

AKER KVÆRNER™



Oil, Gas & Process International

What happened in 2002 and 2003 - our response - outlook 2004

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Capital Markets Day, 8 December 2003

What was OGPI



- Houston (Upstream, Midstream & Downstream – both onshore & offshore)
- Canada (Upstream – Offshore)
 - St. Johns
 - Halifax
- China (Upstream & Downstream – onshore)
 - Beijing
 - Shanghai
- Asia Pacific (mainly upstream – onshore & offshore)
 - Singapore
 - Malaysia
 - Indonesia

Relevant Markets 2002 - 2003

- ■ ■ ■
- General investment uncertainty
 - September 11
 - SARS
 - Project financing
- Substantial slow down in downstream investment
- Delay of project awards in general
- Slow down in deepwater Gulf of Mexico activity
- Delay of deepwater awards in West Africa & Brazil
- Upstream activities in South East Asia slow

Poor Houston 2002-2003 Performance



- Build-up of deepwater group
- Cancellation of awarded EPC projects
- Delay of major planned project awards
- Partially late in taking down cost base due to above market disappointments
- Restructuring costs

Poor Asia Pacific 2002-2003 Performance



- Delay of awarded major EPC projects
- Delay in tender activity for major planned projects
- Clean up of legacy balance sheet items
- Partially late in taking down cost base due to above market disappointments
- Restructuring costs

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2004: Restructuring Complete

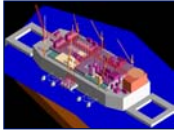


- Merged Oil, Gas and Process International (OGPI) and Engineering & Construction Americas (E&C A) business areas into Oil, Gas, Process & Energy (OGPE)
- Simplified business area management structure
- Substantial change out of key management personnel
- Established regional shared services
- Implemented first stage of flexible cost base initiatives
 - Downsizing and combined use of office locations
 - Use of agency
 - Use of low cost centers

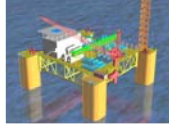
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Market Outlook 2004: Cautious optimism (1)



LNG storage and regasification



Deepwater floater technology



Power generation

- Strong LNG regasification market
 - Storage in Concrete Gravity Based Structures
 - Topside facilities
- Substantial increase in prospects for deepwater Gulf of Mexico market
 - Aker Kvaerner concepts and technology well positioned
 - We are one of 3 to 4 credible major EPC contractors
- International deepwater market still unpredictable on timing of new projects
- Power generation market outlook in US regaining strength
 - Co-generation within O&G facilities
 - Coal

Market Outlook 2004: Cautious optimism (2)



Process technology



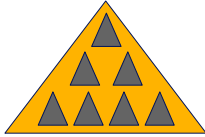
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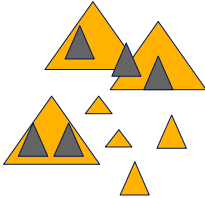
Refining and chemicals

- Downstream markets flat in US
- Some downstream growth in China & Middle East
- Upstream South East Asia activity still not fully recovered
- Q1 04 phasing challenges
 - Recognition of profit on start-up projects
 - Timing of market recovery

One Aker Kvaerner Global Family



VERSUS



- Combined family ventures leverages strengths and core skills
- MMO Europe (MMOE) and FD Europe (FDE) leverage OGPE's international reach, experience and proximity to international customers
- LNG Regasification (FDE + OGPE)
- Global Oil & Gas Opportunities (FDE + OGPE)
- Onshore Gas/ Subsea to Beach (FDE + E&C Europe + OGPE)
- Offshore MMO (MMOE + OGPE)

Our ambition



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