

AKER DRILLING ASA

Report for the second quarter 2007

The hull of Aker Drillings first unit “Aker Spitsbergen” is leaving Dubai Drydocks today, heading for the Aker Kvaerner Stord yard. This is in line with the schedule for final delivery end April 2008. Both units are now named, and the name of the second unit is “Aker Barents”. The construction of Aker Drilling’s two 6th generation drilling units, build-up of a premier organisation and preparations for the two long term contracts awarded progressed as expected during the period. Aker Drilling is on track and continues the progress of its activities according to plan in the third quarter of 2007.

Highlights

- *Transportation of the Aker Spitsbergen hull from Dubai to the Aker Kvaerner Stord yard in Norway has now started as per plan. Construction of the deck sections by the Aker Kvaerner Stord yard is well underway, and equipment deliveries are on schedule. Both rigs will be assembled, tested and delivered from Aker Kvaerner Stord yard. Aker Spitsbergen is scheduled for delivery end April 2008 while Aker Barents is to be delivered end October 2008.*
- *Aker Spitsbergen is contracted to Statoil for a 3 to 10 years contract on the Halten/Nordland Area in Norway. Aker Barents will commence a 3 year contract for exploration drilling on the Norwegian Continental Shelf for Aker Exploration. Preparations to meet contract requirements and for commencement of operations on delivery of the rigs continue.*
- *Aker Drilling continues to see great interest in the company from experienced and skilled personnel to man both onshore and offshore positions. More than 7,000 applications have been received for the positions announced through the company’s website to date. Manning up of the organization continues and the management team for Aker Spitsbergen is now in place. Several senior key positions were successfully filled during the quarter. Aker Drilling will now continue with manning up of the on- and offshore organization for Aker Barents.*

The Aker H-6e Concept

The Aker H-6e is a sixth-generation design and builds on the well-proven Aker H-3 and H-4.2 solutions which have been used worldwide for several decades. The two rigs now under construction will be the world’s largest and most advanced of its kind. Their design sets an entirely new standard and will help Aker Drilling to meet oil company requirements for drilling in harsh environments and deep waters. The rigs are being constructed to drill wells to a depth of more than 10 000 metres (more than 33 000 feet) and to operate in water depths down to 3 000 metres (about 10 000 feet). They have been designed for year-round drilling in cold climates and Arctic regions, and have also been developed to provide the best standards for health, safety and the environment.

A number of advantages are offered by the Aker H-6e, which will individually and collectively contribute to cost-effective operation for the oil companies. The double RamRig™ increases drilling efficiency and operability by permitting parallel operations. A unique hull design provides a level of stability which ensures efficient operation under severe weather conditions. Enclosed work areas also contribute to a high degree of safe and efficient

operation. The rigs have high load and storage capacity, which extends their flexibility and range as well as allowing them to operate for longer periods without supplies from shore.

Operation

Aker Drilling is pleased to report that the interim names (Alfa and Beta) of the two units are now to be replaced with Aker Spitsbergen and Aker Barents respectively. The naming ceremonies will take place on delivery. The naming reflects the characteristics of the rigs and identifies their Norwegian origin.

The rigs are being constructed by Aker Kvaerner, which has unique experience in developing and building semi-submersible drilling units after delivering more than 50 rigs since the company became involved in this business in 1974. While fabrication of the hulls is taking place in Dubai, the topsides and their equipment are being fabricated in Europe. The rigs will be assembled and commissioned at Aker Kvaerner Stord, which has a strong history of delivering highly complex projects on time and budget. Aker Drilling is working closely and well with Aker Kvaerner over the two construction projects.

Transportation of the Aker Spitsbergen hull from Dubai to the Aker Kværner Stord yard in Norway has now started. Arrival of the hull at Stord is expected early October this year. Construction of the deck sections by the Aker Kværner Stord yard is well underway, and equipment deliveries are on schedule. Both rigs will be assembled, tested and delivered from Aker Kværner Stord yard. Aker Spitsbergen is scheduled for delivery end April 2008 while Aker Barents is to be delivered end October 2008.

Market Outlook

The offshore drilling market is still very strong with dayrates reported for high specification, deepwater units in the USD/d 500.000 range in recent closures. Simultaneously, the market has seen several orders for additional newbuilds during the period. Oil companies are now contracting units for programs commencing 2009/2010. Aker Drilling continues to evaluate possibilities to add capacity in addition to the two units currently under construction.

Financials

Profit after tax in Q2 2007 was NOK – 15 million whereas operating profit was NOK – 16 million, compared to NOK – 5 million and NOK – 7 million respectively in Q2 2006. The opex in Q2 2006 was related to payroll for 2 people plus fees to advisors. The increase in opex is mainly explained by personnel expenses due to the organisational build-up.

As per end Q2 2007 Aker Drilling holds NOK 234 million in liquid assets after receiving USD 11 million in Q2 related to payments of reservation fee, mobilisation fee and customer specific modifications. These payments are recognised as deferred income and will be matched against associated expenses before contract commencement and during the contract period.

Aker Kværner Stord has utilised Aker Drilling's credit facilities during the pre-delivery phase for the first time this quarter. A total of USD 192 million has been utilised to date which is reflected in the balance sheet as a bank loan with a corresponding prepayment to Aker Kværner Stord. Interest on this USD 192 million pre-delivery use of Aker Drilling's credit facility is borne by Aker Kværner Stord. The company has now in addition secured a pre-delivery bridge facility of USD 35 million to cover the company's liquidity requirements prior to delivery of the first rig. Upon delivery of Aker Spitsbergen, the pre-delivery bridge

facility will be converted and the company has agreed a plan with the bank syndicate for increasing the existing post delivery loan facility.

Aker Drilling Group

Basis for preparation

These consolidated condensed financial statements have been prepared in accordance with IAS 34 “Interim Financial Reporting”.

Significant accounting policies

The accounting policies used in the preparation of the consolidated financial statements as per end Q2 2007 are consistent with those used in the annual financial statements for the prior quarter and for the year ending 31 December 2006. These consolidated condensed financial statements should be read together with the 2006 annual financial statements, which include a full description of the Group’s accounting policies.

INCOME STATEMENT

Amounts in NOK million	1Q 2007	2Q 2007	2Q 2006	1 Jan. - 30 June 2007	2006	Year 2006
Operating revenues	0	0	0	0	0	0
Operating expenses	-14	-16	-7	-30	-13	-34
Operating profit before depreciation and amortization	-14	-16	-7	-30	-13	-34
Depreciation and amortization	0	0	0	0	0	0
Impairment changes and non recurring items	0	0	0	0	0	0
Operating profit	-14	-16	-7	-30	-13	-34
Net foreign exchange loss	-8	-8	0	-16	0	0
Net interest expense	1	3	0	4	0	4
Profit before tax	-21	-21	-7	-42	-13	-30
Income tax expense	6	6	2	12	4	8
Profit for the period	-15	-15	-5	-30	-9	-22
Attributable to:						
Equity holders of the parent	-15	-15	-5	-30	-9	-22
Average number of shares outstanding (million)	93 000 000	93 000 000	93 000 000	93 000 000	93 000 000	93 000 000
Basic earnings per share (NOK)	-0,16	-0,16	-0,05	-0,32	-0,10	-0,24

Financial Items are split between Exchange Losses (mainly due to revaluation of the USD advance received from Aker Exploration) and bank interest paid/received.

BALANCE SHEET

Amounts in NOK million	At 31.03 2007	At 30.06 2007	At 30.06 2006	At 31.12 2006
Assets				
Non-current assets				
Property, plant & equipment	3 564	5 122	0	1 683
Intangible assets	926	926	926	926
Deferred tax assets	48	54	38	42
Other non-current assets	303	66	2 985	1 402
Total non-current assets	4 841	6 168	3 949	4 053
Current assets				
Inventory, trade and other receivables	67	2	2	0
Interest-bearing short term receivables	0	0	0	0
Cash and bank deposits	224	234	184	98
Total current assets	291	236	186	98
Total assets	5 132	6 404	4 135	4 151
Equity and liabilities				
Paid in capital	3 349	3 349	3 349	3 349
Retained earnings and other reserve	-40	-55	-12	-25
Total equity attributable to equity holders of the parent	3 309	3 294	3 337	3 324
Minority interest	0	0	0	0
Total equity	3 309	3 294	3 337	3 324
Non-current liabilities				
Interest-bearing loans	774	776	771	772
Deferred tax liability	0	0	0	0
Provisions and other long-term liabilities	55	65	25	45
Total non-current liabilities	829	841	796	817
Current liabilities				
Short-term interest-bearing debt	0	1 142	0	0
Trade and other payables	9	13	2	10
Deferred income	258	258	0	0
Other short term liabilities	727	856	0	0
Total current liabilities	994	2 269	2	10
Total liabilities	1 823	3 110	798	827
Total equity and liabilities	5 132	6 404	4 135	4 151

The construction progress of the rigs is reflected in the balance above for Property, Plant & Equipment. The advances made to Aker Kværner Stord included in Other non-current assets are reducing as the construction progresses and Aker Kværner's first use this quarter of the pre-delivery loan facility is now reflected in Short term interest bearing debt.

STATEMENT OF CHANGES IN EQUITY

Amounts in NOK million	1Q 2007	2Q 2007	2Q 2006	1 Jan. - 30 June 2007	2006	Year 2006
As of beginning of period	3 324	3 309	3 342	3 324	3 346	3 346
Profit for the period	-15	-15	-5	-30	-9	-22
As of end of period	3 309	3 294	3 337	3 294	3 337	3 324

CASH FLOW STATEMENT

Amounts in NOK million	1Q 2007	2Q 2007	2Q 2006	1 Jan. - 30 June 2007	2006	Year 2006
Cash flow from operating activities	164	44	-10	208	-58	-76
Cash flow from investing activities	-38	-1 176	0	-1 214	0	-68
Cash flow from financing activities	0	1 142	0	1 142	0	0
Cash flow in the reporting period	126	10	-10	136	-58	-144
Effects of changes in exchange rates on cash	0	0	0	0	0	0
Cash and cash equivalents at the beginning of period	98	224	194	98	242	242
Cash and cash equivalents at end of period	224	234	184	234	184	98

Reclassifications

Figures from Q2 2006 are reclassified to be comparable and take into the account the impact of changes in classification implemented in Q4 2006. Advances to the supplier Aker Kværner are reclassified and shown as a non-current asset instead of as a current asset. Amortised interest cost related to the convertible bond loan is charged in accordance with the effective interest method and recognised as an individual item under long term liability compared to Q2 2006 where the interest was reported under trade payables and other monetary liabilities.

Oslo, August 14, 2007
The board of directors
Aker Drilling ASA

Questions should be directed to:
Geir Sjøberg, CEO +47 90 783 083