



Aker ASA

Third-quarter results 2018

Third-quarter 2018 highlights

Financial key figures

(Aker ASA and holding companies)

- The net asset value (“NAV”) of Aker ASA and holding companies (“Aker”) increased by 10.8 per cent in the third quarter to NOK 63.3 billion, compared to NOK 57.1 billion as per 30 June 2018. Per-share NAV amounted to NOK 852 as per 30 September 2018, compared to NOK 769 at the end of the second quarter.
- The Aker share increased 17.8 per cent to NOK 734 in the third quarter. This compares to a 6.7 per cent increase in the Oslo Stock Exchange’s benchmark index (“OSEBX”).
- The value of Aker’s Industrial Holdings portfolio rose to NOK 67.1 billion in the third quarter, from NOK 61.2 billion at the end of the second quarter. The increase is primarily explained by a NOK 6.8 billion value increase of the Aker BP investment. The value of Aker’s Financial Investments portfolio stood at NOK 5.4 billion at the end of the third quarter, compared to NOK 5.1 billion as per 30 June 2018.
- Aker’s liquidity reserve, including undrawn credit facilities, stood at NOK 4.5 billion as per 30 September 2018. Cash and liquid fund investments amounted to NOK 1.4 billion at the end of the third quarter, on par with prior quarter.
- The value-adjusted equity ratio was 87 per cent which compares to 86 per cent as of 30 June 2018.

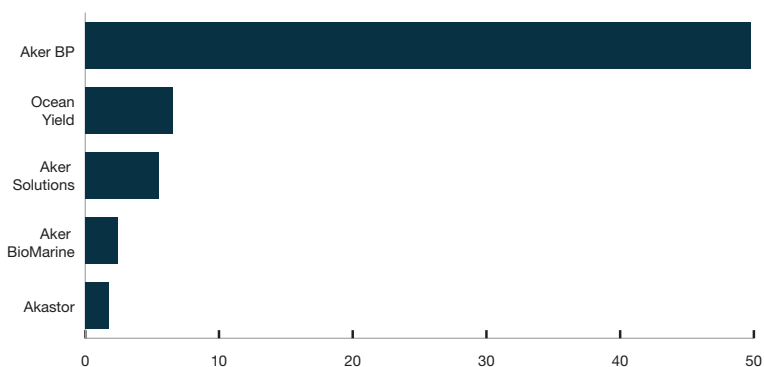
Key events in the quarter

- Aker BP entered into an agreement with Total E&P Norge to acquire its interest in a portfolio of 11 licenses on the Norwegian Continental Shelf (“NCS”) for a cash consideration of USD 205 million. The portfolio includes four discoveries with net recoverable resources of 83 mmboe.
- Aker BP announced that the Johan Sverdrup partnership submitted the plan for development and operations (“PDO”) for Phase II of the field development. Production start is planned for fourth quarter 2022. The investment cost is estimated to NOK 41 billion. Aker BP has 11.57 per cent working interest in the field.
- Akastor completed the sale of 50 per cent of its shares in AKOFS Offshore to Mitsui & Co. (“Mitsui”), and Mitsui O.S.K Lines (“MOL”), which each will own 25 per cent of the shares. The transaction released USD 146 million, including interest, in cash to Akastor.
- Ocean Yield announced the expiry of the charter contract for FPSO Dhirubhai-1. Reliance Industries decided not to exercise the option to purchase the FPSO. Hence, Ocean Yield is actively pursuing new contract opportunities or sale of asset.

Main contributors to gross asset value

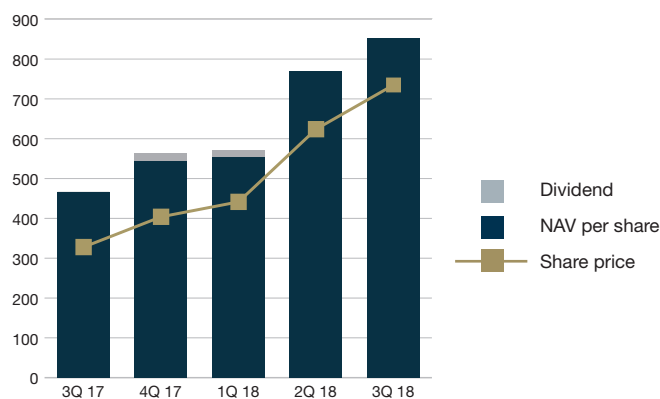
(NOK billion)

Representing 91 per cent of total gross asset value of NOK 72.5 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,

In the third quarter, Aker's extended its positive development with Net Asset Value up NOK 6.2 billion (10.8 per cent) to NOK 63.3 billion. Aker's share price rose 17.8 per cent, which compares to 6.7 per cent for the reference index. The results are largely explained by our investment in Aker BP, which added substantial value to Aker again this quarter. Overall, Aker's portfolio companies continue to perform well and focus remain on further value creation through a combination of operational excellence, value accretive transactions and attractive dividend payments to shareholders.

We acknowledge, however, that we are also exposed to external factors that we do not control. Subsequent to quarter end the sentiment in the capital markets shifted to the negative, and both share prices and oil prices have fallen. Aker's portfolio comprises 91 per cent listed assets, and our values are impacted by broader market corrections, fluctuating commodity prices, and underlying developments in the markets our portfolio companies are exposed to.

A key priority over the last years has been to establish strong balance sheets and liquidity reserves in Aker and across our portfolio companies in order to withstand turbulent times. A robust capital structure also enables us to seize new value accretive investment opportunities when they arise. We do not need to go further back in time than the recent downturn in the oil and gas sector to demonstrate our financial strength and ability to invest countercyclical. Experience also tells us that by maintaining a robust financial platform we avoid distraction as it allows our portfolio companies to remain fully focused on improving operations and delivering tangible value to customers.

In 2016, we said that if you do not believe in the future of oil and gas industry, you should sell your shares in Aker. The statement turned out to be a rather valuable (implicit) investment advice. Our consistency and countercyclical approach have been beneficial to shareholders. Despite the market correction in the fourth quarter, Aker's share price is still up 57 per cent year-to-date. Not a bad return after all.

Aker's portfolio companies continue to perform well, and in line with our ownership agenda. Aker BP reached another milestone in the quarter by reporting USD 1.0 billion in revenues. I can hardly believe anyone would have predicted that a few years ago! Growth through transactions and maturing the existing portfolio is a central part of Aker BP's value agenda. Over the last months, two new transactions totaling USD 455 million have been announced. First, an agreement to acquire 11 licenses from Total E&P Norway, a portfolio that includes four discoveries with net recoverable resources of 83 mmboc in close proximity to existing production hubs. Second, an agreement to acquire Equinor's 77.8 per cent interest in the King Lear discovery. By developing King Lear as a satellite to the Ula field, Aker BP estimates a total resource addition of more than 100 mmboc net to the company. Two good examples of how Aker BP enhances the value potential embedded in the existing asset base. The potential of Aker BP is significant, and one year from now, the company will start generating cash flow from Johan Sverdrup, a world-class discovery with break-even below USD 20 per barrel for the full field development. The development of Johan Sverdrup is a testament to the competence we have built up over the last 50 years in Norway – oil companies as well as suppliers.

Our second E&P company, Aker Energy, will replicate as much as possible from Aker BP. The way forward is pretty clear, but timing continues to be at risk due to the approval and decision making processes in Ghana. The next milestone is to drill an appraisal well on Pecan, the main field in the license. The results of that well will provide valuable information about the reservoir and volume base. Based on that information, Aker Energy will conclude its further drilling program and decide on field development concept, with a plan to file a Plan of Development by the end of March next year. In parallel, Aker Energy together with support from Aker, are maturing the financing options available to us to fund the project up and until first oil. Investors should appreciate that we are at an early stage and, hence, risks are still high.

Our highly experienced Aker Energy team is a prerequisite for managing the particularities in doing business in Ghana, and patience is needed in order to build a robust foundation in a region quite different from Norway.

Aker's oil service companies are moving in the right direction. Aker Solutions is on track to deliver on phase two of its cost efficiency program and is securing important contracts in a competitive market. Year-to-date, Aker Solutions has won approximately 20 per cent of all subsea tree awards globally. That is a strong achievement, and it shows that Aker Solutions has responded to the downturn well by increasing its competitiveness. Akastor completed the transaction with Mitsui to divest 50 per cent of the shares in AKOFS Offshore and is currently close to being debt free, net of cash. Kvaerner continues to operate well with strong execution, albeit margins came short of prior quarter due to project phasing and limited margin recognition on projects in early phase.

Ocean Yield reported for the first time over 100 million dollars in quarterly adjusted EBITDA. Since the IPO in 2013, Ocean Yield has delivered a total return of 239 per cent to its shareholders and the issue price has been repaid in full through distribution of dividends. After 10 years of solid performance on the MA-field in India, FPSO Dhirubhai-1 ended its contract with Reliance in September. Focus now is to re-contract the asset and Ocean Yield is engaging with several parties to secure new employment.

In Cognite, a team of 130 brilliant software professionals are working on digital solutions that are transforming oil and gas and other asset heavy industries. With a unique data platform, delivering real-time and historical data to customers in a split second, Cognite is changing the way companies operate and engage with customers and suppliers on a day-to-day basis, and over time this translates into tangible cost savings results. As part of the strategy to diversify the revenue base and build scale, Cognite is increasingly gaining traction with new clients. In the third quarter, Lundin was signed as a new customer. In only two years time, Cognite is reporting annual run-rate revenues of around NOK 160 million and is cash positive. Not bad for a start-up software company!

Finally, Aker BioMarine is also on track to deliver a strong 2018 after a somewhat disappointing 2017. Volumes in the omega-3 market have seen a recovery, following recent years decline, and for Aker BioMarine that has translated into approximately 30 per cent year-on-year volume growth for its high-end product Superba. Year-to-date, Aker BioMarine has generated USD 31 million in EBITDA, up from USD 17 million in the same period last year, positively impacted by improved operations and scale.

Countercyclical capital allocation and M&A have added a lot of value to Aker's shareholders in recent years. We acknowledge, however, that we do not always get it right. Solstad Offshore is a great company, but in hindsight we invested in the company too early in the cycle. Aker's investment in Solstad Offshore was per the end of the quarter valued at NOK 287 million, and with continued weak market conditions, the company has announced a restructuring to improve its liquidity position.

Summing up. We stick to our strategy despite market volatility, and we maintain a prosperous outlook for oil and gas. We continue to support each portfolio company to develop and grow according to their respective plans. Transactions continue to be core competency and a value trigger at Aker, and our attractive dividend policy (2-4 per cent of NAV) remains unchanged.



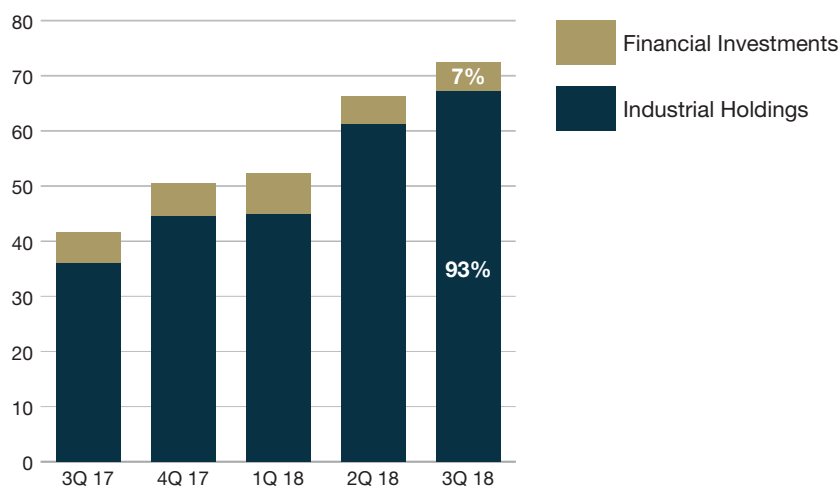
Øyvind Eriksen
President and CEO

Aker ASA and holding companies Assets and net assets value

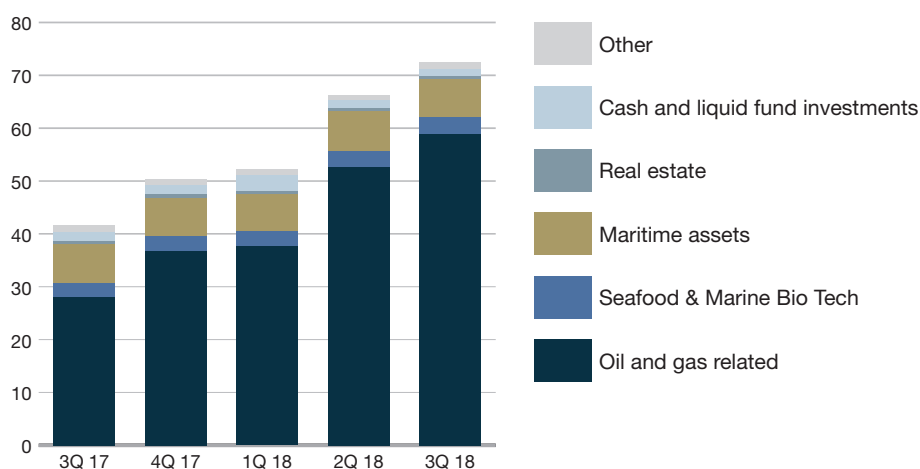
Net asset value (NAV) composition - Aker ASA and holding companies

	As of 30.06.2018		As of 30.09.2018	
	NOK/share	NOK million	NOK/share	NOK million
Industrial Holdings	825	61 246	904	67 125
Financial Investments	68	5 059	72	5 369
Gross assets	893	66 305	976	72 495
Total liabilities	(124)	(9 200)	(124)	(9 209)
NAV	769	57 105	852	63 285
Net interest-bearing receivables/(liabilities)		(6 772)		(6 592)
Number of shares outstanding (million)		74.269		74.269

Gross assets (NOK billion)



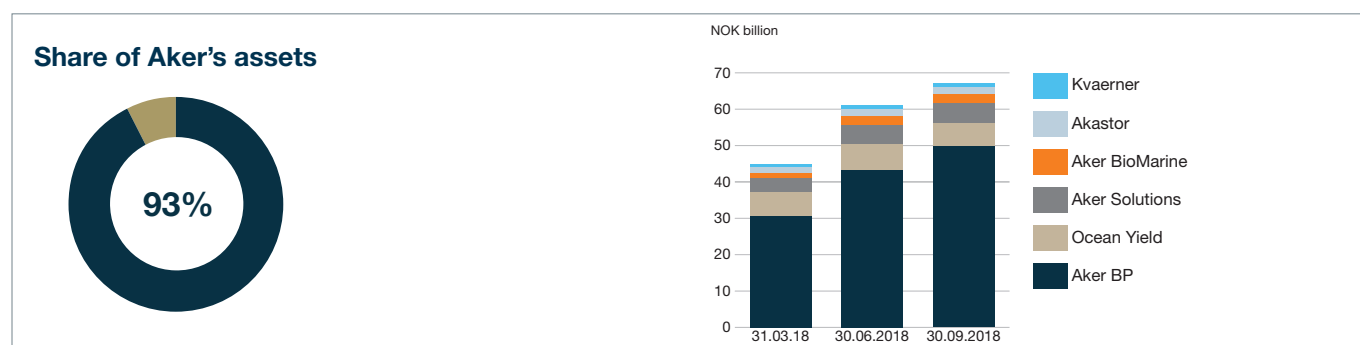
Gross assets per sector (NOK billion)



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

Aker – Segment information

Industrial Holdings



Amounts in NOK million	Ownership in %	30.06.2018	3Q 18			30.09.2018	
		Value	Net investments	Received dividends	Other changes	Value change	Value
Aker BP	40.0	43 330	-	(370)	-	6 795	49 755
Ocean Yield	61.7	6 985	-	(154)	-	(288)	6 543
Aker Solutions	34.8	5 392	-	-	-	83	5 475
Aker BioMarine*	100.0	2 411	-	-	-	-	2 411
Akastor	36.7	1 800	-	-	-	(22)	1 778
Kvaerner	28.7	1 327	-	-	-	(164)	1 163
Total Industrial Holdings		61 246	-	(524)	-	6 404	67 125

*Reflected at book value

The total value of Aker's Industrial Holdings rose by NOK 5.9 billion in the third quarter to NOK 67.1 billion, mainly due to a NOK 6.4 billion positive value change. Aker received NOK 524 million in dividend payments from Aker BP and Ocean Yield in the quarter.

Of the NOK 6.4 billion positive value change in the third quarter, Aker BP stood for NOK 6.8 billion and Aker Solutions for NOK 83 million. This was partly offset by value decreases of NOK 288 million in Ocean Yield, NOK 164 million in Kvaerner and NOK 22 million in Akastor.

The book value of Aker's non-listed holding, Aker BioMarine, remained at NOK 2.4 billion as per 30 September 2018.

Aker BP

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 competence and industrial cooperation to secure long term competitiveness. The company reported an EBITDAX of USD 830 million in the third quarter. Production averaged 150.6 kboed, below prior quarter mainly explained by planned maintenance activities, testing of a new well stimulation method and temporarily higher gas injection leading to reduced exports from Skarv. In the quarter, Aker BP announced the acquisition of a portfolio of 11 licenses from Total E&P Norge with discoveries in close proximity to its existing operated production hubs. The portfolio includes four discoveries with net recoverable resources of 83 mmbob. Total cash consideration was USD 205 million. Subsequent to quarter end, Aker BP made a second transaction with the USD 250 million acquisition of Equinor's 77.8 per cent interest and operatorship of the King Lear discovery. Aker BP intends to develop the discovery as a satellite to the Ula field centre. When including increased oil recovery potential from Ula, the total net resource addition is estimated to more than 100 mmbob. The two said acquisitions are examples of how Aker BP is able to utilize transactions as a tool to enhance value and

recovery from its existing facilities. In the quarter, the Johan Sverdrup partnership submitted the PDO for Phase II of the field development with improvements in estimated resources and investment costs. Aker BP paid a dividend of USD 0.3124 per share in the quarter, and Aker received NOK 370 million.

Ocean Yield

Ocean Yield is a ship-owning company with a mandate to build a diversified portfolio of modern vessels within oil services and shipping. The company targets fixed, long-term bareboat charters to credit-worthy counterparties. Ocean Yield reported a net profit of USD 40 million in the third quarter. In September, the FPSO Dhirubhai-1 ended its 10-year contract in India, and Reliance Industries decided to shut down production on the MA-field. As a result, there is a risk of future impairment between USD 0-50 million of the book value of the FPSO and other related balance sheet items. The company is actively pursuing new employment opportunities, and in the quarter Ocean Yield was awarded a FEED study for the potential use of the FPSO. Subsequent to quarter end, Ocean Yield announced a new investment in two chemical tankers on 12-year charters to Ardmore Shipping for a total consideration of USD 51 million, net of pre-paid charter hire. Aker supports Ocean Yield's strategy of building a larger company over time through making value-accretive transactions and diversifying its portfolio further. The company's estimated EBITDA backlog stood at USD 3.5 billion per the end of the third quarter and the average remaining contract tenor (weighted by EBITDA) was 11.2 years. The company declared USD 19.10 cents per share in dividends in the quarter, unchanged from prior quarter.

Aker Solutions

Aker Solutions is a global oil services company providing services, technologies, and product solutions within subsea and field design. Improving operational efficiency, reducing the cost base and nurturing existing and developing new customer relations are high on Aker's ownership agenda for Aker Solutions. In addition, Aker is open to consider new alliances or structural alternatives if beneficial for the company and its shareholders. In the third quarter, Aker Solutions reported NOK 463 million in EBITDA, and an order intake of NOK 5.9 billion, supported by the award of several important contracts, including a three-year contract to provide maintenance and modification services for nine platforms to Petrobras. Year-to-date the order intake is approximately NOK 20 billion, twice the level reported in the same period last year. The market is slowly picking up for Aker Solutions and operational performance remains strong, positioning the company to take a fair share of new contract awards. As per the end of the quarter, the backlog stood at NOK 36.1 billion which provides the company with reasonable visibility.

Akastor

Akastor is an oil-services investment company with a flexible mandate for active ownership and long-term value creation. Aker encourages Akastor to play an active role in M&A, both to free up cash through the realization of assets and to selectively consider investment opportunities, albeit in a disciplined manner. In the third quarter, Akastor completed the sale of 50 per cent of the shares in AKOFS Offshore to form a joint venture with Mitsui and MOL. The transaction released USD 146 million, including interest, in cash to the company. Akastor continues to work closely with its portfolio companies to support cost saving programs, operational improvements and strategic initiatives to further enhance their competitiveness.

Aker BioMarine

Aker BioMarine is an integrated biotechnology company that supplies krill-derived ingredients to the consumer health and animal nutrition markets. The company reported solid operational performance this quarter, with revenues of USD 40.3 million and an EBITDA of USD 12.4 million. This compares to USD 33.9 million and USD 7.8 million for the same period last year, respectively. The increase primarily reflects a combination of organic and structural growth in the krill oil segment. The market for omega-3 products, which is the key market for Superba™ krill oil, maintains a cautiously optimistic outlook. Aker remains positive to the market for krill derived products, and consequently Aker BioMarine's prospects in the long term.

Kvaerner

Kvaerner is an oil and gas-related EPC company, mainly focused on the NCS. In the third quarter, Kvaerner reported revenues of NOK 1.8 billion and an adjusted EBITDA of NOK 75 million, corresponding to a margin of 4.2 per cent, somewhat below prior quarter. The results reflect phasing of projects and projects in early phase not yet recognising margin. Kvaerner successfully delivered on time the third steel substructure for Phase I of the Johan Sverdrup field in the quarter. Subsequent to quarter end, Kvaerner was awarded a NOK 900 million contract for the steel substructure for the Johan Sverdrup Phase II process platform. The company continues its strong operational performance, with all projects being on track. Increasing efficiency in order to strengthen competitiveness, remains a core priority for Kvaerner. Order intake in the quarter ended at NOK 1.1 billion, which included an additional scope at Njord A to enable the platform to receive oil from the Fenja field, estimated to NOK 500 million. The backlog ended at NOK 10.6 billion. Kvaerner maintains a solid financial position with NOK 2.9 billion of cash, in addition to an undrawn credit facility of NOK 2.0 billion, allowing the company to explore strategic alternatives.

Results and Returns for Industrial Holdings¹⁾

Amounts in NOK million	Aker Solutions		Akastor		Kvaerner	
	3Q17	3Q18	3Q17	3Q18	3Q17	3Q18
Revenue	5 419	6 541	1 249	955	1 683	1 764
EBITDA	401	463	1	87	245	76
EBITDA margin (%)	7.4	7.1	0.1	9.1	14.6	4.3
Net profit continued operations	124	155	(205)	19	157	37
Closing share price (NOK/share)	42.14	57.90	17.40	17.68	12.80	15.06
Quarterly return (%) ³⁾	11.7	1.5	26.5	(1.2)	25.5	(12.3)

Amounts in USD million	Aker BP		Ocean Yield		Aker BioMarine	
	3Q17	3Q18	3Q17	3Q18	3Q17	3Q18
Revenue	596	1 000	89	95	34	40
EBITDA ²⁾	459	830	81	85	8	12
EBITDA margin (%)	77.0	83.0	90.8	89.6	23.1	30.7
Net profit continued operations	112	125	31	40	(3)	5
Closing share price (NOK/share)	154.00	345.40	71.50	66.60	N/A	N/A
Quarterly return (%) ³⁾	25.9	15.7	11.9	(4.1)	N/A	N/A

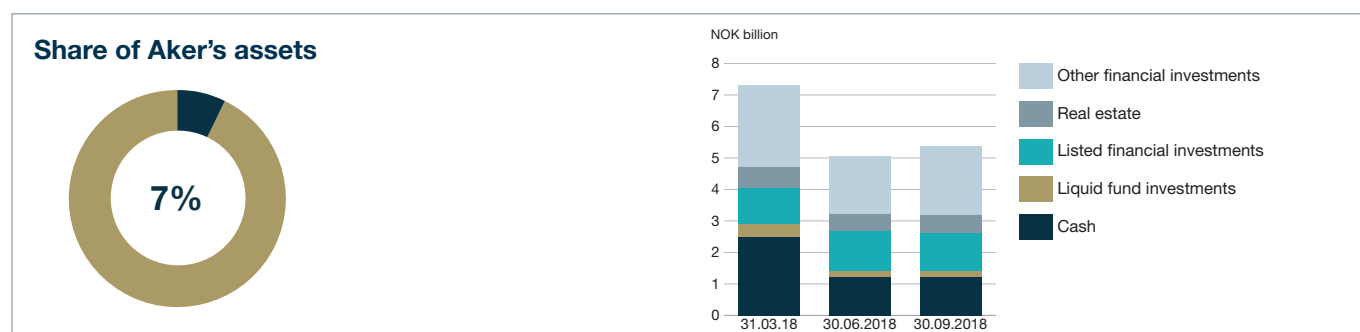
¹⁾ The figures refer to the results reported by the companies. Reference is made to the respective companies' quarterly reports for further details.

²⁾ For Aker BP, EBITDAX is used.

³⁾ The figures refer to total shareholder return, i.e. share price development and dividend payments.

Aker – Segment information

Financial Investments



	30.06.2018		As of 30.09.2018	
	NOK/share ¹⁾	NOK million	NOK/ share ¹⁾	NOK million
Cash	16	1 223	17	1 233
Liquid fund investments	2	164	2	177
Listed financial investments	17	1 296	16	1 203
Real estate	7	538	8	568
Other financial investments	25	1 838	29	2 188
Total Financial Investments	68	5 059	72	5 369

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

Financial Investments comprise Aker's cash, liquid fund investments, listed financial investments, real estate investments and other financial investments. The value of Aker's financial investments amounted to NOK 5.4 billion as of 30 September 2018, up from NOK 5.1 billion at the end of the second quarter.

Aker's **Cash holding** stood at NOK 1.2 billion at the end of the third quarter, on par with prior quarter. The primary cash inflow in the quarter was NOK 538 million in received dividends. The primary cash outflows were NOK 189 million in loans issued to portfolio companies, NOK 181 million in acquisition of an airplane and NOK 131 million in net interest paid and operating expenses.

Aker held NOK 177 million in **Liquid fund investments** at the end of the third quarter, up 8.2 per cent from prior quarter.

The value of **Listed financial investments** stood at NOK 1.2 billion as of 30 September 2018, compared to NOK 1.3 billion as of 30 June 2018. The value of Aker's investment in Philly Shipyard decreased to NOK 326 million, compared to NOK 358 million in the prior quarter, as the company continues to face order backlog challenges. The value of Aker's direct and indirect investment in American Shipping Company was NOK 571 million at the end of the third quarter, compared to NOK 520 million as of 30 June 2018. Aker's shares in Solstad Offshore was valued at NOK 287 million as per 30 September 2018. This compares to NOK 393 million at the end of the second quarter. Subsequent to quarter end, Solstad Offshore announced that the company has commenced negotiations with lenders and other stakeholders to improve the overall liquidity situation.

Aker's **Real estate** exposure increased by NOK 30 million in the quarter to NOK 568 million from NOK 538 million per 30 June 2018. 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, other commercial properties and land areas at Fornebu and in Aberdeen, and a portfolio of late-stage residential projects in Norway.

Other financial investments amounted to NOK 2.2 billion at the end of the third quarter, up from NOK 1.8 billion as of 30 June 2018. Other financial investments consist of equity investments, receivables, and other assets. The increase in the quarter is mainly explained by a NOK 181 million acquisition of an airplane and a NOK 115 million drawdown of a loan provided to Aker BioMarine. Aker issued a NOK 42 million loan to Aker Energy in the quarter. Aker's total exposure to Aker Energy stood at NOK 302 million as per 30 September 2018. The value of Aker's receivables was NOK 1.0 billion at the end of the third quarter, up from NOK 845 million as of 30 June 2018.

Aker ASA and holding companies

Combined balance sheet

Amounts in NOK million	30.06.2018	30.09.2018
Intangible, fixed, and non-interest bearing assets	279	472
Interest-bearing assets	875	1 071
Investments ¹⁾	20 667	20 564
Non interest-bearing short-term receivables	349	374
Cash	1 223	1 233
Assets	23 393	23 715
Equity	14 193	14 505
Non interest-bearing debt	329	313
External interest-bearing debt	8 871	8 897
Equity and liabilities	23 393	23 715
Net interest-bearing receivables (debt)	(6 772)	(6 592)
Equity ratio (%)	61	61

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 2017 annual report.

The total book value of assets was NOK 23.7 billion at the end of the third quarter 2018, up from NOK 23.4 billion at the end of the second quarter.

Intangible, fixed and non-interest bearing assets stood at NOK 472 million, up from NOK 279 million primarily explained by the acquisition of an airplane.

Interest-bearing assets rose to NOK 1.1 billion at the end of the third quarter from NOK 875 million as per 30 June 2018. The increase is primarily explained by loans issued to Aker BioMarine and Aker Energy.

Investments amounted to NOK 20.6 billion in the third quarter compared to NOK 20.7 billion as per 30 June 2018. The decrease is primarily explained by write-down of the book value of Aker's investment in Solstad Offshore.

Non interest-bearing short-term receivables rose to NOK 374 million from NOK 349 million three months earlier, primarily explained by a value increase on the total return swaps related to American Shipping Company.

Aker's **Cash** stood at NOK 1.2 billion at the end of the third quarter, on par with prior quarter.

Equity rose to NOK 14.5 billion at the end of the third quarter, compared to NOK 14.2 billion as per 30 June 2018. The increase mainly reflects Aker posting a profit before tax of NOK 309 million in the quarter.

Non interest-bearing debt stood at NOK 313 million as per 30 September 2018, on par with prior quarter.

External interest-bearing debt stood at NOK 8.9 billion at the end of the third quarter, on par with prior quarter. As per the end of the third quarter, Aker had NOK 6.1 billion in outstanding bond loans and NOK 2.8 billion in bank loans, net of capitalized loan fees.

Amounts in NOK million	30.06.2018	30.09.2018
AKER09	1 000	1 000
AKER10	700	700
AKER12	1 365	1 377
AKER13	1 000	1 000
AKER14	2 000	2 000
Capitalised loan fees and other	(27)	(24)
Total bond loans	6 038	6 053
Bank loan 1	2 040	2 044
Bank loan 2	816	818
Capitalised loan fees and other	(23)	(18)
Total bank loans	2 833	2 844
Total interest-bearing debt	8 871	8 897

Aker ASA and holding companies

Combined income statement

Amounts in NOK million	3Q 17	2Q 18	3Q 18	YTD 3Q 17	YTD 3Q 18	Year 2017
Sales gain	-	194	-	-	194	-
Operating expenses	(51)	(62)	(67)	(168)	(197)	(244)
EBITDA	(51)	132	(67)	(168)	(2)	(244)
Depreciation	(4)	(4)	(5)	(11)	(12)	(14)
Value change	(38)	526	(102)	(296)	245	(289)
Net other financial items	321	519	482	1 014	1 517	1 380
Profit/(loss) before tax	229	1 173	309	539	1 748	833

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 2017 annual report.

The income statement for Aker ASA and holding companies shows a profit before tax of NOK 309 million for the third quarter 2018. This compares to a profit before tax of NOK 1.2 billion in the second quarter. As in previous periods, the income statement is mainly affected by value changes in share investments and dividends received.

There was no **sales gain** in the quarter, compared with NOK 194 million in the second quarter.

Operating expenses in the third quarter were NOK 67 million compared to NOK 62 million in the prior quarter.

Value change in the third quarter was negative NOK 102 million mainly reflecting the value decrease of Aker's holding in Solstad Offshore. The negative value change in the quarter compares to a positive value change of NOK 526 million in the second quarter.

Net other financial items in the third quarter amounted to NOK 482 million, compared to NOK 519 million in the second quarter. Net other financial items are primarily impacted by dividends received, net interest expenses and by mark-to-market adjustments on foreign exchange positions and Aker's total return swaps related to American Shipping Company. Aker received NOK 538 million in dividends in the third quarter. This compares to NOK 544 million in dividends received in the prior quarter.

The Aker Share

The company's share price increased to NOK 734 at the end of the third quarter 2018 from NOK 623 three months earlier. The company had a market capitalisation of NOK 54.5 billion as per 30 September 2018.

As per 30 September 2018, the total number of shares in Aker amounted to 74 321 862 and the number of outstanding shares was 74 268 792. As per the same date, Aker held 53 070 own shares.

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 is focused on sectors in which the company possesses long-standing expertise. The company has established a model for risk management based upon identifying, assessing and monitoring major financial, strategic and operational risks in each business segment, drawing up contingency plans for those risks and closely monitoring the consolidated risk picture. The identified risks and how they are managed are reported to the Aker Board on a regular basis. Aker continuously works to improve its risk management process.

The main risks that Aker ASA and holding companies are exposed to are related to the value changes of the listed assets due to market price fluctuations. The development of the global economy, and energy prices in particular, as well as currency fluctuations, are important variables in predicting near-term market fluctuations. These variables may also have an impact on the underlying value of Aker's unlisted assets. Aker ASA and holding companies are also exposed to risk of insufficient access to external financing. The company seeks to mitigate this risk by maintaining a solid liquidity buffer and by proactively planning for refinancing activities.

The companies in Aker's portfolio are, like Aker, exposed to commercial risks, financial risks and market risks. In addition these companies, through their business activities within their respective sectors, are also exposed to legal/regulatory risks and political risks, i.e. political decisions on petroleum taxes, environmental regulations and operational risks, including major accidents which may have significant financial impact.

Despite an increase in oil prices over the last year, several oil services segments have yet to demonstrate a sustainable recovery and revenues are lower than observed prior to the oil price decline in 2014, which in turn may adversely affect the financial strength of some of Aker's portfolio companies' counterparties.

Aker's risk management, risks and uncertainties are described in the Annual Report for 2017.

Key events after the balance sheet date

After the close of the third quarter 2018, the following events occurred that affect Aker and the company's investments:

- On 15 October, Aker BP entered into an agreement with Equinor Energy to acquire its 77.8 per cent interest in the King Lear discovery for a cash consideration of USD 250 million. Aker BP intends to develop King Lear as a satellite to the Ula field centre. When including the increased oil recovery potential from Ula, Aker BP estimates a total resource addition of more than 100 mmbone net to the company.
- On 22 October, Solstad Offshore announced that the company has decided to commence negotiations with lenders and other stakeholders to improve the liquidity situation.
- On 25 October, Ocean Yield announced the investment in two chemical tankers with 12-year charters to Ardmore Shipping Corporation for a total consideration of USD 51 million, net of pre-paid charter hire.
- On 31 October, Kvaerner announced a NOK 900 million contract with Equinor for the delivery of the steel substructure for the Johan Sverdrup Phase II process platform.
- On 7 November, Norwegian tax authorities informed Aker BP that a settlement of the tax losses in Hess Norge AS will take place by the end of November 2018.

Outlook

Investments in listed shares comprised 91 per cent of the company's assets as per 30 September 2018. About 81 per cent of Aker's investments was associated with the oil and gas sector, 10 per cent with the maritime industry, seafood and marine biotechnology 4 per cent, cash and liquid fund investments represented 2 per cent, and other assets 3 per cent. Aker's NAV will thus be influenced by a number of factors, including, but not limited to, fluctuations in market prices, commodity prices, exchange rates and operational performance.

Over the last four years, the oil service industry has been under pressure due to cutbacks in E&P spending which has led to a decline in activity and fewer projects have been sanctioned globally. At the same time, cost-cutting measures and increased operational efficiency across the industry have brought down break-even costs for offshore projects. In addition, the oil market has balanced following a slowdown in production, while growth in oil demand has remained strong. Aker expects that this will lead to more projects being sanctioned and that spending will increase in the short to medium term. Nevertheless, Aker expects the overall activity level to remain subdued as E&P companies continue to take a cautious approach to new investments, also taking into account the high oil price volatility. Aker's portfolio companies in the oil and gas sector will continue to increase competitiveness through increased productivity, efficiency and standardisation, improved technology offerings, and by exploring strategic partnerships and alliances. Aker remains positive about the outlook for oil and gas and will therefore continue to evaluate strategic alternatives and opportunities in the sector.

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, and to consider new investments.

Fornebu, 7 November 2018
Board of Directors and President and CEO

Aker ASA: Net Asset Value

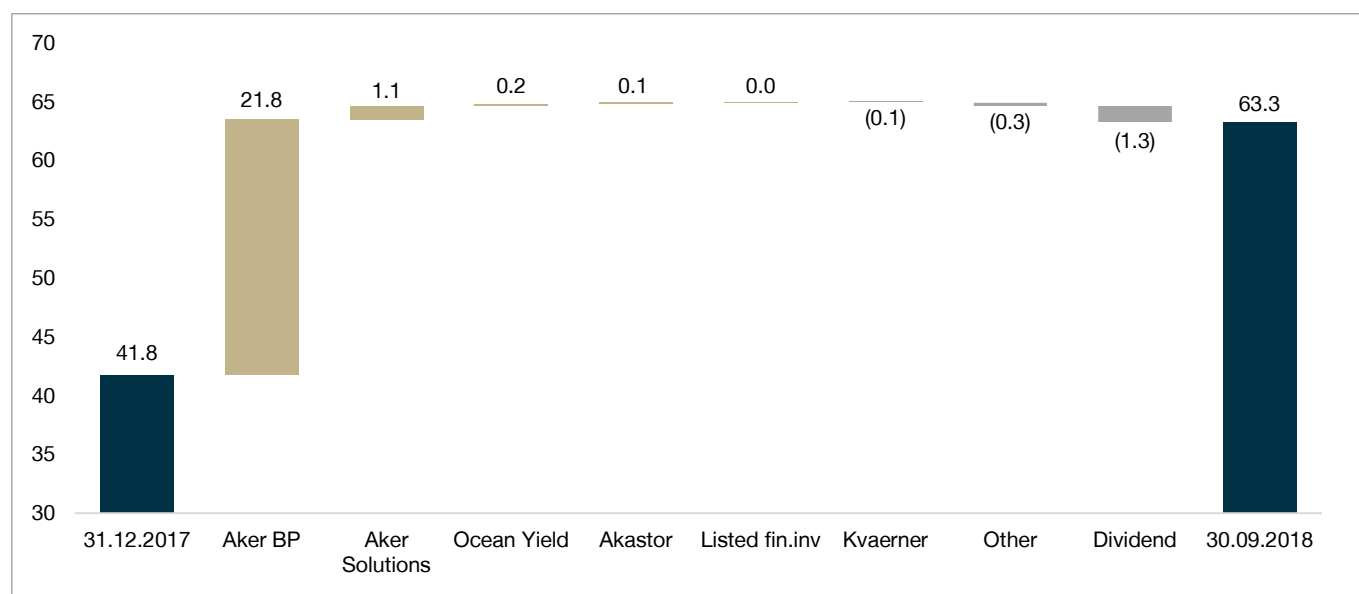
Reported values in NOK million	Number of shares per 30.09.18	Ownership capital per 30.09.18	Share of total assets per 30.09.18	Reported values per 30.09.18	Reported values per 30.06.18	Reported values per 31.12.17
Industrial Holdings						
Aker BP	144 049 005	40.0%	68.6%	49 755	43 330	29 083
Aker Solutions	94 565 293 ¹⁾	34.8% ¹⁾	7.6%	5 475	5 392	4 368
Akastor	100 565 293 ¹⁾	36.7% ¹⁾	2.5%	1 778	1 800	1 649
Kvaerner	77 233 531 ¹⁾	28.7% ¹⁾	1.6%	1 163	1 327	1 220
Ocean Yield	98 242 575	61.7%	9.0%	6 543	6 985	6 828
Aker BioMarine		100.0%	3.3%	2 411	2 411	1 411
Total Industrial Holdings			92.6%	67 125	61 246	44 560
Financial Investments						
Cash			1.7%	1 233	1 223	1 232
Liquid fund investments			0.2%	177	164	442
Real estate			0.8%	568	538	674
Listed financial investments			1.7%	1 203	1 296	1 220
<i>American Shipping Company (incl. TRS)²⁾</i>	11 557 022	19.1 / 49.9%	0.8%	571	520	345
<i>Philly Shipyard</i>	7 237 631	57.6%	0.4%	326	358	492
<i>Solstad Offshore</i>	58 496 302	20.1%	0.4%	287	393	353
<i>Cxense</i>	512 849	5.7%	0.0%	19	25	30
Receivables			1.4%	1 011	845	1 503
<i>Aker BioMarine</i>			0.4%	272	157	823
<i>Ocean Harvest Invest</i>			0.5%	362	361	404
<i>Aker Energy</i>			0.2%	152	110	-
<i>American Shipping Company</i>			0.1%	55	54	55
<i>Other</i>			0.2%	170	162	220
Other financial investments			1.6%	1 177	993	758
Total Financial Investments			7.4%	5 369	5 059	5 829
Gross Asset Value			100%	72 495	66 305	50 389
Interest-bearing liabilities				(8 897)	(8 871)	(8 343)
Other liabilities				(313)	(329)	(275)
Net Asset Value (before allocated dividend)				63 285	57 105	41 771
Number of outstanding shares				74 268 792	74 268 792	74 295 513
Net Asset Value per share (before allocated dividend)				852	769	562

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⁾ 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

Aker ASA: Net Asset Value contribution YTD 2018

NOK billion



Financial calendar 2019

14 February	4Q 2018 report
10 May	1Q 2019 report
18 July	1H 2019 report
1 November	3Q 2019 report

For more information:

Per Kristian Reppe

Investment Manager & Head of Investor Relations

Tel: +47 24 13 00 67

E-mail: per.reppe@akerasa.com

Atle Kigen

Head of Corporate Communication

Tel: +47 24 13 00 08

E-mail: atle.kigen@akerasa.com

Address:

Oksenøyveien 10, NO-1366 Lysaker, Norway

Phone: +47 24 13 00 00

www.akerasa.com

Ticker codes:

AKER NO in Bloomberg

AKER.OL in Reuters

This report was released for publication at 07:00 CEST on 8 November 2018. The report and additional information is available on www.akerasa.com

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.