Investor presentation

July 2007

www.hydro.com

Cautionary note in relation to certain forward-looking statements

Certain statements contained in this announcement constitute “forward-looking information” within the meaning of Section 27A of the US Securities Act of 1933, as amended, and Section 21E of the US Securities Exchange Act of 1934, as amended. In order to utilize the “safe harbors” within these provisions, Hydro is providing the following cautionary statement.

Certain statements included within this announcement contain (and oral communications made by or on behalf of Hydro may contain) forward-looking information, including, without limitation, those relating to (a) forecasts, projections and estimates, (b) statements of management’s plans, objectives and strategies for Hydro, such as planned expansions, investments, drilling activity or other projects, (c) targeted production volumes and costs, capacities or rates, start-up costs, cost reductions and profit objectives, (d) various expectations about future developments in Hydro’s markets, particularly prices, supply and demand and competition, (e) results of operations, (f) margins, (g) growth rates, (h) risk management, as well as (i) statements preceded by “expected”, “scheduled”, “targeted”, “planned”, “proposed”, “intended” or similar statements.

Although Hydro believes that the expectations reflected in such forward-looking statements are reasonable, these forward-looking statements are based on a number of assumptions and forecasts that, by their nature, involve risk and uncertainty. Various factors could cause Hydro’s actual results to differ materially from those projected in a forward-looking statement or affect the extent to which a particular projection is realized. Factors that could cause these differences include, but are not limited to, world economic growth and other economic indicators, including rates of inflation and industrial production, trends in Hydro’s key markets, and global oil and gas and aluminium supply and demand conditions. For a detailed description of factors that could cause Hydro’s results to differ materially from those expressed or implied by such statements, please refer to the risk factors specified under “Risk review – Risk factors” on page 134 of Hydro’s Annual Report 2006 (including Form 20-F) and subsequent filings on Form 6-K with the US Securities and Exchange Commission.

No assurance can be given that such expectations will prove to have been correct. Hydro disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Use of non-GAAP financial measures/ Cautionary note in relation to oil and gas reserves

With respect to each non-GAAP financial measure Hydro uses in connection with its financial reporting and other public communications, Hydro provides a presentation of what Hydro believes to be the most directly comparable GAAP financial measure and a reconciliation between the non-GAAP and GAAP measures. This information can be found in Hydro's earnings press releases, quarterly reports and other written communications, all of which have been posted to Hydro's website (www.hydro.com).

The United States Securities and Exchange Commission permits oil and gas companies, in their filings with the SEC, to disclose only proved reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. We use certain terms in this presentation material, such as expected recoverable resources, that the SEC’s guidelines strictly prohibit us from including in filings with the SEC. Investors are urged to consider closely the disclosure in our Form 20-F, SEC File No. 1-9159, available from us at our Corporate Headquarter: Norsk Hydro, N-0240 Oslo, Norway. You can also obtain this form from the SEC by calling 1-800-SEC-0330.

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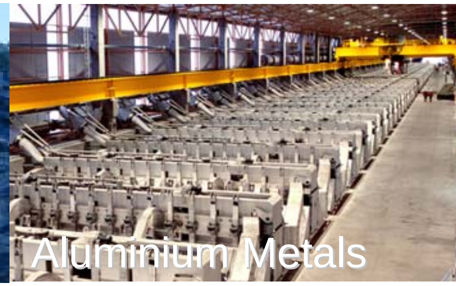
A brief company overview

Hydro – a focused aluminium and power company

Streamlining "new" Hydro

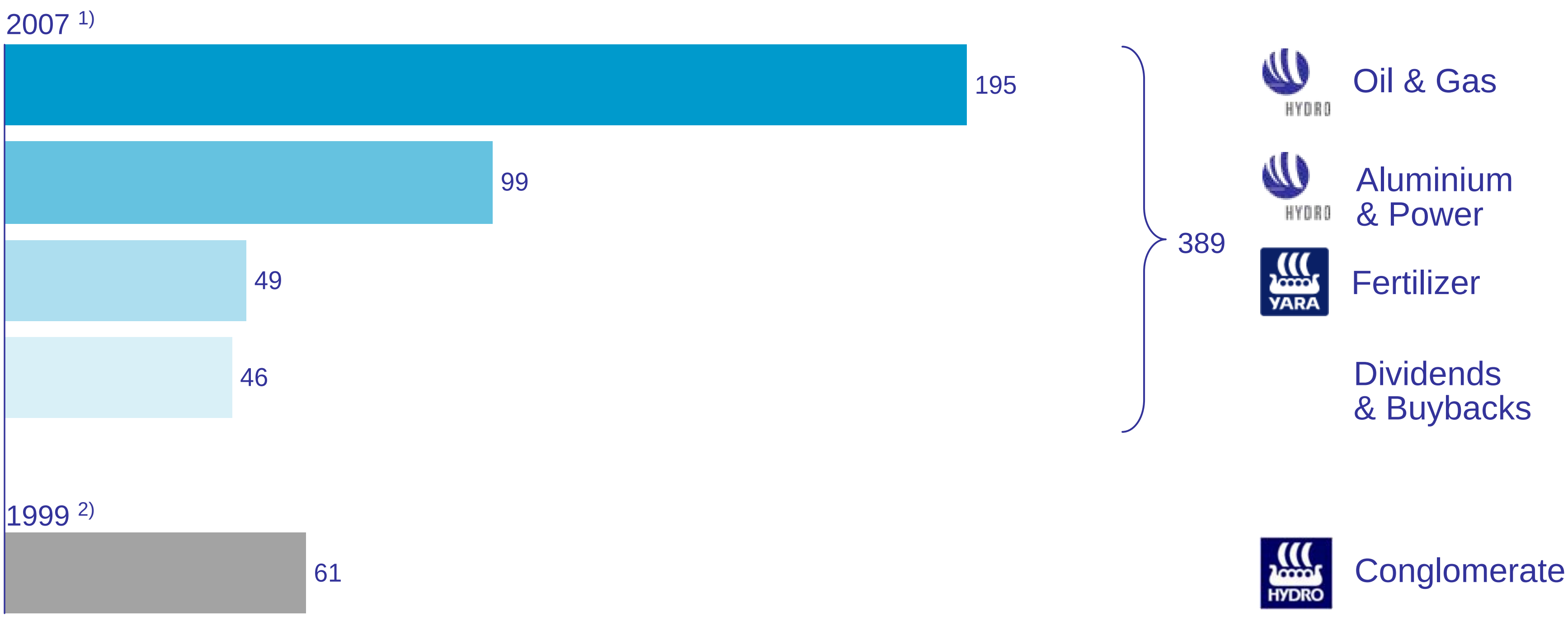


Implementing merger of Hydro's oil and gas activities with Statoil

Divesting Polymers

Significant value creation through restructuring

NOK billion

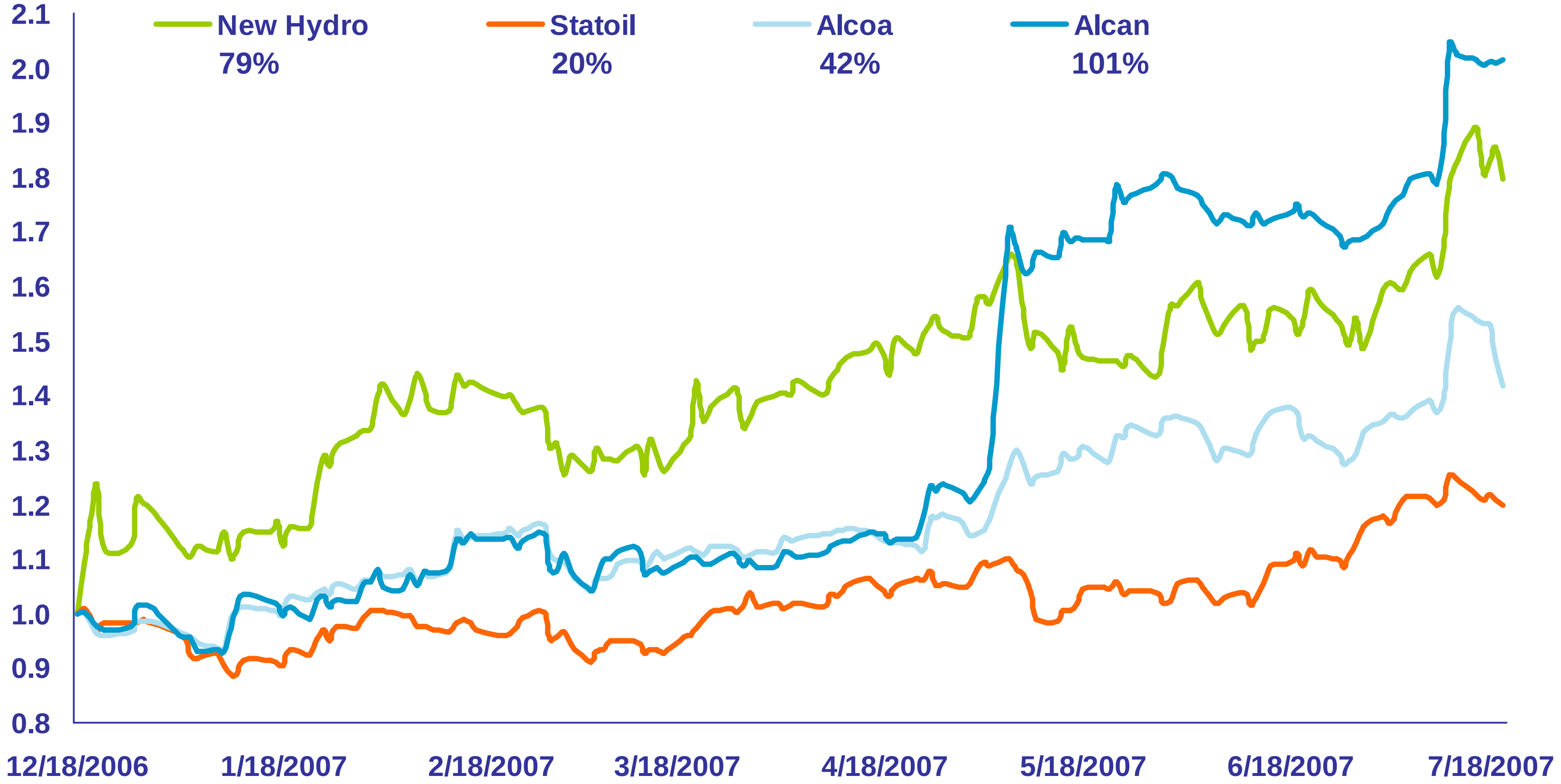


1) 20 July 2007 close. Aluminium and Oil & Gas based on transaction equation

2) 4 January 1999 close, nominal value

Share price development "new" Hydro

Relative development NYSE 18 December 2006 – 20 July 2007



Source: Yahoo Finance, NYSE, USD

Status merger of oil and gas activities with Statoil

- All regulatory approvals received
- Approved by the Extraordinary General Meetings of Hydro and Statoil 5 July 2007
- Expected completion 1 October 2007
- Hydro shareholders will receive 0.8622 shares in StatoilHydro for each Hydro share they hold at closing
- Hydro shareholders will retain the current number of shares in Hydro

Hydro – a resourceful aluminium and power company

25 000 employees, 7 000 in Norway [1)]

Operations in more than 30 countries

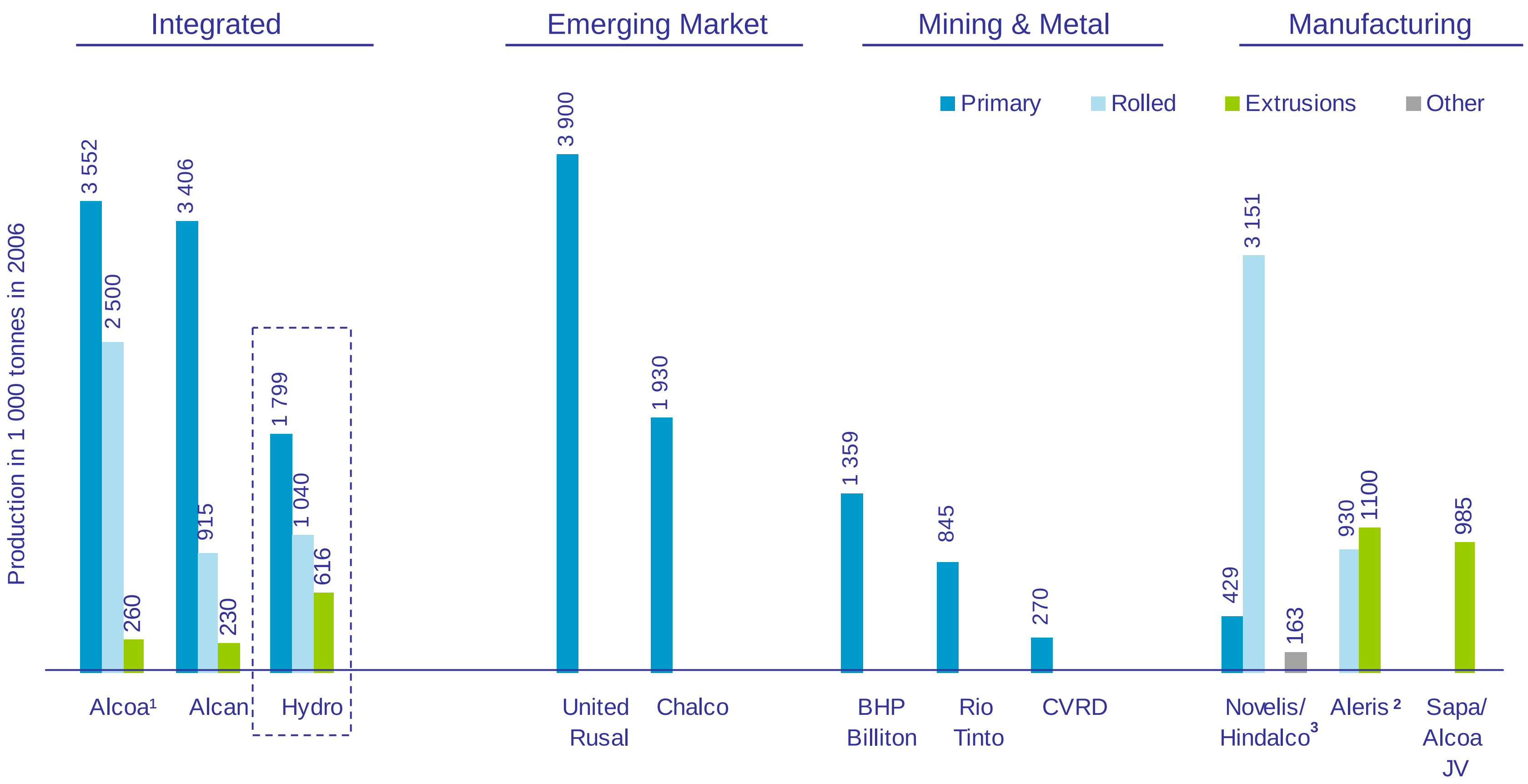
Annual turnover above NOK 100 billion

Operating income NOK 7.8 billion in 2006

Market capitalization NOK 99 billion [2)]

1) Excluding Hydro Petroleum, Hydro Polymers, Meridian Technologies and Automotive Castings
2) 20 July 2007 close

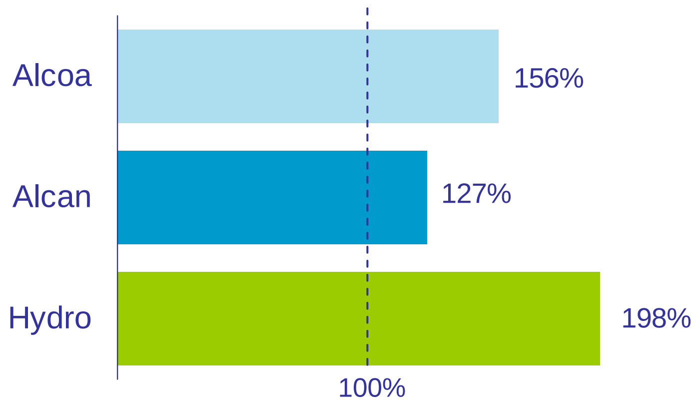
Strong aluminium industry position



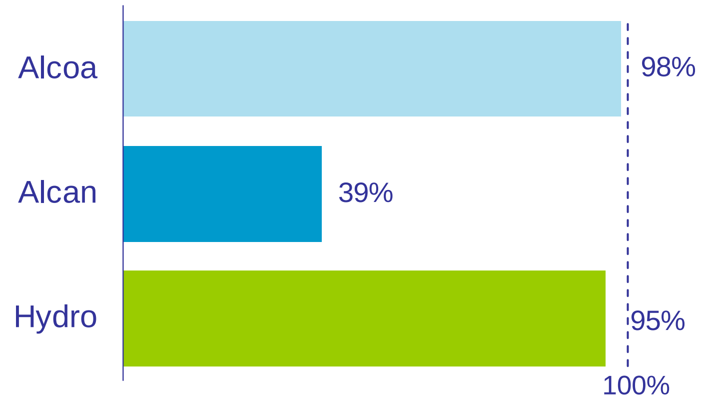
1. Alcoa pro forma for SAPA JV on extrusion
2. Pro forma figures for acquisition of Corus Aluminium's rolled and extrusions businesses
3. Pro forma figures for acquisition of Novelis rolled businesses

Peer comparison 2006

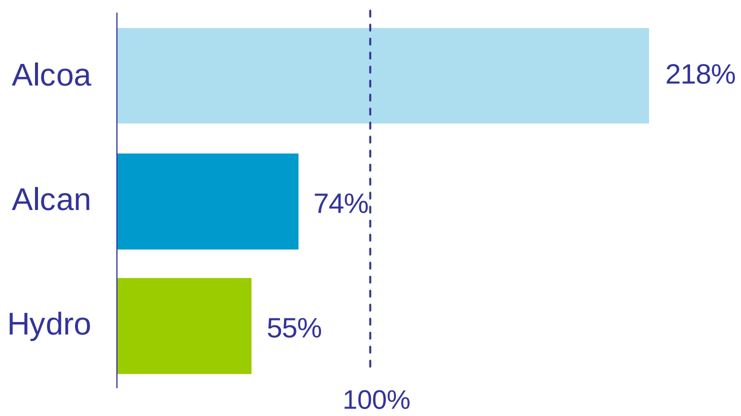
Metal sales vs primary production (tons)



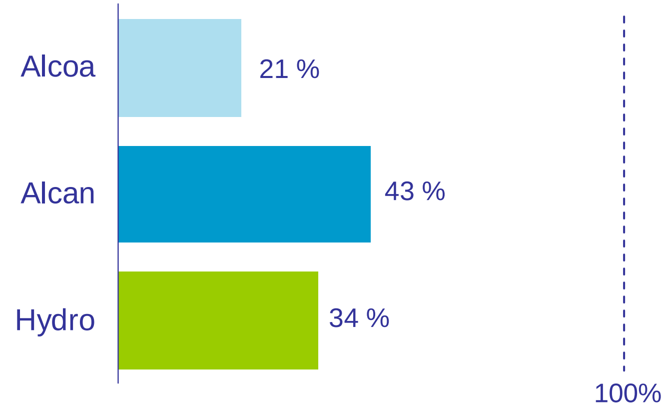
Downstream in % of primary production



Alumina ownership coverage

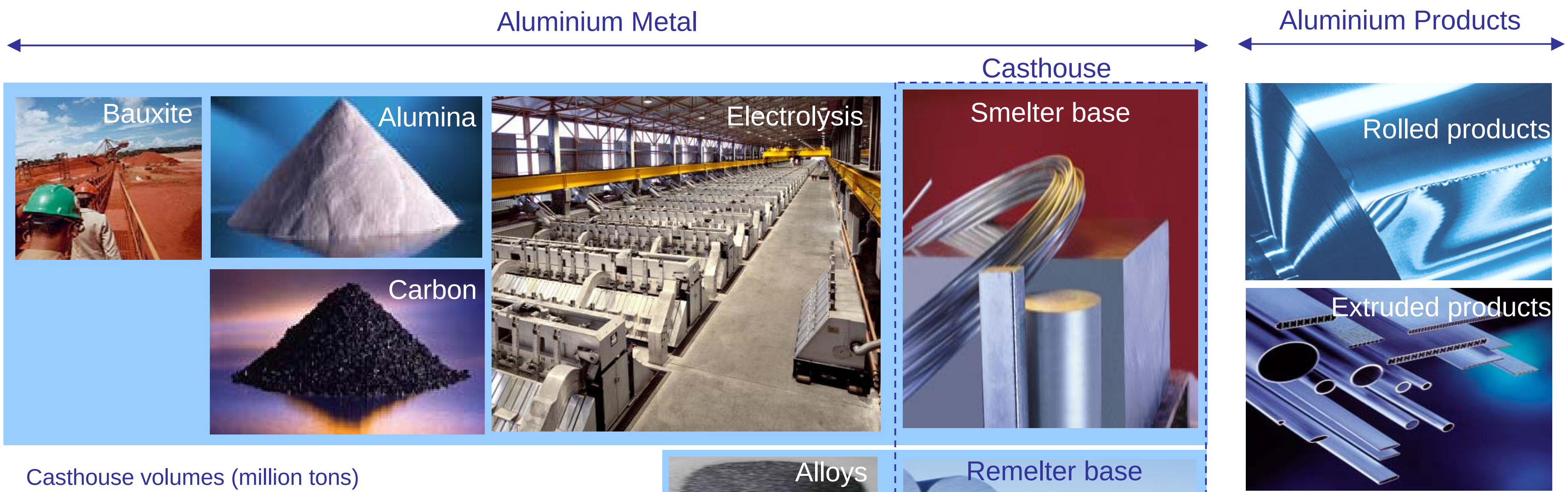


Captive power *



Source: Company figures. CRU 2006 for Alcan and Alcoa

Aluminium Metal and Products 2006



Casthouse volumes (million tons)

- Smelter based 1.8
- Remelt based 1.4
- 3rd party 0.3
- Inventory 0.1

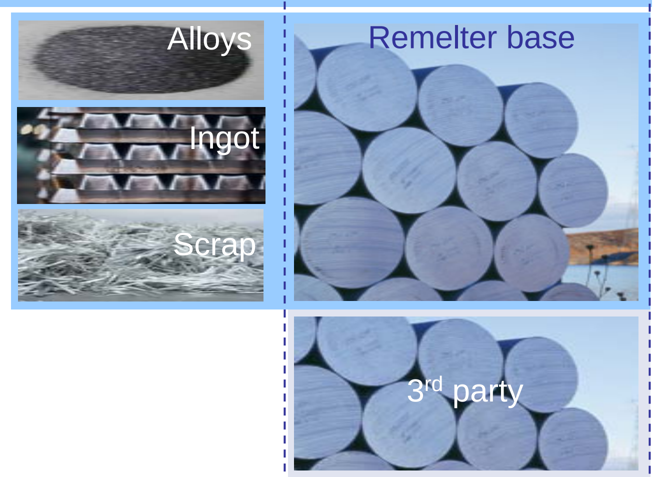
3.6

Sales volumes (million tons)

- Internal customers 1.8
- External customers 1.7

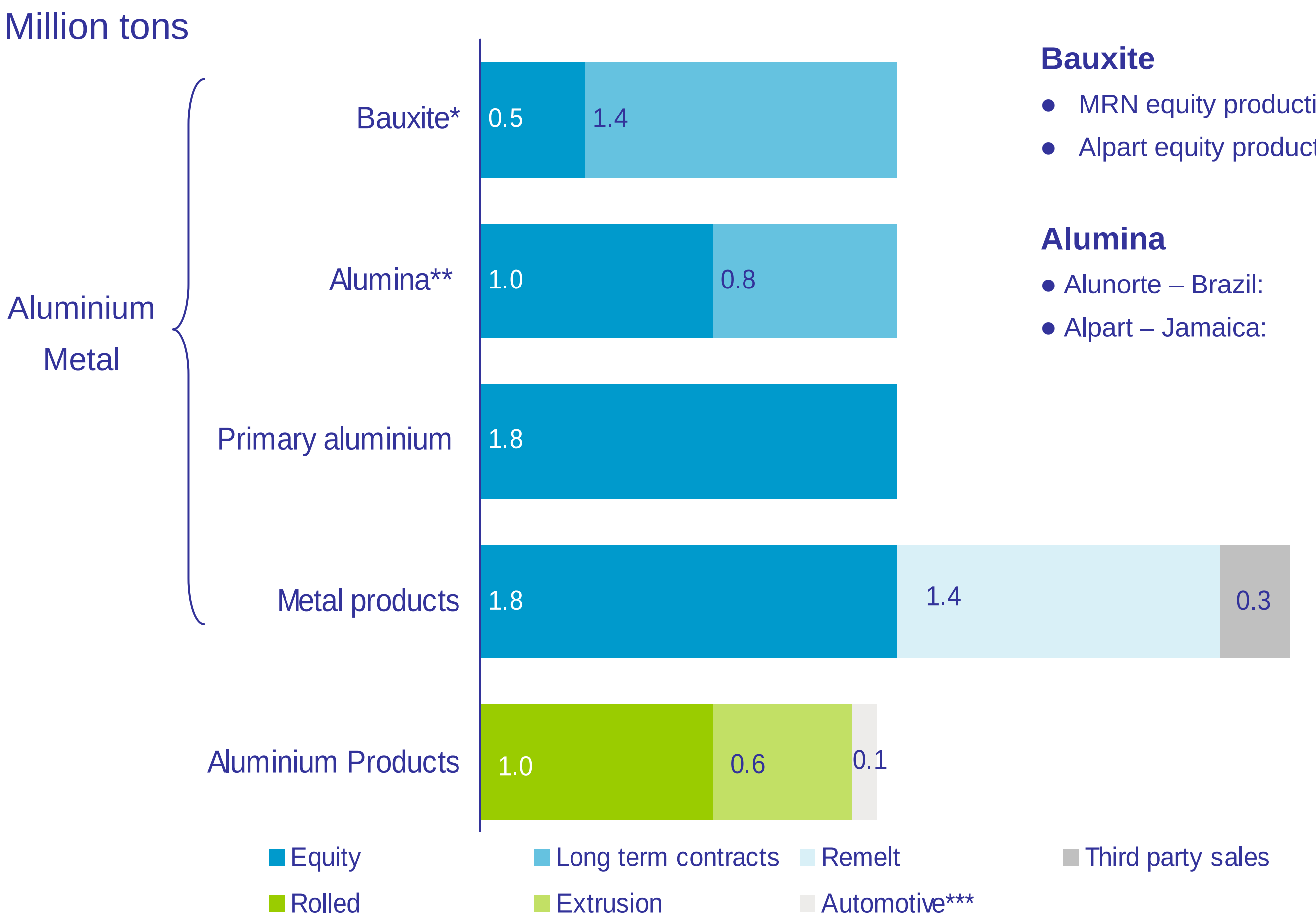
Sourcing & Trading (million tons)

- 3rd party trading of alumina 1.5
- 3rd party trading of Ingot: 0.5



Sourcing & Trading (optimization of total alumina and ingot portfolio)

Aluminium value chain 2006



Bauxite

- MRN equity production – Brazil: 0.9 million tons
- Alpart equity production – Jamaica: 1.3 million tons

Alumina

- Alunorte – Brazil: 1.3 million tons
- Alpart – Jamaica: 0.6 million tons

* Bauxite volume relative to equivalent primary aluminium volume: approx. 4.5 tons bauxite per ton primary aluminium
** Alumina volume relative to equivalent primary aluminium volume: approx. 2 tons alumina per ton aluminium
*** Excluding Automotive Castings and Magnesium Castings volumes – Divestments

Primary metal production versus remelting

Primary production

- Commodity business
- Cyclical
- Capital and energy intensive
- Full LME exposure
- High USD exposure

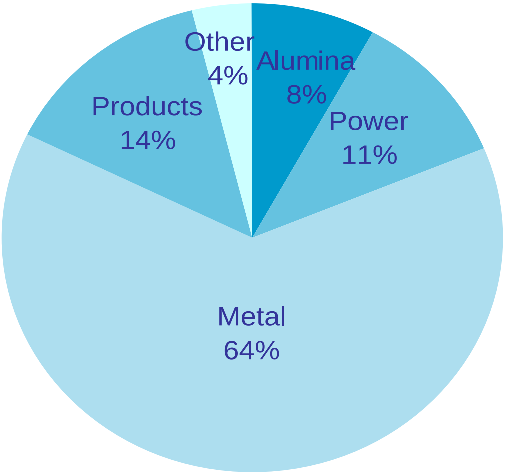
Remelting

- Only 5% of energy required to produce primary metal
- Margin business
  - More labor intensive
- High RoaCE business
  - Less capital intensive
- Cost of scrap/remelt ingot closely linked to price of the LME quoted products
- LME sensitivity
  - Related to value of metal
  - Relative value of alloy elements and working capital

Earnings distribution 2006

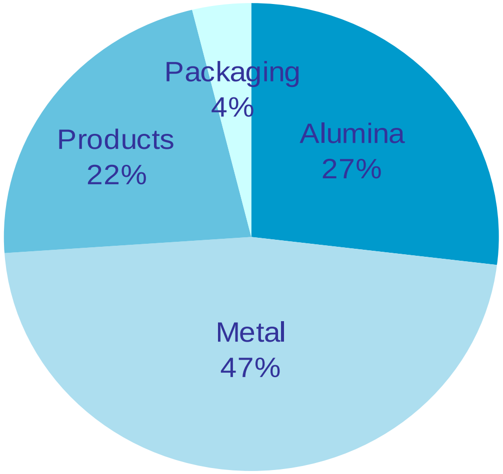
Hydro

EBITDA



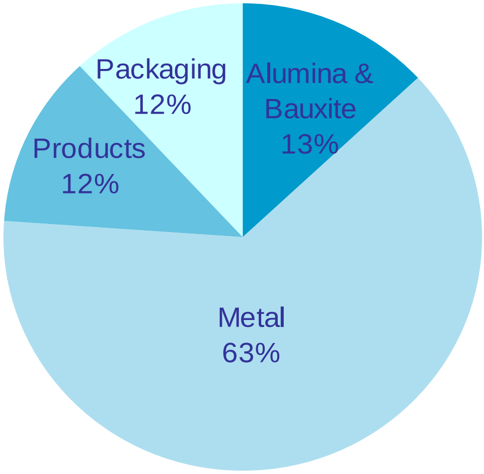
Alcoa

ATOI adding back Tax & Depreciation



Alcan

Business Group Profit



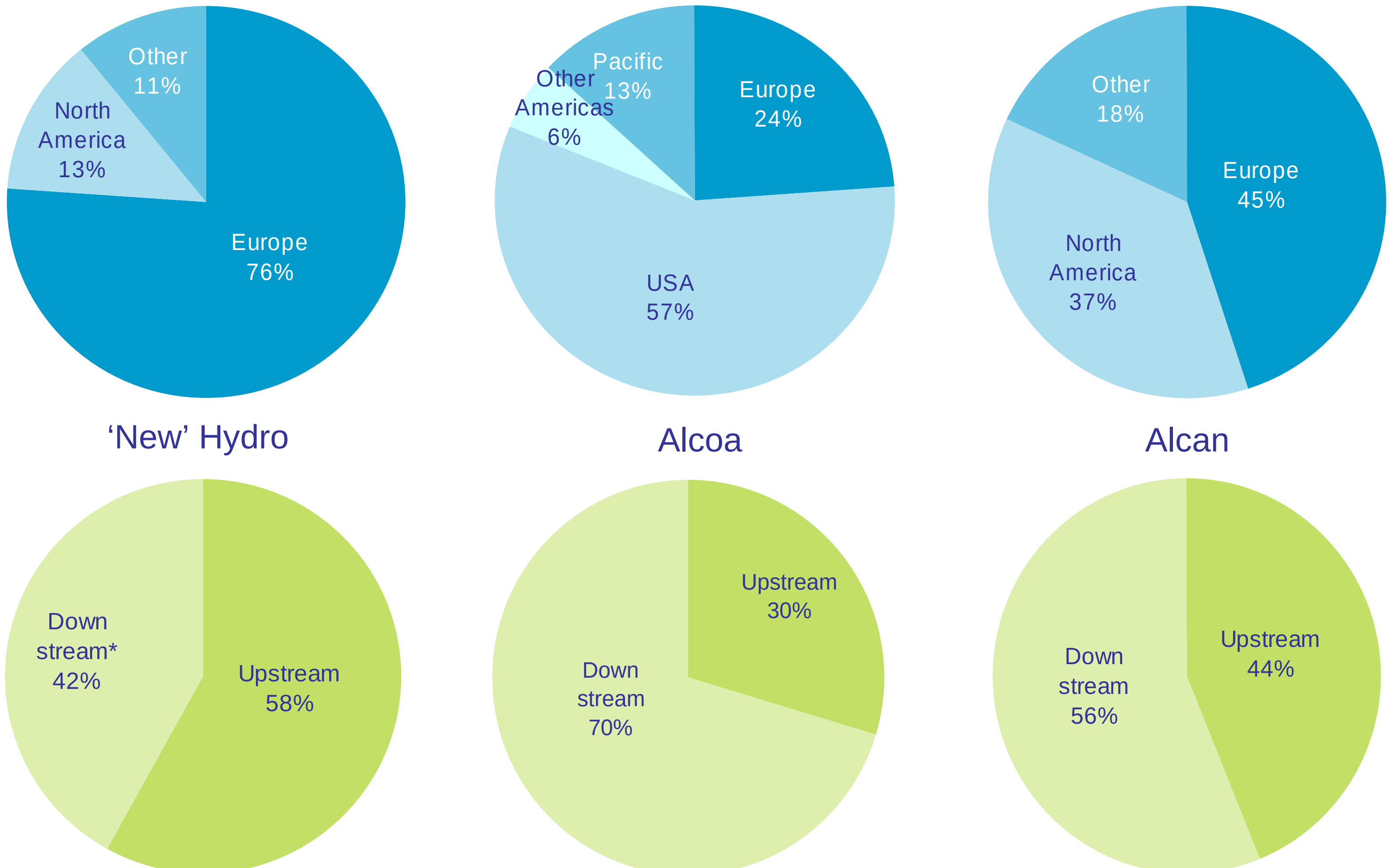
Source: Company filings

Alcoa: After Tax Operating Income – ATOI. Alcoa 2006 ATOI distribution: Alumina 30%, Metal 50%, Products 18%, Packaging 3%

Alcan: Business Group Profit – BGP which is earnings before tax and depreciation

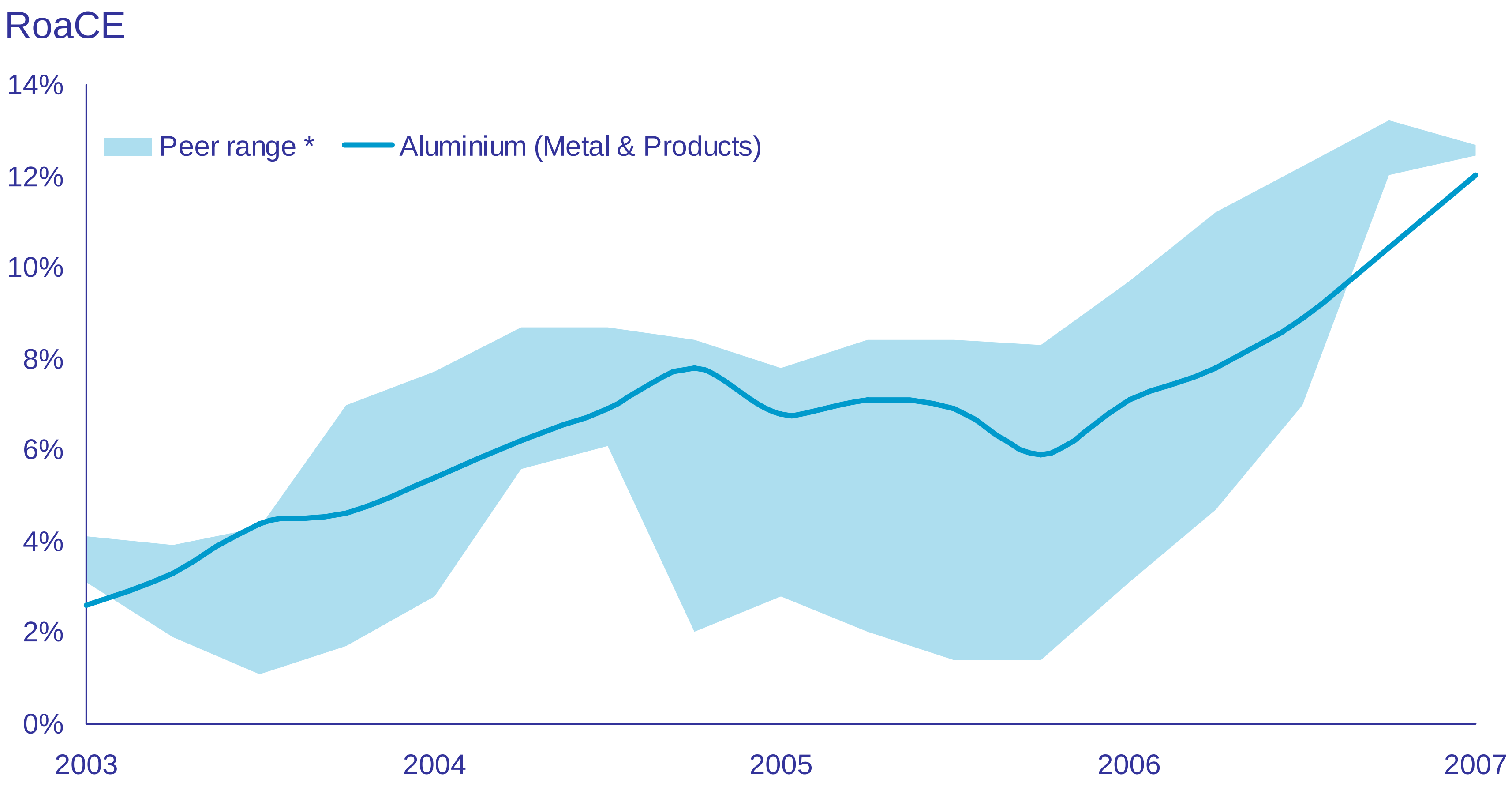
Hydro: Net income figures for Alumina represents 8% of EBITDA (Alunorte 34% owned and Alpart 35% owned are associated companies)

Revenue split aluminium peers 2006



Source: Company reports 2006
Hydro: Aluminium Metal and Aluminium Products only

Competitive return on capital

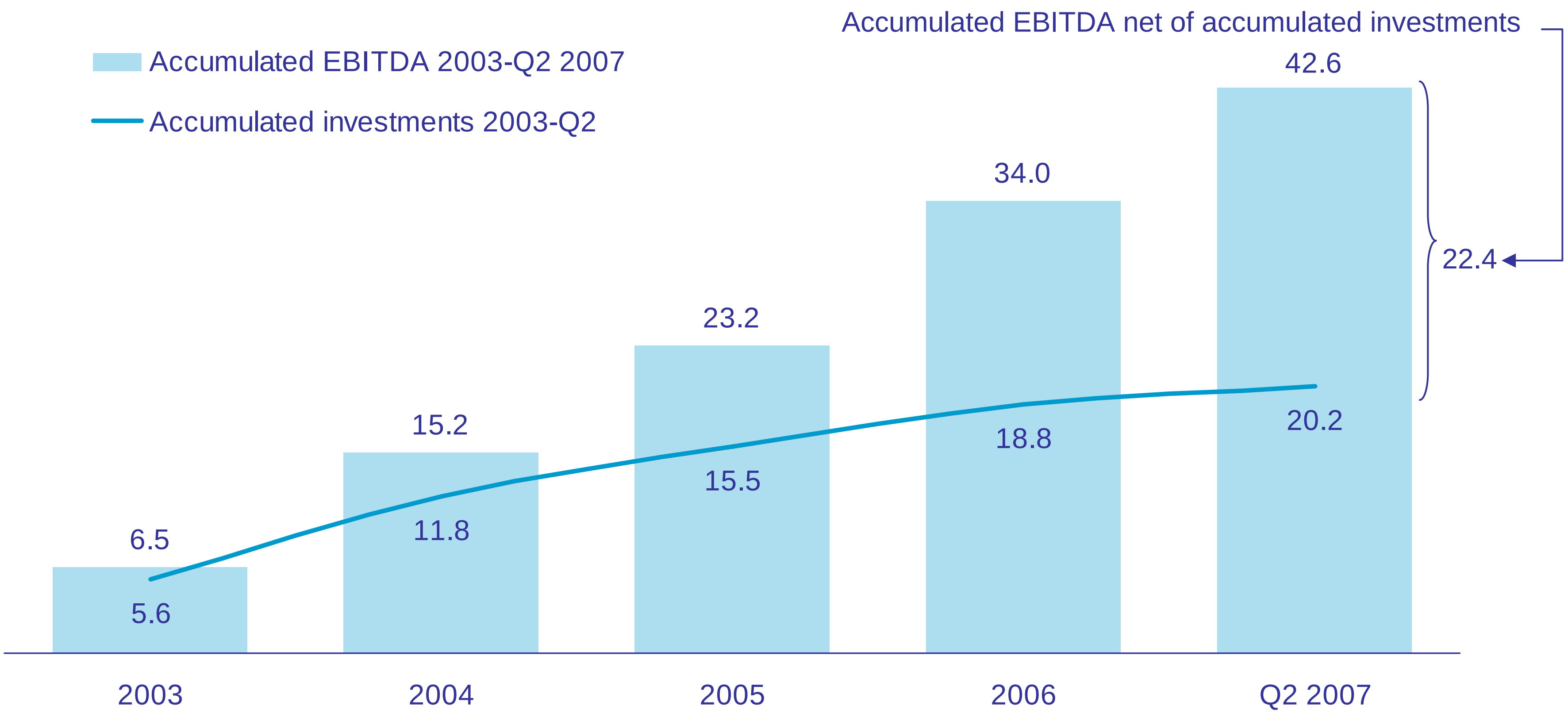


* Alcoa and Alcan

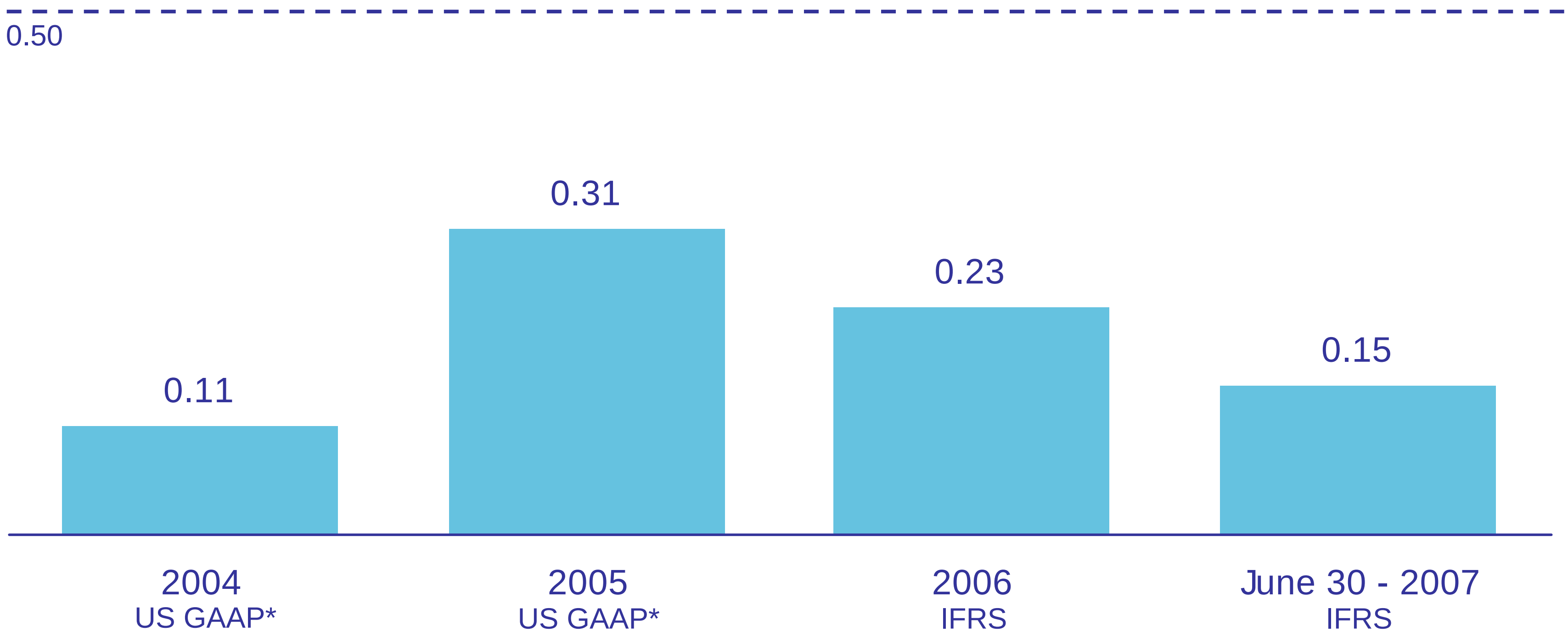
Source: Bloomberg return on capital methodology. 12 month rolling Q1 2003-Q1 2007. Hydro figures are approximations to Bloomberg methodology.

Strong Aluminium cash flow

NOK billion



Hydro – adjusted net debt/equity ratio



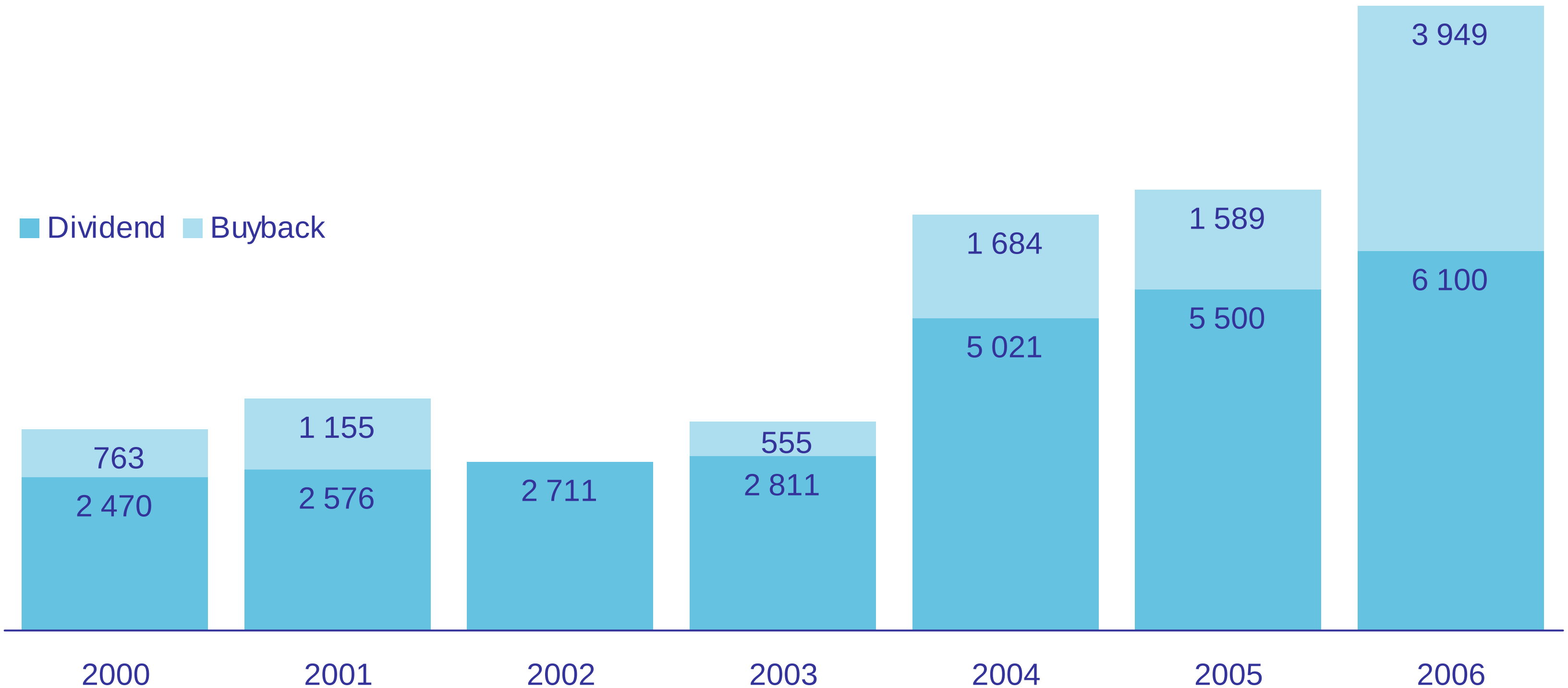
Interest-bearing debt + net pension liability (tax adjusted) + operating lease commitments (discounted) – cash and cash equivalents – short term investments divided by shareholders' equity + minority interest

* US GAAP figures are not adjusted for reclassification of Polymers as discontinued operations and 2007 changes in US GAAP accounting principles

Payout to shareholders 2000-2006: NOK 37 billion

Average payout ratio 2004 – 2006: ~50 percent

NOK million



3 243	**3 711**	**2 711**	**3 366**	**6 685**	**7 089**	**10 049**

Dividend allocated to the year for which the dividend was paid. The (actual) payment of the dividend is done the year after.
Buyback allocated to the year when the buyback transactions were executed.

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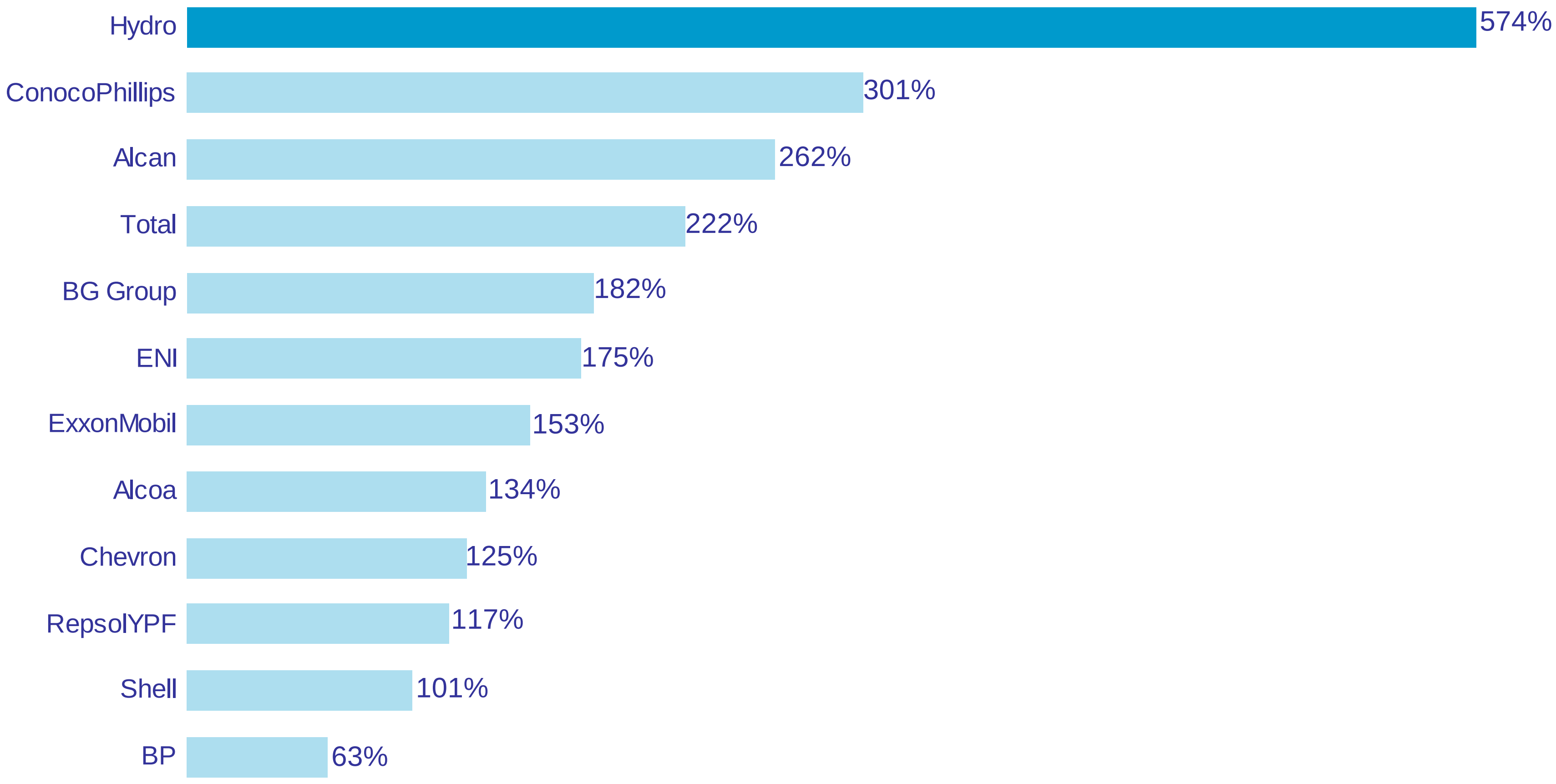
Dividend policy

30% payout ratio over time

- High commodity prices have supported current dividend payout and share buy backs
- Revised dividend policy for "new" Hydro
  - Hydro will continue existing dividend policy with an average payout ratio of 30 percent of net earnings
  - Share buy-backs or extraordinary dividends will supplement dividends during periods of strong financials

Share price development (NYSE)

1 January 1999 to 20 July 2007



Source: Yahoo Finance, NYSE, USD

Priorities 2007

- Operational excellence in all businesses
- World-class project execution of Qatalum
- Pursue new upstream growth initiatives
- Build on leading downstream market positions
- Final integration with Statoil
- Launch “new” Hydro – Capital Markets Day 6 September

Strategy for long-term growth

- Build on a leading, global position in upstream aluminium
- Pursue attractive opportunities in alumina, bauxite and primary aluminium
- Leverage strong platforms in Extrusion, Precision Tubing, Building Systems and Rolled Products
- Captive hydro power production a strategic asset
- Exciting prospects within Solar

Bauxite & Alumina

Good bauxite equity coverage for Hydro

Relative to primary aluminium

	2000	2005	2006	2007E	2010E	
Consumption	3.3	8.1	8.4	8.4	9.6	
Production	1.8	2.2	2.2	2.2	2.4	million tons

* Equity production: (i) Mineracao Rio do Norte (MRN) Brazil 5% share and (ii) Alpart, Jamaica 35% share. Non-equity bauxite from Companiha Vale do Rio Doce (CVRD) evergreen contracts.

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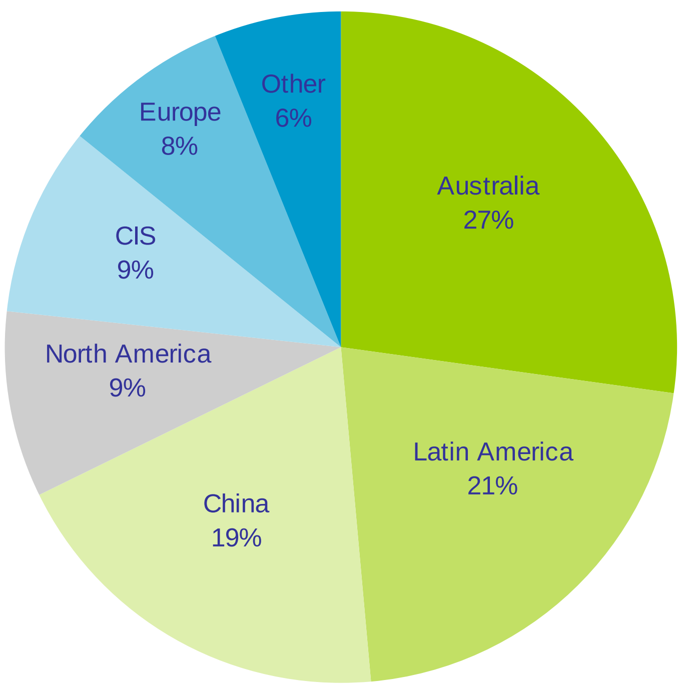
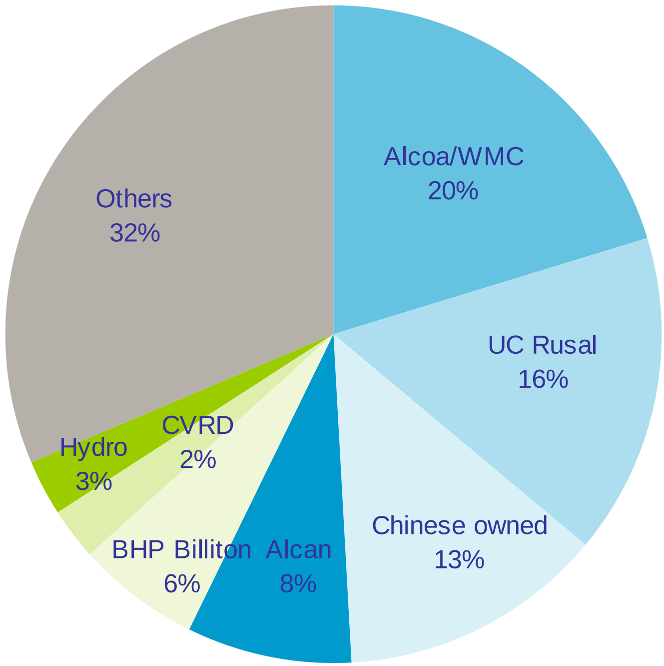
Alumina 2006 production

Global market 68 million tons

Geography



Company

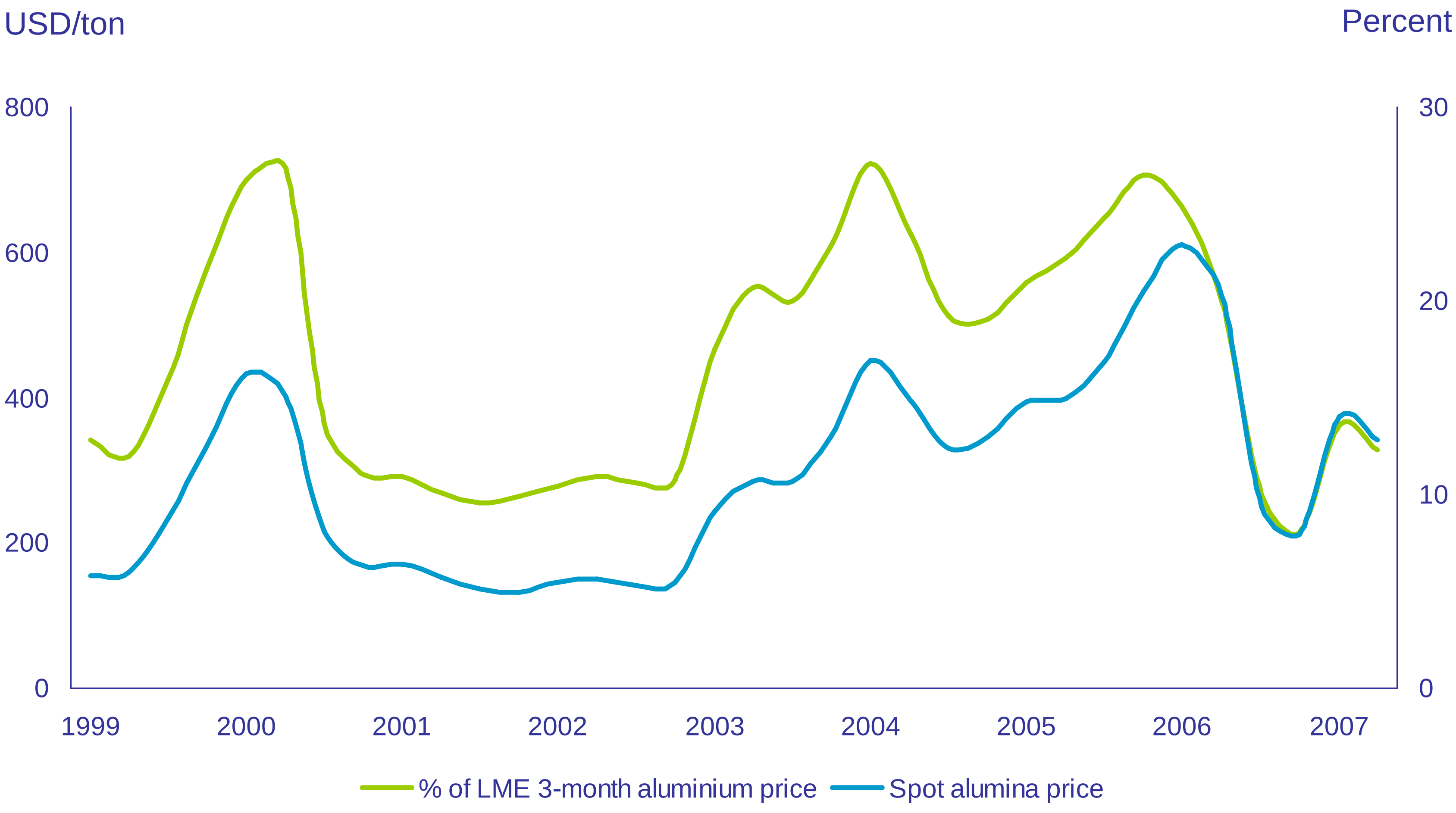


2005 alumina production: 61 million tons. Only 5% of Alumina market traded spot – mainly to China

Source: CRU and Company data

Alumina spot price

Percentage of aluminium LME 3-month price



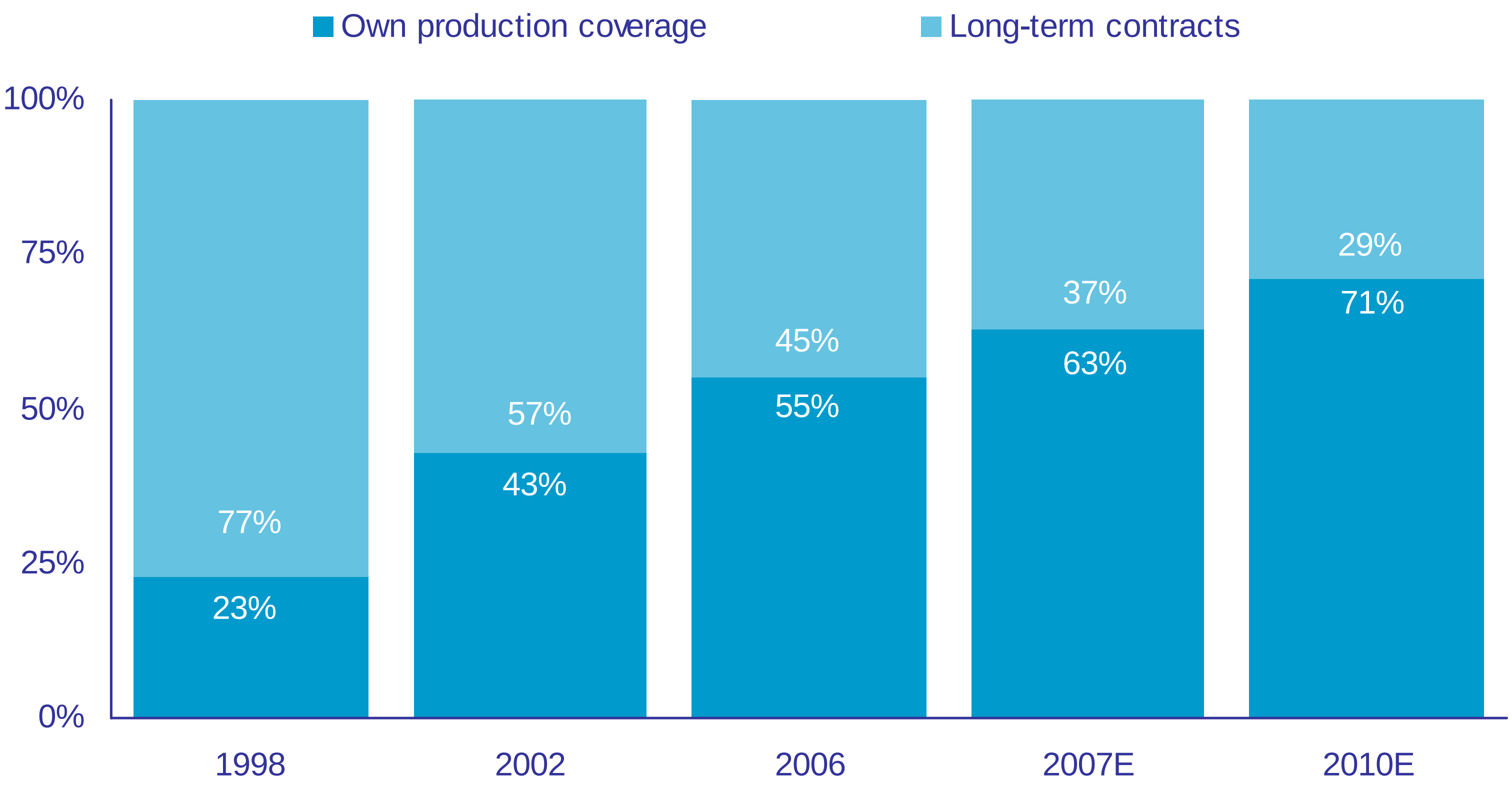
Source: LME, Metal Bulletin, CRU, Macquarie Research

Alunorte alumina refinery – key asset in repositioning

- Targeting 6.5 million tons production capacity by 2009, up from 4.6 million tons in 2006
- Hydro stake 34 percent of world's largest refinery
- Bauxite supplies from CVRD
- First-quartile investment costs and highly competitive conversion costs
- Platform for pursuing new opportunities in Brazil and other bauxite rich areas

Strengthening captive alumina coverage

Relative to primary aluminium



Consumption	2.4	2.8	3.5	3.3	3.9	
Production	0.5	1.2	1.9	2.1	2.8	million tons

Hydro joins alumina project in Brazil

- Agreement with Brazilian mining group CVRD, Hydro share 20 percent
- Alumina refinery to be located 5 km from Alunorte
  - Bauxite supply from CVRD’s operation in Paragominas through existing pipeline
  - Hydro and CVRD already partners in Alunorte, the world’s largest alumina refinery
- Final production 7.4 million tons alumina annual capacity
  - Four-stage development, each 1.85 million tons
- Investment estimate first stage USD 1.5 billion (100 percent)
  - Final build decision expected Q1 2008
  - Production start-up scheduled first half 2011

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Aluminium Metal

Aluminium Metal

- Strong focus on return on capital
- Restructuring on track
- Operational excellence and production creep
- Long-term profitable growth
- Expected primary production 2010: 2 000 000 tons
- Qatalum smelter project (Qatar) on stream end 2009

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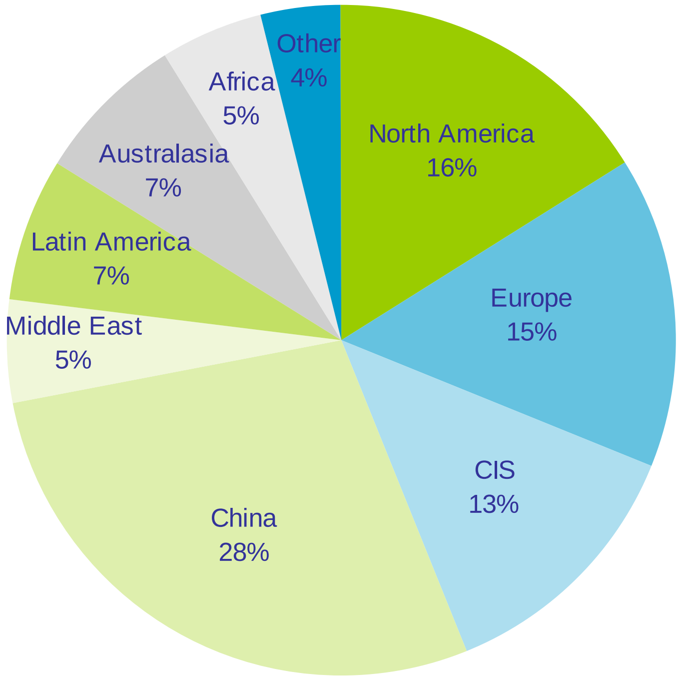
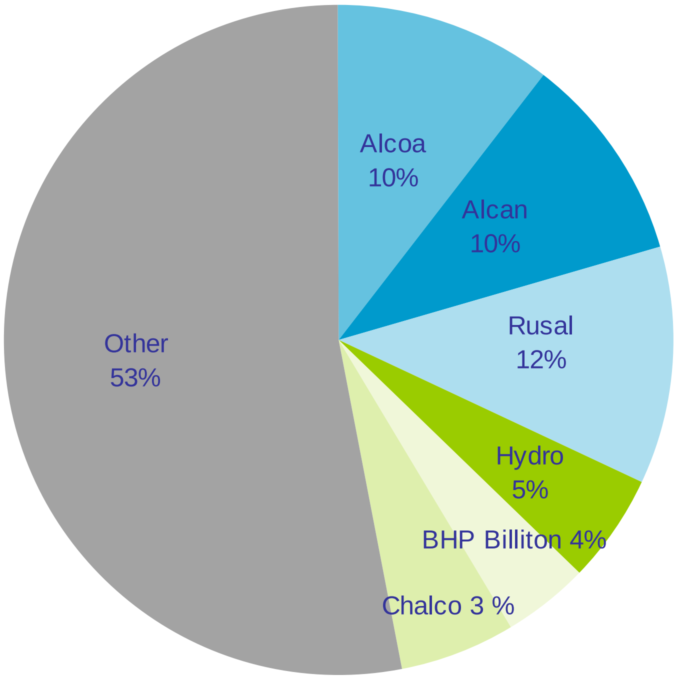
Primary aluminium 2006 production

Global market 34 million tons

Geography



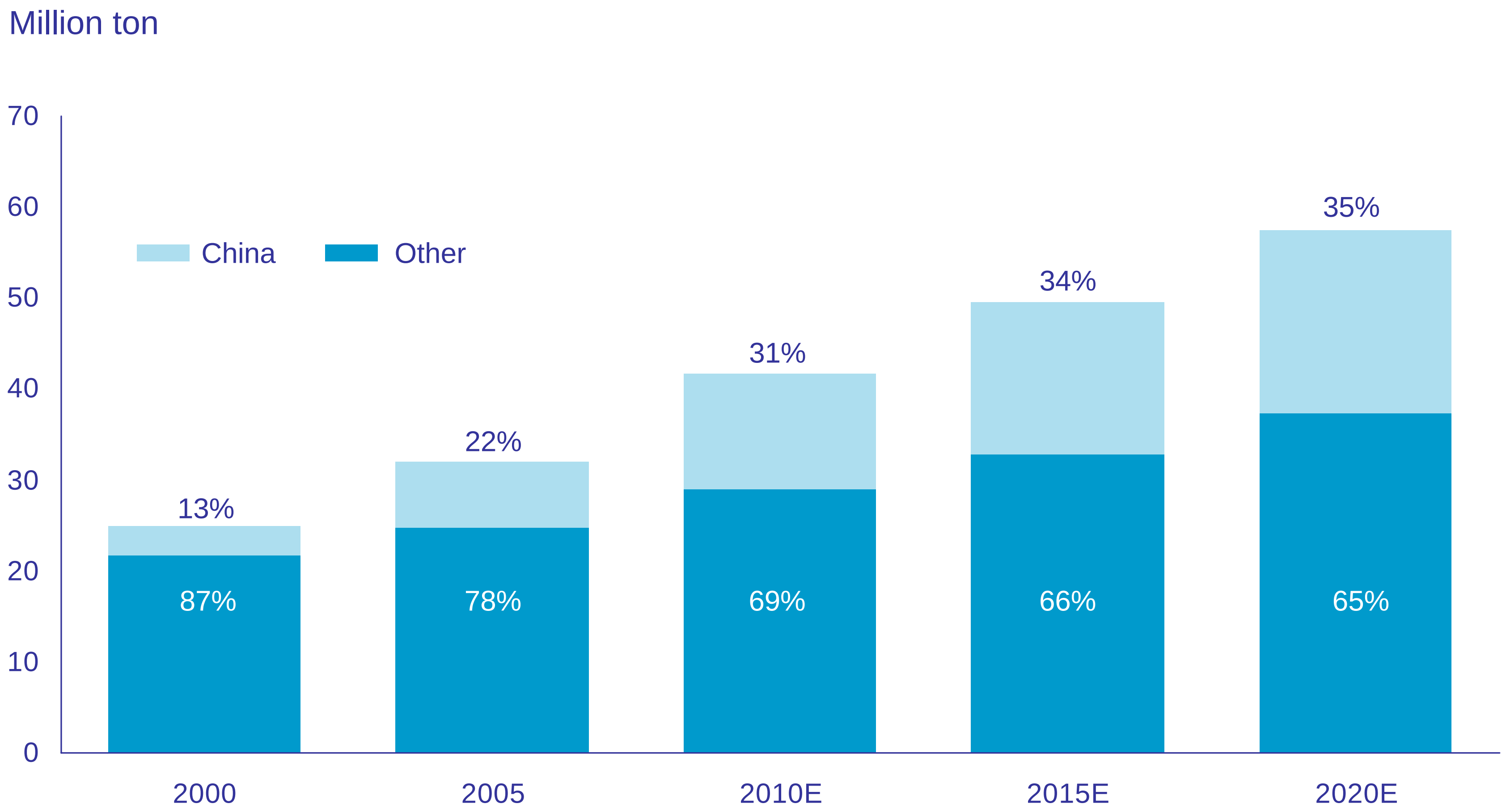
Company



Source: CRU / Hydro

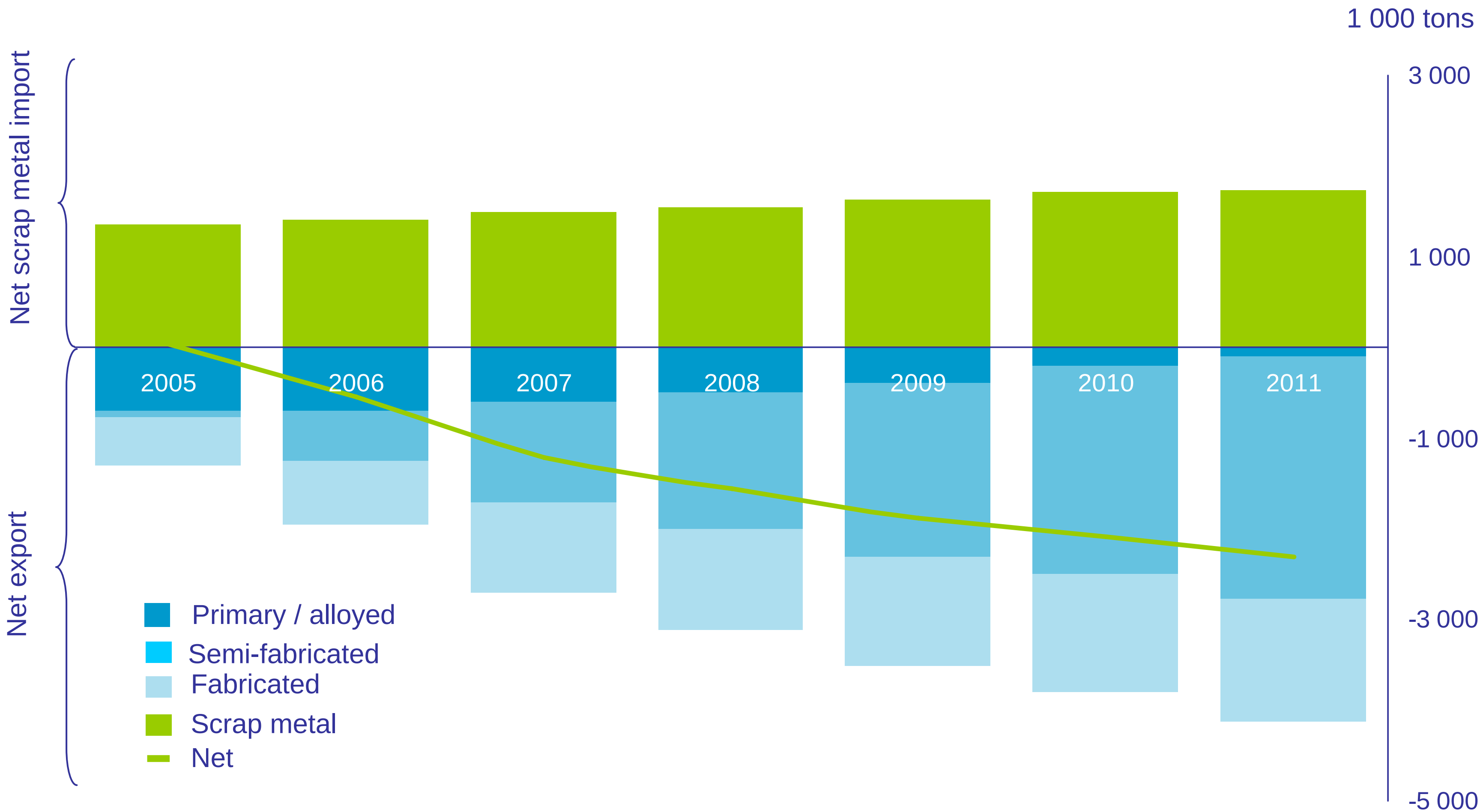
China driving the demand for primary aluminium

4 percent annual growth rate 2005-2020



Source: CRU 2006

Estimated metal flow to and from China



Source: Company estimate May 2007

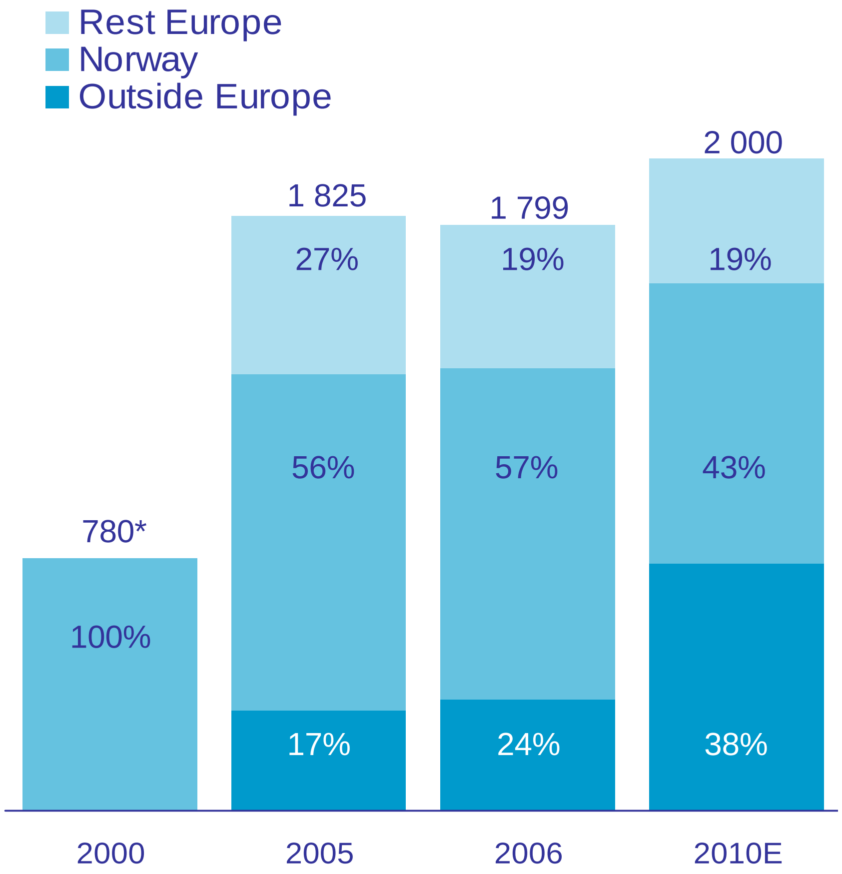
Aluminium market price – 3 month LME

Primary aluminium LME	USD/ton
Q2 2007 average	2 799
Q2 2007 end	**2 725**
Q1 2007 average	2 746
Q1 2007 end	**2 780**
Average 2007 (1st half)	2 772
Average 2006 (year)	2 594
Forward curve average	
2009	**2 750**
2010	**2 600**
2011	**2 450**

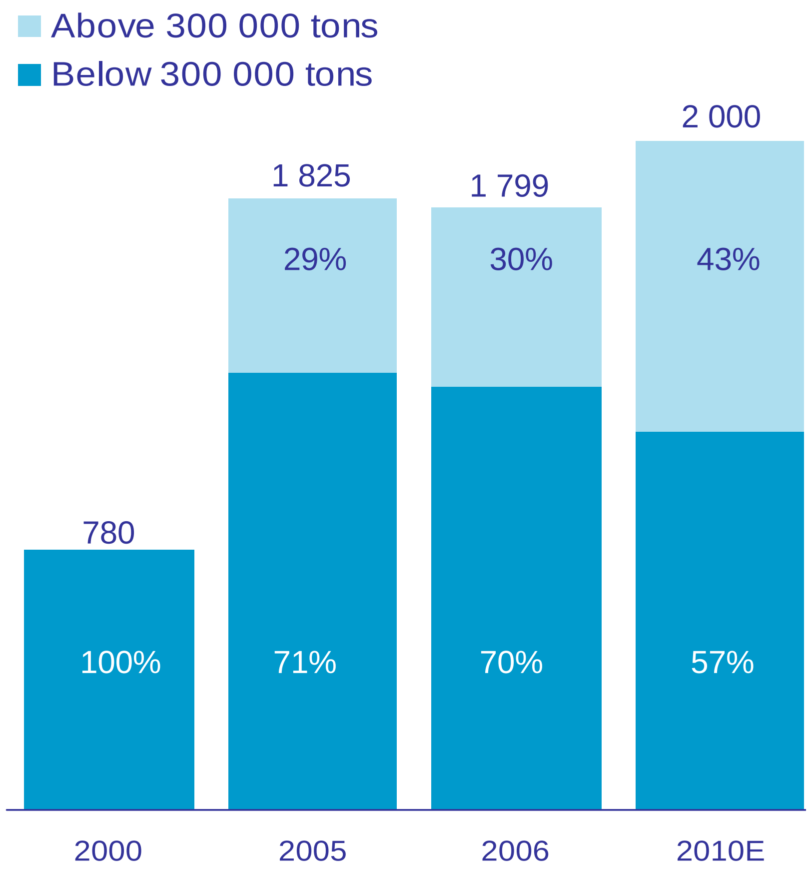
Source: Reuters Ecowin / Bloomberg, weekly average, forward curve as of 20 July 2007

Repositioning enhances smelter portfolio

Smelter geography



Smelter size



All figures in 1 000 tons per year.

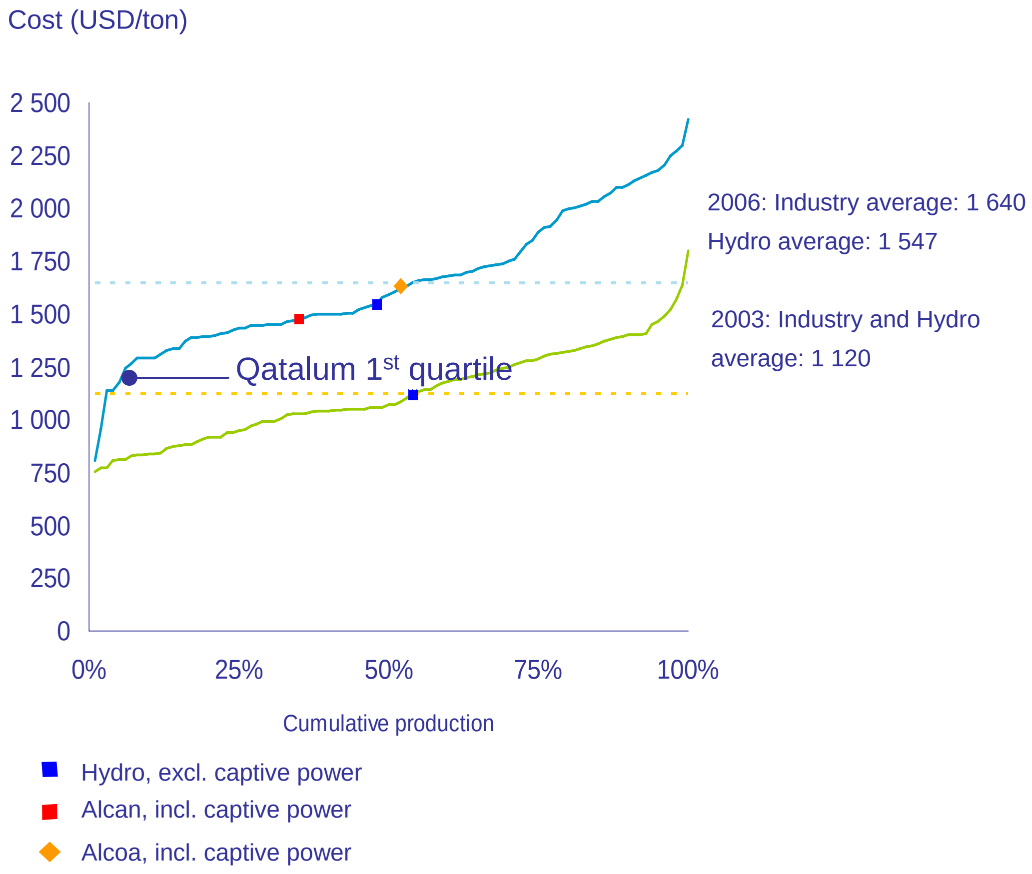
* 2000: Excluding non-consolidated Slovalco equity stake of 20% ~ 25 000 tons

Qatalum – mega smelter in key region

- 50/50 joint venture between Qatar Petroleum and Hydro
- 585 000 tons annually – expansion potential to 1.2 million tons annually
  - Production start-up Q4 2009
- First quartile operating cost – captive gas power
- Proprietary smelting technology
- Investment cost USD 4.8 billion (100 percent)
  - Including 1 250 MW gas fired power plant of USD 1 billion

Industry costs rising – Hydro's position improved

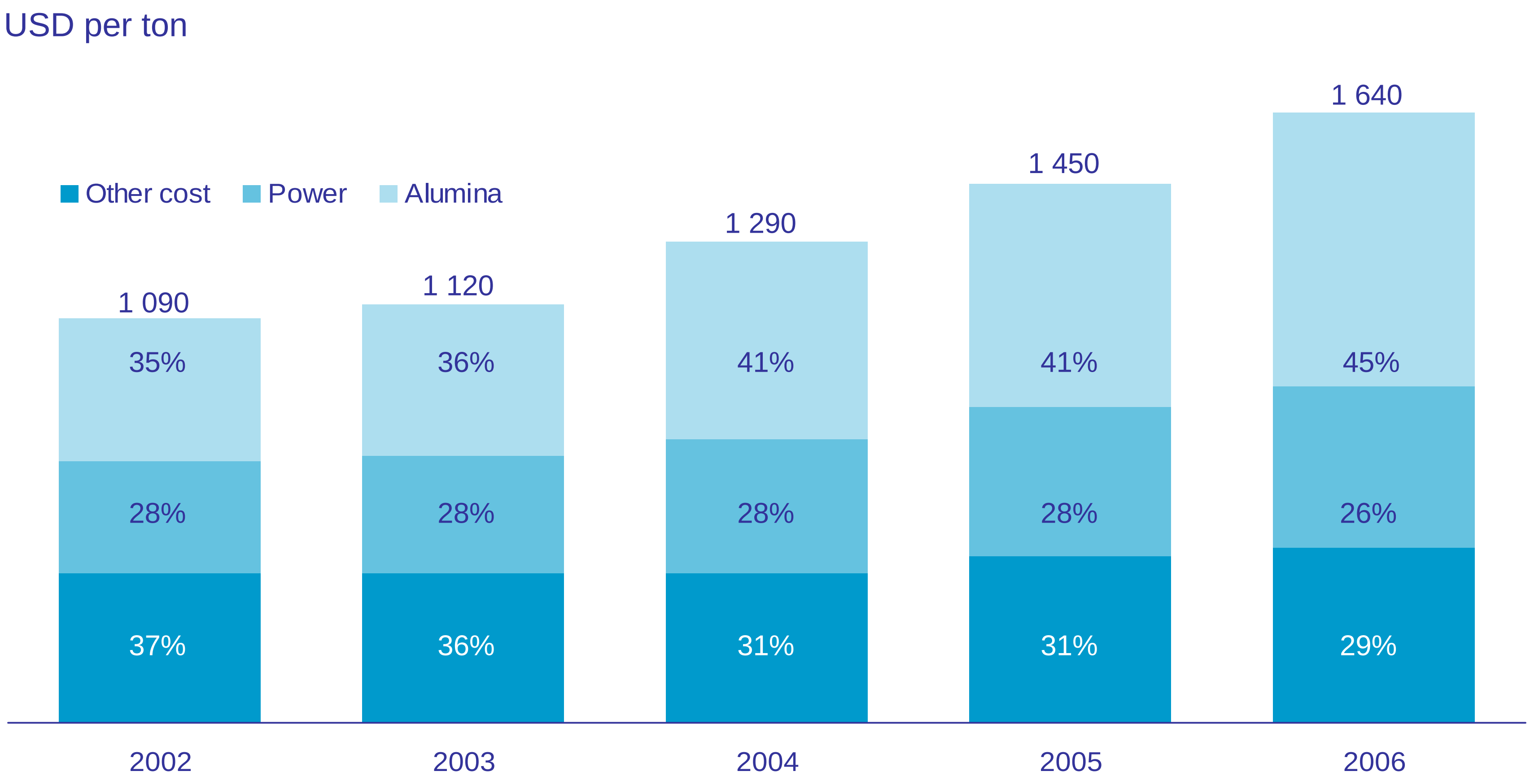
Hydro's position including captive power: USD 80-100 lower than indicated



- Alumina
  - Two thirds of cost increase
  - Coming down from peak
- Energy
  - Oil and gas prices
  - Coal prices
  - CO_2 emission trading
  - Supply/demand for electricity
- Other raw materials
- Freight

** Source: CRU (Corporate operating cost definition) Assumptions: LME 3m 2 635 USD/ton, Alumina spot USD 472/ton, USD 6.57*

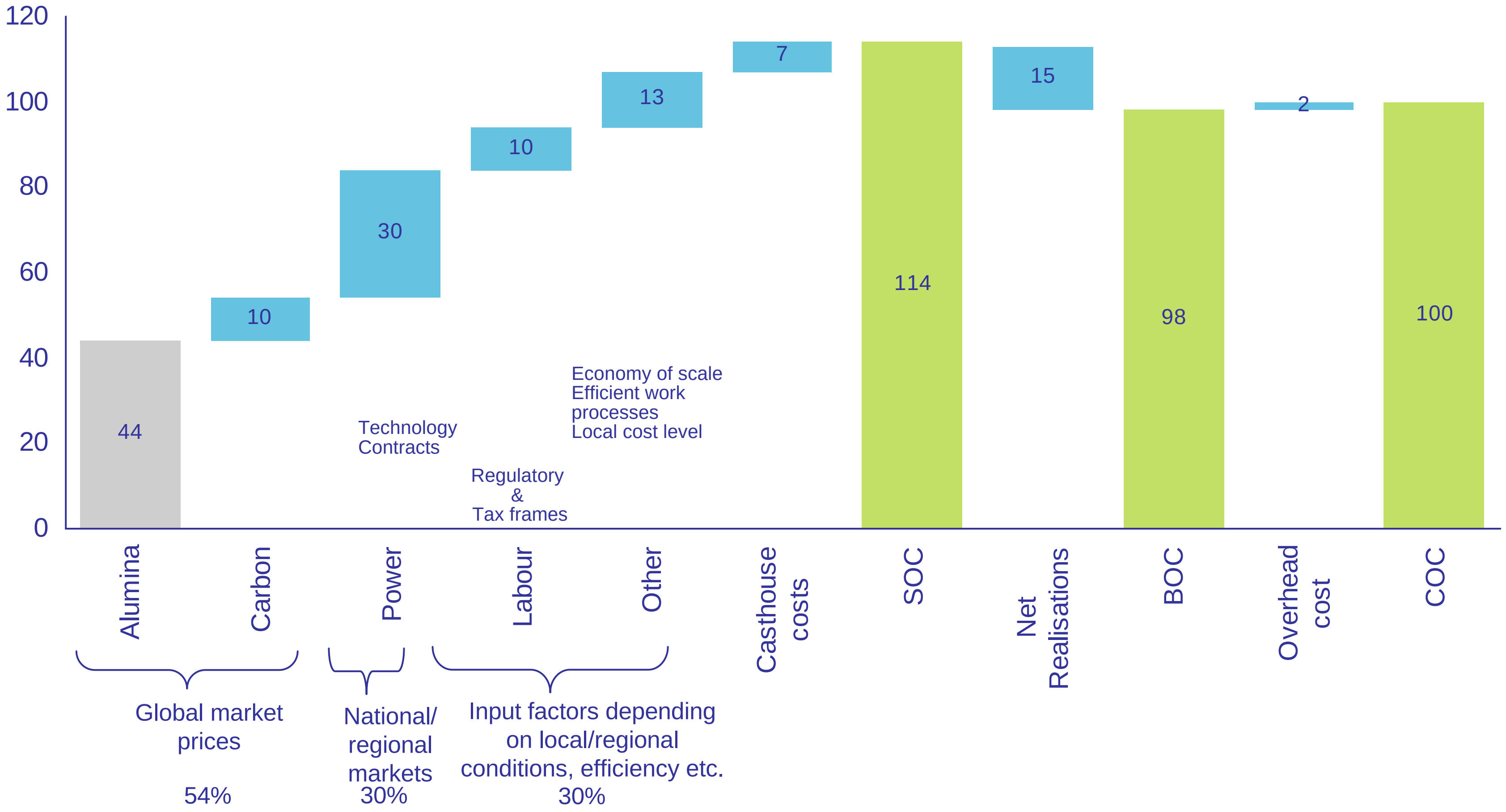
Aluminum industry operating cost increasing



Source: CRU 2006 (Corporate operating cost definition)

CRU industry cost for Hydro

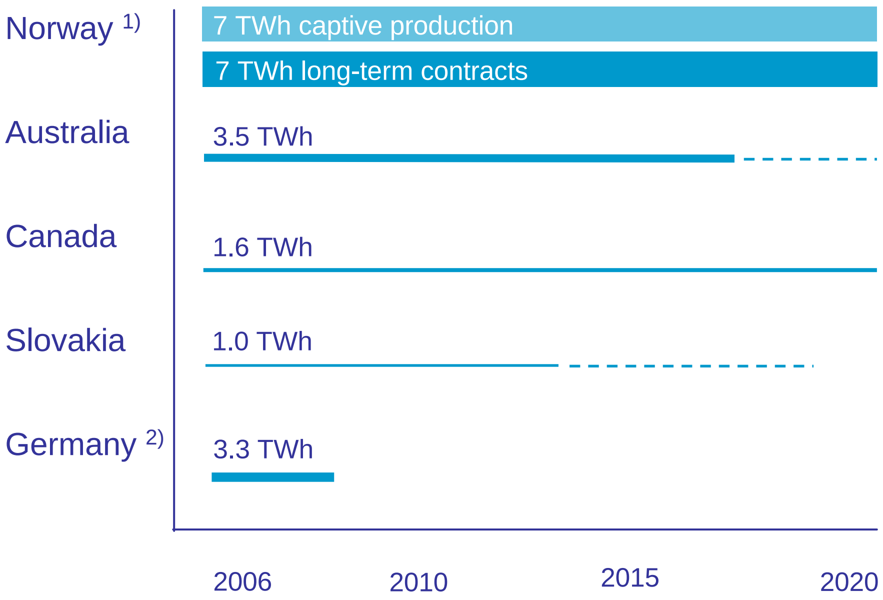
Weighted average, percent



Source: 2006 CRU industry cost model figures for Hydro

Long-term power supply at competitive cost

Contract portfolio Aluminium Metal



- Power supply and price secured
- Norway: gradual increase in power price until 2010 as new contracts replace old
- Germany: moderately increasing power prices
- Other portfolio: stable real prices

Power figures indicate Hydro ownership share of power consumption
1) excl. Søral
2) excl. Stade

Aluminium Metal financials

NOK million	2006	2005	2004
Operating revenues	68 405	54 579	51 957
Depreciation	1 728	1 687	3 798
Operating income	6 362	2 694	785
Non-consolidated investees	837	272	281
Adjusted EBITDA	9 134	4 821	5 297
Investments [1)]	1 979	1 792	4 244
Operating & market statistics			
Primary aluminium production (million tons)	1 799	1 826	1 720
Global production of primary aluminium (million tons)	33.8	32.0	–
Global consumption of primary aluminium (million tons)	34.2	31.9	–
Reported primary aluminium inventories (million tons)	2.72	2.93	–
Aluminium prices			
Realized aluminium price LME (USD/ton)	2 352	1 812	1 629
LME 3 month average (USD/ton)	2 594	1 900	1 721
Realized aluminium price LME (NOK/ton)	15 371	11 813	11 403
LME 3 month average (NOK/ton)	16 628	12 236	–

1) Includes non-cash element of NOK 186 million in 2005 and NOK 1 275 million in 2004 related to change in accounting principles (FIN47 and FIN46R)

HYDRO

Aluminium Products

Aluminium Products

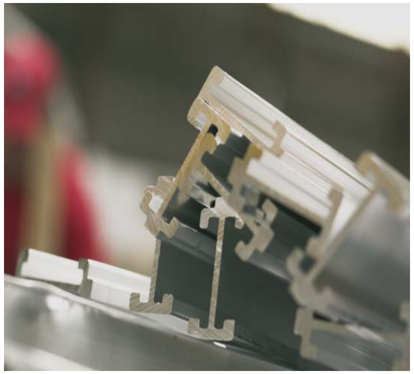
- Continued strong profitability in Extrusion and Building Systems
- All time high shipments in Rolled Products
- Divestment of Aluminium Castings and Meridian for NOK 4.3 billion completed
- Divestments in process
  - Magnesium remelters and smaller businesses
- Closures
  - Magnesium Canada, extrusion capacity UK and US, remelting capacity US
- Selective growth initiatives going forward

Leading position in downstream niches

Rolled Products

- World's largest mills
  - Alunorf (hot)
  - Grevenbroich (cold)
- Number one in lithographic plates and thin gauge foils
- 1 000 000 tons

Extrusion



- Number two global player
- Innovative solutions
- Added value activities
- 450 000 tons

Building Systems

- Number one in Europe
- Leading brands
- 80 000 tons

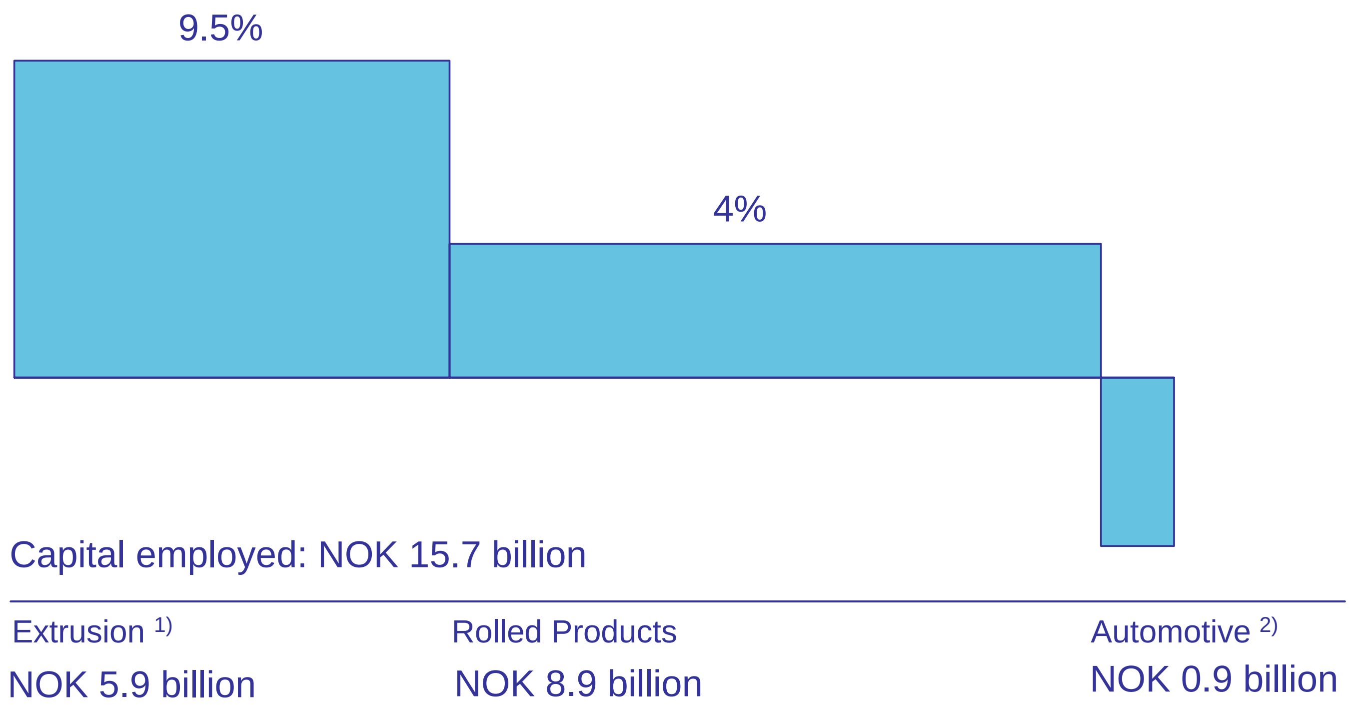
Precision Tubing

- World leader
  - Europe
  - North America
  - Asia
- 65 000 tons

Strengthened profitability

Adjusted profitability 2006

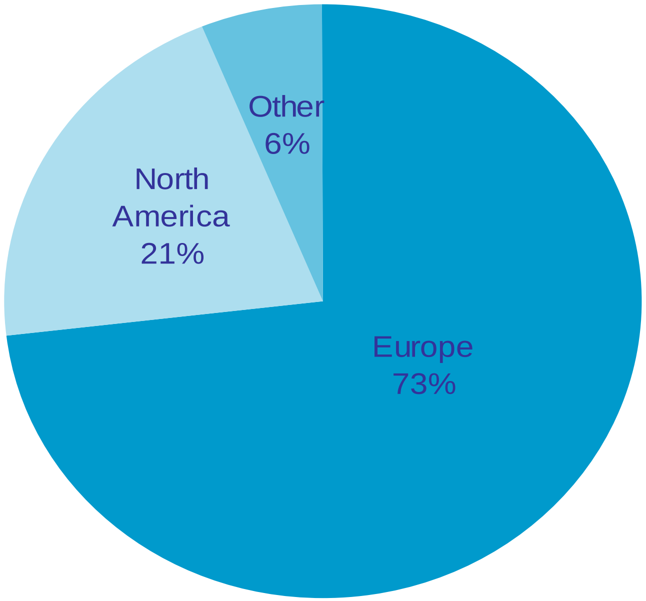
RoaCE



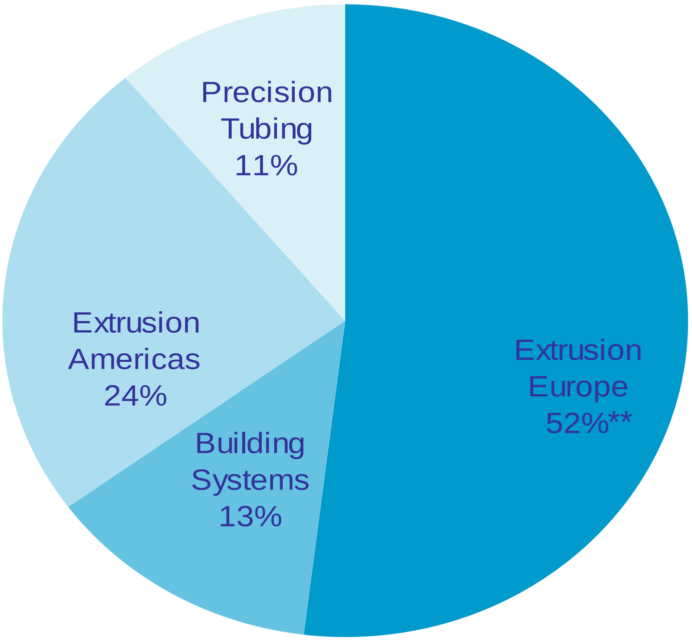
1) Including Extrusion Europe, Extrusion Overseas, Building Systems and Precision Tubing, 2) Including Automotive Structures only

Extrusion – key figures 2006

Revenues by region 1)
NOK 22.7 billion

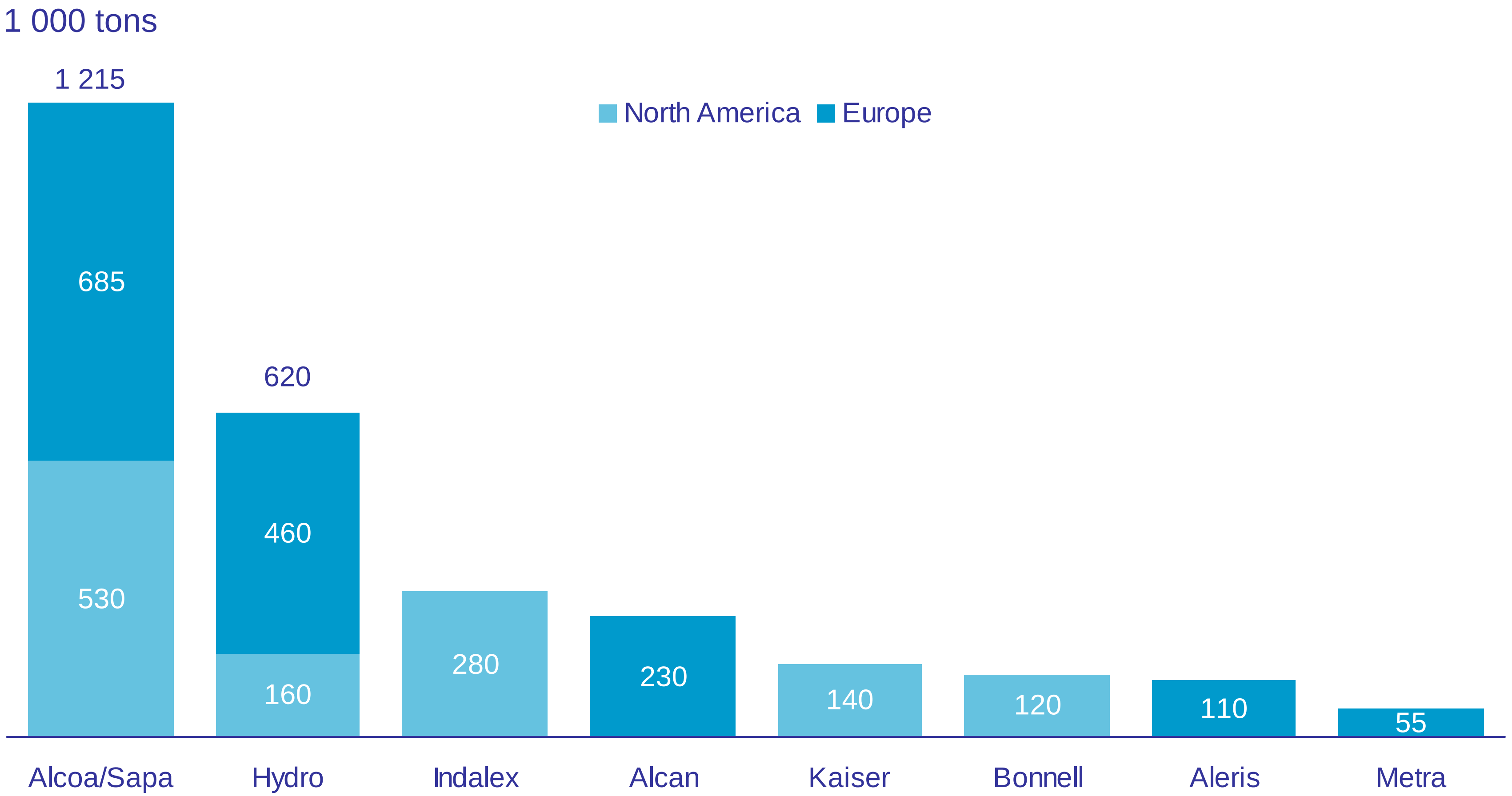


Volume split 2)
605 000 tons



1) Revenues include Extrusion and Precision Tubing, internal sales not eliminated. Volumes include soft alloys
2) External sales (in addition comes the sales to Building Systems)

Extrusion peer group comparison – relative size

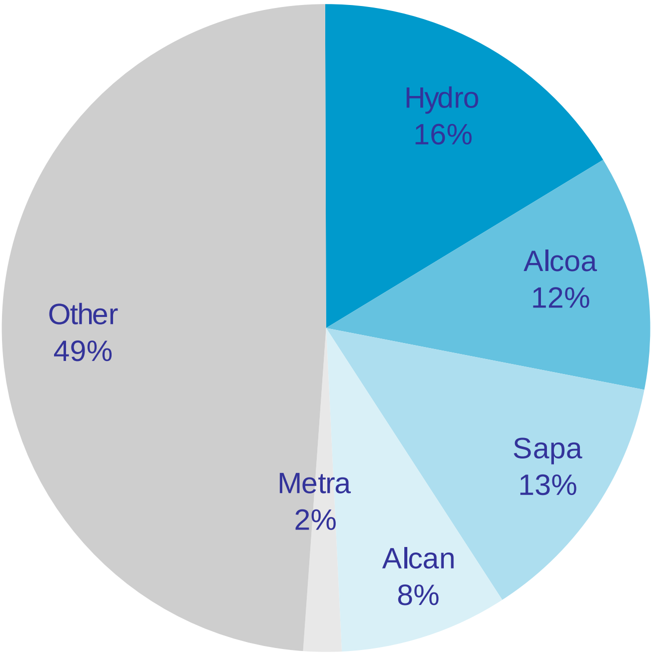


Figures show soft alloys, internal estimates 2006
Market size sources are CRU and EAA

Extrusion peer group comparison – market shares

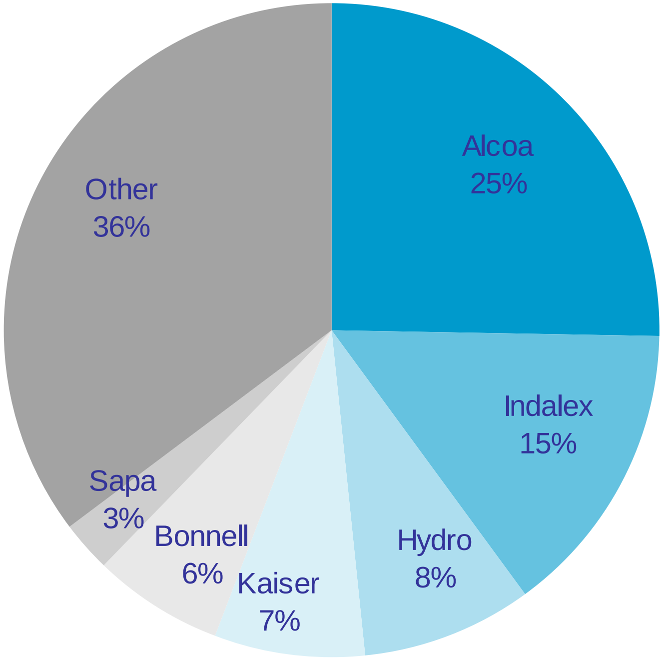
Europe

Market size 2.8 million tons



North America

Market size 1.9 million tons



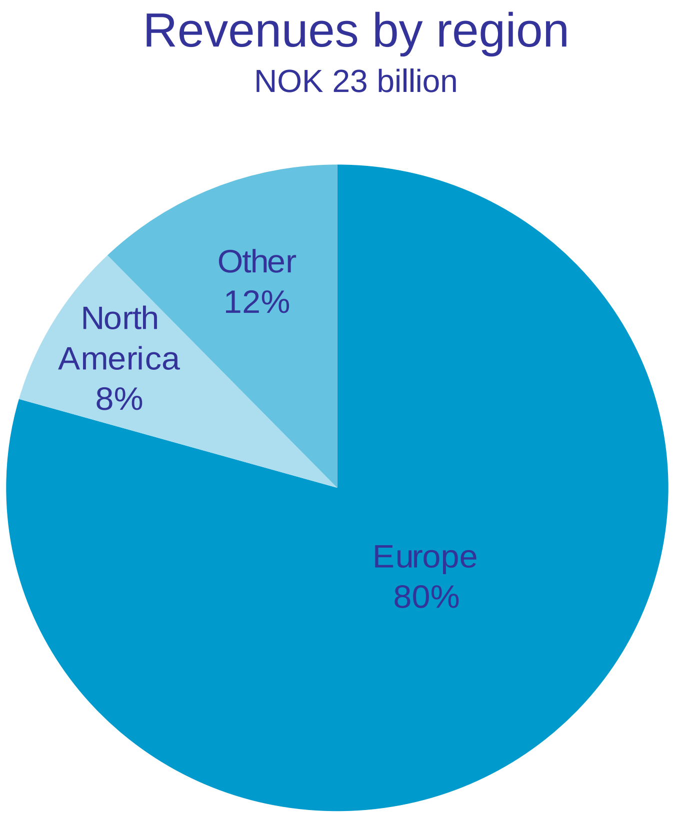
Figures show soft alloys, internal estimates 2006

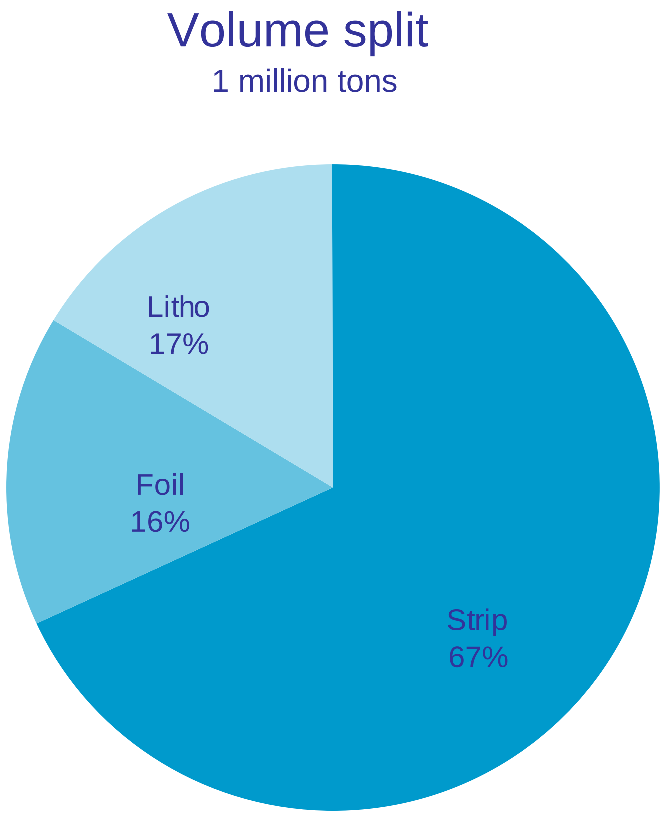
Market size sources are CRU and EAA

Rolled Products – portfolio evaluation concluded

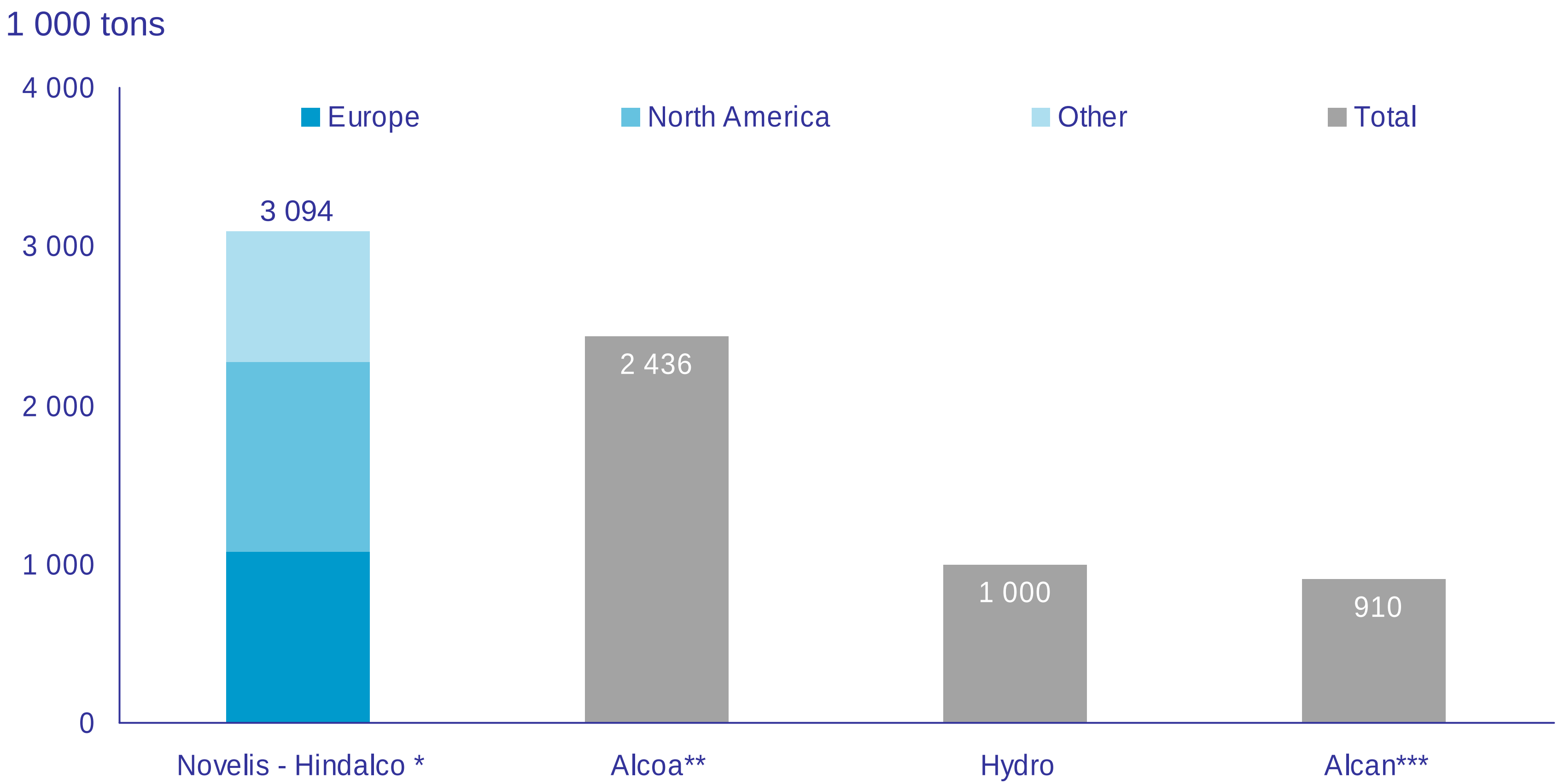
- Well invested portfolio
- Leading rolling mills in Europe – 50% AluNorf ownership, the flagship
- Excellent technology and market position
- Strong organization
- Main challenge in the mid-term is China
- Europe: shift in ownership in the industry is ongoing
- Home market with moderate but stable growth

Rolled Products – key figures 2006





Rolled Products peer group comparison – relative size



Rolled products production only for Novelis – Hindalco at 3 094 million tons

* *12 Feb 07: Hindalco agreement to acquire Novelis for USD 6 billion: Chart incl. Hindalco rolled products production of 221 000 tons per year. Rolled products production only for Novelis – Hindalco at 3 094 million tons*

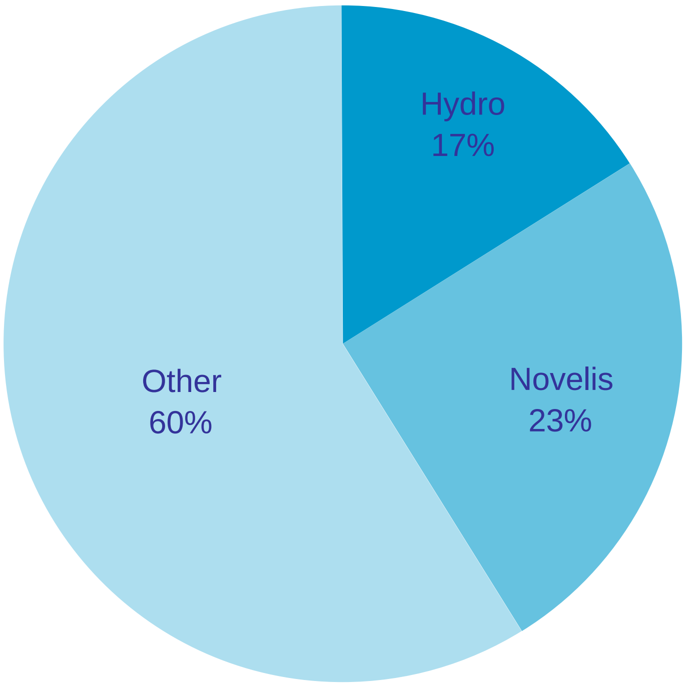
** *Alcoa annual report 2006: Third party Aluminium shipments, flat-rolled products*

*** *CRU, Alcan does not report numbers*

Rolled Products peer group comparison – market shares

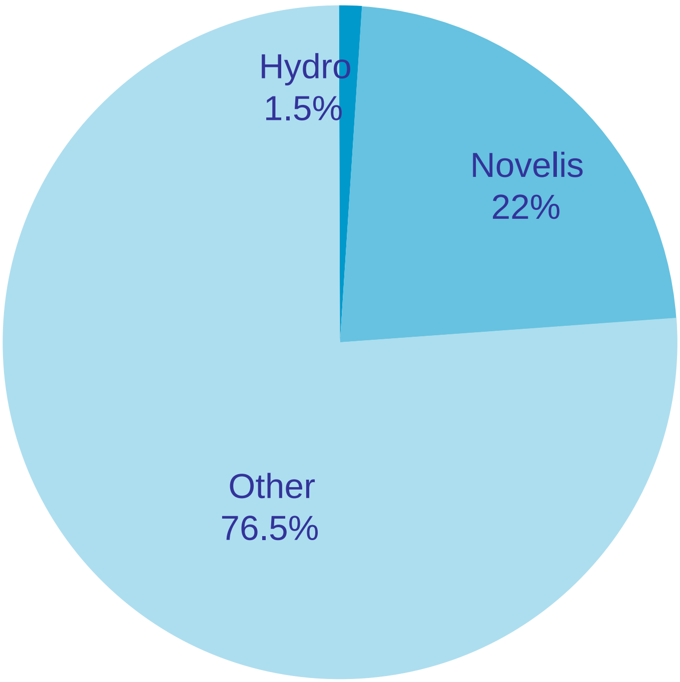
European market

4.6 million tons



North American market

5.3 million tons



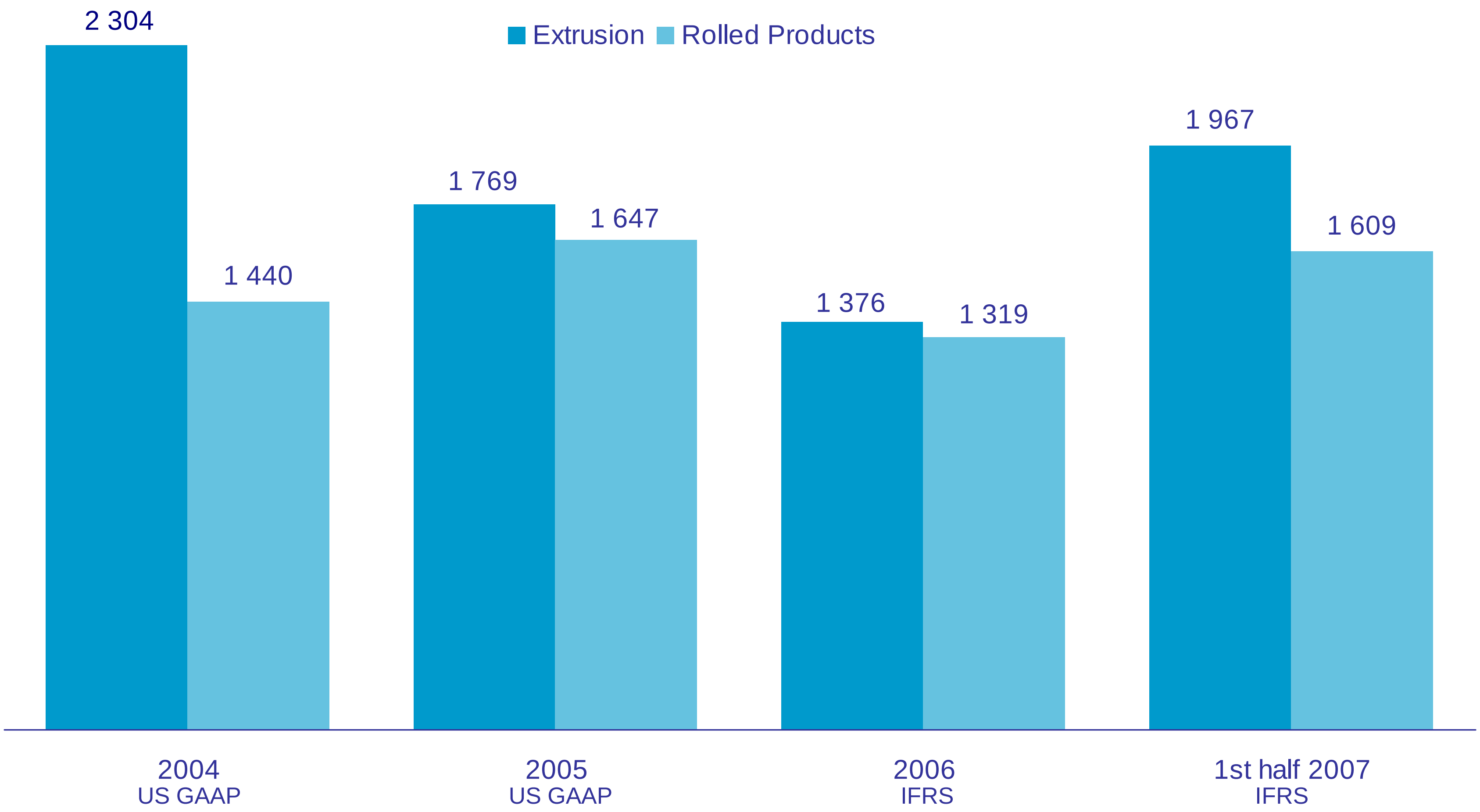
Market sources are CRU and EAA

Aluminium Products financials [1)]

NOK million	2006	2005	2004
Operating revenues	49 844	42 477	43 533
Depreciation	1 666	2 913	1 848
Operating income	(83)	(370)	1 072
Non-consolidated investees	(179)	47	68
Adjusted EBITDA	1 715	2 670	3 058
Investments [2)]	1 250	1 970	1 951
Rolled Products sales volumes, tons	1 000 000	950 000	945 000
Extrusion sales volumes, tons	640 000	600 000	635 000
Automotive structures sales volumes, tons	40 000	50 000	65 000

1) Excluding Automotive Castings which is reported as discontinued operations
2) Includes non-cash element of NOK 9 million in 2005 related to change in accounting principles (FIN47)
3) Extrusion volumes include Extrusion, Precision Tubing and Automotive Structures business sectors

EBITDA per ton: Extrusion and Rolled Products

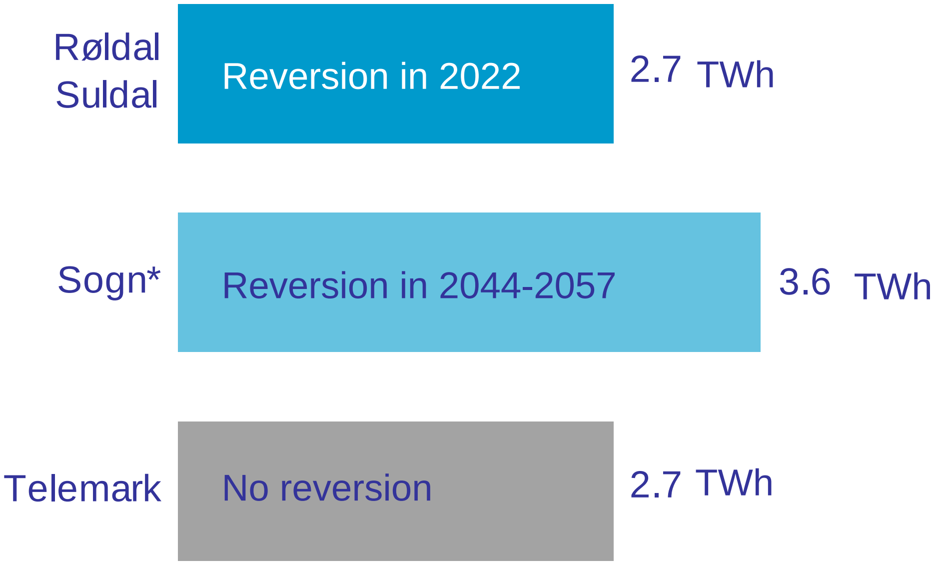


Power

Captive hydropower – a solid basis for aluminium smelting

- Power production has built Hydro's industry
- Energy competence is an integral part of aluminium growth ambitions
- Well-developed production assets provide stable cash-flow
- Power competence to support growth strategy
- Renewable energy will increase in value due to emission challenges

Norway's second largest hydroelectric power producer



Production volume and year for potential reversion to the state

- 1 860 MW installed capacity
- All capacity connected to the grid
- ~9 TWh production in a normal year
- Low production costs and investment levels

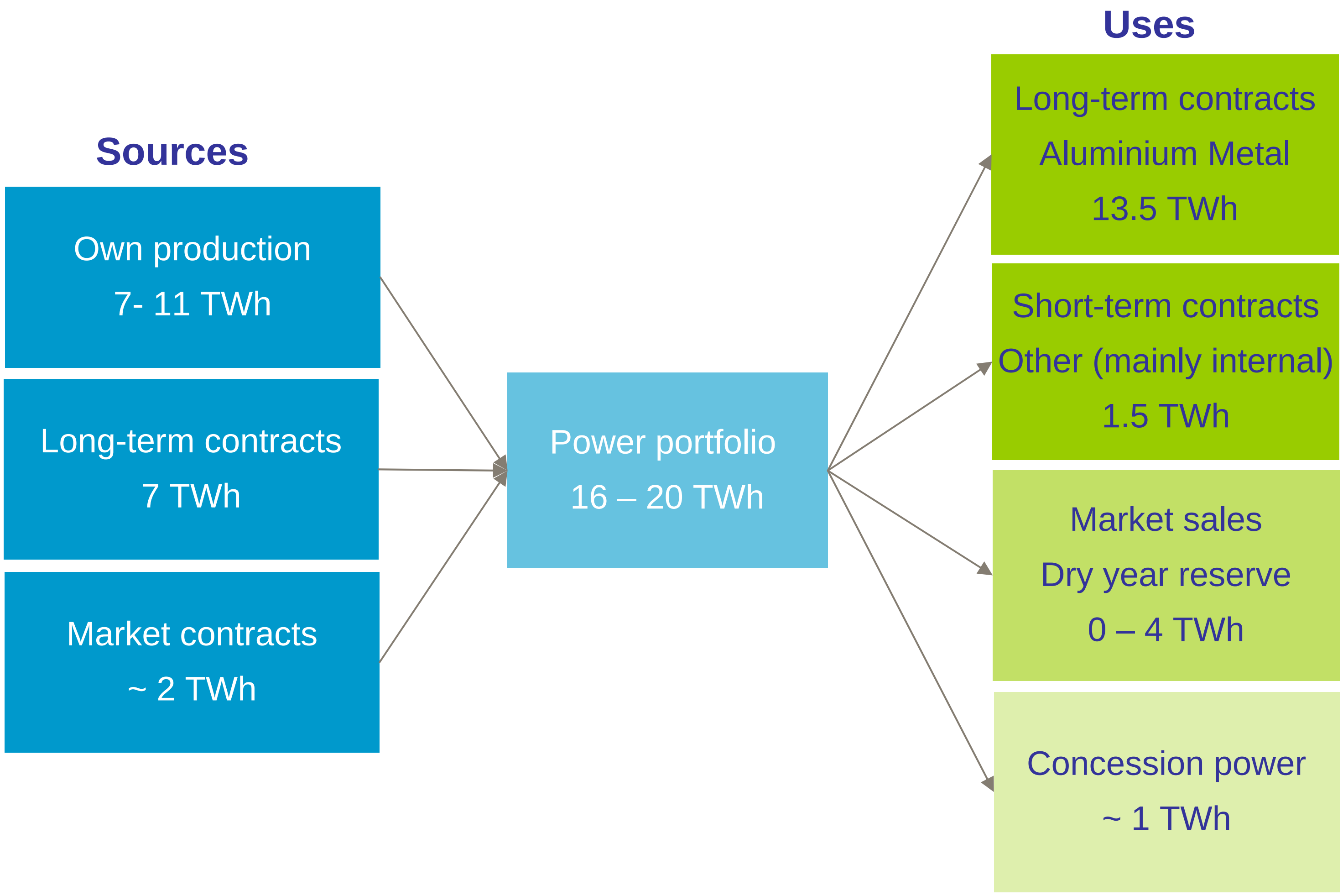
* Includes the Fortun plants (1.6 TWh) where the current concession expires in 2017. Hydro has applied for renewal of the concession and it is expected that the new concession will expire in 2057.

The hydro power portfolio is flexible

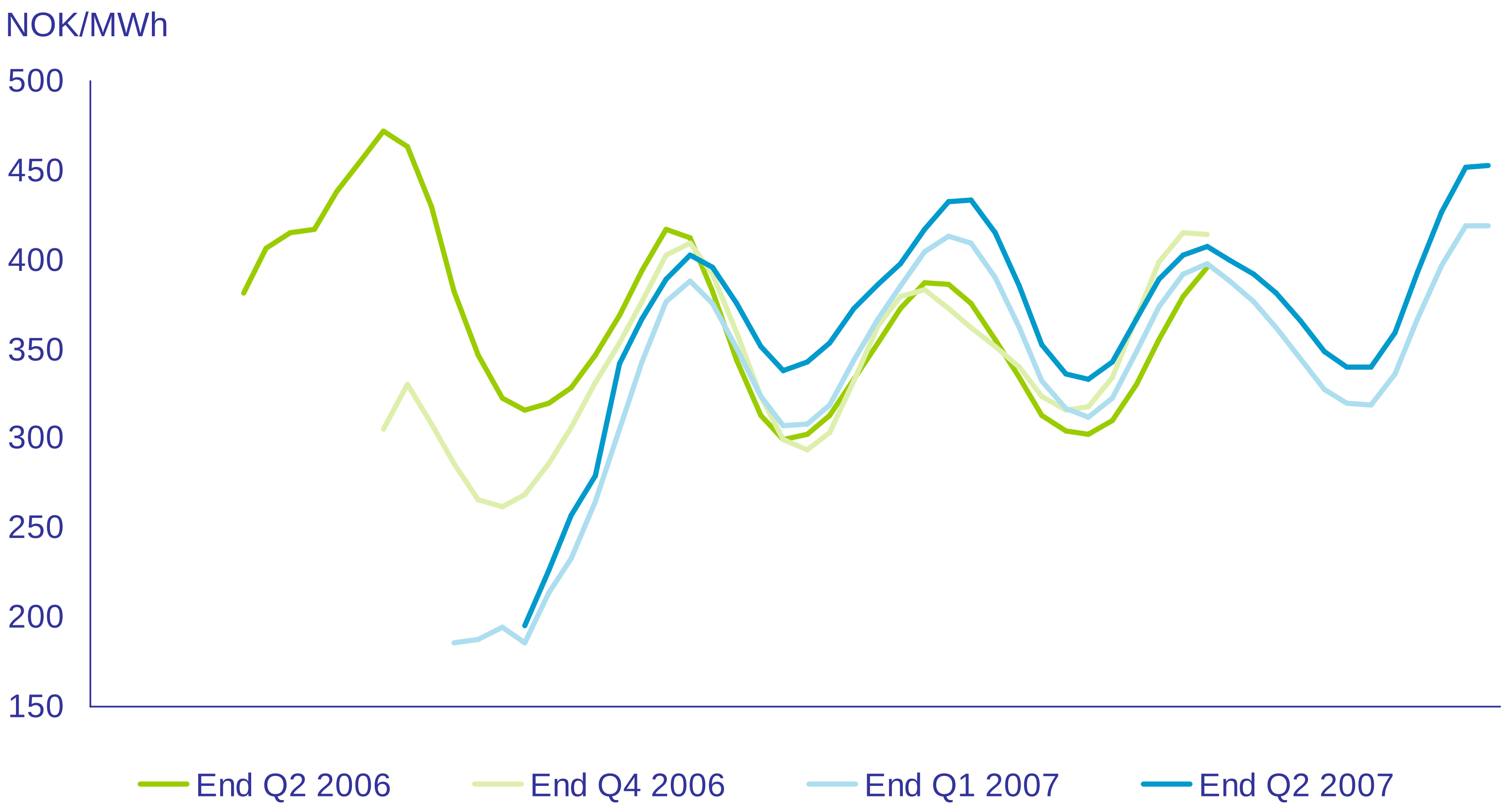
- The market value of the power portfolio is optimized continuously
- Actual spot exposure will vary from hour to hour based on own production
- ~2 TWh exposed to prevailing spot prices

The power portfolio

Based on the period 2007-2009



Nordic power market – forward curves



Power financials

NOK million	2006	2005	2004
Operating revenues [1)]	6 292	6 614	4 108
Depreciation	120	142	121
Operating income	1 185	1 123	741
Non-consolidated investees	22	10	2
Adjusted EBITDA	1 337	1 283	875
Investments [2)]	42	98	241
Power production, TWh	8.3	10.8	8.1
Acquired under long-term contracts for Hydro's industrial use, TWh	7.3	7.0	7.0

1) Operating revenues are influenced by trading volumes and amount of power sourced on behalf of Aluminium.
2) Higher investments in 2003 and 2004 related to Tyin development.

Oil & Gas

Profitable production growth

1 000 boe/day

- 2007 target 585 000 boed
- 2010 expected 700 000 boed
  - Capacity constraints lead to project delays
- Growth from high-quality portfolio
- Improved growth prospects beyond 2010

New fields on stream 2007 – 2010

Start year	Field name	Hydro share at peak production (boed)	Country	Type	Operator
2007	Ormen Lange	70 000	Norway	Gas/condensate	Hydro, Shell
	Rosa	14 000	Angola	Oil	Total
	Independence Hub Area	12 500	US GoM	Gas	Hydro, Dominion, Anadarko
	Vilje	10 000	Norway	Oil	Hydro
	Njord Gas	7 800	Norway	Gas	Hydro
	Volve	6 000	Norway	Oil/gas	Statoil
	Rimfaks/Skinfaks	3 000	Norway	Oil/gas	Statoil
	Murzuk NC-186: B&H fields	TBD	Libya	Oil	Repsol
2008	Oseberg Delta	13 200	Norway	Oil/gas	Hydro
	Gimboa	5 500	Angola	Oil	Sonangol/Hydro technical assistant
	Oseberg East Drilling	5 600	Norway	Oil	Hydro
	Alve	3 000	Norway	Gas/condensate	Statoil
2009	Tyrihans	14 000	Norway	Oil	Statoil
	Tune South	4 500	Norway	Oil/gas	Hydro
	Thunder Hawk	10 700	US GoM	Oil/gas	Murphy
2010	Vega	18 000	Norway	Gas/oil	Hydro
	Peregrino	47 000	Brazil	Oil	Hydro, Anadarko

Discoveries

Exploration	2007 YTD	2006	Q4 2007	Q3 2007	Q2 2007	Q1 2007
Exploration wells completed	18	**51**			9	**9***
Discoveries	11**	**26**			7	**4**
Success rate – percent	61%	**51%**			78%	**44%**
Discoveries by area						
Norway 1)	5	**6**			2	**3**
US Gulf of Mexico 2)	3	**8**			2	**1**
Libya 3)	1	**7**			1	**0**
Canada 4)	0	**2**			0	**0**
Angola 5)	1	**2**			1	**0**
Iran 6)	0	**1**			0	**0**
Brazil 7)	1	**0**			1	**0**

* 5 wells carried-in from 2006

** Includes 5 discoveries under evaluation

YTD:

1) **Norway:** 3 commercial discoveries: F-South, H-Nord and Yttergryta
2 disc. under evaluation: Midway and Nucula

2) **HGOM**: 2 discoveries: High Island 130 #2 Shelf and Sabine Pass (Red Lion)
1 disc. under evaluation: Brazos A-24 (Nimitz)

3) **Libya:** 1 commercial discovery, Murzuq NC-186-J4

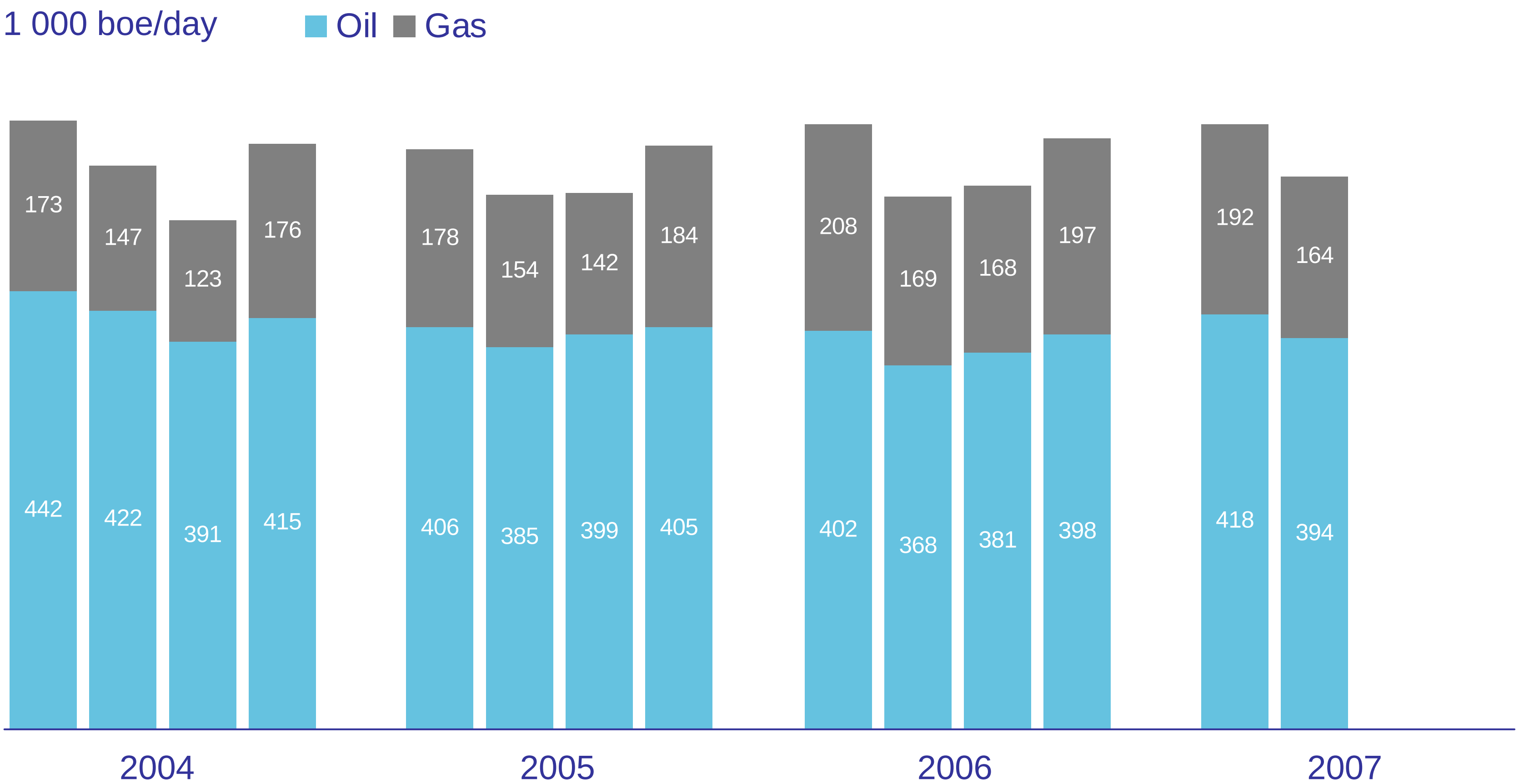
4) **Canada:**

5) **Angola:** 1 Discovery under evaluation, Block 4, Gimboa DA, Well 4-31-11

6) **Iran:**

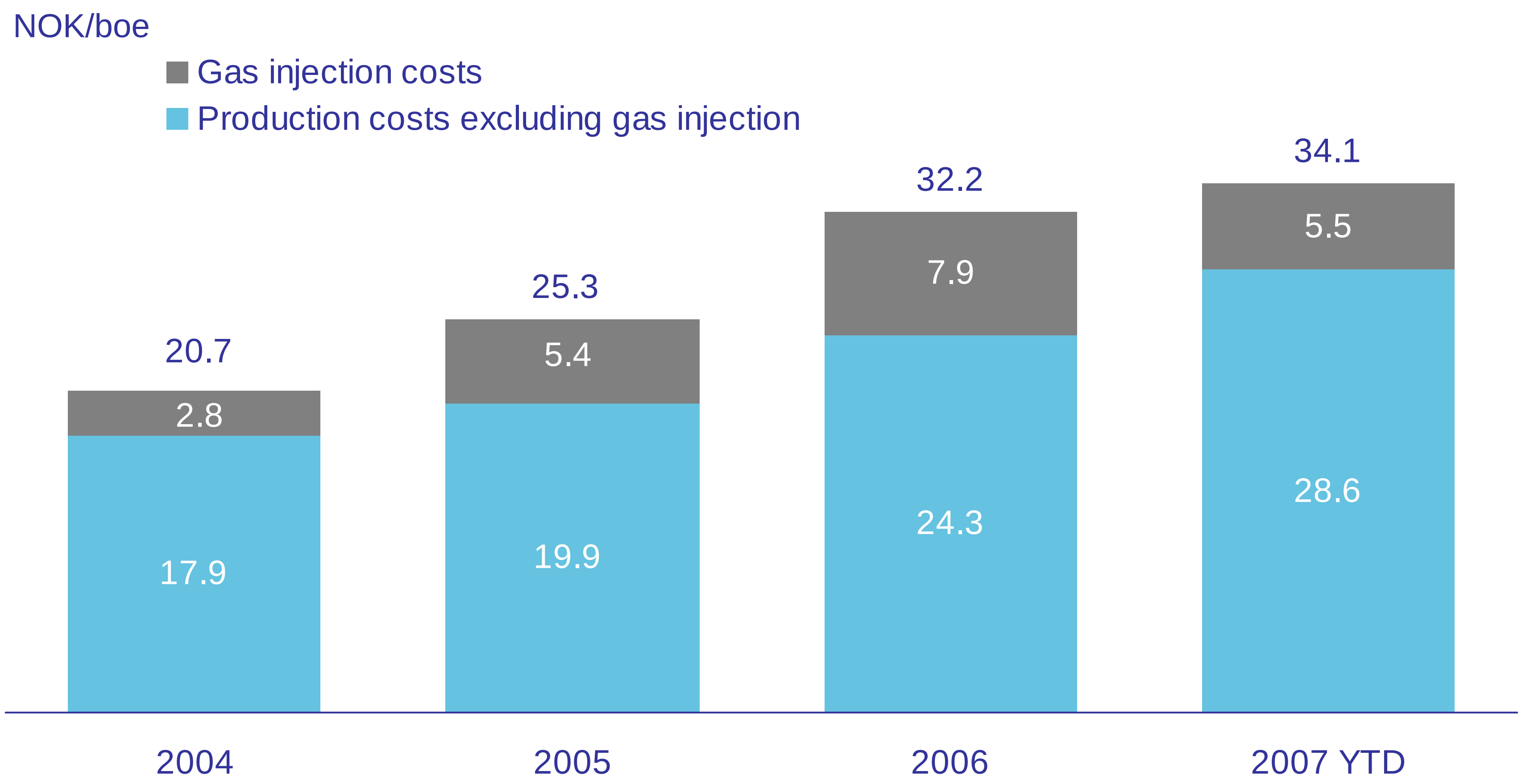
7) **Brazil:** 1 Discovery under evaluation, Peregrino (BM-C-7) Well 5

Oil and gas production per quarter



Average			
572	563	573	584

Production costs per barrel

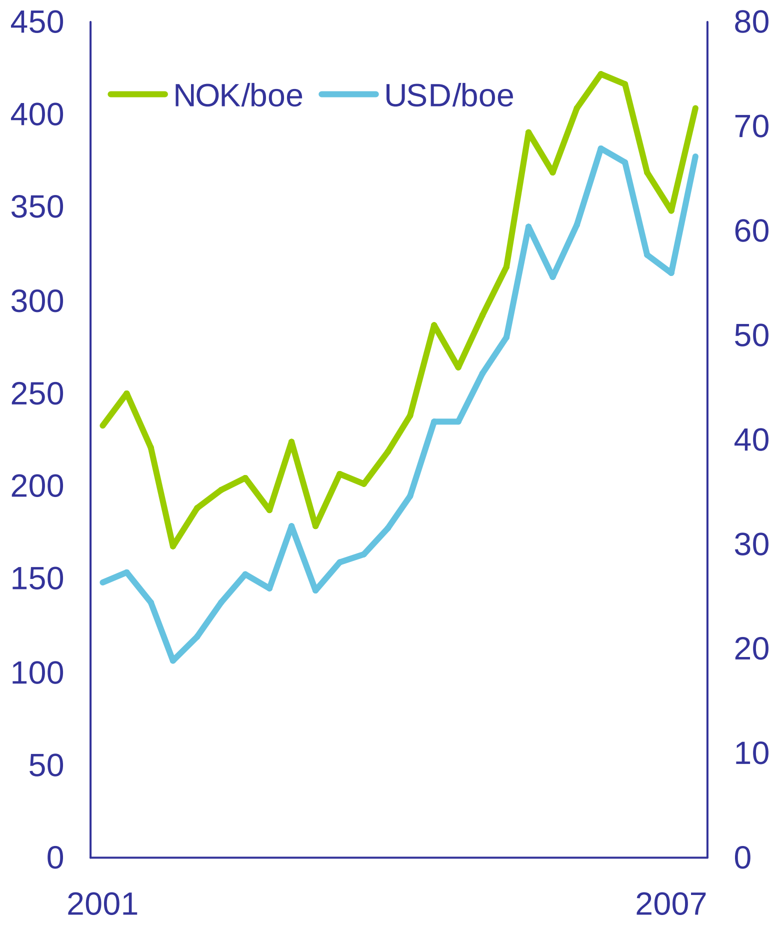


Production in million boe

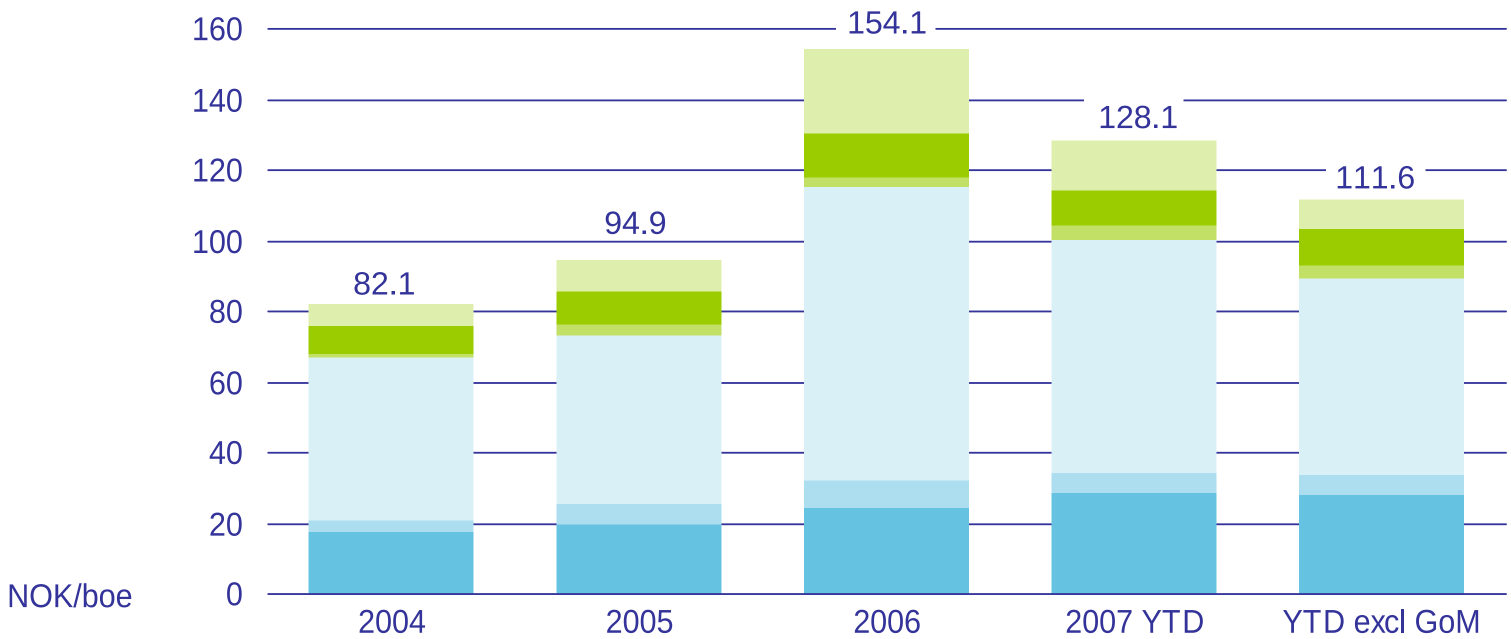
209	206	209	106

Average prices and exchange rates

	Oil USD/boe	Oil NOK/boe	NOK/USD	Gas NOK/Sm^3
Q1 2005	46.4	291.7	6.29	1.47
Q2 2005	49.8	317.9	6.39	1.31
Q3 2005	60.4	390.6	6.47	1.36
Q4 2005	55.6	368.8	6.63	1.85
Avg. 2005	53.1	342.2	6.44	1.52
Q1 2006	60.6	403.5	6.67	2.16
Q2 2006	67.9	422.2	6.22	1.79
Q3 2006	66.6	420.6	6.32	1.73
Q4 2006	57.8	369.2	6.39	1.97
Avg. 2006	63.1	404.0	6.40	1.93
Q1 2007	55.9	347.8	6.22	1.90
Q2 2007	67.2	403.3	6.00	1.62
Avg. 2007	61.5	375.6	6.11	1.77

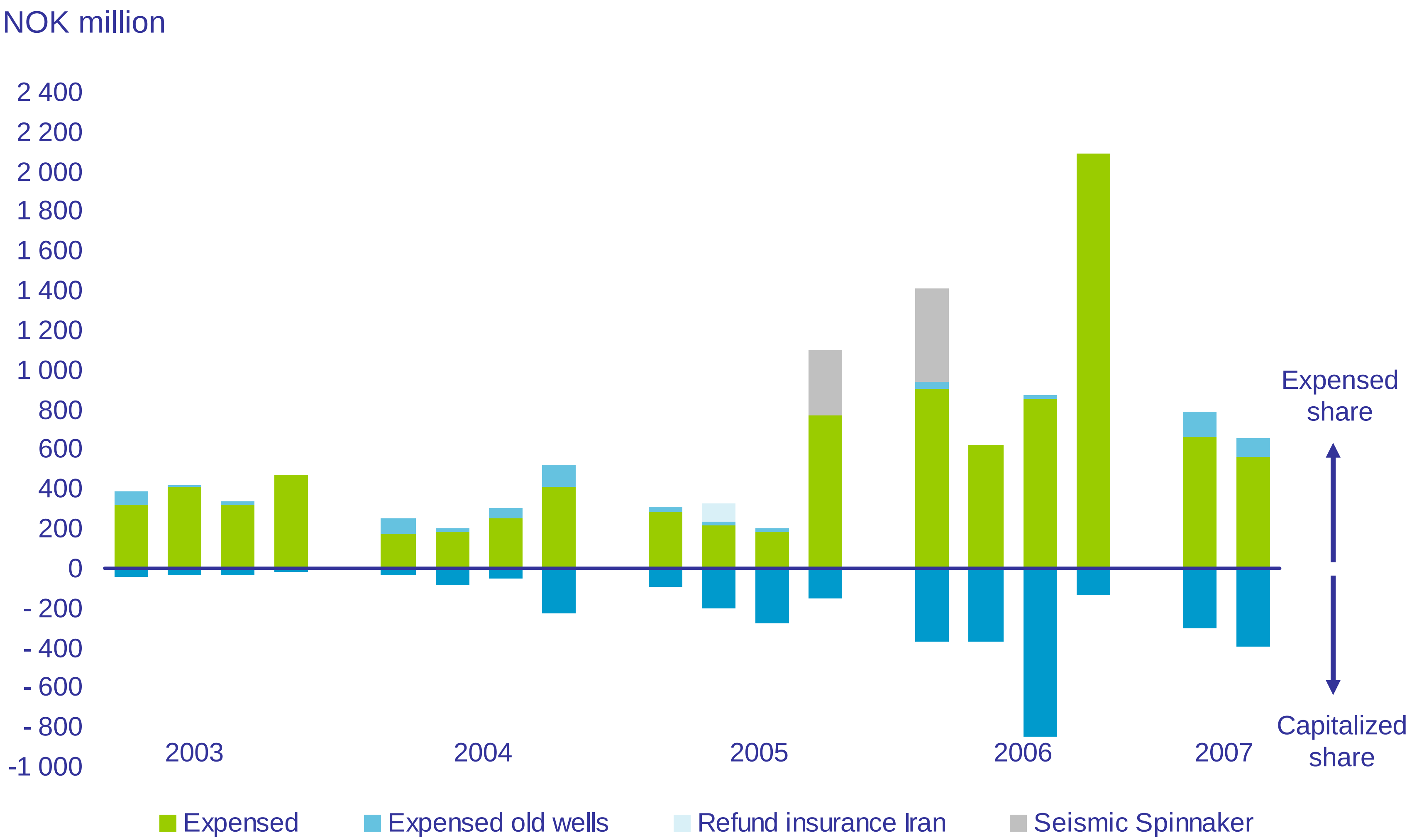


Operating costs per boe

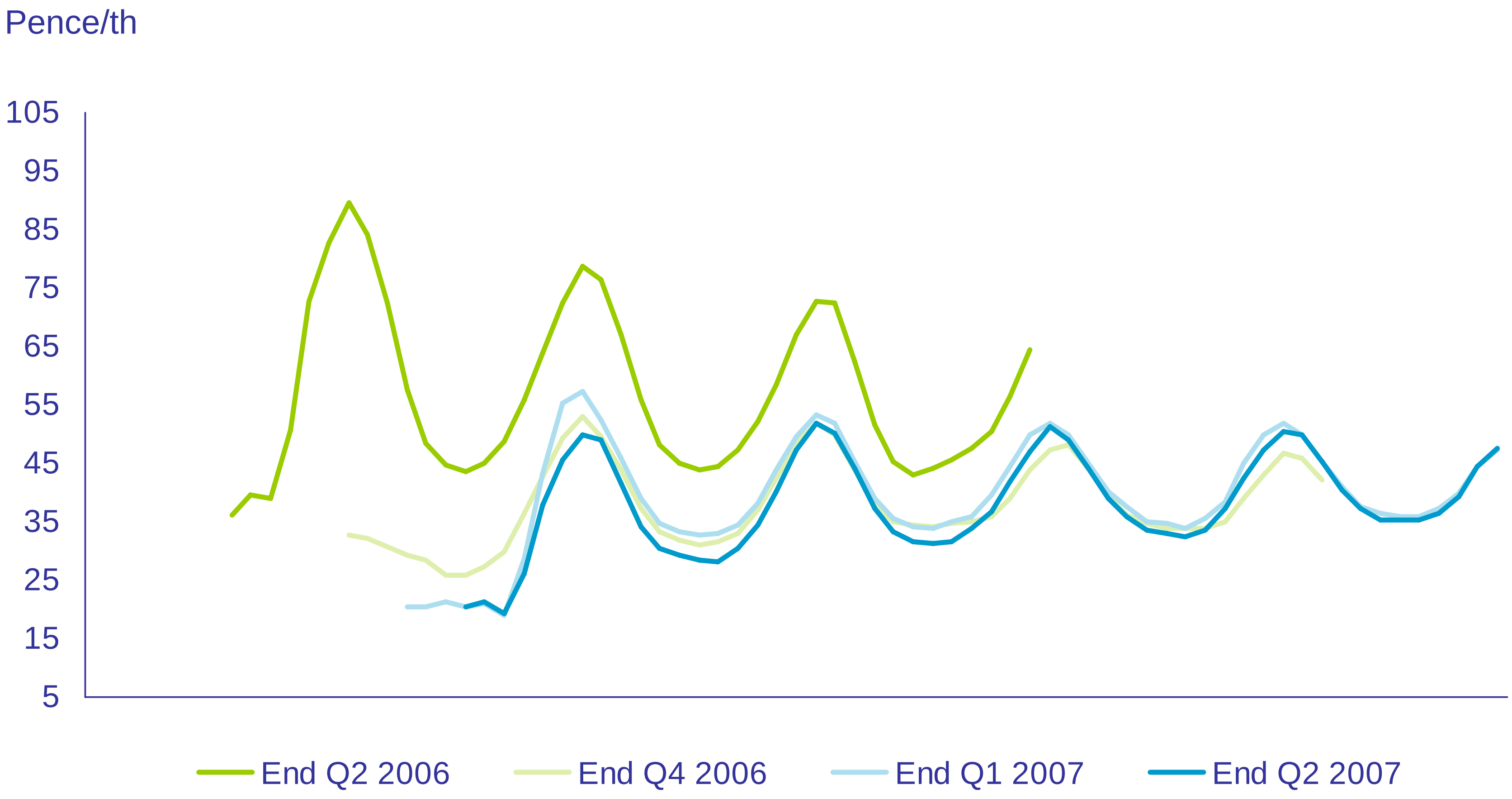


	2004	2005	2006	2007 YTD	YTD excl GoM
Exploration	6.0	8.9	23.9	13.6	8.4
Net transportation	8.3	9.4	12.4	10	10.1
Other cost/income	0.7	3	2.7	4.3	3.6
Deprec.& aband.	46.4	48.2	83.1	66.1	55.9
Gas for injection	2.8	5.4	7.9	5.5	5.7
Prod. cost	17.9	19.9	24.3	28.6	27.9
Production million boe	209	206	209	106	101

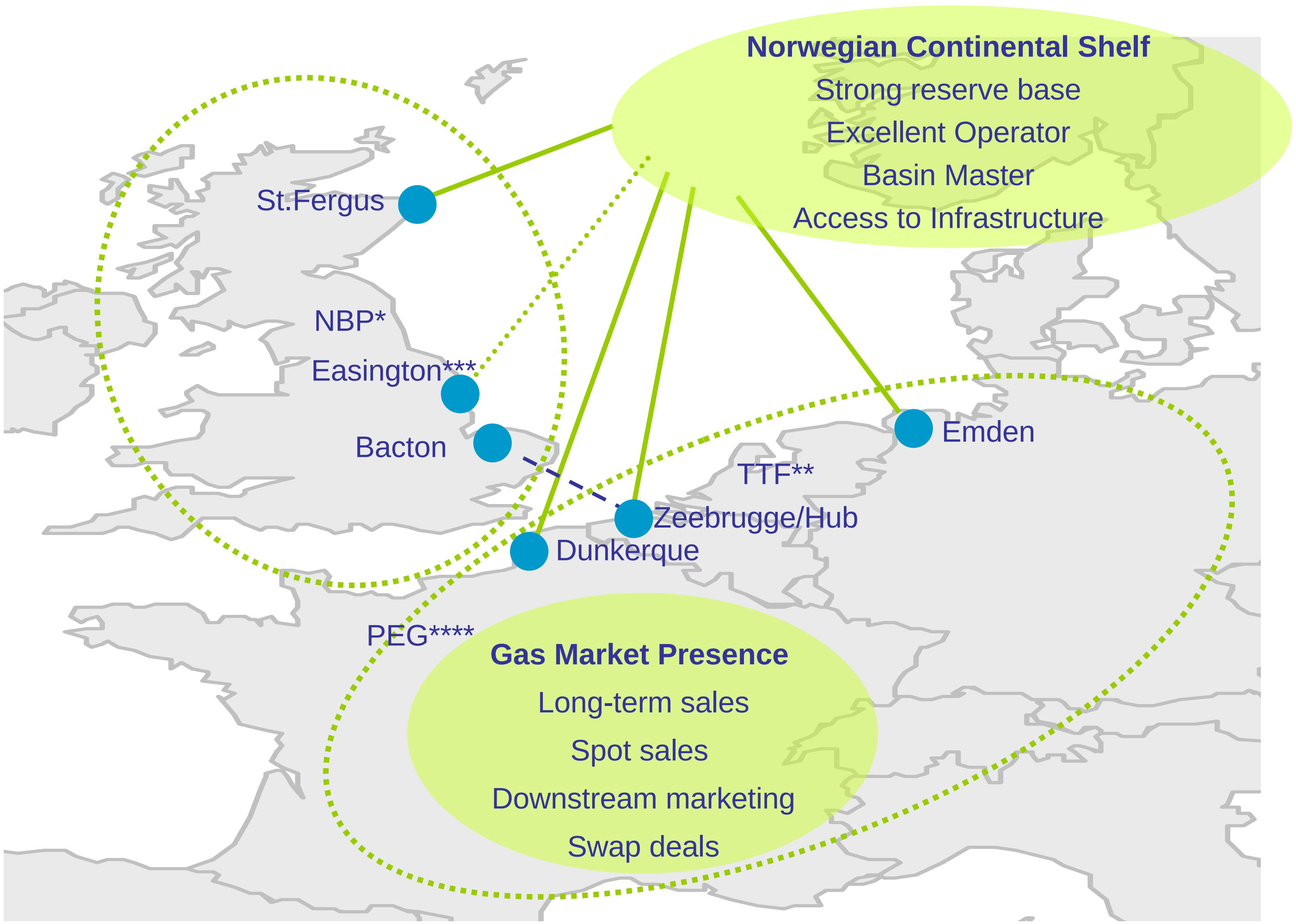
Exploration activity and costs



UK gas prices – NBP forward curves



Flexibility – increased value of gas portfolio

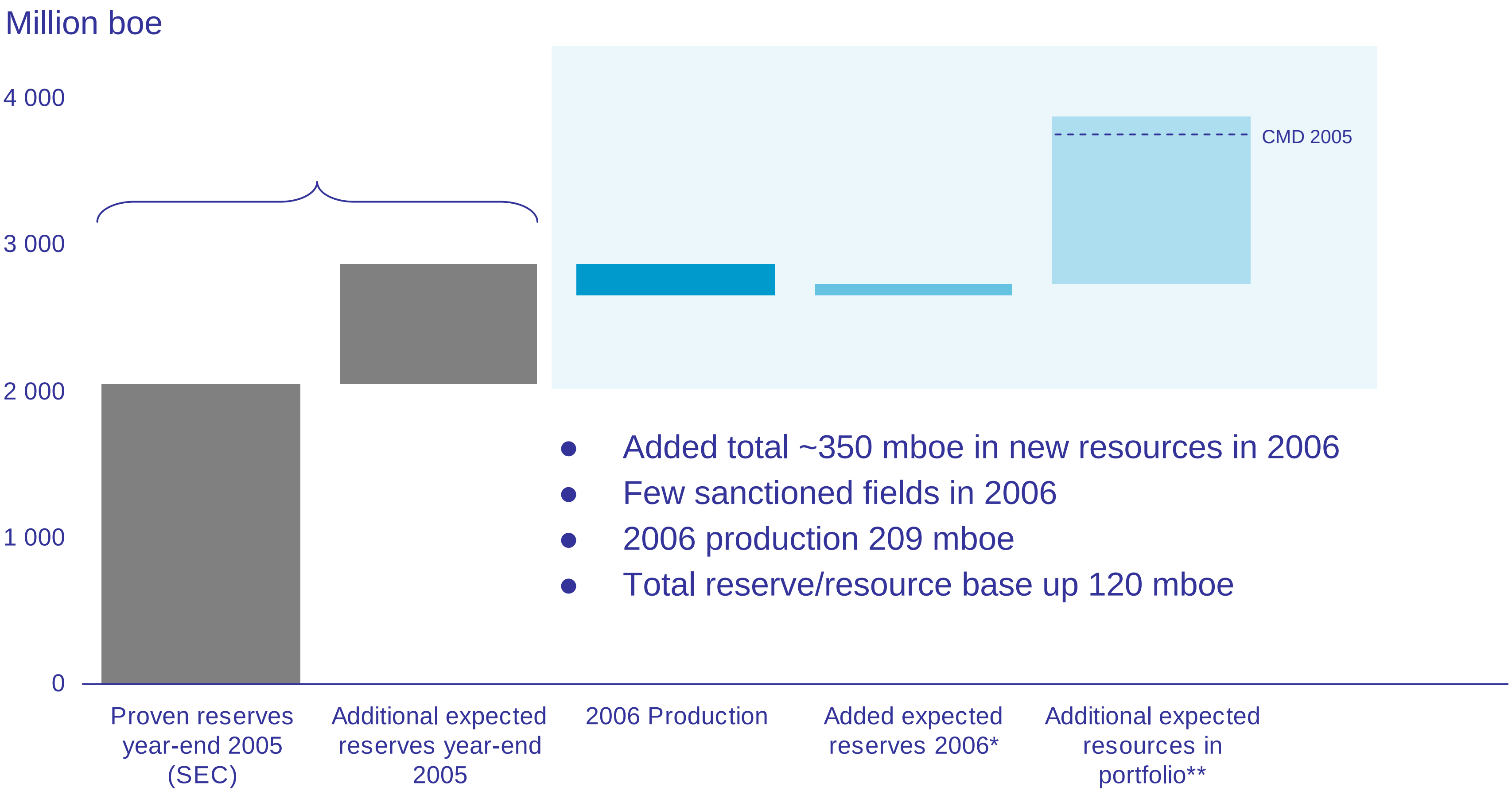


Abreviations: * NBP: National Balancing Point, ** TTF: Dutch Title Transfer Facility *** Langeled South Pipeline landfall
**** PEG: Points d'Exchange de Gaz

Ormen Lange/Langeled 97 percent complete

- Norway's largest industrial project. Largest gas development in Europe
- Hydro 18 percent equity
- Supply 20 percent of UK gas demand
- Langeled South gas export to UK began 1 October 2006
- Ormen Lange start-up October 2007

Oil and gas reserves and resources*



- Added total ~350 mboe in new resources in 2006
- Few sanctioned fields in 2006
- 2006 production 209 mboe
- Total reserve/resource base up 120 mboe

* CMD Dec. 2006 : Fields sanctioned in 2006 and revisions of former sanctioned fields, expected reserves (P50), ** Non-sanctioned projects

Second quarter results 2007

Highlights second quarter

- Strong results in all businesses
- Favorable market conditions
- Final approval of Qatalum
- Agreement to develop new alumina refinery in Brazil
- Ormen Lange 97 percent complete, on track for October start-up
- Shareholders' and regulatory approval of oil and gas merger

Consolidated income statements

NOK million	Q2 2007	Q1 2007	Q2 2006
Revenue	46 529	46 865	48 026
Share of the profit in equity accounted investments	350	283	358
Other income, net	301	1 075	432
Revenues and income	**47 180**	**48 224**	**48 816**
Depreciation, amortization and impairment	(4 651)	(4 593)	(4 000)
Other expenses	(28 331)	(28 986)	(29 196)
Earnings before financial items and tax (EBIT)	**14 198**	**14 644**	**15 620**
Financial income (expense), net	820	742	785
Income from continuing operations before tax	15 018	15 386	16 405
Income tax expense	(9 115)	(9 930)	(10 636)
Income from continuing operations	**5 903**	**5 456**	**5 769**
Income from discontinued operations	157	137	164
Net income	**6 060**	**5 594**	**5 932**
Net income attributable to minority interest	108	103	103
Net income attributable to parent	5 952	5 491	5 829
Earnings per share attributable to parent – NOK	4.90	4.50	4.70

For calculation of EPS Q2 2007: 1 226 647 365, Q1 2007: 1 226 175 885, Q2 2006: 1 247 199 793 shares

Earnings before financial items and tax (EBIT)

NOK million	Q2 2007	Q1 2007	Q2 2006
Exploration and Production	10 857	10 146	11 675
Energy and Oil Marketing	987	1 310	1 178
Eliminations	(389)	(290)	344
Oil & Energy	**11 455**	**11 166**	**13 196**
Aluminium Metal	2 465	2 534	2 333
Aluminium Products	355	1 315	326
Other Activities	32	27	32
Corporate and Eliminations	(109)	(398)	(267)
Total	**14 198**	**14 644**	**15 620**

Oil & Energy highlights

- Oil and gas production 558 000 boed
- Record-high international production
- Ormen Lange phase I on time and budget
- Vega and Vega South development plan approved
- StatoilHydro preparation on schedule

Oil & Energy key figures

Operational data	Q2 2007	Q1 2007	Q2 2006
Oil and gas production (1 000 boe/day)	558	610	537
Realized oil price, USD/boe	67.2	55.9	67.9
Realized oil price, NOK/boe	403.3	347.8	422.2
Realized gas price, NOK/Sm^3	1.62	1.90	1.79
Exploration expense, NOK million	653	786	618

EBIT, NOK million	Q2 2007	Q1 2007	Q2 2006
Exploration and Production	10 857	10 146	11 675
Energy and Oil Marketing	987	1 310	1 178
Eliminations	(389)	(290)	344
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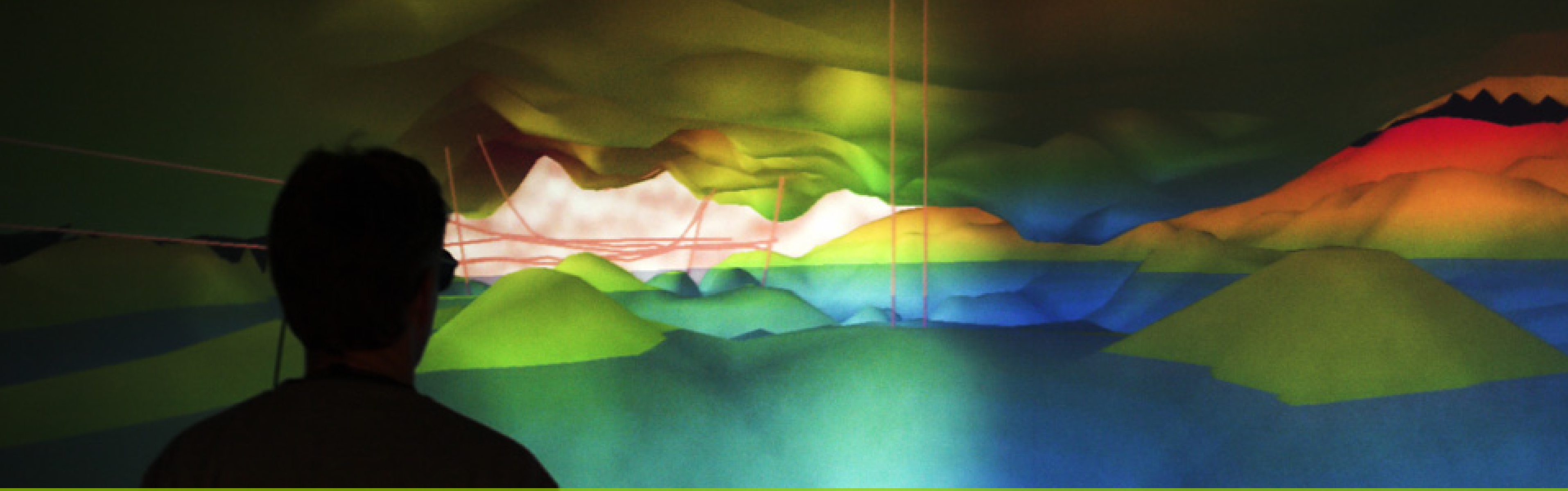


Exploration activity

- Nine wells completed in Q2
- Seven new discoveries in Q2
  - Four commercial – two in Norway, one in Libya and one in GoM
  - Three under evaluation
  - In addition one discovery in Norway from Q1 declared commercial
- Activity of NOK 904 million

Oil & Energy prospects

- Continued high oil price
- 2007 production target 585 000 boed maintained
- High exploration activity
- Merger with Statoil to be completed 1 October
- Official opening of Ormen Lange 6 October

Another strong quarter for “new” Hydro

NOK million	Q2 EBIT (est)	Q2 EBITDA (est)
Aluminium Metal	2 465	3 124
Aluminium Products	355	671
Power	395	415
Corporate and other	(50)	(35)
Total	**3 165**	**4 175**
Special items	(245)	(389)
Total after special items	**2 920**	**3 786**

Significant restructuring of Aluminium executed

- 180 000 tons of high-cost primary capacity closed
  - Final cost NOK 900 million vs estimated NOK 1 000 million
- Majority of automotive component business divested
  - New management in place to turn around Automotive Structures
- Magnesium business exit completed
- Underperforming extrusion units closed or turned around
- Cost-improvement measures in the United States continue

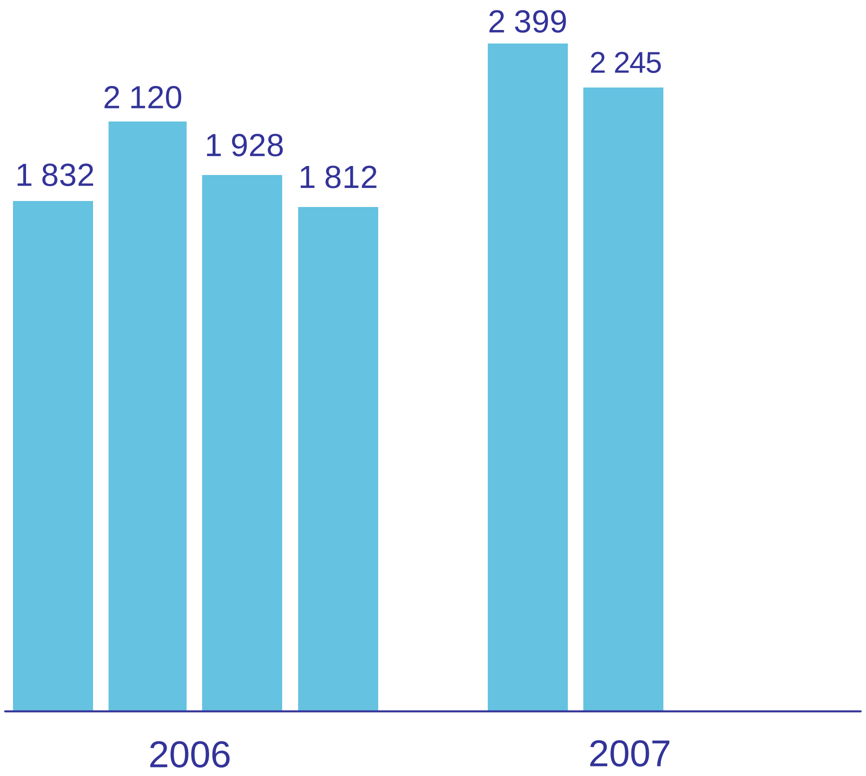
Aluminium Metal highlights

- Record results in first half
- Realized aluminium price USD 2 606 per ton in Q2
- Smelter production 435 000 tons in Q2 as projected
- Impairment write-down US remelters NOK 144 million
- Final Qatalum approval
- New alumina growth initiative in Brazil

Aluminium Metal EBIT

Adjusted for special items

NOK million



	2006	2007
Adjusted EBIT	7 692	4 644
Reported EBIT	7 302	4 999

- Realized aluminium price
  - USD 2 606 per ton
    - +1% vs Q1 2007, +10% vs Q2 2006
  - NOK 16 174 per ton
    - -2% vs Q1 2007, +5% vs Q2 2006
- Reduced price in NOK main reason for lower Q2 EBIT
- Primary production 435 000 tons
- Strong casthouse product premiums in Europe
- Strong contribution from Alunorte

Aluminium Metal prospects

- Continued high aluminum prices
- 83 percent of Q3 production sold at 2 606 USD/ton end June
  - Including full effect of strategic hedges
- Continued weak USD will have negative impact
- European market conditions remain strong
- 2007 production target 1 730 000 tons maintained

HYDRO

Aluminium Products highlights

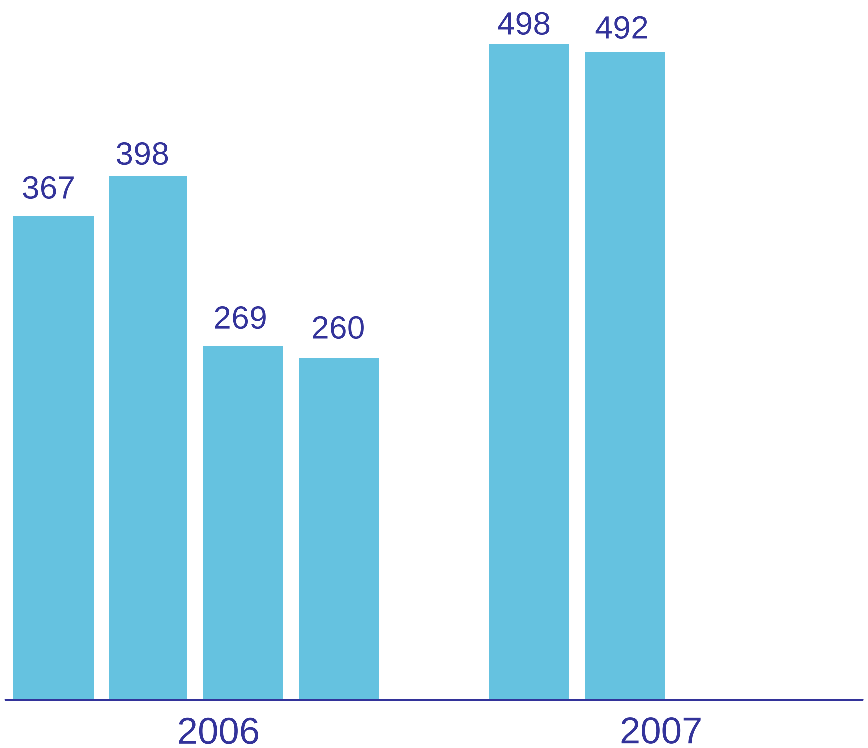
- Underlying results remain strong
- Solid markets for Extrusion and Rolled Products in Europe
- Continued portfolio restructuring
- Challenging US markets
  - Cost-improvement measures implemented

HYDRO

Aluminium Products EBIT

Adjusted for special items

NOK million



	2006	2007
Adjusted EBIT	1 294	990
Reported EBIT	(104)	1 670

- Rolled Products
  - Margin and volume improvement
- Extrusion
  - Positive margin development
  - Volumes stable
  - Weak results in the US
- Automotive
  - Weak results
  - Divested activities (Castings) included in Q1 with EBIT of NOK 79 million
- Focus on cash generation first half
  - EBITDA* NOK 1 652 million
  - Investments NOK 166 million

* Excluding special items

HYDRO

Aluminium Products prospects

- Favorable outlook for main European markets
- Weak US markets
- Seasonal reduction in volumes in second half of 2007
- Ensure value creation from restructured portfolio

Additional financial information

Conversion to IFRS

- Hydro will use IFRS as primary GAAP from 2007
- Comparable IFRS figures for 2006
- US GAAP figures for 2005 and earlier
- Limited impact on results
  - Net income 2006
    - US GAAP NOK 17.4 billion
    - IFRS NOK 17.7 billion
- Main differences compared with US GAAP
  - Presentation and classification
  - Pensions
  - Financial instruments
  - Property, plant and equipment
- Future reporting to US Securities and Exchange Commission based on IFRS with a reconciliation to US GAAP

HYDRO

Adjusted income Q2 2007

NOK million	Reported income	Adjustments	Adjusted income
Exploration and Production	10 857	(323)	10 534
Energy and Oil Marketing	987	117	1 104
Eliminations	(389)	390	1
Oil & Energy	11 455	184	11 639
Aluminium Metal	2 465	(220)	2 245
Aluminium Products	355	137	492
Other activities	32	–	32
Corporate and eliminations	(109)	(135)	(244)
Total EBIT	14 198	(34)	14 164
Financial income (expense), net	820	(713)	107
Income continuing operations before tax and minority interest	15 018	(747)	14 271
Income tax expense [1)]	(9 115)	453	(8 661)
Income from continuing operations	5 903	(294)	5 610

1) Estimated tax effect on income statement adjustments using the quarterly marginal tax rate of 60.7%

HYDRO

Special items impacting income statement Q2 2007

		NOK million
Unrealized (gains)/losses on oil and gas derivatives, Spinnaker	Exploration & Production	(9)
Unrealized (gains)/losses on gas contracts	Exploration & Production	(314)
Unrealized (gains)/losses on gas contracts	Energy and Oil Marketing	144
Unrealized (gains)/losses on power contracts	Energy and Oil Marketing	(27)
Unrealized (gains)/losses on gas and power contracts	Eliminations Oil & Energy	390
Total impact	**Oil & Energy**	**184**
Closure costs	Aluminium Metal	66
Impairment Ellenville and St. Augustine	Aluminium Metal	144
Unrealized (gains)/losses on LME contracts	Aluminium Metal	(193)
Unrealized (gains)/losses on power contracts	Aluminium Metal	(175)
Associates/JVs – unrealized currency (gains)/losses Alunorte	Aluminium Metal	(77)
Associates/JVs – unrealized (gains)/losses on LME contracts Alunorte	Aluminium Metal	40
Associates/JVs – unrealized (gains)/losses power contracts Søral	Aluminium Metal	(25)
Total impact	**Aluminium Metal**	**(220)**
Inventory (gains)/losses	Rolled Products	28
Rationalization costs US	Extrusion	63
Net gain on disposed business	Automotive	15
Unrealized (gains)/losses on LME contracts	Other and Eliminations	31
Total impact	**Aluminium Products**	**137**
Unrealized (gains)/losses on power and NGL contracts	Corporate and Eliminations	(135)
Total impact	**Corporate and Eliminations**	**(135)**
Net impact on EBIT	**Hydro**	**(34)**
Net foreign exchange (gain)/loss	Hydro	(713)
Net impact on income continuing operations before tax and minority interest	**Hydro**	**(747)**
Marginal tax rate [1)]	Hydro	60.7%
Estimated impact on income tax expense	Hydro	453
Net impact on income from continuing operations	**Hydro**	**(294)**

1) Estimated tax effect on income statement adjustments using the quarterly marginal tax rate of 60.7%

Estimated EBIT and EBITDA for “new” Hydro 2007

Q1

EBIT (est)	Reported	Special items	Adjusted
Aluminium Metal	2 534	(135)	2 399
Aluminium Products	1 315	(817)	498
Power	300	(22)	278
Corporate and other	(250)	207	(43)
Total	**3 899**	**(767)**	**3 132**

EBITDA (est)	Reported	Special items	Adjusted
Aluminium Metal	3 074	(135)	2 939
Aluminium Products	1 661	(817)	844
Power	328	(22)	306
Corporate and other	(233)	207	(26)
Total	**4 830**	**(767)**	**4 063**

Q2

EBIT (est)	Reported	Special items	Adjusted
Aluminium Metal	2 465	(220)	2 245
Aluminium Products	355	137	492
Power	395	(27)	368
Corporate and other	(50)	(135)	(185)
Total	**3 165**	**(245)**	**2 920**

EBITDA (est)	Reported	Special items	Adjusted
Aluminium Metal	3 124	(364)	2 760
Aluminium Products	671	137	808
Power	415	(27)	388
Corporate and other	(35)	(135)	(170)
Total	**4 175**	**(389)**	**3 786**

Variance analysis Hydro

NOK million	First half	Q2
2007 2006	28 842 32 404	14 198 15 620
Variance EBIT	(3 562)	(1 422)
Prices and currency		
- Oil	(624)	(5)
- Gas	(691)	(173)
- LME	2 635	1 604
- Currency	(1 514)	(511)
- Margin	(1 865)	(2 230)
- Volume	1 175	1 579
- Strategic hedges	(370)	(109)
- Derivatives	(1 469)	222
- Associates and JCE	–	23
- Exploration and production costs	151	(269)
- Other operational costs, net	(126)	(705)
- Depreciation incl. impairment	(1 382)	(730)
- Portfolio	517	(120)
Variance EBIT	(3 562)	(1 422)

Consolidated balance sheets

NOK million	30 June 2007	31 March 2007	30 June 2006
Cash and cash equivalents	20 896	21 881	7 725
Short-term investments	6 274	14 982	12 669
Receivables and other current assets	42 092	44 377	47 021
Inventories	15 639	16 564	15 985
Assets held for sale	7 167	–	–
Non-current assets	139 163	145 574	150 454
Total assets	**231 232**	**243 377**	**233 854**
Short-term interest-bearing debt	3 391	3 629	3 545
Other current liabilities	56 085	66 426	65 381
Liabilities included in disposal groups	1 956	–	–
Long-term interest-bearing debt	18 479	19 043	19 942
Other long-term liabilities	28 570	29 787	27 480
Deferred tax liabilities	22 975	23 634	26 370
Minority interest	825	848	700
Equity attr. to equity holders of the parent	98 952	100 011	90 436
Total liabilities and equity	**231 232**	**243 377**	**233 854**

Statement of cash flows

NOK million	Six months ended 30 June 2007	Six months ended 30 June 2006
Operating activities:		
Net income	11 654	10 715
Depreciation, amortization and impairment losses	9 245	7 860
Other adjustments	(4 091)	4 405
Net cash provided by operating activities	**16 808**	**22 980**
Investing activities:		
Purchases of property, plant and equipment	(7 100)	(7 171)
Purchases of other long-term investments	(1 540)	(1 546)
Purchases of short-term investments	(4 250)	(10 700)
Proceeds from sales of property, plant and equipment	30	89
Proceeds from sales of other long-term investments	4 199	417
Proceeds from sales of short-term investments	12 950	1 850
Net cash provided (used) in investing activities	**4 289**	**(17 061)**
Financing activities:		
Loan proceeds	15	79
Principal repayments	(739)	(1 553)
Ordinary shares purchased	–	(1 347)
Ordinary shares issued	30	30
Dividends paid	(6 134)	(5 506)
Net cash provided by (used in) financing activities	**(6 828)**	**(8 297)**
Foreign currency effect on cash and bank overdraft	8	(8)
Net cash provided (used) by discontinued operations	380	(305)
Net increase (decrease) in cash, cash equivalents and bank overdraft	**14 657**	**(2 691)**
Cash, cash equivalents and bank overdraft reclassified to assets held for sale	(555)	–
Cash, cash equivalents and bank overdraft at beginning of period	6 674	9 964
Cash, cash equivalents and bank overdraft at end of period	**20 776**	**7 273**

Adjusted income 2006

US GAAP

NOK million	Reported income	Adjustments	Adjusted income
Exploration and Production	41 352	4 993	46 345
Energy and Oil Marketing	3 578	50	3 628
Eliminations	1 323	(1 323)	–
Oil & Energy	46 253	3 720	49 973
Aluminium Metal	6 362	232	6 594
Aluminium Products	(83)	1 064	981
Other activities	1 277	(591)	686
Corporate and eliminations	(1 584)	236	(1 348)
Total operating income	52 224	4 661	56 885
Non-consolidated investees	962	355	1 317
Financial income (expense), net	1 785	(1 057)	728
Other income (loss), net	53	(53)	–
Income continuing operations before tax and minority interest	55 024	3 906	58 930
Income tax expense	(37 598)	*(1 422)	(39 020)
Minority interest	(202)	–	(202)
Income from continuing operations	17 224	2 485	19 710

* Estimated actual tax effect on income statement adjustments using a tax rate of 36.4 %

HYDRO

Special items impacting income statement 2006

US GAAP

		NOK million
Unrealized (gains)/losses on oil and gas derivatives, Spinnaker	Exploration & Production	(222)
Impairment loss Gulf of Mexico	Exploration & Production	5 240
Unrealized (gains)/losses on gas contracts	Exploration & Production	(25)
Unrealized (gains)/losses on gas contracts	Energy and Oil Marketing	(137)
Unrealized (gains)/losses on power contracts	Energy and Oil Marketing	257
Business combination acquisition cost adjustment	Energy and Oil Marketing	(70)
Unrealized (gains)/losses on gas and power contracts	Eliminations Oil & Energy	(1 323)
Closure costs	Aluminium Metal	559
Unrealized (gains)/losses on LME contracts	Aluminium Metal	(597)
Unrealized (gains)/losses on power contracts	Aluminium Metal	270
Inventory (gains)/losses	Rolled Products	(261)
UK defined pension plan	Rolled Products	15
Impairment loss Extrusion Ellenville operations	Extrusion	116
UK defined pension plan	Extrusion	340
Rationalization costs UK and US	Extrusion	103
Closure costs Magnesium	Automotive	462
UK defined pension plan	Automotive	25
Impairment losses	Automotive	133
Rationalization costs	Automotive	29
Unrealized (gains)/losses on LME contracts	Other and Eliminations	102
Unrealized (gains)/losses on power contracts in Polymers	Other Activities	(380)
Reversal of insurance loss provision	Other Activities	(211)
Unrealized (gains)/losses on power and NGL contracts	Corporate and Eliminations	681
Elimination of demanning costs Magnesium operations Porsgrunn	Corporate and Eliminations	(65)
Elimination of UK defined pension plan	Corporate and Eliminations	(380)
Net impact operating income	Hydro	4 661

Special items impacting income statement 2006
US GAAP

		NOK million
Net impact operating income	Hydro	4 661
Non-cons. investees - unrealized currency (gains)/losses Alunorte	Aluminium Metal	(94)
Non-cons. investees - unrealized (gains)/losses on LME contracts Alunorte	Aluminium Metal	143
Non-cons. investees - unrealized (gains)/losses power contracts	Aluminium Metal	24
Non-cons investees - write-down Meridian Technologies Inc	Automotive	239
Non-cons investees - write-down Cires	Other Activities	43
Other income - gains on divestments	Other Activities	(53)
Net foreign exchange (gains)/losses	Hydro	(1 057)
Net impact on income continuing operations before tax and minority interest	**Hydro**	**3 906**
Marginal tax rate	Hydro	36.4%
Calculated tax	Hydro	*(1 422)
Total effect income from continuing operations	**Hydro**	**2 485**

* Estimated actual tax effect on income statement adjustments using a tax rate of 36.4 %

Indicative price and currency sensitivities 2007

NOK million	Income before tax	Net income	Change
Oil price per barrel	1 190	345	1 USD
Aluminium price per tonne	1 000	655	100 USD

NOK million	Income before tax	Net income	Change
USD Oil & Energy	10 340	3 780	1 NOK
USD Aluminium Metal	3 280	2 130	1 NOK
USD Aluminium Products	(90)	(60)	1 NOK
USD before financial items	13 530	5 850	1 NOK
USD financial items	(3 600)	(2 500)	1 NOK
USD Net income	9 930	3 350	1 NOK

- Based on approximate average 2006 prices and expected business volumes for 2007:
  - Oil 65 USD/bbl
  - Aluminium 2 575 USD/ton
  - NOK/USD 6.45
- USD sensitivity for Oil & Energy and Aluminium business areas includes both USD revenues and USD costs
- Total USD sensitivity of financial positions is NOK 4 600 million negative and consists of assets and liabilities in various financial instruments. Positive net working capital of USD 1 000 million reduces the total sensitivity to NOK 3 600 million.

Primary aluminium production 2003-2006

1 000 tons

Smelter site	Country	Interest	2006	2005	2004	2003
Sunndal	Norway	100.0%	357	362	306	210
Karmøy	Norway	100.0%	288	277	278	271
Årdal	Norway	100.0%	232	233	222	215
Neuss	Germany	100.0%	226	225	223	221
Slovalco 1)	Slovakia	20.0%	158	159	157	27
Kurri-Kurri	Australia	100.0%	164	152	155	156
Alouette	Canada	20.0%	114	96	48	49
Høyanger	Norway	100.0%	60	78	76	74
Søral 2)	Norway	49.9%	82	81	82	79
Tomago	Australia	12.4%	64	63	60	59
Stade 3)	Germany	100.0%	54	60	69	69
HAW 4)	Germany	33.3%	-	40	44	43
Total			**1 799**	**1 826**	**1 720**	**1 473**

1) Full consolidation of Slovalco from 2004, introduced 100% from 2004. Interest increased to 55% in Q3 2006
2) Operated by Alcan
3) Closed end 2006
4) Closed end 2005

Aluminium Metal hedge programs [1)]

	2007	2008
2006-2008 program – volume ton [2)] 2006-2008 program – LME price USD/ton	163 800 2 300	167 100 2 200
2003-2007 program (Sunndal) – volume ton [3)] 2003-2007 program (Sunndal) – LME price USD/ton 2003-2007 program (Sunndal) – LME price NOK/ton	108 900 1 500 14 220	– – –
Hedged volume in percent of primary aluminium production volume	16%	–

1) All hedges are designated as cash flow hedges of forecasted sales of primary metal production. Realized gains and losses on the hedges are recognized in earnings when the actual sales are made. All unrealized gains and losses on the hedges are booked directly to shareholders' equity.

2) Volumes are spread evenly throughout the year. The hedge program is aimed at mitigating the effects of higher power prices.

3) Volumes are spread evenly throughout the year. The Sunndal hedge program was implemented in connection with the Sunndal metal plant expansion which was completed in 2004. 2007 amount is 45 000 tons in each of the three first quarters, down to 28 000 tons in the fourth quarter. 2007 currency hedge amount is USD 45 million in each of the three first quarters, down to USD 27 million in the fourth quarter.

Aluminium – operational data

Volumes and prices	Q2 2007	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006	Q4 2005	Q3 2005	Q2 2005
Primary production (1 000 mt)	435	433	450	449	451	449	464	461	457
LME realized (USD/mt) including hedges	2 606	2 588	2 430	2 462	2 368	2 146	1 851	1 770	1 842
NOK/USD realized including hedges *	6.21	6.37	6.50	6.36	6.47	6.85	6.56	6.47	6.51
LME realized (NOK/mt) including hedges	16 174	16 480	15 793	15 662	15 331	14 697	12 145	11 453	11 992
LME realized (USD/mt) excluding hedges	2 762	2 734	2 560	2 614	2 476	2 192	1 883	1 796	1 886
NOK/USD realized excluding hedges *	6.07	6.25	6.46	6.33	6.32	6.66	6.51	6.39	6.29
LME realized (NOK/mt) excluding hedges	16 780	17 082	16 536	16 537	15 638	14 591	12 257	11 468	11 865
Total metal products sales excluding trading (1 000 mt)	767	788	775	783	856	869	736	741	835
Rolled Products external shipment (1 000 mt)	264	266	247	251	252	254	227	244	243
Extrusion external shipment (1 000 mt)	165	164	153	155	171	167	146	146	164

* Difference between realized exchange rate and spot rate at the transaction date is reported as currency gain/loss and not included in EBITDA (except currency hedges where hedge accounting is applied)

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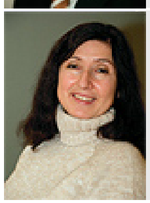	Irene Raposo	Investor Relations Secretary	t: +47 22 53 92 24 m: +47 414 02 174 e: irene.raposo@hydro.com

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