

## A good year

**2005 was one of Aker's best years. Revenues exceeded NOK 62.4 billion in 2005 and operating profit before depreciation and amortization amounted to NOK 3.3 billion. The Group strengthened its financial position throughout the year, and the order backlog stood at NOK 98.4 billion at year-end 2005. This solid performance gives Aker a good foundation for continued growth and improved profitability.**

**The Board of Directors will propose to the annual shareholders' meeting the payment of an ordinary dividend of NOK 6.5 per share for the 2005 accounting year.**

Operations in all main Aker Group companies developed well in both 2005 as a whole and in the fourth quarter. The fourth quarter was characterized by markedly increased activity levels, particularly at Aker Kværner and Aker Material Handling, and margin improvement continued. The Aker Group had a fourth-quarter 2005 EBITDA of NOK 1 144 million, up from NOK 897 million in the third quarter and NOK 525 million in the fourth quarter of 2004.

The Group's 2005 order intake amounted to NOK 91.2 billion, up more than 50 percent compared with 2004. The order backlog at year-end 2005 corresponds to 1.6 times annual revenues. The corresponding multiple at year-end 2004 was 1.2. Greater order intake is attributable to Group companies' strengthened competitiveness as well as stronger markets. Contract margins were generally higher in 2005 than in prior periods.

| <b>Key figures</b>                                |            |              |              |              |
|---|------------|--------------|--------------|--------------|
| Consolidated and by main unit<br>(in NOK million) | 4Q<br>2004 | 4Q<br>2005   | Year<br>2004 | Year<br>2005 |
| Revenues  | 14 363     | 19 426       | 51 641       | 62 450       |
| <b>EBITDA</b>                                     | <b>525</b> | <b>1 114</b> | <b>2 229</b> | <b>3 322</b> |
| <b>Key figures companies</b>                      |            |              |              |              |
| Aker Kværner                                      | 369        | 789          | 1 362        | 2 145        |
| Aker Yards  | 173        | 343          | 743          | 1 024        |
| Aker American Shipping *                          | 152        | 41           | 80           | 131          |
| Aker Seafoods ASA **                              | 41         | 39           | 157          | 187          |
| Aker Material Handling                            | 18         | 21           | 11           | 35           |
| Other, eliminations                               | (227)      | (83)         | (185)        | (194)        |
| Order intake                                      | 18 066     | 27 814       | 60 162       | 91 223       |
| Order backlog                                     |            |              | 59 551       | 98 371       |

\* Aker acquired its majority shareholding in Aker American Shipping in June 2005. The company's profit for the period 1 January through 31 December is presented in the above table; however, figures for 1 January through 30 June are reversed in the Eliminations item, so that column totals in the Aker Group's consolidated profit and loss account remain unchanged. The American Shipping acquisition is recorded in the Group's consolidated balance sheet as of 30 June 2005.

\* Before non-recurring items

The Group's consolidated balance sheet grew, from NOK 39.4 billion at year-end 2004 to NOK 57.3 billion as of 31 December 2005. One significant reason for the balance sheet growth is increased activity levels, which resulted in an increase in the Group's working capital. Cash and cash equivalents also grew as a result of the Group's generally good operations. Cash and cash

equivalents amounted to NOK 12.4 billion at year-end 2005, up more than 50 percent, compared with 31 December 2004. Net interest-bearing receivables increased by more than NOK 1 billion to NOK 1.6 billion during the year.

The positive development of Group subsidiaries resulted in higher parent company share price. The value of Aker's listed assets rose, from NOK 8.2 billion at year-end 2004 to NOK 19.0 billion as of 31 December 2005. The equity ratio of Aker ASA and other wholly owned companies that are part of the holding company structure was 73 percent at year-end 2005 after the proposed dividend. Net interest-bearing receivables amounted to NOK 1.1 billion.

## **Markets and prospects**

A significant part of the Group's activities are directly or indirectly dependent on developments in the world's energy markets, global trade, and the travel industry. The underlying trends in these segments are positive.

Aker Kværner, Aker Drilling, and to a certain extent Aker Yards, make substantial deliveries to the oil and gas industry. Anticipated demand growth as well as diminishing production from existing oil and gas fields are fundamental driving forces affecting these business activities. Aker American Shipping and Aker Yards deliver vessels for seaborne transportation, and Aker Yards is a preferred supplier of cruise ships for the travel industry. For Aker Seafoods, the increased demand for fresh seafood products in the European market is an important market indicator.

Aker is well prepared to take advantage of these fundamentally positive conditions and envisions continued growth and improving margins in all main companies.

## **Financial strength**

The balance sheet for the parent company Aker ASA and holding companies that are part of the parent company structure (parent and holding companies) expresses the parent company structure's total liquidity, receivables, and liabilities of the listed companies and other operational companies of the Group.

Parent and holding companies' cash and short-term interest-bearing receivables amounted to NOK 1 331 million at year-end 2005, compared with NOK 474 million a year earlier. Gross debt decreased from NOK 2 790 million to NOK 2 173 million during the year, of which intra-group debt to subsidiaries amounted to NOK 254 million at the close of 2005.

Aker ASA's net interest-bearing receivables as of 31 December 2005 amounted to NOK 1 092 million, a reversal of the net-debtor position at year-end 2004, when the company's net interest-bearing debt was NOK 1 080 million. The equity ratio rose from 68 percent at year-end 2004 to 73 percent as of 31 December 2005.

The most significant changes in the parent and holding companies' balance sheet in the fourth quarter of 2005 were the establishment of Aker Drilling, the sale of the Aker House project, the merger with Kværner, and the payment of a NOK 14 per-share extraordinary dividend in December. These issues are presented in greater detail below.

Aker ASA and the holding companies that are part of the parent company structure aim to maintain a solid balance sheet and liquidity reserves adequate to handle future obligations. The purpose is to secure a robust financial status that is suitably buffered against the effects of short-term earnings fluctuations in Group subsidiaries and a foundation for a predictable dividend policy. Aker's objective is to pay dividends annually that amount to, on average, over time, 2-4 percent of the company's net asset value.

The net asset value is based on the share price of Aker's listed investments. For the 2005 and 2006 accounting years, dividend payments will most likely be in the lower end of the stipulated interval.

#### Parent and holding companies

|   |              |
|---|--------------|
| Profit and loss statement<br>(in NOK million) | <b>2005</b>  |
| Sales gains                                   | 1 613        |
| Operating expenses                            | -104         |
| <b>EBITDA</b>                                 | <b>1 509</b> |
| Depreciations                                 | -9           |
| Net financial items                           | 8            |
| <b>Profit before tax</b>                      | <b>1 508</b> |

| Parent and holding companies                    | 30.09         | 31.12         | Market        |               |
|---|---------------|---------------|---------------|---------------|
| Balance sheet<br>(in NOK million)               | 2005          | 2005          | valuer        |               |
|   | 2004          |               |               |               |
| Tangible and non-tangible fixed asset           | 773           | 1 062         | 1 161         | 1 161         |
| Long-term interestbearing items                 | 1 236         | 1 661         | 1 934         | 1 934         |
| Long-term financial assets                      | 8 304         | 8 122         | 8 612         | 23 091        |
| Other current assets                            | 384           | 75            | 26            | 26            |
| Cash and interest-bearing receivables           | 474           | 1 702         | 1 331         | 1 331         |
| <b>Total assets</b>                             | <b>11 171</b> | <b>12 622</b> | <b>13 064</b> | <b>27 543</b> |
| Shareholders' equity                            | 7 618         | 8 664         | 9 583         | 24 062        |
| Non-interest-bearing liabilities                | 763           | 798           | 1 308         | 1 308         |
| Interest-bearing liabilities (internal)         | 888           | 238           | 254           | 254           |
| Interest-bearing liabilities (external)         | 1 902         | 2 922         | 1 919         | 1 919         |
| <b>Equity and liabilities</b>                   | <b>11 171</b> | <b>12 622</b> | <b>13 064</b> | <b>27 543</b> |
| <i>Net interest-bearing debt (-)/assets (+)</i> | -1 080        | 203           | 1 092         | 1 092         |
| <i>Equity ratio</i>                             | 68 %          | 69 %          | 77 %          | 87 %          |

## Strategic milestones

**Aker Drilling** was established in the fall of 2005, initially as a wholly owned subsidiary of Aker Capital. Following a successful capitalization of the company, which included a NOK 2.5 billion private placement of shares, Aker reduced its ownership of Aker Drilling to 30.8 percent. Based on the NOK 36.85 per-share issue price, the value of Aker's investment in Aker Drilling was NOK 926 million. Aker Drilling was listed on the Oslo Stock Exchange in December 2005.

Aker Drilling has two advanced drilling platforms under construction, for delivery in February and October 2008, and the company holds an option for an additional two such platforms, for delivery in 2009 and early 2010. The rigs are to be built by Aker Kværner.

**Aker House** (Aker Hus) is the name of the new Oslo-region headquarters of the Aker Group, now under construction. Aker bought the real estate parcel, including approved architectural drawings for the office building, in the summer of 2005. In the fourth quarter of 2005, Aker sold the real estate company that owns the land and the construction project to the listed investment company Acta ASA for NOK 1.4 billion. The real estate transaction generated a gain for Aker ASA of approximately NOK 400 million. Additionally, Aker estimates that the Group's Oslo-area office rental expenses will be cut about 15 percent from the current level

**The merger between Aker Maritime Finance and Kværner** was agreed to between the boards of directors of Aker and Kværner in August 2005. At subsequent extraordinary shareholders' meetings of the merging companies held in late September, the merger was approved and the transaction was completed in late November/early December. Through the merger, Aker achieved a significant simplification of its shareholder and corporate structures, and eliminated the company's debt to Kværner following the acquisition of Aker American Shipping shares.

Related to the merger, Aker shareholders decided to pay an **extraordinary dividend** totaling NOK 14 per share. The dividend was paid following completion of the merger, just before Christmas 2005.

## Post-year-end-2005 events

After year-end 2005, Aker Yards and Aker Kværner announced significant transactions that, if completed, will result in the Aker Group increasing its shipbuilding activities and reducing deliveries to land-based processing industries.

In January 2006, Aker Yards entered into an acquisition agreement with the Marine division of the French company, Alstom, which includes the large shipyard Chantiers de l'Atlantique, located on the Atlantic coast. Alstom Marine's shipbuilding activities have annual revenues in excess of NOK 4 billion and 3 200 employees. The acquisition was motivated by the expected growth in demand for large cruise ships. A letter of intent between Aker Yards and Alstom will be finalized in the first quarter of 2006.

Aker Kværner's letter of intent with the Finnish company Metso for sale of Aker Kværner's Pulp & Power activities was announced in February. These activities have developed positively in recent years, although customers are increasingly demanding more integrated solutions. Thus, it made sense, industrially, to seek to integrate the activities with those of another industry participant. A final sales agreement is expected to be concluded in the first half of 2006. The Pulp & Power companies to be divested had 2005 revenues of NOK 4.5 billion and 2 200 employees.

## Consolidated profit and loss account and balance sheet

The 2005 consolidated accounts of the Aker Group show operating revenues of NOK 62 450 million. The Group's operating profit before depreciation and amortization (EBITDA) amounted to NOK 3 322 million in 2005. Operating profit after depreciation, amortization, and NOK -69 million in exceptional operating items (EBIT) amounted to NOK 2 404 million.

Pre-tax profit for 2005 amounted to NOK 2 611 million, after net financial items of NOK -833 million and NOK 1 041 million in other income (NOK 400 million gain on the sale of the Aker House project *plus* NOK 641 million related to the establishment of Aker Drilling).

Tax expenses amounted to NOK 21 million. After-tax profit for 2005 was NOK 2 590 million, of which the minority's share was NOK 976 million.

## Main group companies

| <b>Aker Kværner</b><br>(in NOK million ) | 4Q<br>2004 | 4Q<br>2005 | Year<br>2004 | Year<br>2005 |
|--|------------|------------|--------------|--------------|
| Revenues                                 | 10 060     | 13 274     | 35 553       | 41 463       |
| <b>EBITDA</b>                            | <b>369</b> | <b>789</b> | <b>1 362</b> | <b>2 145</b> |
| Order intake                             | 11 321     | 19 652     | 41 582       | 57 748       |
| Order backlog                            | 35 920     | 53 341     | 35 920       | 53 341       |

**Aker Kværner's** operating revenues rose by 17 percent to NOK 41 463 million in 2005. The Group's operations developed favorably, and EBITDA for 2005 was NOK 2 145 million, up 57 percent compared with 2004. The improvement from 2004 to 2005 also manifested itself in the form of an increase in the EBITDA margin, from 3.8 percent in 2004 to 5.2 percent in 2005.

Demand for products and services delivered by Aker Kværner has risen, and key contracts were signed in 2005. The company had a 2005 order intake of NOK 57 748 million; the order backlog as of 31 December 2005 was a solid NOK 53 341 million.

Activity levels at Aker Kværner were markedly higher in the fourth quarter of 2005, compared with preceding quarters. The increase is attributable to high activity levels on projects and product deliveries in the period. The fourth-quarter 2005 EBITDA margin rose to 5.9 percent; EBITDA for the quarter reached a record-high NOK 789 million.

Aker Kværner's board of directors will propose that a per-share dividend of NOK 5 be paid for 2005. Aker's share of this dividend disbursement would amount to NOK 138 million.

| <b>Aker Yards</b><br>(in NOK million) | 4Q<br>2004 | 4Q<br>2005 | Year<br>2004 | Year<br>2005 |
|---------------------------------------|------------|------------|--------------|--------------|
| Revenues                              | 3 849      | 4 896      | 12 490       | 16 607       |
| <b>EBITDA</b>                         | <b>173</b> | <b>343</b> | <b>743</b>   | <b>1 024</b> |
| Order intake                          | 6 378      | 7 771      | 17 283       | 32 084       |
| Order backlog                         | 23 366     | 38 897     | 23 366       | 38 897       |

**Aker Yards'** operating revenues increased by 33 percent and EBITDA increased by 38 percent in 2005, compared with 2004 figures. Operating revenues amounted to NOK 16 607 million in 2005; EBITDA amounted to NOK 1 024 million.

In 2005, Aker Yards reinforced its position as a leading international shipbuilding group. During the year, the order backlog grew to NOK 38 897 million; up 66.4 percent compared with 2004. The order backlog at year-end 2005 comprised 112 vessels; their contract value represents more than 2.3 times Aker Yards' 2005 operating revenues.

Aker Yards reported continued growth in both revenues and EBITDA margin in the fourth quarter of 2005, compared with preceding quarters. EBITDA for the fourth quarter of 2005 was NOK 343 million.

Aker Yards' board of directors has proposed payment of a NOK 15.50 per-share dividend for 2005. Aker's income from this dividend disbursement would amount to NOK 178 million.

| <b>Aker American Shipping</b><br>(in NOK million) | 4Q<br>2004 | 4Q<br>2005 | Year<br>2004 | Year<br>2005 |
|---|------------|------------|--------------|--------------|
| Revenues  | -          | 135        | -            | 1 615        |
| <b>EBITDA</b>                                     | <b>152</b> | <b>41</b>  | <b>80</b>    | <b>131</b>   |
| Order intake                                      | -          | -          | -            | -            |
| Order backlog                                     | -          | 5 830      | -            | 5 830        |

**Aker American Shipping** had 2005 revenues of NOK 1 615 million and an EBITDA of NOK 131 million. Productivity at the company's shipyard in Philadelphia is largely developing according to expectations. Demand for the company's product tankers is good; four of the ten contracted ships have already been chartered to end users.

Aker Philadelphia Shipyard, a subsidiary of Aker American Shipping, is currently building a containership for an external customer, and the first vessel in a series of ten product tankers contracted by American Shipping Corporation, a part of Aker American Shipping. Revenues associated with the product tankers are eliminated in Aker American Shipping's accounts, the accounts will thus approach zero when the containership is delivered in mid-2006.

The aforementioned factors largely explain the continued decline in operating revenues in the fourth quarter of 2005. EBITDA for the quarter was NOK 41 million. Productivity development at the yard is satisfactory.

No dividend payment from Aker American Shipping has been proposed for 2005.

| <b>Aker Seafoods</b><br>(in NOK million) | 4Q<br>2004 | 4Q<br>2005 | Year<br>2004 | Year<br>2005 |
|--|------------|------------|--------------|--------------|
| Revenues                                 | 536        | 537        | 2 467        | 2 339        |
| EBITDA before non-recurring items        | <b>41</b>  | <b>39</b>  | <b>157</b>   | <b>187</b>   |
| EBITDA                                   | 41         | 33         | 218          | 181          |

**Aker Seafoods** had revenues of NOK 2 339 million in 2005, somewhat below the 2004 figure. The decline is attributable to the decisions taken in 2005 to discontinue marginal activities at the company's Norwegian processing facilities. EBITDA rose by 19 percent to NOK 187 million in 2005.

The main markets for Aker Seafoods' products are Scandinavia and the rest of Europe. Market demand for fresh seafood has risen sharply in recent years, and Aker Seafoods is adapting its production and product mix accordingly. Fresh seafood products fetch higher prices and yield higher margins than frozen goods.

The positive development in markets, along with the shifting of production toward a greater percentage of fresh seafood products, continued in the fourth quarter of 2005. Harvesting activities brought in a lower harvesting volume in the fourth quarter than in the corresponding 2004 reporting period. EBITDA before non-recurring items amounted to NOK 39 million in the fourth quarter of 2005, compared with NOK 41 million in the fourth quarter of 2004.

Norwegian governmental authorities have suspended planned structural changes and introduced district quotas. In view of these developments, Aker Seafoods has estimated its projection of 2006 synergy effects to NOK 50-70 million. The company expects that further synergy projections will be realizable later, subject to policy clarifications in 2006 by regulatory authorities.

Aker Seafoods' board of directors has proposed that a per-share dividend of NOK 0,75 be paid for 2005. Aker's share of the dividend disbursement would amount to NOK 24 million.

| <b>Aker Material Handling</b><br>(in NOK million) | 4Q<br>2004 | 4Q<br>2005 | Year<br>2004 | Year<br>2005 |
|---|------------|------------|--------------|--------------|
| Revenues  | 335        | 412        | 1 231        | 1 347        |
| <b>EBITDA</b>                                     | <b>18</b>  | <b>21</b>  | <b>11</b>    | <b>35</b>    |
| Order intake                                      | 367        | 391        | 1 297        | 1 391        |
| Order backlog                                     | 265        | 303        | 265          | 303          |

**Aker Material Handling** continued its positive development throughout 2005. Revenues rose 9 percent from 2004 to NOK 1 347 million in 2005. EBITDA for the year was NOK 35 million, up from NOK 11 million in 2004.

Markets have continued to develop favorably and order intake in the fourth quarter was the highest quarterly order intake in several years.

No dividend for 2005 by Aker Material Handling had been proposed.

| Aker ASA and other activities<br>(in NOK million) | 4Q<br>2004   | 4Q<br>2005  | Year<br>2004 | Year<br>2005 |
|---|--------------|-------------|--------------|--------------|
| Revenues  | (417)        | 172         | (100)        | (921)        |
| <b>EBITDA</b>                                     | <b>(227)</b> | <b>(83)</b> | <b>(185)</b> | <b>(194)</b> |
| Profit before tax                                 | (103)        | 1 001       | (597)        | 715          |

**Aker ASA and other activities** include the parent company and some 20 wholly owned holding companies that are part of the parent company structure as well as the operational, wholly owned companies Aker Capital, Aker Seafoods Corp, Molde Fotballklubb, and Group eliminations. Operating revenues in 2005 amounted to NOK -921 million, due to Group eliminations; 2005 EBITDA was NOK -194 million.

Operating expenses of the parent company amounted to NOK 46 million in the fourth quarter of 2005, and NOK 104 million for 2005 as a whole.

Oslo, 15 February 2006  
Board of Directors  
Aker ASA

## Aker ASA Group

As of 1 January 2005, Aker prepares and presents its consolidated accounts according to the International Financial Reporting Standards (IFRS). All 2005 interim reports are prepared and presented according to IAS 34. The appropriate accounting standards and statements are applied in accordance with the interpretations available at the time the accounts are prepared.

The effects of changes in accounting standards, along with comparable 2004 figures prepared according to IFRS, were presented in the company's 27 April 2005 notice to the Oslo Stock Exchange.

Subsequent to additional quality assurance measures and clarifications of the IFRS framework, some modifications to the restated 2004 figures and the figures for the three first quarters of 2005 have been made. The main changes are due to IAS39 (requirements for hedge accounting) and change of accounting of Aker's 21,7% shareholding in Kværner ASA.

The change in equity by the end of the third quarter 2005 is mainly due to the change of accounting of Aker's shareholding in Kværner ASA.

### INCOME STATEMENT

| Amounts in NOK million                                       | 1Q         | 2Q          | 3Q         | 4Q           | 4Q         | Year         |              |
|--|------------|-------------|------------|--------------|------------|--------------|--------------|
|  | 2005       | 2005        | 2005       | 2005         | 2004       | 2005         | 2004         |
| Operating revenues   | 12 666     | 14 894      | 15 463     | 19 426       | 14 363     | 62 450       | 51 641       |
| Operating expenses   | -12 110    | -14 170     | -14 567    | -18 282      | -13 838    | -59 128      | -49 412      |
| <b>Operating profit before depreciation and amortization</b> | <b>556</b> | <b>725</b>  | <b>897</b> | <b>1 144</b> | <b>525</b> | <b>3 322</b> | <b>2 229</b> |
| Depreciation and amortization                                | -189       | -195        | -218       | -246         | -219       | -848         | -815         |
| Impairment changes and non recurring items                   | 0          | -6          | -7         | -57          | 22         | -69          | -160         |
| <b>Operating profit</b>                                      | <b>367</b> | <b>524</b>  | <b>671</b> | <b>841</b>   | <b>328</b> | <b>2 404</b> | <b>1 254</b> |
| Net financial items  | -186       | -306        | -150       | -191         | -179       | -833         | -857         |
| Other income   | 0          | 0           | 0          | 1 141        | 0          | 1 141        |              |
| <b>Profit before tax</b>                                     | <b>181</b> | <b>219</b>  | <b>521</b> | <b>1 691</b> | <b>150</b> | <b>2 611</b> | <b>397</b>   |
| Income tax expense   | -102       | -380        | -113       | 574          | -249       | -21          | -466         |
| <b>Profit for the period</b>                                 | <b>79</b>  | <b>-162</b> | <b>408</b> | <b>2 265</b> | <b>-99</b> | <b>2 590</b> | <b>-69</b>   |
| Minority interest  | 80         | 122         | 199        | 575          | 62         | 976          | 235          |
| Equity holders of the parent                                 | -1         | -284        | 209        | 1 690        | -161       | 1 614        | -304         |

### BALANCE SHEET

| Amounts in NOK million   | At 30.09 |               | Year          |               |
|--|----------|---------------|---------------|---------------|
|  | 2005     |               | 2005          | 2004          |
| <b>Assets</b>  |          |               |               |               |
| <b>Non-current assets</b>  |          |               |               |               |
| Property, plant & equipment                                      |          | 6 251         | 6 523         | 5 615         |
| Intangible assets  |          | 8 627         | 8 798         | 7 669         |
| Deferred tax assets  |          | 1 777         | 2 221         | 1 688         |
| Investment in associated companies                               |          | 540           | 1 191         | 631           |
| Other shares   |          | 371           | 235           | 81            |
| Interest-bearing long-term receivables                           |          | 560           | 1 020         | 774           |
| Other non-current assets   |          | 272           | 333           | 192           |
| <b>Total non-current assets</b>                                  |          | <b>18 398</b> | <b>20 320</b> | <b>16 650</b> |
| <b>Current assets</b>  |          |               |               |               |
| Inventory, trade and other receivables                           |          | 18 919        | 23 749        | 14 528        |
| Interest-bearing short term receivables                          |          | 489           | 832           | 153           |
| Cash and bank deposits   |          | 7 666         | 12 379        | 8 086         |
| <b>Total current assets</b>                                      |          | <b>27 074</b> | <b>36 960</b> | <b>22 767</b> |
| <b>Total assets</b>  |          | <b>45 472</b> | <b>57 279</b> | <b>39 417</b> |
| <b>Equity and liabilities</b>                                    |          |               |               |               |
| <b>Equity</b>  |          |               |               |               |
| Paid in capital  |          | 7 807         | 8 521         | 7 807         |
| Retained earnings and other reserve                              |          | -1 661        | -416          | -1 687        |
| <b>Total equity attributable to equity holders of the parent</b> |          | <b>6 146</b>  | <b>8 105</b>  | <b>6 120</b>  |
| Minority interest  |          | 6 141         | 6 840         | 3 123         |
| <b>Total equity</b>  |          | <b>12 287</b> | <b>14 946</b> | <b>9 243</b>  |
| <b>Non-current liabilities</b>                                   |          |               |               |               |
| Interest-bearing loans   |          | 8 491         | 8 186         | 7 117         |
| Subordinated debt  |          | 3 033         | 3 167         | 2 726         |
| Deferred tax liability   |          | 737           | 643           | 515           |
| Provisions and other long-term liabilities                       |          | 2 213         | 2 122         | 2 118         |
| <b>Total non-current liabilities</b>                             |          | <b>14 474</b> | <b>14 118</b> | <b>12 476</b> |
| <b>Current liabilities</b>                                       |          |               |               |               |
| Short-term debt interest-bearing debt                            |          | 1 455         | 4 473         | 1 446         |
| Tax payable, trade and other payables                            |          | 17 256        | 23 742        | 16 252        |
| <b>Total current liabilities</b>                                 |          | <b>18 711</b> | <b>28 215</b> | <b>17 698</b> |
| <b>Total liabilities</b>   |          | <b>33 185</b> | <b>42 334</b> | <b>30 174</b> |
| <b>Total equity and liabilities</b>                              |          | <b>45 472</b> | <b>57 279</b> | <b>39 417</b> |



**STATEMENT OF CHANGES IN EQUITY**

| Amounts in NOK million            | 4Q           | 4Q           | Year         |              |
|-----------------------------------|--------------|--------------|--------------|--------------|
|                                   | 2005         | 2004         | 2005         | 2004         |
| As of beginning of period         | 6 146        | 6 678        | 6 120        | 6 945        |
| IAS 39, 1 January 2005            | 0            | 0            | 123          | 0            |
| Net profit                        | 1 690        | -161         | 1 614        | -304         |
| Valuation differences             | 1            | 0            | 0            | 0            |
| Merger effects                    | 1 330        | 0            | 1 330        | 0            |
| Dividend paid                     | -1 013       | 0            | -1 013       | 0            |
| Translation and other differences | -49          | -397         | -69          | -521         |
| <b>As of end of period</b>        | <b>8 105</b> | <b>6 120</b> | <b>8 105</b> | <b>6 120</b> |

**CASH FLOW STATEMENT**

| Amounts in NOK million                               | 1Q           | 2Q          | 3Q          | 4Q           | 4Q          | Year         |             |
|--|--------------|-------------|-------------|--------------|-------------|--------------|-------------|
|  | 2005         | 2005        | 2005        | 2005         | 2004        | 2005         | 2004        |
| Cash flow from operating activities                  | -1695        | -361        | 820         | 4868         | 4052        | 3632         | 4921        |
| Cash flow from investing activities                  | 1201         | -1034       | -540        | 1584         | -533        | 1211         | -992        |
| Cash flow from financing activities                  | -907         | 1128        | 960         | -1775        | -1462       | -594         | -3925       |
| <b>Cash flow in the reporting period</b>             | <b>-1401</b> | <b>-267</b> | <b>1240</b> | <b>4677</b>  | <b>2057</b> | <b>4249</b>  | <b>4</b>    |
| Effects of changes in exchange rates on cash         | 71           | -4          | -59         | 36           | -141        | 44           | -302        |
| Cash and cash equivalents at the beginning of period | 8086         | 6756        | 6485        | 7666         | 6170        | 8086         | 8384        |
| <b>Cash and cash equivalents at end of period</b>    | <b>6756</b>  | <b>6485</b> | <b>7666</b> | <b>12379</b> | <b>8086</b> | <b>12379</b> | <b>8086</b> |