



# AKER ASA

## 3rd quarter 2005: Status and outlook

Oslo, 3 November 2005



## Agenda

- **Aker**
  - Group update Leif-Arne Langøy, CEO
  - 3Q05 financials Bengt A Rem, CFO
  - Q&A
- Aker Seafoods - separate session

*The accounts in this presentation have been prepared in accordance with the International Financial Reporting Standard (IFRS). Historical numbers have been recalculated according to the same principles.*



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## Current group structure



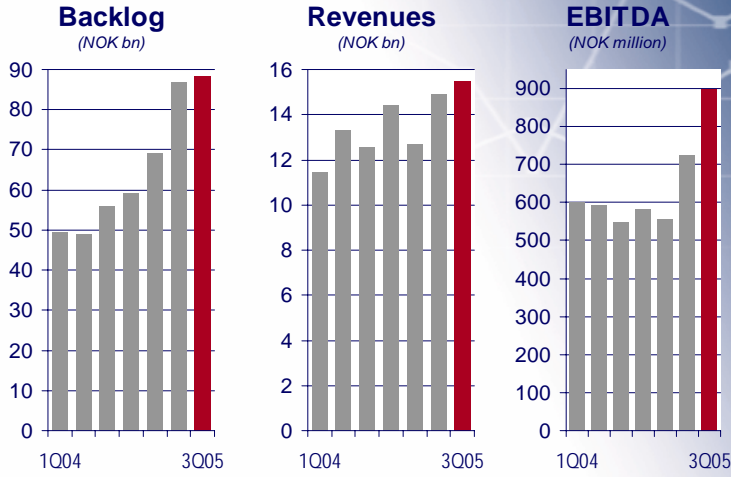
Third quarter 2005

## Group highlights

- Positive trend continues
  - Operations continue to improve
  - EBITDA up 24 % to NOK 897 mill in 3Q05
- Record high order backlog: NOK 88 bn
  - High activity in markets continue
  - NOK 17.6 bn contracts and LOIs announced to date in 4Q
- Premium shareholder value
  - Aker Drilling launched, NOK 926 mill value for Aker, NOK 640 mill profit in 4Q05
  - Aker Hus sold for NOK 1.4 bn, NOK 400 mill profit in 4Q05
- Positive outlook
  - Strong order backlog good foundation for further growth in profits



## Third quarter 2005 Key indicators

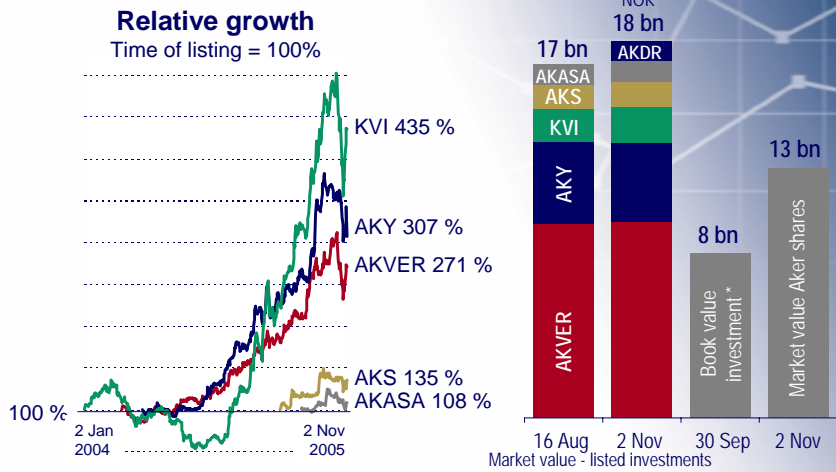


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## Share price development



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\* Excl Aker Drilling

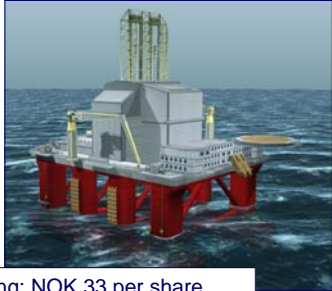
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## Aker Drilling

### Aker H-6e

The future of deepwater drilling



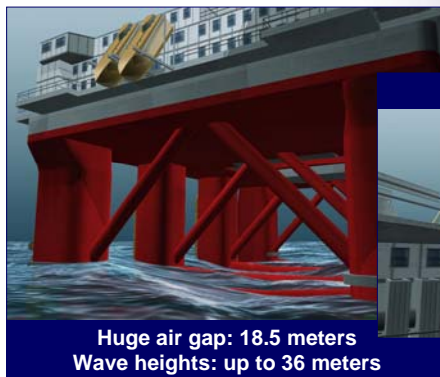
OTC trading: NOK 33 per share  
Implied market value: NOK 3 bn  
Aker share: 30.8 %

- Financing in place
  - NOK 2.5 bn equity
  - NOK 800 mill convertible
  - NOK 5 bn debt
- Construction contracts with Aker Kværner confirmed
- Dialogue continues with rig owners and operators
- Applies for listing on Oslo Stock Exchange



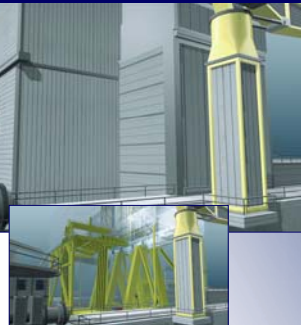
### Aker H-6e

## Superior environment capabilities



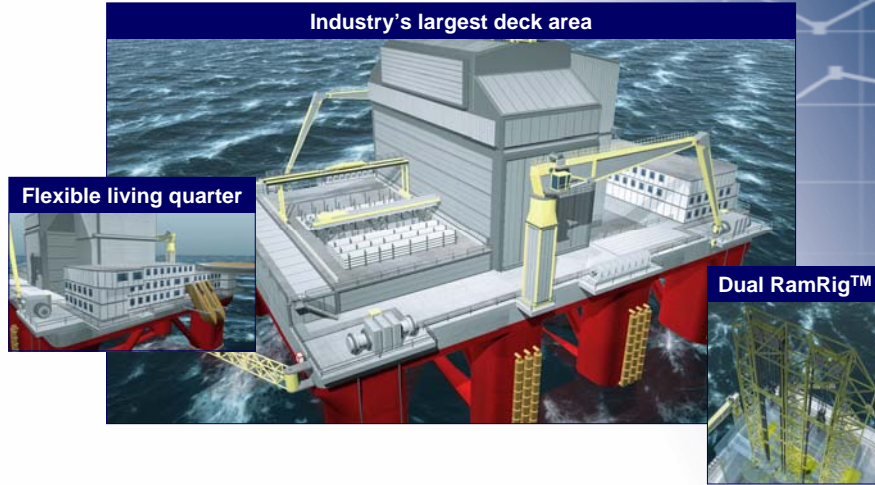
Huge air gap: 18.5 meters  
Wave heights: up to 36 meters

Fully winterized





## Aker H-6e Top-of-class efficiency



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## Aker Hus



- 2100 work stations
- Modern, flexible office building
- Cost efficient, rent reduced

Project sold for NOK 1.4 billion  
Profit to Aker in 4Q05: ca NOK 400 million  
Construction under way

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## Status contingent events Kværner merger and dividend

- Merger with Kværner ASA approved
  - Approved by Kværner and Aker shareholders on Extraordinary General Meeting (EGM) on 29 September
  - Currently pending third party approvals
  - Closing expected 1 December
  - Consideration shares registered on or about 8 December
- Dividend to Aker shareholders approved
  - Approved by Aker shareholders on EGM 29 September
  - Pending merger with Kværner ASA
  - Most likely ex-date 9 December
  - Dividend 23 December



## Status 3Q05 Aker Yards

- Continued improvement of operations
- Strong order backlog
- Outlook maintained
  - Revenues in NOK 16-18 bn range, EBITDA above 2004



Strilmøy



Freedom of the Seas



Island Wellserver

Key figures (in NOK million)	3Q 2004	3Q 2005	YTD 2004	YTD 2005	Year 2004
Revenues	2 702	4 219	8 664	11 710	12 514
EBITDA	173	282	611	681	791
Order intake	6 684	3 540	10 905	24 313	17 283
Order backlog*			20 342	35 457	23 366

\* At end of period



## Color Line Superspeed In the fast lane



**Letter of intent: 2 superspeed fast ferries**

Customer: Color Line  
 Contract value: EUR 232 million  
 Dimensions: 211 meters long, 26 meters wide  
 Capacity: 1800 passengers  
 2000 lane meters vehicle space



## Status 3Q05 Aker Seafoods

- Operational improvement
- Strong market for cod, saithe, haddock. Product mix improved
- Integration of WFAa, NSH nearly completed



Key figures (in NOK million)	3Q 2004	3Q 2005	YTD 2004	YTD 2005	Year 2004
Revenues	533	455	1 931	1 802	2 467
EBITDA <sup>1</sup>	9	25	116	148	157
EBITDA	21	25	177	148	211

<sup>1</sup> Excl non-recurring, non-operational items and discontinued businesses





## Status 3Q05 Aker Seafoods, Corp.

- Surimi market develops positively
- Argentina operations impacted by strikes
- Krill project according to plan, vessel upgrade under way
- Promising surimi project at Færøyane, upgraded vessel in operation in 4Q



### Fleet overview

#### Factory-tractlers

Centurion	Argentina, partly in op
A Navigator	Faroes, NBW*, upgrading
Næraberg	Faroes, conversion
Saga Sea	Antarctic, Krill, upgrading
Heather Sea	Canada, idle

#### Long-liners

Antarctic I	Argentina, idle
Antarctic II	Argentina, partly in op
Antarctic III	Argentina, idle

\* NBW = Northern Blue Whiting

Aker Seafoods, Corp financials are reported as part of Aker ASA and other business

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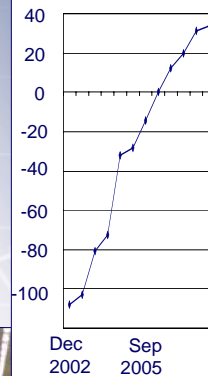
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## Status 3Q05 Aker Material Handling

- Strong order intake in 3Q
  - 35 % up from 3Q last year
- Margins up on operational improvements
- Growing in the UK
  - Dexion Comino acquired

### LTM EBITDA



Caterpillar Services facilities upgrade

Key figures (in NOK million)	3Q 2004	3Q 2005	YTD 2004	YTD 2005	Year 2004
Revenues	311	300	896	935	1 226
EBITDA	4	5	(7)	14	12
Order intake	237	320	930	1 000	1 297
Order backlog*			270	311	265

\* At end of period

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## Status 3Q05 Aker Kværner

- Profits up by 52 per cent
  - EBITDA margin above 5 percent
- Record-high order backlog, main markets still strong
- Exceeds 2006 EBITDA target this year



Key figures (in NOK million)	3Q 2004	3Q 2005	YTD 2004	YTD 2005	Year 2004
Revenues	8 921	10 073	25 493	28 189	35 553
<b>EBITDA</b>	<b>354</b>	<b>539</b>	<b>993</b>	<b>1 356</b>	<b>1 362</b>
Order intake	12 637	11 795	30 261	38 096	41 582
Order backlog*			35 562	46 401	35 920

\* At end of period

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## Aker Kværner Pulp & Power Suzano Mucuri mill

- Pulp mill expansion project for Suzano in Brazil
- USD 350 million LOI
  - Cooking plant
  - Recovery island
- Scope
  - Engineering, procurement and construction services (EPC)
  - Completion 3Q07

### Compact Cooking™



Cost-effectively optimizes pulp properties to meet paper mill specifications.

### Unique technology position



Aker Kværner delivers the world's largest recovery boilers. The Suzano's new recovery boiler will be the second largest in the world.

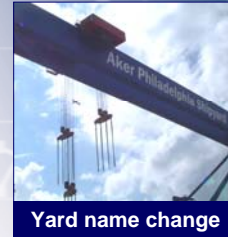
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## Status 3Q05 Aker American Shipping

- Strong market for Jones Act product tankers confirmed
  - OSG signs long-term TC contract with Shell Oil for first 2 PTs
- USD 350 million credit facility arranged for first 5 PTs



Yard name change



28 Oct: Keel laying PT #1

Key figures (in NOK million)	3Q 2004	3Q 2005	YTD 2004	YTD 2005	Year 2004
Revenues	-	194	-	1 466	-
EBITDA	(1)	38	(72)	103	80
Order intake	-	-	-	-	-
Order backlog*	-	-	-	5 958	-

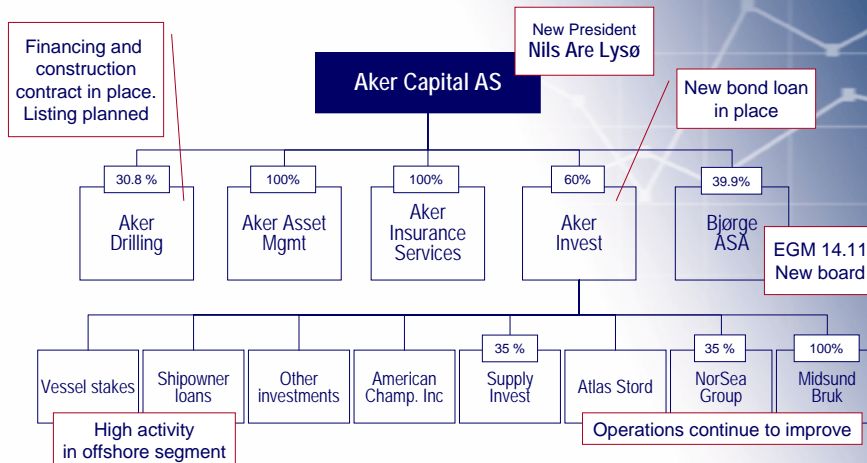
\* At end of period

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## Aker Capital



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# AKER ASA



## Details 3Q financials

Bengt A Rem  
Executive Vice President & CFO



## Aker group consolidated EBITDA by main business

	3Q 2004	<b>3Q 2005</b>	YTD 2004	<b>YTD 2005</b>	Year 2004
Revenues	12 554	<b>15 463</b>	37 301	<b>43 023</b>	51 692
<b>EBITDA</b>	<b>549</b>	<b>897</b>	<b>1 745</b>	<b>2 177</b>	<b>2 315</b>
Aker Kværner	354	<b>539</b>	993	<b>1 356</b>	1 362
Aker Yards	173	<b>282</b>	611	<b>681</b>	791
Aker American Shipping *	(1)	<b>38</b>	(72)	<b>103</b>	80
Aker Seafoods **	9	<b>25</b>	116	<b>148</b>	157
Aker Material Handling	4	<b>5</b>	(7)	<b>14</b>	12
Order intake	19 558	<b>15 655</b>	42 096	<b>63 409</b>	60 162
Order backlog *			56 174	<b>88 241</b>	59 551

\* Aker acquired AKASA in June 2005. This company's profit is listed above, but eliminated in group consolidated numbers. The acquisition is reflected in the group balance as of 30.6.05 and in the group order reserve at the end of the second quarter

\*\* Before non-recurring items



## Aker group consolidated Income statement

	3Q 2004	3Q 2005	YTD 2004	YTD 2005	Year 2004
<small>(in NOK million)</small>					
Operating revenues	12 554	15 463	37 301	43 023	51 692
<b>Operating profit (EBITDA)</b>	<b>549</b>	<b>897</b>	<b>1 745</b>	<b>2 177</b>	<b>2 315</b>
Depreciation	(203)	(218)	(596)	(602)	(776)
Impairment changes	18	(7)	(10)	(13)	(35)
<b>Operating profit</b>	<b>363</b>	<b>671</b>	<b>1 140</b>	<b>1 563</b>	<b>1 504</b>
Net financial items	(215)	(133)	(627)	(424)	(757)
Non recurring items	(36)	0	(173)	0	(231)
<b>Profit before tax</b>	<b>112</b>	<b>539</b>	<b>339</b>	<b>1 139</b>	<b>516</b>
Tax	(86)	(119)	(217)	(651)	(496)
<b>Profit after tax</b>	<b>26</b>	<b>420</b>	<b>122</b>	<b>488</b>	<b>20</b>
Minority interest	69	206	169	473	231
Majority interest	(43)	214	(47)	15	(211)

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## Aker group consolidated Balance sheet

	31.12 2004	30.06 2005	30.09 2005
<small>(in NOK million)</small>			
Tangible and non-tangible fixed assets	14 619	16 051	16 632
Other fixed assets	1 270	2 258	3 030
Cash and interest bearing receivables	9 013	7 439	8 716
Other current assets	14 529	21 432	18 938
<b>Total assets</b>	<b>39 431</b>	<b>47 181</b>	<b>47 316</b>
Shareholders' equity	6 158	6 750	7 642
Minority interests	3 159	5 968	6 144
Subordinated liabilities	2 726	2 981	3 033
Interest-bearing debt	8 575	10 064	9 946
Interest-free debt	18 813	21 418	20 551
<b>Equity and liabilities</b>	<b>39 431</b>	<b>47 181</b>	<b>47 316</b>
Net interest bearing debt(-)/assets(+)	438	-2 624	-1 230
Equity ratio (%)	24 %	27 %	29 %

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## Aker ASA and holding companies Balance sheet

(in NOK million)	31.12 2004	30.06 2005	<b>30.09 2005</b>
Tangible and non-tangible fixed asset	773	1 006	1 062
Long-term interest bearing items	1 236	1 558	1 661
Long-term financial assets	8 304	7 978	8 122
Other current assets	384	69	75
Cash and interest bearing receivables	474	1 940	1 702
<b>Total assets</b>	<b>11 171</b>	<b>12 551</b>	<b>12 622</b>
Shareholder's equity	7 618	8 660	8 664
Non-interest bearing liabilities	763	751	798
Interest bearing liabilities (internal)	888	237	238
Interest bearing liabilities (external)	1 902	2 903	2 922
<b>Equity and liabilities</b>	<b>11 171</b>	<b>12 551</b>	<b>12 622</b>
Net interest bearing debt (-)/assets (+)	- 1 080	+ 358	+ 203
Equity ratio	68 %	69 %	69 %

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## Aker ASA and holding companies Debt and liabilities overview

Interest bearing debt (in NOK million)	
Bond AKER 01	500
Bond AKER 02	500
Bond AKE 16	359
AKS convertible	290
Kværner ASA <sup>1</sup>	982
Bank debt and other	291
<b>Total external</b>	<b>2 922</b>
Internal debt	238
<b>Total</b>	<b>3 160</b>

Interest bearing liabilities (in NOK million)	
Cash + liquid assets	1 702
Interest-bearing fixed assets	1 661
<b>Total</b>	<b>3 363</b>

**Net interest-bearing items + 203**

<sup>1</sup> Debt to Kværner will be settled in the planned merger with Aker Maritime Finance AS

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## Aker ASA and holding companies Balance sheet - Pro forma

		Pro forma
<i>Pro forma column includes effects of Aker Drilling, Aker Hus, Kværner merger and dividend</i>	30.09	<b>30.09</b>
(in NOK million)	2005	<b>2005</b>
Tangible and non-tangible fixed asset	1 062	1 260
Long-term interest bearing items	1 661	1 957
Long-term financial assets	8 122	8 662
Other current assets	75	113
Cash and interest bearing receivables	1 702	1 212
<b>Total assets</b>	<b>12 622</b>	<b>13 204</b>
Shareholder's equity	8 664	10 200
Non-interest bearing liabilities	798	831
Interest bearing liabilities (internal)	238	238
Interest bearing liabilities (external)	2 922	1 936
<b>Equity and liabilities</b>	<b>12 622</b>	<b>13 204</b>
Net interest bearing debt (-)/assets (+)	+ 203	+ 995
Equity ratio	69 %	77 %

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## Aker ASA and other activities Key financials

	3Q 2004	3Q 2005	YTD 2004	YTD 2005	Year 2004
Revenues	87	222	317	(1 079)	(68)
EBITDA	(3)	7	41	(125)	(141)
Profit before tax	(132)	(57)	(420)	(315)	(475)

### Comments year to date

- Includes parent companies costs NOK 58 million

### This segment includes

- Aker Capital, including Aker Invest, Aker Asset Management, Aker Insurance Services
- Aker Seafoods, Corp. Deepwater division
- Aker ASA and other companies in holding company structure

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## From 2Q05 presentation Strategic group priorities

- ✓ Operational focus
  - Predictable performance
- ✓ Aker Drilling
  - First Aker H-6 semisub drilling rig in the market at end of 2007, more will follow
- ✓ Aker Hus
  - Will be syndicated
- ✓ Kværner and Aker merger
  - Scheduled for completion in November 2005
  - Cash payment to shareholders
- ✓ Aker Capital
  - Develop new core business
- ✓ Group synergies
  - Sourcing
  - People development

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**Operations improve, positive outlook**  
**Record high order backlog**  
**Premium shareholder value**

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