

GC Rieber Shipping ASA - First Quarter 2019

Bergen 14 May 2019

Agenda

- Highlights Q1 2019
- Operational review
- Financial review
- Outlook and summary



Highlights Q1 2019

- Total loss of NOK 104.5 million, compared with a loss of NOK 59.1 million in Q1 2018
- Fleet utilisation of 84% ¹
- Contract backlog of NOK 374 million as of 1 April 2019 ²
- Contract coverage of 67% for the remaining of 2019 ²
- Ship management contract signed with Statnett for technical management of two vessels

Post-quarters events

- Sale of Ernest Shackleton with positive cash effect of NOK ~140 million on 9 May 2019

¹ Excluding marine seismic

² Excluding options and marine seismic



Contract updates

Highlights Q1 2019

- Ship management contract signed with Statnett for technical management of two vessels
- Shearwater GeoServices («Shearwater») awarded several contracts for 3D and 4D marine seismic acquisition projects. The contracts include projects for clients such as Equinor, TGS, Aker BP and TPAO

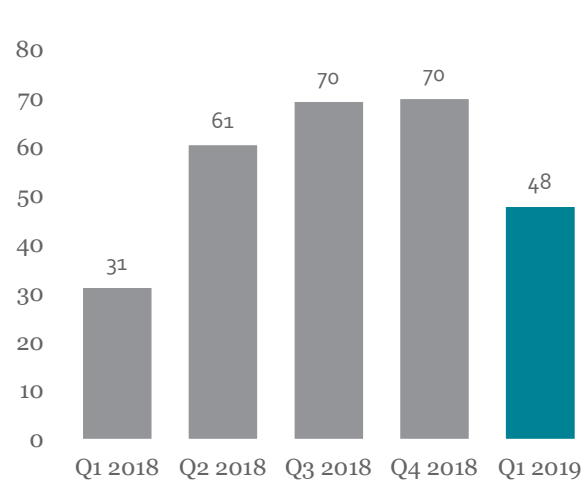
Contract updates after the end of the period

- Shearwater awarded several new marine seismic contracts, increasing the active fleet from three to minimum nine active acquisition vessels during the first half of 2019
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Highlights Q1 2019 - Key financial figures

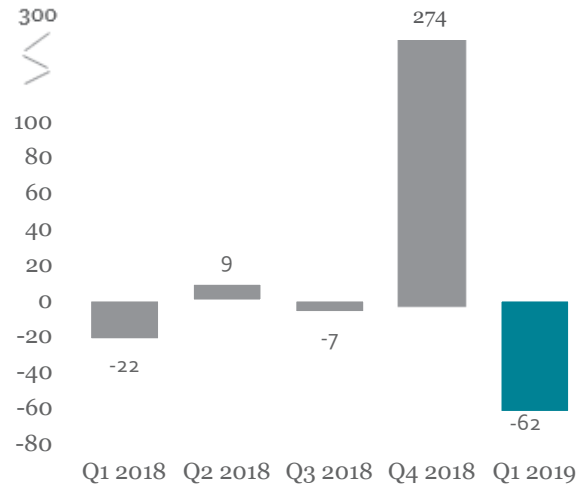
REVENUE

NOK million



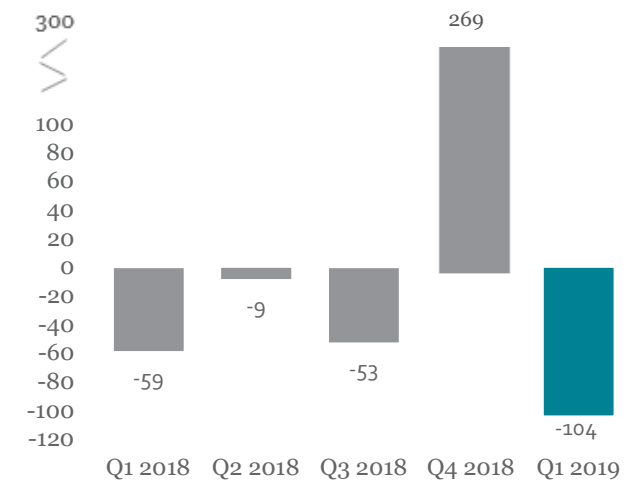
EBITDA*

NOK million



NET PROFIT

NOK million



*Includes profit and losses from Joint Ventures

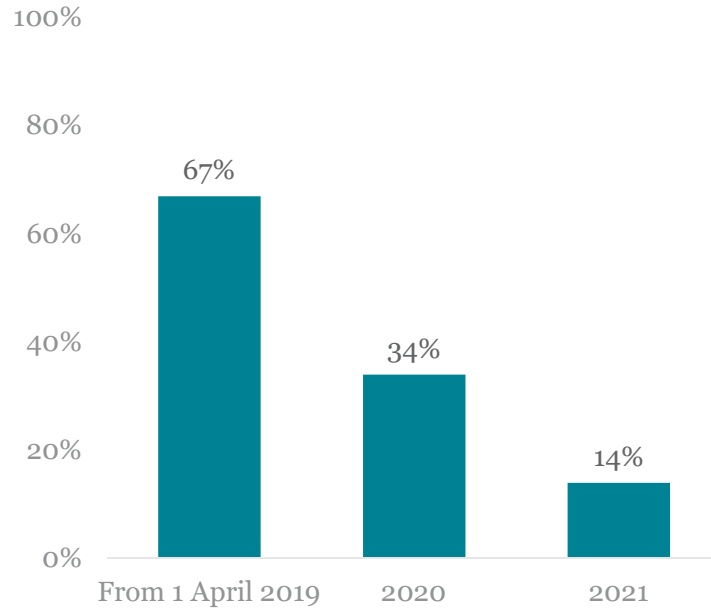
Operational Review

Q1 2019

Total contract backlog of NOK 374 million* per 1 April 2019

CONTRACT COVERAGE*

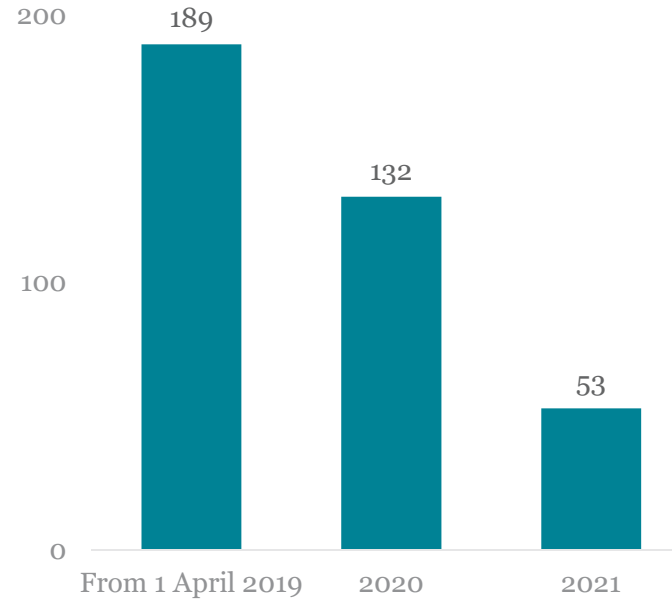
Utilisation rate



*Excluding marine seismic
Excluding options

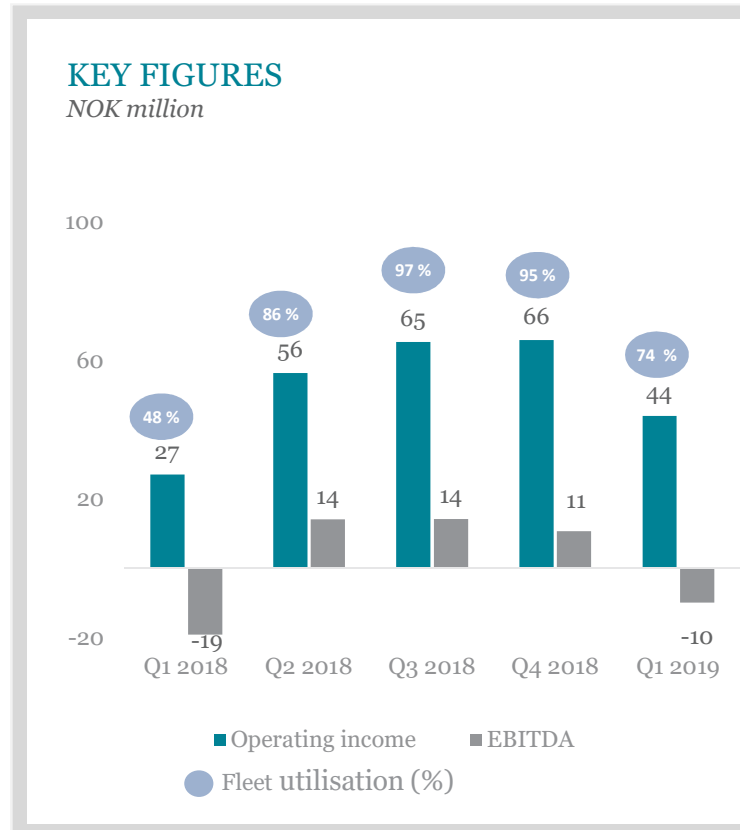
CONTRACT BACKLOG*

NOK million



Subsea Segment

- Fleet utilisation of 74% in Q1 2019 (48%)
 - Polar King on charter for the entire period
 - Polar Onyx in dry dock until February
 - Polar Queen on charter for two of three months
- Outlook
 - Polar Onyx on a fixed charter with DeepOcean until Q1 2021, with options for two more years
 - Polar King on fixed charter with Nexans until end August 2019
 - Polar Queen employed until September 2019



Polar Onyx

- SURF vessel, built 2014
- LOA: 130m
- Crane: 250mt
- VLS-tower: 275mt
- Accommodation: 130

DEEPOCEAN



Polar King

- CSV vessel, built 2011
- LOA: 111m
- Crane: 150 mt
- Accommodation: 112

Nexans

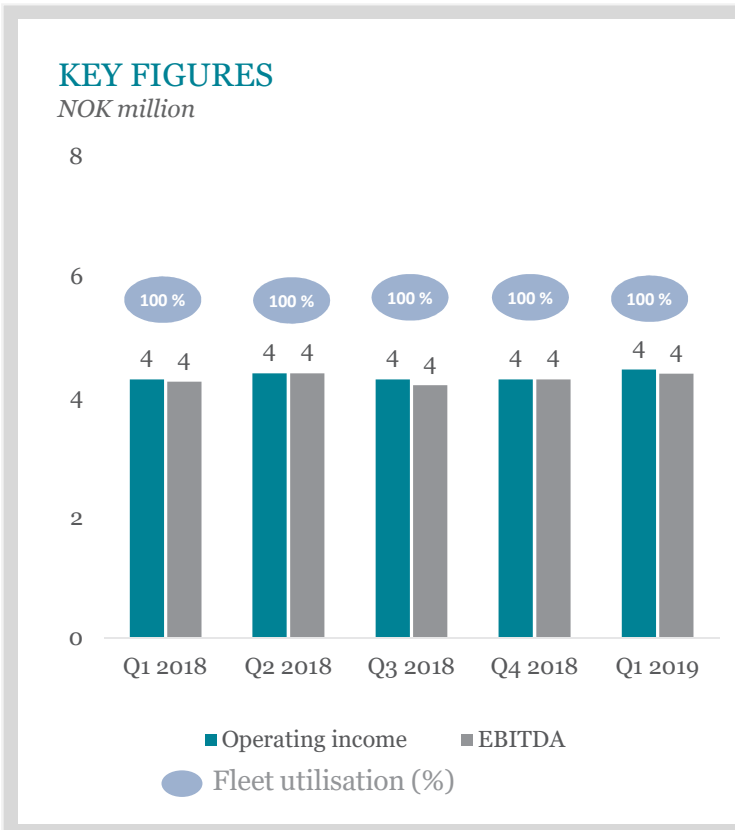


Polar Queen

- CSV vessel, built 2011
- LOA: 111m
- Crane: 150 mt
- Accommodation: 119
- Undisclosed client

Ice/Support Segment

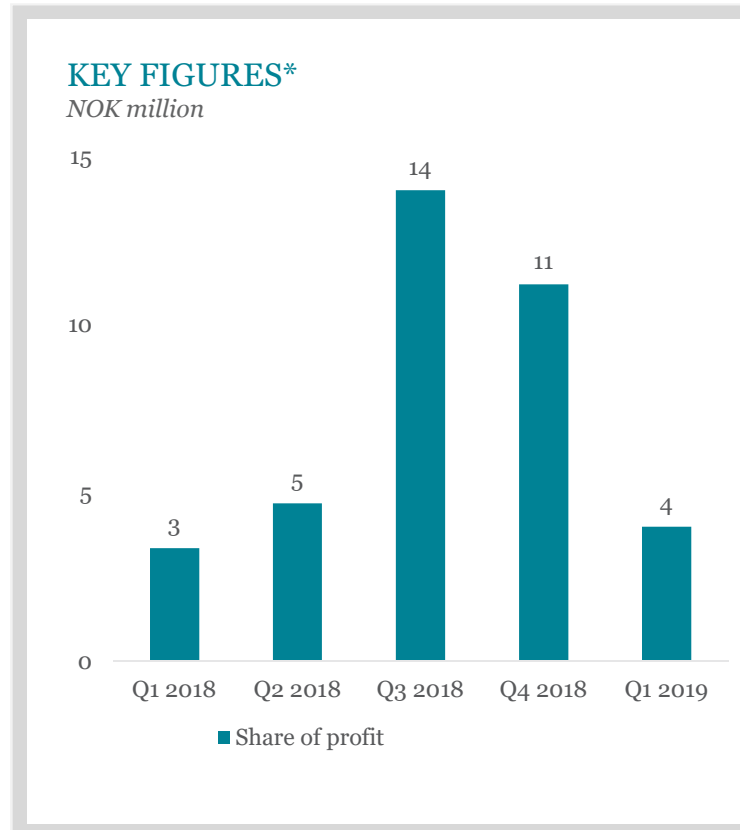
- Fleet utilisation of 100% in Q1 2019 (100%)
 - Vessel on bareboat charter to British Antarctic Survey until redelivery end April 2019
 - Sale of Ernest Shackleton to Istituto Nazionale di Oceanografia e di Geofisica Sperimentale on 9 May 2019



Joint Ventures – Ice/Support

- Ice/Support
 - Fleet utilisation of 100% in Q1 2019 (97%)
 - Polar Pevek on charter to Exxon Neftegas (ENL) until 2021
 - Polar Baikal and Polar Piltun on charter to Sakhalin Energy Investment Corporation until end of 2019
 - Share of profit in Q1 2019 of NOK 4.2 million

* Polar Baikal and Polar Piltun only operate for half the year, the vessels are cold stacked in the winter season



Polar Pevek

- Ice breaking tug with towing anchor handling capacity
- LOA: 74m
- Oil spill drip tray and oil containment system installed



Polar Baikal

- Crew supply vessel
- LOA: 29m
- Used for crew transport between shore and installation in North Eastern Russia
- Pax: 70



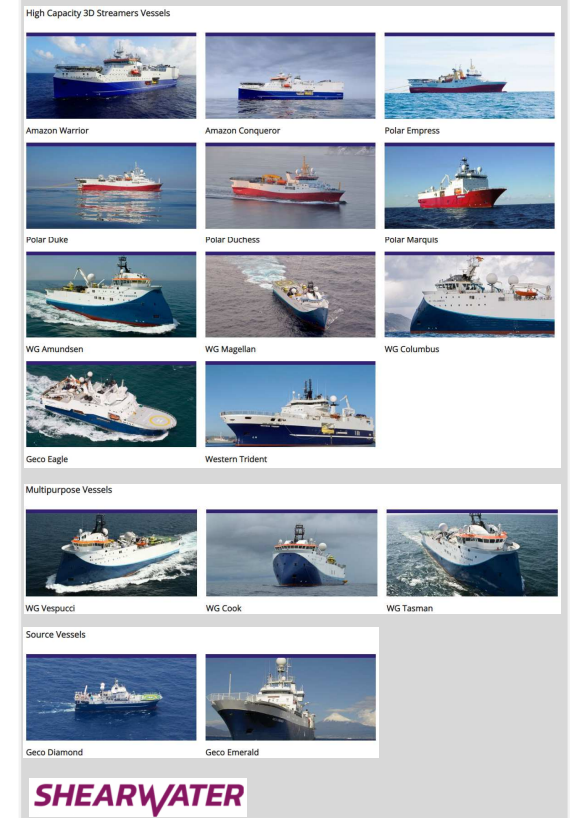
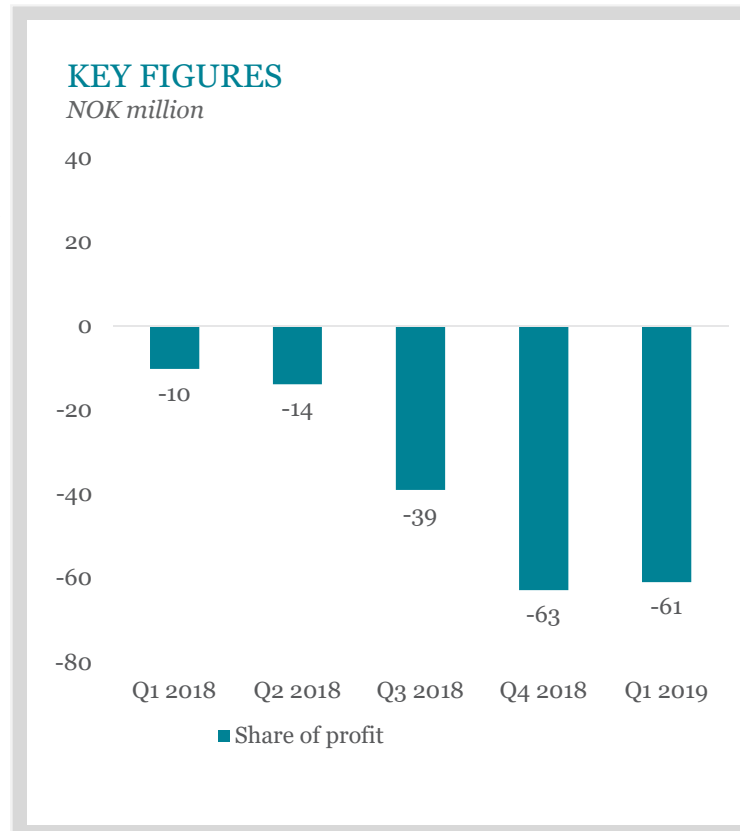
Polar Piltun

- Crew supply vessel
- LOA: 35m
- Used for crew transport between shore and installation in North Eastern Russia
- Pax: 70



Associated company– Marine Seismic (Shearwater)

- Marine Seismic (Shearwater)
 - 72% fleet utilisation in Q1 2019 for active vessels
 - Shearwater’s fleet counts 14 acquisition vessels
 - Reactivation of vessels for the summer season
 - GC Rieber Shipping’s Q1 2019 share of profit was negative NOK 60.9 million
- Outlook
 - Operational ramp-up increasing the active fleet from three to nine vessels in first half of 2019
 - Strong back-log for active vessels in Q2 and Q3



Financial Review

Q1 2019

Income statement

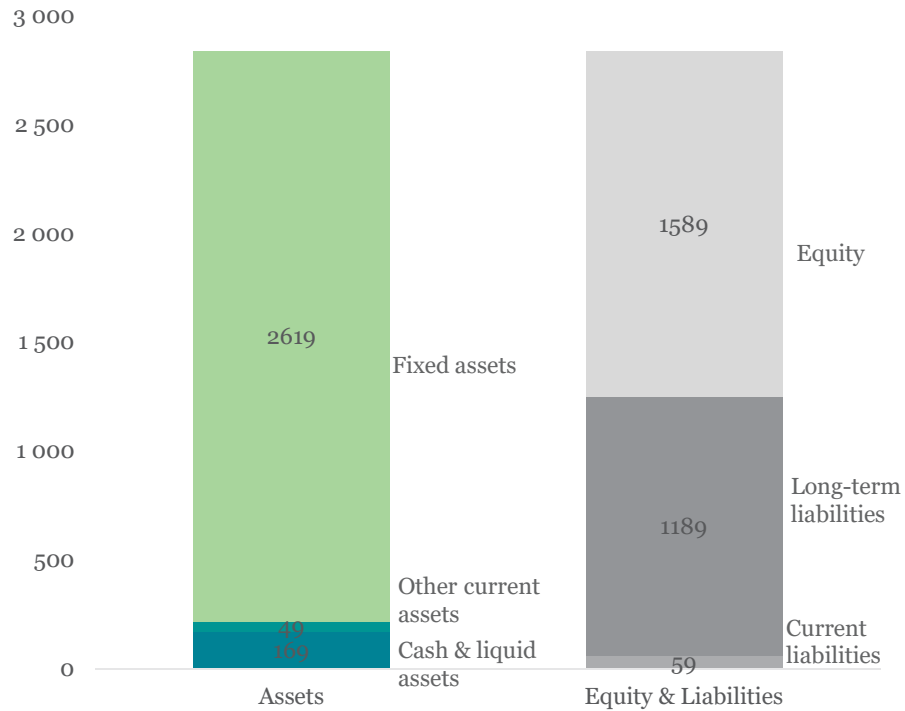


NOK mill	Q1 2019	Q1 2018	31.12.2018
Operating income	48.1	31.4	231.9
EBITDA	-62.1	-21.6	254.9
Operating profit	-92.4	-50.7	200.7
Net financial income and expenses	-12.1	-8.4	-52.6
Profit before tax	-104.5	-59.1	148.0
Net profit	-104.5	-59.1	148.1
Earnings per share ⁽¹⁾	-1.21	-1.03	2.68

(1) Based on average number of shares

Balance sheet 31.03.2019

NOK million



- Total balance NOK 2,837 million
- Equity ratio 56.0%
- Cash position NOK 168.8 million
- Net debt NOK 1,043.6 million

Outlook and Summary

Q1 2019

- Short-term market view
 - The oil price has increased from USD 50 at the start of 2019 to USD 75 per barrel in April
 - The overall offshore market sentiment has become more positive, but improvements in market activity and market rates has been slower than expected
 - Expected market trends
 - Subsea: Slower-than-expected recovery in utilization and day rates
 - Renewables: Good activity levels for the summer season and increasing market rates due to limited vessel availability
 - Marine seismic: Several tender awards and improved activity levels and market rates
 - Ice/support: Stable and unchanged activities in a gradually improving market
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