Third-quarter 2014 highlights

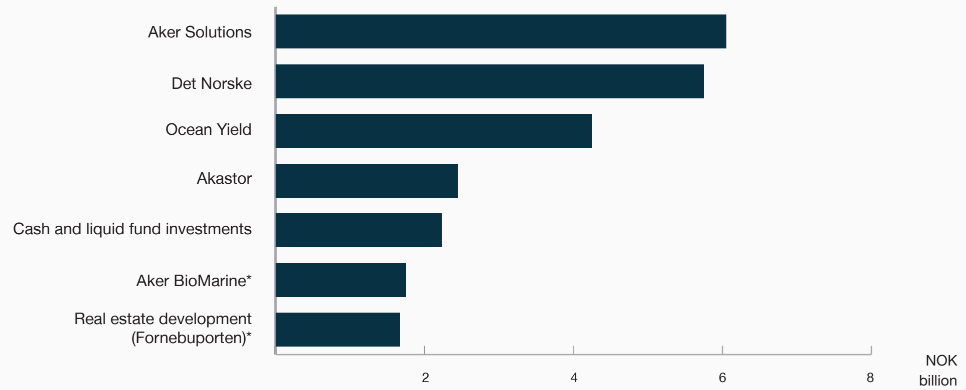
Financial key figures (Aker ASA and holding companies)

- The net asset value of Aker ASA and holding companies (Aker) declined 7.5 per cent in the third quarter to NOK 22.3 billion. Per-share net asset value (NAV) amounted to NOK 309 as of 30 September 2014, compared to NOK 334 as per 30 June 2014.
- Cash holdings were reduced by NOK 1.5 billion to NOK 1.6 billion in the third quarter, primarily due to the NOK 3.0 billion equity rigths issue in Det norske, in which Aker participated with its pro-rata share of NOK 1.5 billion. In addition, Aker held NOK 593 million in liquid fund investments as per 30 September 2014.
- The value of Aker's Industrial Holdings portfolio was reduced to NOK 21.8 billion in the quarter, down from NOK 22.1 billion in the second quarter 2014. Aker's Financial Investments portfolio amounted to NOK 7.6 billion, compared to NOK 9.1 billion in the prior quarter.
- The value-adjusted equity ratio was 76 per cent, down from 77 per cent as of 30 June 2014 and down from 81 per cent per year-end 2013, prior to dividend payment.
- The Aker share declined 12.8 per cent in the third quarter. This compares to a 1.4 per cent decline in the Oslo Stock Exchange's benchmark index (OSEBX).

Key portfolio events

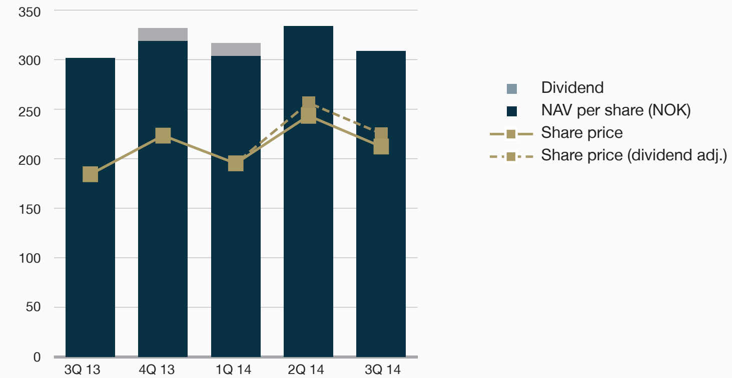
- In July, Det norske signed a new USD 3.0 billion reserve-based lending (RBL) facility. Further, the company completed a NOK 3.0 billion equity rights issue, in which Aker participated with its pro-rata share of NOK 1.5 billion. With this equity issue, the company has secured the equity financing of its current work program until first production from the Johan Sverdrup field. On 15 October, Det norske reported the successful closing of the USD 2.1 billion Marathon Norway acquisition.
- On 10 September, Kvaerner announced that it is exploring strategic opportunities to further strengthen the business. Additional improvement initiatives, industrial partnerships, or changes to ownership structures, as well as further streamlining of products and services will be considered.
- On 29 September, the previously announced demerger of old Aker Solutions into two independent companies, new Aker Solutions and Akastor, became effective. All shareholders of old Aker Solutions (renamed Akastor) received the same number of shares in new Aker Solutions. Both companies started trading on Oslo Stock Exchange as of the same date. Luis Araujo and Svein Oskar Stoknes assumed the positions as CEO and CFO in new Aker Solutions, while Frank O. Reite and Leif Borge assumed the same positions in Akastor.

Main contributors to Aker's NOK 29.4 billion gross asset value as of 3Q 14



*Reflected in Net Asset Value at book value.

Net Asset Value (NAV) per share and share price in NOK



The balance sheet and income statement for Aker ASA and holding companies (Aker) have been prepared to show the financial position as a holding company. Net asset value (NAV) is a core performance indicator at Aker ASA. NAV expresses Aker's underlying value and is a key determinant of the company's dividend policy (annual dividend payments of 2-4 per cent of NAV). Gross asset value is determined by applying the market value of exchange-listed shares, while book value is used for other assets. The same valuation principles apply to fund investments. Net asset value is gross asset value less liabilities.

Letter from the CEO

Dear fellow shareholders,

Although the oil industry is shifting into lower gear, I am not losing sleep on behalf of Aker's shareholders. Let me explain why.

In the space of a few weeks, oil-sensitive companies' share prices have sharply declined on global stock markets. Aker Solutions, Akastor, Det norske and Kvaerner have followed this negative trend, impacting Aker's net asset value and share price this autumn. The question is: What do drops in activity levels, oil and share prices mean for Aker and its portfolio companies in the oil service and E&P sectors?

The decline began long before oil prices started falling in the summer. An early warning was the announcements by some oil companies in early 2014 that costs and investments would be cut to boost free cash flow and secure future dividends for shareholders. These cuts hit the Norwegian Continental Shelf hardest. Other contributing factors have been the disappointing exploration results in several offshore regions in the past two years and that shale oil has become a "source of supply" of significance. In recent weeks, the falling oil prices have further exacerbated the situation. Together, these factors are impacting the entire industry.

This autumn, I have met with senior executives from many of the world's largest oil companies. All of them are focused on capital discipline. There is talk about cost cutting, but often decisions are more about cost avoidance. Projects are being put "on hold". There is uncertainty about oil prices the next 12 to 24 months, but the industry maintains a positive view on the oil prices long-term. This uncertainty results in final investment decisions taking longer than before, and many oil companies have yet to finalise their investment budgets for 2015.

Under market conditions like this, a strong order backlog and robust project pipeline are important. Most of the businesses in Aker Solutions, Akastor, Det norske and Kvaerner have that. We have also taken important steps to prepare the companies for more uncertain times.

Strategic measures implemented

Aker Solutions has been split into two focused companies with solid balance sheets, long-term debt profiles and low gearing. The "new" Aker Solutions is concentrating on the Subsea and Field design segments. Measured by contract awards, the company has been a market leader in the global subsea segment this year. Akastor is being developed as a specialised oil-services investment company. Its portfolio comprises valuable businesses that are well positioned to achieve operational growth. The strategic process that started when I took over as executive chairman of the "old" Aker Solutions in June 2010 concluded on 29 September of this year, with the division of the group into the two listed companies.

> *Under market conditions like this, a strong order backlog and robust project pipeline are important. Most of the businesses in Aker Solutions, Akastor, Det norske and Kvaerner have that. We have also taken important steps to prepare the companies for more uncertain times.*

I'm looking forward to following Aker Solutions' and Akastor's developments in the years to come. I acknowledge that our outlook is somewhat different than the current winds in the capital markets and with the benefit of hindsight the timing of our acquisition of shares in November last year was not perfect. Waiting a year would have been a better choice. Having said that, the fundamentals for creating shareholder value were enhanced by the split. Now it's largely about operational excellence and the new management teams are committed to deliver.

The acquisition of Marathon Oil Norway by Det norske was completed on 15 October this year, a "company maker" transaction, transforming Det norske from a pure exploration company into a fully integrated E&P company with significant cash flows. Prior to the closing of the transaction, Det norske was refinanced at favourable terms and at the right time. It completed a NOK 3.0 billion equity rights issue, with Aker subscribing for half of the new shares, ensuring full equity funding for Det norske's current business plan until production starts at the Johan Sverdrup field. The acquisition of Marathon Norway could not have been realised without Aker as an active and supporting shareholder. It's obviously unsatisfactory to see that shareholder values have been diminished since the equity issue, but still we are confident that the acquisition will benefit shareholders. The alternative, without Marathon Norway, would have been less attractive.

Kvaerner's board of directors initiated a strategic process in the third quarter to assess different industrial options for strengthening the company and creating greater shareholder value. Similar processes have been initiated by Converto related to Aker Philadelphia Shipyard and American Shipping Company.

Aker BioMarine has made progress in restructuring the company to streamline the krill business under the newly established holding company Superba ASA. Although this is a step towards a potential listing of Superba, the current market conditions indicate that this may take longer time than earlier envisaged.

Ocean Yield is now a well-established and important dividend generator for its shareholders. The company's EBITDA order book totals USD 2.2 billion, the average vessel contract length is 9.5 years and dividends are paid quarterly. Ocean Yield has financial strength and good momentum. The company is continuing to grow and diversify its portfolio with the aim of generating increasing dividends for its shareholders.

Havfisk has completed a new-build programme encompassing three modern, environmentally friendly, cost-effective vessels. The company is reporting good catches and improved profitability.

Following Fornebuporten's sale of offices under development in Aberdeen in November, Aker's financial portfolio now primarily comprises cash and liquid assets. The transaction increases Aker's cash holdings by approximately NOK 1.0 billion. The capital release programme announced in November 2012 – NOK 3 billion in three years – is maintained, with more than NOK 2 billion in assets realised thus far.

Aker's performance

Before focusing on the future again, I would like to comment on the third quarter. The turmoil in the oil and gas market does of course affect us. Aker's net asset value as of 30 September 2014 totalled NOK 22.3 billion, down from NOK 24.2 billion at the end of the second quarter. Apart from Ocean Yield and Havfisk, all listed assets in Aker's industrial portfolio declined in value in the third quarter. Overall, the drop in net asset value amounted to NOK 1.8 billion in the quarter, with Aker Solutions and Akastor accounting for NOK 1.6 billion of this total.

Although our cash holdings were lower at the end of the third quarter, due to the NOK 1.5 billion investment in Det norske, Aker remains financially strong and solid. The long-term financing of Det norske was an important milestone for Aker, and given their current strategies and business plans, none of the portfolio companies need to secure additional equity funding. Every company in the industrial portfolio has a strong, independent foundation. Aker's guarantee liabilities to the companies and businesses in the portfolio have been reduced.

Outlook and opportunities

The negative trend on Oslo Stock Exchange in general, and with respect to oil-related companies in particular, has thus far continued in the fourth quarter. Aker's net asset value is further impacted by stock market fluctuations. These effects can be monitored "live" on our website. Nevertheless, as an active, long-term shareholder, Aker focuses on operational excellence in the portfolio companies, underlying value, long-term industrial and market trends, and potential transactions. The decline in oil-related share prices in recent months is a negative development, but our long-term view of steady demand for oil and gas remains positive.

> *Despite falling oil prices and share prices, I see more opportunities than threats to Aker. Individually, all of the companies in Aker's industrial portfolio are stronger now than the last time we experienced turbulence in the capital markets and declining oil prices."*

Our oil-sector companies are operating in cyclical markets. This has been reinforced by shale oil becoming a meaningful "source of supply", especially in the US. Many ask themselves how this will affect the offshore oil and gas activity level. I ask our customers and partners, the oil and gas companies, and their response is "yes please, both". New fields, both offshore and onshore, will continue to be developed to meet the expected demand for oil and gas.

As the largest shareholder in Aker Solutions, Akastor, Det norske and Kvaerner, Aker supports these companies' efforts to adapt to current market conditions. Our focus is on long-term opportunities to create shareholder value also in periods characterised by more uncertainty. History tells that great opportunities often surface in times like this. That is why it is important to find the balance between short-term measures and long-term thinking.

We are facing a period of increased focus on capital discipline and free cash flow among oil companies, intensified by oil prices some 20–25% below the past three-year average. The short-term consequence is cost-cutting and reduced capital expenditure budgets going forward. The supplier industry is part of the solution and must collaborate with oil companies to develop smarter and more cost-effective methods and more standardised, environmentally friendly products and technologies. Aker and the Aker-owned companies are taking this challenge seriously, and will of course actively contribute.

Despite falling oil and share prices, we see today more opportunities than threats to Aker. Individually, all of the companies in Aker's industrial portfolio are stronger now than the last time we experienced turbulence in the capital markets and declining oil prices.

There should be no doubt: Aker's main target is to create shareholder value. Aker's dividend policy is part of that, and 2–4% of net asset value is to be paid to shareholders annually, and the intention is to increase the nominal dividend amount every year.

In a turbulent stock market, I regard Aker as a safe haven that offers good prospects for predictable dividends and high direct returns based on upstream cash from solid portfolio companies. Our main task is to seize the opportunities that the market offers at any point in time. That is why we tend to focus on the future at Aker.

Øyvind Eriksen
President and CEO

Aker ASA and holding companies

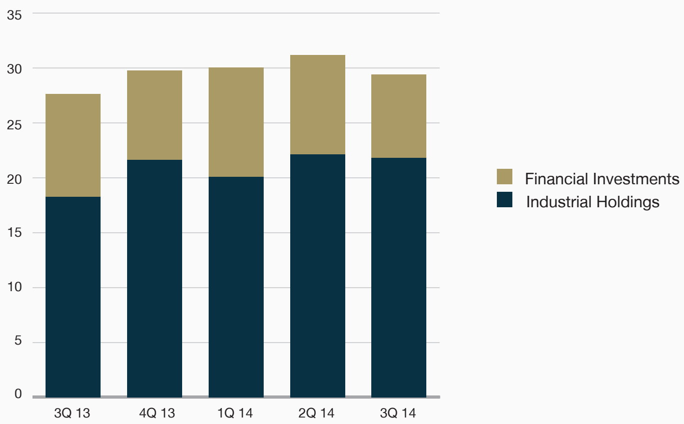
Assets and net assets value

Net asset value (NAV) composition - Aker ASA and holding companies

	31.12.2013		30.06.2014		**30.09.2014**	
	NOK/share	NOK million	NOK/share	NOK million	NOK/share	NOK million
Industrial Holdings	299	21 635	306	22 131	**301**	**21 799**
Financial Investments	113	8 149	125	9 057	**105**	**7 629**
Gross assets	412	29 784	431	31 188	**407**	**29 427**
Total liabilities (4Q before dividend allocations)	(80)	(5 780)	(97)	(7 034)	**(98)**	**(7 080)**
NAV (4Q before dividend allocations)	332	24 003	334	24 154	**309**	**22 348**
Net interest-bearing receivables/(liabilities)		(2 321)		(2 916)		**(4 386)**
Number of shares outstanding (million)		72 330		72 339		**72 339**

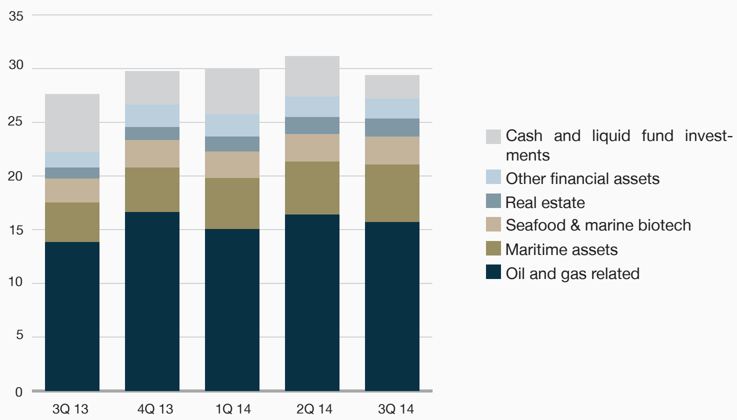
Gross assets

(NOK billion)



Gross assets per sector

(NOK billion)

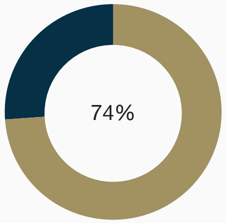


Net asset value (NAV) is a core performance indicator at Aker ASA. NAV expresses Aker's underlying value and is a key determinant of the company's dividend policy (annual dividend payments of 2-4 per cent of NAV). Net asset value is determined by applying the market value of exchange-listed shares, while book value is used for other assets. The same valuation principles apply to fund investments. Aker's assets (Aker ASA and holding companies) consist largely of equity investments in the Industrial Holdings segment, and of cash, receivables and fund investments in the Financial Investments segment. Other assets consist mainly of intangibles and tangible fixed assets. The chart above to the right shows the composition of Aker's assets. The business segments are discussed in greater detail on pages 5-7 of this report.

Aker – Segment information

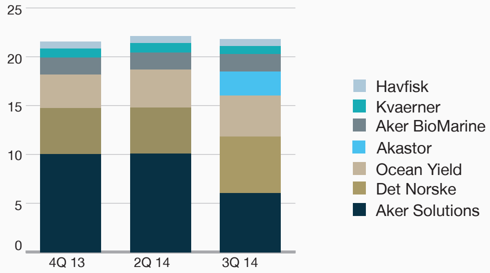
Industrial Holdings

Share of Aker assets



Aker's Industrial Holdings

(NOK billion)



		31.12.13	30.06.14	3Q 14				30.09.14
Amounts in NOK million	Ownership in %	Value	Value	Net investments	Declared dividends	Other changes	Value change	Value
Aker Solutions[1]	34.8	-	-	-	-	6 532	(480)	6 052
Det norske	50.0	4 692	4 713	1 501	-	-	(466)	5 748
Ocean Yield	73.2	3 409	3 881	-	(80)	-	443	4 244
Akastor[1]	34.5	10 154	10 081	-	-	(6 532)	(1 104)	2 445
Aker BioMarine[2]	99.2	1 760	1 743	4	-	-	-	1 747
Kvaerner	28.7	888	973	-	-	-	(154)	819
Havfisk	73.2	732	741	-	-	-	3	744
Total Industrial Holdings		21 635	22 131	1 505	(80)	-	(1 758)	21 799

[1] Demerger based on share capital split ratio according to the demerger plan. In the Demerger 35.2 per cent of the share capital was allocated to Akastor and 64.8 per cent to Aker Solutions.
[2] Reflected in net asset value at book value.

The total value of Aker's Industrial Holdings declined to NOK 21.8 billion in the third quarter 2014, mainly due to an underlying value decrease of NOK 1.8 billion, which was offset by the NOK 1.5 billion equity contribution through Det norske's July rights issue. This compares to a value of NOK 22.1 billion as of 30 June 2014 and NOK 21.6 billion as of 31 December 2013.

Of the NOK 1.8 billion underlying value decrease in the third quarter, Aker Solutions and Akastor represented NOK 1.6 billion, Det norske NOK 466 million and Kvaerner NOK 154 million. This was, however, partly offset by a value increase of NOK 443 million and NOK 3 million in Ocean Yield and Havfisk, respectively.

The book value of Aker's non-listed holding, Aker BioMarine, remained at NOK 1.75 billion as per 30 September 2014.

Following is a summary of Aker's view on each of its Industrial Holdings.

Aker Solutions

While the timing of the split of Aker Solutions coincided with a weak oil price environment, that impacted the stock price of new Aker Solutions in particular, Aker continues to believe in the strong operational and strategic rationale for the split. The company was hit harder in terms of share price than some peers due to its offshore, deepwater and NCS focus. However, Aker believes that the combination of a strong backlog and expected continued growth in the subsea, umbilical and engineering segments, put Aker Solutions in a favourable position long-term. Aker expects Aker Solutions to realise the operational and commercial synergy potential enabled by the split. Operational excellence, cost reductions, simplifications and improved efficiency will be crucial in this respect. By combining this focus with enhanced capital discipline and a solid balance sheet following the divestments of the Mooring and Loading Systems and Well Intervention Services businesses, we expect accelerating returns on capital over time.

Det norske

On 15 October, Det norske successfully completed the closing of the USD 2.1 billion Marathon Norway acquisition. A new management team is now in place, consisting of ten senior vice presidents in addition to CEO Karl Johnny Hersvik. Once the integration is completed, Det norske will have close to 500 employees and have offices in Trondheim, Stavanger, Oslo and Harstad. On the financing side, the new USD 3 billion reserve-based lending (RBL) facility is now in place and the USD 1 billion revolving credit facility (RCF) has been repaid. In July, Det norske raised NOK 3 billion through a rights issue, where Aker participated with its 50 per cent share. During the third quarter, Det norske participated in three exploration wells. This included two operated exploration wells in the North Sea, both of which were reported dry, and the Lundin operated Gohta appraisal well in the Barents Sea where the results were reported inconclusive. Going forward, Det norske's key operational focus areas will be delivery of the Ivar Aasen project, securing its ownership in the unitised Johan Sverdrup field and ensuring reliable and safe production from the Alvheim field. In addition, Det norske will need to complete the integration process.

Ocean Yield

Ocean Yield's mandate is to build a diversified portfolio of maritime assets within oil service and industrial shipping, with a focus on long-term bareboat charters to credit-worthy counterparties. The company has a target growth of minimum USD 350 million in new investments per year. The company's estimated EBITDA contract backlog stood at USD 2.2 billion and the average remaining contract tenor (weighted by EBITDA) was 9.5 years as per the end of the third quarter, providing good revenue visibility. While competition in the sale and leaseback market has intensified, demand remains healthy, providing continued opportunities for new transactions generating double-digit returns. Furthermore, the funding market for Ocean Yield has developed positively in 2014, with substantial reductions in margins for both unsecured bond loans and secured bank loans. The company aims to deliver competitive returns to shareholders through predictable and growing cash dividends, and again announced an increase in its quarterly dividend payment in the third quarter.

Akastor

Akastor has seen a more stable share price development than Aker Solutions since the split on 29 September, as investors seem to appreciate the value potential of the portfolio of businesses, the solid balance sheet with low gearing and the additional upside through the opportunistic mandate of the company. Management of Akastor is focusing on developing strategies for how to develop its portfolio of businesses going forward. The management of the portfolio businesses will dedicate themselves to improving operations and pursuing the strategy plans agreed to. Aker expects that this focus will translate into improved performance and stronger businesses. Meanwhile, it will be the Akastor management's task to utilize the full range of strategic options when appropriate, including potential partnerships, restructurings and divestments.

Aker BioMarine*

Aker BioMarine is the leading supplier of krill-derived products to the consumer health and wellness and animal nutrition markets. A strong harvesting season was completed during the quarter. Third quarter demand for Qrill™ Aqua remained strong, but sales volumes were somewhat reduced compared to the previous quarter. As for Superba™ Krill Oil, quarterly sales have been relatively stable during the first three quarters of the year and the company does not expect major deviations from this trend in the fourth quarter. The new Superba™ Krill factory in Houston started test production during the quarter and is on schedule to start commercial production in the fourth quarter. Aker BioMarine has established a solid platform for continued growth and is well positioned to expand globally with its strong supply chain, innovative product pipeline, and stable long-term client relationships. Aker BioMarine's Trygg Pharma Group, jointly owned with Lindsay Goldberg, remains focused on optimising and monetising the value of its two main assets – Omtryg® (previously referred to as AKR 963), which is an approved drug for the treatment of severe hypertriglyceridemia, and certain late-stage product candidates for the treatment of pain that utilises Inspirion Delivery Technologies' proprietary abuse-deterrent technologies.

Including Trygg Pharma Group.

Kvaerner

Kvaerner is improving its competitiveness as a leading EPC specialist on the NCS, proven by the award of the frame agreement for the delivery of steel jacket substructures to Statoil-operated fields. The company is working consistently to enhance production efficiency at its yards and develop alternative, low-cost delivery models, targeted to cut the cost base for future EPC projects by 15 per cent. The global EPC market remains active, despite the postponements of certain projects with marginal economics. The Johan Sverdrup development carries the greatest strategic importance for Kvaerner on the NCS. Exploration activity in the Arctic region is expected to provide the company with longer-term opportunities as the leading expert in concrete gravity-based structures. Kvaerner's priority is to win new contracts at sound margins, while extracting value from the backlog of NOK 19.4 billion by delivering its projects on schedule and according to clients' specifications. An example during the third quarter was the Transocean Barents project delivery ahead of schedule. In September, Kvaerner announced that it is exploring strategic opportunities to further strengthen the business. Additional improvement initiatives, industrial partnerships, or changes to ownership structures, as well as further streamlining of products and services will be considered.

Havfisk

Havfisk is Norway's largest white fish harvesting company. The company operates 29.6 cod licenses, which represent about 10 per cent of the national cod quotas. The company recently completed its newbuild program and is currently adapting its overall capacity to optimise harvesting efficiency and operational flexibility. Catch efficiency and white fish prices are the company's key value drivers. Harvested volumes in the quarter increased by 20 per cent compared year-over-year. Remaining quotas for the fourth quarter are 32 per cent for cod and 29 per cent for haddock. White fish prices have maintained an upward trend and the average price achieved for all species produced increased by 23 per cent compared to the same period last year. Total fishing quotas for cod set for 2015 are 10 per cent lower than for 2014, whereas the outlook for overall white fish demand remains strong. In the third quarter, Havfisk announced Webjørn Barstad as the new Chief Executive Officer starting 1 January 2015. Havfisk's Chief Financial Officer, Eldar Farstad, acts as interim Chief Executive Officer until Barstad assumes his position.

Results and Returns for Listed Industrial Holdings[1)]

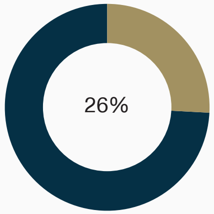
	Aker Solutions (NOK)		**Det norske** (NOK)		**Ocean Yield** (USD)		**Akastor** (NOK)		**Aker BioMarine** (USD)		**Kvaerner** (NOK)		**Havfisk** (NOK)	
Amounts in million	3Q13	**3Q14**	3Q13	**3Q14**	3Q13	**3Q14**	3Q13	**3Q14[4)]**	2Q14[5)]	**3Q14**	3Q13	**3Q14**	3Q13	**3Q14**
Revenue	6 806	**8 271**	324	**112**	62	**65**	4 234	**5 096**	34	**29**	3 080	**4 004**	189	**296**
EBITDA[2)]	567	**617**	241	**45**	56	**54**	354	**852**	8	**0**	180	**194**	45	**85**
EBITDA margin (%)	8.3	**7.5**	74.4	**40.4**	90.0	**82.8**	8.4	**16.7**	24.1	**(0.4)**	5.9	**4.8**	23.8	**28.7**
Net profit continued operations	351	**271**	(158)	**(104)**	19	**25**	(7)	**190**	2	**(7)**	101	**112**	3	**22**
Closing share price (NOK/share)	N/A	**64.00**	81.40	**56.75**	31.10	**43.20**	N/A	**25.85**	N/A	**N/A**	9.91	**10.60**	7.00	**12.00**
Quarterly return (%)[3)] incl. dividend received	N/A	**N/A**	(2.3)	**(6.3)**	15.2	**11.4**	N/A	**N/A**	N/A	**N/A**	2.1	**(15.9)**	21.3	**0.4**

1) The figures refer to the full results reported by the companies. Reference is made to the respective companies' quarterly reports for further details.
2) For Det norske, EBITDAX is used. EBITDAX is Earnings before interest, taxes, depreciation, amortisation and exploration expenses.
3) The figures refer to total shareholder return, i.e. share price development and dividend payments.
4) The third quarter 2014 figures for Akastor include a reclassification related to Aker Wayfarer leading to a non-cash reversal of a provision of NOK 624 million.
5) 2013 figures for Aker BioMarine have been restated and quarterly figures are not yet available, see note 9 in the consolidated accounts on page 22.

Aker – Segment information

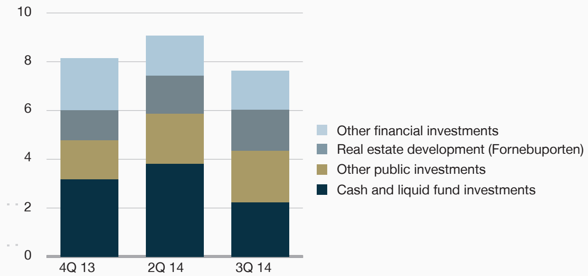
Financial Investments

Share of Aker assets



Aker's Financial Investments

(NOK billion)



	31.12.2013		30.06.2014		**30.09.2014**	
	NOK/ share[1)]	NOK million	NOK/ share[1)]	NOK million	NOK/ share[1)]	NOK million
Cash	34	2 459	43	3 095	**23**	**1 637**
Liquid fund investments	10	707	10	708	**8**	**593**
Other public investments	22	1 609	28	2 063	**29**	**2 122**
Real estate development (Fornebuporten)	17	1 238	22	1 569	**23**	**1 669**
Other financial investments	30	2 135	22	1 622	**22**	**1 608**
Total Financial Investments	113	8 149	125	9 057	**105**	**7 629**

[1)] *The investment's contribution to Aker's per share NAV.*

Financial Investments comprise all of Aker's (Aker ASA and holding companies) assets – other than Industrial Holdings – including cash, receivables, shares and investments in funds. The value of Aker's financial investments amounted to NOK 7.6 billion as of 30 September 2014, compared with NOK 9.1 billion as of 30 June 2014 and NOK 8.1 billion as of 31 December 2013.

Aker's **Cash holding** decreased from NOK 3.1 billion to NOK 1.6 billion in the third quarter 2014, primarily due to the NOK 3.0 billion equity rigths issue in Det norske, in which Aker participated with its pro-rata share of NOK 1.5 billion. Additionally, Aker contributed NOK 100 million in funding to Fornebuporten. Aker received NOK 80 million in dividend payments from Ocean Yield and NOK 90 million in redemptions from Aker's liquid fund investment in AAM Absolute Return Fund.

Aker held NOK 593 million in **liquid fund investments** in the third quarter 2014, down from NOK 708 million in second quarter 2014. The reduction was mainly due to NOK 90 million in redemptions and a total underlying value decrease of NOK 25 million in the three funds. The value of Aker's investment in AAM Absolute Return Fund was reduced to NOK 258 million in the quarter, compared to NOK 355 million in the second quarter 2014. The value of Aker's investments in the Norron Target and Norron Select funds totalled NOK 335 million, down from NOK 353 million in the prior quarter.

The value of **Other public investments** was NOK 2.1 billion as of 30 September 2014, on par with levels in the second quarter. The value of Aker's investment in Aker Philadelphia Shipyard ("AKPS") fell to NOK 1 122 million, compared to NOK 1 151 million in the second quarter. The value of Aker's direct and indirect exposure to American Shipping Company ("AMSC") increased to NOK 1 000 million, compared to NOK 908 million in the previous quarter.

In September 2014, Aker announced that it will be evaluating strategic alternatives for its two US Jones Act investments. As a major shareholder in both companies, Aker will work together with management and the Board of Directors of AMSC and AKPS to evaluate and execute potential strategic initiatives to maximise shareholder value. This could include M&A and financial restructuring of AMSC and AKPS, as well as assessing potential joint strategic alternatives for the two companies.

Aker's total exposure to **Real estate development (Fornebuporten)** increased by NOK 100 million in the quarter to NOK 1.7 billion as of 30 September 2014, of which NOK 1.5 billion represented equity investments and NOK 188 million receivables. Construction of the office and residential buildings at Fornebuporten is progressing according to plan. As of the end of third quarter, the total leased area stood at approximately 51 000 square meters out of a total of 67 000 square meters. However, subsequent to the third quarter, Fornebuporten has signed a contract with Aker ASA for approximately 4 000 square meters and is in advanced discussions regarding the occupancy of an additional 4 500 square meters that is expected to close in the fourth quarter.

Subsequent to the third quarter, Fornebuporten agreed to forward sell the first phase development at Aberdeen International Business Park, constituting three office buildings, to the UK pension fund Legal & General at a price of GBP 127 million. The transaction was completed early November and results in a cash release to Aker ASA of approximately NOK 1.0 billion. Fornebuporten continues to hold 22 acre of attractive land at AIBP. The company is now looking at a potential second phase development of the business park including the development of more offices and a hotel.

Other financial investments amounted to NOK 1.6 billion as of 30 September 2014, on par with levels in the second quarter. Other financial investments consists of equity investments, internal and external receivables and other assets, of which the largest contributors are the equity investments in Align and Navigator Marine and the receivables in Setanta Energy and Ocean Harvest, in addition to intangible, fixed and non-interest-bearing assets.

Aker ASA and holding companies

Combined balance sheet

Amounts in NOK million	30.09.13	31.12.13	31.03.14	30.06.14	**30.09.14**
Intangible, fixed, and non-interest-bearing assets	267	237	243	250	**273**
Interest-bearing fixed assets	1 662	605	598	534	**488**
Investments[1)]	12 466	15 762	15 621	15 678	**16 923**
Non-interest-bearing short-term receivables	38	59	41	21	**24**
Interest-bearing short-term receivables	31	15	53	76	**82**
Cash	4 751	2 459	3 519	3 095	**1 637**
Assets	19 214	19 137	20 075	19 655	**19 427**
Equity	13 415	12 417	12 015	12 621	**12 347**
Non-interest-bearing debt	399	1 320	1 422	412	**486**
Interest-bearing debt to subsidiaries	-	135	-	5	**5**
Interest-bearing debt, external	5 401	5 266	6 638	6 617	**6 589**
Equity and liabilities	19 214	19 137	20 075	19 655	**19 427**
Net interest-bearing receivables (debt)	1 043	(2 321)	(2 469)	(2 916)	**(4 386)**
Equity ratio (%)	70	65	60	64	**64**

1) Aker ASA and holding companies prepares and presents its accounts in accordance with the Norwegian Accounting Act and generally accepted accounting practices (GAAP), to the extent applicable. Accordingly, exchange-listed shares owned by Aker ASA and holding companies are recorded in the balance sheet at the lower of market value and cost price. In accordance with Aker ASA and holding companies' accounting principles, acquisitions and disposals of companies are a part of the ordinary business. Consequently gains from sales of shares are classified as operating revenues in the combined profit and loss statement of the accounts. Gains and losses are only recognized to the extent assets are sold to third parties. Accounting principles are presented in Aker's 2013 annual report.

The total book value of assets fell in the third quarter 2014 by NOK 228 million to NOK 19.4 billion, compared to NOK 19.7 billion as of 30 June 2014 and NOK 19.1 billion as of 31 December 2013.

Intangible, fixed and non-interest-bearing assets stood at NOK 273 million, compared to NOK 250 million as per end of the second quarter 2014 and NOK 237 million at year-end 2013. The main items in the category are fixtures, an aircraft and deferred tax assets.

Interest-bearing fixed assets fell to NOK 488 million in the third quarter from NOK 534 million in the second quarter and NOK 605 million as per 31 December 2013.

Investments rose by NOK 1.2 billion to NOK 16.9 billion as of 30 September 2014, primarily due to NOK 1.5 billion invested in the equity rigths issue in Det norske and NOK 100 million contributed in additional funding to Fornebuporten, offset by NOK 90 million in redemptions from its liquid fund investment in AAM Absolute Return Fund and NOK 290 million decrease in the value of the directly-owned share investments in Aker Solutions and Akastor. Investments stood at NOK 15.7 billion as per 30 June 2014 and NOK 15.8 billion as per year-end 2013.

Aker's **Cash** holding was reduced by NOK 1.5 billion to NOK 1.6 billion during the third quarter. The decline is mainly due to the Aker's participation with NOK 1.5 billion in Det norske's equity rigths issue. Additionally, Aker contributed NOK 100 million in funding to Fornebuporten. This was partly compensated by NOK 80 million in dividend received from Ocean Yield and NOK 90 million in redemptions from Aker's liquid fund investment in AAM Absolute Return Fund.

Equity stood at NOK 12.3 billion at the end of the third quarter, compared to NOK 12.6 billion as per 30 June 2014 and NOK 12.4 billion as per 31 December 2013. The decrease is mainly due to Aker posting a net loss before tax of NOK 276 million in the quarter.

Non-interest-bearing debt stood at NOK 486 million at the end of the third quarter, compared to NOK 412 million in the prior quarter and NOK 1.3 billion as per year-end 2013. The change is primarily due to currency effects.

Interest-bearing debt, external amounted to NOK 6.6 billion in the third quarter, on par with second quarter levels and up from NOK 5.3 billion as per year-end 2013.

Aker ASA and holding companies

Combined income statement

Amounts in NOK million	3Q 13	2Q 14	**3Q 14**	YTD 13	**YTD 14**	Year 2013
Operating expenses	(57)	(50)	**(63)**	(166)	**(171)**	(236)
EBITDA[1]	(57)	(50)	**(63)**	(166)	**(171)**	(236)
Depreciation and amortisation	(4)	(4)	**(4)**	(11)	**(11)**	(14)
Non recurring opearting items	-	-	**-**	-	**(37)**	-
Value change	(29)	227	**(260)**	380	**(290)**	252
Net other financial items	167	436	**51**	664	**439**	822
Profit/(loss) before tax	77	609	**(276)**	867	**(70)**	825

1) EBITDA = Earnings before interest, tax, depreciation and amortisation.

The income statement for Aker ASA and holding companies shows a pre-tax loss of NOK 276 million for the third quarter of 2014, compared to a NOK 609 million profit in the prior quarter. The NOK 70 million in loss before tax for the first nine months of 2014 compares to a NOK 867 million profit for the first nine months of 2013. As in previous periods, the income statement is mainly affected by value changes in the share investments and dividends received.

Operating expenses in the quarter were NOK 63 million compared to NOK 50 million in the prior quarter. Operating expenses for the first nine months of 2014 were NOK 171 million, compared to NOK 166 million for the same period in 2013.

Value change in the third quarter stood at minus NOK 260 million, mainly reflecting the decreased value in Aker's direct holdings in Aker Solutions and Akastor. The negative value change of NOK 290 million during the first nine months of 2014 compares to a NOK 380 million value increase during the same period in 2013.

Net other financial items during the third quarter amounted to NOK 51 million, compared to NOK 436 million in the prior quarter. This is primarily due to lower dividends received in the third quarter compared to the second quarter. Net other financial items for the first nine months of 2014 were NOK 439 million, compared to NOK 664 million in the same period the year before. The reduction is mainly due to higher net interest costs in the period and the write-down of the Setanta Energy receivable in the second quarter.

Treasury shares and number of shares

As per 30 September 2014, the total number of shares in Aker amounted to 72 374 728 and the number of outstanding shares was 72 338 900. As per 13 November 2014, Aker ASA held 35 828 own shares.

Group consolidated accounts

The Aker Group's consolidated accounts are presented from page 12 onwards. Detailed information on revenues and pre-tax profit for each of Aker's operating segments is included in note 9 on page 22 of this report.

Risks

Aker ASA and each Aker company are exposed to various forms of market, operational, and financial risks. Rather than diversifying risk by spreading investments across many different industries, Aker is focused on sectors in which the company possesses special expertise. The company has established a model for risk management, based upon identifying, assessing and monitoring major financial, strategic and operational risks in each business segment, drawing up contingency plans for those risks and attending to the implementation and supervision. The identified risks and how they are managed are reported to the Aker Board on a regular basis.

The main risks that Aker ASA and holding companies are exposed to are related to the value changes of the listed assets due to market price fluctuations, and unexpected developments in the companies' capital expenditures. The development of the global economy, and energy prices in particular, are important variables in assessing near-term market fluctuations.

The companies in Aker's Industrial Holdings are, like Aker, exposed to commercial risks, financial risks and market risks. In addition these companies, through their business activities within their respective sectors, are also exposed to legal/regulatory risks and political risks, for example political decisions on petroleum taxes and environmental regulations.

Aker's risk management, risks and uncertainties are described in the Annual Report for 2013. No significant changes have occurred subsequently, aside from changes in current macroeconomic conditions and related risks.

Key events after the balance sheet date

After the close of the third quarter 2014, the following events occurred that affect Aker and the company's investments:

- On 16 October 2014, Det norske reported the closing of the Marathon Norway acquisition. Following the acquisition, Det norske became an integrated E&P company with activities within exploration, development and production. In 2013, combined production from the two companies amounted to approximately 84 000 barrels of oil per day, making Det norske one of the largest listed independent E&P companies in Europe in terms of output.
- On 3 November 2014, Fornebuporten AS, a subsidiary of Aker ASA, agreed to forward sell the first phase development at Aberdeen International Business Park, constituting three office buildings, to the UK pension fund Legal & General. The transaction was completed early November and results in a cash release to Aker ASA of approximately NOK 1.0 billion.

Outlook

Investments in listed shares comprised some 76 per cent of the company's assets as per 30 September 2014. About 53 per cent of Aker's asset value was invested in the oil and gas sector. Maritime assets represented 18 per cent, seafood and marine biotechnology 9 per cent, cash and liquid fund investments 8 per cent, real estate development 6 per cent, while other assets amounted to 6 per cent. Growth of Aker's NAV will thus be influenced by fluctuations in crude oil prices and developments on the Oslo Stock Exchange.

The companies in Aker's portfolio are well positioned to benefit from the expected long-term growth in demand for oil and gas, seafood and omega-3 based products.

Despite recent drop in offshore exploration and production spending, driven by E&P companies' increased focus on capital discipline and free cash flow, Aker expects steady demand for oil and gas long-term. Exploration and production activities on the Norwegian Continental Shelf are forecast to drop by 18 per cent in 2015 according to Statistics Norway (SSB), albeit from historically high levels. Norway remains the main region for Aker's oil and gas activities. Globally, Aker forecasts continued long-term growth, mainly driven by the subsea and deepwater market segments. Aker therefore has a positive long-term view on the E&P and offshore oil services sectors, while acknowledging the short to medium term slowdown in activity, marked by delayed or cancelled investment decisions, greater focus on cost-effective solutions and intensified competition.

The market for white fish continues to improve, led by solid demand for cod, and the biomass availability for white fish is expected to remain good. The volatility in omega-3 ingredients sales seen in the past year is dampening and Aker's long-term outlook for the market remains positive.

Aker's strong balance sheet ensures that the company is capable of responding to unforeseen operational challenges and short-term market fluctuations. As an industrial investment company, Aker will use its resources and competences primarily to promote the development of the companies in its portfolio, but also to consider new investment opportunities within the current sectors it is exposed to.

Oslo, 13 November 2014
Board of Directors and President and CEO

Financial calendar 2015

27 February	Presentation of 4Q 2014
17 April	Annual general meeting 2015
13 May	Presentation of 1Q 2015
17 July	Presentation of 2Q 2015
18 November	Presentation of 3Q 2015

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AKER NO in Bloomberg
AKER.OL in Reuters

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The report and additional information is available on: www.akerasa.com

Aker group

Condensed consolidated financial statements for the third quarter 2014

Consolidated income statement

Amounts in NOK million	Note	3Q 2014	3Q 2013 Restated*	Jan-Sept 2014	Jan-Sept 2013 Restated*	Year 2013 Restated*
Operating revenues	9	**16 851**	14 588	**50 198**	44 783	61 382
Operating expenses		**(15 810)**	(13 592)	**(45 485)**	(41 561)	(57 099)
Operating profit before depreciation and amortisation		**1 041**	996	**4 712**	3 222	4 283
Depreciation and amortisation	10	**(816)**	(725)	**(2 189)**	(1 952)	(2 722)
Impairment changes and non-recurring items	10,11	**(56)**	(96)	**(1 201)**	(514)	(1 218)
Operating profit		**169**	176	**1 322**	756	343
Net financial items		**(502)**	(429)	**(1 314)**	(612)	(867)
Share of earnings in associated companies		**-**	261	**31**	214	177
Profit before tax	9	**(333)**	8	**39**	358	(347)
Income tax expense		**614**	517	**669**	894	1 613
Net profit/loss from continuing operations		**281**	526	**708**	1 252	1 266
Discontinued operations:						
Profit and gain on sale from discontinued operations, net of tax	12	**(76)**	72	**2 701**	144	468
Profit for the period		**204**	598	**3 409**	1 395	1 734
Equity holders of the parent		**(93)**	306	**1 024**	763	759
Minority interests		**297**	292	**2 385**	632	975
Average number of shares outstanding (million)	7	**72.3**	72.3	**72.3**	72.3	72.3
Basic earnings and diluted earnings per share continuing business (NOK)		**(1.11)**	3.89	**1.60**	9.87	8.64
Basic earnings and diluted earnings per share (NOK)		**(1.29)**	4.23	**14.16**	10.55	10.49

*) See Note 4

Consolidated statement of comprehensive income

Amounts in NOK million	3Q 2014	3Q 2013 Restated*	Jan-Sept 2014	Jan-Sept 2013 Restated*	Year 2013 Restated*
Profit for the period	**204**	598	**3 409**	1 395	1 734
Other comprehensive income, net of income tax:					
Items that will not be reclassified to income statement:					
Defined benefit plan actuarial gains (losses)	**(73)**	-	**(74)**	-	(6)
Defined benefit plan actuarial gains (losses) in associated companies	**-**	-	**1**	-	3
Items that will not be reclassified to income statement	**(73)**	-	**(72)**	-	(3)
Items that may be reclassified subsequently to income statement:					
Changes in fair value of financial assets	**(9)**	111	**(2)**	269	395
Changes in fair value cash flow hedges	**(135)**	10	**(544)**	136	269
Change in fair value of available for sale financial assets transferred to profit and loss	**(130)**	-	**(91)**	(16)	(145)
Currency translation differences	**299**	156	**598**	1 033	1 508
Change in other comprehensive income from associated companies	**4**	5	**4**	6	-
Items that may be reclassified subsequently to income statement	**30**	283	**(34)**	1 428	2 027
Other comprehensive income, net of income tax	**(43)**	283	**(106)**	1 428	2 024
Total comprehensive income for the period	**161**	881	**3 302**	2 824	3 757
Attributable to:					
Equity holders of the parent	**(35)**	420	**1 168**	1 559	1 714
Minority interests	**196**	461	**2 134**	1 265	2 043
Total comprehensive income for the period	**161**	881	**3 302**	2 824	3 757

*) See Note 4

Consolidated cash flow statement

Amounts in NOK million	Note	3Q 2014	3Q 2013 Restated*	Jan-Sept 2014	Jan-Sept 2013 Restated*	Year 2013 Restated*
Profit before tax		**(333)**	8	**39**	358	(347)
Depreciation and amortisation		**816**	725	**2 189**	1 952	2 722
Other items and changes in other operating assets and liabilities		**(259)**	242	**(1 513)**	(1 015)	3 360
Net cash flow from operating activities		**224**	975	**715**	1 295	5 735
Proceeds from sales of property, plant and equipment	10	**-**	318	**161**	774	1 341
Proceeds from sale of shares and other equity investments		**95**	16	**99**	119	308
Disposals of subsidiary, net of cash disposed		**(19)**	47	**5 814**	47	4
Acquisition of subsidiary, net of cash acquired		**(47)**	(112)	**(214)**	(1 163)	(1 241)
Acquisition of property, plant and equipment	10	**(2 519)**	(2 045)	**(7 208)**	(6 635)	(9 608)
Acquisition of equity investments in other companies		**(13)**	-	**(163)**	(136)	(2 035)
Net cash flow from other investments		**29**	(208)	**451**	(392)	222
Net cash flow from investing activities		**(2 474)**	(1 985)	**(1 058)**	(7 387)	(11 009)
Proceeds from issuance of interest-bearing debt	8	**4 436**	3 477	**9 448**	12 266	14 733
Repayment of interest-bearing debt	8	**(3 282)**	(2 251)	**(10 038)**	(3 489)	(6 625)
New equity		**1 474**	876	**1 869**	877	878
Own shares		**(34)**	(22)	**(29)**	54	81
Dividends paid		**(43)**	-	**(1 991)**	(1 814)	(1 946)
Net cash flow from financing activities		**2 552**	2 079	**(740)**	7 893	7 120
Net change in cash and cash equivalents		**302**	1 069	**(1 083)**	1 802	1 846
Effects of changes in exchange rates on cash		**(38)**	46	**71**	116	125
Cash and cash equivalents at the beginning of the period		**8 448**	8 557	**9 724**	7 754	7 754
Cash and cash equivalents at end of period		**8 712**	9 672	**8 712**	9 672	9 724

*) See Note 4

Consolidated balance sheet

Amounts in NOK million	Note	At 30.09 2014	At 30.09 2013 Restated*	At 31.12 2013 Restated*	At 01.01 2013 Restated*
Assets					
Non-current assets					
Property, plant & equipment	10	**29 200**	26 165	25 874	23 167
Intangible assets	10	**17 752**	18 180	17 289	16 254
Deferred tax assets		**2 096**	1 530	2 082	1 256
Investment in equity accounted companies		**1 347**	889	1 321	1 119
Other shares		**1 755**	1 765	1 491	1 363
Interest-bearing long-term receivables		**1 861**	2 111	2 066	2 206
Calculated tax receivable		**847**	1 057	-	-
Other non-current assets		**420**	382	265	305
Total non-current assets		**55 279**	52 078	50 389	45 670
Current assets					
Inventory, trade and other receivables		**32 144**	28 823	26 633	23 704
Calculated tax receivable		**1 689**	1 528	1 647	1 442
Interest-bearing short-term receivables		**669**	902	934	449
Cash and bank deposits		**8 712**	9 672	9 724	7 754
Total current assets		**43 213**	40 925	38 938	33 349
Assets classified as held for sale	12	**779**	-	4 417	-
Total assets		**99 271**	93 003	93 743	79 019
Equity and liabilities					
Paid in capital		**2 025**	2 025	2 025	2 001
Retained earnings and other reserve		**6 783**	7 296	6 568	6 508
Total equity attributable to equity holders of the parent	7	**8 809**	9 321	8 593	8 509
Minority interest		**22 785**	20 323	19 910	19 122
Total equity		**31 594**	29 644	28 503	27 631
Non-current liabilities					
Interest-bearing loans	8	**28 057**	25 769	25 214	18 416
Deferred tax liability		**2 994**	3 764	3 554	3 481
Provisions and other long-term liabilities		**3 012**	3 311	3 114	3 214
Total non-current liabilities		**34 063**	32 843	31 881	25 111
Current liabilities					
Short-term interest-bearing debt	8	**2 553**	5 274	5 564	3 299
Tax payable, trade and other payables		**31 021**	25 242	26 620	22 978
Total current liabilities		**33 574**	30 516	32 184	26 277
Total liabilities		**67 637**	63 359	64 065	51 388
Liabilities classified as held for sale	12	**40**	-	1 176	-
Total equity and liabilities		**99 271**	93 003	93 743	79 019

*) See Note 4

Consolidated statement of changes in equity

Amounts in NOK million	Total paid-in capital	Translation reserve	Fair value reserves	Hedging reserves	**Total translation and other reserves**	Retained earnings	**Total equity of equity holders of the parent**	Minority interests	**Total equity**
Balance as at 31 December 2012 - as previously reported	2 001	(758)	207	(14)	**(565)**	8 024	**9 460**	9 350	**18 810**
Impact of changes in accounting policies	-	-	-	-	**-**	(951)	**(951)**	9 772	**8 821**
Balance as at 1 January 2013 - restated	2 001	(758)	207	(14)	**(565)**	7 073	**8 509**	19 122	**27 631**
Profit for the year 2013					**-**	759	**759**	975	**1 734**
Other comprehensive income	-	674	202	90	**966**	(11)	**955**	1 069	**2 024**
Total comprehensive income	-	674	202	90	**966**	748	**1 714**	2 043	**3 757**
Dividends					**-**	(868)	**(868)**	(1 078)	**(1 946)**
Own shares	1				**-**	3	**4**	-	**4**
Share-based payment transactions					**-**	(6)	**(6)**	-	**(6)**
Subsidiary companies' acquisition of own shares and new equity					**-**	34	**34**	43	**77**
Total contributions and distributions	1	-	-	-	**-**	(837)	**(836)**	(1 035)	**(1 871)**
New minority, acquisition and sale of minority without a change in control	23				**-**	(795)	**(772)**	(1 080)	**(1 852)**
Issuance of shares in subsidiary					**-**	(22)	**(22)**	898	**877**
Total changes in ownership without a change of control	23	-	-	-	**-**	(817)	**(793)**	(181)	**(975)**
Downward sale of shares in subsidiaries					**-**	-	**-**	(41)	**(41)**
Balance as at 31 December 2013	2 025	(84)	409	76	**401**	6 167	**8 593**	19 910	**28 503**
Profit for the period Jan - Sept 2014					**-**	1 024	**1 024**	2 385	**3 409**
Other comprehensive income	-	308	58	(210)	**156**	(12)	**144**	(251)	**(106)**
Total comprehensive income	-	308	58	(210)	**156**	1 012	**1 168**	2 134	**3 302**
Dividends					**-**	(940)	**(940)**	(1 051)	**(1 991)**
Own shares	-				**-**	2	**2**	-	**2**
Share-based payment transactions					**-**	5	**5**	-	**5**
Subsidiary companies' acquisition of own shares and new equity					**-**	-	**-**	(35)	**(35)**
Total contributions and distributions	-	-	-	-	**-**	(934)	**(934)**	(1 086)	**(2 020)**
New minority, acquisition and sale of minority without a change in control	-				**-**	(11)	**(11)**	(56)	**(67)**
Issuance of shares in subsidiary					**-**	(8)	**(8)**	1 883	**1 875**
Total changes in ownership without change of control	-	-	-	-	**-**	(19)	**(19)**	1 827	**1 808**
Balance as at 30 September 2014	2 025	224	467	(134)	**557**	6 226	**8 809**	22 785	**31 594**
Balance as at 31 December 2012 - as previously reported	2 001	(758)	207	(14)	**(565)**	8 024	**9 460**	9 350	**18 810**
Impact of changes in accounting policies	-	-	-	-	**-**	(951)	**(951)**	9 772	**8 821**
Balance as at 1 January 2013 - restated	2 001	(758)	207	(14)	**(565)**	7 073	**8 509**	19 122	**27 631**
Profit for the period Jan - Sept 2013						763	**763**	632	**1 395**
Other comprehensive income	-	505	252	31	**789**	7	**796**	633	**1 428**
Total comprehensive income	-	505	252	31	**789**	770	**1 559**	1 265	**2 824**
Dividends					**-**	(868)	**(868)**	(941)	**(1 809)**
Own shares	1				**-**	3	**4**	-	**4**
Share-based payment transactions					**-**	(2)	**(2)**	-	**(2)**
Subsidiary companies' acquisition of own shares and new equity					**-**	-	**-**	76	**76**
Total contributions and distributions	1	-	-	-	**-**	(867)	**(866)**	(865)	**(1 731)**
New minority, acquisition and sale of minority without a change in control	23				**-**	118	**141**	(95)	**46**
Issuing shares in subsidiary					**-**	(22)	**(22)**	896	**874**
Total changes in ownership without change of control	23	-	-	-	**-**	96	**119**	801	**920**
Balance as at 30 September 2013	2 025	(253)	459	17	**224**	7 073	**9 321**	20 323	**29 644**

Notes to the Aker's condensed consolidated financial statements for the third quarter 2014

1. Introduction – Aker ASA

Aker ASA is a company domiciled in Norway. The condensed consolidated interim financial statements for the third quarter of 2014, ended 30 September 2014, comprise Aker ASA and its subsidiaries (together referred to as the "Group") and the Group's interests in associates and jointly controlled entities. As a consequence of the implementation of IFRS 10, Aker Solutions/Akastor and Kvaerner are now included as subsidiaries. See more about the change in the notes below, especially note 4.

The consolidated financial statements of the Group as at and for the year ended 31 December 2013 and quarterly reports are available at www.akerasa.com.

2. Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as endorsed by EU, and the Norwegian additional requirements in the Securities Trading Act. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2013. Please note that in those consolidated financial statements, (Old) Aker Solutions and Kvaerner were considered associates under IAS 27 and hence not consolidated.

Due to the consequences of the implementation of IFRS 10 described in note 4, some information relevant in regard to Aker Solutions/Akastor and Kvaerner has been provided in the notes below as the information was not provided in the Aker ASA annual financial statements for 2013.

These condensed consolidated interim financial statements were approved by the Board of Directors on 13 November 2014.

A number of standards, amendments to standards and interpretations are not yet effective for the period ended 30 September 2014, and have not been applied in preparing these consolidated financial statements:

- Implementation of IFRS 15 Revenue from Contracts with Customers is mandatory from 1 January 2017. The new standard is expected to impact Aker's financial statements however the extent to which the standard will impact the revenue recognition has not yet been assessed. The core principle of the new Standard is for companies to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the company expects to be entitled in exchange for those goods or services. The new Standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements.
- The implementation of IFRS 9 Financial Instruments (mandatory from 1 January 2018) may result in certain amendments to the measurement and classification of financial instruments.

3. Significant accounting principles

The group has of 1 January 2014 implemented IFRS 10 Consolidated Financial statements, IFRS 11 Joint Arrangements and IFRS 12 Disclosures of Interests in Other Entities, in addition amendments to the standards IAS 27 Separate Financial Statements and IAS 28 Investments in Associates and Joint Ventures. See note 4 for description.

The group's accounting principles are described in the Aker ASA annual financial statements for 2013. The implementation of IFRS 10 (see note 4) and the consolidation of Aker Solutions/Akastor and Kvaerner has not resulted in any material changes to the group's other accounting principles. However, due to the nature of the business in Aker Solutions/Akastor and Kvaerner, some accounting principles have been described in more detail. Updated descriptions of these accounting principles are provided below.

Presentation of investments in associates and jointly controlled entities
The purpose of the investment determines where the profits and losses arising from the investment are presented in the income statement. When entities are formed to share risk in executing a project or are closely related to Aker's operating activities, the share of the profit or loss is reported as part of Other income in operating profit. Share of the profit and loss of financial investments is reported as part of Financial items.

Assets held for sale or distribution
Non-current assets, or disposal groups comprising assets and liabilities, that are expected to be recovered primarily through sale or distribution rather than through continuing use, are classified as held for sale or distribution. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale or distribution in its present condition. Management must be committed to the sale or distribution, which should be expected to qualify for recognition as a completed sale or distribution within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale or distribution are measured at the lower of their carrying amount and fair value less costs to sell. Property, plant and equipment and intangible assets once classified as held for sale or distribution are not depreciated or amortised, but are considered in the overall impairment testing of the disposal group. No reclassifications are made for years prior to the year a business is first classified as a held for sale or distribution.

Revenue recognition for construction contracts
Construction contract revenues are recognised using the percentage of completion method. Stage of completion is determined by the method that measures reliably the work performed. Depending on the nature of the contract, the two main methods used by Aker to assess stage of completion are technical completion, or contract costs incurred to date compared to estimated total contract costs.

When the final outcome of a contract cannot be reliably estimated, contract revenue is recognised only to the extent of costs incurred that are expected to be recoverable. The revenue recognised in one period will be the revenues attributable to the period's progress and the progress to date effect of any changes to the estimated final outcome. Losses on contracts are fully recognised when identified.

Contract revenues include variation orders and incentive bonuses when it is probable that they will result in revenue that can be measured reliably. Disputed amounts and claims are only recognised when negotiations have reached an advanced stage, customer acceptance is highly likely and the amounts can be measured reliably. Options for additional assets are included in the contract when exercised by the buyer. In the rare circumstances that the option is a loss contract, the full loss is recognised when it is probable that the options will be exercised.

Other income
Gains and losses resulting from acquisition and disposal of businesses which do not represent discontinued operations are included in Other income within operating profit. Such gains may result from the remeasurement of a previously held interest in the acquired entity. Changes in the fair value of the contingent consideration from acquisition of a subsidiary or non-controlling interest are recognised in Other income as gains or losses.

Share of profit from associated companies and jointly controlled operations, to the extent that these investments are related to the group's operating activities, are included in Other income within operating profit, as well as gains and losses related to the sale of operating assets. Other income also includes lease income from investment property.

Investment property
Investment property is carried at its cost less accumulated depreciation and impairment losses.

4. Changes in accounting policies

IFRS 11 Joint Arrangements
The implementation of IFRS 11 did not have a material effect on the group financial statements.

IFRS12 Disclosures of Interests in Other Entities
The group expects to expand the note on subsidiaries, jointly controlled entities and associated companies with additional information.

IFRS 10 Consolidated Financial Statements – consolidation of Aker Solutions, Akastor and Kvaerner
As at the end of 2006, Aker ASA ("Aker") owned 50.1 per cent of Aker Kværner ASA (later renamed to Aker Solutions ASA – "(Old) AKSO"), and the company was fully consolidated in Aker's consolidated financial statements for 2006. In January 2007, Aker reduced its ownership interest from 50.1% to 40.1%, and (Old) AKSO was therefore treated as an associated company and recorded in Aker's consolidated financial statements in accordance with the equity method as from that date. In December 2007, the ownership interest in (Old) AKSO was transferred to Aker Holding AS (now Aker Kværner Holding AS –"AKH"), and 40% of the shares in AKH were sold to the Norwegian State (30%) and SAAB/Investor (10%). In 2011, Aker purchased 10% of the shares in AKH from SAAB/Investor, and since then has owned 70% of AKH, while the Norwegian State owns the remaining 30%. AKH is treated as a subsidiary in Aker's consolidated financial statements. Since the demerger of Kvaerner from (Old) AKSO in 2011, AKH has owned 40.3% of the shares in AKSO and 41.0% of the shares in Kværner ASA (Kvaerner). Following a transaction in November 2013, Aker also owned 6% of (Old) AKSO directly, giving Aker a "consolidated" ownership interest in AKSO of 46.3% as at 31 December 2013. In addition, Aker ASA in May 2014 acquired 0.3% in (Old) AKSO, bringing the "consolidated" ownership interest up to 46.6% as at end of the second quarter of 2014.

In the third quarter of 2014, (Old) AKSO was split into two companies: new Aker Solutions ("AKSO") and Akastor ("AKA"). All shareholders of (Old) AKSO (which was renamed to Akastor) received the same number of shares in new Aker Solutions. Due to the treasury shares in (Old) AKSO, the ownership interests for Aker in the two companies differ slightly. This difference in ownership interest is so small that it does not change the conclusion of control under IFRS 10. Neither are there any other factors influencing the IFRS 10 assessment that are materially different between the two companies. The assessment described below therefore refers to both companies as "AKSO/AKA".

Accounting under IAS 27
The investments in (Old) AKSO and Kvaerner were treated as associated companies, and pursuant to IAS 27 were recorded in accordance with the equity method in Aker's consolidated financial statements for 2013.

Since the implementation of IFRS in Europe in 2005, uncertainty has remained about whether the control assessment under IAS 27 shall be based on existing legal rights or whether "de facto control" must also be taken into consideration. In October 2005, the IASB issued a statement clarifying that IAS 27 is, in principle, intended to include de facto control. The statement is the only one the IASB has ever issued in this form, and is marked by the haste that surrounded the implementation of IFRS in Europe at that time. Since plans already existed at the time to issue an entirely new standard on consolidation (IFRS 10), the IASB statement was not followed by specific guidance. The statement was criticised, and in the autumn of 2006 the Federation of European Accountants (FEE) asked the interpretation body IFRIC to provide concrete guidance to facilitate consistent practice in the area. No such interpretation was given.

Accordingly, during the period 2005 to 2013, companies have had to deal with the fact that the concept of de facto control exists under IAS 27, but have had great freedom to define their own accounting practice to implement this term. Practice has shown that very few companies have concluded that de facto control exists in cases involving an ownership interest smaller than 48% to 49%. In accordance with this practice, Aker's accounting principle has been that de facto control is deemed to exist only in highly marginal cases where the ownership interest is just below 50% and ownership is otherwise dispersed. This principle has led to the conclusion that the increase in Aker's ownership interest in AKSO to 46.3% as from the end of November 2013 does not imply de facto control in 2013 pursuant to IAS 27.

Accounting under IFRS 10
Unlike the practice under IAS 27, IFRS 10 is more focused on the financial realities than the size of the legal ownership interest. IFRS 10 contains a new definition of control, which must be applied when an investor is to assess whether an investment must be consolidated in the consolidated financial statements. Control requires three elements:

1. ownership interests give the investor power to direct the relevant activities of the investee,
2. the investor is exposed to variable returns from the investee, and
3. decision-making power allows the investor to affect its variable returns from the investee.

The board and management of Aker have considered whether the company's indirect ownership interest in AKSO/AKA and Kvaerner is sufficient to give it de facto control under IFRS 10. The primary consideration has been whether Aker is able to control the outcome of voting at the companies' general meetings. After careful consideration of this question based on both the absolute and relative ownership interests and attendance at previous general meetings of AKSO/AKA/Kvaerner and comparable companies, Aker has concluded that such control exists.

Consideration has also been given to all other relevant factors mentioned in IFRS 10 that may help to illuminate the question of control further. Factors indicating that Aker has control include Aker's representation on the nomination committees, the fact that leading employees have previously worked for Aker, the fact that the companies themselves consider Aker an active owner, etc. On the other hand, in isolation, the shareholder's agreement with the Norwegian State relating to the holding company Aker

Kværner Holding AS is a factor in favour of Aker not having control.

Based on an overall assessment, the conclusion is that Aker does have de facto control over both AKSO/AKA and Kvaerner. Further, Aker has concluded that, based on an IFRS 10 assessment, this de facto control has existed since before the reduction in ownership in 2007. Accordingly, AKSO/AKA and Kvaerner are treated as subsidiaries in Aker's consolidated financial statements following implementation of IFRS 10 on 1 January 2014. In accordance with the transition requirements of IFRS 10, the consolidated financial statements for 2014 contains comparative figures for 2013 that are restated as though control has existed since before the previously discussed reduction in ownership in 2007.

Change of accounting principles for intangible assets – fishing licenses
As part of its supervision of listed companies, the Financial Supervisory Authority of Norway in 2013 performed a review of the subsidiary Havfisk.

Havfisk owns both fishing licences without time limits, and fishing licenses subject to time limits of 20 to 25 years due to structuring ("structured quotas"). Havfisk also owns quotas that are not part of the structuring process. Since these quotas are unlimited in time, they have not been depreciated. Neither has any depreciation previously been made on the structured quotas, as it is expected that Havfisk at the end of the structuring period will maintain approximately the same catch capacity as before the structuring. According to the Financial Supervisory Authority of Norway's assessment, the structural quotas have a specified lifetime and must be depreciated. As a consequence, Havfisk has changed its accounting principles for intangible assets in the form of depreciation of structural quotas. Aker has restated the consolidated accounts for 2013 accordingly. The yearly depreciation increases by approximately NOK 18 million due to the change. As a result of the change, the opening balance of intangible assets at 1 January 2013 is reduced with NOK 87 million compared to what is reported in the annual accounts for 2013.

The effect on Aker's consolidated financial statements
The consolidation of AKSO/AKA and Kvaerner has a considerable effect on Aker's consolidated financial statements. In addition the corrections from Havfisk described above are included in Aker's restated figures. The main effects on Aker's group figures for Q3 2013, January-September 2013 and the year 2013 are given below.

Income Statement

	3Q 2013			January-September 2013			Year 2013		
Amounts in NOK million	As previously reported	Changes in principles	Restated	As previously reported	Changes in principles	Restated	As previously reported	Changes in principles	Restated
Operating revenues	1 993	12 595	14 588	6 096	38 688	44 783	8 086	53 296	61 382
Operating expenses	(2 036)	(11 556)	(13 592)	(5 668)	(35 893)	(41 561)	(7 801)	(49 298)	(57 099)
Operating profit before depreciation and amortization	(42)	1 038	996	428	2 795	3 222	284	3 999	4 283
Depreciation and amortization	(403)	(322)	(725)	(1 030)	(922)	(1 952)	(1 415)	(1 307)	(2 722)
Impairment changes and non-recurring items	(96)	-	(96)	(153)	(361)	(514)	(836)	(382)	(1 218)
Operating profit	(541)	717	176	(755)	1 512	756	(1 967)	2 310	343
Net financial items	(257)	(171)	(429)	(235)	(378)	(612)	(310)	(557)	(867)
Share of earnings in associated companies	464	(203)	261	666	(451)	214	979	(802)	177
Profit before tax	(334)	342	8	(324)	682	358	(1 297)	950	(347)
Income tax expense	663	(146)	517	1 204	(310)	894	2 129	(516)	1 613
Net profit/loss from continuing operations	329	197	526	879	372	1 252	832	434	1 266
Discontinued operations:									
Profit and gain on sale from discontinued operations, net of tax	-	72	72	-	144	144	-	468	468
Profit for the period	329	269	598	879	516	1 395	832	902	1 734
Equity holders of the parent	311	(4)	306	784	(21)	763	791	(32)	759
Minority interests	19	273	292	96	537	632	41	934	975
Average number of shares outstanding (million)	72.3	72.3	72.3	72.3	72.3	72.3	72.3	72.3	72.3
Basic earnings and diluted earnings per share continuing business (NOK)	4.29	(0.41)	3.89	10.83	(0.97)	9.87	10.94	(2.30)	8.64
Basic earnings and diluted earnings per share (NOK)	4.29	(0.06)	4.23	10.83	(0.29)	10.55	10.94	(0.45)	10.49

Statement of comprehensive income

Amounts in NOK million	3Q 2013 As previously reported	3Q 2013 Changes in principles	3Q 2013 Restated	January-September 2013 As previously reported	January-September 2013 Changes in principles	January-September 2013 Restated	Year 2013 As previously reported	Year 2013 Changes in principles	Year 2013 Restated
Profit for the period	329	269	598	879	516	1 395	832	902	1 734
Other comprehensive income, net of income tax:									
Items that will not be reclassified to income statement:									
Defined benefit plan actuarial gains (losses)	-	-	-	-	-	-	(19)	13	(6)
Defined benefit plan actuarial gains (losses) in associated companies	-	-	-	-	-	-	9	(6)	3
Items that will not be reclassified to income statement	-	-	-	-	-	-	(10)	7	(3)
Items that may be reclassified subsequently to income statement:									
Changes in fair value of financial assets	36	75	111	267	2	269	346	49	395
Changes in fair value cash flow hedges	(4)	14	10	(17)	153	136	(22)	291	269
Change in fair value of available for sale financial assets transferred to profit and loss	-	-	-	(16)	-	(16)	(145)	-	(145)
Currency translation differences	(10)	166	156	301	732	1 033	372	1 136	1 508
Change in other comprehensive income from associated companies	110	(104)	5	370	(363)	6	632	(633)	-
Items that may be reclassified subsequently to income statement	132	151	283	905	523	1 428	1 184	843	2 027
Other comprehensive income, net of income tax	132	151	283	905	523	1 428	1 174	850	2 024
Total comprehensive income for the period	461	420	881	1 785	1 039	2 824	2 006	1 752	3 757
Attributable to:									
Equity holders of the parent	422	(2)	420	1 578	(19)	1 559	1 746	(32)	1 714
Minority interests	39	421	461	207	1 058	1 265	260	1 784	2 043

Balance sheet

Amounts in NOK million	30.09.2013 As previously reported	30.09.2013 Changes in principles	30.09.2013 Restated	31.12.2013 As previously reported	31.12.2013 Changes in principles	31.12.2013 Restated	01.01.2013 As previously reported	01.01.2013 Changes in principles	01.01.2013 Restated
ASSETS									
Property, plant and equipment	14 711	11 453	26 165	15 394	10 480	25 874	12 562	10 605	23 167
Intangible assets	7 947	10 233	18 180	7 637	9 652	17 289	7 802	8 451	16 254
Deferred tax assets	624	905	1 530	1 167	915	2 082	347	909	1 256
Investment in equity accounted companies	6 737	(5 847)	889	9 135	(7 814)	1 321	6 442	(5 323)	1 119
Other shares and funds	950	815	1 765	837	654	1 491	787	576	1 363
Interest-bearing long-term receivables	1 701	410	2 111	1 904	162	2 066	1 483	723	2 206
Calculated tax receivable	1 057	-	1 057	-	-	-	-	-	-
Other non-current assets	301	81	382	228	37	265	279	26	305
Total non-current assets	34 028	18 050	52 078	36 303	14 086	50 389	29 702	15 968	45 670
Inventory, trade and other receivables	1 891	26 932	28 823	2 249	24 383	26 633	2 089	21 614	23 704
Calculated tax receivable	1 304	224	1 528	1 448	199	1 647	1 283	159	1 442
Interest-bearing short-term receivables	361	541	902	423	511	934	28	421	449
Cash and cash equivalents	7 661	2 011	9 672	5 834	3 890	9 724	5 471	2 283	7 754
Total current assets	11 216	29 708	40 925	9 955	28 983	38 938	8 871	24 478	33 349
Assets held for sale	-	-	-	-	4 417	4 417	-	-	-
Total assets	45 244	47 759	93 003	46 257	47 486	93 743	38 573	40 446	79 019
EQUITY AND LIABILITIES									
Total paid-in capital	2 025	-	2 025	2 025	-	2 025	2 001	-	2 001
Retained earnings and other reserves	8 270	(974)	7 296	8 433	(1 865)	6 568	7 459	(951)	6 508
Total equity attributable to equity holders of the parent	10 295	(974)	9 321	10 458	(1 865)	8 593	9 460	(951)	8 509
Minority interests	10 147	10 176	20 323	10 119	9 791	19 910	9 350	9 772	19 122
Total equity	20 443	9 201	29 644	20 577	7 926	28 503	18 810	8 821	27 631
Interest-bearing loans	16 476	9 293	25 769	17 315	7 899	25 214	11 264	7 152	18 416
Deferred tax liabilities	1 653	2 111	3 764	1 478	2 076	3 554	1 652	1 829	3 481
Provisions and other long-term liabilities	2 030	1 281	3 311	1 994	1 120	3 114	2 019	1 195	3 214
Total non-current liabilities	20 158	12 685	32 843	20 786	11 095	31 881	14 935	10 176	25 111
Short-term interest-bearing debt	1 967	3 307	5 274	1 668	3 896	5 564	2 291	1 008	3 299
Tax payable, trade and other payables	2 677	22 565	25 242	3 226	23 394	26 620	2 537	20 441	22 978
Total current liabilities	4 643	25 872	30 516	4 894	27 290	32 184	4 828	21 449	26 277
Total liabilities	24 802	38 557	63 359	25 680	38 385	64 065	19 763	31 625	51 388
Liabilities held for sale	-	-	-	-	1 176	1 176	-	-	-
Total equity and liabilities	45 244	47 759	93 003	46 257	47 486	93 743	38 573	40 446	79 019

Cashflow statement

Amounts in NOK million	3Q 2013 As previously reported	3Q 2013 Changes in principles	3Q 2013 Restated	January-September 2013 As previously reported	January-September 2013 Changes in principles	January-September 2013 Restated	Year 2013 As previously reported	Year 2013 Changes in principles	Year 2013 Restated
Profit before tax	(334)	342	8	(324)	682	358	(1 297)	950	(347)
Depreciation and amortization	403	322	725	1 030	922	1 952	1 415	1 307	2 722
Other items and changes in other operating assets and liabilities	710	(468)	242	981	(1 996)	(1 015)	2 553	807	3 360
Net cash flow from operating activities	778	196	975	1 687	(391)	1 295	2 671	3 064	5 735
Proceeds from sales of property, plant and equipment	332	(14)	318	798	(24)	774	926	415	1 341
Proceeds from sale of shares and other equity investments	16	-	16	119	-	119	259	49	308
Disposals of subsidiary, net of cash disposed	47	-	47	47	-	47	4	-	4
Acquisition of subsidiary, net of cash acquired	-	(112)	(112)	-	(1 163)	(1 163)	(105)	(1 136)	(1 241)
Acquisition of property, plant and equipment	(1 406)	(639)	(2 045)	(4 685)	(1 950)	(6 635)	(5 972)	(3 636)	(9 608)
Acquisition of equity investments in other companies	-	-	-	(136)	-	(136)	(2 035)	-	(2 035)
Net cash flow from other investments	(49)	(160)	(208)	(65)	(328)	(392)	(43)	264	222
Net cash flow from investing activities	(1 060)	(925)	(1 985)	(3 922)	(3 465)	(7 387)	(6 965)	(4 044)	(11 009)
Net changes of interest-bearing debt	703	523	1 226	4 568	4 209	8 777	4 827	3 281	8 108
New equity	875	1	876	875	2	877	877	1	878
Own shares	-	(22)	(22)	-	54	54	(2)	83	81
Dividends paid	-	-	-	(1 081)	(733)	(1 814)	(1 127)	(820)	(1 946)
Net cash flow from financing activities	1 578	501	2 079	4 362	3 532	7 893	4 575	2 545	7 120
Net change in cash and cash equivalents	1 296	(227)	1 069	2 126	(324)	1 802	280	1 565	1 846
Effects of changes in exchange rates on cash	8	38	46	64	52	116	83	42	125
Cash and cash equivalents at the beginning of the period	6 357	2 200	8 557	5 471	2 283	7 754	5 471	2 283	7 754
Cash and cash equivalents at end of period	7 661	2 011	9 672	7 661	2 011	9 672	5 834	3 890	9 724

5. Estimates

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The most significant judgments made by management in preparing these condensed consolidated interim financial statements in applying the Group's accounting policies, and the key sources of estimation uncertainty, are the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2013.

Due to the implementation of IFRS 10 (see note 4) and the consolidation of Aker Solutions/Akastor and Kvaerner, some additional significant judgments and key sources of estimation uncertainty are described below that were not described in Aker's annual financial statements for 2013.

Revenue recognition
The percentage-of-completion method is used to account for construction contracts. This method requires estimates of the final revenue and costs of the contract, as well as measurement of progress achieved to date as a proportion of the total work to be performed.

The main uncertainty when assessing contract revenue is related to recoverable amounts from variation orders, claims and incentive payments which are recognised when, in the group's judgment, it is probable that they will result in revenue and are measurable. This assessment is adjusted by management's evaluation of liquidated damages to be imposed by customers typically relating to contractual delivery terms. In many projects there are frequent changes in scope of work resulting in a number of variation orders. Normally the contracts with customers include procedures for presentation of and agreement of variation orders. At any point in time, there will be unapproved variation orders and claims included in the project revenue where recovery is assessed as probable and other criteria are met. Even though management has extensive experience in assessing the outcome of such negotiations, uncertainties exist.

Remaining project costs depend on productivity factors and the cost of inputs. Weather conditions, the performance of subcontractors and others with an impact on schedules, commodity prices and currency rates can all affect cost estimates. Experience, systematic use of the project execution model and focus on core competencies reduce, but do not eliminate, the risk that estimates may change significantly. A risk contingency is included in project cost based on the risk register that is prepared for every project.

Progress measurement based on costs has an inherent risk related to the cost estimate as described above. In situations where cost is not seen to properly reflect actual progress, alternative measures such as hours or physical progress are used to achieve more precise revenue recognition. The estimation uncertainty during the early stages of a contract is mitigated by a policy of normally not recognising revenue in excess of costs on large lump sum projects before the contract reaches 20 percent completion. However, management can on a project-by-project basis give approval of earlier recognition if cost estimates are certain, typically in situations of repeat projects, proven technology or proven execution model.

Warranties
A provision is made for expected warranty expenditures. The warranty period is normally two years. Based on experience, the provision is often set at one percent of the contract value, but can also be a higher or lower amount following a specific evaluation of the actual circumstances for each contract. Both the general one percent provision and the evaluation of project specific circumstances are based on experience from earlier projects. Factors that could affect the estimated warranty cost include the group's quality initiatives and project execution model.

Property, plant and equipment and intangible assets
At every balance sheet date, the group considers whether there are indications of impairment on the book values of long-term assets. If such indications exist, a valuation is performed to assess whether or not the asset should be written down for impairment. Such valuations will often have to be based on estimates of future results for a number of cash generating units.

Fair value measurement of contingent and deferred consideration
Contingent and deferred consideration resulting from business combinations, is valued at fair value at the acquisition date as part of the business combination. When the deferred and contingent consideration meets the definition of a derivative and thus, a financial liability, it is subsequently remeasured to fair value at each reporting date. The determination of the fair value is based on discounted cashflows. The key assumptions take into consideration the probability of meeting each performance target and the discount factor.

6. Pension, tax and contingencies

Calculation of pension cost and liability is done annually by actuaries. In the interim financial reporting, pension costs and liabilities are based on the actuarial forecasts. Income tax expense is recognized in each interim period based on the best estimate of the expected annual income tax rates.

7. Share capital and equity

As of 30 September 2014 Aker ASA had issued 72 374 728 ordinary shares at a par value of NOK 28 per share. Total own shares were 35 828. Average outstanding number of shares is used in the calculation of earnings per share in all periods in 2013 and 2014. At year-end 2013, the board of directors suggested a dividend of NOK 13.00 per share for 2013, a total of NOK 940 million. The dividend distribution was approved at the Annual General Meeting in April and was paid in the same month 2014.

8. Interest-bearing debt

Material changes in interest-bearing debt (short term and long term) during 2014:

Amounts in NOK million	At 2nd quarter	Changes 3rd quarter	At 3rd quarter
Balance at 1 January 2014	**18 983**	**-**	**18 983**
Aker Solutions/Akastor and Kvaerner	11 795	-	11 795
Balance at 1 January 2014 - Restated	**30 778**	**-**	**30 778**
Bond loans in Ocean Yield ASA	600	401	1 001
Drawn bank facility in Ocean Yield ASA	661	285	946
Drawn exploration facility in NOK in Det norske	700	-	700
Drawn revolving credit facility in Det norske	721	942	1 663
Bond loan in SEK in Aker ASA and holding companies	1 427	-	1 427
Drawn bank facility in Akastor	85	2 662	2 747
Other new loans and change in credit facilities	818	147	965
Total funds from issuance of long-term and short-term debt (excl. construction loans)	**5 012**	**4 436**	**9 448**
Repayment revolving credit facility in Det norske	(291)	(800)	(1 091)
Repayment of loans in Aker Solutions	(5 468)	(2 118)	(7 586)
Repayment of bond loan in Ocean Yield	(495)	(149)	(644)
Repayment of Aker Floating Production bank loan	(283)	(94)	(377)
Other repayments	(219)	(121)	(340)
Total repayments of long-term and short-term debt (excl. construction loan)	**(6 756)**	**(3 282)**	**(10 038)**
Exchange rates differences and other changes	(51)	472	421
Balance at end of period	**28 983**	**1 627**	**30 610**
Balance at end of period is allocated on short-term and long-term items as follows:			
Long-term loan	26 408	1 650	28 057
Short-term debt inclusive construction loan	2 576	(23)	2 553
Balance at end of period	**28 983**	**1 627**	**30 610**

9. Operating segments

Aker identifies segments based on the group's management and internal reporting structure.

Aker's investment portfolio is comprised of two segments: Industrial Holdings and Financial Investments.

Recognition and measurement applied in the segment reporting are consistent with the accounting policies in the condensed consolidated interim financial statements.

Operating revenues

Amounts in NOK million	**3Q 2014**	3Q 2013	**Jan-Sept 2014**	Jan-Sept 2013	Year 2013
Industrial holdings					
Aker Solutions	**8 271**	6 806	**23 754**	21 577	29 125
Akastor	**5 096**	4 234	**16 106**	13 370	18 448
Det norske oljeselskap	**112**	324	**724**	690	944
Ocean Yield	**408**	370	**1 144**	1 037	1 404
Aker BioMarine[1]	**179**	202	**522**	522	673
Kvaerner	**4 004**	3 080	**10 354**	9 021	12 960
Havfisk	**296**	189	**736**	519	779
Eliminations and restatements	**(2 398)**	(1 525)	**(5 918)**	(5 281)	(7 237)
Total industrial holdings	**15 969**	13 679	**47 421**	41 455	57 096
Financial investments					
Converto Capital Fund[2]	**821**	893	**2 577**	3 077	3 964
Financial investments, other assets and eliminations	**61**	16	**199**	251	322
Total financial investments	**882**	909	**2 776**	3 328	4 286
Aker group	**16 851**	14 588	**50 198**	44 783	61 382

Profit before tax

Amounts in NOK million	**3Q 2014**	3Q 2013	**Jan-Sept 2014**	Jan-Sept 2013	Year 2013
Industrial holdings					
Aker Solutions	**426**	450	**1 279**	1 191	1 660
Akastor	**239**	-	**(1 155)**	(341)	(220)
Det norske oljeselskap	**(736)**	(649)	**(1 092)**	(1 258)	(2 545)
Ocean Yield	**156**	120	**455**	334	464
Aker BioMarine[1]	**(46)**	197	**(52)**	205	(151)
Kvaerner	**161**	148	**494**	344	399
Havfisk	**30**	4	**40**	5	(103)
Eliminations and restatements	**(671)**	(58)	**(357)**	(104)	(172)
Total industrial holdings	**(441)**	213	**(387)**	378	(669)
Financial investments					
Converto Capital Fund[2]	**97**	(79)	**475**	354	451
Financial investments, other assets and eliminations	**11**	(126)	**(49)**	(374)	(129)
Total financial investments	**108**	(204)	**426**	(20)	322
Aker group	**(333)**	8	**39**	358	(347)

1) Note to comparative figures for Aker BioMarine: In connection with a possible listing of Aker BioMarine in the U.S as noted by Aker ASA in fourth quarter 2013, Aker BioMarine has started certain initial processes as part of a preparation for a potential listing. As a result of these processes, Aker BioMarine has restated their financial reporting for 2013, and for the first quarter of 2014. *Continues on next page.*

Aker BioMarine's Trygg Pharma Group, jointly owned with Lindsay Goldberg, has a product candidate for the treatment of severe hypertriglyceridemia Omtryg® (previously referred to as AKR 963). Due to regulatory approval and commercialisation challenges that have delayed the launching of the product, Trygg Pharma decided to take a write-down on Omtryg®, of which Aker BioMarine's share was NOK 245 million. In Aker BioMarine this write-down has been included in the 2013 figures.
Although the effects on the full-year 2013 have been determined, the Aker BioMarine has not yet finalized their assessment of the 2013 quarterly effects. The Aker BioMarine figures above for 3Q 2013 and January-September 2013 have therefore not yet been restated. In the consolidated financial statements of Aker group, all the Aker BioMarine restatement effects was booked in Q2 2014, through adjustments above in the line "Eliminations and restatements".

2) Consolidated companies owned by Converto Capital Fund.

10. Property, plant and equipment and intangible assets

Material changes in property, plant and equipment and intangible assets during 2014:

Amounts in NOK million	Property, plant and equipment	Intangible assets	Total
Balance at 1 January 2014	**15 394**	**7 637**	**23 031**
Effect consolidation Aker Solutions and Kvaerner	10 480	9 756	20 236
Effect Havfisk	-	(105)	(105)
Balance at 1 January 2014 - Restated	**25 874**	**17 289**	**43 163**
Proceeds from sales of property plant and equipment in Det norske	(14)	-	(14)
Other proceeds from sales of property plant and equipment	(56)	-	(56)
Proceeds from sales of intangible assets	-	(91)	(91)
Total proceeds	**(71)**	**(91)**	**(161)**
Acquisition of property, plant and equipment in Det norske	2 005	-	2 005
Acquisition of exploration expenses and other intangibles in Det norske	-	1 183	1 183
Acquisition in Akastor/Aker Solutions	1 051	506	1 557
Other acquisitions	2 756	18	2 774
Total acquisition[1)]	**5 812**	**1 707**	**7 518**
Depreciation and amortisation	(1 989)	(200)	(2 189)
Impairment	(1 125)	(75)	(1 201)
Reclassification	542	(542)	-
Expensed capitalised wells	-	(399)	(399)
Exchange rates differences and other changes	158	64	221
Balance at end of period	**29 200**	**17 752**	**46 953**
[1)] Including capitalised interest, license swaps effects in Det norske, removal and decommissioning costs in Det norske and other accruals	*133*	*178*	*311*

11. Impairment charges and non-recurring items

Impairment charges and non-recurring items in 2014 amount to NOK -1 201 million. The main items are impairment charges in the second quarter on the vessels Skandi Aker and Aker Wayfarer of NOK -951 million. The impairments have been calculated based on value-in-use. WACC of 9.16 percent has been used in the calculations.

The impairments are based on revised business cases after the cancelation in June by Total in Angola of a two-year contract for the Skandi Aker vessel, as well as for the time being a generally weaker market for using vessels for deepwater light well intervention.

12. Discontinued operations

Akastor

Mooring and loading systems business
On 30 October 2013, Akastor sold its mooring and loading systems business (MLS) to Cargotec. The unit, known for the Pusnes brand name, provides mooring equipment, loading and offloading systems, as well as deck machinery for the global offshore and shipping markets. The division employs about 370 people in Europe, Asia and the Americas and has its main office in Arendal, Norway. The transaction was completed on January 30, 2014, and a net gain of NOK 1,05 billion is recognized in the income statement per Q1 2014, included in Net profit from discontinued operations.

Well-intervention services businesses
On 22 November 2013, Akastor agreed to sell its well intervention services businesses (WIS) to EQT. The business provides services that optimize flows from oil reservoirs and its main markets are in the UK and Norway. The division has about 1,500 employees in Europe, Asia, the US and the Middle East. The transaction was completed on January 9, 2014, and a net gain of NOK 1,85 billion is recognized in the income statement per Q1 2014, included in Net profit from discontinued operations.

The agreement includes an earn-out provision where Akastor will receive 25 percent of any internal rate of return exceeding 12 percent a year on EQT's equity investment. An earn-out of NOK 120 million has been recognised in the accounts, and represents estimated fair value at transaction date.

New Aker Solutions
On 28 September, 2014, the demerger of Aker Solutions was completed and Aker Solutions Holding ASA ("New Aker Solutions"), a subsidiary of Akastor ASA established for the purposes of the demerger, was listed on the Oslo Stock Exchange. The demerger is eliminated in the Aker group accounts as shown in the table below.

Kvaerner
In December 2013, Kvaerner sold its onshore construction business in North America to Matrix Service Company. Following the sale, Kvaerner will not have any remaining operations in the US within the Downstream & Industrial segment, and the remaining legacies within the segment are presented as discontinued operations.

Results from discontinued operations

Amounts in NOK million	January-September 2014 Akastor	Kvaerner	Elimina-tions	Total	Year 2013 Akastor	Kvaerner	Elimina-tions	Total
Operating revenues	23 979	1	(23 848)	**132**	32 470	1 362	(29 032)	**4 800**
Operating expenses	(22 455)	(93)	22 340	**(208)**	(30 471)	(1 398)	27 413	**(4 456)**
Financial items	(118)	-	118	**-**	(12)	-	2	**(10)**
Profit before tax	**1 406**	**(92)**	**(1 390)**	**(76)**	**1 987**	**(37)**	**(1 617)**	**333**
Tax expense	(433)	20	429	**16**	(498)	(29)	390	**(137)**
Net profit from operating activities	**973**	**(72)**	**(961)**	**(60)**	**1 489**	**(66)**	**(1 227)**	**196**
Gain on sale of discontinued operations	2 838	-	(64)	**2 774**	-	272	-	**272**
Tax expense on gain on sale of discontinued operations	(13)	-	-	**(13)**	-	-	-	**-**
Net gain from discontinued operations	**2 825**	**-**	**(64)**	**2 761**	**-**	**272**	-	**272**
Net profit from discontinued operations	**3 798**	**(72)**	**(1 025)**	**2 701**	**1 489**	**206**	**(1 227)**	**468**

Earnings per share of discontinued operations

Amounts in NOK million	**3Q 2014**	3Q 2013	**January-September 2014**	January-September 2013	Year 2013
Basic earnings per share from discontinued operations	**(0.18)**	0.35	**12.55**	0.68	1.85
Diluted earnings per share from discontinued operations	**(0.18)**	0.35	**12.55**	0.68	1.85

Cash flow from discontinued operations

Amounts in NOK million	January-September 2014 Akastor	Kvaerner	**Elimina-tions**	Total	Year 2013 Akastor	Kvaerner	Elimina-tions	Total
Net cash from operating activates	650	(114)	**(588)**	**(52)**	3 070	45	(2 601)	**514**
Net cash from investing/financing	4 569	78	**882**	**5 529**	(2 168)	(317)	1 868	**(617)**
Effect on cash flow	**5 219**	**(36)**	**294**	**5 477**	**902**	**(272)**	(733)	**(103)**
Consideration received and cash demerger	4 640	-	**1 064**	**5 704**		599		**599**
Cash and cash equiva-lents disposed of	(258)	-	**-**	**(258)**		(223)		(223)
Net cash inflow	**4 382**	**-**	**1 064**	**5 446**	**-**	**376**	-	**376**

13. Transactions and agreements with related parties

Ocean Yield ASA, a 73.2 per cent owned subsidiary of Aker ASA, agreed in the May 2014 to acquire two Pure Car Truck Carriers (PCTC) of 4 900 car capacity with long-term bareboat charters to Höegh Autoliners ("Höegh"). The vessels, which were built in 2010, was delivered to Ocean Yield in June 2014 and will from delivery be chartered to Höegh for a period of 8 years. The agreements were entered into by the board of Ocean Yield. Director of Aker ASA Leif O. Høegh serves as Chairman of Höegh Autoliners.

On 12 August 2014 - Fornebuporten AS, a subsidiary of Aker ASA, has entered into a long-term lease agreement with Aker Solutions ASA for the offices being built in the first phase development of the Aberdeen International Business Park. The contract is for three interconnected buildings with a total space of 31,100 square meters (334,713 square feet). Aker Solutions has undertaken 20-year leases on each of the three buildings with a combined initial rent of GBP 7.74 million (c. NOK 82 million) per annum. The buildings are designed to accommodate about 2,400 employees and are scheduled for completion in March 2015.

See also note 37 in the group annual accounts for 2013.

14. Transactions with minority interests

In the first quarter 2014 Aker Philadelphia Shipyard issued 2.41 million new shares priced at NOK 165 per shares, raising proceeds of approximately USD 65 million. Aker did not participate in the share issue. The transaction increased minority interest with NOK 382 million.

In May 2014, Aker ASA acquired 891,762 shares in Aker Solutions ASA for NOK 87 million. The transaction increased the direct ownership in Aker Solutions from 6.0% to 6.3% and reduced minority interests with NOK 73 million.

In the third quarter 2014 Aker Philadelphia Shipyard purchased 185 203 own shares, reducing minority interests with NOK 30 million.

In the third quarter 2014 Det norske completed a NOK 3 003 million equity rights issue, increasing the number of outstanding shares to 202.6 million. Aker participated with its pro-rata share of NOK 1 501 million. The transaction increased minority interest with NOK 1 488 million (after transaction costs).

15. Events after the balance sheet date

On October 15, 2014 Det norske oljeselskap ASA (Det norske) finalised the acquisition of Marathon Oil Norge AS. After the integration Det norske becomes a large and robust E&P company with activities within exploration, development and production. Following the integration, Det norske will have close to 500 employees.

On November 3, 2014 the pre-unit operator of the Johan Sverdrup field published the impact assessment for the first phase of the development. The impact assessment confirms that the project is progressing according to plan and the expected investments for the phase I development remain at NOK 100 – 120 billion.