Aker ASA

Third-quarter results 2016

Third-quarter 2016 highlights

Financial key figures (Aker ASA and holding companies)

- The net asset value of Aker ASA and holding companies ("Aker") rose by 20 per cent in the third quarter 2016 to NOK 29.8 billion, compared with the second-quarter figures. Per-share net asset value ("NAV") amounted to NOK 401 as per 30 September 2016, compared to NOK 333 as per 30 June 2016 and NOK 282 as per 31 December 2015 (prior to dividend allocation).
- The value of Aker's Industrial Holdings portfolio stood at NOK 30.2 billion in the quarter, up from NOK 24.5 billion in the second quarter. Aker's Financial Investments portfolio increased to NOK 8.4 billion, from NOK 7.2 billion in the prior quarter.
- Cash and liquid fund investments increased by NOK 1.1 billion to NOK 4.9 billion in the third quarter, primarily due to proceeds received from the sale of Havfisk as well as dividends received from Ocean Yield and Philly Shipyard. Aker's primary cash outflow in the quarter related to the acquisition of Aker BP shares, net of obtained financing, as well as the investment in shares and a convertible loan in Solstad Offshore.
- The value-adjusted equity ratio was 77 per cent, down from 78 per cent as of 30 June.
- The Aker share gained 29 per cent in the third quarter. This compares to a 3.3 per cent increase in the Oslo Stock Exchange's benchmark index ("OSEBX").

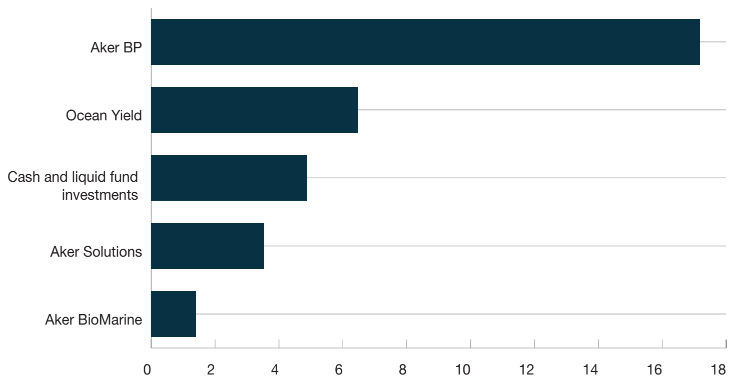
Key portfolio events

- In August the divestment of Aker's ownership stake in Havfisk and Norway Seafoods Group to Lerøy Seafood Group was concluded. The combined sales released approximately NOK 2.0 billion in cash to Aker and resulted in an accounting gain of NOK 1.6 billion.
- In September Ocean Yield raised NOK 862 million in gross proceeds from a private placement and subsequently NOK 750 million from a new unsecured bond issue, to finance future growth. Aker's ownership interest in Ocean Yield was diluted to 66.3 per cent from 72.9 per cent.
- In September Det norske oljeselskap completed the closing of the merger with BP Norge and renamed the company Aker BP. The company is on track with the integration process and announced in October a proposed dividend of USD 125 million, split equally between December 2016 and March 2017. Aker holds a 40 per cent ownership interest in Aker BP after acquiring 33.8 million shares in the company from BP Plc for USD 318 million in the third quarter.
- In September Aker closed its investment in Solstad Offshore. Aker invested NOK 250 million in new equity and NOK 250 million in the form of a subordinated convertible loan with maturity in 2021, which can be converted into new shares in Solstad or in a subsidiary of Solstad. This gives Aker a 32.5 per cent direct ownership interest in Solstad. Also in the third quarter, Solstad Offshore and REM Offshore agreed to merge REM with a wholly-owned subsidiary of Solstad.

Main contributors to gross asset value

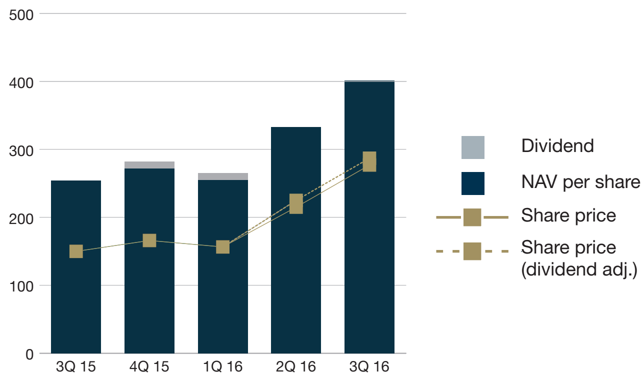
(NOK billion)

Representing 87 per cent of total gross asset value of NOK 38.6 billion



Net asset value and share price

(NOK per share)



The balance sheet and income 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 per cent of NAV). Gross asset value is determined by applying the market value of exchange-listed shares, while book value is used for other assets. The same valuation principles apply to fund investments. Net asset value is gross asset value less liabilities.

Letter from the CEO

Dear fellow shareholders,

Aker extended the positive trend embarked upon in the second quarter, increasing our net asset value by 20 per cent in the three months through September and closing the period with a NAV and a share price at eight-year highs. Driving the value creation has been a combination of continuous operational improvements at the portfolio level, combined with Aker's long-term strategy of investing counter-cyclically. Aker has a track record of creating value through M&A and the merger between Det norske and BP Norway, which closed as scheduled on 30 September, is a prime example of this. Year-to-date, Aker BP has added NOK 9 billion to Aker's NAV, net of investments!

Aker's portfolio has undergone a transformation in recent years. Our strategy has been to work systematically to improve our companies' operational and financial performance, strengthen their balance sheets and enable them to initiate dividend payments. Succeeding in this strategy builds trust and opens doors to further opportunities for partnerships both within and across industry segments.

In the third quarter, Aker BP and Ocean Yield increased their liquidity, the former through the merger with BP Norway and Ocean Yield through a private placement and a bond issue. As a result, Ocean Yield was able to repay its loan to Aker and Aker BP announced its first dividend payment last month, thereby enhancing Aker's upstream cash flow visibility. Akastor has recently announced several transactions in line with its agenda to free up cash through the realisation of assets: a 50/50 joint venture ownership of the Skandi Santos vessel with Mitsui, the divestment of Frontica's IT business and the divestment of Fjords Processing. Combined the three transactions will release NOK 2.6 billion in cash to Akastor. Our portfolio companies' enhanced financial strength enables Aker to dedicate its available liquidity to new opportunities. As per the end of the third quarter, Aker's liquidity reserves neared NOK 6 billion, so our financial position will in no way impede our growth prospects.

Aker BP is currently the company among our Industrial holdings with the greatest prospects for growth, organically and through M&A. We see promising assets in Aker BP's current portfolio, including the recent Langfjellet discovery, which helps increase the resource base in the North of Alvheim area. Based on the existing reserves in its portfolio alone, Aker BP could double its 2015 production in a few years. From an M&A perspective, Aker BP has already announced one transaction - the acquisition of licenses on the Norwegian Continental Shelf (NCS) from Tullow Oil - since the merger with BP Norway. Tullow Oil is one of several international E&P players with portfolios in Norway that are in the process of exiting the NCS. Acquiring these assets are often small to mid-size companies with ambitions to grow, as well as private-equity backed companies, some of which have limited experience with this oil province. While it is still too early to draw conclusions on how this will impact the E&P industry in Norway, it is a trend that both the authorities and established oil companies on the NCS should assess to grasp the full extent of its implications for the future level of activity and collaboration on the NCS. As far as Aker BP is concerned, the company will continue to grow in order to strengthen its role as a midfield player on the NCS going forward.

"Aker's portfolio has undergone a transformation in recent years. Our strategy has been to work systematically to improve our companies' operational and financial performance, strengthen their balance sheets and enable them to initiate dividend payments. Succeeding in this strategy builds trust and opens doors to further opportunities for partnerships both within and across industry segments."

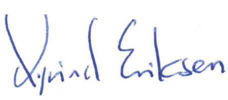
An adjacent segment that is also undergoing a transformation is the oilfield services sector. While there have been recent signs of pickup in NCS activity, such as the award of a subsea contract for the Dvalin field to Aker Solutions, the market conditions remain challenging due to overcapacity and overall low activity levels. Aker does not expect to see any significant market improvement for oil services for at least another year. The pressure on the sector from the oil companies is driving industry consolidation. Today, a few large global companies that are well equipped to handle the high capital intensity of this business dominate the landscape. Aker's oil services companies have come some way in addressing the changing industry requirements through a network of industrial alliances and collaborations, but more can be done to strengthen their scope of products and services delivery, geographical footprint, client base and robustness to pursue new business models.

Based on our experience from the oil services businesses, Aker believes in exploring new partnership models between operators and suppliers to achieve greater permanent cost reductions and efficiency improvements in the E&P value chain. It requires a more integrated form of collaboration that will align incentives to develop new tools and delivery models, notably by reducing the number of supplier interfaces and benefiting from repeat business rather than a more transaction-based method of collaboration. Aker BP has initiated such strategic partnerships through an integrated drilling services contract with Schlumberger on Ivar Aasen, which contributed to doubling drilling efficiency from what was already top quartile performance levels, and the recently announced subsea alliance with Aker Solutions and Subsea 7. Understanding the oil companies' shifting needs and expectations is what drives the development of Aker's ownership strategy for our oilfield services companies and inspires our new investments in areas such as digital technology.

"Based on our experience from the oil services businesses, Aker believes in exploring new partnership models between operators and suppliers to achieve greater permanent cost reductions and efficiency improvements in the E&P value chain. (...) Understanding the oil companies' shifting needs and expectations is what drives the development of Aker's ownership strategy for our oilfield services companies and inspires our new investments in areas such as digital technology."

In the offshore service vessel (OSV) segment, Aker has found a solid partner in Solstad Offshore with whom we will seek opportunities to consolidate the sector. While the merger agreement between Solstad and REM Offshore was a step in this strategy, the Norwegian OSV market is a challenging one due to the complexity of the financial structures of the many players involved. Thus, achieving ownership structures that are beneficial to the entire industry is a challenging and time-consuming process. Solstad is still engaging with the domestic market, but it is also important for Aker that Solstad strengthens its international footprint in regions where it is underrepresented. Solstad, with Aker as a majority long-term industrial owner, should represent an attractive partner for more than one international OSV company.

2016 continues to be a busy and exciting year for Aker. The progress made and the transactions announced create value, attractiveness and new opportunities. In my opinion, Aker's portfolio has never been in better shape, which allows us to focus on exploring new transaction opportunities for the group. Even more encouraging to me is the daily teamwork with great colleagues in Aker and the portfolio companies. They are not complacent about the results already achieved, but rather eager to pursue the next steps. Their skills, attitude, energy and commitment will certainly continue to make a difference also in the months and years to come. That – combined with the attractiveness of our portfolio companies and our own strengths – make me optimistic about the Aker future!



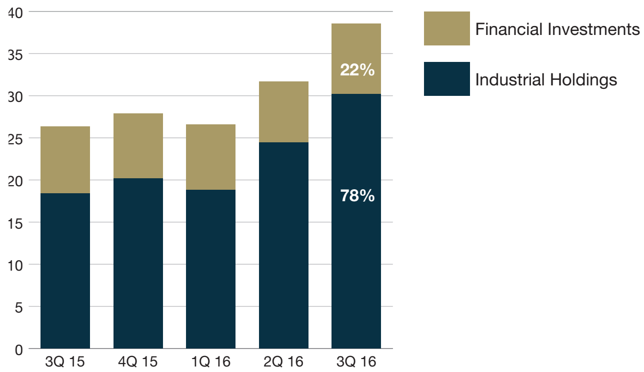
Øyvind Eriksen
President and CEO

Aker ASA and holding companies
Assets and net assets value

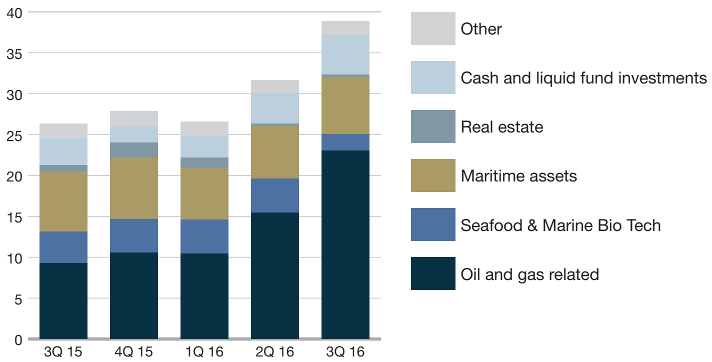
Net asset value (NAV) composition - Aker ASA and holding companies

	As of 30.06.2016		**As of 30.09.2016**	
	NOK/share	NOK million	NOK/share	NOK million
Industrial Holdings	329	24 450	**406**	**30 173**
Financial Investments	97	7 214	**113**	**8 377**
Gross assets	426	31 664	**519**	**38 550**
Total liabilities	(93)	(6 926)	**(118)**	**(8 773)**
NAV	333	24 738	**401**	**29 777**
Net interest-bearing receivables/(liabilities)		(2 227)		**(2 825)**
Number of shares outstanding (million)		74.322		**74.322**

Gross assets
(NOK billion)



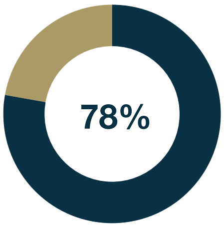
Gross assets per sector
(NOK billion)

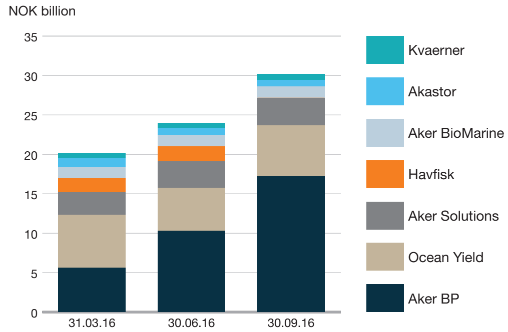


Net asset value ("NAV") is a core performance indicator at Aker ASA. NAV expresses Aker's underlying value and is a key determinant of the company's dividend policy (annual dividend payments of 2-4 per cent of NAV). Net asset value is determined by applying the market value of exchange-listed shares, 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 in the Industrial Holdings segment, and of cash, receivables and fund investments in the Financial Investments segment. Other assets consist mainly of intangibles and tangible fixed assets. The charts above show the composition of Aker's assets. The business segments are discussed in greater detail on pages 5-7 of this report.

Aker – Segment information
Industrial Holdings

Share of Aker's assets





Amounts in NOK million	Ownership in %	31.12.2015 Value	30.06.2016 Value	3Q 16 Net investments	Received dividends	Other changes	Value change	**30.09.2016** Value
Aker BP	40.0	5 596	10 271	2 560	-	-	4 340	**17 171**
Ocean Yield	66.3	6 730	5 944	-	(144)	-	660	**6 459**
Aker Solutions	34.8	2 865	3 357	-	-	-	178	**3 535**
Havfisk	-	1 748	1 953	(1 953)	-	-	-	**-**
Aker BioMarine*	99.5	1 405	1 405	-	-	-	-	**1 405**
Akastor	36.7	1 207	934	-	-	-	(78)	**856**
Kvaerner	28.7	635	587	-	-	-	161	**748**
Total Industrial Holdings		20 186	24 450	608	(144)	-	5 260	**30 173**

**Reflected at book value*

The total value of Aker's Industrial Holdings increased by NOK 5.7 billion in the third quarter 2016 to NOK 30.2 billion, mainly due to NOK 608 million in net investments and an underlying value increase of NOK 5.3 billion, after deduction of NOK 144 million in dividend payments from the companies. This compares to a value of NOK 24.5 billion as of 30 June 2016 and NOK 20.2 billion as of 31 December 2015.

Of the NOK 5.3 billion underlying value increase in the third quarter, Aker BP contributed with NOK 4.3 billion, Ocean Yield with NOK 660 million, Aker Solutions with NOK 178 million and Kvaerner with NOK 161 million. Akastor had a negative value change of NOK 78 million in the period.

The book value of Aker's non-listed holding, Aker BioMarine, remained at NOK 1.4 billion as per 30 September 2016. Aker applies the lowest of historical cost or market value in determining the book value of its non-listed investments.

Aker BP (formerly Det norske)

Aker BP is a fully-integrated E&P company operating on the NCS. The closing of the merger between Det norske and BP Norge was completed as planned on 30 September, creating one of Europe's largest independent oil companies in terms of production. The integration process is on track for completion by 1 December 2016. In October the company announced its first dividend of USD 125 million, which will result in a USD 25 million pay-out to Aker in December 2016 and 25 million in March 2017. The company aims to sustain a minimum annual dividend of USD 250 million going forward, payable quarterly, which will increase once Johan Sverdrup is in production. Aker BP aims to continue to grow organically and through M&A, albeit in a disciplined manner. The company announced the acquisition of eight licenses from Tullow Oil in October. The acquisition included a 15 per cent stake in the North Sea Oda discovery, which will be developed as a tie-back to the Aker BP-operated Ula field, thereby strengthening Aker BP's position in one of its the core areas. Operationally, the Aker BP-operated Ivar Aasen project remains on track for first oil in the fourth quarter 2016. The company reported a strong production in the third quarter of 59 800 boed, while BP Norge produced 52 800 boed in the period. Aker BP is implementing a comprehensive plan to reduce costs and improve efficiency throughout the value chain, notably through alliances with suppliers and by exploring methods to further digitise operations. In August it announced a capex reduction of NOK 24 billion to NOK 99 billion for the first phase of the Johan Sverdrup development compared to the PDO, bringing the break-even price below USD 25 per barrel.

Ocean Yield

Ocean Yield is a ship-owning company with a mandate to build a diversified portfolio of modern vessels within oil services and shipping. The company targets fixed, long-term bareboat charters to credit-worthy counterparties. In the third quarter, the company successfully closed the acquisition of a 49.5 per cent equity interest in six newbuilding mega container vessels to be delivered between July 2016 and February 2017, acquired two chemical tankers in combination with 12-year charters to Navig8 Ltd. and took delivery of six vessels under its newbuilding program. The company also strengthened its capital base by raising NOK 750 million through a new unsecured bond issue and NOK 862 million in a private placement. Aker was diluted down to 66.3 per cent following the equity raise. The dilution is consistent with Aker's strategy of owning a smaller stake of a larger company, and to increase the free float and market liquidity of the share over time. Aker encourages Ocean Yield to continue expanding through accretive organic growth while diversifying the portfolio (both at the counterparty and at the industry segment level), optimising the capital structure, reducing the cost of capital and proactively monitoring counterparty risk. As per the end of the third quarter, the company's estimated EBITDA backlog stood at USD 3.2 billion and the average remaining contract tenor (weighted by EBITDA) was 11.2 years. The company raised its dividend in the third quarter by 0.5 cents per share quarter-on-quarter.

Aker Solutions

Aker Solutions is a global oil services company providing services, technologies, and product solutions within subsea and field design. Improving operational efficiency, nurturing existing and developing new customer relations, and optimising the cost base are high on Aker's ownership agenda for Aker Solutions. The company announced a new organisational model in the third quarter, which will simplify and streamline the organisation to support long-term competitiveness and improve financial results. The company unveiled a new alliance with Aker BP and Subsea 7 in September, where the aim is to work as one integrated team on Aker BP's subsea field portfolio. Aker strongly believes in the importance of closer collaboration between oil companies and suppliers to bring down structural costs and support efficiency improvements on project delivery. Aker Solutions continues to report solid operational and financial results on its portfolio of projects, and maintains a robust balance sheet. The company's liquidity buffer stood at NOK 7.3 billion as per the end of the third quarter. Winning new contracts amid a challenging market, especially for subsea, remains a priority. The acquisition in October of a stake in C.S.E. Mecânica e Instrumentação, a reputable Brazilian brownfield services provider, should support the company's efforts in this regard. The company reported an order intake of NOK 3.5 billion in the quarter, bringing its backlog to NOK 31.7 billion as per the end of the third quarter.

Aker BioMarine

Aker BioMarine is an integrated biotechnology company that supplies krill-derived ingredients to the consumer health and animal nutrition markets. Aker BioMarine completed this year's harvesting season in the third quarter 2016 and continues to reduce implied raw material unit costs with a record total seasonal production of 26 717 metric tons. The company has a positive outlook for sales of its Qrill™ products, while the outlook for Superba™ remains uncertain. In the third quarter, Aker BioMarine and Neptune Technologies & Bioresources entered into a broad patent settlement and cross-licensing agreement, thus ending all outstanding litigation between the two companies. Aker continues to evaluate various options for its long-term ownership of Aker BioMarine.

Akastor

Akastor is an oil-services investment company with a flexible mandate for active ownership and long-term value creation. Aker encourages Akastor to play an active role in M&A, both to free up cash through the realisation of assets and to selectively consider opportunities that could arise in the oil service downturn, albeit in a disciplined manner. The company recently announced several transactions in line with the said agenda, which will strengthen the company's financial flexibility: a 50/50 joint venture ownership of the Skandi Santos vessel with Mitsui, the divestment of Frontica's IT business and the divestment of Fjords Processing. Combined the three transactions will release NOK 2.6 billion in cash to Akastor. Akastor continues to work closely with its portfolio companies to support cost saving programs, operational improvement and strategic initiatives to strengthen competitiveness and position them for when the market recovers. Net debt fell by approximately NOK 658 million, partly due to lower working capital. Akastor's liquidity reserve stood at NOK 2.2 billion at the end of third quarter.

Kvaerner

Kvaerner is a specialised oil and gas-related EPC company, focused on the NCS. The company maintains a solid operational performance and all projects are on track for delivery as scheduled. Kvaerner secured more work from Statoil on the Njord A semi-submersible platform in September 2016. However, the market outlook for the company remains uncertain and with a dwindling order backlog of NOK 8.4 billion as per the end of September, Kvaerner needs to win more work to maintain effective capacity utilisation in 2017 and beyond. In parallel, Kvaerner needs to maintain focus on efficiency and quality improvements, and cost cuts to uphold its competitiveness. Aker supports Kvaerner's ambitions to explore strategic prospects for the company within adjacent segments. Kvaerner's balance sheet remains strong, further strengthened by a net payment of USD 19.5 million received from an insurance claim related to the Longview Project. The company reported NOK 2.8 billion in cash and no debt as per the end of the third quarter 2016.

Results and Returns for Industrial Holdings[1)]

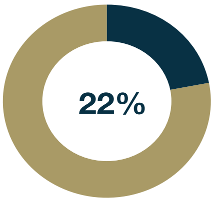
	Aker Solutions		Akastor		Kvaerner	
Amounts in NOK million	3Q15	**3Q16**	3Q15	**3Q16**	3Q15	**3Q16**
Revenue	7 484	**5 987**	2 887	**1 537**	2 858	**1 975**
EBITDA	521	**477**	(126)	**127**	187	**223**
EBITDA margin (%)	7.0	**8.0**	(4.4)	**8.3**	6.5	**11.3**
Net profit continued operations	205	**120**	(1 315)	**(180)**	95	**119**
Closing share price (NOK/share)	29.44	**37.38**	11.00	**8.51**	3.92	**9.68**
Quarterly return (%)[3)]	(33.1)	**5.3**	(20.9)	**(8.4)**	(20.5)	**27.4**

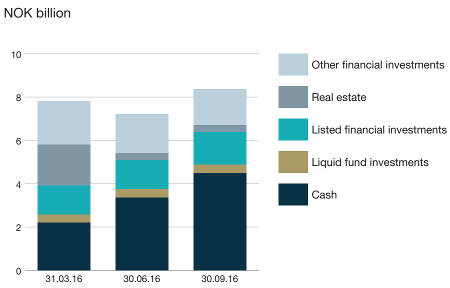
	Aker BP		Ocean Yield		Aker BioMarine	
Amounts in USD million	3Q15	**3Q16**	3Q15	**3Q16**	3Q15	**3Q16**
Revenue	316	**248**	65	**76**	31	**33**
EBITDA[2)]	278	**210**	56	**69**	6	**12**[3)]
EBITDA margin (%)	87.9	**84.5**	86.4	**90.2**	19.7	**38.0**
Net profit continued operations	(166)	**63**	23	**33**	2	**(2)**
Closing share price (NOK/share)	47.50	**127.10**	65.00	**65.75**	N/A	**N/A**
Quarterly return (%)[4)]	(14.4)	**25.3**	7.7	**11.1**	N/A	**N/A**

[1)] The figures refer to the full results reported by the companies. Reference is made to the respective companies' quarterly reports for further details.
[2)] For Aker BP, EBITDAX is used. EBITDAX is Earnings before interest, taxes, depreciation, amortisation and exploration expenses.
[3)] Excluding net settlement of USD 6 million to Neptune, expensed as other expenses in 3Q16.
[4)] The figures refer to total shareholder return, i.e. share price development and dividend payments.

Aker – Segment information
Financial Investments

Share of Aker's assets





	31.12.2015		30.06.2016		**As of 30.09.2016**	
	NOK/share[1]	NOK million	NOK/ share[1]	NOK million	NOK/share[1]	NOK million
Cash	20	1 488	45	3 364	**60**	**4 490**
Liquid fund investments	6	415	5	390	**5**	**394**
Listed financial investments	26	1 906	18	1 328	**20**	**1 490**
Real estate	25	1 870	4	326	**4**	**326**
Other financial investments	27	2 016	24	1 806	**23**	**1 678**
Total Financial Investments	104	7 693	97	7 214	**113**	**8 377**

[1] *The investment's contribution to Aker's per-share NAV.*

Financial Investments comprise all of Aker's non-core assets, including cash, liquid fund investments, listed financial investments, real estate and other financial investments. The value of Aker's financial investments amounted to NOK 8.4 billion as of 30 September 2016, up from NOK 7.2 billion as of 30 June 2016 and NOK 7.7 billion as of 31 December 2015, mainly due to the sale of Aker's shares in Havfisk, which increased the company's cash position.

Aker's **Cash holding** increased to NOK 4.5 billion in the third quarter, up from NOK 3.4 billion in the prior quarter and NOK 1.5 billion at year-end 2015. The increase in the quarter was primarily due to proceeds received from the above-mentioned sale of Havfisk as well as dividends received from Ocean Yield and Philly Shipyard. Aker's primary cash outflow in the quarter related to the acquisition of Aker BP shares net of USD 250 million in bank financing, the investment in shares and a convertible loan in Solstad Offshore, and ordinary operating and finance costs.

Aker held NOK 394 million in **Liquid fund investments** at the end of the third quarter, in two funds managed by Norron AB. This compares to NOK 390 million held as of the second quarter of 2016 and NOK 415 million as per year-end 2015.

The value of **Listed financial investments** stood at NOK 1.5 billion as of 30 September 2016, compared to NOK 1.3 billion as of 30 June 2016 and NOK 1.9 billion as of 31 December 2015. The value of Aker's investment in Philly Shipyard decreased to NOK 0.8 billion, compared to NOK 1.0 billion in the prior quarter, explained by the NOK 195 million dividend received in the quarter. The value of Aker's direct and indirect investment in American Shipping Company was NOK 311 million as of the third quarter, up NOK 40 million from the previous quarter. Aker invested in Solstad Offshore during the third quarter and the shares were valued at NOK 310 million as of 30 September 2016. Aker's investment in Cxense was valued at NOK 65 million as per the end of the third quarter, marginally up from the prior quarter.

The value of Aker's **Real estate** stood at NOK 326 million, unchanged from the previous quarter. This value mainly reflects ongoing residential projects at Fornebu outside Oslo, as well as the value of land at Fornebu and Aberdeen.

Other financial investments amounted to NOK 1.7 billion as of 30 September 2016, down from NOK 1.8 billion at the end of the second quarter and NOK 2.0 billion at year end. Other financial investments consist of equity investments, internal and external receivables, and other assets. Aker wrote down the value of equity investments by a total of NOK 260 million in the third quarter, of which Align and Trygg Pharma represented NOK 127 million and NOK 79 million respectively. Aker's receivables increased in the period due to a NOK 250 million investment in a convertible loan in Solstad Offshore. Aker holds a right to subscribe for 20 million additional Solstad shares with one vote each at NOK 12.50 per share through the convertible loan. The conversion right may be exercised until 13 July 2021.

Aker ASA and holding companies
Combined balance sheet

Amounts in NOK million	30.09.15	31.12.15	30.06.2016	**30.09.2016**
Intangible, fixed, and non-interest bearing assets	376	480	220	**190**
Interest-bearing fixed assets	406	986	844	**1 060**
Investments[1)]	15 596	16 184	14 941	**17 141**
Non interest-bearing short-term receivables	415	246	48	**89**
Interest-bearing short-term receivables	-	262	13	**-**
Cash	2 873	1 488	3 364	**4 490**
Assets	19 667	19 574	19 430	**22 970**
Equity	12 178	11 831	12 504	**14 197**
Non interest-bearing debt	512	1 209	477	**398**
Interest-bearing debt, external	6 977	6 534	6 449	**8 375**
Equity and liabilities	19 667	19 574	19 430	**22 970**
Net interest-bearing receivables (debt)	(3 698)	(3 798)	(2 227)	**(2 825)**
Equity ratio (%)	62	60	64	**62**

[1)] Aker ASA and holding companies prepares and presents its accounts in accordance with the Norwegian Accounting Act and generally accepted accounting practices (GAAP), to the extent applicable. Accordingly, exchange-listed shares owned by Aker ASA and holding companies are recorded in the balance sheet at the lower of market value and cost price. In accordance with Aker ASA and holding companies' accounting principles, acquisitions and disposals of companies are a part of the ordinary business. Consequently gains from sales of shares are classified as operating revenues in the combined profit and loss statement of the accounts. Gains and losses are only recognised to the extent assets are sold to third parties. Aker's accounting principles are presented in the company's 2015 annual report.

The total book value of assets was NOK 23.0 billion at the end of the third quarter 2016, up from NOK 19.4 billion as per 30 June 2016 and NOK 19.6 billion as per year-end 2015. The increase is primarily due to the gain recognised from the sale of the Havfisk shares in the quarter.

Intangible, fixed and non-interest bearing assets stood at NOK 190 million, compared to NOK 220 million as per end of the second quarter and NOK 408 million as per year-end 2015.

Interest-bearing fixed assets rose by NOK 216 million to NOK 1.1 billion in the third quarter, primarily due to the NOK 250 million investment in a convertible bond in Solstad Offshore.

Investments increased by NOK 2.2 billion to NOK 17.1 billion in the third quarter. The increase was primarily due to the acquisition of 33.8 million shares in Aker BP for USD 318 million, partly offset by the divestment of Havfisk in the period, which had a book value of NOK 347 million. Investments stood at NOK 16.2 billion as per year-end 2015.

Non interest-bearing short-term receivables increased marginally by NOK 41 million to NOK 89 million in the third quarter, compared to NOK 246 million as per year-end 2015.

Aker had no **interest bearing short-term receivables** in the third quarter, compared to NOK 13 million in the second quarter and NOK 262 million at year-end 2015.

Aker's **Cash** increased to NOK 4.5 billion in the third quarter, from NOK 3.4 billion in the prior quarter and NOK 1.5 billion at year-end 2015. The increase in the quarter was primarily due to proceeds received from the above-mentioned sale of Havfisk as well as dividends received from Ocean Yield and Philly Shipyard. Aker's primary cash outflow in the quarter related to the acquisition of Aker BP shares for NOK 0.5 billion net of obtained financing, the investment in shares and a convertible loan in Solstad Offshore, and ordinary operating and finance costs.

Equity stood at NOK 14.2 billion at the end of the third quarter, compared to NOK 12.5 billion as per 30 June 2016 and NOK 11.8 billion as per 31 December 2015. The increase is mainly due to Aker posting a profit before tax of NOK 1.7 billion in the quarter.

Non interest-bearing debt fell to NOK 398 million from NOK 477 million in the third quarter. It stood at NOK 1.2 billion as per year-end 2015.

Interest-bearing debt, external increased by NOK 1.9 billion to NOK 8.4 billion in the third quarter due to a new USD 250 million loan from SEB obtained to finance part of the Aker BP share purchase.

Aker ASA and holding companies
Combined income statement

Amounts in NOK million	3Q 15	2Q 16	**3Q 16**	YTD 15	**YTD 16**	Year 2015
Sales gain	-	90	**1 627**	-	**1 906**	-
Operating expenses	(60)	(48)	**(18)**	(163)	**(126)**	(219)
EBITDA[1)]	(60)	42	**1 609**	(163)	**1 780**	(219)
Depreciation and amortisation	(15)	(21)	**(3)**	(23)	**(30)**	(31)
Value change	(539)	326	**(228)**	110	**(217)**	153
Net other financial items	44	395	**315**	264	**818**	708
Profit/(loss) before tax	(570)	742	**1 692**	188	**2 351**	611

[1)] EBITDA = Earnings before interest, tax, depreciation and amortisation.

Aker ASA and holding companies prepares and presents its accounts in accordance with the Norwegian Accounting Act and generally accepted accounting practices (GAAP), to the extent applicable. Accordingly, exchange-listed shares owned by Aker ASA and holding companies are recorded in the balance sheet at the lower of market value and cost price. In accordance with Aker ASA and holding companies' accounting principles, acquisitions and disposals of companies are a part of the ordinary business. Consequently gains from sales of shares are classified as operating revenues in the combined profit and loss statement of the accounts. Gains and losses are only recognised to the extent assets are sold to third parties. Aker's accounting principles are presented in the company's 2015 annual report.

The income statement for Aker ASA and holding companies shows a profit before tax of NOK 1.7 billion for the third quarter 2016, compared to a profit before tax of NOK 742 million in the prior quarter. The income statement is mainly affected by gains from share sales, value changes in share investments and dividends received.

The **sales gain** in the third quarter of NOK 1.6 billion came from the sale of shares in Havfisk and Norway Seafoods.

Operating expenses in the third quarter were NOK 18 million compared to NOK 48 million in the prior quarter. The decrease is due to a one-off reduction in pension liabilities of approximately NOK 30 million.

Value change in the third quarter was negative NOK 228 million, mainly reflecting the write-down of financial investments, primarily Align and Trygg Pharma. The negative value change in the quarter compares to a positive value change of NOK 326 million in the prior quarter.

Net other financial items in the third quarter amounted to NOK 315 million, compared to NOK 395 million in the prior quarter. The decrease is primarily due to less dividends received in the period.

The Aker Share

The company's share price increased to NOK 275.0 at the end of the third quarter 2016 from NOK 213.0 three months earlier. The company had a market capitalisation of NOK 20.4 billion as per 30 September.

As per 30 September, the total number of shares in Aker amounted to 74 321 862, equal to the number of outstanding shares.

Group consolidated accounts

The Aker Group's consolidated accounts are presented from page 12 onwards. Detailed information on revenues and pre-tax profit for each of Aker's operating segments is included in note 8 on page 17 of this report.

Risks

Aker ASA and each portfolio company are exposed to various forms of market, operational and financial risks. Rather than diversifying risk by spreading investments across many different industries, Aker is focused on sectors in which the company possesses long-standing expertise. The company has established a model for risk management based upon identifying, assessing and monitoring major financial, strategic and operational risks in each business segment, drawing up contingency plans for those risks and closely monitoring the consolidated risk picture. The identified risks and how they are managed are reported to the Aker Board on a regular basis. Aker continuously works to improve its risk management process.

The main risks that Aker ASA and holding companies are exposed to are related to the value changes of the listed assets due to market price fluctuations. The development of the global economy, and energy prices in particular, as well as currency fluctuations, are important variables in predicting near-term market fluctuations.

The companies in Aker's Industrial holdings are, like Aker, exposed to commercial risks, financial risks and market risks. In addition these companies, through their business activities within their respective sectors, are also exposed to legal/regulatory risks and political risks, i.e. political decisions on petroleum taxes and environmental regulations.

Since 2014, crude oil prices have declined significantly and volatility in prices has increased, resulting in greater uncertainty in the oil and gas sector. Lower oil prices have impacted revenues and the challenging environment for offshore oil services may adversely affect some of our portfolio companies' counterparties. Counterparty risk should thus be closely monitored by our portfolio companies.

Aker's risk management, risks and uncertainties are described in the Annual Report for 2015. Aside from changes in current macroeconomic conditions, commodity prices, currency rates and related risks, no other significant changes have occurred subsequent to the publishing of the Annual Report for 2015.

Key events after the balance sheet date

After the close of the third quarter 2016, the following events occurred that affect Aker and the company's investments:

- On 3 October Akastor announced an agreement to sell Frontica Business Solutions to Cognizant for a consideration of NOK 1.0 billion on a debt- and cash-free basis.
- On 21 October Aker Solutions announced an agreement to acquire a 70 per cent stake in Brazilian C.S.E. Mecânica e Instrumentação, building on a strategy to expand its services business in key international markets. The agreement includes an option to purchase the remaining 30 percent of the company three years after the expected close of the transaction by the end of the first quarter of 2017. The acquisition gives Aker Solutions access to Brazil's growing market for servicing existing oil and gas fields.
- On 27 October Akastor announced an agreement to sell Fjords Processing to National Oilwell Varco for a consideration of NOK 1.2 billion on a debt- and cash-free basis, subject to regional regulatory clearances and customary closing conditions.

Outlook

Investments in listed shares comprised 79 per cent of the company's assets as per 30 September 2016. About 60 per cent of Aker's investments was associated with the oil and gas sector, 18 per cent with the maritime industry, while cash and liquid fund investments represented 13 per cent, seafood and marine biotechnology 5 per cent, and other assets 4 per cent. Aker's NAV will thus be influenced by fluctuations in commodity prices, exchange rates and developments on the Oslo Stock Exchange.

The cutbacks in E&P spending, driven by oil and gas companies' focus on free cash flow amid lower crude prices, have put the oil service industry under pressure. Aker expects overall activity levels to remain subdued and pressure on prices to remain through 2016 and well into 2017 as E&P companies take a cautious approach to new investments until oil prices demonstrate a sustained recovery. Aker's portfolio companies in the oil and gas sector will therefore continue to reduce their cost base in line with activity levels, while at the same time strengthening their competitiveness through increased productivity, efficiency and standardisation, improved technology offerings, and by entering into strategic partnerships and alliances. Cost-cutting measures and increased operational efficiency across the industry have brought down break-even costs for offshore projects, which may result in more projects being sanctioned in the short to medium term. Aker remains positive about the longer-term outlook for oil and gas and will therefore continue to seek counter-cyclical investment opportunities in the sector.

Aker's strong balance sheet puts the company in a good position to face unforeseen operational challenges and short-term market fluctuations. As an industrial investment company, Aker will use its resources and competence to promote and support the development of the companies in its portfolio, and to consider new investment opportunities.

Fornebu, 4 November 2016
Board of Directors and President and CEO

Financial calendar 2017

28 February	Presentation of 4Q 2016
11 May	Presentation of 1Q 2017
18 July	Presentation of 2Q 2017
10 November	Presentation of 3Q 2017

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AKER NO in Bloomberg
AKER.OL in Reuters

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Alternative Performance Measures

Aker ASA refers to alternative performance measures with regards to Aker ASA and holding companies' financial results and those of its portfolio companies, as a supplement to the financial statements prepared in accordance with IFRS. Such performance measures are frequently used by securities analysts, investors and other interested parties, and they are meant to provide an enhanced insight into operations, financing and future prospects of the group. The definitions of these measures are as follows:

- **EBITDA** is operating profit before depreciation, amortisation, impairment charges and non-recurring items.
- **EBITDA margin** is EBITDA divided by revenue.
- **EBITDAX** is operating profit before depreciation, amortisation, impairment charges, non-recurring items and exploration expenses.
- **Equity ratio** is total equity divided by total assets.
- **Gross asset value** is the sum of all assets, determined by applying the market value of exchange-listed shares, while book value is used for other assets.
- **Net Asset Value** ("NAV") is gross asset value less liabilities.
- **NAV per share** is NAV divided by the total number of outstanding Aker ASA shares.
- **Net interest-bearing receivable/debt** is cash, cash equivalents and interest-bearing receivables (current and non-current), minus interest-bearing debt (current and non-current).
- **Order intake** includes new signed contracts in the period, in addition to expansion of existing contracts. The estimated value of potential options and change orders is not included.
- **Order backlog** represents the estimated value of remaining work on signed contracts.
- **Value-adjusted equity ratio** is NAV divided by gross asset value.

Aker Group

Condensed consolidated financial statements for the third quarter 2016

Consolidated income statement

Amounts in NOK million	Note	3Q 2016	3Q 2015 Restated*	Jan-Sept 2016	Jan-Sept 2015 Restated*	Year 2015 Restated*
Operating revenues	8	10 076	13 952	**32 109**	44 436	58 867
Operating expenses		(8 613)	(12 859)	**(28 268)**	(40 830)	(53 616)
Operating profit before depreciation and amortisation		1 463	1 093	**3 840**	3 606	5 251
Depreciation and amortisation	9	(741)	(691)	**(1 998)**	(1 953)	(2 641)
Impairment charges and other non-recurring items	9	(174)	(1 150)	**(121)**	(1 250)	(1 755)
Operating profit		548	(748)	**1 722**	404	855
Net financial items		(328)	(215)	**(921)**	(668)	(1 044)
Share of earnings in equity accounted companies		(62)	(201)	**(131)**	(239)	(337)
Profit before tax	**8**	158	(1 164)	**670**	(504)	(526)
Income tax expense		(124)	47	**(249)**	(125)	(148)
Net profit/loss from continuing operations		34	(1 117)	**421**	(630)	(675)
Discontinued operations:						
Profit and gain on sale from discontinued operations, net of tax	10	15 335	(1 359)	**15 487**	(1 324)	(3 146)
Profit for the period		15 369	(2 476)	**15 908**	(1 954)	(3 821)
Equity holders of the parent		14 634	(1 227)	**15 146**	(946)	(1 823)
Minority interests		735	(1 248)	**762**	(1 008)	(1 998)
Average number of shares outstanding (million)	6	74,3	74,3	**74,2**	73,2	73,5
Basic earnings and diluted earnings per share continuing business (NOK)		0,08	(7,68)	**5,34**	(4,62)	(5,47)
Basic earnings and diluted earnings per share (NOK)		196,90	(16,52)	**204,05**	(12,92)	(24,81)

*) See Note 10

Consolidated statement of comprehensive income

Amounts in NOK million	3Q 2016	3Q 2015	Jan-Sept 2016	Jan-Sept 2015	Year 2015
Profit for the period	**15 369**	(2 476)	**15 908**	(1 954)	(3 821)
Other comprehensive income, net of income tax:					
Items that will not be reclassified to income statement:					
Defined benefit plan actuarial gains (losses)	**(1)**	-	**(1)**	-	84
Other changes	**-**	(8)	**14**	-	-
Items that will not be reclassified to income statement	**(1)**	(8)	**13**	-	84
Items that may be reclassified subsequently to income statement:					
Changes in fair value of financial assets	**16**	4	**(21)**	52	(74)
Changes in fair value cash flow hedges	**70**	(392)	**44**	(970)	(1 444)
Reclassified to profit or loss: changes in fair value of available-for-sale financial assets, translation and cash flow hedges	**(316)**	291	**(560)**	483	1 023
Currency translation differences	**(1 056)**	1 870	**(2 304)**	3 057	3 542
Change in other comprehensive income from associated companies	**(25)**	19	**(65)**	13	107
Items that may be reclassified subsequently to income statement	**(1 310)**	1 792	**(2 907)**	2 635	3 155
Other comprehensive income, net of income tax	**(1 311)**	1 784	**(2 894)**	2 635	3 240
Total comprehensive income for the period	**14 058**	(692)	**13 014**	681	(581)
Attributable to:					
Equity holders of the parent	**13 686**	(359)	**13 455**	461	(177)
Minority interests	**372**	(333)	**(441)**	220	(405)
Total comprehensive income for the period	**14 058**	(692)	**13 014**	681	(581)

Consolidated balance sheet

Amounts in NOK million	Note	At 30.09 2016	At 30.09 2015	At 31.12 2015
Assets				
Non-current assets				
Property, plant & equipment	9	**23 103**	54 404	53 864
Intangible assets	9	**9 774**	31 266	29 878
Deferred tax assets		**1 549**	1 011	1 248
Investments in equity accounted companies		**19 576**	1 124	1 377
Other shares		**908**	1 255	1 107
Interest-bearing long-term receivables		**6 147**	3 811	4 114
Calculated tax receivable		**-**	69	-
Other non-current assets		**639**	377	1 161
Total non-current assets		**61 696**	93 317	92 749
Current assets				
Inventory, trade and other receivables		**17 193**	32 315	28 933
Calculated tax receivable		**145**	435	1 242
Interest-bearing short-term receivables		**214**	460	523
Cash and bank deposits		**12 112**	11 147	10 388
Total current assets		**29 663**	44 357	41 087
Assets classified as held for sale		**2 129**	618	633
Total assets		**93 488**	138 292	134 468
Equity and liabilities				
Paid in capital		**2 331**	2 331	2 327
Retained earnings and other reserves		**18 498**	6 316	5 630
Total equity attributable to equity holders of the parent	6	**20 829**	8 647	7 957
Minority interest		**18 093**	22 171	21 462
Total equity		**38 922**	30 818	29 419
Non-current liabilities				
Non-current interest-bearing debt	7	**26 192**	49 069	44 813
Deferred tax liabilities		**366**	14 110	13 625
Provisions and other long-term liabilities		**2 587**	7 525	7 409
Total non-current liabilities		**29 145**	70 704	65 847
Current liabilities				
Current interest-bearing debt	7	**5 461**	3 484	6 882
Tax payable, trade and other payables		**18 593**	33 241	32 272
Total current liabilities		**24 054**	36 725	39 154
Total liabilities		**53 198**	107 428	105 001
Liabilities classified as held for sale		**1 368**	45	49
Total equity and liabilities		**93 488**	138 292	134 468

Consolidated cash flow statement

Amounts in NOK million	Note	3Q 2016	3Q 2015 Restated*	Jan-Sept 2016	Jan-Sept 2015 Restated*	Year 2015 Restated*
Profit before tax		**158**	(1 164)	**670**	(504)	(526)
Depreciation and amortisation		**741**	691	**1 998**	1 953	2 641
Other items and changes in other operating assets and liabilities		**2 261**	4 715	**4 306**	3 483	6 958
Net cash flow from operating activities		**3 159**	4 242	**6 974**	4 931	9 072
Proceeds from sales of property, plant and equipment	9	**150**	213	**353**	716	764
Proceeds from sale of shares and other equity investments		**-**	2	**444**	60	91
Disposals of subsidiary, net of cash disposed		**1 761**	27	**2 281**	27	836
Acquisition of subsidiary, net of cash acquired		**-**	(97)	**(118)**	(139)	(1 251)
Acquisition of property, plant and equipment	9	**(2 615)**	(2 849)	**(9 108)**	(9 484)	(12 367)
Acquisition of equity investments in other companies		**(878)**	(106)	**(1 000)**	(106)	(472)
Acquisition of Aker BP shares and net cash disposed in Det norske	10	**(5 472)**	-	**(5 472)**	-	-
Acquisition of vessels accounted for as finance lease		**(396)**	(514)	**(1 260)**	(1 030)	(1 030)
Net cash flow from other investments		**(257)**	(503)	**(541)**	(385)	(851)
Net cash flow from investing activities		**(7 708)**	(3 827)	**(14 419)**	(10 341)	(14 279)
Proceeds from issuance of interest-bearing debt	7	**6 874**	2 230	**16 660**	12 010	12 315
Repayment of interest-bearing debt	7	**(1 690)**	(1 759)	**(6 464)**	(7 149)	(8 599)
New equity		**854**	-	**859**	16	16
Own shares		**1**	6	**(15)**	(7)	(32)
Dividends paid		**(224)**	(54)	**(1 263)**	(991)	(1 081)
Net cash flow from financing activities		**5 814**	423	**9 776**	3 879	2 620
Net change in cash and cash equivalents		**1 266**	838	**2 331**	(1 530)	(2 587)
Effects of changes in exchange rates on cash		**(310)**	456	**(607)**	677	975
Cash and cash equivalents at the beginning of the period		**10 409**	9 853	**10 388**	12 000	12 000
Classified as assets held for sale prior period		**747**	-	-	-	-
Cash and cash equivalents at end of period		**12 112**	11 147	**12 112**	11 147	10 388

*) See Note 10

Consolidated statement of changes in equity

Amounts in NOK million	Total paid-in capital	Total translation and other reserves	Retained earnings	**Total equity of equity holders of the parent**	Minority interests	**Total equity**
Balance at 31 December 2014	2 026	1 790	4 908	**8 723**	22 669	**31 392**
Correction previous years	-	-	(135)	**(135)**	(50)	**(184)**
Balance at 1 January 2015	2 026	1 790	4 773	**8 589**	22 619	**31 207**
Profit for the year 2015	-	-	(1 823)	**(1 823)**	(1 998)	**(3 821)**
Other comprehensive income	-	1 613	33	**1 647**	1 593	**3 240**
Total comprehensive income	-	1 613	(1 790)	**(177)**	(405)	**(581)**
Dividends	-	-	(723)	**(723)**	(662)	**(1 385)**
Own shares	(4)	-	(18)	**(22)**	-	**(22)**
Share-based payment transactions	-	-	5	**5**	-	**5**
Dividend issue	305	-	-	**305**	-	**305**
Total contributions and distributions	301	-	(737)	**(436)**	(662)	**(1 098)**
Acquisition and sale of minority	-	-	(9)	**(9)**	(106)	**(116)**
Issuance of shares in subsidiary	-	-	-	**-**	16	**16**
Total changes in ownership without a change of control	-	-	(9)	**(9)**	(90)	**(100)**
Transaction cost share issue in associated company	-	-	(10)	**(10)**	-	**(10)**
Balance at 31 December 2015	2 327	3 403	2 227	**7 957**	21 462	**29 419**
Profit for the period Jan - Sept 2016	-	-	15 146	**15 146**	762	**15 908**
Other comprehensive income	-	(1 690)	-	**(1 691)**	(1 203)	**(2 894)**
Total comprehensive income	-	(1 690)	15 146	**13 455**	(441)	**13 014**
Dividends	-	-	(742)	**(742)**	(522)	**(1 263)**
Own shares	1	-	(4)	**(4)**	-	**(4)**
Share-based payment transactions	4	-	19	**22**	-	**22**
Total contributions and distributions	4	-	(727)	**(723)**	(522)	**(1 245)**
Acquisition and sale of minority	-	-	151	**151**	82	**233**
Issuance of shares in subsidiary	-	-	(10)	**(10)**	869	**859**
Total changes in ownership without change of control	-	-	140	**140**	951	**1 092**
Loss of control in subsidiaries		-	-	**-**	(3 358)	**(3 358)**
Balance at 30 September 2016	2 331	1 712	16 785	**20 829**	18 093	**38 922**

Balance at 31 December 2014	2 026	1 790	4 908	**8 723**	22 669	**31 392**
Correction previous years	-	-	(135)	**(135)**	(50)	**(184)**
Balance at 1 January 2015	2 026	1 790	4 773	**8 589**	22 619	**31 207**
Profit for the period Jan - Sept 2015			(946)	**(946)**	(1 008)	**(1 954)**
Other comprehensive income	-	1 406	-	**1 406**	1 229	**2 635**
Total comprehensive income	-	1 406	(946)	**461**	220	**681**
Dividends	-	-	(723)	**(723)**	(572)	**(1 296)**
Own shares	-	-	1	**1**	-	**1**
Share-based payment transactions	-	-	4	**4**	-	**4**
Dividend issue	305	-	-	**305**	-	**305**
Total contributions and distributions	305	-	(718)	**(413)**	(572)	**(985)**
Acquisition and sale of minority	-	-	11	**11**	(112)	**(101)**
Issuing shares in subsidiary	-	-	-	**-**	16	**16**
Total changes in ownership without change of control	-	-	11	**11**	(96)	**(85)**
Balance at 30 September 2015	2 331	3 196	3 120	**8 647**	22 171	**30 818**

Notes to the Aker condensed consolidated financial statements for the third quarter 2016

1. Introduction – Aker ASA

Aker ASA is a company domiciled in Norway. The condensed consolidated interim financial statements for the third quarter of 2016, ended 30 September 2016, 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 2015 and quarterly reports are available at www.akerasa.com.

On 30 September 2016, Det norske oljeselskap completed the closing of the merger with BP Norge, and renamed the company Aker BP. Aker BP is jointly owned by Aker (40 per cent), BP (30 per cent) and other shareholders (30 per cent). Aker have accounted for its investment in Det norske as discontinued operations from the date of announcement of the transaction in June 2016. At the time of closing of the transaction, Aker has recognised a gain and simultaneously recognised its remaining 40 per cent ownership as investment in associate at an initial amount equal to fair value. See note 10 for more information.

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 additional requirements in the Norwegian 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 2015.

These condensed consolidated interim financial statements were approved by the Board of Directors on 4 November 2016.

A number of standards, amendments to standards and interpretations are not yet effective for the period ended 30 September 2016, and have not been applied in preparing these consolidated financial statements:

- IFRS 15 Revenue from contracts with customers is effective from 1 January 2018. The progress-based measurement of revenue over time is still expected to be the main method for the construction and service contracts in Aker. Tender cost will no longer be capitalised; however, this impact is not expected to be material. The current assessment is that the new standard for revenue recognition will not significantly change how the group recognises revenue.
- The implementation of IFRS 9 Financial Instruments is mandatory from 1 January 2018. The percentage of qualifying hedges is expected to increase under IFRS 9. This is expected to result in less foreign currency effects reported under financial items. The current assessment is that the new standard for financial instruments will not significantly change the reported figures of the group.
- IFRS 16 Leasing is effective from 2019. The new standard for leasing will significantly change how the group accounts for its lease contracts for land, buildings and other assets currently accounted for as operating leases. Under IFRS 16, an on-balance sheet model that is similar to current financial leases accounting will be applied to all lease contracts, only leases for small items such as PC's and office equipment will be exempt. As a result, assets and liabilities will increase with a value close to the net present value of future lease payments and EBITDA will increase as the lease payments will be presented as depreciation and finance cost.

3. Significant accounting principles

The accounting policies 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 2015. The group's accounting principles are described in the Aker ASA annual financial statements for 2015.

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 estimate uncertainty, are the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2015.

5. Pension, tax and contingencies

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 recognised in each interim period based on the best estimate of the expected annual income tax rates.

6. Share capital and equity

As of 30 September 2016 Aker ASA had issued 74 321 862 ordinary shares at a par value of NOK 28 per share. Total own shares were zero. Average outstanding number of shares is used in the calculation of earnings per share in all periods in 2015 and 2016.

At year-end 2015, the board of directors suggested a dividend of NOK 10.00 per share for 2015, a total of 742 million. The dividend distribution was approved at the Annual General Meeting in April 2016.

7. Interest-bearing debt

Material changes in interest-bearing debt (current and non-current) during 2016:

Amounts in NOK million	At 2Q 2016	Changes 3Q 2016	At 3Q 2016
Balance at 1 January 2016	**51 695**	**-**	**51 695**
Drawn Reserve Based Lending Facility in Det norske	1 797	2 514	4 311
Drawn bank facility in Ocean Yield	2 404	1 347	3 751
Drawn bank facility in Aker Maritime Finance	600	-	600
USD bankfacility in Aker ASA and holding companies	-	2 013	2 013
Drawn bank facility in Akastor	4 042	16	4 058
Establishment fee, other new loans and changes in credit facilities	943	984	1 927
Total funds from issuance of non-current and current debt	**9 786**	**6 874**	**16 660**
Repayment of bank facility in Akastor	(3 771)	(400)	(4 171)
Other repayments	(1 003)	(1 290)	(2 293)
Total repayments of non-current and current debt	**(4 774)**	**(1 690)**	**(6 464)**
Deconsolidation of Det norske	**-**	(25 485)	(25 485)
Sale of subsidiaries	(534)	(1 303)	(1 837)
Exchange rates differences and other changes	(1 220)	(1 696)	(2 916)
Balance at end of period	**54 953**	**(23 300)**	**31 652**
Classified as liabilities held for sale	(25 187)	25 187	-
Balance at end of period adjusted for liabilities held for sale	**29 766**	**1 886**	**31 652**
Balance at end of period is allocated on current and non-current items as follows:			
Non-current debt	24 766	1 426	26 192
Current debt	5 000	461	5 461
Balance at end of period adjusted for liabilities held for sale	**29 766**	**1 886**	**31 652**

8. Operating segments

Aker identifies segments based on the group's management and internal reporting structure.
Aker's investment portfolio is comprised of two segments: Industrial Holdings and Financial Investments.

Recognition and measurement applied in the segment reporting are consistent with the accounting policies in the condensed consolidated interim financial statements.

Operating revenues	**3Q**	3Q	**Jan-Sept**		Year
	2016	2015	**2016**	2015	2015
Amounts in NOK million		Restated*		Restated*	Restated*
Industrial holdings					
Aker Solutions	**5 987**	7 484	**19 419**	24 032	31 896
Akastor	**1 537**	2 887	**5 210**	9 443	12 515
Ocean Yield	**635**	536	**1 786**	1 511	2 070
Aker BioMarine	**271**	254	**717**	624	848
Kvaerner	**1 975**	2 858	**6 062**	9 508	12 084
Eliminations	**(596)**	(1 313)	**(2 021)**	(3 377)	(4 181)
Total industrial holdings	**9 809**	12 706	**31 173**	41 741	55 232
Financial investments and eliminations	**267**	1 246	**936**	2 695	3 635
Aker group	**10 076**	13 952	**32 109**	44 436	58 867

Profit before tax	**3Q**	3Q	**Jan-Sept**		Year
	2016	2015	**2016**	2015	2015
Amounts in NOK million		Restated*		Restated*	Restated*
Industrial holdings					
Aker Solutions	**177**	315	**633**	963	685
Akastor	**(248)**	(1 658)	**(1 402)**	(2 088)	(2 064)
Ocean Yield	**331**	188	**764**	607	649
Aker BioMarine	**(25)**	16	**18**	53	7
Kvaerner	**162**	232	**216**	397	579
Eliminations	**(349)**	9	**(298)**	16	57
Total industrial holdings	**47**	(899)	**(69)**	(53)	(88)
Financial investments and eliminations	**111**	(265)	**738**	(451)	(439)
Aker group	**158**	(1 164)	**670**	(504)	(526)

*) See Note 10

9. Property, plant and equipment and intangible assets

Material changes in property, plant and equipment and intangible assets during 2016:

Amounts in NOK million	Property, plant and equipment	Intangible assets	Total
Balance at 1 January 2016	**53 864**	**29 878**	**83 742**
Other proceeds from sales of property plant and equipment	(342)	-	(342)
Proceeds from sales of intangible assets	-	(12)	(12)
Total proceeds	**(342)**	**(12)**	**(353)**
Acquisition of property, plant and equipment in Det norske	6 373	-	6 373
Acquisition of exploration expenses and other intangibles in Det norske	-	1 015	1 015
Other acquisitions	1 626	234	1 860
Acquisition of property, plant and intangible assets [1)]	**7 999**	**1 249**	**9 248**
Acquisition and sale of subsidiaries	(1 995)	(819)	(2 814)
Deconsolidation of Det norske (see note 10)	(28 922)	(16 673)	(45 595)
Depreciation and amortisation [2)]	(3 260)	(616)	(3 876)
Impairment [3)]	(43)	(491)	(534)
Expensed capitalised wells	-	(367)	(367)
Exchange rates differences and other changes	(3 978)	(1 841)	(5 819)
Balance at end of period	**23 325**	**10 308**	**33 632**
Classified as assets held for sale	(222)	(534)	(756)
Balance at end of period adjusted for assets held for sale	**23 103**	**9 774**	**32 876**

1) Including capitalised interest, sellers's credit, license swaps effects in Det norske, removal and decommissioning costs in Det norske and other accruals	141	-	141
2) Depreciation and amortisation:			
Continued operations	(1 721)	(277)	(1 998)
Discontinued operations	(1 539)	(339)	(1 878)
Total	(3 260)	(616)	(3 876)
3) Impairment:			
Continued operations	(29)	(92)	(121)
Discontinued operations	(14)	(399)	(413)
Total	(43)	(491)	(534)

10. Discontinued operations

Det norske oljeselskap

On 10 June 2016, Det norske oljeselskap ASA (“Det norske”) announced the agreement with BP Plc (“BP”) to merge with BP Norge AS (“BP Norway”) through a share purchase agreement. Det norske completed the closing of the merger on 30 September 2016, and the company was renamed Aker BP ASA (“Aker BP”).

Aker BP is jointly owned by Aker (40 per cent), BP (30 per cent) and other shareholders (30 per cent). As part of the transaction, Det norske issued 135.1 million shares to BP as compensation for all shares in BP Norway. As an integral part of the transaction, Aker acquired 33.8 million of these shares from BP to achieve the agreed-upon ownership structure.

The transaction has reduced Aker’s ownership from 49.99 per cent in Det norske to 40 per cent in Aker BP and introduced BP as a new major shareholder with 30 per cent ownership interest. Aker has therefore reassessed its ownership in Det norske in relation to the control criteria’s under IFRS 10. The main assessment has been Aker’s ability, given the new ownership structure, to control the outcome of a vote on the company’s general meeting. The assessment includes evaluations of both Aker’s absolute and relative ownership interests, as well as the historic attendance by the minority shareholders at recent general meetings of both Det norske and comparable companies. The conclusion reached is that Aker no longer has control with Aker BP subsequent to the transaction. At closing, Aker therefore has deconsolidated its investment in Det norske, and accounts for its continuing investment in Aker BP as an associate.

Based on the above, Aker classified its investment in Det norske as a disposal group held-for-sale and discontinued operations from the date of announcement of the transaction in June 2016. The comparative condensed consolidated statement of profit and loss has been restated to show the discontinued operations separately from continuing operations.

At the time of closing of the transaction on 30 September 2016, Aker has recognised a gain and simultaneously recognised its remaining 40 per cent ownership as investment in associate at an initial amount equal to fair value of the shares at that date. The gain is included in “Profit and gain on sale from discontinued operations, net of tax”.

Havfisk and Norway Seafoods

On 2 June 2016, it was announced that Aker Capital AS and Aker Capital II AS (“Aker”) had entered into an agreement with Lerøy Seafood Group ASA for the sale of all its shares in Havfisk ASA (“Havfisk”) and Norway Seafoods Group AS (“Norway Seafoods”). The transaction was closed at the end of August 2016.

Aker classified its investments in Havfisk and Norway Seafoods as disposal groups held-for-sale and discontinued operations from the date of announcement of the transactions. The comparative condensed consolidated statement of profit and loss has been restated to show the discontinued operations separately from continuing operations. At the time of closing of the transaction in August, Aker has recognised a gain from the sale of the two businesses. The gains are included in “Profit and gain on sale from discontinued operations, net of tax”.

Discontinued operations within Akastor

In August 2016, MHWirth sold Managed Pressure Operations (MPO. As of September 30, 2016, Akastor committed to plans to sell Frontica's IT business line (Frontica Business Solutions) and Fjords Processing segment. MPO, Frontica Business Solutions and Fjords Processing are classified as discontinued operations and the comparative condensed consolidated income statement has been restated to show the discontinued operations separately from continuing operations. Frontica Business Solutions and Fjords Processing are classified as held-for-sale as of September 30, 2016.

Results from discontinued operations

	Jan-Sept 2016					
Amounts in NOK million	Det norske	Havfisk	Norway Seafoods	Operations within Akastor	Other and elim	**Total**
Operating revenues	5 958	929	1 398	2 371	(923)	**9 732**
Operating expenses	(5 060)	(675)	(1 426)	(2 598)	2 254	**(7 505)**
Financial items	(222)	(32)	(20)	(4)	5	**(273)**
Profit before tax	**675**	**221**	**(48)**	**(231)**	**1 336**	**1 954**
Tax expense	182	(56)	-	(13)	(1 012)	**(898)**
Net profit from operating activities	**857**	**166**	**(47)**	**(244)**	**324**	**1 056**
Gain on sale of discontinued operations	12 524	1 401	130	-	-	**14 054**
Net profit from discontinued operations	**13 382**	**1 566**	**82**	**(244)**	**324**	**15 110**
Classified as discontinued operations previous years:						
Operations within Kvaerner						**376**
Total profit from discontinued operations						**15 487**

Results from discontinued operations

	Year 2015					
Amounts in NOK million	Det norske	Havfisk	Norway Seafoods	Operations within Akastor	Other and elim	**Total**
Operating revenues	9 852	1 131	1 979	3 300	(1 725)	**14 538**
Operating expenses	(9 519)	(850)	(1 999)	(4 071)	1 749	**(14 690)**
Financial items	(1 250)	(51)	(7)	(15)	6	**(1 317)**
Profit before tax	**(916)**	**230**	**(26)**	**(786)**	**30**	**(1 469)**
Tax expense	(1 605)	(55)	(12)	(34)	(3)	**(1 709)**
Net profit from discontinued operations	**(2 521)**	**175**	**(38)**	**(820)**	**27**	**(3 178)**
Classified as discontinued operations previous years:						
Operations within Kvaerner						**56**
Operations within Akastor						**(23)**
Total profit from discontinued operations						**(3 146)**

Earnings per share of discontinued operations

Amounts in NOK	**Jan-Sept 2016**	**Year 2015**
Basic earnings per share from discontinued operations	198,71	(19,34)
Diluted earnings per share from discontinued operations	198,71	(19,34)

Cash flow from discontinued operations

	Jan-Sept 2016					
Amounts in NOK million	Det norske	Havfisk	Norway Seafoods	Operations within Akastor	Other and elim	**Total**
Net cash flow from operating activities	4 820	248	(24)	17	-	**5 061**
Net cash flow from investing activities	(6 865)	(12)	(5)	5	-	**(6 877)**
Net cash flow discontinued operations	**(2 045)**	**236**	**(29)**	**22**	**-**	**(1 816)**

	Year 2015					
Amounts in NOK million	Det norske	Havfisk	Norway Seafoods	Operations within Akastor	Other and elim	**Total**
Net cash flow from operating activities	5 533	278	(24)	(322)	-	**5 465**
Net cash flow from investing activities	(9 421)	(50)	(10)	(3)	-	**(9 484)**
Net cash flow discontinued operations	**(3 888)**	**228**	**(34)**	**(325)**	**-**	**(4 019)**

11. Transactions with related parties

In 3Q 2016, Aker Solutions entered into a 7 year agreement to sublease offices to Aker BP in Stavanger, Norway.

See also note 35 in the group annual accounts for 2015.

12. Events after the balance sheet date

On October 3, 2016, Akastor announced that it entered into an agreement to sell Frontica Business Solutions to Cognizant for a consideration of NOK 1 025 million on a debt- and cash-free basis. Frontica Business Solutions is comprised of Information Technology Outsourcing (ITO) and Business Process Outsourcing (BPO) business segments of Frontica Group, and excludes Frontica's staffing business, Frontica Advantage. The completion of the transaction is subject to customary closing conditions, including regulatory competition filing in Norway.

On October 27, 2016, Akastor announced that it entered into an agreement to sell Fjords Processing to National Oilwell Varco for a consideration of NOK 1 200 million on a debt- and cash-free basis. The transaction is pending clearance from Norwegian and Korean competition authorities, and is subject to customary closing conditions.