

Q2 2017 Result presentation

Oslo, 15 August 2017

Disclaimer

Forward Looking Statements

This presentation contains forward-looking statements that involve risks and uncertainties. All statements other than statements of historical facts are forward-looking. You should not place undue reliance on these forward-looking statements for many reasons.

These forward-looking statements reflect current views with respect to future events and are by their nature subject to significant risk and uncertainties because they relate to events and depend on circumstances that will occur in future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.

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Q2 highlights

Key events

Record-high order intake of NOK 1,231 million

Adding groundwork and project management expertise by acquiring ALTi Bygg og Anlegg AS

Initiated and executed new share buyback programme

Key figures Q2*

Revenues of NOK 582 million in 2017 vs NOK 504 million in 2016

EBITDA of NOK 43 million in 2017 vs NOK 23 million in 2016

Order backlog of NOK 2,451 million - increase of 52% vs 2016

Contract wins

Historically largest contract win of SEK 700 million confirms strategy to position for larger contracts has been successful

Appointed to SEK 155 million groundwork contract for new road between Dala-Järna and Vansbro

Appointed to SEK 172 million contract for track renewal at Alingsås in Sweden

Appointed to SEK 47 million contract for ground and catenary foundation work at Gällivare- Kiruna

* Reported figures (ex SBB and ALTi)

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Q2 and first half 2017 key figures – profit and loss

- Revenue in Q2 2017 of NOK 582 million (NOK 504 million)

- EBITDA in Q2 2017 of NOK 43 million (NOK 23 million)
 - Including M&A costs of NOK 1.7 million

- EBITA in Q2 2017 of NOK 34 million (NOK 18 million)

- EBIT in Q2 2017 of NOK 25 million (NOK 11 million)

- Amortisation of intangible assets (ex SBB and ALTi) in 2017 is estimated to NOK 28 million
 - Amortisation of intangible assets from acquisition of HAG over two years with 1.5 million per quarter

- SBB and ALTi will be included as from Q3 2017

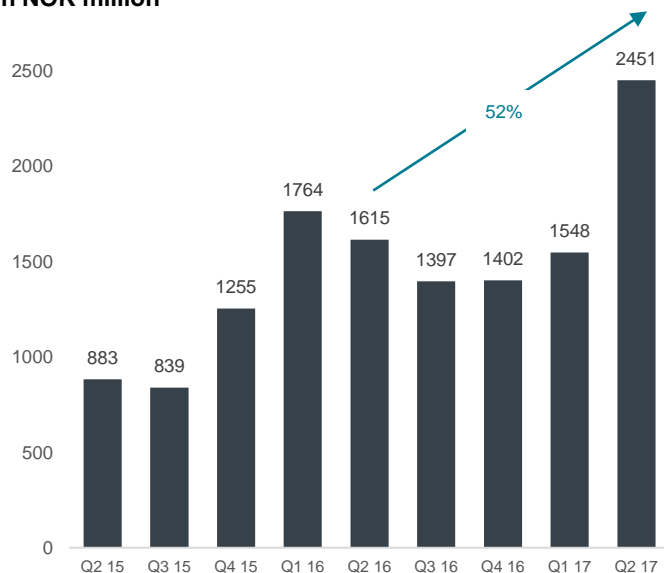
(Amounts in NOK million)	Q2 2017	Q2 2016*	YTD 2017	YTD 2016*
Revenue	581,6	503,6	922,5	823,4
Operating expenses	538,6	480,8	873,5	799,6
EBITDA	43,0	22,9	49,0	23,8
EBITA	33,8	17,8	31,0	14,7
EBIT	25,2	10,7	14,3	0,4
EBT	22,9	8,3	10,1	-4,5
EBITDA (%)	7,4 %	4,5 %	5,3 %	2,9 %

*Reported numbers for the first half of 2016 reflects the corrections of the purchase price allocations for the 2015 business combinations and the divestment of the Geo business

Order book development

Order book* Q2 2015 – Q2 2017

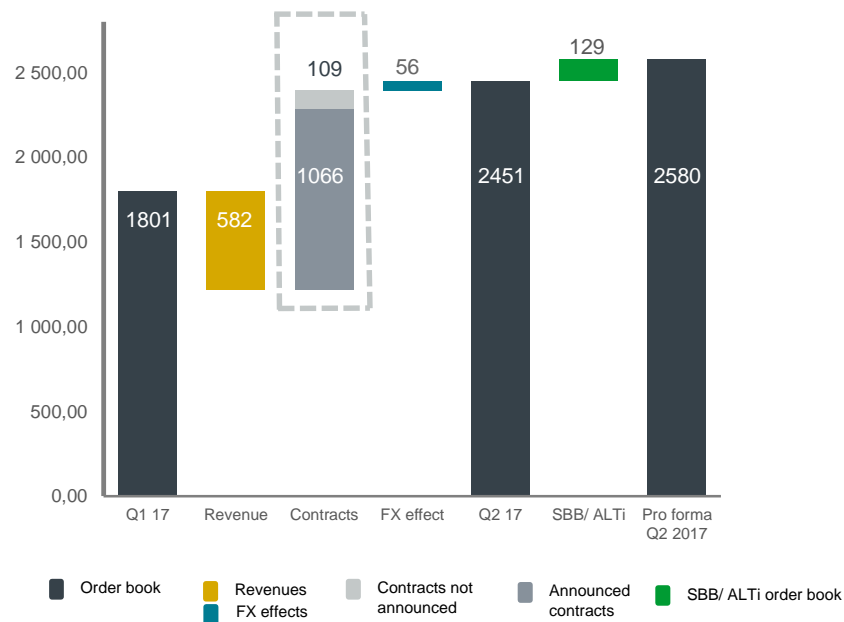
In NOK million



*Reported figures

Order book development Q1 17 – Q2 17

In NOK million



Q2 2017 key figures – balance sheet

(Amounts in NOK million)				
	ASSETS	30.06.2017	30.06.2016	31.12.2016
• Intangible assets of NOK 738 million	Intangible assets	738,4	617,8	631,8
	Other non-current assets	224,6	117,1	150,8
• Cash is NOK 264 million	Other current assets	555,8	490,7	422,5
	Cash and cash equivalents	263,9	167,4	418,4
• Net cash is NOK 19 million	Total assets	1 782,7	1 393,1	1 623,4
	EQUITY AND LIABILITIES			
• Equity ratio is 58%	Total equity	1 042,7	694,7	1 014,2
	Non-current interest-bearing liabilities	174,9	105,4	110,8
	Other non-current liabilities	11,7	57,8	16,0
	Interest-bearing current liabilities	69,5	129,6	82,1
	Other current liabilities	483,7	405,5	400,3
	Total equity and liabilities	1 782,7	1 393,1	1 623,4

Q2 2017 key figures – cash flow

	(Amounts in NOK million)	Q2 2017	Q2 2016	YTD 2017	YTD 2016
• Cash balance at NOK 264 million	Profit/loss before tax	22,9	8,3	10,1	-4,5
• Cash flow from operating activities of NOK -1 million in Q2 17	Net cash flow from operating activities	-1,1	-10,5	-60,2	-26,3
• Net cash flow from investing activities is NOK -59 million	Net cash flow from investing activities – conti.oper.	-59,4	-28,7	-80,7	-47,7
– Acquisition of HAG NOK 57 million	Net cash flow from financing activities	-13,6	-12,6	-23,6	-9,2
• Net cash flow from financing activities is NOK -14 million	Net change in cash and cash equivalents	-69,1	-52,2	-160,4	-84,3
– Acquisition financing HAG: NOK +60 million	Cash and cash equiv. at the start of the period	328,2	223,1	418,4	258,2
– Repayment seller credits/loans: NOK –27 million	Translation differences	4,8	-3,5	6,0	-6,5
– Dividend paid: NOK –31 million	Cash and cash equivalents at the end of the period	263,9	167,4	263,9	167,4
– Share buyback: NOK –14 million					

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Record contract awarded on Sweden's West Link Project

- NRC Group to provide groundwork for the Station Haga development in Gothenburg
 - Project includes construction of a new station and 1.5 km of railway tunnel
 - Will connect commuter rail services to routes passing through the city
- Contract value for NRC Group SEK ~700 million
 - Start-up first quarter 2018
 - Expected project will last four years
- Project to be executed in a consortium with Astaldi from Italy and Gülermark from Turkey
 - Total project is estimated at SEK 2.3 billion
- Confirms our strategy to position for larger projects has been successful
- Partner contract

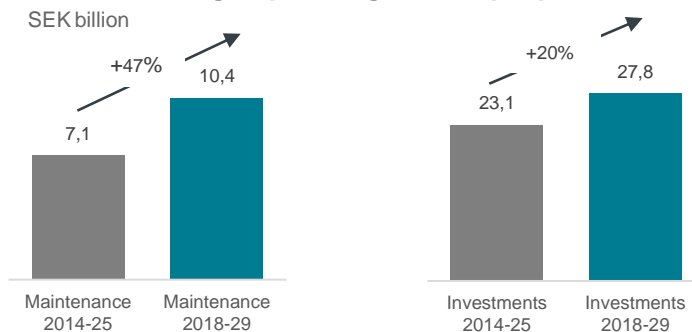


Source: Göteborgsposten

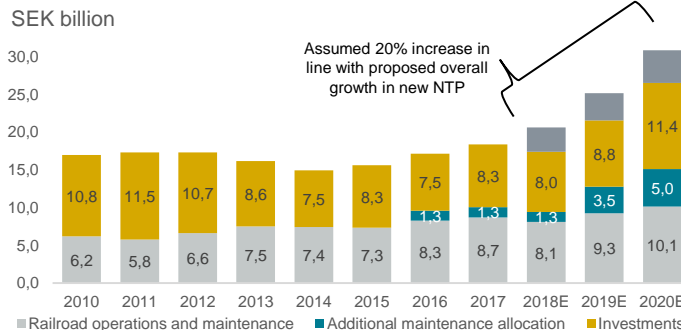
Political commitment to increase railway spending in Sweden

- Significant spending increase indicated in new NTP
 - SEK 125 billion for railway maintenance and upgrade
 - Up 47% from previous NTP
 - New investments up 20% (rail and road combined)
 - Detailed proposal due in August and final approval by first half 2018
- Investments outside NTP
 - Ongoing SEK 25 billion Stockholm metro development
 - Future domestic high-speed railway links

Annual average spending in new proposed NTP



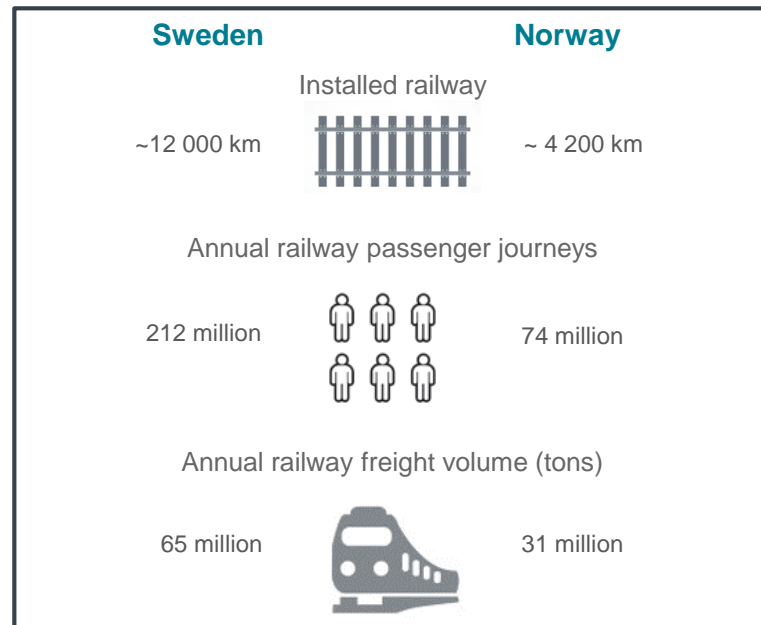
Long-term railway spending development



*)Sources: 2006-2017: Swedish national budget, from 2018: Preliminary proposals Swedish NTP

Key market observations - Sweden

- Sweden represented 68% of Q2 17 revenue
- Strengthened market position following SBB acquisition
- Selected upcoming projects
 - Varberg
 - Åby
 - Mälarmälarbanan
 - Blå linje tunnelbana Stockholm



Source: Jernbaneverket, Railroad statistics 2015, Trafikverket

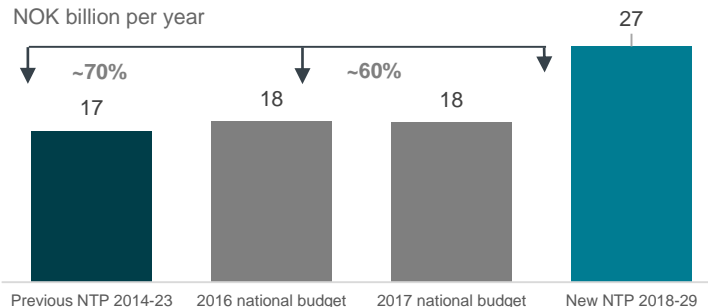
Growing Norwegian market opportunity

- Increased addressable market in Norway
 - Extended NRC Group operations and capacities
 - Increased overall railway investments approved new NTP for 2018-2029
 - Accelerated renewal spending (see next slide)
 - Likely privatisation of maintenance
- Railway investments of NOK 319 billion in new NTP
 - Equals average annual spending of NOK 27 billion, up from NOK 17 billion in previous NTP
- Tram- and metro line developments funded at city and county level
 - Fornebubanen NOK ~12bn
 - Oslopakke 3, renewal of Oslo tram lines ~NOK 3bn
 - Development of Bergen tram-line system

*)Sources: 2006-2017: The Norwegian national budget, National railroad authority, from 2018: NTP proposal

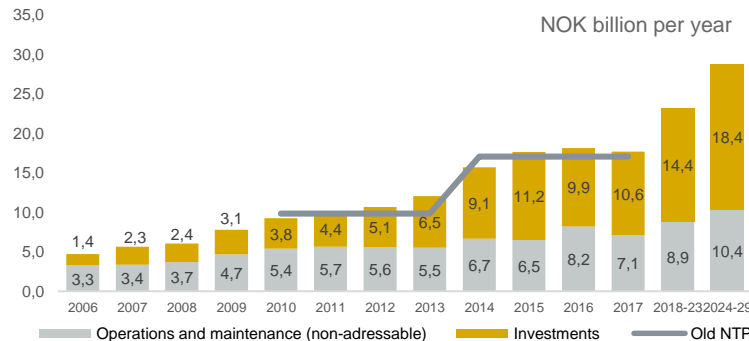
Railway average spending new NTP*

NOK billion per year



*) Includes funding for operations of Bane NOR and planning

Long-term railway spending development



Key market observations - Norway

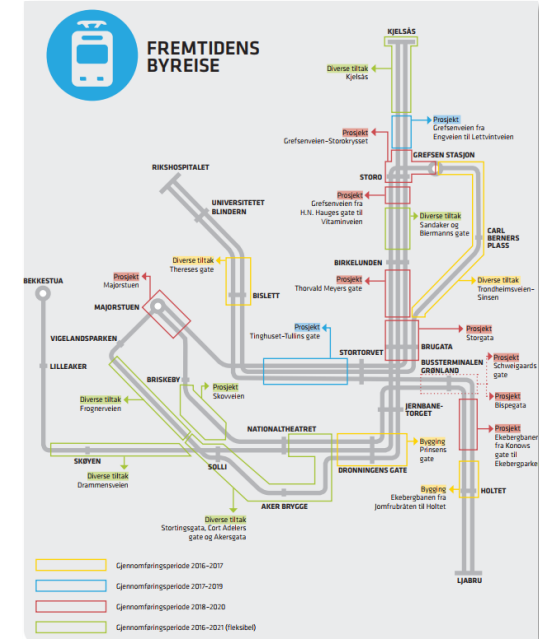
- Overall improved project pipeline visibility
- Expected trend shift towards larger turnkey awards confirmed
- Public processes impacting project timing
 - Government re-prioritisations affects scheduling of Intercity development projects
 - Slow detail planning delays awards of Oslo tramway projects
 - Impact of Bane NOR reorganisation on tendering processes

Intercity railway development



Source: Bane NOR

Oslo tram development



Source: Sporveien annual report 2016

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The five main elements of railroad construction

SUBSTRUCTURE

Substructure ensures stable tracks and railroads. The substructure is the foundation of the railway track. It consists of the mass that the railway track is placed on top, in addition to different constructions such as tunnels, bridges and culverts

- Groundwork, tunnels, bridges, culverts etc.

SUPERSTRUCTURE

Superstructure ensures the interaction between the train and the track, and makes sure trains move safely, comfortably and fast at the same time. The superstructure consists of ballast, sleepers, rails and switches

- Track, sleepers, ballast, switches, cable channel

SIGNALLING SYSTEM:

Ensures safety, speed and time management for trains on the move

- Signal

TELE

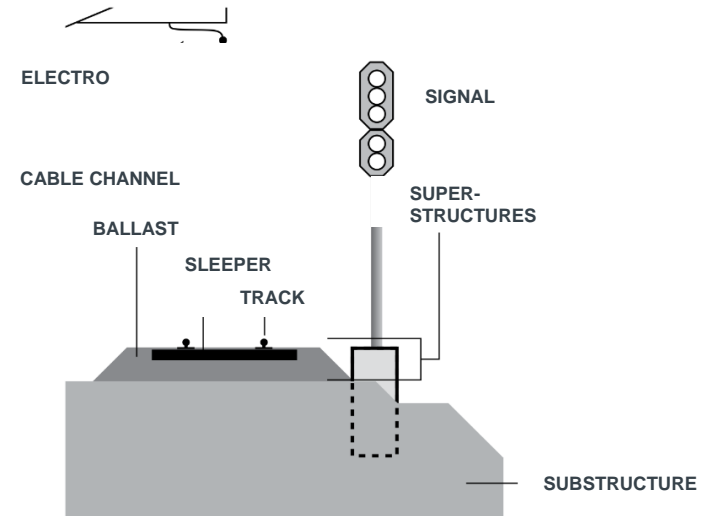
Provides required telecommunication

- Cables (fiber, tele)

POWER SUPPLY SYSTEM

Secures continuous power transfer to the trains

- Electro, catenary



Building turnkey capacity in Norway

ALTi Bygg og Anlegg AS

- Infrastructure construction company
 - Extensive project management and construction technique experience
 - Strong commercial track record – 2016 EBITDA margin of 15%
 - Specialising in concrete constructions, and port and seafront developments
- Strengthens ability to undertake larger and more complex
 - Expands turnkey capacity
 - ALTi managers to take leading positions in NRC Norge
- Purchase price NOK 200 million – EV NOK 165 million
 - Assuming cash position of minimum NOK 35 million at closing
 - Paid 50% in cash, rest in new NRC Group shares



Revenue 2016
NOK 186 million



Backlog 1H17
NOK 71 million



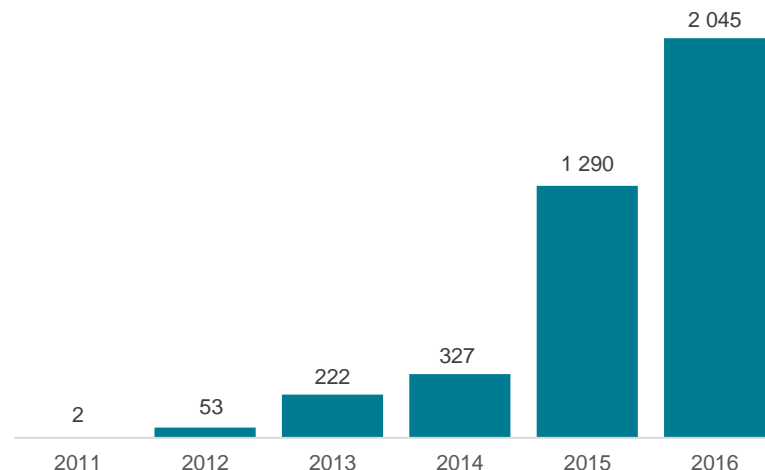
Strategic positioning for larger and more complex projects

M&As

2017	<ul style="list-style-type: none">• ALTi Bygg og Anlegg AS• SBB AB• HAG Anlegg AS
2016	<ul style="list-style-type: none">• Gravco AS• Railcap AS• Divested Geo segment activities
2015	<ul style="list-style-type: none">• Svensk Järnvägsteknik AB• Elektrobyggnad AB• Litz AB• Segermo AB• Merged with listed company Blom ASA
2011	<ul style="list-style-type: none">• Team Bane AS

Revenue development*

NOK million



*) Revenue for 2011-2014 is reported numbers for Team Bane AS. From 2015, pro forma revenue for the rail activities of NRC Group ASA. Acquisitions after 2016 is not included.

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Summary

- Win large projects and continue to build orderbook
- Integration of the newly acquired companies
- Further strengthening the organisation
- Continued focus on consolidation and M&As
- Further develop partnerships with large international players to secure resources
- Secure the position as the #1 privately owned railway specialist in the Nordics

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20 largest shareholders

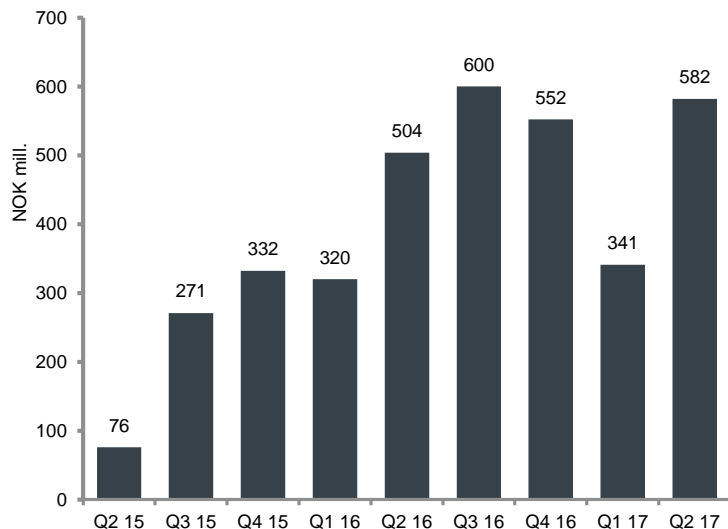
Per 14 August 2017

INVESTOR	NO OF SHARES	% OF TOTAL	ACC TYPE	COUNTRY
DATUM AS	5 100 000	12,20		NOR
SWEDBANK	4 118 908	9,85	NOM	SWE
URBEX INVEST	3 632 033	8,69		NOR
CHARLOTTE HOLDING	1 928 008	4,61		NOR
NORDEA BANK	1 824 675	4,36	NOM	SWE
ARCTIC FUNDS	1 786 884	4,27		IRL
DANSKE BANK	1 771 139	4,24	NOM	SWE
DNB NOR MARKETS	1 632 804	3,90		NOR
SOGN INVEST	1 156 046	2,76		NOR
SKANDINAVISKA ENSKILDA	1 140 869	2,73	NOM	LUX
VERDIPAPIRFONDET ALFRED BERG	975 810	2,33		NOR
NORRON SICAV TARGE	924 097	2,21		LUX
MIDDELBOG INVEST	775 000	1,85		NOR
E.K HOLDING	633 193	1,51		NOR
LGA HOLDING	633 193	1,51		NOR
STATOIL PENSJON	609 641	1,46		NOR
SEB AB	530 142	1,27	NOM	SWE
VERDIPAPIRFONDET ALFRED BERG	521 787	1,25		NOR
SVENSKA HANDELSBANKEN	500 000	1,20		SWE
GRANSHAGEN INVEST	481 007	1,15		NOR
TOTAL NUMBER OWNED BY TOP 20	30 675 236	73,41 %		
TOTAL NUMBER OF SHARES	41 814 953			

Seasonal fluctuations – reported figures

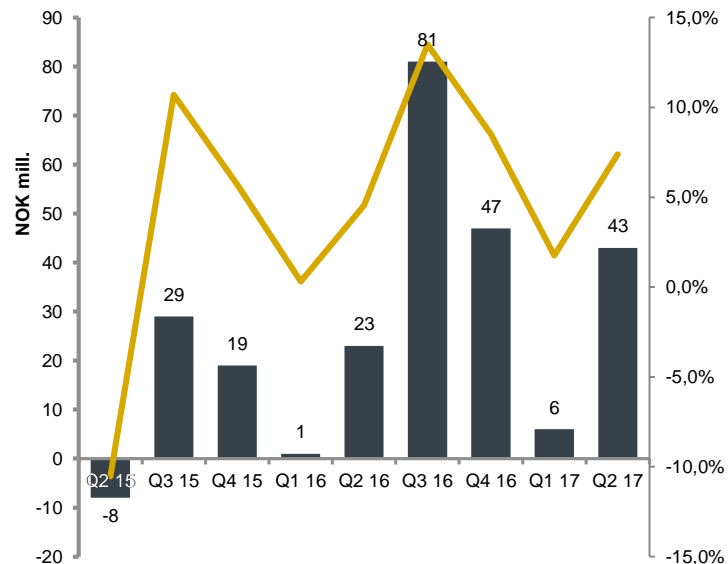
Revenues Q2 2015 – Q2 2017

In NOK million



EBITDA Q2 2015 – Q2 2017

In NOK million



Segments – key figures quarterly development

	Restated	Restated	Restated	Restated	Restated	Reported	Reported
	Full year 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017
Norway operations (NOK million)							
Revenue	348,6	113,2	162,2	161,0	168,1	108,2	188,8
Operating profit/loss before depr. and amort. (EBITDA)	26,9	-5,4	6,2	13,9	-1,5	-5,5	9,5
Operating profit/loss before amort. (EBITA)	21,3	-7,8	3,4	10,6	-3,7	-9,9	5,1
Operating profit/loss (EBIT)	18,7	-9,0	2,3	9,4	-5,1	-12,1	1,8
Sweden operations (NOK million)							
Revenue	329,7	206,6	341,4	438,9	383,6	232,7	395,8
Operating profit/loss before depr. and amort. (EBITDA)	44,3	10,8	34,0	72,6	56,2	19,3	42,0
Operating profit/loss before amort. (EBITA)	42,1	9,2	31,7	72,6	46,2	15,0	37,2
Operating profit/loss (EBIT)	35,3	3,1	25,8	66,5	40,6	9,1	32,0
Parent, holding companies and eliminations (NOK million)							
Revenue	0,0	0,0	0,0	0,0	0,0	0,0	-3,0
Operating profit/loss before depr. and amort. (EBITDA)	-39,3	-4,5	-17,3	-6,4	-6,2	-7,8	-8,6
Operating profit/loss before amort. (EBITA)	-39,5	-4,5	-17,3	-6,4	-6,2	-7,8	-8,6
Operating profit/loss (EBIT)	-39,5	-4,5	-17,4	-6,4	-6,1	-7,8	-8,6