



# ANNUAL REPORT 2015

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## FINANCIAL CALENDAR 2016

Aker reserves the right to revise the dates.

Annual General Meeting 2016:	22 April
Presentation of 1Q 2016:	11 May
Aker companies investor day:	7 June
Presentation of 2Q 2016:	19 July
Presentation of 3Q 2016:	7 November







# THIS IS AKER

Aker ASA (Aker) traces its roots back to 1841, to a smithy with industrial ambitions on the banks of the Akerselva river in Christiania (Oslo). For the past 175 years, Aker has led the development of internationally focused, knowledge-based industry in Norway.



## AKERS IS FOUNDED

Akers Mekaniske Verksted is founded by commander Peter S. Steenstrup by Akerselva in Oslo.



1841



## FIRST STEAMSHIP

The steamship *Færdesmanden* sets out on lake Mjøsa. It is the first steamship built in Norway.

1856

1853

## KVAERNER IS FOUNDED

Kvaerner Brug is founded by Oluf Onsum in Lodalen, Oslo.



1873

## KVAERNER'S FIRST TURBINE

Kvaerner delivers its first hydroelectric turbine, and establishes itself shortly after as a special workshop for turbines.



A recurring theme in Aker's history is knowledge without borders. Aker combines industrial expertise with knowledge of the capital markets and financial strength.

Aker ASA is an industrial investment company that exercises active ownership to create value. In its capacity as owner, Aker helps to develop and strengthen the companies in its portfolio of industrial holdings and financial investments. Aker works through the boards of the portfolio companies to drive strategy development, operational improvements, financing, restructuring and industrial transactions forward, with close follow-up by Aker in its capacity as main shareholder.

Aker's ownership interests are concentrated in the oil and gas, maritime assets, seafood/marine biotechnology and real estate sectors. The investments consist of two portfolios:

**The industrial holdings** are strategic in nature and managed with a long-term perspective. They comprise Aker's ownership interests in Det norske oljeselskap, Aker Solutions, Akastor, Kvaerner, Ocean Yield, Aker BioMarine and Havfisk.

**The financial investments** comprise cash and liquid assets, real estate development projects and other assets managed with a shorter term ownership perspective and opportunistic approach in mind.

#### SIZE

Aker is the largest shareholder, directly or indirectly, in eight companies listed on the Oslo Stock Exchange. Collectively, the portfolio companies had a turnover

of approximately NOK 73 billion in 2015, as well as a workforce of 26 000 direct employees, including 14 300 in Norway.

Net asset value (NAV) growth is a key performance indicator for Aker ASA. As at 31 December 2015, NAV amounted to NOK 20.9 billion, compared to NOK 17.7 billion the previous year. In addition, a dividend was declared in 2015 of NOK 0.7 billion.

#### OWNERSHIP

Since re-listing on the Oslo Stock Exchange on 8 September 2004, Aker has generated an average annual share return of 24.4 per cent, including dividends. At the beginning of 2016, the company had 13 000 shareholders. Aker's main shareholders are Anne Grete Eidsvig and Kjell Inge Røkke, who own 68.2 per cent of Aker's stock through their company TRG. CEO Øyvind Eriksen owns 0.2 per cent of the B-shares in TRG through a private company. Eriksen also owns 144 911 shares in Aker ASA.



#### NEW OWNERSHIP

Kjell Inge Røkke becomes Aker's main shareholder and a driving force in the company's development when RGI purchases enough Aker shares to become Aker's largest shareholder; the two companies subsequently merge.

1996



#### AKER TODAY

In November 2015 Aker ASA moved to Fornebu.

2016

1967

#### THE FIRST NORWEGIAN OIL FIELD

Aker builds the floating drilling platform *Ocean Viking*. In 1969 *Ocean Viking* finds *Ekofisk*, the first economically viable oil field on the NCS.



2009

#### INDUSTRIAL INVESTMENT COMPANY

Aker is streamlined as an industrial investment company to participate actively in structural processes and the execution of industrial transactions, mergers, and acquisitions.





# Highlights 2015

## 20 per cent growth

Aker's net asset value grew from NOK 17.7 billion to NOK 20.9 billion in 2015, corresponding to a rise in value per share from NOK 244 to NOK 282. In addition, a dividend of NOK 10 per share was paid, resulting in a total increase in shareholder value of 20 per cent in a year in which the Oslo Stock Exchange Benchmark Index rose 6 per cent. The increase is due to the higher share prices of Ocean Yield, Det norske oljeselskap and Havfisk.

## Diversified portfolio

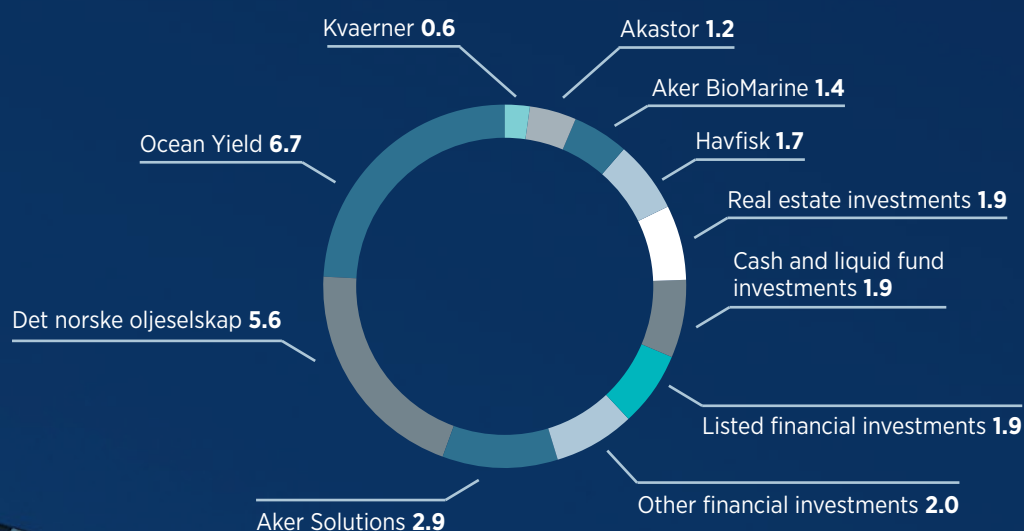
Aker has a diversified portfolio, and the industrial portfolio companies are robust and independent. Maritime assets with high future dividend capacity account for 27 per cent of Aker's total assets, while Det norske oljeselskap accounts for 20 per cent, oil services for 18 per cent and seafood/marine biotechnology for 15 per cent. Cash/liquid fund investments, real estate and other financial investments each account for 7 per cent of Aker's assets.

## Moving into the future

30 November 2015 – the date of Aker's relocation to Fornebuporten – is a milestone in the company's history. After 175 years on the banks of the Aker river and at Aker Brygge, the management and employees of Aker and the Aker-owned companies have been gathered in vibrant, inspiring new offices. Although technological advances are increasingly facilitating efficient working irrespective of geographical location, physical proximity and human interaction are becoming increasingly important for the knowledge environment that is Aker.

### DISTRIBUTION OF AKER'S NOK 27.9 BILLION GROSS ASSET VALUE AS OF 31 DECEMBER 2015

NOK billion



# Key performance indicators

Aker's key performance indicators are net asset value, the company's cash balance and shareholder returns (share price and dividends).

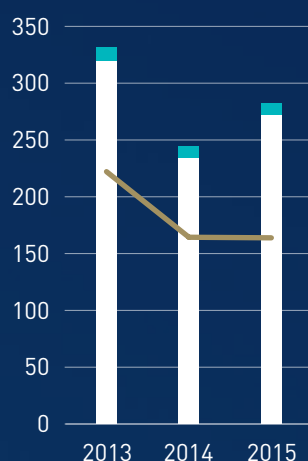
To understand value creation at Aker, it is important to analyse the balance sheets of the holding companies.

The companies in the Aker ASA and holding company structure are pure holding companies. The balance sheets of these companies are a more relevant tool for monitoring value creation than the balance sheet of the parent company alone or the Aker group accounts. Nevertheless, Aker's Annual Report contains all three accounts.

Net asset value (NAV) expresses Aker's underlying value, and is a key determinant of the company's dividend policy (two to four per cent of NAV per year). NAV is calculated based on the market value of listed shares and the book value of other assets.

## NAV PER SHARE BEFORE DIVIDEND

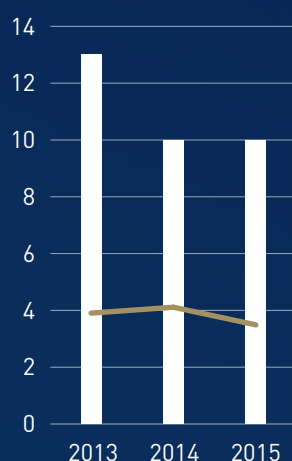
NOK per share



- NAV
- Dividend
- Share price

## ALLOCATED DIVIDEND PER SHARE

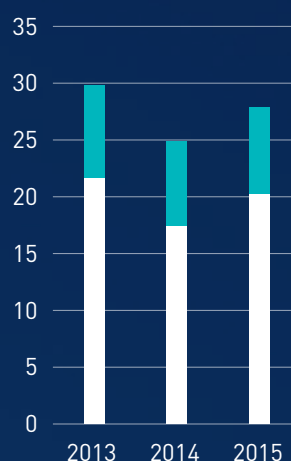
NOK per share and per cent of NAV



- Allocated dividend (NOK)
- Per cent of NAV before dividend

## GROSS ASSETS PER BUSINESS SEGMENT

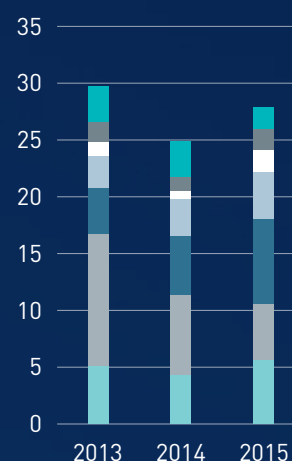
NOK billion



- Industrial holdings
- Financial investments

## GROSS ASSET PER SECTOR

NOK billion



- E&P
- Oil services
- Maritime assets
- Seafood & marine biotech
- Real estate investments
- Other financial assets
- Cash and liquid fund investments

## Changes in net asset value

In 2015, net asset value (NAV) rose from NOK 17 679 million to NOK 20 878 million, before dividend allocation. This represents an increase in NAV-per-share from NOK 244 to NOK 282. The following tables show Aker's investments and NAV per Aker ASA share.

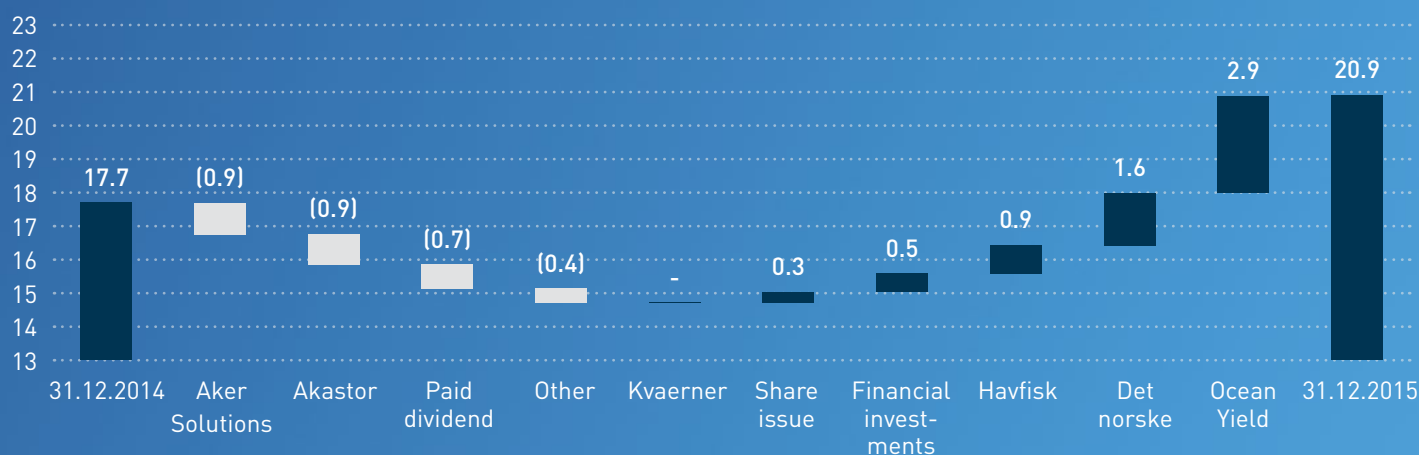
### NET ASSET VALUE DEVELOPMENT – AKER ASA AND HOLDING COMPANIES

NOK million	2015	2014	2013
Dividends received	1 340	844	852
Operating expenses	(219)	(223)	(236)
Other financial expenses	(632)	(490)	(30)
Tax expense	-	(6)	(13)
<b>Total</b>	<b>489</b>	<b>125</b>	<b>573</b>
Dividend payments	(723)	(940)	(868)
Sale/(purchase) treasury shares	288	5	150
Value changes <sup>1)</sup>	3 146	(5 514)	1 215
<b>Change in net asset value</b>	<b>3 199</b>	<b>(6 324)</b>	<b>1 070</b>
Net asset value before dividend allocation	20 878	17 679	24 003

1) Value changes include depreciation and write-downs of fixed assets, and sales gains.

### CHANGE IN NET ASSET VALUE

NOK billion





## NET ASSET VALUE

		As at 31.12.2015		As at 31.12.2014	
	Ownership	NOK per share	NOK million	NOK per share	NOK million
INDUSTRIAL HOLDINGS					
Det norske	50 %	75	5 596	56	4 038
Aker Solutions	34.8 %	39	2 865	54	3 929
Akastor	36.7 %	16	1 207	28	2 043
Kvaerner	28.7 %	9	635	9	687
Aker BioMarine	99.5 %	19	1 405	19	1 398
Havfisk	73.2 %	24	1 748	13	942
Ocean Yield	73 %	91	6 730	60	4 323
Total Industrial Holdings		272	20 186	240	17 360
FINANCIAL INVESTMENTS:					
Cash		20	1 488	39	2 857
Liquid fund investments		6	415	5	362
Other public investments		26	1 906	20	1 476
Real estate		25	1 870	10	736
Other financial investments		27	2 016	29	2 123
Total Financial investments		104	7 693	104	7 554
Total value-adjusted assets		376	27 879	344	24 914
External interest-bearing liabilities		(88)	(6 534)	(93)	(6 696)
Internal interest-bearing liabilities		-	-	-	(5)
Interest-free liabilities before allocated dividend		(6)	(467)	(7)	(534)
Total liabilities before allocated dividend		(94)	(7 002)	(100)	(7 235)
NAV before allocated dividend		282	20 878	244	17 679
Net interest-bearing debt			(3 798)		(3 426)

# “WE’VE TACKLED WORSE CHALLENGES”

The headline is taken from a 2005 short film on Aker’s industrial history that illustrated the challenges faced at the time and showed the opportunities that lied ahead.

The year was 2005, but it could just as well have been 2016. Oil prices were low and the Norwegian krone was weak. Measured in Norwegian kroner, the oil price was in fact at the same level as it is today. Unemployment was rising and the warning lights were flashing in the oil industry as well as other Norwegian industrial sectors – as they are today and as they have done innumerable times since Aker’s establishment in 1841.

*The Nutcracker* – a three-minute film on Aker’s industrial history set to music – was shown as a commercial during prime time TV. The final stanza, “We’ve tackled worse challenges”, became a catchphrase and a popular tune hummed by many in the autumn of 2005. *The Nutcracker* fostered a positive outlook, which was reinforced by international economic growth, higher activity levels, rising demand for crude oil and increased oil prices.

Why reflect on something that happened 10 years ago? For one thing, to remind ourselves that economic trends and the markets can change quickly. Optimism, oil prices and the stock markets surged from the autumn of 2005 until the international financial crisis hit three years later. A period of uncertainty followed before oil prices rallied again from 2011 until the summer of 2014.

Since the autumn of 2014, we’ve seen declining oil prices and jittery capital markets. In 2015 alone oil prices fell by around 35 per cent. Despite this, the value of Aker’s investments, including dividends, rose by 20 per cent last year.

The markets remained turbulent at the beginning of 2016. Market values have been erased from our portfolio, as they have for others. The priority now is to handle the day-to-day challenges without losing sight of long-term opportunities. Those who are familiar with Aker’s history will know that the company has used previous downturns to lay the foundation for new growth.

## CHANGE OVER 175 YEARS

I will return to recent developments, but I’d first like to give some historical perspectives.

Akers turns 175 in 2016. Adaptability, knowledge and collaboration are recurring themes throughout the company’s history.

The story starts with what is believed to be Norway’s first mechanical workshop, established in 1841 on the banks of the Akerselva river in the country’s capital. Former naval officer and entrepreneur Peter Steenstrup had industrial ambitions, and dreamt of building ships. In 1854, Akers Mekaniske Verksted (Aker’s mechanical workshop) relocated to Holmen in Piperviken, a harbour area today known as Aker Brygge.

A review of Aker’s history includes both highs and lows. Faced with challenging periods, Aker has always had a unique ability and will to come out on top. Seen from the inside, I would say Aker has often been better at handling headwinds than tailwinds.





## A HISTORY OF CREATING VALUE

Let me provide a brief review of Aker's history to give an illustration of this:

- Aker delivered the first steam-powered ship constructed in Norway in 1856. The company was learning on the job. Its first three ship-building projects were hampered by delays, penalties for late delivery and construction errors, and caused financial difficulties for Aker. From 1860 onwards, however, both Aker and the market for steamboats picked up.
- In 1861, Peter Steenstrup was hailed as an industrialist and referred to as the "the noble interpreter of knowledge." Aker grew along with the Norwegian shipping industry. Trade increased, and so did the number of cargo ships. New markets were created. By the early 1900s, Aker was a leading constructor of whaleboats.
- Aker built Norway's first ship powered by an oil engine, thanks to the inventiveness of the German engineer Rudolf Diesel. In 1912, Aker was awarded the contract to construct the world's most advanced diesel-powered ship – referred to at the time as the maritime masterpiece of the century. Aker's first diesel vessel, delivered in 1914, failed to impress with its speed, design and financial results. Nonetheless, shipowner Thomas Fredrik Olsen from the shipping company Fred. Olsen & Co. saw an opportunity and ordered his first two diesel ships from Aker.
- At the same time, Fred. Olsen & Co. began buying Aker shares, and from 1917 onwards the shipping company had a controlling stake. The foresighted Thomas Fredrik Olsen recognised Aker's knowledge and the ocean of opportunities available to Norway as a seafaring and trade nation.
- Fred. Olsen & Co. was Aker's main shareholder for over 70 years. The Olsen family owned both ships and shipyards, and was thus exposed to the entire value chain. The yard survived the tough conditions of the 1920s by building fruit boats to carry bananas from the plantations on the Canary Islands to European cities. Later, the focus turned to passenger ships and new types of boats for use in international trade.
- In 1957, Thomas Fredrik Olsen's son assumed control of the shipping company. Twenty-eight year old Fred. Olsen invested his patrimony in the construction of the world's largest tankers, which were twice the size of anything seen before. Supertankers had seen the light of day and Aker was at the centre of the global ship-building industry.
- In the 1960s, Aker became a pioneer in the Norwegian oil industry, initially as one of the founders of the exploration company Norwegian Oil Consortium (NOCO). In 1966/67, Aker built Norway's first drilling ship, a refitted whale factory. In 1967 the drilling rig Ocean Viking was delivered from Aker Brygge, and went on to discover the gigantic Ekofisk field just before Christmas 1969.
- In the early 1970s, Aker was Norway's largest industrial conglomerate, founded on engineering, the maritime industry and construction projects for the oil and gas industry. The end was abrupt. Just months after Fred. Olsen sold the shipping company's tanker fleet to focus on offshore rigs, the entire tanker market collapsed. In 1973, Aker had an order book of 31 supertankers valued at NOK 15 billion, the equivalent of about NOK 100 billion today. Contracts were cancelled and the tanker companies were unable to pay.
- Aker was hit hard by the shipping crisis, but scraped by. The company had to be refinanced and Fred. Olsen & Co. gradually sold its entire stake. In came the cement group Norcem, headed by a young Gerhard Heiberg. In 1987, Aker and Norcem merged.
- Cement almost toppled Aker. In 1991, the concrete sub-structure of the Sleipner A platform sank. It had been constructed by the Aker-owned company Norwegian Contractors (NC) and the accident created great uncertainty, primarily related to the insurance claim settlement. Aker's share price plummeted, but NC was able to build and deliver a new concrete sub-structure in record time.
- An unresolved insurance claim and a low share price allowed Kjell Inge Røkke and his company RGI to begin buying shares in Aker, starting in February 1996. Before the end of the year, a merger between Aker and RGI had been approved. Kjell Inge has been Aker's main shareholder for 20 years.
- Aker continued to develop under Kjell Inge's leadership, becoming a powerhouse for knowledge-based industry in sectors in which Norway has natural competitive advantages internationally. Combined, the portfolio companies represent Norway's largest private enterprise in the oil sector, white fish and marine biotechnology industries. Aker has played a key role in the completion of more than 50 major transactions since 1996.
- Since taking over Kvaerner during an acute liquidity crisis in the autumn of 2001, Aker has restructured and strengthened the Norwegian oil service and supplier industry. Companies have been made more focused and streamlined. Since 2009, Aker has been run as an industrial investment company. Our task is to be a good, visionary, yet demanding owner. We allocate capital and stake out the course for the companies we own. Operational responsibility rests with the individual companies.
- Aker has built up its robustness in recent years, preparing for the current downturn. All of the portfolio companies are independently financed and have strong balance sheets, good liquidity and operational autonomy. To arrive at this point, Aker has initiated numerous and wide-reaching changes. The merged entity Aker Kvaerner has become Aker Solutions, Kvaerner and Akastor, and non-core operations have been sold. Maritime assets are gathered in the "dividend machine" Ocean Yield. Aker BioMarine and Havfisk have been streamlined to exploit rising demand for healthy products and marine ingredients. Finally, our real estate development has allowed Aker to generate and realise considerable value, while also securing modern, functional offices for the portfolio companies.

## STANDING STEADY IN TURBULENT TIMES

Financially, Aker and the portfolio companies are stronger today than during any previous economic downturn. In terms of value growth, 2015 was a good year



for Aker's shareholders. Net asset value increased from NOK 17.7 to 20.9 billion, corresponding to an increase from NOK 244 to NOK 282 per share. The company had a solid 75 per cent NAV equity ratio.

The rise in Aker's value is due to the increase in the share prices of Ocean Yield, Det norske oljeselskap and Havfisk. Overall, this value appreciation exceeded the overall drop in value of the oil service companies Aker Solutions, Akastor and Kvaerner, and other value changes in Aker's portfolio, by some NOK 3.2 billion.

Aker entered 2016 with a diversified portfolio, and a robust and independent industrial portfolio companies. Maritime assets with high future dividend capacity account for 27 per cent of Aker's total assets, while Det norske oljeselskap accounts for 20 per cent, oil services for 18 per cent, and seafood and marine biotechnology for 15 per cent. Cash and liquid fund investments, real estate and other financial investments each account for 7 per cent of Aker's assets.

The portfolio's composition provides room for manoeuvre, and flexibility. Ocean Yield has long-term contracts for the charter of maritime assets over a weighted contract period of 10 years, and an EBITDA backlog totalling NOK 23 billion (USD 2.7 billion). As a 73 per cent shareholder, Aker is secured a strong and predictable dividend stream for many years to come.

Det norske is a "bet" on oil prices. Aker is confident that in the long term, oil prices will be substantially higher than the USD 30–35 per barrel level seen at the beginning of 2016. We obviously cannot influence the oil price, however as Det norske's largest shareholder, Aker can influence the company's strategy and investments. Det norske's administration is making good progress on adapting the company financially and industrially to a period of lower oil prices. The company's oil resources increased in 2015, notably through the acquisition of Svenska Petroleum and Premier Oil's Norwegian portfolios. Production from the Ivar Aasen field is scheduled to begin towards the end of 2016, while the giant Johan Sverdrup field will come on stream three years later.

Aker anticipates extensive opportunities in the oil and gas sector for companies which successfully adapt to new tasks and challenges. Supply and demand in the oil and gas markets will eventually return to a better balance. This is why Aker expects Det norske to be a value driver in our portfolio, although Aker is also prepared for oil prices to remain low and volatile for longer than we had originally forecast.

### CAPACITY ADJUSTMENTS AND CAPITAL DISCIPLINE

Uncertainty in the oil market is impacting activity levels, future prospects and the stock market's pricing of companies such as Aker Solutions, Akastor and Kvaerner. Capacity adjustments will continue to be made in 2016.

The same situation arose in the 2010–2013 period. Then, the priority was to expand capacity in response to the investment appetite, maintenance needs and positive future outlook of oil companies. Aker prepared its companies for long-term growth by boosting staffing levels and production capacity. In hindsight these investments may have been excessive, but they did facilitate the rapid transformation of Det norske into a fully-integrated oil company and the development of a stronger international presence for Aker Solutions, and several of our companies obtained new, modern offices.

The priorities now are to reduce capacity in the oil service sector, cut costs, exercise greater capital discipline, simplify the portfolio companies, retain key expertise, improve competitiveness, boost flexibility and, not least, to execute the existing order backlog in accordance with the quality, schedule and price agreed upon with the customers. Aker Solutions, Akastor and Kvaerner all have strong underlying operations, and are progressing well with their improvement programmes and capacity adjustments. At the beginning of 2016, these three companies had an order backlog of NOK 70 billion, 40 per cent higher than four years ago.

Aker is an active owner across the oil and gas value chain, from exploration, engineering, field development, construction of offshore installations, technology,

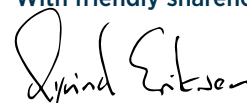
products and solutions, maintenance, modifications and operations to oil production. Aker will uphold its efforts to ensure that the Norwegian continental shelf once again becomes the benchmark for sustainable, profitable and safe offshore petroleum activity. Today, almost 50 years after the Aker-built rig Ocean Viking discovered the Ekofisk field, less than half of the proven oil and gas resources have been produced.

The seafood and marine biotechnology sectors are growing. Both Havfisk and Aker BioMarine are committed to sustainable management of marine resources – the whitefish harvesting company Havfisk in the Barents Sea and the krill and biotechnology company Aker BioMarine in the Antarctic Southern Ocean. Both companies delivered their best-ever results in 2015 and there are strong prospects for further profitable growth. The seafood/marine biotechnology sector offers a wealth of opportunities going forward, not least for Aker.

In summary, Aker's portfolio comprises a good mix of sectors and companies of which our staff have in-depth knowledge. Aker is a knowledgeable, ambitious and strong owner that supports the portfolio companies, effectuates transactions and identifies development opportunities. Skilled employees, strong customer relationships and good relations with share and bondholders, financial institutions and employee representatives are key for Aker. These factors provide us with additional strength when times are tough.

After 175 years by the Akerselva river and at Aker Brygge, Aker has relocated to Fornebuporten, outside Oslo. Aker and the portfolio companies have come together to form a vibrant, inspiring knowledge community in the Aker district. Aker's proud history has illustrated on numerous occasions that there are more opportunities than challenges. As we say at Aker: "We've tackled worse challenges!"

With friendly shareholder greetings,



**Øyvind Eriksen**  
President and CEO

# SHAREHOLDER INFORMATION

Aker ASA is committed to maintaining an open and trustful dialogue with shareholders, investors, analysts and the financial community in general.

Aker ASA works to ensure that its share price reflects its underlying values by making all price-sensitive information available to the market.

Aker ASA's goal is to create value for its shareholders in the form of dividends and share price growth over time. In February 2006, the company's board adopted the following dividend policy:

"Aker ASA's dividend policy supports the company's intention to maintain a solid balance sheet and liquidity reserves adequate to handle future obligations. The company's objective is to pay dividends annually that amount to 2-4 per cent of the company's net asset value. In determining net asset value, the share prices of Aker's exchange-listed investments are applied."

The board has proposed a dividend of NOK 10 per share for 2015.

Year	Dividend paid (NOK)	Dividend as % of NAV
2009	5	2.0
2010	8	3.0
2011	10	3.9
2012	11	4.1
2013	12	3.7
2014	13	3.9
2015	10	3.6

## SHARES AND SHARE CAPITAL

Aker ASA has 74 321 862 ordinary shares, each with a par value of NOK 28 (see Note 10 to the company's annual accounts). Aker ASA has a single share class, and each share carries one vote. The company held 158 885 of its own (treasury) shares as at 31 December 2015. Aker ASA issued 1 947 134 new shares with a par value of NOK 28 in connection with a bonus issue in lieu of dividends in June 2015.

As at 31 December 2015, the company had 13 056 shareholders. Kjell Inge Røkke and members of his family are Aker ASA's main shareholders. Through their privately held companies, organised under The Resource Group TRG AS (TRG)), the family holds 68.18 per cent of Aker ASA shares. According to the shareholder register maintained by the Norwegian Central Securities Depository (VPS), non-Norwegian shareholders held 17.73 per cent of the company's shares as at 31 December 2015. VPS does not identify shareholders registered via nominee accounts.

## STOCK-EXCHANGE LISTING

Aker ASA is listed on Oslo Stock Exchange (OSE) (ticker: AKER). Aker ASA's shares are registered with VPS with the registration number ISIN NO 0010234552. DNB ASA is the company's registrar.

## CURRENT BOARD AUTHORISATIONS

At the annual general meeting on 17

April 2015, Aker ASA's shareholders authorised the board to acquire up to 7 237 472 Aker ASA shares with a total par value of NOK 202 649 216. The authorisation also provided for the acquisition of agreement liens in shares. The per-share purchase price may not be less than NOK 4 nor exceed NOK 800. The board is free to decide the method for acquiring or disposing of own (treasury) shares. The authorisation is valid until the 2016 annual general meeting, though no longer than until 30 June 2016.

In the period 17 April 2015 to 31 March 2016, the company has acquired 150 000 of its own (treasury) shares.

## SHARE OPTION PLANS

Aker ASA had no share option plans as at 31 December 2015.

## INVESTOR RELATIONS

Aker ASA seeks to maintain an open and direct dialogue with shareholders, debt holders, financial analysts, and the stock markets in general. In addition to holding an annual capital markets day, the company arranges regular presentations for and meetings with shareholders, analysts and investors.

All Aker ASA press releases, stock exchange notices and investor relations (IR) publications are available on the company's website: [www.akerasa.com](http://www.akerasa.com). This online resource also offers access to the company's quarterly and annual

reports, prospectuses, corporate presentations, Articles of Association, financial calendar, and Investor Relations and Corporate Governance policies, along with other information.

Shareholders may contact the company by email [contact@akerasa.com](mailto:contact@akerasa.com), or by direct enquiry to Investor Relations Director Marianne Stigset [marianne.stigset@akerasa.com](mailto:marianne.stigset@akerasa.com); +47 24 13 00 66.

### ELECTRONIC QUARTERLY AND ANNUAL REPORTS

Aker ASA's annual reports are published on the company's website at the same time as they are released via the OSE distribution service: [www.newsweb.no](http://www.newsweb.no) (ticker: AKER). Annual reports are also distributed to interested shareholders in electronic (PDF) or printed form.

Quarterly reports, which are distributed electronically, are available on the company's website. Shareholders who are unable to receive the electronic versions of the quarterly or annual reports may subscribe to the printed versions by contacting Aker ASA's investor relations staff.

### NOMINATION COMMITTEE

The company's nomination committee has the following members:

- Kjell Inge Røkke (chairman)
- Gerhard Heiberg
- Leif-Arne Langøy

Shareholders who wish to contact the nomination committee may do so using the following email address: [contact@akerasa.com](mailto:contact@akerasa.com).

### AUDIT COMMITTEE

The company's audit committee has the following members:

- Finn Berg Jacobsen (chairman)
- Kristin Krohn Devold
- Atle Tranøy

### ANNUAL GENERAL MEETING

Aker ASA's annual general meeting is held in April. Written notification is sent to all shareholders and shareholder nominees.

Meeting notices and attendance registration forms are sent to shareholders by the deadlines laid down in Norway's Public Limited Liability Companies Act, and made available on the company's website and through the OSE distribution service. The annual report and other enclosures to the meeting notice are made available solely via the company's website and the OSE distribution service. Shareholders who wish to receive the enclosures by post must contact the company.

Shareholders who are unable to attend the general meeting have the option of voting directly on individual agenda items by electronic voting during the pre-meeting registration period. This service is available on Aker's website. Shareholders may change their votes or opt to attend the meeting in person throughout the registration period.

As previously, shareholders who are unable to attend the meeting may also vote by proxy. The company has prepared proxy forms that allow shareholders to vote on individual issues.

Procedures for electronic voting and the appointment of proxies with voting instructions are described in the meeting notice and on Aker's website.

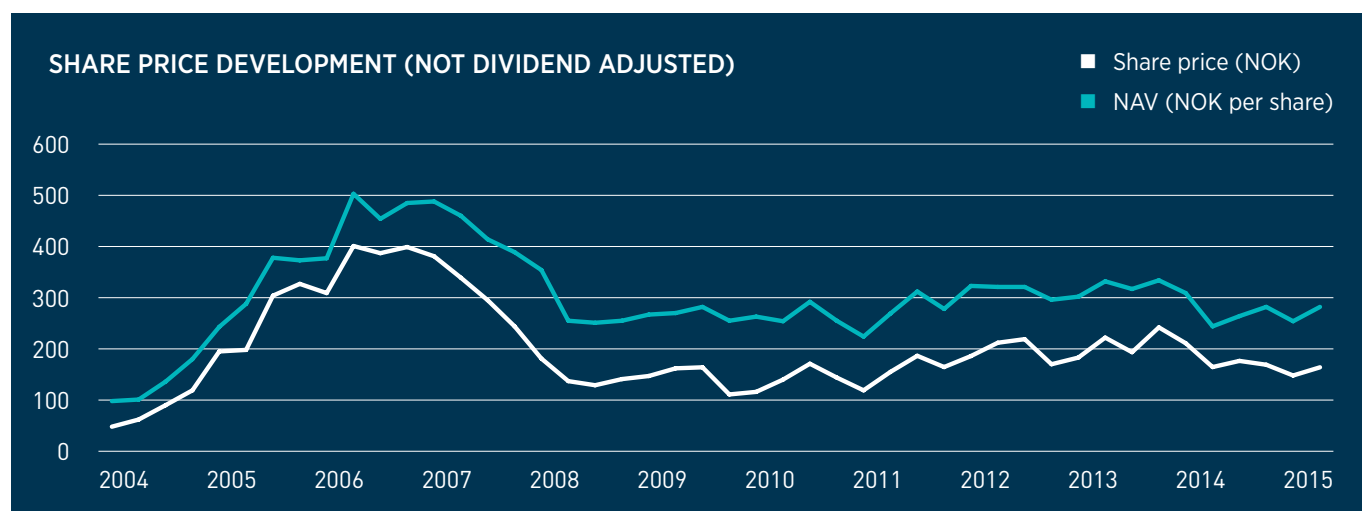
The company does not appoint an independent proxy to vote on behalf of shareholders. Aker considers that shareholders' interests are adequately safeguarded by permitting the participation of an appointed proxy or authorisation of the meeting chair/board chairman/other appointed representative to vote according to specific instructions.

### 2015 SHARE DATA

As at 31 December 2015, the company's total market capitalisation was NOK 12.2 billion. During 2015, a total of 15 101 000 Aker ASA shares were traded, corresponding to 0.2 times the company's total outstanding shares. The Aker ASA share was traded on all of Oslo Stock Exchange's trading days. The share was included in Oslo Stock Exchange's OSEBX index in November 2011.

### GEOGRAPHICAL DISTRIBUTION OF OWNERSHIP AS AT 31 DECEMBER 2015:

Nationality	Number of shares held	% of share capital
Non-Norwegian shareholders	13 177 910	17.73
Norwegian shareholders	61 143 952	82.27
Total	74 321 862	100



# INVESTMENT OVERVIEW

Aker's portfolio comprises 75 per cent listed shares, 7 per cent cash and liquid fund investments and 18 per cent other assets. Aker's total assets amount to 27.9 NOK billion.

## Industrial holdings

Aker's **Industrial holdings** represent 72 per cent of Aker's total investments, and comprise:

- Det norske oljeselskap
- Aker Solutions
- Akastor
- Kvaerner
- Ocean Yield
- Aker BioMarine
- Havfisk

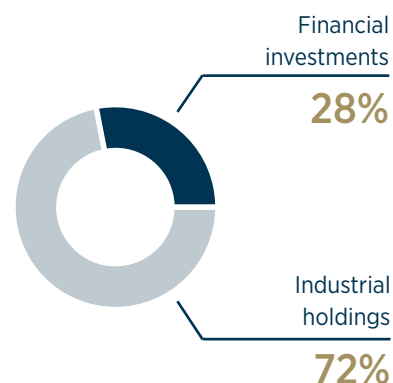
Read more on page 17.

## Financial investments

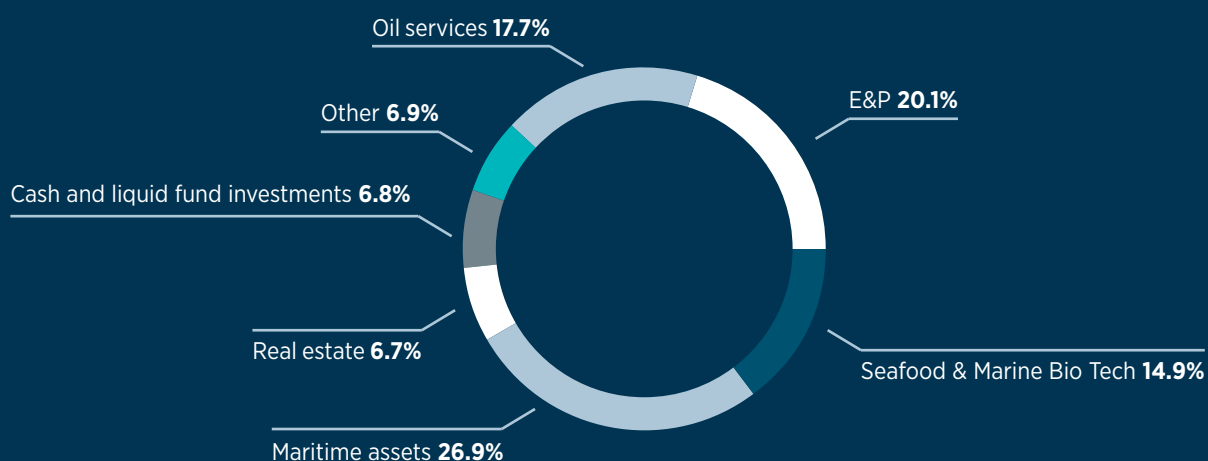
Aker's **Financial investments** represent 28 per cent of Aker's total investments, and comprise:

- Cash
- Liquid fund investments
- Real estate investments
- Other listed investments: Philadelphia Shipyard and American Shipping Company
- Other financial investments

Read more on page 25.



THE CHART BELOW ILLUSTRATES THE RESPECTIVE SECTOR EXPOSURES:





# Industrial holdings

Aker's industrial holdings totalled NOK 20.2 billion at the end of 2015. This equates to 72 per cent of the total net asset value of Aker ASA and its holding companies.

The industrial holdings portfolio comprises the investments in Det norske, Aker Solutions, Akastor, Kvaerner, Ocean Yield, Aker BioMarine and Havfisk. Aker has a long-term investment horizon for these companies, and will remain invested for as long as it believes that it can generate greater shareholder value through its ownership than alternative owners could.

Aker is actively involved in the development of its seven industrial portfolio companies, cooperating closely with each company's board and management. Every investment is closely monitored by Aker's management, with the support of a dedicated, analytical investment team. Aker has representatives on each of the company boards.

Ownership is exercised primarily in the board rooms of the individual companies. Aker also functions as a knowledge centre, as its staff have valuable industrial and strategic know-how and cutting-edge expertise on the capital markets, financing, restructuring, transactions, communications/investor relations and legal. These resources are available not only to the investment

teams in their continuous follow-up of the operational companies, but also to each individual company.

## INDUSTRIAL STRATEGY

Aker has a tradition of, and expertise in, implementing acquisitions, sales, mergers and demergers. Since listing on the Oslo Stock Exchange in September 2004, Aker has completed dozens of transactions which have generated considerable value of Aker and the portfolio companies. The annual shareholder return has averaged 24.4 per cent, including dividends, since listing.

Aker invests in sectors and industrial and technology companies operating in industries in which it has the knowledge and experience needed to generate value through growth and/or stable upstream cash flow to the parent company. Aker also invests opportunistically in companies which offer possibilities and scope for Aker to provide transactional expertise.

By exercising active ownership, Aker promotes the independence and robustness of each company in its industrial portfolio.

As an active owner of companies with excellent value and return potential, Aker's agenda is to contribute to robust returns for all shareholders. The company's focus is on skilful management, appropriate organisational structures, profitable operations, growth, optimal capital structures and industrial measures through acquisitions, sales, mergers and demergers.

## DEVELOPMENTS IN 2015

The total market value of Aker's industrial holdings was NOK 20.2 billion at the end of 2015, compared to NOK 17.4 billion one year prior. In 2015, Aker invested NOK 64 million in Akastor shares, increasing its direct and indirect ownership interest from 34.5 to 36.7 per cent.

In total, Aker received NOK 725 million in dividends from the industrial portfolio companies in 2015, compared to NOK 790 million in 2014. The table Industrial holdings - key figures shows changes and developments in 2015.

[Read more on page 28.](#)

## KEY FIGURES INDUSTRIAL HOLDINGS

NOK million	Ownership in % <sup>1)</sup>	31.12.14	2015			31.12.15
		Value	Net investments	Received dividends	Value change	Value
Aker Solutions	34.8	3 929	-	(136)	(928)	2 865
Akastor	36.7	2 043	64	-	(900)	1 207
Kvaerner	28.7	687	-	(63)	11	635
Det norske	50	4 038	-	-	1 558	5 596
Ocean Yield	73	4 323	-	(480)	2 887	6 730
Aker BioMarine	99.5	1 398	7	-	-	1 405
Havfisk	73.2	942	-	(47)	853	1 748
<b>Total Industrial Holdings</b>		<b>17 360</b>	<b>71</b>	<b>(725)</b>	<b>3 481</b>	<b>20 186</b>

<sup>1)</sup> At end of 2015

## Det norske oljeselskap ASA



### BOARD CHAIRMAN:

Øyvind Eriksen

### CEO:

Karl Johnny Hersvik

### AKER'S TOTAL OWNERSHIP:

49.99%

### AKER'S ENGAGEMENT

Aker owns 49.99 per cent of the shares in Det norske. The company's share price rose from NOK 39.87 to NOK 55.25 in 2015. Aker's shareholding was valued at NOK 5.6 billion as at 31 December 2015, equivalent to 20 per cent of Aker's total assets at the end of the year. Øyvind Eriksen and Kjell Inge Røkke represent Aker on Det norske's board of directors.

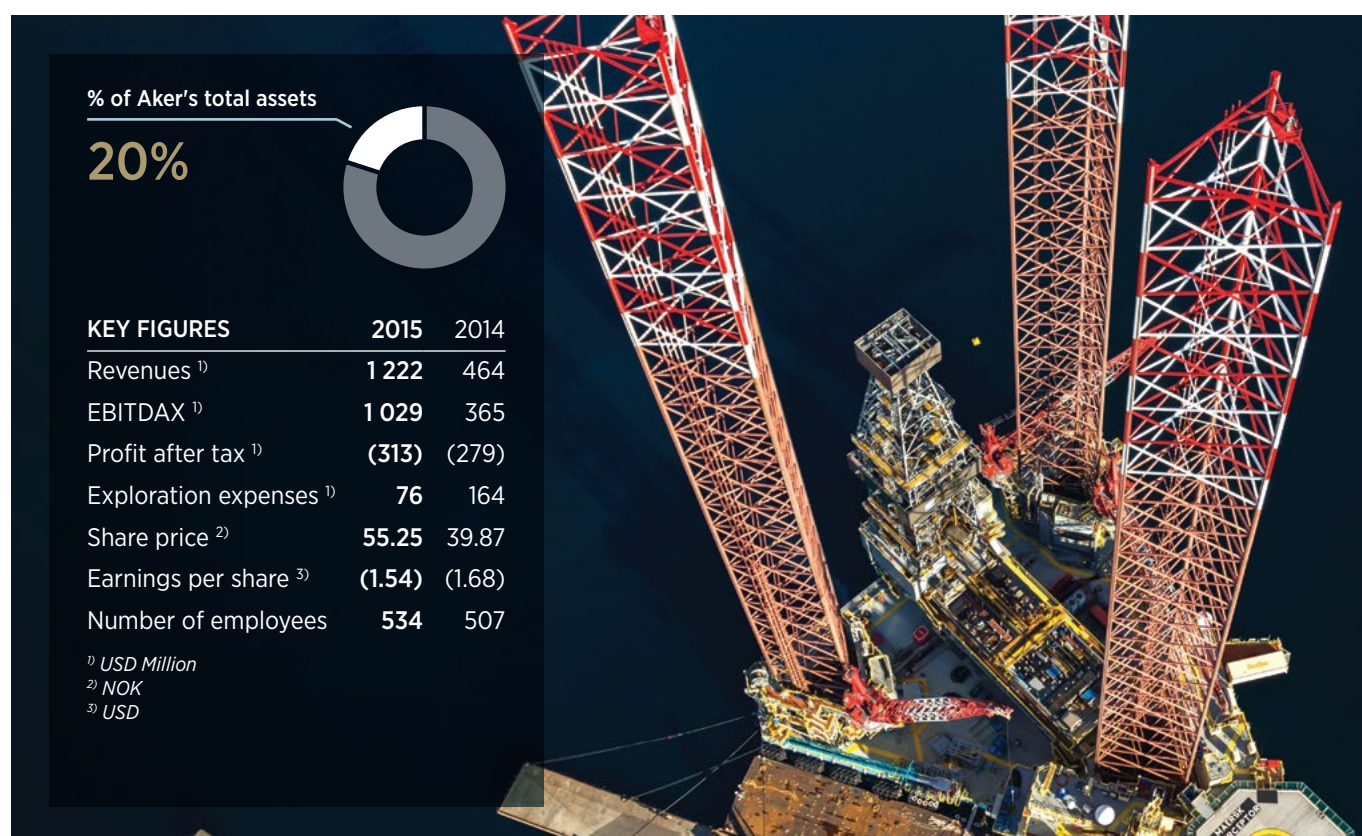
### AKER'S OWNERSHIP AGENDA

The market for oil is cyclical, and oil prices are volatile. Nevertheless, Aker believes that demand for oil and gas will remain robust in the long term, and therefore has great confidence in Det norske's long-term value potential.

In its ownership capacity, Aker is focused on Det norske's continued growth, both organically and through strategic acquisitions. Moreover, Det norske is to function as a benchmark for safe, efficient and profitable offshore oil and gas activity. A further priority is to deliver the Ivar Aasen development as agreed in terms of deadlines, quality and price. Other important milestones for Det norske include the start of production from the Johan Sverdrup field in 2019. Higher production is expected to generate significant investment and dividend capacity for Det norske.

Read more:

Page 30 and [www.detnor.no](http://www.detnor.no)



The Maersk Interceptor is the rig to be used on the Ivar Aasen field, a field operated by Det norske.

## Aker Solutions ASA



### BOARD CHAIRMAN:

Øyvind Eriksen

### CEO:

Luis Araujo

### AKER'S TOTAL OWNERSHIP:

34.8%

### AKER'S ENGAGEMENT

Aker owns 70 per cent of the shares in Aker Kværner Holding AS, which in turn owns 40.6 per cent of the shares in Aker Solutions, giving Aker an equity interest equivalent to 28.4 per cent in Aker Solutions. Aker also owns 6.4 per cent of the shares in Aker Solutions directly, bringing its total stake to 34.8 per cent. Øyvind Eriksen and Kjell Inge Røkke represent Aker on Aker Solutions' board of directors.

Aker Solutions' share price fell from NOK 41.55 to NOK 30.30 in 2015, and the company paid a dividend of NOK 1.45 per share. Aker's shareholding was valued at NOK 2.9 billion as at 31 December 2015, equivalent to 10 per cent of Aker's total assets at the end of the year.

### AKER'S OWNERSHIP AGENDA

Despite challenging market conditions, Aker Solutions has started 2016 with

a strong order backlog valued at NOK 39.7 billion. Nevertheless, the company has had to make capacity adjustments and workforce reductions in response to reduced activity levels in the oil service market.

In its ownership capacity, Aker is focused on ensuring that Aker Solutions is able to win new contracts and deliver on its order backlog as agreed in terms of deadlines, quality and price. To succeed in this regard, the company must develop first-class customer relationships, ensure that it has critical capacity and expertise, improve operational performance, streamline operations, demonstrate capital discipline, develop its cooperation with partners and achieve better margins.

Read more:

Page 28 and [www.akersolutions.com](http://www.akersolutions.com)

% of Aker's total assets

10%



### KEY FIGURES

	2015	2014
Revenues <sup>1)</sup>	31 896	32 971
EBITDA <sup>1)</sup>	1 841	2 675
EBITDA margin <sup>2)</sup>	5.8	8.1
Backlog <sup>1)</sup>	39 684	48 289
Order intake <sup>1)</sup>	22 793	37 135
Share price <sup>3)</sup>	30.30	41.55
Earnings per share <sup>3)</sup>	1.44	4.71
Number of employees	15 395	16 694

<sup>1)</sup> NOK million

<sup>2)</sup> Per cent

<sup>3)</sup> NOK

Aker Solutions in 2015 delivered the world's first subsea compression system for the Åsgard field on the NCS.



## Akastor ASA



### BOARD CHAIRMAN:

Frank O. Reite

### CEO:

Kristian Monsen Røkke

### AKER'S TOTAL OWNERSHIP:

36.7%

### AKER'S ENGAGEMENT

Aker owns 70 per cent of the shares in Aker Kværner Holding AS, which in turn owns 40.3 per cent of the shares in Akastor, giving Aker an equity interest equivalent to 28.2 per cent in Akastor. Aker also owns 8.5 per cent of the shares in Akastor directly. Frank O. Reite and Øyvind Eriksen represent Aker on Akastor's board of directors.

Akastor's share price fell from NOK 21.60 to NOK 12.00 in 2015. Aker's shareholding was valued at NOK 1.2 billion as at 31 December 2015, equivalent to 4 per cent of Aker's total assets at the end of the year.

### AKER'S OWNERSHIP AGENDA

Akastor has a flexible mandate to exercise active ownership and engage in long-term value creation for shareholders.

Aker's priority as owner is for Akastor to develop and realise the true value potential of the portfolio companies through improvements and transactions in accordance with Akastor's strategic plans. Aker's longer term aim is for Akastor to develop its portfolio by seizing investment opportunities which arise during an economic downturn.

Read more:

Page 29 and [www.akastor.com](http://www.akastor.com)

% of Aker's total assets

4%



KEY FIGURES	2015	2014
Revenues <sup>1)</sup>	15 869	21 432
EBITDA <sup>1)</sup>	702	1 380
EBITDA margin <sup>2)</sup>	4.4	6.4
Backlog <sup>1)</sup>	15 616	21 555
Order intake <sup>1)</sup>	10 506	25 254
Share price <sup>3)</sup>	12.00	21.60
Earnings per share <sup>3)</sup>	(9.54)	9.13
Number of employees	5 311	6 544

<sup>1)</sup> NOK Million

<sup>2)</sup> Per cent

<sup>3)</sup> NOK

Each of the companies operate as independent companies with individual management and board of directors.



## Kvaerner ASA

**KVERNER™**

### BOARD CHAIRMAN:

Leif-Arne Langøy

### CEO:

Jan Arve Haugan

### AKER'S TOTAL OWNERSHIP:

28.7%

### AKER'S ENGAGEMENT

Aker owns 70 per cent of the shares in Aker Kværner Holding AS, which in turn owns 41 per cent of the shares in Kvaerner. Aker thus indirectly owns 28.7 per cent of Kvaerner.

Kvaerner's share price fell from NOK 8.89 to NOK 8.22 in 2015. Aker's shareholding was valued at NOK 0.6 billion as at 31 December 2015, equivalent to 2 per cent of Aker's total assets at the end of the year. Kjell Inge Røkke represents Aker on Kvaerner's board of directors.

### AKER'S OWNERSHIP AGENDA

In 2015, Kvaerner delivered the Edvard Grieg platform as agreed in terms of deadline, quality and price, and was awarded contracts to deliver three plat-

form sub-structures and the equipment and residential platform topside for the Johan Sverdrup development. Kvaerner has reinforced its position as a leading supplier of engineering, procurement and construction (EPC) services on the Norwegian continental shelf.

In its ownership capacity, Aker is focused on ensuring that Kvaerner maintains its targeted, systematic efforts to improve productivity and cost efficiency. The company has a strong order reserve, and its highest priority is to deliver current projects in accordance with customer expectations and its own objective of higher margins.

Read more:

Page 29 and [www.kvaerner.com](http://www.kvaerner.com)



The concrete gravity based structure (GBS) will be used on the Hebron oil field, located offshore Newfoundland and Labrador.

## Ocean Yield ASA



**OCEAN YIELD**

### BOARD CHAIRMAN:

Frank O. Reite

### CEO:

Lars Solbakken

### AKER'S TOTAL OWNERSHIP:

73%

Ocean Yield charters modern ships on long-term contracts, a strategy which offers foreseeability with respect to future earnings and dividend capacity.

### AKER'S ENGAGEMENT

Aker owns 73 per cent of the shares in Ocean Yield. In 2015, Ocean Yield's share price rose from NOK 44.00 to NOK 68.50. The company also paid a dividend of USD 0.60 per share. Aker's shareholding was valued at NOK 6.7 billion as at 31 December 2015, equivalent to 24 per cent of Aker's total assets at the end of the year. Frank O. Reite and Kjell Inge Røkke represent Aker on Ocean Yield's board of directors.

### AKER'S OWNERSHIP AGENDA

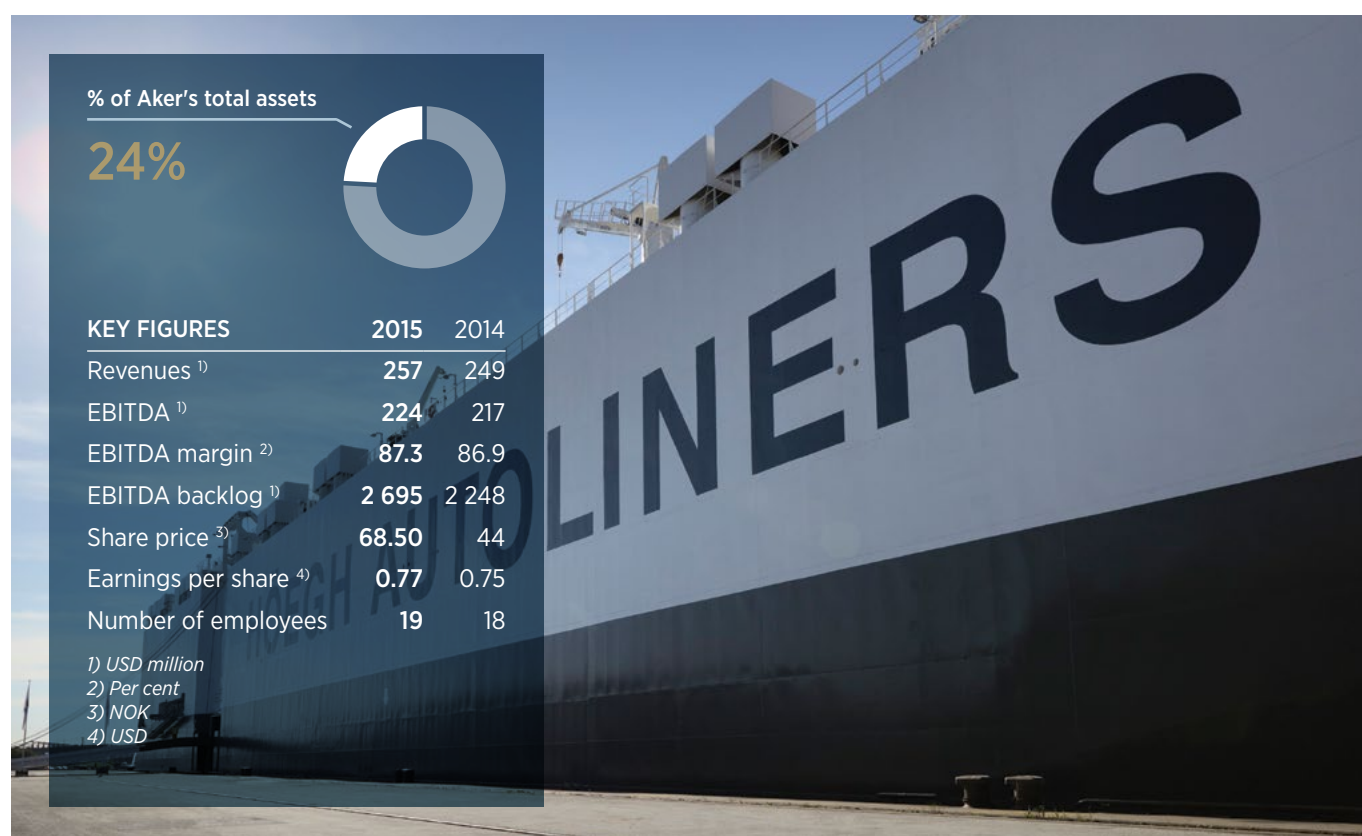
Aker's view on the market and the prospects of the ship and maritime asset sale/leaseback sector remains positive. As planned, Ocean Yield is developing into a substantial contributor to Aker's net asset value and dividend receipts.

The company's EBITDA order reserve totals USD 2.7 billion.

Ocean Yield was Aker's largest investment as at 31 December 2015, and the largest contributor of direct dividends and returns among the portfolio companies. In its capacity as owner, Aker is focused on ensuring that Ocean Yield continues to grow and to maintain a diversified portfolio characterised by robust counterparties, diversified risk exposure and attractive quarterly dividends for shareholders. Continued growth will be achieved through the acquisition of maritime assets on long-term contracts.

Read more:

Page 31 and [www.oceanyield.no](http://www.oceanyield.no)



Ocean Yield has charter agreements with Höegh Autoliners for vessels on long-term bareboat charters.

## Aker BioMarine AS



### BOARD CHAIRMAN:

Ola Snøve

### CEO:

Matts Johansen

### AKER'S TOTAL OWNERSHIP:

99.5%

### AKER'S ENGAGEMENT

Aker owns 99.51 per cent of the shares in Aker BioMarine. The shareholding is valued at NOK 1.4 billion (book value). This equates to 5 per cent of Aker's total assets at 31 December 2015. Ola Snøve, Kjell Inge Røkke, Øyvind Eriksen and Frank O. Reite represent Aker on the company's board of directors.

### AKER'S OWNERSHIP AGENDA

Aker BioMarine controls the entire supply chain, from sustainable krill harvesting by two environmentally (MSC) certified vessels to innovative product development, production, logistics and long-term collaboration agreements with global consumer product and brand leaders. Demand for Qrill™ Aqua, a feed supplement for the aquaculture industry, continues to grow. Superba™ Krill Oil, the company's brand

ingredient in the Omega-3 market, has become the global market leader, taking increased market share in the last couple of years.

In its capacity as owner, Aker's priority is to ensure that Aker BioMarine continues to build and expand the market for high-quality krill-based ingredients for use in different applications. Constant focus on reducing production costs throughout the value chain, as well as improved raw material utilisation and higher sales, will improve Aker BioMarine's margins. Aker is continuing its efforts to crystallise underlying value in Aker BioMarine, and will in the longer term consider alternatives to render the investment more liquid.

Read more:

Page 31 and [www.akerbiomarine.com](http://www.akerbiomarine.com)

% of Aker's total assets

5%

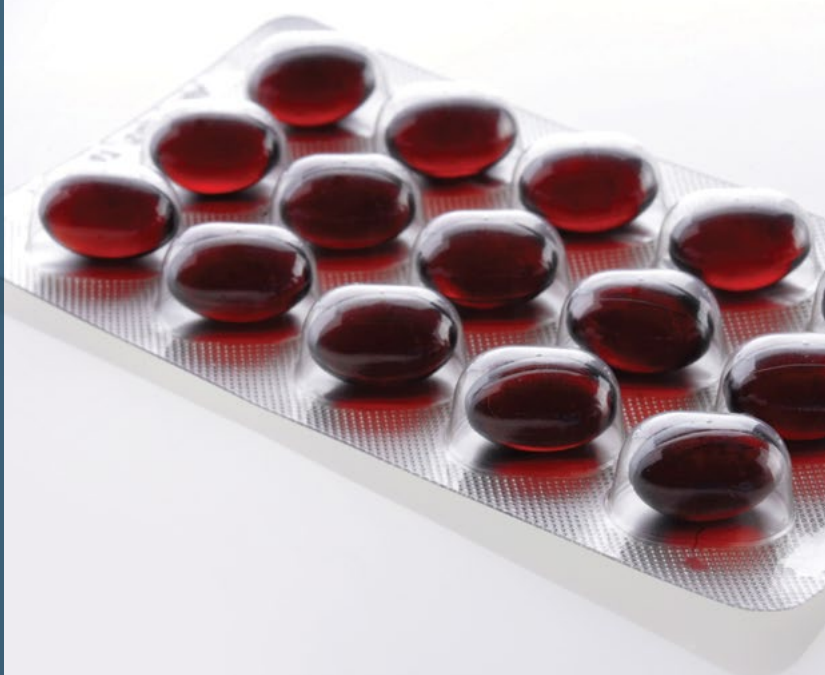


### KEY FIGURES

	2015	2014
Revenues <sup>1)</sup>	105	112
EBITDA <sup>1)</sup>	26	6
Profit after tax <sup>1)</sup>	1	(17)
Net interest-bearing debt <sup>1)</sup>	140	144
Earnings per share <sup>2)</sup>	0.01	(0.25)
Number of employees	178	222

<sup>1)</sup> USD million

<sup>2)</sup> USD



Aker BioMarine's brand-name ingredient Superba™ Krill Oil is a global market leader.



## Havfisk ASA



### BOARD CHAIRMAN:

Frank O. Reite

### CEO:

Webjørn Barstad

### AKER'S TOTAL OWNERSHIP:

73.2% <sup>1)</sup>

<sup>1)</sup> Aker reduced its ownership in Havfisk to 63.2 per cent on 16 March 2016.

### AKER'S ENGAGEMENT

Aker owns 73.2 per cent of the shares in Havfisk. In 2015, the company's share price rose from NOK 15.20 to NOK 28.20. The company also paid a dividend of NOK 0.75 per share. Aker's shareholding was valued at NOK 1.7 billion as at 31 December 2015, equivalent to 6 per cent of Aker's total assets at the end of the year. Frank O. Reite and Ola Snøve represent Aker on Havfisk's board of directors.

### AKER'S OWNERSHIP AGENDA

Focused efforts by and increased investment in Norway's largest whitefish trawler fleet have strengthened its financial foundation for asset and dividend growth. Fleet renewal through the

purchase of three newbuilding trawlers has improved catch value per day and profitability. Cod stocks in the Barents Sea are very strong. The authorities have kept the total cod quota unchanged from 2015 to ensure sustainable management. Havfisk also harvests haddock, saithe, halibut, redfish and shrimp. Demand for seafood in general, and cod in particular, remains high.

Aker's ownership agenda remains the same: continuous operational improvement, higher profitability, optimisation of the fleet/quotas, and the payment of annual dividends.

Read more:

Page 32 and [www.havfisk.no](http://www.havfisk.no)



Havfisk is Norway's largest trawler company with 10 vessels and 29.6 cod trawling licences.



# Financial investments

Financial investments totalled NOK 7.7 billion at the end of 2015, including NOK 1.5 billion in cash. This equates to 28 per cent of the total asset value of Aker ASA and holding companies.

The Financial investments segment includes cash, liquid fund investments, real estate investments, opportunistic equity investments in listed companies and other assets. The mandate is to develop, maximise and realise investments.

Cash reserves of NOK 1.5 billion and liquid fund investments of NOK 0.4 billion give Aker financial flexibility. In 2015, Aker redeemed the AKER05 bond upon maturity, which totalled NOK 808 million. This was refinanced through the NOK 1 billion AKER13 bond issue. Aker also repaid a NOK 500 million bank loan, converting it into a rolling NOK 500 million credit facility forming part of Aker's liquidity reserve.

In the autumn of 2015, Aker's real estate

development company Fornebuporten Holding sold its shares in the company which owns two office buildings at Fornebuporten. The sale released a total of NOK 600 million for Aker. Aker also owns 25 per cent of the real estate company Fornebu Gateway, which owns two office buildings totalling 67 000 square metres.

In December 2015, Aker completed the purchase of eight industrial properties from Akastor. The purchase price was NOK 1.24 billion. Aker has entered an agreement to sell these properties and 25 per cent of the shares in Fornebu Gateway to Kjell Inge Røkke and his company The Resource Group TRG AS (TRG). The transactions are expected to close in Aker's fiscal second quarter of 2016, following approval by Aker ASA's

ordinary general meeting to be held on 22 April 2016. The transactions will release NOK 1.55 billion in cash to Aker and holding companies. Aker will recognise a gain of NOK 90 million from the transaction in the second quarter of 2016.

The financial investments in the listed companies American Shipping Company and Philadelphia Shipyard were valued at NOK 1.9 billion at the end of 2015.

Other financial investments totalled NOK 2.0 billion as at 31 December 2015. These include interest-bearing receivables of NOK 1.2 million and equity investments in unlisted companies.

[Read more on page 32.](#)

## KEY FIGURES FINANCIAL INVESTMENTS

NOK million	31.12.2014		31.12.2015	
	NOK/share <sup>1)</sup>	NOK million	NOK/share <sup>1)</sup>	NOK million
Cash	39	2 857	20	1 488
Liquid fund investments	5	362	6	415
Other public investments	20	1 476	26	1 906
Real estate	10	736	25	1 870
Other financial investments	29	2 123	27	2 016
<b>Total financial investments</b>	<b>104</b>	<b>7 554</b>	<b>104</b>	<b>7 693</b>

<sup>1)</sup> The investment's contribution to Aker's per share NAV.

# BOARD OF DIRECTORS' REPORT 2015

2015 presented Aker ASA\* and its portfolio companies with challenges, as well new opportunities.

## 1. KEY DEVELOPMENTS IN 2015

The NAV of Aker and holding companies rose 20 per cent to NOK 20.9 billion as at year-end 2015. NAV stood at NOK 282 per share, compared with NOK 244 per share as at year-end 2014, before dividend. NAV is a core performance indicator at Aker and is determined by applying the market value of exchange-listed shares and book value for other assets. It expresses Aker's underlying value and is a key determinant of the company's dividend.

The marked slowdown in activity in the oil and gas sector affected Aker's energy-related portfolio companies in the form of lower realised crude oil prices, fewer contract awards, pricing pressure, cost cuts and capacity reductions. However, depressed asset valuations and restricted financing options also created transaction opportunities for companies such as Det norske oljeselskap and Ocean Yield, while lower fuel costs and a weaker Norwegian krone benefited Havfisk.

Aker enhanced its financial strength by increasing its upstream cash flow by 38 per cent in 2015, without stretching the balance sheets of its dividend-paying companies. Aker's priority since the oil downturn began in 2014 has been to protect its portfolio companies' financial positions in general, and cash positions in particular.

Aker's book equity ratio was 60 per cent, while cash and liquid fund investments stood at NOK 1.9 billion. Gross interest-bearing debt as at year-end 2015 amounted to NOK 6.5 billion and net interest-bearing liabilities amounted to NOK 3.8 billion.

The company's market value increased 5.8 per cent in 2015, including dividend, which was in line with the Oslo Stock Exchange Benchmark Index ("OSEBX"). However, the discount of Aker's share price to NAV widened to 42 per cent by year-end 2015, which is higher than the company's historical average of 34 per cent.

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\* **Aker ASA** refers to the parent company.

**Aker** refers to Aker ASA and holding companies, as listed in Note 1 of the annual accounts of Aker ASA and holding companies, page 144.

**Aker Group** refers to Aker ASA and subsidiaries consolidated into the Group accounts, as listed in Note 9 of the annual accounts of the Aker Group, page 70.





Aker's Annual General Meeting approved on 17 April 2015 the distribution of NOK 10 per-share ordinary dividend for 2014, of which half with optional settlement in new Aker shares at a discount. In total 84 per cent of the rights were exercised in favour of receiving partial dividend payment in shares. Accordingly, 1 947 134 new shares were issued, representing 2.7 per cent of the Company's share capital.

Aker's Board of Directors recommended a cash payment of NOK 10 per-share ordinary dividend for 2015. The proposal corresponds to a 6.1 per cent yield on the share price at the close of 2015 and represents 3.6 per cent of NAV. This is in the higher end of the range of Aker's dividend policy of paying out 2-4 per cent of NAV.

Aker's CFO Trond Brandsrud resigned at the end of his notice period on 31 July 2015. Frank O. Reite was appointed CFO of Aker in July and assumed his position on 10 August 2015. Mr. Reite came from the position of President & CEO of Akastor, and had previously held a variety of executive positions in the Aker group.

In November 2015 Aker moved to new offices at Fornebuporten and is now headquartered in the same building as several of the companies in Aker's portfolio.

## 2. BUSINESS OPERATIONS AND LOCATION

Aker is an industrial investment company with a history dating back to 1841. The company is domiciled in Norway, with headquarters at Fornebu.

As an active owner and equity investor, Aker employs its financial and industrial expertise to develop the operating companies in its portfolio. Through its participation on the boards of its portfolio companies, Aker drives operational and strategic improvement, assists with financing and restructuring, and influences industrial transactions. Aker strives to establish long-term profitable growth, competitive market positions and sound organisational cultures in each of its portfolio companies. The aim is to ensure sustainable value creation for all shareholders.

Aker's investments are divided into two portfolios: Industrial holdings and

Financial investments. As at year-end 2015, Aker was directly or indirectly the largest shareholder in eight companies listed on the Oslo Stock Exchange.

### a. Industrial holdings

Aker's Industrial holdings are the company's long-term investments and are comprised of seven companies, of which six are listed. These include the integrated exploration and production company Det norske; the oil services company Aker Solutions; the oil services investment company Akastor; the engineering, procurement and construction company Kvaerner; the ship-owning company Ocean Yield; the marine biotechnology company Aker BioMarine and the whitefish harvesting company Havfisk.

The total value of Aker's Industrial holdings amounted to NOK 20.2 billion as at 31 December 2015, which represented 72 per cent of Aker's value-adjusted total assets, up from NOK 17.4 billion at year-end 2014. This increase was primarily caused by a net positive value change of NOK 3.5 billion, of which dividend paid to Aker represented NOK 0.7 billion.

The value increases, dividend included, of the Industrial holdings was NOK 2.9 billion for Ocean Yield, NOK 1.6 billion for Det norske and NOK 0.9 billion for Havfisk. Aker Solutions decreased in value by NOK 0.9 billion, adjusted for dividend, and Akastor by NOK 0.9 billion.

The book value of Aker's non-listed holding, Aker BioMarine, remained at NOK 1.4 billion as per 31 December 2015.

### Aker Solutions

Aker Solutions is a global oil services company that provides services, technologies, and product solutions within subsea and field design. The company operates in niches with high barriers to entry and is set up to generate an attractive return on capital through an asset-light business model.

Aker Solutions' performance has been negatively impacted by the prolonged downturn in the oilfield services market, and particularly the declining demand for subsea services and maintenance,





modifications and operations (MMO) work on the Norwegian continental shelf. However, the large North Sea Johan Sverdrup development, where Aker Solutions has an engineering framework agreement, has partially offset the reduction in Engineering activity. Aker Solutions maintained solid project execution throughout 2015 and is steadily expanding its geographical footprint beyond its home market.

Improving operational efficiency, nurturing existing and developing new customer relations, reducing organisational complexity and reducing the cost base are high on Aker's ownership agenda for Aker Solutions. The company is progressing on initiatives to improve operations and reduce costs, and continues to work with customers to achieve cost-savings throughout the project lifecycle. Aker Solutions has undergone comprehensive capacity adjustments, reducing its global workforce by 15 per cent in 2015, while seeking to protect core competencies.

Highlights in 2015 include the completion of the world's first subsea compression system on Statoil's Aasgard field, and the award of the NOK 4.5 billion engineering, procurement and management assistance contract for Johan Sverdrup. In October Aker Solutions and MAN Diesel & Turbo announced a project to develop the next generation subsea compression systems, and in December Aker Solutions and Saipem agreed to cooperate on targeted subsea oil and gas development projects worldwide. Aker believes that Aker Solutions' unique capabilities, combined with the alliances with MAN, Saipem and Baker Hughes, will enable the company to strengthen its market position by expanding its product offerings, regional footprint and key client relationships.

The backlog of Aker Solutions was NOK 40 billion as per year-end 2015 or 1.2 times the revenue in 2015. This provides revenue visibility and a good platform to face the challenging market environment over the next few years.

Aker Solutions' revenue on a like-for-like basis fell by 3.3 per cent to NOK 32

billion in 2015, while EBITDA declined by 31 per cent to NOK 1.8 billion, which corresponds to an EBITDA margin of 5.8 per cent, compared with 8.1 per cent in 2014. The company maintains a solid financial position and reported a net interest-bearing debt position of negative NOK 301 million as per year-end 2015.

Aker Solutions' shares closed the year at NOK 30.30, down from NOK 41.55 as at year-end 2014. The board of Aker Solutions has proposed not paying a dividend for the 2015 fiscal year given the uncertain market outlook for oil services

### **Akastor**

Akastor is an oil services investment company with a portfolio of industrial holdings and other investments. The company has a flexible mandate for active ownership and works to release the value potential of its businesses through organic growth and M&A.

A key focus in Aker's ownership agenda is for Akastor to play an active role in M&A, both to free up cash through the realisation of assets and to seize opportunities that could arise in the oil service downturn, albeit in a disciplined matter.

Akastor's 2015 results were impacted by the challenging macro environment for oil services. MHWirth, the largest investment in Akastor's portfolio, has been severely affected by the market for newbuild drilling rigs grinding to a halt, eliminating orders for new drilling packages and slowing progress on existing projects. While MHWirth still reports good after-market results, the number of rigs with MHWirth equipment in operation declined in 2015, and as a result, revenues from Drilling Lifecycle Services are likely to be lower going forward. Akastor does not expect the market conditions for MHWirth to recover in the short to medium term.

AKOFS Offshore's performance in 2015 was mixed. The Skandi Santos and Aker Wayfarer vessels were on contract for most of the year, performing well with stable operations. On the other hand, AKOFS Seafarer's was idle all year and finding contracts for the vessel remains challenging. The business units Fronti-

ca, KOP Surface and Fjords Processing generally delivered satisfactory operational and financial performances.

In order to ensure profitability at lower activity levels, Akastor's portfolio companies reduced their workforce in 2015 by 25 per cent in aggregate, while seeking to preserve organisational capabilities. Strategic initiatives are being explored to strengthen each company's competitiveness and position them for when the market turns. Management in Akastor is focused on improving the financial strength and flexibility of the company and is continuously exploring transaction opportunities. The divestment of Akastor's real estate portfolio for NOK 1.2 billion to Aker in November 2015 was in line with this strategy. Reaching a refinancing agreement with its bank syndicate in January 2016 further improved the company's financial position.

In July 2015 Akastor's Board of Directors appointed Kristian Monsen Røkke as CEO, succeeding Frank O. Reite.

The company had operating revenues of NOK 16 billion in 2015, compared to NOK 21 billion in 2014 on a like-for-like basis. EBITDA was NOK 0.7 billion, compared with NOK 1.4 billion a year prior, resulting in an EBITDA margin of 4.4 per cent compared to 6.4 per cent in 2014.

Akastor's shares closed the year at NOK 12.0, down from NOK 21.6 as at year-end 2014. There is no dividend proposed for the fiscal year 2015.

### **Kvaerner**

Kvaerner delivers complete oil and gas offshore platforms and onshore process plants. The company specialises in executing engineering, procurement and construction projects.

Despite cuts in E&P investments on the back of lower oil prices, Kvaerner was awarded significant EPC contracts in 2015. Highlights include the award to deliver the deck for the Johan Sverdrup utility and living quarter platform in a joint venture with KBR for an estimated total value of approximately NOK 6.7 billion, and the contract awards for

the Johan Sverdrup drilling platform jacket and process platform jacket. The awards reinforce Kvaerner's position as the market leader for large steel jacket substructures in the Norwegian North Sea and provide a platform for the strategic development of the Kvaerner yards' expertise.

Kvaerner is working consistently to enhance production efficiency at its yards, adjust capacity and develop its delivery models, targeted at continuous reductions of the cost base and increased competitiveness. The improvements are being applied to on-going projects as well new tenders, in order to ensure profitability amid lower activity levels.

The outlook for new contract awards in 2016 is uncertain and thus Aker encourages Kvaerner to focus on extracting value from the NOK 14 billion order backlog through continued delivery of projects on schedule and according to client specifications.

The company has worked on bringing to a satisfactory conclusion ongoing arbitrations related to legacy projects. In January 2015, Kvaerner reached a settlement with Longview Power LLC and others and to receive an aggregate amount of USD 48 million. Separately, Kvaerner and Amec Foster Wheeler reached a settlement of all claims related to the Longview project in March 2016. The final settlement will result in a cash payment to Kvaerner of USD 70 million.

Kvaerner had operating revenues of NOK 12 billion in 2015, compared to NOK 14 billion in 2014. EBITDA was NOK 0.6 billion, compared with NOK 0.8 billion a year prior, resulting in an adjusted EBITDA margin of 4.4 per cent compared to 5.9 per cent in 2014.

Kvaerner's shares closed at NOK 8.22 as per 31 December 2015, compared with NOK 8.89 as at end of 2014. A total dividend of NOK 0.82 per share was paid out in 2015, compared with a total dividend of NOK 1.25 per share distributed in 2014. Kvaerner's Board of directors in July 2015 revised the company's dividend policy to reflect the developments in the company's long-term mar-

kets and outlook. The Board's priorities, when proposing the level of dividends, will be to retain a strong balance sheet and cash position. The Board of Kvaerner has proposed no dividend distribution during first half of 2016.

#### **Det norske oljeselskap**

Det norske is an integrated E&P company with activities within exploration, development and production on the NCS.

Det norske achieved several significant milestones in 2015, including more than doubling its reserves, expanding its portfolio of assets through new acquisitions, and strengthening and diversifying its capital structure.

In the first half of the year Det norske concluded a comprehensive refinancing exercise that improved the company's long-term capital structure. This included the placement of a USD 300 million subordinated bond and the obtention of a new revolving credit facility of USD 550 million. Det norske also reached an agreement with creditors to align its bond covenants with those of the reserve based lending facility (RBL), thereby removing the equity covenant. As per 31 December 2015 the company had USD 1.3 billion in undrawn credit facilities.

The lower oil price is impacting Det norske's revenues and therefore Aker supports the company's initiated discussions with creditors, with the aim to ease covenant thresholds for its debt instruments.

In the second half of 2015, Det norske announced the acquisitions of Svenska Petroleum and Premier Oil's Norwegian subsidiaries for less than USD 1 per barrel in discovered resources. The acquisitions fit well with Det norske's existing portfolio and provide the company with future growth opportunities after Johan Sverdrup comes on stream. Det norske will continue to high-grade its portfolio, taking advantage of the down market to acquire assets on the NCS at attractive prices.

Det norske delivered a solid operational and development performance in 2015. Production at the Alvheim area

in the North Sea was stable, providing Det norske with an annual production base of around 60,000 boepd and a production cost per barrel of USD 6.4. The Ivar Aasen development project has been significantly derisked and is on schedule for first oil in the fourth quarter of 2016.

Johan Sverdrup is the key development asset in Det norske's portfolio. In February 2015, Det norske, together with its partners, submitted the Plan for Development and Operation ("PDO") for Phase One of the Johan Sverdrup development. The PDO confirmed first oil target in late 2019 and estimated gross capex of NOK 170-220 billion for the full field development. Development costs have since come down, and Det norske in January 2016 reduced the capex estimates for Phase One of the field development to NOK 108.5 billion, from NOK 123 billion in the PDO, and the capex for the full field to NOK 160-190 billion. The plan for Phase One was approved by the Norwegian authorities in the third quarter 2015.

Det norske did not succeed in reaching an agreement on the unitisation of the Sverdrup field with the other partners. The Ministry of Petroleum and Energy in July 2015 announced its ruling on the unitisation of Sverdrup, reducing Det norske's share to 11.57 per cent from 11.89 per cent. Det norske appealed the decision to the King in Council of Norway, which in December 2015 upheld the decision made by the Ministry's ruling. Det norske is in the process of evaluating the King's decision and will consider whether to contest it in court.

The company has initiated an improvement program in order to reduce costs and maximise operational and exploration effectiveness, with the goal of ensuring profitable growth at oil prices below USD 40 per barrel.

At the end of 2015, Det norske had third-party certified proven and probable (P50) reserves of 498 million barrels of oil equivalents. The company sees the potential within its existing portfolio to lift production to 160,000 barrels of oil equivalents per day after 2020.

Det norske had operating revenues of USD 1.2 billion in 2015, compared to USD 464 million in 2014. EBITDAX was USD 1.0 billion, compared with USD 365 million a year prior, resulting in an EBITDAX margin of 84 per cent compared to 79 per cent in 2014.

Det norske's shares closed at NOK 55.25 as per 31 December 2015, compared with NOK 39.87 at the end of 2014. There is no dividend proposed for the fiscal year 2015.

### **Ocean Yield**

Ocean Yield is a ship-owning company with vessels on long-term bareboat contracts. The company's mandate is to build a diversified portfolio of modern vessels within oil service and industrial shipping, targeting fixed charters to credit-worthy counterparties.

Ocean Yield continued on its growth path in 2015, adding newbuilding vessels for a total of USD 505 million to its portfolio, thereby diversifying the composition of its fleet and its customer base.

In April Ocean Yield entered an agreement to acquire eight newbuilding chemical tankers with 15-year "hell and high" bareboat charters to Navig8 Chemical Tankers. The first four vessels were delivered in 2015 and the last four are scheduled for delivery in 2016. In July the company agreed to acquire four LR2 product tankers with 13-year charters to Navig8 Product Tankers. The tankers are scheduled for delivery in 2016.

Ocean Yield improved its liquidity position in 2015. In April the company issued a new unsecured bond issue of NOK 1.0 billion with maturity in April 2020, and subsequently secured USD 220 million in debt for the Aker Wayfarer vessel. In September Ocean Yield entered into an agreement with American Shipping Company ("AMSC") regarding certain waivers required for AMSC to refinance its debt. Ocean Yield owns 93.05 per cent of the unsecured bonds issued by AMSC. As a result of the refinancing and the approval of the amendments, the interest payments from the bonds switched from 50 per cent cash and 50 per cent payment-in-kind, to 100 per cent cash.

As per year-end 2015, the company's estimated EBITDA backlog stood at USD 2.7 billion and the average remaining contract tenor (weighted by EBITDA) was 10.3 years. The company remains committed to its ambition to pay out an attractive quarterly dividend, supported by strong embedded earnings growth. Ocean Yield is taking delivery of 11 newbuilding vessels in 2016 and two more are scheduled for the first quarter of 2017.

All of Ocean Yield's vessels are on long-term charters and therefore the challenging market conditions within the oil-service sector does not have a direct impact on the company. However, a protraction of the current low levels of activity in the sector could lead to some of the company's counterparties being adversely affected.

Ocean Yield had operating revenues of USD 257 million in 2015, compared to USD 249 million in 2014. EBITDA was USD 224 million, compared with USD 217 million in the prior year, resulting in an EBITDA margin of 87 per cent. All projects performed according to plan during the year.

Ocean Yield's shares stood at NOK 68.5 as at 31 December 2015, up from NOK 44.0 as at end 2014. Ocean Yield paid a total dividend of USD 0.6 per share in 2015, steadily increasing its dividend by 0.5 cents per share every quarter.

The board of Ocean Yield proposed a dividend payment of USD 0.1625 per share for the fourth quarter of 2015. Accordingly, Aker received approximately USD 16 million through its 72.97 per cent direct ownership interest in Ocean Yield in March 2016.

### **Aker BioMarine**

Aker BioMarine is an integrated biotechnology company that develops, markets, and sells krill-derived bio-active ingredients to the consumer health and wellness, and the animal nutrition markets.

Aker BioMarine's core products are Krill™ Aqua, a value-added ingredient for the aquaculture industry, Krill Pet, a marine protein feed ingredient for

cats and dogs, and Superba™ Krill Oil, a phospholipid omega-3 dietary supplement. The market for Krill™ products continued to develop favourably during 2015. Krill™ Aqua sales grew 16 per cent year-on-year with increasing volume and prices. Krill Pet sales posted a solid 57 per cent growth in 2015. Superba™ Krill Oil sales stabilised in the fourth quarter despite continued soft demand in the omega-3 market. Annual Superba™ Krill Oil sales decreased 6 per cent year-over-year.

The krill harvesting season closed in early October 2015 with a total annual catch comparable to that of the previous year. The vessels commenced the following season's harvesting in December 2015 and catch rates in early 2016 have been above the 2015 average.

Aker BioMarine's krill oil factory in Houston is producing at design capacity and the company has upgraded its technology to facilitate the development of new Superba™ krill oil products. The first two products, Superba2 and Superba Boost, will be delivered to customers in the first half of 2016. The company expects the products to enable Superba™ krill oil sales growth.

In the third quarter, following approval by Norwegian Fishing Authorities, The Resource Group TRG AS acquired preference shares in Aker BioMarine's vessel-owning subsidiary. The structure enables Aker BioMarine to access foreign capital while remaining in compliance with its fishing licenses.

Aker BioMarine has established a platform for future growth and is well positioned to expand geographically and move its products into higher price segments, through a strong supply chain, a solid innovation product pipeline, and stable long-term partnerships with customers. The company was awarded U.S. krill oil patents in 2015, which cover its production process and product compositions. The company started actively enforcing the patents in 2016.

The company initiated a program in 2015 to reduce operating expenses, in order to enhance competitiveness and profitability. In June 2015 Hallvard

Muri chose to step down as CEO of the company and was replaced by Matts Johansen, who came from the position as chief operating officer of Aker BioMarine.

Aker BioMarine reported 2015 total revenues and other income of USD 105 million, compared to USD 112 million in 2014. EBITDA amounted to USD 26 million, up from USD 6.0 million in the previous year. The Company's USD 105 million loan facility, of which NOK 305 million is guaranteed by Aker, matures in the second quarter 2017.

Aker BioMarine was delisted from Oslo Stock Exchange in January 2013 and became a privately-owned subsidiary of Aker. Aker is evaluating various options for its long-term ownership of Aker BioMarine.

### **Havfisk**

Havfisk is Norway's largest whitefish harvesting company and operates 29.6 cod licenses, which represents about 11 per cent of the national whitefish quotas. The company specialises in cod, saithe and haddock harvesting.

Havfisk delivered a solid performance in 2015. Cod is Havfisk's most important species and accounts for approximately 50 per cent of the volumes harvested. Price trends for cod have been positive throughout 2015, with the average price for cod posting a 39 per cent increase compared to 2014. As a result, Havfisk's average harvest value per operating day in 2015 rose by 13 per cent to NOK 363 000 per vessel, which is the highest achieved in the company's history.

The company's total harvested volume in 2015 was 58 214 tonnes headed and gutted weight, which is a reduction of 2 per cent from 2014. The volume decline was mainly due to lower cod and saithe quotas, however this was in large part compensated by increasing the volumes of other species such as shrimp, redfish and Greenland halibut.

Havfisk agreed in October 2015 to sell the vessel «Stamsund» to an Icelandic company for NOK 20 million and announced in February 2016 the order for a newbuild vessel to be delivered in 2018.

The outlook for Havfisk remains positive: the cod quotas set for 2016 are stable year-on-year, whitefish prices are expected to remain strong and demand for the company's products appears firm. The Norwegian government's decision in 2015 to increase the quota ceiling from three to four quotas per vessel could provide opportunities for further efficiency improvements. Initially it will enable Havfisk to exploit its quotas better. In the longer term, it may also allow for the combined quota basis to be fished with fewer vessels.

In December 2015, Havfisk won a lawsuit brought by Hermes regarding an agreement entered into in 2013 to sell a vessel and quotas. In the ruling by Nord-Troms District Court, Havfisk was acquitted for the entire claim and was awarded its full legal costs. Hermes appealed the verdict and the case will appear before Hålogaland Court of Appeal in June 2016.

The company had operating revenues of NOK 1.1 billion in 2015, compared to NOK 1.05 billion in 2014. EBITDA was NOK 403 million, compared with NOK 299 million a year prior, resulting in an EBITDA margin of 36 per cent compared to 28 per cent in 2013.

Havfisk's share price closed at NOK 28.20 as at year-end 2015, up from NOK 15.20 as at 31 December 2014. Trading volumes in the stock increased more than fourfold on an annual basis, partly due to the company's second-largest shareholder exiting its 12 per cent ownership in May 2015.

Havfisk initiated a dividend payment for the 2014 fiscal year and paid out NOK 0.75 per share in May 2015. The board of Havfisk has proposed a dividend payment of NOK 1.50 per share for 2015. Accordingly, Aker will receive approximately NOK 93 million through its 73.25 per cent direct ownership interest in Havfisk.

### **b. Financial investments**

Financial Investments comprise all of Aker's non-core assets, including cash, liquid fund investments, other public investments, real estate investments and other financial investments. The

value of Aker's financial investments amounted to NOK 7.7 billion as at 31 December 2015, which represented 28 per cent of Aker's value-adjusted total assets, compared to NOK 7.6 billion as at 31 December 2014.

Aker completed its three-year plan initiated in November 2012 of divesting NOK 3.0 billion in Financial investments. The main divestments in 2015 were Fornebuporten's commercial real estate in Oslo and Setanta Energy's subsidiary with an oil license in Gabon. Aker will take an opportunistic approach to monetising the remaining Financial Investments.

Aker's cash holdings fell NOK 1.4 billion year-on-year, to NOK 1.5 billion. The decrease was primarily due to the acquisition of real estate properties from Akastor valued at NOK 1.2 billion, interests and operating expenses for a total of NOK 0.6 billion, net debt repayment for a total of NOK 0.3 billion, and the NOK 0.4 billion dividends paid to shareholders in 2015. The reduction was partly offset by NOK 1.3 billion in dividend income in 2015. In 2015 Aker converted a NOK 0.5 billion bank loan into a revolving credit facility that may be redrawn at any time until maturity in 2017. A separate revolving credit facility of NOK 1.0 billion with a three-year maturity was agreed upon in February 2016. Aker's cash is conservatively managed, with deposits across several banks with high credit ratings.

Aker held NOK 415 million in liquid fund investments in Norron Asset Management as of 31 December 2015, up from NOK 362 million in the previous year.

The value of other public investments was NOK 1.9 billion as of 31 December 2015, up from NOK 1.5 billion in 2014. The value of Aker's investment in Philly Shipyard ("PHLY") rose to NOK 1.4 billion, compared to NOK 711 million in 2014. The value of Aker's direct and indirect equity exposure to AMSC fell to NOK 538 million, compared to NOK 765 million in 2014. In 2014, Aker announced that it would evaluate strategic alternatives for its two U.S. Jones Act investments. Aker continues to work together with management and the board of directors of AMSC and



PHLY to evaluate potential strategic initiatives to maximise shareholder value, as part of a long-term strategy to monetise both investments.

Aker's total exposure to real estate investments stood at NOK 1.9 billion, up from NOK 736 million and at year-end 2014. The increase is primarily due to the acquisition of eight industrial properties from Akastor for NOK 1.2 billion in November 2015, in an all-cash transaction.

In October 2015 Fornebuporten Holding, an indirect subsidiary of Aker, agreed to sell its shares in Fornebuporten to a real estate consortium. The final share purchase price paid to Fornebuporten Holding was approximately NOK 1.0 billion, adjusted for the remaining construction cost of the office buildings and rent compensation. Fornebuporten Holding subscribed to 25 per cent of the shares in the Fornebu Gateway real estate consortium for NOK 325 million. The sale released NOK 0.6 billion in cash to Aker, of which NOK 0.5 billion was paid in the fourth quarter of 2015 and NOK 100 million will be paid in 2016.

Other financial investments amounted to NOK 2.0 billion as at 31 December 2015, compared to NOK 2.1 billion as of year-end 2014. The decrease is primarily due to the repayment of a receivable from Setanta Energy. Aker entered an agreement in the fourth quarter of 2015 on a management buy-out of Ocean Harvest. Aker facilitated the transaction by providing a USD 66.5 million seller credit and guaranteeing for the company's long-term debt.

Other financial investments consist of equity investments, internal and external receivables, and other assets. The largest investments are Align and Trygg Pharma, in addition to other receivables and fixed assets.

### 3. PRESENTATION OF ANNUAL ACCOUNTS

Aker ASA's annual accounts consist of the consolidated financial statements, the separate financial statement of the parent, and the combined financial statements for Aker ASA and holding companies. It is the combined balance



sheet of Aker ASA and holding companies that is highlighted in Aker's internal and external reporting. This combined balance sheet shows the aggregate financial position of the companies in the holding company structure, including total available liquidity and net debt relative to the investments in the underlying operational companies. NAV for Aker ASA and holding companies forms the basis for Aker's dividend policy.

Pursuant to section 3-3a of the Norwegian Accounting Act, it is confirmed that the annual accounts have been prepared based on the assumption that Aker is a going concern and the Board confirms that this assumption continues to apply.

#### **a. Aker ASA and holding companies accounts**

##### ***Combined income statement***

The combined profit and loss account for Aker ASA and holding companies (Aker) shows a pre-tax profit of NOK 0.6 billion for 2015. The corresponding 2014 figure was a loss of NOK 1.3 billion. The change is mainly due to positive value changes in share investments and an increase in dividends received. Operating revenues were nil in 2015, the same as in the previous year. Operating expenses amounted to NOK 219 million in 2015, compared with NOK 223 million in 2014.

Net other financial items (including dividend received, but excluding value changes) amounted to NOK 708 million in 2015, up from NOK 354 million a year prior. Dividends received amounted to NOK 1 340 million, while net interest income, write-downs on receivables and other provisions amounted to minus NOK 632 million. The net value change on shares amounted to plus NOK 153 million. This was largely due to a value increase of Det norske, and the resulting reversal of previous years' write-downs on that investment, as well as the decreased value of Aker's direct holdings in Aker Solutions and Akastor, and a write-down of the Trygg Pharma investment.

##### ***Gross assets***

The value-adjusted assets of Aker ASA and holding companies were NOK 27.9

billion as at 31 December 2015. The corresponding 2014 figure was NOK 24.9 billion.

The value of Aker's Industrial holdings was NOK 20.2 billion as at 31 December 2015, compared with NOK 17.4 billion at year-end 2014. The change is mainly attributable to value increases of the investments in Ocean Yield, Havfisk and Det norske, partly offset by value decreases of the investments in Aker Solutions and Akastor.

The value of Aker's Financial investments amounted to NOK 7.7 billion as of year-end 2015, compared with NOK 7.6 billion as at 31 December 2014. Cash decreased from NOK 2.9 billion to NOK 1.5 billion in 2015. The changes are discussed in the Financial investments section above.

##### ***Debt and net asset value***

Gross interest-bearing liabilities amounted to NOK 6.5 billion as at 31 December 2015, down from NOK 6.7 billion a year earlier. The change is explained by the issuance of a senior unsecured bond of NOK 1.0 billion in May 2015, with maturity date in May 2020, the repayment of NOK 0.5 billion in bank debt in June 2015, and the purchase of own bonds throughout the year and final repayment at maturity in November 2015 of the AKER05 bond with a total of NOK 0.8 billion.

Net interest-bearing liabilities increased to NOK 3.8 billion as per year-end 2015, up from NOK 3.4 billion as per end 2014.

Aker's NAV as at 31 December 2015 was NOK 20.9 billion, compared with NOK 17.7 billion at year-end 2014.

#### **b. Group consolidated accounts**

The main companies included in Aker's consolidated accounts are the following: Det norske, Aker Solutions, Akastor, Kvaerner, Ocean Yield, Aker BioMarine, Havfisk, Fornebuporten and Philly Shipyard.

##### ***Income statement***

The Aker Group's revenues are largely attributable to the Industrial holdings companies and the subsidiaries in the Financial investments portfolio. For as-

sociated and joint venture companies, Aker records its share of the companies' after-tax profit. The Aker Group had operating revenues of NOK 73.4 billion in 2015, compared to NOK 70.8 billion in the prior year. Total operating expenses came in at NOK 60.1 billion in 2015, compared to NOK 63.1 billion in 2014. Operating revenues mainly increased due to the full-year effect of Det norske's acquisition of Marathon Oil Norway in the fourth quarter of 2014, partly offset by the challenging market situation for the companies within the oil service segment, especially for Akastor. The change in operating expenses is primarily a result of the lower activity level within the oil service segment, a focus on cost efficiency, as well as the full-year effect of the acquisition of Marathon Oil Norway.

Depreciation and amortisation in 2015 was NOK 6.9 billion, compared to NOK 3.6 billion a year prior. Impairment charges in 2015 amounted to NOK 5.7 billion, primarily due to impairment charges of goodwill related to the Marathon Oil Norway acquisition, goodwill and other intangible assets in Akastor, and a write-down of the vessel AKOFS Seafarer. Net financial expenses were NOK 2.7 billion in 2015, compared NOK 1.5 billion in 2014. The increase in net financial expenses was primarily due to increased interest expenses of NOK 0.4 billion, negative results from equity-accounted investments of NOK 0.3 billion, as well as a NOK 0.3 billion increased net loss from interest swaps.

Loss before tax came in at NOK 2.0 billion in 2015, compared to a loss before tax of NOK 1.4 billion in 2014. Tax expenses in 2015 were NOK 1.9 billion, resulting in a net loss from continuing operations of NOK 3.9 billion. In 2014, the tax expense was NOK 0.2 billion, resulting in a net loss from continuing operations for 2014 of NOK 1.6 billion.

##### ***Balance sheet***

Total assets of the Aker Group amounted to NOK 134.5 billion as at 31 December 2015, compared with NOK 128.9 billion as at year-end 2014. The increase is primarily due to foreign exchange rate movements, as well as investments within Det norske and Ocean Yield,

partly offset by depreciation, amortisation and impairments. Total non-current assets were NOK 92.7 billion as at 31 December 2015, compared with NOK 82.6 billion at year-end 2014. The Group's total intangible assets decreased to NOK 29.9 billion as at 31 December 2015; the corresponding 2014 figure was NOK 30.9 billion. Of this, goodwill amounted to NOK 16.4 billion at year-end 2015, compared to NOK 18.5 billion as at 31 December 2014. Goodwill has been tested for impairment and NOK 3.9 billion in write-downs were made during 2015. Current assets were NOK 41.1 billion as at 31 December 2015, down from NOK 45.4 billion a year prior.

Current liabilities amounted to NOK 39.2 billion and long-term liabilities totalled NOK 65.8 billion at year-end 2015; the corresponding 2014 figures were NOK 40.5 billion and NOK 56.9 billion, respectively. The Group's interest-bearing debt amounted to NOK 51.7 billion as at 31 December 2015, compared with NOK 43.8 billion at year-end 2014. The NOK 7.9 billion increase in interest-bearing debt is primarily due to foreign exchange rate movements of NOK 4.8 billion, Det norske raising its debt by NOK 3.0 billion, and Ocean Yield raising its debt by NOK 1.5 billion. Interest-bearing debt as at year-end 2015 included secured loans of NOK 30.4 billion and unsecured loans and other interest-bearing liabilities of NOK 21.3 billion.

The Group's equity ratio was 22 per cent at year-end 2015, compared to 24 per cent at the end of 2014.

#### **Cash flow statement**

As at 31 December 2015, the Group had cash of NOK 10.4 billion, down from NOK 12.0 billion in 2014.

The Group's net cash flow from operations amounted to NOK 9.1 billion in 2015, up from NOK 5.3 billion in 2014. In 2015, the NOK 4.3 billion difference between operating profit before depreciation and amortisation and net cash flow from operations is largely attributable to NOK 2.1 billion in net interest paid and NOK 3.2 billion in tax payments. This was partly offset by dividend received and decreased working capital.

Net cash flow from investment activities were minus NOK 14.3 billion in 2015, compared to minus NOK 13.3 billion in 2014. Cash flow for 2015 comprises mainly investments in property, plant and equipment of NOK 10.8 billion, investments in intangible assets of NOK 1.4 billion, acquisition of Premier Oil Norway AS of NOK 1.1 billion, and acquisition of vessels accounted for as finance lease of NOK 1.0 billion.

Net cash flow from financing activities amounted to NOK 2.6 billion in 2015, compared to NOK 9.2 billion in 2014. Cash flow for the year from financing activities is largely attributable to a net increase in debt of NOK 3.7 billion and cash dividend disbursement of NOK 1.1 billion. Dividend is composed of NOK 0.4 billion to Aker ASA's shareholders and NOK 0.7 billion to non-controlling shareholders.

#### **c. Aker ASA accounts**

The parent company Aker ASA had a profit for the year of NOK 6.2 billion, compared with a loss of NOK 4.7 billion in 2014. The 2015 profit is primarily attributable to an internal restructuring of certain equity holdings, through the sale of investments to the subsidiary Aker Capital AS at fair value. These gains were partly offset by the negative development in the share investments in Aker Kvaerner Holding, Aker Solutions and Akastor.

Information on salary and other remuneration to executive management and compensation guidelines is presented in Note 36 of the consolidated financial statements.

Assets totalled NOK 25.8 billion as at 31 December 2015, compared with NOK 26.8 billion as at year-end 2014. Equity amounted to NOK 17.9 billion at the end of 2015, compared with NOK 12.2 billion as at 31 December 2014. This results in an equity ratio of 70 per cent at the end of 2015.

#### **Research and development**

The parent company had no research and development activities in 2015. Group R&D activities are presented in the annual reports of the respective operating subsidiaries.

#### **Allocation of profit and dividend in Aker ASA**

The Board of Directors has proposed for approval at the annual general meeting an ordinary cash dividend of NOK 10 per share for 2015. The proposed dividend corresponds to approximately 3.6 per cent of NAV, which is within the range of Aker's dividend policy of paying out 2-4 per cent of NAV. When deciding the annual dividend level, the Board of Directors takes into consideration expected cash flows, financing requirements and needs for appropriate financial flexibility.

Transfer to other equity amounts to NOK 5.4 billion, representing the net profit of the year of NOK 6.2 billion less the proposed dividend of NOK 0.7 billion.

#### **4. MANAGEMENT MODEL, CORPORATE GOVERNANCE, CONTROL AND COMPLIANCE**

Aker's principal shareholder TRG, through its main owner Kjell Inge Røkke, participates actively in Aker's development. Mr. Røkke is Aker's Chairman of the Board. The roles of Chairman of the Board and CEO are thus separate in Aker.

Aker has a one-tier Board with 10 directors, none of whom are executives and four of whom are employee representatives. The majority of the directors are considered independent from the company's executives and significant business-related associates. The Chairman of the Board is elected by the Annual General Meeting. The board elects its own Deputy Board Chairman. Board members are elected for a period of two years.

Aker is a public limited company organised under Norwegian law with a governance structure based on Norwegian corporate law. The company's corporate governance model has been designed to provide a foundation for long-term value creation and to ensure good control mechanisms.

The Board of Directors has in 2016 updated and approved the Code of Conduct, which applies to all employees as well as to Board members, hired person-



nel and others acting on behalf of Aker. The code addresses compliance with laws and other matters such as handling of conflicts of interest, a commitment to equal opportunities for all employees and compliance with anti-corruption legislation. In the second half of 2015 Aker, together with Aker Solutions and Akastor, developed an e-learning course on anti-corruption, which was made mandatory for over 17 700 employees of the Aker Group to take. Aker follows the Norwegian Code of Practice for Corporate Governance, most recently updated in October 2014. The company's practice largely complies with the Code's recommendations. Reference is made to the report on corporate governance. The report is available on the company's website: [www.akerasa.com](http://www.akerasa.com).

## 5. BOARD OF DIRECTORS' ACTIVITIES

The Board of Directors has an annual plan for its work, which includes recurring key topics such as strategy review, investment planning, risk and compliance oversight, financial reporting, talent development, as well as approval of the budget of Aker ASA and holding companies. The Board of Directors closely follows the market and macro-economic developments relevant for the energy industry.

The Board evaluates its own performance and composition once a year.

Aker's Board of Directors held seven meetings in 2015. The attendance of the board members averaged 96 per cent.

Stine Bosse stepped down from the board of directors in April 2015. Anne Marie Cannon was elected a new board member for two years, whilst Kristin Krohn Devold and Karen Simon were re-elected for another two years at Aker's annual general meeting held on 17 April 2015.

Aker's Audit Committee met nine times in 2015. The Committee's mandate regulates areas of responsibilities, tasks, relations with the external auditor and reporting to the Board of Directors.

Further information on the mandate and the work of Aker's Board of Directors is available in Aker's Corporate

Governance Report. The Board members' shareholdings and remunerations are presented in Note 37 and Note 36 respectively, in the consolidated accounts of Aker's annual report.

## 6. BUSINESS AND SOCIETY

Aker's goal is to be an attractive employer, a preferred partner for business associates, as well as a valuable member of society. Aker's most important contribution to society is to create value and build forward-looking companies that operate in environmentally, ethically and socially responsible manners. Profitability is a prerequisite in achieving these objectives.

As a significant shareholder in several companies, Aker works to promote responsible businesses that are committed to sustainable economic development and high standards of corporate and social responsibility. The operations of the parent company Aker ASA have negligible effect on the external environment.

The Aker Group's operating companies report individually on their impact on the external environment. The new section 3-3c in the Norwegian Accounting Act requires that as of 1 June 2013, large companies account for their efforts to integrate corporate social responsibility in their business strategies and day-to-day operations. Aker has complied with this requirement in a separate document approved by the board of directors and published on its website under "Corporate Responsibility in Aker".

## 7. OUR EMPLOYEES

Aker ASA had a total of 44 employees as at 31 December 2015, of which 20 were women (45 per cent). The company has a long-standing anti-discrimination policy and prioritises equal treatment of men and women, ethnic minorities, seniors, and individuals with disabilities. Diversity and inclusion are integral to Aker ASA's vision, strategy and business success. In its hiring process the company focuses on the candidates considered to be the best qualified for the position regardless of ethnic origin, religious beliefs or orientation, nationality or other criteria considered irrelevant to their work.

The company endeavours to provide flexible working conditions so that employment at Aker ASA offers opportunities for a good work-life balance through every career life phase. Varied and challenging work tasks and good career development prospects, coupled with job security and commensurate pay, are also important factors in making Aker ASA an attractive employer. Aker ASA regularly conducts in-house surveys in order to gauge the satisfaction of its workforce.

As at 31 December 2015, the number of employees in companies where Aker directly or indirectly was the main shareholder, totalled 26 026, of which 14 301 worked in Norway.

About 21 per cent of Aker Group employees are women. Many companies in which Aker has a major interest are cornerstones of their local communities that recruit locally and play an important role in integrating non-ethnic Norwegians into society.

Aker has an international framework agreement with Norwegian United Federation of Trade Unions (Fellesforbundet), IndustriALL Global Union, NITO and Tekna. The international framework agreement sets out fundamental labour rights and contains references to standards relating to environment, health and safety (EHS) work, pay, working time and employment conditions. The agreement commits Aker to respect and support fundamental human rights and union rights in the societies in which the company operates. These principles are delineated in the United Nations' Universal Declaration of Human Rights, OECD guidelines for multinational corporations, and the ILO's Declaration on Fundamental Principles and Rights at Work.

For generations, Aker has cooperated closely with employee organisations. Employee representatives participate in key decision-making processes, including through board representation. Aker has partnered with its employees and those of its relevant operating companies to establish a European Works Council. In addition, the company's Norwegian trade unions hold annual



union representatives' conferences and maintain working committees at each main company.

Aker meets Norwegian regulations with respect to gender representation on the boards of directors. Through dialogue with nomination committee members and its voting at general shareholders' meetings, Aker seeks to ensure that companies owned by Aker adhere to the same standards.

The sick-leave rate among Aker ASA employees was at 3.5 per cent in 2015, which corresponds to 384 sick-leave days. This compares to 2.4 per cent in 2014. The corresponding figure for sick-leave in the Aker Group was 3.1 per cent in 2015, compared to 3.0 per cent in 2014.

Sadly, the portfolio companies suffered two fatalities in 2015, compared to zero in 2014. There were 65 reported accidents that led to absence from work, down from 104 in 2014 in the Aker Group. The accidents are further described in the reports of the operating entities.

## 8. KEY EVENTS AFTER THE 31 DECEMBER 2015 BALANCE SHEET DATE

On 11 January 2016 Aker, through its wholly-owned subsidiary Aker Capital II AS, entered into a TRS agreement with DNB Markets (part of DNB Bank ASA), giving financial exposure to 5 500 000 underlying shares in American Shipping Company, equal to 9.07 per cent of the share capital of AMSC. The expiry date of the TRS agreement has been set to 21 November 2016. The swap price for the contract is NOK 26.50 per share.

On 28 January 2016 Akastor announced an agreement with its bank syndicate on the main terms and conditions to amend and extend its current bank facilities until July 2019. The existing bank facilities, maturing 2017, will be replaced by a USD 422.5 million reducing revolver facility, maturing in June 2019. In addition, Akastor reached an agreement on the main terms and conditions with three banks for a new NOK 362.5 million revolving facility to mature in July 2017. The ex-

isting NOK 2.0 billion revolving facility still matures on June 2019.

On 1 February 2016 Aker Solutions announced the award of two MMO contracts for work at the North Sea fields operated by ConocoPhillips. The contract value depends on how much maintenance and modifications work is undertaken over the next five years and could range between NOK 1.0 billion and NOK 3.0 billion in that period.

On 23 February 2016 Aker announced an agreement to sell its ownership stake in Fornebu Gateway and an agreement to sell real estate assets to Kjell Inge Røkke and his company The Resource Group TRG AS ("TRG"). The transaction comprises 25 per cent of the shares in the Fornebu Gateway AS real estate consortium and the shares in Aker Maritime Finance AS, which owns eight industrial properties acquired from Akastor. The sale will generate a total cash consideration of NOK 952 million. Prior to the transaction, Aker will receive proceeds of NOK 600 million from external financing obtained in February 2016 for the Akastor industrial prop-

erties. The sales price is based upon the fair values set on the shares in Fornebu Gateway AS and the Akastor industrial properties when acquired by Aker-owned subsidiaries in October 2015 and November 2015 respectively. Aker will recognise a gain of NOK 90 million from the transaction, as a result of profit accumulated during the period owned by Aker and the reduced tax liabilities included. Kjell Inge Røkke is Aker's chairman and principal shareholder, and is also TRG's majority shareholder. The agreements therefore constitute related-party transactions. The sales processes were conducted at arm's length, in compliance with Aker's own guidelines for related-party transactions and § 3-8 of the Public Limited Liabilities Companies Act.

On 2 March 2016 Det norske oljeselskap announced an agreement with Noreco Norway to acquire Noreco's Norwegian license portfolio, including a ca. NOK 45 million cash balance. The license portfolio consists of seven licenses on the NCS, including a 20 percent interest in the Gohta discovery (PL492) in the Barents Sea.



On 16 March 2016 Aker Capital AS, a wholly-owned subsidiary of Aker ASA, sold 8.5 million shares in Havfisk at a price of NOK 29.00 per share. After the transaction, Aker owns 53 501 793 shares in Havfisk, corresponding to approximately 63.2 per cent of the share capital in Havfisk.

## 9. RISKS AND RISK MANAGEMENT

Aker has a long-standing tradition of industrial risk taking. The company has evolved with the economic cycles and its strategy has adapted to market changes and company-specific issues in its portfolio. As presented in their respective Notes to the financial statements, Aker ASA, the Aker Group, and Aker ASA and holding companies are exposed to share price risk, oil price, currency and interest rate risk, market risk, credit risk, counterparty risk, and operational risk at the underlying company level.

Risk management in Aker is based on the principle that risk evaluation is an integral part of all business activities. Consequently, management of operational risk lies primarily with the underlying operating companies, but Aker ASA actively supervises risk management through its participation on the board of directors of each company.

Aker's main strategy for mitigating risk related to short-term value fluctuations is to maintain a solid financial position and strong creditworthiness. Aker has established clear financial guidelines that further regulate monitoring and follow-up of financial risk issues. Key performance targets have been identified and are monitored closely. A finance committee has been appointed to focus particularly on issues and decisions related to Financial Investments and debt funding. For further information on the company's risk management, see the report on corporate governance available on the company's website.

Financial market exposures, including currency, interest, and liquidity risks, are discussed in greater detail in Note 6 in the consolidated financial statements.

Aker ASA and each Aker company are exposed to various forms of market, operational, and financial risks. Rath-

er than diversifying risk by spreading investments across many different industries, Aker is focused on sectors in which the company possesses special 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 attending to the implementation and supervision. 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, and unexpected developments in the companies' capital expenditures. The development of the global economy, and energy prices in particular, as well as currency fluctuations, are important variables in assessing 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 and political risks, for example political decisions on petroleum taxes and environmental regulations.

Since 2014, the oil price has decreased significantly, resulting in increased uncertainty in the oil and gas sector. Lower oil prices have impacted Det norske's revenues, putting the company at risk of breaching one of its loan covenants in 2016. The company has initiated discussions with creditors, with the aim to ease covenant thresholds for its debt instruments. Akastor was in breach of its interest coverage ratio covenant as per year-end 2015. This was remedied in January 2016 through an agreement with the bank syndicate. The deteriorating environment for offshore oil services may adversely affect some of Ocean Yield, Aker Solutions, Akastor and Kvaerner's counterparties and

the companies are closely monitoring counterparty risk.

For further information on the Aker's risk management, see the report on corporate governance available on the company's website.

## 10. OUTLOOK

Investments in listed shares comprised some 75 per cent of the Aker's assets as per 31 December 2015. About 38 per cent of Aker's asset value was associated with the oil and gas sector. Maritime assets represented 27 per cent, seafood and marine biotechnology 15 per cent, cash and liquid fund investments 7.0 per cent, real estate development 7.0 per cent, while other assets amounted to 7.0 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 activity levels to remain subdued through 2016 as E&P companies take a cautious approach to new investments until crude oil prices demonstrate a sustained recovery. Aker's portfolio companies in the oil and gas sector will therefore continue to reduce their cost base and adjust capacity in line with market activity, while at the same time strengthening their competitiveness through increased productivity, efficiency and standardisation, and improved technology offerings.

In the maritime leasing segment, soft bond and equity markets could provide Ocean Yield with interesting investment opportunities going forward. However, the deteriorating environment for offshore oil services may lead to some of Ocean Yield's counterparties being adversely affected.

The market for whitefish is still favourable: the North Atlantic cod quotas set for 2016 are stable year-on-year, whitefish prices are maintaining an upward trend, and demand for cod and saithe appears firm. In the krill segment, the sales of omega-3 ingredients to the human market are still influenced by a soft

market sentiment, while demand in the animal feed ingredient segment is developing favourably.

Upstream cash flow to Aker is likely to decline moderately in 2016, mainly because of the suspension of dividend payment in Aker Solutions and Kvaerner. While both companies have the financial capacity to pay dividends, Aker sup-

ports the Board of Directors' view that the companies should retain more cash in an uncertain market environment.

Aker still views the overall financial situation of its portfolio operating companies as robust. Most of the companies have a conservative debt level and can increase their gearing to facilitate growth through investments.

Aker's strong balance sheet ensures that the company is capable of facing unforeseen operational challenges and short-term market fluctuations. As an industrial investment company, Aker will use its resources and competences to promote and support the development of the companies in its portfolio, and to consider new investment opportunities.

**FORNEBU, 17 MARCH 2016**

Aker ASA

**Kjell Inge Røkke (sign)**  
Chairman

**Finn Berg Jacobsen (sign)**  
Deputy Chairman

**Anne Marie Cannon (sign)**  
Director

**Kristin Krohn Devold (sign)**  
Director

**Leif O. Høegh (sign)**  
Director

**Karen Simon (sign)**  
Director

**Atle Tranøy (sign)**  
Director

**Arnfinn Stensø (sign)**  
Director

**Inger Elise Karlsen (sign)**  
Director

**Amram Hadida (sign)**  
Director

**Øyvind Eriksen (sign)**  
President and CEO

# ANNUAL ACCOUNTS

## Aker Group

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## Income statement and total comprehensive income

### INCOME STATEMENT

Amounts in NOK million	Note	2015	2014
<b>Continuing operations</b>			
Operating revenue	9,10	73 405	70 782
Cost of goods and changes in inventory		(28 240)	(31 744)
Wages and other personnel expenses	11	(20 235)	(19 802)
Other operating expenses	11	(11 586)	(11 512)
<b>Operating profit before depreciation and amortisation</b>	9	13 344	7 725
Depreciation and amortisation	15,16	(6 931)	(3 594)
Impairment charges and other non-recurring items	12,15,16	(5 710)	(4 091)
<b>Operating profit</b>	9	703	39
Financial income	13	1 248	1 401
Financial expenses	13	(3 609)	(2 879)
Share of profit of equity accounted companies	17	(337)	(3)
<b>Profit before tax</b>	9	(1 996)	(1 442)
Income tax expense	14	(1 858)	(187)
<b>Profit for the year continued operations</b>	9	(3 854)	(1 629)
<b>Discontinued operations</b>			
Profit for the period from discontinued operations net of tax	8	33	2 650
<b>Result for the year</b>		(3 821)	1 021
<b>Attributable to:</b>			
Equity holders of the parent		(1 823)	(39)
Minority interests	25	(1 998)	1 060
<b>Result for the year</b>		(3 821)	1 021
Average number of shares	24	73 482 463	72 335 746
<b>Earnings per share<sup>1)</sup></b>	24		
Earnings per share continuing business		(24,92)	(12,69)
Earnings per share discontinued business		0,10	12,15
Earnings per share		(24,81)	(0,54)

1) Profit attributable to equity holders of the parent/average number of shares.

**TOTAL COMPREHENSIVE INCOME**

Amounts in NOK million	Note	2015	2014
Result for the year		(3 821)	1 021
<b>Other comprehensive income, net of income tax</b>			
Items that will not be reclassified to income statement:			
Defined benefit plan actuarial gains (losses)	28	84	(364)
Items that will not be reclassified to income statement		84	(364)
Items that subsequently may be reclassified to income statement:			
Changes in fair value of available for sale financial assets		(74)	(81)
Changes in fair value of cash flow hedges		(1 444)	(1 823)
Reclassified to profit or loss: changes in fair value of available-for-sale financial assets, translation and cash flow hedges		1 023	418
Currency translation differences		3 542	4 099
Changes in other comprehensive income associates and joint ventures		107	47
Items that subsequently may be reclassified to income statement		3 155	2 660
<b>Change in other comprehensive income, net of tax</b>	13,14,26	3 240	2 296
<b>Total comprehensive income for the year</b>		<b>(581)</b>	<b>3 316</b>
<b>Attributable to:</b>			
Equity holders of the parent		(177)	1 163
Minority interests		(405)	2 154
<b>Total comprehensive income for the year</b>		<b>(581)</b>	<b>3 316</b>

## Balance sheet at 31 December

Amounts in NOK million	Note	2015	2014
<b>ASSETS</b>			
Property, plant and equipment	15	53 864	45 901
Intangible assets	16	29 878	30 850
Deferred tax assets	14	1 248	912
Investment in equity accounted companies	17	1 377	1 502
Other shares and funds	18	1 107	1 267
Interest-bearing long-term receivables	6,19	4 114	1 809
Pension assets	28	15	4
Other non-current assets	20	1 146	356
<b>Total non-current assets</b>		<b>92 749</b>	<b>82 600</b>
Inventories	21	3 466	3 222
Trade receivables and other interest-free receivables	22	21 828	26 021
Calculated tax receivable	14	1 242	185
Derivatives	33	3 640	3 391
Interest-bearing short-term receivables	19	523	588
Cash and cash equivalents	6,23	10 388	12 000
<b>Total current assets</b>		<b>41 087</b>	<b>45 406</b>
Assets classified as held for sale	8	633	906
<b>Total assets</b>	9	<b>134 468</b>	<b>128 912</b>



Amounts in NOK million	Note	2015	2014
<b>EQUITY AND LIABILITIES</b>			
Paid-in capital	24	2 327	2 026
Translation and other reserves	26	3 403	1 790
Retained earnings		2 227	4 908
Total equity attributable to equity holders of the parent		7 957	8 723
Minority interests	25	21 462	22 669
<b>Total equity</b>		<b>29 419</b>	<b>31 392</b>
Interest-bearing loans	6,27	44 813	38 918
Deferred tax liabilities	14	13 625	11 845
Pension liabilities	28	1 526	1 555
Other interest-free long-term liabilities	29	1 670	732
Non-current provisions	30	4 212	3 899
<b>Total non-current liabilities</b>		<b>65 847</b>	<b>56 949</b>
Interest-bearing short-term debt	6,27	6 882	4 898
Trade and other payables	32	24 881	27 550
Income tax payable	14	294	1 877
Derivatives	33	4 980	5 041
Current provisions	30	2 116	1 154
<b>Total current liabilities</b>		<b>39 154</b>	<b>40 521</b>
<b>Total liabilities</b>		<b>105 001</b>	<b>97 470</b>
Liabilities classified as held for sale	8	49	51
<b>Total equity and liabilities</b>	9	<b>134 468</b>	<b>128 912</b>

FORNEBU, 17 MARCH 2016

Aker ASA

**Kjell Inge Røkke (sign)**  
Chairman

**Finn Berg Jacobsen (sign)**  
Deputy Chairman

**Anne Marie Cannon (sign)**  
Director

**Kristin Krohn Devold (sign)**  
Director

**Leif O. Høegh (sign)**  
Director

**Karen Simon (sign)**  
Director

**Atle Tranøy (sign)**  
Director

**Arnfinn Stensø (sign)**  
Director

**Inger Elise Karlsen (sign)**  
Director

**Amram Hadida (sign)**  
Director

**Øyvind Eriksen (sign)**  
President and CEO

## Consolidated statement of changes in equity

Amounts in NOK million	Note	Total paid-in capital	Translation reserve	Fair value reserves	Hedging reserves	Total translation and other reserves	Retained earnings	Total equity of equity holders of the parent	Minority interests	Total equity
<b>Balance at 31 December 2013</b>		2 025	(84)	409	76	401	6 167	<b>8 593</b>	19 910	<b>28 503</b>
Profit for the year 2014		-				-	(39)	<b>(39)</b>	1 060	<b>1 021</b>
Other comprehensive income	26	-	1 995	(209)	(397)	1 389	(187)	<b>1 202</b>	1 094	<b>2 296</b>
<b>Total comprehensive income</b>		-	1 995	(209)	(397)	1 389	(226)	<b>1 163</b>	2 154	<b>3 316</b>
Dividends		-				-	(940)	<b>(940)</b>	(1 211)	<b>(2 151)</b>
Own shares		-				-	4	<b>5</b>	-	<b>5</b>
<b>Total contributions and distributions</b>		-	-	-	-	-	(936)	<b>(936)</b>	(1 211)	<b>(2 146)</b>
Acquisition and sale of minority	7,25	-				-	(89)	<b>(89)</b>	(140)	<b>(229)</b>
Issuance of shares in subsidiary	25	-				-	(8)	<b>(8)</b>	1 956	<b>1 948</b>
<b>Total changes in ownership without change of control</b>		-	-	-	-	-	(97)	<b>(97)</b>	1 816	<b>1 719</b>
<b>Balance at 31 December 2014</b>	24-26	2 026	1 911	200	(321)	1 790	4 908	<b>8 723</b>	22 669	<b>31 392</b>
Correction previous years	2	-				-	(135)	<b>(135)</b>	(50)	<b>(184)</b>
<b>Balance at 1 January 2015</b>		2 026	1 911	200	(321)	1 790	4 773	<b>8 589</b>	22 619	<b>31 207</b>
Profit for the year 2015		-				-	(1 823)	<b>(1 823)</b>	(1 998)	<b>(3 821)</b>
Other comprehensive income	26	-	1 777	(86)	(78)	1 613	33	<b>1 647</b>	1 593	<b>3 240</b>
<b>Total comprehensive income</b>		-	1 777	(86)	(78)	1 613	(1 790)	<b>(177)</b>	(405)	<b>(581)</b>
Dividends		-				-	(723)	<b>(723)</b>	(662)	<b>(1 385)</b>
Own shares		(4)				-	(18)	<b>(22)</b>	-	<b>(22)</b>
Share-based payment transactions		-				-	5	<b>5</b>	-	<b>5</b>
Dividend issue		305				-	-	<b>305</b>	-	<b>305</b>
<b>Total contributions and distributions</b>		301	-	-	-	-	(737)	<b>(436)</b>	(662)	<b>(1 098)</b>
Acquisition and sale of minority	7,25	-				-	(9)	<b>(9)</b>	(106)	<b>(116)</b>
Issuance of shares in subsidiary	25	-				-	-	<b>-</b>	16	<b>16</b>
<b>Total changes in ownership without change of control</b>		-	-	-	-	-	(9)	<b>(9)</b>	(90)	<b>(100)</b>
Transaction cost share issue in associated company	8					-	(10)	<b>(10)</b>	-	<b>(10)</b>
<b>Balance at 31 December 2015</b>	24-26	2 327	3 688	114	(400)	3 403	2 227	<b>7 957</b>	21 462	<b>29 419</b>

## Cash flow statement

Amounts in NOK million	Note	2015	2014
Profit before tax		(1 996)	(1 442)
Net interest expenses (+)	13	1 902	1 529
Sales losses/gains (-) and write-downs	10,12	5 055	3 825
Unrealised foreign exchange gain/loss and other non-cash items	13	(14)	37
Depreciation and amortisation	15,16	6 931	3 594
Share of earnings in associated and joint venture companies	17	160	(342)
Dividend received from associated and joint venture companies	17	347	600
Expensed dry wells previously capitalised	16	94	624
Changes in other net operating assets and liabilities	32	1 844	(1 299)
<b>Cash flow from operating activities before interest and tax</b>		<b>14 323</b>	<b>7 125</b>
Interest paid	13	(2 344)	(1 985)
Interest received	13	273	275
Taxes refunded	14	707	1 309
Taxes paid	14	(3 887)	(1 417)
<b>Net cash flow from operating activities</b>	<b>9</b>	<b>9 072</b>	<b>5 306</b>
Proceeds from sales of property, plant and equipment	15	764	237
Proceeds from sales of shares and other equity investments	17,18	91	528
Disposals of subsidiaries, net of cash disposed	8	836	7 071
Acquisition of subsidiaries, net of cash acquired	7	(1 251)	(10 228)
Acquisitions of property, plant and equipment	15,16	(12 367)	(11 299)
Acquisitions of shares and equity investments in other companies	17,18	(472)	(187)
Acquisition of vessels accounted for as finance lease	19	(1 030)	-
Net cash flow from other investments	19	(851)	541
<b>Net cash flow from investing activities</b>	<b>9</b>	<b>(14 279)</b>	<b>(13 336)</b>
Proceeds from issue of interest-bearing debt	27	12 315	28 532
Repayment of interest-bearing debt	27	(8 599)	(19 012)
<b>Net repayment and issue of interest-bearing debt</b>		<b>3 716</b>	<b>9 520</b>
New equity	25	16	1 940
Own shares	24,25	(32)	(157)
Dividends paid	24,25	(1 081)	(2 151)
<b>Net cash flow from transactions with owners</b>		<b>(1 096)</b>	<b>(368)</b>
<b>Net cash flow from financing activities</b>	<b>9</b>	<b>2 620</b>	<b>9 152</b>
<b>Net change in cash and cash equivalents</b>		<b>(2 587)</b>	<b>1 122</b>
Effects of changes in exchange rates on cash		975	1 154
Cash and cash equivalents at 1 January		12 000	9 724
<b>Cash and cash equivalents at 31 December</b>	<b>23</b>	<b>10 388</b>	<b>12 000</b>

# Notes to the financial statements

## Note 1 | Corporate information

Aker ASA is a Norwegian company, domiciled in Norway, with headquarters at Fornebu outside Oslo. Aker's 2015 consolidated financial statements include the financial statements of the parent company, Aker ASA, its subsidiaries, and interests in associated companies and jointly controlled entities.

**Aker ASA is listed on the Oslo stock exchange with the ticker "AKER".**

## Note 2 | Basis for preparation

### 2.1. STATEMENT OF COMPLIANCE

Aker has prepared its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) and associated interpretations as determined by the EU as at 31 December 2015 and Norwegian disclosure requirements pursuant to the Norwegian accounting act as at 31 December 2015.

The consolidated financial statements have been prepared on a historical cost basis, with a few exceptions described in section 2.5.

The consolidated financial statements for the 2015 accounting year were approved by the Board of directors on 17 March 2016. The annual accounts will be submitted to Aker's annual general meeting on 22 April 2016 for final approval.

### 2.2. FUNCTIONAL CURRENCY AND PRESENTATION CURRENCY

The consolidated financial statements are presented Norwegian kroner and in millions (NOK million). The Norwegian krone (NOK) is the functional currency of the parent company. As a result of rounding differences, amounts and percentages may not add up to the total.

### 2.3. USE OF ESTIMATES AND ASSUMPTIONS

The preparation of annual financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect both the application of accounting principles and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from amounts arrived at based on these assumptions. Estimates and underlying assumptions are reviewed and assessed on an on-going basis, and are based on historical experience, consultations with experts, trends and other methods which management con-

siders reasonable under the circumstances. Changes to accounting estimates are recognised in the period in which the estimates are revised and in future periods that are affected.

Areas in which, in applying the group's accounting principles, there tends to be uncertainties as to material estimations and critical assumptions and assessments, are described in the following paragraphs and in relevant notes to the accounts. Estimates and their underlying assumptions are assessed continuously. The group's operational companies operate in different markets, and are thus affected differently by the uncertainties that characterise the different markets at year-end.

#### (a) Consolidation

IFRS 10 contains a definition of control, which must be applied when an investor is to assess whether an investment must be consolidated in the consolidated financial statements. The assessment of control involves high degree of judgements. In the Aker Group this particularly applies for the investments in Aker Solutions, Akastor and Kvaerner. See Note 9.

#### (b) Revenue recognition

The percentage-of-completion method is used to account for construction contracts. This method requires estimates of the final revenue and costs of the contract, as well as measurement of progress achieved to date as a proportion of the total work to be performed.

For contract revenue, there are uncertainties related to recoverable amounts from variation orders, claims and incentive payments. These are recognised when it is deemed probable that they will result in reliably measurable revenues. This assessment is adjusted by management's evaluation of liquidated damages to

be imposed by customers typically relating to contractual delivery terms.

The project costs depend on productivity factors and the cost of inputs. Weather conditions, the performance of subcontractors and others with an impact on schedules, commodity prices and currency rates can all affect cost estimates. Although experience, systematic use of the project execution model and focus on core competencies reduce the risk, there will always be uncertainty related to such assessments.

In situations where cost is not seen to properly reflect actual progress, alternative measures such as hours or physical progress are used to achieve more precise revenue recognition. The estimation uncertainty during the early stages of a contract is mitigated by a policy of normally not recognizing revenue in excess of costs on large lump sum projects before the contract reaches 20 percent completion. However, management can on a project-by-project basis give approval of earlier recognition if the uncertainties of cost estimates are low. This is typically in situations of repeat projects, proven technology or proven execution model. See Note 9 and 10.

#### (c) Warranty provisions

At the completion of a project, a provision is made for expected warranty expenditures. Based on experience, the provision is often set at one percent of the contract value, but can also be a higher or lower amount following a specific evaluation of the actual circumstances for each contract. Both the general one percent provision and the evaluation of project specific circumstances are based on experience from earlier projects. Factors that could affect the estimated warranty cost include the group's quality initiatives and project execution model. Provisions are presented in Note 30.



**(d) Impairment testing of goodwill and intangible assets with indefinite useful lives.**

In accordance with applicable accounting principles, the group performs annual impairment tests to determine whether goodwill and intangible assets recorded in the balance sheet have suffered any impairment. The estimated recoverable amount for the cash-generating unit is determined based on the present value of budgeted cash flows or estimated sales value less cost to sell if higher. See Note 16.

**(e) Tax**

The group is subject to income taxes in numerous jurisdictions. Significant judgment is required to determine provisions for income taxes worldwide. Aker incurs an income-tax payable and/or earns a considerable tax receivable. The group also recognises changes in deferred tax or deferred tax benefits. These figures are based on management's interpretation of applicable laws and regulations, and relevant court decisions. The quality of these estimates are largely dependent on management's ability to apply what is sometimes a very complex set of rules, its ability to identify changes to existing rules and, in the case of deferred tax benefits, its ability to project future earnings from which a loss carry-forward may be deducted for tax purposes. See Note 14.

**(f) Pension obligations**

The present value of pension obligations depends on a number of factors that are determined on an actuarial basis using several actuarial assumptions. Any changes in these assumptions will impact the calculated pension obligations. The assumptions used in determining net pension costs and income, include an applicable discount rate. The group determines the appropriate discount rate at the end of each year. This is the interest rate that is to be used to determine the present value of estimated future cash outflows expected to be required to fulfil the pension obligations. In determining the appropriate discount rate, the group considers the interest rates of high-quality corporate bonds denominated in the currency in which the benefits are payable and that have terms to maturity approximating the terms of the related pension liability. The discount rate and other key assumptions for determining the pension obligations are disclosed in Note 28.

**(g) Financial instruments**

The group is exposed to various risks resulting from its use of financial instruments. This includes credit risk, liquidity risk and market

risk (including currency- and interest rate risk). Note 6 and Note 33 present information about the group's exposure to each of these risks, the group's objectives, the principles and processes for measuring and managing risk, and the group's capital management.

**(h) Contingent assets and liabilities**

As a result of their extensive worldwide operations, group companies sometimes become involved in legal disputes. Provisions have been made to cover the expected outcomes of the disputes where negative outcomes are likely and reliable estimates can be prepared. However, the final outcome of these cases will always be subject to uncertainties and resulting liabilities may deviate from booked provisions. See Note 34.

**(i) Proven and probable oil and gas reserves**

Oil and gas reserves are estimated by the group's experts in accordance with industry standards. In addition, reserves are certified by an independent third party. Proven and probable oil and gas reserves consist of the estimated quantities of crude oil, natural gas and condensates shown by geological and technical data to be recoverable with reasonable certainty from known reservoirs under existing economic and operational conditions, i.e. on the date that the estimates are prepared.

Proven and probable reserves are used to estimate production volumes, which is used as the basis for depreciation calculations. Reserve estimates are also used as the basis for impairment testing of licence-related assets. Changes in petroleum prices and cost estimates may change reserve estimates and, accordingly, economic cut-off. Changes to reserve estimates may also be caused by updated production and reservoir information. Future changes to proven and probable oil and gas reserves may have a material effect on depreciation, life of field, impairment of licence-related assets, and operating results. See Note 15 and Note 16.

**(j) Acquisition costs - exploration**

The accounting policy of Aker's subsidiary Det norske oljeselskap is to temporarily recognise expenses relating to the drilling of exploration wells in the balance sheet pending an evaluation of potential oil and gas discoveries (successful efforts method). If no reserves are discovered, or if recovery of the reserves is considered technically or commercially unviable, the costs of exploration wells are expensed. Decisions as to whether this expenditure should remain

capitalised or expensed in the period may have a material effect on the operating result for the period. See Note 16.

**(k) Decommissioning and removal obligations**

Aker's subsidiaries Det norske oljeselskap and Ocean Yield have obligations relating to decommissioning and removal of offshore installations at the end of production periods. Obligations associated with decommissioning and removals of long-term assets are recognised at fair value on the date they are incurred. At the initial recognition of an obligation, the expense is capitalised as production plant and depreciated over the useful life of the asset. It is difficult to estimate the expenses of decommissioning and removal, which are based on applicable laws and regulations, and dependent on technological developments. Many decommissioning and removal activities will take place in the distant future, and the technology and related expenses are constantly changing. The estimates include costs based on expected removal concepts and estimated expenses of maritime operations, hiring of heavy-lift barges and of drilling rigs. Significant changes in estimates could affect future financial results. See Note 30.

**2.4. FAIR VALUE MEASUREMENT**

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described below, based on the lowest level of input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

For the purpose of fair value disclosures, the group has determined asset and liability classes based on the nature, characteristics and risks associated with each asset or liability and the applicable level within the fair value hierarchy. See Note 33.

## 2.5. BASIS OF MEASUREMENT

The consolidated financial statements have been prepared on a historical cost basis, with except for the following items:

- Derivative financial instruments are measured at fair value
- Financial instruments at fair value through profit and loss are measured at fair value
- Available-for-sale financial assets are measured at fair value
- Contingent consideration assumed in business combinations are measured at fair value
- Net defined benefit asset or liability is recognised at fair value of plan assets less the present value of the defined benefit obligation

## 2.6. CORRECTIONS PREVIOUS YEARS

Aker's subsidiary Ocean Yield has in 2015 recorded a decommissioning obligation for the FPSO Dhirubhai-1. Prior to the fourth quarter 2015, the Group had not reflected the effects of the estimated decommissioning provision for the Dhirubhai-1 in its financial statements. The Group did not restate its 2014 financial statements for this error as it determined that the impact to equity as of 1 January 2014 or to the income statements for the year ended 31 December 2014 would not be material. To reflect this a correction has been made to the opening equity of 2015 of -184 million.

# Note 3 | Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year. The following standards and interpretations were adopted with effect from January 1, 2015, with no implementation impact on the Group's consolidated financial statements:

- IFRIC Interpretation 21 Levies
- Improvements to IFRSs – 2011-2013 cycle

# Note 4 | New standards and interpretations not yet adopted

A number of standards, amendments to standards and interpretations are not yet effective for the period ended 31 December 2015, and have not been applied in preparing these consolidated financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the Group, except the following set out below.

## ***IFRS 9 Financial instruments (effective from January 1, 2018, but not yet approved by the EU)***

The standard addresses the classification, measurement and recognition of financial assets and financial liabilities, and will replace the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 introduce a single approach for the classification and measurement of financial assets according to their cash flow characteristics and the business model they are managed in, and provides a new impairment model based on expected credit losses. Under IFRS 9, the percentage of qualifying hedges is expected to increase as the hedge accounting model is

more aligned with risk management, including prospective testing and less restrictive requirements on qualifying hedging instruments. The effect of classification of financial instruments and the expected credit loss principle are not expected to have material impact on the group's financial position, but will need to be analysed further.

## ***IFRS 15 Revenue from Contracts with Customers (effective from January 1, 2018, but not yet approved by the EU)***

The standard will supersede the current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction contracts and the related interpretations when it becomes effective. IFRS 15 introduces a new five-step model that applies to revenue arising from contracts with customers. The analysis of the implications is still ongoing, but the group does not anticipate significant impacts on the financial positions. Based on preliminary assessments, the group has identified the following main implications of implementing IFRS 15:

- Constraint of variable considerations: to include variable considerations in the estimated contract revenue, the entity has to conclude that it is highly probable that a significant revenue reversal will not occur when the uncertainties related to the variability are resolved.
- Provision for loss making projects: the requirement in IAS 37 for onerous contract will apply to all contracts in the scope of IFRS 15, including construction contracts which are currently in scope of IAS 11.
- Disclosures: IFRS 15 requires more comprehensive disclosure than the current disclosure required by IAS 18 and IAS 11.

## ***IFRS 16 Leases (effective from January 1, 2019, but not yet approved by the EU)***

The standard was issued in January 2016 and replaces IAS 17. The new standard requires companies to bring most of its leases on-balance sheet, recognizing new assets and liabilities. The evaluation of the potential impact on the financial position of the Group is not completed.

## Note 5 | Accounting principles

The accounting principles presented below have been applied consistently for all periods and companies that are presented in the consolidated financial statements. Comparative figures have been restated in accordance with this year's presentation.

### 5.1. GROUP ACCOUNTING AND CONSOLIDATION PRINCIPLES

#### 5.1.1. Subsidiaries

Subsidiaries are companies controlled by Aker. Control requires three elements:

- ownership interests that give the investor power to direct the relevant activities of the investee,
- that the investor is exposed to variable returns from the investee, and that
- decision-making power allows the investor to affect its variable returns from the investee.

Subsidiaries are included in the consolidated accounts from the day control is achieved and until control ceases.

Acquisitions of companies that meet the definition of a business combination are recognised using the acquisition method. See further description in section 5.12 Intangible assets. Acquisitions of companies which are not defined as business combinations are recorded as asset acquisitions. The cost of such purchases is allocated between the individual identifiable assets and liabilities acquired based on their fair value on the acquisition date. Goodwill is not recognised in connection with such acquisitions, nor is deferred tax recognised in connection with differences arising in the recognition of such assets.

#### 5.1.2. Investments in associates

The group's investment in an associate is accounted for using the equity method of accounting, and is initially recognised at cost. An associate is defined as a company over which the group has significant influence but which is not a subsidiary or a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

Investments include goodwill upon acquisition less accumulated impairment losses. The consolidated financial statements reflect the group's share of profits/losses on the operations of the associate, its share of costs and its

share of equity changes – after restatement to comply with the group's accounting principles – from the time significant influence is established until such influence ceases. When the group's share of accumulated losses exceeds the balance sheet value of the investment, the group's balance sheet value is reduced to zero and additional losses are not recognised unless the group has incurred or guaranteed obligations with respect to the associate. If control is achieved in stages, goodwill is measured on the date of acquisition, and any changes in the value of previously held equity interests are recognised as profits or losses.

#### 5.1.3. Interests in joint arrangements

A joint arrangement is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. A joint arrangement is either a joint venture or a joint operation. The classification of a joint arrangement as a joint venture or a joint operation depends upon the rights and obligations of the parties to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

##### 5.1.3.1. Joint ventures

Joint ventures are accounted for using the equity method and are initially recognised at cost.

##### 5.1.3.2. Joint operations

Aker has interests in licenses that do not constitute separate companies. All of these interests relate to licenses on the Norwegian continental shelf that are defined as joint operations pursuant to IFRS 11. The group recognises investments in joint operations (oil and gas licenses) by reporting its share of related revenues, expenses, assets, liabilities and cash flows under the respective items in the group's financial statements.

#### 5.1.4. Minority interests

Minority interests have been disclosed separately from the parent company owners' equity and liabilities in the balance sheet, and are recorded as a separate item in the consolidated profit and loss account. Acquisitions of minority interests are accounted for as transactions with equity holders in their capacity as equity holders and

therefore no goodwill, gains or losses are recognised as a result of such transactions.

#### 5.1.5. EBITDA

Aker defines EBITDA as operating profit before depreciation, amortisation, impairment charges, and non-recurring items, as presented in the consolidated profit and loss account.

#### 5.1.6. Impairment charges and non-recurring items

Impairment charges and non-recurring items include write-downs of goodwill, significant write-downs and reversals of write-downs on real estate, facilities, and equipment, significant losses and gains on the sale of operating assets, restructuring costs, and other material items that are not deemed to be of a recurring nature. Operating profit includes the amount arrived at for impairment charges and non-recurring items.

#### 5.1.7. Dividends received from associates and joint ventures

Dividends received from associates and joint ventures are presented as part of net cash flow from operating activities in the cash flow statement. Received dividends are recognised as a reduction of the book value of the investment.

#### 5.1.8. Elimination of transactions upon consolidation

Intragroup balances and transactions, and any unrealised gains and losses or revenues and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the group's interest in the investee.

#### 5.1.9. Foreign currency translations and transactions

##### 5.1.9.1. Functional currency

Items are initially recorded in the financial statements of each group subsidiary in the subsidiary's functional currency, i.e. the currency that best reflects the economic substance of the underlying events and circumstances relevant to that subsidiary. The consolidated financial statements are presented in Norwegian kroner (NOK), the functional currency of the parent company.

##### 5.1.9.2. Transactions and balances

Foreign currency transactions are translated into the functional currency of the respective

group companies using the exchange rates prevailing on the date of each transaction. Receivables and liabilities in foreign currencies are translated into the functional currency using the exchange rates on the balance sheet date. Foreign currency exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account. Foreign currency exchange differences arising through the translation of operating items are included in operating profit in the profit and loss account, while those arising through the translation of financial assets and liabilities are recorded net as a financial item in the profit and loss account.

#### 5.1.9.3. Group companies

Financial statements of group companies whose functional currencies are different from the presentation currency (NOK) are translated into NOK in the following way:

- Balance sheet items are translated using the exchange rates on the balance sheet date
- Profit or loss items are translated using the average exchange rates for the period (if the average exchange rates for the period do not provide a fair estimate of the transaction rate, the actual transaction rate is used).

Translation differences arising from the translation of net investments in foreign activities and from related hedging objects are specified as translation differences in other comprehensive income, and are specified under shareholders' equity. When a foreign entity is sold, translation differences are recognised in the profit and loss account as part of the gain or loss on the sale. Foreign exchange gains or losses on receivables from and liabilities payable to a foreign entity are recognised in the profit and loss, except when settlement is neither planned nor likely to occur in the foreseeable future. Such foreign exchange gains and losses are considered to form part of the net investment in the foreign activity, and are recognised in other comprehensive income as translation differences.

#### 5.1.10. Transactions with related parties

All transactions, agreements, and business dealings with related parties are conducted on normal market terms.

### 5.2. DISCONTINUED OPERATIONS

A discontinued operation is a component of the group's business operations that repre-

sents a separate, major line of business or a geographical area of operations that has been disposed of or is held for sale. Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

Profits or losses from discontinued operations (after tax), are reclassified and presented as a separate line item in the financial statements. The comparatives are restated accordingly.

### 5.3. PRINCIPLES FOR REVENUE RECOGNITION

Revenue is recognised only if it is probable that future economic benefits will flow to Aker, and that these benefits can be measured reliably. Revenue includes gross inflows of economic benefits that Aker receives for its own account.

#### 5.3.1. Construction contracts

Construction contract revenues are recognised using the percentage of completion method. Stage of completion is determined by the method that measures reliably the production performed. Depending on the nature of the contract, the two main methods used by Aker to assess stage of completion are technical completion, or contract costs incurred to date compared to estimated total contract costs. When the final outcome of a contract cannot be reliably estimated, contract revenue is recognised only to the extent of costs incurred that are expected to be recoverable. The revenue recognised in one period will be the revenues attributable to the period's progress and the progress to date effect of any changes to the estimated final outcome. Any projected losses on future work under existing contracts are fully recognised when identified, and classified as accrued costs/provisions in the balance sheet under current provisions. Tender costs are capitalised when it is probable that the contract will be awarded. If the criteria for capitalisation no longer is fulfilled, capitalised tender costs are expensed as other operating expenses.

Contract revenues include variation orders and incentive bonuses when it is probable that they will result in revenue that can be measured reliably. Disputed amounts and claims are only recognised when negotiations have reached an advanced stage, customer acceptance is highly likely and the amounts can be measured reliably. Options for additional works are included in the contract when exercised by the buyer. Project costs include costs directly related to the specific contract and indirect costs attributable to the contract.

Project revenue is classified as operating revenue in the profit and loss account. Work in progress is classified as projects under construction in the balance sheet. Advances from customers are deducted from the value of work in progress under the specific contract or, if advances exceed this value, are recorded as customer advances. Customer advances that exceed said contract offsets are classified as trade and other payables.

#### 5.3.2. Rendering of services

Depending on the type of contract, revenue from services rendered is recognised in the income statement in proportion to the stage of completion of the transaction at the balance sheet date or is invoiced based on hours performed at agreed rates. The stage of completion is normally assessed based on the proportion of costs incurred for work performed to date compared to the estimated total contract costs. No revenue is recognised if there is significant uncertainty regarding recovery of consideration due.

#### 5.3.3. Sale of goods

Revenue from the sale of goods is recognised when Aker has transferred the significant risks and rewards of ownership to the buyer, and no longer has control over the goods.

#### 5.3.4. Revenues from petroleum products

Revenues from petroleum products are recognised based on the group's ideal share of production during the period, regardless of actual sales (the entitlement method).

The excess of product sold during the period over the participant's ownership share of production from the property is recognised by the overlift party as a liability (deferred revenue) and not as revenue. Conversely, the underlift party would recognise an underlift asset (receivable) and report corresponding revenue. Differences between oil lifted and sold (Petroleum overlifts) are presented as current liabilities, while petroleum underlifts are presented as short-term receivables. The value of overlift/underlift is set at the estimated sales value, minus estimated sales costs.

#### 5.3.5. Income from charter agreements

Revenues related to vessel bareboat charter agreements are recognised over the charter period. Time-charter agreements may include a revenue-sharing agreement with the charterer. Revenue related to profit sharing agreements is recognised when the amount can be reliably estimated.



### 5.3.6. Other income

Gains and losses resulting from acquisition and disposal of businesses which do not represent discontinued operations are included in Other income within operating profit. In case of acquisitions in stages, such gains may come from the remeasurement of the previously held interest in the acquired entity. Changes in the fair value of the contingent consideration from acquisition of a subsidiary or non-controlling interest are recognised in Other income as gains or losses.

Share of profit from associates and joint ventures, to the extent that these investments are related to the group's operating activities, are included in Other income within operating profit, as well as gains and losses related to the sale of operating assets.

## 5.4. EMPLOYEE BENEFITS

### 5.4.1. Short-term benefits and pension obligations

Short-term employee benefits, such as wages, are measured on an undiscounted basis and are expensed as the related service is provided.

The group has both defined benefit and defined contribution plans. For defined benefit plans, the liability recognised is the present value of the defined benefit obligation as at the balance sheet date, minus the fair value of plan assets. The defined benefit obligation is calculated by independent actuaries, and is measured as the present value of estimated future cash outflows. The cost of providing pensions is charged to the profit and loss account so as to spread the cost over the service lives of employees. Actuarial gains and losses arising from experience adjustments, changes in actuarial assumptions, and amendments to pension plans are recognised in other comprehensive income (OCI). The net interest expense for the period is calculated by applying the discount rate to the net defined benefit liability (asset). Thus, the net interest cost comprises interest on the liability and the return on the pension plan assets, both calculated using the discount rate. Changes in net pension liabilities due to premium payments and pension benefits are taken into consideration. The difference between the actual return on the pension plan assets and the recognised return is recognised against the OCI on an ongoing basis.

For defined contribution plans, contributions are paid into pension insurance plans. Once

the contributions have been paid, there are no further payment obligations. Contributions to defined contribution plans are charged to the profit and loss account in the period to which the contributions relate.

### 5.4.2. Share-based payments

Share-based payment expense is measured at fair value over the service period. All changes in fair value are recognised in the income statement.

## 5.5. GOVERNMENT GRANTS

An unconditional government grant is recognised in the profit and loss account when the group is entitled to receiving the funding. Other public funding is initially recognised in the balance sheet as deferred revenues when it is reasonably certain that the funding will be received and that the terms and conditions associated with the funding will be met. Grants that compensate for incurred expenses are recognised in the profit and loss account on a systematic basis in the same periods in which the expenses are incurred. Funding that compensates for the acquisition cost of an asset is recognised in the profit and loss account on a systematic basis over the asset's useful life.

## 5.6. EXPENSES

### 5.6.1. Lease payments

Lease payments under operating leases are recognised in the profit and loss account on a straight-line basis over the lease period. Any lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

In financial leases, minimum lease payments for the contract period are apportioned between financial expenses and a reduction in the outstanding liability. The finance expense is allocated to each period of the lease term, so as to produce a constant periodic interest rate on the remaining balance of the liability.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease, when the contingencies of the variable lease have been met and the adjustment amount is known.

### 5.6.2. Financial income and expenses

Finance income comprises interest income on funds invested (including available-for-sale financial assets), dividend income, gains on the disposal of available-for-sale financial assets, changes in the fair value of financial assets at

fair value through profit or loss, and gains on hedging instruments that are recognised in profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective-interest method.

Dividend income is recognised in profit or loss on the date that the group's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, changes in the fair value of financial assets at fair value through profit or loss, impairment losses recognised on financial assets, and losses on hedging instruments that are recognised in profit or loss. Borrowing costs that are not directly attributable to the acquisition or production of a qualifying asset are recognised in profit or loss using the effective-interest method.

Foreign currency gains and losses are reported on a net basis.

### 5.6.3. Income tax

Income tax comprises current and deferred tax. An income tax expense is recognised in the profit and loss account unless it relates to items recognised directly in equity, in which case it is recognised in the equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted as at the balance sheet date, and any adjustments to tax payable in respect of previous years.

Deferred tax is calculated based on the temporary differences between the balance sheet values and the taxation values of assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse. Deferred tax is not recognised for the following temporary differences:

- initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit.
- differences relating to investments in joint ventures, if it is probable that they will not reverse in the foreseeable future.
- tax-increasing temporary differences upon initial recognition of goodwill.

Deferred tax assets and liabilities are offset if:

- there is a legally enforceable right to offset current tax liabilities and assets
- they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities that intend to settle current tax liabilities and assets on a net basis, or to realise their tax assets and liabilities simultaneously.

A deferred tax asset will be recognised if it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Aker's subsidiary Det norske oljeselskap is subject to the special provisions of the Petroleum Taxation Act. Revenues from activities on the Norwegian continental shelf are liable to ordinary corporation tax and surtax (currently 51 per cent but increasing to 53 per cent on 1 January 2016). The company may claim a refund from the state of the tax value of exploration expenses incurred, provided that these do not exceed the year's tax-related loss allocated to the offshore activities. The refund is included in the calculated tax receivable line in the balance sheet.

## 5.7. INVENTORY

Inventory is stated at the lower of cost or net realisable value. Cost is determined by the first-in, first-out (FIFO) method, or the weighted average cost formula depending on the nature of the inventory. The cost of finished goods and work in progress comprises raw materials, direct labour and other direct costs, and related production overhead (based on normal operating capacity), but excludes borrowing costs.

The acquisition cost of inventory may also include elements transferred from equity. The latter may be gains or losses associated with cash flow hedging of foreign currency purchases.

Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

## 5.8. PROPERTY, PLANT, AND EQUIPMENT

### 5.8.1. Recognition and measurement

An item of property, plant and equipment is recognised as an asset if it is probable that the future economic benefits associated with the assets will flow to the group, and its cost can be reliably measured. Property, plant and equipment are measured at acquisition cost less accumulated depreciation and accumulated impairment losses.

Acquisition cost includes expenditures directly attributable to the asset's acquisition. The acquisition cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Borrowing costs associated with loans to finance the construction of property, plant and equipment are capitalised over the period necessary to complete an asset and make it ready for its intended use. Other borrowing costs are expensed. When significant parts of an item of property, plant, and equipment have different useful lives, major components are accounted for as separate items of property, plant, and equipment.

A gain or loss on the disposal of an item of property, plant and equipment is determined by comparing the disposal proceeds with the carrying amount of that item; the result is included in operating profit before depreciation and amortisation. If the amount is material and is not deemed to be of a recurring nature, the amount is presented under Impairment charges and non-recurring items.

An assets that will be disposed of and is classified as held-for-sale, will be recorded at the lower of its carrying amount and its fair value less selling costs.

### 5.8.2. Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that future economic benefits associated with the asset will flow to the group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of day-to-day maintenance of property, plant and equipment are recognised in profit and loss as incurred.

### 5.8.3. Depreciation

Depreciation is recognised in profit and loss on a straight-line basis over the estimated useful life of each major component of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term or the asset's useful life, unless it is highly probable that the group will acquire ownership at the end of the lease term. Land is not depreciated. Estimated useful lives for the current and comparative periods are as follows:

- Rigs, vessels, airplanes, etc.: 10-30 years
- Machinery and transportation vehicles: 3-20 years
- Buildings and residences: 8-50 years

Depreciation methods, useful lives, and residual values, are reviewed as at each balance sheet date.

## 5.9. INVESTMENT PROPERTY

Investment property is carried at its cost less accumulated depreciation and impairment losses.

## 5.10. OPERATING ASSETS RELATED TO PETROLEUM ACTIVITIES

### 5.10.1. Exploration and development costs relating to oil and gas fields

Capitalised exploration costs are classified as intangible assets and reclassified as tangible assets at the start of the development. For accounting purposes, the field is considered to enter the development phase when the technical feasibility and commercial viability of extracting hydrocarbons from the field are demonstrable, normally at the time of concept selection. All costs relating to the development of commercial oil and/or gas fields are recognised as tangible assets. Pre-operational costs are expensed as they incur.

The group employs the "successful efforts" method to account for exploration and development costs. All exploration costs (including seismic shooting, seismic studies and "own time"), with the exception of the acquisition costs of licenses and drilling costs for exploration wells, are charged to expenses as incurred.

Drilling cost for exploration wells are temporarily capitalised pending the evaluation of potential discoveries of oil and gas resources. Such costs can remain capitalised for more than one year. The main criteria are that there must be definite plans for future drilling in the licence or that a development decision is expected in the near future. If no resources are discovered, or if recovery of the resources is considered technically or commercially unviable, expenses relating to the drilling of exploration wells are charged to expense.

Acquired licence rights are recognised as intangible assets at the time of acquisition. Acquired licence rights related to fields in the exploration phase remain as intangible assets also when the related fields enter the development or production phase

### 5.10.2. Depreciation of oil and gas fields

Expenses relating to drilling and equipment for exploration wells where proved and probable reserves are discovered are capitalised and depreciated using the unit-of-produc-

tion method based on proved and probable reserves expected to be recovered from the well. Development costs relating to construction, installation and completion of infrastructure such as platforms, pipelines and the drilling of production wells are capitalised as producing oil and gas fields. They are depreciated using the unit-of-production method based on proven and probable developed reserves expected to be recovered from the area during the license or contract period. Acquired assets used for the recovery and production of petroleum deposits, including license rights, are depreciated using the unit-of-production method based on proven and probable reserves. The reserve basis used for depreciation purposes is updated at least once a year. Any changes in the reserves affecting unit-of-production calculations are reflected prospectively.

## 5.11. ACQUISITIONS, SALES, LICENSE SWAPS AND UNITISATIONS

On acquisition of a license that involves the right to explore for and produce petroleum resources, it is considered in each case whether the acquisition should be treated as a business combination or an asset purchase. As a rule, purchases of licenses during a development or production phase will be regarded as a business combination. Other license purchases will be regarded as asset purchases.

### 5.11.1. Oil and gas production licenses

For oil and gas-producing assets and licenses in a development phase, the acquisition cost is allocated between capitalised exploration expenses, license rights, production plant, and deferred tax.

When entering into agreements regarding the purchase/swap of assets, the parties agree on an effective date for the takeover of the net cash flow (usually 1 January of the calendar year). In the period between the effective date and the completion date, the seller will include its purchased share of the license in its financial statements. Pursuant to the purchase agreement, the net cash flow from the asset during the period from the effective date to the completion date is settled with the seller (pro and contra settlement). The pro and contra settlement will be adjusted to reflect the seller's losses/gains and the assets for the purchaser, in that the settlement (after a tax reduction), is deemed to be part of the consideration paid as part of the transaction. The purchaser's revenues and expenses are included as from the transaction date.

For tax purposes, the purchaser will include the net cash flow (pro and contra), and any other income and costs as from the effective date. When acquiring licenses that are defined as assets, no provision is made for deferred tax.

### 5.11.2. Farm-in agreements

Farm-in agreements are usually entered into during the exploration phase, and are characterised by the seller waiving future financial benefits, in the form of reserves, in exchange for reduced future financing obligations. For example, a license interest may be taken over in return for a share of the seller's expenses relating to the drilling of a well. During the exploration phase, the group normally accounts for farm-in agreements on a historical cost basis, as the fair value is often difficult to determine.

### 5.11.3. Swaps

Swaps of assets are calculated at the fair value of the asset being surrendered, unless the transaction lacks commercial substance or neither the fair value of the asset received nor the fair value of the asset surrendered can be measured effectively. During the exploration phase the group normally recognises swaps based on historical cost, as the fair value is often difficult to measure.

### 5.11.4. Unitisations

According to Norwegian law, an unitisation is required if a petroleum deposit extends over several production licenses and those production licenses have different ownership representation. Consensus must be reached regarding the most rational coordination of the joint development and ownership distribution of the petroleum deposit. An unitisation agreement requires approval from the Ministry of Petroleum and Energy.

The group recognises unitisations during the exploration phase based on historical cost, as the fair value often is difficult to measure. This gives no recognition in the profit and loss. In the case of unitisations involving licences outside the exploration phase, consideration is given to whether the transaction has a commercial content. If so, the unitisation is recognised at fair value. In such cases the gain or loss compared to historical cost is recognised in profit and loss.

## 5.12. INTANGIBLE ASSETS

### 5.12.1. Goodwill

All business combinations in the group are recognised using the acquisition method. Goodwill represents values arising from the acquisitions

of subsidiaries, associates, and joint ventures. Goodwill is allocated to cash-generating units and is tested annually for impairment. For associates, the carrying amount of goodwill is included in the carrying amount of the investment in the associates. Negative goodwill arising on an acquisition is recognised directly in the profit and loss account.

Minority interests can be measured at the net value of identifiable assets and liabilities in the acquired company or at fair-value, including a goodwill element. The method of measurement is decided individually for each acquisition.

Goodwill is measured as a residual at the acquisition date and constitutes the sum of:

- total consideration transferred in connection with the business combination
- the carrying amount of the minority interests
- the fair value of the previous ownership interest in the acquired company at the time of acquisition
- less the net recognised amount (normally fair value) of the identifiable assets acquired and liabilities assumed.

Acquisitions of minority interests are accounted for as transactions with equity holders in their capacity as equity holders, and therefore no goodwill is recognised as a result of such transactions. In subsequent measurements, goodwill is valued at acquisition cost, less accumulated impairment losses.

The valuation at fair value of licenses (oil and gas) is based on cash flows after tax. This is because these licenses are only sold in an after-tax market based on decisions made by the Norwegian Ministry of Finance pursuant to section 10 of the Petroleum Taxation Act. The purchaser therefore cannot claim a deduction of the consideration with tax effect through depreciations. In accordance with sections 15 and 24 of IAS 12, a provision is made for deferred tax corresponding to the difference between the acquisition cost and the transferred depreciation base for tax purposes. The offsetting entry to this deferred tax is goodwill. Hence, goodwill arises as a technical effect of deferred tax.

### 5.12.2. Research and development

Expenditure on research activities undertaken to gain new scientific or technical knowledge and understanding is recognised in profit and loss in the period it is incurred.

Development expenditure that applies research findings to a plan or design for the production of a new or substantially improved product or process is capitalised if the product or process is technically and commercially feasible and the group has sufficient resources to complete development. The capitalised amount includes the cost of materials, direct labour expenses and an appropriate proportion of overhead expenses. Other development expenditure is recognised in the profit and loss account as an expense in the period in which it occurs.

Capitalised development expenditures is recognised at cost less accumulated amortisation and impairment losses.

### 5.12.3. Other intangible assets

Other acquired intangible assets (patents, trademarks and other rights), are recognised in the balance sheet at cost less accumulated amortisation and impairment losses. Expenditure on internally generated goodwill and brand names is recognised in profit and loss in the period in which it is incurred.

Amortization is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets are amortised from the date they are available for use.

- Fishing licences: Structural quotas are amortised over the structural period. Estimated useful lifetime for structural quotas is 20 – 25 years. Basic quotas have an indefinite useful lifetime and are not depreciated; they are however tested annually for impairment.
- Other Intangible assets with finite useful lives are amortised over the expected economic life, ranging between 1-10 years.

## 5.13. CONSTRUCTION CONTRACTS

See section 5.3.1 above.

## 5.14. ASSETS HELD FOR SALE OR DISTRIBUTION

Non-current assets, or disposal groups comprising assets and liabilities, that are expected to be recovered primarily through sale or distribution rather than through continuing use, are classified as held for sale or distribution. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale or distribution in its present condition. Management must be committed to the sale or distribution, which should be expected to qualify for recog-

nition as a completed sale or distribution within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale or distribution are measured at the lower of their carrying amount and fair value less costs to sell. Property, plant and equipment and intangible assets once classified as held for sale or distribution are not depreciated or amortised, but are considered in the overall impairment testing of the disposal group.

Non-current asset classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from other assets in the statement of financial position. Liabilities of a disposal group classified as held for sale shall be presented separately from other liabilities in the statement of financial position. The balance sheet for prior periods is not reclassified to reflect the classification in the balance sheet for the latest period presented.

## 5.15. FINANCIAL INSTRUMENTS

### 5.15.1. Non-derivative financial assets

The group initially recognises loans and receivables and deposits on the date that they originate. All other financial assets (including assets designated at fair value through profit or loss), are initially recognised on the trade date on which the group becomes a party to the contractual provisions of the instrument. The group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows from the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the group is recognised as a separate asset or liability. Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. The group has the following non-derivative financial assets: financial assets at fair value through profit or loss, loans and receivables and available for sale financial assets. The group has no held-to-maturity financial assets. The principles used in the recognition of financial income and expenses are described in a separate paragraph.

#### 5.15.1.1. Financial assets at fair value through profit or loss

A financial asset is classified at fair value

through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the group manages such investments and makes purchase and sale decisions based on their fair value in accordance with the group's documented risk management or investment strategy. Attributable transaction costs are recognised in profit or loss as incurred upon initial recognition. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss.

#### 5.15.1.2. Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses. Loans and receivables comprise trade and other receivables. Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less.

#### 5.15.1.3. Held-to-maturity financial assets

If the group has the positive intent and ability to hold debt securities to maturity, then such financial assets are classified as held-to-maturity. Held-to-maturity financial assets are measured at amortised cost using the effective interest method, less any impairment losses.

#### 5.15.1.4. Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale and not classified in any of the previous categories. The group's investments in equity securities and certain debt securities are classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value, with the exception of equity investments without quoted prices whose fair value cannot be reliably measured, which are measured at costs. Changes in fair value are recognised in other comprehensive income, and are presented as a fair value reserve within equity. This does not apply to impairment losses (see separate paragraph). When an investment is derecognised, the cumulative gain or loss in the fair value reserve is transferred to profit or loss.

### 5.15.2. Non-derivative financial liabilities

The group has the following non-derivative financial liabilities: loans and borrowings, bank



overdrafts, and trade and other payables. Such financial liabilities are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective-interest method.

The group initially recognises issued debt securities and subordinated liabilities on their origination date. All other financial liabilities are initially recognised on the trade date on which the group becomes a party to the contractual provisions of the instrument. The group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

### **5.15.3. Compound financial instruments (Convertible bonds)**

The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not include an equity conversion option. The equity component is initially recognised as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts. Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective-interest method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition. Interest and gains and losses relating to the financial liability are recognised in profit or loss. On conversion, the financial liability is reclassified to equity; no gain or loss is recognised on conversion.

### **5.15.4. Derivative financial instruments, including hedge accounting**

The group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Derivatives are initially recognised at fair value, and attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.

On initial designation of the hedge, the group formally documents the relationship between the hedging instrument(s) and hedged item(s), including the risk management objectives and strategy in undertaking the hedge transaction, together with the methods that will be used to assess the effectiveness of the hedging relationship. The group assesses, both at the inception of the hedge relationship and on an on-going basis, whether the hedging instruments are expected to be effective in offsetting the changes in the fair value or cash flows of the respective hedged items during the period for which the hedge is designated, and whether the actual results of each hedge are within a range of 80-125 percent. For a cash flow hedge of a forecast transaction, the transaction should be highly probable to occur and should present an exposure to variations in cash flows that could ultimately affect reported net income.

#### **5.15.4.1. Embedded derivatives**

Embedded derivatives are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through profit or loss. Changes in the fair value of embedded derivatives that can be separated from the host contract are recognised immediately in profit and loss.

#### **5.15.4.2. Cash flow hedges**

When a derivative is designated as the hedging instrument in a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction that could affect profit or loss, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and presented in the hedging reserve in equity. The amount recognised in other comprehensive income is removed and included in profit or loss in the same period as the hedged cash flows affect profit or loss under the same line item in the statement of comprehensive income as the hedged item. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated, exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. The cumulative gain or loss

previously recognised in other comprehensive income and presented in the hedging reserve in equity remains there until the forecast transaction affects profit or loss. When the hedged item is a non-financial asset, the amount recognised in other comprehensive income is transferred to the carrying amount of the asset when the asset is recognised. If the forecast transaction is no longer expected to occur, then the balance in other comprehensive income is recognised immediately in profit or loss. In other cases the amount recognised in other comprehensive income is transferred to profit or loss in the same period that the hedged item affects profit or loss.

#### **5.15.4.3. Fair value hedges**

Changes in the fair value of derivatives designated as fair value hedges are recognised in profit or loss. The hedged object is valued at fair value with respect to the risk that is hedged. Gains or losses attributable to the hedged risk are recognised in profit and loss and the hedged object's carried amount is adjusted.

#### **5.15.4.4. Economic hedge – derivatives not part of hedge accounting**

These derivatives are measured at fair value and all changes in value are recognised in profit and loss.

#### **5.15.4.5. Hedging of net investments in foreign operations**

Foreign currency differences arising from the translation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised in other comprehensive income to the extent that the hedge is effective, and are presented within equity in the translation reserve. To the extent that the hedge is ineffective, such differences are recognised in profit or loss. When the hedged part of a net investment is disposed of, the relevant amount in the translation reserve is transferred to profit or loss as part of the profit or loss on disposal.

## **5.16. SHARE CAPITAL**

### **5.16.1. Ordinary shares**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

### **5.16.2. Repurchase of share capital (treasury shares)**

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable

costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented as a deduction from total equity. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the surplus or deficit resulting from the transaction is transferred to/from retained earnings.

#### **5.16.3. Translation reserve**

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations, as well as from the translation of liabilities that hedge the group's net investment in a foreign subsidiary.

#### **5.16.4. Hedging reserve**

The hedging reserve applies to cash flow hedges entered into in order to hedge against changes in income and expenses that may arise from exchange rate fluctuations. The profit or loss effect of such transactions is included in the profit and loss account upon recognition of the hedged cash flow. The hedging reserve represents the value of such hedging instruments that are not yet recognised in the income statement.

#### **5.16.5. Fair value reserve**

The fair value reserve comprises the cumulative net change in the fair value of available-for-sale financial assets until the investments are derecognised or impaired.

### **5.17. IMPAIRMENT**

#### **5.17.1. Financial assets**

A financial asset is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flows from the asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted using the asset's original effective interest rate. When a subsequent event causes the amount of the impairment loss to decrease, the decrease in the impairment loss is reversed through profit or loss.

Impairment losses on available-for-sale assets are recognised by transferring the cumulative

loss that has been recognised in other comprehensive income, and presented in the fair value reserve in equity, to profit or loss. The cumulative loss that is removed from other comprehensive income and recognised in profit or loss is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss previously recognised in profit or loss. Changes in impairment provisions attributable to time value are reflected as a component of interest income.

If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed and the amount of the reversal is recognised in profit or loss. However, any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive income.

#### **5.17.2. Non-financial assets**

The carrying amounts of the group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the balance sheet date.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or CGU).

Goodwill acquired in a business combination is allocated to the groups of CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other

assets in the unit (or group of units), on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed as at each reporting date as to any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortisation, if no impairment loss had been recognised.

### **5.18. PROVISIONS**

A provision is recognised when the group has a present legal or constructive obligation as a result of a past event, it is probable that payments or other outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are determined as the present value of expected future cash flows, discounted by a market based pre-tax discount rate.

#### **5.18.1. Guarantees**

Guarantee provisions are recognised when the underlying products or services have been sold. Provisions are made based on historic data and a weighting of all possible outcomes against their associated probabilities.

#### **5.18.2. Restructuring**

A provision for restructuring is recognised when an approved, detailed and formal restructuring plan exists, and the restructuring has either begun or has been announced to the affected parties.

#### **5.18.3. Contract losses**

Provisions for contract losses are recognised when the expected revenues from a contract are lower than the cost of meeting the contractual obligations. Before provisions are made, all impairment losses on assets associated with the contract are recognised.

#### **5.18.4. Decommissioning and removal costs**

In accordance with the terms and conditions of the licenses in which the group participates, the Norwegian state, at the end of production or on the expiration of the license period, can require license owners to remove the installation in whole or in part. In the initial recognition of the decommissioning and removal obligations, the

group provides for the net present value of future expenses related to decommissioning and removal. A corresponding asset is capitalised as a tangible fixed asset, and depreciated using the unit of production method. Changes in the time value (net present value), of the decommissioning and removal obligation are charged to income as financial expenses, and increase the liabilities related to future decommissioning and removal expenses. Changes in estimates of expenses related to decommissioning and removal are adjusted to the liability and the tangible fixed asset. The discount rate used in calculating the fair value of the decommissioning and removal obligation is the risk-free rate with the addition of a credit risk element.

#### 5.19. LEASING AGREEMENTS (AS LESSEE)

Leases of property, plant and equipment under which the group has substantially all the risks and rewards of ownership, are classified as financial leases.

Financial leases are capitalised at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Following initial capitalisation, the same accounting principle that applies to the corresponding asset is used. Lease payments are apportioned between financial expenses and the reduction in the lease

liability. Finance expenses are recognised as finance costs in profit or loss. Leases under which a significant proportion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases, net of any incentives received from the lessor, are charged to the profit and loss account on a straight-line basis over the period of the lease, such that a constant periodic interest rate is calculated on the remaining balance sheet liability.

#### 5.20. DIVIDENDS

Dividends are recorded in the group's financial statements in the period in which the dividends are approved by the general assemblies of the distributing companies.

#### 5.21. EARNINGS PER SHARE

The calculation of ordinary earnings per share is based on the profit attributable to ordinary shares using the weighted average number of shares outstanding during the reporting period, after deduction of the average number of treasury shares held over the period.

The calculation of diluted earnings per share is consistent with the calculation of ordinary earnings per share, and gives effect to all ordinary shares with dilutive potential that were outstanding during the period.

#### 5.22. COMPARATIVE FIGURES

When necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

#### 5.23. SEGMENT REPORTING

Aker defines operating segments based on the group's internal management- and reporting structure. The group's chief operating decision maker, responsible for the allocation of resources and assessment of the performance in the different operating segments, is defined as the board of directors, the group president and CEO and the CFO.

Aker's investment portfolio comprises two segments: Industrial holdings and Financial investments.

The recognition and measurement applied in segment reporting are consistent with the accounting principles applied when preparing the financial statements. Transactions between segments are conducted on market terms and conditions. Comparative segment information is usually re-presented for changes in reporting segments. See Note 9 Operating segments.

## Note 6 | Financial risk and exposure

### FINANCIAL RISK

The Aker Group consists of various operations and companies that are exposed to different types of financial risks, including credit-, liquidity- and market risk (e.g. interest- and currency risk). The purpose of risk management is to measure and manage financial risk in a reliable manner, thereby increasing predictability and reducing negative effects on Aker's financial results. The Group uses different financial instruments to manage its financial exposure actively.

Aker ASA has developed policies on how financial risks shall be monitored. Risks are monitored continuously and reported at least quarterly. The main companies in the Group have developed similar policies and guidelines based on each individual company's exposure to the different kinds of financial risks.

### CAPITAL MANAGEMENT

The overall objectives of Aker's capital management policy are to maintain a strong capital base so as to retain investor, creditor and market confidence, to ensure financial flexibility for the seizure of opportunities as they arise, and to maintain a capital structure that minimises the company's cost of capital. For its surplus liquidity, Aker pursues a conservative placement strategy with minimal risk. The placements need to be flexible in terms of liquidity.

Aker ASA's treasury function focus on the liability side, and is responsible for borrowings, interest and foreign currencies. Aker has also issued bonds in the Norwegian capital market.

A separate "Financial Investments" business area focuses on all financial assets including cash, receivables and funds. Aker aims to make

each company in the portfolio independent through active ownership. Financially, this implies that Aker will only seek to be a pure equity investor of companies included in Industrial holdings, and that each underlying company in this portfolio must secure funding from external sources whenever they are ready and mature enough to do so. Aker aims to develop its profile as owner by gradually withdrawing from debt funding.

The target rate of return for the Industrial holdings is 12 percent. The target return for the Financial investments portfolio depends on the composition of the portfolio, including the size of cash deposits and the risk profile of the receivables. In addition, Aker has defined financial target indicators (FTIs) that regulate the relationship between cash and interest-bearing debt, as well as the capital structure. The ratios work as guidelines in investment activities and capital allocation.

The governing principle of Aker ASA's dividend policy is that the company at all times should have a solid balance sheet and liquidity reserves sufficient to deal with future liabilities. The policy of the company is to pay annual dividends corresponding to 2-4 percent of net asset value (value-adjusted). The market price of listed companies is used in calculating net asset value, while book value is used for other assets.

### CREDIT RISK

The Group's financial assets are bank deposits, trade and other receivables, derivatives, and investments in shares. The Group's exposure to credit risk is mainly related to external receivables. For large projects and long-term lease contracts, the assessment of credit risk related

to customers and subcontractors is an important requirement in the bid phase and throughout the contract period. Revenues related to large and long-term projects are closely monitored in terms of up-front payments and in accordance with agreed milestones.

Trade receivables presented in the balance sheet are net of provision for bad debts, which are estimated by the Group's management based on prior experience, in addition to specific assessments for some of the receivables.

Transactions involving derivative financial instruments are with counterparties with sound credit-ratings and with whom the Group has signed a netting agreement.

As all of the Ocean Yield's vessels are fixed on long-term charters, the challenging market conditions within the oil-service sector do not have a direct impact on Ocean Yield. However, a continued situation with low activity in the oil-service sector may lead to certain counterparties being adversely affected, which again may lead to potential amendments to charter contracts. As of year-end 2015 all counterparties were performing according to contracts. However, Ocean Yield expects that 2016 and 2017 will be challenging years for companies within the oil-service sector, and also some of Ocean Yield's counterparties may be negatively affected by the challenging market conditions.

The exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, in the balance sheet. The exposure to credit risk as at the reporting date was:

2015 Carrying amount - exposure to credit risk							
Amounts in NOK million	Note	Classified as held for trading	Designated at fair value through profit and loss	Available for sale financial assets	Receivables at amortised cost	Derivatives qualified for hedge accounting	Total
Financial interest-bearing non-current assets	19	-	-	3	4 111	-	4 114
Other non-current assets including long-term derivatives	20	-	14	-	1 020	112	1 146
Projects under construction	10,22	-	-	-	4 724	-	4 724
Trade receivables, other interest-free short-term receivables	22	-	117	-	16 322	-	16 438
Current derivatives	33	643	-	-	-	2 996	3 640
Interest-bearing short-term receivables	19	-	26	-	497	-	523
Cash and cash equivalents	23	-	-	-	10 388	-	10 388
<b>Total</b>		<b>643</b>	<b>156</b>	<b>3</b>	<b>37 061</b>	<b>3 108</b>	<b>40 972</b>



2014 Carrying amount - exposure to credit risk								
Amounts in NOK million	Note	Classified as held for trading	Designated at fair value through profit and loss	Available for sale financial assets	Receivables at amortised cost	Derivatives qualified for hedge accounting	Investments held until maturity	Total
Financial interest-bearing non-current assets	19	-	-	3	1 806	-	-	1 809
Other non-current assets including long-term derivatives	20	-	12	1	310	-	-	324
Projects under construction	10,22	-	-	-	8 411	-	-	8 411
Trade receivables, other interest-free short-term receivables	22	-	-	-	15 052	-	-	15 052
Current derivatives	33	96	-	-	-	3 294	-	3 391
Interest-bearing short-term receivables	19	-	116	-	472	-	-	588
Cash and cash equivalents	23	-	-	-	12 000	-	-	12 000
<b>Total</b>		<b>96</b>	<b>128</b>	<b>4</b>	<b>38 052</b>	<b>3 294</b>	<b>-</b>	<b>41 574</b>

*Trade receivables are allocated by company as follows:*

Amounts in NOK million	2015	2014
<b>Industrial holdings:</b>		
Aker Solutions	4 143	4 078
Akastor	3 049	2 998
Det norske oljeselskap	754	1 382
Kvaerner	500	947
Ocean Yield	128	98
Aker BioMarine	117	118
Havfisk	52	41
<b>Financial Investments:</b>		
Philly Shipyard	8	62
Norway Seafoods	220	250
Ocean Harvest	-	47
Other companies	19	11
<b>Total trade receivables</b>	<b>8 990</b>	<b>10 031</b>

*Aging trade receivables and provisions for impairment loss:*

Amounts in NOK million	Gross trade receivables 2015	Provision for impairment loss 2015	Gross trade receivables 2014	Provision for impairment loss 2014
Not past due	6 395	(1)	7 021	(1)
Past due 0-30 days	982	-	1 699	(4)
Past due 31-120 days	634	-	747	-
Past due 121-365 days	1 174	(211)	556	(45)
Past due more than one year	121	(104)	157	(99)
<b>Total trade receivables</b>	<b>9 306</b>	<b>(316)</b>	<b>10 180</b>	<b>(149)</b>
Recognised impairment loss		(155)		(63)

The recognised impairment loss on trade receivables is included in other operating expenses in the income statement.

**LIQUIDITY RISK**

Liquidity risk is the risk that the Group will be unable to fulfil its financial obligations as they fall due. The Group's approach to managing liquidity risk is to ensure that it always has sufficient liquidity to pay its liabilities as they fall due.

**Overview of contractual maturities of financial liabilities, including estimated interest payments specified by category of liabilities:**

Amounts in NOK million	2015 Contractual cash flows including estimated interest payments						
	Carrying amount	Contractual cash flow	6 months or less	6-12 months	1-2 years	2-5 years	Over 5 years
Secured loans	30 215	(36 412)	(1 624)	(1 854)	(3 684)	(7 023)	(22 227)
Unsecured bank loans	5 139	(5 542)	(3 899)	(530)	(158)	(638)	(317)
Unsecured bond issues	15 462	(20 336)	(698)	(698)	(2 915)	(10 097)	(5 928)
Finance lease liabilities	6	(6)	-	(2)	(2)	(2)	-
Credit facilities	146	(146)	(130)	(16)	-	-	-
Other short-term liabilities	726	(731)	(559)	(172)	-	-	-
<b>Total contractual cash flows for interest-bearing liabilities</b>	<b>51 695</b>	<b>(63 173)</b>	<b>(6 910)</b>	<b>(3 272)</b>	<b>(6 759)</b>	<b>(17 760)</b>	<b>(28 472)</b>
Short-term derivative financial liabilities	4 980	(4 712)	(3 037)	(675)	(807)	(191)	(2)
Long term derivative financial liabilities	1 164	(1 306)	-	(44)	(890)	(342)	(30)
<b>Total contractual cash flows for interest-bearing liabilities and derivatives</b>	<b>57 839</b>	<b>(69 191)</b>	<b>(9 947)</b>	<b>(3 991)</b>	<b>(8 456)</b>	<b>(18 293)</b>	<b>(28 504)</b>
Trade and other payables	27 292						
Long-term interest-free liabilities	19 870						
<b>Total liabilities</b>	<b>105 001</b>						

**Overview of contractual maturities by company:**

Amounts in NOK million	2015 Contractual cash flows including estimated interest payments						
	Carrying amount	Contractual cash flow	6 months or less	6-12 months	1-2 years	2-5 years	Over 5 years
Aker Solutions	6 693	(7 324)	(1 602)	(1 201)	(2 503)	(1 756)	(262)
Akastor <sup>1)</sup>	5 520	(5 614)	(5 321)	(45)	(104)	(131)	(13)
Det norske oljeselskap	23 766	(31 736)	(1 289)	(1 214)	(1 672)	(3 474)	(24 087)
Kvaerner	124	100	106	(4)	(2)	-	-
Ocean Yield	10 863	(12 249)	(848)	(1 088)	(1 962)	(6 408)	(1 943)
Aker Biomarine	1 207	(1 307)	(111)	(32)	(1 017)	(35)	(112)
Havfisk	1 276	(1 365)	(60)	(54)	(99)	(323)	(829)
<b>Total industrial holdings</b>	<b>49 449</b>	<b>(59 495)</b>	<b>(9 125)</b>	<b>(3 638)</b>	<b>(7 359)</b>	<b>(12 127)</b>	<b>(27 246)</b>
<b>Financial investments</b>							
Aker ASA and holding companies	6 609	(7 879)	(208)	(171)	(810)	(5 582)	(1 108)
Other companies	1 781	(1 817)	(614)	(182)	(287)	(584)	(150)
<b>Total contractual cash flows for interest-bearing liabilities and derivatives</b>	<b>57 839</b>	<b>(69 191)</b>	<b>(9 947)</b>	<b>(3 991)</b>	<b>(8 456)</b>	<b>(18 293)</b>	<b>(28 504)</b>

<sup>1)</sup> Refinanced in 2016, see Note 39.

Long-term interest-free liabilities include NOK 13 625 million in deferred tax liabilities and NOK 294 million in deferred revenue.

The Group's liquidity requirements are expected to be met through the balances of liquid assets and cash flow from operating activities. As at 31 December 2015, the group had cash and cash equivalents of NOK 10 388 million. In addition, the group has interest-bearing assets of NOK 4 636 million (see Note 19), and other equity investments of NOK 1 107 million (see Note 18).

**Overview of contractual maturities of financial liabilities, including estimated interest payments specified by category of liabilities:**

Amounts in NOK million	2014 Contractual cash flows including estimated interest payments						
	Carrying amount	Contractual cash flow	6 months or less	6-12 months	1-2 years	2-5 years	Over 5 years
Secured loans	25 800	(30 972)	(1 416)	(2 925)	(2 685)	(5 915)	(18 030)
Unsecured bank loans	5 816	(6 431)	(1 137)	(686)	(1 206)	(3 243)	(158)
Unsecured bond issues	11 573	(14 590)	(333)	(1 138)	(614)	(8 663)	(3 841)
Finance lease liabilities	7	(7)	-	(2)	(2)	(4)	-
Other long-term liabilities	84	(101)	(1)	(1)	(94)	(4)	-
Credit facilities	133	(133)	(117)	(16)	-	-	-
Other short-term liabilities	402	(403)	(105)	(298)	-	-	-
<b>Total contractual cash flows for interest-bearing liabilities</b>	<b>43 816</b>	<b>(52 637)</b>	<b>(3 109)</b>	<b>(5 067)</b>	<b>(4 602)</b>	<b>(17 829)</b>	<b>(22 029)</b>
Short-term derivative financial liabilities	5 041	(5 256)	(2 028)	(1 055)	(1 267)	(853)	(53)
Long term derivative financial liabilities	82	(82)	-	-	(75)	(7)	-
<b>Total contractual cash flows for interest-bearing liabilities and derivatives</b>	<b>48 940</b>	<b>(57 975)</b>	<b>(5 137)</b>	<b>(6 122)</b>	<b>(5 944)</b>	<b>(18 689)</b>	<b>(22 082)</b>
Trade and other payables	30 581						
Long-term interest-free liabilities	17 949						
<b>Total liabilities</b>	<b>97 470</b>						

**OIL PRICE RISK**

Det norske oljeselskap's revenues are derived from the sale of petroleum products, and the revenue flow is therefore exposed to oil and gas price fluctuations. Prior to the acquisition of Marathon Oil Norge AS in 2014, the company had limited production volumes of oil and gas and as a result, did not enter into any commodity hedging. Post the acquisition, the company's oil and gas production has become significant, and with the current unstable macro environment the company decided to enter into commodity derivatives to hedge part of the risk for further decrease in the oil price. The

company has put options in place with a strike of USD 55/bbl for around 20 per cent of the estimated 2016 oil production.

Analysis has been performed regarding the sensitivity of the commodity derivatives to a reasonably possible change in the forward oil price as of 31 December 2015, with all other variables held constant. As the company has not hedged production after 2016, the calculation is based on the 2016 forward curve only. The effect of a 30 per cent increase in oil price is a decrease in operating profit of USD 47 million, while the effect of a 30 per cent decrease

in oil price is an increase in operating profit of USD 45 million.

**CURRENCY RISK**

Aker's operation in the international market results in various types of currency exposure for the group. Currency risks arise through ordinary, future business transactions, capitalised assets and liabilities, and when such transactions involve payment in a currency other than the functional currency of the respective company. In addition, currency risk may arise from investments in foreign subsidiaries. The group is mainly exposed to the USD, EUR and GBP.

In Aker's consolidated accounts, the following exchange rates have been applied in translating the accounts of foreign subsidiaries and associated companies.

Country	Currency	Average rate 2015	Rate at 31 Dec. 2015	Average rate 2014	Rate at 31 Dec. 2015
Great Britain	GBP 1	12.32	13.07	10.37	11.53
USA	USD 1	8.06	8.81	6.30	7.41
Denmark	DKK 100	119.88	128.91	112.11	120.78
Sweden	SEK 100	95.59	104.75	91.90	95.35
The European Union	EUR 1	8.94	9.62	8.36	9.01

The average rate and rate as at 31 December have been applied when translating the income statement and balance sheet items, respectively. If the average exchange rate for the period does not provide a fair estimate of the transaction rate, the actual transaction rate is used.

The table below illustrates the Group's sensitivity to foreign currency rate fluctuations. If the Norwegian krone had been 10% stronger against USD in 2015, the effects on the consolidated financial statements would have been as shown below. The sensitivity analysis does not take into account other effects of a stronger currency, such as competitiveness, change in the value of derivatives etc.

Amounts in NOK million	Operating revenue	Profit before tax	Equity
USD	23 520	(1 853)	29 298
Other currencies	17 722	1 178	11 150
NOK	32 163	(1 321)	(11 030)
<b>Total</b>	<b>73 405</b>	<b>(1 996)</b>	<b>29 419</b>
Change if NOK 10% stronger	(3 610)	27	(3 580)
<b>When NOK 10% stronger</b>	<b>69 795</b>	<b>(1 969)</b>	<b>25 839</b>

The operational companies in the group have prepared guidelines on the management of currency risks. Aker ASA's currency policy defines levels for the hedging of expected future cash flows, and is monitored by the company's treasury department. The company uses currency forward contracts and currency option contracts to reduce currency exposure.

Below is a description of the currency risks facing the main companies in the Aker group.

#### **Aker Solutions**

The presentation currency of Aker Solutions is NOK. The group operates internationally and is exposed to currency risk on commercial transactions, assets and liabilities and net investments in foreign operations. The group's exposure to currency risk is primarily related to USD, EUR, BRL and GBP but also several other currencies. The Aker Solutions policy requires business units to mitigate currency exposure in all projects. More than 80 percent of the exposure value either qualify for hedge accounting or are embedded derivatives. The net value of the currency contracts was NOK -1 622 million as at 31 December 2015.

#### **Akastor**

The presentation currency of Akastor is NOK. The group operates internationally and is exposed to currency risk on commercial transactions, assets and liabilities and net investments in foreign operations. The group's exposure to currency risk is primarily to USD, EUR, GBP and BRL but also several other currencies. The Akastor policy requires business units to mitigate currency exposure in all projects. More than 80 percent of the exposure value either qualify for hedge accounting or are embedded derivatives. The net value of the currency contracts was NOK 218 million as at 31 December 2015.

#### **Det norske oljeselskap**

The Company changed its functional currency from NOK to USD on 15 October 2014. Rev-

enues from sale of petroleum and gas are in USD and GBP, while expenditures are mainly in NOK, USD, SGD, EUR, GBP, CHF and DKK. Exchange rate fluctuations and oil prices involve both direct and indirect financial risk exposure for the company, but because a significant portion of the expenses is in USD, some of this risk is mitigated. Currency derivatives are only used to reduce the currency risk relating to the company's ordinary operations. Liquid assets consist of NOK, USD, SGD, EUR, GBP, CHF and DKK. All bank deposits shall be placed in accounts with interest rates and prices denominated in NOK, EUR or USD. The value of the currency contracts was USD -21 million as at 31 December 2015.

#### **Kvaerner**

The presentation currency of Kvaerner is NOK. Kvaerner operates internationally and is exposed to currency risk on commercial transactions, assets and liabilities. The group's exposure to currency risk is primarily related to RUB, USD, GBP, CAD, SEK, PLN, and EUR, but also several other currencies. The purpose of the group's hedging policy is generally to secure that entities hedge their entire contractually binding currency risk exposure in any project using forward contracts. The net value of the currency contracts was NOK 76 million as at 31 December 2015.

#### **Ocean Yield**

The presentation currency of Ocean Yield is USD. Ocean Yield operates in the international market which leads to various types of currency exposure for the Group. Currency risks arise through ordinary, future business transactions, capitalised assets and liabilities. Ocean Yield defines levels for the hedging of expected future cash flows. The Company may from time to time utilise currency forward contracts and currency option contracts to reduce currency exposure. The group's currency risk is mainly related to NOK. The value of the currency contracts was USD -61 million as at 31 December 2015.

#### **Aker BioMarine**

The presentation currency of Aker BioMarine is USD. Aker BioMarine operates in the international market and is exposed to foreign exchange risk, primarily through fluctuations in USD, EUR and NOK, as a result of commercial transactions in other currencies than the entity's functional currency.

The company has NOK denominated financial instruments, thus the balance sheet is exposed to changes in NOK/USD exchange rate. Aker BioMarine seeks to maintain the greatest possible natural foreign currency hedging by keeping revenues and expenses in the same currency. Aker BioMarine had no currency derivatives as at 31 December 2015.

#### **Havfisk**

The presentation currency of Havfisk is NOK. The company is not directly exposed to fluctuations in other currencies as Havfisk does not have any foreign subsidiaries and all sales are in NOK.

#### **Philly Shipyard**

The presentation currency of Philly Shipyard is USD. The company faces currency risks related to purchases that are denominated in a currency other than USD. Currency risk is mainly related to EUR, NOK and KRW. The value of the currency contracts was USD -3.5 million as at 31 December 2015.

#### **Norway Seafoods**

The presentation currency of Norway Seafoods is NOK. The group incurs currency risk on sales denominated in currencies other than NOK. The group's exposure is mainly related to EUR, GBP, DKK and USD. Accounts receivables in EUR, USD and GBP are hedged. The value of the hedging contracts was NOK 0 million as at 31 December 2015.

#### **Fornebuporten**

Fornebuporten incurs currency risk on pur-



chases and sales denominated in currencies other than NOK. The company is mainly exposed to GBP. Fornebuporten had no currency derivatives as at 31 December 2015.

#### **Aker ASA**

Aker ASA hedges its net exposure from foreign currency cash flows, but does not generally hedge its balance sheet positions. The cash flows, including identified structural trans-

actions and any debt in foreign currency, are hedged at fixed intervals. In total Aker ASA had hedged USD 31 million net by means of forward contracts and options (European) at 31 December 2015. In addition Aker ASA had an interest- and foreign currency agreement of SEK 1 150 million. As at 31 December 2015 the accounts showed a total unrealised gain of NOK 37 million for the currency derivatives.

#### **INTEREST RATE RISK**

The group's interest rate risk arises from long-term borrowings and receivables. Borrowings and receivables issued at variable rates expose the group to cash flow interest rate risk. Securities issued at fixed rates expose the group to fair value interest rate risk.

#### **Exposure to interest rate risk**

As at 31 December 2015, the interest rate profile of the group's interest-bearing financial instruments was as follows:

Amounts in NOK million	2015	2014
Fixed rate instruments:		
Financial assets	1 160	187
Financial liabilities	(9 313)	(10 062)
<b>Net fixed rate instruments</b>	<b>(8 153)</b>	<b>(9 874)</b>
Variable rate instruments:		
Financial assets	13 865	14 210
Financial liabilities	(42 382)	(33 754)
<b>Net variable rate instruments</b>	<b>(28 517)</b>	<b>(19 545)</b>
<b>Net interest-bearing debt (-) / assets (+)</b>	<b>(36 671)</b>	<b>(29 419)</b>

#### **Fair value sensitivity analysis for fixed-rate instruments**

The Group does not recognise any fixed rate financial assets and liabilities at fair value through profit or loss.

At 31 December 2015, the fair value of interest rate swaps designated as hedges for parts of debt was NOK -120 million. A change in interest rates as at the reporting date would not affect profit or loss, but would appear as a change in the fair value of the cash flow hedge in the Group's comprehensive income.

Other interest rate derivatives are not designated as hedges, and hence a change in the interest rate would affect profit or loss with respect to these instruments. In 2015, the Aker Group incurred an expense of NOK 457 million related to interest rate derivatives.

## Note 7 | Acquisition of subsidiaries and transactions with minority interests

### ACQUISITION OF SUBSIDIARIES IN 2015

On 22 December 2015, Aker's subsidiary Det norske oljeselskap finalised the acquisition of 100 per cent of the shares in Premier Oil Norge AS. The transaction was announced on 16 November 2015, and Det norske oljeselskap paid a cash consideration of NOK 1 057 million (USD 120 million) on a cash free, debt free basis. The acquisition was financed through existing cash and undrawn debt facilities. The main reasons for the acquisition were to obtain certain high potential licenses at an attractive price, taking into account the tax positions in Premier Oil Norge AS.

The acquisition date for accounting purposes corresponds to the finalisation of the acquisition on 22 December 2015. For tax purposes, the effective date was 1 January 2015. The acquisition is regarded as a business combination and has been accounted for using the acquisition method of accounting in accordance with IFRS 3. A purchase price allocation (PPA) has been performed to allocate the cash consideration to fair value of assets and liabilities from Premier Oil Norge AS. The PPA is performed as of the accounting date, 22 December 2015. Fair value is determined based on guidance in IFRS 13.

As there were no significant changes in the fair value of the assets and liabilities assumed in the period between 22 December and 31 December 2015, the acquisition is accounted for at 31 December 2015, in line with guidance in IFRS 3. As such, the acquisition has no impact on the Income statement for 2015.

*The recognised amounts of assets and liabilities assumed as at the date of the acquisition were as follows:*

Amounts in NOK million	22.12.2015
Deferred tax asset	783
Intangible assets - value of licenses	80
Property, plant, and equipment	3
Exploration tax refund	154
<b>Total assets</b>	<b>1 020</b>
<b>Current liabilities</b>	<b>10</b>
Total identifiable net assets at fair value	1 009
Goodwill arising on acquisition	48
<b>Total consideration paid on acquisition</b>	<b>1 057</b>

As the transaction is on a cash free, debt free basis there will be an adjustment to the purchase price for the booked value of cash, debt and working capital in Premier Oil Norge as at the acquisition date. These items are therefore not included in the figures above, where the purchase price before such adjustment of NOK 1 057 million (USD 120 million) is compared to the total identifiable net assets.

The goodwill of NOK 48 million (USD 5.4 million) mainly arises from the requirement to recognise deferred tax assets and liabilities for the difference between the assigned fair values and the tax bases of assets acquired and liabilities assumed in a business combination ("Technical goodwill").

The above valuation is based on currently available information about fair values as of the acquisition date. If new information becomes available within 12 months from the acquisition date, the company may change the fair value assessment in the PPA, in accordance with guidance in IFRS 3.

If the acquisition had taken place at the beginning of the year, it would have no impact on the

group revenue, as Premier Oil Norge AS had no producing licenses in 2015. The net loss would have increased by approximately NOK 35 million (USD 4 million).

In addition, Aker paid NOK 194 million for other acquisitions of subsidiaries. The amount includes deferred payment related to acquisitions for earlier years.

### TRANSACTIONS WITH MINORITY INTERESTS IN 2015

In 2015, the Aker group net purchase of minority interests was NOK 95 million. This led to a decrease in minority interests of NOK 100 million and an increase in majority interests of NOK 5 million, recognised directly in equity and attributed to the equity holders in the parent company. In addition, subsidiaries net acquired own shares for NOK 21 million, it led to a decrease in minority interests of NOK 7 million and a decrease of majority interests of NOK 14 million. See also Note 25.

The total purchase price of subsidiaries and minority interests in 2015 is NOK 1 251 million. Total sales of minority interests and subsidiaries (see Note 8), were NOK 836 million in 2015.

Purchase prices and sales prices are stated net of cash acquired and disposed.

### ACQUISITION OF SUBSIDIARIES IN 2014

On 15 October 2014, Aker's subsidiary Det norske oljeselskap finalised the acquisition of 100 per cent of the shares in Marathon Oil Norge AS. The transaction was announced on 2 June 2014, and Det norske oljeselskap paid a cash consideration of NOK 13.9 billion (USD 2.1 billion). The acquisition was financed through a combination of equity and debt, by issuing NOK 3 billion in new equity and securing a reserve-based lending facility of USD 3 billion. Aker participated with NOK 1.5 billion in the equity issue. The main reasons for the acquisition were to diversify the asset base by getting access to production and cash flow and create a strong platform for future organic growth. The portfolio of licences from Marathon Oil Norge AS comes with limited capital expenditure commitments and high near-term production that complement the planned production start of Det norske oljeselskap's Ivar Aasen and Johan Sverdrup developments.

The acquisition date for accounting purposes corresponded to the finalisation of the acquisition.

sition on 15 October 2014. For tax purposes the effective date was 1 January 2014. The acquisition was regarded as a business combination and was accounted for using the acquisition method of accounting in accordance with IFRS 3. A purchase price allocation (PPA) was performed to allocate the cash consideration to fair value of assets and liabilities from Marathon Oil Norge AS. The PPA was performed as of the accounting date 15 October 2014.

Each identifiable asset and liability was measured at its acquisition date fair value based on guidance in IFRS 13. The standard defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring fair value, the company used the assumptions that market participants would use when pricing the asset or liability under market conditions at the time, including assumptions about risk.

Acquired property, plant and equipment were valued using the cost approach (replacement cost), while intangible assets were valued based on estimated future cash flows.

Accounts receivable were recognised at gross contractual amounts due, as they related to large and credit worthy customers. Historically, there has been no significant uncollectible accounts receivable in Marathon Oil Norge AS.

*The recognised amounts of assets and liabilities assumed as at the date of the acquisition were as follows:*

Amounts in NOK million	15.10.2014
Capitalised oil and gas exploration expenses	251
Other intangible assets	3 414
Property, plant, and equipment	10 858
Inventories	117
Trade receivables	550
Other short-term receivables	473
Cash and cash equivalents	3 898
<b>Total assets</b>	<b>19 560</b>
Pension liabilities	80
Deferred tax liabilities	6 030
Long-term abandonment provision	2 225
Provision for other liabilities	154
Trade creditors	17
Accrued public charges and indirect taxes	19
Short-term abandonment provision	31
Other current liabilities	814
Short-term derivatives	89
Tax payable	6 023
<b>Total liabilities</b>	<b>15 481</b>
Total identifiable net assets at fair value	4 080
Goodwill arising on acquisition	9 832
<b>Total consideration paid on acquisition</b>	<b>13 912</b>
Less cash and cash equivalents acquired	(3 898)
<b>Acquisition, net of cash acquired</b>	<b>10 014</b>

From the date of acquisition (15 October 2014) to 31 December 2014, the activity of the acquired businesses contributed NOK 2.3 billion (USD 338 million) to group operating revenue and NOK 543 million (USD 79 million) to group profit (before impairment of USD 340 million related to the acquisition, see Note 12 and 16). If the acquisition had taken place at the beginning of the year, group operating revenue and profit for the year 2014 would have been NOK 82.2 billion and NOK 2.6 billion, respectively. The acquisition has no impact on other comprehensive income for 2014.

The goodwill of NOK 9.8 billion (USD 1 486 million) arose principally due to the following factors:

1. The ability to capture synergies that can be realised from managing a portfolio of both acquired and existing fields on the Norwegian Continental Shelf. The synergies are mainly related to the utilisation of Det norske oljeselskap's loss carried forward against tax payable in Marathon Oil Norge AS, as well as synergies from the workforce in the two organizations ("residual goodwill").
2. The requirement to recognise deferred tax assets and liabilities for the difference between the assigned fair values and the tax bases of assets acquired and liabilities assumed in a business combination. Licences

under development and licences in production can only be sold in a market after tax, based on decision made by Ministry of Finance pursuant to the Petroleum Taxation Act Section 10. The assessment of fair value of such licences is therefore based on cash flows after tax. Nevertheless, in accordance with IAS 12 Sections 15 and 19, a provision is made for deferred tax corresponding to the tax rate multiplied with the difference between the acquisition cost and the tax base. The offsetting entry to this deferred tax is goodwill. Hence, goodwill arises as a technical effect of deferred tax ("technical goodwill").

**Reconciliation of goodwill:**

Amounts in NOK million	15.10.2014
Goodwill as a result of deferred tax - technical goodwill	7 916
Goodwill related to synergies - residual goodwill	1 916
<b>Total goodwill before impairment charges</b>	<b>9 832</b>
Impairment charges, see Note 12 and 16	(2 524)
<b>Net goodwill as at 31 December 2014</b>	<b>7 308</b>

None of the goodwill recognised will be deductible for income tax purposes.

In addition, Aker paid NOK 126 million for other acquisitions of subsidiaries. The amount included deferred payment related to acquisitions made in previous years.

**TRANSACTIONS WITH MINORITY INTERESTS IN 2014**

In 2014, the net purchase of minority interests was NOK 72 million. This led to a decrease in minority interests of NOK 41 million and a decrease in majority interests of NOK 27 million, recognised directly in equity and attributed to the equity holders in the parent company. In addition, subsidiaries acquired own shares for NOK 162 million, it led to a decrease in minority interests of NOK 99 million and a decrease of majority interests of NOK 63 million. See also Note 25.

**Main transactions:**

In the first quarter 2014 Philly Shipyard issued 2.41 million new shares priced at NOK 165 per share, raising proceeds of approximately USD 65 million. Aker did not participate in the share issue. The transaction increased minority interest with NOK 382 million. In May 2014, Aker ASA acquired 891,762 shares in Aker Solutions ASA for NOK 87 million. The transaction increased the direct ownership in Aker Solutions from 6.0% to 6.3% and reduced minority interests with NOK 58 million.

In the third quarter 2014 Det norske oljeselskap completed a NOK 3 003 million equity rights issue, increasing the number of outstanding shares to 202.6 million. Aker participated with its pro-rata share of NOK 1 501 million. The transaction increased minority interest with NOK 1 488 million (after transaction costs).

In the third and fourth quarter 2014 Philly Shipyard purchased own shares reducing minority interests with NOK 48 million. Also in the fourth quarter, Ocean Yield acquired the diving support and offshore construction vessel SMB Installer. The vessel, which was built in 2013, was delivered in December 2014 and is chartered back to SBM Holding ("SBM") for a period of 12 years. Ocean Yield has established a single purpose company for the ownership of the vessel, in which SBM owns 25%. The transaction increased minority interests with NOK 73 million.

The total purchase price of subsidiaries and minority interests in 2014 was NOK 10 228 million. Total sales of minority interests and subsidiaries (see Note 8), were NOK 7 071 million in 2014. Purchase prices and sales prices are stated net of cash acquired and disposed.



## Note 8 | Sale of subsidiaries and discontinued operations

### SALE OF SUBSIDIARIES IN 2015

In October 2015, Aker sold the shares and a receivable on the subsidiary Ocean Harvest AS. The consideration for the shares and receivable was NOK 341 million and 195 million. The sale of shares resulted in a gain of NOK 121 million. In November 2015, Fornebuporten Holding sold the subsidiary Fornebuporten AS. The consideration was NOK 1.0 billion and resulted in a gain of NOK 430 million. In addition, sales consideration for other companies was NOK 27 million. The disposals do not represent a separate major line of business, and is not presented as discontinued operations.

### SALE OF SUBSIDIARIES IN 2014

On 21 May 2014, Akastor sold the 93 percent shareholding in K2 Hotellbygg AS. The consideration was NOK 175 million and resulted in a gain of NOK 113 million. In November 2014, Fornebuporten sold a subsidiary related to a sale of three office buildings at Aberdeen International Business Park. The consideration was NOK 1.2 billion and resulted in a gain of NOK 148 million. The disposals do not represent a separate major line of business, and is not presented as discontinued operations.

### DISCONTINUED OPERATIONS

#### Akastor

##### Mooring and loading systems business

On 30 October 2013, Akastor sold its mooring and loading systems business (MLS) to Cargotec. The unit, known for the Pusnes brand name, provides mooring equipment, loading and off-loading systems, as well as deck machinery for the global offshore and shipping markets. The division employed about 370 people in Europe, Asia and the Americas and has its main office in Arendal, Norway. The transaction was completed on 30 January, 2014.

##### Well-intervention services businesses

On 22 November 2013, Akastor agreed to sell its well intervention services businesses (WIS) to EQT. The business provides services that optimize flows from oil reservoirs and its main markets are in the UK and Norway. The division had about 1,500 employees in Europe, Asia, the US and the Middle East. The transaction was completed on 9 January, 2014. The agreement includes an earn-out provision where Akastor will receive 25 per cent of any internal rate of return exceeding 12 per cent a year on EQT's equity investment. An earn-out of NOK 120 mil-

lion was recognised in the accounts, and represented estimated fair value at transaction date.

#### New Aker Solutions

On 28 September, 2014, the demerger of Aker Solutions was completed and Aker Solutions Holding ASA ("New Aker Solutions"), a subsidiary of Akastor ASA established for the purposes of the demerger, was listed on the Oslo Stock Exchange. The demerger is eliminated in the Aker group accounts as shown in the table below.

#### Kvaerner

In December 2013, Kvaerner sold its onshore construction business in North America to Matrix Service Company. Following the sale, Kvaerner will not have any remaining operations in the US within the Downstream & Industrial segment, and the remaining legacies within the segment are presented as discontinued operations.

### RESULTS FROM DISCONTINUED OPERATIONS IN 2015

Profit from discontinued operations in 2015, totally NOK 33 million, are distributed between Akastor with NOK -23 million and Kvaerner with NOK 56 million.

### RESULTS FROM DISCONTINUED OPERATIONS 2014

Amounts in NOK million	Akastor	Kvaerner	Elim.	Total
Operating revenues	24 007	4	(23 876)	135
Operating expenses	(22 432)	(121)	22 313	(240)
Financial items	(118)	-	118	-
Profit before tax	1 457	(117)	(1 445)	(105)
Tax expense	(429)	21	429	21
Profit for the period	1 028	(96)	(1 016)	(83)
Gain on sale of discontinued operations	2 852	-	(118)	2 734
Net gain from discontinued operations	2 852	-	(118)	2 734
Net profit from discontinued operations	3 880	(96)	(1 134)	2 650

### EARNINGS PER SHARE OF DISCONTINUED OPERATIONS 2014

Basic earnings per share from discontinued operations (NOK)	12,15
Diluted earnings per share from discontinued operations (NOK)	12,15

### CASH FLOW FROM DISCONTINUED OPERATIONS 2014

Amounts in NOK million	Akastor	Kvaerner	Elim.	Total
Net cash from operating activities	589	(154)	(588)	(153)
Net cash from investing/financing	4 716	122	882	5 720
Total	5 305	(32)	294	5 567
Consideration received and cash demerger	5 140	-	1 064	6 204
Cash and cash equivalents disposed of	(256)	-	-	(256)
Net cash inflow	4 884	-	1 064	5 948

## Note 9 | Operating segments and significant subsidiaries

Operating segments are identified based on the Group's internal management- and reporting structure. The Group's chief operating decision makers, who are responsible for the allocation of resources and assessment of performance in the different operating segments, are defined as the board of directors, the CEO and the CFO.

Aker's investment portfolio comprises two segments: Industrial holdings and Financial investments. The primary focus for businesses within Industrial holdings is long-term value creation. Businesses within Financial investments are managed as a portfolio with focus on financial and strategic opportunities.

Recognition and measurement applied to segment reporting are consistent with the accounting principles applied when preparing the financial statements. Transactions between segments are conducted on market terms and conditions. Operational revenues from geographical segments are based on customers' geographical locations, while segment assets are based on the geographical location of companies.

### AN OVERVIEW OF OPERATING SEGMENTS:

#### Industrial holdings

Aker Solutions	Leading global supplier of products, systems and services for the oil and gas industry. The Aker Group's ownership interest is 46.93%. Aker ASA indirectly owns 34.8%. Aker Kværner Holding AS owns 40.56 % of Aker Solutions ASA. Aker ASA owns 70 % of Aker Kværner Holding AS. In addition, Aker ASA owns directly 6.37% of Aker Solutions.
Akastor	Akastor is an oil-services investment company with a portfolio of industrial holdings, real estate and other investments. The Aker Group's ownership interest is 48.80 %. Aker ASA indirectly owns 36.7%. Aker Kværner Holding AS owns 40.27 % of Akastor ASA. Aker ASA owns 70 % of Aker Kværner Holding AS. In addition, Aker ASA owns directly 8.52% of Akastor.
Det norske oljeselskap	Oil company. Exploration and production on the Norwegian continental shelf. Ownership interest 49.99%.
Kvaerner	Leading global provider of engineering and construction services to the energy and process industry. The Aker Group's ownership interest is 41.02 %. The company is defined as an associated company in the Aker Group, and is accounted for using the equity method. Aker ASA indirectly owns 28.7%. Aker Kværner Holding AS owns 41.02% of Kvaerner ASA. Aker ASA owns 70% of Aker Kværner Holding AS.
Ocean Yield	Owns, operates and charts vessels. Ownership interest 72.97%.
Aker BioMarine	Biotechnology company. Harvesting of krill, production and sale. Ownership interest 99.51%.
Havfisk	Harvesting of white fish. Ownership interest 73.25%.

#### Financial investments

Philly Shipyard	Design and construction of vessels. Ownership interest 57.6%.
Norway Seafoods	Processing and sales of seafood. Ownership interest 73.6%.
Align	Leading provider of process and safety- critical products, solutions and services to the oil and gas industry. Ownership interest 38.8%. The company is defined as an associated company in the Aker Group, and is accounted for using the equity method.

#### Other and eliminations

Aker ASA and holding companies	Cash, other financial investments and other assets. Companies included are listed in Note 1 in annual accounts of Aker ASA and holding companies.
Other	Other companies and eliminations. See next section for overview of group entities.

### SUBSIDIARIES

#### Aker Solutions, Akastor and Kvaerner

The board and management of Aker have considered whether the company's indirect and direct ownership interests in Aker Solutions and Akastor, as well as the indirect ownership in Kvaerner, are sufficient to give it control under IFRS 10. The primary consideration has been whether Aker is able to control the outcome of voting at the companies' general meetings. After careful consideration of this question based on both the absolute and relative ownership interests and attendance at previous general meetings of the companies and comparable companies, Aker has concluded that such control exists. Consid-

eration has also been given to all other relevant factors mentioned in IFRS 10 that may help to illuminate the question of control further. Factors indicating that Aker has control include Aker's representation on the nomination committees, the fact that leading employees have previously worked for Aker, the fact that the companies themselves consider Aker an active owner, etc. On the other hand, in isolation, the shareholder's agreement with the Norwegian State relating to the holding company Aker Kværner Holding AS is a factor in favour of Aker not having control. Based on an overall assessment, the conclusion is that Aker does have control over both Aker Solutions, Akastor and Kvaerner.

#### Det norske oljeselskap

Although the Aker Group owns less than half of the shares in Det norske oljeselskap (49.99%), it is concluded that the Group has control of the company. This is due to the remaining ownership in Det norske oljeselskap being dispersed on a large number of shareholders, historical attendances at Det norske oljeselskap's general assemblies demonstrate that Aker have had the ability to control the outcome of the votings, and that there are no indications that the remaining shareholders coordinate their exercise of shareholder influence.

**SIGNIFICANT SUBSIDIARIES IN THE AKER GROUP ACCOUNTS ARE PRESENTED IN THE TABLE BELOW.**

Companies owned directly by Aker ASA are highlighted. Group's ownership in % and Group's share of votes in % are equal if nothing else is indicated.

	Group's ownership in % <sup>1)</sup>	Business address	
		City location	Country
<b>Aker BioMarine AS</b>	99.51	Fornebu	Norway
Aker BioMarine Antarctic AS	100	Fornebu	Norway
<b>Aker Capital AS</b>	100	Fornebu	Norway
Havfisk ASA (HFISK)	73.25	Ålesund	Norway
Finnmark Havfiske AS	97.62	Hammerfest	Norway
Nordland Havfiske AS	100	Stamsund	Norway
Aker Capital II AS (earlier Converto Capital Fund AS)	100	Fornebu	Norway
Norway Seafoods Group ASA	73.63	Fornebu	Norway
Philly Shipyard ASA (PHLY)	57.56	Oslo	Norway
Det norske oljeselskap (DETNOR)	49.99	Trondheim	Norway
Fornebuporten Holding AS <sup>1)</sup>	99	Fornebu	Norway
Fornebuporten Bolig 1 AS	100	Fornebu	Norway
Ocean Yield ASA (OCY)	72.97	Fornebu	Norway
Aker Floating Production AS	100	Fornebu	Norway
Aker ShipLease 1 AS	100	Fornebu	Norway
Connector 1 AS	100	Fornebu	Norway
F-Shiplease AS	100	Fornebu	Norway
LH Shiplease 1 AS	100	Fornebu	Norway
Ocean Holding AS	100	Fornebu	Norway
OCY Thelon AS	100	Fornebu	Norway
OS Installer	75	Fornebu	Norway
<b>Aker Maritime Finance AS</b>	100	Fornebu	Norway
<b>Aker Kværner Holding AS (AKH)</b>	70	Fornebu	Norway
Aker Solutions ASA (AKSO)	40.56 <sup>2)</sup>	Fornebu	Norway
Aker Egersund AS	100	Egersund	Norway
Aker Engineering & Technology AS	100	Fornebu	Norway
Aker Offshore Partner Ltd	100	London	United Kingdom
Aker Solutions Inc	100	Houston	USA
Aker Solutions MMO AS	100	Stavanger	Norway
Aker Solutions do Brasil Ltda	100	Curitiba	Brazil
Aker Subsea AS	100	Fornebu	Norway
Aker Subsea Ltd	100	Maidenhead	United Kingdom
Akastor ASA (AKA)	40.27 <sup>3)</sup>	Fornebu	Norway
MHWirth GmbH	100	Erkelenz	Germany
MHWirth AS	100	Kristiansand	Norway
MHWirth Inc	100	Houston	USA
Frontica Business Solutions AS	100	Fornebu	Norway
Frontica Advantage AS	100	Bergen	Norway
AKOFS Offshore Servicos de Petroleo e Gas do Brazil Ltda	100	Rio de Janeiro	Brazil
AKOFS 2 AS	100	Oslo	Norway
AKOFS Wayfarer AS	100	Fornebu	Norway
Fjords Processing Systems Pty Ltd	100	Welshpool	Australia
Fjords Processing AS	100	Fornebu	Norway
KOP Surface Products Singapore Pte Ltd	100	Singapore	Singapore
Kværner ASA (KVAER)	41.02	Oslo	Norway
Kværner Stord AS	100	Stord	Norway
Kværner Verdal AS	100	Verdal	Norway

<sup>1)</sup> In accordance with UK Companies Act 2006, the Fornebuporten Holding subsidiaries Abstract (Aberdeen 2) Limited (reg. no. 08271923) and Abstract International Business Park Limited (reg. no. 08361458) are exempt from audit of accounts under section 479A.

<sup>2)</sup> In addition, Aker ASA owns 6.37 % directly.

<sup>3)</sup> In addition, Aker ASA owns 8.52 % directly.

<sup>1)</sup> Ownership percentage shown is percentage ownership of the relevant entity's parent.

## 2015 - OPERATING SEGMENTS

Amounts in NOK million	Aker Solutions	Akastor	Det norske olje-selskap	Kvaerner	Ocean Yield	Aker Bio Marine	Havfisk	Eliminations	Total industrial holdings	Financial investments and eliminations	Total
External operating revenues	30 525	11 647	9 852	11 936	1 914	848	1 131	-	67 852	5 552	73 405
Inter-segment revenues	1 371	4 222	-	149	156	-	-	(5 897)	1	(1)	-
<b>Operating revenues</b>	<b>31 896</b>	<b>15 869</b>	<b>9 852</b>	<b>12 084</b>	<b>2 070</b>	<b>848</b>	<b>1 131</b>	<b>(5 897)</b>	<b>67 853</b>	<b>5 551</b>	<b>73 405</b>
<b>EBITDA</b>	<b>1 841</b>	<b>702</b>	<b>7 683</b>	<b>574</b>	<b>1 808</b>	<b>207</b>	<b>403</b>	<b>(212)</b>	<b>13 005</b>	<b>339</b>	<b>13 344</b>
Depreciation and amortisation	(719)	(1 103)	(3 878)	(81)	(780)	(128)	(124)	(10)	(6 823)	(109)	(6 931)
Impairment charges and non-recurring items	(163)	(1 758)	(3 471)	-	(230)	(15)	-	-	(5 638)	(72)	(5 710)
<b>Operating profit</b>	<b>958</b>	<b>(2 159)</b>	<b>334</b>	<b>493</b>	<b>797</b>	<b>64</b>	<b>279</b>	<b>(222)</b>	<b>544</b>	<b>159</b>	<b>703</b>
Share of earnings in associates and joint ventures	-	(73)	-	-	-	(32)	-	-	(105)	(232)	(337)
Interest income	76	14	25	12	147	1	12	-	287	75	361
Interest expense	(264)	(484)	(880)	(47)	(299)	(58)	(54)	279	(1 807)	(456)	(2 263)
Other financial items	(86)	(148)	(395)	121	3	33	(9)	-	(481)	21	(460)
<b>Profit before tax</b>	<b>685</b>	<b>(2 851)</b>	<b>(916)</b>	<b>579</b>	<b>649</b>	<b>7</b>	<b>228</b>	<b>57</b>	<b>(1 562)</b>	<b>(434)</b>	<b>(1 996)</b>
Tax expense	(302)	286	(1 605)	(241)	198	(1)	(55)	(15)	(1 735)	(123)	(1 858)
<b>Profit for the year from continuing operations</b>	<b>383</b>	<b>(2 564)</b>	<b>(2 521)</b>	<b>337</b>	<b>847</b>	<b>6</b>	<b>173</b>	<b>42</b>	<b>(3 297)</b>	<b>(557)</b>	<b>(3 854)</b>
Result from discontinued operations (net of tax)	-	(23)	-	56	-	-	-	-	33	-	33
<b>Profit for the year</b>	<b>383</b>	<b>(2 587)</b>	<b>(2 521)</b>	<b>393</b>	<b>847</b>	<b>6</b>	<b>173</b>	<b>42</b>	<b>(3 264)</b>	<b>(557)</b>	<b>(3 821)</b>
Profit for the year to equity holders of the parent	109	(960)	(1 260)	112	612	6	125	9	(1 246)	(577)	(1 823)
Dividends received by Aker ASA and holding companies	136	-	-	63	480	-	47	-	725	616	1 340
Property, plant, equipment, intangibles and interest-free fixed assets	10 503	10 212	41 376	1 572	12 450	1 628	1 931	(771)	78 902	7 249	86 151
Investment in equity accounted companies	1	178	-	134	-	3	-	-	316	1 062	1 377
Other shares	13	259	25	7	-	-	-	-	304	803	1 107
External interest-bearing fixed assets	20	84	13	2	3 048	43	3	-	3 213	901	4 114
Interest-free current assets	13 329	9 171	3 470	2 374	136	487	218	(551)	28 634	2 175	30 809
External interest-bearing current assets	-	72	26	-	-	92	-	-	189	334	523
Internal interest-bearing receivables	-	-	-	-	1 165	-	209	(1 165)	209	(209)	-
Cash and cash equivalents	3 862	563	798	1 560	1 037	24	233	-	8 078	2 310	10 388
<b>Total assets</b>	<b>27 729</b>	<b>20 537</b>	<b>45 708</b>	<b>5 649</b>	<b>17 837</b>	<b>2 276</b>	<b>2 595</b>	<b>(2 486)</b>	<b>119 844</b>	<b>14 624</b>	<b>134 468</b>
Equity	6 397	7 386	2 986	2 550	6 142	671	980	(259)	26 853	(18 896)	7 957
Minority	234	-	-	-	102	-	6	(131)	210	21 251	21 462
Non interest-bearing debt	17 401	7 514	19 621	3 099	1 384	211	397	(451)	49 177	4 178	53 354
Internal interest-bearing debt	1	1 645	-	-	-	199	-	(1 646)	199	(199)	-
External interest-bearing debt	3 696	3 992	23 101	-	10 209	1 196	1 212	-	43 405	8 290	51 695
<b>Total assets and liabilities</b>	<b>27 729</b>	<b>20 537</b>	<b>45 708</b>	<b>5 649</b>	<b>17 837</b>	<b>2 276</b>	<b>2 595</b>	<b>(2 486)</b>	<b>119 844</b>	<b>14 624</b>	<b>134 468</b>
Impairment and sales losses	(163)	(1 758)	(3 471)	-	(230)	(15)	2	-	(5 638)	(72)	(5 710)
Investments <sup>1)</sup>	1 330	1 659	8 281	55	394	141	51	-	11 911	1 154	13 065



**2014 - OPERATING SEGMENTS**

Amounts in NOK million	Aker Solutions <sup>2)</sup>	Akastor <sup>2)</sup>	Det norske olje-selskap	Kvaerner	Ocean Yield	Aker Bio Marine <sup>2)</sup>	Havfisk	Elimination	Total industrial holdings	Total financial investments	Total
External operating revenues	30 332	16 836	3 162	13 711	1 358	703	1 049	-	67 151	3 631	70 782
Inter-segment revenues	2 639	4 596	-	234	213	-	-	(7 681)	-	-	-
<b>Operating revenues</b>	<b>32 971</b>	<b>21 432</b>	<b>3 162</b>	<b>13 945</b>	<b>1 570</b>	<b>703</b>	<b>1 049</b>	<b>(7 681)</b>	<b>67 151</b>	<b>3 631</b>	<b>70 782</b>
<b>EBITDA</b>	<b>2 675</b>	<b>1 380</b>	<b>1 435</b>	<b>828</b>	<b>1 365</b>	<b>40</b>	<b>299</b>	<b>(430)</b>	<b>7 592</b>	<b>133</b>	<b>7 725</b>
Depreciation and amortisation	(591)	(915)	(1 088)	(70)	(608)	(110)	(130)	25	(3 485)	(109)	(3 594)
Impairment charges and non-recurring items	(74)	(1 171)	(2 547)	(266)	(24)	(20)	-	(270)	(4 372)	281	(4 091)
<b>Operating profit</b>	<b>2 010</b>	<b>(706)</b>	<b>(2 199)</b>	<b>492</b>	<b>734</b>	<b>(90)</b>	<b>169</b>	<b>(675)</b>	<b>(265)</b>	<b>305</b>	<b>39</b>
Share of earnings in associates and joint ventures	-	(126)	-	(59)	-	(9)	-	-	(194)	191	(3)
Interest income	55	52	47	8	118	1	10	(5)	287	68	354
Interest expense	(187)	(406)	(564)	(55)	(215)	(43)	(73)	62	(1 482)	(401)	(1 883)
Other financial items	(62)	(467)	6	(59)	16	33	154	1	(377)	427	50
<b>Profit before tax</b>	<b>1 817</b>	<b>(1 653)</b>	<b>(2 711)</b>	<b>329</b>	<b>652</b>	<b>(109)</b>	<b>260</b>	<b>(617)</b>	<b>(2 032)</b>	<b>590</b>	<b>(1 442)</b>
Tax expense	(516)	266	618	(301)	(18)	(1)	(64)	(107)	(124)	(63)	(187)
<b>Profit for the year from continuing operations</b>	<b>1 300</b>	<b>(1 387)</b>	<b>(2 093)</b>	<b>27</b>	<b>635</b>	<b>(110)</b>	<b>197</b>	<b>(724)</b>	<b>(2 155)</b>	<b>526</b>	<b>(1 629)</b>
Result from discontinued operations (net of tax)	-	3 880	-	(96)	-	-	-	(1 070)	2 714	(64)	2 650
<b>Profit for the year</b>	<b>1 300</b>	<b>2 493</b>	<b>(2 093)</b>	<b>(69)</b>	<b>635</b>	<b>(110)</b>	<b>197</b>	<b>(1 794)</b>	<b>559</b>	<b>462</b>	<b>1 021</b>
Profit for the year to equity holders of the parent <sup>3)</sup>	148	801	(1 046)	(17)	464	(110)	143	(846)	(463)	424	(39)
Dividends received by Aker ASA and holding companies	-	379	-	95	316	-	-	-	790	54	844
Property, plant, equipment, intangibles and interest-free fixed assets	9 750	11 203	34 717	1 711	10 061	1 364	2 020	(453)	70 373	7 650	78 023
Investment in equity accounted companies	-	264	-	288	-	33	-	-	584	917	1 502
Other shares	13	347	14	9	-	-	-	-	383	884	1 267
External interest-bearing fixed assets	9	131	13	2	1 493	44	3	-	1 695	114	1 809
Interest-free current assets	14 197	11 205	2 935	4 206	116	397	120	(848)	32 328	1 396	33 724
External interest-bearing current assets	-	142	24	-	-	35	-	-	201	386	588
Interest-bearing claims	82	63	-	-	1 183	-	215	(1 328)	215	(215)	-
Cash and cash equivalents	3 339	1 075	2 195	1 208	566	18	146	-	8 547	3 453	12 000
<b>Total assets</b>	<b>27 391</b>	<b>24 430</b>	<b>39 898</b>	<b>7 424</b>	<b>13 419</b>	<b>1 891</b>	<b>2 504</b>	<b>(2 629)</b>	<b>114 327</b>	<b>14 585</b>	<b>128 912</b>
Equity	5 677	9 378	4 829	2 337	5 247	558	872	(267)	28 631	(19 908)	8 723
Minority	216	-	-	-	78	-	4	(164)	134	22 535	22 669
Non interest-bearing debt	17 670	10 024	18 097	4 599	724	170	340	(675)	50 949	2 756	53 705
Internal interest-bearing debt	64	1 458	-	-	-	100	-	(1 522)	100	(100)	-
External interest-bearing debt	3 764	3 570	16 972	487	7 370	1 063	1 288	-	34 514	9 302	43 816
<b>Total assets and liabilities</b>	<b>27 391</b>	<b>24 430</b>	<b>39 898</b>	<b>7 424</b>	<b>13 419</b>	<b>1 891</b>	<b>2 504</b>	<b>(2 629)</b>	<b>114 327</b>	<b>14 585</b>	<b>128 912</b>
Impairment and sales losses	(74)	(1 171)	(2 547)	(266)	(24)	(20)	-	(270)	(4 372)	281	(4 091)
Investments <sup>1)</sup>	1 382	1 904	29 365	130	2 047	73	292	(483)	34 710	1 586	36 296

<sup>1)</sup> Investments include acquisitions of property, plant and equipment and intangibles (including increases due to business combinations).

<sup>2)</sup> Aker Solutions, Akastor and Aker BioMarine have corrected previous period figures. Aker group has booked the corrections in 2014 as part of the eliminations columns. Total change for profit for the year from continuing operations is NOK -247 million.

<sup>3)</sup> Figure for Aker Solutions is profit to the equity holders of the parent in the period after the demerger from Akastor.

**GEOGRAPHICAL SEGMENTS**

Amounts in NOK million	Operating revenue based on location of the company		Total property, plants, equipment and intangibles by company location	
	2015	2014	2015	2014
Norway	44 372	38 897	73 907	66 492
EU	9 630	13 867	4 751	4 249
The Americas	9 183	9 446	3 759	2 395
Asia	7 529	6 515	726	2 014
Other areas	2 691	2 057	599	1 600
<b>Total</b>	<b>73 405</b>	<b>70 782</b>	<b>83 742</b>	<b>76 751</b>

**INCOME STATEMENT AND BALANCE SHEET BY CURRENCY**

Aker ASA has subsidiaries reporting in currencies other than the Norwegian kroner (NOK), where value is exposed to currency fluctuations. The table below shows the consolidated financial statements by currency. For sensitivity with respect to operating revenue, equity, fixed assets and interest-bearing liabilities, see Note 6, Note 15 and Note 27.

Amounts in million	USD	USD in NOK	Other foreign currencies in NOK	NOK	Aker
Revenue	2 917	23 520	17 722	32 163	73 405
EBITDA	1 285	10 363	1 786	1 195	13 344
Profit before tax	(230)	(1 853)	1 178	(1 321)	(1 996)
Fixed assets	6 496	57 226	3 135	23 381	83 742
Cash and cash equivalents	442	3 891	3 405	3 092	10 388
Other assets	4 683	41 256	15 687	(16 606)	40 338
<b>Total assets</b>	<b>11 622</b>	<b>102 374</b>	<b>22 228</b>	<b>9 867</b>	<b>134 468</b>
Equity	3 328	29 316	10 895	(32 254)	7 957
Minority interests	(2)	(18)	255	21 224	21 462
Interest-bearing liabilities external	3 940	34 707	1 802	15 187	51 695
Interest-bearing liabilities internal	721	6 350	24	(6 374)	-
Interest-free liabilities	3 635	32 018	9 252	12 084	53 354
<b>Total equity and liabilities</b>	<b>11 622</b>	<b>102 374</b>	<b>22 228</b>	<b>9 867</b>	<b>134 468</b>

**CASH FLOW BY SEGMENT**

Cash flow is allocated to the different companies as follows:

Amounts in NOK million	Operating activities	Investing activities	Debt financing activities	Equity financing activities	Total
<b>Industrial holdings:</b>					
Aker Solutions	1 934	(1 299)	98	(420)	<b>312</b>
Akastor	(603)	(216)	185	-	<b>(634)</b>
Kvaerner	1 183	(50)	(553)	(235)	<b>346</b>
Det norske oljeselskap	5 535	(9 514)	2 296	-	<b>(1 683)</b>
Ocean Yield	1 526	(2 339)	1 787	(646)	<b>328</b>
Aker BioMarine	137	(178)	32	10	<b>2</b>
Havfisk	278	(50)	(78)	(64)	<b>87</b>
<b>Total industrial holdings</b>	<b>9 992</b>	<b>(13 647)</b>	<b>3 768</b>	<b>(1 354)</b>	<b>(1 241)</b>
<b>Financial investments:</b>					
Aker ASA and holding companies	650	(1 328)	(308)	(419)	<b>(1 405)</b>
Other companies and elimination	(1 569)	696	256	676	<b>59</b>
<b>Total</b>	<b>9 072</b>	<b>(14 279)</b>	<b>3 716</b>	<b>(1 096)</b>	<b>(2 587)</b>

Cash flow from operating activities is allocated to the different companies as follows:

Amounts in NOK million	EBITDA	Net interest paid	Paid/received tax	Other	Cash flow from operating activities
<b>Industrial holdings:</b>					
Aker Solutions	1 841	(212)	(742)	1 047	<b>1 934</b>
Akastor	702	(441)	(163)	(701)	<b>(603)</b>
Kvaerner	574	(40)	(203)	852	<b>1 183</b>
Det norske oljeselskap	7 683	(1 002)	(1 878)	733	<b>5 535</b>
Ocean Yield	1 808	(204)	(12)	(66)	<b>1 526</b>
Aker BioMarine	207	(48)	-	(22)	<b>137</b>
Havfisk	403	(49)	(12)	(62)	<b>278</b>
Elimination	(212)	279	-	(67)	<b>-</b>
<b>Total industrial holdings</b>	<b>13 005</b>	<b>(1 717)</b>	<b>(3 010)</b>	<b>1 715</b>	<b>9 992</b>
<b>Financial investments:</b>					
Aker ASA and holding companies	(219)	(320)	(7)	1 195	<b>650</b>
Other companies and elimination	558	(34)	(201)	(1 892)	<b>(1 569)</b>
<b>Total</b>	<b>13 344</b>	<b>(2 071)</b>	<b>(3 219)</b>	<b>1 018</b>	<b>9 072</b>

Other items relating to Det norske oljeselskap are primarily linked to the expensing of previously capitalised exploration costs and increases in accrued costs. Other items related to Aker Solutions, Akastor and Kvaerner are primarily linked to changes in working capital. Other items related to Aker ASA and holding companies are primarily linked to dividends received of NOK 1 340 million.

## Note 10 | Operating revenue

### ANALYSIS OF OPERATING REVENUES BY CATEGORY

Amounts in NOK million	2015	2014
Construction contract revenue	35 419	41 789
Revenue from services	16 899	16 407
Leasing income	2 787	2 769
Sales of oilfield products	1 729	2 111
Petroleum revenues	9 343	2 806
Other sales of goods	4 722	3 904
Other income	2 505	998
<b>Total</b>	<b>73 405</b>	<b>70 782</b>

### IMPORTANT CUSTOMER

Aker has two customers that have been invoiced for more than 10% of group revenues in 2015.

### ORDER BACKLOG CONSTRUCTION CONTRACTS AND OTHER CONTRACTS

The activities of Aker Solutions, Akastor, Kvaerner, Ocean Yield and Philly Shipyard are largely based on deliveries in accordance with customer contracts.

The order backlog represents an obligation to deliver goods and services not yet produced, as well as Aker's contractual entitlement to make future deliveries.

#### Order intake and order backlog for the companies in the Aker Group as at year-end 2015 and 2014:

(Figures are unaudited, and internal order backlog and order intake are not eliminated)

Amounts in NOK million	Order backlog 31 Dec. 2015	Order intake 2015	Order backlog 31 Dec. 2014	Order intake 2014
Aker Solutions	39 684	22 793	48 289	37 135
Akastor	15 616	10 506	21 555	25 254
Kvaerner	14 346	12 798	16 451	10 718
Philly Shipyard	8 666	2 074	7 506	1 631
Ocean Yield	23 282	4 991	13 893	3 602
<b>Total</b>	<b>101 595</b>	<b>53 162</b>	<b>107 693</b>	<b>78 340</b>

#### Leasing agreements signed and other backlog at end of 2015

Amounts in NOK million	Ocean Yield	Aker Solutions	Akastor	Kvaerner	Philly Shipyard	Total
Duration of less than one year	1 974	-	965	-	-	2 939
Duration of between one and five years	6 356	-	4 903	-	-	11 259
Duration of more than five years	5 445	-	403	-	-	5 848
<b>Total leasing agreements - operational lease</b>	<b>13 775</b>	<b>-</b>	<b>6 272</b>	<b>-</b>	<b>-</b>	<b>20 046</b>
Leasing agreements - financial lease	8 978					8 978
Other order backlog	529	39 684	9 344	14 346	8 666	72 570
<b>Total</b>	<b>23 282</b>	<b>39 684</b>	<b>15 616</b>	<b>14 346</b>	<b>8 666</b>	<b>101 595</b>

#### Ocean Yield

Order backlog at end of 2015 amounted to NOK 23 282 million of which operational lease contracts are NOK 13 775 million and financial lease contracts are NOK 8 978 million. The company owns 27 vessels including 13 new buildings, with an average remaining contract tenor of 10.3 years at the end of 2015.

#### Aker Solutions

Order backlog at end of 2015 amounted to NOK 39 684 million, a reduction of NOK 8.6

billion during 2015. Order intake amounted to NOK 22 793 million. About 57 per cent of the order backlog relates to subsea installations and 43 per cent to field design.

#### Akastor

The order intake was NOK 10 506 million in 2015 and an order backlog of NOK 15 616 million at the end of 2015, of which NOK 6 272 million are leasing contracts and NOK 9 344 million are construction contracts.

#### Kvaerner

Order intake in 2015 was NOK 12 798 million, including scope of work of jointly controlled entities.

#### Philly Shipyard

At the end of the year, the order backlog was comprised of two product tankers under contract with Crowley, four product tankers under contract with Philly Tankers and two container vessels under contract with Matson.



**CONSTRUCTION CONTRACT REVENUE**

Construction contract revenue in 2015 amounts to NOK 35 419 million and aggregate amount of cost incurred and recognised profits (less losses) for project at progress at 31 December 2015 totalled approximately NOK 71 billion.

Amounts in NOK million	2015	2014
Construction revenue in the year	35 419	41 789
Amounts due from customers for contract work	4 724	8 411
Amounts due to customers for contract work	(8 464)	(8 190)
<b>Construction contracts in progress, net position</b>	<b>(3 741)</b>	<b>221</b>

**CONSTRUCTION CONTRACTS IN PROGRESS AT THE END OF THE REPORTING PERIOD:**

Aggregate amount of cost incurred and recognised profits (less losses)	71 112	76 941
Advances from customers	5 808	4 781
Retentions	-	119

**REVENUE FROM SERVICES**

Amounts in NOK million	2015	2014
Aker Solutions	15 018	12 619
Akastor	6 216	8 832
Kvaerner	97	10
Other and eliminations	(4 431)	(5 054)
<b>Total</b>	<b>16 899</b>	<b>16 407</b>

**LEASING INCOME**

Amounts in NOK million	2015	2014
Akastor	1 218	1 450
Ocean Yield	1 629	1 571
Other and eliminations	(61)	(252)
<b>Total</b>	<b>2 787</b>	<b>2 769</b>

**SALES OF OILFIELD PRODUCTS**

Amounts in NOK million	2015	2014
Aker Solutions	89	121
Akastor	1 683	2 024
Elimination	(43)	(34)
<b>Total</b>	<b>1 729</b>	<b>2 111</b>

**PETROLEUM REVENUES**

Amounts in NOK million	2015	2014
Recognised income oil	8 423	2 509
Recognised income gas	894	270
Tariff income	26	26
<b>Total</b>	<b>9 343</b>	<b>2 806</b>

**Breakdown of produced volumes**

Figures in 1000 barrel of oil equivalents	2015	2014
Oil	19 308	4 800
Gas	2 594	904
<b>Total</b>	<b>21 902</b>	<b>5 705</b>

**OTHER SALES OF GOODS**

Other sales of goods of NOK 4 722 million in 2015 consists mainly of NOK 833 million in sales of krill products by Aker BioMarine, NOK 1 283 million in harvesting revenues generated by Havfisk and Ocean Harvest and NOK 1 962 million in sales of whitefish products by Norway Seafoods.

Other sales of goods of NOK 3 904 million in 2014 consists mainly of NOK 689 million in sales of krill products by Aker BioMarine, NOK 1 187 million in harvesting revenues generated by Havfisk and Ocean Harvest and NOK 1 692 million in sales of whitefish products by Norway Seafoods.

**OTHER INCOME**

Gain sale of subsidiaries and other assets of NOK 655 million is part of other income of NOK 2 505 million in 2015.

## Note 11 | Wages, personnel expenses and other operating expenses

### WAGES AND PERSONNEL EXPENSES CONSIST OF THE FOLLOWING:

Amounts in NOK million	2015	2014
Wages	17 396	16 670
Social security contributions	2 116	2 179
Pension costs	941	798
Other expenses	1 210	958
Personnel expenses included in other items <sup>1)</sup>	(1 428)	(803)
<b>Total</b>	<b>20 235</b>	<b>19 802</b>
Average number of employees	27 512	28 195
<b>Number of employees at year-end</b>	<b>26 026</b>	<b>28 998</b>

<sup>1)</sup> Other items in 2015 consist of NOK 1 154 million related to reimbursable licence expenses and research-, development- and production expenses in Det norske oljeselskap (2014: NOK 603 million) and NOK 274 million related to capitalised construction expenses in Philly Shipyard (2014: NOK 200 million).

Geographical split of number of employees by region:	2015	2014
Norway	14 301	15 694
EU	3 589	3 804
Asia	4 236	5 251
North America	1 816	1 951
Other regions	2 084	2 298
<b>Total</b>	<b>26 026</b>	<b>28 998</b>

### OTHER OPERATING EXPENSES CONSIST OF THE FOLLOWING:

Amounts in NOK million	2015	2014
Rent and leasing expenses	1 877	1 969
Exploration expenses oil and gas	616	1 057
Production cost oil and gas	1 137	421
Miscellaneous operating expenses	7 955	8 066
<b>Total</b>	<b>11 586</b>	<b>11 512</b>

#### Operating leases

Lease and sublease payments recognised in the income statement

Amounts in NOK million	Minimum lease payments	Sublease income	2015	2014
Buildings and vessel	1 915	(69)	1 846	1 917
Machinery and equipment	21	-	21	42
Other agreements	10	-	10	10
<b>Leasing agreements as part of operating expenses</b>	<b>1 946</b>	<b>(69)</b>	<b>1 877</b>	<b>1 969</b>
Part of production and exploration expenses	1 366	(3)	1 363	246
<b>Total</b>	<b>3 312</b>	<b>(72)</b>	<b>3 239</b>	<b>2 215</b>

#### Irrevocable operating leases where the Group is the lessee, are payable as follows:

Amounts in NOK million	Part of oil production and exploration expenses	Other agreements	2015	Part of oil production and exploration expenses	Other agreements	2014
Less than one year	1 071	1 243	2 313	1 040	637	1 677
Between one and five years	1 652	3 873	5 525	2 162	4 350	6 513
More than five years	55	4 282	4 337	-	5 567	5 567
<b>Total</b>	<b>2 778</b>	<b>9 398</b>	<b>12 176</b>	<b>3 202</b>	<b>10 555</b>	<b>13 757</b>

*Part of oil production and exploration expenses (rig contracts and other lease obligations)*

The company has a lease agreement until July 2016 for Transocean Winner, which is currently drilling in the Greater Alvheim Area. The company has entered into a new lease agreement with Transocean Artic, to drill on the Alvheim Area, from December 2016 to August 2017. The company had a lease agreement for Transocean Barents, which expired in July 2014. The rig contract was used for exploration drilling in the company's licences or sublet to other companies.

On behalf of the partners in Ivar Aasen, the company signed an agreement in 2013 with Maersk Drilling for the delivery of a jack-up rig for the development project on the Ivar Aasen field. The rig will be used to drill production wells on the Ivar Aasen field. The contract period is five years, with options for up to seven years.

Det norske oljeselskap's share of operational lease liabilities and other long-term liabilities pertaining to its ownership interests in oil and gas fields is shown in the table above.

*Other agreements*

Aker's other operational lease costs and commitments relate mainly to rent of office facilities, IT services and ships, the majority of these relates to agreements in Aker Solutions with NOK 6 468 million, Akastor with NOK 2 453 million and Kvaerner NOK 357 million. The contracts relate to leasing of buildings and locations around the world, typical lease periods are 12-15 years with options for renewal at market value. The lease contracts regarding IT services, vehicles and equipment have an average lease term of 3-5 years.

*Exploration expenses oil and gas*

Amounts in NOK million	2015	2014
Seismic, well data, field studies and other exploration expenses	197	167
Recharged rig costs	3	(74)
Share of exploration expenses from licence participation, incl. seismic	156	188
Expensing of exploration wells capitalised in previous years	30	269
Expensing of exploration wells capitalised this year	64	395
Share of payroll and other operating expenses classified as exploration	99	95
Research and development costs related to exploration activities	(2)	17
Area fee	68	-
<b>Total</b>	<b>616</b>	<b>1 057</b>

*Production cost oil and gas*

Production costs of NOK 1 137 million in 2015 (421 million in 2014) include costs associated with leasing, operation and maintenance of subsea installations, modifications, production vessels, platforms/FPSO, well intervention and workover activities, environmental tax, etc. Production cost also includes provision for future losses. The share of payroll and administration expenses that can be ascribed to operations is reclassified and shown as a production cost.

*Other operating expenses by company*

Amounts in NOK million	2015	2014
Aker Solutions	4 762	4 926
Akastor	929	1 068
Det norske oljeselskap	206	230
Kvaerner	495	542
Ocean Yield	30	53
Aker BioMarine	506	523
Havfisk	262	281
Other companies and eliminations	765	443
<b>Sum</b>	<b>7 954</b>	<b>8 066</b>

Other operating expenses include, among others operation and maintenance of properties, office equipment, legal and other consultancy, travel expenses, bunkers and other costs related to the fleet. Costs related to leases are not included in other operating expenses but shown separately above.

*Fees to auditors of the Aker group are included in other operating expenses. They are distributed as follows:*

Amounts in NOK million	Ordinary auditing	Consulting services	Total 2015	2014
Aker ASA	2	-	2	3
Subsidiaries	50	18	68	113
<b>Total</b>	<b>52</b>	<b>18</b>	<b>70</b>	<b>116</b>

Ordinary audit fees totalled NOK 51.9 million in 2015 (NOK 51.7 million in 2014). Consulting services of NOK 18.3 million consist of NOK 4.9 million in other assurance services, NOK 6.9 million in tax advisory services and NOK 6,5 million in other non-audit services.

## Note 12 | Impairment charges and non-recurring items

Impairment charges and non-recurring items include write-downs of goodwill, impairment losses and reversal of impairment losses on property, plant and equipment, major losses on the sale of operating assets, restructuring costs and other material matters not expected to be of a recurring nature.

### IMPAIRMENT CHARGES AND NON-RECURRING ITEMS ARE AS FOLLOWS:

Amounts in NOK million	2015	2014
Impairment losses on intangible assets (Note 16)	(4 399)	(3 079)
Tax on write-downs of technical goodwill (Note 14)	-	42
Impairment losses on property, plant and equipment (Note 15)	(1 311)	(1 091)
Reversal of impairment losses on property, plant and equipment (Note 15)	-	38
<b>Total</b>	<b>(5 710)</b>	<b>(4 091)</b>

Impairment losses on intangible assets in 2015 of NOK 4 399 million are mainly attributable to Det norske oljeselskap with NOK 3 446 million and Akastor with NOK 533 million. The impairment in Det norske oljeselskap relates to technical goodwill and the main reason for the impairment charges was the impact from the decreased expectations to future oil- and gas prices. The impairment in Akastor relates to goodwill and other intangible assets related to Managed Pressure Operations (MPO) in MHWirth.

Impairment loss on property, plant and equipment of NOK 1 311 million in 2015 are mainly attributable to Akastor and is related to the

vessel AKOFS Seafarer and fixed asset in Managed Pressure Operations (MPO) in MHWirth. The impairment was triggered by the current weak market conditions which are expected to continue in the short to medium term.

Impairment losses on intangible assets of NOK 3 079 million in 2014 are mainly attributable to Det norske oljeselskap with NOK 2 644 million and Kvaerner of NOK 266 million. The impairment in Det norske oljeselskap was related to technical goodwill and the main reason for the impairment charge was the decreased oil price assumptions from the acquisition date of Marathon Oil Norge AS up until 31 December 2014. The impairment loss in Kvaerner was related to

goodwill concerning the Contractors International business area.

Impairment loss on property, plant and equipment of NOK 1 091 million in 2014 was mainly attributable to Akastor and was related to the vessel AKOFS Seafarer. The impairment of AKOFS Seafarer was based on revised business case after Total Angola cancelled its two-year contract in June 2014 as well as generally lower market activity.

See also Note 15 Property, plant and equipment and Note 16 Intangible assets.

## Note 13 | Financial income and financial expenses

### NET FINANCIAL ITEMS RECOGNISED IN PROFIT AND LOSS:

Amounts in NOK million	2015	2014
Interest income	361	354
Dividends on available for sale financial assets	88	52
Net gain and change in fair value on available for sale financial assets	-	165
Net foreign exchange gain	698	494
Other financial income	100	335
<b>Total financial income</b>	<b>1 248</b>	<b>1 401</b>
Interest expense on financial liabilities measured at amortised cost	(2 224)	(1 875)
Interest expense on financial liabilities measured at fair value	(39)	(8)
Foreign exchange loss from hedge instruments	(401)	(566)
Net loss from interest rate swaps	(457)	(197)
Net loss and impairment on available for sale financial assets	(200)	-
Net change in fair value of financial assets at fair value through profit and loss	(129)	(101)
Net other financial expenses	(159)	(132)
<b>Total financial expenses</b>	<b>(3 609)</b>	<b>(2 879)</b>
<b>Net financial items</b>	<b>(2 361)</b>	<b>(1 478)</b>

The financial income and expenses above include the following interest income and expense in respect of assets (liabilities) not recognised at fair value through profit and loss:

	2015	2014
Total interest income on financial assets	361	354
Total interest expense on financial liabilities	(2 224)	(1 875)

Dividends on available for sale financial assets of NOK 88 million mainly relate to dividend received from American Shipping Company of NOK 81 million. Net loss and changes in the fair value of financial assets available for sale of NOK -200 million comprised primarily of a write-down of a share investment in Ezra Holding Ltd. The net change in fair value of financial assets at fair value through profit and loss of

NOK -129 million mainly relate to loss on the total return swap (TRS) agreement with underlying American Shipping Company shares of NOK 152 million. Net other financial expenses of NOK -159 million refer among others to net interest expenses pension -35 million, termination of advisory services contract between Convento AS and Convento Capital Fund AS of NOK -20 million and various bank charges.

Net gains and changes in the fair value of financial assets available for sale in 2014 of NOK 165 million comprised primarily of value change reclassified from Other comprehensive income related to AAM Absolute Return Fund and a bond investment in American Shipping Company totaling NOK 262 million, in addition a write-down of a share investment in Ezra Holding Ltd with NOK

97 million. Other financial income comprised among others of a gain on sale of a subsidiary in Fornebuporten of NOK 148 million related to a sale of three office buildings at Aberdeen International Business Park and a reversal of provision for loss by Havfisk related to an interest and currency swap against Glitnir of NOK 158 million. The net change in fair value of financial assets at fair value through profit and loss of NOK -101 million was mainly related to the total return swap (TRS) agreements with the underlying American Shipping Company and Aker Solutions shares, of NOK -71 million and NOK -25 million, respectively. Net other financial expenses of NOK -132 million in 2014 referred mainly to expensed capitalised bond fees related to a refinancing in Ocean Yield of NOK -85 million, net interest expenses pension -47 million and various bank charges.

### PAID INTEREST IS SPLIT AS FOLLOWS:

Amounts in NOK million	2015	2014
Paid interest recognised in profit and loss	(1 760)	(1 610)
Paid interest capitalised	(584)	(375)
<b>Total paid interest</b>	<b>(2 344)</b>	<b>(1 985)</b>

### RECEIVED INTEREST IS SPLIT AS FOLLOWS:

Amounts in NOK million	2015	2014
Interest income on bank deposits	180	218
Interest income on investments	181	136
Hereof added to principal	(88)	(79)
<b>Total interest received</b>	<b>273</b>	<b>275</b>

Interest added to principal is mainly related to interest converted into American Shipping Company bonds.



## Note 14 | Tax

The Aker's net tax expenses amounts to NOK 1 858 million and is attributable to change in deferred tax NOK 700 million and current tax income NOK 1 158 million of which NOK 401 million is expected to be paid to the Norwegian state linked to the Det norske oljeselskap offshore activities.

As and oil production company Det norske oljeselskap is subject to specific provisions of the Petroleum Taxation Act. Revenues from offshore activities are liable to ordinary corporation tax (27 per cent) and surtax (51 per cent). The company may require refunds from the state corresponding to the tax value of

its incurred exploration costs, provided that these do not exceed the taxable loss allocated to the offshore activities.

### (TAX EXPENSE)/TAX INCOME

Amounts in NOK million	2015	2014
<b>Recognised in income statement:</b>		
This year net tax receivable (+) and payable (-)	(894)	(480)
Tax payable/receivable under Norwegian petroleum tax legislation	(401)	3 665
Adjustment prior year	137	-
<b>Total current tax expense</b>	<b>(1 158)</b>	<b>3 184</b>
<b>Deferred tax expense:</b>		
Origination and reversal of temporary differences	(886)	(3 566)
Utilisation of previously unrecognised tax losses	187	195
<b>Total deferred tax expense</b>	<b>(700)</b>	<b>(3 371)</b>
<b>Income tax</b>	<b>(1 858)</b>	<b>(187)</b>

### RECONCILIATION OF EFFECTIVE TAX RATE

Amounts in NOK million	2015	2014
<b>Profit before tax</b>	<b>(1 996)</b>	<b>(1 442)</b>
Nominal tax rate in Norway 27%	539	389
51% surrate in Norway under petroleum tax legislation	(1 026)	589
Tax rate differences in Norway and abroad	(38)	36
Permanent differences	(2 783)	(1 478)
Utilisation of previously unrecognised tax losses	187	195
Tax losses for which no deferred income tax asset was recognised	(589)	(363)
Tax effect of associated companies	(45)	49
Tax effect of uplift oil (free income)	754	325
Deferred tax on current year's impairment booked directly to balance sheet	-	(42)
Other differences	1 144	114
<b>Total income tax expenses in income statement</b>	<b>(1 858)</b>	<b>(187)</b>

#### Petroleum Tax in Norway - 51 percent surtax

In 2015, the 51 percent net surtax income on exploration expenses and revenues from offshore activities incurred by Det norske oljeselskap amounted to NOK 1 026 million. From 2016, the surtax rate will be 53 percent.

#### Tax rate differences between Norway and abroad

Foreign companies with different tax rates than 27 percent include among others the company's businesses in North and South America and Asia.

#### Permanent differences

Permanent differences mainly arrived from impairment of goodwill in Det norske oljeselskap and on sale of shares and equity derivatives.

#### Utilisation of previously unrecognised tax losses

Based on the positive development in Ocean Yield some of previously unrecognised tax losses were utilised in 2015.

#### Cost of unrecognised tax losses carried forward

Based on an estimate on expected future taxable income, Aker ASA and holding companies and some of the Akers operations cannot justify capitalising the tax-losses carried forward in full.

**Tax effect of uplift oil**

The tax-free allowance is a special income tax allowance applied when calculating the surtax in Det norske oljeselskap. The tax-free income is calculated on basis of investments in pipelines and production facilities, and can be considered as an additional depreciation in the surtax basis. The allowance represents 7.5 percent in four years, totalling 22 percent of the investment. The income is recognised in the year it is deductible in corporate tax return and thus affect the current tax in the same way as a permanent difference.

**Other differences**

Other differences mainly links to Det norske oljeselskap. In accordance with statutory requirements, the calculation of current tax is required to be based on NOK functional currency. This may impact the tax rate when the functional currency is different from NOK. The main factor in 2015 is the foreign exchange losses of the reserve base lending facilities in USD, which is a taxable loss without any corresponding impact on profit before tax.

**TAX RECOGNISED IN OTHER COMPREHENSIVE INCOME:**

Amounts in NOK million	2015	2014
Remeasurement of defined benefit liabilities	(43)	140
Changes in fair value of cash flow hedges	85	455
<b>Total tax expenses other comprehensive income</b>	<b>42</b>	<b>594</b>

**DEFERRED TAX ASSETS ARE ALLOCATED AS FOLLOWS:**

Amounts in NOK million	2015	2014
<b>Industrial holdings:</b>		
Aker Solutions	332	380
Akastor	468	214
Kvaerner	1	123
Ocean Yield	321	85
<b>Financial investments:</b>		
Aker ASA and holding companies	-	9
Other companies	126	101
<b>Total</b>	<b>1 248</b>	<b>912</b>

Deferred tax assets refer to NOK 3 919 million in loss carried forward and NOK -2 672 million in temporary differences. The loss carry forward was increase by NOK 768 million in 2015.

The total non-recognised tax assets are NOK 3 178 million at year-end 2015.

**MOVEMENTS IN NET DEFERRED TAX LIABILITIES ARE AS FOLLOWS:**

Amounts in NOK million	Property, plant and equipment	Oil- and gas exploration expenses	Intangible assets	Projects under construction	Abandonment provision	Tax losses carry forward	Other	Total
<b>At 1 January 2015</b>	(3 550)	(3 147)	(9 552)	(2 990)	2 827	1 989	3 492	<b>(10 933)</b>
Exchange rate differences	(1 174)	(325)	(954)	(15)	615	100	(120)	<b>(1 872)</b>
Acquisitions and sales of subsidiaries	(2)	-	760	-	-	25	(7)	<b>776</b>
Deferred tax (charged)/ credited to income statement	(5 962)	(70)	4 980	(87)	(533)	642	330	<b>(700)</b>
Deferred tax expenses in other comprehensive income	-	-	-	-	-	-	42	<b>42</b>
Prepaid withholding tax	-	-	-	-	-	-	309	<b>309</b>
<b>At 31 December 2015</b>	<b>(10 688)</b>	<b>(3 543)</b>	<b>(4 766)</b>	<b>(3 092)</b>	<b>2 909</b>	<b>2 757</b>	<b>4 046</b>	<b>(12 377)</b>

**Allocated between deferred tax assets and liabilities as follows:**

Deferred tax assets	(159)	-	(251)	(1 488)	-	5 754	(2 608)	<b>1 248</b>
Deferred tax liabilities	(10 530)	(3 543)	(4 515)	(1 604)	2 909	(2 998)	6 654	<b>(13 625)</b>

Amounts in NOK million	Property, plant and equipment	Oil- and gas exploration expenses	Intangible assets	Projects under construction	Abandonment provision	Tax losses carry forward	Other	Total
<b>At 1 January 2014</b>	(284)	(1 501)	(2 020)	(2 728)	761	3 540	762	<b>(1 471)</b>
Exchange rate differences	(453)	(305)	(847)	-	366	251	221	<b>(766)</b>
Acquisitions and sales of subsidiaries	(1 528)	(196)	(6 356)	-	1 759	-	290	<b>(6 030)</b>
Change in deferred tax directly to balance sheet	-	111	-	-	-	-	-	<b>111</b>
Deferred tax (charged) / credited to income statement	(1 286)	(1 257)	(329)	(262)	(60)	(1 803)	1 626	<b>(3 371)</b>
Deferred tax expenses in other comprehensive income	-	-	-	-	-	-	594	<b>594</b>
<b>At 31 December 2014</b>	<b>(3 550)</b>	<b>(3 147)</b>	<b>(9 552)</b>	<b>(2 990)</b>	<b>2 827</b>	<b>1 989</b>	<b>3 492</b>	<b>(10 933)</b>

**Allocated between deferred tax assets and liabilities as follows:**

Deferred tax assets	(119)	-	(201)	(1 445)	-	1 989	689	<b>912</b>
Deferred tax liabilities	(3 431)	(3 147)	(9 351)	(1 545)	2 827	-	2 804	<b>(11 845)</b>

**TECHNICAL GOODWILL (PART OF INTANGIBLE ASSETS)**

The fair value valuation of licenses is based on cash flows after tax. This is due to licenses only being sold in an after tax market based on decisions made by the Norwegian Ministry of Finance pursuant to section 10 of the Petroleum Taxation Act. The purchaser can therefore not claim a deduction of the consideration with tax effect through depreciations. In accordance IAS sections 12.15 and 12.9, a provision is made for deferred tax corresponding to the difference between the acquisition cost and the transferred tax base depreciation. The offsetting entry to this deferred tax is goodwill. Hence, goodwill arises as a technical effect of deferred tax (technical goodwill).

**TAX PAYABLE AND INCOME TAX RECEIVABLE**

Tax payable amounts to NOK 294 million and tax receivable amount to NOK 1 242 million. Tax receivable mainly relates to Det norske oljeselskap with NOK 1 113 million and Aker Solutions with NOK 118 million. The 2015 figures are based on preliminary estimates of non-taxable income, non-tax deductible items and temporary differences between the financial accounts and the tax accounts. The final result will be calculated based on the tax return, and may differ from the estimates above.

## Note 15 | Property, Plant and Equipment

MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT FOR 2015 ARE SHOWN BELOW:

Amounts in NOK million	Ships and airplanes	Machinery, vehicles	Land and buildings	Assets under construction	Oil fields under development	Oil production plants, including wells	Total
<b>Cost at 1 January 2015</b>	22 874	10 637	5 860	3 503	9 814	13 301	<b>65 989</b>
Acquisitions through business combinations	-	-	181	557	-	-	<b>738</b>
Other acquisitions <sup>1)</sup>	1 599	539	69	1 944	5 994	626	<b>10 770</b>
Sales of operations	(938)	(48)	(438)	(1 847)	-	-	<b>(3 271)</b>
Other disposals	(32)	(811)	(80)	(997)	-	-	<b>(1 920)</b>
Transferred from assets under construction and other reclassifications	(134)	22	539	(562)	(4 532)	5 173	<b>504</b>
Effects of movements in foreign exchange rates	3 632	657	222	(93)	1 988	3 048	<b>9 454</b>
<b>Cost at 31 December 2015</b>	<b>27 001</b>	<b>10 996</b>	<b>6 353</b>	<b>2 504</b>	<b>13 264</b>	<b>22 148</b>	<b>82 266</b>
<b>Accumulated depreciation and impairment at 1 January 2015</b>	(7 231)	(5 928)	(1 953)	(612)	-	(4 364)	<b>(20 088)</b>
Depreciation charge for the year	(1 301)	(1 135)	(251)	-	-	(3 243)	<b>(5 930)</b>
Impairments (see Note 12)	(1 055)	(197)	(23)	(10)	(25)	-	<b>(1 311)</b>
Sales / disposals of operations	554	22	-	-	-	-	<b>576</b>
Reclassifications	156	38	76	61	(72)	(423)	<b>(163)</b>
Other disposals	31	804	55	496	-	-	<b>1 386</b>
Effects of movements in foreign exchange rates	(1 207)	(350)	(91)	(51)	(9)	(1 163)	<b>(2 871)</b>
<b>Accumulated depreciation and impairment at 31 December 2015</b>	<b>(10 053)</b>	<b>(6 747)</b>	<b>(2 187)</b>	<b>(116)</b>	<b>(105)</b>	<b>(9 193)</b>	<b>(28 402)</b>
<b>Carrying amount at 31 December 2015</b>	<b>16 947</b>	<b>4 249</b>	<b>4 166</b>	<b>2 388</b>	<b>13 159</b>	<b>12 955</b>	<b>53 864</b>
Book value of leasing agreements recorded in the balance sheet	-	18	164	-	-	-	<b>183</b>

1) Capitalised interest in 2015 amounted to NOK 584 million.

SPECIFICATION BY COMPANY AT 31 DECEMBER 2015:

Amounts in NOK million	Ships and airplanes	Machinery, vehicles	Land and buildings	Assets under construction	Oil fields under development	Oil production plants, including wells	Total
<b>Industrial holdings:</b>							
Aker Solutions	-	2 108	1 057	797	-	-	<b>3 962</b>
Akastor	3 946	1 216	461	856	-	-	<b>6 480</b>
Det norske oljeselskap	-	130	-	-	13 159	12 955	<b>26 244</b>
Kvaerner	-	154	533	-	-	-	<b>687</b>
Ocean Yield	10 902	17	-	-	-	-	<b>10 919</b>
Aker BioMarine	618	242	-	138	-	-	<b>998</b>
Havfisk	1 049	2	107	-	-	-	<b>1 158</b>
Eliminations	236	-	-	(276)	-	-	<b>(40)</b>
<b>Total industrial holdings</b>	<b>16 751</b>	<b>3 862</b>	<b>2 159</b>	<b>1 515</b>	<b>13 159</b>	<b>12 955</b>	<b>50 408</b>
<b>Financial investments:</b>							
Aker ASA and holding companies	157	78	14	-	-	-	<b>249</b>
Other operations and eliminations	39	309	1 994	873	-	-	<b>3 207</b>
<b>Carrying amount at 31 December 2015</b>	<b>16 947</b>	<b>4 249</b>	<b>4 166</b>	<b>2 388</b>	<b>13 159</b>	<b>12 955</b>	<b>53 864</b>

Carrying amount at the end of 2015 amount to NOK 53 864 million, an increase of NOK 7 963 million during the year, hereof NOK 7.4 billion related to Det norske oljeselskap.

This year's depreciation of NOK 5 930 million is in total attributable to continuing operations.

#### ***Ships and planes***

Ships and airplane totalled NOK 16 947 million at the end of 2015, with an increase of NOK 1.3 billion in 2015. The increase is mainly attributed to investments in the ship AKOFS Seafarer owned by Akastor and advance payments for gas- and car-carriers under construction for Ocean Yield. The increase was partly offset by depreciation, amortization and foreign exchange fluctuations. Impairment of NOK 1 055 million in 2015 is mainly related to AKOFS Seafarer (see Note 12 and Note 16).

The hulls are depreciated over a period of between 10 and 30 years, while machinery and equipment on board is depreciated over a period of between 5 and 10 years.

#### ***Machinery, vehicles***

Machinery and transportation totalled NOK 4 249 million, with a reduction for the year of NOK 459 million. The reduction is mainly explained by depreciation and impairment with a total NOK 1.3 billion, partly offset by investments and foreign exchange fluctuations.

Machinery, vehicles are depreciated over a period between 3 to 20 years.

#### ***Buildings and land***

Buildings and land totalled NOK 4 166 million, with an increase of NOK 259 million in 2015.

The increase is mainly attributable to investments and reclassifications from assets under construction totalling NOK 608 million, partly offset by property sales and depreciation.

Land is not depreciated. Buildings are depreciated over a period between 8 to 50 years.

#### ***Assets under construction***

Assets under construction were reduced by NOK 503 million during 2015 to NOK 2 388 million at the end of 2015. The reduction relates mainly to sale of office buildings at Fornebu and residential properties at Bekkestua. The reduction is partly offset by investments of NOK 1.9 billion during the year, among other the office building at Fornebu before disposal.

#### ***Field development***

Fields under development in Det norske oljeselskap increased by NOK 3.3 billion in 2015, to more than NOK 13 billion. In addition to foreign exchange fluctuation, the increase are mainly related to investment in 2015 of NOK 6 billion, partly offset by reclassification to production facilities at time of production start of NOK 4.5 billion in 2015.

#### ***Production facilities, including wells***

In addition to the reclassification from Field development, investments of NOK 1.2 billion have been made during 2015. The facilities have been depreciated by NOK 3.2 billion in 2015. The book value at end of 2015 amounted to NOK 13 billion.

Removal and decommissioning cost are included as production facilities and field development and a reduction of NOK 0.6 billion in 2015 due to the change in estimate.

Production facilities, including wells, are depreciated using the unit of production method.

#### **CONTRACTUAL COMMITMENTS**

Aker Solutions has at the end of 2015 entered into contracts on investments in real estate and plants of NOK 168 million in total. This is mainly related to new subsea facility in Brazil.

Ocean Yield has entered contractual obligations for the purchase of vessels, currently under construction, of USD 566.8 million in total during 2016 and 2017.

On behalf of the partners in the Ivar Aasen licence, Det norske oljeselskap has signed several commitments related to the development of the Ivar Aasen field. Excluding the rig contract with Maersk Drilling, Det norske oljeselskap's commitments are USD 110 million in total. In addition, the company has entered into future capital commitments (other than leases) on the Alivheim field amounting to approximately USD 146 million at year-end. In addition, there are future capital commitments of USD 824 million on non-operated licenses. See also Note 11.

#### **EFFECT OF EXCHANGE RATE CHANGES ON PROPERTY, PLANT AND EQUIPMENT**

Effects from exchange rate fluctuations represent NOK 6 583 million and are mainly attributable to movements in the USD/NOK in Ocean Yield, Det norske oljeselskap, Akastor, Aker Solutions, Aker BioMarine and Philly Shipyard. Based on book values as at 31 December 2015, a decrease of USD rate of 10 percent will reduce assets by about NOK 4.2 billion.



## MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT FOR 2014 ARE SHOWN BELOW:

Amounts in NOK million	Rigs, ships and airplanes	Machinery, vehicles	Land and buildings	Assets under construction	Oil fields under development	Oil production plants, including wells	Total
<b>Cost at 1 January 2014</b>	17 637	8 735	5 475	2 649	1 647	4 038	<b>40 180</b>
Acquisitions through business combination	-	29	-	-	2 860	7 973	<b>10 863</b>
Other acquisitions <sup>1)</sup>	2 704	641	279	2 469	3 690	(84)	<b>9 698</b>
Sales of operations	-	-	(384)	(1 009)	-	-	<b>(1 393)</b>
Other disposals	(375)	(195)	(128)	5	-	-	<b>(694)</b>
Transferred from assets under construction and other reclassifications	(84)	630	236	(782)	561	(2)	<b>559</b>
Effects of movements in foreign exchange rates	2 993	798	381	171	1 057	1 376	<b>6 776</b>
<b>Cost amount at 31 December 2014</b>	<b>22 874</b>	<b>10 637</b>	<b>5 860</b>	<b>3 503</b>	<b>9 814</b>	<b>13 301</b>	<b>65 989</b>
<b>Accumulated depreciation and impairment at 1 January 2014</b>	(4 557)	(4 531)	(1 670)	(459)	-	(3 090)	<b>(14 306)</b>
Depreciation charge of the year	(1 062)	(1 095)	(96)	(2)	-	(937)	<b>(3 192)</b>
Impairments (see Note 12)	(1 024)	(61)	(16)	(46)	-	56	<b>(1 091)</b>
Sales / disposals of operations	38	-	-	-	-	-	<b>38</b>
Reclassifications from work in process	92	64	(156)	-	-	-	<b>-</b>
Effects of movements in foreign exchange rates	273	75	130	1	-	-	<b>480</b>
Reclassified to Assets Held for Sale	(992)	(380)	(145)	(106)	-	(393)	<b>(2 017)</b>
<b>Accumulated depreciation and impairment at 31 December 2014</b>	<b>(7 231)</b>	<b>(5 928)</b>	<b>(1 953)</b>	<b>(612)</b>	<b>-</b>	<b>(4 365)</b>	<b>(20 088)</b>
<b>Carrying amount at 31 December 2014</b>	<b>15 644</b>	<b>4 708</b>	<b>3 907</b>	<b>2 891</b>	<b>9 815</b>	<b>8 937</b>	<b>45 901</b>
Book value of leasing agreements recorded in the balance sheet	-	25	152	-	-	-	<b>176</b>

1) Capitalised interest in 2014 amounted to NOK 375 million

## SPECIFICATION BY COMPANY AT 31 DECEMBER 2014:

Amounts in NOK million	Ships and airplanes	Machinery, vehicles	Land and buildings	Assets under construction	Oil fields under development	Oil production plants, including wells	Total
<b>Industrial holdings:</b>							
Aker Solutions	-	1 949	906	748	-	-	<b>3 603</b>
Akastor	3 542	1 669	766	492	-	-	<b>6 469</b>
Det norske oljeselskap	-	138	-	-	9 815	8 937	<b>18 890</b>
Kvaerner	-	386	350	-	-	-	<b>736</b>
Ocean Yield	9 683	10	-	-	-	-	<b>9 692</b>
Aker BioMarine	574	237	-	11	-	-	<b>822</b>
Havfisk	1 112	2	104	-	-	-	<b>1 218</b>
Eliminations	151	157	485	61	-	-	<b>854</b>
<b>Total industrial holdings</b>	<b>15 063</b>	<b>4 547</b>	<b>2 611</b>	<b>1 312</b>	<b>9 815</b>	<b>8 937</b>	<b>42 285</b>
<b>Financial investments:</b>							
Aker ASA and holding companies	167	12	14	-	-	-	<b>193</b>
Other operations and eliminations	414	149	1 282	1 579	-	-	<b>3 423</b>
<b>Carrying amount at 31 December 2014</b>	<b>15 644</b>	<b>4 708</b>	<b>3 907</b>	<b>2 891</b>	<b>9 815</b>	<b>8 937</b>	<b>45 901</b>

## Note 16 | Intangible assets

### MOVEMENTS IN INTANGIBLE ASSETS ARE SHOWN BELOW:

Amounts in NOK million	Oil- and gas licenses	Goodwill	Capitalised oil- and gas exploration expenses	Capitalised development costs	Other	Total
<b>Carrying amount at 1 January 2015</b>	6 422	18 522	2 395	2 323	1 187	<b>30 850</b>
Acquisitions through business combinations	80	48	-	-	-	<b>128</b>
Other acquisitions	517	-	258	628	25	<b>1 429</b>
Other disposals	-	-	(202)	-	-	<b>(202)</b>
Expensed dry wells	-	-	(94)	-	-	<b>(94)</b>
Reclassifications to property, plant and equipment (see Note 15)	31	-	(72)	-	-	<b>(41)</b>
Amortisation for the year	(599)	-	-	(273)	(129)	<b>(1 001)</b>
Impairment losses (see Note 12)	(23)	(3 934)	(53)	(185)	(204)	<b>(4 398)</b>
Effects of movements in foreign exchange rates	898	1 809	322	67	112	<b>3 208</b>
<b>Carrying amount at 31 December 2015</b>	<b>7 327</b>	<b>16 445</b>	<b>2 554</b>	<b>2 560</b>	<b>991</b>	<b>29 878</b>

Amounts in NOK million	Oil- and gas licenses	Goodwill	Capitalised oil- and gas exploration expenses	Capitalised development costs	Other	Total
<b>Carrying amount at 1 January 2014</b>	2 273	9 827	2 243	1 724	1 221	<b>17 289</b>
Acquisitions through business combinations	3 414	9 832	251	-	-	<b>13 497</b>
Other acquisitions	412	-	964	839	23	<b>2 238</b>
Sales / disposals of subsidiaries and operations	-	-	-	-	43	<b>43</b>
Other disposals	-	-	(134)	-	-	<b>(134)</b>
Expensed dry wells	-	-	(624)	-	-	<b>(624)</b>
Reclassifications to property, plant and equipment (see Note 15)	-	-	(581)	(76)	97	<b>(560)</b>
Amortisation for the year	(130)	-	-	(175)	(98)	<b>(403)</b>
Impairment losses (see Note 12)	(55)	(2 873)	-	(151)	-	<b>(3 079)</b>
Effects of movements in foreign exchange rates	508	1 736	277	162	(101)	<b>2 582</b>
<b>Carrying amount at 31 December 2014</b>	<b>6 422</b>	<b>18 522</b>	<b>2 395</b>	<b>2 323</b>	<b>1 187</b>	<b>30 850</b>

#### Oil and gas licences

Oil and gas licenses of NOK 7 327 million at the end of 2015 is attributable to Det norske oljeselskap. The change of NOK 905 million in 2015 is mainly related to investments of NOK 597 million, amortization of NOK -599 million and NOK 898 million in currency effects. The investments mainly relates to the acquisition of Premier Oil Norway AS and Svenska Petroleum Exploration AS. The acquisition of Premier Oil Norway is considered as business combination.

License rights are recognised as intangible assets at the time of acquisition. Det norske oljeselskap has a working interest in 17 fields/projects containing reserves. Of these fields/projects, nine are in the sub-class "On Production"/Developed, eight are in the sub-class

"Approved for Development"/Non-developed". Total net proven plus probable reserves are estimated at 498 million barrels of oil equivalent. See Note 38.

#### Goodwill

Goodwill totalled NOK 16 445 million at the end of 2015. The change in 2015 of NOK -2 077 million is attributable to impairment of NOK -3 934 and currency effects of NOK 1 809 million. The impairment losses mainly relates to Det norske oljeselskap.

Of the total goodwill, NOK 8 034 million is attributable to Det norske oljeselskap. The goodwill is mainly related to the remaining technical goodwill from the acquisition of the Marathon Oil Norway AS (Alvheim field) in 2014 and con-

stitute NOK 3 815 million, remaining technical goodwill from previous business combinations allocated to Johan Sverdrup and Ivar Aasen constitute NOK 392 million and ordinary goodwill NOK 2 554 million. In addition, NOK 1 273 million is related to Akers acquisition of Det norske oljeselskap in 2011.

The main part of other goodwill at 31 December 2015 is allocated to Aker Solutions with NOK 4 632 million, Akastor NOK 1 823 million and Kvaerner NOK 1 127 million. See also allocation of goodwill per company in the table below. Goodwill in Aker BioMarine stems from Akers acquisition of Natural and establishment of Aker BioMarine in December 2006. Goodwill is allocated to the krill business.

*Allocation of goodwill:*

Amounts in NOK million	2015	2014
Det Norske oljeselskap	8 034	10 066
Aker Solutions	4 632	4 556
Akastor	1 823	1 838
Kvaerner	1 127	1 126
Ocean Yield	86	284
Aker BioMarine	574	483
Other	169	168
<b>Total</b>	<b>16 445</b>	<b>18 522</b>

*Capitalised exploration expenditures*

Capitalised exploration expenditures represents NOK 2 554 million at year end 2015 and relates to Det norske oljeselskap. The change in capitalised exploration expenses of NOK 159 million in 2015 and constitute NOK 258 million in investments, NOK 94 million expensed exploration cost as result from drilling dry well, NOK -72 million in reclassification to Field development and NOK -53 million in impairment loss.

In addition to the above comes result from sale of Setanta Energy which amount to NOK -202 million and effects from currency changes NOK 322 million.

*Capitalised development and other intangible assets**Allocation per company*

Amounts in NOK million	2015	2014
Aker Solutions	2 036	1 787
Akastor	896	1 100
Kvaerner	68	44
Havfisk	492	511
Aker BioMarine	42	47
Diverse	18	21
<b>Total</b>	<b>3 552</b>	<b>3 510</b>

Capitalised development costs consist of NOK 2 560 million at year-end 2015 of which NOK 1 841 million represents capitalised costs for internal R & D projects in Aker Solutions and capitalised development projects in Akastor totalling NOK 642 million. The net increase of NOK 237 million in 2015 is largely attributable to Aker Solutions with capitalised costs of NOK 431 million, amortisation of NOK -120 million and NOK -89 million in impairment.

The carrying value of other intangible assets of NOK 991 million at the end of 2015 mainly consists of 492 million in fishing licenses in Havfisk, other intangible assets of NOK 254 million in Akastor and NOK 195 million in Aker Solutions that include capitalised IT development and other intangible from business combinations. The change in 2015 of NOK -196 million comprises NOK -129 million in amortization, impairment of other intangible assets in Aker Solutions of NOK -47 million and impairment of NOK -157 million in the business area MHWirth in Akastor. Effect from currency changes is NOK 112 million.

**IMPAIRMENT TEST AND IMPAIRMENT LOSSES RECOGNISED IN INCOME STATEMENT***Determination of the recoverable amount*

When performing impairment assessments, cash generating units are determined at the lowest level possible to identify independent cash flows. For oil and gas assets this is done on the field or license level.

For licenses in production and licenses in a development phase in Det norske oljeselskap recoverable amount is calculated by discounting future cash flows after tax. Future cash flows are calculated on basis of expected production profiles and estimated proven and probable remaining reserves. The recoverable amount is sensitive to changes in reserves.

For capitalised exploration cost an impairment test is performed for each well. Det norske oljeselskap uses the "successful efforts" method when exploration- and development cost is recognised.

For capitalised development costs and other intangible assets all development projects are

tested quarterly for impairment in which market development, costs incurred compared to the budget and other that potentially may deteriorate the book value is taken into account. For projects that are not completed full impairment tests are performed annually by reviewing and updating the original business case for each project so future cash flows are revised and new present value calculated. An impairment loss is recognised for projects where the net present value of future cash flows is lower than expected recognised capitalised amount at project completion.

For years 2015 and 2014, the recoverable amounts of the cash generating units are found by calculating the value in use. The calculation is based on future cash flows as assumed in current budgets and strategic plans. Cash flow after tax is used in the calculations and correspondingly discount rate after tax. Recoverable amounts would not have been significantly affected if pre-tax cash flows and pre-tax rate had been used. The discount rate before tax is calculated using an iterative method.

**Discount rate and growth rate:**

Discount rates are derived from a weighted average cost of capital (WACC) model. The rate is estimated as a weighted average of the required return on equity and expected borrowing costs. The capital asset pricing model for a peer group of companies within the same sector has been applied when calculating the

WACC. The risk-free interest rate is based on the interest rate for 10-year government bonds at the time of the impairment assessment. Borrowing costs are based on a risk-free rate, with an adjustment reflecting long-term interest margin. The discount rate is set for each CGU and may therefore vary between group companies.

Expected growth rates for the cash generating units converge from current levels, based on results of recent years, to the long-term growth levels in markets the companies are operating. The growth rate is used for extrapolating cash flows beyond the budget- and strategy period, which is between 3 to 7 years.

**Discount rates and growth rates used:**

Company	Discount rate, post tax		Discount rate, pre tax		Growth rate terminal value	
	2015	2014	2015	2014	2015	2014
Aker Solutions	8.6-8.9	7.8-8.6	10.7-11.3	9.2-10.6	1.5	2.5
Akastor	7.8-11	6.1-9.3	11.1-14.6	7.1-10.1	2	2
Kvaerner	10.4	9.9	12.8-13.4	12.5-13	1.5	1.5
Det norske oljeselskap	8.5	9.1	-	10.7	2.5	2.5
Ocean Yield	5.8	6.4	11.8	9.8	5	
Aker BioMarine	-	-	12.9	10.9	2	2.0
Havfisk	7.6	7.4	8.3	8.2	2.5	2.5

**Oil prices**

At the time of evaluation for Aker Solutions long-term oil prices was estimated to be around USD 70 per barrel. Although prices have decreased further in the following period, the budget assumptions are still in line with management's long-term expectations of continued downturn in the market in 2016 and 2017 and gradually recovery in 2018. The oil price at the time of evaluation for Det norske oljeselskap is based on forward curves of average oil prices in 2016 of USD 42.53 to an average oil price in 2021 at USD 85.

**Investments:**

Budgeted cash flows have been adjusted for new investments not yet formally agreed, hence the cash flows reflects organic growth only.

**Impairment**

Impairment of intangible assets in 2015 of 4 398 million is mainly attributable to impairment of technical goodwill of 3 423 million in the Det norske oljeselskap and 511 million in other goodwill in addition to 185 million of development costs that do not qualify for capitalisation.

The main reason for the impairment of technical goodwill in Det norske oljeselskap is reduced oil price assumptions from the date of acquisition of Marathon Oil Norway AS until 31 December 2015. In addition, deferred tax calculated on assets at acquisition was reduced in 2015 due to the depreciation of these assets.

**Sensitivity analysis and recoverable amount**

For the purpose of impairment testing the companies have performed various sensitivity analysis. Below is a summary of the sensitivity analysis performed in the largest companies.

**Det norske oljeselskap**

Technical goodwill has been allocated to individual cash-generating units (CGUs) for impairment testing. All fields tied in to the Alvheim FPSO are assessed to be included in the same cash-generating unit ("Alvheim CGU").

The table below shows how the impairment of goodwill allocated to the Alvheim CGU would be affected by changes in the various assumptions, given that the remainders of the assumptions are constant.

Assumption (USD million)	Change in goodwill impairment after		
	Change	Increase in assumption	Decrease in assumption
Oil and gas price	+/- 20%	235.5	-235.5
Production profiles (reserves)	+/- 5%	-60.7	60.7
Discount rate	+/- 1% point	33.6	-35.2
Currency rate USD/NOK	+/- 1.0 NOK	14.4	-17.2
Inflation	+/- 1% point	-40.5	37.5

### Aker Solutions

Multiple sensitivity tests have been run to address the current uncertainty in the oil services market. The impairment testing is sensitive to changes in the long-term oil price, which also will have an impact on the expected order intake, and to changes in the discount rate, growth rates, product mix and cost levels.

Sensitivity testing of goodwill is performed by changing assumptions related to discount rate and growth rate in addition to reducing the expected cash flows in the future. The recoverable amounts exceed book value for all scenarios in all the CGUs in the goodwill impairment testing. Due to the current market uncertainties and the fact that Subsea has a significant book value of goodwill, sensitivities are included below. The table below illustrates the highest rates or changes to assumptions that would not result in goodwill impairment in Subsea.

	Subsea
Highest post-tax WACC that can be used without resulting in impairment	14.7%
Largest negative growth rate that can be applied to the terminal value without resulting in impairment	-10%
Lowest reduction of free cash flows that can be used without resulting in impairment	-52%

Similar sensitivity testing has been performed when testing assets other than goodwill. Some CGUs are more sensitive to changes than others if the long-term market outlook deteriorates more than what were expected in the current test. The group monitors the market development on a quarterly basis and will perform impairment testing if indicators of impairment are identified.

### Akastor

Due to challenging market conditions and on basis of performed impairment tests, goodwill allocated to MPO and Step Oiltools is fully impaired in 2015. Following the impairment, the recoverable amount of MPO and Step Oiltools equals the carrying amount and an adverse change in assumptions may lead to further weakening.

AKOFS Offshore was impairment tested, triggered by the weak market conditions, and impairment is done related to vessel AKOFS Seafarer (see Note 15). The recoverable amount analysis for AKOFS Seafarer has been performed with different probability weighted scenarios covering the variation in day rates and utilisation. Following the impairment of the vessel no impairment of goodwill is made in AKOFS Offshore. However, the estimated recoverable amount of AKOFS Offshore in a base case scenario is equal to the carrying amount and hence, any adverse change in key assumptions may result in further impairment.

Based on value in use analysis the recoverable amount is higher than its carrying value for the remaining portfolio companies which include goodwill (MHWirth, Frontica Business Solutions, Fjords Processing and KOP Surface Products) and accordingly, no impairment made. The group believes that no reasonably possible change in any of the key assumptions used for impairment testing would cause the carrying amount of these portfolio companies to exceed its recoverable amount.

### Kvaerner

Impairment tests have been performed for all business areas based on discount rates and growth rates as shown in the table above and on cash flow projections based on budgets and strategic forecasts for the period 2015-2018 which include both ongoing projects and assumed project wins. Recoverable amounts for recognised goodwill for all business areas exceed related carrying values by a substantial margin, and consequently the analysis shows that no impairment is required. No reasonable changes in key assumptions would lead to required impairment of goodwill.

### Aker BioMarine

Sensitivity analysis of goodwill have been performed by using simulations of various combinations of discount rates and terminal value growth. No reasonably possible combination of these factors results in a value in use being lower than the value recognised in the balance sheet as of December 31, 2015.

### Havfisk

The company has performed sensitivity analysis for fishing licences. A 10 per cent change in the price of cod would result in NOK 44 million lower EBITDA, a 10 per cent change in quantity of cod would reduce EBITDA with NOK 27 million while a 10% change in the quantity of cod, saithe and haddock would result in NOK 34 million lower EBITDA. Short-term changes in prices and quotas are not expected to have any significant influence on the valuation, since a structure quota is valued based on a time frame of up to 25 years.



## Note 17 | Investments in associates and joint ventures

The Aker Group has interests in several associates and joint ventures ("JV"), of which the most important ones are: Align AS (38.8 per cent, associate), Fornebu Gateway AS (25 per cent, associate), Trygg Pharma Group AS (50 per cent, JV), DOF Deepwater AS (50 per cent, JV), Kiewit-Kvaerner Contractors (50 per cent, JV), Philly Tankers AS (53.7 per cent, JV), Aker BioMarine Manufacturing LLC (50 per cent, JV), and Aker BioMarine Financing LLC (50 per cent, JV).

**Align AS** is a supplier of technical safety and total fire-fighting solutions for the global oil and gas market.

**Fornebu Gateway AS** is owner of two office buildings at Fornebuporten outside Oslo, 85 per cent are rented out to Aker ASA and subsidiaries and 15 per cent to other tenants. Average remaining tenor 12 year.

**Trygg Pharma Group AS** is a Norwegian late-stage biotechnology company developing

marine based omega-3 fatty acids for pharmaceutical applications. The company is jointly owned with Lindsay Goldberg LLC, a US-based private investment firm.

**DOF Deepwater AS** operates in the marine sector. The company owns a series of five anchor-handling (AHTS) vessels.

**Kiewit-Kvaerner Contractors** is a partnership between Peter Kiewit Infrastructure Co and Kvaerner. The partnership was established with the purpose of delivery of the contract awarded by ExxonMobil for the Hebron Project gravity based structure (GBS) offshore Newfoundland, Canada.

**Philly Tankers AS** was established in 2014 to provide pure play exposure toward Jones Act shipping market with firm contracts for two eco-design product tanker new builds and options for two additional vessels. The vessels will be built by Philly Shipyard with deliveries of the

initial two vessels in Q4 2016 and Q1 2017 and deliveries of the two option vessels in Q3 2017 and Q4 2017. As of 31 December 2015, Philly Shipyard owns 53.7% of the outstanding shares of Philly Tankers AS. The Company has performed an analysis of its ownership interests and voting rights in Philly Tankers and due to a shareholder agreement concluded that it has joint control. The Group therefore accounts for Philly Tankers as a joint venture.

**Aker BioMarine Manufacturing LLC** owns a krill oil production plant in Houston, USA and is a joint venture with Naturex S.A. Total asset at end of 2015 USD 41 million and a loss after tax in 2015 USD 8.7 million. The financing of the production plant are facilitated through **Aker BioMarine Financing LLC**, also a joint venture with Naturex S.A.

The associated companies and joint ventures are accounted for by using the equity method.

### Amounts in NOK million

	2015	2014
<b>At 1 January</b>	<b>1 502</b>	1 321
Acquisitions / disposals	321	(104)
Share of losses / profits	(160)	342
Exchange differences and cash flow hedges	107	47
Dividends received	(347)	(600)
Other equity movements	(47)	495
<b>At 31 December</b>	<b>1 377</b>	1 502

Allocated between associates and joint venture are as follows:

Associates	441	203
Joint ventures	936	1 298
<b>At 31 December</b>	<b>1 377</b>	1 502

### SUMMARY OF FINANCIAL INFORMATION AND THE GROUP'S OWNERSHIP IN MAJOR ASSOCIATES AND JOINT VENTURES IS AS FOLLOWS:

	Align AS		Fornebu Gateway AS	Trygg Pharma Group AS		DOF Deepwater AS		Kiewit-Kvaerner Contractors	
Amounts in NOK million	2015	2014	2015	2015	2014	2015	2014	2015	2014
Country	Norway	Norway	Norway	Norway	Norway	Norway	Norway	Canada	Canada
Ownership and voting rights	38.8 %	38.8 %	25%	50%	50%	50%	50%	50%	50%
Operating revenues	830	1 483	12	-	-	316	246	5 412	7 823
Operating expenses	(883)	(1 402)	(30)	(416)	(88)	(281)	(152)	(5 134)	(7 119)
Financial items	5	(41)	(14)	11	26	(177)	(181)	-	-
Net profit (100%)	(36)	33	(32)	(406)	(62)	(143)	(89)	278	704
Share of net profit result	(14)	13	(8)	(202)	(31)	(72)	(45)	139	352
Elimination of unrealised sales gain and profit discontinuing business	(21)	310	-	-	-	6	7	-	-
Impairment	-	-	-	-	(244)	-	-	-	-
Share of earnings	(35)	323	(8)	(202)	(275)	(66)	(38)	139	352

	Align AS		Fornebu Gateway AS	Trygg Pharma Group AS		DOF Deepwater AS		Kiewit-Kvaerner Contractors	
Amounts in NOK million	2015	2014	2015	2015	2014	2015	2014	2015	2014
Fixed assets	239	305	2 913	300	408	1 604	1 697	-	-
Current assets	271	464	770	101	333	149	151	212	615
<b>Total assets</b>	<b>510</b>	<b>769</b>	<b>3 683</b>	<b>401</b>	<b>741</b>	<b>1 753</b>	<b>1 848</b>	<b>212</b>	<b>615</b>
Long-term liabilities	(3)	(49)	(2 204)	-	-	(1 215)	(1 157)	-	-
Short-term liabilities	(282)	(401)	(251)	(23)	(12)	(224)	(242)	(81)	(74)
Net assets (100%)	226	319	1 228	378	729	314	449	131	541
<b>Share of net assets</b>	<b>88</b>	<b>124</b>	<b>307</b>	<b>189</b>	<b>365</b>	<b>157</b>	<b>225</b>	<b>66</b>	<b>271</b>
Elimination of unrealised gains and losses and minority's share	-	-	-	(13)	(10)	(19)	(20)	-	-
<b>Balance end of period</b>	<b>88</b>	<b>124</b>	<b>307</b>	<b>176</b>	<b>355</b>	<b>138</b>	<b>205</b>	<b>66</b>	<b>271</b>
<b>Dividends received</b>	<b>-</b>	<b>399</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>340</b>	<b>165</b>

#### 2015 SHARES AND INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURE ARE ALLOCATED AS FOLLOWS:

ASSETS								
EQUITY AND INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES ARE ALLOCATED AS FOLLOWS:								
		Book value at 1 January	Acquisitions and disposals	Share of profits/ losses	Changes due to exchange differences and hedges	Dividends received	Other changes in equity	Book value at 31 December
Amounts in NOK million								
Align AS	1)	124	-	(35)	(2)	-	-	88
Fornebu Gateway AS	1)	-	325	(8)	-	-	(10)	307
Trygg Pharma Group AS	2)	355	-	(202)	26	-	(4)	176
Aker BioMarine Manufacturing/Financing	2)	33	-	(32)	3	-	-	3
DOF Deepwater AS	2)	205	-	(66)	-	-	(1)	138
Kiewit-Kvaerner Contractors	2)	271	-	139	(4)	(340)	-	66
Philly Tankers AS	2)	415	-	6	78	-	-	499
Other entities		101	(4)	38	5	(7)	(32)	101
<b>Total</b>		<b>1 502</b>	<b>321</b>	<b>(160)</b>	<b>107</b>	<b>(347)</b>	<b>(47)</b>	<b>1 377</b>
1) Associates		203	321	(42)	(5)	(7)	(30)	441
2) Joint ventures		1 298	-	(118)	112	(340)	(17)	936
<b>Total</b>		<b>1 502</b>	<b>321</b>	<b>(160)</b>	<b>107</b>	<b>(347)</b>	<b>(47)</b>	<b>1 377</b>

#### Acquisitions and disposals

Net acquisitions of NOK 321 million, mainly related to the investments in Fornebu Gateway AS of NOK 325 million.

#### Share of profits/losses

Shares of profits/losses from associates and joint ventures are based on the companies' net profit including profit/loss from discontinued operations. The purpose of the investment determines where its results are presented in the income statement. When entities are formed to share risk in executing project or are closely related to the operating activities, the shares of

the profits and losses are reported as part of other income in the operating profit. Shares of profits or losses from financial investments are reported as part of financial items.

Share of profits/losses for 2015 is allocated with NOK 178 million as other income and NOK -337 million as share of profit/loss from associates and joint ventures as part of financial items.

Share of losses from Trygg Pharma Group includes an impairment of NOK 86 million as result of an impairment of inventory and intangible assets.

#### Dividends received

Dividend received from Kiewit-Kvaerner Contractors was NOK 340 million in 2015.

#### Other changes in equity

Other changes in equity NOK - 47 million mainly related to equity in Fornebu Boligutvikling AS with NOK -71 million following Akers acquisition of 50 per cent to an ownership of 100 per cent. In addition gain sale of shares in joint venture and associated companies.

## 2014 SHARES AND INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURE ARE ALLOCATED AS FOLLOWS:

Amounts in NOK million		Book value at 1 January	Acquisitions and disposals	Share of profits / losses	Changes due to exchange differences and hedges	Dividends received	Other changes in equity	Book value at 31 December
Align AS/Bokn Invest AS	1)	200	-	323	-	(399)	-	124
Trygg Pharma Group AS	2)	605	3	(275)	22	-	-	355
Aker BioMarine Manufacturing/Financing	2)	36	-	(9)	-	-	6	33
DOF Deepwater AS	2)	243	-	(38)	-	-	-	205
Kiewit-Kvaerner Contractors	2)	54	-	352	30	(165)	-	271
Kvaerner Caspian B.V.	2)	58	-	(57)	(2)	-	-	-
Philly Tankers AS	2)	-	3	1	-	-	411	415
Other entities		125	(110)	46	(3)	(36)	78	101
<b>Total</b>		<b>1 321</b>	<b>(104)</b>	<b>342</b>	<b>47</b>	<b>(600)</b>	<b>495</b>	<b>1 502</b>
1) Associates		304	(110)	369	(3)	(435)	78	203
2) Joint ventures		1 017	6	(27)	50	(165)	417	1 298
<b>Total</b>		<b>1 321</b>	<b>(104)</b>	<b>342</b>	<b>47</b>	<b>(600)</b>	<b>495</b>	<b>1 502</b>

**Acquisitions and disposals**

Net acquisitions and disposals of NOK 104 million are mainly related to disposal of the investments in Hinna Park Invest AS and Oslo Asset Management Holding AS.

**Share of profits/losses**

Shares of profits/losses from associates and joint ventures are based on the companies' net profit including profit/loss from discontinued operations. The purpose of the investment determines where its results are presented in the income statement. When entities are formed to share risk in executing project or are closely related to the operating activities, the shares of the profits and losses are reported as part of other income in the operating profit. Shares of profits or losses from financial investments are reported as part of financial items.

Share of profits/losses for 2014 is allocated with NOK 345 million as other income and NOK -3 million as share of profit/loss from associates and joint ventures as part of financial items.

Share of losses from Trygg Pharma Group includes an impairment of NOK 244 million as result of the negative outcome for the product AKR 963 from U.S. Food and Drug Administration FDA. AKR 963, which is a product candidate for the treatment of severe hypertriglyceridemia.

Share of profit from Bokn Invest AS includes a gain of NOK 310 million in connection with the sale of the company Stream in 2014.

**Dividends received**

The associate Bokn Invest was liquidated in 2014. As part of the liquidation, a subsidiary of Aker ASA received 38.8 per cent of the shares

in Align AS as well as a cash proceed of NOK 399 million as capital distribution. This includes NOK 41 million that is expected to be received in 2015.

Dividend received from Kiewit-Kvaerner Contractors was NOK 165 million in 2014.

**Other changes in equity**

In July 2014, Philly Shipyard completed a USD 65 million private placement for Philly Tankers with a subsequent listing on the Norwegian OTC. Prior to the Philly Tankers private placement, in return for 62,475 shares in Philly Tankers, the company contributed a promissory note with a book value of USD 55.3 million (NOK 338 million). Book value of the share at the end of 2014 was USD 55.9 million, resulting in an exchange rate adjustment in the Aker group of NOK 73 million at the end of 2014, part of other changes in equity.

## Note 18 | Other shares and funds

Amounts in NOK million	2015	2014
Ezra Holdings Ltd	135	222
Norron funds	434	388
Aker Pensjonskasse AS	123	123
American Shipping Company ASA	306	433
NBT AS	55	55
Shares in other companies	53	46
<b>Total</b>	<b>1 107</b>	<b>1 267</b>

### THE CHANGE IN OTHER SHARES IN 2015 RELATES TO:

Amounts in NOK million	2015
At 1 January 2015	1 267
Acquisitions	157
Changes in fair value reserve	(74)
Proceeds from disposals	(50)
Sales gains and write-downs	(194)
<b>At 31 December 2015</b>	<b>1 107</b>

Aker's ownership interest in Ezra Holding Ltd. amounted to 7.4 per cent and the share is listed at Singapore stock exchange. During 2015 the subsidiaries Akastor participating in a right issue with NOK 107 million. Ezra share price was significantly reduced in 2015, resulting in an impairment loss of NOK 202 million recognised in financial items.

Aker owns 10 per cent of the Norron Target capital of SEK 2 471 million (allocated between SEK and NOK class), 40 per cent of the Norron Select capital of SEK 371 million (allocated be-

tween SEK and NOK class) and 1.1 per cent of the Norron Preserve capital of SEK 1 712 million.

Norron funds had a positive development in 2015, resulting in change in fair value of NOK 41 million recognised in other comprehensive income. The group invested NOK 39 million and sold for NOK 47 million in the Norron fund during 2015.

Aker's ownership interests in Aker Pensjonskasse amounted to 96 per cent and are owned through Akastor with 93.4 per cent and 2.6 per

cent by Aker ASA. Although Aker owns 96 per cent of Aker Pensjonskasse the ownership does not constitute control since Aker does not have the power to govern the financial and operating policies so as to obtain benefits from the activities in this entity.

Aker's ownership interest in American Shipping Company amounted to 19.1 per cent at the end of 2015. The share price was reduced in 2015, resulting in a negative change in fair value of NOK - 115 million recognised in other comprehensive income.

## Note 19 | Financial interest-bearing assets

### INTEREST-BEARING LONG-TERM RECEIVABLES:

Amounts in NOK million

	2015	2014
Restricted deposits	346	214
Loans to employees	5	13
Loans to related parties	125	141
Long-term bonds	1 696	1 340
Finance lease receivable and related assets	1 130	-
Other interest-bearing long-term receivables	812	100
<b>Total</b>	<b>4 114</b>	<b>1 809</b>

### INTEREST-BEARING SHORT-TERM RECEIVABLES

Amounts in NOK million

	2015	2014
Portfolio of bonds and certificates in Aker Insurance AS	-	91
Loans to employees	7	-
Loans to related parties	92	35
Other interest-bearing short-term receivables	424	461
<b>Total</b>	<b>523</b>	<b>588</b>

Restricted deposits mainly relates to loan agreements in Ocean Yield of NOK 217 million and in Det norske oljeselskap of NOK 13 million. In addition Philly Shipyard has deposits related to a construction contracts totalling NOK 115 million.

Long-term bonds of NOK 1 696 million consist of Ocean Yield's ownership of 93.05 per cent

of the unsecured bonds in American Shipping Company ASA 07/18, with maturity in 2018 and with interest of LIBOR +6.00 per cent. Until the refinancing in November 2015, 50 per cent was PIK-interest and 50 per cent cash interest. From November 2015, in connection with the refinancing of AMSC, AMSC agreed with its bondholders to increase the cash interests

from 50 per cent to 100 per cent. The bonds are classified as loans and receivables.

The finance lease and related assets of NOK 1 130 million consists of Ocean Yield's ownership in eight chemical tankers and four product tankers, of which eight are under construction.

### The change in interest-bearing receivables in 2015 can be allocated as follows:

Amounts in NOK million

	Short-term	Long-term	Total
At 1 January 2015	588	1 809	2 397
Accrued interest and finance lease income	4	160	163
Interest-bearing loans, sales of subsidiaries	-	536	536
Repayments of loans and bonds	(235)	(118)	(353)
New loans and bonds	69	2 165	2 234
Reclassification (see Note 20)	-	(816)	(816)
Interest and charter hire received	-	(64)	(64)
Translation and other changes	97	443	540
<b>At 31 December 2015</b>	<b>523</b>	<b>4 114</b>	<b>4 636</b>
Cash flow from investing activities allocated as follows:			
Acquisition of vessels accounted for as finance lease	-	(1 030)	(1 030)
Net repayment and new loans and bonds	166	(1 017)	(851)
<b>Total cash flow from investing activities</b>	<b>166</b>	<b>(2 046)</b>	<b>(1 880)</b>

#### Interest-bearing loans, sales of subsidiaries

In October 2015, Aker's subsidiary Ocean Harvest AS was divested. The acquiring company, Ocean Harvest Invest AS, is controlled by two former employees of Aker ASA and Aker Bio-Marine AS. Aker provided a seller credit of USD 66.5 million and guaranteed for the company's long-term debt.

#### New loan and repayment loans and bonds

New loans and repayments with a net amount of NOK 1.9 billion, mainly relates to investment in financial lease contracts in Ocean Yield with NOK 1 799 million.

#### Reclassification

Reclassification from financial lease contracts is attributable to pre-delivery advances related to the chemical tankers and the product tankers, which are scheduled for delivery in 2016. The advances are presented in the balance sheet as long-term interest-free receivables until delivery of the vessels.



## Note 20 | Other non-current assets

### OTHER NON-CURRENT ASSETS CONSIST OF THE FOLLOWING ITEMS:

Amounts in NOK million	2015	2014
Derivatives (Note 6 and Note 33)	112	-
Interest-free long term receivables on related parties	-	2
Other interest-free long-term receivables	1 034	355
<b>Total</b>	<b>1 146</b>	<b>356</b>

Other interest-free long-term receivables in 2015 includes NOK 816 million in pre-delivery advances on tankers in Ocean Yield, miscellaneous receivables of NOK 78 million in Akastor and NOK 106 million in Det norske oljeselskap.

Other interest-free long-term receivables in 2014 includes NOK 78 million in long-term VAT receivables at Fornebuporten, NOK 91 million in miscellaneous receivables in Akastor and NOK 65 million related to deferred volume at Atla field in Det norske oljeselskap (see accounting principles 5.3.4).

## Note 21 | Inventories

### INVENTORIES COMPRISES THE FOLLOWING ITEMS:

Amounts in NOK million	2015	2014
Raw materials	1 584	1 921
Work in progress	586	275
Finished goods	1 296	1 026
<b>Total</b>	<b>3 466</b>	<b>3 222</b>
Impairment of inventory recognised as expense during the period	259	140
Reversal of impairment recognised as an expense reduction during the period	2	27
Carrying amount of inventory pledged as security for liabilities	499	343

Of the total value of Aker Group's inventory as of 31 December 2015, NOK 302 million has been measured at fair value less cost to sell.

## Note 22 | Trade and other short-term interest-free receivables

### TRADE AND OTHER SHORT-TERM INTEREST-FREE RECEIVABLES COMPRISE OF THE FOLLOWING ITEMS:

Amounts in NOK million	2015	2014
Trade receivables	8 990	10 031
Amount due to from customers for construction work	4 724	8 411
Other short-term interest-free receivables	8 115	7 579
<b>Total</b>	<b>21 828</b>	<b>26 021</b>

In 2015, the group recorded impairment loss of trade receivables of NOK 155 million. In 2014 the loss was NOK 63 million. The loss has been included in other operating expenses in the income statement.

Other short-term receivables in 2015 includes receivables under operator licenses (Det norske oljeselskap), accrued operating revenue from service contracts (Aker Solutions), and advance payments to suppliers.

See also Note 6 Financial risk and exposure.

## Note 23 | Cash and cash equivalents

### CASH AND CASH EQUIVALENTS ARE ALLOCATED TO THE DIFFERENT COMPANIES AS FOLLOWS:

Amounts in NOK million	2015	2014
<b>Industrial holdings:</b>		
Aker Solutions	3 862	3 339
Akastor	563	1 075
Det norske oljeselskap	798	2 195
Kvaerner	1 560	1 208
Ocean Yield	1 037	566
Aker Biomarine	24	18
Havfisk	233	146
<b>Total industrial holdings</b>	<b>8 078</b>	<b>8 547</b>
<b>Financial investments:</b>		
Aker ASA and holding companies	1 488	2 857
Other companies	822	596
<b>Total</b>	<b>10 388</b>	<b>12 000</b>

There are restrictions on the cash transfers between Aker ASA and holding companies and subsidiaries.  
Restricted cash totals NOK 183 million.

## Note 24 | Earnings per share and dividend per share and paid-in equity

### EARNINGS PER SHARE

Calculation of profit from continued and discontinued operations to equity holders of the parent:

Amounts in NOK million	2015	2014
<b>Continued operations:</b>		
Net profit (loss) from continued operations	(3 854)	(1 629)
Minority interests	(2 023)	(711)
<b>Profit from continued operations attributable to equity holders of the Parent</b>	<b>(1 831)</b>	<b>(918)</b>
<b>Discontinued operations</b>		
Net profit (loss) from discontinued operations	33	2 650
Minority interests	25	1 771
<b>Profit from discontinued operations attributable to equity holders of the parent</b>	<b>8</b>	<b>879</b>
<b>Total profit attributable to equity holders of the parent</b>	<b>(1 823)</b>	<b>(39)</b>
Shares outstanding at 1 January	72 345 940	72 329 923
Share issue (dividend issue)	1 947 134	-
Changes in own shares held	(130 097)	16 017
<b>Total shares outstanding at 31 December</b>	<b>74 162 977</b>	<b>72 345 940</b>
<b>Allocation:</b>		
Issued shares at 31 December	74 321 862	72 374 728
Own shares held	(158 885)	(28 788)
Total shares outstanding at 31 December	74 162 977	72 345 940
<b>Weighted average number of shares at 31 December</b>	<b>73 482 463</b>	<b>72 335 746</b>

### DILUTED EARNINGS PER SHARE

No instruments with a potential dilution effect were outstanding at 31 December 2015 or 31 December 2014.

### DIVIDEND

Dividends paid in 2015 and 2014 totalled NOK

419 million (NOK 10.00 per share) and NOK 940 million (NOK 13.00 per share), respectively. Dividend distribution of NOK 723 million was approved at the Annual General Meeting in April 2015. Half of the dividend (NOK 5.00 per share) was with an optional settlement in new Aker shares. In 2015, 419 million was paid

to shareholders. The remaining 305 million was reclassified to equity as a consequence of shareholders choosing to receive parts of their dividend in new shares. A dividend of NOK 10.00 per share, totally NOK 742 million will be proposed at the Annual General Meeting on 22 April 2016.

**PAID-IN CAPITAL**

At 31 December 2015, Aker ASA's share capital consisted of the following:

Amounts in NOK million	Shares issued	Own shares	Shares outstanding
Number of ordinary shares	74 321 862	(158 885)	74 162 977
Par value (NOK)	28	28	28
<b>Total par value (NOK million)</b>	<b>2 081</b>	<b>(4)</b>	<b>2 077</b>
Share premium reserve	250	-	250
<b>Total paid in capital</b>	<b>2 331</b>	<b>(4)</b>	<b>2 327</b>

All shares have equal voting rights and are entitled to dividends. Aker ASA has no voting rights for its own shares.

## Note 25 | Minority interests

The Aker Group includes several subsidiaries of which Aker ASA and holding companies own less than 100 per cent. See Note 9 Operating segments and significant subsidiaries for key figures for some of these companies.

**THE CHANGE IN MINORITY INTERESTS IN 2015 CAN BE ATTRIBUTED TO THE FOLLOWING COMPANIES:**

Amounts in NOK million	Per cent minority-interests as at 31 December	Balance at 1 January	Profit for the year	Other comprehensive income	Dividend	New minority, release of minority	Share issue by subsidiary	Other changes in equity	Balance at 31 December
Aker Solutions	65.24	9 339	274	500	(256)	11	-	-	9 868
Akastor	63.30	5 038	(1 628)	373	-	(102)	-	-	3 681
Det norske oljeselskap	50.01	3 302	(1 261)	339	-	-	-	-	2 381
Kvaerner	71.29	2 673	281	39	(157)	(18)	-	-	2 818
Ocean Yield	27.03	1 351	235	257	(177)	(2)	16	(50)	1 629
Aker BioMarine	0.49	11	-	1	-	(6)	-	-	6
Havfisk	26.75	341	48	-	(17)	-	-	-	371
Philly Shipyard	42.44	548	58	80	(39)	-	-	-	647
Norway Seafoods	26.37	59	(11)	3	-	-	-	-	51
Other companies	-	8	6	1	(16)	10	-	-	9
<b>Total</b>		<b>22 669</b>	<b>(1 998)</b>	<b>1 593</b>	<b>(662)</b>	<b>(106)</b>	<b>16</b>	<b>(50)</b>	<b>21 462</b>

**Minority interest in Aker Kværner Holding**

The minority interest in Aker Kværner Holding of NOK 6 089 million at 31 December 2015 is broken down in the table above on the companies where Aker Kværner Holding has ownership interests. The specification per company at 31 December 2015 are: Aker Solutions NOK 3 480 million, Akastor NOK 1 598 million and Kvaerner NOK 1011 million.

**New minority, release of minority**

In August, Aker ASA acquired 6 000 000 shares in Akastor for NOK 64 million. The transaction increased the direct ownership in Akastor from 6.3 per cent to 8.5 per cent and reduced minority interests with NOK 104 million. In addition subsidiaries of Aker has purchased own shares and thereby reducing minority interests with NOK 6 million. Various other smaller transactions in 2015 increased the minority interests with NOK 4 million. See also Note 7.

**Other changes in equity**

Other changes in equity in Ocean Yield consist of minority's share of corrections previous years.

## Note 26 | Other comprehensive income

### TRANSLATION RESERVE

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of operations with functional currency other than NOK, and the translation of liabilities that hedge the group's net investment in a foreign subsidiary. The main subsidiaries with functional currencies other than NOK are Det norske oljeselskap (USD), Philly Shipyard (USD), Ocean Yield (USD), and Aker BioMarine (USD). In addition,

several of the foreign businesses within Aker Solution, Akastor and Kvaerner have functional currencies other than NOK.

### FAIR VALUE RESERVE

The fair value reserve includes the cumulative net change in the fair value of available-for-sale investments until the investment is derecognised.

### HEDGING RESERVE

The hedge reserve relates to cash flow hedges

of future revenues and expenses against exchange rate fluctuations. The income statement effects of such instruments are recognised in accordance with the progress of the underlying construction contract as part of revenues or expenses as appropriate. The hedge reserve represents the value of such hedge instruments that are not yet recognised in the income statement. The underlying nature of a hedge is that a positive value on a hedge instrument exists to cover a negative value on the hedged position.

### ALLOCATION OF OTHER COMPREHENSIVE INCOME TO EQUITY HOLDERS OF THE PARENT AND TO MINORITY INTERESTS

Amounts in NOK million	Trans- lation reserve	Fair value reserves	Hedging reserves	Total translation and other reserves	Retained earnings	Total	Minority interests	Total equity
<b>2015</b>								
Defined benefit plan actuarial gains (losses)	-	-	-	-	33	33	51	<b>84</b>
Items that will not be reclassified to income statement	-	-	-	-	33	33	51	<b>84</b>
Changes in fair value of available-for-sale financial assets	-	(74)	-	(74)	-	(74)	-	<b>(74)</b>
Changes in fair value of cash flow hedges	-	-	(498)	(498)	-	(498)	(946)	<b>(1 444)</b>
Reclassified to profit or loss: changes in fair value of available for sale financial assets, translation differences and cash flow hedges	(43)	(12)	411	356	-	356	667	<b>1 023</b>
Currency translation differences	1 756	-	-	1 756	-	1 756	1 786	<b>3 542</b>
Changes in other comprehensive income from associated and joint venture companies	65	-	8	73	-	73	34	<b>107</b>
Items that may be reclassified to income statement subsequently	1 777	(86)	(78)	1 613	-	1 613	1 542	<b>3 155</b>
<b>Other comprehensive income 2015</b>	<b>1 777</b>	<b>(86)</b>	<b>(78)</b>	<b>1 613</b>	<b>33</b>	<b>1 647</b>	<b>1 593</b>	<b>3 240</b>

Amounts in NOK million	Trans- lation reserve	Fair value reserves	Hedging reserves	Total translation and other reserves	Retained earnings	Total	Minority interests	Total equity
<b>2014</b>								
Defined benefit plan actuarial gains (losses)	-	-	-	-	(187)	(187)	(177)	<b>(364)</b>
Items that will not be reclassified to income statement	-	-	-	-	(187)	(187)	(177)	<b>(364)</b>
Changes in fair value of available-for-sale financial assets	-	39	-	39	-	39	(121)	<b>(81)</b>
Changes in fair value of cash flow hedges	-	-	(768)	(768)	-	(768)	(1 055)	<b>(1 823)</b>
Reclassified to profit or loss: changes in fair value of available-for-sale financial assets, translation differences and cash flow hedges	(1)	(248)	370	121	-	121	297	<b>418</b>
Currency translation differences	1 949	-	-	1 949	-	1 949	2 150	<b>4 099</b>
Changes in other comprehensive income from associated and joint venture companies	47	-	-	47	-	47	-	<b>47</b>
Items that may be reclassified to income statement subsequently	1 995	(209)	(397)	1 389	-	1 389	1 271	<b>2 660</b>
<b>Other comprehensive income 2014</b>	<b>1 995</b>	<b>(209)</b>	<b>(397)</b>	<b>1 389</b>	<b>(187)</b>	<b>1 202</b>	<b>1 094</b>	<b>2 296</b>

## Note 27 | Interest-bearing loans and liabilities

This note provides information on the contractual terms of the Group's interest-bearing loans and borrowings.

### INTEREST-BEARING SHORT-TERM AND LONG-TERM DEBT AND LIABILITIES ARE AS FOLLOW:

Amounts in NOK million	2015	2014
Secured bank loans	11 550	10 704
Unsecured bank loans	5 139	5 816
Unsecured bond issues	15 462	11 574
Reserve-base lending facility	18 666	15 096
Finance lease liabilities	6	7
Loan from associated companies and other related parties	121	417
Overdraft facilities	146	133
Other interest-bearing liabilities	605	68
<b>Total interest-bearing liabilities</b>	<b>51 695</b>	<b>43 816</b>
Recorded as follows:		
Current liabilities	6 882	4 898
Non-current liabilities	44 813	38 918
<b>Total interest-bearing liabilities</b>	<b>51 695</b>	<b>43 816</b>

### INTEREST-BEARING LIABILITIES ARE ALLOCATED TO THE COMPANIES WITHIN THE GROUP AS FOLLOWS:

Amounts in NOK million	2015	2014
<b>Industrial holdings:</b>		
Aker Solutions	3 696	3 764
Akastor	3 992	3 570
Det norske oljeselskap	23 101	16 972
Kvaerner	-	487
Ocean Yield	10 209	7 370
Aker BioMarine	1 207	1 063
Havfisk	1 212	1 288
<b>Total industrial holdings</b>	<b>43 417</b>	<b>34 514</b>
<b>Financial investments:</b>		
Aker ASA and holding companies	6 534	6 696
Fornebuporten and other companies	1 744	2 607
<b>Total interest-bearing liabilities</b>	<b>51 695</b>	<b>43 816</b>



## THE CONTRACTUAL TERMS OF INTEREST-BEARING LIABILITIES AS AT 31 DECEMBER 2015 ARE AS FOLLOWS:

Amounts in million	Currency	Nominal interest rate	Maturity	Nominal value in currency	Carrying amount (NOK)
<b>Aker Solutions</b>					
Unsecured bond 2017	NOK	3 mths Nibor + 4.25%	June 2017	1 500	1 502
Unsecured bond 2019	NOK	3 mths Nibor + 4.20%	October 2019	1 000	1 005
Unsecured bank loan - Brazilian Development Bank EXIM loan	BRL	From 3.5% to 16.65%	2016 to 2022	529	1 170
Other loans					19
<b>Total Aker Solutions</b>					<b>3 696</b>
<b>Akastor</b>					
Unsecured bank loan - Term loan	NOK	3 mths lbor + 1.8%	February 2016	2 500	2 491
Unsecured bank loan - Term loan	USD	3 mths lbor + 1.6%	February 2016	125	1 096
Unsecured bank loan - Brazilian Development Bank EXIM loan	BRL	6.60%	May 2022	103	230
Other loans	NOK			-	175
<b>Total Akastor</b>					<b>3 992</b>
<b>Det norske oljeselskap</b>					
Unsecured bond 2020	NOK	3 mths Nibor + 6.5%	July 2020	1 839	1 839
Unsecured subordinated bond	USD	10.3 %	2022	295	2 596
Secured loan - Reserve-based lending facility	USD	Libor +2.75% + provision	2021	2 119	18 666
<b>Total Det norske oljeselskap</b>					<b>23 101</b>
<b>Ocean Yield</b>					
Secured loans in USD	USD	Libor + 1.5 %-2.75	2018 to 2023	847	7 462
Secured loans in NOK	NOK	3.69%	2025	759	759
Unsecured bond 14/19 FRN (Ocean Yield ASA)	NOK	Nibor + 3.9%	2019	1 000	998
Unsecured bond 15/20 FRN (Ocean Yield ASA)	NOK	Nibor + 4.0%	2020	1 000	990
<b>Total Ocean Yield</b>					<b>10 209</b>
<b>Aker BioMarine</b>					
Secured bank loan -DNB	USD	Libor + 3.4%	April 2017	105	923
Other mortgage loans				-	192
Other loans and overdraft facilities				-	92
<b>Total Aker BioMarine</b>					<b>1 207</b>
<b>Havfisk</b>					
Secured bank loan in NOK - DNB/Nordea	NOK	3 mths Nibor + 1.85 %	September 2018	1 204	1 204
Secured bank loan in NOK - Innovation Norway	NOK		2019	8	8
<b>Total Havfisk</b>					<b>1 212</b>
<b>Aker ASA and holding companies</b>					
Unsecured bond issue	SEK	Stibor + 3.25%	July 2019	1 500	1 571
Unsecured bond issue	NOK	Nibor + margin	2018 to 2022	5 000	5 000
Loan fees				-	(37)
<b>Total Aker ASA and holding companies</b>					<b>6 534</b>
<b>Other companies</b>					
Fornebuporten	NOK				697
Philly Shipyard	USD			103	912
Other companies					136
<b>Total other companies</b>					<b>1 744</b>
<b>Total interest-bearing liabilities</b>					<b>51 695</b>

### Aker Solutions

Unsecured bonds: All bonds are denominated in Norwegian kroner and are issued in the Norwegian bond market. The bonds are issued based on a floating interest rate plus a predefined margin. The bonds are issued with Nordic Trustee as trustee and the loan agreements are based on Nordic Trustee's standard loan agreement for such bonds. The bonds are unsecured on a negative pledge basis and include no dividend restrictions. All bonds issued are listed on the Oslo Stock Exchange.

Bank loans: The terms and conditions of Brazilian Development Bank EXIM loan include restrictions which are customary for this kind of facility.

Credit facility: Aker Solutions has a credit facility of NOK 5 billion. Nothing was drawn on this facility per December 31, 2015. The credit facility expires July 3, 2019.

Aker Solution's strategy is to have between 30-50 percent of borrowings at fixed interest rates. To the extent that this is not reflected in the loan agreements, swap transactions are entered into.

### Akator

Bank loans: All facilities are provided by a bank syndicate consisting of high quality Nordic and international banks. The terms and conditions include restrictions which are customary for this kind of facilities, including inter alia negative pledge provisions and restrictions on acquisitions, disposals and mergers. There are also certain change of control provisions included.

The financial covenants are based on two sets of key financial ratios; a gearing ratio based on net debt/equity and an interest coverage ratio based on EBITDA/net finance costs.

The interest ratio coverage should not be less than 4.0 calculated from the consolidated EBITDA to consolidated Net Finance Cost. As of December 31, 2015, the ICR level was below the minimum level and external borrowings of NOK 3.6 billion, with maturity in 2017, were therefore reclassified from non-current to current borrowings. On 11 March 2016, Akator ASA signed an agreement with its bank syndicate to amend and extend its current bank facilities until July 2019. See Note 39.

### Det norske oljeselskap

Unsecured bonds: The bond 2020 runs from July 2013 to July 2020. The principal falls due

on July 2020 and interest is paid on a quarterly basis. The loan is unsecured. The seven-year PIK Toggle subordinated bonds of USD 300. The bonds are callable from year four and includes an option to defer interest payments.

### Reserve-base lending facility:

The RBL is a seven-year facility with a bank consortium consisting of 17 banks. The RBL facility is secured by a security package consisting of a pledge over the Company's interests in development and production licenses in Norway. The loan carries an interest of LIBOR plus a margin of 2.75 percent per annum, plus an utilisation fee of 0.50 percent. The available amount under the USD 3.0 billion RBL facility will be determined twice a year from the value of the Company's borrowing base assets based on certain assumptions. Subject to certain conditions the RBL may be expanded to USD 4.0 billion.

### Revolving-credit facility (RCF):

RCF of USD 550 million unused at end of 2015.

Financial covenants include, inter alia, a leverage ratio covenant (Net debt / EBITDAX) and an interest cover ratio (EBITDA/Interest expense) as well as short and long-term liquidity tests.

### Kvaerner

Revolving credit facility of NOK 2 000 million, is maturing in July 2020. The revolving credit facility was undrawn per 31 December 2015.

### Ocean Yield

Mortgage loan: The mortgage loans are with a different bank syndicates and are secured in 1 FPSO, 14 vessels and 13 new buildings with a book value of NOK 13.7 billion. The loans have mainly a floating interest rate. The mortgage loan has an average debt maturity of 6 year with maturity from May 2018 to May 2025. Interests mainly paid quarterly.

Unsecured bonds: The senior unsecured bond issue 14/19 listed on Oslo Stock Exchange has a maturity date of July 2019. The bonds have a floating interest, which is paid quarterly. The Company has entered into cross currency interest rate swaps with an average interest rate of LIBOR + 4.6% p.a. The senior unsecured bond issue 15/19 listed on Oslo Stock Exchange has a maturity date of April 2020. The bonds have a floating interest, which is paid quarterly. The Company has entered into cross currency interest rate swaps for NOK 1,000 million with an average interest rate of LIBOR + 4.45% p.a.

The facilities includes financial covenants as to equity ratio, interest coverage ratio and minimum liquidity, working capital and equity. Ocean Yield was in compliance with all covenants at year-end 2015.

### Aker BioMarine

Secured loans: The mortgage loan from DNB has a floating interest rate and the loans mature in 2016 and instalments and interest are paid semi-annually. The mortgages and overdraft facility, totalling NOK 1 195 million in total, are secured in ships and other assets with book values of NOK 1 344 million.

The loan covenants have leverage ratio requirements. Pursuant to the loan agreement, Aker ASA provided the group with a short-term loan of USD 4.0 million on 17 February 2015 and USD 5.0 on 29 May 2015. Following the short-term loans, the Group is compliant with all loan covenants.

### Havfisk

Secured loans: The mortgage of NOK 1 204 million is primarily secured in the trawler fleet and shares in harvesting subsidiaries. The loan matures in 2018. The loan agreement includes covenants relating to the minimum equity ratios of the harvesting subsidiaries.

Overdraft facility: Havfisk has an overdraft facility comprises an operating facility of NOK 87 million and guarantee facility of NOK 13 million. Unused operating facility credit totals NOK 87 million.

Bank loans, credit facilities and other short-term loans totalling NOK 1 134 million are secured in fixed assets, inventory and receivables with a book value of NOK 1 203 million.

### Aker ASA and holding companies

Senior unsecured bonds: The maturity dates and interest rates are shown more in detail in Aker ASA account Note 14. The bonds has an average debt maturity of 3.8 year with maturity from April 2017 to September 2022. Interests mainly paid quarterly. The principal falls due on the maturity date and interest is payable quarterly until maturity.

There are several conditions associated with Aker ASA and holding companies loans, including debt ratio and total internal loans and guarantees in relation to Aker ASA and holding companies net asset value. Aker ASA has fulfilled all the conditions of the loan agreement by the end of 2015

**Fornebuporten**

Loans with a group of Norwegian banks with floating interest. Interest and instalment are payable quarterly until maturity. The loans mature with NOK 229 million in 2016, NOK 338 million in 2017 and NOK 130 million after 2017.

**Philly Shipyard**

The company has at the end of 2015 secured loans of NOK 791 million and loans from related party Philly Tankers of NOK 121 million.

**Other companies**

Other companies have a total interest bearing debt of NOK 136 million at the end of 2015. An overdraft facility of NOK 93 million comprises an operating facility and guarantee facility. Unused operating facility credit totals NOK 27 million.

**CHANGES IN THE GROUP'S INTEREST-BEARING LIABILITIES IN 2015:**

Amounts in NOK million	Long-term	Short-term	Total
Interest-bearing liabilities as at 1 January 2015	38 918	4 898	43 816
Det norske oljeselskap RBL facilities	3 191	-	3 191
Bond in Ocean Yield	1 000	-	1 000
Bank loan in Ocean Yield	2 570	-	2 570
Aker ASA and holding companies issue of new bond loans	1 000	-	1 000
Det norske oljeselskap issue of new bond loans	2 325	-	2 325
Other new loans	2 380	-	2 380
Change in credit facilities	-	13	13
Loan fees and establishment costs	(164)	-	(164)
<b>Total payment from new short-term and long-term loans (excluding construction loans)</b>	<b>12 302</b>	<b>13</b>	<b>12 315</b>
Det norske oljeselskap repayment of RBL facilities	(2 558)	-	(2 558)
Aker ASA and holding companies repayment of bank loan	(998)	-	(998)
Aker ASA and holding companies acquisition of own bond	(309)	-	(309)
Repayment of bank loan in Ocean Yield	(2 031)	-	(2 031)
Other repayments	(2 703)	-	(2 703)
<b>Total repayment of short-term and long-term loans</b>	<b>(8 599)</b>	<b>-</b>	<b>(8 599)</b>
Acquisition/sale Fornebu	(1 711)	594	(1 117)
Other acquisition and sale of subsidiaries	520	(29)	491
Reclassification / first year instalments	(1 284)	1 284	-
Currency translation and other changes	4 667	122	4 789
<b>Interest-bearing liabilities as at 31 December 2015</b>	<b>44 813</b>	<b>6 882</b>	<b>51 695</b>

Currency adjustments total NOK 4.7 billion and are mainly attributable to the USD loans described above. Loans denominated in USD at the end of the year totalled USD 3.2 billion. A 10% decrease in the USD exchange rate compared to the rate of 8.809 on the balance sheet date would have caused a reduction in debt expressed in NOK of NOK 3.2 billion.

**INTEREST-BEARING SHORT-TERM AND LONG-TERM DEBT AND LIABILITIES ARE AS FOLLOW:**

Net interest-bearing debt comprises the following items:

Amounts in NOK million	2015	2014
Cash and cash equivalents	10 388	12 000
Financial interest-bearing non-current assets	4 114	1 809
Interest-bearing short-term receivables	523	588
<b>Total interest-bearing assets</b>	<b>15 025</b>	<b>14 397</b>
Interest-bearing long-term debt	(44 813)	(38 918)
Interest-bearing short-term debt including construction loans	(6 882)	(4 898)
<b>Total interest-bearing debt</b>	<b>(51 695)</b>	<b>(43 816)</b>
<b>Net interest-bearing debt (-) / assets (+)</b>	<b>(36 671)</b>	<b>(29 419)</b>

## Note 28 | Pension expenses and pension liabilities

The Aker Group's Norwegian companies mainly cover their pension liabilities through group pension plans managed by life insurance companies. Under IAS 19, employee benefit plans have been treated, for accounting purposes, as defined benefit plans. The Norwegian companies in the Group are subject to the Norwegian Act relating to mandatory occupational pensions, and the Group meets the requirements of this legislation.

In addition the Norwegian business is a member of an agreement-based early retirement plan (AFP). The schemes provide a large proportion of the Norwegian employees the opportunity to retire before the general retirement age in Norway on 67 years. Employees who choose will retain a lifelong benefit from the age of 62 years.

The Group's companies outside Norway have pension plans based on local practice and regulations.

Most of the companies have pension plans under which the employer makes an agreed contribution that is managed in a separate pension savings plan, or makes a contribution that is included in a joint plan with other employers. The contributions are recorded as pension expenses for the period.

The Group also has uninsured pension liabilities for which provisions have been made.

The discount rate used in 2015 and 2014 is based on the Norwegian high-quality corporate bond rate.

Actuarial calculations have been performed to determine pension liabilities and pension expenses in connection with the Group's defined benefit plans. The following assumptions have been made when calculating liabilities and expenses in Norway:

	Balance 2015	Profit/loss 2015 and balance 2014
Expected return	2.6 %	2.5 %
Discount rate	2.6 %	2.5 %
Wage growth	2.5 %	3.3%
Pension adjustment	0.8 %	1.3 %
Mortality table	K2013	K2013

### PENSION EXPENSE RECOGNISED IN PROFIT AND LOSS:

Amounts in NOK million

	2015	2014
Expense related to benefits earned during the period	104	175
Interest expense accrued on pension liabilities	53	86
Expected return on pension funds	(18)	(39)
Service costs	3	2
Curtailment / settlement	(6)	-
<b>Pension expense recognised from defined benefit plans</b>	<b>136</b>	<b>224</b>
Contribution plans (employer's contribution)	840	621
<b>Total pension expense recognised in profit and loss</b>	<b>976</b>	<b>845</b>
Allocation in income statement:		
Pension cost part of Wages and other personal expenses	941	798
Interest expenses and expected return part of net financial items	35	47
<b>Total pension expense recognised in profit and loss</b>	<b>976</b>	<b>845</b>

### REMEASUREMENT LOSS (GAIN) INCLUDED IN OTHER COMPREHENSIVE INCOME:

Amounts in NOK million

	2015	2014
Change in discount rate and other financial assumptions	(144)	526
Change in other assumptions	17	(22)
<b>Other comprehensive income - loss/(gain) before tax</b>	<b>(127)</b>	<b>504</b>
Tax	43	(140)
<b>Other comprehensive income - loss/(gain) after tax</b>	<b>(84)</b>	<b>364</b>

**CHANGES IN NET PRESENT VALUE OF BENEFIT-BASED PENSION LIABILITIES:**

Amounts in NOK million	2015	2014
Net pension liabilities as at 1 January	1 551	1 159
Expenses related to benefit earned during the period	104	175
Administration	3	2
Net financial items	35	47
Curtailment / settlement	(6)	-
<b>Pension expense recognised from defined benefit plans</b>	<b>136</b>	<b>224</b>
Acquisitions and disposals	-	(55)
Pension payments	(136)	(173)
Payments received	(81)	(116)
Remeasurements included in other comprehensive income	(127)	504
Effects of movements in exchange rates and other changes <sup>1)</sup>	169	8
<b>Net pension liabilities at 31 December</b>	<b>1 512</b>	<b>1 551</b>

<sup>1)</sup> Effects of movements in exchange rates and other changes: A subsidiary of Aker in 2015 entered into an amendment to the agreement with Kværner US Inc and the US pension fund Kværner Consolidation Retirement Plan. The change meant that instead of a guarantee, Aker will from the end of 2015 have a pension obligation towards pensioners in Kværner US Inc. Commitment of NOK 139 million has been reclassified from other long-term liabilities to pension liabilities.

**NET DEFINED-BENEFIT OBLIGATIONS RECOGNISED IN THE BALANCE SHEET:**

Amounts in NOK million	2015	2014
Pension liabilities as at 31 December	(3 877)	(3 734)
Fair value of pension funds as at 31 December	2 365	2 183
<b>Net liability for benefit-based pension liabilities as at 31 December</b>	<b>(1 512)</b>	<b>(1 551)</b>
Pension funds	15	4
Pension liabilities 31 December	(1 526)	(1 555)
<b>Net liabilities for benefit based pension liabilities as at 31 December</b>	<b>(1 512)</b>	<b>(1 551)</b>

**PLAN ASSETS PER CATEGORY:**

Pension funds related to the defined benefit plans are measured at fair value at 31 December 2015 and 2014, and divided into different categories as follows:

Amounts in NOK million	2015	2014
Equity securities:		
Oil and gas and oilfield services	35	46
Other equity securities	11	14
<b>Total equity securities</b>	<b>46</b>	<b>60</b>
Bonds:		
Government	15	69
Finance	337	189
Private and Government enterprise	363	423
Municipalities	1 160	1 284
<b>Total bonds</b>	<b>1 875</b>	<b>1 965</b>
Other	74	44
<b>Total funds Norwegian plan</b>	<b>1 995</b>	<b>2 070</b>
Total funds outside Norway	369	113
<b>Total funds</b>	<b>2 365</b>	<b>2 183</b>

The equity securities are invested globally, and the value is based on quoted price at the reporting date without any deduction for estimated future selling cost. The bond investment is mainly in Norwegian municipalities. Norwegian municipalities are assumed to have a rating equal to AA, but there are no official rating for the majority of these investments. The remaining bond investment is primarily in the Norwegian market within bonds classified as being "Investment Grade".



**FINANCIAL ASSUMPTIONS (NORWEGIAN PLANS):**

In the table below, the effect on pension expenses and pension liabilities is depicted given a 1%-point increase or decrease in the discount rate. The effect of a 1%-point increase or reduction in wage growth is shown as well.

Amounts in NOK million	1 %-point increase	1 %-point reduction
<b>Discount rate:</b>	3.6%	1.6%
Pension liabilities	(360)	363
<b>Wage growth:</b>	3.5%	1.5%
Pension liabilities	36	(34)

## Note 29 | Other interest-free long-term liabilities

**OTHER LONG-TERM DEBT AND LIABILITIES COMPRISE THE FOLLOWING ITEMS:**

Amounts in NOK million	2015	2014
Derivatives	1 164	82
Deferred and contingent considerations	16	44
Deferred revenue	294	250
Other interest-free long-term debt	197	356
<b>Total</b>	<b>1 670</b>	<b>732</b>

At 31 December 2015 interest free long-term debt comprised NOK 1164 million in derivatives, whereof NOK 477 million in interest rate swaps in Det norske oljeselskap and NOK 520 million in forward exchange contracts in Ocean Yield. Deferred revenue consist mainly of 294 million in Ocean Yield related to deferred income in Aker Floating Production and prepaid charter hire related to the PCTC vessels Höegh Xiamen and Höegh Beijing. Other interest-free long-term debt consists of liabilities in Akastor related to leasehold improvements and real

estate tax in Philly Shipyard where payment is deferred until 2017.

At 31 December 2014 interest-free long-term debt comprised NOK 82 million in derivatives, whereof NOK 42 million in interest rate swaps in Det norske oljeselskap and NOK 40 million in currency contracts in Aker ASA, NOK 44 million in contingent provisions in Akastor related to acquisitions where final consideration is deferred and can depend to a certain degree on future earnings in the acquired companies. The

deferred and contingent considerations as of 31 December 31 2014 related mainly to the acquisition of Step Oiltools in 2011. NOK 250 million was related to deferred income in Aker Floating Production. Other long-term interest-free debt included NOK 53 million related to deferred real estate tax in Philly Shipyard, NOK 55 million in prepaid charter in Ocean Yield for PCTC vessels Höegh Xiamen and Höegh Beijing, as well as other long-term interest-free debt in Akastor and Det norske oljeselskap, NOK 84 million and NOK 89 million respectively.

## Note 30 | Provisions

### 2015

Amounts in NOK million	Warranties	Abandonment provision	Other	Total
Balance as at 1 January	1 005	3 623	425	5 053
Acquired subsidiary	-	-	(49)	(49)
Provisions made during the year	278	-	1 152	1 430
Provisions used during the year	(156)	(101)	(219)	(475)
Provisions reversed during the year	(205)	(642)	(3)	(850)
Reclassifications	(30)	427	74	471
Currency exchange adjustment	60	655	33	749
<b>Balance as at 31 December</b>	<b>953</b>	<b>3 963</b>	<b>1 412</b>	<b>6 328</b>
Long-term liabilities	85	3 871	256	4 212
Short-term liabilities	867	93	1 156	2 116
<b>Balance as at 31 December</b>	<b>953</b>	<b>3 963</b>	<b>1 412</b>	<b>6 328</b>

### 2014

Amounts in NOK million	Warranties	Abandonment provision	Other	Total
Balance as at 1 January	949	976	529	2 453
Acquired subsidiary	29	2 255	(109)	2 175
Provisions made during the year	305	8	467	779
Provisions used during the year	(117)	(89)	(281)	(487)
Provisions reversed during the year	(162)	-	(293)	(455)
Currency exchange adjustment	2	473	114	589
<b>Balance as at 31 December</b>	<b>1 005</b>	<b>3 623</b>	<b>425</b>	<b>5 053</b>
Long-term liabilities	134	3 581	184	3 899
Short-term liabilities	871	42	241	1 154
<b>Balance as at 31 December</b>	<b>1 005</b>	<b>3 623</b>	<b>425</b>	<b>5 053</b>

#### Warranties

The provision for warranties mainly relates to the possibility that Aker, based on contractual agreements, may have to perform guarantee work related to products and services delivered to customers. The provision is based on Aker's contractual obligations and empirical estimates of the frequency and cost of work that may need to be done. The warranty period is normally two years and any cash effects will arise during this period.

NOK 591 million has been provided for warranties in Aker Solutions, NOK 207 million in Akastor, NOK 142 million in Kvaerner and NOK 13 in Philly Shipyard.

#### Removal and decommissioning liabilities

The main parts of Det norske oljeselskap's removal and decommissioning liabilities relate to the producing fields. The estimate is based on executing a concept for abandonment in accordance with the Petroleum Activities Act and international regulations and guidelines. The calculations assume an inflation rate of 2.5 per cent and a nominal discount rate before tax of between 3.91 per cent and 5.93 per cent.

#### Other provision

Other provisions include mainly Akastor with 687 million and Aker Solutions with 703 million. The provisions relate to workforce reduction, reorganizations and lease obligations for vacant premises.

## Note 31 | Mortgages and guarantee liabilities

### MORTGAGES

In the course of ordinary operations, completion guarantees are issued and advance payments are received from customers. Guarantees are typically issued to the customer by a financial institution. Collateral of NOK 30.4 billion, allocated between reserve-base lending facilities (RBL) in Det norske oljeselskap of NOK 18.7 billion and secured loans and overdraft facilities of NOK 11.8 billion. The lenders of the RBL have security in the form of pledge in all current licences (exploration, development and producing assets), insurance policies, floating charge and accounts receivable. The book value of assets used as collateral for secured loans and overdraft facilities is NOK 19.7 billion.

### GUARANTEES

Akastor ASA has issued financial guarantees in favour of financial institutions related to financing of the five vessels in DOF Deepwater AS. The guarantee was NOK 589 million per 31 December 2015.

## Note 32 | Trade and other payables

### TRADE AND OTHER PAYABLES COMPRISE THE FOLLOWING ITEMS:

Amounts in NOK million	2015	2014
Trade accounts payable	3 831	5 540
Amount due to customers for contract work and advances	8 464	8 190
Accrual of operating- and financial costs	6 833	8 117
Other short-term interest-free liabilities	5 753	5 704
<b>Total</b>	<b>24 881</b>	<b>27 550</b>

Other current liabilities include liabilities under operator licenses (Det norske oljeselskap), VAT, payroll tax and tax withholding and reserves for unpaid wages and holiday payments.

### SPECIFICATION OF NET WORKING CAPITAL:

Amounts in NOK million	2015	2014
Inventories, work in progress, other trade and interest-free receivables	25 294	29 243
Trade and other payables	(24 881)	(27 550)
Current provisions	(2 116)	(1 154)
<b>Total operational assets and debt</b>	<b>(1 703)</b>	<b>539</b>
Derivatives	(2 392)	(1 732)
Pension assets and other non-current assets	1 049	360
Pension liabilities, other interest-free long-term liabilities and non-current provisions	(6 245)	(6 105)
<b>Total working capital</b>	<b>(9 292)</b>	<b>(6 939)</b>

## Note 33 | Financial instruments

See also Note 6 Financial risk and exposure.

### FAIR VALUE AND CARRYING AMOUNTS

The estimates of fair value and the carrying amounts shown in the balance sheet are as follows:

Amounts in NOK million	2015		2014	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets carried at fair value</b>				
Available for sale financial assets	1 110	1 110	1 270	1 270
Financial assets at fair value through profit and loss (including derivatives)	643	643	96	96
Financial assets designated at fair value through profit and loss	156	156	128	128
Foreign exchange contracts - hedge accounting	3 108	3 108	3 294	3 294
<b>Total financial assets carried at fair value</b>	<b>5 017</b>	<b>5 017</b>	<b>4 789</b>	<b>4 789</b>
<b>Financial assets carried at amortised cost</b>				
Loans and receivables	26 327	26 330	25 838	25 838
Cash and cash equivalents (including long-term restricted deposits, see Note 19)	10 734	10 734	12 214	12 214
<b>Total financial assets carried at amortised cost</b>	<b>37 061</b>	<b>37 065</b>	<b>38 052</b>	<b>38 052</b>
<b>Financial liabilities carried at fair value</b>				
Interest rate swaps - hedge accounting	120	120	146	146
Foreign exchange contracts - hedge accounting	4 336	4 336	4 049	4 049
Other derivative contracts - hedge accounting	24	24	-	-
Derivative contracts - not hedge accounting	1 663	1 663	928	928
<b>Total financial assets carried at fair value</b>	<b>6 143</b>	<b>6 143</b>	<b>5 123</b>	<b>5 123</b>
<b>Financial liabilities carried at amortised cost</b>				
Bonds and convertible loans	15 462	15 031	11 574	11 372
Other interest-bearing debt	36 233	36 281	32 242	32 278
Interest-free long-term financial liabilities	507	507	375	375
Interest-free short-term financial liabilities	15 145	15 145	19 062	19 062
<b>Total financial liabilities carried at amortised cost</b>	<b>67 346</b>	<b>66 963</b>	<b>63 252</b>	<b>63 086</b>

NOK 8.4 billion of financial liabilities classified as fixed rate in the interest profile table (Note 6) are liabilities that pursuant to contract have floating interest rates but have been swapped to fixed rates using interest rate swaps. In the table above, the changes in the fair value of these derivatives due to interest rate changes is shown on the line Interest rate swaps-hedge accounting and the line Derivative contracts-not hedge accounting.

**FAIR VALUE HIERARCHY**

The table below analyses financial instruments carried at fair value, by valuation method. See Note 5 Accounting principles for definitions of the different levels in the fair value hierarchy.

Amounts in NOK million	2015		
	Level 1	Level 2	Level 3
<b>Financial assets carried at fair value</b>			
Available for sale financial assets	593	319	198
Financial assets at fair value through profit and loss (including derivatives)	-	643	-
Financial assets designated at fair value through profit and loss	117	40	-
Foreign exchange contracts used for hedging	-	3 108	-
<b>Total</b>	<b>710</b>	<b>4 110</b>	<b>198</b>
<b>Financial liabilities carried at fair value</b>			
Interest rate swaps used for hedging	-	120	-
Foreign exchange contracts used for hedging	-	4 336	-
Other derivative contracts used for hedging	-	24	-
Other derivative contracts - liability	-	1 663	-
<b>Total</b>	<b>-</b>	<b>6 143</b>	<b>-</b>
<b>Interest-bearing financial liabilities carried at amortised cost</b>			
Bonds and convertible loans	6 375	6 711	1 945
Other interest-bearing debt	-	36 145	136
<b>Total</b>	<b>6 375</b>	<b>42 856</b>	<b>2 081</b>

**THE FOLLOWING TABLE PRESENTS THE CHANGES IN INSTRUMENTS CLASSIFIED AS LEVEL 3 AS AT 31 DECEMBER:**

Amounts in NOK million	2015	2014
	Financial assets	Financial assets
Carrying amount as at 1 January	200	1 263
Transfer to level 3	-	3
Transfer from level 3	(2)	(1 021)
Total gains or losses for the period recognised in the income statement	(1)	143
Total gains or losses recognised in other comprehensive income	-	(134)
Divestment	-	(53)
<b>Carrying amount as at 31 December</b>	<b>198</b>	<b>200</b>

The amount of gains or losses for the period included in profit and loss and other comprehensive income that is attributable to gains or losses related to assets and liabilities at level 3 still held at the end of the reporting period

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## Note 34 | Contingencies and legal claims

### PROJECT RISK AND UNCERTAINTY

The group engages in projects based on long-term contracts, some of which are fixed-price turnkey contracts won through competitive tenders. Inability to meeting delivery deadlines or performance guarantees, and increases in project costs, may generate costs which are irrecoverable and exceed the revenue produced by the relevant project. Where a project is identified as loss-making, provisions are made to cover future losses. The accounting treatment is based on available information and recommendations. Circumstances and information may change in subsequent periods, and the final outcome may therefore be better or worse than indicated by the assessments made at the time the accounts are prepared.

### LEGAL DISPUTES

Through their activities, Aker group companies are involved in various disputes all over the world. Provisions are made to cover expected losses resulting from such disputes if a negative outcome is likely and a reliable estimate can be prepared. However, the final decision in such cases will always be associated with uncertainty, and a liability may thus exceed the provision made in the accounts.

### TAX

Aker group companies are regularly involved in matters under consideration by the local tax authorities in the countries in which the group operates. The group treats matters, which have not been finally resolved, in accordance with the information available at the time the annual accounts are issued.

### DET NORSKE OLJESELSKAP

#### *Liability in damages/insurance*

Like other licensees on the Norwegian continental shelf, the company has unlimited liability for damage it causes, including pollution damage. Like other oil companies, the company has insured its pro rata liability on the Norwegian continental shelf. Installations and liability are covered by an operational liability insurance policy.

#### *Uncertain liabilities*

Through its operations, the company will be involved in disputes, including tax disputes. Any tax demands relating to the taxable income of Marathon Oil Norge AS before 1 January 2014 will be refunded by the Marathon Group. The company makes provisions in its accounts in respect of likely liabilities based on the company's best estimates and in accordance with IAS 37. Management is of the opinion that no disputes will impose material liabilities on the company.

### KVAERNER

#### *Longview project*

In 2011, Kvaerner North American Construction, Inc. (KNAC) and its consortium partner initiated arbitration against Longview and Amec Foster Wheeler North America Corp. (Foster Wheeler) related to the Longview project delivered in 2011. In early January 2015 settlement agreements were reached with Longview Power, LLC, KNAC'S consortium partner and others, resulting in an aggregate amount of USD 48 million received by KNAC from the various parties in February 2015. On 18 October 2015 KNAC was awarded USD 74 million in the arbitration proceedings against Foster Wheeler. Refer to Note 39 for final settlement with Foster Wheeler reached in March 2016.

### Nordsee Ost project

In 2012, arbitration related to the Nordsee Ost project was filed. The last wind jackets for the project were delivered in October 2013. The arbitration process for the project will take more time than earlier anticipated due to high complexity and resolution has been delayed. It is currently not possible to estimate when the arbitration will be finalised. There are still substantial uncertainties with respect to the final financial outcome of the Nordsee Ost project.

### HAVFISK

On 11 December 2013, Nordland Havfiske AS entered into a contract regarding an agreement to sell the vessel Jergul, including 1.35 quota units for cod and haddock. The agreement did not come into effect due to lack of approval by the authorities, which was a prerequisite for the implementation of the agreement. The agreement expired on 1 July 2014 since no approval had been received from the authorities. The implementation of the transaction was later rejected by the authorities. Havfisk and Nordland Havfiske AS have received a summons from Hermes AS in this case, with a claim for compensation for loss up to an upper limit of NOK 150 328 200 including interest. The claim was reduced to NOK 110 million during proceedings in the district court. The case was heard in Nord Troms district court in November 2015. In its judgement of 11 November, the court concluded that the claim against Havfisk and Nordland Havfiske AS should be dismissed and Havfisk awarded costs. Hermes AS has appealed the verdict to the Court of Appeal and it is expected that the case will be heard during 2016.

## Note 35 | Transactions and agreements with related parties

Aker ASA's main shareholder is TRG Holding AS, controlled by Kjell Inge Røkke and his family through The Resource Group TRG AS (TRG AS). The Aker Group treats all companies controlled by Kjell Inge Røkke as related parties.

### TRANSACTIONS WITH KJELL INGE RØKKE AND FAMILY

Aker has no material outstanding accounts, nor have there been any transactions with Kjell Inge Røkke, except for remuneration for his work as chairman of the board (see Note 36).

When Aker employees perform services for Kjell Inge Røkke or other related parties, Aker's expenses are billed. In 2015, Kjell Inge Røkke paid NOK 1.7 million plus value added tax for services and rental of premises (NOK 1.3 million in 2014). TRG AS and Kjell Inge Røkke have provided services to Aker for NOK 2.4 million in 2015 (NOK 1.7 million in 2014).

Aker owns an aircraft that is operated by Sundt Air Management. The users of the airplane are charged according to use.

Through its 100 per cent owned subsidiary Antarctic Harvesting Holding AS, TRG in September 2015 subscribed to 555 900 new shares in Aker BioMarine Antarctic AS for a cash consideration of NOK 11 million. Aker BioMarine Antarctic AS is a subsidiary of Aker BioMarine AS. The shares subscribed to constitute a separate share class with rights to an annual preferential dividend of 7 per cent of the invested capital, but with no economic rights to any profits above this level. The structure enables Aker BioMarine to access foreign capital while remaining in compliance with its fishing licenses.



Kristian Monsen Røkke received in 2015 NOK 2 458 734 in salary and other remuneration as CEO of Akastor ASA from August 2015, and NOK 781 688 in remuneration from Philly Shipyard ASA as Chairman (including as Executive Chairman until April 15, 2015). In 2014 he received USD 506 365 as Executive Chairman and President and CEO of Philly Shipyard.

#### TRANSACTIONS WITH HØEGH AUTOLINERS

Ocean Yield ASA, a subsidiary of Aker ASA (73,0%), agreed in May 2014 to acquire two Pure Car Truck Carriers (PCTC) of 4 900 car capacity with long-term bareboat charters to Høegh Autoliners ("Høegh"). The vessels, which were built in 2010, was delivered to Ocean Yield in June 2014 and have from delivery been chartered to Høegh for a period of 8- years on "hell and high water" bareboat charter contracts.

In September 2013, Ocean Yield AS entered into newbuild contracts for two pure car truck carriers (PCTCs) with Xiamen Shipbuilding Industry Co. Ltd (Xiamen). From delivery in January and April 2016, the vessels will be chartered to Høegh on 12-year "hell and high water" bareboat charter contracts.

The agreements were concluded by the board of Ocean Yield. Leif O. Høegh, a director of Aker ASA, also serves as the chairman of Høegh Autoliners.

#### TRANSACTION WITH EMPLOYEES

In February 2014, Aker ASA sold 0.98 per cent of the shares in Aker BioMarine to the management of the company for NOK 16 million. In 2015, Aker ASA repurchased 0.49 per cent of the shares in Aker BioMarine AS for NOK 7 million in relation to the change in leadership of the company.

In October 2015, Aker's investment in Ocean Harvest AS was divested in a management

buy-out. The acquiring company, Ocean Harvest Invest AS, is controlled by two former employees of Aker ASA and Aker BioMarine AS. Aker facilitated the transaction by providing a seller credit of USD 66.5 million and guaranteeing for the company's long-term debt.

As a step in the process of dissolving the fund structure of Convento Capital Fund, Aker decided in July 2015 to take over the remaining 9.99 per cent outstanding shareholding of Convento Capital Fund AS from Fausken Invest AS. Fausken Invest AS is a company controlled by Frank O. Reite, who was President and CEO of Akastor ASA until July 2015 and since August 2015 has been the CFO of Aker ASA. The purchase price for shareholding was NOK 24.7 million. Simultaneously, Convento Capital Fund AS terminated an advisory services contract that had been entered into between Convento Capital Fund AS and Convento AS, for a termination fee of NOK 20.3 million. Convento AS is a company controlled by Frank O. Reite through Fausken Invest AS.

#### TRANSACTIONS WITH ASSOCIATES AND JOINT VENTURES

##### *Aker BioMarine Manufacturing LLC and Aker BioMarine Financing LLC*

Aker BioMarine has funded Aker BioMarine Financing LLC by means of a loan. At the end of 2015, the loan was USD 15.2 million (NOK 134 million). As at the end of 2014, the loan was USD 10.7 million (NOK 78 million).

##### *Fornebuporten Boligutvikling AS*

Fornebuporten Boligutvikling rents premises from Fornebuporten. When employees of Aker or related parties perform services for Fornebuporten Boligutvikling, Aker's expenses are billed. In February 2015, Aker acquired the remaining 50 per cent of the shares in Fornebuporten Boligutvikling AS.

#### *DOF Deepwater AS*

A loan of NOK 82 million (NOK 84 million in 2014) is given to the jointly controlled entity DOF Deepwater. Aker ASA's subsidiary Akastor ASA has issued financial guarantees in favour of financial institutions related to financing of the five vessels in DOF Deepwater.

#### *Philly Tankers AS*

In July 2014, Philly Tankers completed a USD 65 million private placement with a subsequent listing on the Norwegian OTC. Prior to the Philly Tankers private placement, Philly Shipyard contributed a promissory note with a face value of USD 58 million to the equity capital of Philly Tankers. This note will be reduced dollar-for-dollar as the shipyard spends its own funds on the construction of Hulls 025 and 026. As the note was issued as an interest-free instrument, the Philly Shipyard has discounted its value and is imputing interest expense on the discounted amount. The full amount is due and payable on the earlier of the date of delivery of Hull 026 or 30 November 2018. The dollar-for-dollar reductions commenced in the third quarter of 2015 with a total reduction of USD 44.2 million through 31 December 2015. At 31 December 2015, the note had a book value of USD 13.8 million (USD 56.3 million by the end of 2014).

#### *Fornebu Gateway AS*

In October 2015, the Group's investment in two office buildings under construction at Fornebu outside Oslo, was sold to the real estate consortium Fornebuporten Gateway AS. Aker owns 25 per cent of the shares in Fornebu Gateway AS, while TRG AS owns 15 per cent. Fornebu Gateway AS is considered an associate in Aker's consolidated accounts, and several of the companies within the Aker Group are renting premises in the office buildings. In 2015, total rent of NOK 7.4 million was paid to Fornebu Gateway from companies within the Aker Group.

#### TRANSACTIONS AND OUTSTANDING BALANCES INVOLVING RELATED PARTIES IN 2015 AND 2014

Amounts in NOK million	2015	2014
Income statement:		
Operating revenues	452	245
Operating expenses	(99)	(153)
Net financial items	(12)	6
<b>Profit before tax</b>	<b>341</b>	<b>98</b>
Balance sheet:		
Interest-bearing receivable	216	176
Trade receivable and other interest-free current assets	57	19
<b>Total assets</b>	<b>273</b>	<b>195</b>
Trade liabilities and other interest-free current liabilities	(6)	(27)
Interest-bearing debt	(121)	(417)
<b>Net exposure</b>	<b>146</b>	<b>(249)</b>

## Note 36 | Salary and other remuneration to the board of directors, nomination committee, CEO and other senior executive at Aker ASA

### REMUNERATION TO THE BOARD OF DIRECTORS

Amounts in NOK	2015	2014
Kjell Inge Røkke (Chairman of the Board)	555 000	560 000
Finn Berg Jacobsen (Deputy Chairman)	385 000	388 333
Kristin Krohn Devold (Director)	335 000	338 333
Stine Bosse (Director until 17 April 2015)	111 667	338 333
Karen Simon (Director)	335 000	338 333
Leif O. Høegh (Director)	335 000	338 333
Anne Marie Cannon (Director since 17 April 2015)	223 333	-
Atle Tranøy (Employee representative)	167 500	169 167
Tommy Angeltveit (Employee representative until 17 April 2015)	55 833	169 167
Nina Hanssen (Employee representative until 17 April 2015)	55 833	169 167
Arnfinn Stensø (Employee representative)	167 500	169 167
Amram Hadida (Employee representative since 17 April 2015)	111 667	-
Inger Elise Karlsen (Employee representative from 17 April 2015)	111 667	-
<b>Total</b>	<b>2 950 000</b>	<b>2 978 333</b>

### REMUNERATION TO THE AUDIT COMMITTEE

Amounts in NOK	2015	2014
Finn Berg Jacobsen (Chairman of the audit committee)	170 000	171 667
Atle Tranøy	115 000	116 667
Kristin Krohn Devold (from 17 April 2015)	76 667	-
Stine Bosse (until 17 April 2015)	38 333	116 667
<b>Total</b>	<b>400 000</b>	<b>405 000</b>

### REMUNERATION TO THE NOMINATION COMMITTEE

Amounts in NOK	2015	2014
Kjell Inge Røkke (Chairman of the nomination committee from 17 April 2015)	36 667	-
Gerhard Heiberg	55 000	55 000
Leif-Arne Langøy	55 000	55 000
<b>Total</b>	<b>146 667</b>	<b>110 000</b>

All remunerations are vested during the year. Where amounts have not been paid by the end of the year, provisions have been made in accordance with best estimates.

In 2015, The Resource Group AS (TRG) earned NOK 591 667 in board remuneration (remuneration to the nomination committee included) from Aker ASA (NOK 560 000 in 2014), through Chairman of the Board Kjell Inge Røkke. TRG also earned board remuneration from other Aker-owned companies totalling NOK 1 433 867 through Kjell Inge Røkke in 2015 (NOK 1 521 538 in 2014) (see also Note 35 Transactions and agreements with related parties).

The board members earned no payments from Aker ASA in 2015 or 2014 except as described above. Some board members also hold directorships in other companies within the Aker Group.

## AKER'S ORGANISATIONAL STRUCTURE

Aker ASA's numerous operational companies are organised into two portfolios; one industrial and one financial. As a consequence of this organisational structure, Aker ASA does not have a group executive team in its traditional form. At the end of 2015, Aker's executive team consisted of President and CEO Øyvind Eriksen and CFO Frank O. Reite.

## GUIDELINES FOR REMUNERATION OF THE CEO AND SENIOR COMPANY EXECUTIVES

### *Advisory guidelines*

The total remuneration package for executives consists of a fixed salary, standard employee pension and insurance coverage and a variable salary element. The main purpose of the system is to stimulate a strong and enduring profit-oriented culture that ensures share price growth.

The intention of the variable salary element is to promote the achievement of good financial results and leadership in accordance with the company's values and business ethics. The variable salary element has three main components. The first component is a payment based on the dividend on the company's shares, and the second component is a payment based on personal goal achievement. Work on special projects may entitle an employee to an additional bonus. The third component of the variable salary is described under "Binding guidelines" below.

Senior executives participate in a collective pension and insurance scheme open to all employees. The collective pension and insurance

scheme applies for salaries up to 12G. The members of the executive team are offered standard employment contracts and standard employment conditions with respect to notice periods and severance pay. Their employment contracts can be terminated on three months' notice. If the company terminates a contract, the executive is entitled to between three and six months' pay after the end of the notice period.

### *Binding guidelines*

One of the three components of the variable salary is a granting of bonus shares calculated on the basis of the increase in value-adjusted equity. The other components of the variable salary are described under "Advisory guidelines" above. In addition, the employees have an option to buy Aker ASA shares at a discount (see Note 2 to the separate financial statement for Aker ASA). The company does not offer stock option programmes for its employees.

## REMUNERATION OF SENIOR EXECUTIVES

Øyvind Eriksen's appointment as President and CEO can be terminated by either party on three months' notice. If his contract is terminated by the company, Øyvind Eriksen is entitled to three months' notice and three months' salary from the date of termination. This amount will not be paid if he continues to work for another company in the Aker Group. The remuneration plan for Øyvind Eriksen includes a fixed salary, standard employee pension and insurance coverage and a variable salary element. The variable salary element may total up to two-thirds of the fixed salary. In 2015, Øyvind Eriksen earned a salary of NOK 15 342 079 (NOK 14 218 452 in 2014), and variable pay of NOK 9 407 048 (NOK 43 478 in 2014). The value of additional remuneration was NOK 12 545 in 2015 (NOK 17 391 in 2014), while the net pension expense for Øyvind Eriksen was NOK 311 193 (NOK 250 812 in 2014).

Frank O. Reite acceded the position of CFO in Aker on 10 August 2015. The appointment can be terminated by either party on three months' notice. If his contract is terminated by the company, Frank O. Reite is entitled to three months' salary from the date of termination. This amount will not be paid if he continues to work for another company in the Aker Group. The remuneration plan for Frank O. Reite includes a fixed salary, standard employee pension and insurance coverage and a variable salary element. Frank O. Reite's variable salary also includes a bonus-share award scheme including an option to buy Aker ASA shares at a discount (see Aker ASA Note 2 for a description of the scheme).

Frank O. Reite's variable salary may total up to 140% of his fixed salary. In 2015, Frank O. Reite purchased 5 435 discounted shares in Aker ASA through the company Fausken Invest AS. Frank O. Reite earned a fixed salary of NOK 1 547 862 in 2015, as well as variable pay of NOK 1 869 482. This includes the value of bonus shares in Aker ASA allocated for 2015. The value of additional remuneration was NOK 6 836 in 2015, while the net pension expense for Frank O. Reite was NOK 124 955 in 2015.

Trond Brandsrud resigned from his position as CFO on 31 July 2015. As per his severance agreement, Trond Brandsrud received six months' salary from the date of termination, with deductions for remunerations received by Brandsrud from Det norske oljeselskap for project-based engagements in the period after resignation from Aker ASA. The remuneration plan for Trond Brandsrud included a fixed salary, standard employee pension and insurance coverage and a variable salary element. Trond Brandsrud's variable salary could total up to 140% of his fixed salary. Trond Brandsrud's variable salary also included a bonus-share award scheme including an option to buy Aker ASA shares at a discount (see Aker ASA Note 2 for a description of the scheme). In 2015, Trond Brandsrud purchased 5 500 discounted shares in Aker ASA through the company Nordbrand Invest AS (5 630 shares in 2014). Trond Brandsrud earned a fixed salary of NOK 3 636 212 in 2015 (NOK 4 870 433 in 2014), as well as variable pay of NOK 381 487 (NOK 2 812 133 in 2014). Trond Brandsrud was not allocated any bonus shares for 2015 (and no bonus shares for 2014). The value of additional remuneration was NOK 32 162 in 2015 (NOK 17 439 in 2014), while the net pension expense for Trond Brandsrud was NOK 187 120 in 2015 (NOK 262 682 in 2014).

Senior executives receive no remuneration for directorships or membership of nomination committees of other Aker companies. In 2015, Aker ASA earned a total of NOK 1 142 499 in respect of Øyvind Eriksen's directorships of other Aker companies. Aker ASA earned NOK 283 333 in respect of Frank O. Reite's directorships and NOK 407 500 in respect of Trond Brandsrud's directorships of other Aker companies in 2015.

The President and CEO and other senior executives receive no other remuneration than described above. Accordingly, their employment conditions include no loans, guarantees or stock option rights.

## Note 37 | Shares owned by the Board of Directors, CEO and other senior executives at Aker ASA

Shares owned by members of the board, the President and CEO and other senior executives and their related parties in Aker ASA as of 31 December 2015.

	Aker ASA
<b>Board of directors:</b>	
Kjell Inge Røkke (Chairman of the Board) <sup>1)</sup>	50 673 577
Finn Berg Jacobsen (Deputy chairman)	5 159
Leif O. Høegh (Director) <sup>2)</sup>	139 309
Anne Marie Cannon (Director)	-
Karen Simon (Director)	-
Kristin Krohn Devold (Director)	-
Atle Tranøy (Employee representative)	-
Inger Elise Karlsen (Employee representative)	-
Amram Hadida (Employee representative)	-
Arnfinn Stensø (Employee representative)	-
<b>Executive team:</b>	
Øyvind Eriksen (President and CEO) <sup>3)</sup>	144 911
Frank O. Reite (CFO) <sup>4)</sup>	5 435

<sup>1)</sup> Owns 100% of The Resource Group TRG AS (TRG AS) together with his wife Anne Grete Eidsvig. TRG AS owns 99.45% of TRG Holding AS, which owns 66.99% of Aker ASA. In addition, TRG AS owns 1.19% of Aker ASA directly.

Kjell Inge Røkke also owns 180 000 shares in Ocean Yield ASA directly.

<sup>2)</sup> Leif O. Høegh has an indirect ownership interest of 139 309 Aker ASA shares.

<sup>3)</sup> Owned through the wholly-owned company Erøy AS, which also owns 100 000 b-shares (0.2%) in TRG Holding AS.

<sup>4)</sup> Owned through the wholly-owned company Fausken Invest AS. In addition, Fausken Invest AS owns 200 000 shares in Akastor ASA, 1 026 632 shares in Havfisk ASA and 11 111 shares in Ocean Yield ASA.

## Note 38 | Classification of reserves and contingent resources (unaudited)

Aker's oil- and gas reserves and contingent resources are attributable to the subsidiary Det norske oljeselskap ASA ("Det norske"), an E&P company focused on the Norwegian Continental Shelf (NCS). Det norske publishes an annual reserve report in line the requirements of Oslo Stock Exchange on which the Det norske's shares are listed.

The reserve and contingent resource volumes have been classified in accordance with the Society of Petroleum Engineers' (SPE's) classification system "Petroleum Resources Management System". This classification system is consistent with Oslo Stock Exchange's requirements regarding the disclosure of hydrocarbon reserves and contingent resources. The classification is based on the probability of commerciality.

Publicly listed companies must exercise caution when reporting reserves and contingent resources. Accordingly a conservative estimate of recoverable volumes is reported as the P90 estimate which has a 90 per cent probability of increasing when more information is available. These reserves are referred to as Proven reserves (1P). An unbiased estimate (P50), which has a 50 per cent probability of increasing and a 50 percent probability of decreasing in size, is also reported. These reserves are referred to as Proven and Probable reserves (2P). Possible reserves (3P) are not reported.

Det norske ASA has a working interest in 17 fields/projects containing reserves, see Table 1. Out of these fields/projects, nine are in the sub-class "On Production", eight are in the sub-class "Approved for Development". Note that the Alvheim and Volund fields have reserves in both sub-class "On production" and in the sub-class "Approved for Development".

Det norske's shares in the various fields/projects are as follows (share and operator in brackets):

- Sub-class "On Production": Alvheim (65%, Det norske), Volund (65%, Det norske), Vilje (46.907%, Det norske), Bøyla (65% Det norske), Jette (70%, Det norske), Varg (5%, Talisman), Jotun (7%, Exxon Mobil), Atla (10%, Total), Enoch (2%, Talisman), Boa (57.623%, Det norske)
- Sub-class "Approved for Development": Alvheim Kameleon Phase 3 (65%, Det norske), Alvheim infill well Boa Kam North (65%, Det norske), Ivar Aasen Unit (34.7862%, Det norske), Volund Infill wells (65%, Det norske), Gina Krog (3.3%, Statoil), Hanz (35%, Det norske), Viper/Kobra (65%, Det norske), Johan Sverdrup (11.5733%, Det norske)

As at 31 December 2015 Det norske's total net proven reserves (P90/1P) were estimated at 374 million barrels of oil equivalents. The total net proven plus probable reserves (P50/2P) were estimated at 498 million barrels of oil equivalents. The distribution between liquid and gas and between the different sub-categories is shown in Table 1.

Johan Sverdrup Phase 1 PDO was sanctioned in January 2015. Hence the reserves from phase 1 is categorised in sub class "Approved for Development"/under development. More than 80 per cent of the reserve from a full field development will be recovered through a Phase 1 development only. Even though a PDO for future phases has not yet been submitted, Det norske has chosen to include all reserves from a full field development in sub category "Approved for Development"/under development. Several development solutions are currently discussed among the license partners and a decision for concept choice will be made in fall 2016. However, reserve estimates are very much independent of the development solution. Even a "minimum development" which includes drilling of wells only and with marginal or no CAPEX spent on increasing production capacities compared with Phase 1 capacities will give approximately the same reserves as a

large/expensive development with additional process capacities installed. Thus, an investment in increased process capacities is linked to acceleration of production and consequently increased NPV and not for increasing reserves.

Even though the Jotun and Varg fields will produce marginal volumes in 2016, Det norske has not included any reserves from Jotun in the company's reserve base as of 31 December 2015. The reason for this is that both the proven and proven plus probable production profiles for both fields indicates negative cash flow as of 31 December 2015. This is in accordance with the SPE's "Petroleum Resource Management System".

Changes from 2014 are shown in Table 2. The main reason for increased net reserve estimate is that Johan Sverdrup has been classified as reserves in 2015. As of 31 December 2015 Johan Sverdrup represents 64 per cent and 61 per cent of total net proven reserves (1P/P90) and proven plus probable reserves (2P/P50) respectively.

Except for Johan Sverdrup there has been only minor changes in reserve estimate. Two infill wells on Volund were sanctioned in 2015 and have been included in "Approved for Development". In addition two infill wells successfully drilled and completed on Alvheim in 2015 have been moved from "Approved for Development" and included in Alvheim base estimate ("On Production"). Also Bøyla came on production in 2015 and are therefore reclassified from "Approved for Development" to "On Production".

The future oil price assumption for the reserves given in Table 1 below is 60 USD/bbl. Average oil price in the period 1 October 2014 to 1 October 2015 was 60.3 USD/bbl. A sensitivity with a higher oil price of 70 USD/bbl. had only minor impact on net total reserves to Det norske. Also a lower price scenario with an oil price of 50 USD/has been run. This gave marginal lower reserve estimates compared to base case.

Total net production of Det norske averaged 60 mboepd in 2015.

TABLE 1 - RESERVES BY FIELD:

At 31.12.2015	1P / P90 (low estimate)						2P / P50 (best estimate)				
	Interest %	Liquids (million barrels)	Gross NGL Mton	Gas (bcm)	Total million barrels of oil equivalents	Net million barrels of oil equivalents	Liquids (million barrels)	Gross NGL Mton	Gas (bcm)	Total million barrels of oil equivalents	Net million barrels of oil equivalents
<b>On Production</b>											
Alvheim Norway	65 %	55.7	-	0.6	59.7	38.8	74.5	-	1.2	81.8	53.2
Vilje	46.9 %	9.6	-	-	9.6	4.5	17.5	-	-	17.5	8.2
Volund	65 %	8.8	-	0.1	9.2	6	16.1	-	0.2	17.5	11.4
Bøyla	65 %	10.1	-	0.1	10.5	6.8	16.3	-	0.1	17.1	11.1
Atla	10 %	0.2	-	0.3	1.9	0.2	0.4	-	0.5	3.5	0.4
Jotun	7 %	-	-	-	-	-	-	-	-	-	-
Varg	5 %	-	-	-	-	-	-	-	-	-	-
Jette	70 %	0.1	-	-	0.1	0.1	0.2	-	-	0.2	0.1
Enoch	2 %	-	-	-	-	-	0.1	-	-	0.1	-
<b>Total</b>						<b>56.4</b>					<b>84.4</b>
<b>Approved for Development</b>											
Alvheim Kam Phase 3	65 %	-	-	2.1	13.1	8.5	-	-	3.3	21.1	13.7
Alvheim infill Boa	65 %	3.7	-	0.1	4.1	2.6	8.7	-	0.1	9.6	6.3
Kam North	65 %	4.6	-	0.1	4.9	3.2	7.8	-	0.1	8.5	5.5
Viper/Kobra	65 %	6.6	-	0.1	7.2	4.7	10.6	-	0.2	11.6	7.5
Volund Infill	65 %	108.5	0.8	4.4	145.4	50.6	146.4	0.9	4.7	186.3	64.8
Ivar Aasen	34.8 %	12.1	0.1	0.3	14.6	5.1	14.4	0.1	0.4	17.7	6.2
Hanz	3.3 %	80.4	2.4	7.7	157.6	5.2	105.6	3.2	11.5	216.4	7.1
Gina Krog	11.6 %	1 925.6	4.7	11.3	2 052.9	237.6	2 452	6	14.5	2 615.4	302.7
<b>Total</b>						<b>317.5</b>					<b>413.8</b>
<b>Total Reserves 31.12.2015</b>						<b>373.9</b>					<b>498.2</b>
<b>Total Reserves 31.12.2014</b>						<b>143</b>					<b>205.6</b>

TABLE 2 - AGGREGATED RESERVES AND CHANGES DURING 2015:

Net attributed million barrels of oil equivalents	On production		Under development		Total	
	1P / P90	2P / P50	1P / P90	2P / P50	1P / P90	2P / P50
Balance at 31.12.2014	50	80.7	93	125	143	205.6
Production	(21.9)	(21.9)	-	-	(21.9)	(21.9)
Acquisitions/disposals	-	-	-	-	-	-
Extensions and discoveries	-	-	-	-	-	-
New developments	3.3	6.6	231.0	288.9	234.3	295.6
Revisions of previous estimates	24.9	18.9	(6.5)	(0.2)	18.4	18.7
<b>Balance as at 31.12.2015</b>	<b>56.4</b>	<b>84.4</b>	<b>317.4</b>	<b>413.7</b>	<b>373.7</b>	<b>498</b>
<b>Delta</b>	<b>6.4</b>	<b>3.7</b>	<b>224.4</b>	<b>288.7</b>	<b>230.8</b>	<b>292.4</b>



## Note 39 | Events after the balance sheet date

### AKASTOR RECEIVED COMMITMENT FOR REFINANCING

On 11 March 2016, Akastor ASA signed an agreement with its bank syndicate to amend and extend its current bank facilities until July 2019. The existing bank facilities, maturing 2017, will be replaced by a USD 422.5 million reducing revolver facility (Facility A), maturing in July 2019. In addition, Akastor has reached an agreement with DNB, Nordea and SEB for a new NOK 362.5 million revolving facility (Facility C) to mature in June 2017. The existing NOK 2.0 billion revolving facility (Facility B) is still maturing on July 2019.

### DIVESTMENT OF REAL ESTATE ASSETS

On 23 February 2016 Aker ASA announced agreements to sell the industrial properties acquired from Akastor (sale of Aker Maritime Finance AS) and its 25 per cent ownership in Fornebu Gateway AS to Kjell Inge Røkke and his company The Resource Group TRG ("TRG") AS. The total cash consideration to Aker from the transactions will be NOK 952 million. In addition, Aker received in March 2016 NOK 600 million in repayment of internal debt, as a result of external bank financing having been secured for the industrial properties. Kjell Inge Røkke is Aker's chairman and principal shareholder, and is also TRG's majority shareholder. The agreements therefore constitute related-party transactions. The sales processes were conducted at arm's length, in accordance with relevant regulation and in compliance with Aker's own guidelines for related-party transactions. The transaction between Aker, Kjell Inge Røkke and TRG are subject to the approval of Aker's 2016 Annual General Meeting, in accordance with The Public Limited Liability Companies Act section 3-8.

### LONGVIEW PROJECT ARBITRATION AWARD SETTLEMENT

In early March 2016 Kvaerner and Amec Foster Wheeler North America Corp. reached a settlement of all claims related to the Longview Power Project. The final settlement resulted in cash payment to Kvaerner of USD 70 million, and a positive currency accounting effect of approximately NOK 200 million is expected within discontinued operations in Kvaerner's income statement in first quarter 2016. This settlement concludes the arbitration awarded in October 2015 and terminates the court proceedings in connection with the award.

# Aker ASA

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## Income statement

Amounts in NOK million	Note	2015	2014
Salaries and other personnel related expenses	2,12,18	(135)	(125)
Depreciation, write-down/reversal write-off fixed assets	4	(31)	23
Other operating costs	2	(80)	(108)
<b>Operating profit (loss)</b>		<b>(246)</b>	<b>(210)</b>
Interest income from subsidiaries	7	172	181
Other interest income	7,9	43	53
Reversal of earlier years impairment of shares, receivables, etc.	8	386	-
Dividends from subsidiaries	5	950	753
Dividends from other companies	6	-	90
Foreign exchange gain		24	39
Gain on sale of shares	3	7 539	21
Other financial income		136	15
<b>Total financial income</b>		<b>9 250</b>	<b>1 152</b>
Interest expense to subsidiaries	13	(146)	(185)
Other interest expenses	14	(372)	(371)
Impairment of shares, receivables etc.	8	(2 069)	(4 852)
Foreign exchange loss		(163)	(16)
Other financial expenses	16	(88)	(224)
<b>Total financial expenses</b>		<b>(2 838)</b>	<b>(5 648)</b>
<b>Net financial items</b>		<b>6 412</b>	<b>(4 496)</b>
<b>Profit before tax</b>		<b>6 166</b>	<b>(4 706)</b>
Tax expense	11	-	(7)
<b>Profit after tax</b>		<b>6 166</b>	<b>(4 713)</b>
<b>Allocation of profit/loss for the year:</b>			
Profit (+) / loss (-)		6 166	(4 713)
Allocation of dividend		(742)	(723)
Transferred from (+) / allocated to (-) other equity		(5 424)	5 436
<b>Total</b>	10	<b>-</b>	<b>-</b>

## Balance sheet as at 31 December

Amounts in NOK million	Note	2015	2014
<b>ASSETS</b>			
Deferred tax assets	11	-	-
Art, equipment, cars and fixtures		73	40
Airplane		157	167
Buildings, property and land		7	7
<b>Total tangible fixed assets</b>	4	<b>237</b>	214
Shares in subsidiaries	5,8	23 258	16 638
Other long-term investments in shares	6	3	1 098
Investments in associates and joint ventures	6	10	10
Long-term receivables from subsidiaries	7	253	6 034
Other long-term financial assets	7	292	14
<b>Total financial fixed assets</b>		<b>23 816</b>	23 794
<b>Total non-current assets</b>		<b>24 053</b>	24 008
Short-term receivables from subsidiaries	7	257	106
Other short-term receivables		10	12
Cash and cash equivalents	9	1 459	2 693
<b>Total current assets</b>		<b>1 726</b>	2 811
<b>Total assets</b>		<b>25 779</b>	26 819
<b>EQUITY AND LIABILITIES</b>			
Share capital		2 081	2 026
Own shares		(4)	(1)
Share premium reserve		250	-
<b>Total paid-in equity</b>		<b>2 327</b>	2 026
Other equity		15 614	10 201
<b>Total equity</b>	10	<b>17 940</b>	12 226
Pension obligations	12	157	171
Other long-term provisions	15	-	134
<b>Total provisions</b>		<b>157</b>	305
Long-term liabilities to subsidiaries	13	234	88
Long-term subordinated debt to subsidiaries	13	-	6 601
Other long-term liabilities	14	6 546	6 735
<b>Total other long-term liabilities</b>		<b>6 780</b>	13 424
Allocated dividend	13	742	723
Tax payable	11	-	7
Short-term debt to subsidiaries		3	2
Other short-term liabilities	14	157	132
<b>Total current liabilities</b>		<b>902</b>	864
<b>Total equity and liabilities</b>		<b>25 779</b>	26 819

FORNEBU, 17 MARCH 2016

Aker ASA

**Kjell Inge Røkke (sign)**  
Chairman

**Finn Berg Jacobsen (sign)**  
Deputy Chairman

**Anne Marie Cannon (sign)**  
Director

**Kristin Krohn Devold (sign)**  
Director

**Leif O. Høegh (sign)**  
Director

**Karen Simon (sign)**  
Director

**Atle Tranøy (sign)**  
Director

**Arnfinn Stensø (sign)**  
Director

**Inger Elise Karlsen (sign)**  
Director

**Amram Hadida (sign)**  
Director

**Øyvind Eriksen (sign)**  
President and CEO

## Cash flow statement

Amounts in NOK million	Note	2015	2014
Profit before tax		6 166	(4 706)
Gain/-loss on sales of fixed assets and write-down/reversals	3,8	(5 856)	4 831
Unrealised foreign exchange gain/-loss		153	1
Depreciation/reversal write downs	4	31	(23)
Change in other short-term items, etc.		271	400
<b>Cash flow from operating activities</b>		<b>765</b>	<b>503</b>
Acquisition/sale of non-current assets	4	(51)	(7)
Acquisition of shares and other equity investments	5,6	(695)	(222)
Repayment on long-term interest-bearing receivables	7	1 283	-
Payments on long-term interest-bearing receivables	7	(657)	(1 152)
Sale of shares and other equity disposals	5,6	-	637
Cash flow from other investments/disposals	7	(285)	250
<b>Cash flow from investment activities</b>		<b>(405)</b>	<b>(494)</b>
Issue of long-term debt	14	644	1 427
Repayment of long-term debt	14	-	(11)
Change in short-term interest-bearing receivables	7	(1 238)	(85)
Dividend and Group contributions paid/received and other changes in equity	10	(1 000)	(937)
<b>Cash flow from financing activities</b>		<b>(1 594)</b>	<b>394</b>
Cash flow for the year		(1 234)	403
Cash and cash equivalents as at 1 January	9	2 693	2 290
<b>Cash and cash equivalents as at 31 December</b>	<b>9</b>	<b>1 459</b>	<b>2 693</b>



# Notes to the financial statements

## Note 1 | Accounting principles

The financial statements are prepared and presented in Norwegian kroner (NOK). The financial statements have been prepared in accordance with the applicable statutory provisions and generally accepted accounting principles in Norway as at 31 December 2015

### SUBSIDIARIES/ASSOCIATES

A subsidiary is a company in which Aker ASA has control. This normally means an ownership interest of more than 50%, and that the investment is long-term and of a strategic nature. An associate is a company in which Aker ASA has major influence, but not control. This is normally the case when Aker ASA holds between 20% and 50% of the voting shares in the company.

In the balance sheet, subsidiaries and associates are assessed using the cost method. A write-down to fair value is made whenever impairment is due to causes that are assumed to be non-transient and a write-down is thus required pursuant to generally accepted accounting principles. A reversal is made whenever the impairment is no longer present.

After acquisition, whenever a dividend exceeds the share of retained profits, the excess represents a refund of invested capital, and the dividend is subtracted from the value of the investment in the balance sheet. Received dividends are accounted for when the dividends are approved.

A group contribution received from a subsidiary after acquisition that is considered to exceed Aker ASA's share of retained profits is booked as a deduction from the book value of the investment, with a corresponding deduction of the deferred tax asset (or an increase in deferred tax). In cases where no deferred tax asset is booked and an amount equal to the Group contribution is transferred back to the subsidiary as a group contribution without tax effect, the entire received group contribution will be recorded as a deduction from the book value of the investment (without any corresponding entry with respect to deferred tax assets/deferred tax). The group contribution without tax effect is then correspondingly recorded as an increase in the book value of the investment, with the result that the net effect on the investment is zero. This reflects the fact that, overall, the "circular group contribution" has not constituted a transfer of value between Aker ASA and the subsidiary.

### CLASSIFICATION AND ASSESSMENT OF BALANCE SHEET ITEMS

Current assets and short-term liabilities comprise items that fall due within one year after the balance sheet date. Other items are classified as non-current assets/long-term liabilities.

Current assets are valued at the lower of acquisition cost or fair value. Short-term debt is recognised at its nominal value at the time it was recorded.

Non-current assets are valued at acquisition cost but written down to fair value whenever impairment is deemed to be non-transient. Long-term debt is recognised at its nominal value at the time it was established. Fixed interest rate bonds are valued at amortised cost.

### RECEIVABLES

Trade receivables and other receivables are recorded at par value after the subtraction of a provision for expected losses. Provisions are made for losses based on individual assessments of each receivable.

### FOREIGN CURRENCY

Transactions in foreign currencies are translated into NOK using the exchange rates applicable at the time of each transaction. Monetary items in foreign currencies are translated into NOK using the exchange rates applicable on the balance sheet date. Non-monetary items that are measured at historic cost in a foreign currency are translated into NOK using the exchange rates applicable on the balance sheet date. Non-monetary items that are measured at fair value in a foreign currency are translated into NOK using the exchange rates applicable on the date of measurement. Valuation changes due to exchange rate fluctuations are recorded on a continuous basis under other financial items.

### NON-CURRENT ASSETS

Non-current assets are recognised and depreciated over their estimated useful life. Direct maintenance of operating assets is expensed on an ongoing basis as operating costs, while improvements and enhancements are added to the acquisition cost of the operating asset and depreciated in line with the asset. If the recoverable amount of the operating asset is less than its carrying value, the recoverable amount is impaired. The recoverable amount is

the higher of net sales value and value-in-use. Value-in-use is the present value of the future cash flows that the asset will generate.

### PENSIONS

Pension costs and pension liabilities are calculated according to linear vesting based on expected final salary. The calculation is based on a number of assumptions such as the discount rate, future salary increases, pensions and other social benefits from the Norwegian national insurance system (Folketrygden), future returns on pension funds and actuarial assumptions regarding mortality and voluntary retirement. Pension funds are recognised at fair value.

### TAX

The tax expense in the income statement includes both the tax payable for the period and changes in deferred tax. Deferred tax is calculated at a nominal value rate based on the temporary differences that exist between accounting and tax values, and tax losses carried forward at the end of the accounting year. Tax increasing and tax decreasing temporary differences which reverse or can be reversed in the same period are offset. Net deferred tax assets are recognised to the extent that it is probable that they can be utilised.

### CASH FLOW STATEMENT

The cash flow statement is prepared according to the indirect method. Cash and cash equivalents consist of cash, bank deposits and other current, liquid investments.

### THE USE OF ESTIMATES

Preparation of the annual accounts in accordance with generally accepted accounting principles requires management to make judgments, estimates and assumptions that affect the application of accounting principles, as well as the reported amounts of assets and liabilities, income and expenses. The estimates and underlying assumptions are reviewed and assessed on an ongoing basis, and are based on historical experience and various other factors considered to be reasonable. Changes to the accounting estimates are recognised in the profit and loss account in the same period as the one in which the estimates are revised, unless deferred allocations are prescribed by generally accepted accounting principles.

## Note 2 | Salaries and other personnel expenses

### SALARIES AND OTHER PERSONNEL EXPENSES CONSIST OF THE FOLLOWING:

Amounts in NOK million	2015	2014
Salaries	92	80
Social security contributions	15	13
Pension costs (see Note 12)	13	13
Other benefits	15	19
<b>Total</b>	<b>135</b>	<b>125</b>
Average number of employees	43	49
Average number of man years	42	49

### AUDIT FEE IS INCLUDED IN OTHER EXPENSES AND CONSISTS OF THE FOLLOWING:

Amounts in NOK million	2015	2014
Ordinary auditing	1.9	1.9
Attestation services	0.1	0.3
Tax services	-	0.5
Other services	0.3	0.4
<b>Total</b>	<b>2.3</b>	<b>3.1</b>

Amounts exclusive VAT according to Aker ASA VAT key.

### REMUNERATION TO/FROM GROUP AND RELATED PARTIES CONSIST OF THE FOLLOWING:

Amounts in NOK million	2015	2014
Invoiced for services and office rent within the Group	17.8	30.9
Acquisition of services from The Resource Group TRG AS	(2.4)	(1.7)
Board fee to The Resource Group TRG AS excluding payroll tax	(0.6)	(0.6)
Invoiced for services to The Resource Group TRG AS	1.7	1.3
<b>Total</b>	<b>16.5</b>	<b>29.9</b>

See Note 35 to the group accounts for other transactions with related parties.

#### INCENTIVE PROGRAMME FOR EMPLOYEES (EXCLUDING THE PRESIDENT AND CEO)

Aker ASA has adopted an incentive programme to promote the company's goals and give employees the same motivation as shareholders. In 2015, the incentive programme had the following elements:

- a dividend bonus, based on the Aker ASA dividend
- a personal bonus, based on personal achievement
- bonus shares, allocated on the basis of on an agreed increase in net asset value
- an option to purchase Aker ASA shares at a discount but subject to a lock-up period.

See Note 36 to the group accounts regarding the incentive programme for the President and CEO.

#### BONUS CEILING

Dividends and personal bonuses are paid in cash in the year after the vesting year. Participants can achieve a total bonus equal to a defined percentage of fixed salary (bonus ceiling), split into a dividend bonus and a personal bonus.

#### DIVIDEND BONUS

The dividend bonus is linked to dividends paid for the vesting year. A defined number of shadow shares are used as the basis for calculating the dividend bonus. The calculation of the shadow shares is based on the target yield for net asset value and the target dividend for the vesting year. Participants receive a dividend bonus (cash) equal to the dividend per share proposed by the board of directors multiplied by the number of shadow shares.

#### PERSONAL BONUS

The personal bonus is linked to the achievement of personal results and goals, and is set based on an overall evaluation covering each participant's personal achievements and development, the results and development of the company and the unit to which the participant belong, and the participant's contribution to the Aker-community.

#### BONUS SHARES

Participants may be awarded shares in the company if the company achieves an increase

in net asset value of more than 10 percent in the relevant year. The number of potential bonus shares cannot be determined before allocation takes place, as the final number is based on the share price on the determination date and the participant's salary as at 31 December of the vesting year. An allocation range is calculated for the award of bonus shares at the beginning of the vesting year, equal to 50 percent of the range for the dividend bonus. The fixed allocation range is a gross range. The participant's estimated tax on the free bonus shares is deducted from this gross range, as the company pays this amount in by way of advance tax deduction. Deduction of tax leaves a net range as a basis for calculating the number of bonus shares. The value of the bonus shares equals the share price on the vesting date minus a deduction to take into the account the lock-up period (20 percent). The lock-up period is three years from the date the bonus shares are received. The limitations on the right of participants to dispose of the discounted shares freely are registered in VPS as a restriction in favour of the company. If a participant

leaves the company during the lock-up period, 50 percent of the distributed bonus shares are returned to the company without compensation to the participant.

#### OPTION TO PURCHASE OF SHARES AT A DISCOUNT BUT SUBJECT TO A LOCK-UP PERIOD

Participants may purchase shares in the company at a price equal to 80 percent of the share price at the time the shares are purchased. The number of shares that can be bought during the vesting year is calculated based on the estimated number of bonus shares the participant may theoretically receive at the end of the earning year if he/she achieves the maximum bonus.

Participants choose how many shares they want to buy within their allocation range. A lock-up period of three years applies from the date the shares are received. The limitations on the right of participants to dispose of the discounted shares freely are registered in VPS as a restriction in favour of the company. The lock-up period continues to apply if the participant leaves the company during the lock-up period, unless the company and the participant agree otherwise.

Dividend bonuses and personal bonuses are recorded as salary expenses. An allocation of NOK 22 million has been made under other

short-term debt as at 31 December 2015 in respect of dividend bonuses and personal bonuses including holiday pay and payroll tax.

Bonus shares and shares purchased at a discount have a three-year lock-up period. The accrual of bonus shares is recorded as a salary expense in the income statement distributed over the lock-up period. The contra entry is other equity. It is recorded an accrual related to 2015 bonus shares of 4 million.

## Note 3 | Gain on sale of shares

During 2015, Aker ASA transferred its equity holdings in Convento Capital Fund AS (later renamed Aker Capital II AS), Convento Capital Fund IS, Havfisk ASA and Ocean Yield ASA to Aker Capital AS, a wholly owned subsidiary of Aker ASA. The purpose of the restructuring was to streamline and simplify Aker's holding structure. The transactions were carried out at arms-length basis based on fair values at the time of the transactions. The transactions resulted in a total gain for Aker ASA of NOK 7.5 billion.

Amounts in NOK million	2015	2014
Aker BioMarine AS	-	7
Oslo Asset Management Holding AS	-	14
Havfisk ASA	1 089	-
Ocean Yield ASA	3 668	-
Aker Capital II AS	25	-
Convento Capital Fund IS	2 757	-
<b>Total gain</b>	<b>7 539</b>	<b>21</b>

## Note 4 | Fixed operating assets

Amounts in NOK million	Airplane	Equipment/ cars/ fixtures/art	Property/ Buildings/ Land	Total
Acquisition cost as at 1 January	240	67	8	315
New acquisition	-	51	-	51
<b>Acquisition cost as at 31 December</b>	<b>240</b>	<b>118</b>	<b>8</b>	<b>366</b>
Accumulated depreciation and write-down	(83)	(45)	(1)	(129)
<b>Book value as at 31 December</b>	<b>157</b>	<b>73</b>	<b>7</b>	<b>237</b>
Depreciation for the year	(10)	(5)	-	(15)
Write-down for the year	-	(16)	-	(16)
Useful life	25 years	0-8 years	50 years	
Depreciation plan	Linear	Linear	Linear	

## Note 5 | Shares in subsidiaries

Amounts in NOK million	Ownership in % <sup>1)</sup>	Location, city	Equity as at 31 Dec. 2015 <sup>2)</sup>	Profit before tax 2015 <sup>2)</sup>	Dividend re- ceived	Book value
Intellectual Property Holdings AS	100	Fornebu	4	-	-	8
Aker Maritime Finance AS	100	Fornebu	884	(45)	183	878
Aker Capital AS	100	Fornebu	16 723	473	-	16 634
Aker Kværner Holding AS	70	Fornebu	5 576	(2 125)	173	3 904
Akastor ASA <sup>3)</sup>	8.5	Fornebu	7 449	(2 788)	-	280
Aker Solutions ASA <sup>4)</sup>	6.4	Fornebu	6 397	685	25	526
Norron AB	48.2	Stockholm	31	10	11	46
Aker Achievements AS	100.0	Fornebu	5	2	-	-
Old Aker BioMarine AS	99.5	Fornebu	-	-	-	-
Cork Oak Holding AS	100	Fornebu	1	1	-	-
Resource Group International AS	100	Fornebu	68	1	-	64
Aker BioMarine AS	99.5	Fornebu	199	(7)	-	739
Aker Pharma Holdco AS	100	Fornebu	196	(153)	-	179
<b>Total</b>					392	23 258

1) The shareholder's agreement for Norron AB gives Aker ASA the right to elect two out of four board members, including the chairman of the board. For all other companies, Aker ASA's ownership and share of votes are the same.

2) 100% of the company's equity before dividends and group contributions as at 31 December 2015 and profit before tax in 2015. Akastor ASA and Aker Solutions ASA figures on group level.

3) In addition Aker ASA owns 40.3% through Aker Kværner Holding AS.

4) In addition Aker ASA owns 40.6% through Aker Kværner Holding AS.

In addition Aker has received dividend from Havfisk ASA 47 million, Ocean Yield ASA 480 million and Aker Capital II AS 31 million before the companies where sold in 2015.

The investments are recorded at the lowest of fair value and cost price.

## Note 6 | Investments in associates, joint ventures and other long-term investments in shares

### INVESTMENTS IN ASSOCIATES AND JOINT VENTURES:

Amounts in NOK million	Cost	Accum. write-down	Book value 2015	Book value 2014
G&A Air AS (joint venture)	10	-	10	10
<b>Total</b>	10	-	10	10

The investments are recorded at the lowest of fair value and cost.

### INVESTMENTS IN OTHER SHARES:

Amounts in NOK million	Cost	Accum. write-down	Book value 2015	Book value 2014
Aker Pensjonskasse	3	-	3	3
<b>Sum</b>	3	-	3	3

The investments are recorded at the lowest of fair value and cost.

## Note 7 | Other long-term financial assets and receivables on group companies

### RECEIVABLES AND OTHER LONG-TERM FINANCIAL ASSETS CONSIST OF THE FOLLOWING ITEMS:

Amounts in NOK million	2015	2014
Other long-term receivables	3	5
Long-term receivables Aker American Shipping Company ASA	176	-
Long-term derivatives	112	-
Long-term loans to employees	-	7
Capitalised expenses, etc.	-	2
<b>Total other long-term assets</b>	<b>292</b>	<b>14</b>

### LONG-TERM RECEIVABLES FROM SUBSIDIARIES CONSIST OF:

Amounts in NOK million	2015	2014
Aker Capital AS	-	5 665
Krill Pharma AS	4	2
Aker Maritime Finance AS	-	313
Navigator Marine AS	20	12
Aker Pharma Holdco AS	-	2
Aker BioMarine AS	229	26
Ocean Harvest AS	-	16
<b>Total</b>	<b>253</b>	<b>6 034</b>

The receivables have a maturity of more than one year. Interest terms on the receivables reflect market terms.

### SHORT-TERM RECEIVABLES FROM SUBSIDIARIES CONSIST OF:

Amounts in NOK million	2015	2014
Aker BioMarine AS	-	106
Aker Maritime Finance AS	255	-
Other	2	-
<b>Total</b>	<b>257</b>	<b>106</b>

## Note 8 | Reversal/impairment of shares, receivables, etc.

Amounts in NOK million	2015	2014
Others	2	-
<b>Total reversals of receivables</b>	<b>2</b>	<b>-</b>
Aker Capital AS	384	-
<b>Total reversals of shares</b>	<b>384</b>	<b>-</b>
<b>Total reversals of shares, receivables, etc.</b>	<b>386</b>	<b>-</b>
Aker Kværner Holding AS	(1 662)	(3 694)
Akastor ASA	(158)	(284)
Aker Solutions ASA	(195)	(491)
Aker Capital AS	-	(384)
Other shares	(50)	-
<b>Total impairment shares</b>	<b>(2 065)</b>	<b>(4 852)</b>
Other	(3)	-
<b>Total impairments of receivables, etc.</b>	<b>(3)</b>	<b>-</b>
<b>Total impairments of shares, receivables, etc.</b>	<b>(2 069)</b>	<b>(4 852)</b>

The company has tested its investments for impairment as at 31 December 2015. Investments in listed shares are adjusted according to the lower of cost and market price. Other investments are valued based on other available information/best estimate. Long-term items are adjusted to the lower of cost and fair value.

## Note 9 | Cash and cash equivalents

Amounts in NOK million	2015	2014
Restricted cash	17	12
Unrestricted cash	1 442	2 681
<b>Total</b>	<b>1 459</b>	<b>2 693</b>

## Note 10 | Shareholders' equity

AS AT 31 DECEMBER 2015, AKER ASA'S SHARE CAPITAL IS AS FOLLOWS:

Amounts in NOK million	Shares issued	Number of treasury shares	Shares outstanding	Nominal value (NOK)	Total nominal value for issued shares (NOK million)
Ordinary shares	74 321 862	(158 885)	74 162 977	28	2 081
Total share capital	74 321 862	(158 885)	74 162 977		2 081
Treasury shares					(4)
Share premium reserve					250
<b>Total paid-in capital</b>					<b>2 327</b>

All shares have equal voting rights and are entitled to dividends. Aker ASA has no voting rights for its own shares.

CHANGES IN SHAREHOLDERS' EQUITY IN 2015 ARE SHOWN BELOW:

Amounts in NOK million	Share capital	Premium on shares	Treasury shares	Total paid-in capital	Other equity	Total equity
Equity as at 1 January	2 026	(1)	-	2 026	10 201	12 226
Purchased/sold/bonus treasury shares	-	(3)	-	(3)	(14)	(17)
Issue of shares/share dividend	54	-	250	304	-	304
Pension directly against the equity	-	-	-	-	2	2
Allocation of dividend	-	-	-	-	(742)	(742)
Profit for the year	-	-	-	-	6 166	6 166
<b>Equity as at 31 December</b>	<b>2 081</b>	<b>(4)</b>	<b>250</b>	<b>2 327</b>	<b>15 614</b>	<b>17 940</b>

In 2015, the company has acquired 150 028 treasury shares and sold/distributed 19 931 own shares in connection with the employees incentive program. Net paid NOK 22 million has reduced equity.

Accrued share bonus in 2015 with NOK 5 million has been recorded as an expense and increased other equity. Other equity has been reduced through distribution of profit and loss with the same amount and accrued share bonus totally has net zero effect on other equity.

In addition the company has received/distributed 1 947 134 own shares in a tender issue/scrip dividend in 2015.



## THE 20 LARGEST SHAREHOLDERS AS AT 31 DECEMBER 2015:

	Number of shares	Percent
TRG Holding AS <sup>1)</sup>	49 785 635	67 %
J.P. Morgan Chase BANK N.A. London	1 985 833	2.7 %
Folketrygdfondet	983 924	1.3 %
The Resource Group TRG AS <sup>1)</sup>	887 942	1.2 %
KBC Securities NV	811 511	1.1 %
Morgan Stanley & Co LLC	803 941	1.1 %
Tvenge, Torstein Ingvald	800 000	1.1 %
KBC Securities NV, Belgia	638 575	0.9 %
KBL European private bankers S.A.	598 467	0.8 %
The bank of new york mellon	515 399	0.7 %
Verdipapirfondet KLP aksjenorge	479 859	0.6 %
State Street Bank & Trust Company	476 248	0.6 %
Oslo Pensjonsforsikring AS PM	445 200	0.6 %
Morgan Stanley & Co LLC International	419 305	0.6 %
State Street Bank & Trust Co., Boston	360 962	0.5 %
Fidelity Funds-Nordic Fund/SICAV	331 668	0.4 %
Fondsfinans Norge	310 000	0.4 %
Picet & Cie (Europe) S.A.	291 000	0.4 %
Kommunal landspensjonskasse	267 093	0.4 %
SEB Prime solutions Sissener can.	258 400	0.3 %
Others	12 870 900	17.3 %
<b>Total</b>	<b>74 321 862</b>	<b>100%</b>

1) Kjell Inge Røkke controls 68,2% of the shares in Aker ASA through TRG Holding AS and The Resource Group TRG AS.

## Note 11 | Deferred tax

The table below shows the difference between accounting and tax values at the end of 2015 and 2014 respectively, changes in these differences, deferred tax assets at the end of each year and the change in deferred tax assets.

Amounts in NOK million	2015	2014
Provisions and accruals	27	(87)
Fixed asset differences	72	56
Net pension liability	(295)	(305)
Capital gains and loss reserve	4	5
<b>Total differences</b>	<b>(192)</b>	<b>(331)</b>
Tax losses carried forward	(2 834)	(2 104)
Cut-off interest deduction carried forward	(3)	(3)
<b>Total deferred tax basis</b>	<b>(3 029)</b>	<b>(2 438)</b>
<b>Net deferred tax 25% / 27%</b>	<b>(757)</b>	<b>(658)</b>
Deferred tax assets	757	658
<b>Recognised deferred tax assets</b>	<b>-</b>	<b>-</b>

Deferred tax asset is incorporated in the balance sheet if budgets indicate that the asset will be utilised in the future. The deferred tax assets have been written down to 0 as of 31.12.15.

### ESTIMATED TAXABLE PROFIT

Amounts in NOK million	2015	2014
Profit before tax	6 166	(4 706)
Permanent differences in net non-taxable income (-) / expenses (+)	(6 774)	4 091
Change in temporary differences	(139)	128
Utilisation of accumulated tax losses	-	-
<b>Estimated taxable income</b>	<b>(747)</b>	<b>(487)</b>
Tax payable 27% in the profit and loss account	-	-
<b>Tax payable 27% (in the balance sheet)</b>	<b>-</b>	<b>-</b>

### INCOME TAX EXPENSE / INCOME:

Amounts in NOK million	2015	2014
Tax payable in the profit and loss account	-	(7)
Change in deferred tax	-	-
<b>Total tax expense</b>	<b>-</b>	<b>(7)</b>

The 2015 figures above are based on estimates of different non-deductible taxable income, non-deductible items and differences between accounting and tax items. The final calculations will be made in the income-tax return and may differ from estimates above.

### RECONCILIATION OF EFFECTIVE TAX PERCENT IN THE PROFIT AND LOSS ACCOUNT:

Amounts in NOK million	2015	2014
27% tax on profit before tax	(1 664)	1 271
27% tax on permanent differences	1 828	(1 104)
Change in tax rate deferred tax 27% vs. 25%	(61)	-
Tax payable other	-	(7)
25% tax on unrecognised deferred tax asset	(103)	(167)
<b>Estimated tax expense</b>	<b>-</b>	<b>(7)</b>
Effective tax rate (tax expense compared with profit / loss before tax)	0%	0 %

## Note 12 | Pension cost and pension liabilities

According to the Norwegian Occupational Pensions Act (Lov om tjenstepensjon), the company is required to provide a pension plan for all its employees. The company's pension plans meets the statutory requirements. Aker ASA primarily covers its pension liabilities through a group pension plan provided by a life insurance company. For accounting purposes, the plan has been treated as a defined benefit plan. Aker ASA also has uninsured pension liabilities. The schemes provide defined future benefits. These benefits depend mainly on the number of years the individual has been a member of the plan, the level of salary at the time of retirement and the level of benefits provided by the Norwegian national insurance scheme.

<b>ACTUARIAL CALCULATIONS HAVE BEEN UNDERTAKEN BASED ON THE FOLLOWING ASSUMPTIONS:</b>	<b>2015</b>	<b>2014</b>
Discount rate	2.5 %	2.5 %
Wage increases	2.5 %	3.3 %
Social security base adjustment / inflation	2.3 %	3.0 %
Pension adjustment	0.8 %	1.3 %

These actuarial assumptions are based on the assumptions that are commonly used in the life insurance industry with respect to demographic factors. The discount rate is based on the Norwegian high-quality corporate bond rate.

<b>PERCENTAGE COMPOSITION OF PENSION ASSETS AND RECONCILIATION OF ACTUAL RETURN:</b>	<b>2015</b>	<b>2014</b>
Bonds	79.3 %	80.4 %
Money market	11.5 %	11.7 %
Shares	6.5 %	5.6 %
Property/other	2.7 %	2.3 %

<b>Amounts in NOK million</b>	<b>2015</b>	<b>2014</b>
Expected return on pension assets	2	-
<b>Actual return on pension assets</b>	<b>2</b>	<b>-</b>

### PENSION EXPENSES

<b>Amounts in NOK million</b>	<b>2015</b>	<b>2014</b>
Present value of this year's pension accruals	(9)	(6)
Interest expense on accrued pension liabilities	(6)	(6)
Expected return on pension funds	2	-
Change in social security contributions	-	(1)
<b>Net pension expenses (-)</b>	<b>(13)</b>	<b>(13)</b>

### NET PENSION LIABILITIES AS AT 31 DECEMBER:

<b>Amounts in NOK million</b>	<b>2015 <sup>1)</sup></b>	<b>2014 <sup>1)</sup></b>
Present value of accrued pension liabilities	(223)	(238)
<b>Calculated pension liabilities</b>	<b>(223)</b>	<b>(238)</b>
Value of pension funds	66	67
Calculated net pension funds / liabilities	(157)	(171)
<b>Net pension liabilities recognised in balance sheet <sup>2)</sup></b>	<b>(157)</b>	<b>(171)</b>
<b>Number of individuals covered</b>	<b>109</b>	<b>126</b>

The agreements include 43 active and 66 retired persons.

<sup>1)</sup> Aker ASA had only underfunded plans in 2015 and 2014, i.e. plans where the value of the pension liabilities exceeds the value of the pension funds.

<sup>2)</sup> Provision has been made for social security contributions on contracts with net pension liabilities.

Aker ASA's net pension liability is recognised in the balance sheet as an interest-free long-term liability. Pension funds are invested in accordance with the general guidelines for life insurance companies. Recorded pension liabilities are calculated on the basis of estimated future pension liabilities and accrued in accordance with generally accepted accounting principles. The pension liability recorded in the accounts is not the same as the vested pension rights as at 31 December.

## Note 13 | Debt and other liabilities to subsidiaries

### LONG-TERM LIABILITIES TO SUBSIDIARIES CONSIST OF THE FOLLOWING:

Amounts in NOK million	2015	2014
Resource Group International AS	53	52
Aker Maritime Finance AS	139	-
A-S Norway AS	19	19
Aker Holding Start 2 AS	23	12
Intellectual Property Holding AS	-	5
<b>Total</b>	<b>234</b>	<b>88</b>

Long-term liabilities to subsidiaries have a maturity on demand, which implies a maturity of more than five years and interest set on market terms. See below for subordinated loans.

### SUBORDINATED DEBT IS AS FOLLOWS:

Amounts in NOK million	2015	2014
Aker Capital AS	-	4 980
Aker Maritime Finance AS	-	1 621
<b>Total subordinated debt</b>	<b>-</b>	<b>6 601</b>

All subordinated debt are redeemed in 2015.

### ALLOCATED DIVIDEND:

A dividend of NOK 10.00 per share, NOK 742 million in total, will be proposed at the Annual General Meeting on 22 April 2015.

## Note 14 | External debt and other liabilities

### LONG-TERM INTEREST-BEARING LIABILITIES ARE DISTRIBUTED AS FOLLOWS:

Amounts in NOK million	Interest	Maturity	2015	2014
<b>Unsecured bond loans:</b>				
FRN Aker ASA Senior Unsecured Bond Issue 2010/2015	Nibor + 5 %	November 2015	-	850
Own bonds	Nibor + 5 %	November 2015	-	(43)
FRN Aker ASA Senior Unsecured Bond Issue 2012/2017	Nibor + 4 %	April 2017	500	500
FRN Aker ASA Senior Unsecured Bond Issue 2013/2018	Nibor + 3,5 %	June 2018	1 300	1 300
FRN Aker ASA Senior Unsecured Bond Issue 2012/2019	Nibor + 5 %	January 2019	500	500
FRN Aker ASA Senior Unsecured Bond Issue 2014/2019	Stibor + 3,25%	July 2019	1 571	1 430
FRN Aker ASA Senior Unsecured Bond Issue 2013/2020	Nibor + 4 %	June 2020	700	700
FRN Aker ASA Senior Unsecured Bond Issue 2015/2020	Nibor + 3.5 %	June 2021	1 000	-
FRN Aker ASA Senior Unsecured Bond Issue 2012/2022	Nibor + 5 %	September 2022	1 000	1 000
Loan expenses			(37)	(41)
<b>Total unsecured bond loans</b>			<b>6 534</b>	<b>6 196</b>
<b>Unsecured bank loans:</b>				
Sparebank1 SMN	Nibor +3,75%	May 2017	-	500
Capitalised borrowing expenses			-	(1)
<b>Total unsecured bank loans</b>			<b>-</b>	<b>499</b>
Unrealised loss on foreign exchange derivatives			12	40
<b>Total</b>			<b>6 546</b>	<b>6 735</b>

The loans are recorded at amortised cost. As at 31 December capitalised borrowing expenses of NOK - 37 million were spread across the remaining time to maturity. The loans in the table are all denominated in NOK, except from the Bond Issue 2014/2019 which is in SEK.

The company has covenants related to long-term debt (debt/equity ratio etc.). The company is in no breaches to these covenants as of 31.12.2015.

### OTHER CURRENT LIABILITIES CONSIST OF THE FOLLOWING:

Amounts in NOK million	2015	2014
Accrued interest external	32	36
Incurred costs	33	37
Foreign exchange derivatives	62	35
Other	30	24
<b>Total</b>	<b>157</b>	<b>132</b>

## Note 15 | Guarantee obligations

### GUARANTEE OBLIGATIONS ARE AS FOLLOWS:

Amounts in NOK million	2015	2014
Loan guarantees	308	458
Completion and other guarantees	-	134
<b>Total guarantee obligations</b>	<b>308</b>	<b>592</b>

Loan guarantees as at 31 December 2015 consisted of guarantees related to Aker BioMarine AS NOK 305 million and NORO Fotball AS NOK 3 million.

Aker ASA had earlier a guarantee commitment to Kvaerner US Inc. (KUSI) relating to the US pension fund Kvaerner Consolidated Retirement Plan. As of December 2015 Aker Maritime Finance AS took over the pension liability from

KUSI, in order to avoid accelerated payments under the Aker ASA guarantee as a consequence of a potential bankruptcy of KUSI. Aker ASA continue to guarantee for the liability and will cover for all Aker Maritime Finance AS's expenses related to the pension plan. Since the guarantee is a guarantee towards a subsidiary, the provision previously recognised as guarantee obligations is now recognised under long-term debt to group companies. As at 31 De-

cember 2015, Aker ASA has made a provision of NOK 139 million in the balance sheet.

Responsibility for payment of the premiums into the pension fund is split between Aker Maritime Finance AS (two-thirds, with a guarantee from Aker ASA), and AK Willfab Inc. and Aker Solutions Inc. (one-third, with a guarantee from Akastor ASA).

## Note 16 | Financial market risk

The company are exposed to several types of financial risk, the most significant of which are credit, liquidity, foreign exchange and interest rate risk. The purpose of risk management is to measure and manage financial risks in a reliable manner, in order to increase predictability and simultaneously minimise any negative impacts on Aker's financial results. Aker ASA has loan and guarantee commitments that contain equity covenants. At the end of 31 December 2015, Aker ASA was in compliance with all

such covenants. Also see Note 6 to the group accounts. Aker ASA secures net exposure in cash flow in foreign exchange and normally not balance items. Cash flow, including detectable structural transactions and possible loans in foreign exchange are secured within fixed intervals. In total, Aker ASA has hedged USD 31 million net by means of forward contracts and options (European). In addition Aker ASA has an interest- and foreign currency agreement of SEK 1 150 million. As at 31 December 2015, the

accounts show an unrealised net profit of NOK 37 million on all foreign exchange agreement. The amount is included in other financial items in the profit and loss accounts. In the balance sheet the amount is included in other long-term receivables (SEK profit NOK 112 millions) other short-term debt (USD loss NOK 62 millions) and other long-term debt (USD loss NOK 12 millions). See Note 7 and 14.

## Note 17 | Shares owned by board members/executives

See Note 37 to the financial statements of the Group.

## Note 18 | Salary and other remuneration to the Board of Directors, nomination committee, the President and CEO, and other senior executives

See Note 36 to the financial statements of the Group.

## Note 19 | Legal disputes and contingent liabilities

There are no major legal disputes or contingent liabilities as at 31.12

## Note 20 | Events after the balance sheet date

Except for an agreement of sale of Aker Maritime Finance AS, there have not been any major events after the balance sheet date. See also Note 39 in the financial statements of the Group.



## Directors' responsibility statement

Today, the board of directors and the president and chief executive officer reviewed and approved the board of directors' report and the consolidated and separate annual financial statements of Aker ASA, consolidated and parent company for the year ending and as of 31 December 2015.

Aker ASA's consolidated financial statements have been prepared in accordance with IFRSs and IFRICs adopted by the EU as well as additional disclosure requirements in the Norwegian Accounting Act and as such are to be applied per 31 December 2015. The separate financial statements of Aker ASA and the parent company have been prepared in accordance with the Norwegian Accounting Act and Norwegian accounting standards as at 31 December 2015. The board of directors' report for the group and the parent company satisfy with the requirements of the Norwegian Accounting Act and Norwegian accounting standard no. 16, as at 31 December 2015.

To the best of our knowledge:

- The consolidated and separate annual financial statements for 2015 have been prepared in accordance with applicable accounting standards.
- The consolidated and separate annual financial statements give a true and fair overall view of the assets, liabilities, financial position and profit/loss of the group and for the parent company as of 31 December.
- The board of directors' report provides a true and fair review of the
  - development and performance of the business and the position of the group and the parent company,
  - the principal risks and uncertainties the group and the parent company may face.

**FORNEBU, 17 MARCH 2016**

Aker ASA

**Kjell Inge Røkke (sign)**  
Chairman

**Finn Berg Jacobsen (sign)**  
Deputy Chairman

**Anne Marie Cannon (sign)**  
Director

**Kristin Krohn Devold (sign)**  
Director

**Leif O. Høegh (sign)**  
Director

**Karen Simon (sign)**  
Director

**Atle Tranøy (sign)**  
Director

**Arnfinn Stensø (sign)**  
Director

**Inger Elise Karlsen (sign)**  
Director

**Amram Hadida (sign)**  
Director

**Øyvind Eriksen (sign)**  
President and CEO

## Independent auditor's report



**KPMG AS**  
P.O. Box 7000 Majorstuen  
Sørkedalsveien 6  
N-0306 Oslo

Telephone +47 04063  
Fax +47 22 60 96 01  
Internet [www.kpmg.no](http://www.kpmg.no)  
Enterprise 935 174 627 MVA

To the Annual Shareholders' Meeting of Aker ASA

### INDEPENDENT AUDITOR'S REPORT

#### Report on the Financial Statements

We have audited the accompanying financial statements of Aker ASA, which comprise the financial statements of the parent company Aker ASA and the consolidated financial statements of Aker ASA and its subsidiaries. The parent company's financial statements comprise the balance sheet as at 31 December 2015, the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information. The consolidated financial statements comprise the balance sheet as at 31 December 2015, and the income statement and the statement of other comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### *The Board of Directors and the Managing Director's Responsibility for the Financial Statements*

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of the parent company financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway and for the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Offices in:

Oslo	Grimstad	Molde	Trondheim
Alta	Hamar	Narvik	Tynset
Arendal	Haugesund	Sandnessjøen	Tønsberg
Bergen	Knarvik	Stavanger	Ålesund
Bodo	Kristiansand	Stord	
Elverum	Larvik	Strøme	
Finnsnes	Mo i Rana	Tromsø	

KPMG AS, a Norwegian limited liability company and member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

*Independent auditor's report 2015**Aker ASA**Opinion on the separate financial statements*

In our opinion, the parent company's financial statements are prepared in accordance with the law and regulations and give a true and fair view of the financial position of Aker ASA as at 31 December 2015, and of its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

*Opinion on the consolidated financial statements*

In our opinion, the consolidated financial statements are prepared in accordance with the law and regulations and give a true and fair view of the financial position of Aker ASA and its subsidiaries as at 31 December 2015, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

**Report on Other Legal and Regulatory Requirements***Opinion on the Board of Directors' report and the statements on Corporate Governance and Corporate Social Responsibility*

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report and in the statements on Corporate Governance and Corporate Social Responsibility concerning the financial statements, the going concern assumption and the proposal for the allocation of the profit is consistent with the financial statements and complies with the law and regulations.

*Opinion on Accounting Registration and Documentation*

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, «Assurance Engagements Other than Audits or Reviews of Historical Financial Information», it is our opinion that the management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Oslo, 17 March 2016  
KPMG AS

Arve Gevoll (sign)  
*State Authorized Public Accountant*

[Translation has been made for information purposes only]

# Aker ASA and holding companies

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The combined financial statements of Aker ASA and holding companies have been prepared to present the financial position as if the companies had been one single unit. See Note 1 for further description.

## Combined income statement

Amounts in NOK million	Note	2015	2014
Operating expenses		(219)	(223)
Depreciation and write-down	8	(31)	(15)
Non-recurring operating items	2	-	1
<b>Operating profit</b>		<b>(250)</b>	<b>(238)</b>
Dividends received	3	1 340	844
Other financial items	4	(632)	(490)
Value changes	5	153	(1 432)
<b>Profit before tax</b>		<b>611</b>	<b>(1 316)</b>
Tax	6	-	(6)
<b>Profit for the year</b>		<b>611</b>	<b>(1 322)</b>



## Combined balance sheet as at 31 December

Amounts in NOK million	Note	2015	2014
<b>ASSETS</b>			
Intangible assets	8	-	9
Tangible fixed assets	8	249	226
<b>Total intangible and tangible fixed assets</b>		<b>249</b>	<b>235</b>
Financial interest-bearing fixed assets	9	986	285
Financial interest-free fixed assets	8	159	27
Long-term equity investments	7	16 184	14 742
<b>Total financial fixed assets</b>		<b>17 329</b>	<b>15 055</b>
<b>Total fixed assets</b>		<b>17 578</b>	<b>15 290</b>
Short-term interest-free receivables		246	19
Short-term interest-bearing receivables	9	262	133
Cash and cash equivalents	10	1 488	2 857
<b>Total current assets</b>		<b>1 996</b>	<b>3 009</b>
<b>Total assets</b>		<b>19 574</b>	<b>18 299</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Paid-in capital	11	2 327	2 026
Retained earnings		9 504	8 315
<b>Total equity</b>		<b>11 831</b>	<b>10 341</b>
Provisions and other interest-free long-term liabilities	12	308	391
Long-term interest-bearing liabilities	13	6 534	5 895
<b>Total long-term liabilities</b>		<b>6 842</b>	<b>6 285</b>
Short-term interest-free liabilities	12	901	867
Short-term interest-bearing liabilities	13	-	806
<b>Total short-term liabilities</b>		<b>901</b>	<b>1 673</b>
<b>Total equity and liabilities</b>		<b>19 574</b>	<b>18 299</b>

FORNEBU, 17 MARCH 2016

Aker ASA

**Kjell Inge Røkke (sign)**  
Chairman

**Finn Berg Jacobsen (sign)**  
Deputy Chairman

**Anne Marie Cannon (sign)**  
Director

**Kristin Krohn Devold (sign)**  
Director

**Leif O. Høegh (sign)**  
Director

**Karen Simon (sign)**  
Director

**Atle Tranøy (sign)**  
Director

**Arnfinn Stensø (sign)**  
Director

**Inger Elise Karlsen (sign)**  
Director

**Amram Hadida (sign)**  
Director

**Øyvind Eriksen (sign)**  
President and CEO

## Notes to the financial statements

### Note 1 | Accounting principles and basis for preparation

The combined financial statements of Aker ASA and holding companies have been prepared to present Aker's financial position as a parent holding company. The traditional financial statement of the parent company has been extended to include all subordinate administrative service and holding companies that are wholly-owned by Aker ASA and have balance sheets containing only investments, bank deposits and debt.

#### THE COMPANIES THAT HAVE BEEN COMBINED ARE AS FOLLOWS:

- Aker ASA
- Resource Group International AS
- Aker Holding Start 2 AS
- Aker Capital AS
- Aker Capital II AS
- A-S Norway AS
- Aker US Services LLC
- Aker Pharma Holdco AS

In November 2015, Aker Maritime Finance AS acquired several real estate companies and thus shifted from being a holding company without activities, and became an operating real estate company. Aker Maritime Finance AS with its subsidiaries Old Kvaerner Invest AS, Sea Launch Holding AS, Kvaerner Sea Launch Ltd and Kvaerner US Inc Sea Launch have therefore, based on the principles described above, been defined to no longer being part of Aker ASA and holding companies as at 31 December 2015. This resulted in a change in equity of NOK -9 million. In addition, Aker ASA increased its ownership in Aker Capital II AS (formerly Convento Capital Fund AS) in July 2015 through Aker Capital AS, and the company is now 100% owned and part of Aker ASA and holding companies. This resulted in a change in equity of NOK 1 337 million.

To the extent applicable, the accounting principles of Aker ASA and holding companies are based on the same accounting principles as Aker ASA. A key principle is that listed shares are valued at the lower of market price and cost. Other items are recorded at the lower of fair value and cost. See accounting principles of Aker ASA on page 125. One exception from Aker ASA's accounting principles is that the acquisition and disposal of companies is part of the ordinary business of Aker ASA and holding companies. Consequently, gains on sales of shares are classified as operating revenues in the combined income statement. Gains and losses are only recognised when assets are sold to third parties. This is one reason why the accounts of Aker ASA and holding companies may show different historical cost for share investments than the company accounts of the underlying companies included in the combined financial statements.

### Note 2 | Non-recurring operating items

Amounts in NOK million	2015	2014
Penalty related to renewal of Total Return Swap in Nov 2013 - Aker Solutions	-	(34)
Environmental liability	-	(3)
Reversal write-down of airplane	-	38
<b>Total non-recurring operating items</b>	<b>-</b>	<b>1</b>

### Note 3 | Dividends received

Amounts in NOK million	2015	2014
Aker Kværner Holding	173	406
Ocean Yield	480	316
Fornebuporten Holding	500	-
Aker Solutions (direct ownership)	25	67
Havfisk	47	-
Other	116	54
<b>Total dividends received</b>	<b>1 340</b>	<b>844</b>

## Note 4 | Other financial items

Amounts in NOK million	2015	2014
Interest income from companies within the Group	32	44
Other interest	(319)	(318)
Other financial items	(345)	(216)
<b>Total other financial items</b>	<b>(632)</b>	<b>(490)</b>

Other financial items in 2015 included a write-down of an internal receivable from Setanta totalling NOK 139 million, and a loss on total return swap (TRS) agreements of NOK 191 million.

Other financial items in 2014 included a write-down of an internal receivable from Setanta totalling NOK 170 million, and a loss on total return swap (TRS) agreements of NOK 43 million.

## Note 5 | Value changes

Amounts in NOK million	2015	2014
Change in value of Aker BioMarine AS shares	-	(1)
Change in value of Trygg Pharma Group AS shares	(153)	-
Aker Capital - Profit from AAM Fund sale	-	131
Aker Capital - Change in value of Det norske oljeselskap shares	735	(735)
Change in value of Aker Solutions shares (directly owned)	(195)	(491)
Change in value of Akastor shares (directly owned)	(158)	(284)
Change in value of Navigator Marine AS shares	(37)	(60)
Change in value of Align AS shares	(63)	-
Other changes in value of shares	25	8
<b>Total value changes</b>	<b>153</b>	<b>(1 432)</b>

## Note 6 | Tax

Amounts in NOK million	2015	2014
<b>Tax payable:</b>		
Norway	-	(7)
Abroad	-	1
<b>Total tax payable</b>	<b>-</b>	<b>(6)</b>
<b>Change in deferred tax:</b>		
Norway	-	-
Abroad	-	-
<b>Total change in deferred tax</b>	<b>-</b>	<b>-</b>
Tax on Group contributions	-	-
<b>Total</b>	<b>-</b>	<b>(6)</b>

## Note 7 | Long-term equity investments

Per 31. December 2015	Ownership in %	Number of shares	Book value (NOK million)	Market price per share (NOK) 31 Dec. 2015	Market value <sup>4)</sup> (NOK million) 31 Dec. 2015
<b>Industrial Holdings</b>					
Aker Solutions ASA <sup>1)</sup>	28.39	77 233 531		30.30	2 340
Akastor ASA <sup>2)</sup>	28.19	77 233 531		12.00	927
Kværner ASA <sup>3)</sup>	28.71	77 233 531		8.22	635
Aker Kværner Holding AS	70.00		3 460		3 902
Aker Solutions ASA <sup>1)</sup>	6.37	17 331 762	525	30.30	525
Akastor ASA <sup>2)</sup>	8.52	23 331 762	280	12.00	280
Det norske oljeselskap ASA	49.99	101 289 038	4 773	55.25	5 596
Aker BioMarine AS	99.51	68 714 739	1 405	-	1 405
Havfisk ASA	73.25	62 001 793	402	28.20	1 748
Ocean Yield ASA	72.97	98 242 575	2 487	68.50	6 730
<b>Total industrial investments</b>			13 332		20 186
<b>Financial Investments</b>					
American Shipping Company ASA			306		
Philly Shipyard ASA			51		
Norron Target/Select			280		
Fornebuporten Holding AS			736		
Trygg Pharma Group AS			193		
Aker Maritime Finance AS			878		
Align AS			225		
Other equity investments			183		
<b>Total shares and long-term equity investments</b>			16 184		

Stock exchange-listed shares are valued at lower of market price and cost. Other items are recorded at the lower of fair value and cost.

- 1) Aker Kværner Holding owns 40.56% of Aker Solutions ASA. Aker ASA owns 70% of Aker Kværner Holding AS. In addition, Aker ASA owns 6.37% of Aker Solutions. Total indirect and direct shareholding in Aker Solutions for Aker is 34.76%.
- 2) Aker Kværner Holding owns 40.27% of Akastor ASA. Aker ASA owns 70% of Aker Kværner Holding AS. In addition, Aker ASA owns 8.52% of Akastor. Total indirect and direct shareholding in Akastor for Aker is 36.71%.
- 3) Aker Kværner Holding owns 41.02% of Kværner ASA. Aker ASA owns 70% of Aker Kværner Holding AS. Aker thus indirectly owns 28.71% of Kværner ASA.
- 4) See Note 14.

## Note 8 | Interest-free long-term receivables and other assets

Amounts in NOK million	Receivables	Other assets	Total 2015	Total 2014
Deferred tax assets	-	-	-	9
Pension funds	4	-	4	2
Long-term receivables from subsidiaries	43	-	43	26
Other	112	249	361	226
<b>Total</b>	159	249	408	262

In 2015 and 2014 other assets included an airplane valued at NOK 157 million and NOK 167 million respectively. The item also includes inventory and real estate.

The depreciation in 2015 was NOK 15 million (NOK 15 million in 2014). An impairment charge of NOK 16 million was recognised in 2015 related to other assets.

## Note 9 | Other interest-bearing current assets and long-term receivables

Amounts in NOK million	Current assets	Long-term assets	Total 2015	Total 2014
Receivables from subsidiaries	255	221	476	404
Receivable - American Shipping Company ASA	-	176	176	-
Receivable - Ocean Harvest Invest AS	-	586	586	-
External receivables	7	4	11	14
<b>Total</b>	<b>262</b>	<b>986</b>	<b>1 249</b>	<b>418</b>

### RECEIVABLES FROM SUBSIDIARIES:

Amounts in NOK million	Interest-bearing current assets	Interest-bearing long-term assets	Total interest-bearing 2015	Interest-free receivables	Total receivables from subsidiaries
Setanta Energy	-	11	11	-	11
Aker BioMarine AS	-	187	187	44	231
Navigator Marine AS	-	19	19	1	20
Aker Maritime Finance AS	255	-	255	-	255
Other companies	-	4	4	-	4
<b>Total</b>	<b>255</b>	<b>221</b>	<b>476</b>	<b>45</b>	<b>521</b>

## Note 10 | Cash and cash equivalents

Cash and cash equivalents amounted to NOK 1 488 million as at the end of 2015. Of this total, NOK 17 million were restricted deposits.

## Note 11 | Equity

### AS AT 31 DECEMBER 2015, AKER ASA'S SHARE CAPITAL CONSISTED OF THE FOLLOWING SHARE CLASSES:

	Shares issued	Number of own shares	Shares outstanding	Par value (NOK)	Total par value NOK (million) Shares issued
Ordinary shares	74 321 862	(158 885)	74 162 977	28	2 081
<b>Total share capital</b>	<b>74 321 862</b>	<b>(158 885)</b>	<b>74 162 977</b>		<b>2 081</b>
Own shares					(4)
Share premium reserve					250
<b>Total paid-in equity</b>					<b>2 327</b>

All shares have equal voting rights and are entitled to dividends. Aker ASA has no voting rights for its own shares.

A dividend of NOK 10.00 per share, NOK 742 million in total, will be proposed at the Annual General Meeting on 22 April 2016.

## Note 12 | Interest-free debt and liabilities

Amounts in NOK million	Short-term	Long-term	Total 2015	Total 2014
Tax liabilities	-	-	-	16
Pension liabilities	-	157	157	205
Guarantee liability Aker Maritime Finance AS	-	139	139	-
Dividend	742	-	742	723
Other debt	159	12	171	313
<b>Total</b>	<b>901</b>	<b>308</b>	<b>1 209</b>	<b>1 257</b>

## Note 13 | Interest-bearing debt

Amounts in NOK million	Short-term	Long-term	Total 2015	Total 2014
Debt to subsidiaries	-	-	-	5
Debt to external creditors	-	6 534	6 534	6 696
<b>Total</b>	<b>-</b>	<b>6 534</b>	<b>6 534</b>	<b>6 701</b>

### INTEREST-BEARING DEBT TO EXTERNAL CREDITORS IS SHOWN BELOW:

Amounts in NOK million	2015	2014
Bonds	6 571	6 237
Unsecured bank loans	-	500
Other external debt and capitalised fees	(37)	(42)
<b>Total</b>	<b>6 534</b>	<b>6 696</b>

### INSTALMENT SCHEDULE FOR EXTERNAL INTEREST-BEARING DEBT, BY TYPE:

Amounts in NOK million	Bonds	Bank loans	Other debt, accrued fees	Total
Year				
2016	-	-	-	-
2017	500	-	(1)	499
2018	1 300	-	(6)	1 294
2019	2 071	-	(9)	2 062
2020	1 700	-	(11)	1 689
After 2020	1 000	-	(9)	991
<b>Total</b>	<b>6 571</b>	<b>-</b>	<b>(37)</b>	<b>6 534</b>



## Note 14 | Risk

### THE BALANCE SHEET OF AKER ASA AND HOLDING COMPANIES IS SPLIT INTO TWO SEGMENTS:

Percent	2015	2014
Industrial investments	68%	70%
Financial investments	32%	30%
<b>Specification financial investments:</b>		
Funds- and equity investments	15%	10%
Cash	8%	16%
Interest-bearing receivables	6%	2%
Fixed assets, deferred tax assets and interest-free receivables	3%	2%

The businesses within each category are exposed to macro-development in their respective market segments.

The total book value of the assets of Aker ASA and holding companies are NOK 19 574 million including the book value for Industrial investments of NOK 13 332 million. The book value

and market value of each investment included in Industrial investments are specified in Note 7. The total market value of the Industrial investments, NOK 20 186 million, is significantly higher than the book value. The book value of the unlisted company Aker BioMarine AS is included in the total market value. In the case of Aker ASA's direct investment in the listed company Aker

Solutions (6.37 percent ownership interest) and Akastor (8.52 percent ownership interest), the book value is equal to the market value.

The book value of Financial investments is NOK 6 243 million. Cash represents 8 percent of the book value of total assets and 24 percent of Financial investments.

## Independent auditor's report



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Fax +47 22 60 96 01  
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Enterprise 935 174 627 MVA

To the board of Aker ASA

### INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying combined financial statements of Aker ASA and holding companies, which comprise the balance sheet as at 31 December 2015, the income statement, a summary of key assumptions used as basis for preparation and other explanatory information.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of the combined financial statements of Aker ASA and holding companies in accordance with the basis for preparation of the financial reporting, defined in the introduction of the combined financial statements, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these combined financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Offices in:

Oslo	Grimstad	Molde	Trondheim
Alta	Hamar	Narvik	Tynset
Arendal	Haugesund	Sandnessjøen	Tonsberg
Bergen	Knarvik	Stavanger	Ålesund
Bodo	Kristiansand	Stord	
Elverum	Larvik	Straume	
Finnsnes	Mo i Rana	Tromsø	

KPMG AS, a Norwegian limited liability company and member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Statsautoriserte revisorer - medlemmer av Den norske Revisorforening



## INDEPENDENT AUDITOR'S REPORT 2015

**Opinion**

In our opinion, the combined financial statements give a true and fair view of the financial position of Aker ASA and holding companies, as at 31 December 2015, and of its financial performance for the year then ended in accordance with the basis for preparation of the financial reporting, defined in the introduction of the combined financial statements.

*Basis of Accounting*

Without modifying our opinion, we draw attention to the basis for preparation of the financial reporting, defined in the introduction of the combined financial statements, which describes the basis of accounting. As a result, the combined financial statements may not be suitable for another purpose.

*Other Matter*

Aker ASA has prepared financial statements for the year ended 31 December 2015, comprising parent financial statements prepared in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway and consolidated financial statements in accordance with International Financial Reporting standards as adopted by the EU. We have issued a separate auditor's report on the statutory financial statements to the shareholders of Aker ASA dated 17 March 2016.

Oslo, 17 March 2016  
KPMG AS

Arve Gevoll (sign)  
*State authorised public accountant*

Translation has been made for information purposes only

# BOARD AND MANAGEMENT

## Board of Directors



**KJELL INGE RØKKE**  
CHAIRMAN

Kjell Inge Røkke (born 1958), Aker ASA's main owner, has been a driving force in the development of Aker since the 1990s. Mr. Røkke launched his business career with the purchase of a 69-foot trawler in the United States in 1982, and gradually built a leading worldwide fisheries business. In 1996, the Røkke controlled company, RGI, purchased enough Aker shares to become Aker's largest shareholder, and later merged RGI with Aker. Mr. Røkke is currently director of Aker Solutions, Det norske, Kvaerner and Ocean Yield.

As at 31. December 2015, Mr. Røkke holds 50 673 577 (68.2 per cent) in Aker ASA through his investment company TRG AS and its subsidiaries, which he co-owns with his wife, Anne Grete Eidsvig, and has no stock options. Mr. Røkke is a Norwegian citizen. He has been elected for the period 2014–2016.



**FINN BERG JACOBSEN**  
DEPUTY CHAIRMAN

Finn Berg Jacobsen (born 1940) holds an MBA degree from Harvard Business School and is a state authorised auditor. He has held various positions with Arthur Andersen & Co, and worked as Regional Managing Partner from 1983–1999. From 2001–2005, Mr. Berg Jacobsen worked as CFO and Chief of Staff at Aker Kvaerner. He is currently working as a consultant within corporate governance and corporate finance. Mr. Berg Jacobsen has served on the board, supervisory committees and task forces of several associations and organizations. He has been awarded the Royal Order of St. Olav for his contributions to the advancement of auditing and accounting in Norway.

As at 31. December 2015, Mr. Berg Jacobsen holds 5 159 shares in Aker ASA, through FBJ-Consulting AS, and has no stock options. Mr. Berg Jacobsen is a Norwegian citizen. He has been elected for the period 2014–2016.



**ANNE MARIE CANNON**  
DIRECTOR

Anne Marie Cannon (born 1957) has over 30 years' experience in the oil and gas sector. From 2000 to 2014, she was Sr. Advisor to the Natural Resources Group with Morgan Stanley, focusing on upstream M&A. She has previously held positions with J Henry Schroder Wagg, Shell UK E&P and with Thomson North Sea. She was an executive director on the boards of Hardy Oil and Gas and British Borneo. Ms. Cannon is the Deputy Chairman of Det norske Oljeselskap ASA. She is a non-executive director of Premier Oil and of STV Group plc. She holds a BSc Honours Degree from Glasgow University.

As at 31. December 2015, Ms. Cannon holds no shares in Aker ASA, and has no stock options. Ms. Cannon is a British citizen. She has been elected for the period 2015–2017.



**KRISTIN KROHN DEVOLD**  
DIRECTOR

Kristin Krohn Devold (born 1961) was a Member of the Norwegian Parliament for the Conservative Party from 1993 to 2005. She was Minister of Defense from 2001 to 2005. Ms. Krohn Devold is currently the management director of the Norwegian Hospitality Association (NHO Reiseliv) and director of several companies, including Aker ASA, Aker Kværner Holding AS, Chamber of Commerce of Sweden and Norway and World Heritage Foundation. She has an MSc degree from the Norwegian School of Economics (NHH) and has a bachelor degree in sociology from the University of Bergen.

As at 31. December 2015, Ms. Krohn Devold holds no shares in Aker ASA, and has no stock options. Ms. Krohn Devold is a Norwegian citizen. She has been elected for the period 2015–2017.



**LEIF O. HØEGH**  
DIRECTOR

Leif O. Høegh (born 1963) holds a master's degree in economics from the University of Cambridge and an MBA from Harvard Business School. Mr. Høegh has previously worked for McKinsey & Company and the Royal Bank of Canada Group, and is currently chairman of Høegh Autoliner and Deputy Chairman of Høegh LNG. He is also a director of Høegh Eiendom, and Rift Valley Holdings. Mr. Høegh is a member of the Corporate Assembly of Det norske.

As at 31. December 2015, Mr. Høegh has an indirect ownership interest in 139 309 Aker ASA shares. He is a Norwegian citizen. He has been elected for the period 2014–2016.



**KAREN SIMON**  
DIRECTOR

Karen Simon (born 1959) is a Vice Chairman in the Investment Bank with JPMorgan. She has over 32 years of banking experience and currently heads up the Financial Sponsors team in New York consisting of 20 investment bankers covering over 120 private equity funds for M&A, leveraged buy-outs and equity capital markets transactions. Prior to her current role, Karen resided in London for 20 years where she headed up the Financial Sponsors team for EMEA, was co-head of EMEA Debt Capital Markets and head of the EMEA Oil & Gas group. Karen has over 15 years of direct experience in the oil & gas industry as a banker from 1984 to 1998 and more recently from 2012 onwards.

As at 31. December 2015, Ms. Simon holds no shares in Aker ASA, and has no stock options. She is a dual UK and US citizen. She has been elected for the period 2015–2017.



**ATLE TRANØY**  
DIRECTOR, ELECTED BY  
THE EMPLOYEES

Atle Tranøy (born 1957) is trained as a pipe fitter and has been an employee of Kværner Stord AS since 1976. Mr. Tranøy has been a fulltime employee representative since 1983. Mr. Tranøy is also the chairperson of the European Works Council in Aker.

As at 31. December 2015, Mr. Tranøy holds no shares in Aker ASA, and has no stock options. Mr. Tranøy is a Norwegian citizen. He has been elected for the period 2015–2017.



## Board of directors cont.



**AMRAM HADIDA**  
DIRECTOR, ELECTED BY  
THE EMPLOYEES

Amram Hadida (born 1960) has been employed by Kvaerner since 1990 and has been a local union representative for Aker Stord AS and Kværner Stord AS on a full-time basis since 2004, a group union leader since 2012 and served several periods on the boards of Aker Stord AS and Kværner Stord AS during the period between 2005 and 2015. Mr. Hadida is a welder and holds a certificate of apprenticeship in the welding discipline.

As at 31. December 2015, Mr. Hadida holds no shares in Aker ASA and has no stock options. Mr. Hadida is an Israeli citizen. He has been elected for the period 2015-2017.



**ARNFINN STENSØ**  
DIRECTOR, ELECTED BY  
THE EMPLOYEES

Arnfinn Stensø (born 1957) has been employed by Aker Solutions (former Aker Offshore Partner) in Stavanger since 1998. He is educated electrical engineer. Mr. Stensø is member of the negotiating committee in NITO (Norwegian Engineers and technologist organization) and of the liaison committee NITO - NHO.

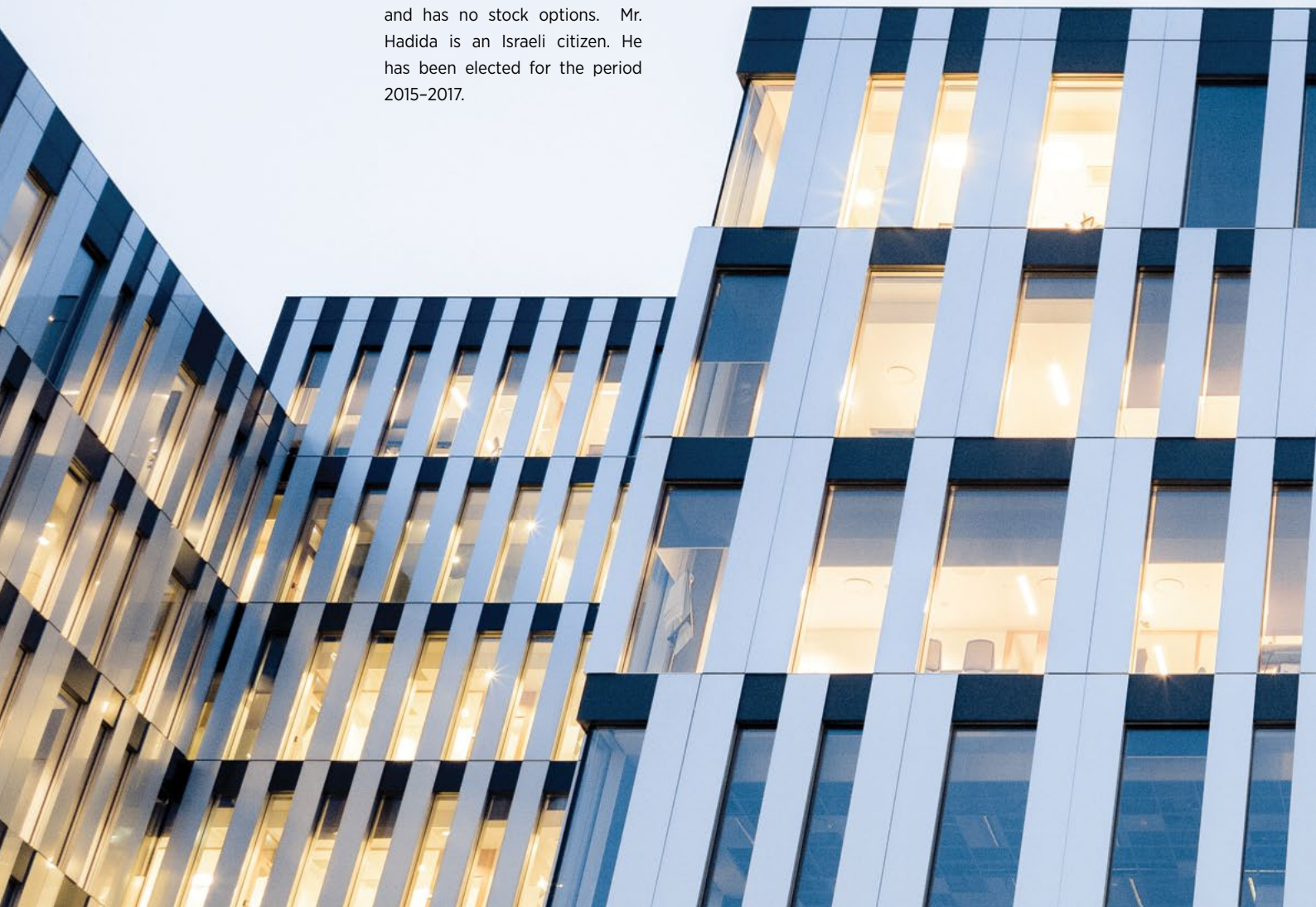
As at 31. December 2015, Mr. Stensø holds no shares in Aker ASA and has no stock options. Arnfinn Stensø is Norwegian citizen. He has been elected for the period 2015-2017.



**INGER ELISE KARLSEN**  
DIRECTOR, ELECTED BY  
THE EMPLOYEES

Inger Elise Karlsen (born 1961) has been working in the fishing industry since 1998 and has a fishing industry occupational education. Ms. Karlsen is a local union representative at Norway Seafoods in Stamsund.

As at 31. December 2015, Ms. Karlsen holds no shares in Aker ASA and has no stock options. Ms. Karlsen is a Norwegian citizen. She has been elected for the period 2015-2017.





# Management



**ØYVIND ERIKSEN**  
PRESIDENT & CEO

Øyvind Eriksen (born 1964) joined Aker ASA in January 2009. Mr. Eriksen holds a law degree from the University of Oslo. He joined Norwegian law firm BA-HR in 1990, where he became a partner in 1996 and a director/chairman in 2003. At BA-HR, Mr. Eriksen worked closely with Aker and Aker's main shareholder, Kjell Inge Røkke. Mr. Eriksen is chairman of the board in Aker Solutions ASA, Det norske oljeselskap ASA and Aker Kværner Holding AS, and a director of several companies, including The Resource Group TRG AS, TRG Holding AS and Reitangruppen AS.

As at 31. December 2015, Mr. Eriksen holds 144 911 shares in Aker ASA, and has no stock options. Mr. Eriksen holds, through a privately owned company, 0.20 percent of the B-shares in TRG Holding AS. Mr. Eriksen is a Norwegian citizen.



**FRANK O. REITE**  
CFO

Frank O. Reite (born 1970) first joined Aker in 1995, and became CFO in Aker ASA in August 2015. He holds a B.A. in business administration from Handelshøyskolen BI in Oslo. Mr. Reite came from the position of President & CEO of Akastor, and has previously held a variety of executive positions in the Aker group, including overseeing and developing Aker's investments in Convento Capital Fund AS, Havfisk ASA, Norway Seafoods AS and Aker Yards ASA. Mr. Reite also has experience from banking and served as Operating Director at Paine & Partners, a New York-based private equity firm. Mr. Reite is chairman of Havfisk ASA, Ocean Yield and of Akastor ASA.

As at 31. December 2015, Mr. Reite holds 5 435 shares in Aker ASA, and has no stock options. Mr. Reite is a Norwegian citizen.



Photos: Ilya Hendel, Bård Gudim, ExxonMobil Canada Properties, Aker Solutions | Design: Tania Goffredo Design



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