



Proud ownership

Q1

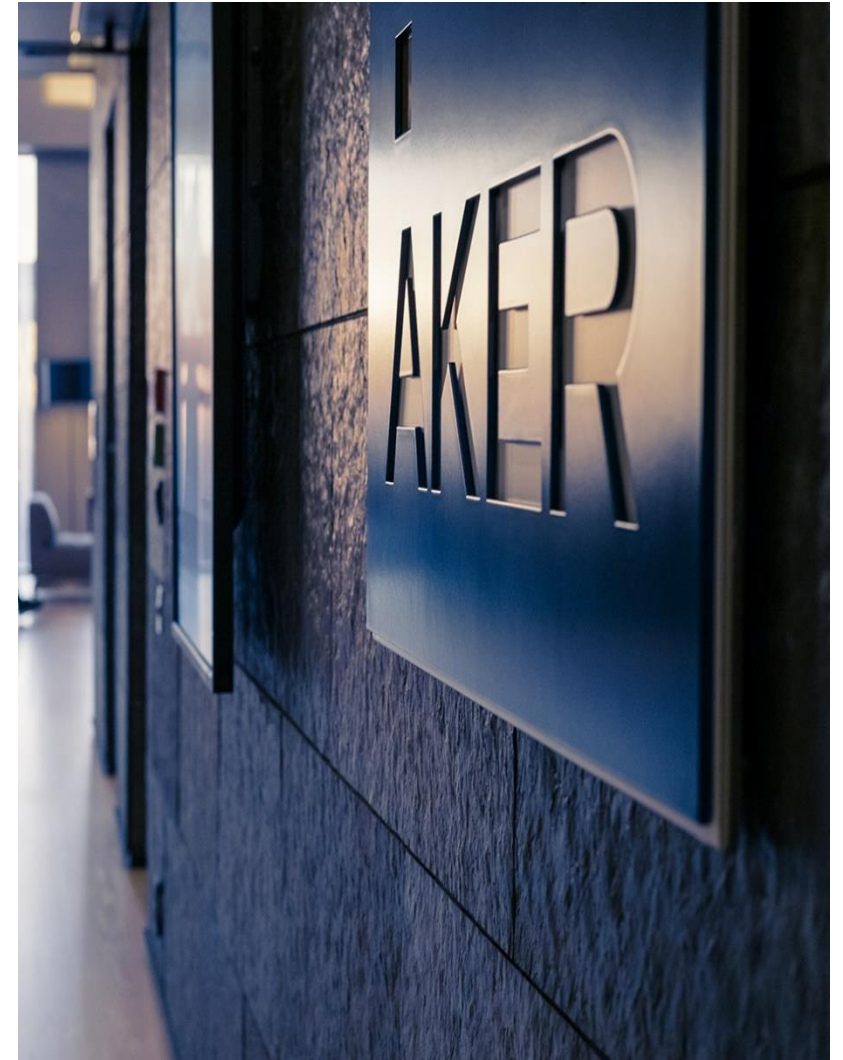
2020

Aker ASA  
First-quarter results 2020

8 May 2020

# Highlights

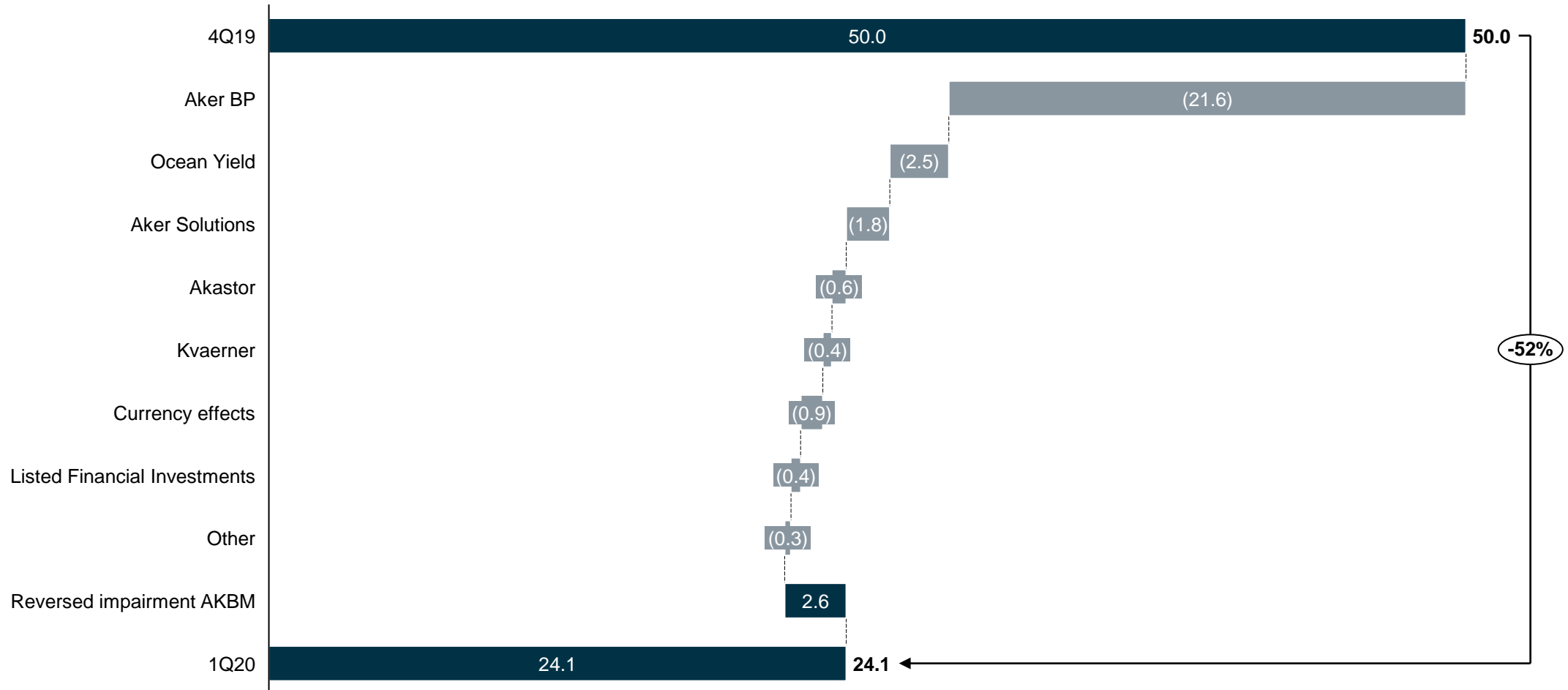
- **Net asset value:** Decreased by 52 per cent to NOK 24.1 billion. Per-share NAV amounted to NOK 325.
- **Return:** Aker share price decreased 57 per cent, to NOK 235.60 vs. OSEBX down 24 per cent and the Brent price down 65.5 per cent.
- **Liquidity reserve:** NOK 6.1 billion, cash amounted to NOK 4.4 billion.
- **Dividend:** Board recommended amending previously proposed dividend.
- **Portfolio:** Systematic efforts initiated to respond to COVID-19 pandemic and collapse in global oil demand and activity, incl. reductions in cost and capex.
- **Aker BP:** Successfully raised USD 1.5 billion in senior notes with favorable pricing. The company has placed non-sanctioned field development projects on hold and has reduced exploration spending and production costs.
- **Aker BP:** Subsequent to the quarter, the Norwegian government has communicated voluntary production cuts to help the global oil market balance. These cuts will not materially affect Aker BP's production in 2020.
- **Norwegian petroleum tax changes:** Subsequent to the quarter, the Norwegian government has proposed some temporary changes in the petroleum tax rules in order to incentivize oil producers to invest in new projects.
- **Philly Shipyard:** Announced the contract award for the construction of two National Security Multi-Mission Vessels, including options for three more. Total contract value of approximately USD 1.5 billion.



# Net asset value down 52% in the quarter to NOK 24.1 billion

## Net asset value change in Q1 2020

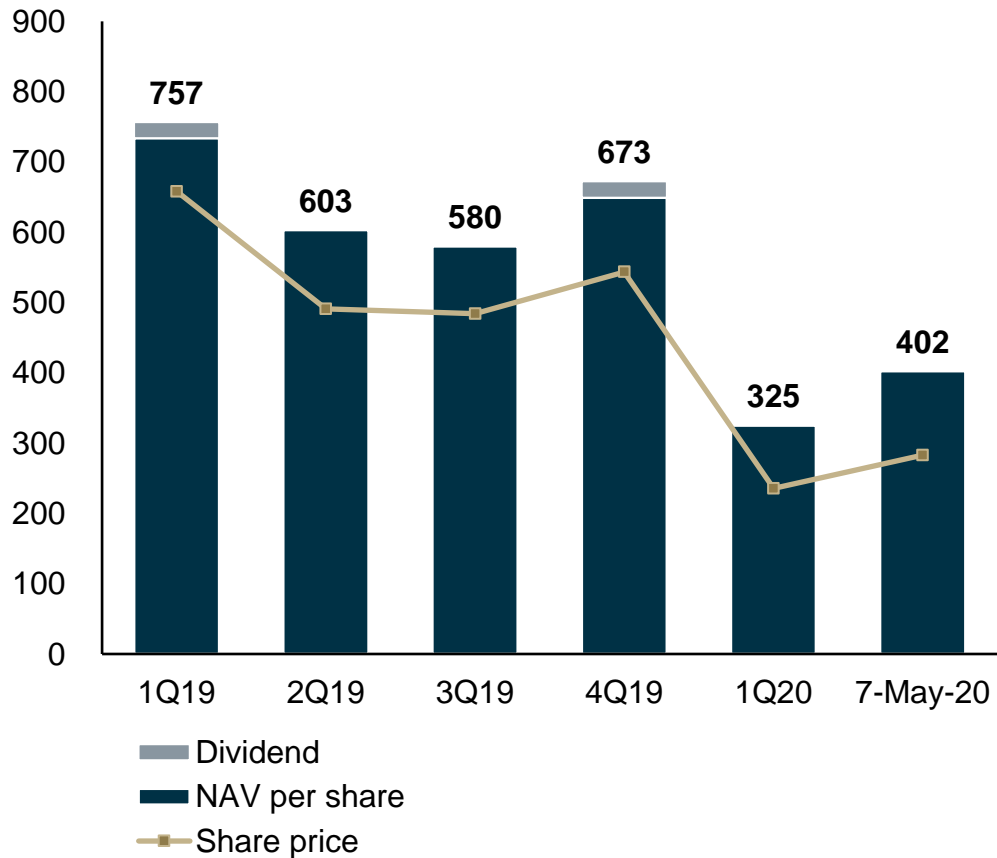
NOK billion



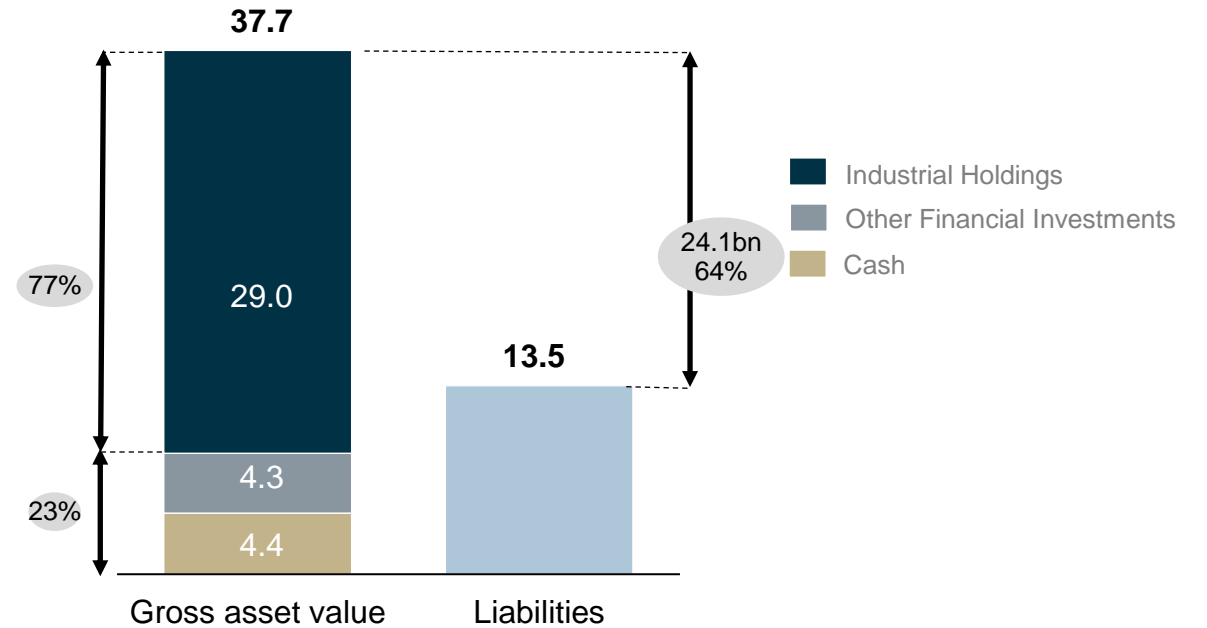
Aker ASA and holding companies

# Share price down 57%, continued strong cash holding

NAV per share vs. share price  
NOK per share



Net asset value composition  
NOK billion, per 1Q 2020



# Aker ASA and holding companies

## Portfolio composition



### Portfolio composition

NOK billion, per 1Q 2020

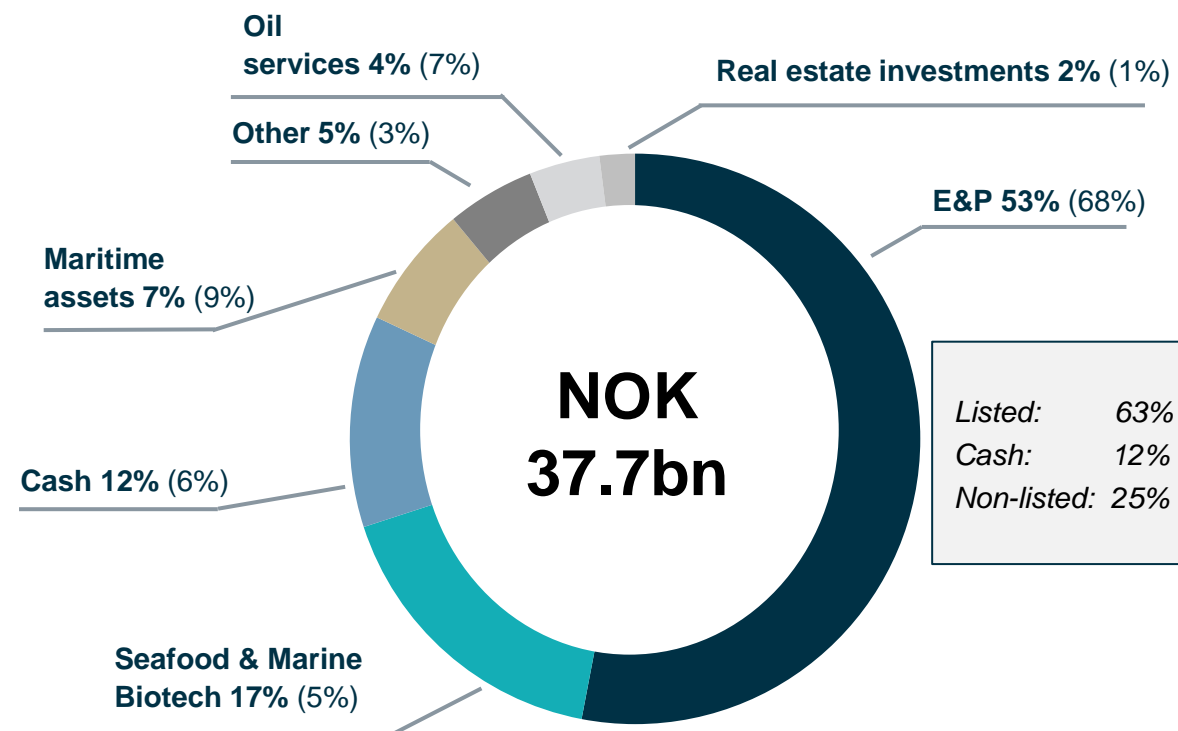


Listed investments  
Unlisted investments

Industrial Holdings				Financial Investments		
	Aker BP	40.0%	19.1	4.4	Cash	
	Aker Solutions <sup>1)</sup>	34.8%	0.5	0.7	Listed financial investments	
	Akastor <sup>1)</sup>	36.7%	0.4	0.7	Real Estate Investments <sup>2)</sup>	
	Kvaerner <sup>1)</sup>	28.7%	0.5	2.9	Other financial investments <sup>2)</sup>	
	Ocean Yield	61.7%	2.5			
	Aker BioMarine <sup>2)</sup>	98.0%	4.9			
	Aker Energy <sup>2)</sup>	50.8%	1.0			
	Cognite <sup>2)</sup>	64.0%	<0.1			
<b>Gross asset value</b>			<b>29.0</b>	<b>8.7</b>		
<b>Net asset value</b>			<b>24.1</b>			

### Gross asset value distribution

Per 1Q 2020 (4Q 2019)



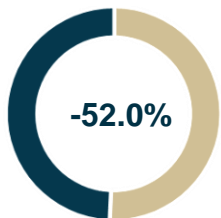
Listed: 63%  
Cash: 12%  
Non-listed: 25%

<sup>1)</sup>Owned partly through Aker Kvaerner Holding, in which Aker has a 70% ownership interest. Additionally, Aker has a direct ownership interest in Aker Solutions and Akastor  
<sup>2)</sup>Reflected at book value

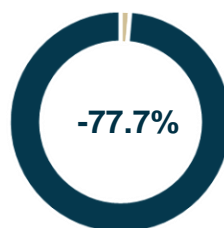


# Aker's portfolio of listed Industrial Holdings

- Share of Aker's GAV in circle colour – return in the quarter (incl. received dividend) inside the circle - and key highlights



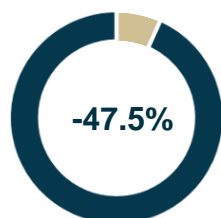
- Successful issuance of USD 1.5 billion notes, at a very attractive price
- Updated investment program and financial framework to secure additional financial optionality
- Non-sanctioned field development projects placed on hold and exploration spending reduced by 20%
- Maintains guiding for 205-220 kbd production in 2020



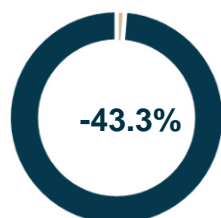
- Significant reduction in activity. Focus on protecting balance sheet and financial performance
- Organization restructuring with cost and capex reductions
- Won the following contracts:
  - Maintenance and modification contract for more than 200 assets to Brunei Shell Petroleum
  - 20-year agreement with Chevron for subsea umbilicals in the US Gulf of Mexico



- MHWirth seeing an improving aftermarket while newbuilding market continues to be muted
- Cost-base being adjusted to account for uncertainty related to COVID-19
- Two AKOFS vessels in Brazil delivered revenue utilization of 99% in the quarter
- Skandi Santos contract extended to end November 2020



- Evaluating opportunities for Dhirubhai-1
- Acquired two ultamaxs and one kamsarmax dry bulk vessels
- Declared USD 5 cents per share in dividends for the quarter
- Future dividend policy to take into consideration COVID-19 effects on counter parts.



- Operations negatively impacted by COVID-19
- Cost reductions, including demobilisation of hired-in personnel
- New prospects in 2020 is expected to come within renewables and process-related industries

# Aker's portfolio of non-listed Industrial Holdings

– These companies are at book value in Aker's accounts – key highlights shown below



## Exploration & Production company in Ghana

- Project put on hold due to COVID-19, in line with postponements in the general global O&G industry
- Organization reduced to small core team
- Håvard Garseth named new CEO
- Continuing efforts to optimize field development in light of new market situation



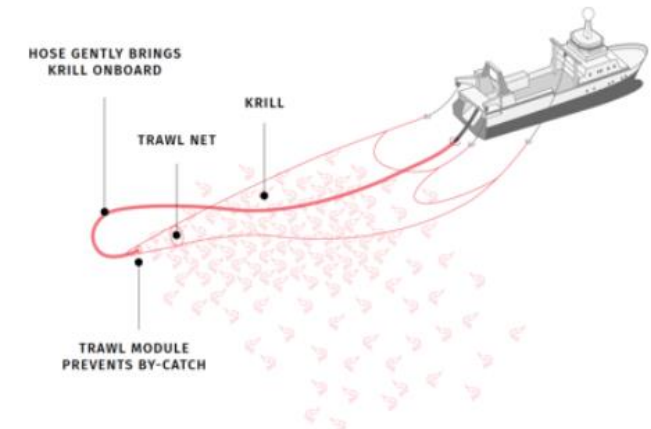
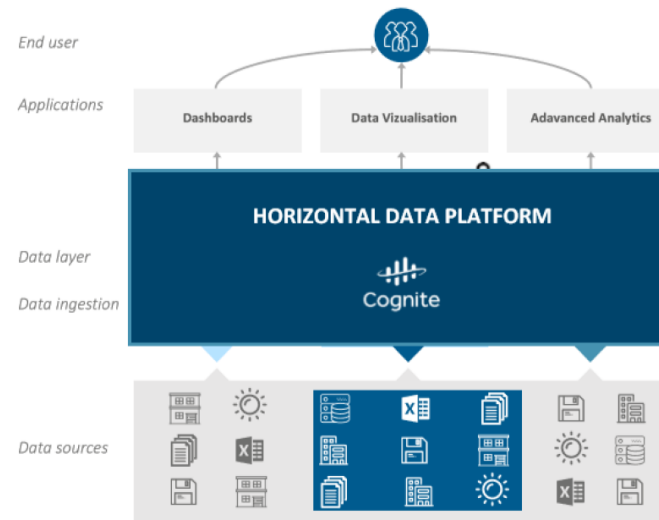
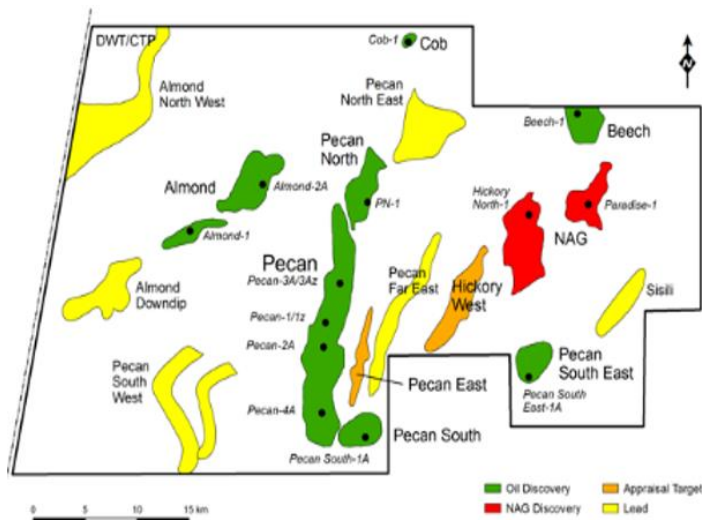
## Industrial software and digitalisation company

- Revenue growth supported by fast-growing customer base
- Secured new commercial engagements with several of the world's largest O&G companies and has solid pipeline of potential customers
- Organization continues to grow with 29 new employees hired during the quarter



## Integrated biotech company – specialised in krill harvesting and processing

- Positive development in the quarter mainly due to higher sales, increased margins and full inclusion of Lang acquired in Q1 2019.
- Undertaken significant investments to create operational leverage
- Revenues expected to grow by further developing existing segments, as well as growing new verticals
- COVID-19 has had limited impact but company is cutting opex and postponed projects to preserve cash





# Aker

# Financial Investments

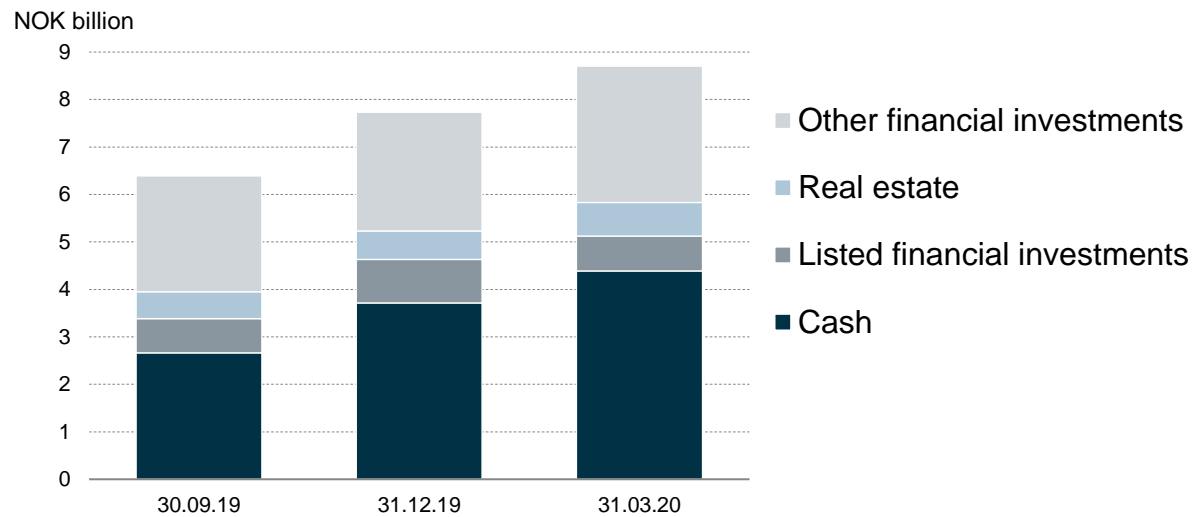
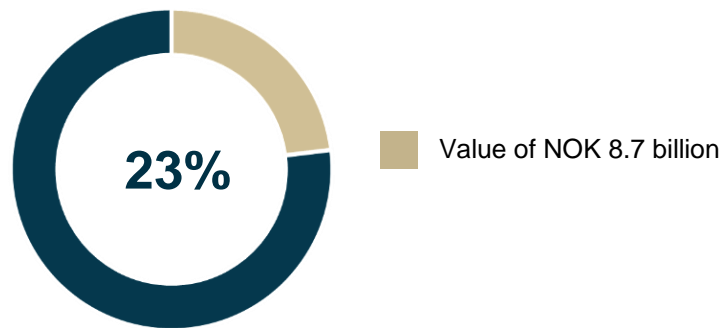


# Financial Investments Overview



## % of gross asset value

(31.03.2020)



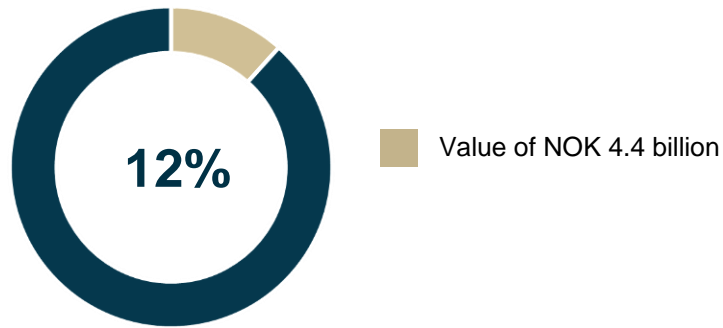
# Financial Investments

## Cash

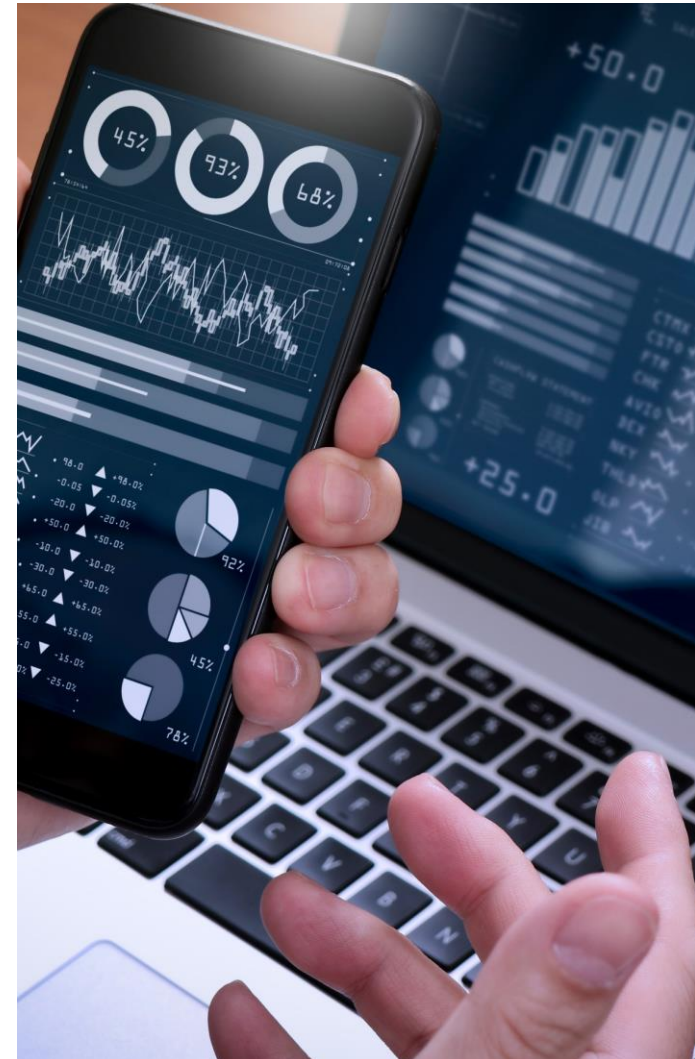


### % of gross asset value

(31.03.2020)



- Cash up NOK 673 million in the quarter to NOK 4.4 billion:
  - + NOK 1006 million in dividend received in cash
  - NOK 253 million in net increased receivables from portfolio companies
  - NOK 202 million in operating expenses and net interest
  - + NOK 123 million in net other cash movements and f/x adjustments
- Total liquidity reserve of NOK 6.1 billion, including undrawn credit facilities.

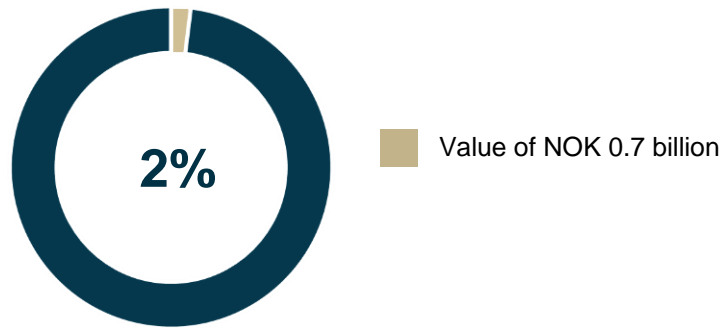


# Listed financial investments



## % of gross asset value

(31.03.2020)



- Value decrease of AMSC of NOK 157 million in the quarter. In addition, negative value development of AMSC TRS agreements of NOK 251 million. Dividend income from AMSC of NOK 23 million (shares and TRS).
- Value of investments in Philly Shipyard and REC Silicon fairly stable in an otherwise turbulent quarter.
- Subsequent to the quarter, Philly Shipyard announced the contract award for the construction of two National Security Multi-Mission Vessels and retains options for three more. If all ships are ordered and built the total contract value would be approx. USD 1.5 billion.



### Aker's investment

<i>NOK million</i>	3Q 19	4Q 19	1Q 20
Philly Shipyard	280	309	304
AMSC (excl. TRS)	383	380	223
Solstad Offshore	41	57	30
REC Silicon	-	172	183
Other	20	-	-
<b>Total value</b>	<b>723</b>	<b>917</b>	<b>739</b>
AMSC TRS*	(28)	(41)	(292)

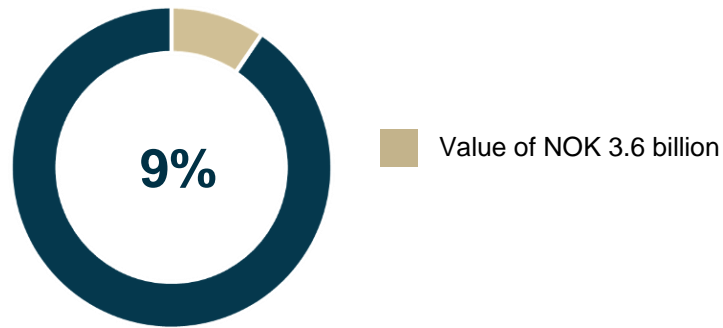
*\*) Included in interest-free liabilities.*

# Real estate and other financial investments



## % of gross asset value

(31.03.2020)



- Other financial investments mainly consist of receivables against Aker BioMarine and Estremar Invest, airplanes, and unlisted share investments.
- Receivables against Aker BioMarine and Estremar increased both due to increased loan to Aker BioMarine of NOK 142 million, and due to f/x adjustments.
- Loan issued to FP Eiendom increased by NOK 100 million.



### Aker's investment

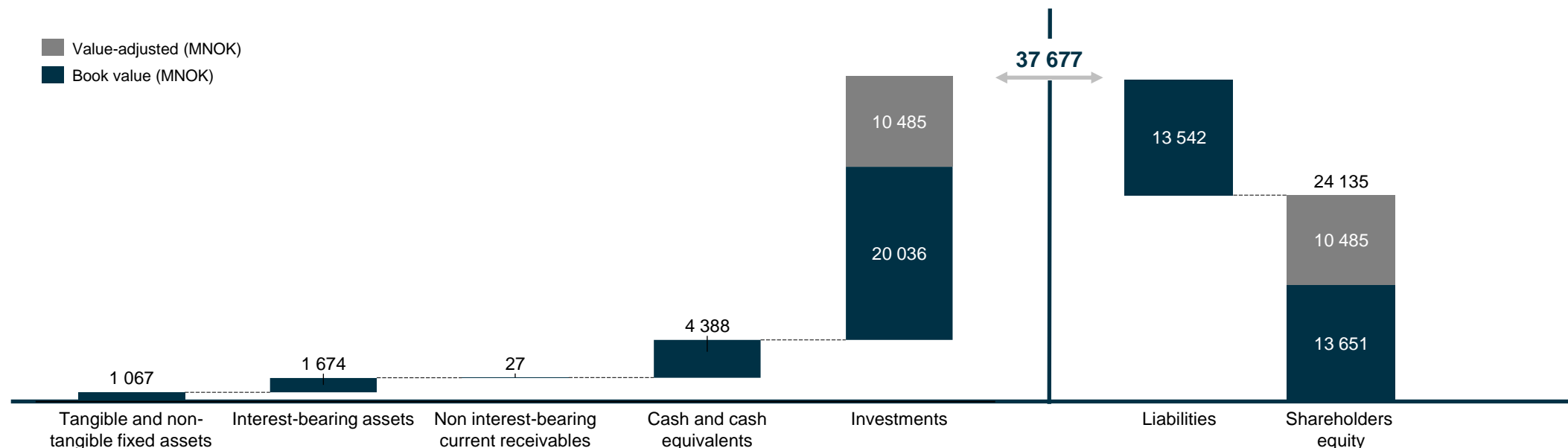
<i>NOK million</i>	3Q 19	4Q 19	1Q 20
Real estate	568	603	703
Other financial investments	2 437	2 498	2 871
<b>Total value</b>	<b>3 005</b>	<b>3 101</b>	<b>3 574</b>



# Aker

# Financial Statements

# Balance sheet at 31.03.2020



## Total Assets

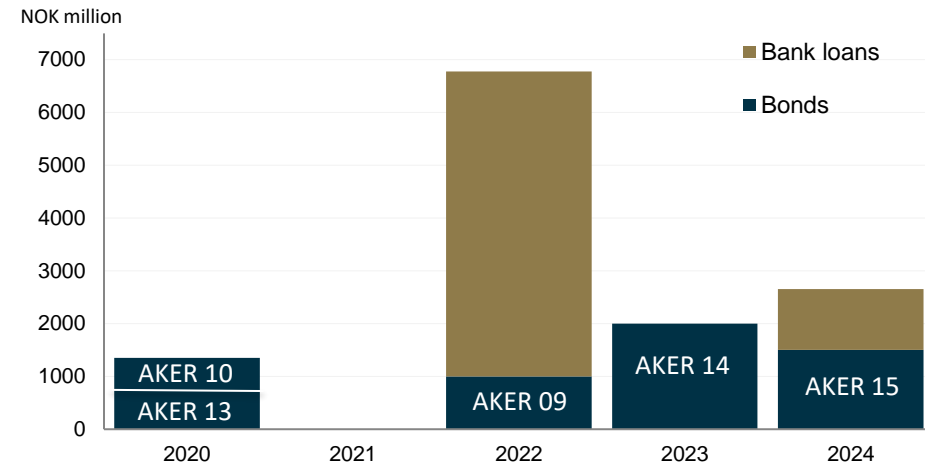
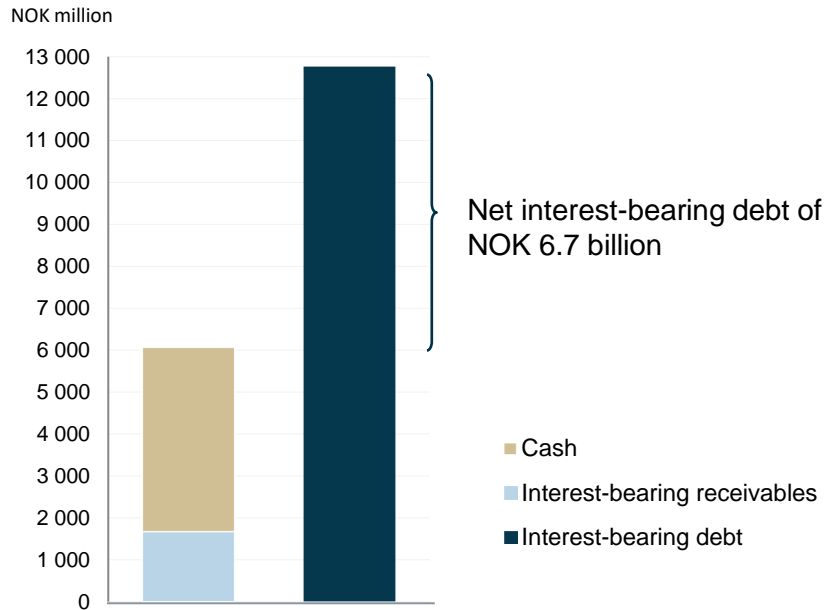
## Total equity and liabilities

### Main changes in first-quarter 2020

- Cash holdings increased to NOK 4.4 billion.
- Book value of investments decreased by NOK 645 million, mainly due to write-downs related to indirect and direct investments in Aker Solutions, Akastor and Kvaerner of NOK 2.7 billion in total. Other investments was written down below cost with a total of NOK 0.5 billion. These value reductions were partly offset by a reversal of previous impairments for Aker BioMarine of NOK 2.6 billion.
- Decrease in fair value adjustment of NOK 25 billion, mainly explained by value decreases of the Aker BP and Ocean Yield investments.
- Liabilities increased to NOK 13.5 billion due to foreign exchange adjustments.

	Book value	Value-adjusted
Equity (MNOK)	13 651	24 135
Equity ratio	50.2%	64%
Equity per share	NOK 184	NOK 325

# Interest-bearing items as of 31.03.2020



For details on interest-bearing items and loan guarantees, see: <https://www.akerasa.com/Investor/Treasury>

Average debt maturity is 2.6 years

Financial Covenants	Limit	Status at 31.03.2020
i Total Debt/Equity - Aker ASA (parent only)	< 80%	48%
ii Group Loans to NAV or Group Loans	< 50% < NOK 10 bn	6.0% NOK 1.4 bn

# Income statement



<i>Amounts in NOK million</i>	1Q 2019	4Q 2019	1Q 2020	Year 2019
Sales gains	-	-	-	-
Operating expenses	(66)	(64)	(62)	(267)
<b>EBITDA</b>	<b>(66)</b>	<b>(64)</b>	<b>(62)</b>	<b>(267)</b>
Depreciation and impairment	(5)	(8)	(9)	(25)
Value change	51	(63)	(677)	(435)
Net other financial items	797	847	(299)	2 886
<b>Profit before tax</b>	<b>777</b>	<b>711</b>	<b>(1 046)</b>	<b>2 159</b>



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