Second Quarter Results 2017

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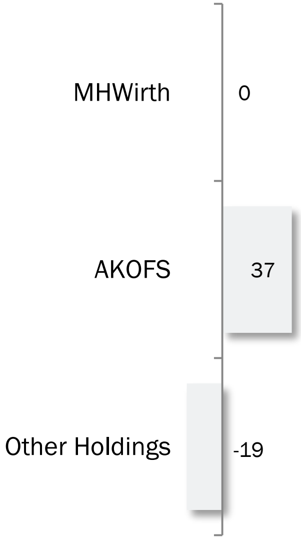
Oslo | July 13, 2017

AKASTOR

Highlights

- ✓ EBITDA of NOK 18 million
- ✓ Net bank debt of NOK 1.7 billion
- ✓ Cash and undrawn credit facilities of NOK 1.6 billion
- ✓ Entered agreement to sell KOP Surface Products to the Weir Group PLC for USD 114 million

EBITDA
NOK 18 million



EBITDA	Net debt	Order Backlog
NOK 18 million	NOK 3.3 billion	NOK 7.1 billion

Condensed Consolidated Income Statement

	Second Quarter		First half		Full Year
NOK million	2017	2016	2017	2016	2016
Operating revenues and other income	873	1 326	1 816	2 556	4 975
Operating expenses	(855)	(1 461)	(1 745)	(2 753)	(4 884)
Operating profit before depreciation, amortization and impairment (EBITDA)	**18**	**(135)**	**71**	**(197)**	**91**
Depreciation and amortization	(153)	(166)	(302)	(336)	(688)
Impairment	(24)	(35)	(24)	(66)	(473)
Operating profit (loss)	**(159)**	**(336)**	**(255)**	**(599)**	**(1 071)**
Net financial items	(258)	(374)	(393)	(566)	(1 174)
Profit (loss) before tax	**(416)**	**(710)**	**(648)**	**(1 166)**	**(2 245)**
Tax income (expense)	**96**	**135**	**138**	**248**	293
Profit (loss) from continuing operations	**(321)**	**(575)**	**(510)**	**(918)**	**(1 953)**
Net profit (loss) from discontinued operations	-	(257)	378	(281)	670
Profit (loss) for the period	**(321)**	**(832)**	**(132)**	**(1 198)**	**(1 282)**

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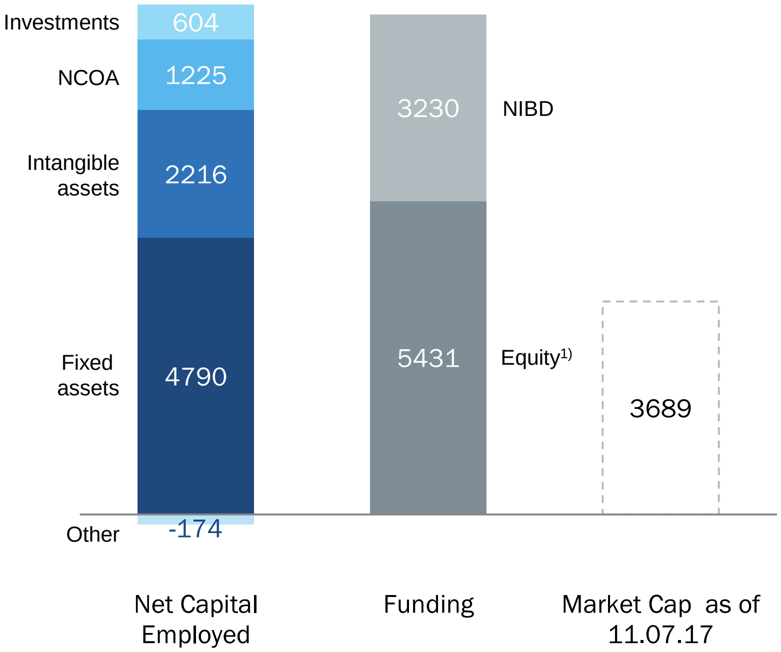
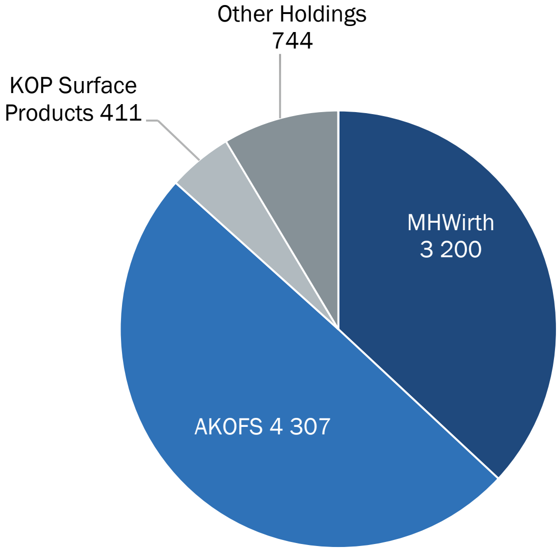
The Akastor Portfolio

NET CAPITAL EMPLOYED OF NOK 8.7 BILLION

NOK million





NET CAPITAL EMPLOYED OF NOK 8.7 billion

1) Equity excludes cash flow hedge reserve

Capital Structure

- ✓ Net Interest bearing debt of NOK 3 230 million as of Q2
  - Gross Debt of NOK 3 450 million, financial lease NOK 1 570 million and bank debt NOK 1 880 million
  - Cash of NOK 189 million
  - Interest bearing assets of NOK 31 million
- ✓ Liquidity reserve of NOK 1.6 billion of which undrawn credit facilities NOK 1.4 billion

FUNDING

	SIZE	MATURITY	MARGIN
REVOLVING	USD 241 million	July 2019	1.65%–4.5%
REVOLVING	NOK 1 005 million	July 2019	1.65%–4.5%
BRAZIL FACILITY	BRL 130 million	May 2022	8.5% average cost

MINIMUM EBITDA COVENANT*

2017	EBITDA	2018	EBITDA
Q2	150	Q1	325
Q3	175	Q2	425
Q4	225		

* last twelve months EBITDA, adjusted for non-recurring items like restructuring costs and sales gains

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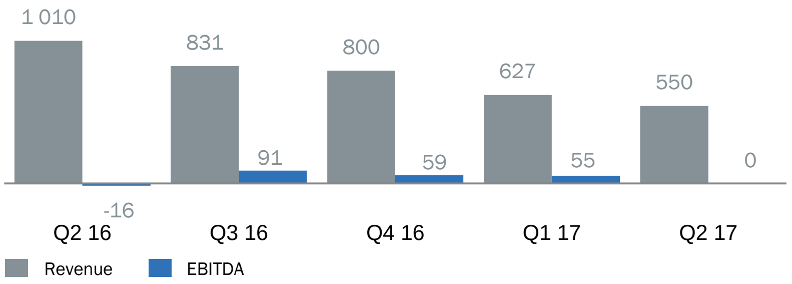
MHWirth

- Revenues of NOK 550 million in the quarter, of which 78% from services
- EBITDA of NOK 0 million in the quarter including;
  - Restructuring costs of NOK 52 million
- Order intake of NOK 614 million
- NCOA down NOK 131 million to NOK 1 119 million

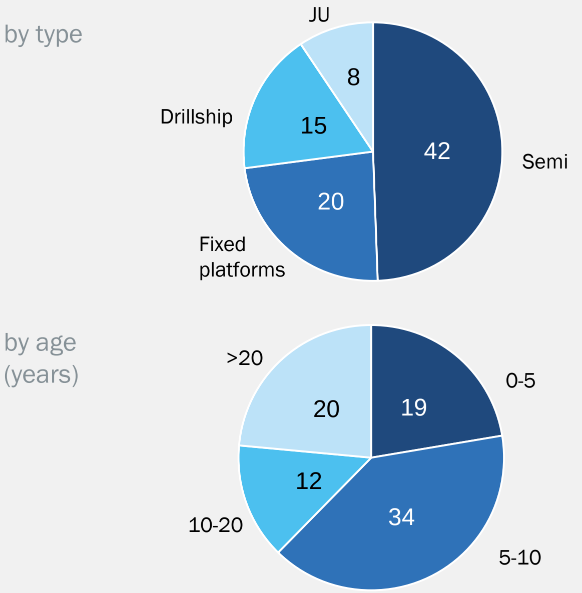
Revenue and EBITDA

NOK million



BUSINESS SPLIT YTD BASED ON REVENUE

INSTALLED BASE (85 UNITS)

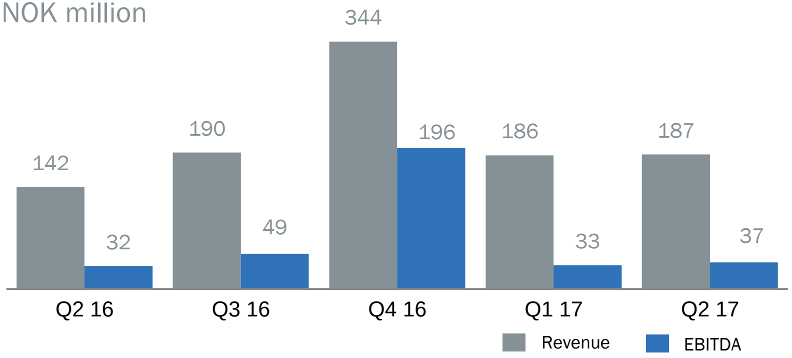


AKOFS Offshore

- ✓ EBITDA of NOK 37 million in Q2
- ✓ AKOFS Seafarer remains cold stacked
- ✓ Aker Wayfarer on stand-by in Norway, awaiting start-up of the 5+5 year contract with Petrobras in the fourth quarter

Revenue and EBITDA

NOK million



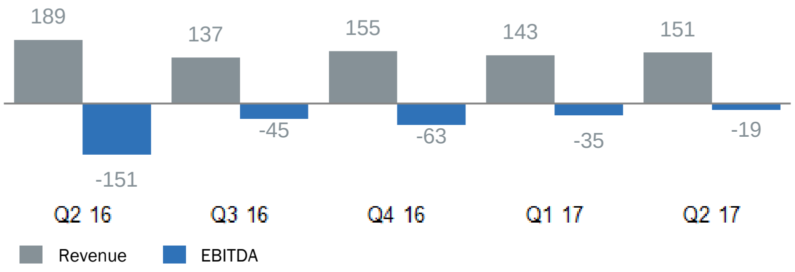
VESSEL PROGRAM

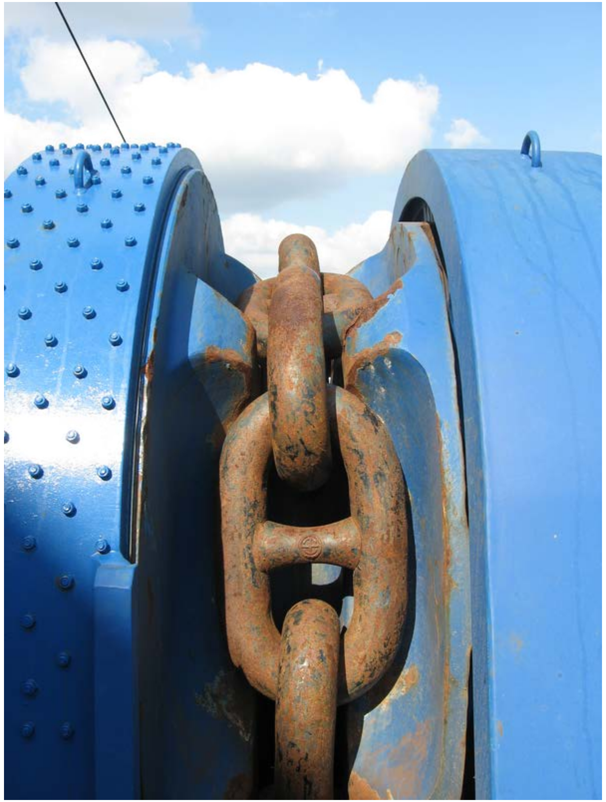
Other Holdings

- ✓ Step Oiltools, Cool Sorption and First Geo: Total EBITDA of NOK 0 million
- ✓ Effect from hedges not qualifying for hedge accounting of NOK -1 million

Revenue and EBITDA

NOK million





Agreement to sell KOP Surface Products

- ✓ Entered definitive agreement to sell KOP Surface Products to The Weir Group PLC for USD 114 million on a cash- and debt-free basis
- ✓ Accounting gain of approximately NOK 700 million to be realized
- ✓ Transaction closing expected in Q3 2017

Additional information

Condensed Consolidated Income Statement

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Condensed Consolidated Statement of Financial Position

NOK million	30.06.2017	31.12.2016
Deferred tax asset	700	600
Intangible assets	1 517	1 731
Property, plant and equipment	4 790	5 198
Other non-current assets	149	104
Equity accounted investees and other Investments	604	213
Non-current interest-bearing receivables	22	51
Total non-current assets	**7 781**	**7 897**
Current operating assets	3 507	4 250
Current interest-bearing receivables	9	15
Cash and cash equivalents	189	487
Assets classified as held for sale	533	212
Total current assets	**4 239**	**4 964**
Total assets	**12 020**	**12 861**
Equity attributable to equity holders of Akastor ASA	5 395	5 580
Total equity	**5 395**	**5 580**
Deferred tax liabilities	7	15
Employee benefit obligations	348	380
Other non-current liabilities and provisions	382	445
Non-current borrowings	3 038	1 494
Total non-current liabilities	**3 775**	**2 334**
Current operating liabilities and provisions	2 318	3 209
Current borrowings	412	1 560
Liabilities classified as held for sale	120	177
Total current liabilities	**2 850**	**4 947**
Total liabilities and equity	**12 020**	**12 861**

Key Figures

AKASTOR GROUP (continuing operations)

Amounts in NOK million	Q2 16	Q3 16	Q4 16	Q1 17	Q2 17	YTD 2017
Operating revenue and other income	1 326	1 130	1 288	943	873	1 816
EBITDA	(135)	95	193	53	18	71
EBIT	(336)	(90)	(382)	(96)	(159)	(255)
CAPEX and R&D capitalization	41	31	15	15	15	30
NCOA	1 951	1 552	954	1 268	1 228	1 228
Net capital employed	9 746	9 144	7 682	8 333	8 250	8 250
Order intake	1 066	766	937	643	746	1 389
Order backlog	8 182	7 466	7 624	7 295	7 112	7 112
Employees	2 539	2 386	2 244	2 178	2 067	2 067

Split per Company

MHWIRTH

Amounts in NOK million	Q2 16	Q3 16	Q4 16	Q1 17	Q2 17	YTD 2017
Operating revenue and other income	1 010	831	800	627	550	1 177
EBITDA	(16)	91	59	55	-	55
EBIT	(119)	23	(293)	9	(71)	(62)
CAPEX and R&D capitalization	14	3	8	3	8	11
NCOA	1 683	1 393	1 091	1 250	1 119	1 119
Net capital employed	4 032	3 846	3 200	3 338	3 200	3 200
Order intake	912	604	789	471	614	1 085
Order backlog	1 668	1 490	1 481	1 325	1 409	1 409
Employees	2 059	1 849	1 738	1 648	1 535	1 535

Split per Company

AKOFS OFFSHORE

Amounts in NOK million	Q2 16	Q3 16	Q4 16	Q1 17	Q2 17	YTD 2017
Operating revenue and other income	142	190	344	186	187	373
EBITDA	32	49	196	33	37	70
EBIT	(45)	(45)	(3)	(48)	(46)	(94)
CAPEX and R&D capitalization	25	28	7	12	7	18
NCOA	256	150	121	192	221	221
Net capital employed	5 264	4 880	4 378	4 372	4 307	4 307
Order intake	7	48	28	6	(4)	2
Order backlog	6 160	5 719	5 900	5 672	5 439	5 439
Employees	93	167	113	106	113	113

Split per Company

OTHER HOLDINGS

Amounts in NOK million	Q2 16	Q3 16	Q4 16	Q1 17	Q2 17	YTD 2017
Operating revenue and other income	189	137	155	143	151	294
EBITDA	(151)	(45)	(63)	(35)	(19)	(55)
EBIT	(172)	(68)	(86)	(58)	(41)	(99)
CAPEX and R&D capitalization	2	-	1	-	-	-
NCOA	12	10	(258)	(175)	(112)	(112)
Net capital employed	451	419	104	624	744	744
Order intake	149	139	129	173	143	316
Order backlog	312	228	224	272	269	269
Employees	387	380	393	424	420	420

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