Aker ASA
Interim report for the third quarter of 2004

Record order backlog, positive trend in operations

The Aker Group had earnings before depreciation, amortization and financial items (EBITDA) of NOK 1.8 billion for the first nine months of 2004. A record-high NOK 56 billion order backlog contributes to a positive forecast for the group's business activities.

Despite lower revenues, Aker Yards has maintained a satisfactory operating profit so far this year. Aker Kværner and Aker Seafoods' operating profits rose more than 50 percent; Aker Material Handling reversed significant losses recorded in recent years through mid-year 2004 to generate a marginal third-quarter profit.

Revenues and EBITDA Consolidated and by main unit *Amounts in NOK million*	Third quarter 2003	 2004	1 Jan. – 30 Sept. 2003	 2004	Year 2003
Revenues	12 397	12 554	37 803	37 302	51 458
EBITDA	**756**	**562**	**1 995**	**1 784**	**2 607**
Aker Kværner	257	364	660	1 023	1 003
Aker Yards	458	176	1 325	620	1 610
Aker Seafoods	10	25	69	107	74
Aker Material Handling*	-11	4	-40	-7	-34
Other activities, elimination	42	-7	-19	41	-46

** Aker Material Handling numbers are pro forma for continuing business. This adjustment also effects eliminations.*

Key markets for Aker's business activities developed favorably. Thus far in 2004, the order backlogs of Aker Kværner and Aker Yards, which together generate 92 percent of Aker Group revenues, have risen 13 and 11 percent, respectively.

In the first nine months of 2004, operating profit after depreciation, amortization, and exceptional operating items amounted to NOK 654 million. Net financial items declined, from NOK –975 million as of 30 September 2003 to NOK -551 million as of the end of the third quarter of 2004. Accordingly, profit after financial items at the close of the third quarter of 2004 amounted to NOK 90 million, compared with NOK –4 million for the first nine months of 2003.

Financially stronger

The group's consolidated balance sheet shows that Aker's financial position was strengthened in the past year due to a reduction in interest-bearing, short-term debt. Net interest-bearing debt totaled NOK 3.7 billion as of 30 September 2004, compared with NOK 4.1 billion as of 30 September 2003. The equity ratio for the Aker Group as a whole declined, from 23.5 percent to 22.3 percent.

The parent company Aker ASA, including holding companies that are part of the parent company structure, had net interest-bearing items of NOK –1.2 billion as of

30 September 2004. Cash and interest-bearing receivables, amounted to approximately NOK 1.2 billion.

After the close of the third quarter of 2004, interest-bearing debt was further reduced by NOK 263 million through bond repurchases. Additional debt repayment is planned for the fourth quarter of 2004; among these measures is payment of approximately NOK 50 million owed to former minority shareholders of Aker Maritime.

Parent and holding companies Balance sheet *Amounts in NOK million*	as of 30 June 2004	as of 30 Sept. 2004
Intangible, tangible, and interest-free assets	1 456	1 496
Interest-bearing fixed assets	714	836
Investments	9 044	8 349
Interest-free receivables and inventory	387	362
Interest-bearing short-term assets and cash	1 361	1 154
Total assets	**12 962**	**12 197**
Equity	8 940	8 277
Interest-free liabilities	826	774
Interest-bearing liabilities, internal	922	952
Interest-bearing liabilities, external	2 274	2 194
Total equity and liabilities	**12 962**	**12 197**
Net interest-bearing debt	*1 121*	*1 156*
Equity ratio (in %)	*69%*	*68%*

Strategy

The companies that comprise today's Aker Group have undergone comprehensive financial and structural changes in 2004. Two of the main companies, Aker Yards and Aker Kværner, were stock exchange listed in the second quarter of 2004. At exchange listing, the main shareholder of the two companies at that time, Kværner ASA, indicated it was considering reducing its ownership interests, from 75 percent and 58 percent, respectively.

In July 2004, Kværner's ownership interests in Aker Kværner and Aker Yards were transferred to Aker ASA, which was listed in September following a dividend-in-kind share distribution to Kværner ASA shareholders. Aker ASA has no plans to reduce its ownership in Aker Kværner or Aker Yards.

Business segment reporting

Aker Kværner	Third quarter		1 Jan. - 30 Sept.		Year
Amounts in NOK million	2003	2004	2003	2004	2003
Operating revenues	7 459	8 921	22 261	25 493	31 327
EBITDA	257	364	660	1 023	1 003
Profit after financial items	115	125	-165	285	-338
Order intake	7 212	12 637	27 269	30 261	36 902
Order backlog	-	-	30 798	35 562	31 491

Aker Kværner's profit growth continued in the third quarter of 2004, confirming that Aker Kværner is well on the way to reaching its declared goals. EBITDA for the first nine months of 2004 was 55 percent above the corresponding 2003 figure. Key markets developed favorably and the Group won several major orders, resulting in a record-high order backlog.

Solid progress in several major projects resulted in relatively strong profits for the third quarter and the first nine months of 2004. EBITDA rose in the third quarter to NOK 1,023 million for the first nine months of the year; up from NOK 660 million for the same reporting period in 2003. Order intake in the third quarter of 2004 amounted to NOK 12.6 billion. Aker Kværner's order backlog reached an all-time high of NOK 35.6 billion, as of 30 September 2004. Overall, Aker Kværner's main markets have developed favorably this year. Early-phase field development markets improved and bidding activities were high.

The upswing in 2004 is attributable to overall market recovery and the company's strong focus on greater operational efficiency, better project completion, and various improvement programs implemented throughout the Aker Kværner Group. Competitiveness has been strengthened, leading to a sizeable and more balanced order backlog. Also improved are the Group's financial strength and predictability of its performance.

Aker Kværner continues its steady course toward its announced financial goals: an EBITDA of about NOK 1.5 billion annually in the first half of 2005 and NOK 1.75 billion in 2006.

Aker Kværner is listed on the Oslo Stock Exchange (ticker: AKVER). Aker Kværner shares closed at NOK 156.50 on 25 November 2004; accordingly, the market value of Aker's 58-percent shareholding in Aker Kværner ASA was NOK 5.0 billion.

Aker Yards	Third quarter		1 Jan. – 30 Sept.		Year
Amounts in NOK million	2003	2004	2003	2004	2003
Operating revenues	4 005	2 702	12 352	8 664	15 865
EBITDA	458	176	1 325	620	1 610
Profit after financial items	340	67	961	288	1 146
Order intake	8 631	6 684	9 704	10 905	13 960
Order backlog	-	-	17 016	20 342	18 246

The decline in operating revenues at Aker Yards is largely attributable to lower activity levels in the market segments Cruise & Ferries and Offshore Service Vessels. Aker Yards had an EBITDA of NOK 620 million for the first nine months of 2004, compared with NOK 1,325 million for the same reporting period in 2003. In the third quarter of 2004, Aker Yards had an EBITDA of NOK 176 million, compared with NOK 458 million for the third quarter of 2003. The EBITDA margin for the third quarter of 2004 was 6.5 percent.

Order intake in the third quarter of 2004 amounted to NOK 6,684 million; at the close of the third quarter, the order backlog stood at NOK 20,342 million. Cruise & Ferries had an order backlog of NOK 10 billion. In the third quarter of 2004, RCCL ordered its second Ultra Voyager vessel. The order backlog of Offshore Service Vessels also grew significantly in the third quarter of 2004. Since mid-year 2004, Aker Yards has announced contracts and letters of intents at a total value of NOK 12.2 billion.

Aker Yards' previously announced forecast for 2004 has been raised: Estimates are for Group operating revenues for 2004 to reach the top end of the NOK 11 - 12 billion range. The EBITA margin for 2004 is projected at more than 4 percent before non-recurring items. This corresponds to an EBITDA margin, excluding non-recurring items, of over 6 percent for 2004 as a whole.

In Finland, employee representatives have been invited to enter into formal negotiations on staffing cutbacks at Aker Yards' three Finnish shipyards. Negotiations on staffing cutbacks at the yards began in mid-November and are scheduled to be concluded by mid-January 2005. In 2003, the Group successfully completed a similar restructuring in Germany.

Aker Yards is a listed company; the stock trades on the Oslo Stock Exchange (ticker: AKY). Aker Yards shares closed at NOK 128.00 on 25 November 2004; accordingly, Aker's 75-percent shareholding in Aker Yards ASA had a market value of NOK 2.0 billion.

Aker Seafoods	Third quarter		1 Jan. – 30 Sept.		Year
Amounts in NOK million	2003	2004	2003	2004	2003
Operating revenues	337	484	1 126	1 479	1 523
EBITDA	10	25	69	107	74
Profit after financial items	-8	-39	4	-65	-43

Following reorganizations and name changes, Aker Seafoods comprises two business areas: Norway Seafoods and Aker Seafoods Corp. About 81 percent of Aker Seafoods' revenues are generated by Norway Seafoods, which harvests, processes, and markets white fish in Scandinavia and Europe. Aker Seafoods Corp. owns long-line vessels and factory trawlers operating in deepwater areas in the North and South Atlantic Ocean and in the Russian sector of the Pacific Ocean.

Norway Seafoods has had solid sales so far this year, but margins are under pressure due to strained access to raw materials and ensuing high raw materials prices. In the third quarter, raw materials shortages led to layoffs and partial closure of several of the company's production facilities in northern Norway.

Profitability at Norway Seafoods' on-shore facilities is not satisfactory, and remedial measures have been introduced. A key measure is securing more stable raw material deliveries to these facilities. In the third quarter of 2004, Norway Seafoods increased its ownership in the trawler owning company Lofoten Trål to become that company's majority shareholder. Profits are up this year for the trawler owning companies that are consolidated in Aker Seafoods' accounts as of 1 January 2004.

Increasing the proportion of fresh seafood products that are retailed in packaging containing a protective atmosphere is expected, over time, to raise the average price of Norway Seafoods products, and thus the profit margins achieved by the company. In August 2004, Norway Seafoods entered into an agreement with Norwegian food processors Tine and Fjordland on production and distribution of such "sealed fresh" seafood products to retail food stores across Norway. The agreement had no material effect on third-quarter 2004 figures.

Aker Seafoods Corp. has several of its ships in harbor through year-end 2004, due to strict limitations on harvesting off the coasts of Argentina and Russia. The vessels are moored, and expenses are kept to a minimum. The company has operated trial harvesting of krill in the Antarctic Ocean. The project has been completed and its findings will be analyzed this winter.

Two factory trawlers remain in operation with solid and stable surimi production, despite one of the vessels having been docked briefly for minor repairs in the third quarter of the year. Recently, sales of surimi have developed favorably both as to volumes and price.

Aker Seafoods had depreciation totaling NOK 117 million for the first nine months of 2004, which was a significant factor in making the profit after financial items into a loss figure. Net financial items amounted to NOK –55 million for January – September 2004. Aker Seafoods' net interest-bearing debt at the close of the third quarter of 2004 was NOK 361 million; down from NOK 456 million three months earlier. Cash and cash equivalents rose, from NOK 38 million to NOK 138 million in the third quarter.

Aker Material Handling	Third quarter		1 Jan. – 30 Sept.		Year
Amounts in NOK million	2003	2004	2003	2004	2003
Operating revenues	244	311	853	896	1 193
EBITDA	-11	4	-40	-7	-34
Order intake	246	237	825	930	1 151
Order backlog	-	-	216	270	211

Aker Material Handling has undergone a period of restructuring marked by comprehensive consolidation and concentration on its core markets in the Nordic countries and in Central Europe. The activities of the Aker Material Handling Group have been consolidated into three core business areas: Constructor Dexion, Bruynzeel Storage Systems and Constructor Scandinavia. Aker Material Handling has sales offices in 14 countries.

Aker Material Handling divested several businesses in the first six months of 2004. These sales do not affect profit figures as of the beginning of the third quarter of 2004. EBITDA for the first six months of 2004 for Aker Material Handling's continuing businesses amounted to NOK –11 million. The third quarter of 2004 saw a return to profitability, with an EBITDA of NOK 4 million.

Sales figures for the Aker Material Handling Group have developed positively so far this year. Order intake in the first nine months of 2004 was nearly NOK 1 billion, and the order backlog grew. The high cost of steel since mid-year has affected sales somewhat, but profit margins were largely maintained by adjusting prices for products manufactured by the group.

Debt and interest payments, and as a consequence, net financial items, have been reduced during the year. As of 30 September 2004, interest-bearing external debt amounted to approximately NOK 290 million. In the fourth quarter the external debt is reduced further to approximately NOK 150 million of leasing obligations. The bulk of the remaining interest-bearing receivables owed by Aker Material Handling has been acquired by Aker ASA, as presented in Aker's September 2004 IPO prospectus.

Parent company Aker ASA, eliminations, and other activities	Third quarter		1 Jan. – 30 Sept.		Year
Amounts in NOK million	2003	2004	2003	2004	2003
Operating revenues	171	139	545	699	762
EBITDA	31	-6	-45	38	-83
Profit after financial items	-28	-56	-574	-156	-697

The parent company Aker ASA and other activities include several non-operating companies included in the parent company structure in addition to the companies Atlas-Stord, Wyndmore, and the US real estate developer Legend Properties. Atlas-Stord produces dewatering solutions and equipment primarily for animal feed production. Wyndmore owns the elite-league Norwegian soccer team Molde Fotballklubb. Legend's assets were sold in the third quarter of 2004.

Aker also owns 33.5 percent of the shares in the supply base and logistics company NorSea Group that offers its services to the offshore oil and gas industry from eight strategically located bases along the coast of Norway, from Stavanger in the south to Hammerfest in the north, and 21.7 percent of the shares in the stock exchange listed company Kværner ASA.

EBITDA for the first nine months of 2004 include NOK 72 million costs in the parent company structure. Profit after financial items in 2004 is significantly improved with the new financial structure established for the Group.

Oslo, 25 November 2004
The Board of Directors of Aker ASA

The Aker ASA Group — Pro forma accounts as of 30 Sept. 2004

Profit and loss account

	3Q	**3Q**	**1 Jan. – 30 Sept.**		**Year**
(Amounts in NOK million)	2004	2003	2004	2003	2003
Operating revenues	12,554	12,397	37,302	37,803	51,458
Operating expenses	-11,992	-11,641	-35,518	-35,808	-48,851
EBITDA	562	756	1,784	1,995	2,607
Depreciation	-203	-207	-595	-625	-842
EBITA	359	549	1,189	1,370	1,765
Amortization	-130	-92	-408	-349	-547
Exceptional operating items	-6	-133	-127	-38	-484
Operating profit	223	324	654	983	734
Share of profit in associated companies	-6	-8	-13	-12	-14
Net financial items	-188	-116	-551	-975	-1,131
Exceptional financial items	-	-	-	-	122
Profit after financial items	29	200	90	-4	-289
Tax	-86	-135	-217	-104	19
Profit, Group	-57	65	-127	-108	-270
Minority interests	37	79	88	65	29
Majority interests	-94	-14	-215	-173	-299

Balance sheet

	as of 30 Sept.		**Year**
(Amounts in NOK million)	**2004**	2003	2003
Assets			
Intangible assets	9,060	9,520	9,050
Tangible fixed assets	5,746	6,074	5,722
Total intangible and tangible fixed assets	14,806	15,594	14,772
Financial interest-bearing fixed assets	323	591	542
Financial interest-free fixed assets	328	242	358
Shares and other equity investments	229	717	312
Total fixed assets	15,686	17,144	15,984
Inventory, short-term receivables, and investments	17,957	18,106	16,979
Interest-bearing, short-term receivables	659	2,305	38
Cash and cash equivalents	6,170	7,025	8,241
Total current assets	24,786	27,436	25,258
Total assets	40,472	44,580	41,242
Equity and liabilities			
Equity	6,279	7,482	6,681
Minority interests	2,753	3,015	2,561
Total equity and minority interests	9,032	10,496	9,241
Subordinated loans	4,068	4,023	3,946
Interest-free, long-term liabilities	1,507	1,321	1,558
Interest-bearing, long-term liabilities	8,053	7,527	7,190
Total long-term liabilities	13,628	12,871	12,694
Interest-free, short-term liabilities	14,976	14,764	14,786
Interest-bearing, short-term liabilities	2,836	6,449	4,521
Total short-term liabilities	17,812	21,213	19,307

Total equity and liabilities	40,472	44,580	41,242
Equity ratio (in %)	22.3	23.5	22.4
Net interest-bearing liabilities (-)/receivables (+) 1) 2)	-3,737	-4,055	-2,890
1) Excluding 10-year subordinated loan			
2) Of which, Aker Yards ASA construction loans	-2,494	-1,255	-1,399

Cash flow analysis

	1 Jan.-30 Sept.	
(Amounts in NOK million)	2004	2003
Cash flow from operations	869	269
Cash flow from investments	-459	-979
Cash flow from financial activities	-2,320	-340
Net cash flow for the year	-1,910	-1,050
Effect of currency exchange rate fluctuations on cash and cash equivalents	-161	252
Cash and cash equivalents at beginning of period	8,241	7,823
Cash and cash equivalents at close of period	6,170	7,025

Equity reconciliation

	1 Jan. 30 Sept.	
(Amounts in NOK million)	2004	2003
Equity at beginning of period	6,681	7,048
Net profit	-215	-173
Translation differences	-94	607
Group contributions/dividends/new equity/errors in previous years/pro forma adjustments	-93	
Equity at close of period	6,279	7,482