

REPORT

4TH QUARTER



Highlights

4th quarter 2017

/ KEY EVENTS

- Continued strong project execution
- Increase in tender activity in Norway
- Strong order backlog of NOK 2,408 million, an increase of 72%
- Proposed dividend of NOK 1.75 per share

/ KEY FIGURES Q4

- Revenues of NOK 673.8 million in 2017 vs NOK 551.7 million in 2016
- EBITDA of NOK 69.7 million in 2017 vs NOK 47.4 million in 2016
- EBITDA margin of 10.4% in 2017 vs 8.6% in 2016

/ KEY FIGURES 2017

- EBITDA margin improved to 9.7% in 2017 from 7.7% in 2016
- Full-year revenue growth of 20%



NRC Group

NRC Group is a major contractor within infrastructure in Norway and Sweden. The group is a supplier of all rail, road and harbour related infrastructure services, including groundwork, specialized

track work, safety, electro, telecom and signalling systems. Since its inception in 2011, the NRC Group has experienced significant growth and is now one of the leading Nordic entrepreneurs within railway infrastructure.

Key figures

(Amounts in NOK million)	Q4 2017	Restated Q4 2016	FY 2017	FY 2016
Revenue	673,8	551,7	2 372,8	1 975,0
EBITDA	69,7	47,4	229,2	152,4
EBITA	54,7	41,2	183,7	127,7
EBIT	46,4	34,2	149,5	99,3
EBT	45,6	31,1	143,8	89,4
EBITDA (%)	10,4 %	8,6 %	9,7 %	7,7 %
EBIT (%)	6,9 %	6,2 %	6,3 %	5,0 %
Employees	619	418	619	418
Investments	34,0	1,0	131,0	45,8
Order backlog	2 408	1 402	2 408	1 402



Comments on fourth quarter 2017 results

Strong project execution and order intake throughout 2017

NRC Group continued its positive development and had a record quarter with revenue increase and solid EBITDA growth.

Fourth-quarter revenue was NOK 673.8 million, an increase of 22.1% compared with the same period of 2016. The early onset of winter impacted activity in Sweden as work on some projects were postponed to 2018. Activity levels in Norway reflected a low level of rail- and tramway projects awarded earlier in the year. EBITDA was NOK 69.7 million (NOK 47.4 million), equalling an EBITDA margin of 10.4% (8.6%) due to solid project execution.

Full-year 2017 revenue was NOK 2,372.8 million, an increase of 20.1% from 2016. EBITDA was NOK 229.2 million (NOK 152.4 million), and the EBITDA margin was 9.7% (7.7%). Full-year revenue-growth and increased profitability reflected continued market expansion, strong project execution and successful delivery on the group's consolidation strategy.

Order intake for the fourth quarter was NOK 616 million (NOK 570 million) and the backlog amounted to NOK 2,408 million at the end of December, an increase of 72% from last year.

In the fourth quarter, NRC Group signed a SEK 41 million groundwork contract for Stora Enso Timber AB and a SEK 44 million contract for renewal of the signalling system in Varberg municipality for the Swedish Transport Administration. Furthermore, the Swedish Transport Administration decided to exercise a contract option on a frame agreement of SEK 30 million. The volume of new orders reflected the normal year-end cycle with high tendering activity. Additional orders for ongoing projects led to a high level of unannounced contracts in the quarter.

In October, NRC Group acquired Fibertech AS. The acquisition of Fibertech will strengthen the operations and services of NRC Group's Norwegian branch.

The acquisition activity was high in 2017. NRC Group will continue its strategy of organic and acquisitive growth in 2018.

In Norway, NRC Group experienced high tendering activity towards the end of 2017 and into 2018 with increased focus on larger turnkey projects covering several special competencies. This is in line with the strategic positioning over the past few years. While ongoing tenders are

expected to be awarded in 2018, execution of some of the larger projects on tender is estimated to start end of 2018 or in 2019 and later.

In Sweden, the underlying market grows at a stable pace. Approval of the new NTP is expected in April and will likely lead to increased market activity.

NRC Group operates in a market driven by strong macro trends such as urbanisation, population growth and the need for environmentally sustainable transport solutions. The approved National Transport Plan (NTP) in Norway and the proposed NTP for Sweden give better visibility and confirm political commitment to increase spending on developing national transport systems and the shift towards larger

turnkey projects. These indicate further growth to already historically high budgets and investments in years to come. This is supported by sanctioned upgrade and expansion projects, increased tendering activity and a vast and growing maintenance backlog related to installed transport infrastructure in Norway and Sweden.

It is NRC Group's ambition over time to distribute a dividend of minimum 30% of the profit for the year, subject to a satisfactory underlying financial performance. Based on the 2017 results, strong financial position and confidence in the future, the Board of Directors will propose a dividend of NOK 1.75 per share for 2017 (NOK 0.80).

Financial position

Net cash flow from operating activities for the fourth quarter of 2017 was NOK 160.1 million (NOK 67.1 million) which includes a decrease in working capital due to seasonal variations. Net cash flow for the year was NOK 132.6 million (NOK 146.9 million).

Net cash flow from investing activities for the fourth quarter 2017 was NOK -28.5 million (NOK 3.9 million) including NOK -23.8 related to acquisition of Fibertech. Net cash flow for the year was NOK -242.8 million (NOK -67.9 million) which includes four acquisitions during the year.

Net cash flow from financing activities for the fourth quarter 2017 was NOK -35.4 million (NOK 130.8 million) and NOK 92.2 million (NOK 93.1 million) for the year.

The cash position at 31 December 2017 was NOK 408.5 million.

Employees

NRC Group employees have a high level of competence. They represent the foundation for growth. As of 31 December 2017, 608 people were employed in the operative companies and NRC Group ASA employed 11 people.

Health, safety and environmental considerations are priority areas. NRC Group has adopted HSE policies and implemented guidelines to comply with applicable local regulations and to maintain and develop its HSE standards. NRC Group's HSE efforts are managed on both central and regional levels.

Risks

NRC Group is exposed to both operational and financial risks. Operational risks include risk assessment and contingency appraisal in project tendering, change management in project execution and resource optimization following fluctuations in seasonal demand in the business of NRC Group.

NRC Group aims to undertake operational risk that the business units can influence and control. NRC Group has developed risk management processes that are well adapted to the business. This includes analysis of project risk in the tendering phase to ensure appropriate pricing and risk management. NRC Group also seeks to minimize the exposure to risk that cannot be managed.

Financial risks include market risk, credit risk and liquidity risk. Market risk includes currency risk and interest rate risk. The exposure to currency risk is limited, however by having operational units in different operational currencies, NRC Group is to some extent exposed to currency risks, mainly SEK. NRC Group has to limited extent utilized hedging instruments to limit the risks associated with foreign exchange.

Work in progress and trade receivables are set out contractually, which means that the amount of capital committed is determined by the credit terms of the contracts. A major part of the business is with state-owned companies such as Bane NOR in Norway and Trafikverket in Sweden. NRC Group's liquidity reserves will normally be at its lowest in the spring and summer due to the seasonality in the business. Liquidity risk is overall considered low.

NRC Group's customers are primarily municipalities or government agencies, or companies or institutions where municipalities or government agencies have a dominant influence. NRC Group considers the risk of potential future losses from this type of customer to be low.

Outlook

The positive investment outlook for the Nordic infrastructure, and especially the railway segment, is supported by strong macro trends and political commitment. The new Norwegian National Transport Plan for the next 12-year period, approved by Parliament on 19 June,

and the proposed National Transport Plan in Sweden reaffirm the political commitment to increased railway spending.

NRC Group is committed to its strategy to consolidate the market and deliver organic and acquired growth in coming years.

Oslo, 12 February 2017

The Board of Directors of NRC Group ASA

Helge Midttun

Chairman of the Board of Directors

Brita Eilertsen
Board member

Kjersti Kanne
Board member

Harald Arnet
Board member

Øivind Horpestad
CEO NRC Group ASA

Condensed consolidated statement of comprehensive income

Reported figures

(Amounts in NOK million)	Restated			
	Q4 2017	Q4 2016	FY 2017	FY 2016
Revenue	673,8	551,7	2 372,8	1 975,0
Operating expenses	604,1	504,3	2 143,6	1 822,6
Operating profit/loss before depr. and amort. (EBITDA)	69,7	47,4	229,2	152,4
Depreciation	15,0	6,1	45,5	24,7
Operating profit/loss before amortisation (EBITA)	54,7	41,2	183,7	127,7
Amortisation	8,3	7,1	34,3	28,4
Operating profit/loss (EBIT)	46,4	34,2	149,5	99,3
Net financial items	-0,8	-3,0	-5,7	-9,9
Profit/loss before tax (EBT)	45,6	31,1	143,8	89,4
Taxes	42,4	-1,5	19,1	-21,8
Profit/loss from continuing operations	88,1	29,6	162,8	67,6
Profit/loss from discontinued operations	0,0	-18,2	-6,9	-10,3
Net profit/loss	88,1	11,4	156,0	57,3
Profit/loss attributable to:				
Shareholders	88,1	11,4	156,0	57,3
Net profit / loss	88,1	11,4	156,0	57,3
Comprehensive profit/loss:				
Translation differences	16,5	42,3	32,4	-22,9
Total comprehensive profit/loss	104,6	53,7	188,4	34,4
Total comprehensive profit/loss attributable to:				
Shareholders	104,6	35,9	188,4	34,4
Total comprehensive profit/loss	104,6	35,9	188,4	34,4
Earnings per share in NOK (ordinary and diluted):				
From continuing operations	2,09	0,81	4,04	1,91
From discontinued operations	0,00	-0,50	-0,17	-0,29
From net profit/loss	2,09	0,31	3,87	1,62

Condensed consolidated balance sheet

(Amounts in NOK million)

ASSETS	31.12.2017	31.12.2016
Deferred tax assets	70,1	31,2
Goodwill	949,6	576,7
Customer contracts and other intangible assets	28,2	23,8
Intangible assets	1 047,9	631,8
Tangible assets	278,1	143,5
Financial investments	9,0	7,2
Total non-current assets	1 335,1	782,5
Total receivables	740,6	413,4
Cash and cash equivalents	408,5	418,4
Assets classified as held for sale	0,0	9,1
Total current assets	1 149,1	840,9
Total assets	2 484,2	1 623,4

(Amounts in NOK million)

EQUITY AND LIABILITIES	31.12.2017	31.12.2016
Paid-in-capital:		
Share capital	42,3	38,8
Treasury shares	-0,4	-0,1
Share premium	927,3	888,5
Other equity:		
Currency translation differences	14,1	-18,3
Retained earnings	373,9	105,2
Total equity	1 357,3	1 014,2
Non-current interest-bearing liabilities	317,3	110,8
Deferred taxes	26,7	11,3
Other non-current liabilities	0,0	4,7
Total non-current liabilities	344,0	126,8
Interest-bearing current liabilities	121,1	82,1
Other current liabilities	661,8	392,4
Liabilities classified as held for sale	0,0	7,9
Total current liabilities	782,9	482,4
Total equity and liabilities	2 484,2	1 623,4

Condensed consolidated statement of changes in equity

(Amounts in NOK million)	Share capital	Treasury shares	Share premium	Translation differences	Retained earnings	Restated total equity
Equity at 1 January 2016	34,9	-0,7	641,0	4,6	46,8	726,6
Profit/loss for the period					57,3	57,3
Other comprehensive income for the period				-22,9	-5,6	-28,5
Increase share capital	3,8		247,5			251,4
Sale of treasury shares		0,6			6,8	7,5
Total changes in equity	3,8	0,6	247,5	-22,9	58,5	287,6
Equity at 31 December 2016	38,8	-0,1	888,5	-18,3	105,2	1 014,2
Equity at 1 January 2017	38,8	-0,1	888,5	-18,3	105,2	1 014,2
Profit/loss for the period					156,0	156,0
Other comprehensive income for the period				32,4		32,4
Reallocation			-112,8		112,8	0,0
Increase share capital	3,6		205,5			209,1
Costs related to capital increase			-0,6			-0,6
Share-based payments			0,7			0,7
Dividend paid			-31,5			-31,5
Acquisition and sale of treasury shares		-0,4	-22,5			-22,9
Total changes in equity	3,6	-0,4	38,8	32,4	268,8	343,1
Equity at 31 December 2017	42,3	-0,4	927,3	14,1	373,9	1 357,3

Condensed consolidated cash flow statement

(Amounts in NOK million)	Q4 2017	Restated Q4 2016	FY 2017	FY 2016
Profit/loss before tax	45,6	31,1	143,8	89,4
Depreciation and amortisation	23,3	13,2	79,8	53,1
Taxes paid	-3,9	-10,5	-18,7	-23,4
Change in working capital	95,1	23,6	-72,3	10,1
Net cash flow from operating activities - cont. oper.	160,1	57,5	132,6	129,2
Net cash flow from operating activities - disc. oper.	0,0	9,7	0,0	17,7
Net cash flow from operating activities	160,1	67,1	132,6	146,9
Purchase of property, plant and equipment	-5,5	-3,1	-34,8	-52,2
Acquisition of companies, net of cash acquired	-23,8	-18,0	-217,0	-41,5
Proceeds from sale of shares, other investments and equipment	0,7	2,3	4,9	4,9
Net cash flow from investing activities - cont. oper.	-28,5	-18,8	-246,9	-88,9
Purchases of property, plant and equipment	0,0	0,0	0,0	-2,0
Net proceeds from sale of shares and other investments	0,0	22,7	4,1	23,0
Net cash flow from investing activities - disc. oper.	0,0	22,7	4,1	21,0
Net cash flow from investing activities	-28,5	3,9	-242,8	-67,9
Proceeds from borrowings	0,0	0,0	231,1	23,0
Repayments of borrowings	-26,2	-67,5	-83,6	-126,9
Net change in overdraft facilities	0,0	-6,8	0,0	-9,1
Net receipt of equity capital	2,4	205,1	2,4	206,1
Payments for treasury shares	-11,6	0,0	-26,2	0,0
Dividend paid	0,0	0,0	-31,5	0,0
Net cash flow from financing activities - cont. oper.	-35,4	130,8	92,2	93,1
Net cash flow from financing activities - disc. oper.	0,0	0,0	0,0	0,0
Net cash flow from financing activities	-35,4	130,8	92,2	93,1
Net change in cash and cash equivalents	96,2	201,8	-18,1	172,1
Cash and cash equivalents at the start of the period	308,2	213,1	418,4	258,2
Translation differences	4,1	3,5	8,2	-12,0
Cash and cash equivalents at the end of the period	408,5	418,4	408,5	418,4
Cash and cash equivalents - continuing operations	408,5	418,4	408,5	418,4

Notes to the financial statement

General information

The legal and commercial name of the company is NRC Group ASA.

The company is a Norwegian public limited liability company incorporated in Norway under the Norwegian Public Limited Liability Companies Act with registration number 910 686 909. The company has its registered address at Akerkvarvalet, Oksenøyveien 10, 1366 Lysaker, Norway.

The company is listed at Oslo Børs under the ticker "NRC" and with ISIN NO0003679102.

Accounting policies and basis for preparation

The condensed consolidated financial statements as per 31 December 2017 are prepared in accordance with IFRS and comprise NRC Group ASA and its subsidiaries. The interim report is presented in accordance with IAS 34, Interim Financial Reporting. The accounting principles applied in the interim report are the same as those described in the consolidated accounts for 2016. The company has not implemented new or changed standards in 2017.

The interim accounts do not contain all the information that is required in complete annual accounts, and they should be read in connection with the consolidated accounts for 2016. The report has not been audited.

The selected historical consolidated financial information set forth in this section has been derived from the company's consolidated, unaudited interim financial reports for 2017, unaudited interim financial reports for 2016 and audited financial report for the full year of 2016.

The purchase price allocations for the 2015 business combinations were restated in 2016. Corrections to the fourth quarter 2016

comparative numbers presented in this report are a reduction in customer contracts and other intangible assets of NOK 2.0 million, a reduction in deferred tax liabilities of NOK 0.5 million, and a reduction in goodwill of NOK 11.6 million. Amortisation of intangible assets have been increased with NOK 14.4 million for the year and NOK 3.6 million for the fourth quarter. Reference is made to note 2 and note 24 in the annual report for 2016.

The consolidated income statement and cash flow statements for the fourth quarter 2016 have been changed to reflect the company's divestment of the Geo business. The net result from discontinued businesses is presented on a separate line in the income statement.

Following the divestment of the Geo division, and the implementation of a common organisational and business structure for the remaining group entities, the group's operating segments have been changed in 2017. The segments reported are now Norway and Sweden, based on the geographical location of the subsidiaries. Corresponding information for earlier periods have been restated.

The group has deferred tax assets related to tax losses carried forward that have not been capitalized. Following the acquisitions of HAG, ALTi and Fibertech in 2017, the ability to utilize such tax losses have increased. An updated assessment was made during the fourth quarter, and due to this a tax asset was capitalized, causing a tax income of NOK 42.4 million for the quarter and NOK 19.1 million for the year.

Changes in the group's structure during the quarter

On 10 October 2017, NRC Group agreed to acquire 100% of Fibertech AS for an enterprise value of NOK 61.5 million. Fibertech carries out cable installation, hauling and floating work. The company currently has employees with

extensive experience from project management within cable installation and related infrastructure work, and are considered specialist on fibre infrastructure for railway. The transaction of Fibertech was completed 24 October 2017.

Business combinations

On 27 March 2017, NRC Group acquired 100% of the shares in HAG Anlegg AS for a total consideration of NOK 107.5 million. The transaction was closed 7 April 2017. For further information, see to the second quarter report.

On 29 June 2017, NRC Group agreed to acquire 100% of the shares in the construction company ALTi Bygg og Anlegg AS for a total consideration of NOK 200 million. The transaction was closed 6 July 2017. For further information, see to the third quarter report.

On 31 March 2017, NRC Group agreed to acquire the railway infrastructure and signal company Signal og Banbyggarna i Dalarna Aktiebolag (SBB) for an estimated enterprise value of SEK 115 million. The transaction was closed 10 July 2017. For further information, see to the third quarter report.

(Amounts in NOK million)	Hag Anlegg AS	ALTi BA AS	SBB AB	Fibertech AS
Date of acquisition	7 April	6 July	10 July	24 October
Share of ownership	100 %	100 %	100 %	100 %
Cash settlement	62,5	100,0	60,3	38,6
Value of issued shares in NRC Group ASA	45,0	100,0	33,2	31,5
Cash/debt in target	-5,8	-52,2	28,3	-14,8
Net settlement at closing	101,7	147,8	121,8	55,3
Estimated adjustments to the settlement	0,0	0,0	-18,4	0,0
Estimated purchase price	101,7	147,8	103,4	55,3
Property, plant and equipment	1,7	8,4	37,4	3,7
Intangible asset: Customer contracts and relations	12,3	10,2	9,8	3,8
Non-current assets	5,3	0,0	0,0	0,3
Current assets	23,0	27,4	71,5	8,3
Tax payable and deferred tax	-3,4	-5,7	-1,4	-3,5
Interest-bearing debt	-1,1	-4,5	-26,8	0,0
Other current liabilities	-28,0	-50,4	-35,3	-6,4
Net identifiable assets and liabilities	9,8	-14,6	55,2	6,2
Goodwill	91,9	162,4	48,2	49,1
Consolidated revenue from date of acquisition	140,5	99,1	124,3	5,6
Consolidated profit/loss before tax from date of acquisition	12,2	13,6	2,3	1,1
Transaction costs expensed as other operating expenses	1,0	1,1	1,6	0,7

Allocation of the purchase prices were prepared using the acquisition method as regulated in IFRS 3. The allocations were not finalised by 31 December 2017.

On 10 October 2017, the company announced that it had agreed to acquire all outstanding shares in Fibertech for an enterprise value of NOK 61.5 million. The transaction was completed at 24 October 2017.

Following pre-closing adjustments for cash, debt and working capital on closing, the total purchase price was estimated to NOK 70.1 million. NOK 38.6 million was settled in cash, of which NOK 6 million was placed in escrow and the remaining NOK 31.5 million was settled by issuance of 512,895 new shares in the company at a subscription price of NOK 61.5 per share. The shares are subject to a lock-up period, whereby 1/3 of the shares are subject to a lock-up period of 24 months, 1/3 for 30 months and the last 1/3 for 36 months.

The sellers of Fibertech have guaranteed a minimum EBIT in 2017 and 2018 of NOK 12 million each year, which entails that if the actual EBIT becomes lower, there will be an adjustment to the purchase price.

The initial purchase price for Fibertech resulted

in goodwill of NOK 49.1 million. Goodwill is related to the fair value of expected synergies arising from the organisation's competence within construction work and project- and site management within railway infrastructure and signalling as well as groundwork. The acquisition will improve the competitiveness of the group's Norwegian operations.

Intangible assets related to the acquisition of Fibertech include customer contracts and customer relations acquired through the business combination of NOK 3.8 million. They are recognized at their fair value at the date of acquisition and are subsequently amortised according to the straight-line method over their estimated useful life.

Segments

Norway operations (NOK million)	Q4 2017	Q4 2016	FY 2017	FY 2016
Revenue	218,8	168,1	770,6	604,4
Operating profit/loss before depr. and amort. (EBITDA)	17,8	-1,5	40,4	13,2
Operating profit/loss before amort. (EBITA)	9,7	-3,7	17,9	2,5
Operating profit/loss (EBIT)	4,1	-5,1	2,1	-2,3
Sweden operations (NOK million)	Q4 2017	Q4 2016	FY 2017	FY 2016
Revenue	460,3	383,6	1 613,3	1 370,6
Operating profit/loss before depr. and amort. (EBITDA)	62,0	56,1	218,9	173,5
Operating profit/loss before amort. (EBITA)	55,0	52,2	195,8	159,7
Operating profit/loss (EBIT)	52,3	46,6	177,3	136,0
Parent, holding companies and eliminations (NOK million)	Q4 2017	Q4 2016	FY 2017	FY 2016
Revenue	-5,3	0,0	-11,1	0,0
Operating profit/loss before depr. and amort. (EBITDA)	-10,0	-7,3	-30,0	-34,4
Operating profit/loss before amort. (EBITA)	-10,0	-7,3	-30,0	-34,4
Operating profit/loss (EBIT)	-10,0	-7,3	-30,0	-34,4

Discontinued operations

In 2016, most of the companies in the former Geo business were divested and the remaining Geo companies were presented as discontinued operations as per year-end 2016.

These entities are Blom Deutschland GmbH, Blom Nusantara PT, Indonesia and Blom International Operations S.R.L. The sale of Blom Deutschland GmbH was closed in January 2017 with no material gain or loss for the group. The sale of Blom Nusantara PT and

Blom International Operations S.R.L were closed during the second quarter of 2017.

The profit/loss from discontinued operations for the full year of 2017 and 2016 therefore includes the net profit/loss of the Geo business, the net gain on sale of the entities as well as reclassification of foreign currency translation reserves, as required by IFRS, for the entities sold. Reference is made to note 23 in the annual report for 2016.

Profit/loss from discontinued operations:

(Amounts in NOK million)	2017	2016
Operating revenue	9	163
Operating expenses	-10	-166
Operating profit/loss	-1	-3
Net financial items	0	0
Net profit/loss from sale and remeasurement	-6	-7
Profit/loss before tax from discontinued operations	-7	-10
Tax	0	0
Profit/loss for the year from discontinued operations	-7	-10

Net profit/gain from sale and remeasurement:

(Amounts in NOK million)	2017	2016
Consideration received or receivable:		
Cash	6	54
Receivable	0	12
Transaction costs	-1	-7
Total consideration	5	59
Carrying amount of net assets sold	-8	-33
Gain on sale before remeasurement, tax and reclassification of translation reserve	-4	26
Remeasurement Romania	0	0
Reclassification of foreign currency translation reserve	-2	-31
Income tax expense	0	0
Gain (loss) on sale	-6	-5
Transaction costs disposal group	0	-2
Net profit/gain from sale and remeasurement	-6	-7

Summary of net cash flows:

(Amounts in NOK million)	2017	2016
Operating cash flow	0	18
Investing cash flow	0	-2
Net proceeds from sale of shares and other investments	4	47
Cash in companies sold	0	-24
Financing cash flow	0	0
Net cash (outflow)/inflow	4	39

Transactions between related parties

NRC Group ASA had no significant related party transactions in the fourth quarter of 2017. Note 6 in the annual report for 2016 provides further disclosures on the size and types of related party transactions during the previous years. The transactions are carried out on arm's length terms.

Shareholder information

The table presented below provide an overview of the Stock Exchange announced contracts during fourth quarter 2017.

(Amounts in NOK million)		
Client	Estimated value	Country
Trafikverket	30	Sweden
Trafikverket	44	Sweden
Trafikverket	41	Sweden
Total	115	

11 December, NRC Group decided to initiate a share buyback program for up to NOK 15.0 million in the market. The buyback program is conducted in accordance with the authorization provided by the Annual General Meeting to the Board of Directors on 3 May 2017. The purpose of the share buyback is to position the company for future acquisitions in which the company expects that part of the consideration will be settled by consideration shares. Further, the shares purchased under this program can be used for the company's employee share program.

15 December, NRC Group bought 100.000 shares in the company through broker at an average price of NOK 55.96 per share.

22 December, NRC Group bought 100.000 shares in the company through broker at an average price of NOK 59.33 per share.

29 December, NRC Group bought 50.000 shares in the company through broker at an average price of NOK 60.84 per share. The

company's total holding of treasury shares after this transaction is 405.372 shares.

18 December, NRC Group completed the 2017 share program for employees in the company and the company's subsidiaries in Norway and Sweden. The employees were offered the opportunity to purchase shares in the company at a 20% discount. The purchase price per share before the discount was NOK 57.00, corresponding to the trading price of the NRC Group share on the Oslo Stock Exchange on 15 December 2017.

The company completed a transfer of a total of 55,116 of its shares held in treasury to the employees participating in the program.

As of 31 December, the company holds 405,372 own shares in treasury.

As of 31 December, the company's share capital was NOK 42,327,848 divided on 42,327,848 shares, each with a nominal value of NOK 1.

Events after the end of the period

With reference to the stock exchange announcement on 24 October 2017 regarding issuance of 512,895 new shares ("New Shares") in the company in connection with the company's acquisition of Fibertech AS, the Financial Supervisory Authority of Norway (Nw. Finanstilsynet) approved 5 January 2018 a prospectus prepared by the company for listing of the New Shares on the Oslo Stock Exchange. Following the publication of the prospectus, the New Shares was transferred from a separate ISIN to the company's ordinary ISIN and is tradable on the Oslo Stock Exchange.

15 January 2018, NRC Group was appointed a SEK 118 million contract for groundwork on the connection Säckerbäck-Varekil in Orust in Sweden.

17 January 2018, NRC Group was appointed to a NOK 36 million contract for changing the high voltage system on Alnabru Terminal in Norway.

18 January 2018, NRC Group was appointed a SEK 273 million contract for expanding the freight line through Hallsberg in Sweden to double track.

1 February 2018, NRC Group was appointed to a contract for rebuilding Holtet base in Oslo. The contract is valued at approximately NOK 402 million and is the largest contract awarded to NRC Group in Norway to date.

2 February 2018, NRC Group was appointed to a NOK 66 million contract for preparatory works in connection with the new ERTMS signalling system on Bergensbanen.

12 February 2018, NRC Group was appointed to a 38 million contract for ground related work in connection with the rehabilitation of Herøya terminal in Porsgrunn.

IR Policy

The company's objective is to serve the financial market precise and relevant information about the company to ensure that the share price reflects the underlying values and future prospects.

The company discloses price sensitive information relating to significant contracts and investments or other material changes or events in NRC Group to investors and other market players through the Oslo Stock Exchange, www.newsweb.no, and the company's website, www.nrcgroup.com. In addition, the company intends to publicly disclose all tenders awarded with value exceeding NOK 30 million. All tenders awarded are normally subject to a 10-days appeal period before the award is definitive. The company's policy is to not inform the market of expiry of any such appeal period unless an actual appeal has been filed and the company is informed by the customer that the appeal is being

considered and that this may lead to a delay or cancellation of the contract. Information about other tenders awarded will be updated quarterly as part of the company's order backlog.

Dividend Policy

The company expects to create value for its shareholders by combining increased share value in a long-term perspective and distribution of dividends. The company aims to have a dividend policy comparable with peer groups in the industry and to give its shareholders a competitive return on invested capital relative to the underlying risks. The Board of Directors at NRC Group has introduced a dividend policy whereby, subject to a satisfactory underlying financial performance, it is NRC Group's ambition over time to distribute as dividend a minimum of 30% of the profit for the year. The target level will be subject to adjustment depending on possible other uses of funds.

NRC Group ASA

Company information

Visiting address

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Oksenøyveien 10, O10
NO - 1366 Lysaker

Postal address

P.O. Box 18
NO - 1324 Lysaker

Board of Directors

Helge Midttun	Chairman
Brita Eilertsen	Board member
Kjersti Kanne	Board member
Harald Arnet	Board member

Management

Øivind Horpestad	CEO
Dag Fladby	CFO
Daniel Pettersson	MD NRC Sverige
Geir Nilsen	MD NRC Norge

/ FINANCIAL CALENDAR 2018

8 May 2018	1st quarter 2018 result report and presentation
14 August 2018	2nd quarter and first-half 2018 result report and presentation
6 November 2018	3 rd quarter 2018 result report and presentation