REACH SUBSEA

2Q 2017

QUARTERLY CONSOLIDATED REPORT

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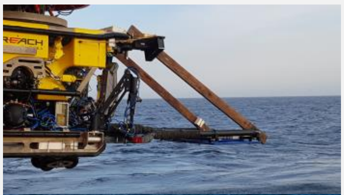
SECOND QUARTER 2017



// SECOND QUARTER HIGHLIGHTS

All time high activity level for Reach Subsea with six vessels in operation at the end of Q2, and a strong order book for 3Q.

- 2Q EBITDA before amortization of termination fee (see explanation under "Results") was NOK 4.4 million compared with NOK 12.6 mill in 2Q 2016, with the reduction largely explained by the cost of growth activities and delayed start-up on some projects moving revenues and profits from Q2 to Q3/Q4. EBITDA for the first half 2017 was NOK 6.8 million (NOK 6.6 million the same period in 2016)

- The quarter is characterized by growth activities. Our fleet has been increased by 50% through Q2 by adding two first class, modern subsea vessels; *Havila Subsea* (May) and *Olympic Delta* (end June). The downturn in the industry has created attractive low cost and low risk growth opportunities.

- The Group maintains a strong liquidity and equity position (62.2%), positioning the Group to further invest in innovative technology, such as the Surveyor, and invest in other assets to leverage our platform for a future recovery.

- Tender activity is high for work in 2017 and beyond. Outstanding tender value is around NOK 1.7 billion, compared with NOK 1.6 billion at the end of 1Q2017.

// ABOUT REACH SUBSEA

The Group's business concept is to offer subsea services as subcontractor and/or directly to end clients, based out of our head office in Haugesund. The core business of the Group is based on modern, high spec Work ROVs operated by highly qualified offshore personnel, and supported by our competent onshore engineering resources.

The Group's objective is to become a preferred subsea partner and full-service provider of subsea operations for clients, among others by having focus on safety, environment, financial solidity and profitability. Moderate risk contracts will be targeted, thus securing revenue and strong liquidity in parallel with increasing the fleet, asset base and staff size.

Reach Subsea is your new provider of IMR, ROV, Survey, Construction Support and Decommissioning Services.

// OPERATIONS

REACH had per 30th June 2017 ten WROV-systems in operation in addition to "Surveyor Interceptor", owned by a joint venture between Reach Subsea and MMT Sweden AB (MMT). This is an increase of four compared with 31st March 2017. The WROV fleet increase has been accomplished through charter-in agreements with limited risk exposure for Reach Subsea.

REACH offshore personnel contracting business, Connect Offshore, continued sourcing highly skilled offshore personnel during the second quarter. This personnel base is highly important in peak seasons, when the number of man hours in operation is expected to double compared to Reach Subsea's own staff.

REACH has not had any serious incidents during the quarter, which support our objective that the right procedures, well trained personnel and high quality equipment generate operational success.

Normand Reach is equipped with two Supporter WROVs and offshore personnel. During the second quarter, main activity was preparations for the Solstad/McDermott contract in Australia which started 18th June, roughly 1.5 months later than original plan. However, the contract scope remains the same and has estimated duration of 120 days plus options. Idle time for the vessel is at owners' cost as Reach Subsea's firm 2017 charter commitment for the vessel is fully covered. However, WROW utilisation, revenues, and gross margin contribution was limitied in 2Q due to the late start-up in Australia.

Edda Fonn, a purpose built ROV/Survey vessel equipped with one Supporter WROV and survey equipment, is on a charter agreement from Østensjø. The agreement was renegotiated (for the rest of the firm charter party period; end 2017) in July, reducing idle time risk, but prolonging the charter period to end 2018. The vessel is utilized for Reach Subsea's own offshore operations in the cooperation with MMT. *Edda Fonn* had high activity in the quarter in the oil and gas sector in the Baltic region, closely cooperated with MMT.

Viking Neptun operated in Europe in the second quarter with first class oil companies as end clients. Reach Subsea has one Supporter WROV and one Constructor WROV and delivers all ROV-services onboard the construction vessel, a contract lasting throughout 2018. The spread has worked on a couple of projects for Technip in the North Sea during the quarter, but has had some commercial idle time in between.

Stril Explorer is a survey vessel on a charter contract from Møkster to Reach Subsea's cooperation partner MMT. Reach Subsea provided ROV services consisting of one Supporter WROV and offshore personnel to the vessel in the second quarter of 2017. Projects performed by the *Stril Explorer* spread are to a large extent ROV/Survey work handled as a cooperation between Reach Subsea and MMT. The Surveyor Interceptor was until August 2017 mobilized onboard *Stril Explorer*. The vessel was in the second quarter located in the Baltic area working for clients in both the oil & gas and the renewables market with high utilization.

Havila Subsea was mobilized early May and went directly on her first job. The vessel is equipped with two chartered-in WROVs and offshore personnel from

Reach Subsea's offshore pool. *Havila Subsea* had high utilization in May and June and performance proved to meet at our clients' high expectations.

Olympic Delta was mobilized towards the end of June 2017 with two chartered-in WROVs and offshore personnel from Reach Subsea's offshore pool. The vessel is on a contract between cooperation partner MMT and owner Olympic Shipping and is scheduled for projects under a cooperation agreement between Reach Subsea and MMT. The vessel had activity immediately upon mobilization throughout the quarter.

REACH has per 15. August 2017 a firm order book of NOK 186 million, with the vast majority related to work in 3Q/4Q 2017. The expected increase in turnover from 2Q is related to the Allseas contract for *Olympic Delta*, the Black Sea contract for *Havila Subsea*, and the McDermott contract for *Normand Reach*.

// RESULTS

Second quarter 2017 EBITDA before amortization of termination fee[1] was NOK 4.4 million (NOK 12.6 million for 2Q2016) with a net loss of NOK 10.8 million (NOK 3.3 million profit for 2Q2016). The reduction compared with last year is partly explained by the cost of expanding our fleet by 50%, without having a full quarter revenue effect from this added capacity. In addition, delayed start-up on some projects has moved revenues and profits from Q2 to Q3/Q4, resulting in higher than normal commercial idle time for this particular quarter.

Mobilizing two additional vessels before the peak season forms part of the company's growth strategy. Parts of the start-up cost related to these vessel mobilizations have been expensed in the second quarter, while the revenue and margin contribution only amounted to two vessel months for these two vessels combined. The company believes that these costs represent an investment that will pay off in future periods.

Revenue for the quarter was NOK 79.1 million compared with NOK 89.5 million for 2Q2016. The reduction compared with the same quarter last year is mainly due to *Normand Reach* which was on a time charter to DOF Subsea the entire 2Q2016, while 2Q2017 only includes two weeks of WROW revenues (not the vessel element). Two months of *Havila Subsea* revenues in 2Q2017 compensated only parts of the *Normand Reach* revenue difference.

Operating expense for the quarter was NOK 88.3 million including depreciation and amortization of termination fee. Project-related expense represents the majority of the operating expense for the group. Total operating expense for 2Q2016 was NOK 83.1 million. The increase in operating expenses is related to higher activity level compared to the same period last year. Though the operating cost level is higher, the fixed

[1] EBITDA before amortization of termination fee recognizes the effect of renegotiated vessel charter rates for *Edda Fonn* and *Normand Reach*. As part of the restructuring of charter commitments in June 2016 a termination fee of NOK 76 million was paid to Østensjø and Solstad. The termination fee has been capitalized and will be amortized over the rest of the charter party periods. This termination fee occurs as an amortized pre-payment in the operating cost, although it has no cash effect. EBITDA will during the amortization period be split in two; before and after amortization of termination fee.

part of the cost, and thus the risk, is substantially reduced compared to the first half of 2016. Having a market regulated cost base has been essential in obtaining new contracts for the vessels during the quarter.

The rental cost for the four WROVs onboard *Havila Subsea* and *Olympic Delta* occurs as operating expense (included in EBITDA), in contrast to the cost for the existing six owned/financially leased WROVs occurring in the accounts as depreciation and interest expense.

Revenue for the first half was NOK 117.4 million (NOK 175.5 million in the same period 2016). The reduction is mainly related to the charter party with DOF Subsea for *Normand Reach*, as explained above.

EBITDA for the first half 2017 before amortized termination fee was NOK 6.9 million compared to NOK 6.6 million in 2016.

For 2Q2017, Oil & Gas revenues constituted 79 % while Renewable/Other constituted 21 % of total revenues. By comparison, for 2Q2016 Oil & Gas revenues were 81 % while Renewable/Other constituted 19 % of total revenues. Oil & Gas entails revenues from survey, IMR and light construction projects where the end client is an oil & gas company. Renewable/Other entails revenues from survey, IMR and light construction projects where the end client is a non-oil & gas company (typically a company in the renewable energy sector).

// CAPITAL STRUCTURE

Total current assets at the end of the period were NOK 214 million, of which cash and cash equivalents amounted to NOK 71 million. Receivables were NOK 143 million, which includes NOK 25 million in termination fee to Østensjø and Solstad that will be amortized over the next year (non-cash effect). Total non-interest bearing current liabilities were NOK 62.6 million.

As part of the restructuring of charter commitments a termination fee of NOK 76 million to Østensjø and Solstad was paid out in 2Q2016. The termination fee has been capitalized and will be amortized over the rest of the charter party periods. As per 30 June 2017 remaining capitalized termination fee amounts to NOK 47 million of which NOK 22 million is classified as a long-term receivable with the remaining NOK 25 million classified as a current receivable.

Net cash flow from operating activities for the second quarter 2017 was NOK -31.2 million. The negative operating cash flow is explained by a NOK 35.2 million increase in net working capital. The increase is partly due to ordinary seasonality, as seen in previous years, and partly due to the growth initiatives during the quarter (two additional subsea spreads mobilized). As is customary for our business, working capital is expected to seasonally decline in the second half.

Cash flow from investing activities was NOK -10.2 million for the second quarter 2017, which is related to the two new subsea spreads mobilized during the quarter.

The Group's equity as of 30th June 2017 is NOK 225.2 million, which represents 62.2 % of the total balance sheet. REACH has no major debt maturities for 2017 and onwards. Committed future capital expenditures related to Surveyor

Interceptor 2 amounts to NOK 15 million for REACH.

// THE SHARE

REACH Subsea ASA is listed on the Oslo Stock Exchange. The Company has per 30.06.17 issued 143 239 525 shares, of which the majority is owned by Norwegian shareholders.

Reach Subsea essentially follows the recommendation for reporting of IR-information issued by the Oslo Stock Exchange's and publish all the news releases on www.newsweb.no, a service provided by the Oslo Stock Exchange.

// NEWS AFTER QUARTER END

REACH has entered into short- and medium-term contracts securing satisfactory utilization for vessels, personnel and offshore equipment in the high season in 2017. The order book figure of NOK 186 million take these contracts into account. See further details under «Vessel Update» and «Outlook».

// VESSEL UPDATE

Edda Fonn: The vessel spread has had high utilisation so far in the third quarter with firm work until early September 2017.

Stril Explorer: The spread mobilised onboard *Stril Explorer* has had high utilisation so far in the third quarter, with firm commitment expected to last until late October 2017.

Viking Neptun: The vessel has commitment lasting until early September 2017.

Normand Reach: Reach Subsea has covered the entire 2017 vessel commitment for *Normand Reach* through Solstad Offshore's contract with McDermott in Australia, where Reach Subsea will provide the WROV services. The contract started in June 2017 with firm scope approximately four months. Looking beyond 2017, the remaining charter commitment for REACH is 180 days in 2018 and 100 days in 2019 for the *Normand Reach*, which is at competitive charter-in rates with a profit share to the shipowner.

Havila Subsea: Reach Subsea has entered into a contract in the Black Sea region covering 60 days (plus options) starting in August 2017. The Surveyor Interceptor is mobilized on board the vessel for the contract in the Black Sea. *Havila Subsea* did various spot jobs in July before transit to the Black Sea.

Olympic Delta: The vessel started the planned Allseas project early August 2017, following a project together with MMT in July. The Allseas project has estimated duration of four months.

// OUTLOOK

REACH's strategy is to be a full-service provider within subsea service. The Group's management and board have extensive and long experience in the segment.

REACH currently markets and operates six subsea spreads (vessel, ROVs, and personnel) alone or together with partners, of which five entails spreads where Reach Subsea has little or no vessel commitment (co-operation agreement with shipowner, or "pay as you earn" charter structures). The remaining spread, *Normand Reach*, has a fixed charter commitment of 180 days in 2018 and 100 days in 2019, at a rate level that gives the company a competitive cost base.

The combination of a lean and agile organization, and the attractive cost structure of our six subsea spreads, gives Reach a flexible and competitive cost base tailored to cope with continued weak markets. Given Reach Subsea's strong operational track record and high utilisation of vessels and assets compared to our competitors, we are well positioned for profitable growth.

The company expects a 2017 with high utilisation, and pressured rate levels in a market with continued tough competition. The subsea industry is still characterised by oversupply of tonnage and equipment. There are some signs of improved visibility both in terms of recent contract awards and in terms of a generally higher tender activity, though future prospects are subject to risk and uncertainty.

The Board is pleased to note that all subsea spreads have secured fairly good utilisation for Q3 and that the Group is exposed to limited vessel costs.

While the Group's financial performance in 2Q did not live up to the standards we have been used to, the Board is confident that the growth initiatives taken, and which impacted 2Q negatively, represents an investment which will pay off in the future periods.

With the NOK 85 million private placement completed early 2017, coupled with a flexible business model, the company aim to exploit attractive growth opportunities we currently see in the market.

// STATEMENT FROM THE BOARD AND CEO

We confirm, to the best of our knowledge, that the interim consolidated financial statements for the period 1 January to 30 June 2017, have been prepared in accordance with IAS 34 – Interim Financial Reporting, and give a true and fair view of the Group's assets, liabilities, financial position and profit or loss as a whole. We also confirm, to the best of our knowledge, that the Interim Financial Reporting includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, a description of the principal risks and uncertainties for the remaining six months of the financial year, and major related parties' transactions.

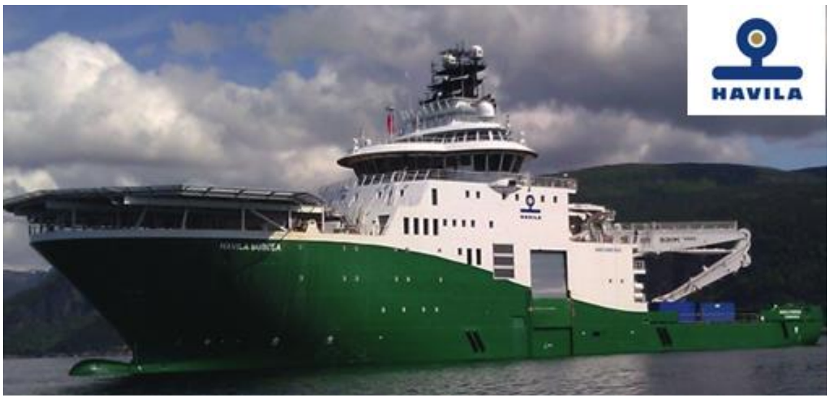
Haugesund, 28.08.2017

Kåre Johannes Lie Chairman of the Board	Anders Onarheim Vice-Chairman of the Board	Sverre B. Mikkelsen Board member
Merete Haugli Board member	Martha Kold Bakkevig Board member	Jostein Alendal CEO
Contact:	Jostein Alendal (CEO)	Birgitte Wendelbo Johansen (CFO)

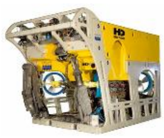
// REACH SUBSEA FLEET

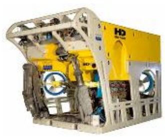
Edda Fonn
Cost effective, IMR survey and light construction vessel with long track record in the business

Normand Reach
State of the art offshore construction vessel with high crane capacity and prepared for complex offshore operations



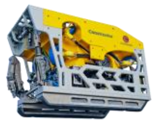
Havila Subsea
Cost effective, IMR survey and light construction vessel with long track record in the business



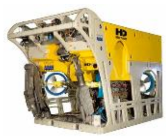


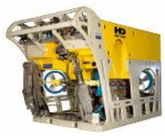
Stril Explorer
Fully integrated survey vessel with light construction capabilities

Viking Neptun
State of the art, high capacity subsea construction vessel, prepared for flexible and cable installation and heavy lifting.



Olympic Delta
Cost effective, IMR survey and light construction vessel with long track record in the business





- Income statement -

Income statement (in NOK '000)	Note	2017 01.04-30.06 *unaudited*	2016 01.04-30.06 *unaudited*	2017 01.01-30.06 *unaudited*	2016 01.01-30.06 *unaudited*	2016 01.01-31.12 *audited*
Operating income		79 069	89 517	117 372	175 479	327 493
Other operating income		-	0	0	0	0
Total operating income		**79 069**	**89 517**	**117 372**	**175 479**	**327 493**
		-				
Operating expenses		-74 667	-76 932	-110 523	-168 879	-302 429
EBITDA before amortized termination fee		**4 402**	**12 585**	**6 849**	**6 600**	**25 064**
		-				
Amortized termination fee		-7 240	-	-14 450	-	-14 529
EBITDA after amortized termination fee		**-2 838**	**12 585**	**-7 601**	**6 600**	**10 535**
		-				
Depreciation	3	-6 377	-6 186	-12 419	-12 368	-24 814
Operating result (EBIT)		**-9 215**	**6 400**	**-20 020**	**-5 768**	**-14 279**
		-				
Net financial items		-497	-2 842	-1 401	-4 424	-7 376
Net result from affiliated companies		-1 081	-298	-2 136	-1 209	-1 557
Profit (loss) before taxes		**-10 793**	**3 260**	**-23 558**	**-11 401**	**-23 213**
		-				
Taxes	9	-	0	0	0	0
		-				
Profit (loss)		**-10 793**	**3 260**	**-23 558**	**-11 401**	**-23 213**
		-				
		-				
Comprehensive income		-				
Gain/loss on finacial derivatives and cash flow hedges		-	-	0	-	0
Comprehensive income items		-	-	**0**	-	**0**
		-				
Total comprehensive income		**-10 793**	**3 260**	**-23 558**	**-11 401**	**-23 212**
		-				
Earnings per share		-0,08	0,04	-0,18	-0,15	-0,28
Diluted earnings per share		-0,08	0,04	-0,18	-0,15	-0,28

- Balance Sheet -

Consolidated balance sheet (in NOK '000)	Note	2017 30.06. *unaudited*	2016 30.06. *unaudited*	2016 31.12. *audited*
Non-current assets				
Deferred tax assets	9	8 161	8 161	8 161
Investment in associated companies		3 136	5 621	5 272
Property, plant and equipment	3	114 743	128 388	116 916
Other long term receivables	6	22 000	47 021	33 000
Total non-current assets		**148 040**	**189 191**	**163 349**
Current assets				
Trade and other receivables	6	142 985	129 446	104 654
Cash and cash equivalents		70 989	26 460	30 586
Total current assets		**213 974**	**155 906**	**135 240**
Total assets		**362 014**	**345 097**	**298 590**
Equity				
Share capital	7	143 240	91 241	91 241
Share premium		114 754	81 036	80 919
Other equity	8	-32 769	2 599	-9 211
Total equity		**225 225**	**174 876**	**162 949**
Non-current liabilities				
Interest-bearing debt	4	53 670	75 948	64 227
Total non-current liabilities		**53 670**	**75 948**	**64 227**
Current liabilites				
Current portion of interest bearing debt	4	20 500	19 698	21 000
Other current liabilities		62 619	74 575	50 414
Derivatives		0	0	0
Total current liabilities		**83 119**	**94 273**	**71 414**
Total liabilities		**136 789**	**170 221**	**135 641**
Total equity and liabilities		**362 014**	**345 097**	**298 590**

-Cash Flow -

Cash flow statement	2017 01.01-30.06 *unaudited*	2016 01.01-30.06 unaudited	2016 31.12. *audited*
Cash flow from operating activities			
Profit (loss) before tax	-23 558	-11 401	-23 212
Net result from affiliated companies	2 136	1 209	1 557
Depreciation	12 419	12 368	24 814
Change in trade debtors	-40 817	-4 269	-567
Change in trade creditors	8 028	5 909	-9 309
Change in other provisions	17 663	-23 264	2 905
Share option cost employees		604	604
Net cash flow from operating activities	**-24 128**	**-18 844**	**-3 208**
Cash flow from investing activities			
Purchase of fixed assets	-10 246	-341	-1 314
Purchase of shares in associated companies			
Gurantees Charter-party			
Net cash flow from investing activities	**-10 246**	**-341**	**-1 314**
Cash flow from financing activities			
Proceeds from issuance of ordinary shares	85 833	8 229	8 113
Proceeds from borrowings			
Repayment of long term loans	-11 056	-16 954	-27 374
Net cash flow from financing activities	**74 777**	**-8 725**	**-19 261**
Net change in cash and cash equivalents	40 402	-27 910	-23 783
Cash and cash equivalents in the start of the period	30 586	54 370	54 370
Cash and cash equivalents in the end of the period	**70 989**	**26 460**	**30 586**

- Equity -

Equity	Note	Share capital and share premium	Other equity	Total equity
Equity 31.12.16		172 160	-9 211	162 949
Capital increase		90 997		90 997
Share issue cost		-5 164		-5 164
Result for the period		0	-23 558	-23 558
Equity 30.06.17		**257 993**	**-32 769**	**225 225**

- Notes to the Interim Financial Statement -

// NOTE 1 - BASIS FOR PREPARATION

These consolidated interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting. The interim financial statements are unaudited, and do not include all of the information required for the full financial statements, and should be read in conjunction with the consolidated yearly financial statement. The yearly financial statement are audited. Consolidated interims- and yearly financial statements are available on the news services from Oslo Stock Exchange (www.newsweb.no) or the company's webpage (www.reachsubsea.com).

// NOTE 2 - SIGNIFICANT ACCOUNTING PRINCIPLES

The accounting principles used in the preparation of these financial statements are consistent with those used in the annual financial statements. These consolidated condensed financial statements should be read in conjunction with the annual financial statements, which include a full description of the Group's accounting principles.

// NOTE 3 –FIXED ASSETS

Purchase cost 01.01.17	54 276	126 343	9 358	189 977
Additions	9 199	896	151	10 246
Disposals	0	0	0	0
Purchase cost 30.06.17	**63 475**	**127 239**	**9 509**	**200 223**
Accumulated depreciation 30.06.17	-29 376	-46 836	-9 268	-85 480
Net book value 30.06.17	**34 099**	**80 403**	**240**	**114 743**
Depreciation in the period	5 143	6 982	294	12 419
Expected useful life (years)	3-8	3-8	3	
Depreciation plan	Straight line	Straight line	Straight line	

// NOTE 4 - BORROWINGS

(NOK 1000)	30.06.2017	31.12.2016
Non-current borrowings		
Bank borrowings	10 500	15 570
Finance lease liabilities	43 170	48 477
Total non-current borrowing	**53 670**	**64 047**
Current borrowings		
Bank borrowings	10 500	10 500
Finance lease liabilities	10 000	10 500
Total current borrowings	**20 500**	**21 000**
Carrying amount		
Bank borrowings	21 000	26 250
Finance lease liabilities	53 170	58 977
Total carrying amount	**74 170**	**85 227**
Fair value		
Bank borrowings	21 000	26 250
Finance lease liabilities	53 170	58 977
Total fair value	**74 170**	**85 227**

The company had as of 30.06.17 debt of NOK 74,1 million to credit institutions. The company's long-term debt consists of financial leasing and bank loan and is secured by pledge of fixed assets and cash deposits. Book value of pledged fixed assets as of 30.06.2017 amounted to NOK 114,7 million. All debt to credit institutions are in NOK

// NOTE 5 - TRANSACTIONS WITH RELATED PARTIES

The company has undertaken various transactions with related parties consisting of concultancy services. All transactions are carried out as part of the normal course of business and the deal is carried out on commercial terms in accordance with the Companies Act § § 3-8 and 3-9.

// NOTE 6 - RECIEVABLES

Related to a restructuring of charter party liabilities, a termination fee of NOK 76 million to Østensjø and Solstad has been capitalized and will be amortized over the rest of the charter party periods. In 2017 a total of NOK 14,5 million have been amortized, 22,0 million is classified as long term receivable in the balance sheet with the remaining NOK 25,0 million as a current receivable.

// NOTE 7 - SHAREHOLDERS

20 largest shareholders as per 28.08.2017

ACCELLO PARTNERS I A	40 600 000	28,3 %
EIKA NORGE	10 285 650	7,2 %
JOSO INVEST AS	7 564 589	5,3 %
JT INVEST AS	5 529 539	3,9 %
NORMAND DRIFT AS	5 000 000	3,5 %
HOLME HOLDING AS	3 690 000	2,6 %
SKIPS AS TUDOR C/O SEB STOCKHOLM	2 857 100	2,0 %
NHO - P665AK JP MORGAN CHASE BANK	2 200 000	1,5 %
CORUNA AS	2 097 877	1,5 %
SKEISVOLL & CO AS	2 000 000	1,4 %
TEOMAR AS	2 000 000	1,4 %
A-Å INVEST AS	1 938 725	1,4 %
Goldman Sachs & Co. GOLDMAN SACHS & CO -	1 765 231	1,2 %
AB INVESTMENT AS	1 705 743	1,2 %
SMS INVESTERING AS	1 652 366	1,2 %
LION INVEST AS	1 610 000	1,1 %
MACAMA AS	1 578 446	1,1 %
BARRUS CAPITAL AS	1 510 090	1,1 %
GLUTEUS MEDIUS AS	1 323 842	0,9 %
TEM INVEST AS	1 250 000	0,9 %
Total 20 largest	**98 159 198**	**68,5 %**
Others	45 080 327	31,5 %
Total	**143 239 525**	**100,0 %**

// NOTE 8 - SHARE-BASED REMUNERATION

The Stock option program expired in September 2016. The Board has decided to establish a new stock option program for leading employees. The Board of Directors holds a power of attorney to issue up to 3,886,875 shares related to the stock option program (valid until the Annual General Meeting 2018).

// NOTE 9 -TAX

The Group has, based on contracts and budgets for 2016 and 2017, assumed that parts of the tax loss carried forward can be recognized. Per 30.06.2017 NOK 8,2 million is capitalized.

// NOTE 10 - EVENTS AFTER QUARTER END

The Group has not had any major events after the balance date that affects the accounts.

// NOTE 11 - SEGMENTS

(NOK 1000)	2017 01.04-30.06	2016 01.04-30.06	2017 01.01-30.06	2016 01.01-30.06	2016 01.01-31.12
Revenue					
Oil & Gas	63 089	72 220	92 534	128 890	202 461
Renewable / other	15 980	17 297	24 838	46 589	125 032
Total	**79 069**	**89 517**	**117 372**	**175 479**	**327 493**
Operating expense					
Oil & Gas	-70 442	-67 057	-108 317	-133 127	-212 230
Renewable / other	-17 842	-16 061	-29 074	-48 120	-129 542
Total	**-88 284**	**-83 118**	**-137 392**	**-181 247**	**-341 772**
Operating result					
Oil & Gas	-7 353	5 163	-15 783	-4 237	-9 769
Renewable / other	-1 862	1 236	-4 237	-1 531	-4 510
Total	**-9 215**	**6 400**	**-20 020**	**-5 768**	**-14 279**
EBITDA Earnings before Interest, Taxes, Depreciation & Amortization					
Oil & Gas	-2 264	10 152	-5 992	4 848	3 327
Renewable / other	-574	2 431	-1 608	1 752	7 208
Total	**-2 838**	**12 585**	**-7 601**	**6 600**	**10 535**
EBITDA before amortization of termination fee					
Oil & Gas	3 512	10 152	5 399	4 848	16 550
Renewable / other	890	2 431	1 449	1 752	8 514
Total	**4 402**	**12 585**	**6 849**	**6 600**	**25 064**

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