Annual Report 2004

AKER

Key Figures

Profit and loss account (NOK million)	2003	2004	Note
Operating revenues	51 458	51 694	4, 5
EBITDA	2 607	2 366	
Aker Kværner	1 003	1 401	
Aker Yards	1 610	802	
Aker Seafoods	74	109	
Aker Material Handling *	-34	12	
Other activities and investments, eliminations *	-46	42	
Depreciation	-836	-775	14
Amortization	-530	-517	13
Operating profit (EBIT)	757	749	4
Share of earnings in associated companies	-9	19	8
Net financial items, incl. exceptional financial items	-1 014	-693	9, 10
Profit before tax	-266	75	4
Tax	19	-505	12
Net profit	-247	-430	11

Balance Sheet (NOK million)	31.12.03	31.12.04	Note
Assets	41 363	38 500	13
Total intangible and tangible fixed assets	14 260	13 974	14
Total financial fixed assets	1 700	1 810	15, 16, 17
Current operating assets	16 905	14 476	18, 19
Cash and bank deposits	8 498	8 240	21, 22
Total shareholders' equity and liabilities	41 363	38 500	
Total shareholders' equity	6 732	5 640	23
Minority interests	2 515	2 562	24
Subordinated debt	3 946	3 826	28
Interest-bearing long-term debt	7 261	7 434	29
Other long-term debt, incl. deferred tax	1 538	1 970	25, 26, 27
Current operating liabilities	14 844	16 182	18, 20
Interest-bearng short-term debt	4 527	886	30

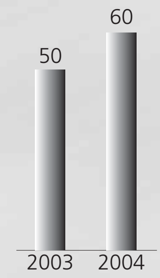
Key figures (NOK million)	31.12.03	31.12.04
Earnings per share (NOK) (majority interest) 1	-3,68	-7,30
Equity ratio 2	22,4 %	21,3 %
Net interest-bearing debt (-)/receivable(+)	-2 748	+ 693
Where of construction loans in Aker Yards ASA	-1 399	-594

Definitions and comments

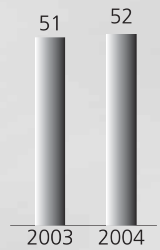
Figures for 2003 and 2004 are pro forma, as the Aker ASA Group's present corporate structure was established with effect for accounting purposes as of 1 April 2004. No pro forma figures have been prepared for accounting periods prior to 1 January 2003, as such figures are not deemed relevant to an assessment of the Group's status and development.

* Aker Material Handling numbers are pro forma for continuing business.
  This adjustment also affects eliminations.

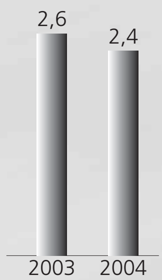
1) Profit for the year after minority interests / number of shares
2) Equity, including minority interests/assets



Backlog
NOK billlion



Revenues
NOK billion



EBITDA
NOK billion

Financial calender 2005

Annual General Meeting: 31 March
1st Quarter Results 2005: 28 April
2nd Quarter Results 2005: 18 August
3rd Quarter Results 2005: 1 November

The accounts presented in this annual report include the Aker ASA Group (Aker RGI Holding) for the period 2002 through 2004. Also, pro forma accounts have been prepared for 2003 and 2004, as if the present Aker ASA Group had been established on 1 January 2003. All comments found in the Board of Directors' report refer to pro forma accounts unless otherwise stated.

This is a translation of the official Aker ASA Annual Report which is available in Norwegian.

This is Aker

With almost 40 000 employees working in key industries around the globe, Aker is a significant industrial participant in many communities. The Aker Group holds a leading position in several industries and technologies.

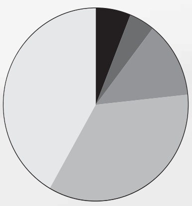
Aker continues a proud industrial tradition that has its roots in the first half of the nineteenth century. Aker's original business activities grew out of the industrialization of the Nordic countries and the UK. Today, the "home markets" of most Aker businesses are located around the world.

Aker is organized as a group of companies. The industrial holding company, Aker ASA, owns all or significant shareholdings in Aker Group companies. The parent company will always retain a controlling ownership interest in the Group's core business activities.

Aker's ownership provides the company significant industrial influence over individual Group companies. Based on principles of good corporate governance, Aker ASA seeks to contribute to the positive development of each of these companies. Aker participates in the strategic development, organizational structure, and financing of the Group's businesses.

The following are the largest of the Group companies: Aker Kværner, Aker Yards, Aker Seafoods and Aker Material Handling. The activities of Group companies are presented in detail in the Board of Directors' report (from page 10).

Employees by region

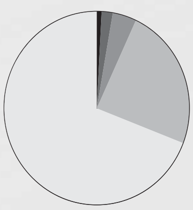


AKER

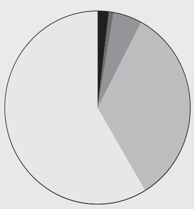
Broad industrial and financial expertise; actively promotes development of Group companies.

50.01%	55.6%	100%	100%	
Aker Kværner	**Aker Yards**	**Aker Seafoods**	**Aker Material Handling**	**Other Business**
Designs, builds, operates, and maintains industrial facilities for oil, gas, energy, and process industries.	Designs and builds advanced cruise vessels and ferries, offshore service vessels, merchant vessels, and other specialized vessels.	Harvesting, processing, marketing, and sales of high-quality seafood products.	Manufactures storage and archiving systems for use in industrial and office environments.	Different activities and industrial and financial assets.

Operating revenues per core operating unit



EBITDA per core operating unit



Letter from the President and CEO

Aker continues the Group's proud industrial traditions, rooted in the Nordic countries and the UK. The story of Aker, entwined with the development of modern Norway, shares a great deal with the development of present-day industrialized European societies.

Today's Aker has business activities worldwide. While our historic home markets continue to be important, our know-how and capabilities are in demand in "home markets" around the world.

Creating value

Our vision is to be the preferred partner – for both customers and employees – and to be recognized as a good corporate citizen, contributing to the development of the society of the future. Using our corporate vision as a guideline enables us to reach our goal: creating value for our shareholders.

In an industrial group such as Aker, we cannot be sidetracked by short-term gains. We are building lasting value. As heirs of the hard-working generations who came before us, we will continue to develop the value of Group companies and shareholder value, with future generations in mind.

The long-term perspective

Maintaining a long-term perspective is vital. Every day we make choices that affect our future. We must always keep our next move in mind. Choices that appear to make sense in the short term are not necessarily right in a longer time perspective. The best choice often lacks short-term advantages. However, as a major industrial group, we trust that value creation is assured by long-term decision-making.

Today's Aker Group has the ownership structure and financial clout that allow us to maintain a long-term perspective. The Group is characterized by strong, pro-active majority ownership on all levels. This advantage in the parent company Aker ASA, is carried through to the Group's various businesses.

Aker is the industrial and financial powerhouse that harnesses the Group's business activities. Through its controlling shareholdings in Group companies, Aker ASA contributes stable ownership and a framework for growth. With our business culture, we advance the growth and development of each Group company, and create value for Aker and for each shareholder.

Active and responsible ownership

The active ownership that characterizes Aker – and that we perpetuate in the other Group companies – is long-term, though not always patient. It radiates creativity. It is full of energy and determination. Active, strong ownership provides opportunities absent in many other companies. In return, Aker insists on commitment, responsibility, and respect.

The Aker Group comprises a number of legally and financially independent units. Each company has its interest groups: customers, shareholders, employees, creditors, and other business associates. Each one has its rights – and these rights are honored.

2004: A good year

In several ways, 2004 brought us many advances. Most importantly, we established a robust financial structure that overcame the major financial strain in 2001, when Aker became the majority owner of Kværner. By early 2005, we can see that Aker is a sound company built on a solid foundation: a parent company that is net debt free and soundly financed core businesses.

Further, we note that the company's business activities developed favorably in this period. The employees have been loyal and responsible, and set an example to be followed in their dedication to and focus on operations. These factors led to solid order intake, most notably at Aker Kværner and Aker Yards, and to significant operational advances at all four core Group companies. I would like to call special attention to the turnaround completed at Aker Material Handling: the company steadily made advances throughout the year and turned a profit in late 2004. The Board of Directors also discusses these achievements in its report, presented on the following pages.

Our goal-oriented efforts over several years and the 2004 reorganization helped make visible significant shareholder value. The reorganization was accomplished through efforts that included a series of transactions between closely related parties.

- We completed a comprehensive streamlining of Aker RGI and realized assets exceeding NOK 1 billion through sales of companies and other assets.
- We combined the shipyards belonging to Aker and Kværner and established Aker Yards, an exchange-listed, pure-bred shipyards group.
- We organized Kværner's oil, gas, energy, and processing activities into a new, exchange-listed, pure-bred Aker Kværner.
- We organized our fisheries activities into two clearly defined business areas under Aker Seafoods, and we completed the restructuring of Aker Material Handling.
- We reorganized the activities of the parent companies of the two Groups and established a clear division between the industrial activities of Aker and the more risk-filled activities of Kværner. We stated clearly that Kværner will be wound down over a period of 3-5 years and that its worth will be distributed to shareholders.

We are satisfied that both the stock and bond markets have reacted favorably to these transactions. Price growth clearly testifies to this.

The road ahead

The creation of four viable, pure-bred industrial enterprises forming the core business areas of Aker ASA – Aker Kværner, Aker Yards, Aker Seafoods, and Aker Material Handling – added value and revitalized the businesses. Operations have developed favorably, with significant order intake. At year-end 2004, the order backlog of the Aker Group stood at a record-high NOK 60 billion. The outlook for key markets is good.

There's more to be done. We will continue to identify and implement improved Group structures. We'll get better at using local strengths Group-wide and at harvesting major synergies. We can become far more efficient and cut our costs further. Greater internal controls can result in greater supply reliability and improved profit performance. Major opportunities for the Group lie in honing our commercial spirit, our focus on our markets, and our risk management.

We came far in 2004. We have demonstrated major value in Aker and its Group companies, justifying our certainty that the positive trend will continue in 2005!

Sincerely,

Leif-Arne Langøy
President and CEO – and fellow shareholder Aker ASA

Aker Kværner share-price development (in NOK)

Aker Yards share-price development (i NOK)

Kværner share-price development (in NOK)

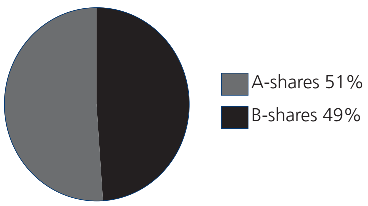
SHAREHOLDER MATTERS

Share capital

Aker ASA is a listed public limited liabilities company registered in Oslo, Norway. The legal entity Aker ASA was formally established on 13 February 2004. The company, though, is rooted in century-long industrial traditions.

The share capital of Aker ASA is NOK 2 422 897 876, consisting of 44 131 354 Class A shares and 42 400 713 Class B shares. Both Class A and B shares have a par value of NOK 28 per share.

All Class A shares carry voting rights; Class B shares have no voting rights. In all other ways, all Aker ASA shares carry the same rights.



Aker has not issued any equity capital instruments beyond the shares described above.

The 27 July 2004 extraordinary shareholders' meeting of Aker ASA authorized the Board of Directors to purchase company shares, up to a total par value of NOK 240 million. The authorization is valid for a period of 18 months from the date of the extraordinary shareholders' meeting. The Board has not exercised the authorization.

Ownership structure

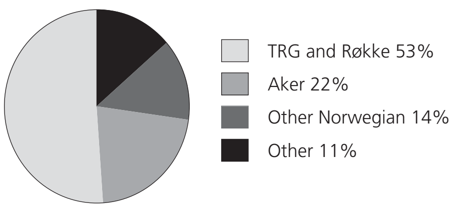
Aker ASA's Class A stock was listed on the Oslo Stock Exchange on 8 September 2004. Previously, all Aker shares were held by Kværner ASA. Before its stock-exchange listing, Kværner ASA distributed all Aker Class A shares to shareholders as dividends.

As of 1 March February 2005, Aker had a total of 19 880 shareholders. The largest shareholders by share class per 1 March 2005 are listed below.

Class A shares (51% of share capital):	
TRG Holding and Kjell Inge Røkke	53.11%
Aker ASA and RGI (Europe) BV	21.67%
Enskilda Securities	1.58%
DnB NOR Bank ASA	1.57%
Storebrand Livsforsikring	1.20%
JP Morgan Chase Bank	0.77%
Terra Norge	0.45%
Bear Sterns Securities	0.45%
Svenska Handelsbanken	0.40%
ABG Sundal Collier	0.36%
Total 10 largest shareholders	**81.56%**

Class B shares (49% of share capital)	
1. Kværner ASA	100%

Aker ASA holds 21.7 percent of the Class A shares; however, the company is not entitled to vote these shares. Thus, 37 531 100 Aker ASA shares carry voting rights. Aker ASA's majority shareholder, TRG Holding, holds 67.8 percent of Aker ASA shares with voting rights, and as such, controls the company. TRG Holding has stated that as an industrial investor, the company will contribute to the continuous operational improvement and strategic positioning of the Aker Group. The chart below illustrates the approximate distribution of Aker's Class A share ownership:



Dividend

Aker strives to create value for its shareholders in the form of dividend payments and share-price growth over time. Aker's Board of Directors makes proposals as to annual dividend disbursements, based on the company's financial earnings in the previous accounting year, the company's financial position at the time in question, and conditions stipulated in financial agreements the company has entered into. The Board of Directors' proposals as to dividends are presented to the company's annual shareholders' meeting for approval.

2004 dividend

Following a review of the company's financial status, the Board of Directors is of the opinion that Aker ASA is capable of paying dividends to company shareholders in the form of Kværner ASA shares. Aker has a 21.7 percent shareholding in Kværner. The Board of Directors of Aker ASA will propose to the company's annual shareholders' meeting that the company's entire Kværner ASA shareholding be distributed as dividends for the 2004 accounting year.

Based on the closing price of Kværner ASA shares on 24 February 2005, the dividend disbursement will have a total value of about NOK 516 million, corresponding to a dividend payment of approximately NOK 6.70 per share. The proposed dividend disbursement will provide dividend income for Aker shareholders while simplifying corporate structures, by eliminating the cross ownership between Aker and Kværner.

Additional information

Aker ASA publishes pertinent investor relations material (in Norwegian and English) on the company's website: www.akerasa.com. Significant events and information are also communicated in notices to the Oslo Stock Exchange.

As a listed company, Aker ASA publishes quarterly and annual reports, and generally schedules quarterly presentations in Oslo for analysts and the investment community following the release of all information to the public. The company occasionally participates in conferences where the company's performance may be discussed.

The company can be contacted via email at: info@akerasa.com.

Corporate governance

The Norwegian Code of Practice for Corporate Governance was published in late 2004. The recommendations set forth in the code are designed to strengthen confidence in stock-exchange listed companies and thus contribute to optimal value creation over time, to the benefit of shareholders, employees, and other interested parties.

Adherence to the code is based on the "comply or explain" principle whereby companies will be expected either to comply with the Code of Practice or explain why they have chosen an alternative approach.

The Code of Practice sets forth 14 main recommendations; Aker's activities are largely in accord with them. The following briefly presents company practices regarding each of the 14 recommendations.

1. **Implementation and reporting on corporate governance**
   Aker follows this recommendation through regular Board meetings and via annual reports and other public presentations.

2. **Business**
   Recommendations complied with, through the company's articles of association and annual report.

3. **Equity and dividends**
   Recommendations are followed.

4. **Equal treatment of shareholders and transactions with close associates**
   Recommendations are followed with the exception of the recommendation to have only one class of shares. Aker ASA has two share classes; however only the Class A share is listed and negotiable. All Class B shares are held by Kværner ASA.

5. **Freely negotiable shares**
   Recommendations are followed.

6. **General meetings**
   Recommendations are followed; however, meeting chairs are usually appointed prior to meetings and announced in the notice of shareholders' meetings.

7. **Nomination committee**
   Recommendations are followed, with the qualification that the company's main shareholder and board chairman is a member of its nomination committee.

8. **Corporate assembly and board of directors: composition and independence**
   Recommendations are followed, with the qualification that Norway's Corporate Democracy Committee has approved that Aker does not have a corporate assembly.

9. **The work of the board of directors**
   Recommendations are followed with the qualification that the Board, which was elected in August 2004, has not performed annual evaluations of its performance and expertise. The timing and method of such evaluations are under consideration.

10. **Remuneration of the board of directors**
    Recommendations are followed as set forth in this annual report.

11. **Remuneration of executive management**
    Recommendations are followed; note, however, that the company has no option plans.

12. **Information and communications**
    Recommendations are followed.

13. **Take-overs**
    Recommendations are followed; however, the issues herein have not applied to Aker.

14. **Auditor**
    Recommendations are followed with the exception that no specific guidelines have been prepared regarding executive management's ability to hire the company's auditor for services other than auditing.

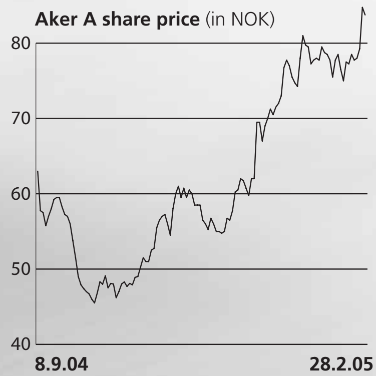
Aker ASA's articles of association

Aker ASA's articles of association were last amended by the 30 August 2004 extraordinary shareholders' meeting. Updated articles of association are available at the company's website: www.akerasa.com.

Share price development

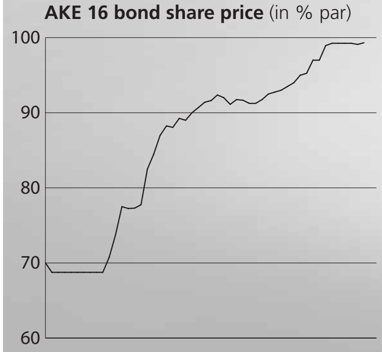
Aker's Class A shares were listed on the Oslo Stock Exchange on 8 September 2004; closing at NOK 63.00 per share on the first day of trading. At the close of trade on 25 February 2005, the per-share price was NOK 84.75, a 23 percent increase in share price in that period.
The lowest per-share price for Aker's Class A shares since listing was NOK 45.50; the highest price was NOK 84.75.

Aker A share price (in NOK)



The price of the AKE16 bond loan, which is listed on the Oslo Stock Exchange, has increased in step with the positive development of Aker ASA. The chart below shows the bond price development of AKE16.

AKE 16 bond share price (in % par)



Board of Directors

Kjell Inge Røkke
Board Chairman
Kjell Inge Røkke is through his wholly owned company TRG Holding AS the company's principal shareholder. He has been the main owner and a driving force in the development of Aker since the 1990s. Mr. Røkke owns directly and indirectly 23 439 069 Aker A-shares.

Bjørn Flatgård
Board Member
Bjørn Flatgård is President & CEO of Elopak AS. He is a board member at several Elopak subsidiaries, Aker Kværner ASA and SalMar A/S and TRG Holding AS. Mr. Flatgård has an engineering degree from the University of Trondheim and a business degree from the Norwegian School of Management.

Eva von Hirsch
Board Member
Eva von Hirsch is employed by the Norwegian telecom company Telenor where she has played a key role in the management of international telecom companies, including Ghana Telecom, for which she is responsible for the implementation of the business plan and organizational structure. Ms. von Hirsch is a Doctor of social anthropology. She joined Telenor in 1998.

Lone Fønss Schrøder
Deputy Chairman
Lone Fønss Schrøder is self-employed, Chairman of the board of Kværner ASA, and board member at several other Nordic companies, including Yara International ASA, Leif Hoegh & Co ltd. and Vattenfall AB. Ms. Fønss Schrøder was employed in A.P. Møller-Maersk for 21 years. She has a law degree from the University of Copenhagen.

Kjeld Rimberg
Board Member
Kjeld Rimberg is an independent consultant and a board member. He has previous work experience within research and administration as a board member at Kongsberggruppen, Statoil, Nationaltheatret, Aschehoug, Falkengruppen, and as a former President & CEO for the Norwegian State Railway (NSB). Mr. Rimberg is educated from the Norwegian Institute of Technology (NTNU).

Kjell A. Storeide
Board Member
Kjell A. Storeide is self-employed and Chairman of the Board of several Norwegian industrial companies and member of the Board of Innovasjon Norge. From 1990 to 2004 Mr. Storeide was CEO and part owner of Stokke Gruppen AS. He has a degree in Business Economics from the Norwegian School of Management in Bergen.

Atle Tranøy
Board member
Atle Tranøy is chief union representative, elected to Aker ASA's Board of Directors by Group employees. Tranøy has worked full-time as a union representative since 1987, initially at Aker Stord. Mr. Tranøy also heads the European Works Council at Aker.

Bjarne Kristiansen
Board member
Bjarne Kristiansen is group union representative at Aker Seafoods. He was elected to the Aker ASA Board of directors as an employee representative. Kristiansen has worked in the fishing industry since 1973. He has been the chief union representative at Norway Seafoods since 1990, and has served as group union representative since 1996.

Harald Magne Bjørnsen
Board member
Harald Magne Bjørnsen is group union representative, elected to Aker ASA's Board of Directors by Group employees. An employee of Aker Elektro since 1978, Bjørnsen became an Electrical & Instrumentation project leader in 1986. Bjørnsen is a certified ships engineer and electrical installer. Harald Magne Bjørnsen owns 700 Aker Class A shares.

Stein Aamdal
Board member
Stein Aamdal is the chief union representative at Aker Verdal. He was elected to the Aker ASA Board of directors as an employee representative. Aamdal began working at Aker Verdal in 1974 as a section builder-fitter. In 1990, he was elected local union leader at Aker Verdal.

Management

Leif-Arne Langøy
President & CEO
Leif-Arne Langøy was appointed President & CEO of Aker ASA, former Aker RGI, in January 2003. He has previously served as President & CEO of the Aker Kværner Yards Group, and as a Managing Director for Aker Brattvaag for 13 years. Mr. Langøy has an MBA degree from the Norwegian School of Economics. Mr. Langøy owns 31 000 Aker A-shares. Mr. Langøy is Chairman of Aker Kværner, Aker Yards, Aker Seafoods and Aker Material Handling, and Deputy Chairman of TRG Holding.

Martinus Brandal
EVP
Martinus Brandal is in charge of operations, strategy and business development for Aker. He joined Aker RGI Holding on 1 July 2004. In the period from 1985 to 2004, Mr. Brandal held various management positions in the ABB Group. He holds a Bachelor of Science in Electrical Engineering from Oslo University College. Mr. Brandal is Chairman of Atlas-Stord and board member of Aker Yards, Aker Seafoods and Aker Material Handling.

Bengt A. Rem
EVP, CFO
Bengt A. Rem joined the Aker RGI Group in 1995 where he has, among other things, held the position as CFO and Chief of Staff. Before joining the Aker Group Mr. Rem has among other things worked with Arthur Andersen & Co. and Oslo Børs. He is a state authorized accountant and a Master of Business and Economics from the Norwegian School of Management.

Geir Arne Drangeid
EVP
Geir Arne Drangeid is responsible for communications, human resources and administration. He joined the Company on 1 September 2004. Mr. Drangeid has held various communications related positions in the Aker Group since 1990. Mr. Drangeid has a background from journalism.

ACCOUNTS AND BOARD OF DIRECTORS' REPORT

This is a translation of the official Aker ASA Annual Report which is available in Norwegian.

Expanded order backlog, positive outlook

The Aker Group had 2004 revenues of NOK 52 billion and an operating profit before interest, tax, depreciation, and amortization (EBITDA) of NOK 2.4 billion. The Group's order backlog increased by NOK 10 billion to NOK 60 billion in 2004, and the Group's position is strong.

The completion of a series of business transactions in 2004, along with solid operations, clarified the underlying value of Aker to shareholders and bondholders of Aker and Aker Group companies. Total value growth for shareholders in 2004 and thus far in 2005 amounts to NOK 6.6 billion, an increase of about 46 percent.

The Group's 2004 revenues were on a par with 2003. Profit for 2004 shows the effects of higher profits at Aker Kværner, Aker Seafoods, and Aker Material Handling, and of transitory lower revenues and profit at Aker Yards.

Aker's main markets developed favorably in 2004. Order intake for the year was NOK 60 billion, and the year-end 2004 order backlog stood at NOK 60 billion. Aker Kværner ended 2004 with a record-high NOK 36 billion order backlog; Aker Yards' year-end order backlog was NOK 23 billion. The quality of the order backlog is deemed good.

The year 2004 was marked by major changes in group structures that strengthened Group companies and produced today's Aker Group. The shipyards owned by Aker were merged with those of Kværner. Then Kværner was split into three exchange-listed companies: Kværner, Aker Kværner, and Aker Yards, before Aker RGI's businesses were merged into a Kværner subsidiary. That subsidiary was renamed Aker ASA.

Aker ASA Class A shares with voting rights were distributed to Kværner's shareholders as dividends, and the Aker Class A shares were listed on the Oslo Stock Exchange. Kværner shareholders received dividend payments worth NOK 2.8 billion, based on the closing price of Aker Class A shares on the first day of listed trade.

Aker is an industrial group. The parent company, Aker ASA, is the majority owner of Aker Kværner and Aker Yards and the sole owner of Aker Seafoods and Aker Material Handling. Aker has a 21.7 percent shareholding in Kværner ASA, and has ownership interests in several other industrial and financial activities.

The outlook for the Aker Group in 2005 is good. The Aker Group enjoys a solid and flexible financial structure, and the most important markets for its business activities have developed favorably. Operational improvements and focused hard work have contributed to an order backlog of excellent quality. Productivity enhancements will result in further improved financial performance. Order intake in 2004 was good, and revenue and profit growth are projected in 2005. Profit for the second half of 2005 is expected to be better than for the first half of the year.

Presentation of the Aker Group

Aker ASA is the parent company of the Aker industrial group. The Group has four core business areas that together encompass several dozen operating companies, and a number of relatively smaller-sized industrial and financial holdings. The most important Aker Group companies are Aker Kværner, Aker Yards, Aker Seafoods, and Aker Material Handling.

Aker's ownership interests provide significant industrial influence over Group companies. As a proactive owner and the Group's parent company, Aker ASA contributes to further developing the various Group companies, in accord with good corporate governance. Aker participates in the strategic development, organizational structure, and financing of the Group's businesses. Because markets and framework conditions are always changing, Aker strives to keep Group operations optimally adapted to conditions.

Aker ASA and the Group's subsidiaries are exposed to various forms of financial risk. Risk is further discussed in Note 32 to the consolidated accounts and Note 14 in the parent company's accounts for 2004.

Aker Kværner – with more than 20 667 employees in subsidiaries in more than 30 countries – specializes in technology, engineering, construction, and service deliveries to oil, energy, and process industries. At year-end 2004, Aker held 58 percent of Aker Kværner ASA shares, which are listed on the Oslo Stock Exchange. In January 2005, Aker reduced its ownership interest in Aker Kværner to 50.01 percent.

Aker Kværner is an important supplier to the international oil and gas industry, constructing diverse facilities and installations, and providing associated services. These include design, engineering, purchasing, product deliveries, construction, assembly, completion, operation, and maintenance of facilities for oil and gas exploration and production, largely for offshore field exploration and development.

For land-based facilities, the Engineering & Construction business area of Aker Kværner offers a comparably broad range of products and services for industrial niches, such as refining, petrochemicals, chemicals, pharmaceuticals, power generation, wood pulping products, metals, and mining.

Aker Kværner operates internationally, serving global markets for most of the Group's areas of specialization. The bulk of oil and gas activities are in Norway, the UK, and the United States. Based on more than 40 years of experience in the North Sea (both in Norwegian and UK waters), Aker Kværner is currently participating in major projects and executing deliveries to the Gulf of Mexico, Brazil, West Africa, Southeast Asia, Russia, and the Middle East.

The principal business centers for Aker Kværner's worldwide energy and processing activities are in the USA, the UK, the Netherlands, Finland, Sweden, Australia, and Southeast Asia.

Aker Yards is a leading international shipbuilding group, focused on building a range of technologically advanced ships. The Aker Yards group is Europe's largest and one of the world's five largest shipbuilders, with a total of 13 shipyards and 13 069 employees in Norway, Finland, Germany, Romania, and Brazil. Aker Yards also has a management agreement covering Kværner's shipyard in the US city of Philadelphia. At the close of 2004, Aker owned 75 percent of Aker Yards shares, which are listed on the Oslo Stock Exchange. In January, Aker reduced its Aker Yards holding to 55.6 percent.

Aker Yards enjoys a strong market position. The Aker Yards group is widely recognized for its innovative approach, product portfolio, technologies, flexible capacity, and experience. The shipyards that comprise the Aker Yards group build cruise ships and ferries, merchant marine vessels, offshore service vessels, and other highly specialized vessels.

Building such specialized tonnage requires careful planning, customized solutions, and the ability to innovate. Typically, customers present their vessel requirements to Aker Yards' ship designers, who identify design challenges and resolve them through optimal engineering solutions and efficient building techniques.

Aker Yards has a highly skilled workforce. An experienced workforce with modern design and planning tools means efficient project execution and short delivery times.

Aker Seafoods' operations span harvesting, processing, marketing, and sales of seafood products in the northwestern regions of Europe and in South America. Its business activities comprise several wholly and partly owned fisheries companies that are organized into two core business areas: Norway Seafoods and Aker Seafoods Corp. Aker Seafoods is a wholly owned Aker subsidiary.

Norway Seafoods comprises the Aker Seafoods group's harvesting activities in Norway and its processing and marketing activities in Norway and Denmark. With 18 trawler quotas and 12 trawlers, Norway Seafoods operates Norway's largest trawler fleet. Fish caught by its own vessels and catches purchased from local fishermen constitute the raw materials used at Norway Seafoods' eight processing plants in Norway and Denmark. These facilities produce fillets, loins, tail pieces, and other fresh-fish cuts that are in demand, and a variety of processed seafood products. Sales to the expanding European market for fresh fish fillets are growing.

Aker Seafoods Corp comprises Aker Seafoods' harvesting and processing activities in Argentina, Russia, and the Faeroe Islands. Aker Seafoods only participates in harvesting in carefully-regulated fisheries seeking to maintain sustainable harvesting. Aker Seafoods' five well-equipped factory trawlers and three long-line vessels are recognized as one of the world's most advanced fleets.

Aker Material Handling is a leading supplier of storage and archiving systems used in industrial and office environments. Aker Material Handling is among the largest participants in its industry in Europe, and its products are sold under well recognized brand names such as Constructor, Bruynzeel, Compactus, and Dexion. At year-end 2004, Aker Material Handling had just over 700 employees, 140 of whom worked in Norway. Aker Material Handling is wholly owned by Aker.

The Aker Material Handling group has four factories, which are located in Germany, the Netherlands, and Norway, and it has an extensive network of sales offices and distributors in Europe. The most important products for the industrial-market segment are pallet shelving, storage shelving, space-saving and productivity-enhancing systems for inventory storage and retrieval, and material handling systems. The company's office, commercial, and archiving product lines include stationary, mobile, and tiered systems.

Aker Material Handling has under-

The accounts presented in this annual report include the Aker ASA Group (Aker RGI Holding) for the period 2002 through 2004. Also, pro forma accounts have been prepared for 2003 and 2004, as if the present Aker ASA Group had been established on 1 January 2003. All comments found in the Board of Directors' report refer to pro forma accounts unless otherwise stated.

ACCOUNTS AND BOARD OF DIRECTORS' REPORT

gone comprehensive restructuring, which was completed with the sale of Constructor Finland AS and Redirack Ltd (UK). In the past two years, business activities worth nearly NOK 375 million have been divested; these units had annual revenues exceeding EUR 175 million and more than 1,200 employees.

Other Aker activities and investments primarily include Atlas-Stord, Molde Fotballklubb, and minority holdings in the NorSea Group and Kværner.

Atlas-Stord delivers dewatering systems for animal feed production based on fishmeal, animal byproducts, and byproducts from distilling and brewery. The company also delivers dewatering solutions to municipal and industrial environmental facilities.

Aker also owns 33.5 percent of the shares in the supply base and logistics company NorSea Group, which offers its services to the offshore oil and gas industry from eight strategically located bases along the coast of Norway, from Stavanger in the south to Hammerfest in the north.

Kværner is a holding company with investments in several diverse industrial enterprises in Europe and the United States. Aker owns 21.7 percent of Kværner ASA stock. Kværner, in turn, owns 49 percent of Aker ASA share capital, in the form of non-voting Class B shares.

Strategic milestones

At the start of 2004, the company Aker RGI Holding AS owned 49.9 percent of Kværner ASA shares. Both Aker RGI Holding and Kværner had several industrial and financial activities in complex structures, and both corporate groups needed to refinance debt that would mature in 2004.

By year-end 2004, complex organizational structures had been simplified and both Kværner ASA and Aker RGI Holding had been refinanced. Following the reorganization that created today's Aker Group and its parent company, Aker ASA, the latter is the parent company in an industrial group comprising the bulk of the former businesses of Aker RGI Holding and Kværner. The new post-reorganization Kværner ASA is the parent company of a group that has significant asset value and activities marked by operational and structural challenges. The two exchange-listed companies, Aker ASA and Kværner ASA, are legally and financially independent and distinct entities, with the exception of the cross ownership described above.

A series of transactions were necessary to achieve the desired simplification and refinancing. The purpose and method of execution for each of these transactions were presented in detail in various prospectuses and announcements. All documents were made publicly available and most were mailed directly to shareholders' recorded addresses.

The most important transactions are set forth below:

- **Three-way split of Kværner ASA and offer to swap shares**
  At the company's 19 March 2004 shareholders' meeting, Kværner shareholders decided to split the company three ways by spinning off Aker Kværner and Aker Yards as independent, listed companies. Prior to these transactions, the shipyards of Aker and Kværner were merged. Kværner shareholders had the option of remaining as Kværner ASA shareholders or exchanging their Kværner shares for a combination of Aker Kværner and Aker Yards shares. Kværner's combined bank loans and bond debt totaling NOK 4.1 billion were transferred to Aker Kværner.
- **Establishment and listing of Aker Kværner**
  Aker Kværner was listed on the Oslo Stock Exchange on 2 April, following an approximately NOK 2.1 billion share issue and refinancing achieved in part by a EUR 260 million international loan.
- **Establishment and listing of Aker Yards**
  Aker Yards was listed on the Oslo Stock Exchange on 2 June after some 22 percent of the company's shares had been distributed to Kværner shareholders under the swap offer described above. Prior to listing, Aker RGI's shipyards were combined with Kværner's shipyards in the same structure via a merger. Following listing, Aker Yards established a NOK 600 million bond loan and a NOK 236 million convertible loan.
- **Establishment and listing of Aker**
  Today's Aker industrial group was established by merging Aker RGI Holding AS into a wholly owned subsidiary of the Kværner group, with settlement paid to Aker RGI AS in the form of Kværner shares. The wholly owned Kværner subsidiary was renamed Aker ASA and refinanced by taking on NOK 1.44 billion in long-term bank loans. In September 2004, Kværner ASA distributed to its shareholders all its Aker ASA Class A shares as a dividend. Aker's Class A shares were listed on the Oslo Stock Exchange on 8 September.

In late January 2005, Aker decided to sell some of its Aker Kværner and Aker Yards shareholdings. Following significant value growth, Aker was able to free up approximately NOK 1.5 billion in assets while maintaining its majority holding in both companies and its influence over them.

The realized assets established a foundation for further strengthening of the parent company's financial position. Half of Aker ASA's bank debt was repaid immediately. In early February, Aker ASA issued two new listed long-term bond loans totaling NOK 1 billion. Plans are to repay the remaining bank debt in March 2005.

The completion of the strategic measures described above helped clarify the significant underlying value of Aker ASA to shareholders and bondholders of Aker and Aker Group companies. The market prices of Aker shares and bonds both grew in 2004.

Consolidated profit and balance sheet

The 2004 consolidated accounts of the Aker Group show revenues of NOK 52 billion, which is on a par with 2003. Somewhat lower activity levels and weaker profits at Aker Yards were largely offset by significant profit improvement at Aker Kværner, Aker Seafoods, and Aker Material Handling.

The Group operating profit before interest, tax, depreciation, and amortization of goodwill (EBITDA) totaled NOK 2.4 billion in 2004, compared with NOK 2.6 billion in 2003. The greatest improvement over 2003 figures was recorded by Aker Kværner: EBITDA was up 40 percent in 2004, compared with 2003.

Operating profit after depreciation and exceptional operating items amounted to NOK 749 million in 2004, compared with NOK 757 million in 2003.

The Group's total financing costs have been reduced significantly as a result of the new financial structure established in 2004. The Group had a profit after financial items of NOK 75 million in 2004, compared with a loss of NOK 266 million in 2003.

The Group had tax expenses for 2004 of NOK 505 million. NOK 479 million of this amount is a result of a recent Norwegian tax reform. Ordinary tax amounted to NOK 26 million for 2004 as a whole.

The Aker Group's balance sheet declined from NOK 41 billion to NOK 38 billion during 2004. The decrease in total assets is largely attributable to reductions in inventories and working capital. Payments from customers for projects completed in late 2004 and pre-payments on work in progress contributed to this positive development.

Cash and cash equivalents totaled NOK 8.1 billion at year-end 2004, virtually unchanged from a year earlier. Liabilities, on the other hand, fell in 2004. Short-term interest-bearing debt was reduced to NOK 0.9 billion as of year-end 2004; down from NOK 4.5 billion 12 months earlier. As of 31 December 2004, the Group had net interest-bearing receivables totaling NOK 693 million; this contrasts favorably with the figure for net interest-bearing debt in early 2004, which amounted to NOK 2.7 billion.

The Board of Directors deems that the annual accounts provide a satisfactory description of the Group's position at year-end 2004. The annual accounts have been prepared based on the assumption of a going concern.

Business segment reporting

Aker Kværner recorded solid progress in 2004, achieving an EBITDA for the year of NOK 1 401 million; up 40 percent compared with 2003. The Aker Kværner group's markets developed favorably, and several major contracts were signed in 2004. At year-end 2004, the order backlog was a record-high NOK 36 billion.

Aker Kværner is reported to be on-course for reaching the financial targets set for the group in the first quarter of 2003. The goals are an annualized EBITDA of NOK 1.5 billion in mid-2005, and an EBITDA of NOK 1.75 billion in 2006.

Aker Yards' profit performance in 2004 was above projections. EBITDA for the year was NOK 802 million. Profit declined by 50 percent due to transitory soft markets and low shipbuilding order intake in 2002 and 2003. Markets recovered significantly in 2004; at year-end, Aker Yards' order backlog exceeded NOK 23 billion, an increase of nearly 30 percent in 12 months. For 2005, Aker Yards expects revenue growth and a somewhat higher EBITDA than in 2004.

The board of directors of Aker Yards will propose a NOK 5.75 per-share dividend payment for 2004. The proposed dividend would amount to approximately NOK 66 million in income for Aker ASA.

Aker Seafoods had a 2004 EBITDA of NOK 109 million, up from NOK 74 million in 2003. Despite increased competition from freezer trawlers, greater processing in China, and poor raw materials access for parts of the year, Norway Seafoods' activities in Norway and Denmark developed favorably in 2004 – with an EBITDA for the year of NOK 134 million. Operations of the Aker Seafoods Corp. business area had varying results: production was good on two factory ships, while three long-line vessels had poor catches. Restructuring costs were recorded in 2004, as well as start-up costs associated with trial fishing for krill in Antarctic waters.

Key figures Core activities

(Amounts in NOK million)

Aker Kværner	**2002**	**2003**	**2004**
Operating revenues	34 140	31 327	35 553
EBITDA	573	1 003	1 401
Order backlog	26 483	31 491	35 920

AkerYards	**2002**	**2003**	**2004**
Operating revenues	18 386	15 865	12 514
EBITDA	1 372	1 610	802
Order backlog	18 010	18 246	23 366

Aker Seafoods	**2002**	**2003**	**2004**
Operating revenues	1 596	1 523	1 835
EBITDA	98	74	109

Aker Material Handling (continuing business)

	2002	**2003**	**2004**
Operating revenues	1 210	1 193	1 227
EBITDA	-108	-34	12
Order backlog	227	211	265

ACCOUNTS AND BOARD OF DIRECTORS' REPORT

Regulatory framework changes that would allow Aker Seafoods' harvesting and processing businesses to secure more even access to raw materials would have a valuable impact on the company's development. Surimi and fish prices for Aker Seafoods Corp.'s products rose in 2004; improved utilization of vessel capacity is key to continued improvements.

In 2004, **Aker Material Handling** successfully completed its comprehensive restructuring and efficiency-enhancing program. The order situation and profitability gradually improved over the year, and EBITDA for the continued businesses rose from a NOK 34 million loss in 2003 to a NOK 12 million profit in 2004, despite 40-to-60 percent price increases for steel in the period. Steel is the most important input factor for Aker Material Handling's production. Total order intake in 2004 for the continued businesses of Aker Material Handling amounted to NOK 1.3 billion, up 16 percent compared with 2003.

In 2005, Aker Material Handling will focus on continuing improvement programs that have already been implemented, including product development and production structure optimization. As part of these efforts, an underutilized production line for industrial shelving and small goods racks – one of two such lines at the factory in Norway – will be relocated to the factory at Laubach in Germany.

The parent company Aker ASA and other activities had a 2004 EBITDA of NOK 42 million. Operating expenses of the parent company and other companies that comprise the holding company structure amounted to NOK 114 million. The parent company's expenses were high due to high activity levels associated with restructuring programs and strategic projects.

Parent company balance sheet

The parent company of the Aker Group, Aker ASA, was established in the summer of 2004. In the pro forma balance sheet of the parent company and other companies in the holding company structure as of 30 June 2004, the book value of the company's listed and other equity investments was NOK 9 billion. Interest-bearing debt to non-Group creditors amounted to approximately NOK 2.3 billion, and net interest-bearing items were NOK 1.1 billion.

At year-end 2004, the balance sheet was significantly strengthened. The book value of equity investments had fallen slightly, to approximately NOK 8.3 billion. The market value of listed assets alone, however, had risen to NOK 7.7 billion. External debt had been reduced, in part through a NOK 236 million repurchase of AKE16 bonds.

As of 31 December 2004, Aker ASA and holding companies had short-term interest-bearing receivables and cash totaling NOK 474 million. Debt to non-Group lenders amounted to approximately NOK 1.9 billion, of which bank loans amounted to NOK 1.44 billion and the outstanding AKE16 loan amounted to about NOK 360 million. Net interest-bearing items amounted to NOK 1.1 billion.

After year-end 2004, there were significant balance sheet changes, as Aker freed up NOK 1.5 billion of assets through the sale of Aker Kværner and Aker Yards shares. The Group also issued two new bond loans totaling NOK 1 billion. During the first quarter of 2005, Aker will repay all its bank loans, and as part of a possible dividend payment, an offer will be extended to AKE16 bond holders to redeem their bonds (see below). Upon completion of these transactions, the company will be net debt free.

Allocation of profit for the year

The 2004 profit and loss account of the parent company Aker ASA shows an ordinary net profit of NOK -448 million. The company's unrestricted equity that may be applied to dividend payments amounted to NOK 2 683 million as of 31 December 2004.

Following a review of the company's financial status, the Board of Directors is of the opinion that Aker ASA is capable of paying dividends to company shareholders in the form of shares in Kværner ASA. Aker owns 21.7 percent of Kværner ASA shares; the Aker ASA Board will propose to the company's annual shareholders' meeting that the company's entire Kværner ASA shareholding be distributed as dividends for the 2004 accounting year.

Based on the current price of Kværner shares, the dividend disbursement will have a total value of NOK 516 million, corresponding to about NOK 6.70 per Aker share. The proposed dividend will provide dividend income for Aker shareholders while simplifying corporate structures, by eliminating the cross ownership between Aker and Kværner.

A dividend payment as proposed by the Board of Directors will trigger an offer to redeem outstanding bonds, pursuant to the loan agreement for Aker's AKE16 listed bond loan. Bonds with a total face value of NOK 805 million have been issued. Of this amount, NOK 358.5 million is held by parties other than Aker. A redemption tender will be made if the Board's proposal to pay the aforesaid dividend is adopted by Aker's annual shareholders' meeting.

Health, safety, the environment, and community relations

Aker's goal is to be perceived as the preferred partner for its employees and business associates, and a respected corporate citizen. Over time, profitability is vital to achieving this goal.

Aker will be recognized for what Group companies and their employees deliver in terms of services, products, and profits. However, the manner in which we deliver what is asked of us is equally important. Long-term and mutually beneficial relationships with individuals, organizations, and society at large generate lasting value.

The companies that comprise the Aker Group had a total of 35 816 employees at year-end 2004, 12 200 of whom worked in Norway, 12 000 in EU member states, and 4 200 in North America, primarily in the United States.

A common feature of most Group activities in recent years is that deliveries demand significantly higher levels of

The 31 March 2005 annual shareholders' meeting of Aker ASA decided to reduce the dividend proposed by the company's board of directors for the 2004 accounting year to NOK 0. Aker ASA's 2004 accounts and notes to the accounts have been adjusted accordingly.

expertise. Also, the participation of partners and subcontractors is increasingly important to project execution, which often takes place at facilities that are geographically distant from the Group's own production sites.

Consequently, it is important that Aker Group companies attract and retain employees, and enrich their know-how via challenging work assignments and systematic development. Aker Kværner, the Group company with the greatest number of employees, has established regular follow-up procedures for employees, and special management development programs. Similar initiatives are being implemented at Aker Yards and other Group companies.

Aker considers diversity a positive contribution to any organization. Accordingly, the Group wishes to be an attractive workplace for both women and men, regardless of ethnic origin, cultural background, religion, political persuasion, or age.

In Norway, gender equality is a key issue. Group companies actively participate in an initiative entitled Female Future, established by the Norwegian Confederation of Business and Industry. The initiative seeks to increase the number of female members on boards of directors of stock-exchange listed companies and the number of females among their top management. As the majority shareholder in Aker Kværner and Aker Yards, Aker has communicated to those companies' nomination committees that it seeks to meet public authorities' goals for female representation in stock-exchange listed companies.

Two of six shareholder-elected Aker board members are female. The four board members elected by and among employees are men. There are no women in Aker's Group management.

Employee health and the working environment are major areas of concern and the object of significant attention throughout the Group. In some industries excellent health, safety, and environmental performance constitutes a key competitive advantage. The sick leave rate among Aker Group employees in 2004 was 3.5 percent in 2004, a decrease from 4.6 percent in 2003. The frequency of lost-time injuries (the number of injuries that resulted in lost working time per million working hours) was 5.1 in 2004, compared with 8.1 in 2003. There were 4 work-related accidents with fatalities in 2004 and so far this year.

The parent company's activities do not have any detrimental environmental effects. Regular operations of individual Aker Group companies do not emit significant harmful substances into the environment. No accidental emissions to the environment were reported in 2004.

Corporate governance

Good corporate governance, that is, proper board conduct and company management, are key to Aker's efforts to build and sustain trust. The Aker Group is committed to maintaining an appropriate division of responsibilities between the company's governing bodies, its board of directors, and management.

Aker has compared the new Norwegian recommendations on corporate governance for listed companies, which were published in December 2004, with the Group's own corporate governance procedures and practice. The findings show that, by and large, the two sets of guidelines are in agreement. There are some differences, which are presented on page 7 of this report. The Board regards these differences as of minor importance.

Through TRG Holding, Kjell Inge Røkke owns 67.8 percent of Aker Class A voting-rights shares. Mr. Røkke is Board Chairman of Aker ASA. He contributes actively to the development of the Group. Proximity to such proactive ownership is deemed important to value creation by the Aker Group and fully accords with good corporate governance.

The company's nomination committee, board chairman, and shareholder-elected directors are elected by the company's annual shareholder meeting. Members of the board of directors and Group management are presented on the company's web pages and in the printed version of Aker's annual report.

In elections, Aker employees appoint four representatives to Aker ASA's board of directors. Three of these representatives have their day-to-day work at Aker Kværner and one works for Aker Seafoods.

Internal control at Aker ASA takes place via detailed budget follow-up; regular, thorough cost control; and procedures for certifying payments.

KPMG is the company's independent auditor. Fees for regular audit services and other audit services are detailed in the notes to the parent company and group accounts.

Oslo, 24 February 2005
Board of Directors Aker ASA

Kjell Inge Røkke *(Sign.)* *(Board Chairman)*	Lone Fønss Schrøder *(Sign.)* *(Deputy Chairman)*	Bjørn Flatgård *(Sign.)* *(Director)*	Eva von Hirsch *(Sign.)* *(Director)*
Kjeld Rimberg *(Sign.)* *(Director)*	Kjell A. Storeide *(Sign.)* *(Director)*	Atle Tranøy *(Sign.)* *(Director)*	Stein Aamdal *(Sign.)* *(Director)*
Bjarne Kristiansen *(Sign.)* *(Director)*	Harald Magne Bjørnsen *(Sign.)* *(Director)*	Leif-Arne Langøy *(Sign.)* *(President and CEO)*	

ACCOUNTS AND BOARD OF DIRECTORS' REPORT

Aker ASA Group, Profit and Loss Account

Accounts 2002[1]	Accounts 2003[1]	Accounts 2004[1]	*Amounts in NOK million*	Note	2004[2]	Proforma[1] 2003[2]
14 837	**13 809**	**43 306**	**Operating revenues**	4,5	**51 694**	**51 458**
-10 041	-8 610	-25 297	Cost of goods and changes in inventory	19, 6	-29 652	-29 837
-3 044	-3 135	-11 050	Wages and other personnel expenses	26, 6	-13 878	-14 770
-1 522	-1 261	-4 943	Other operating expenses	6	-5 798	-4 244
230	**803**	**2 016**	**Operating profit before depreciation and amortization**		**2 366**	**2 607**
396	-376	-675	Depreciation	14	-775	-836
-163	-117	-408	Amortization	13	-517	-530
1 248	-32	-325	Exceptional operating items	7	-325	-484
919	**278**	**608**	**Operating profit**	4	**749**	**757**
479	-448	11	Share of earnings in associated companies	8	19	-9
-228	-956	-773	Net financial items	9	-693	-1 136
-308	122	0	Exceptional financial items	10	0	122
862	**-1 004**	**-154**	**Profit before tax**	4	**75**	**-266**
-308	75	-440	Tax	12	-505	19
554	**-929**	**-594**	**Net profit**		**-430**	**-247**
-34	-8	89	Minority interest	11	132	36
588	**-921**	**-683**	**Majority interest**		**-562**	**-283**
		76 971 875	Average number of shares [3]		76 971 875	76 971 875
		-8,87	Earnings per share [4]		-7,30	-3,68
		-8,87	Diluted earnings per share [5]		-7,30	-3,68

1) Accounts 2002 and 2004 shows the accounts for former Aker RGI Holding Group, which are continued in Aker Group ASA (see note 3).

2) 2003 and 2004 are Proforma, as the Aker ASA group was formed 1 January 2003. (see note 3)

3) For comparison purposes is the earnings per share for the proforma period calculated by using average number of shares for the period May to December 2004.

4) Majority interest / average number of shares

5) There was no potentially dilutive securities outstanding as of 31 December 2004.

Aker ASA Group, Balance Sheet of 31 December

Accounts 2002[1)]	Accounts 2003[1)]	Accounts 2004[1)]	*Amounts in NOK million*	Note	Proforma[2)] 2003
			ASSETS		
1 626	1 605	8 480	Intangible assets	13	8 585
3 070	3 508	5 494	Property, plant and equipment	14	5 675
4 696	**5 113**	**13 974**	**Total intangible and tangible fixed assets**		**14 260**
3 986	3 896	773	Financial interest-bearing fixed assets	15	542
327	252	226	Financial interest-free fixed assets	16	358
3 907	2 973	811	Shares and other equity investments	17	800
8 220	**7 121**	**1 810**	**Total financial fixed assets**		**1 700**
12 916	**12 234**	**15 784**	**Total fixed assets**	4	**15 960**
5 890	5 808	14 476	Current operating assets	18,19	16 905
78	114	168	Interest-bearing short-term receivables	21	114
1 652	971	8 072	Cash and bank deposits	22	8 384
7 620	**6 893**	**22 716**	**Total current assets**		**25 403**
20 536	**19 127**	**38 500**	**Total assets**		**41 363**
			SHAREHOLDERS' EQUITY AND LIABILITIES		
2 137	2 205	7 807	Paid-in capital		7 807
4 685	3 823	-2 167	Retained earnings		-1 075
6 822	**6 028**	**5 640**	**Total shareholders' equity**	23	**6 732**
58	256	2 562	Minority interests	24	2 515
6 880	**6 284**	**8 202**	**Total shareholders' equity and minority interest**		**9 247**
611	601	1 325	Deferred tax liabilites and provisions	25,26	1 261
0	0	645	Other interest-free long-term liabilities	27	277
0	0	3 826	Subordinated debt	28	3 946
5 065	4 139	7 434	Interest-bearing long-term debt	29	7 261
5 676	**4 740**	**13 230**	**Total long-term liabilities**		**12 745**
3 870	3 582	16 182	Current operating liabilites	18,20	14 844
3 930	4 521	886	Interest-bearing short-term debt	30	4 527
7 800	**8 103**	**17 068**	**Total current liabilites**		**19 371**
20 356	**19 127**	**38 500**	**Total shareholders' equity and liabilities**		**41 363**

Oslo, 31 March 2005
Board of Directors Aker ASA

Kjell Inge Røkke *(Sign.)*
(Board Chairman)

Lone Fønss Schrøder *(Sign.)*
(Deputy Chairman)

Bjørn Flatgård *(Sign.)*
(Director)

Eva von Hirsch *(Sign.)*
(Director)

Kjeld Rimberg *(Sign.)*
(Director)

Kjell A. Storeide *(Sign.)*
(Director)

Atle Tranøy *(Sign.)*
(Director)

Stein Aamdal *(Sign.)*
(Director)

Bjarne Kristiansen *(Sign.)*
(Director)

Harald Magne Bjørnsen *(Sign.)*
(Director)

Leif-Arne Langøy *(Sign.)*
(President and CEO)

ACCOUNTS AND BOARD OF DIRECTORS' REPORT

Aker ASA Group, Cash Flow Statement

Accounts 2002	Accounts 2003	Accounts 2004	*Amounts in NOK million*	Note	Proforma 2004	Proforma 2003
862	-1 004	-154	Profit before tax		75	-266
-940	-59	91	Sales losses/gains (-) and write-downs		259	-22
-	-52	-503	Unrealized foreign exchange gain/loss and other non cash items		-658	-52
559	493	1 083	Depreciation and amortization	4	1 292	1 366
-479	448	-11	Share of earnings in associated companies	8	-19	9
-	-	-	Dividend received from associated companies		-	-
-103	-74	-169	Taxes paid		-201	-222
236	-310	4 224	Changes in other net operating assets		4 160	1 127
135	**-558**	**4 561**	**Net cash flow from operating activities**		**4 907**	**1 940**
-669	-360	-670	Investment in tangible fixed assets	13,14	-777	-832
			Payment for purchase of shares and equity			
-1 924	-22	-378	Investments in other companies	17	-424	338
64	91	277	Proceeds from sales of tangible fixed assets		319	91
1 015	464	177	Proceeds from sale of shares and other equity investments		177	464
		7 142	Effect of combining of businesses/merger			
-642	165	-145	Net cash flow from other investments		-287	179
-2 156	**338**	**6 403**	**Net cash flow from investing activities**		**-992**	**240**
2 804	601	3 467	Proceeds from issuance of long-term interest-bearing debt	29	3 572	601
-3 398	-1 530	-2 750	Repayment of long-term interest-bearing debt	29	-3 565	-1 996
1 802	430	-4 161	Change in short-term interest-bearing debt		-3 589	-335
-451	-14	-31	Dividends paid		-343	-311
757	**-513**	**-3 504**	**Net cash flow from financing activities**		**-3 925**	**-2 041**
-1 264	**-733**	**7 460**	**Net change in cash and cash equivalents**		**10**	**139**
-63	52	-359	Effects of changes in exchange rates on cash		-302	439
2 979	1 652	971	Cash and cash equivalents as of 1 January		8 384	7 806
1 652	**971**	**8 072**	**Cash and cash equivalents as of 31 December**	22	**8 072**	**8 384**

Note 1: Description of significant accounting principles and general notes

General principles

The accounts of Aker are presented in conformity with the Norwegian legislation and generally accepted accounting principles in Norway.

The consolidated financial statement comprises the profit and loss account, the balance sheet, the cash flow statement, and notes to the account.The figures presented in the notes, include the Aker ASA Group (Aker RGI Holding) for the period 2002 through 2004. Also a pro forma accounts have been prepared for 2003 and 2004, as if the present Aker ASA Group had been established on 1 January 2003.

Consolidation principles

Consolidated accounts

The consolidated accounts for Aker include Aker ASA and all subsidiaries in which Aker, directly or indirectly, has a controlling interest. Companies acquired/sold during the accounting year have been consolidated in the profit and loss account from/to the time of acquisition/sale.

Foreign subsidiaries and associated companies are brought into agreement on consolidation in accordance with the Group's accounting principles.

Elimination of internal transactions and accounts

The consolidated accounts are prepared treating the Group as a single entity. As a result, all significant Group inter-company transactions and balances are eliminated.

Investments in subsidiaries

For acquisitions of subsidiary companies, the acquisition cost price of the shares in the parent company accounts is offset against the equity in the subsidiary at the time of acquisition. Any excess/-under payment is apportioned among the tangible and intangible assets and liabilities it relates to. Excess amounts are entered gross with a provision for deferred tax liabilities. Excess amounts paid that cannot be allocated to assets are capitalized as goodwill, and depreciated over the expected lifetime of the assets. In the parent companies accounts investment in shares value at costprice.

Translation of accounts of foreign subsidiaries into NOK

On translation of foreign subsidiaries' accounts from foreign currencies into Norwegian kroner, balance sheet items are translated at the currency rates as of the end of the accounting period, and profit and loss account items are translated at the average currency exchange rate for the accounting year.

General principles

The accounts are based on the fundamental principles governing transaction, comparability, going concern, congruence, and prudence. Transactions are recorded to accounts at settlement value at the time of the transaction. Hedging and portfolio management are taken into account.

If actual figures are not available at the time of the closing of the accounts, generally accepted accounting principles require management to make estimates and assumptions that affect the profit and loss account as well as the balance sheet. Actual results could differ from these estimates.

Income is recognized at the time of delivery of goods sold and at the time of performance of services provided on an hourly basis. In the case of long-term, fixed-price contracts, a portion of the expected profit, computed by reference to the degree of completion, is included as income.

Costs are grouped and expensed at the same time as the income to which the costs relate is realized. Costs that cannot be directly related to income are expensed as they are incurred. All costs related to restructured and discontinued activities are expensed at the time restructuring or discontinuance is decided upon.

Assets related to current business activities are classified as current assets. The same rule is applied for short-term debt. Receivables and debt that are not related to current business activities are classified as current assets/liabilities if payable within one year of the closing date of the accounts. Shares that are not considered permanent investments are recorded as current assets.

Other assets are classified as fixed assets and other debt is classified as long-term debt.

Closely related parties

Aker Yards has undertaken transactions with closely related parties during the past accounting year. Parties are classified as "closely related" if one party is able to influence the decisions of the other party. The transactions have taken place at arm's length.

Valuation and classification principles

Projects

The Group's business activities mainly involve deliveries of products and services under contract to customers. Work in progress relating to long-term contracts is recognized using the percentage of completion method, based primarily on contract costs incurred to date, compared to estimated overall contract costs.

If the final outcome of a contract cannot be estimated reliably, contract profit is recognized only to the extent costs incurred are expected to be recovered. Any projected losses on future work done under existing contracts, are expensed and classified as accrued costs/provisions in the balance sheet under short term debt. Losses on contracts are recognized in full when identified. Recognized contract profit includes profit derived from change orders and disputed amounts when, in management's assessment, realization is probable and reasonable estimates can be made.

Project costs include costs directly related to the specific contract and indirect costs attributable to the contract.

Bidding costs are capitalized when it is likely that the company will be awarded the project. All other bidding costs are expensed as they occur. Revenues and costs associated with construction project financing are included in project profit and loss.

Project revenue is classified as operating revenue in the profit and loss account. Work in progress is classified as short-term receivables in the balance sheet. Advances from customers are deducted from the value of work in progress of the contract involved or, to the extent they exceed this value, recorded as customer advances. Customer advances that exceed said contract offsets are classified as short term debt.

Inventories

Inventories of raw materials and materials used in operations are stated at the lower of purchase cost or fair value. Finished

ACCOUNTS AND BOARD OF DIRECTORS' REPORT

products and semi-finished goods are valued at full manufacturing cost. The valuation includes purchase costs, plus direct and indirect costs of production, including a proportionate share of fixed production costs estimated initially at normal production capacity.

Fixed assets
Fixed assets are entered in the accounts at historical cost, less ordinary depreciation. If the residual value of the fixed asset is lower than its balance sheet value, the asset is written down to its residual value. The residual value of an asset is the higher of its net sales value or its value in use. The value in use is the present value of the future cash flow the asset will generate. If there is a decline in value that is not of a temporary nature, fixed assets are written down. Write-downs are reversed to the extent the impairment no longer exists.

Maintenance
As a general rule, all maintenance costs are expensed as they occur. Upgrading or replacement of operating assets is considered an investment, and capitalized.

Research and development
In general, research and development costs are expensed as they are incurred or treated as part of project expenses.

Environmental investments
Costs related to measures to improve the internal or external environment are expensed as they are incurred, unless the measures have a positive impact on productivity.

Leasing
Property, plant, and equipment leased on terms that largely transfer the financial rights and obligations to the company (financial leasing) are classified as property, plant, and equipment, and included as an obligation under interest-bearing debt at the present value of the minimum leasing cost.

Operational leasing is recorded to cost as regular leasing cost and classified as ordinary operating expenses.

Depreciation
The Group's ordinary depreciation calculations are based on assessments of the economic and technical lifetime of operating assets. Straight-line depreciation is based on the expected lifetime of operating assets, ignoring any residual value. Similar principles are used in calculations for intangible assets. Financial leases recorded in the balance sheet are amortized according to the lease schedule, and the associated liability is reduced by the amount of leasing costs paid, after deduction of calculated interest expenses.

Assets and liabilities in foreign currencies
Cash, short-term receivables, and short-term debt are valued at the exchange rate at the balance sheet date.

Receivables and/or liabilities covered by binding forward foreign exchange contracts in the same currency (forward contracts) are translated on the basis of the agreed forward rate.

Foreign currency financial instruments hedging firm commitments are accounted for as hedges. Gains or losses on such instruments are deferred and included in the measurement of the hedged transaction.

If it is believed that there is insufficient risk offset, hedging transactions are not treated as hedges for accounting purposes, and any unrealized losses are recorded to costs. Hedging transactions of future cash flows not governed by agreements are treated as hedges for accounting purposes to the extent it is believed that realization of these cash flows is reasonably assured.

Pension expenses
Pension liabilities related to defined benefit plans are valued at the present value of future pension benefits earned at the balance sheet date, and calculated on the basis of assumptions as to number of service years, discount rate, future yield on pension assets, expected future wage growth, and pension adjustments, as well as actuarial assumptions on mortality, voluntary resignations, and so forth.

Pension funds are valued at market value. Net pension obligations on under-financed contracts are capitalized as long-term, interest-free liabilities, while the net value of over-funded contracts is presented as a long-term interest-free receivable if it is likely that over-funding will produce a benefit. The net pension cost, which is the gross pension cost less the estimated return on pension funds, adjusted for the allocated effect of changes in estimates and pension plans, is included in the item Wages, salaries and other personnel expenses.

Changes in pension liabilities resulting from changes in pension plans are distributed over the expected remaining period of service. Changes in pension liabilities and pension assets attributable to changes or deviations in estimates are distributed over the estimated average remaining period of service if the deviations at the beginning of the year exceed 10 percent of the higher of gross pension liabilities or pension assets.

In the case of pension plans defined for accounting purposes as contribution plans, pension costs are expensed as the accounting period's pension expenses are incurred.

Deferred tax and deferred tax benefit
The deferred tax provision in the balance sheet reflects timing differences between book and tax values. In calculating deferred tax liabilities, the tax rate and tax rules on the balance sheet date and non-downward discounted amounts are applied. Calculations of deferred tax benefits are based on tax-reducing timing differences and loss carry-forward amounts and the probability of future taxable profits in the various taxation regimes in which the Group has activities.

The profit and loss account presents tax expenses as the sum total of taxes payable and deferred tax. Deferred tax is the change in net deferred tax liabilities from one accounting period to another, adjusted for currency fluctuations and change in deferred tax benefit/liabilities associated with corporate acquisitions.

Extraordinary items and exceptional items
Income and expenses that are material in a Group context, and that relate to transactions outside the Group's ordinary activities, or are due to an unusual business risk and, in addition, are not expected to occur regularly, a re classified as extraordinary items.

Other material items that do not occur regularly are classified as exceptional operating or financial items. Large losses on sales, as well as write-downs, restructuring costs and similar items, are thus classified as exceptional items in the profit and loss account. Significant gains on the sale of fixed assets are classified as exceptional operating revenues.

Contingent events and uncertain obligations
Uncertain obligations are included in the accounts if it is more

likely than not that they will come to settlement. The best estimate is used in calculating settlement values.

CASH AND CASH EQUIVALENTS
The item Cash and cash equivalents comprises cash, bank deposits, and placements that mature no later than three months after the investment was made.

Cash flow statement
The indirect method is used in preparing the cash flow statement. Cash flows from investment and financing activities are presented gross; the accounting profit is reconciled with net cash flow from operating activities.

SIGNIFICANT ACQUISITIONS AND DIVESTITURES OF BUSINESSES

2004
31 December 2004 Aker Kværner Metals Inc, a wholly owned subsidiary of Aker Kværner ASA purchased the metals division of Kværner US Inc, a wholly-owned subsidiary of Kværner ASA for a consideration of approximately USD 8.1 million. Goodwill of USD 7,1 million arose from the transaction.

Aker Kværner AS, a subsidiary of Aker Kværner ASA, has purchased the Ellayess business from Kværner E&C Plc, a wholly-owned subsidiary of Kværner ASA, for a total consideration of NOK 284 million, subject to certain adjustments e.g. changes in work capital. Goodwill of NOK 136 million has arisen on acquisition of Ellayess. Also, NOK 32 million is payable from Aker Kværner ASA to Kværner ASA in connection with the acquisition.

All assets of Legend Properties were sold in July 2004, resulting in the release of approximately NOK 300 million in funds to Aker RGI Holding.

Aker Seafoods has during 2004 invested NOK 30 million in i Lofoten Trål and Nord Norsk Sjømat.

In February Aker Material Handling sold the business of Redirack Ltd for approximately GBP 2,5 million. In April Aker Material Handling sold the shares in Constructor Finland OY for approximately EUR 7 million.

Please see Note 3 for other details on changes in Group composition in 2004.

2003
In 2003, the Aker RGI subsidiary Dexion Group Ltd completed a series of measures to free up capital. In May 2003, three of Dexion's UK subsidiaries went into bankruptcy; the bankruptcy trustee appointed by the company's creditors has worked to close down UK production and sales activities. Also in 2003, Dexion companies in the USA, Australia, and Asia were sold, as were some smaller-sized niche companies in France, Belgium, and the UK.

In January 2003, the Aker Yards' subsidiary, Aker Brevik, acquired 70 percent of the Romanian shipyard Aker Braila (formerly SANAB).

In January 2003, the agreement to merge the two German shipyards – Aker MTW, owned by Aker Yards, and Kværner Warnow, owned by Aker Kværner – went into effect. The new company, called Aker Ostsee, is owned 60 percent by Aker Yards and 40 percent by Aker Kværner.

Aker RGI sold Aker Energy to the petroleum company OER Oil in November 2003. Aker Energy holds a 49 percent stake in PL270, block 35/3 in the North Sea.

In November 2003, Aker RGI sold its entire interest in Avantor ASA, a Norwegian listed real estate company. The 7 757 832 shares in Avantor of which Aker RGI divested itself represent 39.9 percent of Avantor's share capital.

2002
Aker RGI carried out a voluntary offer to buy out Aker Maritime's other shareholders in December 2001. Tender acceptances, additional share purchases before year-end, and options gave Aker RGI a total exposure of 75.09% of the shares in Aker Maritime at year-end 2001, plus options at various exercise prices for another 16.00% (9 073 850 shares) of Aker Maritime's share capital. On 13 February 2002, Aker RGI decided to exercise its call options for Aker Maritime shares. Following exercise of the options, Aker RGI owned 53 971 496 shares in Aker Maritime, which corresponds to 95.16% of the company's shares, and the same proportion of voting power at Aker Maritime shareholders' meetings. In its 14 February 2002 board meeting, Aker RGI's board of directors decided to forcibly redeem all other Aker Maritime shareholders on 15 February 2002. The per-share redemption price was set at NOK 72, corresponding to the cash value at the time of redemption, for settlement under the December voluntary offer and later acquisitions. The redemption made Aker RGI the sole owner of Aker Maritime. Upon application to the Oslo Stock Exchange, Aker Maritime was delisted; the final day of listing was 18 February 2002.

In 2001, Aker RGI was heavily engaged in strategic work related to the former Aker Maritime's investment in Kværner ASA. When Kværner reported in 2001 that it was experiencing major financial problems, Aker Maritime, Kværner's board of directors, and Kværner's creditors agreed on a rescue plan for Kværner. The pivotal component of the rescue plan was uniting Aker Maritime's core business activities with Kværner's Oil & Gas division. That merger was completed in March 2002. At year-end 2002, Aker RGI had a 49.9% share interest in Aker Kværner.

In October 2002, Norway Seafoods sold the last of its ownership interests in American Seafoods LP for USD 29.3 million.

In October 2002, Aker RGI acquired Orkla ASA's stake in Norway Seafoods Holding AS, and became the sole owner of Norway Seafoods. As part of the settlement, Orkla received Norway Seafoods' 15% ownership in Findus AB.

ACCOUNTS AND BOARD OF DIRECTORS' REPORT

Note 2: Transition to International Financial Reporting Standards (IFRS)

As of 1 January 2005, Aker ASA's consolidated accounts will be prepared according to IFRS, standards approved by the EU. The first financial report to be prepared according to IFRS is the first-quarter 2005 report.

IFRS conversion
An IFRS conversion project has been underway at Aker since the spring of 2004. The project will be completed in the first quarter of 2005 as part of first-quarter 2005 reporting.

For Aker, the introduction of IFRS will have the greatest impact in the following areas:

Financial instruments
IFRS features more comprehensive rules governing the treatment of financial instruments than has been the practice in Norway. IFRS rules have been undergoing continuous modification and there are several differences between Norwegian accounting practices and IFRS. For Aker, the main difference is that IFRS has stricter requirements than N GAAP for hedging valuation of foreign currency positions.

Goodwill
Under IFRS, goodwill is not amortized, but is subject to annual impairment testing. At the transition to IFRS, goodwill will be recorded at its value as of 1 January 2004 (reversal of 2004 amortization) and subjected to impairment testing.

Allocation of added value at acquisitions
IFRS features stricter rules than N GAAP as to allocation of excess/under value at business acquisitions. Among the effects: some restructuring allocations made under N GAAP may not be continued under IFRS.

Pensions
In general, pension cost accounting is among those areas in which there are significant differences between IFRS and N GAAP. The most important issue for Aker in this area is the transition according to IFRS 1 that in practice allows for unamortized estimate deviations to be offset against equity at the time the IFRS opening balance is established. An assessment is underway to establish how Aker pension plans for employees in Finland are to be treated under IFRS. This assessment has not yet been completed.

Note 3: Changes in the composition of the Aker ASA Group and pro forma information

Change in composition of the Aker ASA Group
The Aker RGI Holding Group (Aker RGI) acquired control of Kværner for accounting purposes through a merger of Aker Yards AS and a Kværner ASA subsidiary (Aker Kværner Investments AS), with payment to Aker Yards AS shareholders in Kværner shares. Through this transaction, Aker RGI increased its ownership interest in Kværner ASA from 49.9 percent to 59.6 percent, making Kværner ASA a subsidiary of the Aker RGI Group. However, Kværner was not consolidated,since it was already decided that Kværner ASA should be in temporary ownership. Assets and liabilities related to Aker Yards and 49.9 percent of Aker Maritime's oil- and gas-related activities (merged with Kværner's oil and gas activities in 2002) are continued at the Aker RGI's original book value in the accounts of the Aker ASA Group. Aker ASA group is established with effect from 1 April 2004 for accounting purposes.
The merger between Aker RGI Holding and Kværner Holding is recorded in the accounts as a merger of jointly controlled companies (merger of parent and sub-subsidiary). Thus, assets and liabilities are presented using the group values of the consolidated Aker ASA Group. A dividend payment by Kværner ASA to its shareholders of all its Aker Class A shares was distributed to Kværner shareholders. Kværner ASA holds 49 percent of Aker ASA share capital through its holding of Class B shares, which are without voting rights. Thus, Kværner ASA is not part of the Aker ASA Group.

Pro forma information
The official audited 2004 accounts present the profit and loss account beginning with the 1 April 2004 establishment dates for new units, and beginning with 1 January for companies formerly owned directly or indirectly by Aker RGI Holding AS. To present comparable financial information, pro forma accounts for 2003 and 2004 have been prepared as if the establishment took place for accounting purposes as of 1 January 2003 (pro forma profit and loss account, balance sheet, and notes to the accounts).

These pro forma financial statements are provided for informational purposes only and are not necessarily indicative of actual results that would have been achieved had the transactions and assumptions described taken place during the periods presented.

The main assumptions for the pro forma financial statements presented are stated below.

The Aker Kværner pro forma financial statements has considered the re-capitalisation (consisting of debt and equity) of the group completed at 1 April 2004. Issuance of new shares amounts to approximately NOK 2 billion.

The Aker Yards pro forma financial statements consider the combining of Kværner and Aker RGI Holding shipbuilding activities as per 31 March 2004.

Further, an extraordinary dividend paid to Aker RGI AS of NOK 3.5 billion from Aker RGI Holding AS prior to the merger and exchange of Kværner shares to Aker Yards and Aker Kværner shares in April/May 2004 are reflected in the pro forma figures for all reporting periods

The July 2004 refinancing of Aker ASA is reflected in the pro forma profit and loss accounts as of 1 January 2004. Thus, interest expenses have been reduced by NOK 146 million in the pro forma accounts, the tax effect is considered.

Aker ASA's purchase price beyond book value is allocated to goodwill and shares.

The pro forma figures apply a 20-year amortization period for goodwill. Accordingly, goodwill amortization of NOK 39 million was charged to the 2003 pro forma profit and loss account. For the first three months of 2004, pro forma goodwill amortization amounted to NOK 10 million. The amortization period of 20 years is based on an expectation of a financial lifetime of at least 20 years for the goodwill acquired by the Group.

Note 4: Segment information

Segment information is based on present group structure and is distributed as follows (see note 5 for operating revenues based on customer location):

Accounts 2004

Amounts in NOK million	Operating revenues	Operating profit bef. depr./amort.	Depr. and amortization	Operating profit	Profit before tax	Order[3] intake	Order[3] backlog	Capital expenditure	Fixed assets	Net operating assets[2]
Aker Kværner	27 838	1 077	-463	614	288	39 453	35 920	340	6 249	-1 084
Aker Yards 1)	11 841	776	-333	270	237	17 283	23 366	240	3 915	-637
Aker Seafoods	1 835	109	-146	-37	-123	-	-	62	2 748	113
Aker Material Handling	1 298	15	-66	-131	-292	1 401	265	16	657	-4
Other investments	484	40	-7	29	20	275	144	12	540	-70
Aker ASA, other holding companies and eliminations	10	-1	-68	-137	-284	-	-	-	1 675	139
Aker ASA Group	**43 306**	**2 016**	**-1 083**	**608**	**-154**	**58 412**	**59 695**	**670**	**15 784**	**-1 543**

1) Profit and loss figures from 1 January to 31 March as in Aker RGI Holding AS Group and profit and loss figures from 1 April 2004 as in Aker Yards ASA.

Accounts 2003

Amounts in NOK million	Operating revenues	Operating profit bef. depr./amort.	Depr. and amortization	Operating profit	Profit before tax	Order[3] intake	Order[3] backlog	Capital expenditure	Fixed assets	Net operating assets[2]
Aker Yards	9 713	801	-195	606	547	8 500	10 900	190	2 144	1 851
Aker Seafoods	1 523	74	-123	-49	-43	-	-	51	1 979	445
Aker Material Handling	1 981	5	-97	-110	-357	1 953	237	41	668	-135
Other investments	593	-45	-398	-104	-231	376	95	57	374	35
Aker RGI Holding AS, other holding companies and eliminations	-1	-32	320	-65	-920	-	-	21	7 069	141
Aker RGI Holding AS Group	**13 809**	**803**	**-493**	**278**	**-1 004**	**10 829**	**11 232**	**360**	**12 234**	**2 337**

Accounts 2002

Amounts in NOK million	Operating revenues	Operating profit bef. depr./amort.	Depr. and amortization	Operating profit	Profit before tax	Order[3] intake	Order[3] backlog	Capital expenditure	Fixed assets	Net operating assets[2]
Aker Yards	9 448	617	-140	477	373	6 000	8 900	185	1 442	1 694
Aker Seafoods	1 596	98	-143	-45	303	-	-	227	2 124	388
Aker Material Handling	2 528	-241	-145	-701	-945	2 431	500	120	1 024	-87
Other investments	1 266	-8	-117	-210	161	339	199	116	560	-64
Aker RGI Holding AS, other holding companies and eliminations	-1	-236	-14	1 398	970	-	-	21	7 766	334
Aker RGI Holding AS Group	**14 837**	**230**	**-559**	**919**	**862**	**8 770**	**9 599**	**669**	**12 916**	**2 265**

ACCOUNTS AND BOARD OF DIRECTORS' REPORT

Proforma 2004

Amounts in NOK million	Operating revenues	Operating profit bef. depr./amort.	Depr. and amortization	Operating profit	Profit before tax	Order[3] intake	Order[3] backlog	Capital expenditure	Fixed assets	Net operating assets[2]
Aker Kværner	35 553	1 401	-626	775	379	41 582	35 920	418	6 249	-1 084
Aker Yards	12 514	802	-371	258	236	17 283	23 366	269	3 915	-637
Aker Seafoods	1 835	109	-146	-37	-123	-	-	62	2 748	113
Aker Material Handling	1 298	15	-66	-131	-292	1 401	265	16	657	-4
Other investments	484	40	-7	29	20	275	144	12	540	-70
Aker ASA, other holding companies and eliminations	10	-1	-76	-145	-145	-	-	-	1 675	139
Aker ASA Group	**51 694**	**2 366**	**-1 292**	**749**	**75**	**60 541**	**59 695**	**777**	**15 784**	**-1 543**

Proforma 2003

Amounts in NOK million	Operating revenues	Operating profit bef. depr./amort.	Depr. and amortization	Operating profit	Profit before tax	Order[3] intake	Order[3] backlog	Capital expenditure	Fixed assets	Net operating assets[2]
Aker Kværner	31 327	1 003	-648	-97	-338	36 902	31 491	427	6 291	-190
Aker Yards	15 865	1 610	-379	1 231	1 157	13 960	18 246	235	4 246	1 622
Aker Seafoods	1 523	74	-123	-49	-43	-	-	51	1 979	445
Aker Material Handling	1 981	5	-97	-110	-357	1 953	237	41	668	-135
Other investments	593	-45	-398	-104	-231	376	95	57	374	35
Aker ASA, other holding companies and eliminations	169	-40	279	-114	-454	-	-	21	2 402	488
Aker ASA Group	**51 458**	**2 607**	**-1 366**	**757**	**-266**	**53 191**	**50 069**	**832**	**15 960**	**2 265**

2) See note 18 to 20

3) Unaudited

PROFIT AND LOSS ACCOUNT

NOTE 5: OPERATING REVENUES

Operating revenues based on customer location, presented for Norway and abroad, are shown below (operating revenues according to segments are detailed in note 4).

Accounts 2002	Accounts 2003	Accounts 2004	*Amounts in NOK million*	Proforma 2004	Proforma 2003
3 558	2 756	8 462	Operating revenues Norway	9 870	16 303
11 273	11 035	34 792	Operating revenues outside Norway	41 772	35 137
6	18	52	Sales gains	52	18
14 837	**13 809**	**43 306**	**Operating revenues**	**51 694**	**51 458**
			Operating revenues outside Norway by geographic region were as follows:		
7 424	8 095	16 390	EU	19 365	16 008
594	831	3 561	Asia	4 365	10 421
1 475	1 127	8 864	America/Canada	10 605	4 499
1 780	982	5 977	Other areas	7 437	4 209
11 273	**11 035**	**34 792**	**Operating revenues outside Norway**	**41 772**	**35 137**

NOTE 6: OPERATING EXPENSES

Operating expenses, excluding ordinary depreciation and exceptional operating items, consist of the following:

Accounts 2002	Accounts 2003	Accounts 2004	*Amounts in NOK million*	Proforma 2004	Proforma 2003
10 041	**8 610**	**25 297**	**Total goods purchased and changes in inventories**	**29 652**	**29 837**
3 044	**3 135**	**11 050**	**Wages and other personnel expenses**	**13 878**	**14 770**
24	20	103	Research and development	131	120
88	52	635	Rent and leasing expenses	802	714
1 410	1 189	4 206	Other operating expenses	4 865	3 410
1 522	**1 261**	**4 943**	**Total other operating expenses**	**5 798**	**4 244**
14 607	**13 006**	**41 290**	**Total**	**49 328**	**48 851**
14 831	13 791	43 254	Operating revenues excluding sales gain	51 642	51 440
98 %	94 %	95 %	Operating expenses as a percent of operating revenues	96 %	95 %

In Accounts 2004 the amounts are NOK 35.6 million for ordinary services and NOK 17.3 million for other services. Payments/fees to auditors for the Aker ASA Group are included in Other operating expenses, proforma figures for 2004 and 2003 are shown below.

Amounts in NOK thousands	Ordinary auditing	Other auditor services	Proforma 2004	Proforma 2003
Aker ASA	4 830	530	5 360	-
Subsidiary companies	35 751	18 574	54 325	42 520
Total	**40 581**	**19 104**	**59 685**	**42 520**

Wages and other personnel expenses consist of:

Accounts 2002	Accounts 2003	Accounts 2004	*Amounts in NOK million*	Proforma 2004	Proforma 2003
2 451	2 519	8 861	Wages	11 041	11 760
329	421	1 370	Social security contributions	1 692	1 755
96	50	412	Pension costs	500	541
168	145	407	Other expenses	645	714
3 044	**3 135**	**11 050**	**Total**	**13 878**	**14 770**
10 966	**11 862**	**35 816**	**Average number of employees**	**35 708**	**36 783**

ACCOUNTS AND BOARD OF DIRECTORS' REPORT

NOTE 7: EXCEPTIONAL OPERATING ITEMS

Exceptional operating items include major losses on the sale and write-down of operating assets, restructuring costs, and other material matters not expected to be of a recurring nature.
The exceptional operating items are as follows:

Accounts 2002	Accounts 2003	Accounts 2004	*Amounts in NOK million*	Proforma 2004	2003
-	-		Non-recurring cost in connection with the combining of		
		-173	shipbuilding activites in Aker Yards	-173	-
-	-	-	Settlements of Equatorial in Aker Kværner	-	-330
-	-	-	Other disputes and provisions in Aker Kværner	-	-122
1 654			Gain on merging Aker Maritime and Kværners oil and gas activities		
-232			Write-down of fixed assets		
	-32		Other sales gains and loss		-32
-	-	-101	Other restructuring costs	-101	-
-174	-	-51	Other items	-51	-
1 248	**-32**	**-325**	**Total**	**-325**	**-484**

In 2004 Aker Yards have non-recuring costs of NOK 173 million. NOK 30 million of this amount relates to establishment of the new Aker Yards ASA Group and the IPO. The yards in Helsinki, Rauma and Turku in Finland have been merged into the "new" Aker Finnyards. As part of the process there have been a write down of buildings no longer in use in addition to an accrual for restructuring cost all totaling to NOK 143 million. As a result of the merge the number of employees will be reduced with aprox. 315 employees. The future effect of synergies is expected to be in the range of EUR 20 million anually, mainly due to reduction in overlapping functions and consentration on core-copetence.

NOTE 8: SHARE OF EARNINGS IN ASSOCIATED COMPANIES

Share of earnings in associated companies includes profits from the following companies (see note 17):

Accounts 2002	Accounts 2003	Accounts 2004	*Amounts in NOK million*	Proforma 2004	2003
-	-	12	Kværner Powergas India Pvt Ltd	22	7
-	-	34	NorSea AS	34	-
-	-8	-10	P/f Næraberg	-10	-8
-	-1	-	Lofoten Trålerrederi AS	-	-1
7	-2	-	Avantor ASA	-	2
486	-434	-	Kværner ASA	-	-
-14	-3	-25	Others	-27	-5
479	**-448**	**11**	**Total**	**19**	**-9**

NOTE 9: NET FINANCIAL ITEMS

Net financial items are shown below:

Accounts 2002	Accounts 2003	Accounts 2004	*Amounts in NOK million*	Proforma 2004	2003
394	350	110	Interest income	129	533
-778	-872	-756	Interest expense	-694	-1 373
-384	**-522**	**-646**	**Net interest income**	**-565**	**-840**
-12	52	-18	Net exchange loss/gain	-27	140
168	-486	-109	Net other financial income/expenses	-101	-436
-228	**-956**	**-773**	**Net financial items**	**-693**	**-1 136**

NOTE 10: EXCEPTIONAL FINANCIAL ITEMS

Exceptional financial items are made up as follows:

Accounts 2002	Accounts 2003	Accounts 2004	*Amounts in NOK million*	Proforma 2004	2003
324	122	-	Dividend and gain sale of shares 1)	-	122
-560	-		Write-down of receivables	-	-
-72	-		Other exceptional financial items	-	-
-308	**122**	**0**	**Total**	**0**	**122**

1) The NOK 122 million gain in 2003 on sale of shares is attributable to divestiture of Aker RGI's 39.9% shareholding in Avantor ASA. The stake in Avantor was sold in late 2003 for NOK 462 million.

NOTE 11: MINORITY INTEREST

Minority interest in the following companies:

Accounts 2002	Accounts 2003	Accounts 2004	*Amounts in NOK million*	Proforma 2004	2003
-	-	69	Aker Kværner	97	-146
-	-	17	Aker Yards	33	187
-34	-8	3	Other minority interests 1)	2	-5
-34	**-8**	**89**	**Sum**	**132**	**36**

1) The figure for Other minority interests in 2004 is largely attributable to directly and indirectly subsidiaries in Aker Material Handling, Aker Yards, Aker Seafoods and Aker Kværner.

NOTE 12: TAX

The Group 's taxes are made up as follows:

Accounts 2002	Accounts 2003	Accounts 2004	*Amounts in NOK million*	Proforma 2004	2003
			TAXES PAYABLE:		
-66	-	-17	Norway	-18	-5
-79	-102	-223	Abroad	-237	-263
-145	**-102**	**-240**	**Total taxes payable**	**-255**	**-268**
			CHANGE IN DEFERRED TAX:		
-315	130	210	Norway	159	141
168	47	69	Abroad	70	146
-147	**177**	**279**	**Total change in deferred tax**	**229**	**287**
-16			Tax on Group Contribution		
	-	-479	Effect of changes in tax rules in Norway	-479	-
-308	**75**	**-440**	**Total**	**-505**	**19**

ACCOUNTS AND BOARD OF DIRECTORS' REPORT

The significant items explaining the differences between the nominal tax rate in Norway and the effective tax rate on Profit before tax:

Accounts 2002	Accounts 2003	Accounts 2004	*Amounts in NOK million*	Proforma 2004	Proforma 2003
-241	281	43	Nominal tax rate Norway 28%	-20	74
-	-	-479	Effect of changes in tax rules in Norway	-479	-
-228	-62	-120	Tax differential in Norway and abroad	-136	-54
162	-144	116	Other differences	130	-1
-308	**75**	**-440**	**Total**	**-505**	**19**

Tax for each company/area is shown below:

Accounts 2002	Accounts 2003	Accounts 2004	*Amounts in NOK million*	Proforma 2004	Proforma 2003
-	-	-114	Aker Kværner	-139	-10
-77	-195	-76	Aker Yards	-75	-245
-119	-22	41	Aker Seafoods	41	-22
22	6	364	Aker Material Handling	364	6
63	-26	-5	Other companies	-5	131
-197	312	-650	Aker ASA, other holding companies and eliminations	-691	159
-308	**75**	**-440**	**Total**	**-505**	**19**

Below is a specification of short-term and long-term differences between accounting values and tax values and tax loss carried forward. Also shown is calculated deferred tax liability and receivable based on nominal tax rates at the end of the respective year.

Accounts 2002	Accounts 2003	Accounts 2004	*Amounts in NOK million*	Proforma 2004	Proforma 2003
			Differences related to:		
-1 153	-2 346	-234	Short-term items		-2 054
794	1 270	717	Long-term items		507
-359	**-1 076**	**483**	**Total differences**		**-1 547**
-2 781	-2 578	-4 956	Tax loss carried forward		-3 042
-3 140	**-3 655**	**-4 473**	**Toal**		**-4 589**
-	-64	-396	Deferred tax liability (-)		-100
799	948	1 476	Deferred tax assets (+)		1 591
799	**884**	**1 080**	**Net deferred tax liability (-) / receivable (+)**		**1 491**

The 2004 figures are based on estimates of different non deductable taxable income, non deductable items and differences between accounting and taxable items. The final items will be calculated in the income-tax return, and may devide from the estimates above.

BALANCE SHEET

NOTE 13 INTANGIBLE FIXED ASSETS

Intangible assets consist of the following items:

Accounts 2002	Accounts 2003	Accounts 2004	*Amounts in NOK million*	Proforma 2003
697	594	6 622	Goodwill in subsidiaries	6 919
3	8	5	Research and development	8
127	55	377	Licenses, patents, etc.	67
827	**657**	**7 004**	**Total**	**6 994**
799	948	1 476	Deferred tax receivables (see note 12)	1 591
1 626	**1 605**	**8 480**	**Total**	**8 585**

Changes in goodwill in subsidiaries, and licenses, patents, etc. in the accounts for 2004 are shown below:

Amounts in NOK million	Research and development	Goodwill in subsidiaries	Licenses, patents, etc.	Total
Cost price as of 1 Jan	8	1 349	576	1 933
Addition at time of new group Aker ASA was formed	2	6 323	-	6 325
Purchase	-	252	25	277
Net addition/disposal purchase and disposal of subsidiaries companies	-	-	149	149
Sale	-	-77	-14	-91
Cost price as of 31 Dec	**10**	**7 847**	**736**	**8 593**
Currency adjustments	-	-109	1	-108
Total depreciation and write-downs	-5	-1 116	-360	-1 481
Balance at 31 Dec	**5**	**6 622**	**377**	**7 004**
Amortization accounts 2004	-3	-378	-27	-408
Write-down accounts 2004	-	-38	-	-38
Depreciation period		5-20 years	5-20 years	
Depreciation method		Straight-line	Straight-line	

Research and development at Aker mostly relates to ongoing projects, and is expensed. In 2004, NOK 103 million was expensed.

Remaining goodwill as of 31 December 2004, and depreciation in 2004 are shown below:

Amounts in NOK million	**Amortization Accounts 2004**	**Goodwill at 31 Dec 2003**
Aker ASA and elemination[1)]	-29	759
Aker Kværner[2)]	-229	4 200
Aker Yards[3)]	-60	1 466
Other	-60	197
Total	**-378**	**6 622**

1) Mainly goodwill related to the establishment of the group in April 2004 related to Aker Kværner and Aker Yards.
2) Remaining goodwill in Aker Kværner distributed by business area: NOK 1.0 billion Field Develoment, NOK 1.4 billion MMO and NOK 0.7 billion both Process and Subsea. In addition the remaining goodwill related to Pulping & Power and other activities are NOK 0.3 billion.
3) Goodwill related to the establishement of Aker Yards 1 April 2004.

ACCOUNTS AND BOARD OF DIRECTORS' REPORT

Companies are acquired, based on the ability to make strategic adaptations, and their projected long-term profitability. Goodwill is amortized over its expected lifetime, but at a minimum of 5 % annually.

Changes in goodwill in subsidiaries, and licenses, patents, etc. Proforma for 2004 are shown below:

Amounts in NOK million	**Research and development**	**Goodwill in subsidiaries**	**Licenses, patents, etc.**	**Total**
Cost price as of 1 Jan	10	7 751	576	8 337
Purchase	-	252	25	277
Net addition/disposal purchase and disposal of subsidiaries companies	-	-	149	149
Sale	-	-77	-14	-91
Cost price as of 31 Dec	**10**	**7 926**	**736**	**8 672**
Currency adjustments	-	-59	1	-58
Total depreciation and write-downs	-5	-1 245	-360	-1 610
Balance at 31 Dec	**5**	**6 622**	**377**	**7 004**
Amortization for the year	-3	-483	-31	-517
Write-down for the year	-	-38	-	-38
Depreciation period		5-20 years	5-20 years	
Depreciation method		Straight-line	Straight-line	

Research and development at Aker mostly relates to ongoing projects, and is expensed. In 2004, NOK 131 million was expensed.

NOTE 14: TANGIBLE FIXED ASSETS

Movements in the accounts for depreciable assets in 2004 are shown below:

Amounts in NOK million	**Ships, rigs, airplanes, etc**	**Machinery Vehicles**	**Buildings Housing**	**Land**	**Project assets**	**Other assets**	**Total**
Cost price as of 1 Jan	1 584	1 897	1 354	151	186	197	5 369
Addition at time of new group Aker ASA was formed	-	1 060	939	143	-	79	2 220
Purchased additions, tangible fixed assts	27	480	245	2	-82	-	672
Net addition/disposal purchase and disposal of subsidiaries companies	360	20	30	-	-	-	410
Self-produced additions, tangible fixed assets 1)	-	-	-	-	-	-	-
Disposals	-33	-286	-113	-32	-1	-4	-469
Transferred from project assets	-	-	-	-	-	-	-
Cost price as of 31 Dec	**1 938**	**3 171**	**2 455**	**264**	**103**	**272**	**8 203**
1) Of which loan expenses recorded:	-	-	-	-	-	-	-
Currency adjustments	-95	-34	-26	-6	-2	-2	-165
Total depreciation and write-downs	-613	-913	-932	-	-24	-62	2 544
Book value as of 31 Dec 2)	**1 230**	**2 224**	**1 497**	**258**	**77**	**208**	**5 494**
Ordinary depreciation accounts 2004	-99	-421	-143	-2	-1	-9	-675
Write-down accounts 2004	-	-2	-59	-	-	-	-61
2) Leasing agreements recorded in the balance sheet:	-	107	46	-	-	-	153
Depreciation period	2-30 years	3-20 years	20-50 years				
Depreciation method	Straight-line	Straight-line	Straight-line				

Movements in the Proforma accounts for depreciable assets in 2004 are shown below:

Amounts in NOK million	Ships, rigs, airplanes, etc	Machinery Vehicles	Buildings Housing	Land	Project assets	Other assets	Total
Cost price as of 1 Jan	1 584	2 984	2 297	294	186	280	7 624
Purchased additions, tangible fixed assts	27	588	245	2	-74	-	788
Net addition/disposal purchase and disposal of subsidiaries companies	360	20	30	-	-	-	410
Self-produced additions, tangible fixed assets [1)]	-	-	-	-	-	-	-
Disposals	-33	-306	-187	-31	-1	-4	-562
Transferred from project assets	-	-	-	-	-	-	-
Cost price as of 31 Dec	**1 938**	**3 286**	**2 385**	**264**	**111**	**276**	**8 280**
1) Of which loan expenses recorded:	-	-	-	-	-	-	-
Currency adjustments	-95	-28	-20	-6	-2	-2	-153
Total depreciation and write-downs	-613	-1 034	-869	-	-32	-66	-2 613
Book value as of 31 Dec 2)	**1 230**	**2 224**	**1 497**	**258**	**77**	**208**	**5 494**
Ordinary depreciation for the year	-99	-498	-163	-2	-1	-12	-775
Write-down for the year	-	-2	-59	-	-	-	-61
2) Leasing agreements recorded in the balance sheet:	-	107	46	-	-	-	153
Depreciation period	2-30 years	3-20 years	20-50 years				
Depreciation method	Straight-line	Straight-line	Straight-line				

NOTE 15: FINANCIAL INTEREST-BEARING FIXED ASSETS

Financial interest-bearing fixed assets consist of the following items:

Accounts 2002	Accounts 2003	Accounts 2004	*Amounts in NOK million*	Proforma 2003
83	81	1	Restricted deposits	99
8	5	20	Loans to employees	15
3 228	3 402		Loan to TRG Holding AS (Aker RGI AS)	
667	408	752	Other interest-bearing long-term receivables	428
3 986	**3 896**	**773**	**Total**	**542**

NOTE 16: FINANCIAL INTEREST-FREE FIXED ASSETS

Financial interest-free fixed assets consist of the following items:

Accounts 2002	Accounts 2003	Accounts 2004	*Amounts in NOK million*	Proforma 2003
55	53	136	Net pension funds (see note 26)	83
0	114	0	Derivatives, on listed shares and contracts	114
272	85	90	Other interest-free long-term receivables	161
327	**252**	**226**	**Total**	**358**

ACCOUNTS AND BOARD OF DIRECTORS' REPORT

NOTE 17: SHARES AND OTHER EQUITY INVESTMENTS

Shares and other equity investments comprise the following items:

Accounts 2002	Accounts 2003	Accounts 2004	*Amounts in NOK million*	Proforma 2003
3 834	2 916	214	Shares and interests in associated companies	202
-	-	516	Kværner ASA	516
73	57	81	Shares in other companies	82
3 907	**2 973**	**811**	**Total**	**800**

Shares and interests in associated companies for accounts 2004 are shown below:

Amounts in NOK million	Business location	Votes and holding (in %)	Book value as of 1 January 2004	Establishment 01.04.04 Aker ASA	Share of earnings accounts 2004	Net investment sale proceeds	Other items	Book value as of 31 Dec 04	Remaining goodwill
Kværner Powergas India	Mumbai, India	49,0	-	54	12	-	-10	56	0
NorSea AS	Tananger	33,5		60	34			94	
P/f Næraberg	Bømlo	33,3	-16	-	-10	-	26	-	0
Supply Invest KS	Færøyene	22,7	-	37	-	-	-	37	0
Siva Verdal Eiendom	Verdal	46,0	-	13	-	-	-	13	0
Kværner ASA			2 895	-2 895				-	
Other companies			37	23	-25		-21	14	
Total shares in associated companies			**2 916**	**-2 708**	**11**	**-**	**-5**	**214**	**-**

Due to the merger between Aker Yards AS and a subsidiary of Kværner ASA (Aker Kværner Investments AS) the Aker RGI Holding Group received control of Kværner. (the consideration in this tranacations to the Aker Yards AS share holders was Kværner shares). Consequently Aker RGI Holding increased its ownership in Kværner ASA from 49,9% to 59,6%.
Kværner ASA became then a subsidiary in the Aker RGI Holding Group.

The column Other items is related to the following transactions:
Loss of NOK 1 million in the Group in connection with the sale of Hermetikken Sortland AS Lofoten Trålerrederi AS, Nord Norsk Sjømat and Hammerfest Industrifiske are from 1 January 2004 consolidated as subsidiaries in the Aker ASA Group
It is invested NOK 30 million in Lofoten Trålerrederi and Nord Norsk Sjømat in 2004.
Aker Seafoods a subsidiary of Aker ASA has NOK 133 million in interest-bearing receivable on P/f Næraberg.

Shares and interests in associated companies for Proforma accounts 2004 are shown below:

Amounts in NOK million	Business location	Votes and holding (in %)	Book value as of 1 January 2004	Share of earnings 2004	Net investment sale proceeds	Other items	Book value as of 31 Dec 04	Remaining goodwill
Kværner Powergas India	Mumbai, India	49.0	44	22	-	-10	56	0
Norsea AS	Tananger	33.5	60	34			94	
Supply Invest KS	Bømlo	33.3	37	-	-	-	37	0
P/f Næraberg	Færøyene	22.7	-16	-10	-	26	-	0
Siva Verdal Eiendom	Verdal	46.0	13	-	-	-	13	0
Other companies			64	-27	-2	-21	14	0
Total shares in associated companies			**202**	**19**	**-2**	**-5**	**214**	**0**

NOTE 18: NET CURRENT OPERATING ASSETS / LIABILITIES (-)

Specification of net curent operating assets: (see note 4)

Accounts 2002	Accounts 2003	Accounts 2004	*Amounts in NOK million*	Proforma 2003
5 890	5 808	14 476	Current operating assets	16 905
-3 625	-3 471	-16 019	Current operating liabilities not including tax payable and dividend payable	-14 640
2 265	**2 337**	**-1 543**	**Total**	**2 265**

NOTE 19: CURRENT OPERATING ASSETS

Current operating assets comprises the following itmes:

Accounts 2002	Accounts 2003	Accounts 2004	*Amounts in NOK million*	Proforma 2003
861	1 113	5 063	Account receivable	6 220
2 807	2 780	5 352	Work in progress	6 486
1 272	888	3 071	Other short-term interest-free receivables	2 681
4 940	**4 781**	**13 486**	**Total short-term interest-free receivables**	**15 387**
721	603	724	Raw materials and goods in progress	990
229	424	266	Finished goods	528
5 890	**5 808**	**14 476**	**Total current operating assets**	**16 905**

NOTE 20: CURRENT OPERATING LIABILITIES

Interest-free short-term liabilities (falls due in one year or less) comprises the following items:

Accounts 2002	Accounts 2003	Accounts 2004	*Amounts in NOK million*	Proforma 2003
641	730	3 995	Advances from customers	3 807
1 194	1 019	4 028	Trade accounts payable	3 552
383	685	4 575	Accrual of operating- and financial costs	3 289
62	106	916	Guarantee provisions	1 160
1 345	931	2 505	Other short-term liabilities	2 832
3 625	**3 471**	**16 019**	**Current operating liabilities not including tax payable and dividend payable**	**14 640**
41	99	139	Tax payable	192
204	12	24	Dividend payable/ group contribution 1)	12
3 870	**3 582**	**16 182**	**Total current operating liabilities**	**14 844**

1) Dividend allocated to minority shareholders in subsidiaries in Aker Yards and Aker Kværner.

NOTE 21: INTEREST-BEARING SHORT-TERM RECEIVABLES

Interest-bearing short-term receivables comprise the following items:

Accounts 2002	Accounts 2003	Accounts 2004	*Amounts in NOK million*	Proforma 2003
0	0	0	Interest-bearing short-term receivables with interest rate adjustment period exceeding one year	0
78	114	168	Other interest-bearing short-term receivables	114
78	**114**	**168**	**Total**	**114**

ACCOUNTS AND BOARD OF DIRECTORS' REPORT

NOTE 22: NET INTEREST-BEARING DEBT

Net interest-bearing debt comprise the following items:

Accounts 2002	Accounts 2003	Accounts 2004	*Amounts in NOK million*	Proforma 2003
1 652	971	8 072	Cash and bank deposits	8 384
3 986	3 896	773	Financial interest-bearing fixed assets	542
78	114	168	Interest-bearing short-term receivables	114
5 716	**4 981**	**9 013**	**Total interest-bearing assets**	**9 040**
-5 065	-4 139	-7 434	Interest-bearing long-term debt [1]	-7 261
-3 930	-4 521	-886	Interest-bearing short-term debt incl. Construction loans	-4 527
-8 995	**-8 660**	**-8 320**	**Total interest-bearing debt**	**-11 788**
-3 279	**-3 679**	**693**	**Net interest-bearing debt(-)/asset(+)**	**-2 748**

1) Not including subordinated debt in Aker Kværner see note 28.

NOTE 23: TOTAL SHAREHOLDERS' EQUITY

As of 31 Dec 2004 Aker ASA's share capital consists of the following share classes:

	Shares issued	Number own shares	Shares outstanding	Total par value (in NOK million) Par value (in NOK)	Shares issued	Shares outstanding
A-shares	44 131 354	6 600 254	37 531 100	28	1 236	1 051
B-shares	42 400 713	-	42 400 713	28	1 187	1 187
Total share capital	**86 532 067**	**6 600 254**	**79 931 813**		**2 423**	**2 238**
Own shares					-185	
Share premium fund					2 334	
Other paid-in capital					3 235	
Total paid-in capital					**7 807**	

The A-shares are owned 52.2% by TRG Holding AS, 15.0% own shares, and 32.8% by other. All the A-shares has voting power. Aker ASA (6 600 254 shares) and the subsidiary RGI (Europe) BV (2 959 938 shares) has no voting power for their A-shares owned. The B-shares are owned 100% by Kværner ASA. The B-shares do not have any voting power.

Change in equity in accounts for 2004 is shown below:

Amounts in NOK million	Paid-in capital	Other equity	Total equity
Shareholders' equity as of 01 Jan	2 205	3 823	6 028
Captal increase and dividend to Aker RGI AS	5 602	-4 827	775
Profit for the year, Group		-683	-683
Foreign currency adjustments		-480	-480
Shareholders' equity as of 31 Dec	**7 807**	**-2 167**	**5 640**

Change in equity in Proforma accounts for 2004 is shown below:

Amounts in NOK million	Paid-in capital	Other equity	Total equity
Shareholders' equity as of 01 Jan	7 807	-1 075	6 732
Profit for the year, Group		-562	-562
Dividend		-516	-516
Proforma adjustments		-105	-105
Foreign currency adjustments		-425	-425
Shareholders' equity as of 31 Dec	**7 807**	**-2 167**	**5 640**

The directly owned subsidiaries in the Aker Group accounts are emphasized in the table below.

	Group's ownership (in %)	Group's share of votes (in %)	Business address City/Location	Country
Aker Kværner ASA	**57.98**	**57.98**	**Lysaker**	**Norway**
Aker Kværner Business Partner Ltd	57.98	57.98	London	UK
Aker Kværner E&C Group AS	57.98	57.98	Bærum	Norway
Aker Kvaerner O&G Group AS	57.98	57.98	Bærum	Norway
Aker Kvaerner Shared Services AS	57.98	57.90	Bærum	Norway
Aker Yards ASA	**75.00**	**75.00**	**Oslo**	**Norway**
Aker Langsten AS	75.00	75.00	Tomrefjord	Norway
Aker Brattvaag AS	75.00	75.00	Brattvåg	Norway
Aker MTW GmbH	75.00	75.00	Wismar	Germany
Aker Warnow	75.00	75.00	Rostock	Germany
Aker Finnyards Rauma	75.00	75.00	Rauma	Finland
Aker Finnyards oy	75.00	75.00	Helsinki	Finland
Aker Brevik AS	75.00	75.00	Brevik	Norway
Aker Aukra AS	75.00	75.00	Aukra	Norway
Norway Seafoods Holding AS	**100.00**	**100.00**	**Oslo**	**Norway**
Aker Seafoods AS	100.00	100.00	Oslo	Norway
Norway Seafoods AS	100.00	100.00	Oslo	Norway
Atlas Stord AS	**100.00**	**100.00**	**Bergen**	**Norway**
Recondo AS	**100.00**	**100.00**	**Oslo**	**Norway**
Aker Material Handling Ltd	100.00	100.00	Oslo	Norway
RGI (Europe) BV	**100.00**	**100.00**	**Rotterdam**	**Netherlands**
RGI Aps	100.00	100.00	Copenhagen	Denmark
RGI Inc.	100.00	100.00	Seattle	USA
RGI Holdings, Inc	100.00	100.00	Seattle	USA
Legend Properties, Inc	100.00	100.00	Vero Beach	USA
Wyndmore N.V.	**99.97**	**99.97**	**Curacao**	**Dutch Antilles**
Molde Fotball AS	99.97	99.97	Molde	Norway

NOTE 24: MINORITY INTERESTS

Minority interests in the following companies:

Accounts 2002	Accounts 2003	Accounts 2004	*Amounts in NOK million*	Proforma 2003
-	-	1 942	Aker Kværner 42,02%	1 977
-	-	512	Aker Yards 25%	444
-	198	-	Aker Ostsee i Aker Yards	-
58	58	108	Other minority interests [1)]	108
58	**256**	**2 562**	**Total**	**2 515**

1) Other minority interests in 2004 are mainly Aker Braila and Promar which are directely or indirectely subsidiaries of Aker Yards ASA.

NOTE 25: DEFERRED TAX LIABILITIES AND PROVISIONS

Deferred tax liabilities and other interest-free provisions comprise the following itmes:

Accounts 2002	Accounts 2003	Accounts 2004	*Amounts in NOK million*	Proforma 2003
569	236	678	Net pension liabilities	642
-	64	396	Deferred tax liability	100
42	301	251	Other provisions	519
611	**601**	**1 325**	**Total liabilites**	**1 261**

NOTE 26: PENSION EXPENSES AND PENSION LIABILITIES

The Aker Group's Norwegian companies mainly cover their pensions through group pension plans in life insurance companies. Under the Norwegian Accounting Standard for pension expenses, the plans have been treated for accounting purposes as defined benefit plans.
The Group's companies outside Norway have pension plans based on local practice and regulations. Certain companies have pension plans for which the employer provides an agreed-upon contribution that is managed in separate pension savings plan, (defined contribution plans) or makes contributions that are included in joint plans with other employers (multi-employer plans). The contributions are recorded as pension expenses for the period.
The Group also has uninsured pension liabilities for which provisions have been made.Actuarial calculations have been made to determine pension liabilities and pension expenses in connection with the Group's defined benefit plans. The following assumptions have been made when calculating liabilities and expenses in Norway:

Expected return	7% – 6,5%
Discount rate	6% – 5,5%
Wage growth	3.0 %
Social security base adjustment/inflation	2.5 %
Pension adjustment	2.0 %

Pension expenses:

Accounts 2002	Accounts 2003	Accounts 2004	*Amounts in NOK million*	Proforma 2004	Proforma 2003
-13	-11	-121	Present value of this year's pension earnings	-157	-164
-69	-19	-134	Interest cost on accrued pension liabilities	-173	-187
55	10	113	Expected return on pension funds	148	142
-10	39	-12	Allocated effect of change in estimates and pension plans	-16	18
-37	**19**	**-154**	**Net pension expenses**	**-198**	**-191**
-59	-69	-258	Contribution plans (employer's contribution)	-302	-350
-96	**-50**	**-412**	**Total net pension expenses**	**-500**	**-541**

Net pension funds and liabilities:

Amount in NOK million	**Under-funded plans 1)**	**Over-funded plans 1)**	**Total 2004**
Present value of accrued pension liabilities	-762	-2 350	-3 112
Value of pension funds	11	2 172	2 183
Calculated net pension funds(+)/pension liabilities (-)	**-751**	**-178**	**-929**
Amortization 2)	73	314	387
Net pension funds(+)/liabilities(-) 3)	**-678**	**136**	**-542**

1) Under-funded plans: The value of the pension liability exceeds the value of the pension fund. Over-funded plans: The value of the pension funds exceeds the value of the pension liability.

2) Amortization: The effect of change in estimates and pension plans not recorded in the profit and loss account.

3) A provision is made for employment tax on contracts with net pension liabilities.

The pension funds are invested in accordance with the general guidelines that apply to life insurance companies.
The pension liabilities recorded is calculated on the basis of estimated pension liabilities and accrued in accordance with relevant accounting principles.
The pension liability recorded in the accounts is not identical to pension rights in a legal sense as of 31 December 2004.

NOTE 27: OTHER INTEREST FREE LONG-TERM LIABILITES

Other long-term liabilities consist of the following:

Accounts 2002	**Accounts 2003**	**Accounts 2004**	*Amounts in NOK million*	**Proforma 2003**
-	-	108	Reserve in Aker Insurence	240
0	0	465	Other interest-free long-term liabilities	37
0	**0**	**645**	**Total**	**277**

NOTE 28: SUBORDINATED DEBT (Aker Kværner ASA)

Loan description *Amounts in NOK million*		**Orginal currency value**	**Book value**	**Interest**	**Maturity date**	**Interest**
Aker Kværner ASA						
Subordinated debt						Non-interest-bearing until 30.10.06 and fixed 5.00% pa thereafter with back end fee of up to 4.44% of the principal payable at maturity.
ISIN NO 0010128838	NOK	1 119 million	1 119	0.00%	30.10.11	
ISIN NO 0010128846	USD	338 million	2 040	0.00%	30.10.11	
ISIN NO 0010128853	EUR	13 million	107	0.00%	30.10.11	
US Notes Issue	USD	29 million	178	0.00%	30.10.11	
Accrued interest / up-front fee			382			
Total subordinated debt			**3 826**			

Description of subordinated debt

The terms and conditions of the subordinated debt contain certain restrictions and covenants of the group, including but not limited to (a) a restriction on carrying out a demerger (within the meaning of chapter 14 of the Norwegian Public Limited Companies Act), (b) a restriction on certain mergers, disposals of operations or assets and changes to the nature of the business and (c) a restriction on borrowings

In addition the company shall not (a) within a calendar year, make a dividend payment to the shareholders that constitutes more than 50 per cent of accumulated net profits (after taxes) available for distribution (excluding any profits to the extent arising from (i) disposals of assets other than in the ordinary course of business or (ii) the repurchase of subordinated debt) and (b) reduce its share capital or equity through a payment to its shareholders, other than under (a).

The debt, excluding the US Note issue, is listed on the Oslo Stock Exchange

NOTE 29: INTEREST-BEARING LONG-TERM DEBT

Interest-bearing long-term debt specificed per company:

Amounts in NOK million	**Accounts 2004**
Aker Kværner	2 435
Aker Yards	1 453
Aker Seafoods	1 398
Aker Material Handling	173
Other companies	164
Aker ASA and other holding companies	1 811
Total	**7 434**

Aker Kværner

The terms and conditions of the second priority lien notes is primarily an incumbrance test that the consolidated coverage ratio (EBITDA/interest expense) shall exceed 2 for the first two years of the facility and 2,5 thereafter.

Aker Yards

Aker Yards ASA has been refinanced during 2004. The refinancing was done by one bank loan of NOK 300 million 3 years term, one bond loan NOK 250 million with floating interest 3 years term and one bond loan NOK 350 milion fixed interest and 4 years term. In addition one convertible loan of NOK 236 million was issued at 4.5% interest and maturity in 2009.

In connection with the bank loan and the bond loans a set of financial covenants were defined. They are mainly tied to interest cover ratio and debt ratio. In addition the loan agreements have restrictions tied to dividend which can not exceed 50% of net profit, adjusted for goodwill amortizations, for the actual year.

Aker Seafood

Aker Seafoods AS and subsidiaries has covenants in the loan agreements related to minimum equity share, debt ratio, debt/EBITDA, interest cover ratio and EBITDA/interest. In additon there are certain restricitons tied to dividend and group contribution and sale of substantial assets.

Aker ASA

Market value of the bond as will be paid in 2007 is considered to be the same as book value per 31 December 2004, since it will be kept to the due date. The Bond loans is net of own bonds of nok 446 mill. Aker ASA has loan and guarantee commitments that contain conditions as to equity in Aker ASA and other issues. At the end of the 2004 accounting year, Aker ASA met all loan and guarantee conditions.

See also note 32 Financial market exposures regarding interest risk and exposure.

Interest-bearing long-term debt is divided between borrowings in NOK and borrowings in various foreign currencies, as follows:

	Amounts in currency (million)	**2004 (NOK million)**
NOK	4 210.9	4 211
USD	116.2	701
GBP	13.6	158
EUR	279.2	2 297
Other		67
Total		**7 434**

The installment schedule for long-term interest-bearing debt.

Amounts in NOK million	
2005	411
2006	384
2007	2 533
2008	664
2009	626
Etter 2009	2 816
Total	**7 434**

In January 2005 Aker ASA has repaid extraordinary NOK 730 million in bank dept.

NOTE 30: INTEREST-BEARING SHORT-TERM DEBT

Interest-bearing short-term debt comprises the following items:

Accounts 2002	**Accounts 2003**	**Accounts 2004**	*Amounts in NOK million*	**Proforma 2003**
266	306	61	Bank overdrafts	306
3 664	4 215	825	Other interest-bearing short-term debt	4 221
3 930	**4 521**	**886**	**Total**	**4 527**

Other Interest-bearing short-term debt comprises the following items:

Accounts 2002	**Accounts 2003**	**Accounts 2004**	*Amounts in NOK million*	**Proforma 2003**
1 935	1 428	594	Construction loan in Aker Yards	1 399
1 596	2 489	-	Certificat debt	2 489
133	298	231	Other interest-bearing short-term debt	333
3 664	**4 215**	**825**	**Total**	**4 221**

NOTE 31: GUARANTEE OBLIGATIONS

At year-end 2004 Aker had guarantee obligations of NOK 28 million that were not recorded in the balance sheet. As part of its ordinary operations, completion guarantees and guaranteed advance payments form customers are written.
Such guarantees typically involve a financial institution that writes the guarantee vis-à-vis the customer.

Collateral has been posted for interest-bearing long-term debt of NOK 1.9 billion.The book value of assets used as collateral is NOK 2.6 billion. In addition loans, in Aker ASA and some of the subsidiaries, of NOK 4.7 billion are secured by the respective companies shares in subsidiaries.

NOTE 32: FINANCIAL MARKET EXPOSURES

Aker ASA subsidiaries have different types of financial market risk.

Aker Kværner undertakes to manage large construction type contracts for customers. This includes to enter into both sales- and purchase-contracts in foreign currencies. All such foreign exchange exposure related to contracts is hedged. Operating units in the group enter into forward contracts with the central treasury functions to sell or buy the relevant currency for delivery at future payment dates. During a year there are approximately 7 000 such forward contracts of which approximately 1 000 will be outstanding at any time.

These contracts between the central treasury function and the operating units imply the the corresponding FX exposure has been moved from the operating units to the central treasury function. The central treasury function will also assist with new FX contracts to move foreign currency payments forward or backwords in time.

The forward contracts with the operating units represent FX exposures for the central treasury function and will be hedged together with other FX positions following from deposits from group companies, loans to group companies, external cash deposits and external borrowings. To hedge such exposures, the central treasury units have entered into forward FX contracts with external banks.

With the activities referred to above, Aker Kvaerner has hedged its main balance sheet and contractual FX exposures. Fluctuations in foreign currencies will consequently only have small P&L effects. The instruments in the discussed above are mainly with major banks, and are consequently not subject to any significant credit risk.

Unhedged FX-exposures relate mainly to the group's ability to secure new contracts in markets where foreign currencies are the main economic measure for our customers. Such exposures remain unhedged and can influence future earnings.

Aker Kværners's long term loans are maily subject to fixed interest rate agreements. Future results are consequently, not significantly exposed for changes in interest rates. Currently, the group does not hold interest rate derivatives.

Aker Yards

The nature of the group's long-term international contracts and international representation give rise to exposure to financial risks, including but not limited to, foreign exchange risk, interest rate risk and credit risk. The group use various financial instruments in an active management of financial exposure. The management of financial risk is done according to an established financial policy.

To manage the group's interest rate exposure, interest rate swaps are used. The group's interest rate exposure derives mainly from the compotion of interest rates of the groups net borrowings in different currencies. The group's interest-bearing long-term debt was as of 31.December 2004 mainly based on floating interest rates (libor, euribor, nibor), therefore financial expenses are sensitive to changes in the short-term interest. However, the interest rate exposure is to a great extent neutralized by the relative high balance of cash and cash equivalents so the interest rate exposure is therefore considered as moderate.

As for foreign exchange exposure, no significant transaction exposure is left open with material sensitivity to the quality of the group's balance sheet or operational performance. The exception is Romania, were it has been difficult to eliminate foreign exchange exposure.

Credit risk deriving from commercial contracts is locally managed by the business units. Before signing new contracts, an credit rating of the customer is done. Normally the customer will have the financing of the project in place before signing any new contract.

Aker Seafoods

Forward exchange and foreign currency swap contracts are used to hedge foreign currency payment obligations, to finance business assets outside of Norway. Aker Seafoods Group enter into ongoing hedging transactions related to individual subsidiaries' sales in foreign currencies. Such hedging is done to reduce the exchange rate risk affecting sales contracts.

NOTE 33: FOREIGN CURRENCY EXCHANGE RATES

In the consolidated accounts of Aker, the following exchange rates have been used in translating the accounts of foreign subsidiaries and associated companies

Country	Currency		Average rate 2004	Rate at 31 Dec. 2004	Average rate 2003	Rate at 31 Dec. 2003
Great Britain	GBP	1	12.34	11.62	11.56	11.87
USA	USD	1	6.74	6.03	7.08	6.67
Denmark	DKK	100	112.53	11.47	107.61	112.78
Sweden	SEK	100	91.74	90.97	87.66	92.45
The European Union	EUR	1	8.37	8.23	8.00	8.41

In translating profit and loss account and balance sheet items, the average rate and rate at 31 December, respectively, have been used.

NOTE 34: ORDER BACKLOG

Activities in Aker Yards and Aker Kværner and other areas are largely based on deliveries under contracts with customers. The order backlog represents an obligation to deliver goods not yet produced, and gives Aker contractual rights for future deliveries. The scope of contracts work underway, total completed production, and estimated earnings are presented below. If projected costs are higher than projected income, the total projected loss on the contract is recorded to costs.

Unaudited *Amounts in NOK million*	**Order backlog** **31 Dec. 2004**	**Order intake** **2004**
Aker Kværner	35 920	41 582
Aker Yards	23 366	17 283
Aker Material Handling	265	1 401
Other areas	144	275
Total	**59 695**	**60 541**

NOTE 35: TRANSACTIONS AND AGREEMENTS WITH RELATED PARTIES

Aker ASA's main shareholder is TRG Holding AS which is controlled by Kjell Inge Røkke. All companies controlled by Kjell Inge Røkke is considered as related parties for the Aker Group. According to relevant accounting principles information should be given regarding transactions, free transfers and agreements with related parties when such information can be significant for the user of the accounts when evaluating the Group.

Aker Kværner

At year end the Aker Kværner group had NOK 67 million payable to Kværner ASA, net of interest bearing loan from Aker Kværner to Kværner ASA of NOK 45 million (two year loan with interest rate 6.5%)

Acquisition of Metals Pittsburgh

31 December 2004 Aker Kværner Metals Inc, a wholly owned subsidiary of Aker Kværner ASA purchased the metals division of Kværner US Inc, a wholly-owned subsidiary of Kværner ASA for a consideration of approximately USD 8.1 million. Goodwill of USD 7.1 million arose from the transaction.

Acquisition of Ellayess

Aker Kværner AS, a subsidiary of Aker Kværner ASA, has purchased the Ellayess business from Kværner E&C Plc, a wholly-owned subsidiary of Kværner ASA, for a total consideration of NOK 284 million, subject to certain adjustments e.g. changes in work capital. Goodwill of NOK 136 million has arisen on acquisition of Ellayess. Also, NOK 32 million is payable from Aker Kværner ASA to Kværner ASA in connection with the acquisition.

Labour services

Kvaerner Oil & Gas Resources Ltd, Kvaerner E&C Resources Ltd and Kvaerner Shared Resources Ltd, all of which are wholly-owned subsidiaries of Kværner ASA, have entered into labour service agreements with subsidiaries of Aker Kværner ASA whereby they will provide services to the Aker Kvaerner companies in question. The services are being provided on arm's length terms.

ACCOUNTS AND BOARD OF DIRECTORS' REPORT

Group Services
Aker Kværner ASA has agreed to provide Kværner ASA head office services, such as accounting and treasury. These services will be terminated as soon as Kværner ASA has established their own staff functions.

Aker Arctic Technology Inc
Aker Kværner Engineering & Technology will invest EUR 1 million in Aker Artic Technology Inc, which is equivalent to 12,5% of the share capital. The investment concerns an ice laboratory, where the main focus for the owners is to own and develop an arctic engineering company. As at 31.12.04 Aker Kværner Engineering & Technology has invested EUR 200.000. The remaining value will be paid 31 January 2005.

Aker Yards
Aker Yards subsidiary Aker Finnyards has a interest-free long-term debt of NOK 182 million related to not paid group contribution to a subsidiary of Kværner ASA. Aker Yards ASA and Kværner ASA has signed an management agreement related to Kværner Phiadelphia Shipyards. By this agreement Aker Yards ASA is comitted to support the yard with resources, competense and follow-up the yards performance.

Aker ASA
Kværner ASA buy services and rent offices space at Aker Brygge from Aker ASA. Aker ASA has a net interest-free debt of NOK 15 million to Kværner ASA.

NOTE 36: SHARES OWNED BY THE PRESIDENT AND CHIEF EXECUTIVE OFFICER, BOARD OF DIRECTORS AND CORPORATE ASSEMBLY, AND SENIOR EMPLOYEES OF AKER ASA

The following number of shares were owned by the Directors and the members of the Senior Management Group (and their related parties) as at 31 December 2004:

	Shares
Yngve Hågensen	5
Harald Bernt Kilnes	50
Reidar Lund	6
Halvard Muri	8 000
Eldar Myhre	26
Kjell Inge Røkke	23 439 069
Harald Magne Bjørnsen	700
Lapas v/Leif-Arne Langøy	31 000
Ole Melberg	1
Yngve Myhre	5 000

There is no option agreements between Aker ASA and senior management or officers.

Related to the merger with Aker RGI Management, Aker ASA bought all outstanding shares in Aker RGI Management AS. Aker RGI Management were then 100% owned by Aker ASA before the merger. The sales agreement includes a future variable consideration. The variable consideration is dependent on the value of Aker ASA 1 January 2006.

NOTE 37: REMUNERATION PAID TO MEMBERS OF THE CORPORATE ASSEMBLY, BOARD OF DIRECTORS, AND PRESIDENT AND CEO

The Group President has received remuneration in the first 8 months 2004 from TRG Holding AS. In the last 4 months he has received NOK 1 400 000 in salary and NOK 1 348 506 in other benefits. The company has paid-in NOK 96 181 to the Group President's pension plan during 2004.
The board of directors has received NOK 858 000 in remuneration from the company.
The Board President has received NOK 375 000 in salary and NOK 25 975 in other benefits, in addition to the remuneration to the board of directors.
In 2002 and 2003 Aker bought management services from Aker RGI Management AS and had no employees in this period.
All employees including the Group President and the leadership have a pension plan included in their employment contracts. Some of the excecutives have a benefit plan that depends among other things on the development of the value of Aker.

NOTE 38: AGREEMENTS FOR COMPENSATION ON TERMINATION OF EMPLOYMENT, AND PENSION MATTERS

The Group President is guaranteed six months salary (over and above the six month notice perios) upon termination of employment.

NOTE 39: LEGAL DISPUTES

Project risks and uncertainties

Aker Kværner and Aker Yards operations are subject to long term contracts, many of which are fixed-price, turnkey contracts that are awarded on a competitive bidding basis. Failure to meet schedule or performance guarantees or increases in contract costs can result in non-recoverable costs, which could exceed revenues realised from the applicable project. Where a project is identified as loss making, forward loss provisions are made. The accounting treatment is based on the information and advice available. Inevitably, such circumstances and information may be subject to change in subsequent periods and thus the eventual outcome may be better or worse than the assessments made in drawing up periodical financial reports.

Legal proceedings

With its extensive worldwide operations, companies included in the new group are in the course of its activities involved in numerous legal disputes. Provisions have been made to cover the expected outcome of the disputes to the extent that negative outcomes are likely and reliable estimates can be made. However, the final outcome of these cases will always be subject to uncertainties and resulting liabilities may exceed booked provisions.

Holborn

In 2000, Aker Kvaerner Netherlands B.V. and Holborn Europa Raffinererie GmbH entered into contracts for delivery of a steam reformer and a unit for removal of sulphur and conversion of aromatics in refinery streams in order to produce ultra low sulphur and low aromatics diesel in accordance with the EU Fuel Directives.

Aker Kvaerner Netherlands B.V has launched legal proceedings against Holborn Europa Raffinererie GmbH claiming payment of outstanding invoices in the amount of approximately EUR 9.2 million and reimbursement of amounts drawn on bank guarantees in the amount of approximately EUR 7 million. Holborn Europa Raffinererie GmbH has rejected the claim and raised counter claims of approximately EUR 35 million based on alleged defects, delays and acts of gross negligence and/or wilful misconduct in the execution of the project, In addition, Holborn Europa Raffinererie GmbH has been granted legal seizure in cash deposits and accounts receivable in the Netherlands up to a total amount of EUR 10 million.

Aker Kvaerner Netherlands B.V has rejected the counter claims from Holborn Europa Raffinererie GmbH. Although there can be no assurance regarding the outcome, we currently do not anticipate that this matter will have a material negative impact on our financial condition or results of operation.

Valhall

A subsidiary of Aker Kværner entered into a contract with BP for the procurement and construction of the jacket for a water injection platform on the Valhall field in the North Sea. The installation was delayed due to pile refusal, and rectification work was necessary to complete the installation. The jacket was successfully installed in August 2003. BP has reserved the right to claim back the additional costs related to rectification work if it is determined that the pile refusal was caused by circumstances falling under the group's scope of liability. In addition, BP has reserved the right to claim penalty payments as a result of delayed delivery.

Aker Braila

Aker Yards ASA subsidiaries Aker Braila in Romania has been held liable by a Dutch owner for cancelling 8 contracts signed in 1995. The amount of damages, if any, payable in respect thereof is pending subject to a final expert determination. The amount claimed is approximately EUR 11 million.

Tax

Aker ASA and its subsidiaries have some issues that are under consideration by local tax authorities in certain countries in which the Group has operations. In accordance with generally accepted accounting practices, Aker ASA has treated issues pending final determination in accordance with the information available at the end of the accounting period.

Note 40: EVENTS AFTER THE BALANCE SHEET DATE

Aker ASA sold 7,9% of the shares in Aker Kværner for NOK 781 million. Aker ASA sold 19,4% of the shares in Aker Yards for NOK 696 million. Aker ASA's share in Aker Kværner and Aker Yards after the sale are 50,01% and 55,6% respectively. Aker ASA has established 2 new long-term bond loans. One NOK 500 million loan floating interest with 5 years to maturity and one NOK 500 million fixed rate with 7 years to maturity. In January 2005 Aker ASA paid NOK 730 million of the bank debt.

ACCOUNTS, AKER ASA

Profit and Loss Account

Amounts in NOK million	**Note**	**Aker ASA 13.02-31.12.04**	**Aker RGI Holding AS 2003**	**Aker RGI Holding AS 2002**
Total revenues		**-**	**-**	**-**
Wages and other personnel expenses	1	-39	-10	-16
Depreciations	4	-5	-13	-9
Other expenses	2	-51	-71	-119
Sales gain/loss fixed assets	3	-	1	-
Operating profit		**-95**	**-93**	**-144**
Dividends from subsidiaries		66	-	749
Dividends other companies		-	-	11
Received Group contribution		380	958	383
Interest income from Group companies		23	343	336
Other interest and financial income		95	603	630
Interest expenses to Group companies		-134	-302	-291
Writedowns shares and receivables	15	-29	-1 195	-1 204
Other interest and financial expenses	14	-152	-686	-586
Profit after financial items		**154**	**-372**	**-116**
Tax on ordinary profit	9	-93	86	323
Tax regarding limited deferred tax benfit in the balance sheet	9	-509	-	-
Profit/loss for the year		**-448**	**-286**	**207**

ALLOCATION OF PROFIT/LOSS FOR THE YEAR

Profit/loss for the year		-448	-286	207
Transferred from/allocated to (-) retained earnings		448	286	-207
Dividends		-	-	-
Total	**8**	**-**	**-**	**-**
Group contribution after tax to subsidiaries		-	-264	-

Balance Seet as of 31.December

Amounts in NOK million	Note	Aker ASA 13.02-31.12.04	Aker RGI Holding AS 2003	Aker RGI Holding AS 2002
ASSETS				
Goodwill	4	58	-	-
Deferred tax assets	9	494	494	305
Total intangible assets		**552**	**494**	**305**
Art, inventory and vehicles		44	41	47
Property		3	3	8
Total tangible fixed assets	4	**47**	**44**	**55**
Shares in subsidiaries	5	13 316	7 504	7 725
Shares in associated companies	5	-	2	10
Shares in other limited companies	5	-	-	142
Other long-term investments in shares etc.	5	363	38	63
Long- term receivables from Group companies	6,15	605	3 240	4 527
Other long-term investments	10,6	121	209	335
Total financial fixed assets		**14 405**	**10 993**	**12 802**
Total fixed assets		**15 004**	**11 531**	**13 162**
Short-term receivables from Group companies		236	73	360
Group contributions		586	1 156	641
Other short-term receivables	14	62	53	110
Short-term investments in shares etc	7	-	16	23
Bank deposits, cash in hand, etc	17	185	156	160
Total current assets		**1 069**	**1 454**	**1 294**
Total assets		**16 073**	**12 985**	**14 456**
EQUITY AND LIABILITIES				
Share capital		2 423	1 605	1 578
Purchased shares		-185	-30	-30
Share premium reserves		2 334	630	589
Other paid in equity		3 235	-	-
Total paid in equity		**7 807**	**2 205**	**2 137**
Other equity		-	4 208	4 310
Total retained earnings		**-**	**4 208**	**4 310**
Total equity	8,19	**7 807**	**6 413**	**6 447**
Pension liability	10	127	124	122
Total provisions		**127**	**124**	**122**
Long-term debt to Group companies	11,16	1 160	3 892	3 268
Long- term subordinated debt to Group companies	11,16	4 694	-	-
Other long-term debt	11	1 891	1 048	1 790
Total other long-term debt		**7 745**	**4 940**	**5 058**
Short-term debt to Group companies	16	357	1 229	2 416
Other short-term debt	11	37	279	413
Total short-term debt		**394**	**1 508**	**2 829**
Total equity and debt		**16 073**	**12 985**	**14 456**

Oslo, 31 March 2005
Board of Directors Aker ASA

Kjell Inge Røkke *(Sign.)*
(Board Chairman)

Lone Fønss Schrøder *(Sign.)*
(Deputy Chairman)

Bjørn Flatgård *(Sign.)*
(Director)

Eva von Hirsch *(Sign.)*
(Director)

Kjeld Rimberg *(Sign.)*
(Director)

Kjell A. Storeide *(Sign.)*
(Director)

Atle Tranøy *(Sign.)*
(Director)

Stein Aamdal *(Sign.)*
(Director)

Bjarne Kristiansen *(Sign.)*
(Director)

Harald Magne Bjørnsen *(Sign.)*
(Director)

Leif-Arne Langøy *(Sign.)*
(President and CEO)

ACCOUNTS, AKER ASA

Cash Flow Statement

Amounts in NOK million	**Note**	**Aker ASA 13.02-31.12.04**	**Aker RGI Holding AS 2003**	**Aker RGI Holding AS 2002**
Profit after financial items		154	-372	-116
Gain/(loss) of sales fixed assets and write downs		29	976	-
Unrealized foreign exchange loss/gain (-)		23	-76	117
Ordinary depreciation		5	13	9
Taxes paid		-	-	-20
Other changes without cash effects		50	-	738
Change in short-term items etc		-217	-237	-426
Cash flow from operating activities		**44**	**304**	**302**
Investments in tangible fixed assets	4	-10	-	-3
Payments for acquisitions of shares and other equity investments	5	-2 738	-339	-1 270
Proceeds from sales of tangible fixed assets	4	-	2	-
Proceeds from sales of shares and other equity investments	5	-	158	-
Other investments/disposals etc	6	-	157	-1 592
Cash flow from investing activities		**-2 748**	**-22**	**-2 865**
Paid in cash		2 737	-	-
New long-term interest-bearing debt	11	2 751	2 252	1 957
Repayment of long-term interest-bearing debt	11	-491	-1 132	-2 187
Change in short-term interest-bearing debt		-2 095	-921	1 837
Dividend and Group contributions paid/received	8	-13	-485	1 052
Cash flow from financing activities		**2 889**	**-286**	**2 659**
Cash flow for the year		**185**	**-4**	**96**
Bank deposits, cash in hands etc in the beginning of the period		-	160	64
Bank deposits, cash at hands etc in the end of the period		**185**	**156**	**160**

Description og accounting principles and general information

General principles
For comments on the accounting principles applied, please refer to note 1: Description og accounting principles and general information, on page xx

Major events and effekts
Kværner Holding AS where established as of 13. February 2004. During the year the company has been transformed from a Limited Liability Company to a Public Limited Company and changed the name of the company to Aker ASA.
As of 27. May the company merged with Aker RGI Holding AS. Juridical Kværner Holding where the transferee company. However, by this point of view Kværneer Holding AS where a subsidary of Aker RGI Holding AS and for a accounting purposes Aker RGI Holding AS where the transferee company. During the year there has been paid-in capital to the Aker ASA's equity due to paid-in cash, converting of debt and paid-in non-cash items to the equity by totally NOK 9 253 million. Aker ASA has also merged with the 100% owned subsidary Aker RGI Management during the year (parent- subsidary merger).

2002 and 2003 from Aker RGI Holding AS is presented for information purposes as comparable figures.

NOTE 1: WAGES AND OTHER PERSONNEL EXPENSES
Wages and other personnel expenses consist of the following:

Amounts in NOK	**2004**	**2003**	**2002**
Wages and salaries	23	-	-
Social security	5	-	-
Pension costs	-6	8	13
Other benefits	17	2	3
Total	**39**	**10**	**16**
Average number of employees	26	-	-

The Group President has received remuneration in the first 8 months 2004 from TRG Holding AS. In the last 4 months he has received NOK 1 400 000 in salary and NOK 1 348 506 in other benefits. The company has paid-in NOK 96 181 to the Group President's pension plan during 2004.
The board of directors has received NOK 858 000 in remuneration from the company.
The Board President has received NOK 375 000 in salary and NOK 25 975 in other benefits, in addition to the remuneration to the board of directors.
In 2002 and 2003 Aker bought management services from Aker RGI Management AS and had no employees in this period.
All employees including the Group President and the leadership have a pension plan included in their employment contracts. Some of the excecutives have a benefit plan that depends among other things on the development of the value of Aker.
Se also note 38 on page 43.

NOTE 2: AUDITOR'S FEE
Auditor's fee is included in other expenses and consists of the following:

Amounts in NOK 1 000	**Auditing fee**	**Other services**	**Total 2004**	**Total 2003**	**Total 2002**
Aker ASA	4 830	530	5 360	2 926	1 562
Total	**4 830**	**530**	**5 360**	**2 926**	**1 562**

NOTE 3: SALES GAIN/(PROFIT) OF TANGIBLE FIXED ASSETS

Amounts in NOK 1 000	**2004**	**2003**	**2002**
Others	-	1	-
Total	**-**	**1**	**-**

ACCOUNTS, AKER ASA

NOTE 4: FIXED ASSETS

The change in fixed assets consists of the following:

Amounts in NOK million	**Art**	**Machines/ cars/ inventory**	**Buildings etc**	**Total**	**Goodwill**
Cost as of 1 Jan.	16	73	8	97	59
Purchase	7	3	-	10	-
Sold	-	-	-	-	-
Cost as of 31 Dec.	**23**	**76**	**8**	**107**	**59**
Accumulated depreciations	-	-55	-5	-60	-1
Book value as of 31 Dec.	**23**	**21**	**3**	**47**	**58**
Ordinary depreciations for the year	-	-5		-5	-1
Life time		4-8 years			20 years
Plan of depreciations		Linear			Linear

The company has some minor apartments in Oslo.

Goowill arose from merger with Aker RGI Management AS. Purchase of a company are among other items based on strategic adoptment and expected future economic profit. Aker depreciates goodwill, over expected economic lifetime, however maximum 20 years.

NOTE 5: SHARES ETC

Shares in subsidiaries consist of the following as of 31 Dec:

Amounts in NOK million	**Ownership in %**[1)]	**Head quarters**	**Equity as of 31 Dec**	**Profit after financial items**	**Book value**
Aker AS	100.00	Oslo	-	- [3)]	0
Recondo AS	100.00	Oslo	41	- [3)]	139
Norway Seafoods Holding AS	92.40	Oslo	630	-25 [3)]	762
Aker Yards ASA	75.00	Oslo	4 226	236 [2), 5)]	2 696
Atlas Stord AS	100.00	Bergen	56	-12 [2)]	84
RGI (Europe) BV	100.00	Rotterdam	3 628	193 [3)]	1 809
Norcrest Finance Corp	100.00	Liberia	-8	-2 [3)]	1
Wyndmore N.V.	100.00	Curacao	-43	-13 [3)]	-
CS Krabbe AS	100.00	Oslo	6	- [3)]	4
Aker Reassurance AS	100.00	copenhagen	7	- [3)]	5
Resource Group International AS	100.00	Oslo	30	-1 [3)]	33
Dianor Invest AS	100.00	Oslo	67	- [3)]	67
Intellectual Property Holdings AS	100.00	Oslo	-	- [3)]	-
Prosessholding AS	100.00	Oslo	307	7 [3)]	242
Aker Maritime Finance AS	100.00	Oslo	2 244	85 [3)]	2 796
Aker Geo Seismic AS	100.00	Oslo	301	6 [3)]	326
Aker Insurance AS	100.00	Oslo	94	121 [3)]	105
Aker Investment AS	100.00	Oslo	103	4 [3)]	98
Aker Finans AS	85.00	Oslo	1	- [3)]	8
Aker Kværner ASA	57.98	Oslo	56	-12 [2), 5)]	4 084
Aker Capital AS	100.00	Oslo	2	- [3)]	2
Vesterled Invest AS	50.00	Oslo	52	7 [3)]	23
RGI Inc	1.25	Seattle	1 126	155 [3), 4)]	25
Shipyards Exchange AS	4.60	Oslo	84	-14 [3), 4)]	5
Aker Mekaniske Verksted AS	35.00	Oslo	5	4 [3), 4)]	0
Total					**13 316**

Shares in associated companies consist of the following:

Amounts in NOK million	Ownership in % 1)	Head quarters	Equity as of 31 Dec	Profit after financial items	Book value
APS DA	50,00	Oslo	-	- 3)	-
Total					**-**

Other long-term investments in shares etc consists of the following:

Amounts in NOK million	Ownership in % 1)	Head quarters	Book value
Kværner ASA 5)	14,96	Oslo	356
Midtnorsk Fly- og Luftsportsenter	31,60	Oppdal	4
Other			3
Sum			**363**

1) Aker ASA's ownership and voting power are the same for all companies.

2) 100% of the group equity as of 31 Dec and 2004 profit after financial items

3) 100% of the company's equity and 2004 profit after financial items

4) Subsidary company in the group

5) Specification of investment in public listed companies as of 31.12 2004:

Amounts in NOK million	Number of shares owned	Marked value pr share 31.12.	Total
Kværner ASA	6 600 254	33,10	218
Aker Kværner ASA	31 906 760	167,00	5 328
Aker Yards ASA	15 452 010	152,00	2 349
Total			**7 896**

The shares considerd as long-term strategic investment by Aker ASA. Short-term fluctations in the marked is therefore not taken into considerations for accounting purposes.

NOTE 6: OTHER LONG-TERM FINANCIAL ASSETS

Other long-term financial assets consist of the following:

Amounts in NOK million	2004	2003	2002
Other long-term receivables	51	43	116
Pension funds	36	39	42
Activated costs relating to new debt	34	13	17
Option from Norwegian companies	-	114	160
Total other long-term financial assets	**121**	**209**	**335**
Long-term receivables from Group companies	605	3 240	4 527
Total	**726**	**3 449**	**4 862**

Other long-term receivables have the following schedule of payments:

Amounts in NOK million	2004
Due within 1 year	-
Due after 1 year	726
Total	**726**

Interest conditions are according to market condition.

ACCOUNTS, AKER ASA

NOTE 7: SHORT-TERM INVESTMENTS IN SHARES ETC

Short-term investments in shares etc consist of the following:

	Number of shares owned	Total shares	Market value of each share	Total Market value	Cost/ book value
Other short-term investments					52
Write-downs					-52
Total					**0**

NOTE 8: SUM EGENKAPITAL

Aksjekapitalen i Aker ASA pr 31.12.2004 består av følgende aksjegrupper:

		Number of shares			Total par value (NOK million)	
	Shares issued	Own shares	Shares outstanding	Par value	Shares issued	Shares outstanding
A-shares	44 131 354	6 600 254	37 531 100	28	1 236	1 051
B-shares	42 400 713	-	42 400 713	28	1 187	1 187
Total share capital	**86 532 067**	**6 600 254**	**79 931 813**		**2 423**	**2 238**
Own shares					-185	
Share premium reserve					2 334	
Other paid-in capital					3 235	
Total paid in capital					**7 807**	

The A-shares are owned 52.2% by TRG Holding AS, 15.0% own shares, and 32.8% by others. All the A-shares has voting power. Aker ASA and the subsidiary RGI (Europe) BV has no voting power for their A-shares owned.
The B-shares are owned 100% by Kværner ASA. The B-shares do not have voting power.

The 20 largest shareholders as of 18.02.04 (A-shares):

Company	Number shares	Percent
TRG Holding AS	23 045 163	52.22 %
Aker ASA	6 600 254	14.96 %
RGI (Europe) BV	2 959 938	6.71 %
Enskilda Securities	697 400	1.58 %
Storebrand Livsforsikring	580 500	1.32 %
DnB Nor Bank ASA	494 883	1.12 %
Røkke Kjell Inge	393 906	0.89 %
JPMorgan Chase Bank	338 286	0.77 %
Bear Stearns Security	198 000	0.45 %
Storebrand Norge	168 800	0.38 %
Verdipapirfondet Nor	168 000	0.38 %
ABG Sundal Collier	160 000	0.36 %
Svenska Handlesbanken	156 332	0.35 %
Dahl Ove Henning	150 000	0.34 %
Wenaasgruppen AS	144 900	0.33 %
Terra Spar	141 900	0.32 %
Terra Norden	140 550	0.32 %
Steinar Lindberg AS	140 000	0.32 %
Carnegie Investment	126 200	0.29 %
ABIF Aktiv	124 500	0.28 %
Total the 20 largest	**36 929 512**	**83.69 %**

Changes in shareholders equity in 2004 are shown below:

Amount in NOK million	**Share capital**	**Share premium-reserve**	**Own shares**	**Other paid-in equity 2)**	**Net paid-in capital**	**Other equity**	**Retained earnings**	**Total equity**
Equity as of 13.02.2004					-	-	-	-
Continuitydifference merger		-595			-595	-	-	-595
Paid in capital	2 423	2 929		3 901	9 253	-	-	9 253
Received Aker ASA shares as dividend (1)			-185	-218	-403	-	-	-403
Loss 13.01-31.12				-448	-448	-	-	-448
Equity as of 31 Dec	**2 423**	**2 334**	**-185**	**3 235**	**7 807**	**-**	**-**	**7 807**

1) All Kværner ASA shareholders received 1 Aker ASA share for each owned Kværner ASA share. Aker ASA received 6 600 254 shares. The eqity is reduced by own shares nominal value of 28,- and 6 600 254 shares, and the rest is reduced under paid-in equity.
2) Other paid-in equity is included in the basis for calculate free equity, regarding calculation of dividend capacity.

The changes in equity 2002 to 2004 are shown below:

Amounts in NOK million	**2004**	**2003**	**2002**
Opening balance	-	6 447	6 308
Net profit for the year	-448	-286	207
Continuity difference merger	-595	185	
Paid in capital	9 253	68	-68
Aker ASA shares received as dividend	-403	-	-
Others	-	-	-68
Balance as of 31 Dec	**7 807**	**6 413**	**6 447**

ACCOUNTS, AKER ASA

NOTE 9: DEFERRED TAX

The table below shows the difference between book and tax value at the end of 2004, and deferred tax liability at the end of 2004 and change in deferred tax:

Amounts in NOK million	**2004**	**2003**	**2002**
Differences in accruals	-	15	-13
Differences of receivables	-359	-1 643	-589
Differences short-term shares		-76	-19
Total short-term differences	**-359**	**-1 704**	**-621**
Fixed assets differences	-20	-12	-10
Long-term shares differences	-	-309	14
Partnership companies differences	-	-	-83
Differerence interest	-	199	-
Dividends from subsidiaries this year	-	-	300
Net pension liability	-91	-86	-80
Capital gains and losses reserve	46	56	70
Total Long-term differences	**-65**	**-152**	**211**
Total differences	**-424**	**-1 856**	**-410**
Tax losses carried forward	-3 158	-	-469
Dividends entitled to tax credit	-	-	-
Total basis, deferred tax before corrections	**-3 582**	**-1 856**	**-879**
Corrections for dividend from subsidiaries this year	-	-	-300
Corrections for differences shares	-	90	90
Total basis, deferred tax after corrections	**-3 582**	**-1 766**	**-1 089**
Net deferred tax 28%	**-1 003**	**-494**	**-305**
Deferred tax receivable not in the balance sheet	509	-	-
Deferred tax receivable	494	494	305
Deferred tax liability			-

Due to the new tax amendment in Norway, differences in shares are reversed.

ESTIMATED TAXABLE PROFIT

Amounts in NOK million	**2004**	**2003**	**2002**
Profit after finance in the Profit and Loss account	154	-372	-116
Profit and Loss regarding merger	-312	-	-
Profit after finance for tax purposes	**-158**	**-372**	**-116**
Net non deductible items	-1 155	191	445
Net non deductible income/expenses	-	-259	-102
Dividend entitled to tax credit		-435	-2 122
Change in differences		1 241	1 534
Taxable profit/loss NOKUS companies		-	-108
Estimated taxable income before Group contributions	**-1 313**	**366**	**-469**
Tax payable (28%) in the Profit and loss accounts			-
Tax of Group contribution	-	-366	-
Tax receivable correction earlier years	13	-	
Tax payable (28%) in the balance sheet	**13**	**-**	**-**

Profit in the Profit and Loss sheet is for the period 13.02-31.12.2004. For tax purposes the merged profit is for the period 01.01-31.12.2004. Therefore change in differences will devide from the difference in the columns above.

Tax expense:	2004	2003	2002
Tax payable in the Profit and loss accounts	-	102	-
Change in deferred tax	92	-189	-321
Correction change in deffered tax previous years	-59	-	-4
Tax receivable not in the balance sheet (1)	509	-	-
Tax related to previous years	-	-	2
Total tax expense/(income)	**542**	**-86**	**-323**
Tax expense/(income) on ordinary profit and loss	542	-86	-323
Tax expense/(income) on extraordinary profit and loss	-	-	-
Total tax expense/(income) due to taxable income	**542**	**-86**	**-323**
Tax expence due to merger	60	-	-
Tax expence in the Profit and Loss accounts(+)	**602**	**-86**	**-323**

1) Tax receivable not in the balance sheet due to the new norwegian tax rule. Theire will be no tax on gain/loss sale of shares.

The tax expense divide from the tax expense in the Profit and Loss accounts due to the difference between tax and accounting period descibed above.

The 2004 figures are based on estimates of different non deductable taxable income, non deductable items and differences between accounting and taxable items. The final items will be calculated in the income-tax return, and may devide from the estimates above.

Explanation why the tax income eventually devide from 28% of profit before tax:	
28 % tax of profit before tax	-38
Permanent differences	-6
Other differences	186
Calculated tax income	**142**
Effective tax percent (tax income compared with profit/loss before tax)	-376 %

The higt effective tax rate is due to tax receivable be not in the balance sheet and the Norwegian tax emendment.

NOTE 10: PENSION LIABILITIES/ASSETS

Aker ASA covers its pensions mainly through a group pension plan in a life insurance company. The plan has been treated for accounting purposes as a defined benefit plan. Aker ASA also has uninsured pensions liabilities.

Actuarial calculations have been made based on the following assumptions:

Expected return	6.5 %
Discount rate	5.5 %
Wage increases	3.0 %
Social security base adjustment/inflation	2.5 %
Pension adjustment	2.0 %

ACCOUNTS, AKER ASA

PENSION EXPENSES

Amounts in Nok million	**Over-funded plans** [1)]	**Under-funded plans** [1)]	**Total 2004**	**Total 2003**	**Total 2002**
Present value of the year's pension earnings	-2	-	-2	-1	-1
Interest cost on accrued pension liabilities	-3	-6	-9	-7	-7
Expected return on pension funds	3	-	3	3	3
Allocated effect of change in estimates and pension plans	-5	5	-	-1	-3
Change in social security	-	2	2	-2	-5
Net pension expenses	**-7**	**1**	**-6**	**-8**	**-13**

NET PENSION LIABILITIES/ASSETS AS OF 31 DEC:

Amounts in Nok million	**Over-funded plans** [1)]	**Under-funded plans** [1)]	**Total 2004**	**Total 2003**	**Total 2002**
Present value of accrued pension liabilities	-46	-110	-156	-129	-126
Value of future wage increases	-2	-2	-4	-3	-3
Calculated pension liabilities	-48	-112	-160	-132	-129
Value of pension funds	49	7	56	46	48
Calculated net pension funds/(liabilities)	**1**	**-105**	**-104**	**-86**	**-81**
Amortization [2)]	35	-15	20	8	6
Social security	-	-7	-7	-7	-5
Net pension funds/(liabilities) [3)]	**36**	**-127**	**-91**	**-85**	**-80**
Number of persons	**27**	**6**	**33**		

1) Under-funded plans: The value of the pension liability exceeds the value of the pension funds.
Over-funded plans: The value of the pension funds exceeds the value of the pension liability.
2) Amortization: The effect of changes in estimates and pension plans not recorded in the profit and loss account.
3) A provision is made for employment tax on contracts with net pension liabilities.

Aker ASA's liabilities are presented in the balance sheet as an interest-free long-term liability. Pension funds are recorded in the balance sheet as interest-free long-term receivables. Pension funds are invested in accordance with the general guidelines for life insurance companies. Recorded pension liablilities are calculated on the basis of estimated pension liabilities and accrued in accordance with generally accepted accounting principles. The pension liability recorded in the accounts is not the same as the pension rights legally earned as of 31 December 2004.

NOTE 11: DEBT

Long-term debt to group companies has maturity date longer than 5 years. See also note 16 regarding subordinated debt. Interest conditions are according to marked conditions.

Interest bearing long-term debt external is as shown below:

Currency	Currency amount	Amounts in NOK million 2004	2003	2002
NOK	-	1 811	1 048	1 790
Total		**1 811**	**1 048**	**1 790**

Langsiktig rentebærende ekstern gjeld har følgende avdragsplan fordelt på lånetype:

Amounts in NOK million	Convertible loan	Bond loans	Debt to credit institutions	Other loans	Total 2004
År					
2005				12	12
2006					-
2007		359	1 440		1 799
2008					-
2009					-
After 2009					-
Total 2004	**-**	**359**	**1 440**	**12**	**1 811**
2002		1 500	290	-	1 790
2003		754	294	-	1 048

Long-term interest free external debt is NOK 80 mill.
Average annual interest rate on the loans is 4.3%.
Book value of the bond as will be paid in 2007 is considered to be the same as nominal value, since it will be kept to the due date.
Bond loans is net of own bonds of nominal NOK 446 mill.
Covernants is described in note 14.

NOTE 12: LEGAL DISPUTES

Aker ASA has made a guarantee for Norway Seafoods Holding AS related to the forced redemption of Norway Seafoods AS shares under the Norwegian public limited liabilities act.

NOTE 13: GUARANTEE OBLIGATIONS

At year-end 2004 and 2003, Aker ASA had loan and performance guarantee obligations of NOK 997 and NOK 1 903 million, respectively, that were not recorded in the balance sheet. As of 31.12 the loan guarantee are NOK 606 million and the performance guarantee NOK 391 million.

All Aker Yards ASA shares, Aker Kværner ASA shares and a NOK 186,7 mill receivable from Aker Seafoods AS (former Aker Maritime receivable), 1.5 mill shares in Kværner ASA and finally 1.5 mill shares in Aker ASA are used as collateral for debt.

NOTE 14: FINANCIAL MARKET RISK

Foreign currency balance sheet items are naturally hedged, to the extent that borrowing and lending in the same currency coincide.

Aker has loan and guarantee commitments that contain covernants as to equity ratio and other issues. At the end of the 2004 accounting year, Aker met all loan and guarantee covernants.

Some Group subsidiaries are exposed to risk associated with the value of their investments in subsidiaries, due to changes in market prices for raw materials and semi-processed goods, to the extent that such fluctuations result in changes to these companies' competitiveness and earnings potential over time.

Exposure to risk arising from foreign currency exchange rate fluctuations is identified and reduced through continuous monitoring and adjustment of the Group's total collective portfolio of loans and financial instruments. Exchange risk related to investments in foreign currencies is hedged by modifications to the loan portfolio and/or via other financial instruments.

Some Group subsidiaries enter into ongoing hedging transactions related to individual subsidiaries' sales in foreign currencies. Such hedging is done to reduce the exchange rate risk affecting sales contracts.

Net not realized gain on other derivative contracts are included in Other short-term assets in the balance sheet:

(Amounts in NOK million) *Currency*	**Due**	**Strike value**	**Value shares**	**Not realized gain**
Call option shares	14.03.05	15	36	21
Call option shares	14.01.05	41	79	38
Total		**56**	**115**	**59**

NOTE 15: WRITE-DOWNS SHARES AND RECEIVABLES

Writedowns shares and receivables as shown below:

Amounts in NOK million	**2004 1)**
Write-downs receivables	29
Total	**29**

1) Adjustments of book-valute based on estimates of future net income. The write-downs receivables are mainly connected to Aker Material Handling of NOK 27 million.

NOTE 16: SUBORDINATED DEBT GROUP COMPANIES

Subordinated debt are shown below:

Amounts in NOK million	**Rente**	**2004**
Aker Geo Seismic AS	12 mnd Nibor+1%	505
Prosessholding AS	12 mnd Nibor+1%	190
RGI (Europe) BV	6 mnd Nibor+1%	551
RGI Inc	3 mnd Libor+1%	1 148
Aker Maritime Finance AS	12 mnd Nibor+1%	2 300
Total subordinated debt		**4 694**

The loans are subordinated to all other Aker ASA liabilities, and is due after external debt is paid.

NOTE 17: RESTRICTED CASH

The bank deposit of NOK 185 mill includes restricted cash of NOK 26 million.

Note 18: EVENTS AFTER THE BALANCE SHEET DATE

Aker ASA sold 7.9% of the shares in Aker Kværner for NOK 781 million. Aker ASA sold 19.4% of the shares in Aker Yards for NOK 696 million. Aker ASA's shares in Aker Kværner and Aker Yards after the sale are 50.01% and 55.6% respectively. The profit from from the transactions is NOK 211 million.

Aker ASA has established 2 new long-term bons loans. One NOK 500 million loan floating interest with 5 years to maturity and one NOK 500 million fixed rates with 7 years to maturity.

In January 2005 Aker ASA paid NOK 730 million of the bank debt.

NOTE 19: SHARES OWNED BY THE PRESIDENT AND CHIEF EXECUTIVE OFFICER, BOARDOF DIRECTORS AND CORPORATE ASSEMBLY, AND SENIOR EMPLOYEES OF AKER ASA

Selskapets innsideliste pr 21.02.05 er som følger

	Number of shares
Yngve Hågensen	5
Harald Bernt Kilnes	50
Reidar Lund	6
Halvard Muri	8 000
Eldar Myhre	26
Kjell Inge Røkke	23 439 069
Harald Magne Bjørnsen	700
Lapas co/Leif-Arne Langøy	31 000
Ole Melberg	1
Yngve Myhre	5 000

In connection with the merger with Aker RGI Management AS, Aker ASA acquired all of the outstanding shares in Aker RGI Management AS, and accordingly, this company was a fully owned company before the merger. The consideration includes a contingentfee, linked to the value of Aker ASA as of 1 January 2006.

ACCOUNTS, AKER ASA

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To the Annual Shareholders' Meeting of Aker ASA

AUDITOR'S REPORT FOR 2004

This Auditor's Report is replacing the Auditor's Report dated February 24 2005, which was issued in connection with the Board of Director's proposed annual financial statements, dated February 24 2005, and sent to the shareholders, Oslo Stock Exchange and others. The financial statements which included a distribution of dividends of NOK 516 millions was not approved by the Annual Shareholders' Meeting.

Respective Responsibilities of Directors and Auditors

We have audited the annual financial statements of Aker ASA as of 31 December 2004, showing a loss of NOK 448 million for the parent company and a loss of NOK 594 million for the group. We have also audited the information in the Board of Directors' report concerning the financial statements, the going concern assumption, and the coverage of the loss. The financial statements comprise the balance sheet, the statements of income and cash flows, the accompanying notes and the group accounts. These financial statements and the Directors' report are the responsibility of the Company's Board of Directors and the Managing Director. Our responsibility is to express an opinion on these financial statements and other information according to the requirements of the Norwegian Act on Auditing and Auditors.

Basis of Opinion

We conducted our audit in accordance with the Norwegian Act on Auditing and Auditors and auditing standards and practices generally accepted in Norway. Those standards and practices require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant accounting estimates made by management, as well as evaluating the overall financial statement presentation. To the extent required by law and auditing standards and practices an audit also comprises a review of the management of the Company's financial affairs and its accounting and internal control systems. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion,

- the financial statements have been prepared in accordance with law and regulations and present the financial position of the Company and of the Group as of 31 December 2004, and the results of its operations and its cash flows for the year then ended, in accordance with accounting standards, principles and practices generally accepted in Norway
- the Company's management has fulfilled its obligation in respect of registration and documentation of accounting information as required by law and accounting standards, principles and practices generally accepted in Norway

- the information in the Directors' report concerning the financial statements, the going concern assumption, and the coverage of the loss is consistent with the financial statements and comply with the law and regulations.

Audit of pro forma adjustments

Respective Responsibilities of Directors and Auditors
As described in note 3, a major part of the business in Aker Kværner ASA (now Kværner ASA) merged with Aker ASA group with effect as of April 1, 2004. Aker ASA has prepared pro forma financial statements for 2003 and 2004. The objective of these pro forma accounts which comprise the balance sheet, the statements of income and cash flows and the accompanying notes is to show what the significant effects might have been had the transaction occurred at an earlier date. However, the pro forma consolidated financial statements are not necessarily indicative of the results of operation or related effects on financial position to Aker ASA that would have been attained had the transaction actually occurred earlier. These pro forma financial statements are the responsibility of the Company's Board of Directors and the Managing Director. Our responsibility is to express an opinion on these pro forma adjustments and the assumptions the pro forma financial statements are based upon as described therein.

Basis of Opinion
We conducted our audit of the pro forma adjustments in accordance with auditing standards and practices generally accepted in Norway, and we express our opinion in accordance with the Norwegian Auditing Standard RS 800 "The Auditor's Report on Special Purpose Audit Engagements". Those standards and practices require that we plan and perform the audit to obtain reasonable assurance about whether the pro forma adjustments are consistent, in all material respects, with the assumptions described in note 3. We believe that our audit provides a reasonable basis for our opinion.

Opinion
In our opinion,
- the pro forma financial statements have been prepared in accordance with the assumptions described in note 3.
- the accompanying pro forma adjustments comply with those assumptions which are incorporated in the pro forma financial statements for 2003 and 2004.

Oslo, March 31, 2005
KPMG AS

Asbjørn Næss
State Authorised Public Accountant (Norway)

Note: This translation of the Norwegian statutory Audit Report has been prepared for information purposes only

ACCOUNTS, AKER ASA AND HOLDING

Balance, Aker ASA and Holding companies at 31.12.2004

The balance sheet of the Holding Company shows the value at which each investment has been recorded and how much debt Aker has assumed to finance the investments. In Akers view the Holding Company balance sheet is presented in a format that provides relevant information to investors and analysts and makes it easier to calculate the NAV of Aker ASA. The traditional parent company balance sheet has been expanded to contain all the wholly owned underlying administrative service companies and holding companies that carry only investments, cash, and debt in the balance sheet. The balance sheet therefore shows net debt relating to the holding companies' investments, i.e. the investments in Aker Kværner, Aker Yards, Aker Seafoods, Aker Material Handling, etc. The balance sheet shows all holding companies consolidated, whereas the operating holding companies like Aker Kværner ASA, Aker Yards ASA and Aker Seafoods are included at original cost price. Original acquisition cost means the cost price paid by the Holding Company. For further comments on the applied accounting principles, see 19 "Accounting Principles Aker". Please note that Aker has elected to present this balance sheet for Aker ASA and Holding companies in accordance with the cost method of accounting. Thus, shares in associated companies and subsidiaries are not valued according to the equity capital method in the balance sheet. The most significant holding companies which are consolidated are listed below:
Aker ASA, Aker Maritime Finance as (under liquidation), Resource Group International as, RGI (Europe) B.V., RGI Inc., RGI Holdings Inc., RGI (Denmark) ApS, Dianor Invest, Aker Insurance AS, Aker Asset Management ASA, Aker Investments AS, RGI Invest Inc., Prosessholding as, Aker Geo Seismic AS, Norway Seafoods Holding AS

Amounts in NOK million	**Note**	
ASSETS		
Intangible assets	2	627
Tangible fixed assets	2	44
Total intangible and tangible assets		**671**
Financial interest-bearing long-term assets	3	1 236
Financial interest-free long-term assets	2	102
Long term equity investments and interests	1	8 304
Total financial fixed assets		**9 642**
Total fixed assets		**10 313**
Short-term interest-free receivables		384
Short-term interest-bearing receivables	3	130
Liquid assets	4	344
Total current assets		**858**
Total assets		**11 171**
SHAREHOLDERS` EQUITY AND LIABILITIES		
Paid-in capital		7 807
Retained earnings		-189
Total shareholders` equity	5	**7 618**
Provisions and other interest-free long-term liabilities	6	452
Long-term interest-bearingliabilities	7	2 645
Total long-term liabilities		**3 097**
Short-term interest-free liabilities	6	311
Short-term interest-bearing liabilities	7	145
Total short-term liabilities		**456**
Total shareholders`equity and liabilities		**11 171**

Oslo, 31 March 2005
Board of Directors Aker ASA

Kjell Inge Røkke *(Sign.)*
(Board Chairman)

Lone Fønss Schrøder *(Sign.)*
(Deputy Chairman)

Bjørn Flatgård *(Sign.)*
(Director)

Eva von Hirsch *(Sign.)*
(Director)

Kjeld Rimberg *(Sign.)*
(Director)

Kjell A. Storeide *(Sign.)*
(Director)

Atle Tranøy *(Sign.)*
(Director)

Stein Aamdal *(Sign.)*
(Director)

Bjarne Kristiansen *(Sign.)*
(Director)

Harald Magne Bjørnsen *(Sign.)*
(Director)

Leif-Arne Langøy *(Sign.)*
(President and CEO)

BALANCE

NOTE 1: LONG TERM EQUITY INVESTMENTS AND INTERESTS

At 31.12.2004	Ownership in %	Number of shares	Book value (NOK mill)
Aker Kværner ASA	57,98	31 906 861	4 084
Aker Yards ASA	75,00	15 452 010	2 696
Kværner ASA	21,66	9 560 192	516
Aker Seafoods AS	100,00		790
Aker Material Handling AS	100,00		0
Atlas Stord	100,00		70
Norsea AS	33,50		60
Supply Invest AS	22,70		37
Other companies			50
Total			**8 304**

NOTE 2: INTEREST-FREE LONG-TERM RECEIVABLES AND OTHER ASSETS

Interest-free long-term receivables and other assets are distributed as shown below:

Amounts in NOK million	Receivable	Other assets	Total
Deferred tax assets	569		569
Pension funds	36		36
Receivables from companies in the same group	0	0	0
Goodwill		58	58
Other	66	44	110
Total	**671**	**102**	**773**

NOTE 3: OTHER INTEREST-BEARING CURRENT ASSETS AND LONG-TERM RECEIVABLES

Other interest-bearing current assets and long-term receivables from companies within the same group, associated companies, and external companies are as shown below:

	Short-term assets	Long-term receivables	Total
Receivable, companies within the same group	120	781	901
Receivable, external	10	455	465
Total	**130**	**1 236**	**1 366**

NOTE 4: LIQUID ASSETS

Liquid assets amounts to 344 NOK million, whereof 83 NOK million are restricted.

NOTE 5: SHAREHOLDERS' EQUITY

As of 31 Dec 2004 Aker ASA's share capital consists of the following share classes:

		Number of shares		Total par value (NOK million)		
	Shares issued	Own shares	Shares outstanding	Par value	Shares issued	Shares outstanding
A-shares	44 131 354	6 600 254	37 531 100	28	1 236	1 051
B-shares	42 400 713	-	42 400 713	28	1 187	1 187
Total share capital	**86 532 067**	**6 600 254**	**79 931 813**		**2 423**	**2 238**
Own shares					-185	
Share premium reserve					2 334	
Other paid-in capital					3 235	
Total paid in capital					**7 807**	

The A-shares are owned 52.2% by TRG Holding AS, 15.0% own shares, and 32.8% by other. All the A-shares has voting power. Aker ASA and the subsidiary RGI (Europe) BV has no voting power for their A-shares owned.
The B-shares are owned 100% by Kværner ASA. The B-shares do not have any voting power.

NOTE 6: INTEREST-FREE LIABILITIES
Interest-free liabilities are presented below:

Amounts in NOK million	Short-term	Long-term	Total
Tax liabilities	-	64	64
Pension liabilities	-	127	127
Reserve in Aker Insurance		180	180
Liabilities to companies in the same group	182		182
Other	128	81	209
Total	**311**	**452**	**763**

NOTE 7: INTEREST-BEARING DEBT
Interest-bearing debt is distributed among companies in the same group and external creditors as shown below:

Amounts in NOK million	Short-term	Long-term	Total
Debt to companies in the same group	53	834	887
Debt to external creditors	92	1 811	1 903
Total	**145**	**2 645**	**2 790**

Interest-bearing debt to external creditors is shown below:

Amounts in NOK million	
Bond loans	359
Debt to credit institution	1 440
Debt to former minority shareholders in Norway Seafoods ASA	88
Other debt	16
Total	**1 903**

The installment schedule for long-term interest-bearing external debt

Amounts in NOK million	**Bond loans**	**Credit Institutions**	**Other**	**Total**
Year				
2005			12	12
2006				0
2007	359	1440		1799
2008				0
2009				0
After 2009				0
Total	**359**	**1 440**	**12**	**1 811**

Average yearly interest rate on the loans is 4.3%. Book value of the bond as will be paid in 2007 is considered to be the same as nominal value, since it will be kept to the due date. Bond loans is net of own bonds of nok 446 mill.

KPMG

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To the Board of Directors of Aker ASA

Report on Summarized Balance Sheet

This report is replacing the report dated February 24 2005, which was issued in connection with the Board of Director's proposed annual financial statements, dated February 24 2005, and sent to the shareholders, Oslo Stock Exchange and others. The financial statements which included a distribution of dividends of NOK 516 millions was not approved by the Annual Shareholders' Meeting.

Respective Responsibilities of Management and Auditors

We have audited the summarized balance sheet with accompanying notes of Aker ASA and Holding Companies as of December 31, 2004. The summarized balance sheet with the accompanying notes, is the responsibility of the Company's Board of Directors and Managing director. Our responsibility is to express an opinion on this summarized balance sheet with accompanying notes.

Basis of Opinion

We conducted our audit in accordance with auditing standards and practices generally accepted in Norway, and we express our opinion in accordance with the Norwegian Auditing Standard RS 800 "The Auditor's Report on Special Purpose Audit Engagements". Those standards and practices require that we plan and perform the audit to obtain reasonable assurance that the summarized balance sheet with accompanying notes is not materially misstated. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the balance sheet with accompanying notes, assessing the accounting principles and significant accounting estimates, as well as evaluating the overall presentation of the balance sheet with the accompanying notes. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion,

- the summarized balance sheet with accompanying notes of Aker ASA and Holding Companies as of December 31, 2004 has been prepared according to the principles described in the opening paragraph to the balance sheet with accompanying notes, and gives a true and fair view of the financial position as of that date.

Oslo, March 31, 2005
KPMG AS

Asbjørn Næss
State Authorised Public Accountant (Norway)

Note: This is a translation from our Norwegian report and has been prepared for information purposes only.

Reflections of the majority shareholder

Dear fellow shareholder!

Looking back on what we've been through, it is striking that Aker as a system, as an organization, and as a group has so many remarkable features. Less than two years ago, many people thought failure loomed. Now, the taste of success may be our greatest challenge.

Formidable efforts were made in the Group while tempests raged. But we remained calm. We trusted ourselves. We kept our dreams and ideas – and we let them guide our choices. We took the leap, and lost; we rebuilt what others would have torn down. Today we have a structure that is stronger than it has been in a long time.

I am full of gratitude and admiration for our employees, who have made our ideas a reality. While a few of us have been immersed in transactions and financial restructuring, thousands of employees have made sure that our customers are satisfied, new customers keep coming on board – and that projects and products are delivered, and money is deposited in our coffers. As shareholders, we see the results of these efforts in the form of share price growth and (for the first time in along while) dividends.

Recent years' experiences often brought to mind Rudyard Kipling's poem "IF.....". Parents may be most familiar with Kipling as the author of The Jungle Book. However, nearly 100 years ago, he wrote a poem expressing what he felt his son should strive to do in order to call himself a man. "IF....." is among the world's most popular poems; it's a text worth reflecting on in various settings.

Keep your head when all about you are losing theirs and blaming it on you

Aker has come through many a storm, including some long-lasting autumn storms in recent years. We were told that if we were allowed to participate in the Norwegian fisheries industry the way we wanted to, we would be like the Plague, decimating Norwegian coastal communities. We have been accused of seeking to destroy Kværner and large parts of the Norwegian offshore supply industry. Those who preferred Russian oligarchs over us, as owners of Norwegian industrial workplaces, worked against us. We have presented issues fair and square, and confronted more or less rational "know-it-alls," who often used strong language to ridicule or belittle our choices. At times, we have seen our offices beleaguered by members of the Fourth Estate.

Nevertheless, we remained calm. Criticism spurred us on to action. We thrive on resistance and challenges.

Trust yourself when all men doubt you, but make allowance for their doubting too

Aker is characterized by a strong will and self assuredness, but also by humility. We are inspired by the proud history of our company. We know what we stand for, and we are proud of it; but in Aker there is no supreme ruler. Strong will must have its counter balance. The best solutions are often arrived at under the greatest stress. The best decisions are made after an exchange of opposing viewpoints.

For my own part, I would add that the worst mistakes in judgment I have made are the ones I made on my own. I forgot to listen. I forgot to seek the advice of others. Luckily, this doesn't happen often in Aker. The company has a strong Board of Directors and a decisive management. Aker has individuals with a great integrity and confidence.

Discussions are sometimes loud, but I believe that voicing opposing views is constructive. We have tension in our organization, and allow a great deal of room for differing opinions. That's how we arrive at the right decisions.

Dream – and not make dreams your master, Think – and not make thoughts your aim

Aker is a large organization and an energetic Group, an engine able to overcome most obstacles. Nevertheless, it works poorly without a vision, something that will make us muster our resources and energy and pull in the same direction. We must dare to dream and we must dare to have a sweeping vision. An example is the time we nearly acquired one of the world's largest contracting companies. Or when we bought into Kværner and unified two of Norway's foremost and most time honored technology-based industrial companies.

Aker's ability to execute is great. Once the goal and course are set, it will take a great deal to stop us. Just think of last year's major reorganization. I don't think anyone outside Aker fully appreciated the effort. A small team of dedicated co-workers completed hundreds of transactions to resolve structural challenges. It raised several billion Norwegian kroner in new equity, transferred many billions in debt from one listed company to another, and secured even more billions in new loans, which were used to repay old loans. And the team listed three new companies on the Oslo Stock Exchange.

I am a proud team leader when I see our achievements are noted and applauded, as they have been far beyond Norway's borders.

Dreams and vision come to naught without the ability to follow through.

Watch the things you gave your life to broken, and stoop and build 'em up with worn-out tools

There will always be someone who complains bitterly – or worse, someone who would like to see us fail. Often, these are our competitors. Nobody is successful all the time; Aker is no exception. We have been let down at times, sometimes with harmful consequences, as when trusted leaders enter into contracts beyond their authority, misrepresent facts, or turned away in the middle of storms.

A key feature of Aker and its employees is the ability to recover. Sometimes disappointment hits, and that's all right. We are allowed to get angry. We are allowed to fail. But we are not allowed to give up. Nothing shapes us more effectively than obstacles – and when the obstacles are the greatest, we are the most united. That's why I would never have wanted to miss the past couple of years.

Make one heap of all your winnings, risk it, lose, and start again at your beginnings – and never breathe a word about your loss

For better or for worse, Aker is a courageous group. We take risks, knowing the end result of our decisions may not be predictable. We prepare carefully, but recognize that nobody can foresee all eventualities. Nevertheless, we have the courage to make choices and act on them.

Our shareholder structure and management model are key to understanding how we operate, and set us apart from many other large corporations. In the same way that I am the dominant owner of Aker, Aker is the dominant owner of its underlying Group companies. Ownership makes itself strongly felt at all levels of the organization. The distance to power is short. The distance to decision-making likewise.

Aker has grown considerably. The listed companies collectively – when I include Kværner among them – have a total market capitalization of nearly NOK 25 billion. There are also several non-listed companies that are part of the Group structure. As the company's majority owner, I am aware that a great deal of responsibility for continued growth and success rests on my shoulders. But what does it take to succeed?

People and expertise

The answer to the questions is people and their competence.

Aker operates integrated industrial activities in which the practical competence of our factory workers, welders, electricians, fishermen, and engineers is just as important as academic training. Aker's know-how, technologies, and solid financial platform offer customers unique solutions to their needs.

People can study to gain new insight, companies can acquire technology, but competence is earned through hard work. That's why Aker is so dependent on hiring and keeping the right people with the right attitudes and values. We aim to offer them challenges that help them grow. We must strive to establish and maintain attractive apprenticeships and trainee programs, and make sure that each employee gains valuable experience from a variety of tasks within the Group.

I feel that Aker as a system has many of the features that Rudyard Kipling describes in his fantastic poem. Moreover, we have the competence, technology, and a solid financial foundation. I am glad to be associated with such an Aker. I would like to help shape such an Aker. A group that is stronger than any individual in it, but not so strong that individuals can't change it.

For my own part, I must admit that I may never grow into a "man" as pictured by Rudyard Kipling. But I believe Aker has what it takes.

Kjell Inge Røkke
Majority shareholder and
Board Chairman Aker ASA

IF.....

IF you can keep your head when all about you
Are losing theirs and blaming it on you,
If you can trust yourself when all men doubt you,
But make allowance for their doubting too;
If you can wait and not be tired by waiting,
Or being lied about, don't deal in lies,
Or being hated, don't give way to hating,
And yet don't look too good, nor talk too wise:

If you can dream - and not make dreams your master;
If you can think - and not make thoughts your aim;
If you can meet with Triumph and Disaster
And treat those two impostors just the same;
If you can bear to hear the truth you've spoken
Twisted by knaves to make a trap for fools,
Or watch the things you gave your life to broken,
And stoop and build 'em up with wornout tools:

If you can make one heap of all your winnings
And risk it on one turn of pitch-and-toss,
And lose, and start again at your beginnings
And never breathe a word about your loss;
If you can force your heart and nerve and sinew
To serve your turn long after they are gone,
And so hold on when there is nothing in you
Except the Will which says to them: 'Hold on!'

If you can talk with crowds and keep your virtue,
'Or walk with kings - nor lose the common touch,
If neither foes nor loving friends can hurt you,
If all men count with you, but none too much;
If you can fill the unforgiving minute
With sixty seconds' worth of distance run -
Yours is the Earth and everything that's in it,
And - which is more - you'll be a Man my son!

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