



BERGEN GROUP

QUALITY THROUGH SERVICE AND INNOVATION

INTERIM REPORT 2017 : Q4



Bergen Group ASA

Interim Report Q4 and preliminary FY 2017

Key figures for Q4 2017

- Strengthened order books of NOK 152 million. (NOK 137 million by end of Q3 17).
- Net positive cash flow of NOK 4 million.
- NOK 63 million in turnover in Q4 (NOK 65 million in Q4 2016).
- Negative NOK 9 million in EBITDA in Q4, M&A expenses included (Negative NOK 3 million in Q3 2016).

Accumulated key figures for 2017:

- Gross revenue of NOK 272 million (up from NOK 246 million in 2016).
- Negative EBITDA of NOK 3.6 million (NOK 4 million in 2016).
- Strengthened equity ratio of 67.7 % as of 31 December 2017 (58,4 % per 31 Dec 2016)

Future growth boosted through M&A

- Strengthened position towards the aquaculture industry by taking over a leading producer of integrated feeding barges including dry dock for the aquaculture and maritime industry.
- Acquisition of Vitek, market leader in providing complete services connected to rehabilitation of waste –and wastewater pipes, including special competence on inspections and pipe flushing.
- Preparations made for next step and further growth; both organically and structurally

KEY FIGURES Amounts in TNOK	Q4 2017	Q4 2016	YTD 2017	YTD 2016
Operating revenue*	63 246	64 932	272 102	246 116
EBITDA	(9 160)	(3 109)	(3 786)	4 014
EBIT	(9 491)	(4 642)	(7 229)	(1 797)
Loss before tax from continuing operations	(9 912)	(3 736)	(9 907)	(7 500)
Net profit from continuing operations	(9 912)	(3 736)	(9 907)	(7 500)
Net loss from discontinued operations	-	81 182	-	80 637
Total profit / (loss)	(9 912)	77 446	(9 907)	73 137
Total Capital	290 007	300 316	290 007	300 316
Total Equity	196 448	175 476	196 448	175 476
Equity share	67,7 %	58 %	67,7 %	58 %
Net interest bearing debt	16 285	36 301	16 285	36 301
	-	-	-	-
Order backlog - Services	152 200	172 000	152 200	172 000

* Figures for operating revenue includes intercompany eliminations.

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 2016. From 1 May 2017, Bergen Group AAK AS (formerly AAK Energy Services AS) is consolidated into the group's financial statements. Comparative figures for Q4 2016 and YTD 2016 do not include Bergen Group AAK.

Profit and loss statement Q4 2017

Bergen Group recorded total revenue of NOK 63.2 million in Q4 2017, compared to NOK 64.9 million in Q4 2016. EBITDA in Q4 2017 was negative NOK 9 million compared to negative NOK 3.1 million in Q4 2016.

After depreciation and Amortization of NOK 0.3 million, EBIT in Q4 2017 was negative NOK 9.2 million, compared to negative NOK 4.6 million in Q4 2016. The Q4-figures also include various M&A expenses related to the Group's communicated growth strategy.

Net financial items was NOK -0.4 million in Q4 2017, compared to NOK 0.9 million in Q4 2016.

EBT was negative NOK 9.7 million in Q4 2017, compared to negative NOK 3.7 million in Q4 2016. Net profit was negative NOK 9.7 million in Q4 2017, compared to negative NOK 3.7 million in Q4 2016.

Accumulated figures – entire 2017

Bergen Group's accumulated operating income for 2017 was NOK 272 million, compared to NOK 246 million in 2016. The group's accumulated operating result before depreciations and write-downs (EBITDA) for 2017 was negative NOK 3.6 million, compared to NOK 4 million in 2016. The group's accumulated result before taxes and financial items (EBIT) was negative NOK 7 million compared to negative NOK 1.8 million in 2016. The group's result after taxes from continued operations was negative NOK 9.7 million, compared to negative NOK 7.5 million in 2016. The 2017-figures also include various M&A expenses throughout the year.

Balance sheet and cash flow per Q4 2017

Total assets for Bergen Group were NOK 272.5 million per end Q4 2017, whereas cash and cash equivalents including restricted cash were NOK 53.7 million.

Interest bearing debt was NOK 16.3 million at end of Q4 2017, of which all relates to convertible loan, compared to interest bearing debt of NOK 36 million at end Q4 2016. Bergen Group's book equity end Q4 2017 was NOK 196.4 million, equal to an equity ratio of 67.7%, compared to 58.4 % in end Q4 2016.

Bergen Group generated a net positive cash flow of NOK 3.7 million in Q4 2017. Cash flow from operations activities was NOK 5.0 million. Cash flow from investment activities was NOK -1.0 million. Cash flow from financing at NOK -0.3.

Reporting segments

This interim report reports for the following independent segments:

- **Services** (Bergen Group Services AS and Bergen Group AAK)
- **Other** (other Group activities)

The operating activity in the reporting segment Services as of 31 December 2017 is exercised by the subsidiaries Bergen Group Services AS and Bergen Group AAK AS. Bergen Group AAK AS was consolidated into the group as of May 2017, and historical figures for this company are not taken into account in comparative figures for 2016.

Bergen Group have in Q4 2017 finalised structural adjustment through mergers of the Group's various subsidiaries, which currently do not have operating activities. This has significantly reduced the number of legal entities in the Group.

SEGMENT SERVICES	Q4 2017	Q4 2016	YTD 2017	YTD 2016
Operating revenue*	63 248	63 888	271 593	242 868
EBITDA	(4 190)	1 976	12 835	15 004
Depreciation, amortisation	908	(1 749)	(1 285)	(5 771)
Impairment	-	-	-	-
EBIT from continuing operations	(3 281)	227	11 540	9 234
	-	-	-	-
EBIT from discontinued operations	-	-	-	-
	-	-	-	-
Order backlog	152 200	172 000	152 200	172 000

*Figures for revenues excludes intercompany eliminations

Segment Services includes Bergen Group AAK figures from May. Comparative figures does not include Bergen Group AAK

Bergen Group Services focuses on the three market areas Energy & Industry, Maritime and Defense. The company has a well established position in maritime service and ship maintenance based on the company's extensive expertise in carrying out complex maritime service projects. The primary geographical market is Western Norway, but the extent of travel-based assignments elsewhere in the country and towards offshore installations has shown increasing activity over the last year.

During Q4, shiptechnical maintenance and maritime services in the civilian market have shown a substantial activity growth. The additional docking capacity and extended workshop, established in Q3 2017, and related to the dry dock in the former BMV yard location at Laksevåg, has enabled this growth. These new facilities have potential for further activity growth.

Business volumes towards the Norwegian Armed Forces (Navy and Army) was further reduced in Q4 compared with previous quarters. The reduction exceeded the expectations for the quarter, among other things due to Navy budget-related delays and Navy reorganization. This has influenced revenues and earnings in the Services segment in Q4. Structural measures have been taken to adapt the organization in relation to the Navy's fluctuating need for external suppliers of various maritime service assignments. However, the company considers the Norwegian Armed Forces an important customer for the coming years.

In November 2017, Bergen Group Services AS was awarded a 5-year framework agreement with the Statsraad Lehmkuhl Foundation. The framework agreement comprises maintenance and upgrades of the historic sail ship. The agreement also contains options for renewal of up to 4 years (2 x 2 years). In addition, the company was awarded the project to carry out relevant ship maintenance and upgrades in connection with the 10-years periodic class survey of SS Statsraad Lehmkuhl. This assignment was launched in the latter half of December 2017, and will continue throughout most of Q1 2018. The project also generates steel works including prefabricated activity carried out by the Energy & Industry division.

Bergen Group AAK AS has a well established market position in providing access technology and complex service assignments related to maintenance and modification work within different fields of expertise. The company has successfully positioned itself in longer term growth sectors requiring such demanding installation projects, such as decommissioning projects, on- and offshore oil and gas installations, wind farms, road and other infrastructure.

In Q4, Bergen Group AAK AS has generated most of its revenues from decommissioning of topside and jacket installations in and from the North Sea, as well as various types of service and maintenance projects related to both hydropower, wind power and public infrastructure.

Bergen Group AAK conducted a number of adjustments in the second half of 2017 in order to strengthen the profitability and adapt the production capacity to forthcoming market opportunities. These measures have to a large extent been completed in Q4, and are considered important for balancing the cost scenario in relation to

periods with a generally lower and somewhat more uncertain activity level in the market, such as the winter season. The company's order reserves has strengthened throughout the quarter.

SEGMENT OTHER	Q4 2017	Q4 2016	YTD 2017	YTD 2016
Operating revenue	1 005	1 001	4 602	4 113
EBITDA*	(4 806)	(3 871)	(10 407)	(10 990)
Depreciation, amortisation	1	141	(2 157)	(40)
Impairment	-	-	-	-
EBIT from continuing operations	(6 210)	(3 784)	(18 769)	(11 030)
EBIT from non - continued operations	-	-	-	-

* Includes cost related to options NOK 3,2 mill in 2017

Segment other comprise other activities in the Group. This also include various M&A expenses related to the ongoing growth processes, including acquisitions disclosed ultimo February 2018 as well as a strengthening of the group management capacity.

QHSE

Bergen Group works systematically and continuously in improving QHSE (Quality, Health, Environment and Safety) performance, systems and security culture associated with all operations within the Group. The group has a zero vision for HSE and events that affect the external environment as well as a zero-error philosophy of quality. The goal is to prevent employees from getting hurt or sick at work, ensuring the correct quality of our deliveries and avoiding environmental impacts around us.

In the fourth quarter of 2017, the Group had one (1) loss of absence among its own employees. An employee suffered a lighter ankle injury, hit by a steel plate during a welding process in the workshop.

Accumulated HSE target figures for the first half (based on rolling 12 months) for the subsidiaries Bergen Group Services AS and Bergen Group AAK AS are:

- LTA / H1 = 12.2 (Lost Time Accidents)
- TRI / H2 = 24.4 (Total Recordable Injuries)
- F value = 454.1 (Absence Day Rate)

These measured numbers are considered high. The values relate to injuries of which one has caused long sick leave. Measures are implemented to prevent similar events.

Bergen Group Services AS is following the company's implemented program for continuous work with quality and HSE. The company has dedicated focus on reporting improvement proposals and observations. Along with risk assessments, reporting is used for preventive work. The trend from Q3 continues in Q4 and shows satisfactory reporting based on adopted goals.

Bergen Group AAK AS was incorporated into Quality and HSE reporting as from Q3 2017. The systematic efforts to prevent injuries and damage, and quality errors, continue internally and in cooperation with the company's project customers. During the current period, internal audits of main and support processes in the company's quality system have been carried out in preparation for periodic review and certification in accordance with the new ISO 9001: 2015.

HR / Personnel

As of 31st December 2017, Bergen Group counts totally 201 employees all mainly full-time positions.

Bergen Group conducts ongoing competence and capacity adjustments in relation to market development and operational activities. During Q4, it has been applying both temporary and permanent layoffs, mainly in the energy and industry segment. Bergen Group AAK has recruited in Q4.

Bergen Group's two subsidiaries Bergen Group Services and Bergen Group AAK operate within market areas that are partly independent of each other, but in many areas share competence - and requirements for available capacity. The companies focuses on ensuring the best possible coordination of use of resources and production capacity between all departments.

Sick leaves in Q4 2017 was 6.4% in Bergen Group AAK and 7.1 % in Bergen Group Services. The numbers shows a reduction in short-term absence from Q3, and an increase in long-term absence. For the year in total, sick leaves in Bergen Group AAK was 8.0 %. In Bergen Group Services, the sick leave for FY 2017 was 6.9%, of which 2.6% was short-term. The short-term absence in Bergen Group Services, including the use of self-reporting of sick days has decreased compared to the previous year, but it is not considered satisfactory. Corporate management has implemented measures and processes in order to reduce the absence numbers.

The working environment is generally considered as good. Bergen Group has zero tolerance for all types of harassment, discrimination or other behaviour that colleagues, business associates or others may perceive as threatening or abusing. All employees are entitled to equal treatment.

Group Management: On 16 October 2017, the market was informed that Tor Lars Onarheim would resign as chairperson of the board and board member of Bergen Group ASA. At an extraordinary general meeting held on 8 November 2017, Hans Petter Eikeland was unanimously appointed new chairperson of the board. Eikeland had been CEO of Bergen Group ASA since August 2015.

Torgeir Nærø took over on 8 November as CEO of Bergen Group ASA. Torgeir Nærø then came from the position of Managing Director of the fully owned subsidiary Bergen Group AAK.

Risks and uncertainty

Bergen Group ASA is exposed to both operational and financial risk. The Board of Bergen Group ASA has a strong focus on ethics and risk management, and efforts are being made to reduce the Group's overall risk exposure. The main risk factors are financial risk, market risk and project risk, including general counterparty risk.

Financial risk includes credit risk, market risk and liquidity risk. The financial risk picture is assessed as limited by date. The Group is to some extent exposed to market and credit risk. The liquidity situation is considered satisfactory relative to the operational activity per date.

Project risk has previously represented a major risk factor for Bergen Group, primarily due to the Group's previous execution of large and comprehensive projects in shipbuilding and rigging upgrades. Currently the Group has limited risk exposure to individual projects.

Market risk is mainly linked to strong fluctuations in market areas in which the Group operates. The Group currently has a diversified operational activity that takes place within different market areas, which are partly independent of each other. Market risk is in general considered to be limited, however with a certain risk related to renewal of major frame contracts.

Besides the ongoing general operational risk, the Board of Directors considers that there are no risk factors that as of 27 February 2018 affect the Group to a significant extent.

Related parties

In Q4 2017 there has not been any transactions or agreements entered into with any related parties.

Share capital and shareholder information

Shareholders: Bergen Group ASA had a strong increase in the number of shareholders in 2017. At the end of Q4 2017, the company had 1,539 shareholders in total, compared with 1,024 shareholders at the end of Q4 2016. Updated overview of the company's 20 largest shareholders is available on the company's IR pages at www.bergengroup.no.

Stock trades and share price: A total of 3.075 transactions in the company's shares took place during Q4 2017, with a aggregated volume of 14.9 million shares. Corresponding figures in the third quarter of 2017 were 6,540 transactions and 41.5 million shares in total volume. During the fourth quarter of 2017, the company's shares were traded at prices between NOK 1.79 and NOK 2.53 (NOK 1.50 and NOK 2.65 in Q3 2017).

The closing price on Friday, December 29, 2017 was NOK 1.89 (NOK 2.42 at the end of Q3 2017). This values the company's market value in the stock market to NOK 178 million at the end of Q4 2017, compared with NOK 227 million at the end of Q3 2017.

Subsequent events

On 27 February 2018, Bergen Group ASA announced in a stock exchange announcement that the group had entered into a share purchase agreement with Backe Bergen AS for the purchase of dry dock and associated business at Stamsneset at Grimstadfjorden in Bergen. The Group thus strengthens its position towards the aquaculture industry by taking over a leading producer of integrated feeding barges for the aquaculture industry in Norway. Stamsneset is located in the fjord pool separating Bergen Airport from the navy base at Haakonssvern. Bergen Group will take over property and facilities, including a modern and upgraded dry dock at 22 meters wide and 90 meters long, adequate crane capacity, workshops and an upgraded administration building. Expected completion date of the transaction is before the end of Q2 2018, and is subject to a due diligence being completed without significant findings. A detailed stock exchange announcement will be distributed no later than Friday, 2 March 2018 before trade opening.

On 28 February 2018, Bergen Group ASA announced in a stock exchange announcement that the group has entered into a share purchase agreement with the purpose of acquiring the wastewater and pipe renewal company Vitek AS. The purchase agreement also includes the wholly owned subsidiary Vitek Miljø AS. Vitek AS and Vitek Miljø AS provide complete services connected to rehabilitation of waste- and wastewater pipes, including special competence on inspection, cleaning and pipe flushing. The company has over several years developed into a market leader within these market areas. Vitek operates in both the private, public and corporate markets.

Expected completion date of the Vitek-transaction is within end of Q2 2018, and is subject to ongoing business review being completed without significant findings. The acquisition settlement is planned to be completed with a combination of shares, earn out and cash. Bergen Group will in the near future call for an Extraordinary General Meeting in Bergen Group ASA to make a decision on a share issue. A detailed stock exchange announcement will be distributed no later than Monday, March 5, 2018 before stock opening, and an information document will be distributed on the market 30 trading days from today, 28 February 2018.

Other than already disclosed stock exchange messages, there has been no events after the balance sheet date assumed to have any impact on the valuation that appears in the accounting figures in this report.

Outlook

In the previous quarters, Bergen Group has invested resources in building a platform for future growth. This includes structural measures and relevant acquisitions that contribute to Bergen Group as an attractive industrial group with activities predominantly in the western part of Norway. Our mission is to secure long-term growth by adding complementary activities, providing the Group with a more robust operating platform - at the same time exploiting synergies, further developing our market position and adapting to new market areas.

The two acquisitions recently announced, 27 February (dry dock and feed fleet manufacturing) and 28 February (pipeline and pipe renewal), respectively, constitute important steps in the process of strengthening the Group's position as a supplier of products and services that are competitive in national emerging markets.

The acquisition of the integrated feed fleet production and dry dock capacity from Backe Bergen enables further development of maritime operations also to include product and system deliveries towards the aquaculture industry. Bergen Group takes over a steadily growing operation. The record of accomplishment, and hence market interest, for these products is considered good in the coming years. In addition, there is a basis for synergies in relation to the Group's existing engineering, fabrication and engine/generator set operations.

Bergen Group considers this acquisition strategically important in order to secure dock capacity suitable for other maritime activities, including for the Norwegian Navy.

The Vitek Group has experienced strong growth latter years and has established itself as a leading player in the Norwegian rehabilitation market for indoor and outdoor pipework. Bergen Group considers the acquisition to have financial and structural synergies that support the adopted growth targets.

The subsidiary Bergen Group Services has multiple years of being able to deliver strong and profitable operations related to the company's execution and expertise in complex maritime service projects. The basis for activity growth towards ship maintenance and maritime services in the civilian market (merchant marine) is strengthened. Capacity utilization within this segment is largely characterized by spot assignments and relatively short order horizons. The company's performance in the fourth quarter, however, is influenced by reduced activity towards the Navy. At today's date, there is uncertainty regarding volumes and services mix related to both existing and new service and maintenance contracts from the Norwegian Navy.

Order books: At the end of Q4 2017, Bergen Group had a total order backlog of NOK 152 million, representing an increase compared with the end of Q3 2017 (NOK 137 million). The increased order backlog during the fourth quarter is primarily generated from the civilian marked within segment Maritime services, and to some extent from segment Access technology (Bergen Group AAK).

The order backlog at 31 December 2017 does not include the value of options related to existing contracts.

Bergen, 27 February 2018

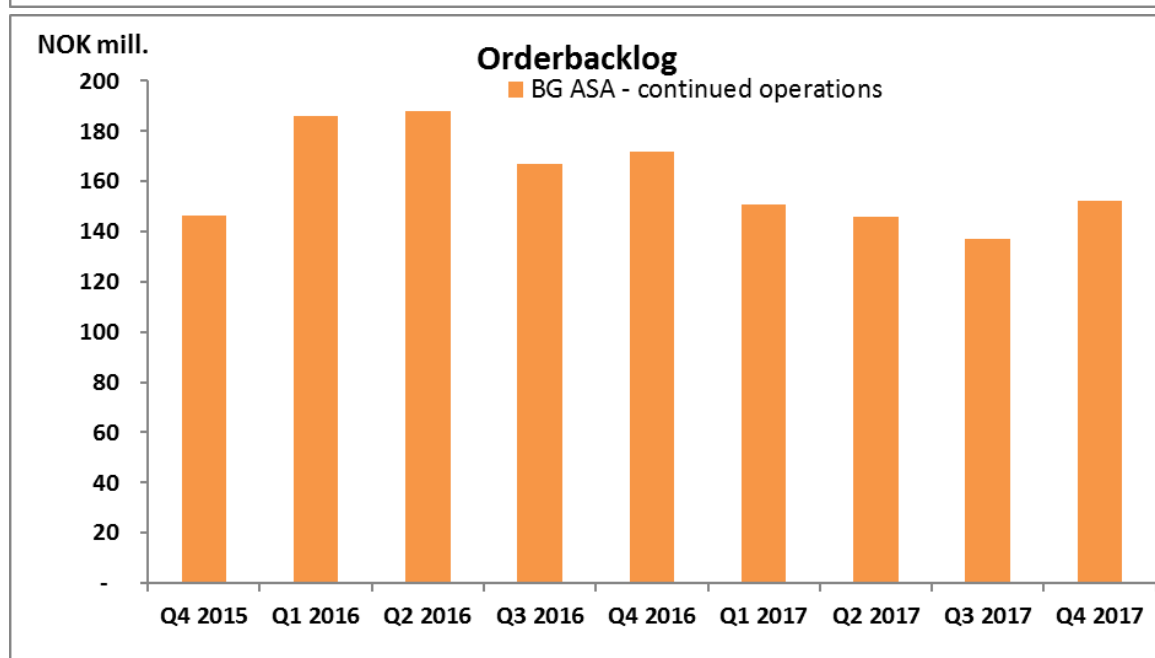
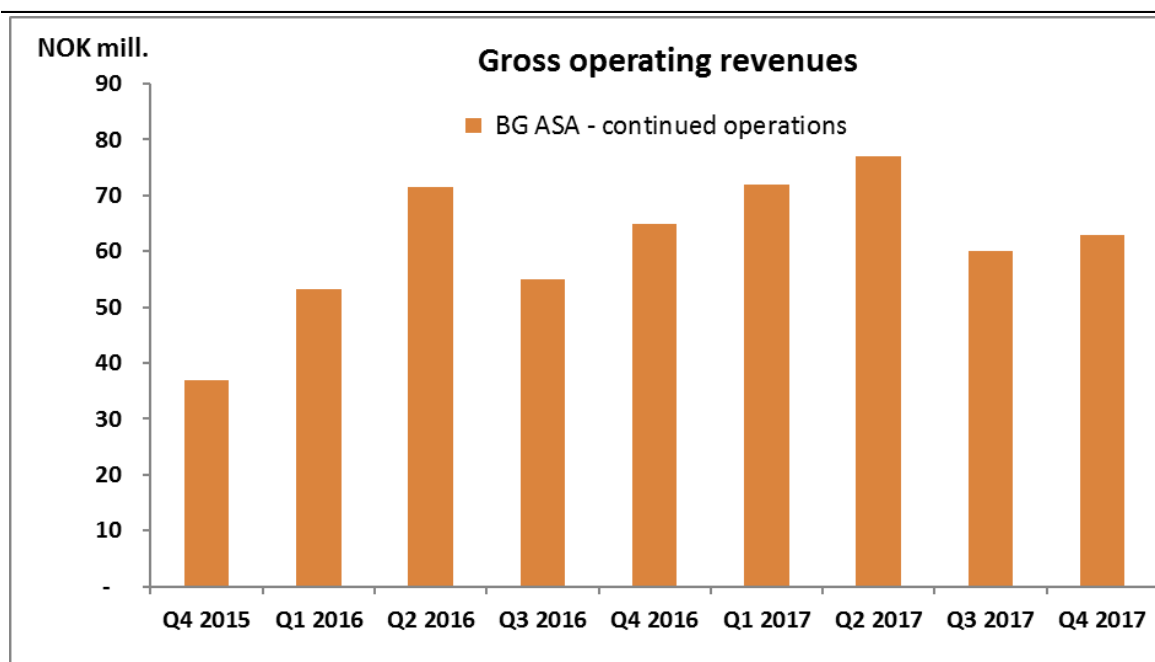
The board of directors and the CEO of Bergen Group ASA

Hans Petter Eikeland, chairman of the board
Tove Ormevik
Kristoffer Hope, employee repr.
Jorunn Ingebrigtsen, employee repr.

Espen Berge
Bente Stangeland
Tracy Chang

Torgeir Nærø, CEO

Quarterly development Bergen Group – consolidated group figures



CONSOLIDATED INCOME STATEMENT (unaudited)	NOTE	Q4 2017	Q4 2016	YTD 2017	YTD 2016
Continuing operations					
Operating revenue	4	63 246	64 932	272 102	246 116
Cost of sales		(28 725)	(32 294)	(111 623)	(116 473)
Payroll expenses		(34 467)	(24 515)	(123 810)	(90 732)
Cost related to options exercised		(164)	-	(3 184)	-
Other operating expenses		(9 050)	(11 233)	(37 271)	(34 897)
Operating result before depreciations and write-down	4	(9 160)	(3 109)	(3 786)	4 014
Depreciations		(330)	(1 533)	(3 442)	(5 811)
Write-down		-	-	-	-
Operating result (EBIT)	4	(9 491)	(4 642)	(7 229)	(1 797)
Financial income		136	62	421	1 390
Financial expenses		(558)	844	(3 100)	(7 093)
Result before taxes		(9 912)	(3 736)	(9 907)	(7 500)
Taxes		-	-	-	-
Result after taxes from continuing operations		(9 912)	(3 736)	(9 907)	(7 500)
Discontinued operations					
Result after taxes from discontinued operations		-	81 182	-	80 637
Result		(9 912)	77 446	(9 907)	73 137
Result attributable to:					
Owners of the parent Company		(9 912)	77 446	(9 907)	73 137
Non-controlling interests		-	-	-	-
Result		(9 912)	77 446	(9 907)	73 137
Earnings per share					
Basic earnings per share (NOK)		-0,11	-0,08	-0,11	-0,07
Diluted earnings per share (NOK)		-0,10	-0,08	-0,11	-0,07
Weighted average no. of shares outstanding (millions)*		93,96	79,01	93,96	79,01
Diluted weighted average no. of shares outstanding (millions)		93,96	79,01	93,96	79,01

*Ref note 8

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (unaudited)	NOTE	Q4 2017	Q4 2016	YTD 2017	YTD 2016
Result		(9 912)	77 446	(9 907)	73 137
Items which may be reclassified in the Income Statement in subsequent periods		-	-	-	-
Foreign currency translation differences related to subsidiaries		-	-	-	-
Reclassification of foreign currency differences on disposal of discontinued operations		-	-	-	-
Total comprehensive income		(9 912)	77 446	(9 907)	73 137
Total comprehensive income attributable to:					
Owners of the parent Company		(9 912)	77 446	(9 907)	73 137
Non-controlling interests		-	-	-	-
Total comprehensive income		(9 912)	77 446	(9 907)	73 137

CONSOLIDATED BALANCE SHEET			
(unaudited)			
	NOTE	31.12.2017	31.12.2016
ASSETS			
Deferred tax asset	10	20 521	19 000
Other intangible assets and goodwill	9	108 155	104 684
Property, plant and equipment		4 070	4 896
Equity-accounted investees		-	-
Other receivables		-	-
Total non-current assets		132 746	128 580
Inventories		4 592	3 224
Work in progress		40 590	40 963
Trade receivables	6	36 506	36 914
Other receivables	6	4 324	54 294
Cash and cash equivalents	5	53 742	36 341
Total current assets		139 755	171 736
Total assets		272 501	300 316
EQUITY AND LIABILITIES			
Equity			
Share capital	8	93 958	79 014
Share premium		17 382	3 678
Other paid-in equity		-	-
Retained earnings		85 108	92 783
Total equity		196 448	175 476
Liabilities			
Loans and borrowings		16 285	168
Pension liabilities		40	40
Other liabilities		3 490	3 490
Total non-current liabilities		19 815	3 698
Loans and borrowings	6	-	36 133
Trade payables	6	32 300	36 778
Taxes payable		-	-
Other current liabilities	6	23 937	48 232
Total current liabilities		56 238	121 143
Total liabilities		76 053	124 841
Total equity and liabilities		272 501	300 316

CONSOLIDATED STATEMENT OF CASH FLOWS (unaudited)	NOTE	Q4 2017	Q4 2016	YTD 2017	YTD 2016
Cash flow from operating activities					
Result from continuing operations		(9 912)	(3 736)	(9 907)	(7 500)
Result from discontinued operations		-	81 182	-	80 637
Result for the period		(9 912)	77 446	(9 907)	73 137
<i>Adjustments for:</i>					
Tax expense / Tax income from continuing operations		-	-	-	-
Tax expense from discontinued operations		-	-	-	-
Taxes paid		-	-	-	-
Depreciation, amortisation, impairment		330	1 533	3 442	5 811
Share of profit of equity-accounted investees, net of tax		-	-	-	-
Profit from sale of fixed assets		-	-	-	-
Effect of options exercised		-	-	-	25
Profit from sale of fixed assets		-	-	(467)	-
<i>Changes in:</i>					
Trade receivables		(9 075)	(4 482)	408	(16 824)
Trade payables		426	(22 119)	(4 477)	10 472
Inventories / work in progress		12 326	5 075	(995)	(12 981)
Other current assets and accruals (*)		10 771	(62 263)	23 372	(60 094)
Net cash from operating activities		4 866	(4 810)	11 376	(454)
Cash flow from investments activities					
Proceeds from sale of property, plant and equipment		-	-	1 991	-
Acquisition of property, plant and equipment		(995)	37	(4 788)	(283)
Net cash from investments activities		(995)	37	(2 797)	(283)
Cash flow from financing activities					
Proceeds from new equity (capital increase)		-	17 070	28 675	17 070
Proceeds from long term loans and borrowings		-	16 038	16 117	16 038
Proceeds from current loans and borrowings		-	-	-	-
Repayment of borrowings		-	20 005	-	20 005
Net cash from financing activities		(320)	(15 986)	(36 133)	(50 751)
Net change in cash and cash equivalents		3 551	(755)	17 238	1 625
Cash & cash equivalents at start of period		50 027	37 095	36 341	34 717
Cash & cash equivalents at end of period	5	53 578	36 341	53 578	36 341
Of which restricted cash at the end of the period		18 183	15 686	18 183	15 686

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

	Share capital	Share premium	Other paid-in equity	Retained earnings	Total equity
Equity 01.01.2016	60 622	-	-	20 156	80 778
Profit (loss)	-	-	-	73 137	73 137
Capital increase	18 392	3 678	-	-	22 071
Equity effect of share options	-	-	-	-	-
Other changes	-	-	-	(510)	(510)
Equity 31.12.2016	79 014	3 678	-	92 783	175 476

	Share capital	Share premium	Other paid-in equity	Retained earnings	Total equity
Equity 01.01.2017	79 014	3 678	-	92 783	175 476
Profit (loss)	-	-	-	(9 907)	(9 907)
Capital increase	14 944	13 704	-	-	28 648
Equity effect of share options	-	-	-	3 184	3 184
Other changes	-	-	-	(952)	(952)
Equity 30.09.2017	93 958	17 382	-	85 108	196 449

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 / comparative figures

This interim report is in accordance with IAS 34 "Interim Financial Reporting" and follows the same accounting principles as the Group financial statements for 2016. 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 2016. The financial statements are available at the group's web pages: www.bergengroup.no

Bergen Group AAK is consolidated as of May 01, 2017. Comparative figures does not include Bergen Group AAK.

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

SEGMENT SERVICES	Q4 2017	Q4 2016	YTD 2017	YTD 2016
Operating revenue*	63 248	63 888	271 593	242 868
EBITDA	(4 190)	1 976	12 835	15 004
Depreciation, amortisation	908	(1 749)	(1 285)	(5 771)
Impairment	-	-	-	-
EBIT from continuing operations	(3 281)	227	11 540	9 234
	-	-	-	-
EBIT from discontinued operations	-	-	-	-
Order backlog	152 200	172 000	152 200	172 000

*Figures for revenues excludes intercompany eliminations

Segment Services includes Bergen Group AAK figures from May. Comparative figures does not include Bergen Group AAK

SEGMENT OTHER	Q4 2017	Q4 2016	YTD 2017	YTD 2016
Operating revenue	1 005	1 001	4 602	4 113
EBITDA*	(4 806)	(3 871)	(10 407)	(10 990)
Depreciation, amortisation	1	141	(2 157)	(40)
Impairment	-	-	-	-
EBIT from continuing operations	(6 210)	(3 784)	(18 769)	(11 030)
EBIT from non - continued operations	-	-	-	-

* Includes cost related to options NOK 3,2 mill in 2017

NOTES (unaudited)**Note 5 - Cash and cash equivalents**

CASH AND CASH EQUIVALENTS		
Tall i TNOK	30.09.2017	30.09.2016
Cash and cash equivalents - liquid funds	35 559	20 655
Cash and cash equivalents - restricted funds	18 183	15 686
Total	53 742	36 341

Note 6 - Financial instruments

The group had as of 31 December 2017 the following financial assets; Cash and cash equivalents MNOK 53 (including restricted cash), accounts receivables MNOK 37, and other short term receivables MNOK 4. Financial obligations consisted of; Long term interest bearing debt MNOK 16, account payables MNOK 32, and other short term obligations MNOK 24. Long term debt of MNOK 16 relates to convertible loan from EEIM. For further details related to the loan, reference is made to Note 17 in the Financial statement 2016.

Note 7 - Financial risks

Financial risks imply credit risk, market risk and liquidity risk. The financial risk overview communicated to the market in the most recent interim reports, is considered to be significantly reduced as a result from the extensive restructuring and refinancing process, of which was completed at the expiration of Q4 2016. Further, the financial strenght has improved in 2017 with net proceeds of MNOK 29 from share issues. It is as of 03 November 2017, in addition to continuous general operational risk, also including the related financial risk elements, the opinion of the Board of Directors, that there are no other risk elements having significantly negative impact on the Group. Strategic measures, ref section 11 Subsequent events, expose Bergen Group to financial risk in the equity market.

Note 8 - Shareholder information

Bergen Group has raised new equity in 4 transactions during 1st half 2017.

After the registration of the new shares from these transactions, the total share capital is NOK 93 957 685, distributed on 93 957 685 shares with nominal value NOK 1/per share

Largest shareholders 31.12.2017		
Share Holder	# of Shares	% of total
BRIAN CHANG HOLDINGS	28 918 110	30,78
AS FLYFISK	22 397 940	23,84
EIKELAND HOLDING AS	5 823 024	6,20
BERGEN KOMM. PENSJON	1 500 000	1,60
EAGLE AS	1 417 000	1,51
PROFOND AS	1 241 111	1,32
SUNDE FRANK ROBERT	1 229 582	1,31
SØR-VARANGER INVEST	916 774	0,98
BERGEN EIENDOM INVEST	851 851	0,91
NORDNET LIVSFORSIKRING	833 146	0,89
FJ HOLDING AS	833 000	0,89
ENGELSTAD SIMEN FALCK	779 397	0,83
MØVIK INVEST AS	776 487	0,83
ULVESETER SVEIN ATLE	762 902	0,81
FRIELE CAPITAL AS	740 740	0,79
JØRGENSEN PER	600 000	0,64
NES KJELL GUNNAR	508 000	0,54
BERNH. BREKKE AS	494 505	0,53
Nordnet Bank AB	459 415	0,49
KANABUS AS	432 265	0,46
Sum 20 largest	71 515 249	76,15
Other shareholders	22 442 436	23,85 %
Total all shareholders	93 957 685	100,00 %

The Group has granted a total of 2 233 333 share options to key employees in Q4 2017. Further 1 000 000 share options have been granted in Q1 2018. The share options may be exercised in 3 tranches. The first tranche 01.03.2018, second tranche 01.03.2019 and the last tranche 01.03.2020. Total of 3 233 333 share options is distributed on 16 employees. The share options grant the employee right to issue shares at a discounted price.

Note 9 - 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. 2017, 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 2018 up to and including 2020. For subsequent periods, a growth rate of 1.5% has been used, which is in line with 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 2016. Based upon this test, no changes in the values were recognized neither YE 2017. Further information available in the Annual report available on the company website www.bergengroup.no.

Note 10 - Taxes

Deferred taxes reflect the effects of temporary differences between the book value and tax value of assets and liabilities. The recorded value of deferred tax assets is NOK 20,5 million. The group has assessed that there are not convincing evidence sufficient for all taxable losses and other tax positions to be recognized as deferred tax assets. Deferred tax assets not recognized is estimated at NOK 48 million as per 31.12.2016. The Group has recorded an increase in Deferred Tax asset of MNOK 1.5 in Q2 as part of PPA. Bergen Group has recorded a net loss in 2017. Related deferred tax asset has not been recognised due to accumulated not recognised deferred tax asset prior to 2017. Thus net profit before taxes equals net profit after tax.

Note 11 - Subsequent events

On 27 February 2018, Bergen Group ASA announced in a stock exchange announcement that the group had entered into a share purchase agreement with Backe Bergen AS for the purchase of dry dock and associated business at Stamsneset at Grimstadfjorden in Bergen. The Group thus strengthens its position towards the aquaculture industry by taking over a leading producer of integrated feeding barges for the aquaculture industry in Norway. Stamsneset is located in the fjord pool separating Bergen Airport from the navy base at Haakonsværn. Bergen Group will take over property and facilities, including a modern and upgraded dry dock at 22 meters wide and 90 meters long, adequate crane capacity, workshops and an upgraded administration building. Expected completion date of the transaction is before the end of Q2 2018, and is subject to a due diligence being completed without significant findings. A detailed stock exchange announcement will be distributed no later than Friday, 2 March 2018 before trade opening.

On 28 February 2018, Bergen Group ASA announced in a stock exchange announcement that the group has entered into a share purchase agreement with the purpose of acquiring the wastewater and pipe renewal company Vitek AS. The purchase agreement also includes the wholly owned subsidiary Vitek Miljø AS. Vitek AS and Vitek Miljø AS provide complete services connected to rehabilitation of waste- and wastewater pipes, including special competence on inspection, cleaning and pipe flushing. The company has over several years developed into a market leader within these market areas. Vitek operates in both the private, public and corporate markets.

Expected completion date of the Vitek-transaction is within end of Q2 2018, and is subject to ongoing business review being completed without significant findings. The acquisition settlement is planned to be completed with a combination of shares, earn out and cash. Bergen Group will in the near future call for an Extraordinary General Meeting in Bergen Group ASA to make a decision on a share issue. A detailed stock exchange announcement will be distributed no later than Monday, March 5, 2018 before stock opening, and an information document will be distributed on the market 30 trading days from today, 28 February 2018.

Other than already disclosed stock exchange messages, there has been no events after the balance sheet date assumed to have any impact on the valuation that appears in the accounting figures in this report.