



# GCRIEBER

## SHIPPING ASA



# Interim report third quarter 2014

5 November 2014

## Highlights in the third quarter 2014

- New three-year charter contract with Boa Marine Services Inc. for subsea vessel «Polar Queen»
- Solid contract backlog of NOK 3.2 billion, with average contract duration of 2.4 years
- High capacity utilisation of 99 percent for entire fleet, compared with 96 percent in the third quarter 2013
- Operating income up to NOK 240.7 million, from NOK 215.0 million in the third quarter 2013
- EBITDA margin of 52 percent, down from 59 percent in the third quarter 2013
- Profit before tax of NOK 47 million, compared with NOK 439 million the year before. Figures for 2013 include one-time effects of NOK 399 million.

## Highlights after the end of the period

- One-year extension of charter contract for the «RRS Ernest Shackleton» until august 2016

## Key figures

Figures in NOK million	3Q 2014	3Q 2013	YTD 2014	YTD 2013	31.12.2013
Operating income	240.7	215.0	623.0	569.9	745.5
EBITDA	124.8	126.5	309.9	309.8	375.4
EBIT	88.1	464.3	201.5	581.1	621.9
Profit before tax	48.7	459.3	134.3	429.3	361.4
Net profit in the period	47.0	439.0	131.7	444.5	371.0
Normalised profit before tax (1)	59.0	69.2	149.6	78.9	81.8
Earnings per share	1.08	10.06	3.02	10.18	8.50
Equity ratio	50.1 %	58.1 %	50.1 %	58.1 %	57.7 %
Fleet capacity utilisation	99 %	96 %	94 %	97 %	96 %

(1) Profit bef. tax adjusted for unrealized currency gains/losses, profit from disposals and write-downs (incl. write-downs in assoc.company).

(2) As at 1.1.2014, joint ventures are recognized in the accounts using the equity method. Figures for 3Q 2013 and 31.12.2013 are restated accordingly.

## Operational review

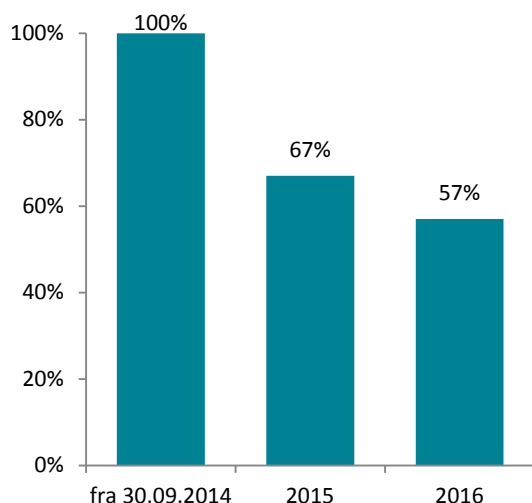
GC Rieber Shipping has a fleet of 11 vessels within the segments subsea, marine seismic and ice/support. In addition the company has one high-end 3D seismic vessel under construction at Kleven Verft scheduled for delivery in the first quarter 2015. The company also operates another two vessels.

### Capacity utilisation and contract backlog

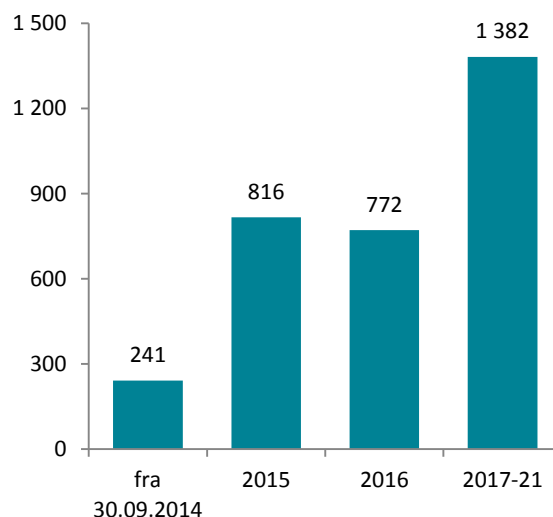
GC Rieber Shipping had solid and stable operations in the third quarter, with a fleet capacity utilisation of 99 percent, compared with 96 percent in the corresponding period 2013.

At the end of the quarter the company had a solid contract backlog of NOK 3.2 billion, with an average contract duration of 2.4 years. As shown in the table below, contract coverage for the fourth quarter 2014, 2015 and 2016 is 100 percent, 67 percent and 57 percent, respectively. All figures exclude charterers' extension options.

Contract coverage



Contract backlog (figures in MNOK)



The company's contract portfolio mainly consists of medium-term contracts, expected to contribute to stable earnings going forward. The company experiences a satisfactory demand for its fleet across all markets.

### Contract updates in the third quarter 2014

GC Rieber Shipping ASA has entered into a new charter agreement with Boa Marine Services Inc. (BMSI) for GC Rieber Shipping's CSV «Polar Queen». The new agreement is an extension of the existing contract and will take effect as at April 2015. The agreement includes an option on the part of BMSI for a three-year extension.

Expected delivery of the seismic newbuilding from Kleven Verft is first quarter 2015. The vessel will embark on a 5-year contract with Dolphin Geophysical upon delivery.

### Events after the end of the period

In October 2014 the British Antarctic Survey (BAS) declared its second option for a one-year extension of the charter contract for the «RRS Ernest Shackleton», effective August 2015.

## Financial review

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### Accounting principles

This interim report has been prepared in accordance with IAS 34 «Interim Financial Reporting» and follows the same accounting principles as in the annual financial statement.

Effective 1 January 2014, investments in jointly controlled entities will be recognised in the accounts using the equity method, as the proportionate consolidation method is no longer permitted (IFRS 11).

As a result of these changes, net share in the profit from joint venture entities will be reported on a line below operations as «profit from joint venture». Share of net assets (share of assets minus share of debts) will be reported on a line below financial assets in the balance sheet. Comparable figures from 2013 have been altered.

### Operating income

The group had operating income of NOK 240.7 million in the third quarter 2014, up 12 percent from NOK 215.0 million in the third quarter 2013. This development is mainly due to an increased number of vessels in operation since the delivery of the newbuilding «Polar Onyx» in March 2014.

### Operating profit

EBITDA for GC Rieber Shipping amounted to NOK 124.8 million in the quarter, yielding an EBITDA margin of 51.8 percent. For the third quarter 2013 EBITDA was NOK 126.5 million and EBITDA margin 58.8 percent. This reduction is mainly due to the termination of the charter contract in Great Britain (UK Tax Lease) for the «Ernest Shackleton» that yielded a positive one-time effect of NOK 22.7 million in the third quarter 2013.

### Net financial items

Net financial items were negative by NOK 39.4 million in the third quarter, compared with a negative NOK 5.0 million in the corresponding quarter 2013. This change is mainly due to unrealised currency loss and increased financial expenses as a result of additional vessels.

The group currently does not use hedge accounting in connection with exchange rates. As a result, exchange rate variations between USD and NOK can have a relatively substantial impact on the accounts, in accordance with IAS 39. Unrealised currency gain/loss has no cash effect for the group.

A weakening of NOK against USD in the quarter resulted in NOK 10.3 million in unrealised currency loss, compared to unrealised currency loss of NOK 1.5 million in the third quarter 2013. Included is a negative development in the market value of the group's portfolio of financial instruments amounting to NOK 16.9 million in the third quarter of 2014, compared to a correspondingly negative development of NOK 7.9 million in the third quarter of 2013.

### Profit in the period

GC Rieber Shipping had a profit of NOK 47.0 million in the third quarter, compared with a profit of NOK 439.0 million in the corresponding period 2013. The profit in the third quarter 2013 is mainly due to a booked gain from the sale of the «HMS Protector» in September 2013.

### Cash flow

Cash flow from operational activities for the first nine months of the year was positive by NOK 298.8 million, compared with NOK 358.1 million as at 30 September 2013. Cash flow from investment

activities was negative by NOK 848.8 million, compared with a positive NOK 325.1 million in the corresponding period 2013. During the period investments were made relating to the delivery of the subsea vessel «Polar Onyx», while the sale of the «HMS Protector» yielded a substantial gain in 2013. Cash flow from financing activities was positive by NOK 299.1 million, and is related to the drawing of new loans as well as payment of interests and instalments on the group's existing loans. In addition, dividends amounting to NOK 174.8 million were paid in the period.

Net cash flow was negative by NOK 250.9 million, yielding a cash holding of NOK 422.4 million as at 30 September 2014.

### Liquidity and financing

In the third quarter 2014 the group paid NOK 61.6 million in ordinary loan instalments. The average remaining duration of the group's loan portfolio is 3.1 years. At the end of the third quarter 2014 instalments on long-term liabilities for the next 12 months amount to a total of NOK 218 million.

Interest-bearing liabilities	3Q 2014	3Q 2013	YTD 2014	YTD 2013
Liabilities at end period (NOK million)	2,072.8	1,544.4	2,072.8	1,544.4
Average liabilities (NOK million)	2,106.0	1,593.0	1,994.6	1,719.8
Average interest incl. margin	3.68 %	3.79 %	3.64 %	3.82 %
Proportion of liabilities in USD	100 %	100 %	100 %	100 %
Proportion of liabilities in NOK	0 %	0 %	0 %	0 %

Liquid assets	30.09.2014	30.09.2013
Bank and interest-bearing securities (NOK million)	439.7	773.5
Available through credit facility (NOK million)	250.0	250.0

At the end of the third quarter 2014, GC Rieber Shipping had a liquid assets of NOK 439.7 million, compared with NOK 773.5 million as at the end of the third quarter 2013. Net liabilities (liquid assets minus interest-bearing liabilities) amounted to NOK 1,644.4 million, compared with net liabilities of NOK 753.0 million as at the end of the third quarter 2013. This is in keeping with the company's strategy to maintain a liquidity situation and gearing that secure room for manoeuvre.

### Equity

GC Rieber Shipping had a booked equity of NOK 2,271.8 million as at 30 September 2014, corresponding to an equity ratio of 50.1 percent, down from 58.1percent at the end of the third quarter 2013.

## Segments

### Subsea

GC Rieber Shipping owns and operates four vessels in the subsea segment. The vessels are primarily used for inspection, maintenance and repair of subsea installations.

The group's subsea vessels are on charter contracts of varying durations. The vessels «Polar Prince» and «Polar King» are chartered to Reef Subsea until December 2014 and February 2015, respectively. The «Polar Queen» is chartered to BOA Marine Services until April 2018, while the «Polar Onyx» is on a five-year time charter agreement with Ceona Services (UK) Limited until March 2019.

Key figures (in NOK million)	3Q 2014	3Q 2013	YTD 2014	YTD 2013
Operating income	145.1	90.0	371.2	236.8
EBITDA	80.2	50.1	198.6	124.0
EBIT	56.3	25.1	136.1	72.8
Capacity utilisation (in %)	100 %	96 %	100 %	95 %

In the third quarter, GC Rieber Shipping had full capacity utilisation for its subsea vessels, compared to 96 percent in the corresponding period 2013.

Operating income in the quarter amounted to NOK 145.1 million, up from NOK 90.0 million in the third quarter 2013. EBITDA was NOK 80.2 million, up from NOK 50.1 million in the third quarter last year. The increase in operating income and EBITDA is mainly due to income from the «Polar Onyx», which embarked on a contract in March 2014, as well as higher capacity utilisation of the subsea fleet.

### Marine seismic

GC Rieber Shipping owns and operates three high-end seismic vessels: «Polar Duke», «Polar Duchess» and «Polar Marquis», all of which are chartered to Dolphin Geophysical. The contracts expire in May 2016, April 2017 and November 2017, respectively. GC Rieber Shipping also has one high-end seismic vessel under construction at Kleven Verft, scheduled for delivery in the first quarter 2015. The newbuilding will then embark on a five-year time charter with Dolphin Geophysical.

Key figures (in NOK million)	3Q 2014	3Q 2013	YTD 2014	YTD 2013
Operating income	89.7	80.4	214.2	235.5
EBITDA	46.9	48.9	97.3	123.4
EBIT	26.0	32.8	42.1	72.7
Capacity utilisation (in %)	98 %	100 %	82 %	100 %

GC Rieber Shipping had a capacity utilisation of 98 percent for its seismic vessels in the third quarter 2014, compared with 100 percent in the corresponding period 2013.

Operating income for the quarter was NOK 89.7 million, up from NOK 80.4 million in the third quarter 2013. EBITDA was NOK 46.9 million, compared with NOK 48.9 million in the third quarter 2013.

## Ice/Support

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GC Rieber Shipping owns four vessels in the ice/support segment, of which one ice-breaker and two crew vessels are owned through a 50/50 joint venture in Russia. As at 1 January 2014, these are reported as «profit from joint venture» and will therefore not appear in the table below, but be referred to under Joint Venture later in the report.

The «Ernest Shackleton» is on a bareboat charter to the British Antarctic Survey until august 2016, for operations in Antarctica. Furthermore, the company operated the vessel «HMS Protector» for the British Ministry of Defence («MoD») until the end of September 2014.

Key figures (in NOK million)	3Q 2014	3Q 2013	YTD 2014	YTD 2013
Operating income	5.9	44.5	37.7	97.5
EBITDA	-2.3	27.5	14.0	62.5
EBIT	5.8	406.5	23.4	435.6
Capacity utilisation (in %)	99 %	99 %	100 %	97 %

(1) As at 1.1.2014, joint ventures are recognized in the accounts using the equity method. Figures for 3Q 2013 and 30.09.2013 are restated accordingly.

Capacity utilisation for the ice/support segment was 99 percent in the quarter, compared with 94 percent in the third quarter 2013.

Operating income was NOK 5.9 million, while EBITDA was negative by NOK 2.3 million. Comparative figures for the third quarter 2013 were income of NOK 44.5 million and EBITDA of NOK 27.5 million. The reduction in operating income and EBITDA is mainly due to the sale of «HMS Protector» in September 2013, as well as a booked gain due to termination of charter agreement in Great Britain (UK Tax Lease) for the «Ernest Shackleton» in the third quarter 2013. In addition, expenses relating to scheduled yard work for the «HMS Protector» accrued in the period in connection with return of the vessel as the management agreement with the «UK Ministry of Defence» came to an end.

The high EBIT for the third quarter 2013 is due to a booked gain from the sale of the ice-breaker «HMS Protector».

## Joint venture

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The ice breaker «Polar Pevek» and the crew vessels «Polar Piltun» and «Polar Baikal» are owned through a 50/50 joint venture with Primorsk Shipping Corporation, and are operated by the group's ship management company in Yuzhno-Sakhalinsk. GC Rieber Shipping's 50 percent stake is reported on a separate line in the profit and loss statement under «profit from joint venture», effective 1 January 2014.

The «Polar Pevek» is chartered to Exxon Neftegas until 2021 and operates out of the DeKastri oil terminal, assisting tankers carrying oil from the Sakhalin I offshore field outside eastern Russia. The two crew vessels are chartered to the Sakhalin Energy Investment Corporation until the end of 2014 and are employed in the Sakhalin II field.

The group's share in the profit amounted to NOK 9.4 million in the third quarter 2014, compared with NOK 6.3 million in the third quarter 2013.



## Shareholder information

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The company's shares are listed on Oslo Børs with the ticker RISH. The company's holding of own shares is 150,800, i.e. 0.34 percent of the shares in the company.

In the third quarter 2014, the group's shares have been traded between NOK 40.10 and NOK 44.00. The last price recorded in the third quarter of 2014 was NOK 40.50, which on the basis of a total of 43,662,000 outstanding shares values the group's equity at approximately NOK 1.8 billion. At the end of the third quarter 2014, the company had 261 shareholders. 93.1 percent of the shares were owned by the 20 largest shareholders. Please refer to note 7 for a list of the 20 largest shareholders in the company as at 30 September 2014.

The ordinary general meeting, held 10 April 2014, approved to pay dividends of NOK 1.0 per share and an additional dividend of NOK 3.0 per share, in total NOK 4.0 per share.

## Outlook

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GC Rieber Shipping takes a long-term positive view of the markets in which the company operates, based on the expectations of long-term growth in global energy demand.

In a short-term perspective, the offshore market is characterised by uncertainty and cutbacks in new investments due to an increased focus on costs and drop in oil prices over the past few months. The effect of this is becoming apparent in terms of reduced levels of activity in the seismic industry, with a relatively turbulent autumn where major seismic companies have reported weaker accounting figures and reduced contract backlogs. The uncertain market outlook is expected to continue into 2015. The company has full contract backlog for the seismic fleet up until second quarter 2016.

The company owns four vessels in the subsea segment, of which three are operating within the IMR segment (Inspection, Maintenance and Repair). IMR is less exposed to reduced investments among oil companies compared with the part of the subsea industry that is directed at new projects. Contracts for two of the vessels expire at the end of the fourth quarter 2014 and the first quarter 2015, and GC Rieber Shipping is actively working with new contract partners. The company experiences a satisfactory demand for the company's modern and advanced subsea vessels, but at the same time experiences increased pressure on prices and delayed decision-making processes.

No significant changes have taken place in the ice/support segment, as the current activities are not affected by the political turmoil in Russia. The development of the situation is nevertheless uncertain, and the company is monitoring this development closely.



## About GC Rieber Shipping

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GC Rieber Shipping's business within offshore/shipping includes ownership in specialized vessels, high-quality marine ship management and project development within the segments subsea, marine seismic and ice/support. The group has a unique competence in offshore operations in harsh environments as well as design, development and maritime operation of seismic vessels.

GC Rieber Shipping currently operates 13 advanced special purpose vessels for defined markets within the subsea, ice/support and marine seismic segments, of which the company owns 11. In addition, GC Rieber Shipping has one high-end seismic newbuilding for delivery in the first quarter 2015.

The company has its registered office and headquarters in Bergen and an additional ship management company in Yuzhno-Sakhalinsk (Russia). The company is listed on Oslo Børs with the ticker RISH. Further information is available on the company's website [www.gcrieber-shipping.com](http://www.gcrieber-shipping.com).

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### Bergen, 5 November 2014

The Board of Directors and Chief Executive Officer in GC Rieber Shipping ASA

Paul-Chr. Rieber, Chairman  
Hans Olav Lindal, Vice Chairman  
Kristin Færøvik, member  
Tove Lunde, member  
Georg Nygaard, member

Irene Waage Basili, CEO

**GC RIEBER SHIPPING ASA**  
**Third quarter 2014**  
**Consolidated accounts**  
**(Unaudited)**

<b>Profit &amp; Loss Account</b> <b>(NOK 1000)</b>	<b>3Q 14</b>	<b>3Q 13</b>	<b>30.09.2014</b>	<b>30.09.2013</b>	<b>31.12.2013</b>
Charter income	220 410	201 706	560 022	535 645	685 846
Other operating income	20 282	13 281	62 986	34 236	59 625
<b>Total income</b>	<b>240 692</b>	<b>214 987</b>	<b>623 008</b>	<b>569 881</b>	<b>745 470</b>
Operating expenses	-115 941	-88 509	-313 134	-260 037	-370 072
<b>Operating profit before depreciation, write-downs and gains (losses) on sale of fixed assets</b>	<b>124 751</b>	<b>126 478</b>	<b>309 874</b>	<b>309 844</b>	<b>375 398</b>
Depreciation	-46 048	-34 119	-121 859	-100 442	-132 095
Write-downs	0	-10 309	0	-10 309	-10 309
Gains (losses) on sale of fixed assets	0	376 004	108	375 054	375 054
Profit from joint venture	9 399	6 282	13 422	6 974	13 860
<b>Operating profit</b>	<b>88 102</b>	<b>464 336</b>	<b>201 546</b>	<b>581 120</b>	<b>621 908</b>
Profit from associated companies	0	5 726	0	-72 039	-155 511
Financial income	590	2 344	14 679	9 089	13 301
Financial expenses	-28 108	-16 675	-60 335	-50 770	-69 685
Realized currency gains (losses)	-1 595	2 138	-6 146	-1 002	7 053
Unrealized currency gains (losses)	-10 326	1 461	-15 400	-37 067	-55 697
<b>Net financial income and expenses</b>	<b>-39 439</b>	<b>-5 006</b>	<b>-67 202</b>	<b>-151 789</b>	<b>-260 538</b>
<b>Profit before taxes</b>	<b>48 663</b>	<b>459 330</b>	<b>134 343</b>	<b>429 331</b>	<b>361 370</b>
Taxes	-1 650	-20 285	-2 607	15 181	9 649
<b>PROFIT</b>	<b>47 013</b>	<b>439 043</b>	<b>131 736</b>	<b>444 511</b>	<b>371 019</b>
Earnings and diluted earnings per share	1,08	10,06	3,02	10,18	8,50

<b>Statement of Comprehensive Income</b> <b>(NOK 1000)</b>	<b>3Q 14</b>	<b>3Q 13</b>	<b>30.09.2014</b>	<b>30.09.2013</b>	<b>31.12.2013</b>
Profit for the period	47 013	439 044	131 736	444 511	371 019
Other comprehensive income:					
Foreign currency translation	86 697	-414	116 765	51 481	77 650
Changes in pension estimates	0	0	0	0	-2 143
<b>Comprehensive income for the period</b>	<b>133 710</b>	<b>438 630</b>	<b>248 501</b>	<b>495 993</b>	<b>446 526</b>

**GC RIEBER SHIPPING ASA**  
**Third quarter 2014**  
**Consolidated accounts**  
**(Unaudited)**

<b>Balance Sheet</b> (NOK 1000)	<b>30.09.2014</b>	<b>30.09.2013</b>	<b>31.12.2013</b>
<b>ASSETS</b>			
<u>FIXED ASSETS</u>			
Deferred tax asset	55 786	63 435	58 773
Vessels	3 423 527	2 280 611	2 337 244
Newbuilding contracts	133 029	212 875	246 499
Machinery and equipment	551	931	551
Financial fixed assets	107 838	338 464	263 099
Long term receivables	185 810	24 032	24 335
<i>Total fixed assets</i>	3 906 541	2 920 348	2 930 500
<u>CURRENT ASSETS</u>			
Inventories	3 424	2 647	4 784
Receivables	188 853	169 609	182 090
Quoted financial investments	17 267	22 753	17 967
Cash and bank deposits	422 409	750 749	673 308
<i>Total current assets</i>	631 953	945 758	878 148
<b>Total assets</b>	<b>4 538 493</b>	<b>3 866 106</b>	<b>3 808 647</b>
<b>EQUITY AND LIABILITIES</b>			
<u>EQUITY</u>			
Restricted equity	95 196	95 196	95 196
Retained earnings	2 176 612	2 152 227	2 102 759
<i>Total equity</i>	2 271 808	2 247 423	2 197 955
<u>LIABILITIES</u>			
Provision for liabilities	13 475	12 556	13 475
Other long-term liabilities	1 868 850	1 307 212	1 279 199
Current liabilities	384 361	298 915	318 019
<i>Total liabilities</i>	2 266 685	1 618 683	1 610 693
<b>Total equity and liabilities</b>	<b>4 538 493</b>	<b>3 866 106</b>	<b>3 808 647</b>

**GC RIEBER SHIPPING ASA**  
**Notes to Third quarter**  
**Consolidated accounts**  
**(Unaudited)**

<b>Cash Flow Statement</b> (NOK 1000)	<b>30.09.2014</b>	<b>30.09.2013</b>	<b>31.12.2013</b>
EBITDA	309 874	309 844	375 398
Change in net current assets	-11 044	48 213	59 431
Net cash from operating activities	298 830	358 057	434 829
Acquisition of tangible fixed assets	-845 339	-141 327	-237 629
Sale of tangible fixed assets	108	557 994	557 994
Other investing activities	-3 598	-91 532	-91 018
Net cash from investment activities	-848 830	325 135	229 347
New loans and repayments	516 537	-52 789	-97 310
Dividend payment	-174 648	-43 662	-43 662
Net interest paid	-42 788	-32 703	-46 607
Net cash from financing activities	299 101	-129 154	-187 579
Net change in liquidity	-250 899	554 038	476 597
Liquidity at beginning of period	673 308	196 711	196 711
<b>Liquidity at end of period</b>	<b>422 409</b>	<b>750 749</b>	<b>673 308</b>

<b>Equity statement</b> (NOK 1000)	<b>Share capital</b>	<b>Own shares</b>	<b>Share premium reserve</b>	<b>Other equity</b>	<b>Total equity</b>
Balance at 01.01.2013	78 863	-271	16 604	1 699 896	1 795 092
Profit for the year			0	446 525	446 525
Dividends to shareholders			0	-43 662	-43 662
<b>Balance at 31.12.2013</b>	<b>78 863</b>	<b>-271</b>	<b>16 604</b>	<b>2 102 760</b>	<b>2 197 955</b>
Balance at 01.01.2014	78 863	-271	16 604	2 102 760	2 197 955
Profit for the year			0	248 501	248 501
Dividends to shareholders			0	-174 648	-174 648
<b>Balance at 30.09.2014</b>	<b>78 863</b>	<b>-271</b>	<b>16 604</b>	<b>2 176 613</b>	<b>2 271 808</b>

<b>Segment Reporting</b> (NOK 1000)	<b>3Q 14</b>	<b>3Q 13</b>	<b>30.09.2014</b>	<b>30.09.2013</b>	<b>31.12.2013</b>
Ice/support	5 891	44 479	37 669	97 543	115 043
Subsea	145 093	90 039	371 180	236 826	319 122
Seismic	89 708	80 439	214 158	235 512	311 305
<b>Operating income</b>	<b>240 692</b>	<b>214 957</b>	<b>623 008</b>	<b>569 881</b>	<b>745 470</b>
Ice/support	-2 336	27 505	13 964	62 514	72 187
Subsea	80 188	50 103	198 582	123 970	155 539
Seismic	46 899	48 869	97 328	123 360	148 589
<b>Operating profit before depreciation, write-downs</b>	<b>124 751</b>	<b>126 476</b>	<b>309 874</b>	<b>309 844</b>	<b>376 315</b>
Ice/support	5 811	406 470	23 385	435 623	450 073
Subsea	56 279	25 074	136 050	72 784	90 335
Seismic	26 012	32 801	42 110	72 712	81 500
<b>Operating profit</b>	<b>88 102</b>	<b>464 345</b>	<b>201 546</b>	<b>581 119</b>	<b>621 908</b>

**GC RIEBER SHIPPING ASA**  
**Third quarter 2014**  
**Group**  
**(Unaudited)**

**Note 1 Foreign currency**

GC Rieber Shipping Group uses the Norwegian krone (NOK) as its presentation currency. Several subsidiaries have US Dollar (USD) as their functional currency. Consequently, accounting standard IAS 21 will apply. A fluctuation in the USD/NOK exchange rate affects the company's equity and result, as the Group's debt are mainly in USD and most of the vessels are recorded in the accounts in and converted to USD/NOK exchange rate on the balance sheet date. For subsidiaries with USD as functional currency, the translation differences on vessels and liabilities are recognized directly in equity. Translation differences also arise in respect of subsidiaries that have the USD as their functional currency, and hold liquid assets in NOK. Here the value of the liquid reserves in NOK translated to USD will be determined by the exchange rate on the balance sheet date and the translation difference will be recognized in profit and loss as unrealized gain/loss.

**Note 2 General information**

GC Rieber Shipping ASA is registered and domiciled in Norway, with its head office in Bergen. The consolidated interim accounts for the Group include GC Rieber Shipping ASA with its subsidiaries and the Group's investment in associated companies. The Group accounts for fiscal year 2013 were approved by the Board of Directors on 12 March 2014. The consolidated financial statement for the year ended 31 December 2013 with notes and auditor's report are available on our website at [www.gcrieber-shipping.com](http://www.gcrieber-shipping.com).

**Note 3 Accounting principles**

The Group's financial reporting is in accordance with International Financial Reporting Standards (IFRS). The consolidated interim accounts at 30 September 2014 have been prepared in accordance with IAS34 Interim financial reporting. The interim financial statements are unaudited and do not include all the information required in full annual financial statements, and therefore should be read in conjunction with the 2013 Group accounts. The condensed, consolidated quarterly financial statements were approved by the Board of Directors on 5 November 2014.

**Note 4 Estimates**

Preparation of interim financial statements requires use of assessments, estimates and assumptions that affect accounting principles and reported amounts for equity and liabilities, income and costs. The actual result may differ from these estimates. When preparing this consolidated interim financial statement, the management has used the same critical assessments related to application of accounting principles as were used for the group financial statements for the financial year that ended on 31 December 2013 and the most important sources of estimate uncertainty are the same as for preparation of the 2013 Group financial statements.

**Note 5 Related parties**

The Group makes purchase and sales transactions with related parties as part of the normal business operations. Note 20 of the 2013 annual report describes transactions with related parties. There have been no material changes or transactions in connection with related parties that make a material impact on the Group's position or profit for the period.

**Note 6 Financial risk management**

GC Rieber Shipping makes a continuous and thorough assessment of operational and financial risk factors. The Group's objectives and principles for financial risk management are in accordance with what has been stated in the Group financial statements for 2013.

**GC RIEBER SHIPPING ASA**  
**Third quarter 2014**  
**Group**  
**(Unaudited)**

**Note 7 Overview of shareholders**

The 20 largest shareholders in GC Rieber Shipping ASA as of 30 September 2014 (outstanding shares):

<b>Name</b>	<b>Number of shares</b>	<b>Owner's share</b>
GC RIEBER AS	30 861 735	70,4 %
AS JAVIPA	3 056 222	7,0 %
GC RIEBER AS UNDERSTØTTELSESFOND	1 539 102	3,5 %
LEIF HILMAR SØRENSEN	909 000	2,1 %
PARETO AKSJE NORGE	671 640	1,5 %
JOHANNE MARIE MARTENS	400 000	0,9 %
STORKLEIVEN AS	366 961	0,8 %
DELTA A/S	360 000	0,8 %
BENEDICTE MARTENS NES	356 250	0,8 %
PELICAHN AS	348 396	0,8 %
TANNLEGE RANDI ARNESEN AS	300 000	0,7 %
PARETO AKTIV	273 120	0,6 %
RANDI JEBSEN ARNESEN	250 000	0,6 %
DAG FREDRIK JEBSEN ARNESEN	206 000	0,5 %
TORHILD MARIE RONG	161 500	0,4 %
GC RIEBER SHIPPING ASA	150 800	0,3 %
BERGEN RÅVAREBØRS II AS	148 668	0,3 %
TIGO AS	141 359	0,3 %
TRIOFA 2 AS	141 359	0,3 %
MARIUS NØST ARNESEN	128 000	0,3 %
OTHER SHAREHOLDERS	3 042 688	6,9 %
<b>OUTSTANDING SHARES</b>	<b>43 812 800</b>	<b>100,0 %</b>