

# First quarter 2016

Bergen 12 May 2016

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## Agenda

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- Highlights Q1 2016
- Operational review
- Financial review
- Summary and outlook

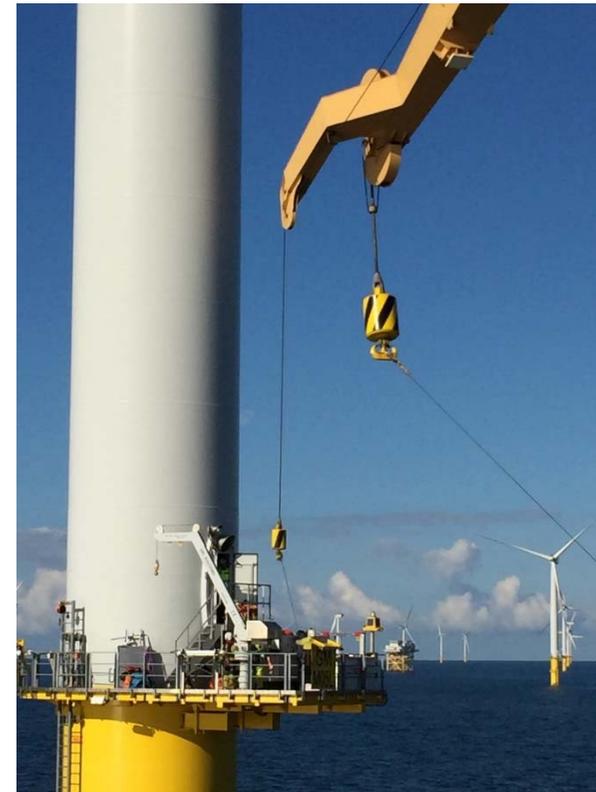


"Polar Onyx"

## Highlights first quarter

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- Fleet utilisation of 46 percent
- Stable operation in a challenging market
- New contract for the «Polar King» from January 2017
- Continued focus on cost reduction





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## Contract updates

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- One year extension of bareboat charter for «RRS Ernest Shackleton» with British Antarctic Survey until August 2017
- New short-term contract for the «Polar King» with Reach Subsea
- New contract for the «Polar King» with Nexans Skagerrak AS
  - Fixed period of 8.5 months
  - Options for up to 16 months
  - Commence in January 2017



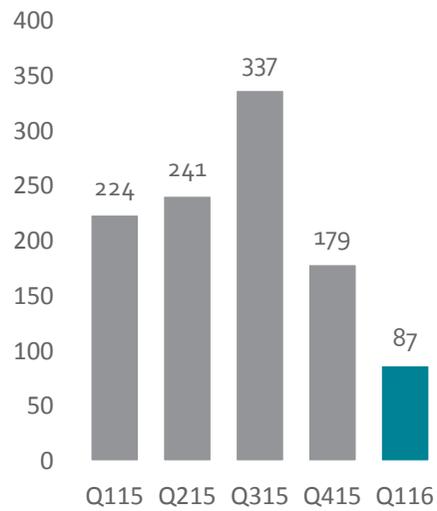
“RSS Ernest Shackleton”



## Key figures

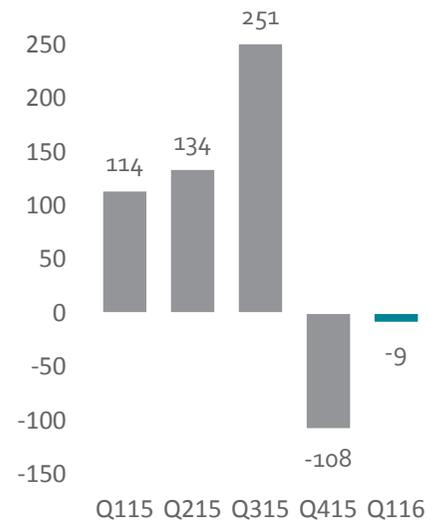
### REVENUES

NOK million



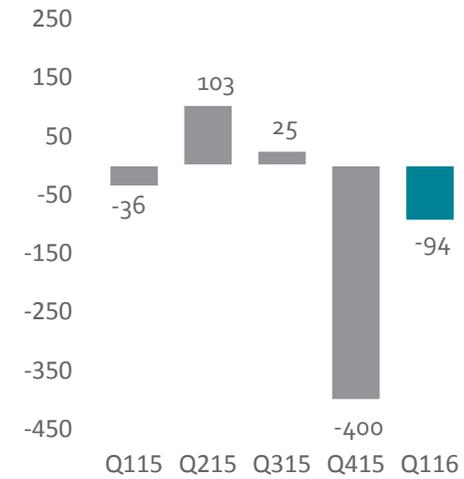
### EBITDA

NOK million



### NET PROFIT

NOK million



# Operational Review

## Q1 2016

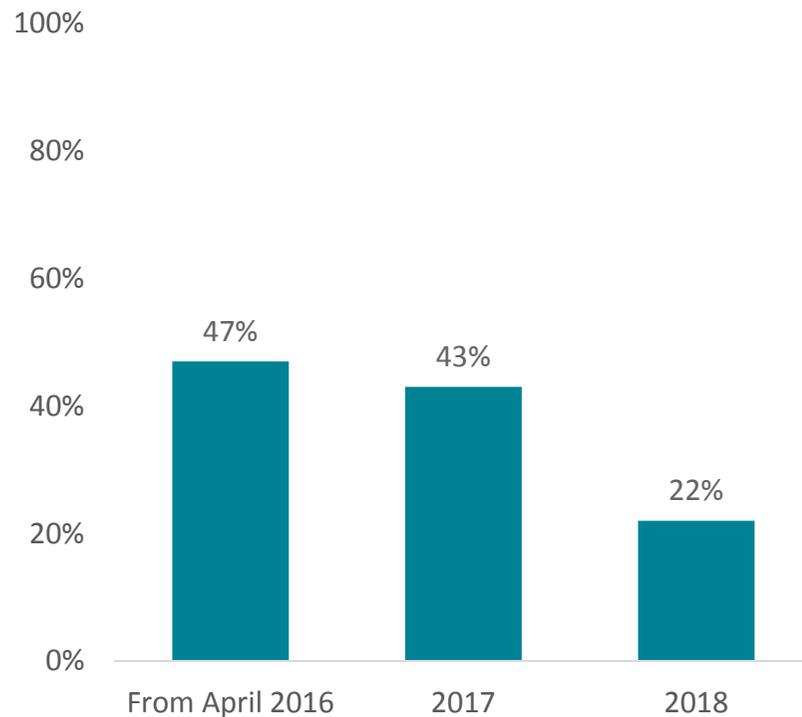


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## Contract backlog of NOK 732 million\* per April 2016

### CONTRACT COVERAGE\*

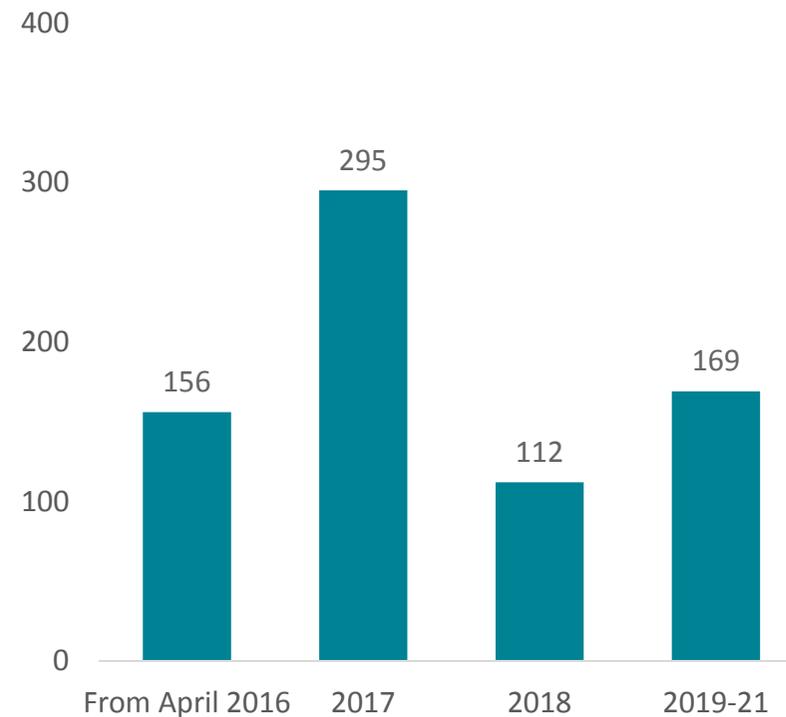
*Utilisation rate*



\* Excluding options

### CONTRACT BACKLOG\*

*NOK million*



# / Current fleet

SUBSEA	GC Rieber Shipping has been involved in worldwide offshore exploration and development with dynamically positioned subsea support vessels since the early 1980s	Polar Onyx	Polar King	Polar Queen	
					
		CHARTERER*	CHARTERER	CHARTERER	
		AVAILABLE	AVAILABLE FOR SHORT-TERM ASSIGNMENTS UNTIL LATE 2016	BOA	
SEISMIC	GC Rieber Shipping has owned and operated seismic vessels since the late 1960s and has extensive experience from operations around the globe, including in the Canadian High Arctic and Antarctica.	Polar Duke	Polar Duchess	Polar Marquis	Polar Empress
					
		CHARTERER	CHARTERER	CHARTERER	CHARTERER
		COLD STACKED	AVAILABLE	AVAILABLE	AVAILABLE
ICE / SUPPORT	Our company is one of very few specializing in the Arctic and Antarctic shipping business, offering independent and competitive services for scientific expeditions and logistics in these demanding regions.	Polar Pevek	Ernest Shackleton	Polar Baikal	Polar Piltun
					
		CHARTERER	CHARTERER	CHARTERER	CHARTERER
					

\* from mid-May 2016

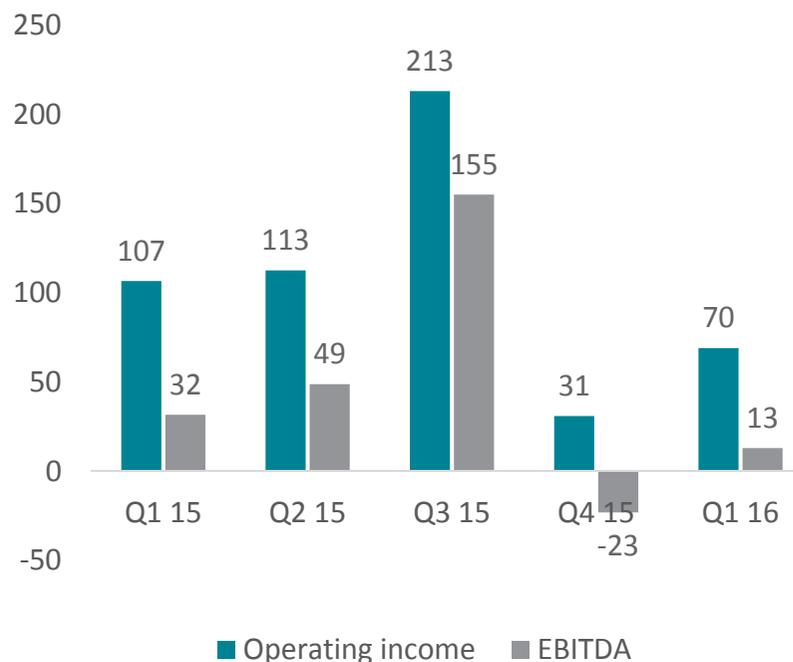
# Subsea



- Fleet utilisation 52 percent
  - 63 percent in Q1 2015
  - «Polar King» not on charter in the quarter. Charter agreements with Reach Subsea in Q3 2016 and with Nexans Skagerrak from January 2017
  - «Polar Onyx» on charter from the beginning of February until early April
- Continued weak market

## KEY FIGURES

NOK million



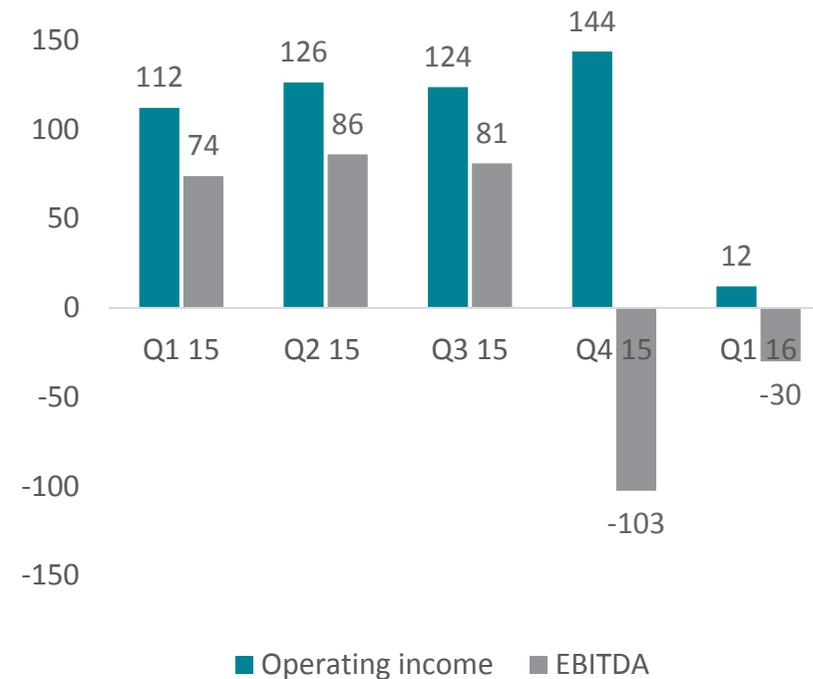


## Marine Seismic

- Fleet utilisation 14 percent
  - Discharge of contracts due to the bankruptcy of Dolphin Geophysical
    - Two contracts in the spot market for «Polar Marquis» and «Polar Empress» in the quarter
  - «Polar Duke» cold stacked in the period
- Challenging market

### KEY FIGURES

NOK million





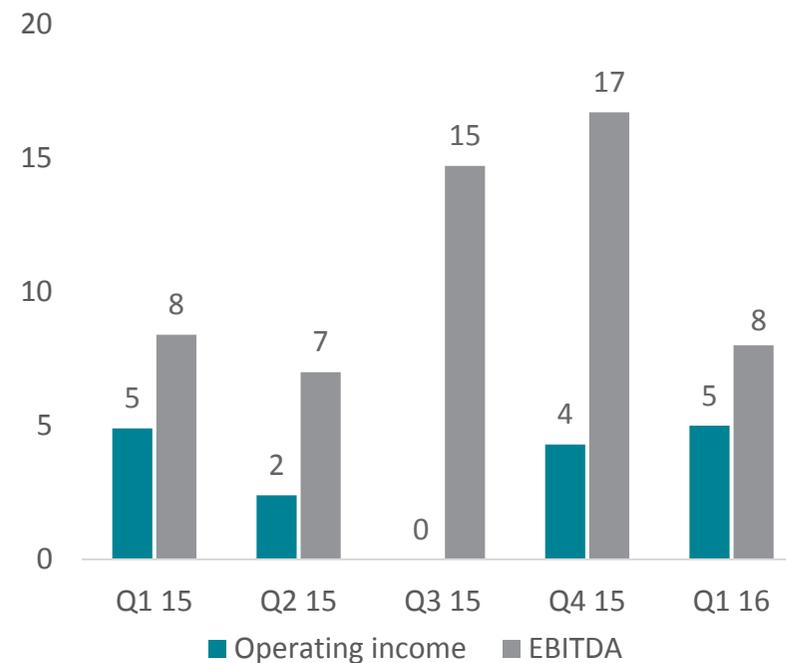
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## Ice/ Support

- Fleet utilisation 100 percent
  - 100 percent in Q1 2015
  - EBITDA contribution of NOK 8.4 million including joint venture companies
- Market
  - Generally stable development

### KEY FIGURES

NOK million



## Financial review

Q1 2016

## Income statement



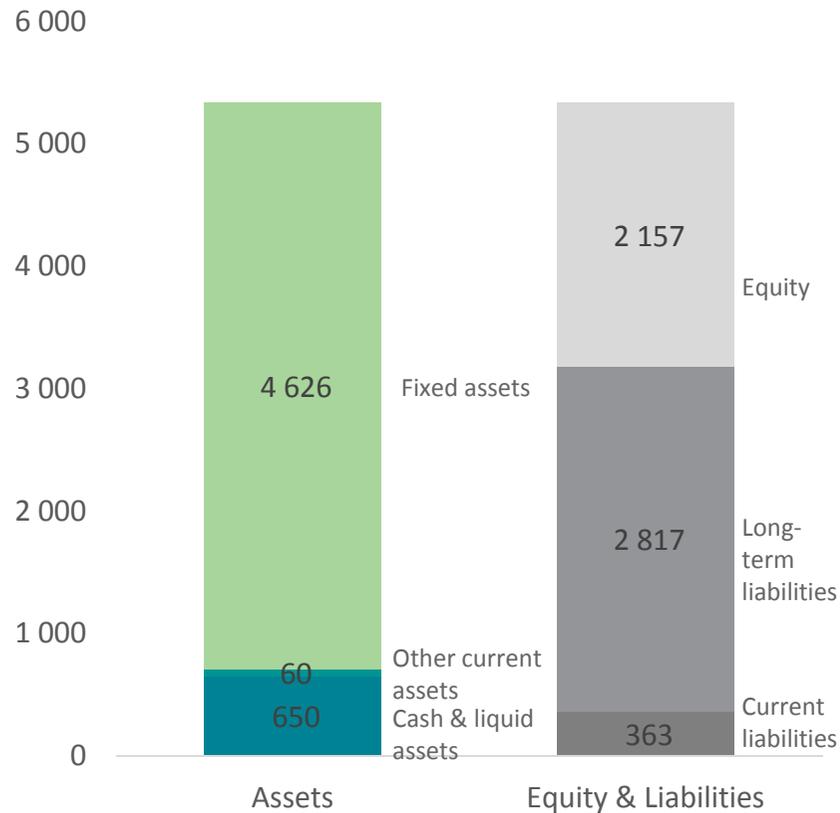
NOK mill	Q1 2016	Q1 2015
<b>Operating income</b>	<b>86.8</b>	<b>223.9</b>
EBITDA	-9.0	114.0
<b>EBIT</b>	<b>-76.7</b>	<b>54.2</b>
Net financial income and expenses	-16.9	-89.8
Profit before tax	-93.6	-35.6
<b>Net profit in the period</b>	<b>-93.7</b>	<b>-36.3</b>
Normalized profit before tax (1)	-112.1	37.1
Earnings per share	-2.15	0.26

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



## Balance sheet per 31.03.2016

*NOK million*



- Total balance NOK 5 337 million
- Equity ratio 40.4 percent
- Cash position NOK 645 million
- Net debt NOK 2 462 million
- Average duration of loan portfolio is 4.8 years

## Outlook

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- Market view short term
  - Increased oil price in 2016
  - Cost focus and limited exploration activity in the oil sector still affect shipping industry – especially subsea and seismic segments
- Expected trends in segments
  - Subsea: Short term focus, price pressure and project delays
  - Marine Seismic: Cost focus and weak market
  - Ice/support: Stable and unchanged activity

## Summary

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- Fleet utilisation of 46 percent
- Stable operation in a challenging market
- Continuous focus on reducing costs
- New contract for the «Polar King» from January 2017



“Polar Marquis”

## Disclaimer



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