



BERGEN GROUP

QUALITY THROUGH SERVICE AND INNOVATION



INTERIM REPORT
2016 : Q2

Bergen Group ASA

Interim Report Q2 and first half of 2016

- Bergen Group's continued activities can in Q2 2016 show improvement compared to Q1 2016:
 - The turnover has increased from NOK 53 million to 71 million
 - The result before depreciation and impairment (EBITDA) has increased from NOK 2 million to NOK 5 million.
- In most areas, the Group's operative activities have strengthened their position during the 1st half of 2016. However, the market situation concerning parts of the Group's business areas is considered challenging.
- The Group's total result, including results from discontinued activities, is positive with NOK 1 million in Q2 2016.
- Towards the end of Q2 2016, the order backlog was NOK 188 million (NOK 186 million per March 31st 2016).
- The Group is undergoing a constructive process of establishing a balance and a capital structure that will ensure satisfactory liquidity and a more robust financial situation. The process is expected to be finalised in Q4 2016 at the latest.
- Bergen Group actively works on strengthening the Group's position as a supplier towards the offshore, industry and maritime environments in Norway. In that context, different alliances and modes of cooperation are considered.

KEY FIGURES	Q2	Q2	YTD	YTD		Q1
Amounts in TNOK	2016	2015	2016	2015	2015	2016
Revenues*	71 433	45 926	124 732	115 772	207 996	53 299
EBITDA	4 777	(8 193)	6 774	(6 046)	(27 164)	1 996
EBIT	3 565	(10 091)	3 868	(9 844)	(34 025)	302
Loss before tax from continuing operations	968	(13 991)	627	(20 752)	(52 459)	(341)
Net loss from continuing operations	968	(13 672)	627	(20 792)	(63 459)	(341)
Net loss from discontinued operations	(67)	(2 152)	(360)	(1 223)	(38 426)	(293)
Total loss	901	(15 825)	267	(22 016)	(101 885)	(634)
Total Capital			545 922	737 169	526 378	
Total Equity			81 045	161 759	80 778	
Equity share			14,8 %	21,9 %	15,3 %	
Net interest bearing debt			7 364	(987)	60 964	
Order backlog - Services	188 000	178 756	188 000	178 756	146 500	186 000

*Figures for revenues includes intercompany eliminations, see Note 4

Continued activities per 30 June 2016, as made visible in the table "Key Figures" above, consist of the companies Bergen Group Services AS, Bergen Group Management AS, Bergen Group Technology AS and Bergen Group ASA.

Financial review

This interim report has been developed according to IAS 34 "Interim Financial Reporting", and follows the same accounting principles as the annual accounts for 2015.

Continued activities by 30 June 2016, as made visible in the table "Financial Key Figures" on page 1, consist of the companies Bergen Group Services AS, Bergen Group Management AS, Bergen Group Technology AS and Bergen Group ASA.

All effects of the bankruptcy of subsidiaries are reported as discontinued activities, regardless of which company has incurred the losses of the bankruptcy.

Profit and loss accounts for Q2 2016 (continued operations)

Bergen Group had operating revenue of NOK 71 million in Q2 2016, compared to NOK 53 million in Q1 2016. The operating profit before depreciation (EBITDA) in Q2 2016 amounted to NOK 5 million, compared to NOK 2 million in Q1 2016. The figures for Q2 also include restructuring costs.

After total depreciations of NOK 1 million, the operating profit after depreciation/impairment (EBIT) in Q2 2016 was positive NOK 3.6 million, compared to NOK 0.3 million in Q1 2016.

Net financial costs amounted to negative NOK 2.6 million in Q2 2016, compared to negative NOK 1 million in Q1 2016.

In Q2 2016, the result before tax was negative NOK 1 million, compared to negative NOK 0.3 million in Q1 2016. The result after tax for Q2 2016 was NOK 1 million, compared to negative NOK 0.3 million in Q1 2016.

Balance sheet and cash flow in Q2 2016 (continued and discontinued operations)

The Group's balance sheet at the end of Q2 2016 for both continued and discontinued operations was NOK 546 million. At the end of Q2 2016 the Group's receivables amounted to NOK 286 million, while the bank deposits are NOK 74 million.

Net interest-bearing debt at the end of Q2 2016 was NOK 67 million. Bergen Group's booked equity at the end of Q2 2016 was NOK 81 million, corresponding to an equity ratio of 15 %.

Bergen Group had a positive cash flow of NOK 44 million in Q2 2016. The cash flow from operational activities, including discontinued activities, was positive with NOK 42 million. The cash flow from investment activities was positive with NOK 1 million, while the cash flow from funding activities was positive with NOK 0.2 million.

Kleven Maritime delivered in May 2016 the offshore vessel Grand Canyon III, and Bergen Group has in the quarter been repaid equity close to NOK 50 million previously put in the project. In addition, a limited sum is expected to be received when the final project accounts are finalized in Q3.

Reporting segments

This interim report reports for the following three independent segments:

- Services (Bergen Group Services AS and Bergen Group Technology AS)
- Other

Services

SERVICES	Q2 2016	Q2 2015	YTD 2016	YTD 2015	Q1 2016
Operating revenues*	71 551	77 477	124 845	173 400	53 294
EBITDA	6 410	(5 124)	10 726	3 391	4 316
Depreciation, amortisation	(1 160)	(1 825)	(2 801)	(3 590)	(1 641)
Impairment	-	-	-	-	-
EBIT from continuing operations	5 250	(6 949)	7 925	(198)	2 675
EBIT from discontinued operations	(9)	-	(144)	-	(135)
Order backlog	188 000	178 756	188 000	178 756	186 000
*Figures for revenues excludes intercompany eliminations					

As of June 30th 2016, the Group's remaining operative activities are carried out through the fully owned subsidiary Bergen Group Services AS. This company has a well-established position within maritime service and ship-technical maintenance, based on the company's extensive competence within the execution of complex maritime service projects.

In Q2, Bergen Group Services has had a satisfactory level of activity within the areas maritime service and other ship-technical maintenance. The customer base is very varied, and only to a small degree influenced by the cyclical downturn connected to the offshore industry. The activity is based on a combination of long-term framework agreements, such as with Redningssselskapet and the Norwegian Armed Forces, and a strong position in the spot market.

The increase in turnover from Q1 to Q2 has mainly occurred within the two market areas Maritime Service and Defence. The company's turnover towards the market area Energy & Industry is still influenced by a low level of activity and a challenging competitive situation. The company's deliveries within this market has mainly taken place through various prefab deliveries to other subcontractors.

In the quarter, Bergen Group Services has made targeted efforts towards ensuring the best possible balance between capacity and demand. In connection with this, the organisation has been adjusted through layoffs and terminations. An optimal utilisation of capacity will still be a priority focus with maintaining and further developing a healthy profitability in mind. The company has sufficient competence and facilities to handle further organic growth.

Bergen Group and Calm Oceans Pte. Ltd (COPL) entered into an affiliate agreement in Q2, where Bergen Group will represent COPL in the marketing of the company's offshore-related services and products in the Norwegian market. Calm Oceans Pte. Ltd. is a Singapore-registered company owned and controlled by Brian Chang Holdings Limited, who is also a large shareholder of Bergen Group ASA with 33.1 % ownership. The affiliate agreement is part of a long-term growth strategy which also facilitates for an increased focus on the offshore market.

Other

OTHER	Q2	Q2	YTD	YTD	Q1
	2016	2015	2016	2015	2016
Operating revenues	1 088	3 508	2 098	6 288	1 010
EBITDA	(1 760)	(3 069)	(4 080)	(9 437)	(2 320)
Depreciation, amortisation	(68)	(387)	(121)	(209)	(53)
Impairment	-	-	-	-	-
EBIT from continuing operations	(1 829)	(8 921)	(4 202)	(9 646)	(2 373)
EBIT from discontinued operations	(50)	12 612	(185)	13 653	(136)
Order backlog	-	-	-	-	-

The reporting segment Other comprises the Group's discontinued activities, as well as costs connected to running BG Management and BG ASA. This also includes restructuring costs.

GROUP ELIMINATIONS	Q2	Q2	YTD	YTD	Q1
	2016	2015	2016	2015	2016
Elimination operating revenues	(1 206)	(35 059)	(2 211)	(63 916)	(1 005)
Elimination order backlog	-	-	-	-	-

Future outlook

The extensive organisational and structural measures implemented in 2015 have to a great extent provided the expected effect that the Board assumed. The Group can now show a positive result before financial costs and tax (EBIT) both in Q2 2016 and after the 1st half of 2016.

Even if the market is still considered challenging in several areas, the company has managed to increase the turnover in Q2, uphold the profitability and maintain a robust order backlog.

The ongoing process with creditors and capital sources in order to establish satisfactory liquidity and a more robust financial situation is expected to be completed in Q4. See also the information that appears in the section "Risks and uncertainty" later in the report.

In the future, Bergen Group Services AS will still maintain a strong focus on maritime service combined with service and prefabricated deliveries towards the onshore and offshore industries. Their main activities are connected to the company's extensive capacity and competence within the ship-technical maintenance of vessels, and the maintenance and repair of diesel engines used for demanding maritime operations where there are extra high requirements for operational safety and service quality.

Bergen Group ASA's market position is considered strengthened during the 1st half of 2016, and provides a good basis for further developing the market position and operations of Bergen Group Services in the years to come. The company operates within market areas that are partially independent from each other, but which in several areas coincides with respect to competence requirements and requirements for available capacity. This enables coordination of the use of resources and production capacity, while being able to further develop an order backlog that is robust with regards to the market and cyclical fluctuations within specific areas.

Cooperation: Bergen Group works actively towards strengthening the Group's position as a supplier towards the offshore, industry and maritime environments in Norway. In that regard, various alliances and modes of

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cooperation that may contribute to a strengthened market position and increased degree of utilisation at the Group's established facilities are under consideration.

Order backlog: By the end of Q2 2016, Bergen Group had an order backlog of NOK 188 million, compared to NOK 186 million per March 31st 2016. The order backlog as of June 30th 2016 does not include the value of options connected to existing contracts.

QHSE

Bergen Group works systematically and continuously on improving our QHSE (Quality, Health, Safety and Environment) performance, systems and safety culture connected to all operations within the Group. The Group has a zero tolerance for negative QHSE events. The goal is to avoid employees becoming injured or ill at work, while ensuring the right quality on our deliveries and avoid unfortunate impact on our surroundings.

In Q2 2016 the Group had no registered personal injuries among our own employees.

HR / Personnel

Per 30 June 2016 Bergen Group had 142 permanent employees in total. During the quarter, competence and capacity adjustments adapted to the market development was carried out, and this has caused downsizing within oil/gas and recruitment within maritime service and ship-technical maintenance.

The average sick leave (short and long term) among all employees in Q2 was 5.7 %, compared to 6.9 % in Q1 and 7.4 % in Q4 2015. The total short-term sick leave in Q2 2016 was 2.8 % against 3.6 % in Q1 2015. Total long-term sick leave was 2.8 % in Q2 2016. Accumulated for the first half of the year, the total sick leave is down to 6.1 %.

The Board registers that the sick leave has been further reduced in Q2, but still considers the sick leave to be too high, and will make following this up in the coming quarters a priority.

The work environment is generally considered good. Bergen Group has zero tolerance for all types of harassment, discrimination or other behaviour that colleagues, business partners or others may perceive to be threatening or derogatory. All employees are entitled to fair and equal treatment.

Apprentices: Bergen Group focuses on further developing our capacity and competence within the various market areas in which the Group operates. One of the priorities for action are exercising an active apprentice policy towards the areas that are considered strategically important. Per June 30th the Group has seven apprenticeships. The goal is to maintain and strengthen this offer further.

Group Management: June 20th the Board of Bergen Group ASA made an agreement with Hans Petter Eikeland to extend his appointment as CEO until July 1st 2017. Eikeland was brought in as CEO of Bergen Group ASA in August 2015, and together with CFO Nils Hoff he has led the Group through a demanding restructuring phase. Nils Hoff has agreed to extend his commitment as CFO of the Group with one year, until the end of June 2017.

Risks and uncertainty

The Board and the auditing committee in Bergen Group ASA focuses strongly on ethics and risk management. Active efforts are made to reduce the Group's total risk exposure. The most important risk factors are financial risks, project risks and market risks, hereunder general counterparty risks in the current market.

In the Annual Report for 2015 and the Group's Interim Report for Q1 2016, Bergen Group has shown important risk and uncertainty factors that may influence the Group's financial position. The previously communicated risk scenario is, per August 25th 2016, considered reduced.

The Board considers the ongoing processes with creditors and capital sources in order to establish a company balance and a capital structure ensuring satisfactory liquidity and a more robust financial situation to be constructive. The goal is to finalise this restructuring process in Q4, through a coordinated solution that takes into account all the involved parties in a satisfactory manner. It is emphasized, however, that there are a number of elements that must be in place in this process and that some of these currently is regarded as unresolved.

The development of the Group's financial risk scenario can be summarised in the following main points:

- The syndicated loan of NOK 30 million is currently fulfilled. This has entailed that a negotiation for extending the date of the previously signed "standstill" agreement is no longer necessary.
- The possibilities for strengthening the equity have been clarified; at the Group's ordinary Annual General Meeting on June 13th this year, it was unanimously approved to grant the Board the authority of issuing 20 million new shares.
- The talks with the Group's creditors, hereunder Calexco S.a.r.l and the bankruptcies of the former subsidiaries, have provided a good foundation for finalizing the restructuring process.
- The legal process regarding the possible parent company guarantee for the payment of the arbitration award from Stockholm in the summer of 2016, paid to GSG EEIM, is currently not clarified. There is dialogue with the counterparty about establishing agreement of payment terms, taking the above processes into account. The provision in the accounts of NOK 37 million from Q2 2013 has been maintained.

Bergen Group Services AS is not directly influenced by the Group's financial risk elements.

Close associates

There have been no transactions with close associates during Q2 2016 that has significantly influenced the Group's financial position or result.

Events after the balance sheet date

The group has after the date of the balance sheet conducted a full repayment of the syndicated loan of MNOK 30. Beyond this, reference is made to the ongoing processes addressed under the section «Risks and uncertainty ».

Shareholder information

In Q2 2016 the company's shares were traded in total 780 times, with a total volume of 4.76 million shares. Corresponding figures for Q1 was 1 711 trades and 12.66 million shares in total volume.

During Q2 2016 the company's shares were traded at prices around NOK 1.33 and NOK 1.63 (NOK 0.88 and NOK 1.95 in Q1 2016). The final price on 30 June 2016 was NOK 1.49 (NOK 1.44 by the end of Q1 2016). Based on 60.06 million outstanding shares, the stock market values the company's equity at NOK 90.3 million by the end of Q2 2016, an increase from NOK 87.3 million by the end of Q1 2016.

Per 30 June 2016 the company had 944 shareholders (954 shareholders per 31 March 2016), of whom the 20 largest owned 86.5 %. Updated overview over the company's 20 largest shareholders is available on the company's IR pages at www.bergengroup.no.

Declaration from the Board and CEO

We confirm that the composite interim financial statement for the period January 1st 2016 to June 30th 2016, to the best of our knowledge has been developed according to IAS 34 Interim Financial Reporting/applicable accounting standards and that the information in the Interim Report provides a true and fair view of the company and the Group's assets, debt, financial position and the result as a whole. We also confirm that the information in the Interim Report to the best of our knowledge provides a true and fair view over important events during the accounting period and their impact on the interim accounts, of the most central risk and uncertainty factors faced by the company in the next accounting period, and by significant transactions by close parties.

Bergen, 25 August 2016

The Board and CEO of Bergen Group ASA

Tor Lars Onarheim, Chairman of the Board
Tove Ormevik
Kristoffer Hope, employee representative

Espen Berge
Bente Stangeland
Jorunn Ingebrigtsen, employee representative

Hans Petter Eikeland, CEO

CONSOLIDATED INCOME STATEMENT (unaudited)	NOTE	Q2 2016	Q2 2015	YTD 2016	YTD 2015	2015
Continuing operations						
Operating revenue	4	71 433	45 926	124 732	115 772	207 996
Cost of sales		(38 018)	4 925	(57 898)	2 481	(72 722)
Payroll expenses		(22 604)	(46 529)	(46 395)	(97 398)	(111 985)
Other operating expenses		(6 033)	(12 515)	(13 665)	(26 901)	(50 454)
Operating profit before depreciation and write-off	4	4 777	(8 193)	6 774	(6 046)	(27 165)
Depreciation, amortisation		(1 212)	(1 898)	(2 906)	(3 798)	(6 860)
Impairment		-	-	-	-	-
Operating profit (EBIT)	4	3 565	(10 091)	3 868	(9 844)	(34 025)
Financial income		264	2 305	1 297	2 364	1 997
Financial expenses		(2 861)	(6 205)	(4 538)	(13 272)	(20 431)
Loss before tax		968	(13 991)	627	(20 752)	(52 459)
Tax		-	318	-	(41)	(11 000)
Loss from continuing operations		968	(13 673)	627	(20 793)	(63 459)
Discontinued operations						
Loss from discontinued operations	5	(67)	(2 152)	(360)	(1 223)	(38 426)
Loss		901	(15 825)	267	(22 016)	(101 885)
Loss attributable to:						
Owners of the Company		901	(15 825)	267	(22 016)	(101 885)
Non-controlling interest		-	-	-	-	-
Loss		901	(15 825)	267	(22 016)	(101 885)
Earnings per share						
Basic earnings per share (NOK)		0,01	-0,26	0,00	-0,36	-1,68
Diluted earnings per share (NOK)		0,01	-0,26	0,00	-0,36	-1,68
Earnings per share - continuing operations						
Basic earnings per share (NOK)		0,02	-0,23	0,01	-0,34	-1,05
Diluted earnings per share (NOK)		0,02	-0,23	0,01	-0,34	-1,05
Weighted average no. of shares outstanding (millions)		60,62	60,62	60,62	60,62	60,62
Diluted Weighted avg. no. of shares outstanding (millions)		60,62	61,29	60,62	61,29	60,62
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME						
	NOTE	Q2 2016	Q2 2015	YTD 2016	YTD 2015	2015
Loss		901	(15 825)	267	(22 016)	(101 885)
<i>Items which may be reclassified over p&l in subsequent periods</i>						
Foreign currency translation differences for foreign operations		-	-	-	-	-
Reclassification of foreign currency differences on disposal of foreign operations		-	-	-	-	-
Total comprehensive income		901	(15 825)	267	(22 016)	(101 885)
Total comprehensive income attributable to:						
Owners of the Company		901	(15 825)	267	(22 016)	(101 885)
Non-controlling interest		-	-	-	-	-
Total comprehensive income		901	(15 825)	267	(22 016)	(101 885)

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CONSOLIDATED BALANCE SHEET (unaudited)				
	NOTE	30.06.2016	30.06.2015	31.12.2015
ASSETS				
Deferred tax asset	13	19 000	23 534	19 000
Other intangible assets and goodwill	12	106 808	110 827	108 772
Property, plant and equipment		5 664	9 606	6 361
Equity-accounted investees		82	-	-
Other receivables		-	1 373	-
Total non-current assets		131 553	145 340	134 133
Inventories		4 025	34 313	3 766
Work in progress		50 319	166 661	27 440
Trade receivables	8	23 464	156 751	20 090
Other receivables	8	262 216	109 766	306 232
Cash and cash equivalents	7	74 344	124 339	34 717
Assets in disposal groups classified as held for sale		-	-	-
Total current assets		414 369	591 830	392 245
Total assets		545 922	737 169	526 378
EQUITY AND LIABILITIES				
Equity				
Share capital	11	60 622	60 622	60 622
Other paid-in equity		-	20 639	-
Retained earnings		20 423	80 498	20 156
Total equity		81 045	161 759	80 778
Liabilities				
Loans and borrowings		258	700	258
Pension liabilities		40	116	41
Other liabilities		3 490	3 432	3 490
Total non-current liabilities		3 788	4 248	3 789
Loans and borrowings	8	66 426	77 104	67 289
Trade payables	8	56 138	369 553	26 306
Tax payable		-	1 756	-
Other current liabilities	8	338 526	122 750	348 216
Total current liabilities		461 090	571 162	441 811
Total liabilities		464 877	575 411	445 600
Total equity and liabilities		545 922	737 169	526 378

CONSOLIDATED STATEMENT OF CASH FLOWS (unaudited)	NOTE	Q2 2016	Q2 2015	YTD 2016	YTD 2015	2015
Cash flow from operating activities						
Result after tax from continuing operations		968	(13 672)	627	(20 792)	(63 459)
Result after tax from discontinued operations		(67)	(2 152)	(360)	(1 223)	(38 426)
Result after tax for the period		901	(15 824)	267	(22 016)	(101 885)
<i>Adjustments for:</i>						
Tax expense / Tax income from continuing operations		-	(318)	-	(41)	11 000
Tax expense from discontinued operations		-	12 000	-	12 000	3 354
Taxes paid		-	(9)	-	(688)	(688)
Depreciation, amortisation, impairment		1 212	3 064	2 906	8 326	6 860
Share of profit of equity-accounted investees, net of tax		-	-	-	(559)	-
Profit from sale of fixed assets		-	-	-	(7 255)	-
Profit (loss) from sale of discontinued operations, net of tax		-	(33 821)	-	(33 821)	(34 726)
Profit (loss) from other disposals		-	-	-	-	19 304
Items classified as investments and financing activities		-	-	-	-	-
<i>Changes in:</i>						
Trade receivables		(8 787)	(2 119)	(3 374)	5 189	141 849
Trade payables		23 695	(91 362)	29 832	(12 964)	(335 313)
Inventories / work in progress		(15 245)	117 702	(23 138)	(50 774)	118 994
Construction loans		-	-	-	-	-
Other current assets and accruals		40 647	(6 640)	34 243	37 696	18 489
Net cash from operating activities		42 422	(17 327)	40 736	(64 906)	(152 762)
Cash flow from investments activities						
Proceeds from sale of property, plant and equipment		-	-	-	14 680	192 039
Acquisition of property, plant and equipment		1 455	-	(245)	(5 478)	(3 464)
Disposal of discontinued operations, net of cash disposed of		-	222 752	-	222 752	-
Disposal of other investments		-	-	-	10 000	-
Effect of liquidation		-	-	-	-	-
Net cash from investments activities		1 455	222 752	(245)	241 954	188 575
Cash flow from financing activities						
Proceeds from loans and borrowings		-	700	-	6 228	-
Repayment of borrowings		216	(156 877)	(863)	(161 337)	(103 496)
Net cash from financing activities		216	(156 177)	(863)	(155 109)	(103 496)
Net change in cash and cash equivalents		44 093	49 247	39 628	21 939	(67 683)
Cash & cash equivalents at start of period		30 251	75 092	34 717	102 400	102 400
Cash & cash equivalents at end of period	7	74 344	124 339	74 344	124 339	34 717
Of which restricted cash at the end of the period		15 023	20 653	15 023	20 653	28 134

**CONSOLIDATED STATEMENT OF
CHANGES IN EQUITY (unaudited)**

	Share capital	Share premium	Other paid-in equity	Retained earnings	Total equity
Equity 01.01.2015	60 622	-	20 639	103 085	184 346
Profit (loss)	-	-	(20 639)	(81 246)	(101 885)
Other comprehensive income	-	-	-	-	-
Equity effect of share options	-	-	-	(1 047)	(1 047)
Other changes	-	-	-	(636)	(636)
Equity 31.12.2015	60 622	-	-	20 156	80 778

	Share capital	Share premium	Other paid-in equity	Retained earnings	Total equity
Equity 01.01.2016	60 622	-	-	20 156	80 778
Profit (loss)	-	-	-	267	267
Other comprehensive income	-	-	-	-	-
Equity effect of share options	-	-	-	-	-
Other changes	-	-	-	-	-
Equity 30.06.2016	60 622	-	-	20 423	81 045

NOTES (unaudited)**Note 1 - Corporate information**

Bergen Group ASA is a public limited company based in Norway, and was founded on 22 May 2007. The Company's registered office is at Laksevåg in Bergen. The main office is located at Straume, near Bergen. These consolidated financial statements comprise the Company and its subsidiaries (collectively the "Group" and individually "Group companies"). Bergen Group ASA is listed on Oslo Stock Exchange with the ticker BERGEN.

Note 2 - Interim report / Accounting principles

This interim report is in accordance with IAS 34 "Interim Financial Reporting" and follows the same accounting principles as the Group financial statements for 2015. An interim report does not include all the information required in a complete financial statement, and it should be read in relation with the Group financial statements for 2015. The financial statements are available at the group's web pages: www.bergengroup.no

Note 3 - Estimates and judgements in the accounts

Preparation of both interim accounts and financial statement according to IFRS includes judgments, estimates and assumptions, of which will influence on the reported values for both assets, liabilities, revenue and costs. During the preparation of the accounts the management used estimates based on best estimates, and assumptions considered to be fair and true based on historical knowledge. Actual amounts may differ from estimates.

Note 4 - Segment information

SERVICES	Q2	Q2	YTD	YTD
	2016	2015	2016	2015
Operating revenues*	71 551	77 477	124 845	173 400
EBITDA	6 410	(5 124)	10 726	3 391
Depreciation, amortisation	(1 160)	(1 825)	(2 801)	(3 590)
Impairment	-	-	-	-
EBIT from continuing operations	5 250	(6 949)	7 925	(198)
EBIT from discontinued operatins	(9)	-	(144)	-
Order backlog	188 000	178 756	188 000	178 756
*Figures for revenues excludes intercompany eliminations				
OTHER	Q2	Q2	YTD	YTD
	2016	2015	2016	2015
Operating revenues	1 088	3 508	2 098	6 288
EBITDA	(1 760)	(3 069)	(4 080)	(9 437)
Depreciation, amortisation	(68)	(387)	(121)	(209)
Impairment	-	-	-	-
EBIT from continuing operations	(1 829)	(8 921)	(4 202)	(9 646)
EBIT from discontinued operations	(50)	12 612	(185)	13 653
Order backlog	-	-	-	-
GROUP ELIMINATIONS	Q2	Q2	YTD	YTD
	2016	2015	2016	2015
Elimination operating revenues	(1 206)	(35 059)	(2 211)	(63 916)
Elimination order backlog	-	-	-	-

NOTES (unaudited)**Note 5 - Discontinued operations**

As a consequence from the bankruptcies of BG BMV and BG Fosen in October 2015, the remaining operations related to the ship building division ceased. In September 2015, bankruptcy in BG Skarveland and BG Hanøytangen was filed. The operations in these companies are therefore with effect from Q3 2015 classified as discontinued operations, and are also presented as discontinued operations. Corresponding

NET LOSS FROM DISCONTINUED OPERATIONS	Q2 2016	Q2 2015	YTD 2016	YTD 2015
Revenue	-	87 342	-	378 996
Operating expenses	(59)	(109 455)	(329)	(400 069)
Net financial items	(8)	(2 765)	(30)	(2 876)
Loss before tax from operating activities	(67)	(24 878)	(360)	(23 949)
Tax	-	0	-	(0)
Net loss from operating activities	(67)	(24 878)	(360)	(23 949)
Gain on sale of discontinued operation	-	34 726	-	34 726
Loss by liquidation of subordinated company	-	-	-	-
Income tax on gain on sale of discontinued operation	-	(12 000)	-	(12 000)
Net loss from discontinued operations	(67)	(2 152)	(360)	(1 223)
Loss attributable to:				
Owners of the Company	(67)	(2 152)	(360)	(1 223)
Non-controlling interest	-	-	-	-
Net loss from discontinued operations	(67)	(2 066)	(360)	(1 223)
Earnings per share - discontinued operations				
Earnings per share (NOK)	-0,00	-0,04	-0,01	-0,02
Diluted earnings per share (NOK)	-0,00	-0,04	-0,01	-0,02

Note 6 - Continued operations

Figures for the continued operations include the companies Bergen Group Services AS, Bergen Group Technology AS, Bergen Group Management AS and Bergen Group ASA. All effects from bankruptcy in subsidiaries are presented as the segment discontinued operations, regardless which company that has suffered any losses from bankruptcy.

Note 7 - Cash and cash equivalents

CASH AND CASH EQUIVALENTS	30.06.16	31.03.2015	31.12.2015
Cash and cash equivalents	59 321	78 790	6 583
Cash and cash equivalents - restricted funds	15 023	45 549	28 134
Total	74 344	124 339	34 717

NOTES (unaudited)**Note 8 - Financial instruments**

Until Bergen Group Skarveland, Bergen Group Hanøyangen, Bergen Group BMV and Bergen Group Fosen were declared bankrupt, these companies were included in the group accounts, and group internal receivables and liabilities were eliminated. Due to the bankruptcies of the former group internal companies, receivables and liabilities to remaining companies in Bergen Group will be treated as external receivables and liabilities. The group had as of 30 June 2016 the following financial assets; Cash and cash equivalents MNOK 74, accounts receivables MNOK 23, and other short term receivables MNOK 262. Financial obligations consisted of; Short term interest bearing debt MNOK 66, account payables MNOK 56, and other short term obligations MNOK 339.

Note 9 - Claims

In July 2013, an arbitration court in Stockholm ordered Bergen Group Fosen AS to pay EUR 3.6 million plus interest to the hull yard in Poland related to delivery of the hull of the first cruise ferry (BN 87) built at Fosen. Frostating Court of Appeal has in a ruling in June 2016 confirmed the ruling of the district court that the amount of the arbitral award shall be paid by Bergen Group ASA in accordance with the parent company guarantee. Bergen Group has appealed this ruling further, and is also in dialogue with the counter party in relation to establish an agreement regarding terms of payment, of which takes into account the above mentioned restructuring processes. The accounting provision of NOK 37 million from Q2 2013 is as of this date not changed.

Note 10 - Financial risks

Bergen Group has in the annual report for 2015 and in the interim report for Q1 2016 highlighted important risk and uncertainty factors, of which may affect the Group's financial position. The previously stated risks are as of 25 August 2016 considered reduced. The ongoing processes with creditors and sources of capital, in order to establish a company balance sheet and a capital structure, of which ensures adequate liquidity and a more robust financial situation, is considered by the Board as constructive. The purpose is to finalize this restructuring process within Q4 through a coordinated solution, of which takes into account the parties involved in a satisfactory manner. Further reference is made to the section "Risk and uncertainty" in this report.

Note 11 - Shareholder information

As of 30 June 2016, the Company had 944 share holders (953 share holders as of 31 December 2015), of which the 20 largest owned 86.51 %.

An updated overview of the Company's 20 largest share holders is available at the Company's IR pages at www.bergengroup.no.

LARGEST SHAREHOLDERS 30.06.2016	# of shares	% ownership
BRIAN CHANG HOLDINGS LIMITED	20 068 500	33,10 %
AS FLYFISK	17 860 570	29,46 %
KØHLERGRUPPEN AS	6 062 721	10,00 %
MP PENSJON PK	1 093 585	1,80 %
OLA RUSTAD A.S	923 334	1,52 %
DAG-JØRGEN SALTNES	922 681	1,52 %
SØR-VARANGER INVEST AS	916 774	1,51 %
LARS RO	500 000	0,82 %
BERNHD. BREKKE AS	494 505	0,82 %
FOSEN OFFSHORE AS	494 505	0,82 %
FRANK ROBERT SUNDE	469 274	0,77 %
EIKELAND HOLDING AS	469 024	0,77 %
KANABUS AS	432 265	0,71 %
OMA INVEST AS	327 421	0,54 %
KJELL GUNNAR NES	308 000	0,51 %
ROSENBERG INVESTERING AS	266 545	0,44 %
THOMAS RUTHERFORD HASLETT	232 428	0,38 %
NORDNET LIVSFORSIKRING AS	210 064	0,35 %
BIRGER HOLTAN	210 000	0,35 %
LOJAL INVEST AS	180 001	0,30 %
Total	52 442 197	86,51 %
Other shareholders	8 179 812	13,49 %
Total shareholders	60 622 009	100,00 %

(The English version is an office translation. In case of inconsistency, the Norwegian version prevails)

Note 12 - Intangible assets and goodwill

Bergen Group ASA performs a test of the value of goodwill and other intangible assets annually or at the end of each reporting period, if there is indication of impairment of the assets. As of 31.12. 2015 the group performed an impairment test of goodwill and other intangible assets in accordance with requirements in IAS 36. The value in use has been used in order to determine recoverable amount. The calculations are based upon estimated future cash flows for the remaining cash generating unit, Bergen Group Services AS. The calculations are based upon budgets and long term profit goals for the period 2016 up to and including 2018. For subsequent periods, a growth rate of 2% has been used, of which equals the expected inflation rate. WACC of 11.5% after tax has been used. The other assumptions used, are similar to the description in the annual report 2015. Based upon this test, the booked values are unchanged.

Note 13 - Tax

Deferred taxes reflect the effects of temporary differences between the book value and tax value of assets and liabilities. Due to losses last year, the group has considered the probability of future utilization of taxable losses carried forward. In order for the group to recognize deferred tax assets related to recent tax losses, IAS 12 requires convincing evidence. The recorded value of deferred tax assets is NOK 19 millions. The group has assessed that there are not convincing evidence sufficient for all taxable losses to be recognized as deferred tax assets. Deferred tax assets not recognized is estimated at NOK 80 million. Tax rate of 25% with effect from 1.1. 2016 has been used in order to calculate deferred tax assets as of 31.12. 2015 and 31.03. 2016.

Note 14 - Subsequent events

The group has after the date of the balance sheet conducted a full repayment of the syndicated loan of MNOK 30. Beyond this, reference is made to the ongoing processes addressed under the section «Risks and uncertainties ».
