



GCRIEBER SHIPPING ASA



Interim report fourth quarter 2014

18 February 2015

Highlights in the fourth quarter 2014

- Loss of NOK 201.4 million, compared with loss of NOK 73.5 million in 2013, due to provisions of loss from seller's credit and outstanding receivables relating to Reef Subsea
- One-year extension of time charter for the «RRS Ernest Shackleton» until August 2016
- Solid contract backlog of NOK 3.4 billion with average contract duration of 2.3 years
- Fleet capacity utilization of 100 percent, compared with 90 percent in the fourth quarter 2013
- Increase in operating income to NOK 258.5 million from NOK 175.6 million in the fourth quarter 2013
- EBITDA margin of 50 percent, up from 41 percent in the fourth quarter 2013
- Proposed dividends of NOK 0.5 per share, ie. NOK 21.8 million in total

Highlights after the end of the period

In January 2014, GC Rieber Shipping entered into an agreement to sell the company's shares in Reef Subsea AS to HV V Invest Golf AS and HV V Invest Golf II AS, two investment companies owned by the private equity fund HitecVision V, LP. The transaction included the provision of a seller's credit to the HV V Invest Golf companies. In February 2015, Reef Subsea and the HV V Invest Golf companies have declared bankruptcy. As a consequence, GC Rieber Shipping has made a loss provision of NOK 211 million of which NOK 182 million relates to the seller's credit, including accrued interests, and NOK 29 million is a loss provision for outstanding accounts receivables.

Key figures

Figures in NOK million	4Q 2014	4Q 2013	31.12. 2014	31.12.2013
Operating income	258.5	175.6	881.5	745.5
EBITDA	130.2	72.4	453.5	389.3
EBIT	78.6	40.8	280.2	621.9
Profit before tax	-202.4	-68.0	-78.5	361.4
Net profit in the period	-201.4	-73.5	-80.1	371.0
Normalised profit before tax (1)	104.2	2.9	253.8	81.8
Earnings per share	-4.61	-1.68	-1.83	8.50
Equity ratio	46.6 %	57.7 %	46.6 %	57.7 %
Fleet capacity utilisation	100 %	90 %	96 %	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 4Q 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 April 2015. The company also operates another two vessels.

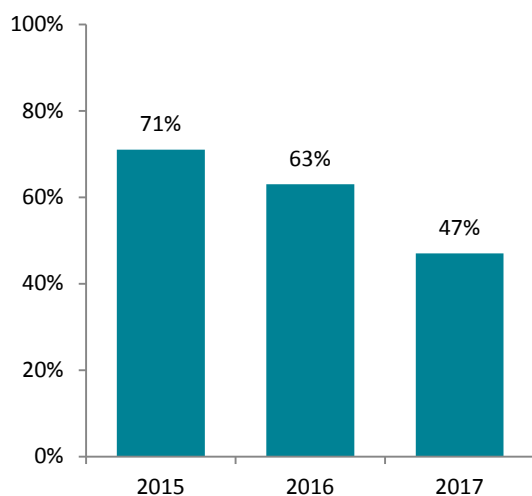
Capacity utilisation and contract backlog

GC Rieber Shipping maintained good and stable operations in the fourth quarter, with full capacity utilisation of the fleet. In comparison, capacity utilisation was 90 percent in the fourth quarter 2013.

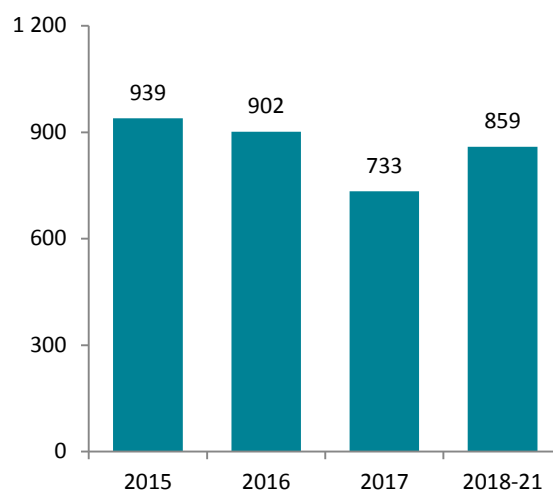
At the end of the quarter the company had a solid contract backlog of NOK 3.4 billion. The contract portfolio consists mainly of medium-term contracts, with average contract duration of 2.3 years. Two of GC Rieber Shipping's subsea vessels have been chartered to Reef Subsea. One of the vessels was returned at year-end 2014, whereas the contract for the second vessel expired February 2015. Reef Subsea's bankruptcy petition therefore has no effect on GC Rieber Shipping's order backlog

As shown in the table below, contract coverage for 2015, 2016 and 2017 is 71 percent, 63 percent and 47 percent, respectively. All figures exclude charterers' extension options.

Contract coverage



Contract backlog (figures in MNOK)



Contract updates in the fourth quarter 2014

GC Rieber Shipping has extended the agreement with British Antarctic Survey for the «RRS Ernest Shackleton» with one year until August 2016.

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

Financial review

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

GC Rieber Shipping had operating income of NOK 258.5 million in the fourth quarter 2014, up from NOK 175.6 million in the corresponding period 2013. The 47.2 percent increase is mainly due to an increased number of vessels in operation. The newbuilding «Polar Onyx» was delivered in March 2014, the «Polar Marquis» was undergoing modifications for most of the fourth quarter last year, and in addition there are currency gains.

The preliminary annual profit for 2014 shows operating income of NOK 881.5 million, up from operating income of NOK 745.5 million in 2013.

Operating profit

EBITDA for GC Rieber Shipping amounted to NOK 130.2 million in the quarter, yielding an EBITDA margin of 50.4 percent. EBITDA in the fourth quarter 2013 was NOK 72.4 million and EBITDA margin 41.3 percent. In connection with Reef Subsea's bankruptcy petition, a loss provision of NOK 29.4 million for outstanding receivables has been made in the accounts for the fourth quarter 2014.

Preliminary annual profit for 2014 indicates EBITDA of NOK 453.5 million compared with NOK 389.3 million in 2013, yielding an EBITDA margin of 51 percent and 50 percent respectively.

Net financial items

Net financial items were negative by NOK 281.0 million in the fourth quarter 2014, compared with a negative NOK 108.8 million in the corresponding period 2013. Financial items include loss provisions of NOK 181.6 million in connection with the failure on the part of HV V Invest Golf AS and HV V Invest Golf II AS to fulfil its seller's credit obligations and subsequent bankruptcy petitions for the companies. Furthermore 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 90.1 million in unrealised currency loss, compared to unrealised currency loss of NOK 18.6 million in the fourth quarter 2013. Included is a negative development in the market value of the group's portfolio of financial instruments amounting to NOK 87.2 million in the fourth quarter 2014, compared to a correspondingly negative development of NOK 7.6 million in the fourth quarter of 2013.

Loss in the period

GC Rieber Shipping had a loss of NOK 201.4 million in the fourth quarter 2014, compared with a loss of NOK 73.5 million in the corresponding period in 2013. The negative result in the fourth quarter 2014 is due to loss provisions for the seller's credit to the HV V Golf companies as well as loss provisions on outstanding receivables relating to Reef Subsea amounting to a total of NOK 211.0 million. Additionally there is unrealised currency loss of NOK 90.1 million. The negative result in the fourth quarter 2013 was mainly related to GC Rieber Shipping's share in the loss of Reef Subsea at the time.

The preliminary annual result for 2014 shows a loss of NOK 80.1 million compared with a profit of NOK 371.0 million in 2013.

Cash flow

Cash flow from operational activities in 2014 was positive by NOK 479.5 million, compared with NOK 434.8 million as at 31 December 2013.

Cash flow from investment activities in 2014 was negative by NOK 897.7 million, compared with a positive cash flow of NOK 229.3 million in 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 236.4 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 174.6 million were paid in the period.

Net cash flow was negative by NOK 181.7 million for 2014, yielding a cash holding of NOK 491.6 million as at 31 December 2014.

Liquidity and financing

In the fourth quarter 2014, the group has paid NOK 54.3 million in ordinary loan instalments. The average remaining duration of the group's loan portfolio is 3.1 years. Instalments on long-term liabilities for the next 12 months amount to a total of NOK 251 million.

Interest-bearing liabilities	4Q 2014	4Q 2013	Per 31.12. 2014	Per 31.12. 2013
Liabilities at end period (NOK million)	2,349.2	1,513.0	2,349.2	1,513.0
Average liabilities (NOK million)	2,374.6	1,539.5	2,052.1	1,635.6
Average interest incl. margin	3.49 %	3.75 %	3.60 %	3.80 %
Proportion of liabilities in USD	100 %	100 %	100 %	100 %
Proportion of liabilities in NOK	0 %	0 %	0 %	0 %

Liquid assets	31.12.2014	31.12.2013
Bank and interest-bearing securities (NOK million)	506.9	691.3
Available through credit facility (NOK million)	250.0	250.0

As at 31 December 2014, GC Rieber Shipping had liquid assets of NOK 506.9 million, compared with NOK 691.3 million as at 31 December 2013. Net liabilities (liquid assets minus interest-bearing liabilities) amounted to NOK 1,842.7 million, compared with net liabilities of NOK 782.9 million as at 31 December 2013. The increase in liabilities is due to the drawing of new loan in connection with delivery of the newbuilding «Polar Onyx» in March 2014.

The group's debt level is in keeping with the strategy to maintain a liquidity situation and gearing that enable room for maneuver.

Equity

GC Rieber Shipping had a booked equity of NOK 2,304.2 million as at 31 December 2014, corresponding to an equity ratio of 46.6 percent, down from 57.7 percent at the end of the fourth quarter 2013. This reduction in equity ratio is related to a loan increase in connection with the delivery of the newbuilding «Polar Onyx», loss provisions in connection with bankruptcy proceedings in Reef Subsea and the HV V Golf companies as well as currency loss.

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 «Polar Queen» is chartered to BOA Marine Services until April 2018, while the «Polar Onyx» is chartered to Ceona Services (UK) Limited until March 2019. Charter contracts with Reef Subsea for the «Polar Prince» and the «Polar King» expired in December 2014 and February 2015, respectively.

Key figures (in NOK million)	4Q 2014	4Q 2013	Per 31.12. 2014	Per 31.12. 2013
Operating income	150.9	82.3	522.1	319.1
EBITDA	56.3	31.6	254.9	155.5
EBIT	29.8	17.6	165.9	90.3
Capacity utilization (in %)	100 %	99 %	100 %	96 %

In the fourth quarter, GC Rieber Shipping had full capacity utilisation for its subsea vessels, compared to 99 percent in the corresponding period 2013.

Operating income amounted to NOK 150.9 million in the quarter, up from NOK 82.3 million in the corresponding period 2013. This increase in operating income is mainly due to a higher number of vessels in operation as the newbuilding «Polar Onyx» was completed and embarked on a contract in March 2014, as well as currency gains. Following loss provisions on outstanding receivables towards Reef Subsea of NOK 29.4 million, EBITDA ended at NOK 56.3 million in the fourth quarter 2014. EBITDA was NOK 31.6 million in the fourth quarter 2013.

Accumulated for 2014, operating income amounted to NOK 522.1 million and EBITDA to NOK 254.9 million compared with NOK 319.1 million and NOK 155.5 million respectively for 2013.

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. 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 April 2015. The newbuilding will then embark on a five-year time charter with Dolphin Geophysical.

Key figures (in NOK million)	4Q 2014	4Q 2013	Per 31.12. 2014	Per 31.12. 2013
Operating income	101.7	75.8	315.8	311.3
EBITDA	61.9	25.2	159.3	148.6
EBIT	38.7	8.8	80.8	81.5
Capacity utilisation (in %)	100 %	74 %	87 %	94 %

GC Rieber Shipping had full capacity utilisation for the seismic vessels in the fourth quarter 2014, compared with 74 percent in the corresponding period 2013. The low capacity utilisation in the fourth quarter 2013 is related to the planned upgrade of «Polar Marquis», resulting in a lower operating income and operating profit.

Operating income for the quarter was NOK 101.7 million, up from NOK 75.8 million in the fourth quarter 2013. EBITDA ended at NOK 61.9 million, compared with NOK 25.2 million in 2013.

Accumulated for 2014, operating income for the seismic segment was NOK 315.8 million compared with NOK 311.3 million in 2013, while EBITDA ended at NOK 159.3 million compared with NOK 148.6 million in 2013.

Ice/Support

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 be included in the operating income in the table below, but will be included in EBITDA and EBIT in the table. In addition the vessels will be dealt with 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)	4Q 2014	4Q 2013	Per 31.12. 2014	Per 31.12. 2013
Operating income	5.9	17.5	43.6	115.0
EBITDA	11.9	15.6	39.3	85.1
EBIT	10.1	14.5	33.5	450.1
Capacity utilisation (in %)	100 %	98 %	100 %	96 %

(1) As at 1.1.2014, joint ventures are recognized in the accounts using the equity method. Figures for 4Q 2013 and 31.12.2013 are restated accordingly.

The ice/support segment had full capacity utilisation in the quarter, compared with 98 percent in the fourth quarter 2013, yielding operating income of NOK 5.9 million. EBITDA ended at NOK 11.9 million, of which NOK 10.0 million constitute the share of the profit from joint venture (see below). In comparison the company had operating income of NOK 17.5 million and an EBITDA of NOK 15.6 million in the fourth quarter 2013. This reduction in operating income and EBITDA is mainly due to the termination of management contract for the vessel «HMS Protector» in September 2014.

Accumulated for 2014, operating income amounted to NOK 43.6 million compared with NOK 115.0 million in 2013, and EBITDA ended at NOK 39.3 million compared with NOK 85.1 million. 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

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 were chartered to the Sakhalin Energy Investment Corporation until the end of 2014, operating in the Sakhalin II field. Further employment of the crew vessels is expected to be determined in the spring of 2015.

The group's share in the profit for the fourth quarter 2014 amounted NOK 10.0 million, compared with NOK 6.9 million in the fourth quarter 2013.

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. 0.34 percent of the shares in the company.

In the fourth quarter 2014, the group's shares have been traded between NOK 31.0 and NOK 39.0. The last price recorded in the fourth quarter of 2014 was NOK 31.0, which on the basis of a total of 43,662,000 outstanding shares values the group's equity at approximately NOK 1.4 billion. At the end of the fourth quarter 2014, the company had 263 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 31 December 2014.

Outlook

In the short term there is a great deal of uncertainty surrounding the markets in which GC Rieber Shipping operates. The price of oil fell dramatically in the second half of 2014 and has remained on a level between USD 47 and 58 per barrel since the start of 2015. This is more than a 50 % drop from the first half 2013. Together with a high level of expenses, this has reinforced the oil companies' cost focus and investment cutbacks, which in turn influences the level of activity for sectors such as seismic and subsea.

The seismic sector, which is an early cyclical sector, experiences turbulent times with reduced earnings and a considerable pressure on prices. Large seismic companies have continued to report weaker results and reduced order backlogs, and the market expects that the low oil price will result in a weak market throughout 2015 and well into 2016. GC Rieber Shipping has full contract coverage for its seismic fleet into the second quarter 2016, and expects to maintain its level of activity for some time.

Out of the company's four subsea vessels, three operate within the construction and IMR segment (Inspection, Maintenance and Repair). The latter segment is generally less exposed to reduced investments among oil companies compared with the part of the subsea industry that is directed at new projects, but the great drop in oil prices and corresponding increased focus on costs has resulted in postponement of maintenance and uncertainty also here. GC Rieber Shipping is actively working to find new contract partners for the «Polar King» and the «Polar Prince». The mood in the market seems to be cautious at the same time as there is a noticeable pressure on prices and delayed

decision-making processes. In the short term it seems likely that the focus will be on shorter contracts in order to maintain a healthy level of activities in the segment.

The market picture for the ice/support segment is experienced as stable and activities remain unchanged. There are no significant changes in terms of the political turmoil in Russia, but the consequences of a possible lasting solution between Russia and the Ukraine is surrounded by a great deal of anticipation.

Going forward, the focus will be on finding cost effective and flexible solutions, most likely with a lower cost level in the industry as a result. At the same time, oil prices and levels of activity are expected to recover, but the market sentiment is nevertheless likely to remain under pressure throughout the year and into 2016.

About GC Rieber Shipping

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 April 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.

Bergen, 17 February 2015

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

Fourth quarter 2014
Consolidated accounts
(Unaudited)

Profit & Loss Account (NOK 1000)	4Q 14	4Q 13	31.12.2014	31.12.2013
Charter income	243 009	150 201	803 031	685 846
Other operating income	15 443	25 389	78 429	59 625
Total income	258 452	175 590	881 460	745 470
Operating expenses	-138 224	-110 035	-451 358	-370 072
Profit from joint venture	9 950	6 886	23 373	13 860
Operating profit before depreciation, write-downs and gains (losses) on sale of fixed assets	130 179	72 441	453 475	389 258
Depreciation	-51 567	-31 652	-173 426	-132 095
Write-downs	0	0	0	-10 309
Gains (losses) on sale of fixed assets	0	0	108	375 054
Operating profit	78 611	40 788	280 157	621 908
Loss from associated companies	0	-83 472	0	-155 511
Write-downs financial assets	-160 000	0	-160 000	0
Financial income	6 858	4 212	21 536	13 301
Financial expenses	-46 788	-18 914	-107 124	-69 685
Realized currency gains (losses)	9 066	8 055	2 920	7 053
Unrealized currency gains (losses)	-90 142	-18 630	-115 948	-55 697
Net financial income and expenses	-281 006	-108 750	-358 615	-260 538
Profit before taxes	-202 395	-67 961	-78 458	361 370
Taxes	993	-5 531	-1 614	9 649
PROFIT	-201 403	-73 493	-80 073	371 019
Earnings and diluted earnings per share	-4,61	-1,68	-1,83	8,50

Statement of Comprehensive Income (NOK 1000)	4Q 14	4Q 13	31.12.2014	31.12.2013
Profit for the period	-201 402	-73 493	-80 073	371 019
Other comprehensive income:				
Foreign currency translation	244 230	26 169	371 402	77 650
Changes in pension estimates	-10 393	-2 143	-10 393	-2 143
Comprehensive income for the period	32 435	-49 467	280 936	446 526

GC RIEBER SHIPPING ASA
Fourth quarter 2014
Consolidated accounts
(Unaudited)

Balance Sheet	31.12.2014	31.12.2013
(NOK 1000)		
ASSETS		
<u>FIXED ASSETS</u>		
Deferred tax asset	63 989	58 773
Vessels	3 893 403	2 337 244
Newbuilding contracts	170 216	246 499
Machinery and equipment	261	551
Financial fixed assets	135 980	263 099
Long term receivables	29 740	24 335
<i>Total fixed assets</i>	4 293 590	2 930 500
<u>CURRENT ASSETS</u>		
Inventories	4 768	4 784
Receivables	142 457	182 090
Quoted financial investments	15 374	17 967
Cash and bank deposits	491 560	673 308
<i>Total current assets</i>	654 159	878 148
Total assets	4 947 748	3 808 647
EQUITY AND LIABILITIES		
<u>EQUITY</u>		
Restricted equity	95 196	95 196
Retained earnings	2 209 047	2 102 759
<i>Total equity</i>	2 304 243	2 197 955
<u>LIABILITIES</u>		
Provision for liabilities	28 226	13 475
Other long-term liabilities	2 086 404	1 279 199
Current liabilities	528 875	318 019
<i>Total liabilities</i>	2 643 505	1 610 693
Total equity and liabilities	4 947 748	3 808 647

GC RIEBER SHIPPING ASA
Fourth quarter 2014
Consolidated accounts
(Unaudited)

Cash Flow Statement (NOK 1000)	31.12.2014	31.12.2013
EBITDA	453 475	389 258
Change in net current assets	26 043	45 570
Net cash from operating activities	479 519	434 828
Acquisition of tangible fixed assets	-894 160	-237 629
Sale of fixed assets	108	557 994
Other investing activities	-3 597	-91 018
Net cash from investment activities	-897 650	229 347
New loans and repayments	467 038	-97 310
Dividend payment	-174 648	-43 662
Net interest paid	-56 007	-46 606
Net cash from financing activities	236 383	-187 578
Net change in liquidity	-181 748	476 597
Liquidity at beginning of period	673 308	196 711
Liquidity at end of period	491 560	673 308

Equity statement (NOK 1000)	Share capital	Own shares	Share premium reserve	Other equity	Total equity
Balance at 01.01. 2013	78 863	-271	16 604	1 699 896	1 795 092
Profit for the year				446 525	446 525
					0
Dividends to shareholders				-43 662	-43 662
Balance at 31.12.2013	78 863	-271	16 604	2 102 760	2 197 955
Balance at 01.01. 2014	78 863	-271	16 604	2 102 760	2 197 955
Profit for the year				280 936	280 936
Dividends to shareholders				-174 648	-174 648
Balance at 31.12.2014	78 863	-271	16 604	2 209 048	2 304 244

Segment Reporting (NOK 1000)	4Q 14	4Q 13	31.12.2014	31.12.2013
Ice/support	5 905	17 500	43 574	115 043
Subsea	150 881	82 296	522 062	319 122
Seismic	101 666	75 793	315 825	311 305
Operating income	258 452	175 590	881 460	745 470
Ice/support	11 912	15 643	39 299	85 130
Subsea	56 333	31 569	254 915	155 539
Seismic	61 934	25 229	159 262	148 589
Operating profit before depreciation, write-downs and gains (losses) on sale of fixed assets	130 179	72 441	453 475	389 258
Ice/support	10 076	14 450	33 461	450 073
Subsea	29 802	17 551	165 852	90 335
Seismic	38 734	8 787	80 844	81 500
Operating profit	78 611	40 788	280 157	621 908

GC RIEBER SHIPPING ASA
Fourth 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.

Note 3 Accounting principles

The Group's financial reporting is in accordance with International Financial Reporting Standards (IFRS). The consolidated interim accounts at 31 December 2014 have been prepared in accordance with IAS 34 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 17 February 2015.

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 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 2013.

GC RIEBER SHIPPING ASA
Fourth quarter 2014
Group
(Unaudited)

Note 7 Overview of shareholders

The 20 largest shareholders in GC Rieber Shipping ASA as of 31 December 2014 (outstanding shares):

Name	Number of shares	Owner's share
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	371 687	0,8 %
Delta A/S	360 000	0,8 %
Benedicte Martens Nes	356 250	0,8 %
Pelicañ AS	348 396	0,8 %
Tannlege Randi Arnesen AS	300 000	0,7 %
Pareto Aktiv	281 120	0,6 %
Randi Jebsen Arnesen	250 000	0,6 %
Dag Fredrik Jebsen Arnesen	208 000	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	3 027 962	6,9 %
Outstanding Shares	43 812 800	100,0 %

Note 8 Currency- and interest hedging

The Group does not use hedge accounting in connection with exchange rates. As a result, exchange rate variations between USD and NOK can give relatively substantial impacts in the accounts. A weakening of NOK against USD in the fourth quarter 2014 resulted in unrealized currency losses of NOK 87.2 million. In previous quarters this has been presented as foreign currency translation under Statement of Comprehensive income instead of as a financial item. For the first three quarters of 2014 this amounted to a total unrealized currency loss of MNOK 10.4 million. The amount is adjusted per 31.12.2014.