



Third quarter 2019

GC Rieber Shipping ASA

Bergen 6 November 2019



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Agenda

- Highlights Q3 2019
- Operational review
- Financial review
- Outlook



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Highlights Q3 2019

- 100% fleet utilisation¹
- Net profit of NOK 17.3 million (net loss of NOK 53.2 million in Q3 2018)
- Contract backlog of NOK 311 million as of 1 Oct. 2019²
- New time charter agreement for Polar Queen for a period of five months in 2020
- Shearwater awarded several contracts for marine seismic acquisition projects and rates continue to reflect an improved marine seismic market
- Ship management agreement for the cable laying vessel Nexans Skagerrak from Q3 2019 and the cable laying vessel Nexans Aurora (to be delivered in 2021)

Post-quarter events

- Extension of ongoing charter for Polar King by four months until medio February 2020, with options for additional five months

1) Excluding marine seismic

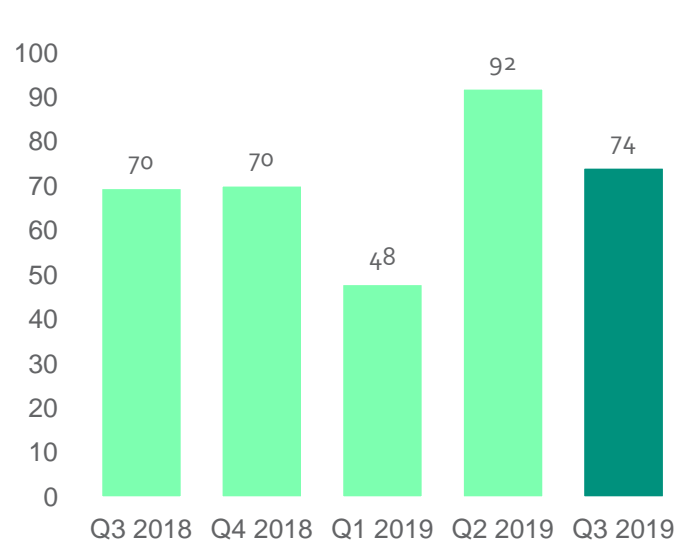
2) Excluding marine seismic and options, including all contracts secured up until the reporting date for the third quarter



Highlights Q3 2019 - Key financial figures

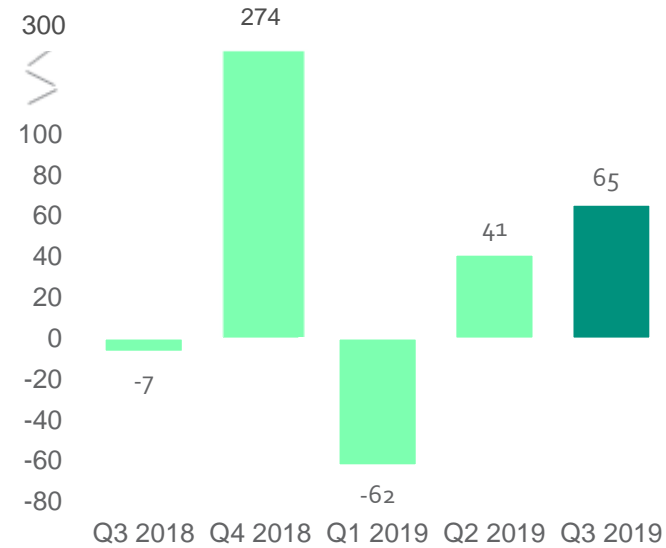
REVENUE

NOK million



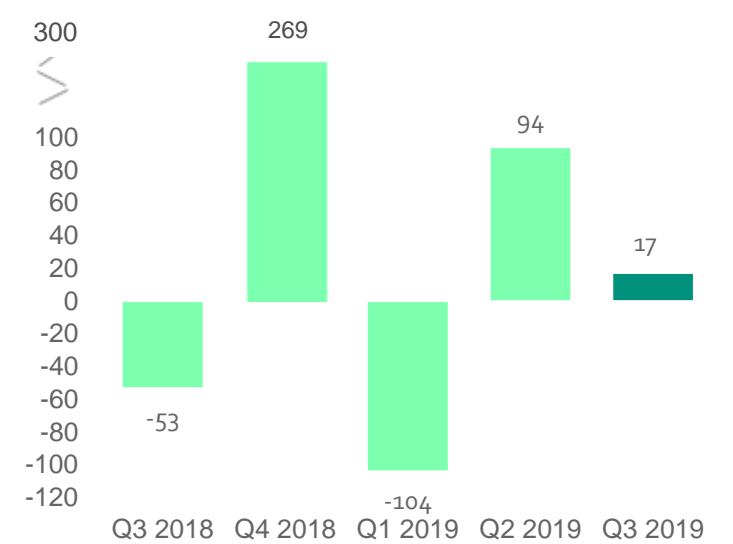
EBITDA¹

NOK million



NET PROFIT

NOK million



1) Includes profit and losses from Joint Ventures

Operational Review

Q3 2019



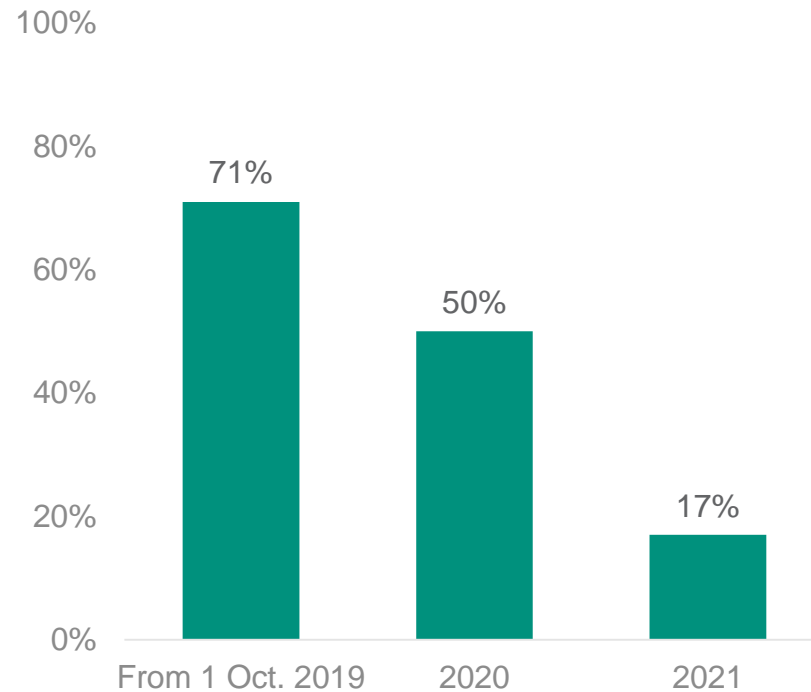
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Total contract backlog of NOK 311 mill. as of 1 Oct. 2019¹

Including all contracts secured up until the reporting date for the third quarter

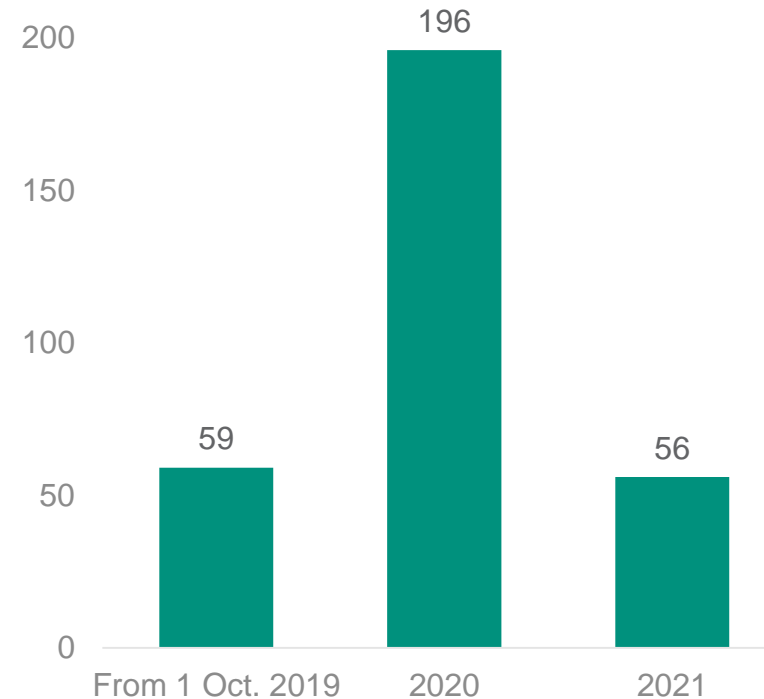
CONTRACT COVERAGE

Utilisation rate



CONTRACT BACKLOG

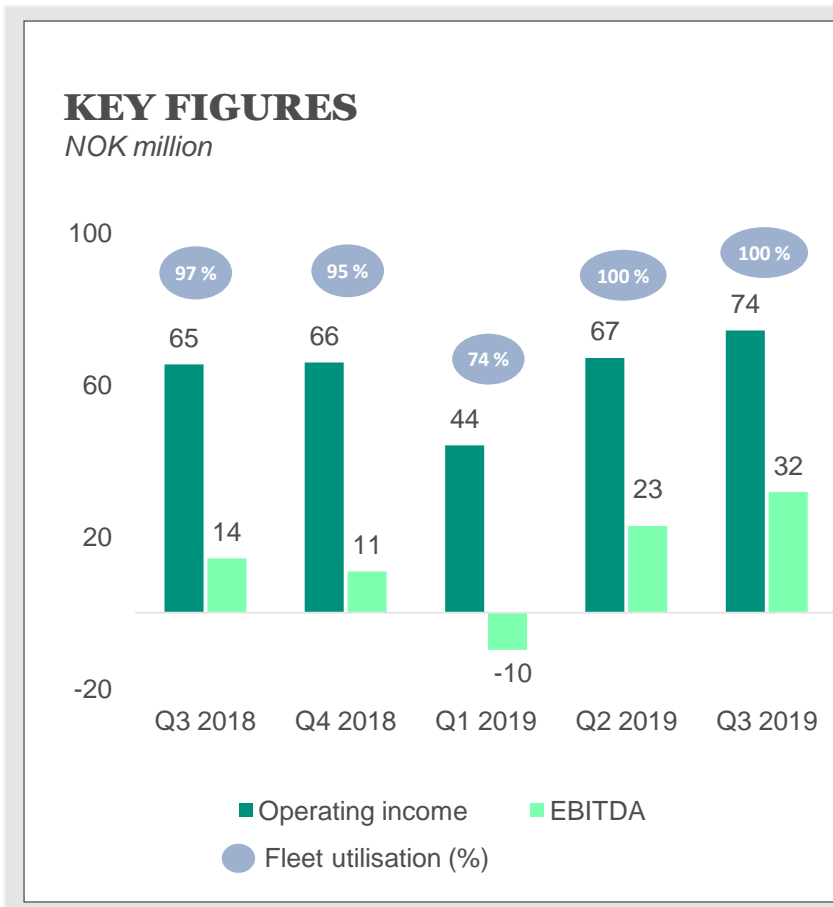
NOK million



1) Excluding marine seismic and extension options

Subsea Segment

- Fleet utilisation of 100% in Q3
 - Polar King, Polar Queen and Polar Onyx on charter for the entire period
- Outlook
 - Polar Onyx on a fixed charter with DeepOcean until Q1 2021, with options for two more years
 - Polar King on fixed charter with Nexans until February 2020 with options for five additional months
 - Polar Queen has signed a five-month contract commencing in April 2020



Polar Onyx



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

DEEPOCEAN

Polar King



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

Nexans

Polar Queen

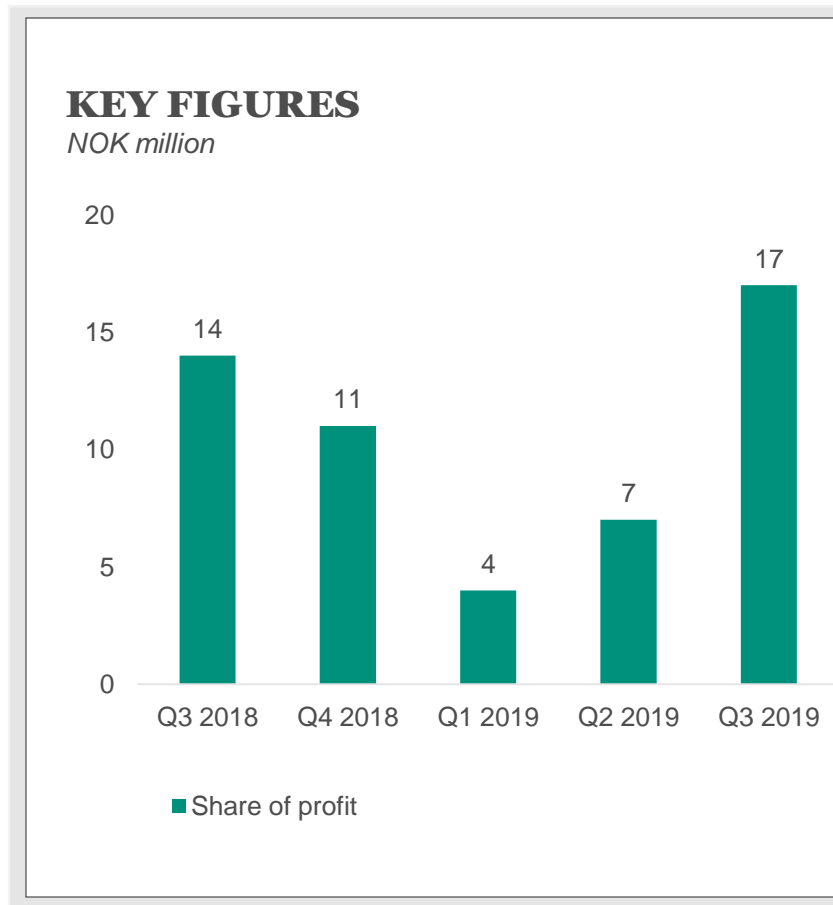


- CSV vessel, built 2011
- LOA: 111m
- Crane: 150 mt
- Accommodation: 119

Joint Ventures – Ice/Support

- Ice/Support

- Fleet utilisation of 100% in Q3 2019 (100%)
- Polar Pevek on charter to Exxon Neftegas (ENL) until 2021
- Polar Baikal and Polar Piltun on charter to Sakhalin Energy Investment Corporation until end of 2019 season¹
- Efforts ongoing to secure continued engagement for the vessels
- Share of profit in Q3 2019 of NOK 17.0 million



Polar Pevek

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



Polar Baikal

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



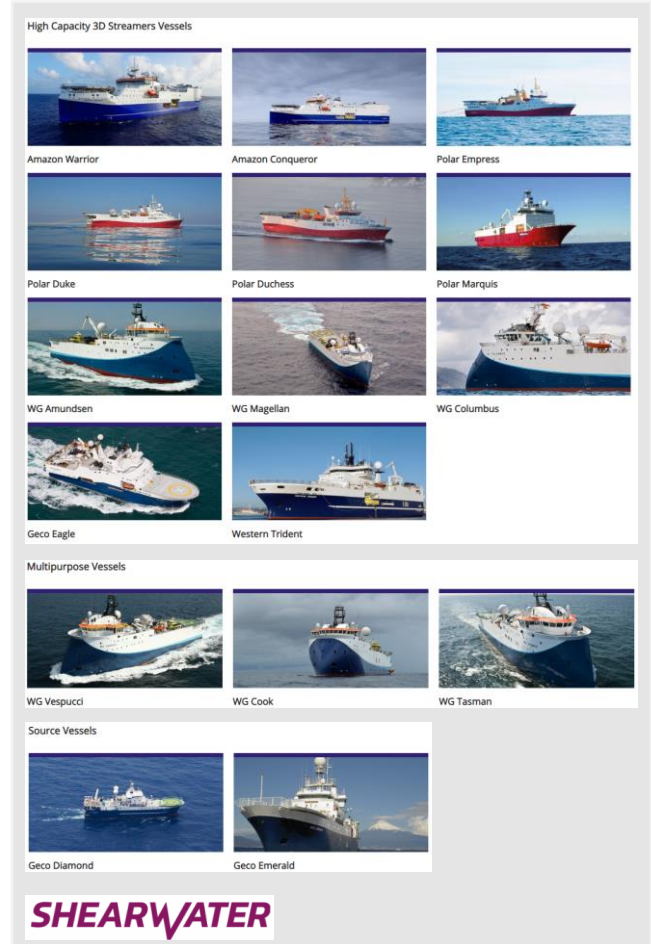
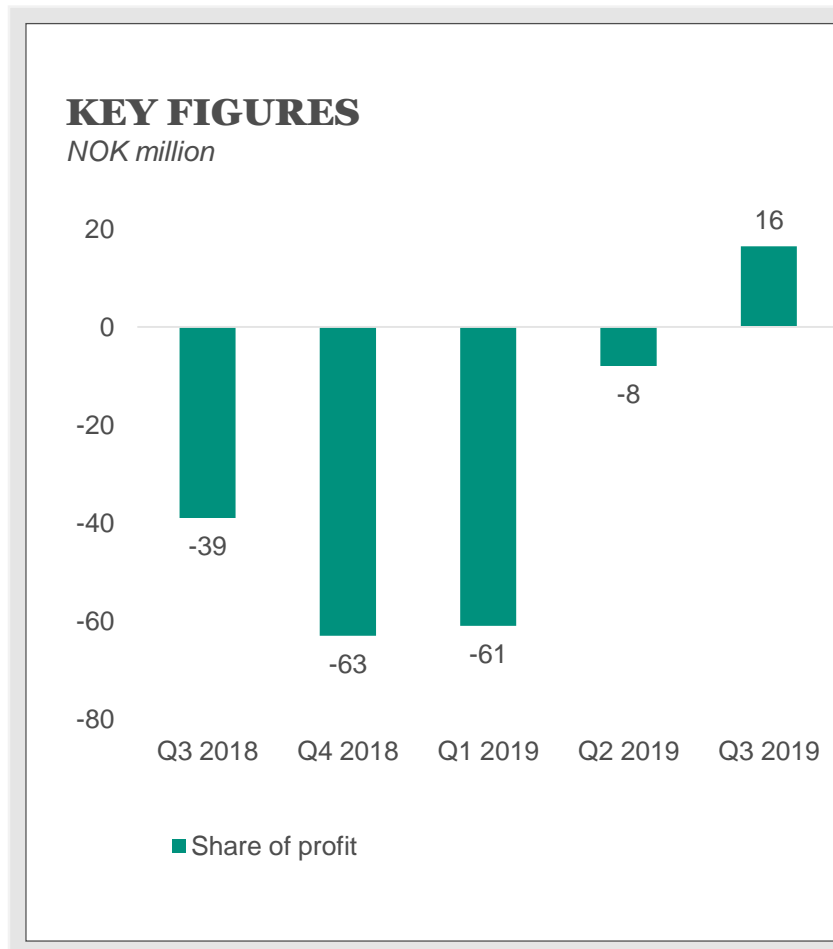
Polar Piltun

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

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

Associated company - Marine Seismic (Shearwater)

- Marine Seismic (Shearwater)
 - Shearwater's active fleet spent 92% of its time executing or positioning for acquisition contracts
 - Shearwater's fleet counts 14 acquisition vessels, whereof nine active in Q3 2019
 - GC Rieber Shipping's Q3 2019 share of profit was NOK 16 million
- Outlook
 - Strong back-log for active vessels in Q4
 - Continued high tendering activity and positive development in pricing level
 - Shearwater will further strengthen its market position through the announced agreement with CGG



Financial Review

Q3 2019



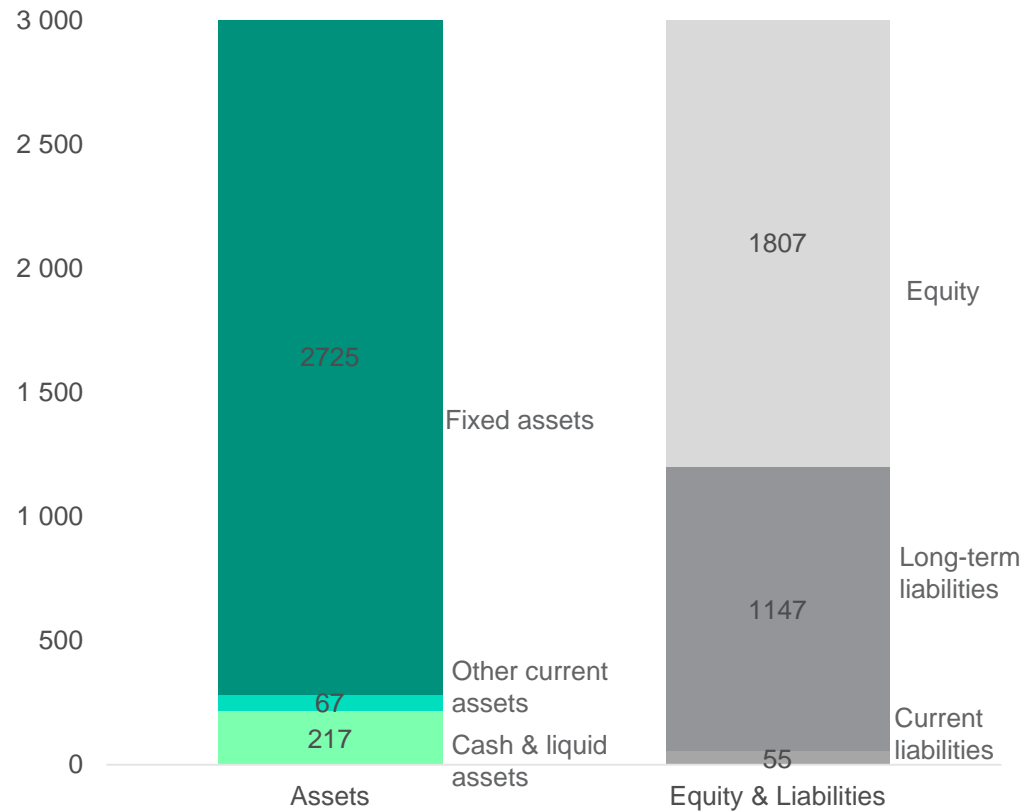
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Income Statement

NOK mill	Q3 2019	Q3 2018	YTD 2019	YTD 2018	31.12.2018
Operating income	74.2	69.6	214.2	161.7	231.9
EBITDA	65.4	-6.5	44.6	-18.8	254.9
EBIT	36.1	-35.6	52.1	-78.7	200.7
Net financial income and expenses	-18.7	-13.9	-45.4	-38.8	-52.6
Profit before tax	17.3	-49.4	6.8	-117.5	148.0
Net profit	17.3	-53.2	6.8	-121.3	148.1
Earnings per share	0.20	-1.22	0.08	-2.27	2.68
Number of shares (in million)	86.1	57.1	86.1	53.4	55.2

Balance sheet 30.09.2019

NOK million



- Total balance NOK 3 billion
- Equity ratio 60.1%, up from 48.2% at end of September 2018
- Cash position NOK 217 million
- Net debt NOK 943 million

Outlook

Q3 2019

Outlook

- Short-term market view
 - Continued market volatility with fluctuations in oil price
 - Signs of improvement in some vessel markets, but activity during the winter is expected to follow the historical trend of market slow down
- Expected market trends
 - Subsea/renewables: Winter season is expected to be slow as the activity decreases and more vessels become available in the market
 - Marine seismic: Activity and rates continue to reflect an improved market
 - Ice/support: Stable activity levels in a gradually improving market





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