

4th quarter and preliminary annual results 2006

Strong Growth and Strong Profit

Aker Kvaerner reports strong fourth quarter 2006 results with an EBITDA of NOK 905 million and NOK 3 170 for the full year. The EBITDA, excluding Pulping & Power, was NOK 786 million for the fourth quarter and NOK 2 872 million for the year, an increase of 31 percent and 58 percent respectively compared to last year. The general activity level remained high and Aker Kvaerner's main markets developed positively throughout 2006. This resulted in a high quality order backlog of NOK 59.7 billion by the end of the year. The Board of Directors will propose an extraordinary dividend following the Pulping & Power divestment of NOK 30 per share for 2006 and an ordinary dividend of NOK 10 per share, amounting to a total of NOK 2 200 million. The Pulping & Power business is presented as discontinued operations. Aker Kvaerner has today announced an initiative to activate a share buy-back program to last until the ordinary general assembly 29 March 2007.

Operating revenues for the fourth quarter 2006 reached NOK 15 304 million compared to NOK 11 924 million for the same quarter last year, an increase of 28 percent. Operating revenues totalled NOK 50 592 million in 2006 compared to NOK 36 940 million in 2005, a growth of 37 percent.

EBITDA increased in the fourth quarter to NOK 786 million, compared to NOK 680 million in the corresponding period last year. Adjusted for a one time sales gain in the fourth quarter 2005, this reflects a growth of 31 percent. Full-year EBITDA amounted to NOK 2 872 million, which is a 58 percent increase from NOK 1 816 million in 2005. The full-year EBITDA-margin was 5.7 percent, compared to 4.9 percent in 2005.

Order intake in the fourth quarter was NOK 12.8 billion. At the end of December the order backlog was at a level of NOK 59.7 billion – an increase of 23 percent from 2005 to 2006.

Cashflow from operating activities was NOK 2 636 million in 2006, reflecting a NOK 678 million increase in net current operating assets. Cash and bank deposits at the end of December amounted to NOK 5.7 billion. The liquidity buffer, including undrawn credit facilities of NOK 6.2 billion, was NOK 11.9 billion. In addition NOK 2 411 million is pledged for the defeased loan of EUR 260 million.

The refinancing of Aker Kvaerner was successfully concluded 1 December. The syndication of the bank facility of EUR 750 million attracted substantial interest in the market. Aker Kvaerner also issued bonds with a total amount of NOK 1.6 billion in connection with the refinancing. Net financial expenses include NOK 652 million in refinancing costs.

The sale of the Pulping & Power businesses to Metso Corporation was approved by the European Commission in December, and the transaction was closed by 31 December 2006. The final transaction value has been based on the balance sheet as of 31 December 2006. The net cash effect is NOK 2.6 billion and net gain compared to book value, NOK 2 327 million.

18 January 2007 Aker Kvaerner announced a buy-back of 300 000 shares at NOK 660 per share in connection with the limited divestiture of shares by Aker ASA.

The share price increased from NOK 414.50 at year-end 2005 to NOK 778 at the end of 2006. This increase of 88 percent represents a value creation of NOK 20 billion for Aker Kvaerner's shareholders in 2006.

Consolidated key figures

(in NOK million)	4Q05	1Q06	2Q06	3Q06	4Q06	2005	2006
Operating revenues	11 924	10 547	12 682	12 059	15 304	36 940	50 592
Operating expenses	11 244	-9 898	-12 006	-11 298	14 518	-35 124	-47 720
EBITDA	680¹	649²	676	761	786	1 816¹	2 872²
Depreciation	-95	-79	-85	-75	-100	-306	-339
Earnings before interest and tax (EBIT)	585	570	591	686	686	1 510	2 533
Net financial items	-82	-84	-62	-106	-653	-374	-905
Foreign exchange on disqualified hedging instruments	-195	151	87	-52	55	-396	241
Profit before tax	308	637	616	528	88	740	1 869
Tax	446	-170	-184	-158	-63	312	-575
Net profit from continuing operations	754	467	432	370	25	1 052	1 294
Net profit per share from continued operation	13.61	8.41	7.71	6.26	0.27	18.83	22.65
Profit from discontinuing operations and gain on disposal	48	34	34	44	2 383	193	2 495
Profit for the period	802	501	466	414	2 408	1 245	3 789
Net profit per share incl. discontinued operations	14.48	9.00	8.32	7.07	43.54	22.33	67.93
Total assets	26 295	27 444	28 190	29 529	31 396		
Equity	4 327	4 553	5 429	5 561	8 114		
Equity ratio (%)	16.5	16.6	19.3	18.8	25.8		
Net interest-bearing liabilities (-)/receivables (+)	5 163	5 214	4 756	5 203	4 140		
Cash and bank deposits	6 746	6 723	6 225	6 763	5 666		
Total net current operating assets	-2 850	-2 589	-1 301	-1 550	-2 172		
Cash flow from operating activities	3 580	447	-169	587	1 771	3 674	2 636
Order intake	17 578	12 876	12 960	23 636	12 799	51 937	62 271
Order backlog	48 522	50 644	50 251	62 687	59 695	48 522	59 695

1) Inclusive sales gain of NOK 80 million

2) Inclusive sales gain of NOK 87 million

Status operations

Health, Safety and Environment

Most regrettably, there have been two fatal accidents in the fourth quarter, and one early in 2007. Four people died in an airplane accident at Stord Airport in Norway on 10 October. Two Aker Kvaerner Elektro employees, one subcontractor employee, and one crew member died when a charter flight slid off the landing strip and caught fire. Following a fork-lift incident at our Shah Alam site in Malaysia on 25 October, an Aker Kvaerner Process Systems employee was killed. On 6 January, an Aker Kvaerner employee died in a lifting incident offshore in the UK.

A solid bottom line is neither sustainable nor acceptable if it is achieved at the expense of people or the environment. In Aker Kvaerner, we strive to protect people and the environment in each project and every product and service we provide

Martinus Brandal, President & CEO

Aker Kvaerner's strong focus and efforts within Health, Safety and Environment (HSE) continue with Just Care™ as a symbol of the HSE culture and as an umbrella for the HSE programmes.

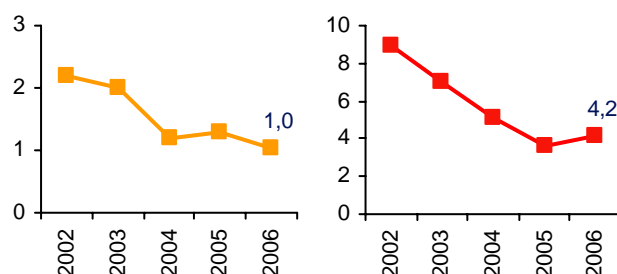
Training is a particular focus. More than 800 leaders attended the HSE leadership programme by the end of 2006, and over 9000 employees completed the new Just Care™ e-learning programme.

Sick leave statistics show a positive trend, reduced from 2.7% in 2005 to 2.2% in 2006.

An increasing and dynamic subcontractor workforce has brought with it an injury rate that has contributed to the plateau we see in the Lost Time Incidents per million hours (LTIF) and Total Recordable Incidents per million hours (TRIF) in the next column.

The HSE plan going forward includes elements to ensure that we reach out to all corners of our operations, apply the systems, tools and practices we have, and stretch and develop our HSE culture further.

Lost Time Incidents per million hours (LTIF) **Total Recordable Incidents per million hours (TRIF)**



Field Development (FD)

(in NOK million)	4Q05	4Q06	2005	2006
Op revenues	3 270	5 007	10 620	16 959
EBITDA	213	295	632	1 044
Order intake	8 516	1 608	19 060	17 833
Order backlog	20 265	20 813	20 265	20 813
Employees	4 039	5 200	4 039	5 200

FD had a 53 percent higher revenue level in the fourth quarter compared to the corresponding quarter last year. The high revenue level is driven by a high level of procurement and increased scope of work on ongoing projects such as Snøhvit, Ormen Lange and the H6e drilling rigs. The fourth quarter EBITDA was 38 percent higher compared to the fourth quarter of 2005, and the full-year 2006 EBITDA was 65 percent higher than in 2005. The EBITDA-margin for the fourth quarter was 5.9 percent and for the year, 6.2 percent. The fourth quarter margin is temporarily influenced by high subcontracting volumes.

Aker Kvaerner is one of the world's leading providers of advanced floating production units. The company is recognised as having a competitive edge in Arctic and deepwater solutions. There are several North Sea projects in the pipeline. The company's position in the LNG-terminal market is considered world class and this market continues to be robust. In Russia and the Caspian Sea, the market for oil and gas projects is expected to develop positively. In the Russian part of the Barent Sea, Aker Kvaerner is executing front-end studies for several oil companies. Aker Kvaerner is well positioned to be awarded contracts in these markets. An important advantage for Aker Kvaerner

is the experience from projects like Sakhalin II, Kashagan, Ormen Lange and Snøhvit.

Growth in existing contracts and some new, smaller contracts were booked in the fourth quarter. In combination with the high operating revenue level, this resulted in an order backlog at approximately the same level as one year ago. Statoil and Aker Kvaerner signed a contract worth approximately NOK 8 billion for the semisubmersible platform to be located at the Gjøa field offshore Norway. This contract was booked as order intake in the third quarter in connection with a memorandum of understanding.

Maintenance, Modifications and Operations (MMO)

(in NOK million)	4Q05	4Q06	2005	2006
Op revenues	2 255	2 907	7 452	9 782
EBITDA	91	126	290	468
Order intake	4 112	1 795	9 875	10 032
Order backlog	12 061	12 272	12 061	12 272
Employees	4 705	5 238	4 705	5 238

Operating revenues in the fourth quarter were 29 percent higher compared to the corresponding quarter last year. The high revenue level is mainly due to increased scope of work on ongoing projects. EBITDA for the fourth quarter increased 38 percent compared to the same quarter in 2005. The full-year EBITDA for 2006 was 61 percent higher than for 2005. High activity levels on the Snøhvit, Ormen Lange and Statfjord Late Life projects had a positive influence. The EBITDA-margin in the fourth quarter was 4.3 percent and for the year 4.8 percent. Aker Kvaerner Elektro has delivered strong performance and high activity. The quality of the project portfolio has in general been improved. There has been active, but selective, tendering activity in a heated modification market.

Aker Kvaerner is one of the leading companies offering maintenance, modification and operation services to the oil and gas operators in the North Sea. The company is one of the few covering operations both on the UK and the Norwegian continental shelf and this gives Aker Kvaerner a competitive edge with oil companies operating in both sectors.

The decommissioning market is expected to increase both in Norway and in the UK. However, timing is

uncertain. Aker Kvaerner is a market leader in this area.

Growth in existing contracts and some new, smaller contracts were booked in the fourth quarter. This is the reason for a relatively low order intake. In combination with the high operating revenue level, this resulted in an order backlog at approximately the same level as one year ago. One of the new contracts awarded in the fourth quarter was:

- A system upgrade for re-injection of produced water on the Brage platform awarded by Hydro. The scope of the contract includes engineering, procurement and constructional installation. The contract value is approximately NOK 150 million and project completion is scheduled for the end of 2008.

Subsea, Products & Technologies (SPT)

(in NOK million)	4Q05	4Q06	2005	2006
Op revenues	2 997	4 844	9 854	14 262
EBITDA	224	287	654	972
Order intake	5 585	5 860	15 445	24 490
Order backlog	11 269	21 392	11 269	21 392
Employees	3 586	4 958	3 586	4 958

SPT had a high activity level in the fourth quarter with revenues increasing by 62 percent compared to the fourth quarter of 2005.

The fourth quarter EBITDA was 28 percent higher than for the corresponding period of 2005, and 49 percent higher for the full year 2006 compared to 2005. The EBITDA-margin for the fourth quarter was 5.9 percent and 6.8 percent for the full year.

The fourth quarter can be characterised as having a high level of activity and many projects that have not yet reached the threshold of 20 percent completion - which means no recognition of profit. In addition, startup costs for the high technology manufacturing center in Malaysia and high tendering costs in a very strong market are reflected in the figures. The temporarily lower margin in the fourth quarter is expected to be strengthened already in the first quarter 2007.

Generally, it is a strong and robust market for all SPT businesses. New opportunities are emerging from a buoyant floating production market. There are still many new build rig opportunities in the

deepwater drilling market and a growing installed base provides huge after-sale potential. This is normally a high margin business. There is also a strong growth in the FPSO market. The markets for well service activities and marine operations are still very attractive. A strong new build market continues to positively influence the marine installation business. There is a strong market for umbilicals, controls and risers -- and subsea boosting is gaining increased acceptance. Aker Kvaerner has become a leading supplier of drilling risers in a market enjoying record high volumes. Opportunities for subsea EPC contracts are growing, and Aker Kvaerner has strengthened its position in Brazil and the Asian markets.

Aker Kvaerner is investing NOK 500 million in a new high technology manufacturing centre in Malaysia. The start-up of the center took place in the fourth quarter 2006. In addition to serving the regional market, this facility will also contribute to Aker Kvaerner's subsea equipment deliveries in other parts of the world. The plant may, at a later stage, be utilised for other products delivered by Aker Kvaerner. In addition, the subsea workshop in Tranby, Norway, has undergone modernisation and upgrading.

The fourth quarter order intake was marginally higher than that achieved in the fourth quarter 2005. Meanwhile, the order intake for the year resulted in an order backlog two times higher than at the end of 2005.

A strong market in the fourth quarter resulted in the announcement of several contracts:

- Award of contracts for delivery of advanced mooring systems with a total contract value of NOK 200 million. The contracts comprise deliveries both to the offshore and marine industry. The work is undertaken by Aker Kvaerner Pusnes in Arendal. The awards include delivery to two Aker Drilling H6e semi-submersible rigs and to five semi-submersible rigs to be built at Jurong's shipyard in Singapore.
- Award of contracts to supply three subsea drilling riser systems, featuring Aker Kvaerner's innovative CLIP riser system, to Brazilian drilling company Queiroz Galvão Óleo e Gás S.A. The contracts have a value of approximately USD 80 million.
- A contract for delivery of process modules to Aker Floating Production's SMART Floating Production Storage Offloading (FPSO)

vessels. The total contract value for Aker Kvaerner is approximately NOK 350 million.

- A contract with Reliance Industries Limited for the design and delivery of a mono ethylenglycol (MEG) reclamation system for Reliance's KG-D6 gas project. The total estimated contract value for Aker Kvaerner is approximately USD 25 million.
- ConocoPhillips awarded Aker Kvaerner a service contract for provision of personnel and equipment for well intervention services on the Norwegian Continental Shelf. The firm contract period is three years with an estimated value of NOK 900 million. The contract includes an option to extend another 2 x 2 years.

From the first quarter of 2007 the Subsea division and the Products and Technologies division will be reported separately.

Process (PRO)

(in NOK million)	4Q05	4Q06	2005	2006
Op revenues	3 448	3 117	9 625	11 333
EBITDA	89	98	224	401
Order intake	1 813	3 575	10 453	11 136
Order backlog	8 174	7 658	8 174	7 658
Employees	4 965	6 223	4 965	6 223

PRO had somewhat lower revenues in the fourth quarter compared to the same quarter last year. EBITDA increased 10 percent in the fourth quarter 2006 compared to the same period last year, and EBITDA for the year increased 79 percent compared to 2005. The EBITDA-margin for Process in the fourth quarter was 3.1 percent, and 3.5 percent for 2006 as a whole. The reason for the relatively low margin in the fourth quarter is due to the phasing of projects, high tendering costs and some one-off costs.

The restructuring of Aker Kvaerner Engineering Services is completed. We have exited the onshore low margin maintenance business, including related workshops. In total, the workforce has been reduced from approximately 1800 to about 500 engineers, and the main focus is the more profitable nuclear industry in the UK. In this market there is a significant need for decommissioning and clean-up programs. Several such programs in the next few years are already planned.

The market opportunities for EPC projects remain robust in India, China and the Middle East, especially in Saudi Arabia, and the service activities in Process continue to increase. There is an interesting biofuel and nuclear market emerging. The Mining and Metals capital project business continues to prosper with an expected growth in opportunities in Latin America, Australia and Asia. There are significant opportunities in the power plant construction market in US.

A project for Zhejiang Hualian Sunshine Petro-Chemical Co. Ltd. for a new Purified Terephthalic Acid (PTA) plant using technology from INVISTA was completed. The plant is now operational at Zhejiang Hualian Sunshine's petrochemical complex in Shaoxing, Zhejiang Province in the People's Republic of China. A record-breaking plant start-up was realised with nameplate capacity achieved within four days.

Order intake for the fourth quarter 2006 was two times higher than in the same period in 2005. Full-year order intake was approximately at the same level as last year. The order backlog was somewhat lower than at the same time one year ago.

A number of small and medium sized orders were won in the fourth quarter in addition to some larger contracts:

- An Engineering, Procurement and Construction contract in joint venture with Burns and McDonnell was awarded for the construction of the Halton Hills Generating Station, a 683 mega watt natural gas fueled, combined cycle facility for TransCanada Corporation. Aker Kvaerner Songer Canada's portion is valued at approximately CAD 175 million.
- Ohio Valley Electric Corporation (OVEC) awarded Aker Kvaerner a limited notice to proceed for a new environmental control system at the Kyger Creek power plant. The facility is located in Cheshire, Ohio, and Aker Kvaerner's portion of the project is approximately USD 105 million.

Group financials

After the de-consolidation of Pulping & Power, the consolidated revenues in the fourth quarter amounted to NOK 15 304 million this year compared with NOK 11 924 million for the same period last year. Full year consolidated revenues increased by 37 percent to NOK 50 592 million compared to NOK

36 940 million for 2005, reflecting strong markets and high activity in all reporting segments.

The fourth quarter EBITDA was NOK 786 million compared to NOK 680 million in the fourth quarter of 2005. Adjusted for one time sales gain in the fourth quarter 2005, this reflects a growth of 31 percent. EBITDA rose by 58 percent to NOK 2 872 million compared with NOK 1 816 million in 2005.

The increased depreciation in the quarter is mainly due to a higher activity level, as well as a write down of replaced IT hardware and software. NOK 826 million was booked as capital expenditures in 2006, up from NOK 481 million in 2005. The main ongoing capital expenditure is the construction of the manufacturing centre in Malaysia.

Net financial expenses for the fourth quarter of 2006 were NOK 653 million, including NOK 652 million in refinancing costs and a NOK 24 million loss from associates. For the full year 2006, net financial expenses amounted to NOK 905 million reflecting NOK 652 million in refinancing costs in the fourth quarter and a NOK 18 million loss from associates. Net financial expenses for 2005 were NOK 374 million.

Fluctuations in the fair value of hedging transactions represented an accounting gain of NOK 55 million in the fourth quarter booked as net financials. Reported EBITDA was negatively affected by NOK 15 million in the same period.

The profit before tax in 2006, excluding the Pulping & Power businesses, was NOK 1 869 million and the tax expense was NOK 575 million, or 30 percent of profit before tax.

Profit for the fourth quarter was NOK 2 408 million, reflecting NOK 2 383 million profit from discontinued operations and gain from the disposal of the Pulping & Power business.

Net profit per share for the fourth quarter was NOK 43.54 including discontinued businesses.

The cash position at the end of the year was NOK 5.7 billion. Undrawn committed long-term bank revolving credit facilities amounted to NOK 6.2 billion representing a total liquidity buffer of NOK 11.9 billion.

The balance sheet of the group has increased by 6 percent during the fourth quarter despite Pulping & Power being de-consolidated. The reason for this is the overall increased activity level reflected in both work in progress and advances from customers in addition to the gross booking of the defeased loan.

The equity ratio at the end of the year was 25.8 percent, an increase of 7 percentage points in the quarter following the disposal of Pulping & Power.

Sale of Pulping & Power

Aker Kvaerner's sale of the Pulping & Power businesses to Metso Corporation was approved by the European Commission in December. The transaction was completed by 31 December 2006. The final transaction value is based on the balance sheet as of 31 December 2006. The estimated transaction value is approximately EUR 360 million, net cash effect NOK 2.6 billion and net gain compared to book value NOK 2 327 million.

Refinancing completed

The refinancing of Aker Kvaerner ASA was successfully concluded 1 December. The syndication of the bank facility of EUR 600 million attracted substantial interest in the market and was significantly oversubscribed. Aker Kvaerner therefore decided to increase this facility to EUR 750 million.

The issuance of the NOK denominated bonds were very well received in the market and Aker Kvaerner decided to close the books with an amount totalling NOK 1.6 billion. The split in the 3, 5 and 7 year tranches were NOK 500 million, NOK 650 million and NOK 450 million respectively. Aker Kvaerner will consider further issuances in the bond market at a later date.

Furthermore, Aker Kvaerner neutralised the existing EUR 260 million bond notes through a satisfaction and discharge mechanism. This means that until final redemption date, 15 June 2007, the loan will be booked as a defeased loan and with a corresponding cash amount pledged on the asset side of the balance sheet.

The refinancing of Aker Kvaerner will give a strong and flexible financing structure for the Group in the coming years.

The NOK 652 million cost of the refinancing are charged to the finance costs.

Board proposal and dividend policy going forward

At the Ordinary General Assembly in Aker Kvaerner ASA taking place on 29 March 2007, the Board of Directors will propose the following:

1. Share buy-back program

A renewal of the "Share buy-back program" of up to 10 percent of the outstanding shares between NOK 1 and NOK 900 in the 18 month period following the day of the General Assembly Meeting, 29 March 2007.

2. Extraordinary dividend following the Pulping & Power divestment

To pay an extraordinary dividend of NOK 30 per share, in total NOK 1 650 million.

3. Ordinary dividend

To pay an ordinary dividend of NOK 10 per share, in total NOK 550 million.

4. Share split 1-5

To split the face value of NOK 10 per share to NOK 2 per share and thus increase the outstanding number of shares to 275 146 170.

Dividend policy going forward

The intention is to give Aker Kvaerner's shareholders a competitive yearly dividend by distributing 30-50 percent of net profit, either through cash dividend and /or share buy-back.

Share Buy-Back

Aker Kvaerner has today activated a share buy-back programme until ordinary general assembly 29 March 2007. Details of the proposal are described in a separate press release and the presentation of the 2006 preliminary figures.

Outlook

Aker Kvaerner's markets continue to be strong. The market outlook is very positive and we are optimistic about the opportunities in markets like India, Malaysia, West Africa and the Caspian Sea. We have a special focus on deepwater oil and gas developments. The company is recognised as having a competitive edge in Arctic and deepwater solutions. The long term trend is unchanged and the

growth in energy demand is expected to continue, at the same time as the depletion of fields increases. The energy gap is expected to keep investments in the oil and gas industry high going forward. New resources continue to move towards more demanding fields and the need for advanced technology is increasing. This trend favours contractors with the technology and experience from the demanding North Sea. We also expect increased investments in tie-backs and extensions of existing fields. The petrochemical and metals market also continues to be driven by growth in Asia.

In general there are constraints on resources and capacity for suppliers and contractors globally. This creates interesting business opportunities. Together with the execution of existing backlog, Aker Kvaerner continues to focus on selecting and winning projects

with the right profile and a potential for higher margins.

Aker Kvaerner's strategy is to be the preferred partner within the energy sector. Our focus on providing value added services to our clients, as well as a strong international market, provide attractive business opportunities.

As in previous years, Aker Kvaerner expects quarterly fluctuations in 2007, mainly due to the phasing of major projects.

Aker Kvaerner's target of an EBITDA margin of 6.5-7.0 percent by the end of 2007 is confirmed. Based on the quality of the order backlog and the positive market outlook, there is potential for further improvement in profitability after 2007.

*Oslo, 12 February 2007
The Board of Directors*

AKER KVAERNER GROUP IN FIGURES ¹⁾

PROFIT AND LOSS ACCOUNT

Group summary: Amounts in NOK million	Note	Q1	Q2	Q3	Q4	Q4	1.1-31.12	
		2006	2006	2006	2006	2005	2006	2005
Operating revenues		10 547	12 682	12 059	15 304	11 924	50 592	36 940
Operating expenses		-9 898	-12 006	-11 298	-14 518	-11 244	-47 720	-35 124
EBITDA		649	676	761	786	680	2 872	1 816
Depreciation		-79	-85	-75	-100	-95	-339	-306
Operating profit		570	591	686	686	585	2 533	1 510
Financial items		-84	-62	-106	-653	-82	-905	-374
Foreign exchange on disqualified hedging instruments		151	87	-52	55	-195	241	-396
Profit/loss before tax		637	616	528	88	308	1 869	740
Taxation		-170	-184	-158	-63	446	-575	312
Net profit/loss from continuing operations		467	432	370	25	754	1 294	1 052
Discontinued operations								
Profit for the period from discontinued operations and gain on disposal	3	34	34	44	2 383	48	2 495	193
Profit for the period		501	466	414	2 408	802	3 789	1 245
Attributable to:								
Minority interests		6	8	25	12	5	51	16
Equity holders of the parent company		495	458	389	2 396	797	3 738	1 229
Basic and diluted earnings per share continuing operations (NOK)		8,41	7,71	6,26	0,27	13,61	22,65	18,83
Basic and diluted earnings per share (NOK)		9,00	8,32	7,07	43,54	14,48	67,93	22,33

BALANCE SHEET

Amounts in NOK million	Note	31.3	30.6	30.9	31.12	31.12
		2006	2006	2006	2006	2005
Deferred tax asset		841	615	550	552	851
Goodwill, patents etc		4 401	4 373	4 432	5 054	4 581
Property, plant and equipment		1 365	1 450	1 562	1 761	1 549
Other operating assets		-	1	7	10	7
Investments		102	113	116	138	135
Interest-bearing non-current receivables		132	132	131	54	141
Income tax receivables		33	67	82	86	34
Current operating assets		11 060	12 270	12 583	15 118	11 863
Interest-bearing current receivables		483	498	500	546	388
Deposit to repay second priority lien notes		-	-	-	2 411	-
Cash and bank deposits		6 723	6 225	6 763	5 666	6 746
Operating assets classified as held for sale	3	2 304	2 446	2 803	-	-
Total assets		27 444	28 190	29 529	31 396	26 295
Equity		4 424	5 297	5 409	7 983	4 262
Minority interests		129	132	152	131	65
Deferred tax		133	19	33	60	46
Second priority lien notes		-	-	-	2 329	-
Subordinated debt		3 197	3 145	3 275	-	3 167
Other non-current liabilities		1 287	1 270	1 340	1 247	1 401
Interest-bearing non-current debt		2 095	2 098	2 190	2 126	2 112
Taxes payable		90	110	191	230	52
Other current operating liabilities		13 648	13 570	14 133	17 290	15 190
Interest-bearing current liabilities		29	1	1	-	-
Liabilities directly associated with operating assets classified as held for sale	3	2 412	2 548	2 805	-	-
Total liabilities and equity		27 444	28 190	29 529	31 396	26 295

¹⁾ In the accounts the Pulping and Power businesses are presented as discontinuing operations. Pro forma accounts are included on page 7.

STATEMENT OF CASH FLOW

Amounts in NOK million	Q1	Q2	Q3	Q4	Q4	1.1-31.12	
	2006	2006	2006	2006	2005	2006	2005
Net cashflow from operating activities	447	- 169	587	1 771	3 580	2 636	3 674
Net cashflow from investing activities	- 184	- 244	- 212	1 625	- 54	985	- 443
Net cashflow from financing activities	- 275	-	-	- 4 413	32	- 4 688	- 306
Translation adjustments	- 11	- 85	163	- 80	18	- 13	118
Net decrease (-) / increase (+) in cash and bank deposits	- 23	- 498	538	- 1 097	3 576	- 1 080	3 043
Cash and bank deposits as at the beginning of the period	6 746	6 723	6 225	6 763	3 170	6 746	3 703
Cash and bank deposits as at the end of the period	6 723	6 225	6 763	5 666	6 746	5 666	6 746

CHANGE IN EQUITY

Amounts in NOK million	Q1	Q2	Q3	Q4	Q4	1.1-31.12	
	2006	2006	2006	2006	2005	2006	2005
Equity as at the beginning of the period	4 262	4 424	5 297	5 409	3 398	4 262	2 889
Net profit/loss	495	458	389	2 396	797	3 738	1 229
Dividends	- 275	-	-	-	-	- 275	-
Foreign currency hedging	- 29	465	- 519	286	-	203	-
Translation differences	- 29	- 50	242	- 108	67	55	144
Equity as at the end of the period	4 424	5 297	5 409	7 983	4 262	7 983	4 262

Segments:
REVENUE BY SEGMENT

Amounts in NOK million	Q1	Q2	Q3	Q4	Q4	1.1-31.12	
	2006	2006	2006	2006	2005	2006	2005
Field Development	3 681	4 056	4 215	5 007	3 270	16 959	10 620
MMO	1 985	2 547	2 343	2 907	2 255	9 782	7 452
Subsea, Products & Technologies	2 671	3 357	3 390	4 844	2 997	14 262	9 854
Process	2 775	2 873	2 568	3 117	3 448	11 333	9 625
Other	- 565	- 151	- 457	- 571	- 46	- 1 744	- 611
Total Group	10 547	12 682	12 059	15 304	11 924	50 592	36 940

EBITDA BY SEGMENT

Amounts in NOK million	Q1	Q2	Q3	Q4	Q4	1.1-31.12	
	2006	2006	2006	2006	2005	2006	2005
Field Development	234	263	252	295	213	1 044	632
MMO	108	121	113	126	91	468	290
Subsea, Products & Technologies	173	225	287	287	224	972	654
Process	75	86	142	98	89	401	224
Other	59	- 19	- 33	- 20	63	- 13	16
Total Group	649	676	761	786	680	2 872	1 816

EBIT BY SEGMENT

Amounts in NOK million	Q1	Q2	Q3	Q4	Q4	1.1-31.12	
	2006	2006	2006	2006	2005	2006	2005
Field Development	218	249	236	280	198	983	575
MMO	106	120	111	124	86	461	277
Subsea, Products & Technologies	134	179	251	246	172	810	503
Process	72	81	140	93	85	386	204
Other	40	- 38	- 52	- 57	44	- 107	- 49
Total Group	570	591	686	686	585	2 533	1 510

NET CURRENT OPERATING ASSETS BY SEGMENT

Amounts in NOK million	31.3	30.6	30.9	31.12	31.12
	2006	2006	2006	2006	2005
Field Development	-3 484	-3 146	-2 831	-1 968	-3 911
MMO	184	142	282	125	7
Subsea, Products & Technologies	1 179	1 428	1 010	387	1 454
Process	- 236	135	- 182	- 607	- 38
Other	- 232	140	171	- 109	- 362
Total Group	-2 589	-1 301	-1 550	-2 172	-2 850

NET OPERATING ASSETS BY SEGMENT

Amounts in NOK million	31.3	30.6	30.9	31.12	31.12
	2006	2006	2006	2006	2005
Field Development	-2 060	-1 911	-1 590	- 627	-2 704
MMO	1 284	1 297	1 428	1 279	1 103
Subsea, Products & Technologies	2 355	2 667	2 336	2 591	2 639
Process	741	1 089	753	416	853
Other	- 430	110	182	- 253	- 397
Total Group	1 890	3 252	3 109	3 406	1 494

Notes

Aker Kværner ASA (the company) is a company domiciled in Norway. The consolidated financial statements of Aker Kværner ASA comprise the company and its subsidiaries (together referred to as the group) and the group's interests in associates and jointly controlled entities and assets.

Statement of compliance

Aker Kværner's financial reporting is carried out in accordance with International Financial Reporting Standards (IFRS). The condensed consolidated interim financial statements are prepared in accordance with IAS 34 Interim Financial Reporting. It does not include all of the information required for full annual consolidated financial statements, and should be read in conjunction with the consolidated financial statements of the group for 2005.

The annual report for 2005 is available on www.akerkvaerner.com

Accounting policies

The accounting policies applied in the interim financial statements are the same as those described in the annual report 2005 for Aker Kværner.

Employee benefits

Defined benefit plans

Calculation of pension cost and liability is done annually by actuaries. In the interim financial reporting, pension costs and liability are based on the actuarial forecasts.

Tax

Income tax expense is recognised in each interim period based on the best estimate of the expected annual income tax rate.

Note 1 Judgements, estimates and assumptions

In applying the accounting policies, management makes judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses.

The estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing these interim financial statement, the significant judgements made by management in applying the group's accounting policies and the key sources of uncertainty in the estimates were the same as those applied to the consolidated financial statements as at and for the period ended 31 December 2005.

Note 2 Acquisitions and disposals

Acquisitions

Aker Kværner announced in February that its ownership in Aker Kværner Powergas India would increase from 49% to 64%. Control over the entity was obtained in Q1.

Aker Kværner Powergas India was earlier reported as an associate, but is consolidated from the date that control commenced. Aker Kværner Powergas India gives access to approximately 1000 highly qualified engineers.

In November 2005 Kværner Power OY agreed to buy 60% of the shares in the Finnish company Noviter OY. The transaction price was NOK 38 million.

The company is a supplier of power generation plants based on natural gas, oil and biomass. The transaction was closed in the first quarter this year.

In April Aker Kværner announced that it would secure UK resources by taking over an agency business with 1300 specialists in the UK from TH Global. The transaction was closed on 16 October.

Disposals

In the first quarter Aker Kværner Power and Automation Systems as was sold to the Finnish group, Wärtsilä, for NOK 110 million. A sales gain of NOK 87 million is booked in Corporate. AKPAS supplies power and automation systems to the marine market, the oil and gas market and segments of the industrial market. The two year old company has 135 employees.

For information about P&P see Note 3 below.

Note 3 Discontinued operations - Pulping and Power

A letter of intent for sale of Aker Kværner's Pulping and Power businesses was signed with Metso on 8 February 2006.

The final agreement was signed on 28 April, and on 12 December 2006 the sale was approved by the European Commission.

The transaction was closed on 29 December 2006 and the final transaction is based on the balance sheet as of the end of 2006.

The table below shows the financial data for Pulping and Power including the sales gain.

Financial data Pulping and Power:

Amounts in NOK million	Q1	Q2	Q3	Q4	Q4	1.1-31.12	
	2006	2006	2006	2006	2005	2006	2005
Operating revenues	1 041	1 316	1 341	1 822	1 350	5 520	4 523
Operating expenses	- 980	- 1 259	- 1 280	- 1 704	- 1 241	- 5 223	- 4 194
EBITDA	61	57	61	118	109	297	329
Depreciation	- 13	- 12	- 14	- 15	- 13	- 54	- 50
Operating profit	48	45	47	103	96	243	279
Financial items	- 3	- 7	19	- 19	- 20	- 10	- 1
Profit/loss before tax	45	38	66	84	76	233	278
Taxation	- 11	- 4	- 23	- 27	- 28	- 65	- 85
Net profit/loss	34	34	43	57	48	168	193
Sales gain				2 327		2 327	
Tax							
Profit for the period from discontinued operations				2 384		2 495	

Amounts in NOK million	31.3	30.6	30.9	31.12
	2006	2006	2006	2006
Non-current operating assets	579	576	638	650
Current operating assets	1 725	1 870	2 165	2 158
Total operating assets	2 304	2 446	2 803	2 808
Non-current operating liabilities	125	124	134	134
Current operating liabilities	2 287	2 424	2 671	3 019
Total operating liabilities	2 412	2 548	2 805	3 153

Amounts in NOK million	Q1	Q2	Q3	Q4	Q4	1.1-31.12	
	2006	2006	2006	2006	2005	2006	2005
Net cashflow from operating activities	157	3	- 86	549	21	549	158
Net cashflow from investing activities	- 36	- 18	- 50	- 100	- 42	- 100	- 104
Cash proceeds and dividend re. disposal of Pulping and Power businesses				2 155		2 155	
Cash flow from Pulping and Power				2 604		2 604	

For further information, please contact:

Media:

Torbjørn S. Andersen, SVP Group Communications, Aker Kvaerner. Tel: +47 67 51 30 36,
Mob: +47 92 88 55 42

Investor relations:

Lasse Torkildsen, VP Investor Relations, Aker Kvaerner, Tel: +47 67 51 30 39, Mob: +47 91 13 71 94

Career opportunities:

Visit: www.akerkvaerner.com/Internet/CareerCentre

AKER KVÆRNER ASA, through its subsidiaries and affiliates ("Aker Kvaerner"), is a leading global provider of engineering and construction services, technology products and integrated solutions. The business within Aker Kvaerner comprises several industries, including Oil & Gas, Refining & Chemicals, Mining & Metals and Power Generation. The Aker Kvaerner group is organised in a number of separate legal entities. Aker Kvaerner is used as the common brand/trademark for most of these entities.

The parent company in the group is Aker Kværner ASA. Aker Kvaerner has aggregated annual revenues of approximately NOK 50 billion and employs approximately 23 000 people in about 30 countries.

Aker Kvaerner is part of the Aker Group (www.akerasa.com), a leading multi-industry powerhouse with more than 50 000 employees and NOK 80 billion revenues. Aker owns 40.1 percent of Aker Kvaerner, and the group is also a major European shipbuilder and a significant participant in the fisheries industry.

This press release may include forward-looking information or statements and is subject to our [disclaimer](#), see our web-pages www.akerkvaerner.com