Aker Kværner ASA

Second quarter results 2006

27 July 2006

2nd quarter results 2006

Record high operating result

Aker Kvaerner reports record high operating results in the period. The EBITDA for the second quarter of NOK 733 million, is an increase of 66 percent compared to the second quarter of 2005. New contract awards in the Subsea, Product & Technology segment and growth in existing contracts, resulted in a NOK 15.2 billion order intake and an order backlog of NOK 56 billion at the end of June 2006.

Revenues in the second quarter totalled NOK 13 998 million, an increase of 44 percent compared with the same quarter last year, reflecting strong markets and high activity in all reporting segments.

EBITDA for the three-month period was NOK 733 million. This represents an increase of 66 percent from NOK 441 million in the second quarter 2005. The quarterly EBITDA margin was 5.2 percent compared to 4.5 percent in the second quarter last year.

The second quarter order intake was NOK 15.2 billion. This brings the order backlog to a solid NOK 56 billion.

Cashflow from operating activities was NOK -169 million in the second quarter, reflecting a NOK 1 265 million increase in net current operating assets. Cash and bank deposits at the end of June amounted to NOK 6.2 billion. The liquidity buffer, including undrawn credit facilities of NOK 2.2 billion, was a comfortable NOK 8.4 billion.

The closing price of the Aker Kvaerner share at the end of June was NOK 584. Accordingly, the company's market capitalisation was NOK 32.1 billion, an increase of NOK 9.3 billion from year end 2005. A total of 25 million Aker Kvaerner shares were traded on the Oslo Stock Exchange during the second quarter, which constitutes 45 percent of total outstanding shares.

The market is still expected to be strong with attractive opportunities. With the high capacity utilisation in the industry, the focus for Aker Kvaerner will be to continue to select and execute the right projects successfully.

As a contract to sell the Pulping and Power businesses have been signed, the Pulping and Power segment is treated as "discontinued operations" in the accounts from 1 January 2006. Pro forma accounts showing Pulping and Power as an integrated part of the group have been prepared as well (re. page 6) All comments in this report refer to the pro forma accounts unless explicitly stated otherwise.

Consolidated key figures (pro forma)

(in NOK million)	2Q05	3Q05	4Q05	1Q06	2Q06	YTD05	YTD06	2005
Operating revenues	9 709	10 073	13 274	11 588	13 998	18 116	25 586	41 463
Operating expenses	-9 268	-9 534	-12 485	-10 878	-13 265	-17 299	-24 143	-39 318
EBITDA	441	539	789[1]	710[2]	733	817	1 443[2]	2 145[1]
Depreciation	-77	-94	-109	-92	-97	-153	-189	-356
Earnings before interest and tax (EBIT)	364	445	680	618	636	664	1 254	1 789
Net financial items	-98	-80	-102	-87	-70	-193	-157	-375
Foreign exchange on disqualified hedging instruments	-123	-20	-195	151	87	-181	238	-396
Profit after financial items	143	345	383	682	653	290	1 335	1 018
Tax	-40	-101	419	-181	-187	-91	-368	227
Net profit	103	244	802	501	466	199	967	1 245
Net profit per share	1.82	4.45	14.48	9.00	8.32	3.4	17.32	22.33
Total assets	21 681	20 479	26 295	27 444	28 190			
Equity	3 219	3 459	4 327	4 553	5 429			
Equity ratio (%)	14.8	16.9	16.5	16.6	19.3			
Combined ratio including subordinated debt (%)	28.6	31.7	28.5	28.2	30.4			
Net interest-bearing liabilities (-)/receivables (+)	1 106	1 656	5 163	5 214	4 756			
Cash and bank deposits	2 629	3 170	6 746	6 723	6 225			
Total net current operating assets	62	-197	-3 327	-3 116	-1 851			
Cash flow from operating activities	276	704	3 580	447	-169	-610	278	3 674
Order intake	16 625	11 795	19 652	13 874	15 184	26 301	29 058	57 748
Order backlog	44 523	46 401	53 341	55 637	55 978			

1. Inclusive sales gain of NOK 80 million
2. Inclusive sales gain of NOK 87 million

Status operations

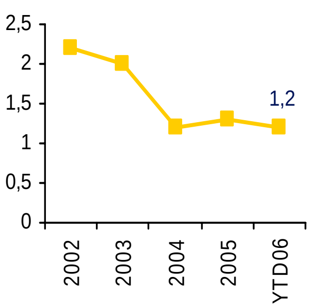
Health, Safety and Environment

Aker Kvaerner's strong focus and efforts within Health, Safety and Environment (HSE) continues with Just Care™ as a symbol of the HSE culture and programs.

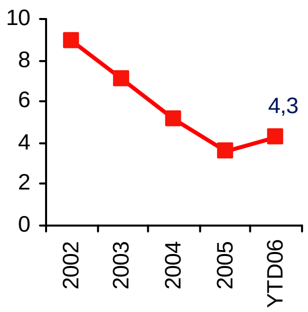
Key elements of the efforts to achieve world class HSE performance are the principle that everyone take personal responsibility for HSE, a group-wide HSE operating system, focus on leading indicators and HSE training. More than 400 leaders have attended the HSE leadership programme by now, and the Just Care™ e-learning programme is ready for rollout to all employees.

Regrettably, Aker Kvaerner had a fatal accident in the second quarter. A Nigerian industrial trainee assigned to Aker Kvaerner Nigeria Ltd., died following a fork lift accident at the Aker Kvaerner facility in Port Harcourt.

Lost Time Incidents per million hours (LTIF)



Total Recordable Incidents per million hours (TRIF)



Field Development (FD)

(in NOK million)	2Q05	2Q06	YTD05	YTD06	2005
Op revenues	2 557	4 056	4 874	7 737	10 620
EBITDA	135	263	258	497	632
Order intake	6 775	627	9 399	4 450	19 060
Order backlog	16 248	16 695	16 248	16 695	20 265
Employees	4 393	5 113	4 393	5 113	4 039

FD enjoyed high activity in the second quarter due to parallel execution of the Snøhvit and Ormen Lange projects. Operating revenues for FD were 59 percent higher in the second quarter this year compared to the same period last year. EBITDA was 95 percent higher compared to second quarter 2005. The EBITDA margin in the second quarter was 6.5 percent.

The high revenue level and strong second quarter are a result of good progress and performance on key projects.

The main markets for FD, which are the North Sea, Canada, Russia, the Caspian Sea and the deepwater Gulf of Mexico are positive. There are several new prospects in the Norwegian market and the markets in general are very buoyant.

Growth in existing contracts and some new smaller contracts were booked in the second quarter. This is reflected in a relatively low order intake. In combination with the high operating revenue level, this resulted in an order backlog decrease at the end of June. A large number of bids and prequalifications are ongoing.

Maintenance, Modifications and Operations (MMO)

(in NOK million)	2Q05	2Q06	YTD05	YTD06	2005
Op revenues	1 731	2 547	3 114	4 532	7 452
EBITDA	54	121	110	229	290
Order intake	3 000	957	4 353	3 035	9 875
Order backlog	11 023	10 446	11 023	10 446	12 061
Employees	5 083	5 064	5 083	5 064	4 705

MMO reported 47 percent higher operating revenues in the second quarter of 2006 compared to the same period last year. There have been high activity levels on Snøhvit, Statfjord Late Life and Ormen Lange projects. EBITDA for the second quarter increased by 124 percent compared to the corresponding quarter in 2005. The EBITDA margin in the second quarter was 4.8 percent.

Overall tender activity for decommissioning projects in Norway and the UK are high. Aker Kvaerner is a market leader in this area and is currently executing the largest decommissioning project, Frigg, in the North Sea for Total.

Aker Kvaerner is prioritising to grow in the MMO business internationally. The main new regions are Canada, Sakhalin, Caspian area and the Gulf of Mexico. A new business has been established in Houston to pursue the Gulf of Mexico opportunities.

The order intake in the period consists mainly of growth in existing contracts.

In July Aker Kvaerner and the Norwegian ship owner Aktieselskapet Borgestad ASA established a new company named Aker Borgestad Operations AS, combining expertise within oil field processing and marine operations. The new company will operate oil and gas production wessels on behalf of Aker Floating Production. The Aker Kvaerner company Aker Kværner Operations AS and Aktieselskabet Borgestad ASA will each own 45 % of the shares in Aker Borgestad Operations, while Aker Floating Production ASA and Aker Yards ASA will own 5 % each.

Subsea, Products & Technologies (SPT)

(in NOK million)	2Q05	2Q06	YTD05	YTD06	2005
Op revenues	2 524	3 357	4 411	6 028	9 854
EBITDA	143	225	253	398	654
Order intake	3 847	8 384	6 004	12 910	15 445
Order backlog	7 178	17 892	7 178	17 892	11 269
Employees	3 376	4 123	3 376	4 123	3 586

With high activity in all product segments and regions, the revenues in SPT in the second quarter increased 33 percent compared to the second quarter 2005. The operational and financial performance is developing positively.

EBITDA for the second quarter was 57 percent higher than in the corresponding period in 2005. The EBITDA margin for the second quarter was 6.7 percent.

It is a strong and robust market for drilling equipment. However we are beginning to see limited yard slots and increasing lead time on key equipment. The markets for well service activities and marine operations are positive. The strong new build market continues to positively influence the marine installation market. The umbilical and riser markets have a positive outlook. Aker Kvaerner has become a leading supplier of drilling risers in a market enjoying record high volumes. Opportunities for subsea EPC contracts are growing.

Investments in the high tech manufacturing center in Malaysia and Norway are progressing as planned and will strengthen the competitive position of the business.

Additional subsea and drilling equipment contracts have been secured in the quarter resulting in a record high healthy order backlog. The order intake in the three-month period was more than twice that achieved in the second quarter 2005, resulting in an order backlog of NOK 17.9 billion. This is 36 percent higher than at end of first quarter 2006.

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

- Aker Kvaerner signed a USD 113 million contract with Jurong Shipyard Pte. Ltd in Singapore for delivery of a drilling system for one ultra deepwater drilling semi-submersible unit. The ultra deepwater drilling rig is scheduled for delivery in 2009 and the ultimate client is PetroMENA AS.
- Aker Kvaerner was awarded a NOK 115 million contract with Statoil for design and delivery of the world's largest system for capturing and recovering crude oil vapours. Entering this agreement with Statoil, for supply of the world's largest VOC recovery unit, confirms Aker Kvaerner's position as a world class vendor of VOC recovery units.
- In May Aker Kvaerner signed a USD 160 million contract with Jurong Shipyard Pte. Ltd in Singapore for delivery of a drilling system for an ultra deepwater drilling semi-submersible platform. The new agreement is the fifth contract with Jurong Shipyard since October 2005. The ultra deepwater drilling rig is scheduled for delivery in first quarter 2010.
- Samsung Heavy Industries Co. Ltd. in Korea awarded Aker Kvaerner a NOK 700 million contract for delivery of a new drilling rig equipment package to Eastern Drilling's West E-Drill project. The delivery will take place in the second half of 2007. The new contract was an option in a contract Aker Kvaerner MH signed with Samsung in June 2005.
- Reliance Industries Limited awarded Aker Kvaerner a USD 400 million contract to deliver an 18 well subsea production system for the deepwater Block KG-D6 gas development located offshore the east coast of India. The contract is one of the world's largest subsea contracts ever awarded and affirms Aker Kvaerner's position as the leading contractor for deepwater subsea developments. The subsea production system will be installed in water depths from 700 to 1700 metres.
- Aker Kvaerner has signed an agreement to deliver a deepwater subsea production system offshore West Africa. The value of

the extension is approximately USD 90 million.

- Statoil signed a letter of intent worth NOK 200 million with Aker Kvaerner to deliver a subsea seawater injection system for the Tyrihans project in the Norwegian Sea. The new generation pumps are expected to increase oil production from the Tyrihans field by 10%. The subsea pumps will be the world's largest and installed at longest stepout. Aker Kvaerner will supply two subsea injection pumps to be installed more than 40 kilometres from the Kristin platform where the oil and gas will be processed.

Process(PRO)

(in NOK million)	2Q05	2Q06	YTD05	YTD06	2005
Op revenues	2 156	2 873	3 941	5 648	9 625
EBITDA	47	86	85	161	224
Order intake	2 233	2 524	4 316	5 386	10 453
Order backlog	7 502	7 530	7 502	7 530	8 174
Employees	4 854	5 544	4 854	5 544	4 965

The activity level in PRO in the second quarter was high with a 33 percent increase in revenues compared to the same quarter last year. EBITDA increased by 83 percent in the second quarter 2006 compared to the same period last year. The EBITDA margin in the second quarter was 3.0 percent.

The financial performance in AK Engineering Services is still weak, but improving.

The chemical market is buoyant with several new prospects in China and Middle East, and the bidding activity is high. Bio-Ethanol projects will provide opportunities in Europe. The mining and metals global market remains active with high demand for EPCM services.

A number of small and medium sized orders were booked in the second quarter. Order intake for the quarter was 13 percent higher than in the same period in 2005. The order backlog was somewhat reduced from the level at the end of first quarter 2006. The major contract awarded in the quarter was:

- Aker Kvaerner in joint venture with Clough Murray & Roberts was awarded a AUD 111 million contract for the expansion of the Boddington Gold Mine Project, Australia. Aker Kvaerner's scope is about 60 percent.

Pulping & Power (P&P)

(in NOK million)	2Q05	2Q06	YTD05	YTD06	2005
Op revenues	1 086	1 316	2 124	2 357	4 523
EBITDA	80	57	144	118	329
Order intake	991	2 224	2 417	3 222	5 811
Order backlog	3 639	5 727	3 639	5 727	4 819
Employees	2 019	2 163	2 019	2 163	2 079

P&P reported 21 percent increased revenues in the second quarter compared with second quarter last year. This reflects high activity in Power which continues to grow a high quality backlog. The EBITDA in the quarter decreased 29 percent from the same period last year as Pulping experience lower than expected activity due to seasonal fluctuations in the service market and delayed new contract awards. The EBITDA-margin in the second quarter was 4.3 percent.

Prospects for capital projects in the power market remain positive, and several contracts and LOI`s have been signed. The service market in Asia Pacific and Brazil is still strong. The pulping markets remains stable in Asia, China and Brazil and there are interesting opportunities in Russia and Australia.

Aker Kvaerner and Metso signed the Final Sale and Purchase Agreement in April for Metso to acquire Aker Kvaerner's Pulping and Power business. The closing of the transaction is subject to the approval of the relevant regulatory authorities. It is anticipated that closing will take place during the second half of the year.

Order intake was high in the second quarter. Order backlog at the end of the second quarter was 15 percent higher than at the end of first quarter. Some of the major contracts awarded were:

- Aker Kvaerner was awarded a EUR 80 million contract for the supply of a recovery boiler, to modernise the chemical recovery plant at UPM's Kymi pulp mill in Kuusankoski, south eastern Finland.

- Aker Kvaerner was awarded a EUR 60 million contract for the supply of a power boiler island to KFx Inc. which is developing its coal beneficiation facility at their Buckskin plant in Wyoming, USA.

Group financials

Second quarter consolidated revenues amounted to NOK 13 998 million this year compared with NOK 9 709 million for the same period last year, reflecting strong markets and high activity in all reporting segments.

EBITDA in the second quarter of 2006 was NOK 733 million compared to NOK 441 million in the second quarter of 2005 - an increase by 66 percent. The current results reflect improved operational performance and a high activity. This is a record high operating result taking into account sales gains of NOK 80 million and NOK 87 million in the last quarter 2005 and first quarter 2006 respectively.

Net financial expenses for the second quarter of 2006 were NOK 70 million, including NOK 59 million in non-cash accrued interest expenses on the subordinated debt.

Foreign currency exposure is effectively hedged in Aker Kvaerner, but some hedging transactions, representing 15-20 percent of the hedged amounts do not qualify for hedge accounting. Fluctuations in the fair value of such instruments represented an accounting gain under financial items of NOK 87 million in the second quarter. Reported EBITDA was affected negatively by NOK 21 million in the same period.

The tax expense for the second quarter was NOK 187 million, which is 29 percent of profit before tax.

The profit after financial items for the second quarter 2006 was NOK 653 million, significantly improved compared to the second quarter 2005 profit of NOK 143 million. Net profit per share for the second quarter was NOK 8.32.

The cash position at the end of the quarter was NOK 6.2 billion. Undrawn committed long-term bank revolving credit facilities amounted to NOK 1.2 billion and NOK 1.0 billion in the oil & gas and the engineering & construction businesses respectively, representing a total liquidity buffer of NOK 8.4 billion.

Long-term interest bearing debt amounted to NOK 2.1 billion at the end of second quarter 2006. In addition, the subordinated loan, which is interest free until fourth quarter 2006, is booked in the balance sheet at a value of NOK 3.1 billion. Net interest bearing receivables is a positive NOK 4.8 billion.

The equity ratio at the end of the second quarter was 19.3 percent, a growth of 2.7 percentage points in the quarter. The subordinated debt and equity yielded a combined ratio of 30.4 percent at the end of the second quarter.

The agreement with the company TH Global to secure UK personnel resources announced April 26, is anticipated to be closed during second half of 2006.

The request for clarification of certain documentation issues related to the subordinated bond, was turned down at a bondholders meeting May 15. This has no effect on Aker Kvaerner ability to pursue existing objectives and strategy.

Outlook

Growth in the international energy demand and depletion of existing oil and gas fields are the key drivers for Aker Kvaerner's markets. Global investments remain high for both new field developments and increased recovery from fields already in production. The positive activity level in international trade also continue to provide high prices on commodities within other industries served by Aker Kvaerner, i.e. metals and chemicals.

The strong markets cause strain on resources and capacity for suppliers and contractors globally. Aker Kvaerner's continues to focus on selecting and winning the right projects, where improved operational results may be achieved.

Aker Kvaerner's strategy to be a preferred partner, the company's position as a leading and reliable supplier within it's core niches, as well as the international market conditions in general provide a positive outlook for the company.

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

The overall strategy and the target of an EBITDA margin of 6.5 - 7.0 percent by the end of 2007 remains firm.

Oslo, 27 July 2006
The Board of Directors

AKER KVAERNER GROUP IN FIGURES 1)

PROFIT AND LOSS ACCOUNT

Group summary:

Amounts in NOK million	Q1 2006	Q2 2006	Q2 2005	1.1-30.6 2006	1.1-30.6 2005	1.1 - 31.12 2005
Operating revenues	11 588	13 998	9 709	25 586	18 116	41 463
Operating expenses	-10 878	-13 265	-9 268	-24 143	-17 299	-39 318
EBITDA	710	733	441	1 443	817	2 145
Depreciation	- 92	- 97	- 77	-189	- 153	- 356
Operating profit	618	636	364	1 254	664	1 789
Financial items	- 87	- 70	- 98	-157	- 193	- 375
Foreign exchange on disqualified hedging instruments	151	87	- 123	238	- 181	- 396
Profit/loss before tax	682	653	143	1 335	290	1 018
Taxation	- 181	- 187	- 40	-368	- 91	227
Net profit/loss	501	466	103	967	199	1 245
Attributable to:						
Minority interests	6	8	3	14	12	16
Equity holders of the parent company	495	458	100	953	187	1 229
Basic earnings per share (NOK)	9,00	8,32	1,82	17,32	3,40	22,33
Diluted earnings per share (NOK)	9,00	8,32	1,82	17,32	3,40	22,33

BALANCE SHEET

Amounts in NOK million	31.3 2006	30.6 2006	30.6 2005	31.12 2005
Deferred tax asset	864	633	497	851
Goodwill, patents etc	4 710	4 683	4 535	4 581
Property, plant and equipment	1 602	1 688	1 450	1 549
Other operating assets	4	5	71	7
Investments	108	119	144	135
Interest-bearing non-current receivables	132	132	144	141
Income tax receivables	33	67	-	34
Current operating assets	12 785	14 140	11 821	11 863
Interest-bearing current receivables	483	498	390	388
Cash and bank deposits	6 723	6 225	2 629	6 746
Total assets	27 444	28 190	21 681	26 295
Equity	4 424	5 297	3 157	4 262
Minority interests	129	132	62	65
Deferred tax	144	30	137	46
Subordinated debt	3 197	3 145	2 981	3 167
Other non-current liabilities	1 401	1 383	1 475	1 401
Interest-bearing non-current debt	2 095	2 098	2 057	2 112
Taxes payable	124	113	53	52
Other current operating liabilities	15 901	15 991	11 759	15 190
Interest-bearing current liabilities	29	1	-	-
Total liabilities and equity	27 444	28 190	21 681	26 295

STATEMENT OF CASH FLOW

Amounts in NOK million	Q1 2006	Q2 2006	Q2 2005	1.1-30.6 2006	1.1-30.6 2005	1.1 - 31.12 2005
Net cashflow from operating activities	447	- 169	276	278	- 610	3 674
Net cashflow from investing activities	- 184	- 244	- 115	- 428	- 251	- 443
Net cashflow from financing activities	- 275	-	-	- 275	- 338	- 306
Translation adjustments	- 11	- 85	43	- 96	125	118
Net decrease (-) / increase (+) in cash and bank deposits	- 23	- 498	204	- 521	-1 074	3 043
Cash and bank deposits as at the beginning of the period	6 746	6 723	2 425	6 746	3 703	3 703
Cash and bank deposits as at the end of the period	6 723	6 225	2 629	6 225	2 629	6 746

PRO FORMA 1) All figures include discontinued operations (Pulping and Power)

CHANGE IN EQUITY

Amounts in NOK million	Q1 2006	Q2 2006	Q2 2005	1.1-30.6 2006	1.1-30.6 2005	1.1 - 31.12 2005
Equity as at the beginning of the period	4 262	4 424	3 049	4 262	2 889	2 889
Net profit/loss	495	458	100	953	187	1 229
Dividends	- 275	-	-	- 275	-	-
Foreign currency hedging	- 29	465	-	436	-	-
Translation differences	- 29	- 50	8	- 79	81	144
Equity as at the end of the period	4 424	5 297	3 157	5 297	3 157	4 262

PRO FORMA 1) All figures include discontinued operations (Pulping and Power)

Segments:

REVENUE BY SEGMENT

Amounts in NOK million	Q1 2006	Q2 2006	Q2 2005	1.1-30.6 2006	1.1-30.6 2005	1.1 - 31.12 2005
Field Development	3 681	4 056	2 557	7 737	4 874	10 620
MMO	1 985	2 547	1 731	4 532	3 114	7 452
Subsea, Products & Technologies	2 671	3 357	2 524	6 028	4 411	9 854
Process	2 775	2 873	2 156	5 648	3 941	9 625
Pulping & Power	1 041	1 316	1 086	2 357	2 124	4 523
Other	- 565	- 151	- 345	- 716	- 348	- 611
Total Group	11 588	13 998	9 709	25 586	18 116	41 463

EBITDA BY SEGMENT

Amounts in NOK million	Q1 2006	Q2 2006	Q2 2005	1.1-30.6 2006	1.1-30.6 2005	1.1 - 31.12 2005
Field Development	234	263	135	497	258	632
MMO	108	121	54	229	110	290
Subsea, Products & Technologies	173	225	143	398	253	654
Process	75	86	47	161	85	224
Pulping & Power	61	57	80	118	144	329
Other	59	- 19	- 18	40	- 33	16
Total Group	710	733	441	1 443	817	2 145

EBIT BY SEGMENT

Amounts in NOK million	Q1 2006	Q2 2006	Q2 2005	1.1-30.6 2006	1.1-30.6 2005	1.1 - 31.12 2005
Field Development	218	249	121	467	230	575
MMO	106	120	52	226	104	277
Subsea, Products & Technologies	134	179	111	313	193	503
Process	72	81	42	153	75	204
Pulping & Power	48	45	69	93	122	279
Other	40	- 38	- 31	2	- 60	- 49
Total Group	618	636	364	1 254	664	1 789

NET CURRENT OPERATING ASSETS BY SEGMENT

Amounts in NOK million	31.3 2006	30.6 2006	30.6 2005	31.12 2005
Field Development	-3 484	-3 146	- 879	-3 911
MMO	184	142	231	7
Subsea, Products & Technologies	1 179	1 428	1 069	1 454
Process	- 236	135	184	- 38
Pulping & Power	- 527	- 552	- 348	- 477
Other	- 232	142	- 195	- 362
Total Group	-3 116	-1 851	62	-3 327

NET OPERATING ASSETS BY SEGMENT

Amounts in NOK million	31.3 2006	30.6 2006	30.6 2005	31.12 2005
Field Development	-2 060	-1 911	320	-2 704
MMO	1 284	1 297	1 327	1 103
Subsea, Products & Technologies	2 355	2 667	2 196	2 639
Process	741	1 089	1 048	853
Pulping & Power	- 91	- 112	8	- 85
Other	- 430	110	- 256	- 397
Total Group	1 799	3 140	4 643	1 409

AKER KVAERNER GROUP IN FIGURES [1)]

PROFIT AND LOSS ACCOUNT

Group summary: Amounts in NOK million	Note	Q1 2006	Q2 2006	Q2 2005	1.1-30.6 2006	1.1-30.6 2005	1.1 - 31.12 2005
Operating revenues		10 547	12 682	8 623	23 229	15 992	36 940
Operating expenses		-9 898	-12 006	-8 262	-21 904	-15 319	-35 124
EBITDA		649	676	361	1 325	673	1 816
Depreciation		-79	-85	-66	-164	-131	-306
Operating profit		570	591	295	1 161	542	1 510
Financial items		-84	-62	-104	-146	-207	-374
Foreign exchange on disqualified hedging instruments		151	87	-123	238	-181	-396
Profit/loss before tax		637	616	68	1 253	154	740
Taxation		-170	-184	-15	-354	-53	312
Net profit/loss from continuing operations		467	432	53	899	101	1 052
Discontinued operations							
Profit for the period from discontinued operations	*3*	34	34	50	68	98	193
Profit for the period		501	466	103	967	199	1 245
Attributable to:							
Minority interests		6	8	3	14	12	16
Equity holders of the parent company		495	458	100	953	187	1 229
Basic and diluted earnings per share continuing operations (NOK)		8,41	7,71	0,91	16,12	1,62	18,83
Basic and diluted earnings per share (NOK)		9,00	8,32	1,82	17,32	3,40	22,33

BALANCE SHEET

Amounts in NOK million	Note	31.3 2006	30.6 2006	30.6 2005	31.12 2005
Deferred tax asset		841	615	497	851
Goodwill, patents etc		4 401	4 373	4 535	4 581
Property, plant and equipment		1 365	1 450	1 450	1 549
Other operating assets		-	1	71	7
Investments		102	113	144	135
Interest-bearing non-current receivables		132	132	144	141
Income tax receivables		33	67	-	34
Current operating assets		11 060	12 270	11 821	11 863
Interest-bearing current receivables		483	498	390	388
Cash and bank deposits		6 723	6 225	2 629	6 746
Non-current assets classified as held for sale	*3*	2 304	2 446	-	-
Total assets		27 444	28 190	21 681	26 295
Equity		4 424	5 297	3 157	4 262
Minority interests		129	132	62	65
Deferred tax		133	19	137	46
Subordinated debt		3 197	3 145	2 981	3 167
Other non-current liabilities		1 287	1 270	1 475	1 401
Interest-bearing non-current debt		2 095	2 098	2 057	2 112
Taxes payable		90	110	53	52
Other current operating liabilities		13 648	13 570	11 759	15 190
Interest-bearing current liabilities		29	1	-	
Liabilities directly associated with non-current assets classifided as held for sale	*3*	2 412	2 548	-	-
Total liabilities and equity		27 444	28 190	21 681	26 295

[1)] In the accounts the Pulping and Power businesses are presented as discontinuing operations. Pro forma accounts are included on page 6.

STATEMENT OF CASH FLOW

Amounts in NOK million	Q1 2006	Q2 2006	Q2 2005	1.1-30.6 2006	1.1-30.6 2005	1.1 - 31.12 2005
Net cashflow from operating activities	447	- 169	276	278	- 610	3 674
Net cashflow from investing activities	- 184	- 244	- 115	- 428	- 251	- 443
Net cashflow from financing activities	- 275	-	-	- 275	- 338	- 306
Translation adjustments	- 11	- 85	43	- 96	125	118
Net decrease (-) / increase (+) in cash and bank deposits	- 23	- 498	204	- 521	-1 074	3 043
Cash and bank deposits as at the beginning of the period	6 746	6 723	2 425	6 746	3 703	3 703
Cash and bank deposits as at the end of the period	6 723	6 225	2 629	6 225	2 629	6 746

CHANGE IN EQUITY

Amounts in NOK million	Q1 2006	Q2 2006	Q2 2005	1.1-30.6 2006	1.1-30.6 2005	1.1 - 31.12 2005
Equity as at the beginning of the period	4 262	4 424	3 049	4 262	2 889	2 889
Net profit/loss	495	458	100	953	187	1 229
Dividends	- 275	-	-	- 275	-	-
Foreign currency hedging	- 29	465	-	436	-	-
Translation differences	- 29	- 50	8	- 79	81	144
Equity as at the end of the period	4 424	5 297	3 157	5 297	3 157	4 262

Segments:

REVENUE BY SEGMENT

Amounts in NOK million	Q1 2006	Q2 2006	Q2 2005	1.1-30.6 2006	1.1-30.6 2005	1.1 - 31.12 2005
Field Development	3 681	4 056	2 557	7 737	4 874	10 620
MMO	1 985	2 547	1 731	4 532	3 114	7 452
Subsea, Products & Technologies	2 671	3 357	2 524	6 028	4 411	9 854
Process	2 775	2 873	2 156	5 648	3 941	9 625
Other	- 565	- 151	- 345	- 716	- 348	- 611
Total Group	10 547	12 682	8 623	23 229	15 992	36 940

EBITDA BY SEGMENT

Amounts in NOK million	Q1 2006	Q2 2006	Q2 2005	1.1-30.6 2006	1.1-30.6 2005	1.1 - 31.12 2005
Field Development	234	263	135	497	258	632
MMO	108	121	54	229	110	290
Subsea, Products & Technologies	173	225	143	398	253	654
Process	75	86	47	161	85	224
Other	59	- 19	- 18	40	- 33	16
Total Group	649	676	361	1 325	673	1 816

EBIT BY SEGMENT

Amounts in NOK million	Q1 2006	Q2 2006	Q2 2005	1.1-30.6 2006	1.1-30.6 2005	1.1 - 31.12 2005
Field Development	218	249	121	467	230	575
MMO	106	120	52	226	104	277
Subsea, Products & Technologies	134	179	111	313	193	503
Process	72	81	42	153	75	204
Other	40	- 38	- 31	2	- 60	- 49
Total Group	570	591	295	1 161	542	1 510

NET CURRENT OPERATING ASSETS BY SEGMENT

Amounts in NOK million	31.3 2006	30.6 2006	30.6 2005	31.12 2005
Field Development	-3 484	-3 146	- 879	-3 911
MMO	184	142	231	7
Subsea, Products & Technologies	1 179	1 428	1 069	1 454
Process	- 236	135	184	- 38
Other	- 232	140	- 195	- 362
Total Group	-2 589	-1 301	410	-2 850

NET OPERATING ASSETS BY SEGMENT

Amounts in NOK million	31.3 2006	30.6 2006	30.6 2005	31.12 2005
Field Development	-2 060	-1 911	320	-2 704
MMO	1 284	1 297	1 327	1 103
Subsea, Products & Technologies	2 355	2 667	2 196	2 639
Process	741	1 089	1 048	853
Other	- 430	110	- 256	- 397
Total Group	1 890	3 252	4 635	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 Kvaerner's financial reporting is carried out in accordance with International Financial Reporting Standards (IFRS). The condenced consolidated interim financial statments 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 Kvaerner.

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 finanical 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 Kvaerner announced in February that its ownership in Aker Kvaerner Powergas India would increase from 49% to 64%. Control over the entity was obtained in Q1.
Aker Kvaerner Powergas India was earlier reported as an associate, but is consolidated from the date that control commenced. Aker Kvaerner Powergas India gives access to approximately 1000 highly qualified engineers.

In November 2005 Kvaerner Power OY agreed to to buy 60% of the shares in the Finnish company Noviter OY. The transaction price was NOK 38 milion.
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 Kvaerner announced that it would secure UK resources by taking over 1300 specialists in the UK from TH Global. The transaction is expected to be closed in the second half of this year and will then be reflected in the accounts.

Disposals
In the first quarter Aker Kværner Power and Automation Systems as was sold to the Finish 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
Metso and Aker Kvaerner signed the final agreement in April. Following the successful completion of the due diligence process, the agreed transaction price of approximately NOK 3 billion remains unchanged. Metso Paper and Aker Kvaerner's Pulping and Power business continue to act as separate and independent companies, competing with each other until the closing of the transaction. After all the approvals have been received, the transaction is closed, and the integration of the businesses will commence. In the accounts above the Pulping and Power business is presented as discontinued operations.

Financial data Pulping and Power:

	Q1	Q2	Q2	1.1-30.6		1.1 - 31.12
Amounts in NOK million	2006	2006	2005	2006	2005	2005
Operating revenues	1 041	1 316	1 086	2 357	2 124	4 523
Operating expenses	- 980	-1 259	-1 006	-2 239	-1 980	-4 194
EBITDA	61	57	80	118	144	329
Depreciation	- 13	- 12	- 11	- 25	- 22	- 50
Operating profit	48	45	69	93	122	279
Financial items	- 3	- 7	6	- 10	14	- 1
Profit/loss before tax	45	38	75	83	136	278
Taxation	- 11	- 4	- 25	- 15	- 38	- 85
Net profit/loss	34	34	50	68	98	193

	31.3	30.6
Amounts in NOK million	2006	2006
Non-current operating assets	579	576
Current operating assets	1 725	1 870
Total operating assets	**2 304**	**2 446**
Non-current operating liabilities	125	124
Current operating liabilities	2 287	2 424
Total operating liabilities	**2 412**	**2 548**

	Q1	Q2	Q2	1.1-30.6		1.1 - 31.12
Amounts in NOK million	2006	2006	2005	2006	2005	2005
Net cashflow from operating activities	157	3	77	160	- 77	158
Net cashflow from investing activities	- 36	- 18	- 27	- 54	- 43	- 104
Net cashflow from financing activities	60	153	16	213	178	67
Translation adjustments	9	- 32	- 3	- 23	- 1	14
Net decrease (-) / increase (+) in cash and bank deposits	190	106	63	296	57	135
Cash and bank deposits as at the beginning of the period	507	697	368	507	374	374
Cash and bank deposits as at the end of the period	697	803	431	803	431	509

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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, Pharmaceuticals & Biotechnology, Power Generation and Pulp & Paper. The Aker Kvaerner group is organised into two principal business streams, namely Oil & Gas and E&C, each consisting of 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 41.4 billion and employs approximately 23 000 people in more than 30 countries.

Aker Kvaerner is part of the Aker Group (www.akerasa.com), a leading multi-industry powerhouse with more than 40 000 employees and NOK 62 billion revenues. Aker owns 50.01 per cent of Aker Kvaerner, and the group is also a major European shipbuilder and a significant participant in the fisheries industry.