SECOND-QUARTER AND HALF-YEAR RESULTS

2020

Highlights

Key figures - Aker ASA and holding companies

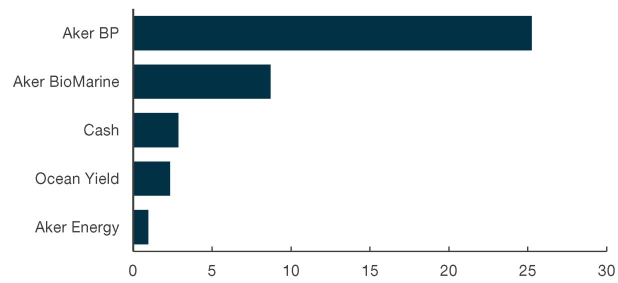
- The Net Asset Value ("NAV") of Aker ASA and holding companies ("Aker") ended at NOK 34.3 billion, in the second quarter, up 42 per cent from NOK 24.1 billion at the end of the first quarter 2020. The net asset value includes NOK 7.8 billion in market value of Aker BioMarine from the private placement completed in June prior to the listing in July, compared with a book value of NOK 4.9 billion in the previous quarter. Prior to dividend allocation, the per-share NAV amounted to NOK 461 as per 30 June 2020, compared to NOK 325 as per 31 March 2020.
- The Aker share increased by 49 per cent in the second quarter to NOK 350.40 This compares to a 12 per cent increase in the Oslo Stock Exchange's benchmark index ("OSEBX").
- Aker's Industrial Holdings portfolio increased by NOK 9.2 billion in the second quarter to NOK 38.2 billion. The value of Aker's Financial Investments portfolio stood at NOK 7.5 billion at the end of the second quarter, compared to NOK 8.7 billion as per 31 March 2020.
- Aker's liquidity reserve, including undrawn credit facilities, stood at NOK 5.9 billion as per 30 June 2020. Cash amounted to NOK 2.9 billion, down from NOK 4.4 billion as of 31 March 2020 due to down payment of debt.
- The value-adjusted equity ratio was 75 per cent as per the end of the second quarter, prior to dividend allocation. This compares to 64 per cent as of 31 March 2020.
- Aker's Board of Directors has, based on the authorisation approved by the General Meeting on 27 April 2020, decided to pay a cash dividend to Aker's shareholders of NOK 11.75 per share in July based on the 2019 annual accounts. Aker maintains the aim of semi-annual dividend assessments.

Key events

- In the quarter, temporary tax changes on the Norwegian Continental Shelf (NCS) led Aker BP to sanction the Hod project and enabled Aker BP to proceed with the NOAKA development jointly with Equinor and other license partners.
- In the quarter, the temporary tax regime on the NCS led to increased order intake for both Kvaerner and Aker Solutions.
- In the quarter, Aker BioMarine executed a private placement of USD 225 million and on 6 July listed on the Oslo Stock Exchange Merkur Market. Pre-money valuation was NOK 8 billion and Aker owns approximately 78 per cent of the company shares after the listing.
- In the quarter, Aker acquired a 50 per cent stake in seven oil tanker vessels from Ocean Yield through two joint ventures.
- As announced on 17 July, Aker Solutions will spin off the offshore wind segment and the Carbon Capture, Utilization and Storage (CCUS) segment into two new entities, with an intention to distribute Aker Solutions' shares in the new companies to its shareholders as dividend. Aker Solutions and Kvaerner announced a merger to occur subsequent to the spin-offs, forming an optimised supplier company.
- As announced on 17 July, Aker established Aker Horizons, a holding company dedicated to developing and operating companies within renewable energy and low-carbon segments, incl. the majority shareholdings in offshore wind and CCUS to be spun off from Aker Solutions. To also position Aker Horizons in onshore wind, Aker has made a conditional offer to acquire at least 90 per cent of outstanding shares in NBT AS.

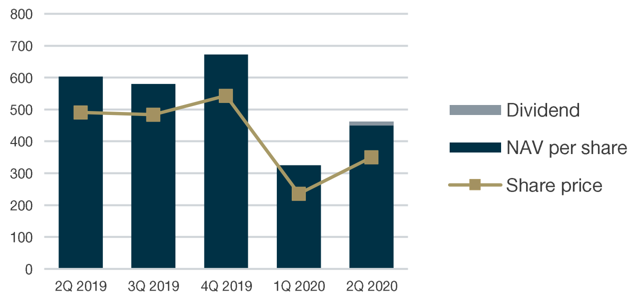
Main contributors to gross asset value

(NOK billion)
Representing 88 per cent of total gross asset value of NOK 45.7 billion



Net asset value and share price

(NOK per share)



The balance sheet and income statement for Aker ASA and holding companies (Aker) have been prepared to show the financial position as a holding company. Net asset value (NAV) is a core performance indicator at Aker ASA. NAV expresses Aker's underlying value and is a key determinant of the company's dividend policy (annual dividend payments of 2-4 per cent of NAV). Gross asset value is determined by applying the market value of exchange-listed shares, while book value is used for other assets. Net asset value is gross asset value less liabilities.

Letter from the CEO

Dear fellow shareholders,

Despite large parts of the world being in lockdown, the first half year has been nothing short of transformative for the Aker group. We are taking an active role to protect shareholder value, seizing opportunities for our core businesses, while simultaneously pivoting for renewable energy industries and green technologies of the future:

- Aker Solutions spinning off to its shareholders its offshore wind and carbon capture, utilisation, and storage (CCUS) segments and listing both on Merkur Market
- Aker Solutions and Kvaerner merging, creating a focused supplier to renewable, green tech, and oil and gas
- Aker reaching an agreement with the Norwegian government to dissolve Aker Kvaerner Holding
- Aker is establishing Aker Horizons, as a group operating in renewable energies and green technologies segments
- Aker enters into a conditional agreement for the acquisition of the onshore wind developer NBT
- Aker BioMarine completed a private placement followed by a listing of the company on Merkur Market
- Aker will pay cash dividend to its shareholders of NOK 11.75 per share

Aker's Net Asset Value (NAV) ended at NOK 34.3 billion in the second quarter of 2020, up from 24.1 billion in the first quarter, representing an increase of 42 per cent. The Aker share price increased by 49 per cent to NOK 350.40 in the quarter, outperforming the reference index at 12 per cent. The value creation in the second quarter largely stems from the increase in the Brent price, fuelled by production curtailments, larger OPEC cuts and a reopening of corona-closed economies. However, despite a positive development in the second quarter, the impact of the coronavirus and plunging oil demand seen in the first quarter of the year still weighs on the half-yearly NAV, which ended down 31.4 percent.

Aker is not approaching this moment as the day of reckoning, but rather a new age of opportunity. Covid-19 and the market situation have presented an opportunity to redefine our reason for being and the basis for our distinctiveness. We are asking ourselves how we can tap our 180-year old history as an industry builder to innovate, which bold structural moves to make, and how we can ensure profitable operations that create value in a new market reality and outlook.

While we stand ready for continued value creation and transitions, we are dependent on a political framework that makes it possible. That is why I was pleased to see that in early June, after weeks of negotiations and strong cooperation in the oil and gas industry, a broad political majority in Norway announced an agreement to make temporary changes to the petroleum tax scheme. The proposal was brought forward by a united industry to avoid large and permanent reductions in capacity and competency for the Norwegian oil service sector. The changes to the tax system effectively strengthen E&P companies', including Aker BP's, investment capacity, and has already helped to unlock new field development projects. The legislation also contributes to higher activity and increased value creation for Aker BP, its suppliers, and the Norwegian society at large.

The impact is already being seen. The tax changes gave strong incentives to develop the long-awaited NOAKA area, potentially unlocking more than 300 mmboe of oil and gas resources for Aker BP, and hence significantly contributing the company's growth. The Hod development in the Valhall area became the first project to launch as a direct result of the tax changes, with a total employment effect of about 5,000 FTEs and significant tax revenues for Norway. Perhaps more importantly though, the legislation allows a structured transition where we maintain the capabilities of Norway's world-class offshore supplier industry – an industry hit especially hard in recent months. It is to a large extent on the shoulders of today's skilled oil service workers and engineers that we will succeed in making a green energy transition.

Today, Aker Solutions announced a major transformation to respond to this new reality in which record high volatility in oil prices is reducing the appetite to invest in new oil projects. Uncertainty about the future is causing investors in E&P companies to demand higher dividend and share buybacks instead of reinvesting the cash flow in new oil projects. For investors in E&P companies, the spending cuts drastically improve the cash flow and at the same time increase the possibilities for higher oil prices. However, cuts also make the world challenging for a global oil service industry already holding too much spare capacity.

Aker Solutions' transformation separates the role as technology and solutions developer, within offshore wind and CCUS, from the role as a supplier company to the oil & gas industry and to a growing renewable energy market. It has become increasingly clear that Aker Solutions' technology and developer role within areas like offshore wind and CCUS solutions represent value creation opportunities in a world transitioning to green solutions at accelerated speed. Offshore wind and CCUS are business opportunities with more potential as stand-alone than as an integrated part of an oil service business. Renewables and green technologies have entirely different value chains, customers, investor bases and sources of funding. Capitalising and separating the offshore wind and CCUS business areas from Aker Solutions presents a unique opportunity for growth and value creation. Both companies will continue to build on the supplier expertise in Aker Solutions. For Aker Offshore Wind, this includes expertise within floating design, jacket design, project execution and maintenance, while Aker Carbon Capture will build on proven and leading capture technology and projects developed over 20 years. Continued support from the Aker Group will, however, still differentiate and benefit the wind and CCUS businesses. In order to secure sufficient funding for their next phase of development, both companies are in the process to prepare for private placements guaranteed by Aker prior to their listing on Merkur Market. The intention is to distribute Aker Solutions' shares in Aker Offshore Wind and Aker Carbon Capture to the shareholders as dividend, while Aker maintains the role as majority shareholder and a driving force in both companies.

The Norwegian government has approved the spin-off transactions and reserved the right to participate in the private placements through Aker Kvaerner Holding (AKH). Aker has also reached an agreement with the government to subsequently dissolve AKH, whereby its indirect ownership in Aker Solutions, Kvaerner and Akastor via AKH is converted into corresponding direct ownership stakes in the said companies. The dissolution of AKH is subject to Parliament approval the coming autumn.

The announced merger between Aker Solutions and Kvaerner is complementary to the spin-off transactions. Bringing the companies together forms a larger supplier company with an extended portfolio, focusing on radically improving efficiencies in oil and gas deliveries by also better leveraging the potential from application of industrial software and automation technologies provided by third party suppliers rather than developed in-house. A key element in the strategy for the merged company is also to streamline, focus and accelerate the role as supplier to the renewables and green technology industries. Overall, these measures will strengthen the combined supplier capabilities, allowing both companies to better focus on core competencies, project execution, and strong product deliveries, both to the existing oil and gas industry, as well as into emerging energy segments.

At a time when renewables have developed from niche technology to global industry, Aker's ambitions exceed the spin-offs in Aker Solutions. We are charging ahead and taking steps to meet future needs and opportunities. By establishing Aker Horizons, Aker is taking an active role to develop and operate in a broader and rapidly growing renewable energy industry, within both existing and emerging energy assets. Aker Horizons will be wholly owned by Aker and will consist of a dedicated team working to build leading companies within several renewable and low-carbon segments, including but not limited to, offshore wind and CCUS.

The spin-off companies will form the basis for Aker Horizons' portfolio of industrial segments, organized in separate companies, but all closely connected – including through a shared functional team in Aker Horizons – to ensure activities are optimised across entire value chains, to capitalise on internal expertise, and to effectively engage with leading partners and alliances. Aker Horizons will also provide a strong platform for the kind of competency and value chain excellence needed to succeed in a green energy transition. This includes leveraging on experience in our existing portfolio companies, such as Cognite's experience with deployment of software and industrial digitalisation. The supplier capabilities within engineering, fabrication and manufacturing retained in the future merged Aker Solutions and Kvaerner complete the picture.

In order to position Aker Horizons within onshore wind, Aker has made a conditional offer to acquire at least 90 per cent of the outstanding shares in onshore wind developer NBT. Before such a transaction with NBT can be completed, several conditions will need to be fulfilled, including due diligence, parliamentary approval of a new tariff regime in Ukraine, and financing of the Zophia project, which is among Europe's largest onshore windfarm developments.

Onshore wind currently generates as much electricity as all the other renewable technologies combined. Through NBT, Aker Horizons secures a position in one of the most developed renewable industries, but one that still has major untapped potential and opportunities along several frontiers. In addition to Zophia, NBT has identified a pipeline of further onshore wind developments. Coupled with the capabilities in the Aker Solutions' offshore wind spinoff, the investment also provides valuable technology and knowledge to become a frontrunner in the development of offshore wind.

It is undoubtedly a transformative time for Aker. One in which we are positioning ourselves for the future and unlocking significant value. Aker BioMarine is another example of this transformation. For Aker, Aker BioMarine is a positive value trigger and a diversification of our core areas of investments, originally built on our foundational competency within fishery. Sustainability has been in focus for Aker BioMarine since its inception. 14 years later, being a sustainable krill harvester and ingredients producer is an essential part of the company's DNA and day-to-day operations. It has been an encouraging ride with Aker BioMarine. Over the years, I have had the pleasure of witnessing the company mature and transform into the fast-growing krill supplier it is today. The private placement carried out during the quarter, and the subsequent listing on Merkur Market, was the natural next step for Aker BioMarine's development, enabling the company to repay debt to Aker, finance growth investments and enter into a new phase for further value creation. Major values for Aker shareholders – approximately NOK 39 per Aker share – were made visible, and with significant interest from Norwegian and international investors, the private placement was completed with the book multiple times oversubscribed. The company was listed on the Oslo Stock Exchange's Merkur Market in early July and is well on its way towards a full listing by the first quarter of next year.

In response to Covid-19, the collapse in oil prices and general economic decline, Aker's Board of Directors previously recommended amending the initial dividend proposal for 2019. The board has now reached a decision to propose a cash dividend to shareholders of NOK 11.75 per share. The dividend is based on the 2019 annual accounts, and Aker maintains its aim of semi-annual dividend assessments. The next dividend assessment is expected to be made by our board in the fourth quarter this year.

At the time of writing, many parts of the world are experiencing a resurgence in coronavirus infections. Global cases have passed 12 million and deaths are exceeding 550,000. Many society re-openings have been pulled back, and the path to recovery – both for communities, the economy, and the oil market - is projected to be slower than previously thought. Forecasting agencies suggest that global oil demand will stay below pre-pandemic levels for a long time. At the same time, Covid-19 has amplified and accelerated trends and transitions that will only strengthen moving forward, including new software solutions, more renewable energy, as well as the global healthcare system. For Aker, this only means that our vigilance continues. By developing Cognite, establishing Aker Horizons, and listing Aker BioMarine, Aker has positioned itself towards all the three said global trendlines. In parallel, Aker will continue its effort to develop and produce oil and gas at the lowest cost and emissions possible, partly because the world will demand the products for the foreseeable future, and partly because we still believe in the value proposition to shareholders.

I think we may look back at this time of a pandemic and its widespread repercussions and see that it triggered fundamental changes to our portfolio of industrial activities more swiftly than envisioned before the pandemic and, as a result, created an even more prosperous Aker.

Take care.

Øyvind Eriksen

Øyvind Eriksen
President and CEO

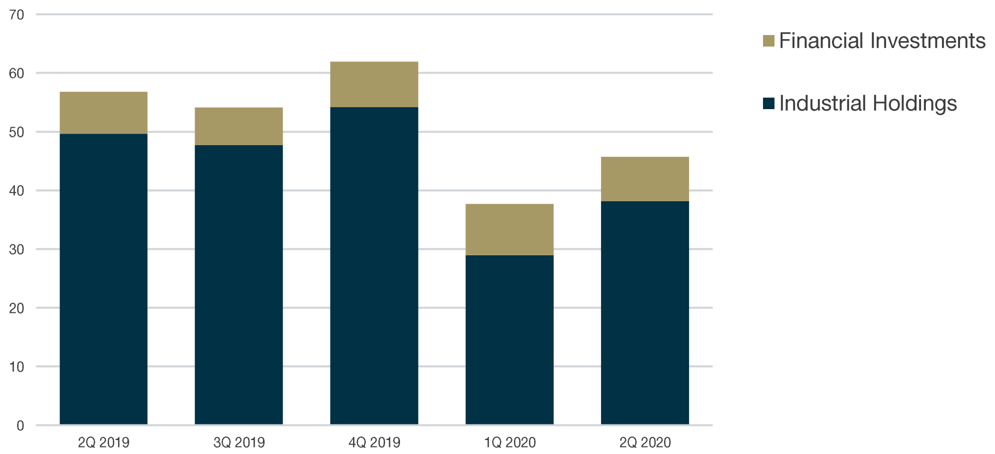
Aker ASA and holding companies

Assets and net assets value

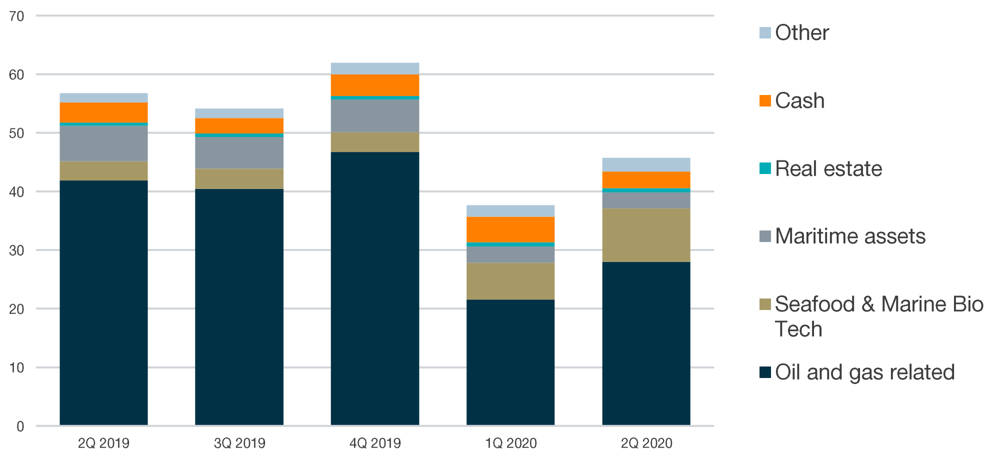
Net asset value (NAV) composition - Aker ASA and holding companies

	31.12.2019		31.03.2020		**30.06.2020**	
	NOK/share	NOK million	NOK/share	NOK million	NOK/share	NOK million
Industrial Holdings	730	54 200	390	28 976	514	38 181
Financial Investments	104	7 733	117	8 701	101	7 534
Gross assets	834	61 934	507	37 677	**616**	**45 715**
External Interest-bearing debt	(157)	(11 629)	(172)	(12 746)	(147)	(10 942)
Non interest-bearing debt (before dividend allocation)	(4)	(330)	(11)	(796)	(7)	(507)
NAV (before dividend allocation)	673	49 974	325	24 135	**461**	**34 266**
Net interest-bearing assets/(liabilities)		(6 701)		(6 684)		(6 425)
Number of shares outstanding (million)		74.278		74.263		74.263

Gross assets by segment
(NOK billion)



Gross assets per sector
(NOK billion)

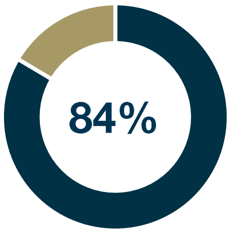


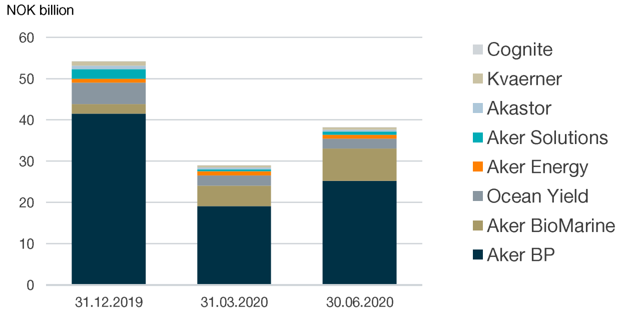
Net asset value ("NAV") is a core performance indicator at Aker ASA. NAV expresses Aker's underlying value and is a key determinant of the company's dividend policy (annual dividend payments of 2-4 per cent of NAV). Net asset value is determined by applying the market value of exchange-listed shares,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

Aker – Segment information

Industrial Holdings

Share of Aker's assets





Amounts in NOK million	Ownership in %	31.12.2019 Value	31.03.2020 Value	2Q 2020 Net investments	2Q 2020 Dividend income	2Q 2020 Other changes	2Q 2020 Value change	30.06.2020 Value
Aker BP	40.0	41 486	19 101	-	(283)	-	6 434	**25 252**
Aker BioMarine	98.0**	2 363	4 942	-	-	-	2 898	**7 840**
Ocean Yield	61.7	5 187	2 529	-	(54)	-	(135)	**2 340**
Aker Energy*	50.8	925	957	-	-	-	-	**957**
Aker Solutions	34.8	2 338	522	-	-	-	270	**792**
Akastor	36.7	1 000	397	-	-	-	86	**483**
Kvaerner	28.7	859	487	-	-	-	(11)	**477**
Cognite*	64.0	42	42	-	-	-	-	**42**
Total Industrial Holdings		54 200	28 976	-	(337)	-	9 542	**38 181**

*At book value

**Ownership at 17 July 2020 is 78 per cent, subsequent to the private placement and listing completed in July.

The total value of Aker's Industrial Holdings increased by NOK 9.2 billion in the second quarter to NOK 38.2 billion. The increases are explained by a partial rebound of Aker BP's share price and increased value of Aker BioMarine, supported by actions taken by the portfolio companies to adjust operations and protect shareholder value. The investment in Aker BioMarine is at 30 June included in NAV at market value based on the private placement completed in June prior to the listing in July and will be included at market value based on the listed price going forward. Aker's other non-listed industrial holdings, Aker Energy and Cognite, are included in NAV at book values equal to cost.

Aker received NOK 283 million in dividend from Aker BP and NOK 54 million in dividend from Ocean Yield in the quarter.

Aker BP

Amounts in USD million	2Q19	**2Q20**	YTD 19	**YTD 20**
Revenue	785	**590**	1 621	**1 462**
EBITDAX	583	**379**	1 212	**1 095**
EBITDAX margin (%)	74.2	**64.2**	74.7	**74.9**
Net profit continued operations	62	**170**	73	**(165)**
Closing share price (NOK/share)	244.60	**175.30**	244.60	**175.30**
Shareholder return, incl. dividend (%)	(18.8)	**33.7**	16.3	**(36.5)**

Aker BP is a fully-fledged E&P company operating on the Norwegian Continental Shelf ("NCS") with a business model built on safe operations, lean principles, technological competences and industrial cooperation to secure long-term competitiveness.

Aker BP delivered strong operational performance and record high production in the second quarter and the company's field developments progressed as planned. The company's net production in the second quarter was 209.8 kboed.

The production curtailments announced by the Norwegian government have been mitigated by strong operational performance and increased capacity at Johan Sverdrup, hence the company maintains its full-year production estimate of 205-220 kboed.

Total income for the second quarter amounted to USD 590 million, negatively impacted by low oil prices following the Covid-19 pandemic. The average realised liquids price was USD 29.9 per boe, but about USD 41 per boe including hedging effects. Production cost per produced boe was USD 9.1. The company maintains its guidance of USD 7-8 production cost per boe for the full year.

Due to recovering oil prices, reversal of prior period impairments amounted to USD 136 million in the second quarter. Profit before taxes amounted to USD 151 million, compared to a loss before taxes of USD 414 million in the first quarter. Overall, the company reported a net profit of USD 170 million for the quarter, compared to a net loss of USD 335 million in the previous quarter.

Amendments to the Norwegian Petroleum Tax Law, enacted on 19 June 2020, included a temporary rule for depreciation and uplift, whereby all investments incurred for income years 2020 and 2021, including 24 per cent uplift, can be deducted from the basis for special tax in the year of investment. These changes also apply for all investments where Plan for Development and Operation (PDO) is delivered within year-end 2022. In addition, the tax value of any losses incurred in 2020 and 2021 can be refunded from the state.

Following these amendments, Aker BP submitted the PDO for Hod. Total investments for the Hod development are estimated at around USD 600 million and the recoverable reserves are estimated at around 40 million boe.

During the quarter, Aker BP and Equinor entered into an agreement in principle on commercial terms for a coordinated development of the NOAKA area. The companies have started preparations for submitting the PDO in 2022.

In May, the company disbursed dividends of USD 70.8 million, equivalent to USD 0.1967 per share. Aker BP's Board of Directors has resolved to pay a quarterly dividend of USD 70.8 million (USD 0.1967 per share) in August 2020. It is the Board's ambition to maintain this level through the fourth quarter, implying total dividend payments of USD 425 million for the full year.

Ocean Yield

Amounts in USD million	2Q19	**2Q20**	YTD 19	**YTD 20**
Revenue	61	**90**	117	**151**
EBITDA	55	**86**	106	**143**
EBITDA margin (%)	90.5	**95.9**	90.6	**94.3**
Net profit continued operations	15	**19**	30	**21**
Closing share price (NOK/share)	57.20	**21.65**	57.20	**21.65**
Shareholder return, incl. dividend (%)	(7.9)	**(5.4)**	2.2	**(50.1)**

Ocean Yield is a ship-owning company with a mandate to build a diversified portfolio of modern vessels within oil services and shipping. The company targets fixed, long-term bareboat charters to creditworthy counterparties.

Several opportunities are still being evaluated for the FPSO Dhirubhai-1; however no new assignment has so far been agreed. During the quarter, the company entered into an agreement with Aker Capital AS whereby Aker Capital acquired from Ocean Yield a 50 per cent interest in seven oil tankers with long-term charters. In the quarter, Ocean Yield also entered into a restructuring agreement with Solstad Offshore for the vessels Far Senator and Far Statesman. The new agreement states that the existing lease agreements will be terminated and replaced by new lease agreements with a duration of four years. The charter rate payable under the new lease agreements shall be a reference rate equal to the average per vessel EBITDA in a pool of seven similar vessels.

The vessel Navig8 Aquamarine was re-delivered to Navig8 Chemical Tankers Ltd. following the exercise of the five-year purchase option.

The company declared USD 5 cents per share in dividends for the quarter, which constitute the 28th consecutive quarterly dividend. Ocean Yield reported an EBITDA of USD 86 million for the second quarter, including revenue of USD 26 million regarding insurance claim for the Höegh Xiamen vessel that was declared a constructive total loss after a fire in June. Ocean Yield took an impairment charge in the quarter to reflect the classification as a constructive total loss. The company's estimated EBITDA backlog was USD 3.2 billion per the end of the quarter with average remaining contract duration (weighted by EBITDA) of 10.1 years.

The equity ratio as of the end of the quarter was 29.6 per cent compared to covenant of minimum 25 per cent.

Aker Solutions

Amounts in NOK million	2Q19	**2Q20**	YTD 19	**YTD 20**
Revenue	7 525	**5 361**	14 781	**11 871**
EBITDA	623	**232**	1 257	**381**
EBITDA margin (%)	8.3	**4.3**	8.5	**3.2**
Net profit continued operations	(11)	**(171)**	137	**(901)**
Closing share price (NOK/share)	34.88	**8.37**	34.88	**8.37**
Shareholder return, incl. dividend (%)	(19.9)	**51.7**	(12.1)	**(66.1)**

Aker Solutions' target is to maximise recovery and efficiency of oil and gas assets, while using its expertise to develop sustainable solutions for the future.

In the second quarter, Aker Solutions reported NOK 232 million in EBITDA and an order intake of NOK 7.0 billion. At the end of the quarter, the backlog stood at NOK 26.9 billion, compared with NOK 29.5 billion a year ago. Net profit in the quarter was negative, mainly due to restructuring costs and special items of NOK 121 million.

In the quarter, the company was awarded a letter of intent from Equinor for the delivery of a major subsea production system for the Breidablikk project in the North Sea, worth about NOK 2 billion. The company also won a two-year contract extension for maintenance and modifications for Aker BP in the North Sea, with an estimated contract value of about NOK 1.7 billion.

In the Carbon Capture segment, the company signed an agreement for a carbon capture, liquification and intermediate storage plant at Norcem's cement factory in Norway.

The industry has experienced adverse impacts of the Covid-19 pandemic with steep decline in oil demand and commodity prices during the first half of 2020, and therefore the company expects full year revenues to decline by about 30 per cent versus 2019. The Norwegian government's temporary tax changes to incentivize investments on the Norwegian Continental Shelf support the company, as does the increase in oil price seen in the quarter.

Aker Solutions' focus remains on cash conservation and protecting the company's balance sheet and financial performance. The company has taken actions to cut costs, including initiatives aiming to reduce the company's fixed cost level by a total of about NOK 1 billion on an annualised basis. The company has also decided to reduce capital investments (Capex) and R&D by about 40 per cent from 2019 levels. Aker Solutions will continue to evaluate the need for further manning and capacity adjustments, footprint optimisation and structural alternatives.

As announced on 17 July, Aker Solutions is spinning off its offshore wind and CCUS segments into two new entities. Both companies will carry out a private placement, guaranteed by Aker, prior to their spin offs in order to secure funding for developing the businesses stand-alone. Aker Solutions' ownership in the two new entities will be distributed to its shareholders as dividend. The remaining part of the company will merge with Kvaerner to form a leading, optimised supplier company for oil and gas, as well as for a growing renewable energy industry.

Akastor

Amounts in NOK million	2Q19	**2Q20**	YTD 19	**YTD 20**
Revenue	1 304	**1 254**	2 375	**2 677**
EBITDA	114	**70**	206	**208**
EBITDA margin (%)	8.7	**5.6**	8.7	**7.8**
Net profit continued operations	(38)	**16**	24	**(275)**
Closing share price (NOK/share)	11.64	**4.80**	11.64	**4.80**
Shareholder return, incl. dividend (%)	(11.3)	**21.7**	(10.9)	**(51.7)**

Akastor is an oil-services investment company with a flexible mandate for active ownership and long-term value creation.

Akastor's revenues in the quarter were NOK 1.3 billion, slightly below the NOK 1.4 billion booked in previous quarter. EBITDA was NOK 70 million, down from NOK 137 million in the first quarter, due to lower activity in MHWirth, as well as specific M&A costs of NOK 43 million booked in the quarter. Net debt remained stable at NOK 1.6 billion through the quarter.

Akastor's largest portfolio company, MHWirth, experienced reduced activity in the quarter following the Covid-19 outbreak and lower commodity prices. MHWirth revenues and EBITDA for the quarter were NOK 1.1 billion and NOK 110 million respectively, down from NOK 1.2 billion and NOK 136 million in the previous quarter.

MHWirth has seen reduced activity within single equipment sale, as well as lower service activity following the market turmoil and is adjusting its cost base accordingly.

The Aker Wayfarer vessel experienced downtime in the quarter as a result of Covid-19, reducing revenue utilisation in the quarter to 83 per cent, while the Skandi Santos vessel delivered a utilisation of 99 per cent through the quarter. AKOFS Seafarer is in the final phase of preparing for the five-year contract with Equinor, expected to commence in August.

Akastor works closely with its portfolio companies to support cost saving programs, operational improvements and strategic initiatives.

Kvaerner

Amounts in NOK million	2Q19	**2Q20**	YTD 19	**YTD 20**
Revenue	1 876	**1 468**	3 995	**3 602**
EBITDA	132	**162**	261	**34**
EBITDA margin (%)	7.0	**11.0**	6.5	**0.9**
Net profit continued operations	71	**89**	128	**(38)**
Closing share price (NOK/share)	13.71	**6.17**	13.71	**6.17**
Shareholder return, incl. dividend (%)	8.5	**(2.2)**	22.0	**(44.5)**

Kvaerner is an Engineering, Procurement and Construction ("EPC") company focusing on oil, gas and renewables.

In the second quarter, Kvaerner's Field Development segment, where jointly controlled entities are included, delivered revenues of NOK 1.5 billion and an EBITDA of NOK 175 million. Backlog stood at almost NOK 9 billion as per end of the quarter, about the same level as a year ago.

For the full year, revenues are anticipated to total approximately NOK 7.5 billion. The corresponding underlying EBITDA margin, excluding expected Covid-19 costs of about NOK 150 million for the full year, is expected to be about five per cent.

Demobilisation of hired-in project resources at the yards has had a negative cost impact. During the second quarter, Norwegian authorities started to allow foreign hired-in personnel to travel to Norway. The company, hence, started stepwise remobilisation of hired-in personnel in May and this is set to continue through the summer and into the autumn.

After the Norwegian authorities implemented a temporary adjustment to the tax regime as an incentive for oil and gas operators to sanction projects, Kvaerner expects increased activity.

As announced on 17 July, Kvaerner will merge with Aker Solutions after the spin-offs of Aker Solutions' offshore wind and CCUS businesses.

Aker BioMarine

Amounts in USD million	2Q19	**2Q20**	YTD 19	**YTD 20**
Revenue	67	**73**	106	**144**
EBITDA	17	**12**	19	**24**
EBITDA margin (%)	26.1	**16.6**	18.0	**16.5**
Net profit continued operations	1	**(9)**	(7)	**(11)**

Aker BioMarine is an integrated biotechnology company that supplies krill-derived ingredients to the consumer health, fish feed and animal nutrition markets.

Aker BioMarine consist of two primary segments; Ingredients and Brands. In the Ingredients segment, the company owns and controls the entire value chain from the krill harvesting fleet operating in the Antarctic, logistics operations in Montevideo and a krill oil factory in Houston. In the Brands segment, the company is expected to grow revenues by further developing existing products, but also new verticals like the human protein consumer market, where krill derived protein has significant benefits over current protein sources, and the launch of their own consumer brand, Kori, in the US.

In the second quarter, total revenues ended at USD 73 million, with an EBITDA of USD 12 million. Revenues for the first half of 2020 of USD 144 million was 36 per cent higher than the same period in 2019.

The vessel Juvel was successfully sold during the second quarter, further strengthening the cash position of the company. Revenues and adjusted EBITDA continue to grow, and the company has undertaken significant investments over the past few years to create operational leverage.

On 6 July 2020, the company listed on the Oslo Stock Exchange's Merkur Market, after having completed a private placement of USD 225 million in June. The company will prepare for a listing on the main list on the Oslo Stock Exchange within the first quarter of 2021.

The Covid-19 pandemic has so far not had any material negative financial impact on Aker BioMarine and Aker maintains a positive outlook for Aker BioMarine's core products and markets.

Aker Energy

Amounts in USD million	2Q19	**2Q20**	YTD 19	**YTD 20**
Revenue	2	**2**	2	**4**
EBITDA	(56)	**(7)**	(72)	**(20)**
EBITDA margin (%)	N/A	**N/A**	N/A	**N/A**
Net profit continued operations	(57)	**(15)**	(74)	**(31)**

Aker Energy is an E&P company aiming to become an offshore oil and gas operator in Ghana.

After the initial postponement due to Covid-19, the strategy has shifted from a centralised FPSO approach to a phased development to develop the resources in its contract area.

The plan is that this will substantially reduce the CAPEX and breakeven cost for the project. Operational costs have also been cut through rightsizing of the organization. These efforts will enable the company to proceed in a lower and more uncertain oil price environment.

Cognite

Amounts in NOK million	2Q19	**2Q20**	YTD 19	**YTD 20**
Revenue	71	**123**	144	**230**
EBITDA	(9)	**(20)**	(10)	**(66)**
EBITDA margin (%)	(13.1)	**(16.6)**	(7.0)	**(28.9)**
Net profit continued operations	(9)	**(30)**	(11)	**(70)**

Cognite is a fast-growing industrial software company enabling companies in the oil & gas, power & utilities and manufacturing sector as well as other asset-intensive verticals to advance their digital transformation.

Cognite reported NOK 123 million in revenues in the second quarter, compared to NOK 71 million in the same period last year, supported by a fast-growing customer base.

The company secured new commercial engagements with some of the world's leading industrial companies in the quarter, including BP in the oil & gas vertical and Epiroc and Servi in the manufacturing vertical.

The company continues to expand its international presence through offices in Tokyo and Texas and both offices secured additional customer engagements with large industrial companies in the quarter. These international milestones will enable Cognite to scale and establish itself as a leading software provider for digitalization of asset-intensive industries.

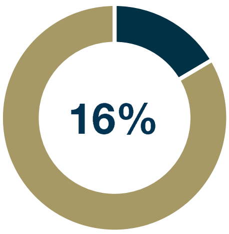
The Cognite organisation continues to grow fast, expanding by another 16 employees during the quarter. At quarter-end, the company had 321 employees, compared with 227 employees a year ago.

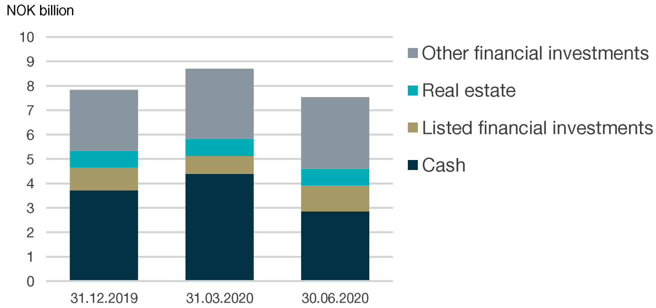
The company continues to progress commercial discussions with new customers, including Saudi Aramco following the October 2019 announcement to explore ways of deploying Cognite's technology at Aramco facilities both in Saudi Arabia and internationally. The progress also continues for the establishment of a joint venture to enable the digital transformation of industry at large in the Kingdom of Saudi Arabia.

Aker – Segment information

Financial Investments

Share of Aker's assets





	31.12.2019		31.03.2020		**30.06.2020**	
	NOK/share[1)]	NOK million	NOK/share[1)]	NOK million	NOK/share[1)]	NOK million
Cash	50	3 715	59	4 388	**39**	**2 861**
Listed financial investments	12	917	10	739	**14**	**1 038**
Real estate	8	603	9	703	**9**	**703**
Other financial investments	34	2 498	39	2 871	**39**	**2 932**
Total Financial Investments	104	7 733	117	8 701	**101**	**7 534**

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

Financial Investments comprise Aker's cash, listed financial investments, real estate investments and other financial investments. The value of Aker's financial investments amounted to NOK 7.5 billion as of 30 June 2020, down from NOK 8.7 billion as per 31 March 2020.

Aker's **Cash holding** stood at NOK 2.9 billion at the end of the second quarter, down from NOK 4.4 billion three months earlier. The primary cash inflow in the second quarter were NOK 354 million in received dividends. The primary cash outflows were NOK 1.4 billion in repayments of the AKER10 and AKER13 bonds at maturity, increased loans to portfolio companies of NOK 105 million, and NOK 184 million in net interest paid and operating expenses.

The value of **Listed financial investments** stood at NOK 1038 million as of 30 June 2020, compared to NOK 739 million as of 31 March 2020. The increase is explained by value increase of the Philly Shipyard investment on the back of the contract award announced in April. In addition, the share investment in American Shipping Company increased by NOK 74 million.

Aker's **Real estate holdings**, FP Eiendom, stood at NOK 703 million, unchanged from the prior quarter. The value of Aker's current real estate holdings mainly reflects a 37.55 per cent ownership in the residential real estate developer FP Bolig, in addition to other commercial properties and land areas at Fornebu and in Aberdeen, hotel developments, and a portfolio of late-stage residential projects in Norway.

Other financial investments amounted to NOK 2.9 billion at the end of the second quarter, unchanged from 31 March 2020. Other financial investments consist of equity investments, receivables, and other assets. The value of Aker's receivables was NOK 1.5 billion at the end of the second quarter, on par with 31 March 2020.

Aker ASA and holding companies

Combined balance sheet

Amounts in NOK million, after dividend allocation	31.12.2019	31.03.2020	**30.06.2020**
Intangible, fixed and non interest-bearing assets	1 025	1 067	**1 071**
Interest-bearing assets	1 213	1 674	**1 657**
Investments[1)]	20 681	20 036	**20 325**
Non interest-bearing short-term receivables	39	27	**44**
Cash	3 715	4 388	**2 861**
Assets	26 674	27 193	**25 958**
Equity	14 714	13 651	**13 636**
Non interest-bearing debt	330	796	**1 380**
External interest-bearing debt	11 629	12 746	**10 942**
Equity and liabilities	26 674	27 193	**25 958**
Net interest-bearing assets/(liabilities)	(6 701)	(6 684)	**(6 425)**
Equity ratio (%)	55	50	**53**

[1)]Aker ASA and holding companies prepares and presents its accounts in accordance with the Norwegian Accounting Act and generally accepted accounting principles (GAAP), to the extent applicable. Accordingly, exchange-listed shares owned by Aker ASA and holding companies are recorded in the balance sheet at the lower of market value and cost price. In accordance with Aker ASA and holding companies' accounting principles, acquisitions and disposals of companies are a part of the ordinary business. Consequently, gains from sales of shares are classified as operating revenues in the combined profit and loss statement of the accounts. Gains and losses are only recognised to the extent assets are sold to third parties. Aker's accounting principles are presented in the company's 2019 annual report.

The total book value of assets was NOK 26.0 billion at the end of the second quarter 2020, down from NOK 27.2 billion at the end of the first quarter.

Intangible, fixed and non-interest bearing assets stood at NOK 1,071 million, compared with NOK 1,067 million at the end of the first quarter.

Interest-bearing assets stood at NOK 1.7 billion at 30 June. This is on par with the previous quarter.

Investments increased to NOK 20.3 billion in the second quarter compared to NOK 20.0 billion as per the end of the first quarter. The increase is mainly explained by reversed write-downs related to the direct and indirect investments in Aker Solutions and Akastor. This was partly offset by write-down of the investment in Ocean Yield. In addition, Aker acquired from Ocean Yield a 50 per cent interest in seven oil tankers with long-term charters for NOK 97 million.

Non interest-bearing short-term receivables stood at NOK 44 million at 30 June 2020.

Aker's **Cash** stood at NOK 2.9 billion at the end of the second quarter, down from NOK 4.4 billion as per 31 March 2020.

Equity stood at NOK 13.6 billion at the end of the second quarter, compared to NOK 13.7 billion at the end of the first quarter. The decrease in the second quarter is primarily due to the profit before tax of NOK 858 million in the quarter offset by dividend allocation of NOK 873 million.

Non interest-bearing debt stood at NOK 1,380 million at the end of the second quarter, compared to NOK 796 million as per 31 March 2020. The increase is mainly explained by the allocation of NOK 873 million in dividend, partly offset by foreign exchange effects and positive value changes to the AMSC TRS agreements.

External interest-bearing debt stood at NOK 10.9 billion at the end of the second quarter, down from NOK 12.7 billion at the end of the first quarter 2020. The decrease is primarily explained by repayments of the AKER10 and AKER13 bonds at maturity and foreign exchange adjustments. As per the end of the second quarter, Aker had NOK 4.5 billion in outstanding bond loans, NOK 4.4 billion in USD denominated bank loans, NOK 1.0 billion in NOK denominated bank loans, and NOK 1.1 billion in the EUR denominated Schuldschein loan. In the quarter, the USD 100 million outstanding bank loan was refinanced by a NOK 2 billion bank facility, of which NOK 1 billion was drawn at the end of the quarter.

Amounts in NOK million	31.12.2019	31.03.2020	**30.06.2020**
AKER09	1 000	1 000	**1 000**
AKER10	583	583	**-**
AKER13	768	768	**-**
AKER14	2 000	2 000	**2 000**
AKER15	1 500	1 500	**1 500**
Capitalised loan fees	(29)	(26)	**(24)**
Total bond loans	5 822	5 824	**4 476**
USD 450m bank loan	3 951	4 728	**4 385**
USD 100m bank loan	878	1 051	**-**
NOK 2bn bank loan / RCF	-	-	**1 000**
EUR 100m Schuldschein loan	986	1 151	**1 091**
Capitalised loan fees	(8)	(7)	**(10)**
Total bank loans	5 808	6 922	**6 466**
Total interest-bearing debt	11 629	12 746	**10 942**

Aker ASA and holding companies

Combined income statement

Amounts in NOK million	2Q 2019	1Q 2020	**2Q 2020**	1H 2019	**1H 2020**	Year 2019
Operating expenses	(69)	(62)	**(79)**	(135)	**(141)**	(267)
EBITDA	(69)	(62)	**(79)**	(135)	**(141)**	(267)
Depreciation	(6)	(9)	**(8)**	(11)	**(16)**	(25)
Value change	(190)	(677)	**191**	(138)	**(486)**	(435)
Net other financial items	831	(299)	**754**	1 628	**455**	2 886
Profit/(loss) before tax	566	(1 046)	**858**	1 344	**(188)**	2 159

Aker ASA and holding companies prepares and presents its accounts in accordance with the Norwegian Accounting Act and generally accepted accounting principles (GAAP), to the extent applicable. Accordingly, exchange-listed shares owned by Aker ASA and holding companies are recorded in the balance sheet at the lower of market value and cost price. In accordance with Aker ASA and holding companies' accounting principles, acquisitions and disposals of companies are a part of the ordinary business. Consequently, gains from sales of shares are classified as operating revenues in the combined profit and loss statement of the accounts. Gains and losses are only recognised to the extent assets are sold to third parties. Aker's accounting principles are presented in the company's 2019 annual report.

The income statement for Aker ASA and holding companies shows a profit before tax of NOK 858 million for the second quarter 2020. This compares to a loss before tax of NOK 1,046 million in the first quarter 2020. As in previous periods, the income statement is mainly affected by value changes in share investments and dividends received.

Operating expenses in the second quarter were NOK 79 million compared to NOK 62 million in the prior quarter.

Value change in the second quarter was positive NOK 191 million mainly reflecting reversed write-downs related to the direct and indirect investments in Aker Solutions, Akastor and Kvaerner by NOK 345 million in total, as well as a reversed write-down of the share investment in American Shipping Company by NOK 74 million. This was partly offset by a NOK 189 million write-down of the investment in Ocean Yield, and a NOK 40 million write-down of the investment in Align.

Net other financial items in the second quarter amounted to positive NOK 754 million, compared to negative NOK 299 million in the first quarter. Net other financial items are primarily impacted by dividends received, net interest expenses and by foreign exchange adjustments. Aker posted a dividend income of NOK 361 million in the second quarter, compared to NOK 1,013 million in the prior quarter. Foreign exchange effects were positive with NOK 382 million, and the AMSC TRS agreements increase in value by NOK 114 million.

The Aker Share

The company's share price increased to NOK 350.40 at the end of the second quarter 2020 from NOK 235.60 three months earlier. The company had a market capitalisation of NOK 26.0 billion as per 30 June 2020. As per 30 June 2020, the total number of shares in Aker ASA amounted to 74,321,862 and the number of outstanding shares was 74 262 761. As per the same date, Aker held 59 101 own shares.

Group consolidated accounts

The Aker Group's consolidated accounts are presented on page 17 onwards. Detailed information on revenues and pre-tax profit for each of Aker's operating segments is included in note 9.

Risks

Aker and each portfolio company are exposed to various forms of market, operational and financial risks. Rather than diversifying risk by spreading investments across many different industries, Aker focuses on sectors where the company has special expertise. The company has established a model for risk management based on the identification, assessment and monitoring of major financial, strategic, climate-related, and operational risk factors for each business segment. Contingency plans have been prepared for these risk factors and their implementation is ensured and monitored. Identified risk factors and how they are managed are reported to the board of Aker on a regular basis.

The main risk factors to which Aker and its holding companies are exposed relate to changes in the value of listed assets as a result of fluctuations in market prices. Developments in the global economy, particularly in energy prices, as well as currency fluctuations, are important variables when assessing short-term market fluctuations. These variables may also influence the underlying value of Aker's unlisted assets. Aker and its portfolio companies are also exposed to the risk of insufficient access to external financing which may affect the liquidity situation in the companies. This has been further emphasised by the increased attention on ESG issues, especially climate-related investment risk. Aker and portfolio companies seek to reduce the risk by maintaining a solid liquidity reserve, and by proactively planning refinancing activities, as well as strict compliance with environmental regulations. Climate-related risk conditions also present business opportunities for Aker and portfolio companies.

Like Aker, the companies in Aker's industrial portfolio are exposed to commercial, financial and market risks. In addition, these companies, through their business activities within their respective sectors, are also exposed to risk factors related to climate change, laws and regulations, as well as political risk, such as policy decisions on petroleum taxes, environmental regulations, and operational framework conditions, including major accidents and pandemics that may have a significant financial impact.

Oil prices continue to be volatile and constitute a source of uncertainty. Aker BP's revenue and cash flow are directly affected by fluctuations in oil prices, and variations in oil prices can also impact the activity level of Aker's oil service companies, including Aker Solutions, Akastor and Kvaerner. The activity level affects the supplier companies' and Ocean Yield's counterparties, and the companies are therefore monitoring counterparty risk closely.

Aker's risk management, risks and uncertainties are described in the Annual Report for 2019.

Key events after the balance sheet date

After the close of the second quarter 2020, the following key events occurred:

- Aker BioMarine in June completed a private placement of USD 225 million and on 6 July listed on the Merkur Market on the Oslo Stock Exchange. Pre-money valuation was NOK 8 billion and Aker owns approximately 78 per cent of the company after the listing.
- On 16 July, Akers Board of Directors resolved to pay a cash dividend of NOK 11.75 per share. The Board still aims for a semi-annual dividend assessment.
- As announced on 17 July, Aker Solutions will divest the offshore wind development segment and the Carbon Capture Utilization and Storage (CCUS) segment into two new entities. The intention is to distribute Aker Solution's shares in the new companies to the shareholders as dividend. Aker will contribute to capitalise the new entities through a private placement towards existing shareholders and a subsequent listing on the Merkur Market on the Oslo Stock Exchange.
- As announced on 17 July, Aker Solutions and Kvaerner will merge after Aker Solutions' divestments of the offshore wind development segment and the CCUS segment. The merger will create a new and stronger supplier company that will improve project development and operations within oil and gas production, while simultaneously forming a solid platform for decarbonising existing assets. A key element in the strategy for a merged company is also to accelerate the transition to renewables.
- As announced on 17 July, Aker is establishing a new company, Aker Horizons, in order to take an active role in a broader and rapidly growing renewable energy industry, within both existing and emerging energy assets. Aker Horizons, entirely owned by Aker, will consists of a dedicated team working to build leading companies within several renewable and low-carbon segments, including but not limited to, offshore wind and CCUS. To also position Aker Horizons within onshore wind, Aker has made a conditional offer to acquire at least 90 per cent of outstanding shares in NBT AS. Aker has been a financial investor in NBT AS since 2007, owning approximately 8 per cent of the company shares, while TRG, Aker's key shareholder, owns 0.5 per cent.

Outlook

Investments in listed shares, including Aker BioMarine, comprised 84 per cent of the company's assets as per 30 June 2020. About 61 per cent of Aker's investments were associated with the oil and gas sector. The remaining value is mainly found in the maritime industry. Aker has however in July diversified its portfolio into the growing renewables segment by establishing the wholly owned company Aker Horizons which will be taking an active role to develop and operate in a broader and rapidly growing renewable energy industry. Onshore wind currently generates as much electricity as all the other renewable technologies combined and continues to grow. And according to IEA's latest World Energy Outlook, the offshore wind market grew almost 30% annually between 2010 and 2018. This growth is expected to be even larger going forward with about 150 new offshore projects scheduled to be completed globally over the next five years. Aker's Net Asset Value will hence be influenced by several factors, including fluctuations in market prices, commodity prices, feed-in tariffs, exchange rates and operational performance.

After the oil price shock of 2014-2016, global oil and gas investments were significantly reduced, leading to lower revenues for the oil service sector, which had already built too much spare capacity. In recent years, the global spending in the oil industry has been gradually increasing. ESG trends and fear of peak oil demand in the future have, however, contributed to a muted growth in investments from disciplined oil producers prioritising share buybacks and dividends on the expense of investments in new oil production, much due to pressure from investors. The muted spending on oil projects have taken a turn for the worse due to Covid-19, as the virus has led to record low oil prices and fear about future oil demand. Oil producers are therefore likely to be even more disciplined with their investment programs in the coming 12-18 months. This poses a challenge for oil service companies, as order intake may be muted for a period and, thus, necessitates scaling back capacity and protecting balance sheets.

At the same time, cost-cutting measures and increased operational efficiency across the industry have brought down break-even costs for offshore projects. The over-capacity in the service sector is therefore a benefit for the upstream sector, creating improved cash flows for E&P companies at a lower oil price than before.

Aker expects oil demand to gradually recover after the negative effects from Covid-19 on the industry and remains positive about the attractiveness of oil and gas investments. Aker will therefore continue to evaluate strategic alternatives and opportunities in the sector. Future oil demand growth is expected to be supported by the still ongoing mega trends of population growth, a growing middle class and urbanisation, particularly in Asia. Oil supply growth is likely to be kept in check by OPEC policy, inadequate E&P spending and tightened financial conditions in the US shale industry. It is important to emphasize that two-thirds of the new fields that have been brought online during the past ten years have been necessary to counter field decline in aging fields, while only one-third has covered demand growth. Another mega trend that is likely to support oil prices for the coming years is the rising cost of capital for the industry at large. The increased cost of capital is influenced by rising focus on ESG principles by both lenders and investors, in addition to the scepticism to the industry created by the Corona virus. The increased focus on ESG principles may result in lower supply growth than demand growth going forward, hence supporting market prices. Price volatility is expected to remain high also in coming years, but Aker is well positioned to benefit from such a development through its good access to liquidity.

Aker's portfolio companies in the oil and gas sector will continue to increase competitiveness through increased productivity, efficiency, standardisation, improved technology offerings, and by exploring strategic partnerships and alliances. Aker's strong balance sheet enables the company to face unforeseen operational challenges and short-term market fluctuations, as well as to seize value-accretive investment opportunities. As an industrial investment company, Aker will use its resources and competence to promote and support the development of the companies in its portfolio.

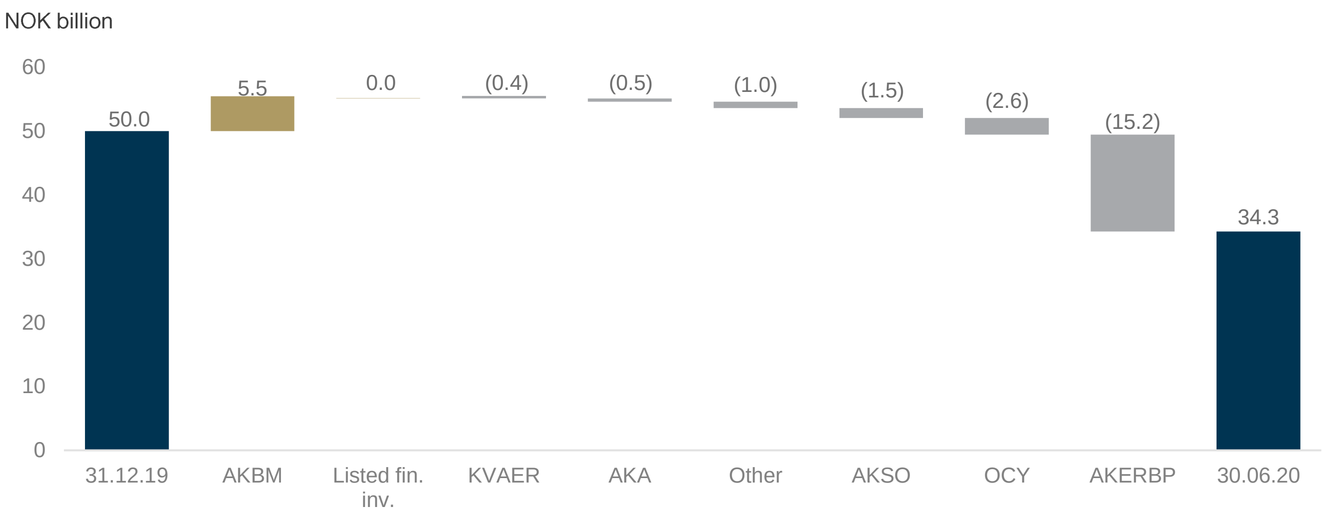
Fornebu, 16 July 2020
Board of Directors and President and CEO

Aker ASA and holding companies: Net Asset Value

Reported values in NOK million	Number of shares per 30.06.2020	Ownership capital per 30.06.2020	Share of total assets per 30.06.2020	Reported values per 30.06.2020	Reported values per 31.03.2020	Reported values per 31.12.2019
Industrial Holdings						
Aker BP	144 049 005	40.0%	55.2%	25 252	19 101	41 486
Aker Solutions	94 565 293[1)]	34.8%[1)]	1.7%	792	522	2 338
Akastor	100 565 293[1)]	36.7%[1)]	1.1%	483	397	1 000
Kvaerner	77 233 531[1)]	28.7%[1)]	1.0%	477	487	859
Ocean Yield	108 066 832	61.7%	5.1%	2 340	2 529	5 187
Aker BioMarine	67 672 473[2)]	98.0%	17.1%	7 840	4 942	2 363
Aker Energy	63 633 423	50.8%	2.1%	957	957	925
Cognite	6 791 780	64.0%	0.1%	42	42	42
Total Industrial Holdings			**83.5%**	**38 181**	**28 976**	**54 200**
Financial Investments						
Cash			6.3%	2 861	4 388	3 715
FP Eiendom			1.5%	703	703	603
Listed financial investments			2.3%	1 038	739	917
American Shipping Company (direct investment)[3)]	11 557 022	19.1%	0.6%	296	223	380
Philly Shipyard	7 237 631	57.6%	1.2%	528	304	309
Solstad Offshore	58 496 302	20.1%	0.1%	31	30	57
REC Silicon	64 217 774	22.9%	0.4%	182	183	172
Receivables			3.2%	1 462	1 479	1 118
Aker BioMarine			1.9%	875	943	648
Estremar Invest			0.8%	366	406	349
Other receivables			0.5%	221	129	120
Other financial investments			3.2%	1 470	1 392	1 380
Total Financial Investments			**16.5%**	**7 534**	**8 701**	**7 733**
Gross Asset Value			**100.0%**	**45 715**	**37 677**	**61 934**
External interest-bearing debt				(10 942)	(12 746)	(11 629)
Non interest-bearing debt				(507)	(796)	(330)
Net Asset Value (before allocated dividend)				**34 266**	**24 135**	**49 974**
Number of outstanding shares				74 262 761	74 262 761	74 278 199
Net Asset Value per share before allocated dividend)				**461**	**325**	**673**

1) Partly owned through Aker Kvaerner Holding AS, in which Aker ASA has a 70% ownership interest. Additionally, Aker ASA has direct ownership interest in Aker Solutions ASA and Akastor ASA.
2) Ownership at 17 July 2020 is 78 per cent, subsequent to the private placement and listing completed in July.
3) Aker ASA holds direct exposure to 11 557 022 shares in American Shipping Company ASA, equivalent to 19.07% of the shares and votes of the company, and financial exposure to 18 687 620 underlying shares through two total return swap agreements, equivalent to 30.83% of the share capital in the company. As per 30 June 2020, the value of the swap agreements was negative by NOK 171 million.

Aker ASA and holding companies: Net Asset Value contribution YTD 2020



Financial calendar 2020

5 November 3Q 2020 Report

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AKER NO in Bloomberg
AKER.OL in Reuters

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Alternative Performance Measures

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

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

Consolidated income statement and total comprehensive income

INCOME STATEMENT

Amounts in NOK million	Note	January-June 2020	January-June 2019 Restated*	Year 2019 Restated*
Operating revenues	9	**21 581**	23 230	48 609
Operating expenses		**(19 875)**	(21 193)	(44 717)
Operating profit before depreciation and amortisation		**1 706**	2 037	3 893
Depreciation and amortisation	11,12	**(1 386)**	(1 241)	(2 563)
Impairment charges and other non-recurring items	10,11,12	**(892)**	(207)	(282)
Operating profit		**(572)**	590	1 047
Net financial items		**(2 250)**	(784)	(2 075)
Share of earnings in equity accounted companies	13	**(1 112)**	170	229
Profit before tax	9	**(3 934)**	(23)	(799)
Income tax expense		**360**	(95)	(248)
Net profit/loss from continuing operations		**(3 574)**	(119)	(1 048)
Discontinued operations:				
Profit and gain on sale from discontinued operations, net of tax	16	**(173)**	(182)	(957)
Profit for the period		**(3 747)**	(301)	(2 004)
Equity holders of the parent		**(2 835)**	(189)	(1 533)
Minority interests		**(911)**	(112)	(471)
Average number of shares outstanding (million)	6	**74,3**	74,3	74,3
Basic earnings and diluted earnings per share continuing business (NOK)		**(37,13)**	(0,48)	(12,92)
Basic earnings and diluted earnings per share (NOK)		**(38,17)**	(2,54)	(20,64)

*) See Note 16

TOTAL COMPREHENSIVE INCOME

Amounts in NOK million	January-June 2020	January-June 2019	Year 2019
Profit for the period	**(3 747)**	(301)	(2 004)
Other comprehensive income, net of income tax:			
Items that will not be reclassified to income statement:			
Defined benefit plan actuarial gains (losses)	**-**	-	(149)
Equity investments at FVOCI - net change in fair value	**(104)**	13	31
Items that will not be reclassified to income statement	**(104)**	13	(118)
Items that may be reclassified subsequently to income statement:			
Changes in fair value cash flow hedges	**(102)**	96	113
Reclassified to profit or loss: changes in fair value of available-for-sale financial assets, translation and cash flow hedges	**6**	(60)	(145)
Currency translation differences	**1 463**	(384)	156
Change in other comprehensive income from equity accounted companies	**1 981**	(516)	111
Items that may be reclassified subsequently to income statement	**3 348**	(864)	235
Other comprehensive income, net of income tax	**3 245**	(851)	117
Total comprehensive income for the period	**(502)**	(1 151)	(1 887)
Attributable to:			
Equity holders of the parent	**(130)**	(806)	(1 351)
Minority interests	**(372)**	(346)	(536)
Total comprehensive income for the period	**(502)**	(1 151)	(1 887)

Consolidated balance sheet

Amounts in NOK million	Note	At 30.06 2020	At 30.06 2019	At 31.12 2019
Assets				
Non-current assets				
Property, plant & equipment	*11*	**17 951**	18 221	18 287
Intangible assets	*11*	**12 263**	11 724	12 154
Right-of-use assets	*12*	**4 623**	4 949	4 827
Deferred tax assets		**1 575**	1 117	1 261
Investments in equity accounted companies	*13*	**20 789**	21 306	20 833
Interest-bearing long-term receivables		**1 514**	1 330	1 140
Finance lease receivables	*14*	**14 879**	10 240	13 513
Other shares and non-current assets		**2 227**	2 260	2 236
Total non-current assets		**75 823**	71 148	74 252
Current assets				
Inventory, trade and other receivables		**18 723**	18 041	17 620
Calculated tax receivable		**238**	100	133
Interest-bearing short-term receivables		**78**	1 128	642
Current finance lease receivables	*14*	**2 254**	1 431	2 040
Cash and bank deposits		**10 509**	10 802	12 018
Total current assets		**31 802**	31 502	32 454
Assets classified as held for sale		**1 507**	-	-
Total assets		**109 132**	102 650	106 706
Equity and liabilities				
Paid in capital		**2 325**	2 331	2 332
Retained earnings and other reserves		**16 347**	17 028	16 508
Total equity attributable to equity holders of the parent	*6*	**18 672**	19 359	18 840
Minority interest		**19 845**	19 410	20 414
Total equity		**38 517**	38 769	39 253
Non-current liabilities				
Non-current interest-bearing liabilities	*15*	**38 501**	28 515	33 425
Non-current lease liabilities	*12*	**5 599**	5 870	5 751
Deferred tax liabilities		**652**	590	661
Provisions and other long-term liabilities		**3 788**	2 163	2 632
Total non-current liabilities		**48 540**	37 138	42 470
Current liabilities				
Current interest-bearing liabilities	*15*	**4 596**	8 416	6 762
Current lease liabilities	*12*	**869**	768	831
Tax payable, trade and other payables		**16 557**	17 530	17 364
Total current liabilities		**22 022**	26 714	24 957
Total liabilities		**70 562**	63 852	67 427
Liabilities classified as held for sale		**53**	28	26
Total equity and liabilities		**109 132**	102 650	106 706

Consolidated cash flow statement

Amounts in NOK million	Note	January-June 2020	January-June 2019	Year 2019
Profit before tax		**(3 934)**	(23)	(799)
Depreciation and amortisation		**1 386**	1 241	2 563
Other items and changes in other operating assets and liabilities		**2 077**	(1 061)	1 514
Net cash flow from operating activities		**(470)**	157	3 278
Proceeds from sales of property, plant and equipment	*11*	**215**	5	38
Proceeds from sale of shares and other equity investments		**2**	159	303
Disposals of subsidiary, net of cash disposed		**-**	-	3
Acquisition of subsidiary, net of cash acquired		**55**	(727)	(905)
Acquisition of property, plant and equipment	*11*	**(604)**	(1 420)	(3 409)
Acquisition of equity investments in other companies		**(37)**	(103)	(262)
Acquisition of vessels accounted for as finance lease		**(652)**	(1 530)	(5 004)
Net cash flow from other investments		**935**	(270)	346
Net cash flow from investing activities		**(86)**	(3 887)	(8 890)
Proceeds from issuance of interest-bearing debt	*15*	**4 527**	8 431	16 772
Repayment of interest-bearing debt	*15*	**(5 079)**	(1 152)	(7 114)
Repayment of lease liabilities		**(427)**	(353)	(762)
New equity and acquisition of minority interest		**(85)**	7	1 383
Own shares		**(19)**	5	(55)
Dividends paid		**(205)**	(2 085)	(2 347)
Net cash flow from financing activities		**(1 288)**	4 853	7 877
Net change in cash and cash equivalents		**(1 844)**	1 122	2 265
Effects of changes in exchange rates on cash		**335**	(107)	(33)
Cash and cash equivalents at the beginning of the period		**12 018**	9 786	9 786
Cash and cash equivalents at end of period		**10 509**	10 802	12 018

Consolidated statement of changes in equity

Amounts in NOK million	Total paid-in capital	Total translation and other reserves	Retained earnings	**Total equity of equity holders of the parent**	Minority interests	**Total equity**
Balance at 31 December 2018	2 331	3 618	16 061	**22 009**	19 908	**41 918**
Correction previous year	-	-	(21)	**(21)**	(59)	**(80)**
Impact of changes in accounting policies	-	-	(133)	**(133)**	(236)	**(369)**
Balance at 1 January 2019	2 331	3 618	15 907	**21 855**	19 613	**41 469**
Profit for the year 2019	-	-	(1 533)	**(1 533)**	(471)	**(2 004)**
Other comprehensive income	-	237	(55)	**182**	(64)	**117**
Total comprehensive income	-	237	(1 588)	**(1 351)**	(536)	**(1 887)**
Dividends	-	-	(1 671)	**(1 671)**	(676)	**(2 347)**
Own shares and share-based payment transactions	1	-	13	**14**	-	**14**
Total contributions and distributions	1	-	(1 658)	**(1 657)**	(676)	**(2 333)**
Acquisition and sale of minority	-	-	9	**9**	41	**50**
Issuance of shares in subsidiaries	-	-	(16)	**(16)**	1 971	**1 955**
Total changes in ownership without change of control	-	-	(7)	**(7)**	2 012	**2 005**
Balance at 31 December 2019	2 332	3 855	12 653	**18 840**	20 414	**39 253**
Correction previous year	-	-	35	**35**	67	**102**
Balance at 1 January 2020	2 332	3 855	12 689	**18 875**	20 480	**39 355**
Profit for the period Jan - June 2020	-	-	(2 835)	**(2 835)**	(911)	**(3 747)**
Other comprehensive income	-	2 705	-	**2 705**	539	**3 245**
Total comprehensive income	-	2 705	(2 835)	**(130)**	(372)	**(502)**
Dividends	-	-	-	**-**	(205)	**(205)**
Own shares and share-based payment transactions	(6)	-	(13)	**(19)**	-	**(19)**
Total contributions and distributions	(6)	-	(13)	**(19)**	(205)	**(224)**
Acquisition and sale of minority	-	-	(28)	**(28)**	(58)	**(85)**
Total changes in ownership without change of control	-	-	(27)	**(27)**	(58)	**(85)**
Balance at 30 June 2020	2 325	6 560	9 787	**18 672**	19 845	**38 517**

Balance at 31 December 2018	2 331	3 618	16 061	**22 009**	19 908	**41 918**
Correction previous year	-	-	(21)	**(21)**	(59)	**(80)**
Impact of changes in accounting policies	-	-	(133)	**(133)**	(236)	**(369)**
Balance at 1 January 2019	2 331	3 618	15 907	**21 855**	19 613	**41 469**
Profit for the period Jan - June 2019	-	-	(189)	**(189)**	(112)	**(301)**
Other comprehensive income	-	(617)	-	**(617)**	(233)	**(851)**
Total comprehensive income	-	(617)	(189)	**(806)**	(346)	**(1 151)**
Dividends	-	-	(1 671)	**(1 671)**	(414)	**(2 085)**
Own shares and share-based payment transactions	-	-	5	**5**	-	**5**
Total contributions and distributions	-	-	(1 666)	**(1 666)**	(414)	**(2 080)**
Acquisition and sale of minority	-	-	13	**13**	54	**68**
Issuing shares in subsidiaries	-	-	(1)	**(1)**	502	**501**
Total changes in ownership without change of control	-	-	12	**12**	556	**568**
Transaction with own shares in associated company	-	-	(37)	**(37)**	-	**(37)**
Balance at 30 June 2019	2 331	3 001	14 028	**19 359**	19 410	**38 769**

Notes to the consolidated financial statements for the first half 2020

1. INTRODUCTION – AKER ASA
Aker ASA is a company domiciled in Norway. The condensed consolidated interim financial statements for the first half of 2020, ended 30 June 2020, comprise Aker ASA and its subsidiaries (together referred to as the "Group") and the Group's interests in associates and jointly-controlled entities.

The consolidated financial statements of the Group as at and for the year ended 31 December 2019 and quarterly reports are available at www.akerasa.com.

2. STATEMENT OF COMPLIANCE
The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as endorsed by EU, and the additional requirements in the Norwegian Securities Trading Act. They do not include all the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2019.

These condensed consolidated interim financial statements were approved by the Board of Directors on 16 July 2020.

Certain new accounting standards and amendments to standards are effective for annual periods beginning after 1 January 2020 and earlier application is permitted; however, the Group has not early adopted any of the forthcoming new or amended standards in preparing these condensed consolidated interim financial statements.

3. SIGNIFICANT ACCOUNTING PRINCIPLES
The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2019. The Groups accounting principles are described in the Aker ASA annual financial statements for 2019.

4. ESTIMATES
The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The most significant judgments made by management in preparing these condensed consolidated interim financial statements in applying the Group's accounting policies, and the key sources of estimate uncertainty, are the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2019.

5. PENSION, TAX AND CONTINGENCIES
Calculation of pension cost and liability is done annually by actuaries. In the interim financial reporting, pension costs and liabilities are based on the actuarial forecasts. Income tax expense is recognised in each interim period based on the best estimate of the expected annual income tax rates.

6. SHARE CAPITAL AND EQUITY
As of 30 June 2020 Aker ASA had issued 74 321 862 ordinary shares at a par value of NOK 28 per share. Total own shares were 59 101. Average outstanding number of shares is used in the calculation of earnings per share in all periods in 2019 and 2020.

7. TRANSACTIONS WITH RELATED PARTIES
There were no significant transactions with related parties in first half 2020. See also note 33 in the group annual accounts for 2019.

8. EVENTS AFTER THE BALANCE SHEET DATE
There have not been any major events after the balance sheet date affecting the group accounts.

9. DISAGGREGATION OF REVENUE AND OPERATING SEGMENTS

Operating revenue by category

Amounts in NOK million	January-June 2020	2019	Year 2019
Revenue from contracts with customers recognised over time	**17 790**	20 320	41 507
Revenue from contracts with customers recognised at a point in time	**2 170**	1 595	4 777
Leasing income	**1 372**	1 036	2 010
Other income	**249**	348	462
Discontinued operations	**(1)**	(69)	(147)
Total	**21 581**	23 230	48 609

Operating segments

Aker identifies segments based on the group's management and internal reporting structure. Aker's investment portfolio is comprised of two segments: Industrial Holdings and Financial Investments. Recognition and measurement applied in the segment reporting are consistent with the accounting policies in the condensed consolidated interim financial statements.

Operating revenues

Amounts in NOK million	January-June 2020	2019	Year 2019
Industrial holdings			
Aker Solutions	**11 871**	14 781	29 263
Akastor	**2 677**	2 375	5 361
Ocean Yield	**1 473**	1 007	2 116
Aker BioMarine	**1 404**	912	2 175
Kvaerner	**3 602**	3 995	9 032
Aker Energy	**35**	19	62
Cognite	**230**	144	340
Eliminations and other	**(364)**	(444)	(662)
Total industrial holdings	**20 929**	22 789	47 687
Financial investments and eliminations	**652**	441	922
Aker Group	**21 581**	23 230	48 609

Profit before tax

Amounts in NOK million	January-June 2020	2019	Year 2019
Industrial holdings			
Aker Solutions	**(1 036)**	206	170
Akastor	**(274)**	42	191
Aker BP (equity accounted, 40 per cent share)	**(928)**	251	429
Ocean Yield	**220**	268	572
Aker BioMarine	**(102)**	(55)	(205)
Kvaerner	**(52)**	167	308
Aker Energy	**(322)**	(579)	(1 147)
Cognite	**(70)**	(11)	(17)
Eliminations and other	**(24)**	(51)	(78)
Total industrial holdings	**(2 588)**	239	223
Financial investments and eliminations	**(1 345)**	(262)	(1 022)
Aker Group	**(3 934)**	(23)	(799)

10. IMPAIRMENT CHARGES

The COVID-19 pandemic and the challenging commodity price environment in the first half of 2020 has created unprecedented uncertainty with potential negative impact on both activity and financial performance. These events have also impacted the long-term market outlook. The companies have performed an impairment test for assets and cash generating units (CGUs) where impairment indicators have been identified. Total impairment charges in the first half of 2020 amount to NOK 892 million. Below is a summary for the largest companies in the Aker group:

In **Aker Solutions**, each property, plant and equipment and right-of-use asset has been assessed for impairment triggers to identify assets that are damaged or will no longer be fully used. Capitalised development is assessed for impairment triggers to identify development programs where the technological development or market outlook for that specific technology no longer justify the book value.

The testing resulted in impairment of certain assets. The market outlook for some capitalised development projects had a negative development in the period, which resulted in an impairment. Further, the company decided to close the Sandnessjøen plant and updated the assessment of potential sub-leases for emptied parts of leased buildings in the period, which resulted in impairment of right-of-use lease assets. Some fixed assets were also impaired. In total, the individual asset testing resulted in impairment of NOK 436 million.

Impairment indicators have also been reviewed for the company's CGUs with assessment of market conditions, cost development, technological development, change in order backlog, change in discount rate and other elements that may impact the value of the assets in the CGU. The company completed impairment tests using the value in use approach for those CGUs where impairment triggers were identified. The testing resulted in impairment of NOK 115 million related to one CGU. The remaining book value of fixed and intangible assets of the impaired CGU was NOK 49 million.

In the impairment test of goodwill, Aker Solutions have used the following assumptions:

- Updated forecast of five-year cashflows in the period 2020-2024 based on firm orders in the backlog, identified prospects, expected service revenue and expected cost levels
- Updated post-tax WACC of 9.6 per cent and growth rate of 1.5 per cent

No impairment charge for goodwill was identified. Multiple sensitivity tests have been run on the key assumptions in the value in use calculations to address the current uncertainty in the oil service market. Applying the following changes in key assumptions did not result in any impairment:

- Decrease the long-term growth rate to zero
- Increase post-tax WACC by 2 percentage points
- Decrease forecasted cash-flows in all years (including terminal value) by 20 per cent

In **Akastor**, the recoverable amounts of CGUs (portfolio companies) are determined based on value-in-use calculations. Discounted cash flow models are applied to determine the value in use for the portfolio companies with goodwill. The management has made cash flow projections based on strategic forecast for a period of five years. Beyond the explicit forecast period of five years, the cash flows are extrapolated using a constant growth rate.

Key assumptions used in the calculation of value in use are EBITDA, terminal value growth rate (2 per cent) and estimated discount rate of 11.1 per cent after tax for MHWirth and 13.3 per cent for AGR. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries as well as management's expectations regarding margin. Assumptions are made for future market conditions from impacts of the outbreak of COVID-19 which requires a high degree of judgement.

For the portfolio companies containing goodwill, the recoverable amounts are higher than the carrying amounts based on the value in use analysis and consequently no impairment loss of goodwill was recognised in the first half of 2020.

Sensitivity calculations performed for MHWirth, identify that if the average revenue growth in the forecast period were reduced by more than 4 per cent, or the average EBITDA margin in the forecast period were reduced by more than 2 per cent, the estimated recoverable amount would be lower than the carrying amount and it would result in impairment. In AGR, if the average revenue growth in the forecast period were reduced by more than 8 per cent, or if the average EBITDA margin in the forecast period were reduced by more than 2 per cent, the estimated recoverable amount would be lower than the carrying amount resulting in impairment.

In **Kværner**, cash flows from projects, including assumed project awards, are allocated to CGUs Stord yard and Verdal yard based on which resources are used or normally would be used for project execution. The following key assumptions have been used:

- Assumed project awards
- Target projects are included based on latest projections and estimated revenues and margins based on the scope of work and Kvaerner's experience and judgement from other projects
- Cash flow projections for ongoing projects are based on updated forecasts
- Explicit period for estimated cash flows are second half-year 2020 to full year 2023
- Updated post-tax WACC of 8.9 per cent and growth rate of 1 per cent
- Terminal values are estimated based on a combination of historic levels and judgement

For the yards Stord and Verdal, CGUs recoverable amount for recognised goodwill exceeds the related carrying values, and consequently the analysis indicates that no impairment is required.

The following adverse changes could occur simultaneously before any impairment is required in relation to the Stord yard CGU: revenue reduction of 15 per cent, EBITDA margin reduction of 1 percentage points and increase in pre-tax discount rate of 0.9 percentage points. The Verdal yard CGU is more sensitive to impairment: a simultaneous revenue reduction of 5 per cent, EBITDA margin reduction of 0.5 percentage points and increase in pre-tax discount rate of 0.3 percentage points would result in an impairment.

In **Ocean Yield**, the vessel Höegh Xiamen, which is bareboat chartered to Höegh Autoliners, caught fire in June 2020 after it completed loading operations in Jacksonville, Florida. The damage to the vessel has been assessed by salvors and insurance companies in close cooperation with

Höegh Autoliners, who is responsible for the operation of the vessel. The vessel has been declared a constructive total loss as a result of the damage incurred in the fire, and as a consequence an impairment of USD 27.7 million have been made on the vessel. The book value of the vessel as of quarter-end is zero. Ocean Yield is covered under the vessel's insurance policy and expect to receive a settlement of about USD 26.3 million in Q3. This insurance settlement and the remaining part of a prepaid charter hire have been recognised as other revenue in the quarter.

As of quarter-end the company has assessed the values of the vessels Connector, Far Senator, Far Statesman and the company's other Car Carriers. The value in use has been estimated for all of the vessels and has been calculated based on the present value of estimated future cash flows. The projected cash flows represent management's best estimate for future charter hire for the vessels. As of quarter-end the estimated value in use is equal or higher than the book value for all of these vessels, and no impairment has been recognised in the quarter. As of quarter-end the book value of Connector was USD 179.6 million, the book value of Far Senator and Far Statesman was USD 86.4 million, and the book value of the company's Car Carriers was USD 236.6 million. The calculations of value in use are highly sensitive to the estimated level of future charter hires, the length of the cash flows and the weighting of the different scenarios.

In **Aker BioMarine**, none of the operating vessels or the plant in Houston has experienced any significant disruptions and the main operational challenges have been related to conducting crew-changes in a safe manner and handling the global logistics without significant delays. No material impairment charges have been recognised in the first half of 2020 in Aker BioMarine.

In **Aker Energy,** exploration and evaluation assets relate to the DWT/CTP license in Ghana and are tested for impairment on one level, the only cash-generating unit in the group, the DWT/CTP license. The exploration and evaluation assets have been assessed for impairment in accordance with IFRS 6. Impairment tests are performed when impairment triggers are identified.

Results from the appraisal drilling campaign finalised in 2019 were positive and indicate a significant potential in the license. Approval of Plan for Development and Operations and Final Investment Decision for Pecan development were expected in 2020 but the COVID-19 crisis and the significant drop in oil prices changed this. Even though the Pecan project was put on hold by end of March and the Aker Energy organisation was significantly downsized, the proven reserves in DWT/CTP license are still expected to be developed. Aker Energy has maintained an organisation sufficient to continue the work in DWT/CTP and is currently exploring alternative development concepts for DWT/CTP. License partners and Ghanian government have supported and accepted the decision to put the Pecan Development project on hold. Carrying amounts of exploration and evaluation assets are low compared to value of proven reserves in DWT/CTP and it is considered likely that carrying amounts will be recovered in full of successful development in DWT/CTP or by sale. No impairment triggers have been identified and no impairment testing is deemed necessary.

For other assets, following the decision by end of March 2020 to downsize the organisation, first of all in Norway, only a portion of the leased office space at Fornebuporten (greater Oslo-region) will be occupied by Aker Energy. The office at Fornebuporten, recognised as a right-of-use asset, is already partly subleased. Subleased area is expected to increase further, but some areas will most likely remain unused during the remaining lease period, until 2027. An impairment loss of USD 6 million has been recognised in the first half of 2020, calculated as the difference between value in use (recoverable amount) and carrying amount. In addition, an impairment loss of USD 559 thousand for right-of-use asset and USD 674 thousand for the property, plant and equipment in Accra were recognised in the period due to lower recoverable amounts (vale in use) than the carrying amounts of the assets.

11. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Material changes in property, plant and equipment and intangible assets during 2020:

Amounts in NOK million	Property, plant and equipment	Intangible assets	Total
Balance at 31 December 2019	**18 287**	**12 154**	**30 441**
Other proceeds from sales of property plant and equipment	(215)	-	(215)
Total proceeds	**(215)**	**-**	**(215)**
Other acquisitions	417	187	604
Acquisition of property, plant and intangible assets	**417**	**187**	**604**
Acquisition and sale of subsidiaries	639	-	639
Depreciation and amortisation continued operations	(783)	(238)	(1 022)
Impairment continued operations	(357)	(376)	(733)
Reclassification	168	5	174
Exchange rates differences and other changes	1 219	530	1 750
Balance at 30 June 2020	**19 374**	**12 263**	**31 638**
Classified as assets held for sale	(1 423)	-	(1 423)
Balance at 30 June 2020 adjusted for assets held for sale	**17 951**	**12 263**	**30 215**

12. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The movement in the right-of-use assets and lease liabilities is summarised below:

	Right-of-use assets			
Amounts in NOK million	Land and buildings	Machinery and vehicles	Total	Lease liabilities
Balance at 31 December 2019	**4 797**	**32**	**4 827**	**6 583**
Opening balanse adjustment	126	-	126	-
Additions	55	7	62	62
Additions lease receivable	-	-	-	113
Remeasurement	8	-	8	8
Depreciation	(356)	(9)	(364)	-
Impairment	(159)	-	(159)	-
Interest expense	-	-	-	146
Lease payments and interests	-	-	-	(573)
Currency translation differences	123	-	123	130
Balance at 30 June 2020	**4 594**	**30**	**4 623**	**6 469**

13. INVESTMENTS IN EQUITY ACCOUNTED COMPANIES

Material changes in associates and joint ventures in 2020.

Amounts in NOK million	Aker BP	Box Holding	AKOFS Offshore	Other	Total
Balance at 31 December 2019	**17 773**	**1 565**	**1 050**	**446**	**20 833**
Acquisitions/disposals/repaid capital	-	-	2	20	22
Share of profits/losses	(928)	102	(19)	(163)	(1 008)
Changes due to exchange differences and hedges	1 941	8	19	12	1 981
Dividends received	(1 080)	(84)	-	-	(1 164)
Other equity changes	(44)	-	126	42	124
Balance at 30 June 2020	**17 662**	**1 591**	**1 178**	**357**	**20 789**

Share of losses of NOK 1 008 million in total, is partly recognised with NOK 104 million as other income and a loss of NOK 1 112 million as financial items.

14. FINANCE LEASE RECEIVABLES

	January-June		Year
Amounts in NOK million	**2020**	2019	2019
Finance lease receivables	**16 327**	10 947	14 819
Sublease receivables	**806**	724	734
Total	**17 134**	11 671	15 553
Non-current assets	**14 879**	10 240	13 513
Current assets	**2 254**	1 431	2 040
Total	**17 134**	11 671	15 553

The finance lease receivables of NOK 16.3 billion mainly represents Ocean Yield ownership in 50 vessels. This includes NOK 1.5 billion against the joint venture AKOFS Offshore. The sublease receivables is mainly in Aker Solutions.

15. INTEREST-BEARING LIABILITIES

Material changes in interest-bearing liabilities (current and non-current) during 2020:

Amounts in NOK million	Non-current	Current	Total
Interest-bearing liabilities at 31 December 2019	33 425	6 762	40 187
Drawn bank facility in Aker ASA and holding companies	1 000	-	1 000
Drawn bank facility in Ocean Yield	1 200	-	1 200
Drawn bank facility in Akastor	692	-	692
Drawn bank facility in Aker Solutions	1 505	(1 505)	-
Establishment fees, other new loans and changes in credit facilities	138	1 498	1 636
Total payment of interest-bearing liabilities	**4 534**	**(7)**	**4 527**
Repayment of USD bank facility in Aker ASA and holding companies	-	(993)	(993)
Repayment of bonds in Aker ASA and holding companies	-	(1 351)	(1 351)
Repayment of bank facility in Ocean Yield	-	(1 579)	(1 579)
Other repayments	(415)	(741)	(1 156)
Total repayment of interest-bearing liabilities	**(415)**	**(4 664)**	**(5 079)**
Conversion and acquisitions of subsidiaries	-	435	435
Exchange rate differences and other changes	957	2 070	3 027
Interest-bearing liabilities at 30 June 2020	**38 501**	**4 596**	**43 097**

16. DISCONTINUED OPERATIONS

Discontinued operations and assets classified as held for sale in 2020 and 2019 are related to operations within Ocean Yield, Akastor and Kvaerner.

Ocean Yield's FPSO Dhirubhai-1 is being marketed for sale and has been reclassified as an asset held for sale as from Q1 2020. The FPSO segment in Ocean Yield, which relates to the FPSO Dhirubhai-1 only, is presented as discontinued operations.

Results classified as discontinued operations previous years in 1H 2020 are related to operations in Akastor by NOK 116 million and Kvaerner by NOK 2 million.

Results classified as discontinued operations

Classified as discontinued operations in 2020:

	January-June		Year
Amounts in NOK million	2020	2019	2019
Operating revenues	1	69	147
Operating expenses, depreciation, amortisation and impairment	(54)	(202)	(1 038)
Financial items	(1)	(4)	(2)
Profit before tax	**(55)**	**(137)**	**(892)**
Tax expense	-	-	-
Net profit from operating activities	**(55)**	**(137)**	**(892)**
Gain on sale of discontinued operations	-	-	-
Net profit from discontinued operations	**(55)**	**(137)**	**(892)**
Classified as discontinued operations previous years	(118)	(45)	(64)
Total profit from discontinued operations	**(173)**	**(182)**	**(957)**

Cash flow from discontinued operations

	January-June		Year
Amounts in NOK million	2020	2019	2019
Net cash flow from operating activities	(226)	57	(13)
Net cash flow from investing activities	-	-	(2)
Net cash flow discontinued operations	(226)	57	(15)
Classified as discontinued operations previous years	(91)	(1)	(6)
Total from discontinued operations	**(317)**	**56**	**(21)**

Assets and liabilities held for sale

Assets of NOK 1 507 million as held for sale 30 June 2020 are related to the FPSO segment in Ocean Yield. Liabilites of NOK 53 million as held for sale 30 June 2020 are related to Ocean Yield and Kvaerner.

Directors' responsibility statement

Today, the Board of Directors and the company's chief executive officer reviewed and approved the unaudited condensed interim consolidated financial statements and interim financial report as of 30 June 2020 and the first six months of 2020.

The interim consolidated financial statement has been prepared and presented in accordance with IAS 34 Interim Financial Reporting as endorsed by the EU, and the additional requirements found in the Norwegian Securities Trading Act.

To the best of our knowledge:

- The interim consolidated financial statement for the first six months of 2020 has been prepared in accordance with applicable accounting standards.
- The information disclosed in the accounts provides a true and fair portrayal of the Group's assets, liabilities, financial position, and profit as of 30 June 2020. The interim management report for the first six months of 2020 also includes a fair overview of key events during the the reporting period and their effect on the financial statement for the first half-year of 2020. It also provides a true and fair description of the most important risks and uncertainties facing the business in the upcoming reporting period.

Fornebu, 16 July 2020
Aker ASA

Kjell Inge Røkke Chairman	**Finn Berg Jacobsen** Deputy Chairman	**Kristin Krohn Devold** Director	**Karen Simon** Director
Atle Tranøy Director	**Tommy Angeltveit** Director	**Arnfinn Stensø** Director	**Øyvind Eriksen** President and CEO

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