

The Preferred Partner

Martinus Brandal
President and CEO

10th Rice Global Engineering & Construction Forum
25 September 2007

Agenda

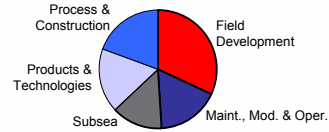
- Aker Kvaerner in brief
- Environment and market
- Strategy going forward
- Concluding remarks

Aker Kvaerner in brief

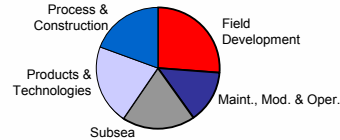
Company overview

- A leading global provider of engineering and construction, technology products, execution, service and integrated solutions
 - Oil and gas
 - Process industry
- Approximately 23 000 employees and 8-9 000 agency workers in around 30 countries
- Part of the Aker group

Revenues/EBITDA¹



Revenues \$10B



EBITDA \$0.6B



Note: ¹12M rolling Q3 06-Q2 07; \$/NOK 5.7

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A global company



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Covering the entire upstream value chain

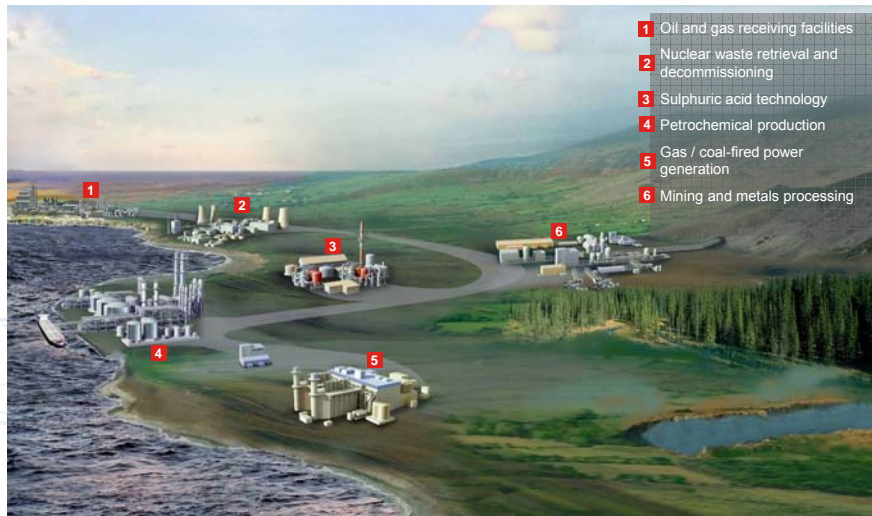


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Downstream process & construction



- 1 Oil and gas receiving facilities
- 2 Nuclear waste retrieval and decommissioning
- 3 Sulphuric acid technology
- 4 Petrochemical production
- 5 Gas / coal-fired power generation
- 6 Mining and metals processing

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Aker Kvaerner in the Americas

- 6 900 employees ranging from skilled workers to executive management
- 12 locations in the US alone
- Representing a wide range of services:
 - Engineering, Design
 - Construction management covering a wide range of plants
 - Deepwater capabilities, subsea products
 - Advanced technology development and services
 - Mining and metals
 - Drilling and marine equipment



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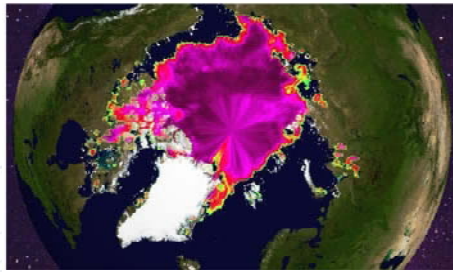
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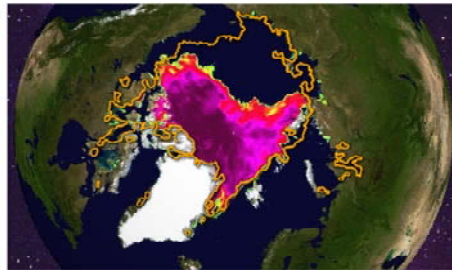
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The ice is melting away – Consequences arriving faster than we thought

Arctic 28 years ago
(16 Sep 1979)



Arctic today
(16 Sep 2007)



Source: Norwegian Science Council

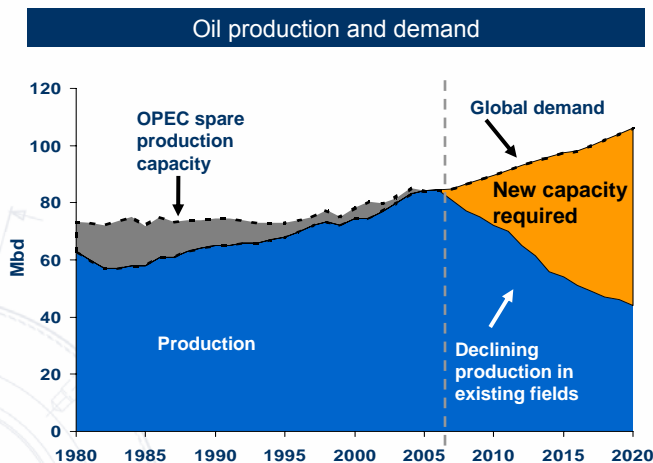
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More energy is required to fuel global growth



Source: Econ, IEA, Company estimates

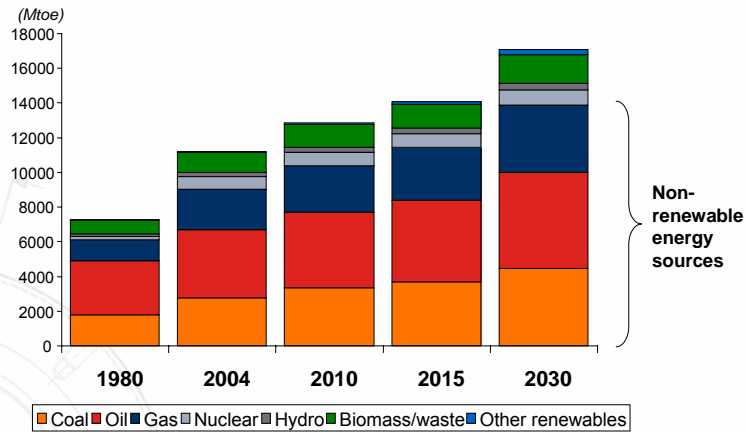
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Going forward, most of the energy is expected to come from non-renewable resources



Source: IEA, Mtoe = Metric tons oil equivalents

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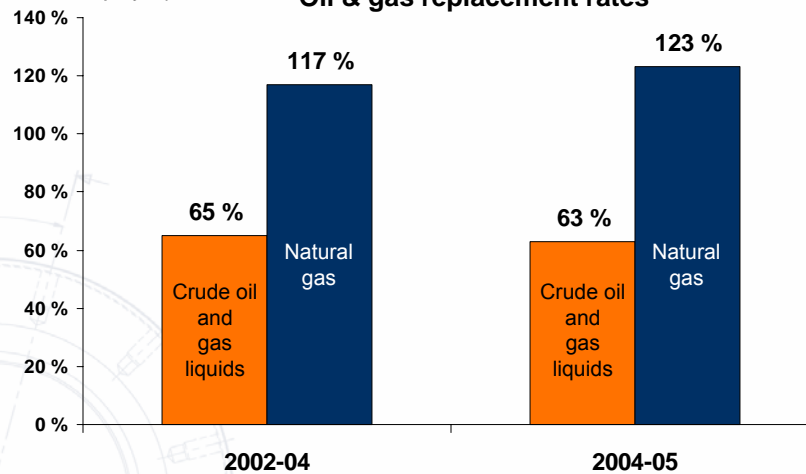
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More oil consumed than discovered

(Share of consumption discovered per year)

Oil & gas replacement rates



Source: IEA

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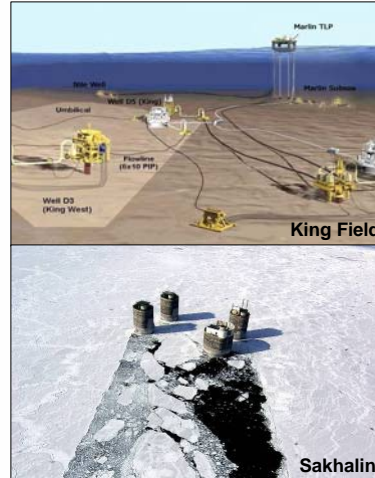
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Improve utilisation and go further

- Increased oil recovery
 - Subsea boosting
 - Subsea compression
 - Well interventions

- Challenging areas
 - Deepwater
 - High pressure/temperature
 - Arctic environments

- New energy resources
 - Bio energy

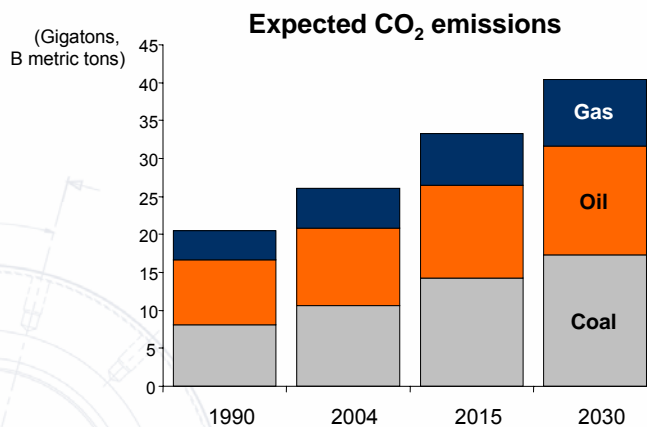


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Increased energy use, increases stress on the global environment



Source: IEA

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IPCC 4th Assessment Report, 2007

- Global warming most likely a result of human activities
- Human-based CO₂ emissions are increasing
- Climate change is accelerating and the consequences are more severe than previously anticipated
- We are not well prepared to handle these global changes



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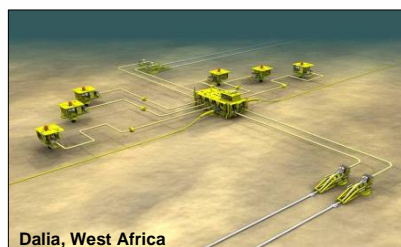
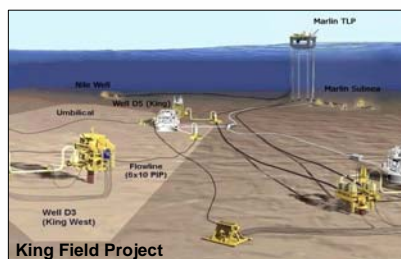
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Technology is the key

- Extending the life of fields and developing new areas depends on technological advances
- Technology development is a decisive factor for climate-friendly solutions
- Need for significant collaboration to drive technology development
- Need for increased willingness among operators to drive usage of improved technologies

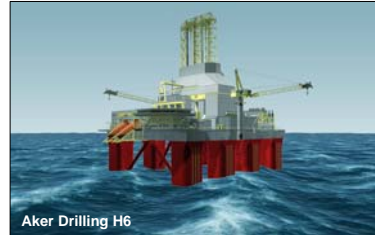
Going deeper and more complex

- Exposure to high-pressure and high-temperature wells
 - Up to 1 000 Bar pressure
 - Up to 360°F
- Extreme water depths, down to 3 300 yards
- Long tiebacks to onshore or offshore facilities
- Must get it right the first time
- Boosts oil recovery to prolong life of fields



Going into the cold – Need to ensure environmentally effective solutions

- Aker Kvaerner has 40 years of experience in areas with extreme conditions
- Access to world's most advanced ice laboratory
- High focus on technology development for extreme conditions to protect the environment



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Environmentally efficient equipment

- Aker Kvaerner has developed loading equipment that protects the environment (Bow Loading System)
 - Technology especially developed for Arctic environmental considerations
 - Ensures no oil spills during loading or emergency detachment
 - Using special flushing techniques approved for Arctic use



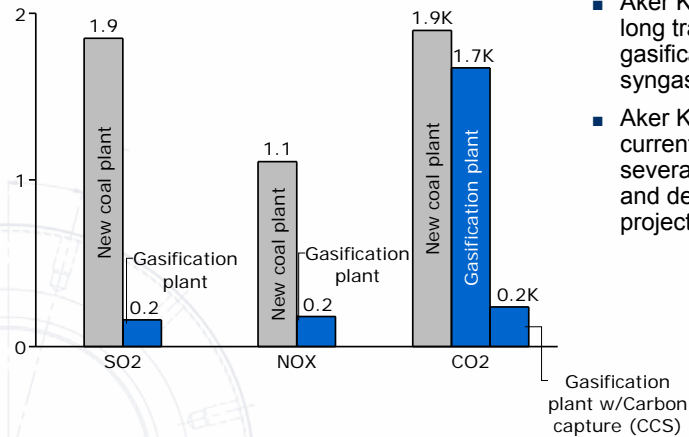
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Gasification significantly reduces emissions from coal plants

Emissions
(pounds per MWH, K pounds for CO₂)



- Aker Kvaerner has long track record within gasification and syngas projects
- Aker Kvaerner is currently conducting several engineering and design gasification projects in the US

Source: Clean Air Task Force US

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Aker Kvaerner has been developing CO₂ capture technology since 1991



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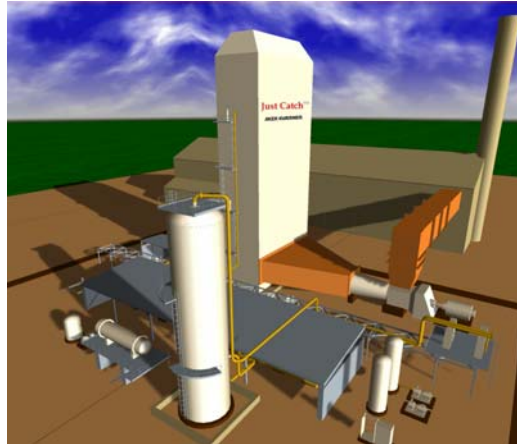
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Using technology to reduce CO₂ emissions

- **Just Catch™**
 - Cost effective large-scale CO₂ capture plants
- Development with 14 partners incl. end-users
- Reduce investment cost by 50%
- Reduce operational cost by 30%
- Minimize harmful waste
- Aker Kvaerner owner of technology & IPR



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Our CO₂ ambitions



- Develop world leading capture technology
- Deliver commercial plants in Norway
- Enter EU, US and Asia (gas power & coal)
- Worldwide supplier of capture technology

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We must solve the energy challenges in an environmentally-sound way

- Demand for energy expected to continue growing
- Finding new resources means going deeper and to new and more sensitive areas than before
- Continued technology development will be key
- Aker Kvaerner will be a leading player in solving tomorrow's energy challenges in a climate-sustainable way



Attitude is everything
since 1841

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