

Fourth Quarter Results 2017

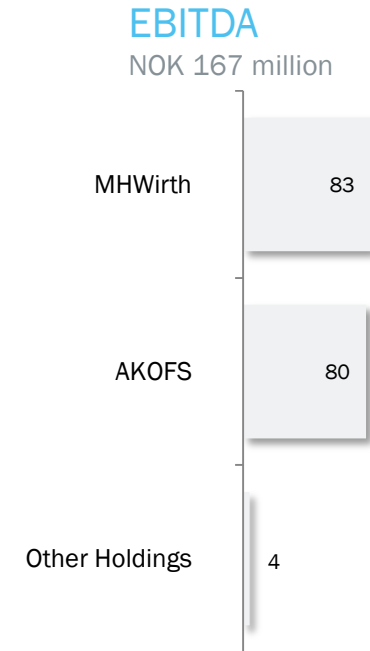
Karl Erik Kjelstad and Leif Borge
Fornebu | February 13, 2018



AKASTOR

Highlights

- ✓ EBITDA of NOK 167 million
- ✓ Net bank debt of NOK 0.9 billion, cash and undrawn credit facilities of NOK 1.6 billion
- ✓ Order intake of NOK 1.3 billion



EBITDA
NOK 167 million

Net debt
NOK 2.4 billion

Order Backlog
NOK 6.9 billion

Portfolio Highlights



- ✓ Newbuild market continues to be challenging
- ✓ Quarterly EBITDA of 83 million, EBITDA margin 11%
- ✓ Stable DLS activity in Q4



- ✓ Aker Wayfarer commenced 5 year + 5 year contract with Petrobras 1st of January 2018
- ✓ Skandi Santos operated at high utilization
- ✓ Seafarer remains idle



DOF Deepwater



- ✓ Step Oiltools – challenging market, but positive cash flow in 2017
- ✓ NES Global Talent - results continues to develop positively, early indication on cycle recovery
- ✓ DOF Deepwater – weak market, two out of five vessels on long term contracts

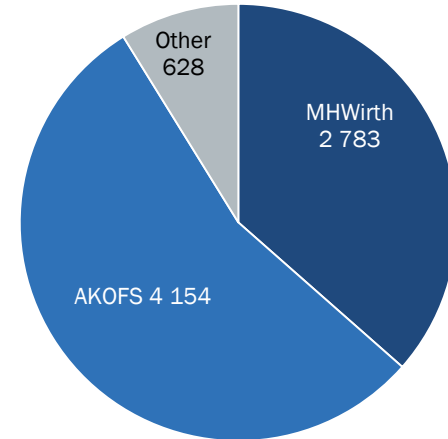
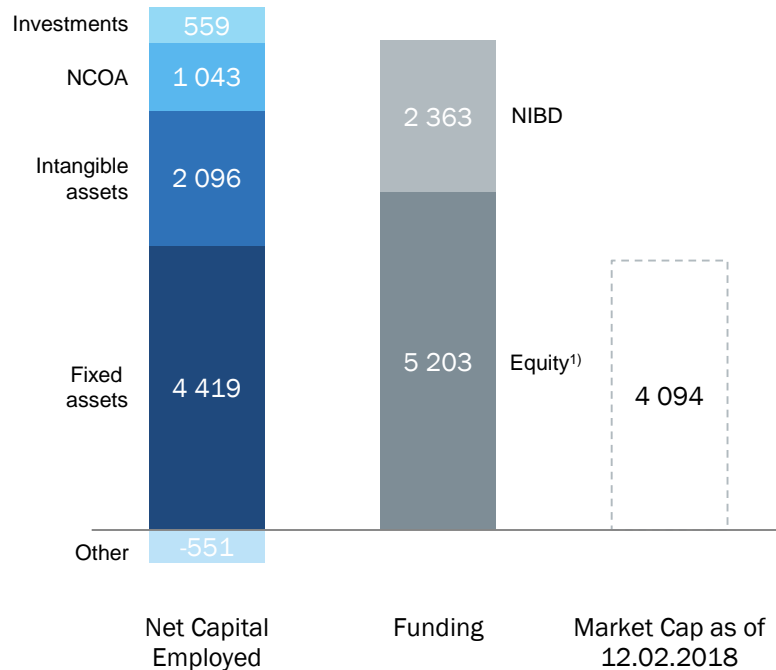
Condensed Consolidated Income Statement

<i>NOK million</i>	Fourth Quarter		Full year	
	2017	2016	2017	2016
Operating revenues and other income	1 098	1 288	4 348	4 975
Operating expenses	(932)	(1 096)	(4 055)	(4 884)
Operating profit before depreciation, amortization and impairment (EBITDA)	167	193	293	91
Depreciation and amortization	(154)	(167)	(612)	(688)
Impairment	(1)	(407)	(118)	(473)
Operating profit (loss)	11	(382)	(438)	(1 071)
Net financial items	(221)	(432)	(774)	(1 174)
Profit (loss) before tax	(209)	(813)	(1 212)	(2 245)
Tax income (expense)	(146)	(36)	106	293
Profit (loss) from continuing operations	(355)	(850)	(1 106)	(1 953)
Net profit (loss) from discontinued operations	(25)	926	1 049	670
Profit (loss) for the period	(380)	77	(58)	(1 282)

The Akastor Portfolio

NET CAPITAL EMPLOYED OF NOK 7.6 BILLION

NOK million



NET CAPITAL EMPLOYED OF NOK 7.6 billion

1) Equity excludes cash flow hedge reserve

Capital Structure

- ✓ Net debt of NOK 2 364 million as of fourth quarter
 - Gross Debt of NOK 2 533 million, of which financial lease NOK 1 494 million and bank debt NOK 1 039 million
 - Cash of NOK 168 million

- ✓ Liquidity reserve of NOK 1.6 billion of which undrawn credit facilities NOK 1.4 billion

FUNDING

	SIZE	MATURITY	MARGIN
REVOLVING	USD 147 million	July 2019	1.65%–4.5%
REVOLVING	NOK 1 005 million	July 2019	1.65%–4.5%
BRAZIL FACILITY	BRL 74 million	May 2022	7.8% average cost

MINIMUM EBITDA COVENANT*

2017	EBITDA	2018	EBITDA
		Q1	325
Q4	225	Q2	425

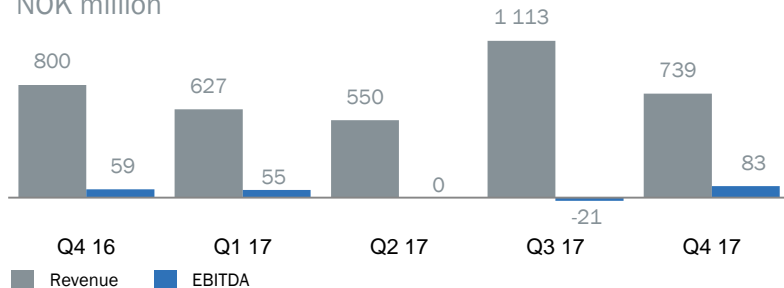
* last twelve months EBITDA, adjusted for non-recurring items like restructuring costs and sales gains

MHWirth

- ✓ Revenues of NOK 739 million in the quarter
 - Revenues from the total year were NOK 3 030 million
- ✓ EBITDA of NOK 83 million in the quarter;
 - MHWirth delivered EBITDA margin of 11%
 - Full year EBITDA NOK 118 million including restructuring costs of NOK 77 million and impairment of inventories of NOK 311 million
- ✓ Order intake of NOK 1 134 million
- ✓ NCOA down NOK 92 million to NOK 995 million from last quarter

Revenue and EBITDA

NOK million

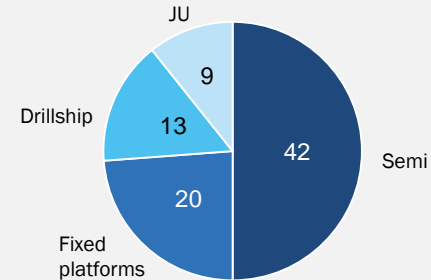


BUSINESS SPLIT YTD BASED ON REVENUE

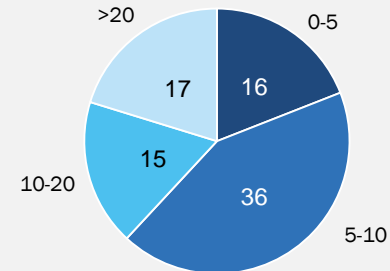


INSTALLED BASE (84 UNITS)

by type



by age (years)

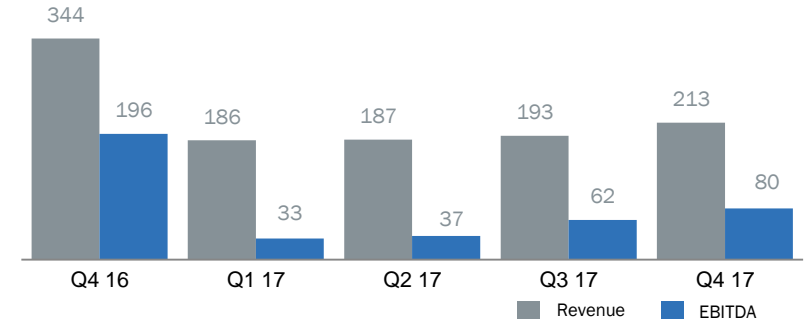


AKOFS Offshore

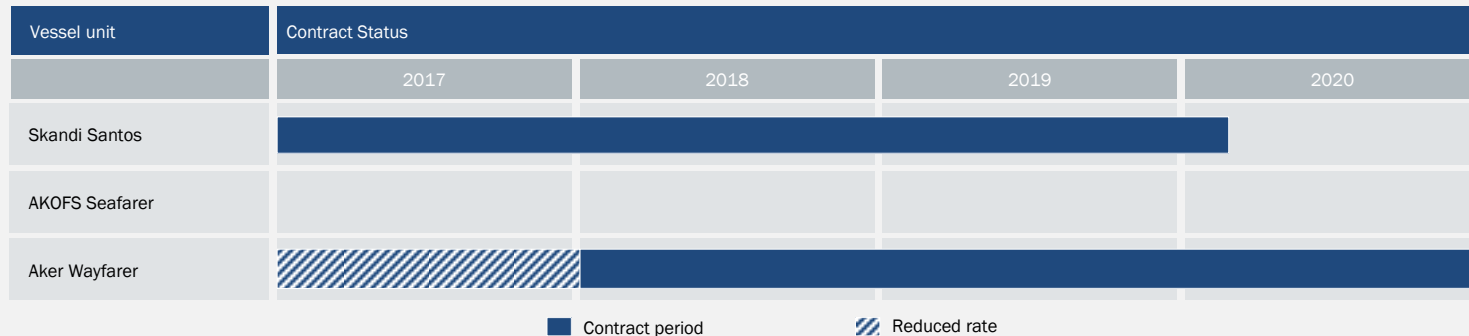
- ✓ EBITDA of NOK 80 million in the quarter
- ✓ Skandi Santos with excellent utilization in the quarter
- ✓ Aker Wayfarer commenced 5+5 year contract with Petrobras on 1st January 2018
- ✓ AKOFS Seafarer remains idle

Revenue and EBITDA

NOK million



VESSEL PROGRAM

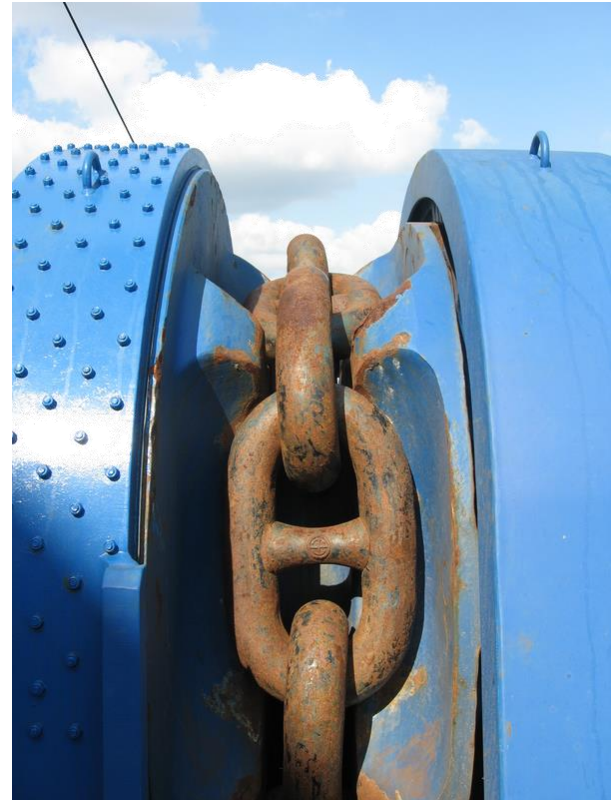
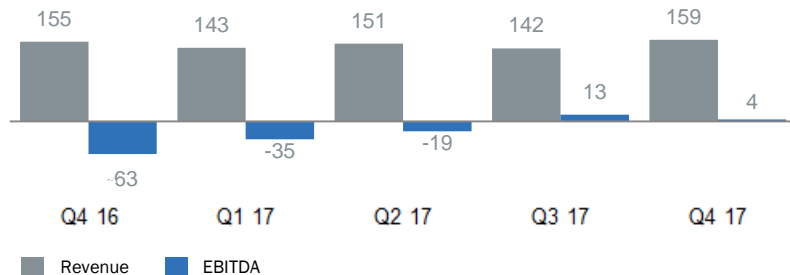


Other Holdings

- ✓ Step Oiltools, Cool Sorption and First Geo: Total EBITDA of NOK 2 million
- ✓ Reduced provision for onerous lease commitments for office leases with EBITDA effect of NOK 24 million

Revenue and EBITDA

NOK million



Additional information

Condensed Consolidated Income Statement

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Condensed Consolidated Statement of Financial Position

<i>NOK million</i>	31.12.2017	31.12.2016
Deferred tax asset	661	600
Intangible assets	1 435	1 731
Property, plant and equipment	4 419	5 198
Other non-current assets	99	104
Equity accounted investees and other Investments	546	213
Non-current interest-bearing receivables	1	51
Total non-current assets	7 163	7 897
Current operating assets	2 958	4 250
Current interest-bearing receivables	-	15
Other current assets	39	-
Cash and cash equivalents	168	487
Assets classified as held for sale	-	212
Total current assets	3 165	4 964
Total assets	10 328	12 861
Equity attributable to equity holders of Akastor ASA	5 277	5 580
Total equity	5 277	5 580
Deferred tax liabilities	10	15
Employee benefit obligations	349	380
Other non-current liabilities and provisions	330	445
Non-current borrowings	2 133	1 494
Total non-current liabilities	2 823	2 334
Current operating liabilities and provisions	1 829	3 209
Current borrowings	399	1 560
Liabilities classified as held for sale	-	177
Total current liabilities	2 228	4 947
Total liabilities and equity	10 328	12 861

Key Figures

AKASTOR GROUP (continuing operations)

<i>Amounts in NOK million</i>	Q4 16	Q1 17	Q2 17	Q3 17	Q4 17	Full year 2017
Operating revenue and other income	1 288	943	873	1 433	1 098	4 348
EBITDA	193	53	18	54	167	293
EBIT	(382)	(96)	(159)	(194)	11	(438)
CAPEX and R&D capitalization	15	15	15	30	35	95
NCOA	954	1 268	1 228	1 162	1 043	1 043
Net capital employed	7 682	8 333	8 250	7 749	7 566	7 566
Order intake	937	643	746	1 149	1 302	3 841
Order backlog	7 624	7 295	7 112	6 373	6 865	6 865
Employees	2 244	2 178	2 067	2 043	2 015	2 015

Split per Company

MHWIRTH

<i>Amounts in NOK million</i>	Q4 16	Q1 17	Q2 17	Q3 17	Q4 17	Full year 2017
Operating revenue and other income	800	627	550	1 113	739	3 030
EBITDA	59	55	-	(21)	83	118
EBIT	(293)	9	(71)	(160)	33	(189)
CAPEX and R&D capitalization	8	3	8	16	19	46
NCOA	1 091	1 250	1 119	1 086	995	995
Net capital employed	3 200	3 338	3 200	3 079	2 783	2 783
Order intake	789	466	612	1 000	1 134	3 212
Order backlog	1 481	1 325	1 409	1 299	1 718	1 718
Employees	1 738	1 648	1 535	1 470	1 456	1 456

Split per Company

AKOFS OFFSHORE

<i>Amounts in NOK million</i>	Q4 16	Q1 17	Q2 17	Q3 17	Q4 17	Full year 2017
Operating revenue and other income	344	186	187	193	213	778
EBITDA	196	33	37	62	80	213
EBIT	(3)	(48)	(46)	(25)	(2)	(121)
CAPEX and R&D capitalization	7	12	7	6	15	40
NCOA	121	192	221	225	186	186
Net capital employed	4 378	4 372	4 307	3 994	4 154	4 154
Order intake	28	6	(4)	9	12	22
Order backlog	5 900	5 672	5 439	4 858	4 917	4 917
Employees	113	106	113	173	180	180

Split per Company

OTHER HOLDINGS

<i>Amounts in NOK million</i>	Q4 16	Q1 17	Q2 17	Q3 17	Q4 17	Full year 2017
Operating revenue and other income	155	143	151	142	159	596
EBITDA	(63)	(35)	(19)	13	4	(38)
EBIT	(86)	(58)	(41)	(8)	(20)	(127)
CAPEX and R&D capitalization	1	-	-	7	1	9
NCOA	(258)	(175)	(112)	(149)	(138)	(138)
Net capital employed	104	624	744	677	628	628
Order intake	129	173	143	146	164	626
Order backlog	224	272	269	218	231	231
Employees	393	424	420	400	379	379

AKASTOR



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