

Second Quarter Results 2017

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Oslo | July 13, 2017



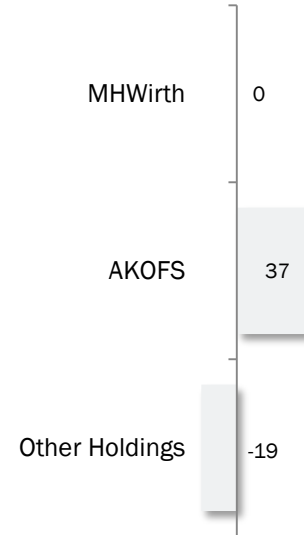
AKASTOR

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

NOK 18 million

Net debt

NOK 3.3 billion

Order Backlog

NOK 7.1 billion

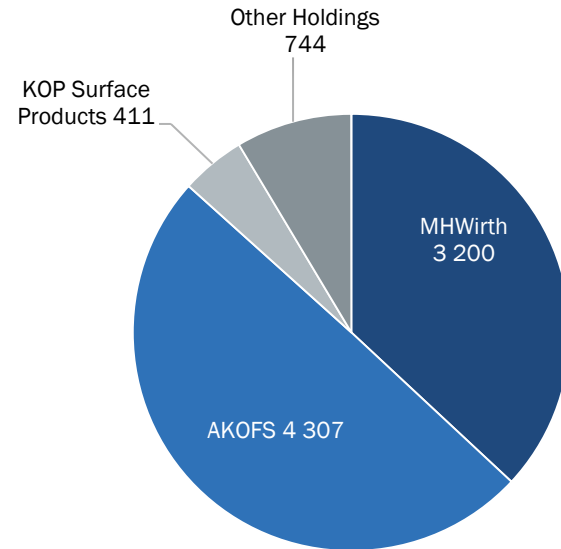
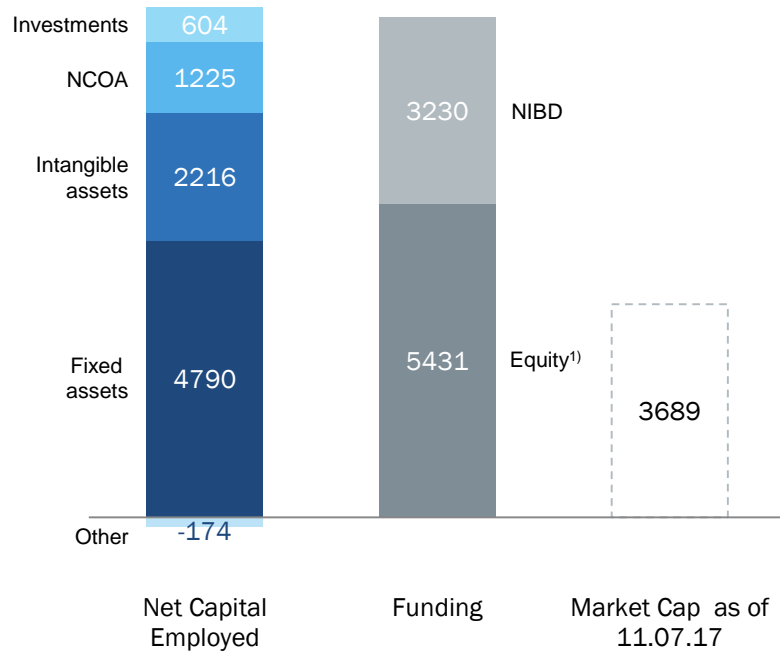
Condensed Consolidated Income Statement

| <i>NOK million</i> | Second Quarter | | First half | | Full Year |
|---|----------------|--------------|--------------|----------------|----------------|
| | 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) |

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 | | |

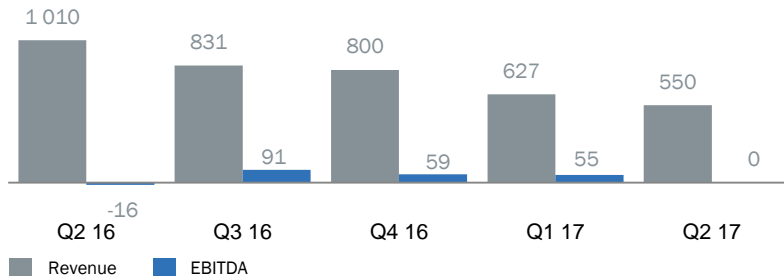
* last twelve months EBITDA, adjusted for non-recurring items like restructuring costs and sales gains

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

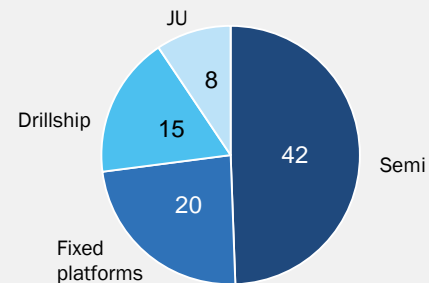


BUSINESS SPLIT YTD BASED ON REVENUE

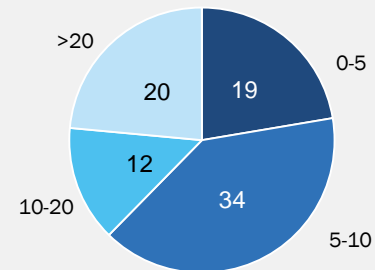


INSTALLED BASE (85 UNITS)

by type



by age (years)

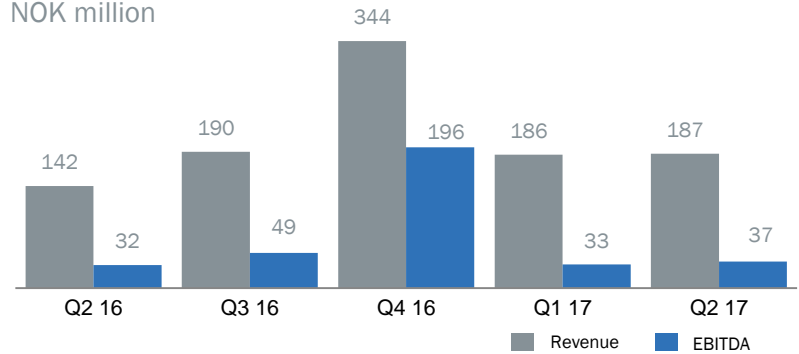


AKOFS Offshore

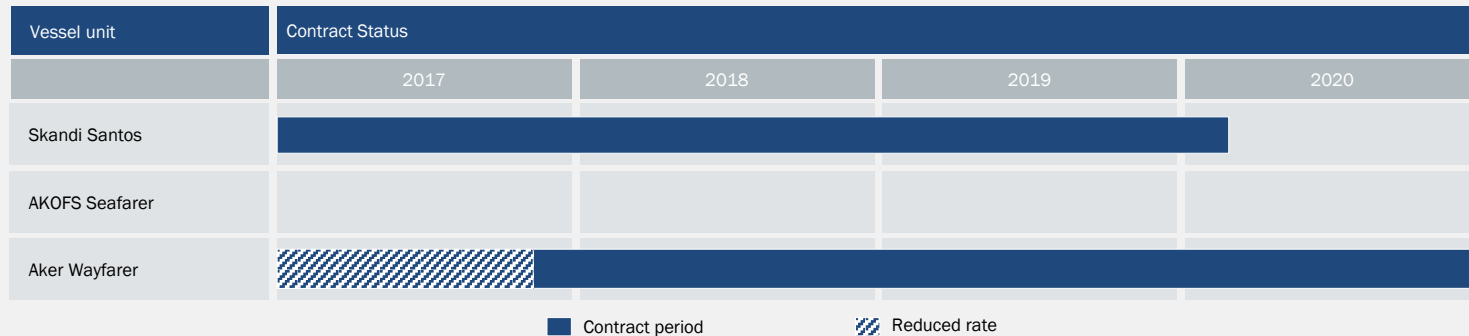
- ✓ EBITDA of NOK 37 million in Q2
- ✓ AKOFS Seafarer remains cold stacked
- ✓ Aker Wayfarer on stand-by in Norway, awaiting start-up of the 5+5 year contract with Petrobras in the fourth quarter

Revenue and EBITDA

NOK million



VESSEL PROGRAM

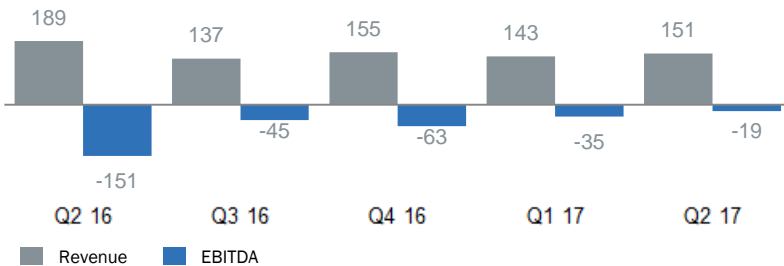


Other Holdings

- ✓ 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

| <i>NOK million</i> | Second Quarter | | First half | | Full Year |
|---|----------------|--------------|--------------|----------------|----------------|
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| Operating revenues and other income | 873 | 1 326 | 1 816 | 2 556 | 4 975 |
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| 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) |
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| Profit (loss) for the period | (321) | (832) | (132) | (1 198) | (1 282) |

Condensed Consolidated Statement of Financial Position

| <i>NOK million</i> | 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)

| <i>Amounts in NOK million</i> | 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

| <i>Amounts in NOK million</i> | 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

| <i>Amounts in NOK million</i> | 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

| <i>Amounts in NOK million</i> | 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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