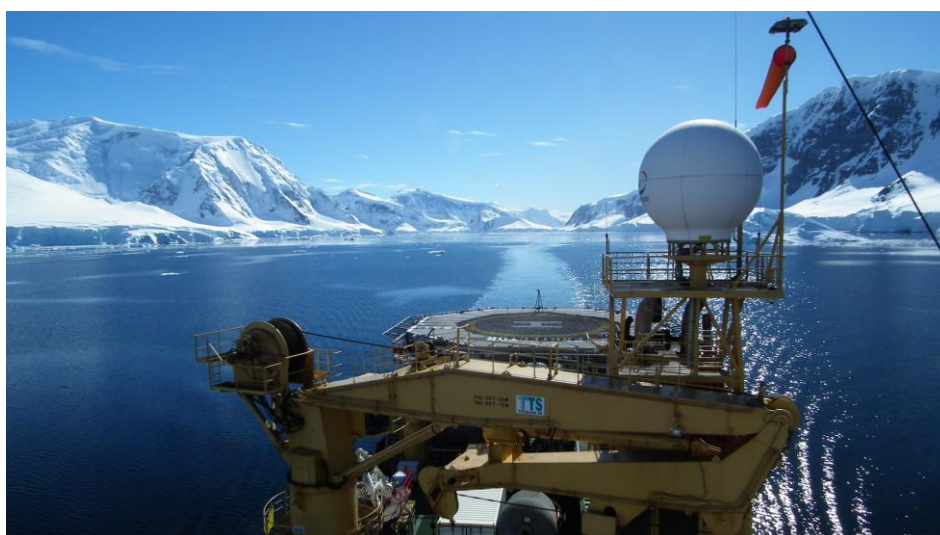




GCRIEBER

SHIPPING ASA



Interim report second quarter and first half-year 2018

(Unaudited)

Highlights second quarter 2018

- GC Rieber Shipping delivered high operational efficiency through the second quarter, and achieved a fleet utilization of 92 percent¹
- Net profit was negative NOK 9.0 million, compared with negative NOK 18.2 million in the second quarter of 2017. The figures are affected by a reversed impairment on fixed assets of NOK 26.2 million in the second quarter of 2018
- Contract backlog of NOK 515 million as of 1 July 2018²
- Even in a challenging market, new charter contracts have been secured. The subsea and ice/support vessels have a contract coverage of 92 percent for the remainder of 2018, while Shearwater is fully booked through the third quarter of 2018

Key figures (Unaudited)

Figures in NOK million	Q2 2018	Q2 2017	YTD 2018	YTD 2017	31.12.2017
Operating income	60.7	92.6	92.1	132.8	264.1
EBITDA	9.3	50.5	-12.3	23.0	21.0
EBIT	7.6	-4.7	-43.1	-60.1	-90.0
Profit before tax	-9.0	-18.2	-68.1	-84.5	-130.6
Net profit in the period	-9.0	-18.2	-68.1	-84.6	-130.1
Normalised profit before tax ³	-31.5	7.1	-113.6	-60.8	-142.1
Earnings per share	-0.16	-0.42	-1.19	-1.94	-2.98
Equity ratio	49.3 %	46.9 %	49.3 %	46.9 %	46.6 %
Fleet capacity utilisation	92 %	93 %	81 %	81 %	84 %
Number of shares (in million)	57.1	43.7	57.1	43.7	43.7

1 Excluding marine seismic

2 Excluding charterers' extension options and marine seismic

3 Profit bef. tax adjusted for unrealised currency gains/losses, profit from disposals and impairment of fixed assets

Operational review

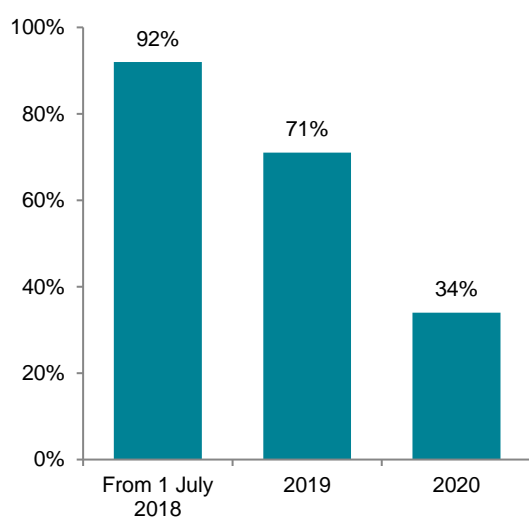
GC Rieber Shipping operates and has direct and indirect ownership in 11 vessels within the segments subsea, ice/support and marine seismic.

Capacity utilisation and contract backlog

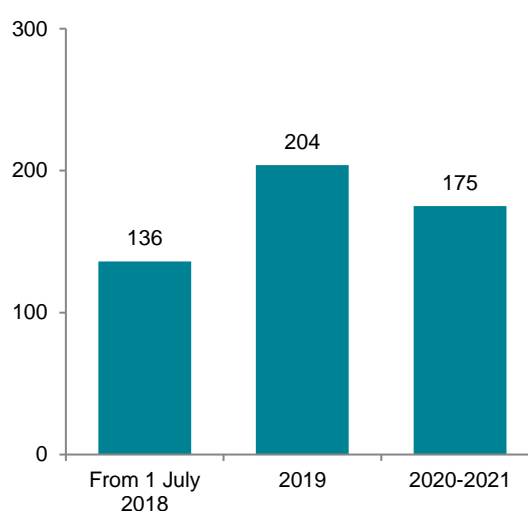
The fleet capacity utilisation was 92 percent in the second quarter of 2018, about the same as for the corresponding period of 2017 (93 percent).⁴ All vessels in the subsea and ice/support segments were on charter for the entire period, except «Polar Queen» who operated for two months.

As of 1 July 2018, the company had a contract backlog of NOK 515 million, compared with NOK 463 million as of 1 July 2017. As shown in the table below, contract coverage for the remainder of 2018, 2019 and 2020 was 92 percent, 71 percent and 34 percent respectively.⁵

Contract coverage



Contract backlog (figures in MNOK)



Contract updates in the second quarter of 2018

- Time charter agreement with STX for the CSV vessel «Polar Queen». The three-week contract for walk-to-work duties in Belgium was executed in April
- Shearwater was awarded several contracts for 3D and 4D marine seismic acquisition projects, resulting in a confirmed backlog of more than 15 vessel-months in the second and third quarter of 2018

⁴ Excluding marine seismic

⁵ Excluding charterers' extension options and marine seismic

Legal proceedings

- PGS Geophysical (UK) Limited appealed Gulating Court of Appeal's ruling in favour of Armada Seismic Invest II AS (Armada), a former GC Rieber Shipping subsidiary. On 13 July 2018, the Supreme Court's appeal committee ruled in favour of Armada, and the claim from PGS was dismissed. The decision is final, and GC Rieber Shipping has been refunded their legal costs of approximately NOK 7 million in connection with Bergen District Court, Gulating Court of Appeal and the Supreme Court's appeal committee
- On 20 March 2018, Bergen District Court ruled in favour of GC Rieber Shipping AS and GC Rieber Crewing AS in the law suit from former GC Rieber Crewing employees. The ruling was appealed by the claimants 27 April 2018, and the law suit is expected to come up for Gulating Court of Appeal first quarter 2019

Financial review (Unaudited)

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.

Operating income

GC Rieber Shipping had operating income of NOK 60.7 million in the second quarter of 2018, compared with NOK 92.6 million in the corresponding period of 2017.

Operating income in the first half year of 2018 was NOK 92.1 million, compared with NOK 132.8 million in the first half year of 2017.

Operating profit

EBITDA for GC Rieber Shipping amounted to NOK 9.3 million in the second quarter of 2018, compared with NOK 50.5 million in the second quarter of 2017.

For the first half year 2018, EBITDA was minus NOK 12.3 million, compared with NOK 23.0 million in the corresponding period of 2017.

Impairment

As of 30 June 2018, the company obtained vessel market values from two reputable brokers (three brokers are used when the value from the first two deviates by more than 10 percent) and performed impairment testing of the assets in the balance sheet. Based on these assessments, the fair value for each vessel has been set as the average of the obtained market values.

According to accounting principles, the obtained fair values resulted in a reversed impairment of NOK 26.2 million in the second quarter of 2018.

In the current challenging offshore market, the fair values are subject to uncertainty.

Net financial items

Net financial items were negative by NOK 16.6 million in the second quarter of 2018, compared with negative NOK 13.5 million in the corresponding period of 2017.

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

Unrealised currency loss in the period was NOK 3.7 million, compared with no unrealised currency gains or losses in the same period of 2017.

Loss in the period

GC Rieber Shipping had a loss of NOK 9.0 million in the second quarter of 2018, compared with a loss of NOK 18.2 million in the corresponding period of 2017. The negative result in the second quarter of 2018 reflected the continued pressure on day rates experienced in the current offshore markets.

Loss in the first half year of 2018 was NOK 68.1 million, compared with a loss of NOK 84.6 million in the first half year of 2017.

Cash flow

Cash flow from operational activities as of 30 June 2018 was negative by NOK 16.2 million, compared with negative NOK 50.0 million as of 30 June 2017.

Cash flow from investment activities was positive by NOK 16.6 million, compared with a negative cash flow of NOK 24.6 million in the corresponding period in 2017.

Cash flow from financing activities was negative by NOK 0.2 million as of 30 June 2018. The amount includes net payment of equity in relation to the rights issue of positive NOK 96.4 million, and payment of interests and instalments of NOK 67.8 million on the group's existing loans. NOK 56.7 million of the debt instalments paid in the first half of 2018 was originally due in the second half of 2017, but according to an agreement with the lending banks the due date was postponed until the first quarter of 2018. Cash flow from financing activities in the corresponding period of 2017 was negative NOK 76.4 million.

Net cash flow was positive by NOK 0.1 million, yielding a cash holding of NOK 108.2 million as of 30 June 2018. In addition, restricted cash of NOK 61.2 million is presented as long-term receivables.

Liquidity and financing

The rights issue successfully completed in the first quarter of 2018, combined with revised terms and certain amendments to the two subsea credit facilities, provides GC Rieber Shipping with a financial runway for the next three years. The amendments are described in note 13 to the group's annual report for 2017.

GC Rieber Shipping was in compliance with the amended financial covenants at 30 June 2018, and has been throughout the second quarter of 2018.

Interest-bearing liabilities	30.06.2018	30.06.2017
Liabilities at end period (NOK million)	1,154.9	1,253.0
Average liabilities (NOK million)	1,162.5	1,319.8
Average interest incl. margin	4.00 %	3.58 %
Proportion of liabilities in USD	100 %	100 %
Liquid assets	30.06.2018	30.06.2017
Bank and interest-bearing securities (NOK million)	108.2	153.9

As of 30 June 2018, GC Rieber Shipping had cash and bank deposits of NOK 108.2 million, and additional restricted cash of NOK 61.2 million classified as long-term receivables. As of 30 June 2017, the cash and bank deposits amounted to NOK 153.9 million in addition to restricted cash of NOK 62.9 million classified as long-term receivables. Net liabilities (liquid assets minus interest-bearing liabilities) amounted to NOK 1 046.6 million, compared with net liabilities of NOK 1,099.1 million as at 30 June 2017.

Equity

GC Rieber Shipping had a book equity of NOK 1,160.5 million as of 30 June 2018, corresponding to an equity ratio of 49.3 percent, up from 46.9 percent at the end of June 2017.

Segments

Subsea

GC Rieber Shipping owns and operates three vessels in the subsea segment. The vessels are primarily designed for inspection, maintenance and repair of subsea installations, but have also demonstrated attractive capabilities for the renewables market.

«Polar King» has been chartered to Nexans Skagerrak AS from early 2017, the charter runs until late August 2019. «Polar Onyx» commenced a three-year charter for DeepOcean BV in February 2018. «Polar Queen» operated for two months in the second quarter of 2018 for two separate clients, the first being STX and the second one an undisclosed client.

Key figures (in NOK million)	Q2 2018	Q2 2017	YTD 2018	YTD 2017
Operating income	56.3	88.3	83.4	124.3
EBITDA	14.1	28.6	-4.9	1.5
EBIT	14.3	-24.4	-32.1	-77.0
Capacity utilisation (in %)	86 %	92 %	67 %	69 %

GC Rieber Shipping had a capacity utilisation of 86 percent for the subsea vessels in the second quarter of 2018, compared with 92 percent in the corresponding period of 2017.

Operating income amounted to NOK 56.3 million in the second quarter of 2018, compared with NOK 88.3 million in the second quarter of 2017. EBITDA amounted to NOK 14.1 million, compared with NOK 28.6 million in the corresponding period of 2017.

Ice/Support

«Ernest Shackleton» is on a bareboat charter to the British Antarctic Survey until August 2019 for operations in Antarctica.

Key figures (in NOK million)	Q2 2018	Q2 2017	YTD 2018	YTD 2017
Operating income	4.4	4.3	8.7	8.5
EBITDA	4.4	4.3	8.6	8.4
EBIT	2.5	2.0	4.9	3.9
Capacity utilisation (in %)	100 %	100 %	100 %	100 %

The vessel had full capacity utilisation in the second quarter of 2018, yielding a stable operating income of NOK 4.4 million and EBITDA of NOK 4.4 million. In comparison, the vessel had an operating income of NOK 4.3 million and an EBITDA of NOK 4.3 million in the second quarter of 2017.

Joint Ventures

Joint Venture - Ice/Support

The ice-breaker «Polar Pevek» is owned through a 50/50 joint venture with Maas Capital Offshore, and the crew boats «Polar Piltun» and «Polar Baikal» are owned through a 50/50 joint venture with MG Holdings (Cyprus) Limited. All three vessels are operated through a 50/50 joint venture with Primorsk Shipping Corporation. GC Rieber Shipping's 50 percent stake is reported in the profit and loss statement under «profit from joint ventures».

«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 boats are chartered to the Sakhalin Energy Investment Corporation until the end of 2019, operating on the Sakhalin II field.

The group's share of the profit for the second quarter of 2018 amounted to NOK 4.7 million, compared with NOK 4.4 million in the corresponding period of 2017.

Joint Venture - Marine Seismic (Shearwater)

Shearwater is a 50/50 owned marine geophysical company between GC Rieber Shipping and Rasmussengruppen AS. GC Rieber Shipping's 50 percent stake is reported in the profit and loss statement under «profit from joint venture».

Shearwater is an integrated provider of marine geophysical services to oil & gas and multi-client companies worldwide. With a fleet of four modern, high capacity seismic vessels as well as in-house software, data processing and R&D capabilities, Shearwater's core strategy is to provide high quality marine geophysical services while capitalising on the company's highly competitive cost base.

The seismic market in general has been challenging in the second quarter of 2018. Shearwater, however, had a fleet utilisation of 79 percent in the period, and in the second quarter of 2018 Shearwater has been awarded further strategic awards with several clients. Shearwater's three active vessels are fully booked through the third quarter of 2018, and the company is well under way to secure an order backlog for the fourth quarter.

With continued competitive rate pressure, GC Rieber Shipping's share of profit for the second quarter of 2018 amounted to a loss of NOK 13.9 million, compared with a profit of NOK 13.3 million in the second quarter of 2017.

Shareholder information

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. 0.26 percent of the shares in the company.

In the second quarter of 2018, the group's shares were traded in a range from NOK 7.85 to NOK 10.00 per share. The 30 June 2018 closing price was NOK 8.10, which based on the 57,146,133 shares outstanding valued the group's equity at approximately NOK 463 million. At the end of June 2018, the

company had 459 shareholders. 92.3 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 of 30 June 2018.

Risks and uncertainties

As described in GC Rieber Shipping's annual report for 2017, GC Rieber Shipping is exposed to a number of risks due to the fact that the company operates in a global market. The Board of Directors of GC Rieber Shipping therefore focuses on efforts to identify and manage risk, and routines have been established with the aim of limiting and reducing the total risk exposure to an acceptable level. Risk factors are categorised into the areas of market risks, financial risks and operational risks.

It is referred to the company's annual report for 2017 for a more detailed description of the company's risk management and the most principal risk and uncertainty factors. The subsea and marine seismic markets are particularly exposed to the development in the oil and gas industry.

Outlook

GC Rieber Shipping's operations are exposed to the development in the markets for oil and gas exploration and production. Having fluctuated between USD 60 and 70 per barrel during the first quarter of 2018, the oil price increased further in the second quarter, hovering between high 60s and high 70s USD per barrel. Post quarter end, the market sentiment has remained positive with similar prices. The general market outlook is that the oil price will fluctuate around USD 70 per barrel. This improved market picture is likely to lead to increased investments among the oil companies, which in turn should lead to higher activity levels in the markets where GC Rieber Shipping operates.

Utilisation for the subsea vessels has been good in the second quarter of 2018 with both «Polar King» and «Polar Onyx» having 100% utilisation. «Polar Queen» was utilised about 2/3 of the quarter. The subsea fleet will have a vessel utilisation of 100% with all three vessels in operation from end of May until end of September. The «Polar King» charter with Nexans is firm until the end of August 2019, and the «Polar Onyx» charter with DeepOcean BV is firm until March 2021 with options to extend by up to two years. The «Polar Queen» is currently on a time charter agreement with a European offshore client, performing walk-to-work duties for a fixed period of four months until September 2018, with options to extend by up to one month. There are some upticks in activity in the subsea segment, but the rate pressure persists. GC Rieber Shipping will seek to benefit from the tender activity with the available tonnage, targeting improved margins. The renewables market remains strong in terms of vessel demand, and GC Rieber Shipping will continue to seek opportunities and focus on strengthening its market presence.

With respect to the seismic fleet, GC Rieber Shipping performs technical and crew ship management for four vessels in this segment on behalf of Shearwater, ensuring continuity and quality in the marine operation of Shearwater's high-end fleet. Shearwater has continued to strengthen its market presence in a continued challenging market with solid utilisation through the first and second quarter of 2018, and for the summer and autumn seasons. We see continued improvement in activity and transactions, however the market remains competitive with pressure on rates. The reported increases in late sales of multi-client data by competitors and peers are positive indicators for the way forward. Shearwater has an attractive offering with a modern fleet and cost-effective operations, and is continuously seeking to expand its order book.

The market for ice/support is gradually improving and new areas of operation will be opened for future activity. Supported by the higher oil price, the medium- to long-term outlook has improved. GC Rieber Shipping has a solid track record and experience within ice operations, and will continue to pursue new attractive opportunities within this segment.

GC Rieber Shipping will maintain focus on solid project execution. With a higher oil price and increasing activity levels, the company is positioned to continue to progress through 2018 and the coming years.

About GC Rieber Shipping

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

GC Rieber Shipping currently operates and has direct and indirect ownership in 11 advanced special purpose vessels for defined markets within the subsea, ice/support and marine seismic segments.

The company has its headquarter and ship management company in Bergen (Norway), with an additional ship management company in Yuzhno-Sakhalinsk (Russia). The company is listed on Oslo Stock Exchange with the ticker RISH. Further information is available on the company's website www.gcrieber-shipping.com.

Responsibility statement

We confirm, to the best of our knowledge that the condensed set of financial statements for the period 1 January to 30 June 2018 has been prepared in accordance with the IAS 34 – Interim Financial Reporting, and that the information gives a true and fair view of the group's assets, liabilities, financial position and profit or loss as a whole. We also confirm, to the best of our knowledge, that the interim report includes a fair review of important events that have occurred in the accounting period and their impact on the financial statements, a description of the principal risks and uncertainties for the coming accounting period, and major related parties' transactions. For further details on risks and uncertainties that the company is exposed to, shareholders are advised to refer to the company's annual report for 2017.

Bergen, 16 August 2018

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

Paul-Chr. Rieber, Chairman
Morten Foros Krohnstad, Vice Chairman
Trygve Bruland, Board Member
Tove Lunde, Board Member
Bodil Valland Steinhaug, Board Member

Christian W. Berg, CEO

GC RIEBER SHIPPING ASA

30.06.2018

Consolidated Accounts
(Unaudited)

Profit & Loss Account (NOK 1000)	Q2 18	Q2 17	30.06.2018	30.06.2017	31.12.2017
Charter income	54 067	82 169	81 814	117 886	231 107
Other operating income	6 650	10 437	10 290	14 901	32 960
Total income	60 718	92 606	92 104	132 787	264 066
Operating expenses	-42 216	-59 769	-88 366	-122 848	-233 192
Profit from joint ventures	-9 189	17 682	-16 024	13 054	-9 879
EBITDA*	9 313	50 518	-12 287	22 993	20 995
Depreciation	-27 960	-29 878	-57 056	-57 711	-115 209
Impairment/Reversal of impairment on fixed assets	26 210	-25 339	26 210	-25 339	4 220
Operating profit	7 563	-4 699	-43 133	-60 057	-89 994
Financial income	593	-250	1 047	1 013	1 331
Financial expenses	-13 633	-12 107	-26 585	-25 679	-50 357
Realised currency gains (losses)	173	-1 196	1 037	-1 401	1 178
Unrealised currency gains (losses)	-3 698	26	-472	1 594	7 288
Net financial income and expenses	-16 564	-13 528	-24 972	-24 472	-40 559
Profit before taxes	-9 001	-18 226	-68 105	-84 529	-130 554
Taxes	0	0	0	-41	485
Profit for the period	-9 001	-18 226	-68 105	-84 570	-130 069
Earnings and diluted earnings per share	-0,16	-0,42	-1,19	-1,94	-2,98

Statement of Comprehensive Income (NOK 1000)	Q2 18	Q2 17	30.06.2018	30.06.2017	31.12.2017
Profit for the period	-9 001	-18 226	-68 105	-84 570	-130 069
Other comprehensive income:					
Foreign currency translation subsidiaries	51 799	-15 367	-7 341	-22 583	-58 570
Changes in pension estimates	0	0	0	0	1 626
Comprehensive income for the period	42 798	-33 594	-75 446	-107 153	-187 013

* Operating profit before depreciation, write-downs and gains (losses) on fixed assets

GC RIEBER SHIPPING ASA

30.06.2018

Consolidated Accounts
(Unaudited)

Balance Sheet (NOK 1000)	30.06.2018	30.06.2017	31.12.2017
ASSETS			
FIXED ASSETS			
Vessels	1 681 562	1 777 645	1 717 984
Machinery and equipment	25 815	37 413	30 852
Financial fixed assets	414 231	505 736	450 506
Long term receivables	61 199	62 910	61 545
<i>Total fixed assets</i>	<i>2 182 806</i>	<i>2 383 704</i>	<i>2 260 887</i>
CURRENT ASSETS			
Inventories	1 657	3 638	6 939
Receivables	61 449	60 775	71 004
Cash and bank deposits	108 218	153 920	107 749
<i>Total current assets</i>	<i>171 324</i>	<i>218 334</i>	<i>185 692</i>
Total assets	2 354 130	2 602 038	2 446 579
EQUITY AND LIABILITIES			
EQUITY			
Restricted equity	195 196	95 196	95 196
Retained earnings	965 312	1 124 300	1 044 440
<i>Total equity</i>	<i>1 160 508</i>	<i>1 219 496</i>	<i>1 139 636</i>
LIABILITIES			
Provision for liabilities	7 401	11 499	7 401
Other long-term liabilities	1 132 291	1 137 030	1 060 659
First year instalments	22 560	115 955	170 158
Other current liabilities	31 370	118 057	68 725
<i>Total liabilities</i>	<i>1 193 622</i>	<i>1 382 542</i>	<i>1 306 943</i>
Total equity and liabilities	2 354 130	2 602 038	2 446 579

GC RIEBER SHIPPING ASA
Notes 30.06.2018
Consolidated Accounts
(Unaudited)

Cash Flow Statement (NOK 1000)	30.06.2018	30.06.2017	2017
EBITDA	-12 287	22 993	20 995
Change in net current assets	-3 957	27 028	-5 065
Net cash from operating activities	-16 244	50 021	15 930
Acquisition of tangible fixed assets	-119	-33 893	-34 855
Sale of tangible fixed assets	0	0	0
Other investing activities	16 678	9 290	20 149
Net cash from investment activities	16 559	-24 603	-14 706
New loans and repayments	-67 800	-58 566	-53 617
Net payment of equity	96 318	0	0
Net interest paid	-28 712	-17 879	-46 170
Net cash from financing activities	-194	-76 445	-99 787
Net change in liquidity	121	-51 027	-98 563
Liquidity at beginning of period	107 749	203 199	203 199
Currency gains (losses) on restricted capital	347	1 748	3 112
Liquidity at end of period	108 218	153 920	107 749

Equity statement (NOK 1000)	Share capital	Own shares	premium reserve	Other equity	Total equity
Balance at 01.01.2017	78 863	-271	16 604	1 231 451	1 326 649
Profit for the year				-187 013	-187 013
Changes non-controlling interests					0
Dividends to shareholders					0
Balance at 31.12.2017	78 863	-271	16 604	1 044 440	1 139 636
Balance at 01.01.2018	78 863	-271	16 604	1 044 440	1 139 636
Profit for the year				-75 446	-75 446
Capital increase	24 000	0	76 000	-3 682	96 318
Dividends to shareholders				0	0
Balance at 30.06.2018	102 863	-271	92 604	965 312	1 160 508

Segment Reporting (NOK 1000)	Q2 18	2Q 17	30.06.2018	30.06.2017	31.12.2017
Ice/support	4 382	4 337	8 712	8 516	17 010
Subsea	56 335	88 269	83 392	124 271	247 056
Operating income	60 718	92 606	92 104	132 787	264 066
Ice/support	4 355	4 268	8 616	8 410	16 805
Subsea	14 147	28 568	-4 878	1 529	14 069
JV - Seismic	-13 886	13 295	-24 085	2 418	-43 955
JV - Ice/support	4 697	4 387	8 061	10 636	34 076
EBITDA*	9 313	50 518	-12 287	22 993	20 995
Ice/support	2 497	1 997	4 942	3 890	7 986
Subsea	14 256	-24 378	-32 051	-77 001	-88 101
JV - Seismic	-13 886	13 295	-24 085	2 418	-43 955
JV - Ice/support	4 697	4 387	8 061	10 636	34 076
Operating profit	7 563	-4 699	-43 133	-60 057	-89 994

* Operating profit before depreciation, write-downs and gains (losses) on fixed assets

GC RIEBER SHIPPING ASA
Second quarter and first half-year 2018
Group
(Unaudited)

Note 1 Foreign currency

GC Rieber Shipping Group uses the Norwegian krone (NOK) as its presentation currency. Some 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 recognised in profit and loss as unrealised 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 2017 were approved by the Board of Directors on 20 March 2018. The consolidated financial statement for the year ended 31 December 2017 with notes and auditor's report are available on our website at 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 June 2018 have been prepared in accordance with IAS 34 Interim financial reporting. As of January 2018 the Group has adopted IFRS 9 and 15. The Group has assessed the two new standards, and found that adopting them will have no impact on the Group's financial statements. 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 2017 Group accounts. The condensed, consolidated quarterly financial statements were approved by the Board of Directors on 16 August 2018.

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 statements are based on assumptions and estimates, and some of them are beyond the company's control and therefore subject to risks and uncertainty. 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 2017 and the most important sources of estimate uncertainty are the same as for preparation of the 2017 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 16 of the 2017 annual report describe 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 2017.

Note 7 Overview of shareholders

The 20 largest shareholders in GC Rieber Shipping ASA as of 30 June 2018 (outstanding shares):

Name	Number of shares	Owner's share
GC Rieber AS	40 253 734	70,4 %
GC Rieber Fondet	1 627 800	2,8 %
AS Javipa	1 328 770	2,3 %
Javipa 1 AS	1 328 768	2,3 %
Javipa 2 AS	1 328 768	2,3 %
Trioship Invest AS	1 190 000	2,1 %
Pareto Aksje Norge	1 079 852	1,9 %
Delta A/S	655 000	1,1 %
Storkleiven AS	544 187	1,0 %
M.R.Martens Allm. Fond	521 730	0,9 %
Tannlege Randi Arnesen AS	500 000	0,9 %
Pelicahn AS	454 421	0,8 %
Benedicte Martens Nes	386 250	0,7 %
Dag Fredrik Jebsen Arnesen	308 000	0,5 %
Randi Jebsen Arnesen	255 000	0,4 %
Thorild Marie Rong	210 648	0,4 %
Bergen Råvarebørs II AS	208 668	0,4 %
Middelboe AS	197 224	0,3 %
Tigo AS	186 359	0,3 %
Triofa 2 AS	184 378	0,3 %
Other Shareholders	4 396 576	7,7 %
Outstanding Shares	57 146 133	100,0 %

Note 8 Restricted cash

As of 30 June 2018, the company holds restricted cash of NOK 61.2 million. The amount is presented as long term receivables in the balance sheet.

Note 9 Financial covenants

In connection with the successful Rights Issue and restructuring in March 2018, GC Rieber Shipping has negotiated better terms and certain amendments to the two subsea credit facilities. The amendments are described in note 13 to the Group's annual report.