



Proud ownership

*Aker ASA*

# First-quarter results 2017

11 May 2017 | Fornebu

# Highlights | First quarter 2017

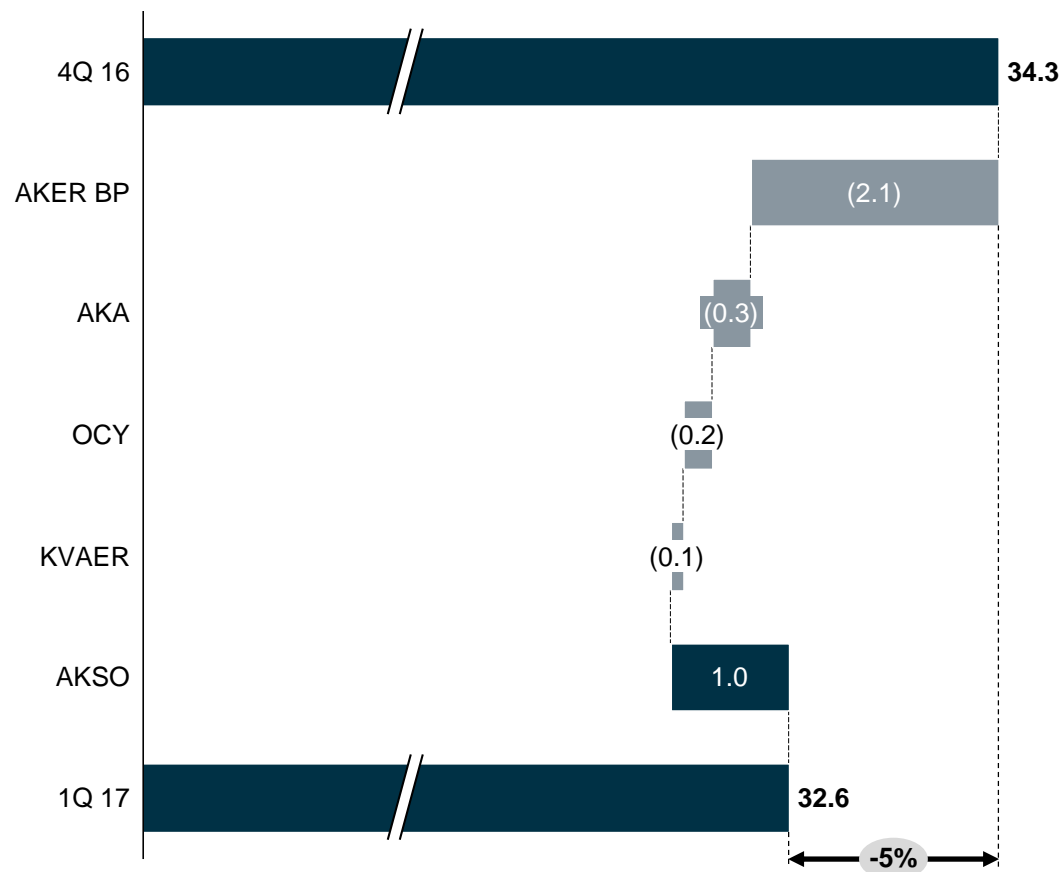
- **Net asset value:** down 5.1% to NOK 32.6 billion (NOK 34.3 billion)
- **Cash and liquid fund inv.:** NOK 4.3 billion, down from NOK 4.9 billion in the fourth quarter
- **Return:** Aker share up 2.8% to NOK 332 vs. OSEBX up 0.6%
- **Dividend:** NOK 16 per share cash dividend for 2016 (5.0% yield and 3.5% of NAV per 31.12.16)
- **Aker transactions:**
  - i. **Farstad Shipping:** Acquisition of shares in Farstad Shipping
  - ii. **Financing:** Repayment of the NOK 500 million AKER08 bond and exercise of call option under the NOK 500 million AKER07 bond
- **Portfolio transactions:**
  - i. **Aker Solutions:** Acquisition of the oil service provider Reinertsen
  - ii. **Aker BioMarine:** Signed contract to build a new krill fishing vessel
  - iii. **Solstad Offshore:** EGM approval of merger between Solstad Offshore, Farstad Shipping and Deep Sea Supply



# NAV decreased 5% in 1Q 2017 to NOK 32.6 billion

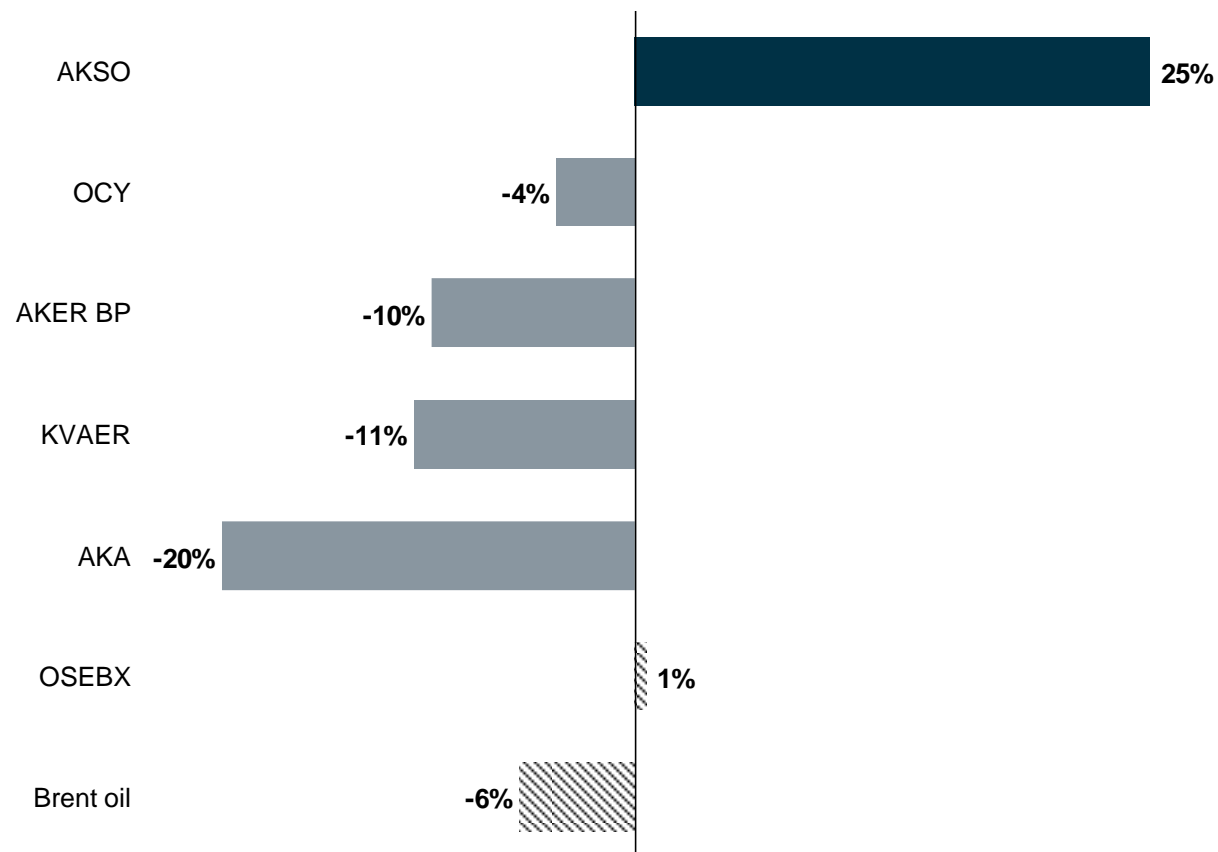
## Net asset value change in 1Q 2017

NOK billion



## Total return portfolio companies in 1Q 2017

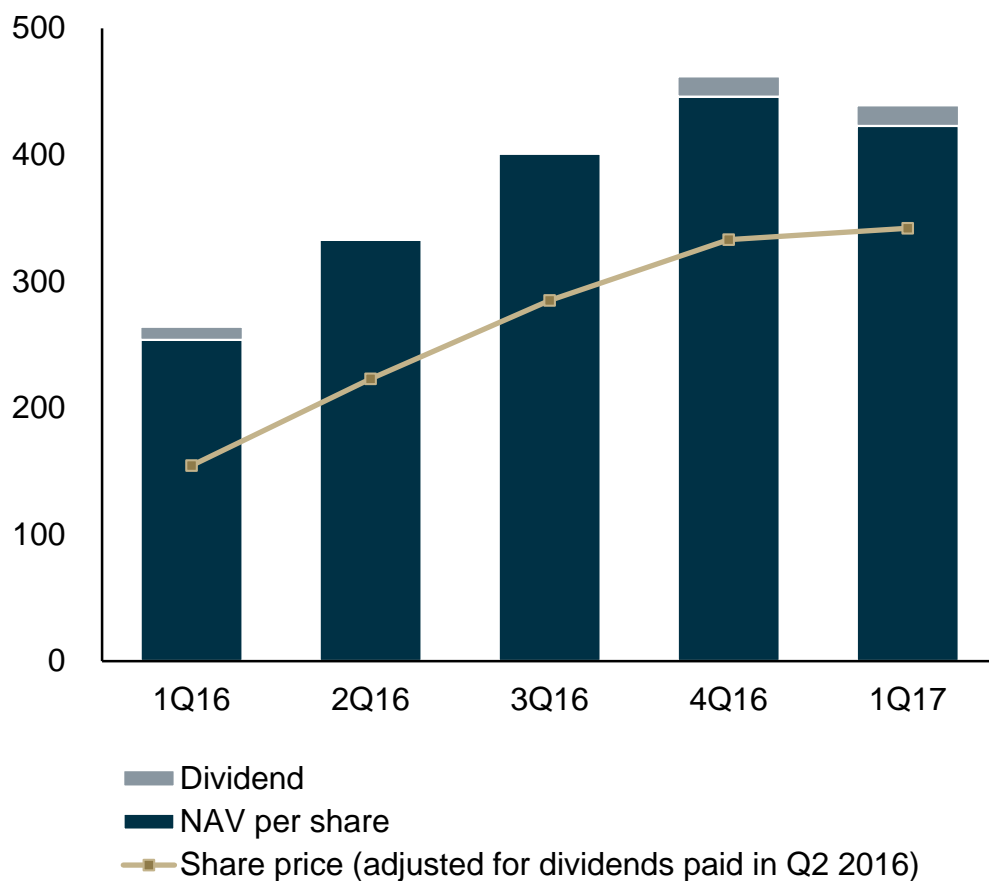
Percentage change, adjusted for dividends



# Share price gained 3% in Q1, balance sheet de-leveraged

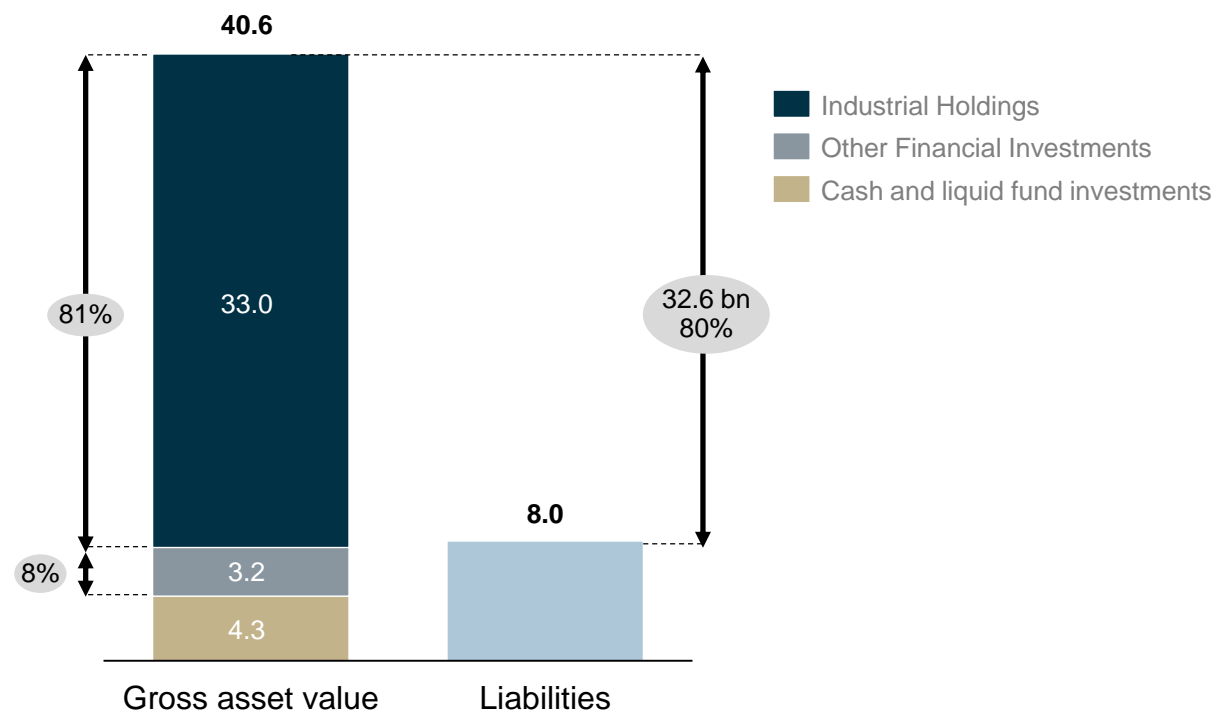
## NAV per share vs. share price

NOK per share



## Net asset value composition

NOK billion







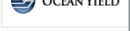

# Oil services share of portfolio increasing

## Portfolio composition

NOK billion, as per 1Q 2017

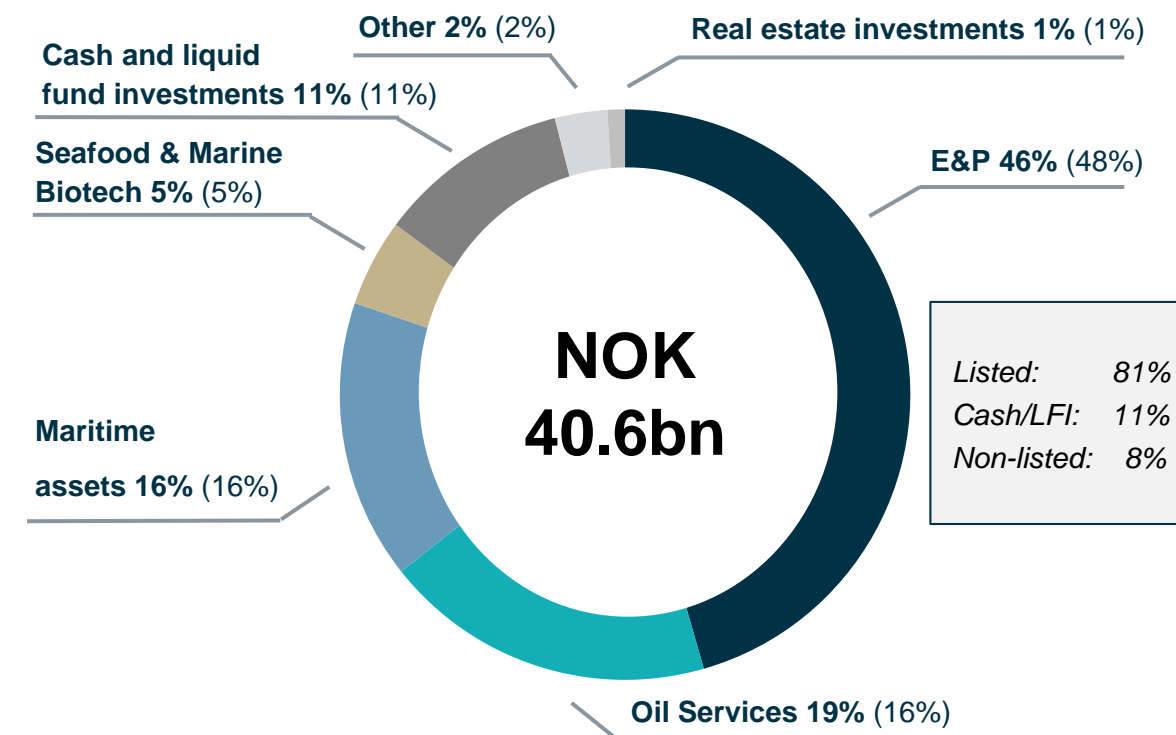


Listed investments  
Unlisted investments

Industrial Holdings					Financial Investments	
	Aker BP	40.0%	18.6	3.9	Cash	
	Aker Solutions <sup>1)</sup>	34.8%	4.9	0.4	Liquid fund investments	
	Akastor <sup>1)</sup>	36.7%	1.3	1.4	Listed financial investments	
	Kvaerner <sup>1)</sup>	28.7%	0.8	0.4	Real Estate Investments <sup>2)</sup>	
	Ocean Yield	66.2%	6.0	1.5	Other financial investments <sup>2)</sup>	
	Aker BioMarine <sup>2)</sup>	99.5%	1.4			
Gross asset value			33.0	7.6		
Net asset value			32.6			

## Gross asset value distribution

Per 1Q 2017 (4Q 2016)



1) Owned partly through Aker Kvaerner Holding, in which Aker has a 70% ownership interest. Additionally, Aker has a direct ownership interest in Aker Solutions and Akastor

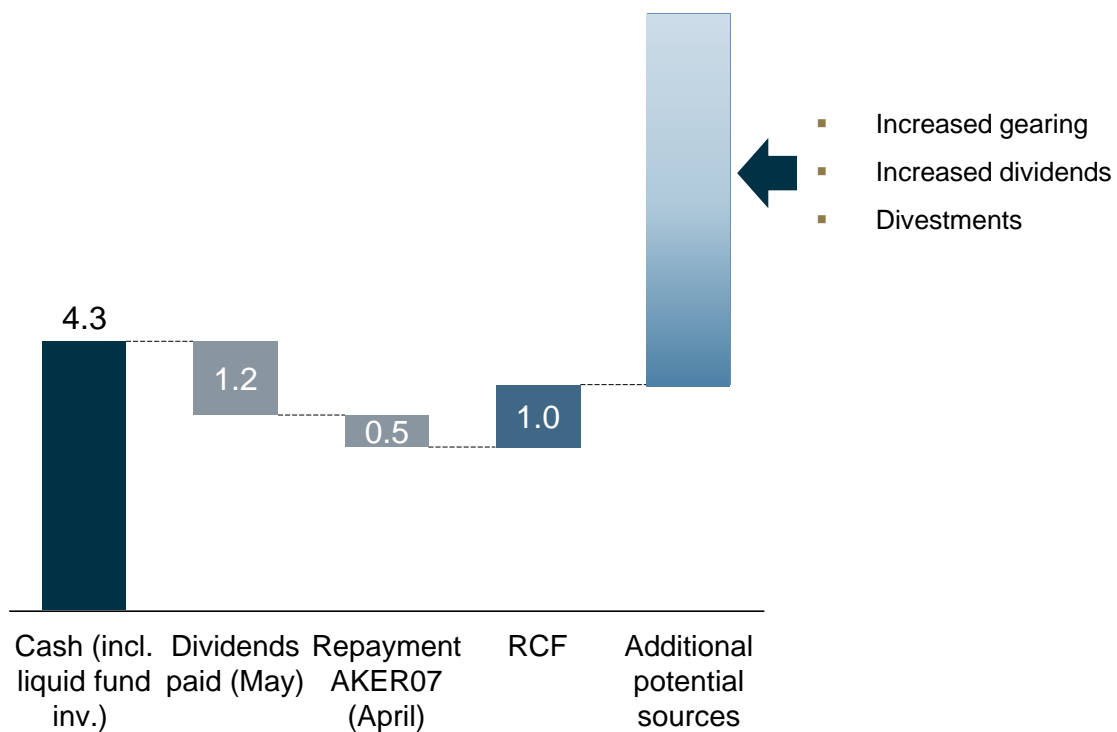
2) Reflected at book value

# Strong upstream cash generation and solid cash position



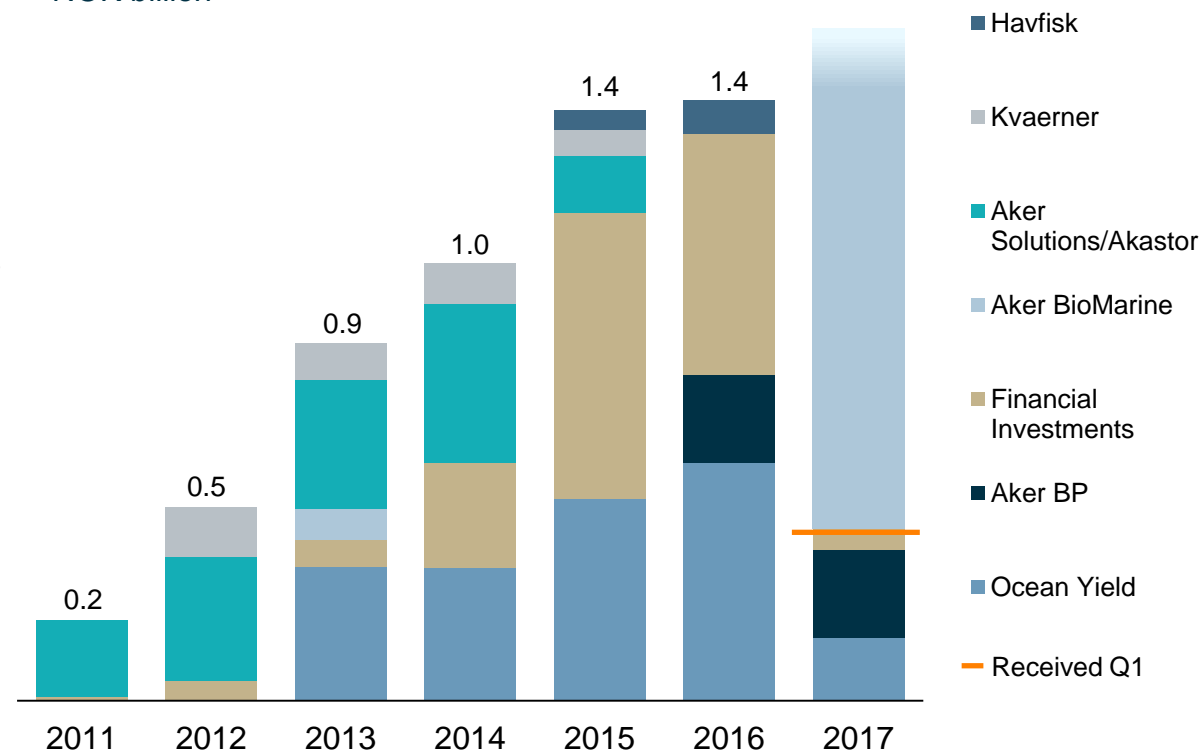
## Investment capacity potential

NOK billion



## Upstream dividend

NOK billion

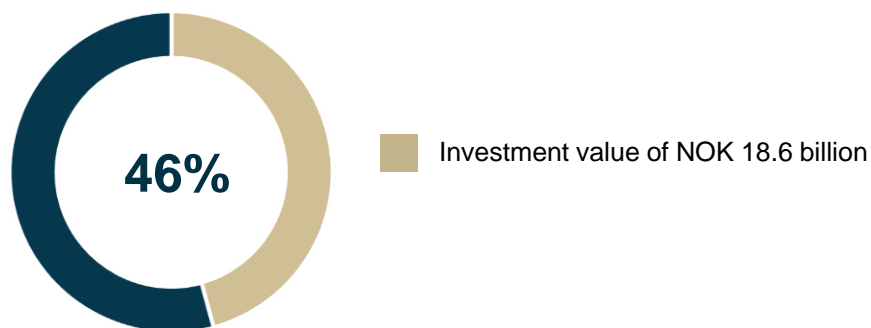


# Aker Industrial Holdings



## % of gross asset value

(1Q 2017)



## Aker's ownership agenda

- Growth; organic (greenfield projects, IOR and exploration) and through M&A
- Quarterly dividend payments
- Operational excellence and efficiency improvements through new business models and technologies



## Aker's investment

NOK million

Value as per 31.12.16	20 873
Value change in 1Q	(2 075)
Received dividends	(208)
Value as per 31.03.17	18 590

## Key figures

USD million

	1Q 16	1Q 17
Revenues	205	646
EBITDAX	165	517

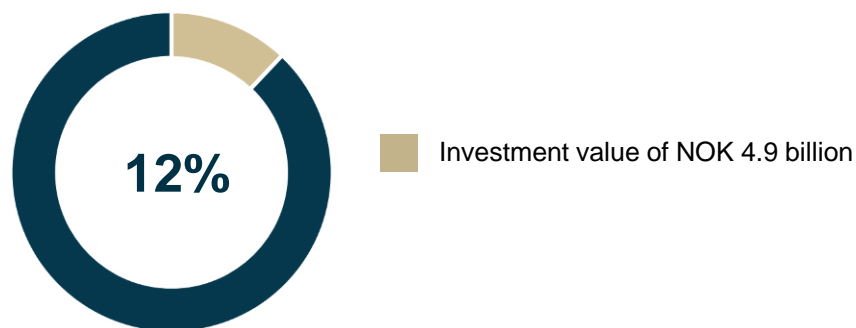


# Aker Solutions

Global oil services company providing services, technologies, and product solutions within subsea and field design

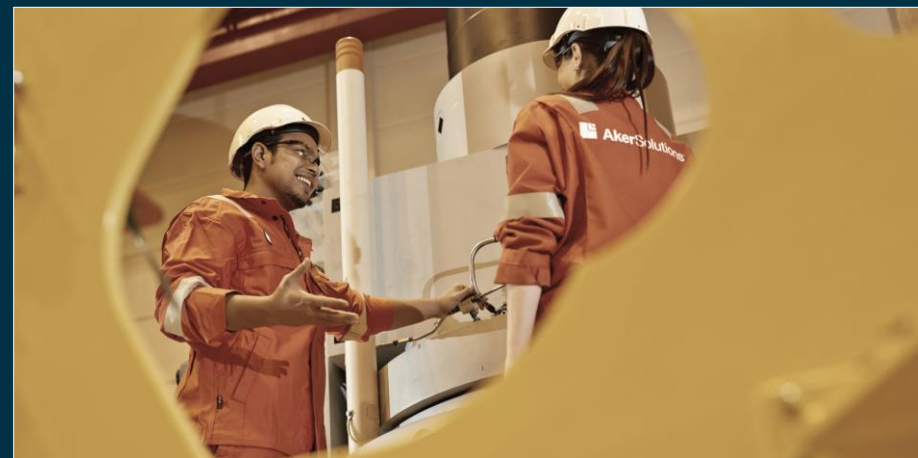
## % of gross asset value

(1Q 2017)



## Aker's ownership agenda

- Increase competitiveness and reduce costs by NOK 9 billion across the business versus 2015 cost base
- Win new contracts
- Partnerships, alliances and M&A



## Aker's investment

NOK million

Value as per 31.12.16	3 912
Value change in 1Q	982
Value as per 31.03.17	4 894

## Key figures

NOK million

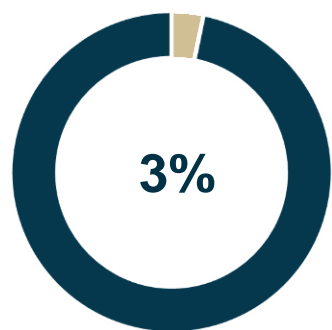
	1Q 16	1Q 17
Revenues	6 463	5 173
EBITDA	508	355
Backlog	38 493	30 709

# Akastor

Oilfield services investment company with a flexible mandate for long-term value creation

## % of gross asset value

(1Q 2017)



Investment value of NOK 1.3 billion

## Aker's ownership agenda

- Operational excellence, cost reductions
- Win new contracts
- Transactions



## Aker's investment

NOK million

Value as per 31.12.16	1 629
Value change in 1Q	(327)
Value as per 31.03.17	1 302

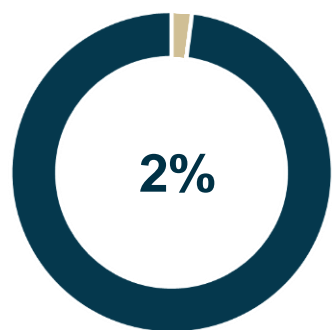
## Key figures

NOK million

	1Q 16	1Q 17
Revenues	1 353	1 018
EBITDA	(48)	59
Backlog	12 078	7 394

## % of gross asset value

(1Q 2017)



Investment value of NOK 0.8 billion

## Aker's ownership agenda

- Enhance competitiveness through operational excellence and cost reductions
- Win new contracts
- Maintain strong balance sheet



## Aker's investment

NOK million

Value as per 31.12.16	935
Value change in 1Q	(100)
Value as per 31.03.17	834

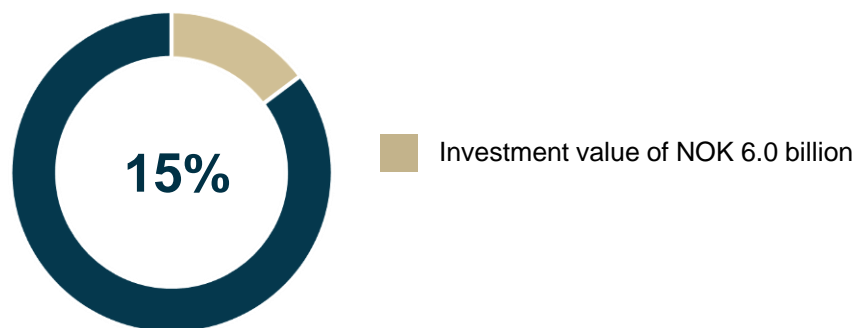
## Key figures

NOK million

	1Q 16	1Q 17
Revenues	2 228	1 554
EBITDA	81	108
Backlog	12 054	10 841

## % of gross asset value

(1Q 2017)



## Aker's ownership agenda

- Growth by incremental, accretive investments
- Further diversify portfolio, both counterparty and segment-wise
- Optimise capital structure and reduce cost of capital
- Manage and mitigate counterparty risk



## Aker's investment

NOK million

Value as per 31.12.16	6 386
Value change in 1Q	(241)
Received dividends	(151)
Value as per 31.03.17	5 993

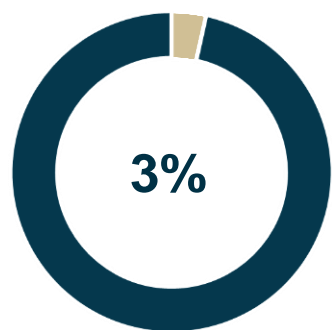
## Key figures

USD million

	1Q 16	1Q 17
Revenues	66	78
EBITDA	59	71
Backlog (on EBITDA basis)	2 600	2 800

## % of gross asset value

(1Q 2017)



Investment value of NOK 1.4 billion

## Aker's ownership agenda

- Operational excellence
- Increase sales by entering new products, channels and geographies
- New vessel and other investments to fast-track growth



## Aker's investment

*NOK million*

Value as per 31.12.16 (book value)	1 405
Value change in 1Q	-
Value as per 31.03.17 (book value)	1 405

## Key figures

*USD million*

	1Q 16	1Q 17
Revenues	25	28
EBITDA	7	3

# Aker

# Financial Investments



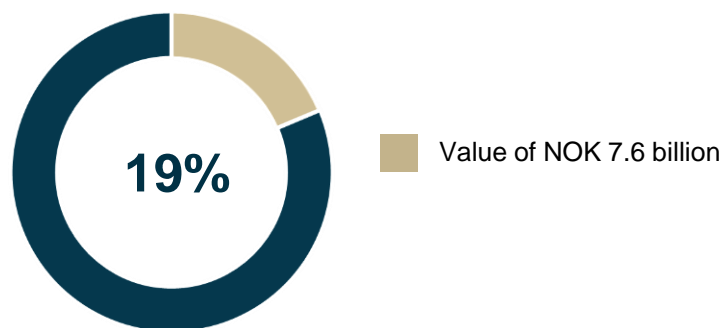
# Financial Investments

## Overview



### % of gross asset value

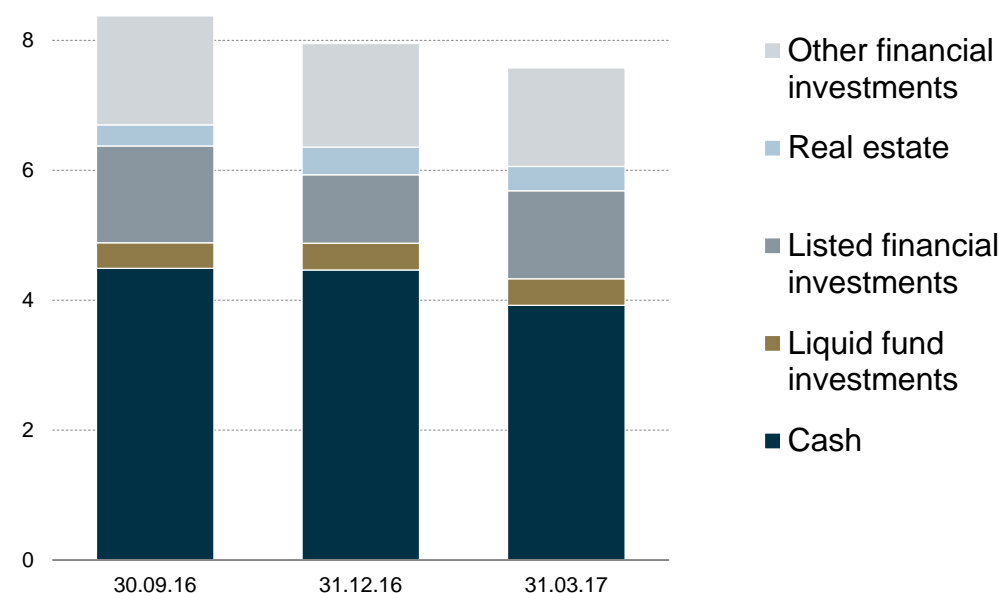
(1Q 2017)



- Cash reduced to NOK 3.9 billion. NOK 4.3 billion incl. liquid fund investments
- AKER08 repayment at maturity of NOK 0.5 billion
- Participation in the Farstad Shipping equity issue as part of planned merger between Solstad Offshore, Farstad Shipping and Deep Sea Supply
- Down-payment on USD bank loan equal to dividend received from Aker BP
- Increased value of American Shipping Company

### Financial Investments

NOK billion



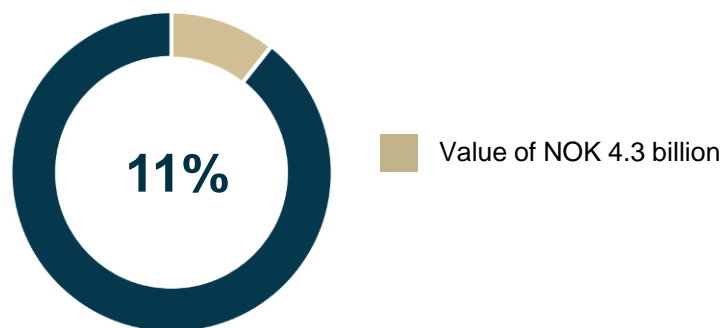


# Cash and Liquid fund investments



## % of gross asset value

(1Q 2017)



## Key events 1Q

- Cash decreased to NOK 3.9 billion:
  - + NOK 410 million in dividends received
  - + NOK 143 million in repaid receivables
  - NOK 710 million in debt repayments
  - NOK 210 million participation in Farstad Shipping equity issue
  - NOK 164 million in operating expenses and net interest paid
  - NOK 14 million in net other cash movements
- Liquid fund investments at NOK 410 million

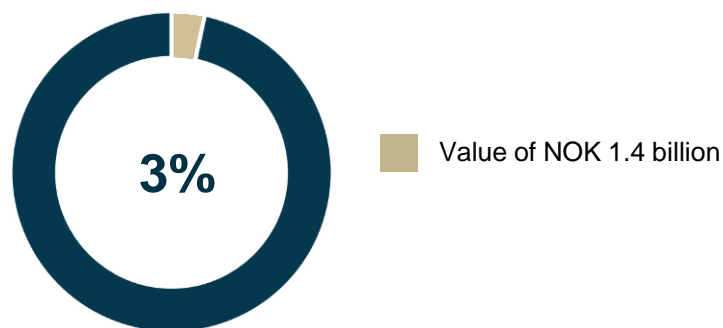


# Listed financial investments



## % of gross asset value

(1Q 2017)



- NOK 210 million participation in Farstad Shipping equity issue as part of planned merger between Solstad Offshore, Farstad Shipping and Deep Sea Supply
- Total value of AMSC exposure increased by NOK 137 million
- Value of Philly Shipyard decreased by NOK 33 million
- Dividends received of NOK 37 million



## Aker's investment

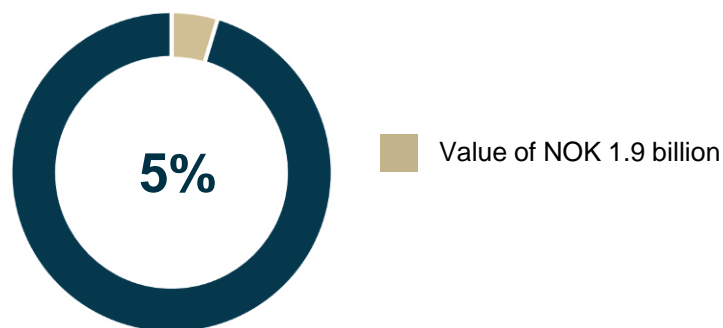
<i>NOK million</i>	3Q 16	4Q 16	1Q 17
Philly Shipyard	803	447	414
AMSC (incl. TRS)	311	295	432
Cxense	65	66	47
Solstad Offshore	310	247	255
Farstad Shipping	-	-	204
<b>Total value</b>	<b>1 490</b>	<b>1 055</b>	<b>1 353</b>

# Real estate and other financial investments



## % of gross asset value

(1Q 2017)



- Loan repayment from Fornebuporten of NOK 50 million
- Loan repayment from AMSC of NOK 57 million
- NOK 14 million in dividend received from Norron AB



## Aker's investment

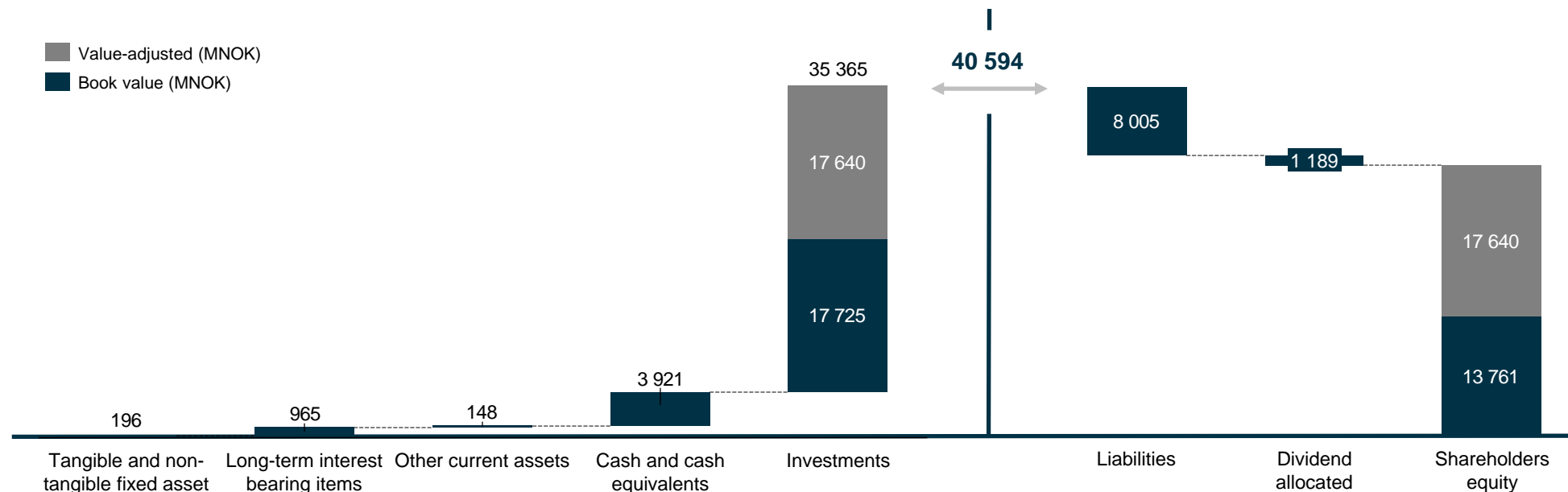
NOK million	3Q 16	4Q 16	1Q 17
Real estate (incl. receivable)	326	426	376
Other financial investments	1 678	1 594	1 517
<b>Total value</b>	<b>2 004</b>	<b>2 020</b>	<b>1 893</b>

# Aker

# Financial Statements

# Balance sheet

(after dividend allocation of NOK 16 per share)



## Total Assets

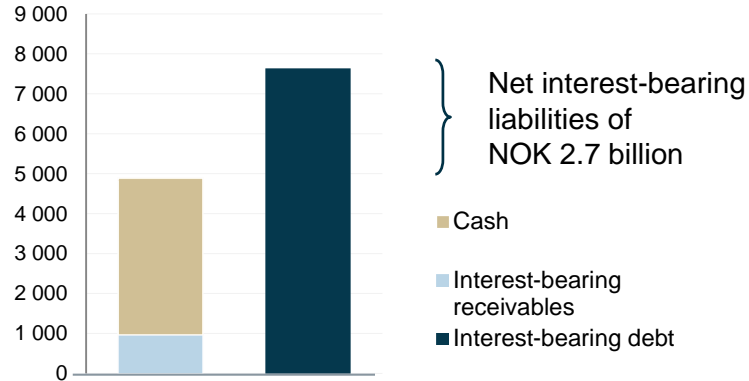
## Total equity and liabilities

### Main changes in first-quarter 2017

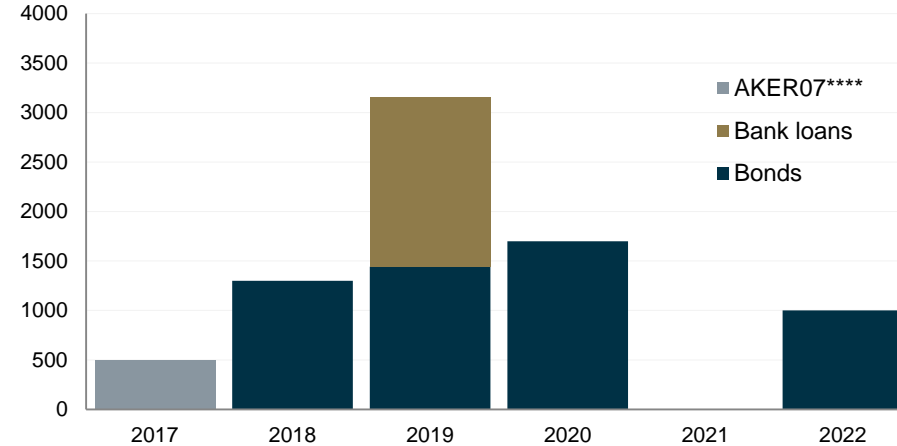
- Cash reduced to NOK 3.9 billion.
- Book value of investments increased by NOK 0.3 billion, mainly explained by participation in Farstad Shipping equity issue and reversed write-downs for the direct investment in Aker Solutions.
- Net decrease in fair value of investments of NOK 2.3 billion.

	Book value	Value-adjusted
Equity (MNOK)	13 761	31 400
Equity ratio	59.9%	77.4%
Equity per share	NOK 185	NOK 423

# Interest-bearing items and loan guarantees



Interest-bearing debt (MNOK)	Loan amount	Outstanding	Maturity
Bond AKER 11	1 300	1 300	2018
Bond AKER 07	500	500	2019****
Bond AKER 12	1 443	1 443	2019*
Bond AKER 13	1 000	1 000	2020
Bond AKER 10	700	700	2020
Bond AKER 09	1 000	1 000	2022
Bank loan (RCF)	1 000	0	2020**
Capitalised loan fees etc.	(24)	(24)	
<b>Total Aker ASA</b>	<b>6 919</b>	<b>5 919</b>	
Bank loan Aker Capital (USD denominated)	1 715	1 715	2019***
Capitalised loan fees etc.	(8)	(8)	
<b>Total Aker ASA and holding companies</b>	<b>8 625</b>	<b>7 625</b>	



Average debt maturity is 2.6 years

Financial Covenants	Limit	Status per 31.03.2017
i Total Debt/Equity - Aker ASA (parent only)	< 80%	40%
ii Group Loans to NAV or Group Loans	< 50% < NOK 10 bn	1.1% NOK 0.4 bn

Loan guarantees	4Q 2016	1Q 2017
Aker BioMarine	305	305
Ocean Harvest	59	56
Other	3	3
<b>Total</b>	<b>367</b>	<b>364</b>

\* MSEK 1 500 issue \*\*Maturity in 2020 with 1 year uncommitted extension option

\*\*\* Maturity in 2019 with 1+1 years uncommitted extension options \*\*\*\*Called and paid in April '17

# Income statement



<i>Amounts in NOK million</i>	1Q 2016	4Q 2016	1Q 2017	Year 2016
Sales gains	188	-	-	1 906
Operating expenses	(60)	(72)	(63)	(198)
<b>EBITDA</b>	<b>129</b>	<b>(72)</b>	<b>(63)</b>	<b>1 708</b>
Depreciation and impairment	(5)	(3)	(4)	(32)
Value change	(314)	209	134	(8)
Net other financial items	108	132	444	950
<b>Profit before tax</b>	<b>(83)</b>	<b>266</b>	<b>511</b>	<b>2 617</b>





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