write-downs.

## Disclaimer

---

This half-year presentation includes and is based, inter alia, on forward-looking information and statements that are subject to risks and uncertainties that could cause actual results to differ. Such forward-looking information and statements are based on current expectations, estimates and projections about global economic conditions, the economic conditions of the regions and industries that are major markets for GC Rieber Shipping ASA and its subsidiaries. These expectations, estimates and projections are generally identifiable by statements containing words such as "expects", "believes", "estimates" or similar expressions. Important factors that could cause actual results to differ materially from those expectations include, among others, economic and market conditions in the geographic areas and industries that are or will be major markets for GC Rieber Shipping's businesses, oil prices, market acceptance of new products and services, changes in governmental regulations, interest rates, fluctuations in currency exchange rates and such other factors as may be discussed from time to time. Although GC Rieber Shipping ASA believes that its expectations and the information in this Presentation were based upon reasonable assumptions at the time when they were made, it can give no assurance that those expectations will be achieved or that the actual results will be as set out in this Presentation. GC Rieber Shipping ASA nor any other company within the GC Rieber Shipping Group is making any representation or warranty, expressed or implied, as to the accuracy, reliability or completeness of the information in the Presentation, and neither GC Rieber Shipping ASA, any other company within the GC Rieber Shipping Group nor any of their directors, officers or employees will have any liability to you or any other persons resulting from your use of the information in the Presentation. GC Rieber Shipping ASA undertakes no obligation to publicly update or revise any forward-looking information or statements in the Presentation.

---