

**NRC Group divest the Geo businesses in Norway, Sweden and Finland to Terratec.**

Oslo, 7 March 2015

NRC Group ASA (“NRC Group”) has as of 4 March 2016 entered into an agreement to divest its Geo business in Norway, Sweden and Finland (“Blom Nordic”) to Terratec AS for a purchase price of NOK 30 million plus a three years earn-out arrangement. The transaction includes the companies Blom Geomatics AS, Blom Karta Oy and the majority of the assets in Blom Sweden AB. The business divested constitutes approximately 60% of the Geo divisions turnover and is mainly focused on air-surveying and data processing.

Lennart Flem – CEO and chairman of the board of Blom Geomatics comments: “We are looking forward to becoming part of the Terratec family. There are a number of synergies between Blom Nordic and Terratec and the combination will strengthen both companies’ ability to serve our customers and drive innovation within the geo industry going forward”.

“We are glad to see this transaction with Terratec taking place. Terratec and Blom Nordic will form the definite market leader within acquisition, processing and modelling of geographic information in the Nordics, and through the earn-out arrangement we will be able to take part of that. The remaining Geo business will have a stronger focus on infrastructure” says Helge Midttun, Chairman of the Board of NRC Group.

The fixed purchase price of NOK 30 million will be paid NOK 20 million at closing and the remaining paid over 24 months. The earn-out will be paid based on the annual accounts for 2016, 2017 and 2018 respectively. After settlement of the full purchase price and remaining debt between the sold entities and NRC Group, the transaction will reduce net debt in NRC Group with approximately NOK 30 million. The purchase price is expected to be in line with book values of Blom Nordic.

After the transaction the remaining Geo business in NRC Group will be executed by Blom UK, Blom Germany, Blom Romania and Blom Indonesia. As part of the transaction certain customer contracts will be transferred from Blom Nordic to Blom UK. After the transaction the Geo division will have a stronger focus with majority of its orderbook of NOK 132 million as of Q4 2015 being related to infrastructure projects, mainly within railroad, rail station and highway surveying.

The transaction is subject to customary closing conditions and closing is expected to take place in March 2016.

The entities covered by the transaction comprises approximately 65 employees, and certain key financial figures based on accounts for the years 2014 and 2015 for the businesses sold are included below.

<b>Key balance sheet items (NOKm)</b>	<b>Q4 2015</b>
Total assets	102
Net debt*	-1

*\* including liabilities towards NRC Group after the transaction*

<b>Key P&amp;L figures (NOKm)</b>	<b>2014</b>	<b>2015</b>
Revenue	156	135
EBIT	9	-6

The above figures are actual figures and have not been adjusted for the effects of the transaction.

For further information, please contact:

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**About NRC Group:**

NRC Group is a leading company within the Nordic infrastructure market. The group operates within two business segments, Rail and Geo.

**RAIL:** The Rail division is a fully integrated rail infrastructure contractor covering the Norwegian and Swedish market. The Rail division is a full-range supplier for the construction of all types of rails including train, tram and subway. Main service offerings include ground work, specialized track work, power supply and signaling work. The Rail division has all the necessary approvals to work within the train, tram and subway segments.

**GEO:** The Geo division operates within acquisition, processing and modelling of geographic information. The Geo division holds right to several European databases with collections of maps, images and models. With particular focus on online services, data and solutions are provided to customers in government, enterprise and consumer markets. The Geo division supplies a wide range of mapping and geographic services that satisfy various standards and specifications, in addition to customized client solutions.

<http://www.nrcgroup.no>

This information is subject of the disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act.