



# Highlights first quarter

In the first quarter of 2011, the net asset value of Aker ASA and companies in its holding company structure (Aker) increased from NOK 18.4 billion to NOK 21.2 billion before dividend. The NOK 2.8 billion increase in net asset value (NAV) is largely attributable to value growth in Aker's Industrial Holdings portfolio. The following are first-quarter 2011 highlights:

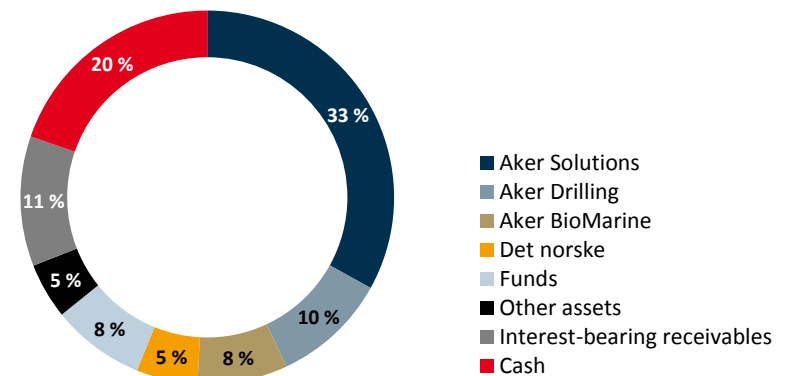
- **Industrial Holdings:** Shares in the listed companies Aker Solutions, Aker Drilling, Det norske oljeselskap, and Aker BioMarine, all outperformed the Oslo Stock Exchange benchmark index (OSEBX) in the first quarter.
- **Financial Investments:** The refinancing and listing of Aker Drilling resulted in a NOK 2.2 billion net cash effect in the first quarter of 2011, and an additional NOK 0.2 billion net cash effect in April. Further, Aker's guarantee commitments were reduced by a total of NOK 1.6 billion.
- **Funds:** Satisfactory quarter for the three Aker-controlled asset management companies. In the first quarter of 2011, investments of SEK 300 million were made in two new funds managed by Norron Asset Management.

## Financial key figures (Aker ASA and holding companies)

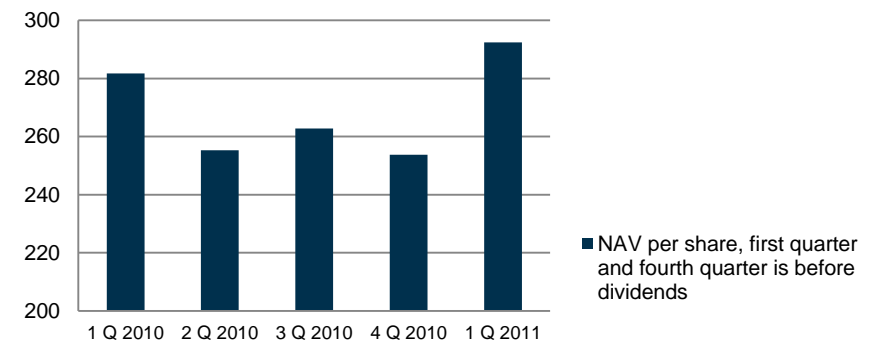
- Net asset value (Aker ASA and holding companies) increased by 15.2 percent to NOK 21.2 billion before dividend in the first quarter of 2011. Per-share NAV amounted to NOK 292.40, up from NOK 253.80 at year-end 2010.
- Aker's value-adjusted equity ratio was 83.8 percent as of 31 March 2011, after deducting allocations for the NOK 10 per-share dividend to Aker shareholders, which totaled NOK 724 million.
- Cash and cash equivalents increased to NOK 4.8 billion in the first quarter of 2011, up from NOK 2.9 billion as of 31 December 2010. Gross interest-bearing debt amounted to NOK 2.6 billion at the close of the first quarter of 2011; the figure is unchanged from the close of the fourth quarter of 2010.

*The balance sheet and profit and loss statement for Aker ASA and holding companies (Aker) have been prepared to show the financial position as a holding company. Net asset value (NAV) is a core performance indicator at Aker ASA. NAV expresses Aker's underlying value and is a key determinant of the company's dividend policy (annual dividend payments of 2-4 percent of NAV). Net asset value is determined by applying the market value of listed shares, while book value is used for other assets. The same valuation principles apply to fund investments.*

Distribution of gross asset value (NOK 24.4 billion) as of 31 March 2011



Net Asset Value (NAV) per share (NOK)



■ NAV per share, first quarter and fourth quarter is before dividends

# Report for the first quarter of 2011

Net asset value (NAV) for Aker ASA and companies in its holding structure (Aker) was NOK 21.2 billion or NOK 292.40 per Aker share before dividend as of 31 March 2011, up 15.2 percent from year-end 2010. In the first quarter of 2011, Aker's share price rose by 21.8 percent while the Oslo Stock Exchange benchmark index (OSEBX) increased 1.3 percent.

Aker's investment portfolios developed favorably in the first quarter of 2011. The Aker **Industrial Holdings** portfolio increased by 35.2 percent, and portfolio shares in the listed companies Aker Solutions, Aker Drilling, Det norske oljeselskap, and Aker BioMarine achieved sound value growth in the reporting period.

Turning to the **Financial Investments** portfolio, Aker's total loans to subsidiaries and associated companies decreased to NOK 2.6 billion in the first quarter of 2011, down from NOK 5.5 billion at year-end 2010. In addition, guarantee commitments decreased by a total of NOK 1.6 billion. Cash and cash equivalents increased from NOK 2.9 billion to NOK 4.8 billion in the quarter, and now constitute 20 percent of Aker's total assets. This development further strengthens Aker's financial clout.

The **Funds** portfolio also increased in value as a consequence of appreciation as well as new investments in the first quarter of 2011. Norron Asset Management located in Stockholm, an asset management company 51-percent owned by Aker, launched three new funds in the quarter. Aker invested SEK 300 million in the multi-strategy fund Norron Target and the hedge fund Norron Select

## Transactions executed

In the first quarter of 2011, companies in Aker's Industrial Holdings portfolio completed key value-creating transactions. Aker Solutions completed the sale of AMC and the bulk of the Process & Construction business as planned.

Following the NOK 3.9 billion Aker Drilling share issue, Aker's stake in the offshore drilling company was reduced from 100 percent to 41.1 percent. Aker Drilling was refinanced and listed on the Oslo Stock Exchange on 25 February.

In late April 2011, Aker sold approximately NOK 170 million of Aker Drilling bonds. The sale, corporate refinancing, and exchange-listing of the drilling company resulted in a NOK 2.4 billion net positive cash effect for Aker. Accordingly, Aker is now solely an equity investor in Aker Drilling.

On 6 May 2011, Aker Solutions' annual shareholders' meeting voted to spin off the EPC business to company shareholders. The EPC company will continue its development under the historical industrial name Kværner ASA; listing on the Oslo Stock Exchange is scheduled for July 2011. Aker Holding will become the largest Kværner shareholder, with 40.1 percent of its stock after the transactions are completed. Aker owns 60 percent of Aker Holding shares; the Kværner investment will be a component of Aker's Industrial Holdings portfolio.

## Aker ASA and holding companies Assets and net asset value

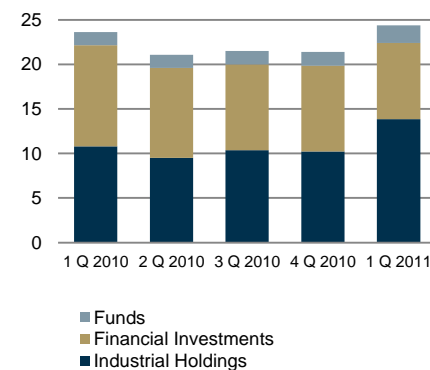
As of 31 March 2011, the value of Aker's **Industrial Holdings** assets was NOK 13.8 billion (see page 3) and the value of **Funds investments** was NOK 2 billion (see page 4). As of the end of the first quarter, cash, cash equivalents, receivables, and other assets of the **Financial Investments** segment amounted to NOK 8.6 billion (see page 5).

Net asset value (NAV) was NOK 21.2 billion as of the close of the first quarter of 2011, up from NOK 18.4 billion as of 31 December 2010. NAV as of 31 March 2011 corresponds to NOK 292.40 per Aker share before dividend allocations, compared with NOK 253.80 per share at year-end 2010. In April 2011, an ordinary dividend of NOK 10 per share was paid to Aker shareholders.

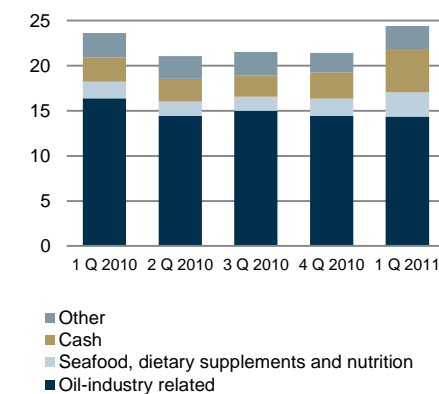
### Net asset value (NAV) composition — Aker ASA and holding companies

	As of 31 Mar 2011		As of 31 Dec 2010	
	NOK/ share	NOK mill	NOK/ share	NOK mill
Industrial holdings	191	13 836	141	10 230
Funds	27	1 965	22	1 560
Financial investments	119	8 581	133	9 610
<b>Gross assets</b>	<b>337</b>	<b>24 382</b>	<b>296</b>	<b>21 400</b>
Total liabilities before allocated dividend	(44)	(3 220)	(42)	(3 034)
<b>NAV before allocated dividend</b>	<b>292</b>	<b>21 162</b>	<b>254</b>	<b>18 366</b>
Net interest-bearing assets		4 974		6 052

### Gross assets (NOK billion)



### Gross assets per sector (NOK billion)



NAV is a core performance indicator at Aker ASA. NAV expresses Aker's underlying value and is a key determinant of the company's dividend policy (annual dividend payments of 2-4 percent of NAV). Net asset value is determined by applying the market value of listed shares, while book value is used for other assets. The same valuation principles apply to fund investments.

Aker's assets (Aker ASA and holding companies) consist largely of equity investments and fund shares in the Industrial Holdings and Funds business segments, and of cash, cash equivalents, and receivables in the Financial Investments segment. Other assets consist mainly of intangibles and tangible fixed assets. The chart above shows the composition of Aker's assets. Business segments are discussed in greater detail on pages 3-5 of this report.

## Aker – Segment information

### Industrial Holdings

Industrial Holdings is one of Aker's three business segments (see overview in Note 10 on page 13). The total value of Aker's Industrial Holdings investments was NOK 13.8 billion as of 31 March 2011, up from NOK 10.2 billion at year-end 2010.

Value growth in the first three months of 2011 is attributable to the 36 percent value growth of the Aker Solutions investment to NOK 8.1 billion; the figure is downward adjusted for the potential settlement amount should SAAB/Investor AB exercise their shareholding put option against Aker. A NOK 665 million value change is associated with Aker's investment in Aker Drilling, following Aker's NOK 567 million participation in the February 2011 share issue.

The value of Aker's share investment in Aker BioMarine increased 58 percent to NOK 1.9 billion in the first quarter of 2011. The value of the Det norske investment increased 6.7 percent to NOK 1.3 billion in the reporting period. In the quarter, Aker injected NOK 20 million in Aker Clean Carbon equity, and maintained its 50 percent ownership interest in the carbon capture company. Aker Clean Carbon shares continue to be valued at cost price.

**Aker Solutions** reported profit growth and high order intake in the first quarter of 2011. A new organizational model has been introduced. At the top of Aker's agenda is helping to develop and implement aggressive corporate strategies and business plans for Aker Solutions and Kværner as two focused companies.

Aker Solutions' share price rose from NOK 99.25 to NOK 127.10 in the first quarter of 2011. Under the 2007 Aker Holding ownership agreement, SAAB and Investor AB are entitled to sell their ownership interests to Aker at a price that corresponds to NOK 160.16 per share, or a total of NOK 1.77 billion, on 30 June 2011. If this put option is exercised, Aker's indirect interest in Aker Solutions and Kværner will be about 28 percent.

**Aker Drilling** delivered stable and efficient operations in the first quarter of 2011; the company's two rigs had a combined paid uptime of 94.1 percent. The company has confirmed orders to build two drillships for delivery in the fourth quarter of 2013; Aker Drilling holds options to build two additional drillships at DSME.

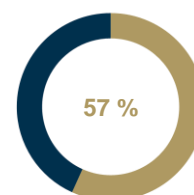
Prior to the 25 February 2011 listing, the carrying value of Aker Drilling shares was NOK 19.00; the 31 March 2011 closing price of Aker Drilling shares was NOK 19.80.

**Aker BioMarine** reported good krill harvesting, continued sales growth, and the signing of a distribution agreement in China in the first quarter of 2011. The company sees major growth opportunities for its new krill product applications. In April 2011, Aker BioMarine submitted a licensing application for krill harvesting with Antarctic Navigator in the Southern Ocean. Owned by a wholly owned Aker subsidiary, the vessel can be acquired by Aker BioMarine at market price if licensing is granted.

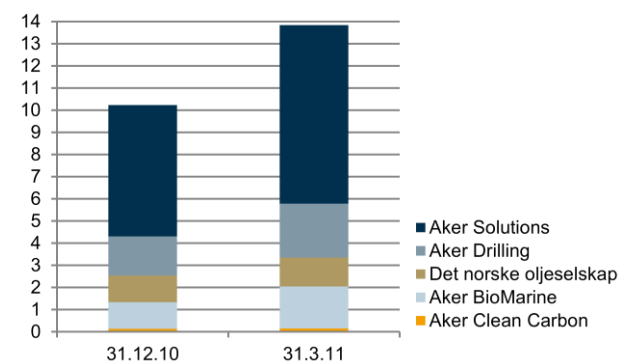
Aker BioMarine's share price rose from NOK 1.53 to NOK 2.39 in the first quarter of 2011.

**Det norske oljeselskap** is working pursuant to a revised exploration strategy. The company was awarded one license in the Barents Sea in the 21st licensing round. The Draupne project and the Jetta and Atla subsea fields are approaching the concept selection stage. Det norske's share price rose from NOK 27.00 to NOK 28.80 in the quarter.

Percent of Aker assets



Aker Industrial Holdings (NOK billion)



	As of 31 March 2011			As of 31 Dec 2010	
	Ownership in %	NOK/share <sup>2</sup>	NOK mill	NOK/share <sup>2</sup>	NOK mill
Aker Solutions <sup>1</sup>	24.0	111	8 061	82	5 921
Aker BioMarine	83.3	26	1 902	17	1 202
Aker Drilling	41.1	34	2 432	24	1 767
Det norske	40.4	18	1 294	17	1 213
Aker Clean Carbon	50.0	2	147	2	127
<b>Total industrial holdings</b>		<b>191</b>	<b>13 836</b>	<b>141</b>	<b>10 230</b>

<sup>1</sup> The value of Aker's AKSO investment is determined per closing share price, less Aker's potential payout to settle put option held by SAAB/Investor AB.

<sup>2</sup> The investments' impact on Aker NAV per share

Key financial figures for the companies are presented in Note 10 to the consolidated Aker Group accounts on page 13 of this report

**Aker Clean Carbon** is delivering the amine facility for the CO<sub>2</sub> *Technology Centre Mongstad* (TCM) on schedule; construction is more than 80 percent completed. At the coal-fired power plant Longannet in Scotland, the Front End Engineering and Design (FEED) was completed in the first quarter of 2011; a contract decision for a full-scale carbon capture facility is expected in December 2011. The ENEL FEED contract in Italy is scheduled to be completed in the second quarter of the year, and Aker Clean Carbon has offered the customer a licensing agreement for using its technology at the full-scale plant. A decision in the matter is expected in the third quarter of 2011. The market for carbon capture facilities is still immature, and Aker is continuing its efforts to bring Aker Clean Carbon into a strategic international partnership. Aker and Aker Solutions each injected NOK 20 million in equity into Aker Clean Carbon in the first quarter of 2011. The cost price of Aker's 50 percent stake in Aker Clean Carbon is NOK 147 million.

## Aker – Segment Information Funds

Funds is the second of Aker's three operating segments (see overview in Note 10 on page 13), and comprises shares in Converto Capital Fund and AAM Absolute Return Fund, as well as investments in the newly established funds Norron Target and Norron Select. The market value of Aker's fund investments increased to NOK 2 billion, up from NOK 1.6 billion at year-end 2010. Of the first-quarter 2011 value growth, NOK 268 million is attributable to capital invested in the two recently established Norron funds.

Converto Capital Fund is a shareholder in Aker Seafoods (65.9 percent ownership), Aker Floating Production (72.3 percent), Aker Philadelphia Shipyard (71.2 percent), American Shipping Company (19.9 percent), Bokn Invest (39.9 percent), Ocean Harvest (100 percent), and holds some other smaller-sized assets. The fund is also an American Shipping Company bondholder. Aker holds 99.8 percent of the fund's capital, and owns 90 percent of Converto Capital Management.

AAM Absolute Return Fund is a hedge fund with positions in the energy sector and maritime industries. Aker's investment represents about 12.2 percent of the fund's USD 473 million capital. Aker owns 50.1 percent of the fund's management company, Oslo Asset Management.

The funds Norron Target (Nordic multi-strategy fund), Norron Select (Nordic hedge fund), and Norron Preserve (Nordic interest and bond fund) were established in February 2011. Aker owns 51 percent of the asset management company Norron Asset Management, and has invested SEK 300 million in Norron Target and Norron Select.

**Converto Capital Fund** had a return of 7.0 percent on its portfolio in the first quarter of 2011.

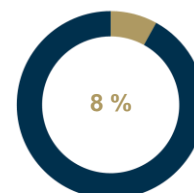
In the first quarter of 2011, Converto Capital Fund increased its ownership interest in Aker Philadelphia Shipyard from 67.1 percent to 71.2 percent. The yard has entered into an agreement that secures financing for construction of two vessels in the period up to mid-year 2013. Under the agreement, Aker's former guarantees are terminated; Aker instead will guarantee on-time vessel deliveries and extend a construction loan to the shipyard.

Aker Floating Production is continuing to report first-rate, safe operations of the *Dhirubhai-1*. The production and storage vessel recorded first-quarter 2011 uptime of 99.9 percent.

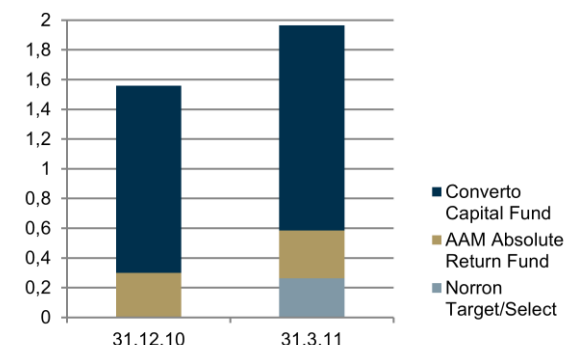
**AAM Absolute Return Fund** achieved returns of 9.50 percent on its USD tranche and 9.29 percent on the NOK tranche in the first quarter of 2011.

**Norron Target** achieved returns of 0.29 percent from its first day of trading on 1 February through 31 March 2011. In the same period, **Norron Select** achieved returns of 0.39 percent.

Percent of Aker assets



Aker Funds (NOK billion)



	As of 31 March 2011			As of 31 Dec 2010	
	Ownership in %	NOK/share <sup>1</sup>	NOK mill	NOK/share <sup>1</sup>	NOK mill
Converto Capital Fund	99.8	19	1 380	17	1 260
AAM Absolute Fund	12.2	4	322	4	300
Norron Target/Select		4	263	-	-
<b>Total funds</b>		<b>27</b>	<b>1 965</b>	<b>22</b>	<b>1 560</b>

<sup>1</sup> The investments' impact on Aker NAV per share

## Aker – Segment Information

### Financial Investments

Financial Investments is the third of Aker's three operating segments (see overview in Note 10 on page 13). Financial Investments comprises all Aker ASA (parent and holding company) assets other than industrial investments and investments in funds.

The value of Aker's financial investments amounted to NOK 8.6 billion as of 31 March 2011, down NOK 1.0 billion from 31 December 2010. At the close of the first quarter of 2011, a total of NOK 2.6 billion had been loaned on market terms to subsidiaries and associated companies, compared with NOK 5.5 billion as of 31 December 2010. The largest of these engagements is a NOK 1.6 billion interest-bearing receivable from Aker Floating Production.

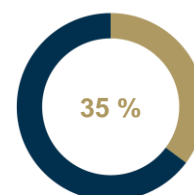
The February 2011 refinancing and listing of Aker Drilling affected several financial items. Aker's NOK 2.8 billion (USD 488 million) shareholder loan has been repaid in full. Further, the refinancing of Aker Drilling's NOK 1.5 billion bond loan freed Aker ASA from former guarantees for the drilling company. Aker subscribed to NOK 567 million of Aker Drilling's share issue. Also in the first quarter of 2011, Aker invested SEK 300 million in two Norron funds.

As a consequence of the matters discussed above, Aker's cash and cash equivalents increased from NOK 2.9 billion to NOK 4.8 billion in the first quarter of 2011.

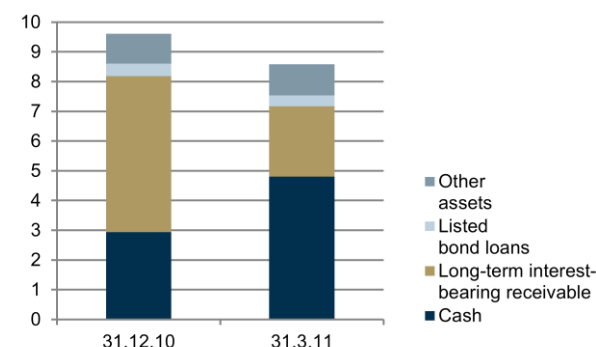
Aker has entered into a loan agreement with Aker Philadelphia Shipyard covering the construction of two product tankers. The USD 15 million loan per vessel was decisive in securing financing and continued operations at the US shipyard through at least the first half of 2013. The shipyard company will begin drawing down the loan in the third quarter of 2011 for the first vessel newbuilding, and in the first quarter of 2012 for the second vessel. Under the agreement signed with US authorities and external financial institutions, Aker's total guarantee exposure towards Aker Philadelphia Shipyard will decrease by USD 20 million to USD 150 million.

After the close of the first quarter of 2011, Ghana's national oil company GNPC reimbursed Aker USD 29.8 million pursuant to the agreement entered into in 2010

Percent of Aker assets



Aker Financial Investments (NOK billion)



	As of 31 March 2011		As of 31 Dec 2010	
	NOK/ share <sup>1</sup>	NOK mill	NOK/ share <sup>1</sup>	NOK mill
Bonds	5	360	6	419
Interest-bearing receiv. Related parties	33	2 375	73	5 267
Other interest-bearing receivables	-	6	-	7
Cash and cash equivalents	66	4 807	41	2 933
Short-term interest-free receivables	2	172	2	116
Intang./tangible fixed assets and other shares	11	797	11	810
Long-term interest-free receivables	1	64	1	58
<b>Total financial investments</b>	<b>119</b>	<b>8 581</b>	<b>158</b>	<b>9 610</b>

<sup>1</sup> The investments' impact on Aker NAV per share

## Aker ASA and holding companies Balance sheet

Amounts in NOK million	31.03.10	30.06.10	30.09.10	31.12.10	31.03.11
Intangible, fixed and non-int.-bearing assets	884	627	657	301	<b>310</b>
Interest-bearing fixed assets	6 304	6 114	5 844	5 671	<b>2 726</b>
Investments <sup>1</sup>	8 903	9 111	9 193	7 972	<b>9 720</b>
Non-interest-bearing short-term receivables	335	191	196	116	<b>172</b>
Interest-bearing short-term receivables	623	16	18	22	<b>15</b>
Cash and cash equivalents	2 692	2 531	2 347	2 933	<b>4 807</b>
<b>Assets</b>	<b>19 741</b>	<b>18 590</b>	<b>18 254</b>	<b>17 015</b>	<b>17 750</b>
Equity	15 926	15 987	15 763	13 257	<b>13 806</b>
Non-interest-bearing debt	1 109	468	442	1 184	<b>1 370</b>
Interest-bearing debt to subsidiaries	375	22	20	24	<b>23</b>
Interest-bearing debt, non-Group	2 331	2 114	2 029	2 550	<b>2 551</b>
<b>Equity and liabilities</b>	<b>19 741</b>	<b>18 590</b>	<b>18 254</b>	<b>17 015</b>	<b>17 750</b>
Net interest-bearing receivables	6 913	6 525	6 160	6 052	<b>4 974</b>
Equity ratio (in %)	81	86	86	78	<b>78</b>

<sup>1</sup> Aker ASA and holding companies prepares and presents its accounts in accordance with the Norwegian Accounting Act and generally accepted accounting practices (GAAP). Accordingly, exchange-listed shares owned by Aker ASA and holding companies are recorded in the balance sheet at the lower of market value or cost price. Accounting principles are presented in Aker's 2010 annual report.

Total assets of Aker ASA and companies in its holding company structure amounted to NOK 17.8 billion as of 31 March 2011. Interest-bearing assets decreased by NOK 2.9 billion in the quarter. The decrease is largely attributable to the Aker Drilling refinancing, which freed up NOK 2.8 billion in the quarter.

The increase in investments is attributable to share price growth in the first quarter of 2011 in the following listed investments: Aker BioMarine, up NOK 700 million; Det norske, up NOK 81 million; and Aker Drilling, up NOK 98 million. In addition, Aker increased its share investment in Aker Drilling by NOK 567 million through participation in the drilling company's share issue, and invested NOK 268 million in Norron funds in the quarter.

Cash and cash equivalents increased from NOK 2.9 billion to NOK 4.8 billion in the first quarter of 2011. The Aker Drilling refinancing freed up NOK 2.8 billion, and investments of NOK 0.85 billion were made in shares and funds in the reporting period.

Non-interest-bearing debt as of 31 March 2011 includes an allocated NOK 724 million ordinary dividend to Aker shareholders that was paid on 28 April.

## Aker ASA and holding companies Income statement

Amounts in NOK million	1Q 10	2Q 10	3Q 10	4Q 10	2010	1Q 11
Sales gains	-	-	-	-	-	-
Operating expenses	(49)	(51)	(46)	(68)	(214)	<b>(58)</b>
<b>EBITDA<sup>1</sup></b>	<b>(49)</b>	<b>(51)</b>	<b>(46)</b>	<b>(68)</b>	<b>(214)</b>	<b>(58)</b>
Depreciation and amortization	(4)	(4)	(4)	(4)	(15)	<b>(4)</b>
Exceptional operating items	-	-	-	-	-	-
Value change	(587)	(446)	72	(1 437)	(2 399)	<b>853</b>
Net other financial items	233	632	(305)	85	645	<b>(83)</b>
<b>Profit before tax</b>	<b>(407)</b>	<b>131</b>	<b>(283)</b>	<b>(1 423)</b>	<b>(1 983)</b>	<b>709</b>

<sup>1</sup> EBITDA = Earnings before interest, tax, depreciation and amortization

The profit and loss account for Aker ASA and holding companies shows a pre-tax profit of NOK 709 million in the first quarter of 2011, compared with minus NOK 1 423 million in the fourth quarter of 2010.

Aker had no operating revenues in the first quarter of 2011; operating expenses amounted to NOK 58 million in the reporting period.

Net financial items amounted to minus NOK 83 million in the first quarter of 2011. The most important financial items comprise a NOK 113 million currency loss (of which about half was realized in the quarter), a NOK 40 million net increase in accruals, NOK 30 million value growth on financial derivatives, and NOK 40 million in net interest and guarantee income.

Value growth on share investments amounted to NOK 853 million in the first quarter of 2011; NOK 700 million of this amount is attributable to the Aker BioMarine shareholding.

## The Aker Group Group consolidated accounts

The Aker Group's consolidated accounts have three main segments, which are discussed in greater detail on preceding pages: Industrial Holdings (see page 3), Funds (page 4), and Financial Investments (page 5).

The Group profit and loss account appears on page 8 of this report. The Aker ASA Group had first-quarter 2011 operating revenues of NOK 1 382 million. Aker's ownership interest in Aker Drilling decreased from 100 percent to 41.1 percent in the first quarter of 2011. Accordingly, the drilling company is classified as an associated company as of the first quarter of 2011, and will be accounted for under the equity method.

Losses as a consequence of dilution in the Aker Drilling shareholding and relinquishment of control in the company amounted to NOK 1.16 billion in the Group's consolidated accounts for the first quarter of 2011. This is in line with the disclosures made in Aker's fourth-quarter 2010 report.

Details on revenue and pre-tax profit figures for each business segment are shown in Note 10 on page 13.



## Risk

Aker ASA and each Aker company are exposed to various forms of market, operational, and financial risk. Rather than diversifying risk by spreading investments across many different industries, Aker is focused on sectors in which the company possesses special expertise. Aker ASA's model for monitoring and follow-up of operating activities and financial assets is designed to reduce risk going forward. Overall risk was reduced further in the first quarter of 2011 as a result of the refinancing and exchange-listing of Aker Drilling, which also made Aker a strictly equity investor in Aker Drilling.

Aker Floating Production's FPSO Dhirubhai-1 reported yet another quarter of excellent operations with up-time approaching 100 percent in the first quarter of 2011. The vessel has been chartered until 2018; the charterer holds an option to purchase the vessel at an agreed-to price. Nevertheless, uncertainty is associated with continued operations should the charterer of the Dhirubhai-1 exercise its option. In such a scenario, Aker Floating Production will depend on revenues from a new project or an injection of new equity in order to fully meet its existing debt commitments. There are no indications that the charterer intends to exercise its option to purchase the production vessel. Aker has an outstanding loan to Aker Floating Production of NOK 1.6 billion at 10 percent annual interest, with maturity in 2018.

Aker Philadelphia Shipyard has entered into an agreement with Philadelphia Shipyard Development Corporation (PSDC), under which the latter will purchase assets valued at USD 42 million. The agreement along with additional financing create the groundwork for building two product tankers and for continued yard operations until mid-year 2013. Pursuant to the agreement, on-time delivery will be guaranteed by Aker and the employment guarantee of up to USD 20 million is terminated. Accordingly, Aker's total guarantee exposure was reduced from USD 170 million to USD 150 million as of the first quarter of 2011. The outstanding USD 150 million guarantee commitment was terminated upon delivery of the sixteenth vessel new building in late April. As a component of the financing of two new product tankers at the shipyard, Aker has posted guarantees totaling USD 150 million in connection with the external construction loans and sale of assets to PSDC. However, the guarantees are pending until such time as loan funds are drawn, which will be a gradual process and limited at USD 150 million. Initial funds will be drawn from PSDC in the third quarter of 2011 and draw down on the construction loan is expected to commence in late 2011.

With the exception of the issues discussed above, there are no significant changes in risk exposure beyond those presented in Aker's 2010 annual report.

## Outlook

Aker has established a solid foundation for future value growth. Investments in listed shares comprise some 70 percent of the company's assets. About 59 percent of Aker's assets as of 31 March 2011 are oil and gas industry related. Cash comprise 20 percent, seafood/marine biotechnology represent 11 percent, and other assets amount to ten percent of assets. Accordingly, Aker's growth and development will correlate closely with developments in oil prices and Oslo Stock Exchange share prices.

Each of the companies in Aker's portfolio of investments is well positioned to benefit from continued demand growth for sustainable production of energy and food. Each of these market categories is of major importance to the development of Aker's underlying asset values — and Aker is prepared for continued significant volatility in both markets. Aker Solutions and Kværner are further developing their core competence in two focused entities, and both entities have a satisfactory order backlog.

Aker's strong balance sheet ensures that the company responds robustly to unforeseen operational challenges and short-term market fluctuations. With its balance sheet as a foundation, Aker will continue to drive industrial development with a long-term perspective.

Oslo, 10 May 2011  
Board of Directors and President and CEO

Aker Group

# Aker Group condensed financial statement for the 1st quarter 2011

## INCOME STATEMENT

<i>Amounts in NOK million</i>	<i>Note</i>	1 Q 2010	1 Q 2011	Year 2010
Operating revenues	10	1 390	1 382	5 528
Operating expenses		(1 252)	(1 057)	(4 891)
<b>Operating profit before depreciation and amortization</b>		138	325	637
Depreciation and amortization		(179)	(186)	(762)
Non-recurring items		-	-	(136)
<b>Operating profit</b>		(41)	139	(260)
Net financial items		(8)	(164)	(153)
Share of earnings in associated companies		182	1 206	589
Other items	6	-	-	420
<b>Profit before tax</b>	10	133	1 181	596
Income tax expense		(36)	(27)	(326)
<b>Net profit/loss from continuing operations</b>		97	1 154	270
<b>Discontinued operations:</b>				
Profit and gain on sale from discontinued operations, net of tax	9	(27)	(1 162)	81
<b>Profit for the period</b>		70	(8)	351
Minority interest		90	399	288
Equity holders of the parent		(20)	(407)	64
Average number of shares outstanding (million)	7	72,4	72,4	72,4
Basic earnings and diluted earnings per share continuing business (NOK)		0,10	10,43	(0,25)
Basic earnings and diluted earnings per share (NOK)		(0,27)	(5,62)	0,88

## STATEMENT OF COMPREHENSIVE INCOME

<i>Amounts in NOK million</i>	<i>Note</i>	1 Q 2010	1 Q 2011	Year 2010
<b>Profit for the period</b>		70	(8)	351
<b>Other comprehensive income, net of income tax:</b>				
Changes in fair value of financial assets		7	30	43
Changes in fair value cash flow hedges		(5)	6	3
Change in fair value of available for sale financial assets transferred to profit and loss		-	156	(23)
Currency translation differences		260	(280)	26
Change in other comprehensive income from associated companies		(14)	44	(22)
<b>Other comprehensive income, net of income tax</b>		248	(43)	26
<b>Total comprehensive income for the period</b>		318	(51)	378
<b>Attributable to:</b>				
Equity holders of the parent		221	(458)	87
Minority interests		97	407	291
<b>Total comprehensive income for the period</b>		318	(51)	378



## CASH FLOW STATEMENT (Aker group)

<i>Amounts in NOK million</i>	Note	1 Q 2010	1 Q 2011	Year 2010
Profit before tax		133	1 181	596
Net interest expenses (+)		122	140	585
Interest paid		(192)	(77)	(793)
Interest received		40	26	162
Change in fair value of financial assets, changes in cash flow hedges, sales losses/gains (-) and write downs		143	(7)	(210)
Depreciation and amortization		376	186	1 580
Share of earnings in associated companies		(182)	(1 206)	(589)
Dividend received from associated companies		-	-	286
Taxes paid		(4)	(25)	(58)
Changes in other net operating assets and liabilities		(484)	(129)	(763)
<b>Net cash flow from operating activities</b>		<b>(50)</b>	<b>88</b>	<b>797</b>
Proceeds from sales of property, plant and equipment		27	-	49
Proceeds from sale of shares and other equity investments		8	3	21
Disposals of subsidiary, net of cash disposed		1	(1 272)	312
Acquisition of subsidiary, net of cash acquired		(22)	(1)	(22)
Acquisition of property, plant and equipment		(56)	(61)	(1 690)
Acquisition of shares and equity investments in other companies		(28)	(866)	(419)
Net cash flow from other investments		861	3 062	2 010
<b>Net cash flow from investing activities</b>		<b>791</b>	<b>865</b>	<b>260</b>
Proceeds from issuance of interest-bearing debt		-	-	4 534
Repayment of interest-bearing debt	8	(730)	(423)	(4 244)
New equity		-	-	137
Dividends paid		-	-	(702)
<b>Net cash flow from financing activities</b>		<b>(730)</b>	<b>(423)</b>	<b>(275)</b>
<b>Net change in cash and cash equivalents</b>		<b>11</b>	<b>530</b>	<b>782</b>
Effects of changes in exchange rates on cash		49	(42)	6
Cash and cash equivalents as of 1 January		4 333	5 121	4 333
<b>Cash and cash equivalents at end of period</b>		<b>4 393</b>	<b>5 609</b>	<b>5 121</b>

## BALANCE SHEET (Aker group)

<i>Amounts in NOK million</i>	Note	At 31.03 2010	At 31.03 2011	Year 2010
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant & equipment		18 580	8 090	18 794
Intangible assets		1 981	1 651	1 660
Deferred tax assets		696	198	471
Investment in associated companies		5 212	8 934	5 295
Investment in joint ventures		-	651	640
Other shares		579	826	594
Interest-bearing long-term receivables		7 485	1 033	6 357
Other non-current assets		233	105	327
<b>Total non-current assets</b>		<b>34 765</b>	<b>21 490</b>	<b>34 138</b>
<b>Current assets</b>				
Short term operational assets		2 814	1 678	1 975
Interest-bearing short term receivables		37	7	7
Cash and cash equivalents		4 393	5 609	5 121
<b>Total current assets</b>		<b>7 243</b>	<b>7 295</b>	<b>7 103</b>
<b>Total assets</b>		<b>42 008</b>	<b>28 784</b>	<b>41 241</b>
<b>Equity and liabilities</b>				
Paid in capital		2 026	2 026	2 026
Retained earnings and other reserve		8 641	7 572	8 005
<b>Total equity attributable to equity holders of the parent</b>	7	<b>10 667</b>	<b>9 598</b>	<b>10 031</b>
Minority interest		6 175	6 680	6 295
<b>Total equity</b>		<b>16 842</b>	<b>16 278</b>	<b>16 325</b>
<b>Non-current liabilities</b>				
Interest-bearing loans	8	15 263	7 479	17 545
Deferred tax liability		267	190	266
Other long-term interest free liabilities		3 798	1 267	1 837
<b>Total non-current liabilities</b>		<b>19 328</b>	<b>8 936</b>	<b>19 649</b>
<b>Current liabilities</b>				
Short-term interest-bearing debt	8	4 043	969	2 073
Other short-term interest-free liabilities		1 795	2 602	3 194
<b>Total current liabilities</b>		<b>5 838</b>	<b>3 571</b>	<b>5 267</b>
<b>Total liabilities</b>		<b>25 166</b>	<b>12 506</b>	<b>24 916</b>
<b>Total equity and liabilities</b>		<b>42 008</b>	<b>28 784</b>	<b>41 241</b>

## STATEMENT OF CHANGES IN EQUITY (Aker group)

<i>Amounts in NOK million</i>	<i>Note</i>	Paid in capital	Translation differences	Fair value reserve	Hedging reserve	Total translation and other reserves	Retained earnings	Total	Minority	Total equity
<b>Balance per 31 December 2009</b>		2 026	(357)	105	(85)	(337)	8 761	<b>10 450</b>	6 080	<b>16 530</b>
Profit for the period		-	-	-	-	-	64	<b>64</b>	288	<b>351</b>
Other comprehensive income (see page 8)		-	11	19	(8)	<b>23</b>	-	<b>23</b>	3	<b>26</b>
<b>Total comprehensive income for the period</b>		-	11	19	(8)	<b>23</b>	64	<b>87</b>	291	<b>378</b>
Transactions with owner, recognized directly in equity:										
Dividend						-	(579)	<b>(579)</b>	(123)	<b>(702)</b>
Acquisition own shares in associated companies and new equity in associated companies at premium						-	-	-	(1)	<b>(1)</b>
<b>Total</b>						-	(579)	<b>(579)</b>	(124)	<b>(703)</b>
Change in ownership share in subsidiary without loss of control:										
New minority, acquisition of minority						-	82	<b>82</b>	(98)	<b>(15)</b>
New minority, acquisition of minority in associated company						-	-	-	(2)	<b>(2)</b>
Issue of shares in subsidiary						-	(9)	<b>(9)</b>	146	<b>137</b>
<b>Total</b>						-	73	<b>73</b>	47	<b>120</b>
Sales of shares in subsidiary						-	-	-	-	-
<b>Balance per 31 December 2010</b>	7	2 026	(346)	124	(93)	(314)	8 318	<b>10 031</b>	6 295	<b>16 325</b>
Profit for the period							(407)	<b>(407)</b>	399	<b>(8)</b>
Other comprehensive income (see page 8)		-	(202)	30	120	<b>(51)</b>	-	<b>(51)</b>	8	<b>(43)</b>
<b>Total comprehensive income for the period</b>		-	(202)	30	120	<b>(51)</b>	(407)	<b>(458)</b>	407	<b>(51)</b>
Transactions with owner, recognized directly in equity:										
Dividend						-	-	-	(1)	<b>(1)</b>
Acquisition own shares in associated companies and new equity in associated companies at premium						-	4	<b>4</b>	2	<b>6</b>
<b>Total</b>		-	-	-	-	-	4	<b>4</b>	1	<b>5</b>
Change in ownership share in subsidiary without loss of control:										
New minority, acquisition of minority						-	22	<b>22</b>	(23)	<b>(1)</b>
New minority, acquisition of minority in associated company						-	-	-	-	-
Issue of shares in subsidiary						-	-	-	-	-
<b>Total</b>		-	-	-	-	-	22	<b>22</b>	(23)	<b>(1)</b>
Sales of shares in subsidiary		-	-	-	-	-	-	-	-	-
<b>Balance per 31 March 2011</b>	7	2 026	(547)	154	27	(365)	7 937	<b>9 598</b>	6 680	<b>16 278</b>

## Notes to the condensed consolidated interim financial statements for the Aker group for first quarter 2011

### 1. Introduction – Aker ASA

Aker ASA is a company domiciled in Norway. The condensed consolidated interim financial statements for the first quarter of 2011, ended 31 March 2011, comprise Aker ASA and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associates and jointly controlled entities.

The consolidated financial statements of the Group as at and for the year ended 31 December 2010 and quarterly reports are available at [www.akerasa.com](http://www.akerasa.com).

### 2. Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as endorsed by EU, and the Norwegian additional requirements in the Securities Trading Act. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2010.

There has not been issued any new IFRSs after the completion of the consolidated financial statements for the year 2010. There have been some changes and interpretations that have no significant material impact on reported figures.

These consolidated interim financial statements were approved by the Board of Directors on 10 May 2011.

### 3. Significant accounting principles

Accounting principles applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2010.

### 4. Estimates

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The most significant judgments made by management in preparing these condensed consolidated interim financial statements in applying the Group’s accounting policies, and the key sources of estimation uncertainty, are the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2010.

### 5. Pension, tax and other material estimates to be described

Calculation of pension cost and liability is done annually by actuaries. In the interim financial reporting, pension costs and liabilities are based on the actuarial forecasts. Income tax expense is recognized in each interim period based on the best estimate of the expected annual income tax rates.

### 6. Other items

In November 2010, Aker’s subsidiary Aker BioMarine transferred Trygg Pharma AS, including the shares in Trygg Pharma Inc, and Natural Nutrition Development AS to the newly established company Trygg Pharma Holding AS. Trygg Pharma Holding AS is a joint venture owned 50/50 by Aker BioMarine ASA and Lindsay Goldberg Pharmanutra BV. The downward sale of Trygg Pharma Holding to 50 percent resulted in a loss of control over Trygg Pharma AS and Natural Nutrition Development AS. As of November 2010, the Group’s interest in Trygg Pharma Holding AS will be accounted for using the equity method.

The two businesses transferred to Trygg Pharma Holding comprised production technology, the Hovdebygda (Norway) factory, including production equipment, and current assets. As part of the partnering agreement entered into with Lindsay Goldberg Pharmanutra BV, the operations were transferred to Trygg Pharma Holding for up to NOK 560 million. The final sale depends on Trygg Pharma achieving certain milestones. Based on this agreement, Aker BioMarine management has assessed the compensation at the time of the transaction at NOK 430 million. According to the fair value of the compensation, Aker has recognized an accounting gain of NOK 393 million.

### 7. Share capital and equity

As of 31 March 2011 Aker ASA had 72 374 728 ordinary shares at a par value of NOK 28 per share. Total own shares are 7 354. Total outstanding number of shares is used in the calculation of earnings per share in all periods in 2010 and 2011. At year-end 2010, the board of directors suggested a dividend of NOK 10,00 per share for 2010, a total of NOK 724 million. The shareholders agreed at the Annual General Meeting and the dividend was paid in April 2011.

## 8. Interest-bearing debt

Material changes in interest-bearing debt (short term and long term) during 2011:

<i>Amounts in NOK million</i>	Long-term and short- term (excl construc- tion loan)	Construc- tion loan	Total interest- bearing debt
<b>Balance at 1.1.2011</b>	<b>19 525</b>	<b>94</b>	<b>19 618</b>
Change in construction loan	-	84	84
New borrowings in Q1	-	-	-
<b>Total funds from issuance and long-term and short-term debt (excl. construction loans)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Repayment of DnB Nor Aker Floating Production	(127)		(127)
Aker Drilling repayment of post-delivery credit facility from DnB Nor	(60)		(60)
Aker Drilling repayments Eksportfinans	(212)		(212)
Other repayments	(24)		(24)
<b>Total repayments of long-term and short-term debt (excl. construction loan)</b>	<b>(423)</b>	<b>-</b>	<b>(423)</b>
Effect of downward sale in Aker Drilling	(10 549)	-	(10 549)
Exchange rates differences and other changes	(282)	-	(282)
<b>Balance at 31.3.2011</b>	<b>8 270</b>	<b>178</b>	<b>8 448</b>

Balance as per 31.3.2011 is allocated on short-term and long-term items as follows:

Short-term debt inclusive construction loan	969
Long-term loan	7 479
<b>Balance at 31.3.2011</b>	<b>8 448</b>

## 9. Discontinued operations

### Equity issue and listing of Aker Drilling

Aker Drilling has entered into a contract on construction of two drill ships and an option of further two ships. During Q1 2011 Aker Drilling finalized an equity issue of NOK 3.9 billion and renegotiated a bank loan to a new loan with maturity of five years.

Aker participated in the equity issue with NOK 567 million. Following the equity issue, Aker's ownership was reduced to 41.1% and is no longer controlling the company. Accordingly the investment is treated as an associated company. Net loss at 24 February 2011 is NOK 1.2 billion. The investment in Aker Drilling is from 24 February 2011 accounted for under the equity method.

As the equity issue lead to loss of control of Aker Drilling the investment is presented as discontinued operations. Net loss from the transaction, the result in Aker Drilling in 2010 and the result in 2011 up to 24 February is presented in the Income Statement as discontinued operations.

Aker's owner share after the transaction is 41.1% and net book value is NOK 2 322 million including the additional investment of NOK 567 million and share of earnings in March 2011.

## Financial information of Aker Drilling in 2010 and for the period from 1 January to 24 February 2011

<i>Amounts in NOK million</i>	2010	2011	Year 2010
Operating revenues	383	363	1 999
Operating expenses	(272)	(157)	(1 045)
<b>Operating profit before depreciation and amortization</b>	<b>111</b>	<b>206</b>	<b>954</b>
Depreciation and amortization	(98)	(60)	(409)
Impairment changes and non-recurring items	-	-	-
<b>Operating profit</b>	<b>13</b>	<b>145</b>	<b>545</b>
Share of earnings in associated companies	-	-	-
Net financial items	(50)	(136)	(445)
<b>Profit before tax</b>	<b>(37)</b>	<b>10</b>	<b>99</b>
Income tax expense	10	(6)	(17)
<b>Net profit/loss</b>	<b>(27)</b>	<b>4</b>	<b>81</b>
Sales loss	-	(1 166)	-
Income tax expenses	-	-	-
<b>Net profit/loss from discontinued operations</b>	<b>(27)</b>	<b>(1 162)</b>	<b>81</b>
Equity holders of the parent	(27)	(1 162)	81
Minority	-	-	-
<b>Net profit/loss from discontinued operations</b>	<b>(27)</b>	<b>(1 162)</b>	<b>81</b>
	-	-	-
<b>Result per share (result for the period)</b>	<b>(0,37)</b>	<b>(16,06)</b>	<b>1,13</b>

### Balance per 24 February 2011 before equity issue and refinancing:

<i>Amounts in NOK million</i>	
Property, plant & equipment	10 123
Intangible assets and other long-term assets	255
Short-term operational assets	650
Long-term liabilities	(658)
Short-term operational liabilities	(372)
<b>Net interest-free assets and liabilities</b>	<b>9 997</b>
Cash and bank deposits	1 272
Interest-bearing debt to Aker ASA	(2 790)
Net other interest-bearing liabilities	(5 445)
<b>Equity</b>	<b>3 034</b>

### Loss in Aker from dilution in Aker Drilling

Amounts in NOK million

<b>Aker Drilling equity value before equity issue:</b>	1 767
Equity in Aker Drilling per 24.02.2011	3 034
Group eliminations per 24.02.2011	(258)
<b>Equity recorded in Aker per 24.02.2011</b>	<b>2 776</b>
<b>Loss before reclassification other comprehensive income</b>	<b>(1 009)</b>
Other comprehensive income reclassified to profit and loss	(157)
<b>Sales loss in income statement</b>	<b>(1 166)</b>

### 10. Operating segments

Aker identifies segments based on the group's management and internal reporting structure. The activities in the group are organized in 3 main segments. Industrial holdings, Funds and Financial investments including other assets and eliminations. The main objective for the Industrial holdings is long-term value creation. Businesses within Funds are monitored as a portfolio with an opportunistic view on financial and strategically opportunities. Recognition and measurement applied in the segment reporting are consistent with the accounting policies in the condensed consolidated interim financial statements.

#### Operating revenues

Amounts in NOK million	1 Q 2010	1 Q 2011	Year 2010
<b>Industrial holdings</b>			
Aker Solutions <sup>1</sup>	-	-	-
Aker Drilling <sup>2</sup>	-	-	-
Det norske oljeselskap <sup>1</sup>	-	-	-
Aker BioMarine	49	70	310
Aker Clean Carbon <sup>3</sup>	-	-	-
Other industrial investments	-	-	-
<b>Total industrial holdings</b>	<b>49</b>	<b>70</b>	<b>310</b>
<b>Funds</b>			
Converto Capital Fund <sup>4</sup>	1 333	1 175	5 228
<b>Total funds</b>	<b>1 333</b>	<b>1 175</b>	<b>5 228</b>
Financial investments, other assets and eliminations	7	137	(10)
<b>Aker Group</b>	<b>1 390</b>	<b>1 382</b>	<b>5 528</b>

### Profit before tax

Amounts in NOK million	1 Q 2010	1 Q 2011	Year 2010
<b>Industrial holdings</b>			
Aker Solutions <sup>1</sup>	261	1 345	802
Aker Drilling <sup>2</sup>	-	(15)	-
Det norske oljeselskap <sup>1</sup>	(81)	(109)	(196)
Aker BioMarine	(34)	(21)	(169)
Aker Clean Carbon <sup>3</sup>	(4)	(6)	(23)
Other industrial holdings	(3)	(12)	(10)
<b>Total industrial holdings</b>	<b>139</b>	<b>1 182</b>	<b>403</b>
<b>Funds</b>			
Converto Capital Fund <sup>4</sup>	40	(2)	(226)
<b>Total funds</b>	<b>40</b>	<b>(2)</b>	<b>(226)</b>
Financial investments, other assets and eliminations	(47)	1	419
<b>Aker Group</b>	<b>133</b>	<b>1 181</b>	<b>596</b>

<sup>1</sup> Share of earnings in associated companies

<sup>2</sup> Share of earnings from 24 February 2011 after dilution and loss of control.

<sup>3</sup> Joint Venture (50%) accounted for under the equity method from 1 January 2010.

<sup>4</sup> Consolidated companies owned by Converto Capital Fund.

### Balance sheet

Total assets of the Aker Group are reduced from NOK 41.2 billion at the end of 2010 to NOK 28.8 billion at 31 March 2011. The decrease is mainly due to loss of control of the subsidiary Aker Drilling and derecognition of the assets and liabilities of the company. See note 9.

### 11. Transactions and agreements with related parties

The equity issue in Aker Drilling led to a dilution of Aker's shareholding and loss of control. Aker participated in the equity issue with NOK 567 million. Following the equity issue, Aker's ownership was reduced to 41.1%. Aker's NOK 2.8 billion (USD 488 million) loan has been repaid in full. Further, the refinancing of Aker Drilling's NOK 1.5 billion bond loan released Aker ASA from former guarantees for the drilling company. See also note 9.

See also note 37 in the group annual accounts 2010 for transactions and agreements with related parties.

### 12. Events after the balance sheet date

On 6 May 2011, Aker Solutions' annual shareholders' meeting voted to spin off the EPC business to company shareholders. The EPC company will continue its development under the historical industrial name Kværner ASA; listing on the Oslo Stock Exchange is scheduled for July 2011. Aker Holding will become the largest Kværner shareholder, with 40.1 percent of its stock after the transactions are completed. Aker owns 60 percent of Aker Holding shares; the Kværner investment will be a component of Aker's Industrial Holdings portfolio.