

Building momentum through strategic relationships

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Capital Markets Day
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E&C Europe in brief

- Downstream processing plants
- Engineering services to the nuclear sector
- Supplier of machines, process systems and service to the pulp and paper industry, and the power generation industry

Process



Engineering Services



Power



Pulping

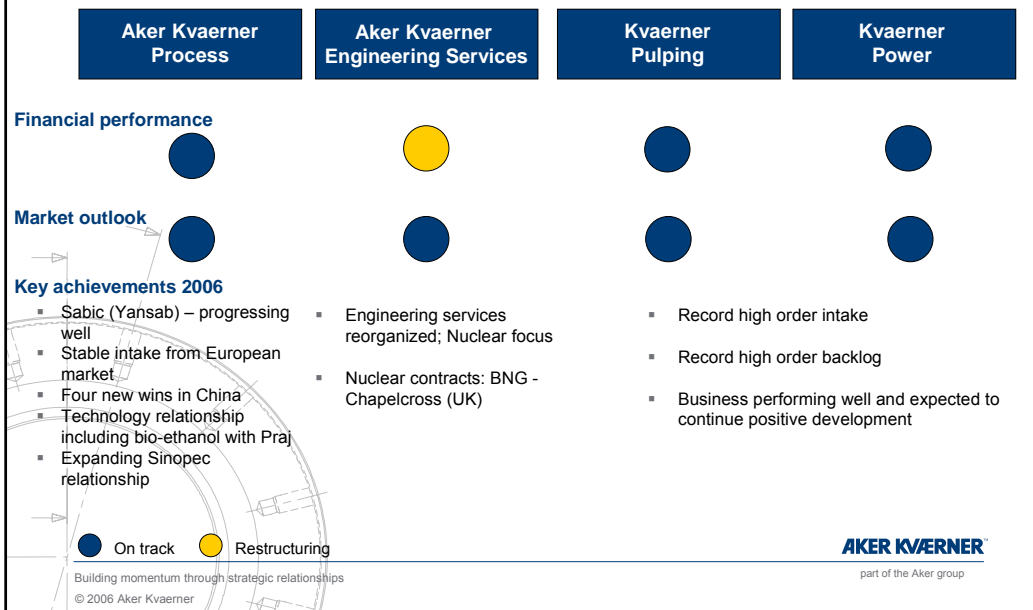


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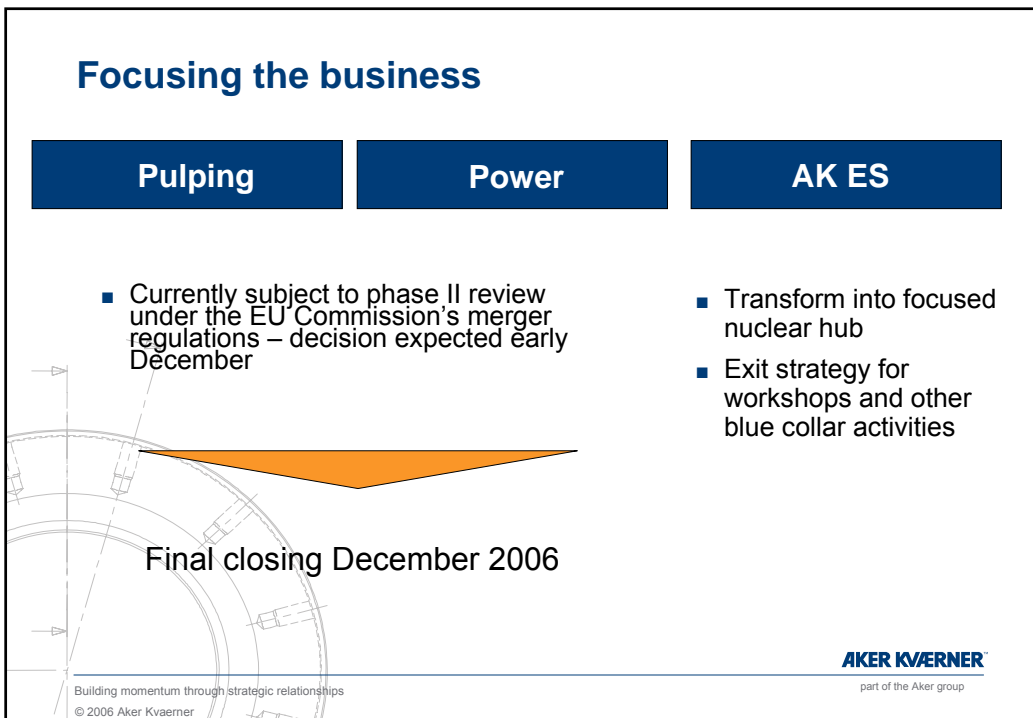
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Current status vs. performance targets in E&C Europe



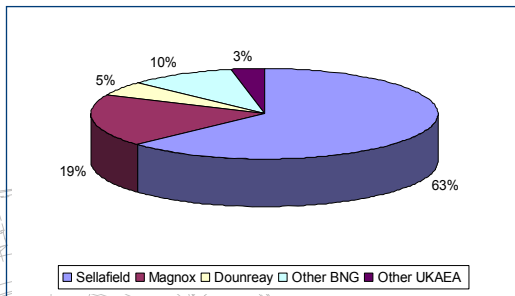
Focusing the business



Nuclear market size and trends in UK

Market Size and Growth

Nuclear Decommissioning Authority (NDA)
Activities (2005-2030):



Key Trends

- NOK 700 billion Cleanup programme across ~ 20 sites
- Yearly spend NOK 25 billion for the foreseeable future
- Strong track record in UK decommissioning sector

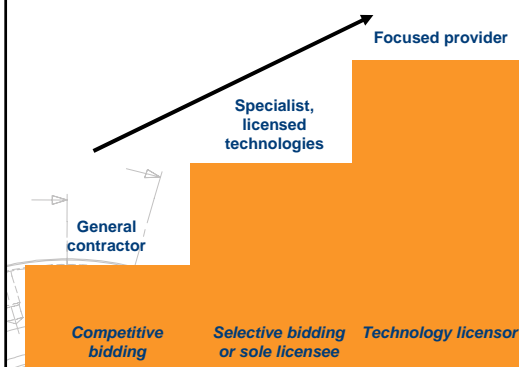
...the NDA's liabilities have grown to over NOK 700 billion

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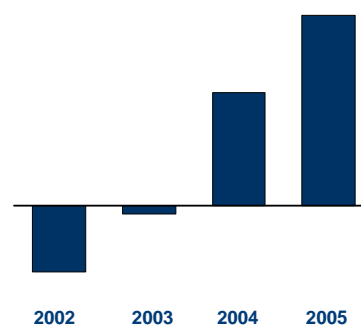
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AK Process: Clear strategy has given results



AK Process EBITDA development



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Market size and trends – Technology focus

Technology	Market Attractiveness			Market Position of Technology	Our position with technology provider	Commercial uses/Applications
	Installed Capacity	Annual Growth in capacity (%)	Number of New Plants 2006-08			
PTA	30,000 kT/a	2-5%	14	1	<ul style="list-style-type: none"> ■ Invista technology ■ One of two 	<ul style="list-style-type: none"> ■ Fibers ■ Bottles ■ Film
PE/PP	55,000 kT/a 35,000 kT/a	7%	18/12	1	<ul style="list-style-type: none"> ■ DOW/UT technology with total 6 bidding contractors 	<ul style="list-style-type: none"> ■ Film (PE) ■ Injection moulding / Pipe & conduit (PE) ■ Packaging (PP) ■ Automotive parts (PP)
EO/EG	30,000 kT/a	6%	10	Top 3	<ul style="list-style-type: none"> ■ Exclusive with Dow 	<ul style="list-style-type: none"> ■ Carpets ■ Plastics ■ Antifreeze additive
VCM	30,000 kT/a	5-6%	8	Top 2	<ul style="list-style-type: none"> ■ Exclusive with Oxyvinyls technology 	<ul style="list-style-type: none"> ■ Pipes & fittings ■ Profiles & tubes ■ Film & sheet
BDO	900 kT/a	2-3%	2	1	<ul style="list-style-type: none"> ■ DPT - Leader free license market 	<ul style="list-style-type: none"> ■ Engineering plastics ■ Automotive parts
Oxo alcohol	6,000 kT/a	4%	4	1	<ul style="list-style-type: none"> ■ Leading technology for low pressure process 	<ul style="list-style-type: none"> ■ Adhesives / Solvents ■ Surface coatings
Caprolactam	4,400 kT/a	3-4%	3	Top 2	<ul style="list-style-type: none"> ■ Exclusive with DSM 	<ul style="list-style-type: none"> ■ Carpets & Clothing ■ Tyre cord
Cyclohexanone	4,000 kT/a	3-4%	3	Top 2	<ul style="list-style-type: none"> ■ Exclusive with DSM 	<ul style="list-style-type: none"> ■ Carpets & Clothing ■ Tyre cord
Acetic Acid	7,000 kT/a	3%	3	1	<ul style="list-style-type: none"> ■ BP technology 	<ul style="list-style-type: none"> ■ Coatings/ Adhesives ■ Cosmetics ■ Printing inks
Bio-Ethanol	3,200 kT/a	40%	30	Top 3	<ul style="list-style-type: none"> ■ Agreement with Praj, exclusive for Europe 	<ul style="list-style-type: none"> ■ Renewable fuel

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Saudi Arabia: A sustained investment

- Fastest growing petrochemical industry area in the world
- Key relationships: SABIC, Sipchem (GACIC)
- Developing, optimising and expanding strategic partnerships (e.g. Sinopec)
- Long-term commitment to Saudi Arabia, refocused in 2005 – AK Gulf
- Major Petrochemical developments:
 - Saudi Kayan, Al Jubail (inc. SABIC)
 - Petrokemya, Al Jubail (SABIC)
 - Saudi Aramco-DOW, Ras Tanura
 - Sipchem, Al Jubail

Al Jubail
Saudi Aramco-Dow, Ras Tanura
Office in Al Khobar
Yansab project, Yanbu



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Yansab: First of its kind with Chinese cooperation

First JV project with Sinopec:

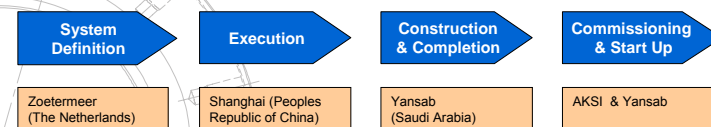
- Project award by Yansab: July 2005
- Project on track - Completion 2008
- CV to Aker Kvaerner/Sinopec JV c. USD 750 M
- Construction started in 2006
- 5000 resources on site at peak



Aker Kvaerner/Sinopec partner project Yansab

Cooperation agreement with Sinopec this year:

- Currently executing projects in China
- Further partnering on joint projects
- Several opportunities under development inside & outside China



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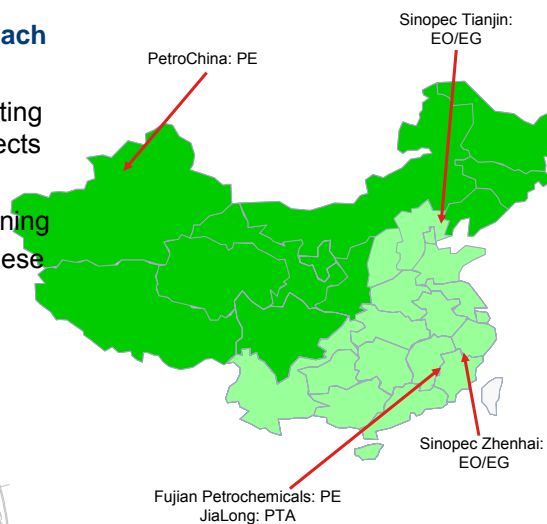
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Partnership approach to China

Double track approach

- Partnership targeting international projects
- Further strengthening and building Chinese execution hub



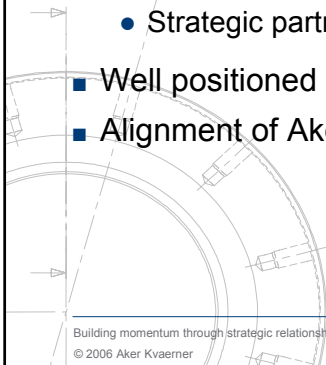
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Strategic direction

- Overall strategic direction stands firm
 - Accelerate growth
 - Increased technology content
 - Geographical and customer focus
- Growth ambition based on partnerships providing flexibility of cost base
 - Strategic partnerships in China
- Well positioned for opportunities in Europe
- Alignment of Aker Kvaerner global Process resources



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