

Acquisition of VR Track

11 October, 2018



NRC Group

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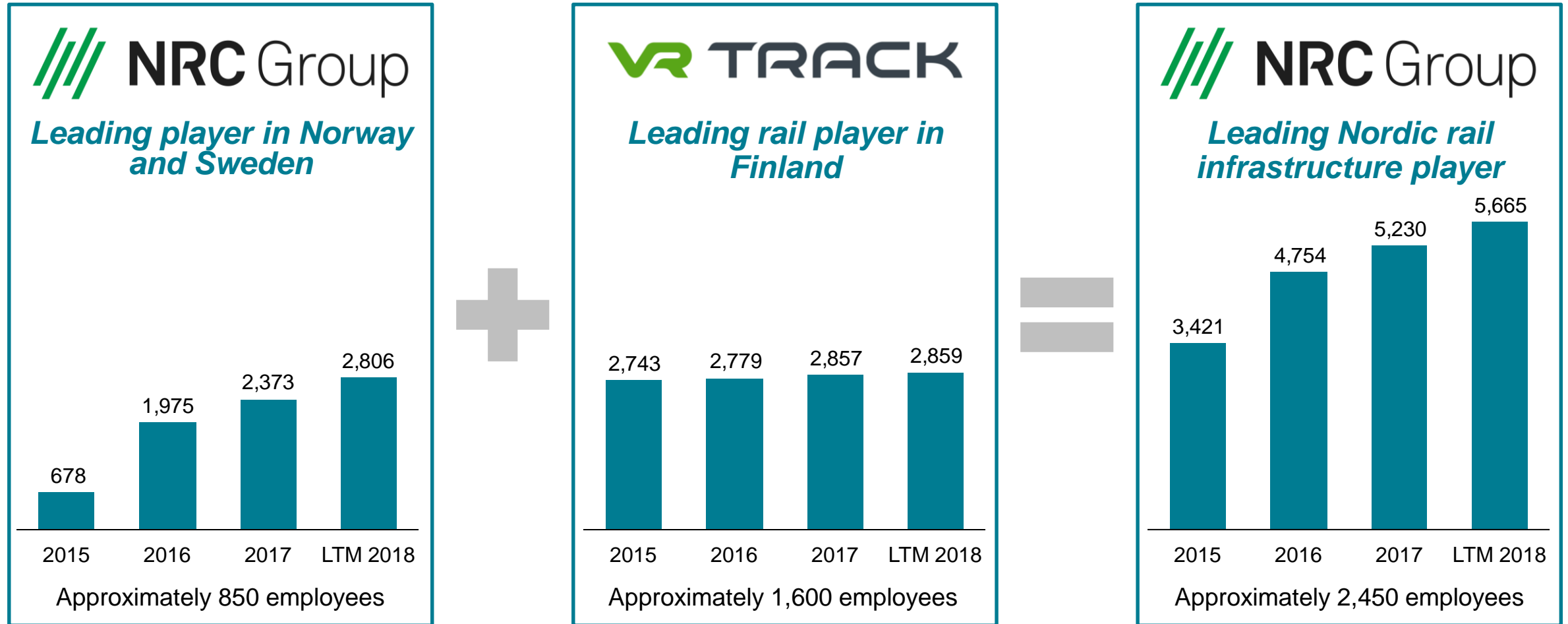
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A worker in a high-visibility orange suit is operating a large industrial machine, possibly a concrete pump or similar equipment, on a construction site. The machine is emitting a spray of dust or particles. The background shows a large, open industrial structure with a grid of metal beams and a bright sky.

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NRC acquires VR Track and creates the leading Nordic rail infrastructure player



Revenue (NOKm)

Transaction overview

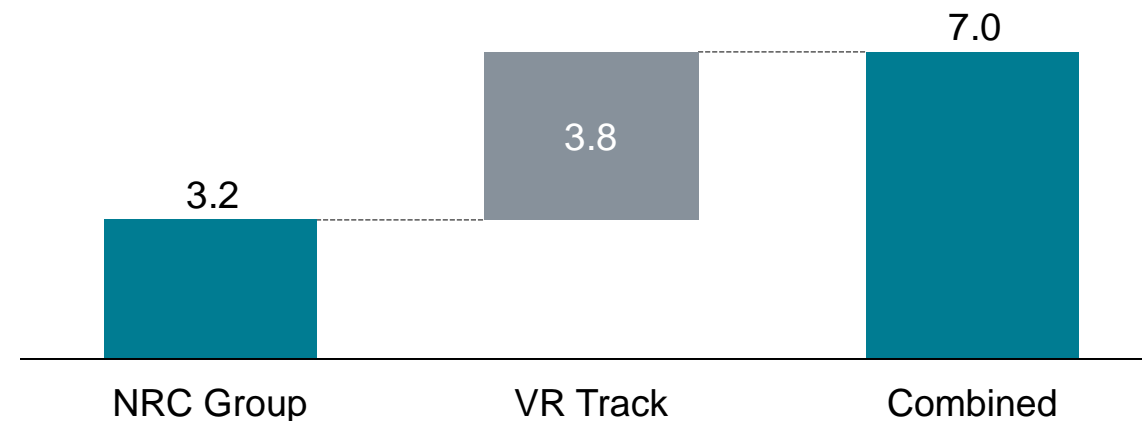
VR Track enterprise value	<ul style="list-style-type: none">• Enterprise value of EUR 225 million on a cash and debt free basis with normalized working capital
Settlement	<ul style="list-style-type: none">• 65% of the purchase price shall be paid in cash• Remaining 35% of the purchase price shall be paid in the form of approximately 9.9 million new shares to VR Group at an agreed price of NOK 75.31 (based on 30-day (trading days) volume weighted average price of NRC shares on Oslo Børs as of 10 October)
Financing	<ul style="list-style-type: none">• Cash component fully financed with new bank debt facility• Approximately 9.9 million new shares to VR Group, representing approximately 18.3% of NRC's shares outstanding post the Transaction
Other key aspects	<ul style="list-style-type: none">• NRC Group will seek to facilitate representation by VR Group on the board of directors of NRC Group• Closing of the transaction is expected to take place in early January and is subject to regulatory approvals• Post closing VR Track to be rebranded to NRC Group

Overview of key financial figures for the combined entity

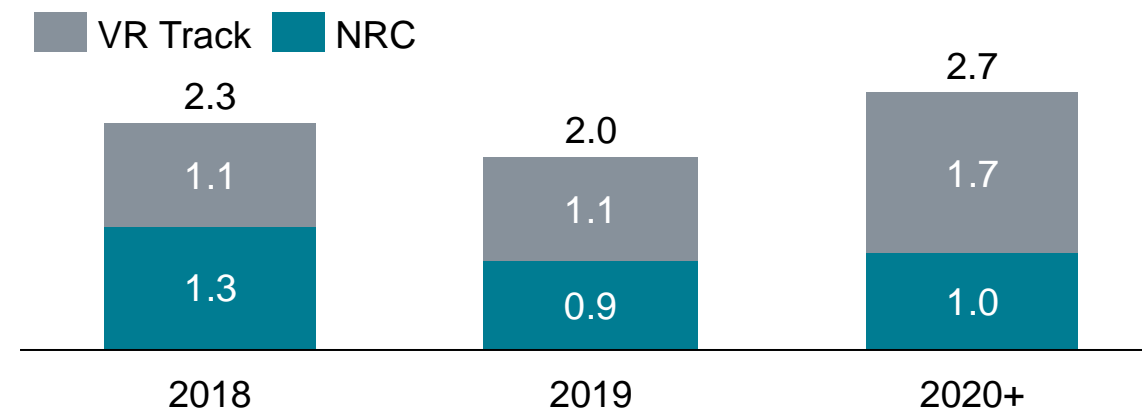
Q2 2018 LTM selected combined financials⁽¹⁾

<i>NOKm</i>	NRC Group <i>(IFRS)</i>	VR Track <i>(Finnish GAAP)</i>	Combined
Revenue	2,806	2,859	5,665
EBITDA	247	231	478
EBIT	165	170	335
EBITDA margin	8.8%	8.1%	8.4%
EBIT margin	5.9%	5.9%	5.9%

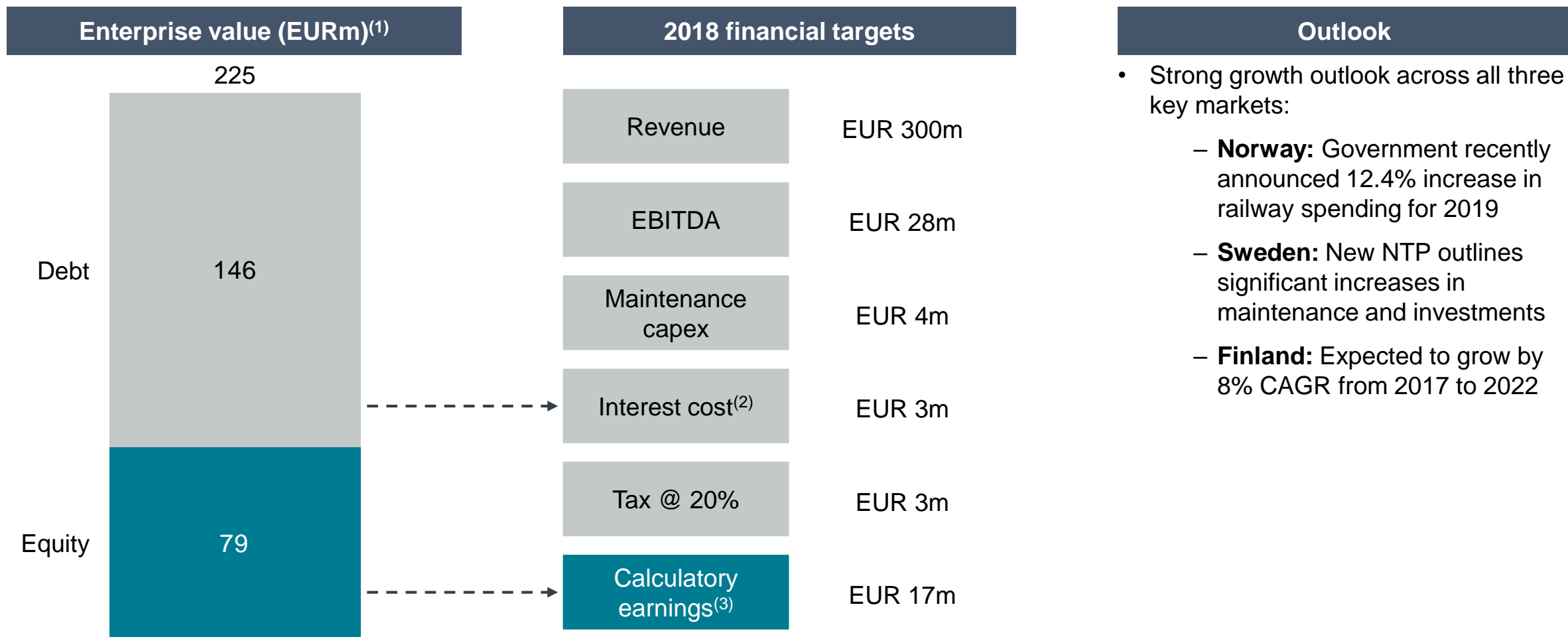
Q2 2018 combined backlog (NOKbn)⁽²⁾



Q2 2018 estimated combined backlog distribution (NOKbn)⁽²⁾



The acquisition of VR Track represents a solid foundation for value creation

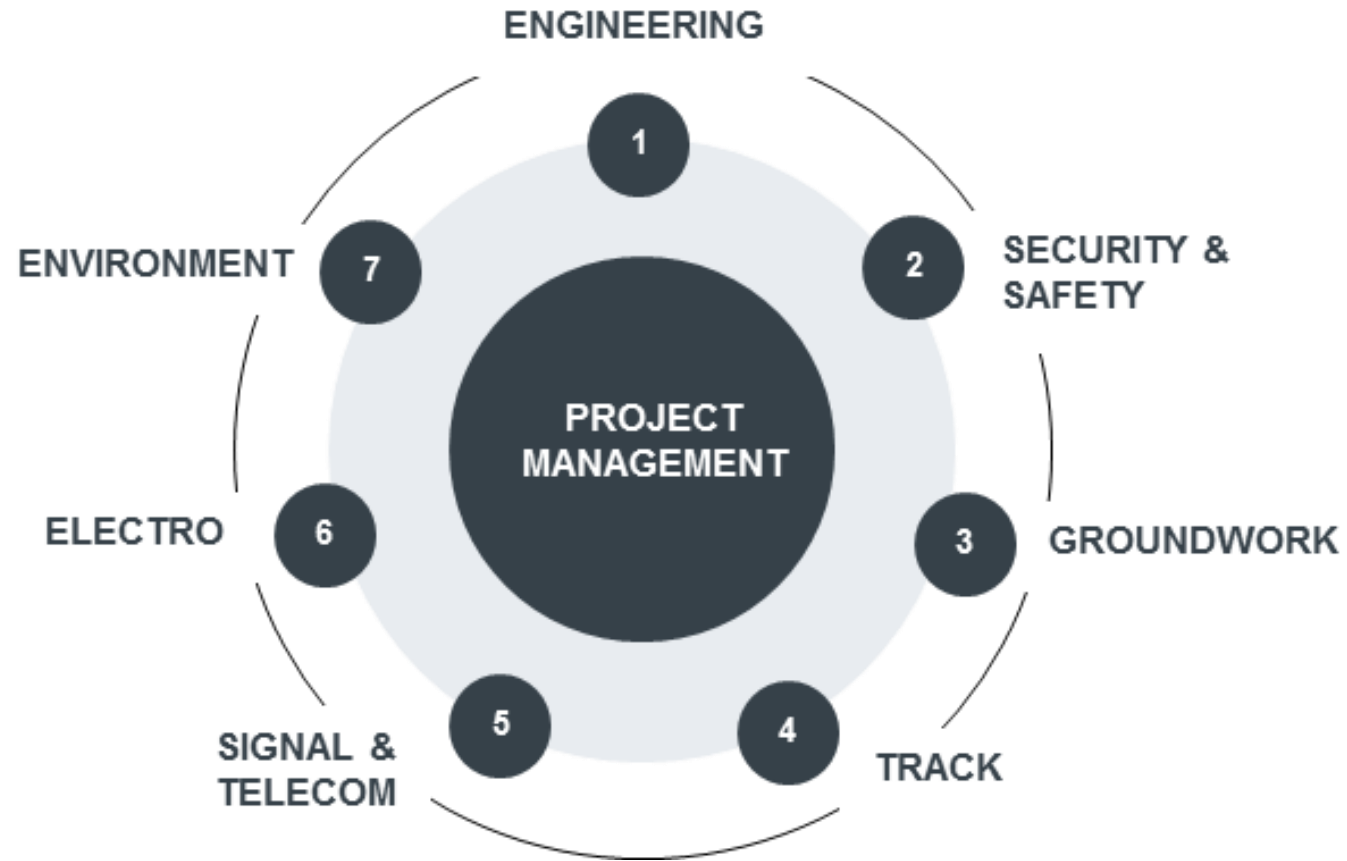


(1) Based on transaction enterprise value. Final purchase price is subject to certain net working capital and net debt adjustments at the time of closing

(2) Weighted annual interest cost on acquisition bank debt financing

(3) Calculated as: EBITDA – maintenance capex – interest cost – tax. May not add up due to rounding

NRC's strong capabilities across project elements will be further enhanced through the acquisition



Transaction rationale



Creates the Nordic market leader with the broadest geographical coverage and service offering



Creates even stronger platform to capture future growth initiatives (e.g. maintenance, design, environmental)



Gives higher degree of recurring revenues through long-term maintenance contracts



Creates value to NRC investors – strong cash flow generation and significant growth prospects

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Overview of VR Group – new shareholder in NRC

- VR Group is owned entirely by the Finnish state
- VR Group comprises three business areas; passenger services, Transpoint and Track
 - VR's passenger services offer public transport with trains and buses
 - VR Transpoint offers logistics services in railway and road logistics
 - VR Track is focused on rail infrastructure
- The group employs approximately 7,500 professionals and its net sales in 2017 were EUR 1,251 million
- Rolf Jansson is the President and CEO



VR Track is the leading railway infrastructure player in Finland

CEO
Harri Lukkarinen

Construction
Jouni Kekäle



- The only full service provider of railway and light rail systems utilizing subcontractors and component suppliers
- Increased presence in light rail market

Maintenance
Mauri Heinämäki



- Serves a wide scope of rail lines and electricity networks
- Market leader with 5 out of 12 maintenance contracts including the largest maintenance area

Materials & Machinery
Timo Riihimäki



- Leading supplier of railway materials in Finland
- Covers the procurement and storage of railway materials
- Long term supplier for the Finnish Transport Agency
- Machinery unit operates as an internal service function

Design
Harri Yli-Villamo

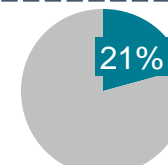
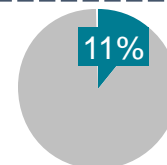
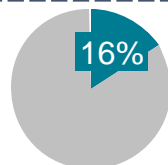
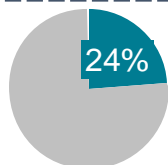
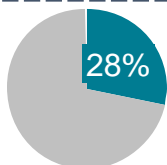


- Engineering and consulting services for the whole railway life cycle
- Operations in both Finland and Sweden

VR Track Sweden
Lars Öhman



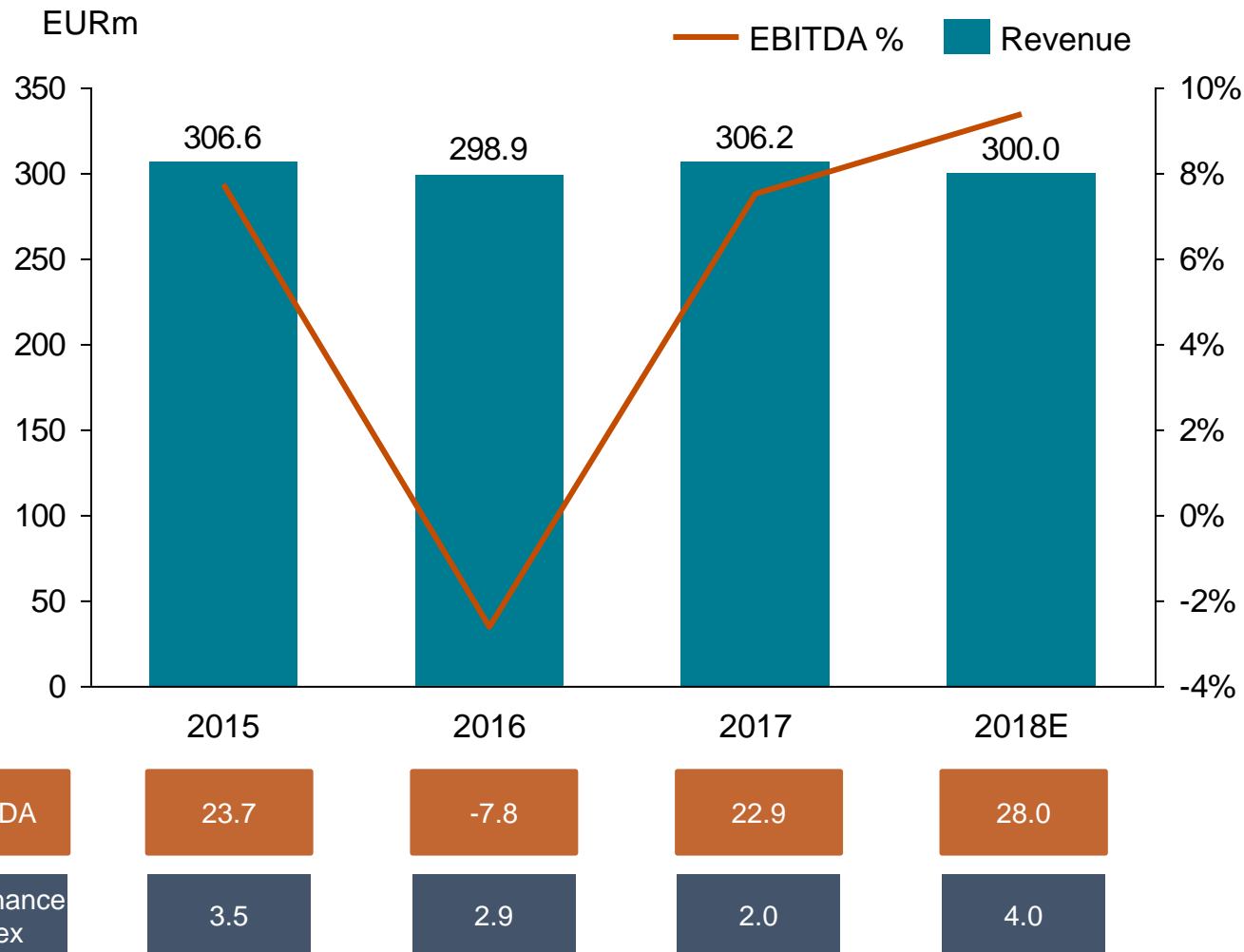
- Focuses on railway construction, maintenance contracts and design services



Share of 2017 external revenue

VR Track has delivered stable earnings and strong cash flow. The outlook is positive on the back of strong market growth

- VR Track's revenues have been fairly stable over the last three years
 - Project revenues vary while maintenance contracts provide a steady revenue stream
- EBITDA margin around 8%
 - 2016 negatively impacted by loss-making contracts in Sweden that have been terminated
- The majority of VR Track's earnings are generated in Finland
- The Finnish market is expected to grow by 8% CAGR from 2017 to 2022



VR Track Design – a leading infrastructure engineering player and market leader within railway

- One of the largest infrastructure engineering firms and the leading specialist in railway, electricity and signalling systems in Finland
- Core expertise in railway and light rail related consulting
- Complete design services also offered for roads, streets and area planning projects
- Operations both in Finland and Sweden (through VR Infrapro AB)
 - ~300 employees
- Competitive advantage, especially in multi-discipline projects
- Significant synergy potential with NRC Group



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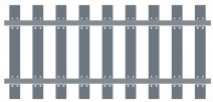


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NRC Group is now uniquely positioned to serve the Nordic market

Overview of NRC Group and VR Track offices

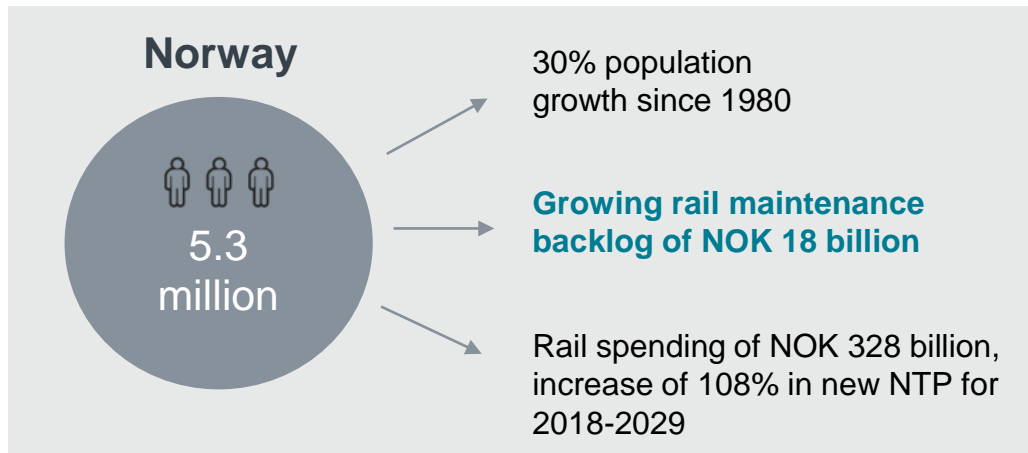
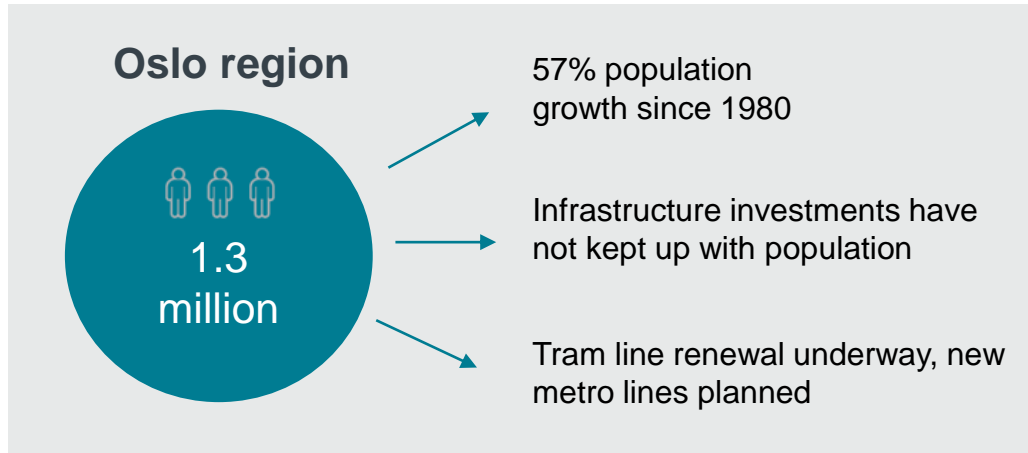


Key market figures

	Sweden	Norway	Finland
Installed railway 	~12 000 km	~ 4 200 km	~ 6 000 km
Annual railway passenger journeys 	219 million	74 million	86 million
Annual railway freight volume (tons) 	68 million	33 million	36 million



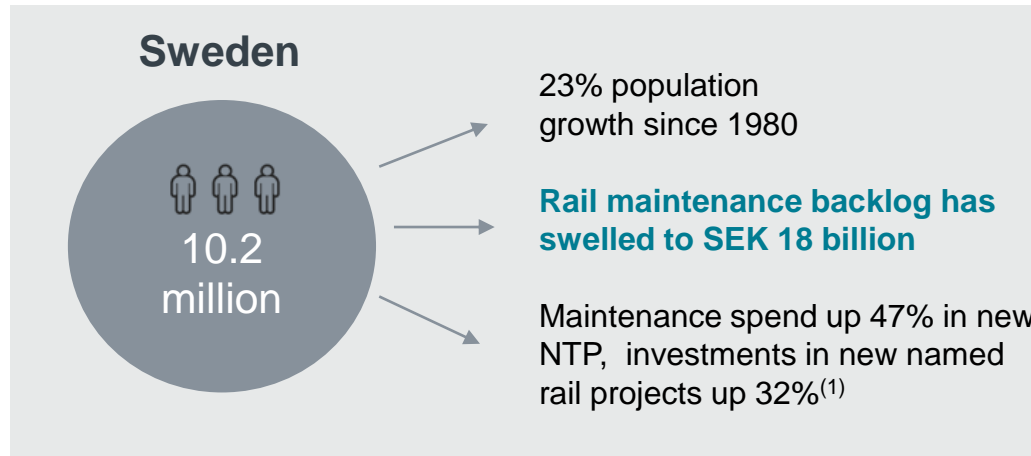
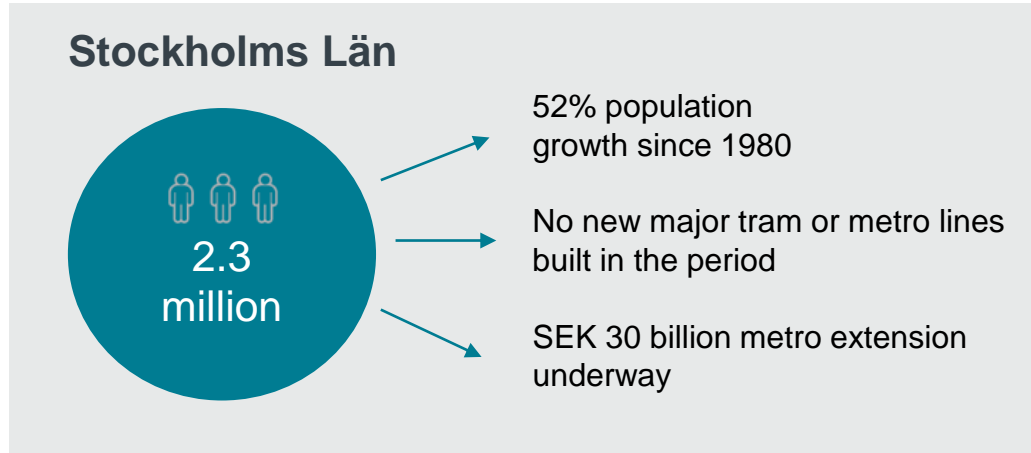
The Norwegian railway system has failed to keep up with population and traffic growth



	Trend	Change 2000-2016
Population		+18%
Passengers		+34%
Tons of freight volume		+49%
Km of railway		+1%



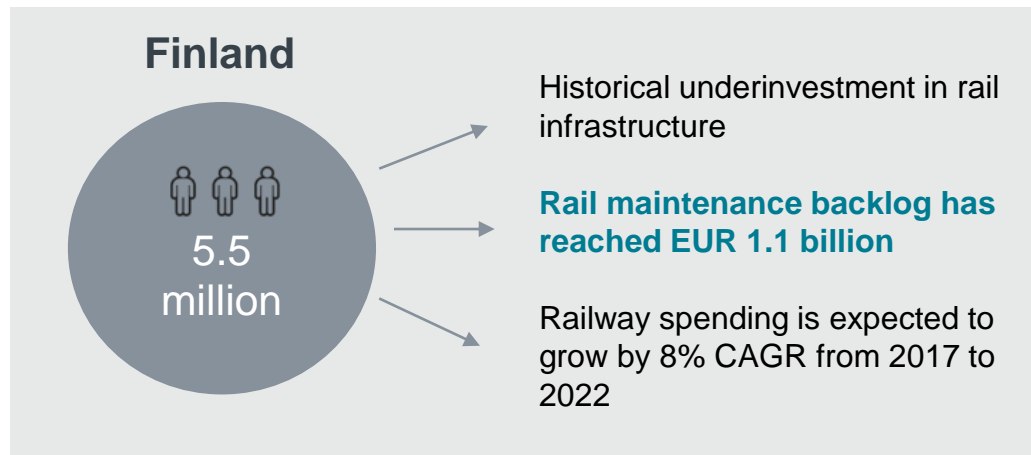
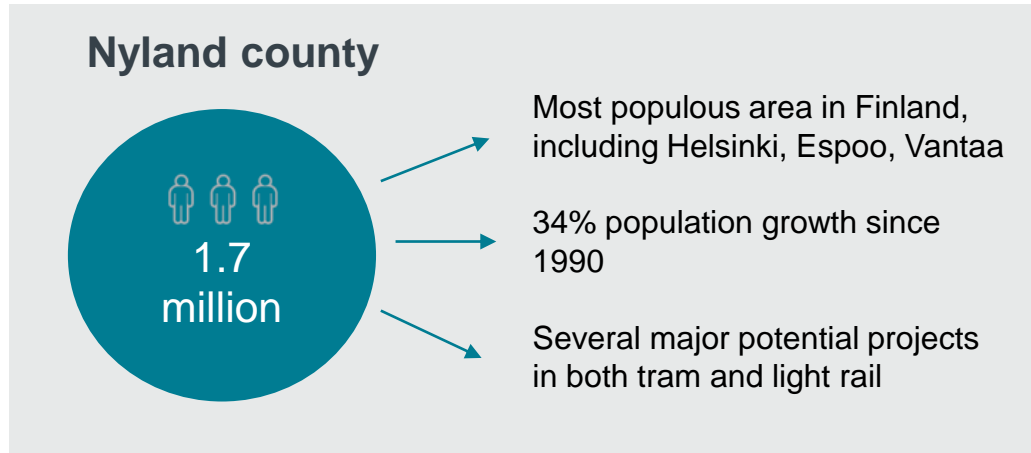
Demographics point to increased investments in Sweden



	Trend	Change 2000-2016
 Population		+13%
 Passengers		+91%
 Tons of freight volume		+120%
 Km of railway		+9%



Continued urbanization, historical underinvestment and large planned projects support attractive growth outlook in Finland

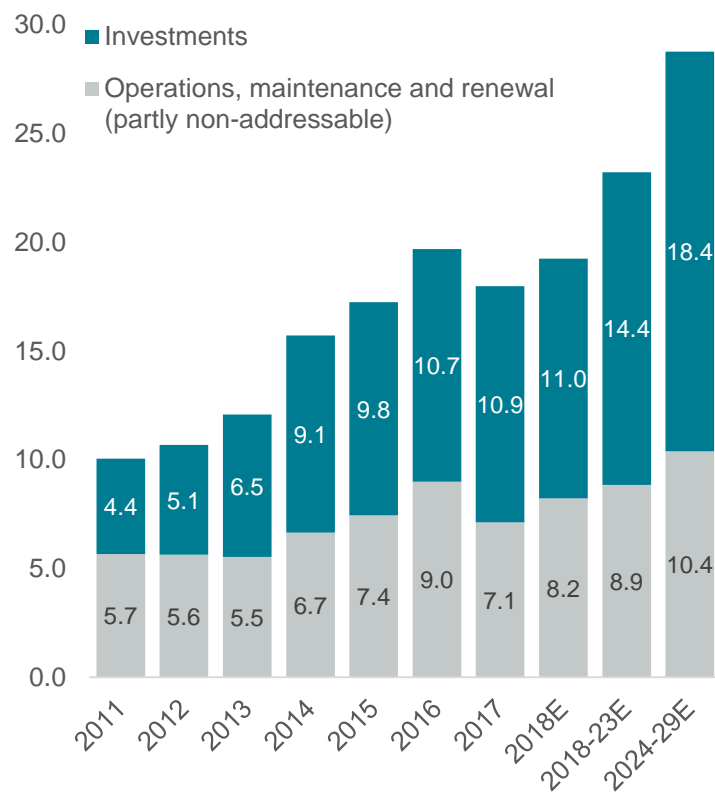


	Trend	Change 2000-2016
 Population		+6%
 Passengers		+50%
 Tons of freight volume		-11%
 Km of railway		+1%

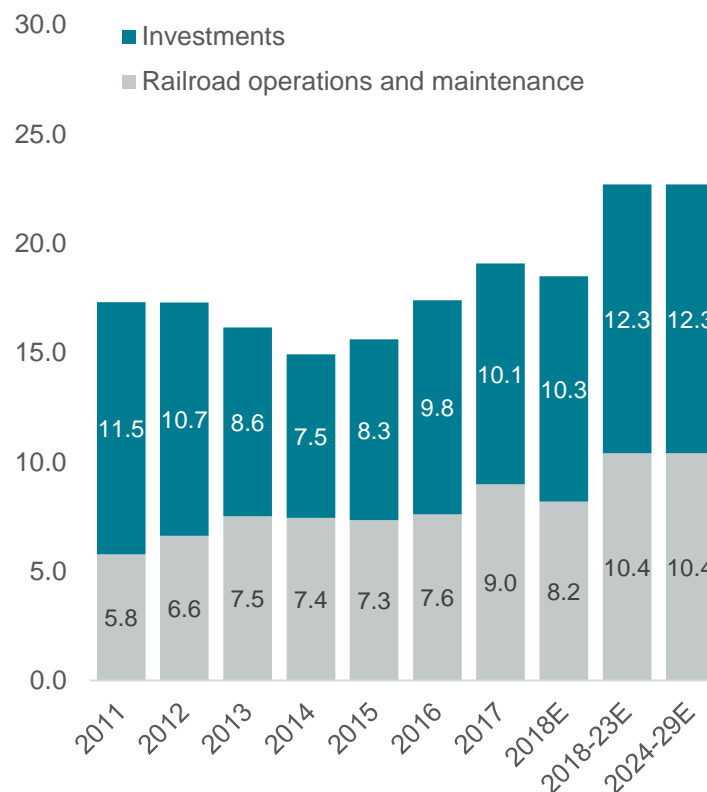
Attractive growth expected in all the railway markets that NRC Group serves



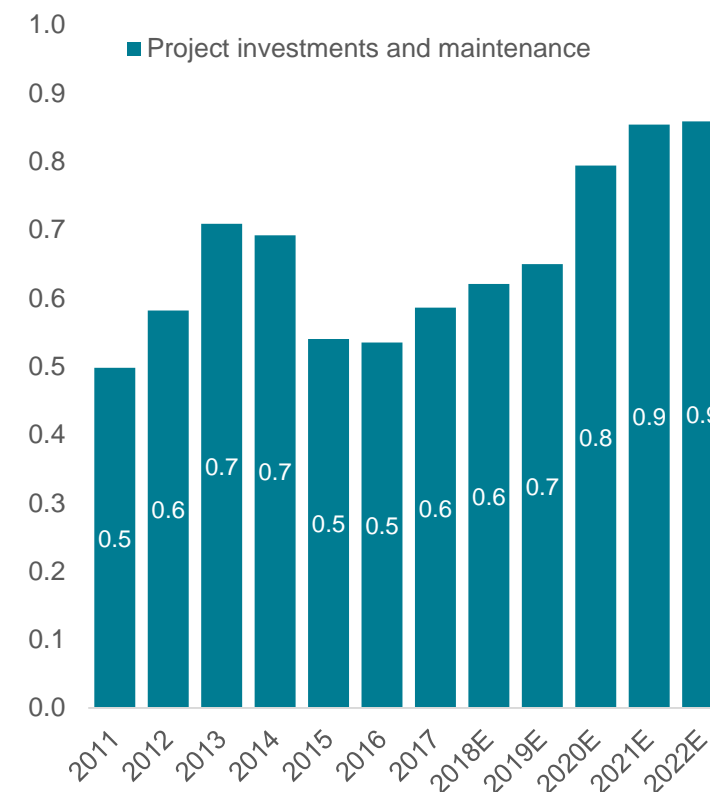
Norway railway spending (NOKbn)⁽¹⁾



Sweden railway spending (SEKbn)⁽²⁾



Finland railway spending (EURbn)⁽³⁾

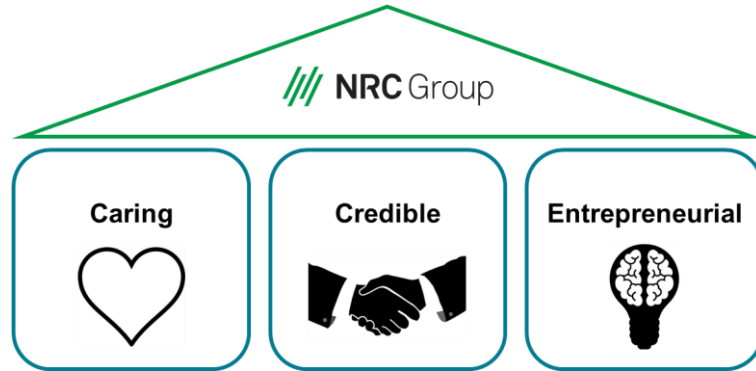


(1) Source: National accounts, national budget, most recent NTP

(2) Source: Swedish national budget, Trafikverket

(3) Source: Finnish Transportation Agency, VR Track estimates

NRC Group and VR Track share common Nordic values



A sustainable and responsible approach in all business conduct

Reflected in the way we execute projects and in our relations to clients, employees, investors and other partners

Strengthened within environmental, social and governance issues

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The enlarged NRC Group represents a significantly enhanced platform to capture further growth opportunities

- Unique pan-Nordic capabilities
- Ability to offer larger turnkey projects to a wider customer group
- Very well positioned to capture maintenance contracts in the Norwegian market
- Cross-selling potential for groundwork in Finland, engineering & design projects in Norway and environmental services in Sweden and Finland
- Improved utilization of machine park and resources create synergies in Sweden



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VR Track financial figures

Profit and loss

<i>(in EUR millions)</i>	FY 2015A	FY 2016A	FY 2017A	LTM 2018A	FY 2018E
Net sales	306.6	298.9	306.2	299.7	300.0
EBITDA	23.7	(7.8)	22.9	24.2	28.0
Depreciation and amortisation	(5.6)	(6.3)	(6.1)	(6.4)	(8.0)
EBIT	18.1	(14.1)	16.8	17.8	20.0

Balance sheet

<i>(in EUR millions)</i>	31 Dec-15	31 Dec-16	31 Dec-17	30 Jun-18
Fixed assets	41.2	33.9	28.9	31.6
Inventories	20.6	15.8	16.2	19.6
Receivables	99.8	86.6	76.0	75.3
Cash	53.1	30.9	31.2	17.0
Current assets	173.5	133.3	123.3	111.9
Total assets	214.7	167.2	152.3	143.4
Equity	88.0	55.5	54.4	55.8
Provision	5.5	7.6	4.6	3.5
Other long term interest bearing debt	21.8	(0.0)	0.0	0.0
Leasing liabilities	-	-	-	6.1
Intra group loan	12.9	6.4	7.7	8.1
Group contribution	13.8	17.1	17.4	17.4
Trade payables & other liabilities	72.7	80.6	68.1	52.6
Total equity and liabilities	214.7	167.2	152.3	143.4

- Note: inter-group liabilities with VR Group will be settled prior to transaction close