

Norsk Hydro ASA
16th February, 2004



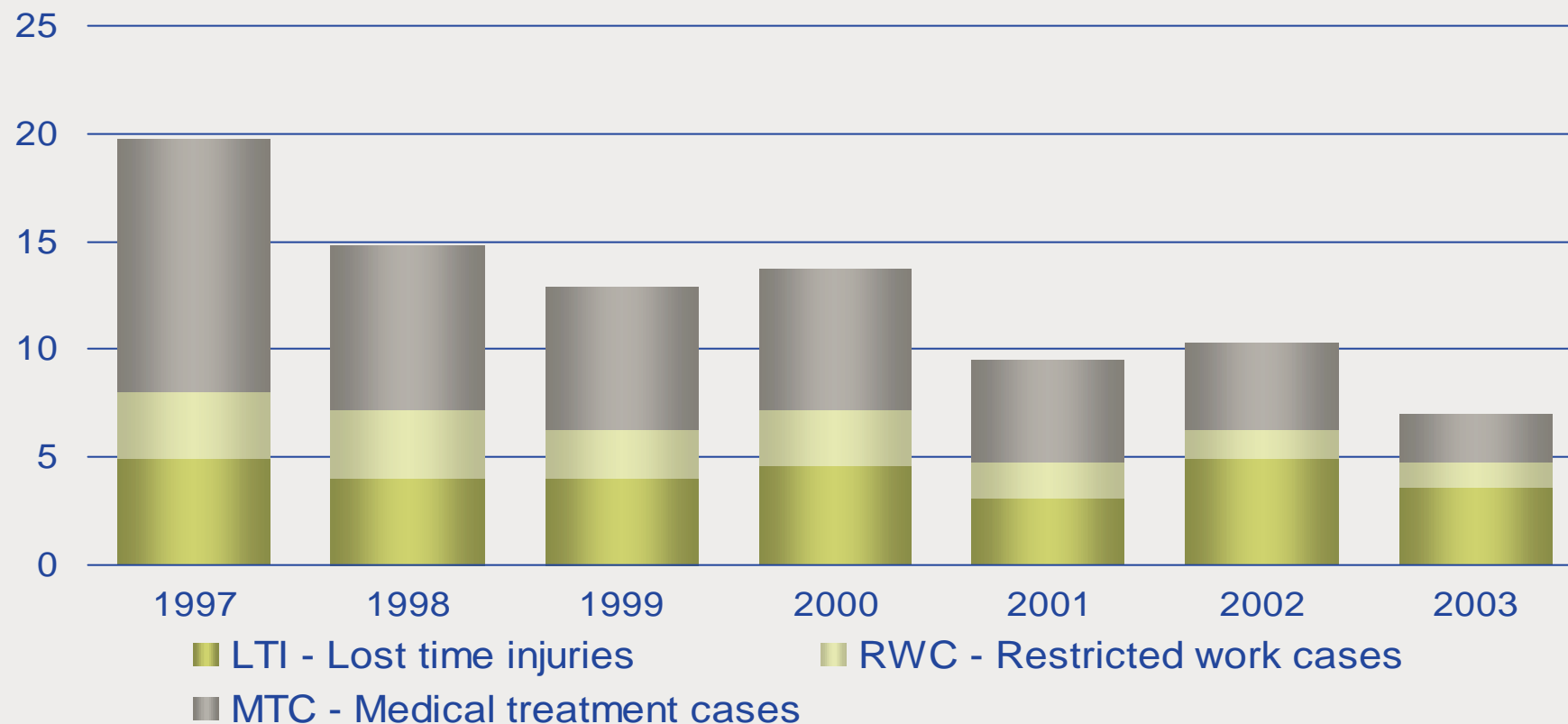
Preliminary results 2003

Highlights

- A strong quarter and a very good year for Hydro
 - Record high oil and gas production
 - Strong prices for oil and fertilizers
 - Important improvements in Aluminium, signs of improving markets, challenging competitive position for European smelters
- Profitability and solidity targets achieved
- Divestments of NOK 10 billion completed
- Agri separation on track, listing planned 25 March

Safety

Reported injuries per million hours, Hydro employees



VAW included from August 2002

Net income*

Per quarter

NOK million

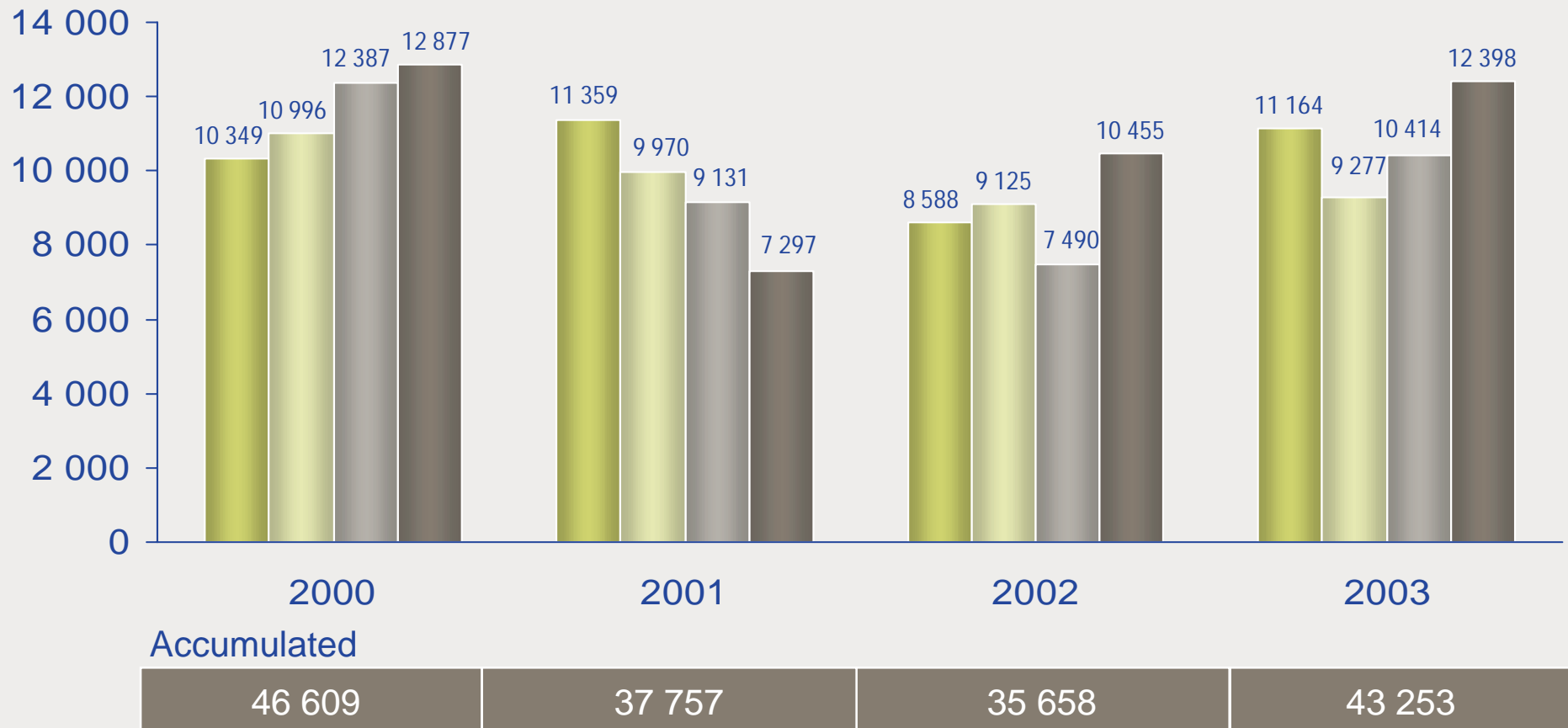


* Including the effect of change in accounting principles for 1st quarter 2003 amounting to a positive effect of NOK 281 million

Earnings before interest, tax, depreciation and amortization (EBITDA)

Per quarter

NOK million



Consolidated income statements

NOK million	4th quarter 2003	4th quarter 2002
Operating revenues	44 533	44 007
Operating income	7 137	5 996
Equity in net income of non-consolidated investees	379	484
Interest income and other financial income	349	334
Other income	490	-
Earnings before interest expense and taxes (EBIT)	8 355	6 814
Interest expense and foreign currency gain (loss)	22	223
Income before tax and minority interest	8 377	7 037
Income tax expense	(4 636)	(3 729)
Minority interest	24	(28)
Net income	3 765	3 280
Earnings per share* - NOK	14.70	12.70

* For calculation of EPS, 4th quarter 2003: 256 712 000 shares, 4th quarter 2002: 257 960 532 shares

Consolidated income statements

NOK million	2003	2002
Operating revenues	171 782	167 040
Operating income	24 258	19 841
Equity in net income of non-consolidated investees	1 229	33
Interest income and other financial income	1 467	1 418
Other income	(1 212)	219
Earnings before interest expense and tax (EBIT)	25 742	21 511
Interest expense and foreign currency gain (loss)	(1 266)	517
Income before tax and minority interest	24 476	22 028
Income tax expense	(13 937)	(13 278)
Minority interest	148	15
Income before cumulative effect of change in accounting principle	10 687	8 765
Cumulative effect of change in accounting principle	281	-
Net income	10 968	8 765
Earnings per share* before cumulative effect of change in accounting principle - NOK	41.50	34.00
Earnings per share* - NOK	42.60	34.00

* For calculation of EPS, 2003: 257 528 511 shares, 2002: 257 799 411 shares

Variance analysis Hydro group

NOK million	Year to year	4th quarter
2003	43 253	12 398
2002	35 658	10 455
Variance EBITDA	7 595	1 943
- Prices and currency, Exploration & Production	1 870	740
- Margin incl. currency effects ¹⁾	(695)	80
- Volume	3 580	1 110
- Fixed costs	(326)	(31)
- Depreciation	(945)	(220)
- Production and exploration costs, E&P ²⁾	1 540	(230)
- Infrequent items and restructuring costs	245	65
- Trading and unrealized LME effects, Aluminium	475	30
- New / disposed business	135	(55)
- Other	(1 465)	(345)
Variance operating income	4 417	1 141
- Non-consolidated investees	1 201	(103)
- Interest income and other	50	15
- Other income	775	489
- Depreciation and amortization	1 152	401
Variance EBITDA	7 595	1 943

1) Including negative variance for elimination of unrealized gain/loss on electricity contracts of NOK 730 million for year 2003 and NOK 595 million for 4th quarter 2003

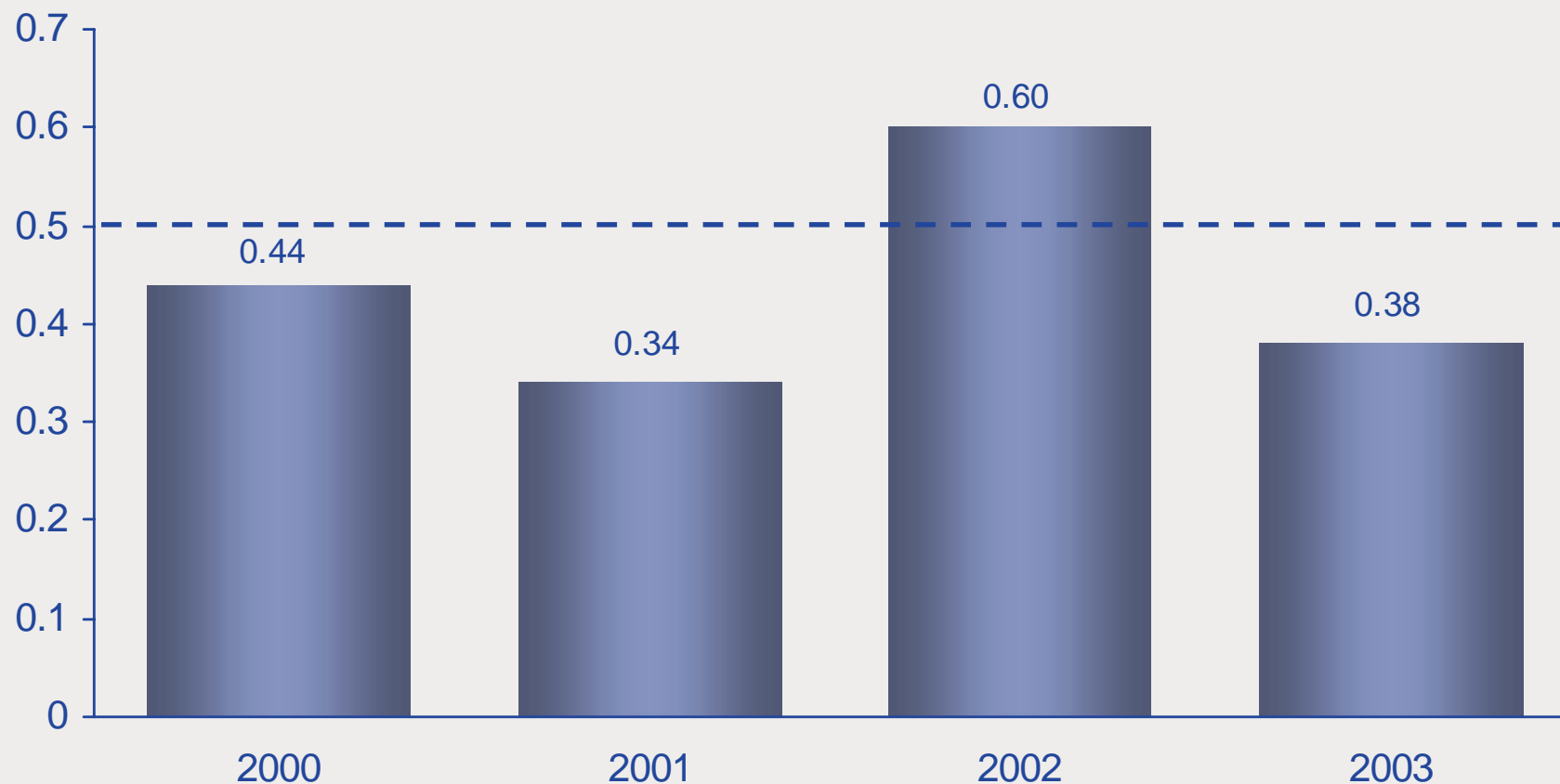
2) Exploration and Production

Operating income

Individual operating segment

NOK million	4th quarter 2003	4th quarter 2002
Exploration and Production	5 332	4 477
Energy and Oil Marketing	667	881
Eliminations	(5)	26
Hydro Oil & Energy	5 994	5 384
Metals	608	425
Rolled Products	61	(187)
Extrusion and Automotive	60	(29)
Other and Eliminations	(20)	21
Hydro Aluminium	709	230
Hydro Agri	907	209
Other Activities	10	20
Corporate and Eliminations	(483)	153
Total	7 137	5 996

Financial solidity



Interest-bearing debt + Net pension liability (tax adjusted) + Operating lease commitments (discounted) - cash and cash equivalents – Other liquid assets divided by Shareholders' Equity + Minority interest

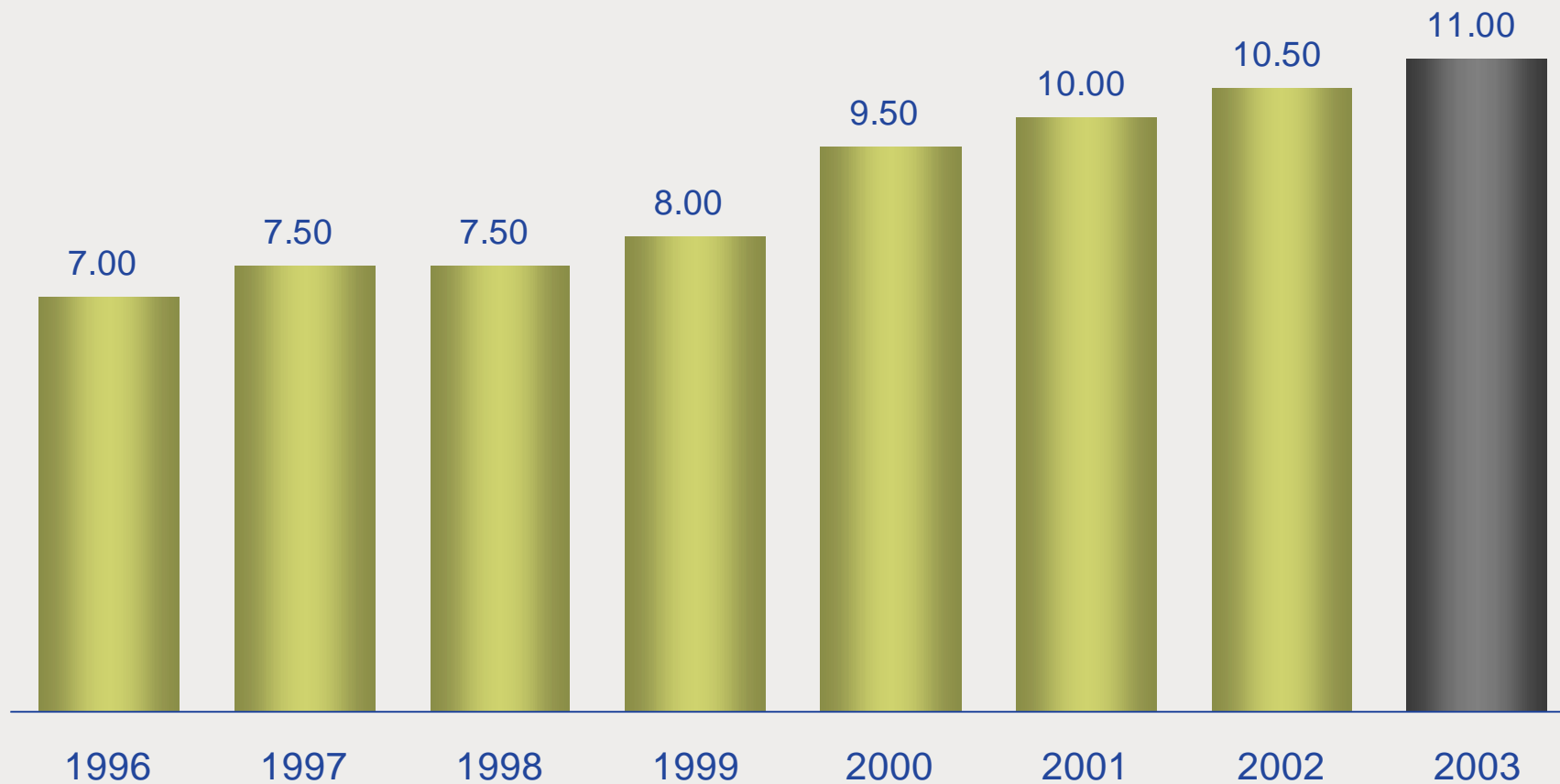
Earnings per share*

NOK



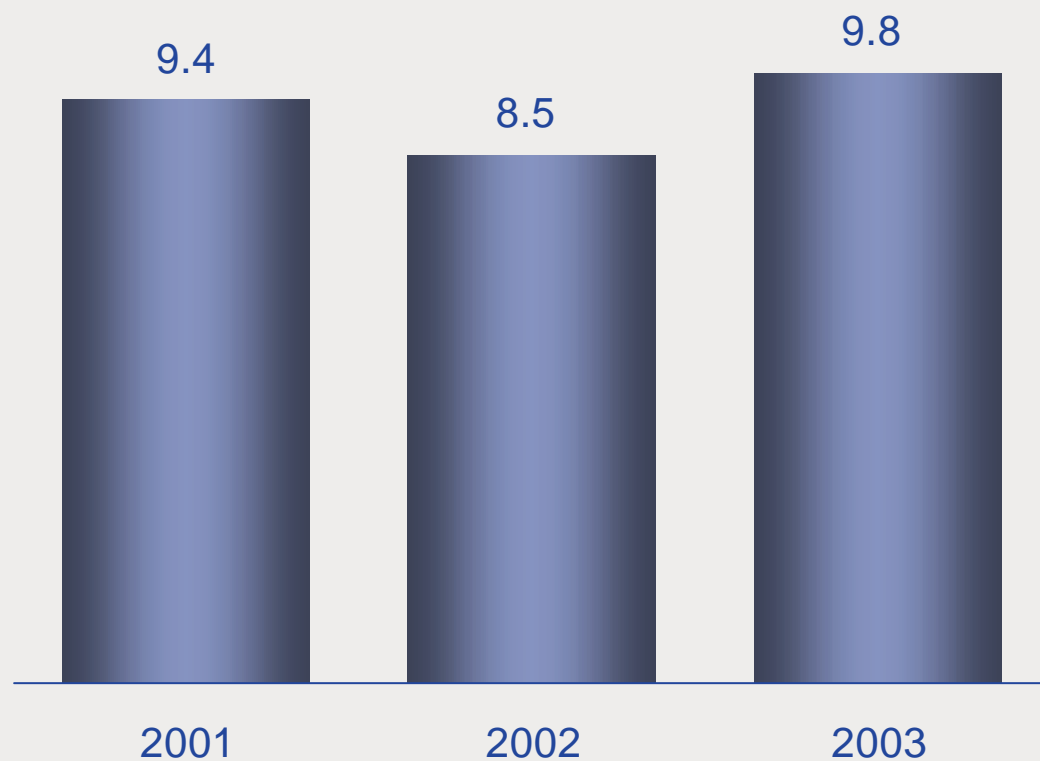
* Before effect of change in accounting principles

Proposed dividend NOK per share



CROGI – actual

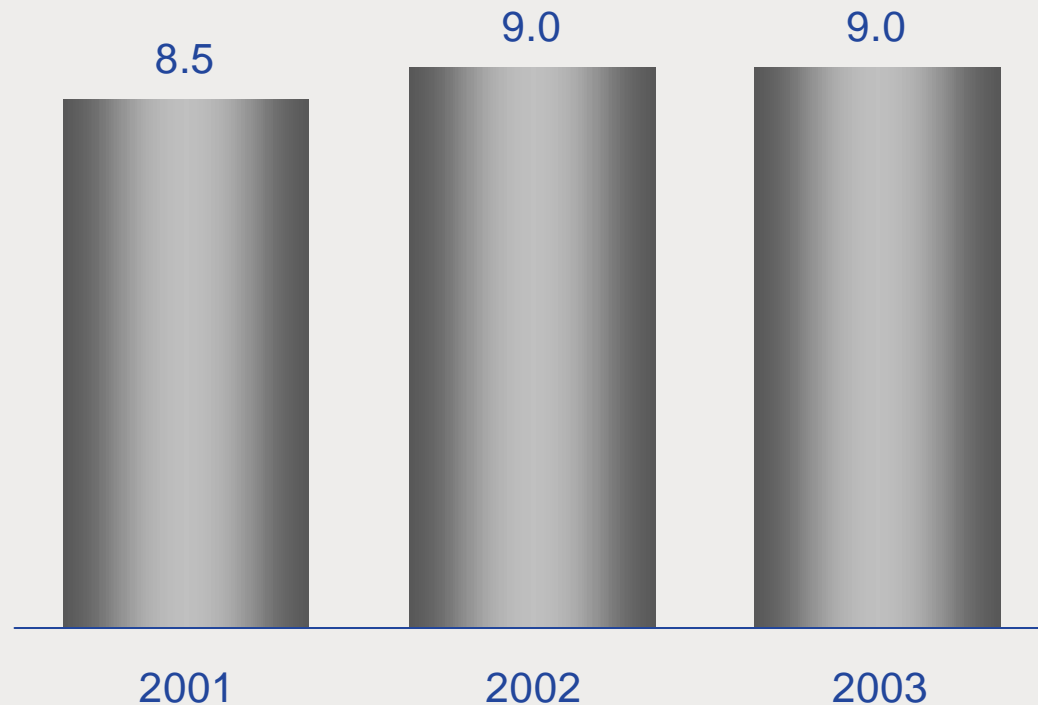
Percent



- Cash Return On Gross Investment:

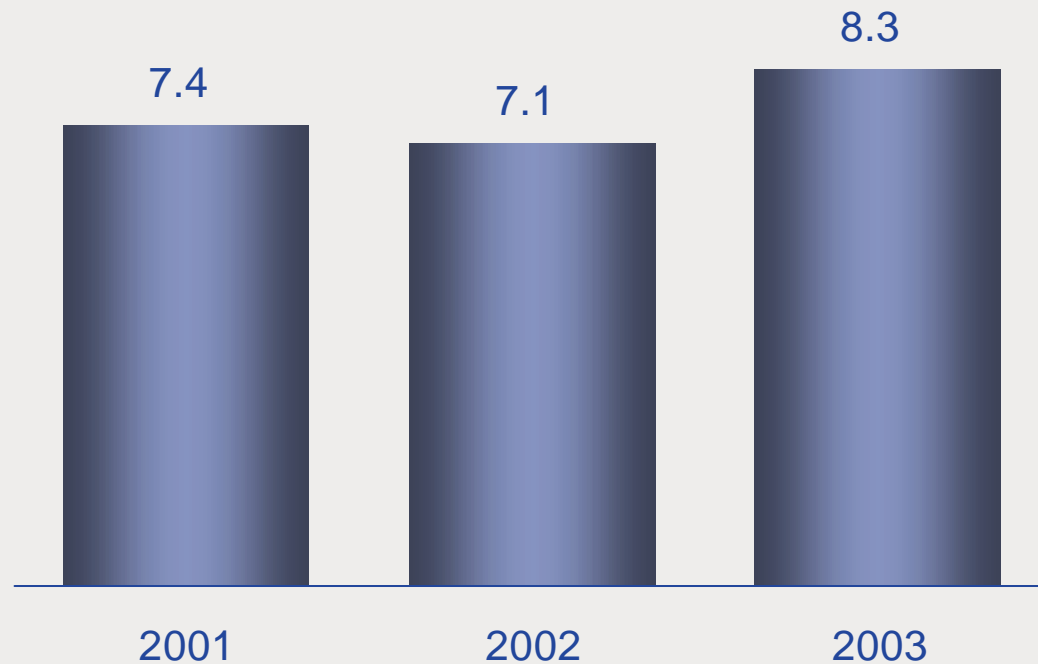
$$\frac{\text{EBITDA} - \text{Tax}}{\text{Gross investments}}$$

CROGI – normalized Percent



- Normalized assumptions:
 - NOK/USD 8.00
 - NOK/EUR 7.60
 - Oil price/bbl \$18
 - CAN27/tonne \$113
 - LME3M/tonne \$1 500
- Restructuring charges and gain/loss on divestments excluded in normalized CROGI
- Volumes and margins are not normalized

ROACE development ex Agri Percent

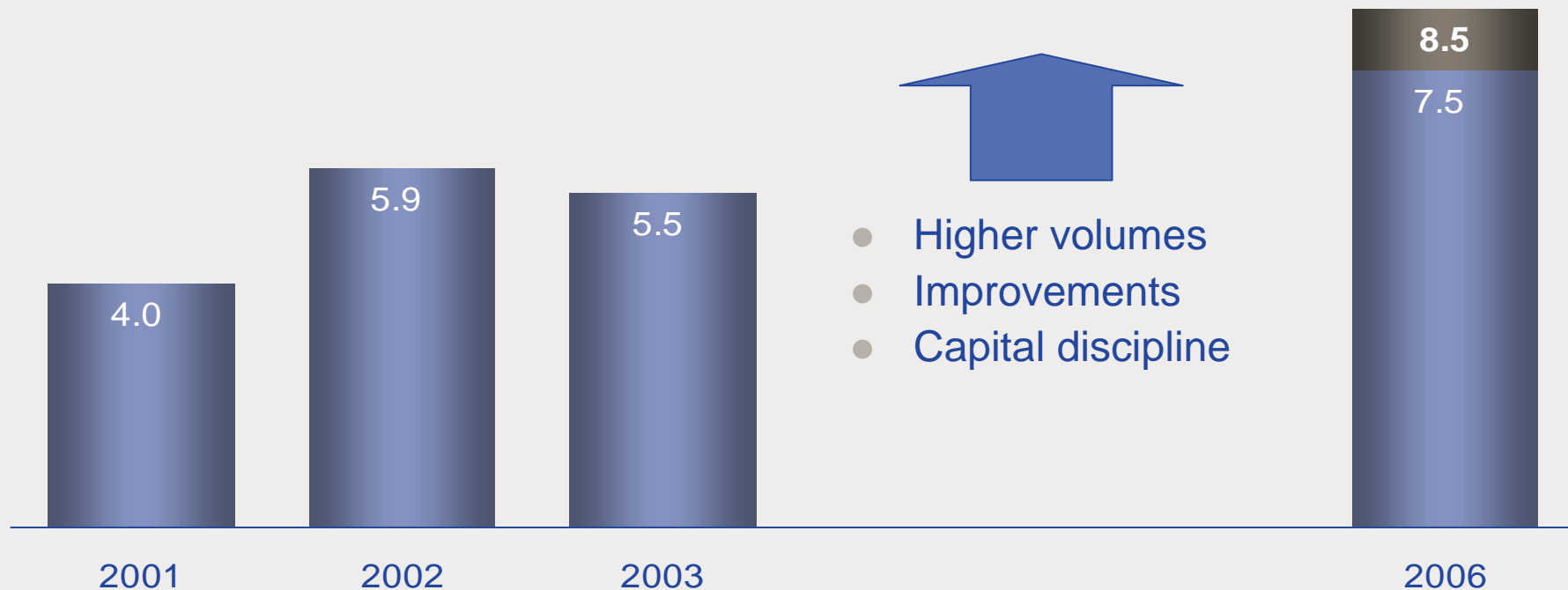


- Return On Average Capital Employed:

Earnings after tax
excluding financial items,
divided by average
capital employed

Significant profitability improvements targeted

Normalized ROACE ex Agri, percent



Oil & Energy – highlights

- Record high production, 596 000 boe/day for Q4, 530 000 boe/day for 2003
 - New fields on stream: Grane, Vigdis Extension, Mikkell, Fram Vest, Murzuq A-Field (Libya) and Jasmim (Angola)
- High oil and gas prices
 - 7-8% NOK increase in Q4 2003 vs Q4 2002
 - 5% NOK increase in 2003 vs 2002 for oil
 - 12% NOK increase in 2003 vs 2002 for gas
- Ormen Lange PDO submitted
- Scanraff sold – gain of NOK 490 million

Oil & Energy – 2003 targets achieved

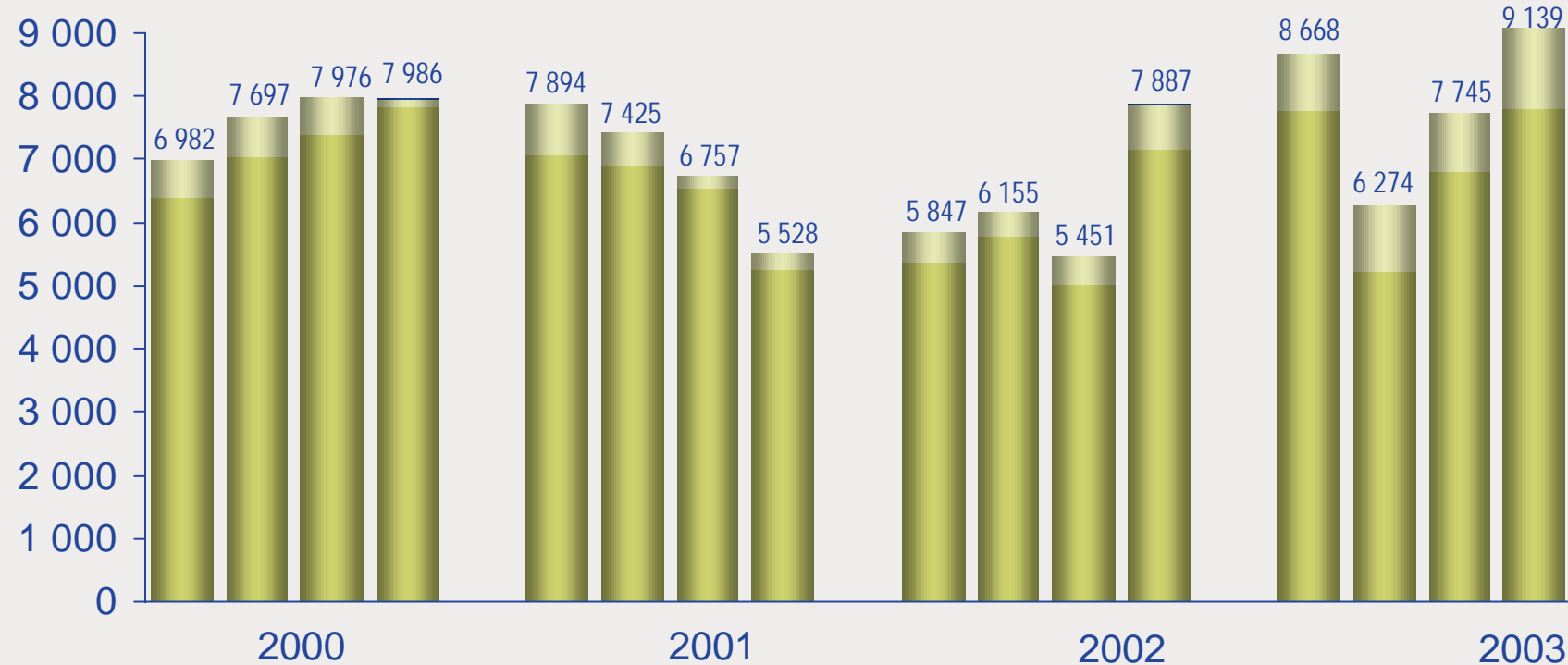
	2003 target CMD Dec 2002	2003 estimate CMD Dec 2003	2003 actual
Production	510 000 boe/d	525 000 boe/d	530 000 boe/d
Operating cost (excl. exploration)	NOK 82/boe	} On track	NOK 76/boe
F&D costs (3 years average)	USD 5/boe		USD 5.1/boe
RRR (3 years average)	140%		141%
Capex	NOK 11.5 billion	NOK 10.1 billion	NOK 9.0 billion
Exploration activity	NOK 1.9 billion	NOK 1.7 billion	NOK 1.6 billion

Oil & Energy

EBITDA

NOK million

■ Eliminations
■ Energy and Oil Marketing
■ Exploration and Production



Accumulated

30 641

27 604

25 340

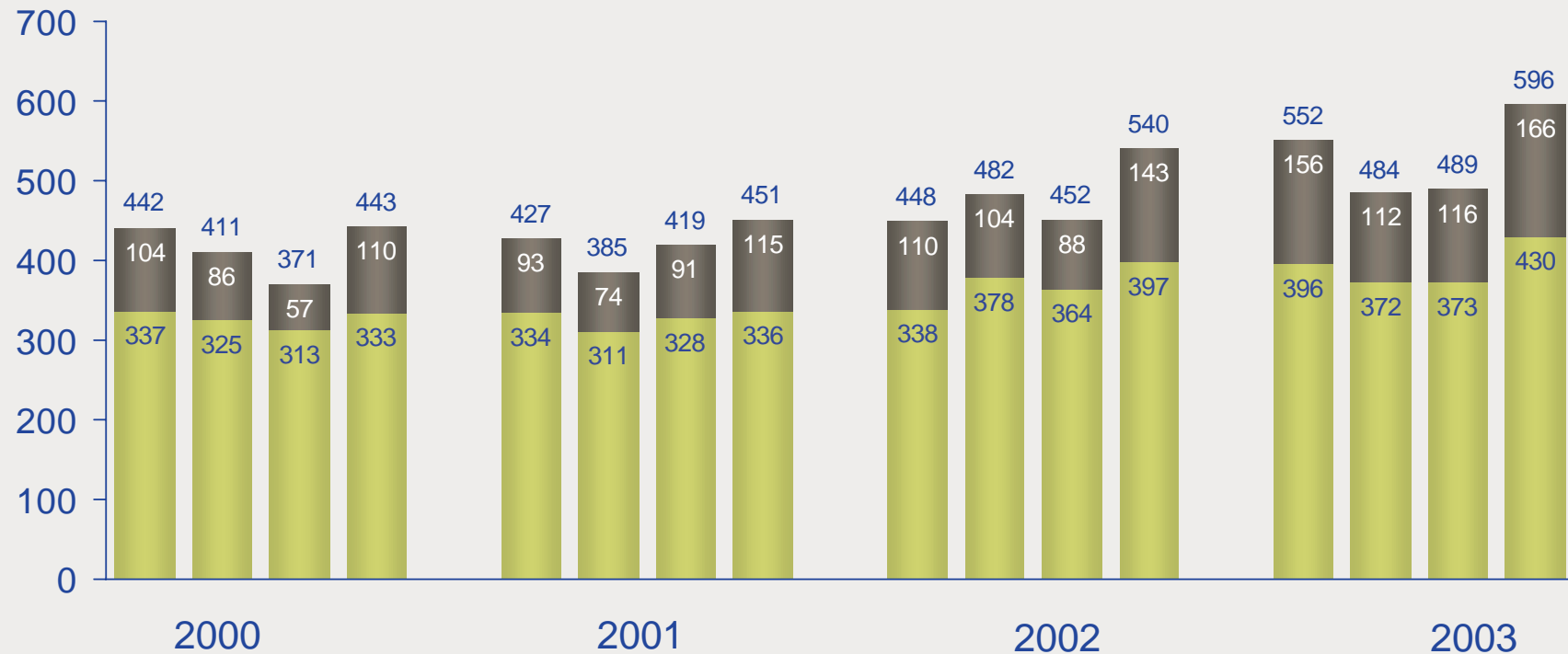
31 826

Petroleum production

Per quarter

1 000 boe/day

Oil Gas

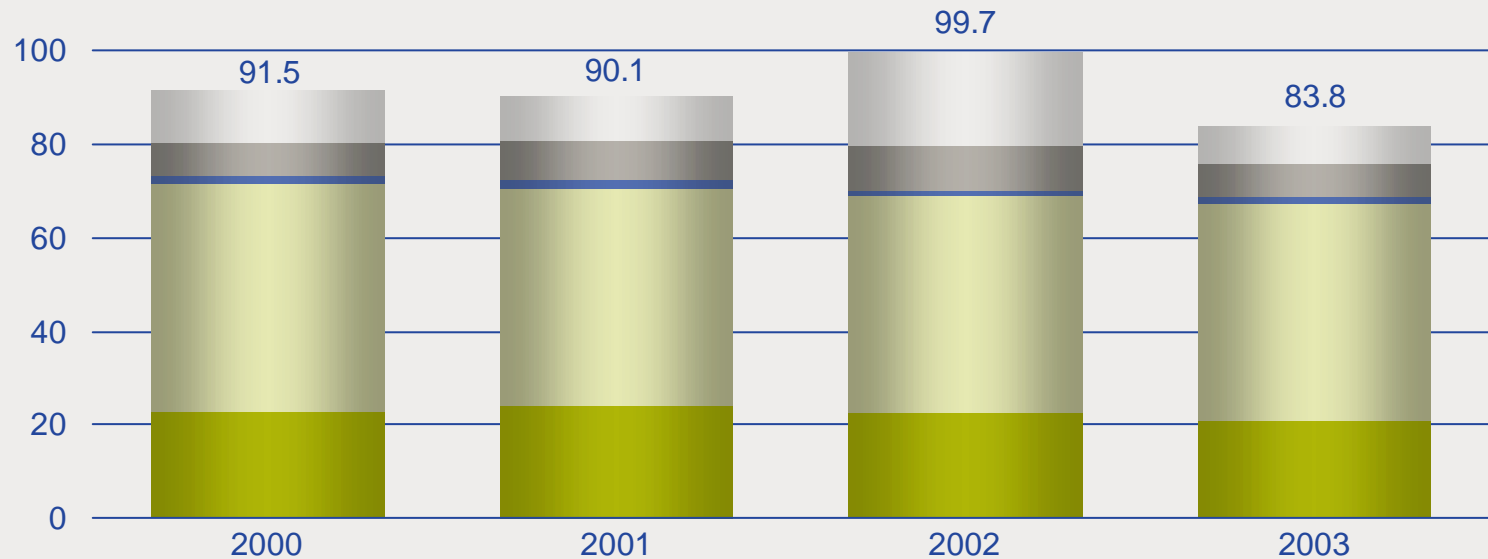


Average per year:

416	421	480	530
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Operating costs per barrel

NOK/boe



Exploration	11.2	9.1	20.3	8.1
Net transportation *	7.3	8.5	9.0	6.8
Other cost/income	1.5	2.0	1.4	1.7
Deprec. & aband.	49.0	46.4	46.4	46.4
Field/Prod. cost	22.5	24.1	22.6	20.8
Total	91.5	90.1	99.7	83.8

Mill boe produced	151	154	175	194
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* Hydro's net cost as an owner and user of transportation and processing

Reserve replacement

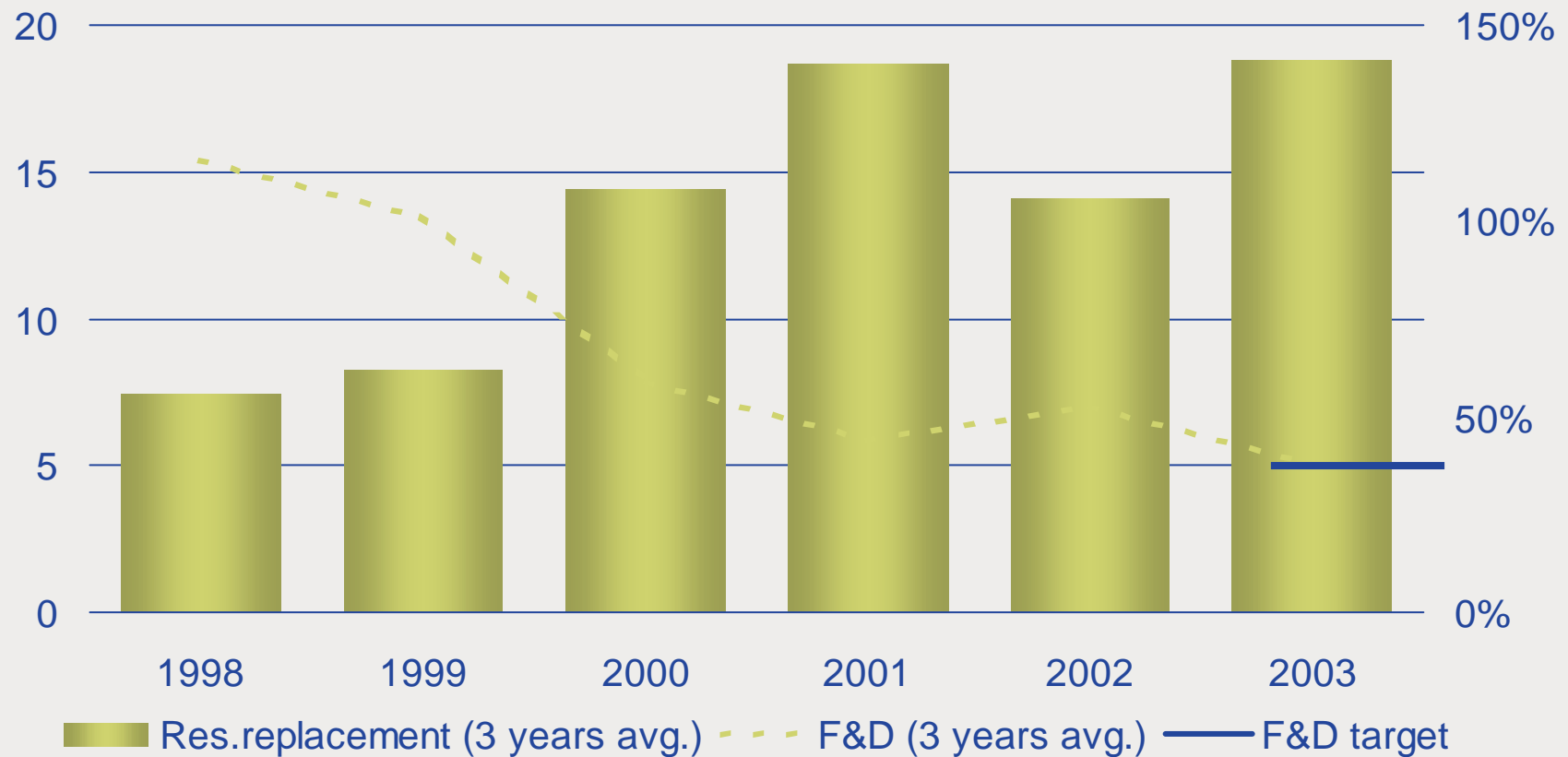
Proven reserves (SEC's definition), million boe	
Reserves 31.12.2002	2 225
Reserve revisions	39
New reserves	380
Sales, purchase and swaps	(1)
Production 2003	(194)
Reserves 31.12.2003	2 449
Reserve replacement* – 2003	216%
– 3 years average	141%
Reserve life	13 years

* Excluding sales, purchase and swaps

Finding and development costs

F&D cost USD/boe

Reserve replacement



Oil & Energy – prospects

- 2004 production target 560 000 boe/day
- Ormen Lange PDO approval expected March/April 2004
- Limited exploration activity in 2004
 - 2 wells in Q1 – Libya and NCS
- Asset sales
 - Gjøl – NOK 280 million gain in Q1
 - Snøhvit – gain of NOK 100 million pending approval

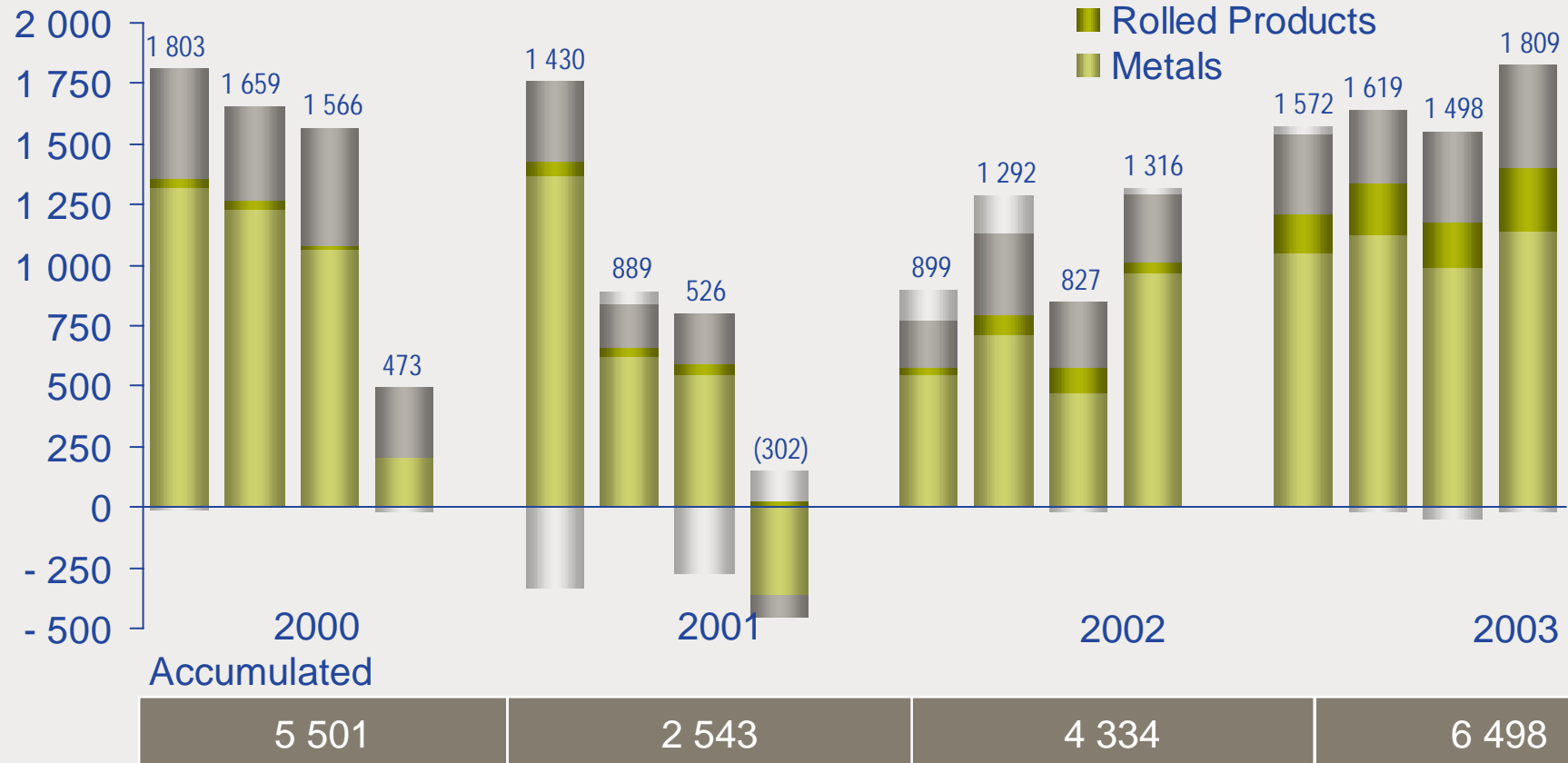
Aluminium – highlights

- Markets
 - Improved upstream market fundamentals
 - Weak downstream markets, margins under pressure
- Good results in challenging market
 - Improvement program completed
 - Implemented new capacity in Metals and Automotive
 - Higher capacity utilization downstream
- European primary smelters challenged by cost & currency
- Strategic moves Q4
 - New precision tubing plant in China approved

Aluminium

EBITDA

NOK million



Aluminium – business comments

- Metals – improved results
 - Production increase from new capacity
 - Good trading results
- Rolled Products – performance improvements
 - Improved product mix
 - Good progress in restructuring of mills in Norway and Spain
- Extrusion & Automotive – signs of higher demand
 - Extrusion – good performance
 - Automotive – higher volumes, but pressure on prices
 - North America – positioned for upturn

Aluminium – improvement program delivered

Workforce reduction



Cost reductions



Restructuring and rationalization costs (NOK million)

	Realized			Total	Original estimate
	2001	2002	2003		
Magnesium	700	-10	0	690	743
Aluminium	-	300 *	176	476	780

Workforce and cost reductions relative to 2001

* Of which NOK 89 million charged to VAW opening balance

Aluminium – prospects

- First quarter outlook
 - Improved global market balance upstream
 - Positive signs of improved downstream markets in USA
- Accelerating self-help measures
 - Improve competitiveness of European smelters
 - Turnaround of under-performing units

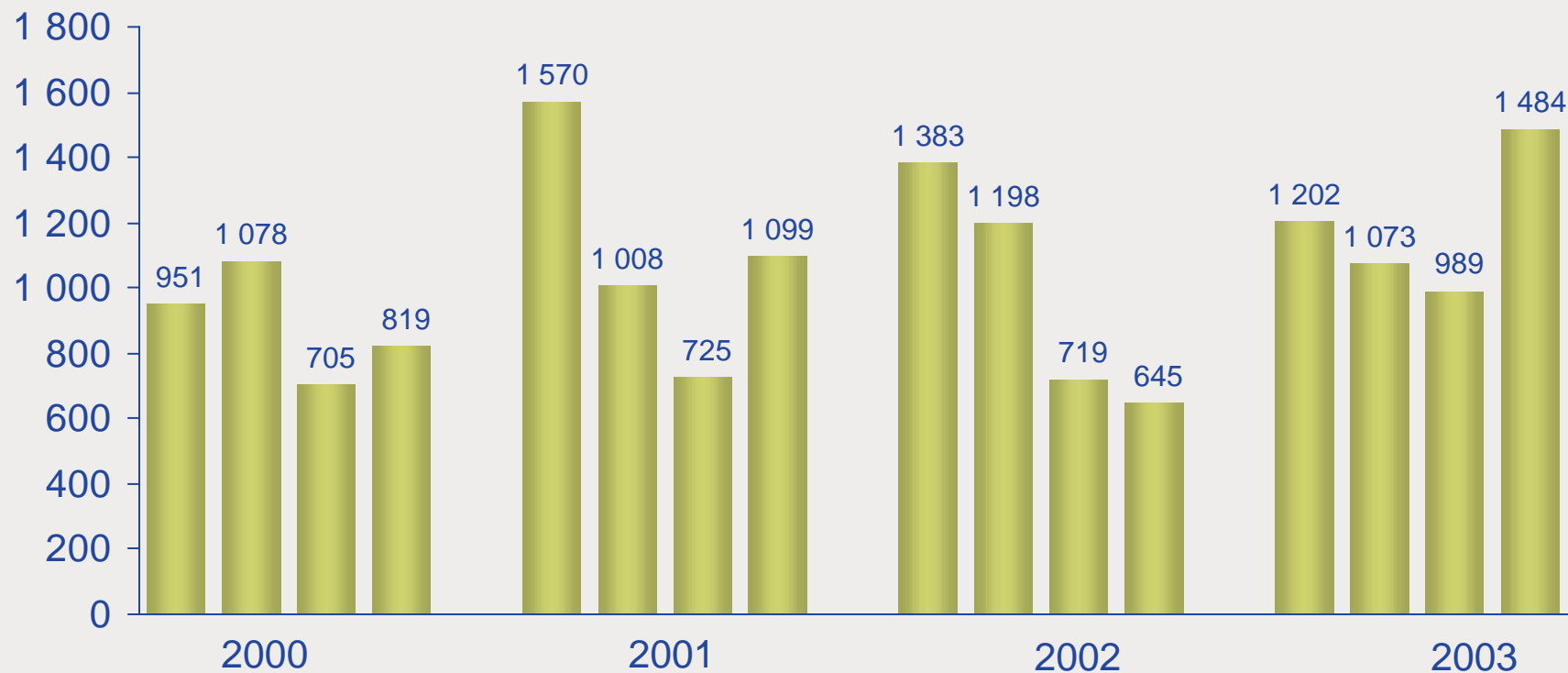
Agri – highlights

- Strong results for the quarter and the year in total
 - Strong increase in nitrogen prices
 - High European sales early in 2003/04 season
 - Position gains on ammonia and urea
 - High energy and freight costs
- High productivity
 - Record volumes
 - Very good safety performance
- Solid results outside Europe
- Good results for industrial products despite increased input costs

Agri

EBITDA

NOK million



Accumulated

3 553

4 402

3 945

4 748

Agri – prospects

- Favourable global market balance
 - Limited new fertilizer capacity expected in 2004
- Nitrogen fertilizer prices at high levels
 - Ammonia and urea prices decreased in January
- Continued negative currency effects from strong Euro vs US dollar

Hydro – priorities

- Continued growth in oil and gas production
- Strengthen competitive advantages in Aluminium, more improvement measures
- Successful listing of Yara
- Profitability improvements and profitable growth



Additional information

Operating income

Individual operating segment

NOK million	2003	2002
Exploration and Production	18 500	13 137
Energy and Oil Marketing	2 668	2 784
Eliminations	(25)	26
Hydro Oil & Energy	21 143	15 947
Metals	2 293	1 690
Rolled Products	132	(295)
Extrusion and Automotive	98	14
Other and eliminations	(67)	289
Hydro Aluminium	2 456	1 698
Hydro Agri	2 800	2 207
Other Activities	(414)	13
Corporate and eliminations	(1 727)	(24)
Total	24 258	19 841

EBITDA

Individual operating segment

NOK million	4th quarter 2003	4th quarter 2002
Exploration and Production	7 812	6 729
Energy and Oil Marketing	1 331	1 132
Eliminations	(4)	26
Hydro Oil & Energy	9 139	7 887
Metals	1 136	964
Rolled Products	268	47
Extrusion and Automotive	426	285
Other and Eliminations	(21)	20
Hydro Aluminium	1 809	1 316
Hydro Agri	1 484	645
Other Activities	332	333
Corporate and Eliminations	(366)	274
Total	12 398	10 455

EBITDA

Individual operating segment

NOK million	2003	2002
Exploration and Production	27 624	21 593
Energy and Oil Marketing	4 226	3 721
Eliminations	(24)	26
Hydro Oil & Energy	31 826	25 340
Metals	4 298	2 703
Rolled Products	835	258
Extrusion and Automotive	1 432	1 084
Other and Eliminations	(67)	289
Hydro Aluminium	6 498	4 334
Hydro Agri	4 748	3 945
Other Activities	1 140	1 044
Corporate and Eliminations	(959)	995
Total	43 253	35 658

Net financial income (expense)

NOK million	4th quarter 2003	4th quarter 2002
Interest income	285	328
Dividends and net gain (loss) on securities	64	6
Interest income and other financial income	349	334
Interest expense	(812)	(767)
Capitalized interest	146	170
Net foreign exchange gain (loss)	711	857
Other	(23)	(37)
Interest expense and foreign exchange gain (loss)	22	223
Net financial income (expense)	371	557

Net financial income (expense)

NOK million	2003	2002
Interest income	1 189	1 548
Dividends and net gain (loss) on securities	278	(130)
Interest income and other financial income	1 467	1 418
Interest expense	(2 912)	(3 189)
Capitalized interest	715	607
Net foreign exchange gain (loss)	1 035	3 262
Other	(104)	(163)
Interest expense and foreign exchange gain (loss)	(1 266)	517
Net financial income (expense)	201	1 935

Depreciation

Individual operating segment

NOK million	4th quarter 2003	4th quarter 2002
Exploration and Production Energy and Oil Marketing	2 458 152	2 174 194
Hydro Oil & Energy	2 610	2 368
Metals Rolled Products Extrusion and Automotive	427 201 324	284 228 281
Hydro Aluminium	952	793
Hydro Agri	304	302
Other Activities Corporate and eliminations	145 3	242 1
Total	4 014	3 706

Depreciation

Individual operating segment

NOK million	2003	2002
Exploration and Production Energy and Oil Marketing	9 052 591	8 242 764
Hydro Oil & Energy	9 643	9 006
Metals Rolled Products Extrusion and Automotive	1 517 650 1 247	1 117 496 1 010
Hydro Aluminium	3 414	2 623
Hydro Agri	1 133	1 172
Other Activities Corporate and Eliminations	892 11	1 100 11
Total	15 093	13 912

Equity in net income of non-consolidated investees

Individual operating segment

NOK million	2003	2002
Exploration and Production	29	31
Energy and Oil Marketing	81	148
Eliminations	(3)	-
Hydro Oil & Energy	107	179
Metals	379	(275)
Rolled Products	(14)	7
Extrusion and Automotive	68	49
Hydro Aluminium	433	(219)
Hydro Agri	610	57
Other Activities	83	12
Corporate and Eliminations	(4)	4
Total	1 229	33

Statement of Cash Flow

NOK million	2003	2002
Operating activities:		
Net income	10 968	8 765
Depreciation, depletion and amortization	15 093	13 912
Other adjustments	(1 483)	(892)
Net cash provided by operating activities	24 578	21 785
Investing activities:		
Purchases of property, plant and equipment	(15 467)	(19 573)
Purchases of other long-term investments	(1 017)	(18 104)
Net sales (purchases) of short-term investments	1 142	(1 154)
Proceeds from sales of property, plant and equipment	941	908
Proceeds from sales of other long-term investments	6 561	1 477
Net cash used in investing activities	(7 840)	(36 446)
Financing activities:		
Loan proceeds	298	707
Principal repayments	(5 342)	(4 196)
Ordinary shares purchased	(555)	-
Ordinary shares issued	77	70
Dividends paid	(2 711)	(2 576)
Net cash used by financing activities	(8 233)	(5 995)
Foreign currency effect on cash flows	779	(527)
Net increase (decrease) in cash and cash equivalents	9 284	(21 183)

Operating income – EBIT – EBITDA

Fourth quarter 2003

NOK million	Operating income	Non-cons investees	Interest income	Selected fin. items	Other income	EBIT	Depr. and Amort.	EBITDA
Exploration and Production	5 332	13	9	(1)	-	5 353	2 459	7 812
Energy and Oil Marketing	667	19	12	(12)	490	1 176	155	1 331
Eliminations	(5)	(3)	-	-	-	(8)	4	(4)
Hydro Oil & Energy	5 994	29	21	(13)	490	6 521	2 618	9 139
Metals	608	55	-	31	-	694	442	1 136
Rolled Products	61	(15)	13	(6)	-	53	215	268
Extrusion and Automotive	60	35	8	(3)	-	100	326	426
Other and Eliminations	(20)	-	-	1	-	(19)	(2)	(21)
Hydro Aluminium	709	75	21	23	-	828	981	1 809
Hydro Agri	907	247	45	(4)	-	1 195	289	1 484
Other Activities	10	30	66	74	-	180	152	332
Corporate and Eliminations	(483)	(2)	132	(16)	-	(369)	3	(366)
Total	7 137	379	285	64	490	8 355	4 043	12 398



HYDRO

Adjusted income fourth quarter 2003

NOK million	4th quarter 2003	Adjustments	Adj. Income
Exploration and Production	5 332	-	5 332
Energy and Oil Marketing	667	-	667
Eliminations	(5)	-	(5)
Hydro Oil & Energy	5 994	-	5 994
Metals	608	-	608
Rolled Products	61	37	98
Extrusion and Automotive	60	(68)	(8)
Other and Eliminations	(20)	-	(20)
Hydro Aluminium	709	(31)	678
Hydro Agri	907	-	907
Other Activities	10	112	122
Corporate and Eliminations	(483)	118	(365)
Total operating income	7 137	199	7 336
Equity in net income in non-consolidated investees	379	(10)	369
Interest income and other financial income	349	-	349
Other income	490	-	490
Earnings before interest expense and taxes (EBIT)	8 355	189	8 544
Interest expense and foreign currency gain (loss)	22	-	22
Income before tax and minority interest	8 377	189	8 556
Income tax expense ¹⁾	(4 636)	(60)	(4 696)
Minority interest	24	-	24
Net income	3 765	129	3 894

1) Estimated tax effect on adjustments 60 million NOK

Infrequent and other items impacting fourth quarter 2003 earnings

Item	Segment	Reporting line	NOK million
Reversal of provisions regarding claims	Aluminium	Operating income	(77)
Other infrequent items, net	Aluminium	Operating income	46
Provision for bad debt in Biomar A.S. (Treka)	Other activities	Operating income	112
Expenses regarding Agri demerger	Corporate and Eliminations	Operating income	130
Elimination of unrealized loss on internal power contracts	Corporate and eliminations	Operating income	(12)
Net impact on operating income		Operating income	199
Unrealized currency loss relating to revaluation of Alunorte (Brazil) USD-debt	Aluminium	Equity in net income in non-consolidated investees	(10)
Net impact on income before tax		Income before tax	189
Net tax effect of adjustments	Hydro Group	Income tax	(60)
Impact on net income		Net income	129

Adjusted income 2003

Millioner kroner	2003	Justeringer	Justert resultat
Exploration and Production	18 500	-	18 500
Energy and Oil Marketing	2 668	-	2 668
Eliminations	(25)	-	(25)
Hydro Oil & Energy	21 143	-	21 143
Metals	2 293	(19)	2 274
Rolled Products	132	71	203
Extrusion and Automotive	98	42	140
Other and eliminations	(67)	-	(67)
Hydro Aluminium	2 456	94	2 550
Hydro Agri	2 800	-	2 800
Other Activities	(414)	570	156
Corporate and eliminations	(1 727)	271	(1 456)
Total operating income	24 258	935	25 193
Equity in net income in non-consolidated investees	1 229	(218)	1 011
Interest income and other financial income	1 467	-	1 467
Other income	(1 212)	2 207	995
Earnings before interest expense and taxes (EBIT)	25 742	2 924	28 666
Interest expense and foreign currency gain (loss)	(1 266) ¹	-	(1 266)
Income before tax and minority interest	24 476	2 924	27 400
Income tax expense	(13 937)	(2 661) ²	(16 598)
Minority interest	148	-	148
Cumulative effect of change in accounting principle	281	(281)	-
Net income	10 968	(18)	10 950
Tax %	57%		61%

1) Currency gains of NOK 1 035 million is included

2) Adjustment for one time effects relating to an expensed expected state grant pertaining to an asset removal obligation of NOK 2 380 million and estimated tax effect on other adjustments of NOK 281 million

Infrequent and other items impacting 2003 earnings

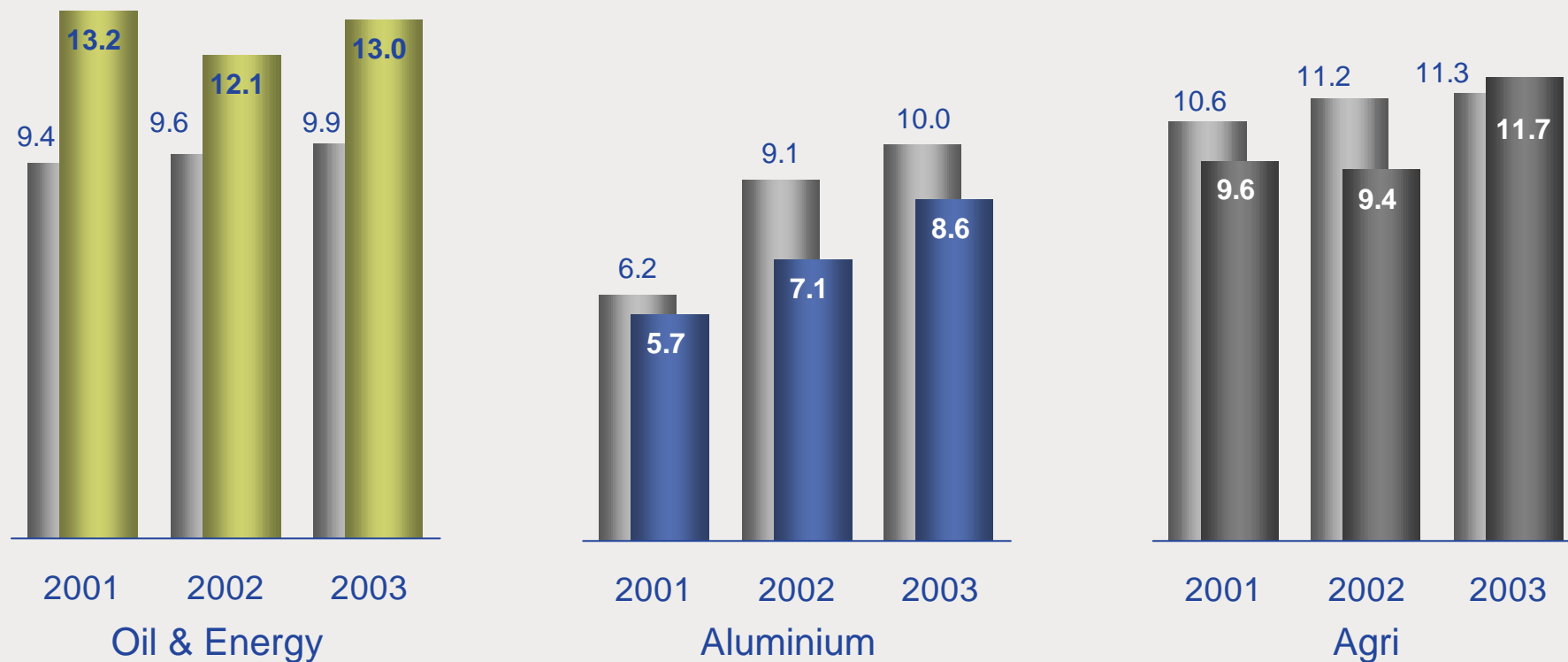
Item	Segment	Reporting line	NOK million
Infrequent items	Aluminium	Operating income	94
Expenses regarding Agri-demerger	Corporate and eliminations	Operating income	130
Provision for bad debt and impairment charges in Biomar A.S. (Treka)	Other activities	Operating income	570
Elimination of unrealized gain on internal power contracts	Corporate and eliminations	Operating income	141
Net impact on operating income		Operating income	935
Unrealized currency loss relating to revaluation of Alunorte (Brazil) USD-debt	Aluminium	Equity in net income in non-consolidated investees	(218)
Change in asset removal obligations	Corporate and eliminations	Other income, net	2 207
Net impact on income before tax		Income before tax	2 924
Income tax expense		Income tax expense	*(2 661)
Change in accounting principle		Change in accounting principle	(281)
Impact on Net income		Net income	(18)

* Adjustment for one time effects relating to an expensed expected state grant pertaining to an asset removal obligation of NOK 2 380 million and estimated tax effect on other adjustments of NOK 281 million

CROGI per business area

Percent

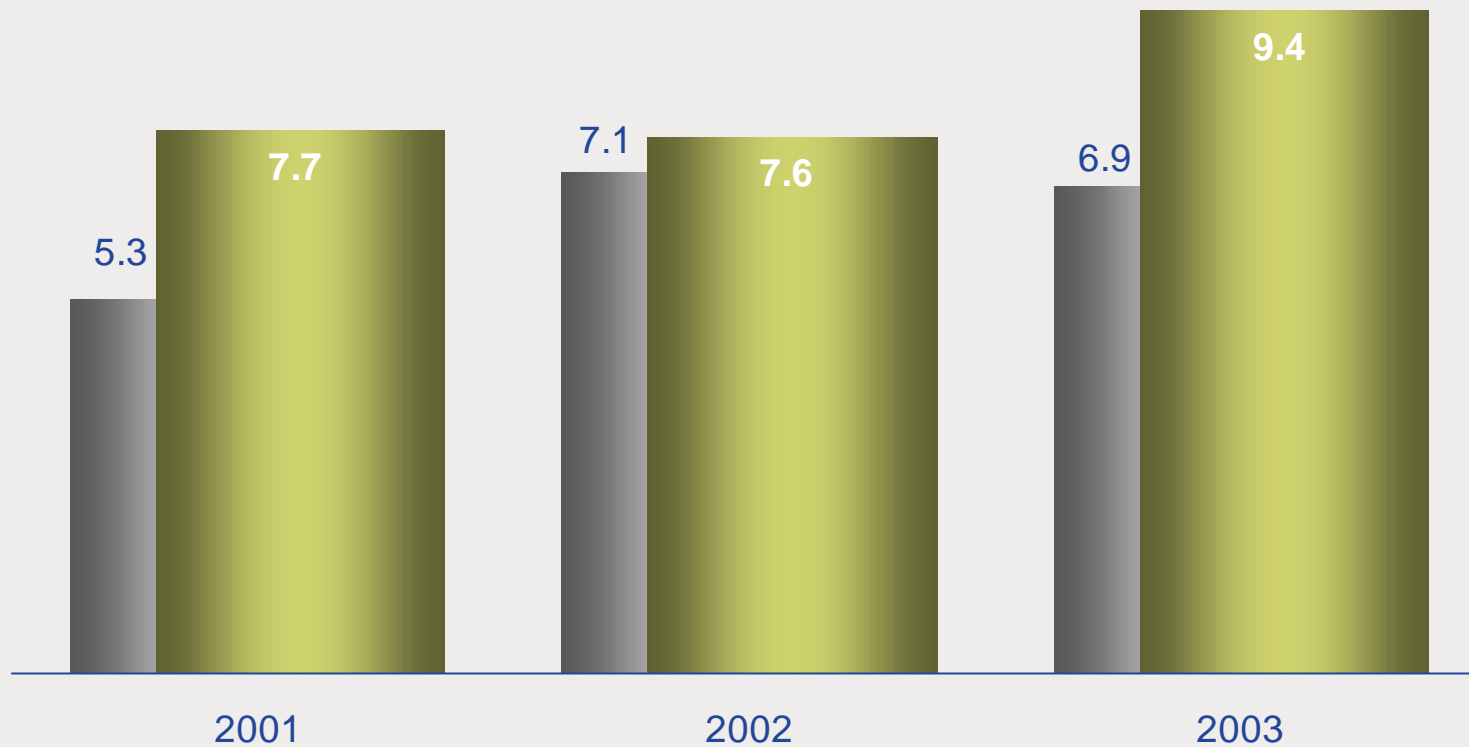
■ Normalized



ROACE development

Percent

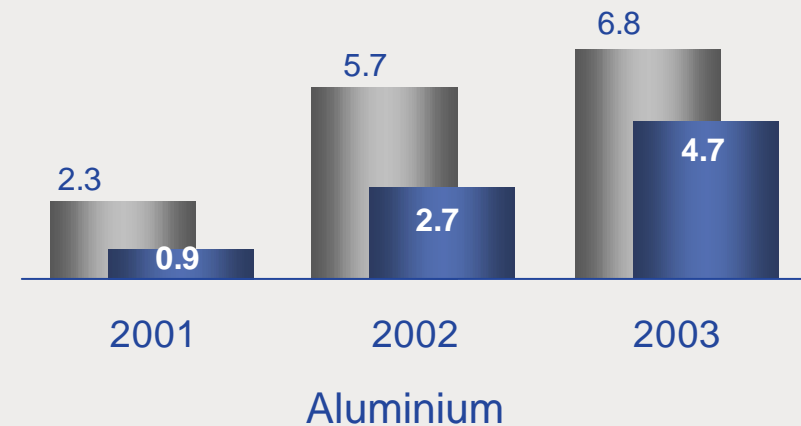
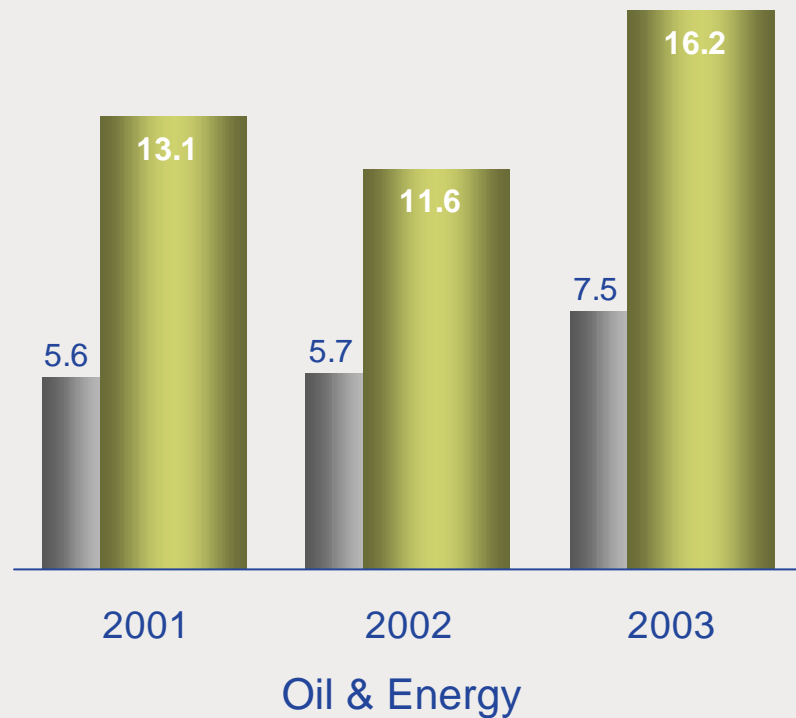
■ Normalized ■ Actual



ROACE development per business area

Percent

■ Normalized



Consolidated balance sheet

NOK million	31.12.2003	31.12.2002
Cash and cash equivalents	15 249	5 965
Other liquid assets	1 581	2 647
Receivables	41 503	40 553
Inventories	17 350	17 232
Non-current assets	142 946	140 814
Total assets	218 629	207 211
Short-term interest-bearing debt	5 569	7 306
Current portion of long-term debt	1 242	1 958
Other short-term liabilities	43 528	38 593
Long-term interest-bearing debt	28 568	30 902
Other long-term liabilities	17 537	14 633
Deferred tax liabilities	33 445	36 809
Minority interest	660	1 143
Shareholders' equity	88 080	75 867
Total liabilities and shareholders' equity	218 629	207 211
Shareholders' equity per share, NOK	343.10	294.10

Financial solidity – calculation

Amounts in NOK Million		31 December 1998	31 December 1999	31 December 2000	31 December 2001	31 December 2002	31 December 2003
[A]	Cash and cash equivalents	1 936	7 435	21 766	27 148	5 965	15 249
[B]	Other liquid assets	2 493	2 535	2 490	2 421	2 647	1 581
[C]	Bank loans and other interest-bearing short-term debt	(5 150)	(7 361)	(9 088)	(8 458)	(7 306)	(5 569)
[D]	Current portion of long-term debt	(1 587)	(907)	(2 209)	(1 966)	(1 958)	(1 242)
[E]	Long-term debt	(24 105)	(42 228)	(40 174)	(37 853)	(30 902)	(28 568)
[F]=[A]+[B] +[C]+[D]+[E]	Net interest-bearing debt	(26 413)	(40 526)	(27 215)	(18 708)	(31 554)	(18 549)
[G]	Net pension liabilities at fair value	3 196	4 772	2 561	(2 133)	(10 107)	(11 973)
[H]	Expected income tax benefit 30%	(959)	(1 432)	(768)	640	3 032	3 592
[I]=[G]+[H]	Net pension liabilities tax adjusted	2 238	3 341	1 793	(1 493)	(7 075)	(8 381)
[J]	Operating lease commitments discounted at 10%	(2 792)	(4 728)	(6 469)	(5 072)	(4 924)	(4 916)
[K]=[F]+[I] +[J]	Adjusted Net interest-bearing debt	(26 967)	(41 914)	(31 891)	(25 272)	(43 552)	(31 846)
[L]	Net pension liabilities not recognized without equity effect	733	2 736	610	(2 767)	(6 994)	(7 862)
[M]	Expected income tax benefit 30%	(220)	(821)	(183)	830	2 098	2 358
[N]=[L]+[M]	Equity adjustment off-balance sheet pension liabilities	513	1 915	427	(1 937)	(4 896)	(5 504)
[O]	Minority interest	1 266	1 323	1 419	1 051	1 143	660
[P]	Shareholders' equity	48 245	59 497	71 226	74 793	75 867	88 080
[Q]=[N]+ [O]+[P]	Adjusted Shareholders' equity and minority	50 024	62 735	73 072	73 907	72 114	82 326
[R]=[K]/[Q]	Adjusted debt / equity ratio	0.54	0.67	0.44	0.34	0.60	0.38

Pensions

NOK million	Hydro 2003	Hydro 2002	Hydro ex. Agri 2003	Agri 2003
Total pension obligations	(29 233)	(23 714)	(23 457)	(5 776)
Pension Plan Assets	18 720	15 122	14 671	4 049
Funded status of the plans	(10 513)	(8 592)	(8 786)	(1 727)
Net accrued pension recognized	(1 218)	(346)	(851)	(367)
Unrecognized prior service costs and net loss	(9 295)	(8 246)	(7 935)	(1 360)
Funded status of the plans	(10 513)	(8 592)	(8 786)	(1 727)
Termination benefits and other	(1 460)	(1 516)	(1 185)	(275)
Total net unfunded pension obligation	(11 973)	(10 108)	(9 971)	(2 002)
Weighted-average assumptions at end of year	Hydro 2003	Hydro 2002	Hydro ex. Agri 2003	Agri 2003
Discount rate	5.8%	6.6%	5.9%	5.5%
Expected return on plan assets	6.8%	7.7%	7.0%	6.1%
Rate of compensation increase	3.4%	3.4%	3.5%	3.1%



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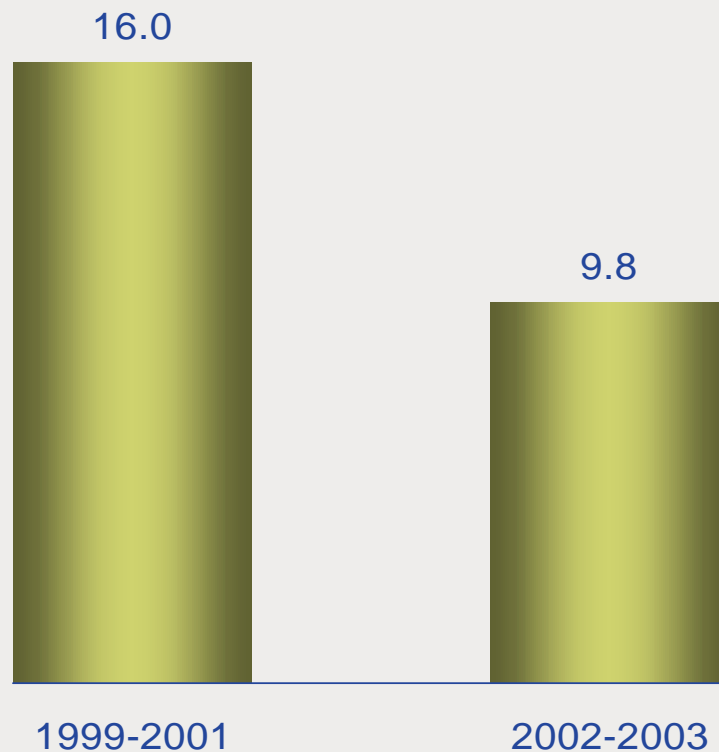
Pension cont.

Development in 2003

- Pension cost NOK 2 480 million in line with forecast
- Increase in obligation
 - Reduction in long term interest rates
 - Inclusion of certain pension plans with pension obligations of NOK 2.1 billion
- Increase in plan assets
 - Actual return on plan assets higher than expected return
 - Inclusion of certain pension plans with plan assets of NOK 1.4 billion

Divestment target achieved

NOK billion



Enterprise value	
VAW Flexible Packaging	3.2
Scanraff	1.7
Various E&P assets	0.9
Treka assets	2.6
Pronova businesses	0.8
VAW IMCO	0.2
Other	0.4
Total	9.8

Indicative price and currency sensitivities 2004

NOK million

Price sensitivity ¹⁾	Pre tax	After tax	
Oil price (bbl)	1 450	390	USD 1 increase
Aluminium price (tonne)	875	615	USD 100 increase
USD sensitivity ^{1) 2)}	Pre tax	After tax	
USD Oil & Energy	2 900	785	1 NOK increase
USD Aluminium	2 100	1 475	1 NOK increase
USD before financial items	5 000	2 260	1 NOK increase
USD Financial items ³⁾	(2 500)	(1 400)	1 NOK increase
USD Net income	2 500	860	1 NOK increase

1) Reference prices: Oil 18 USD/bbl, Aluminium 1 500 USD/tonne and NOK/USD exchange rate 8.0

2) USD sensitivity estimates assuming USD/NOK changes, all other currencies fixed against NOK

3) Excluding cash flow and equity hedge total exposure USD 1 100 million and USD 350 million debt in USD-based subsidiaries

Variance Analysis Oil & Energy

NOK million	Year to year	4th quarter
2003	31 826	9 139
2002	25 340	7 887
Variance EBITDA	6 486	1 252
<ul style="list-style-type: none"> - Prices and currency - Oil - Gas - Currency - Put options 	4 110 485 (2 835) 110 <hr/> 1 870	965 165 (395) 5 <hr/> 740
- Margin	205	(135)
- Volume	2 515	695
- Fixed costs	10	(110)
- Depreciation	(640)	(245)
- Production costs	(440)	(325)
- Exploration costs	1 980	95
- Other	(305)	(105)
Variance operating income	5 196	610
- Non-consolidated investees	(68)	(27)
- Interest income and other	(77)	(63)
- Other income	738	489
- Depreciation and amortization	697	243
Variance EBITDA	6 486	1 252

Variance Analysis

Exploration and Production

NOK million	Year to year	4th quarter
2003	27 624	7 812
2002	21 593	6 729
Variance EBITDA	6 031	1 083
- Prices and currency		
- Oil	4 110	965
- Gas	485	165
- Currency	(2 835)	(395)
- Put options	110	5
	1 870	740
- Volume	3 060	720
- Depreciation	(810)	(285)
- Production costs	(440)	(325)
- Exploration costs	1 980	95
- Other	(300)	(90)
Variance operating income	5 363	855
- Non-consolidated investees	(2)	6
- Interest income and other	(66)	(62)
- Other income	(77)	-
- Depreciation and amortization	813	284
Variance EBITDA	6 031	1 083

Variance Analysis

Energy and Oil Marketing

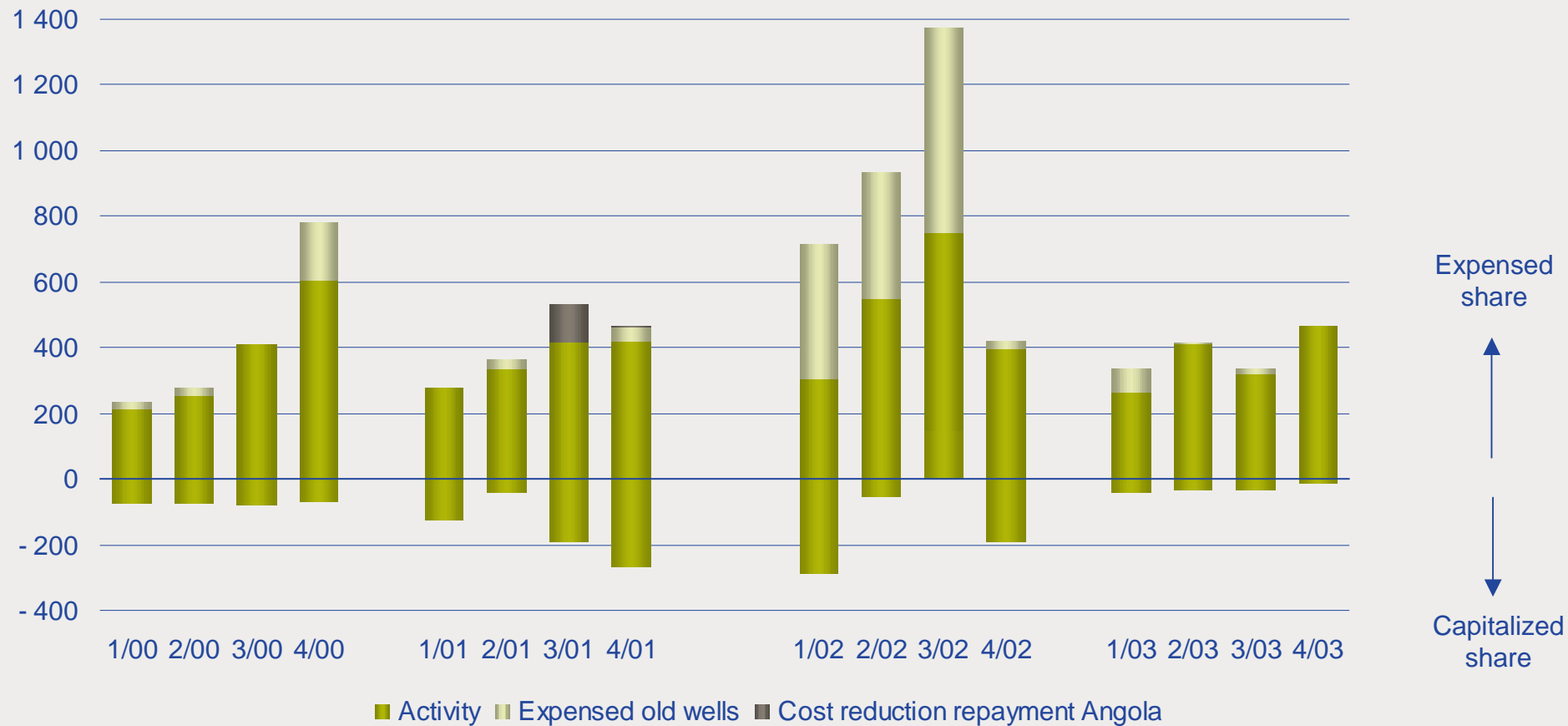
NOK million	Year to year	4th quarter
2003	4 226	1 331
2002	3 721	1 132
Variance EBITDA	505	199
- Margin	205	(155)
- Volume	(545)	(25)
- Fixed costs	60	(60)
- Depreciation	170	40
- Other	(5)	(15)
Variance operating income	(116)	(214)
- Non-consolidated investees	(67)	(34)
- Interest income and other	(11)	(1)
- Other income	815	489
- Depreciation and amortization	(116)	(41)
Variance EBITDA	505	199

Production per field

Boe/day (oil including NGL and condensate)	Q4 2002	Q4 2003	Hydro Share Percent	Hydro Production
Oseberg	188 000	185 000	34.00	63 065
Snorre	270 000	254 000	17.65	44 761
Oseberg South	73 000	90 000	34.00	30 430
Ekofisk	364 000	362 000	6.65	24 078
Åsgard	267 000	236 000	9.60	22 679
Gulfaks	250 000	248 000	9.00	22 357
Grane	0	56 000	38.00	21 251
Troll B	182 000	183 000	9.78	17 863
Troll C	198 000	169 000	9.78	16 566
Norne	148 000	155 000	8.10	12 557
Fram	0	46 000	25.00	11 533
Tune	0	28 000	40.00	11 088
Oseberg East	61 000	31 000	34.00	10 388
Sleipner Area	127 000	97 000	8.85/9.40/10.00	9 087
Vigdis	67 000	66 000	13.28	8 791
Tordis	96 000	58 000	13.28	7 755
Terra Nova	135 000	142 000	15.00	21 263
Girassol	184 000	201 000	10.00	20 121
Hibernia	208 000	197 000	5.00	9 827
Kharyaga	8 000	17 000	40.00	6 849
Other Fields				37 947
SUM OIL				430 256
GAS				166 180
Total production				596 436

Exploration activity and costs

NOK million

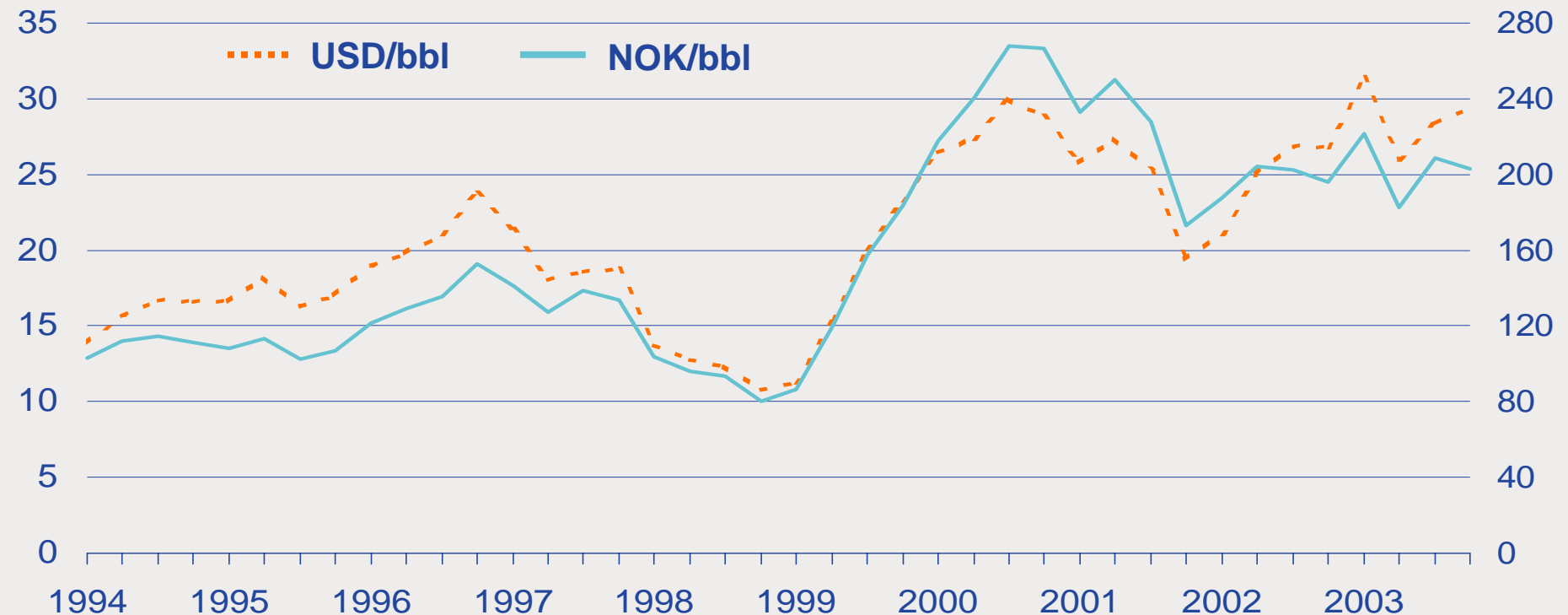


Price development – crude oil

Average Brent Blend dated per quarter

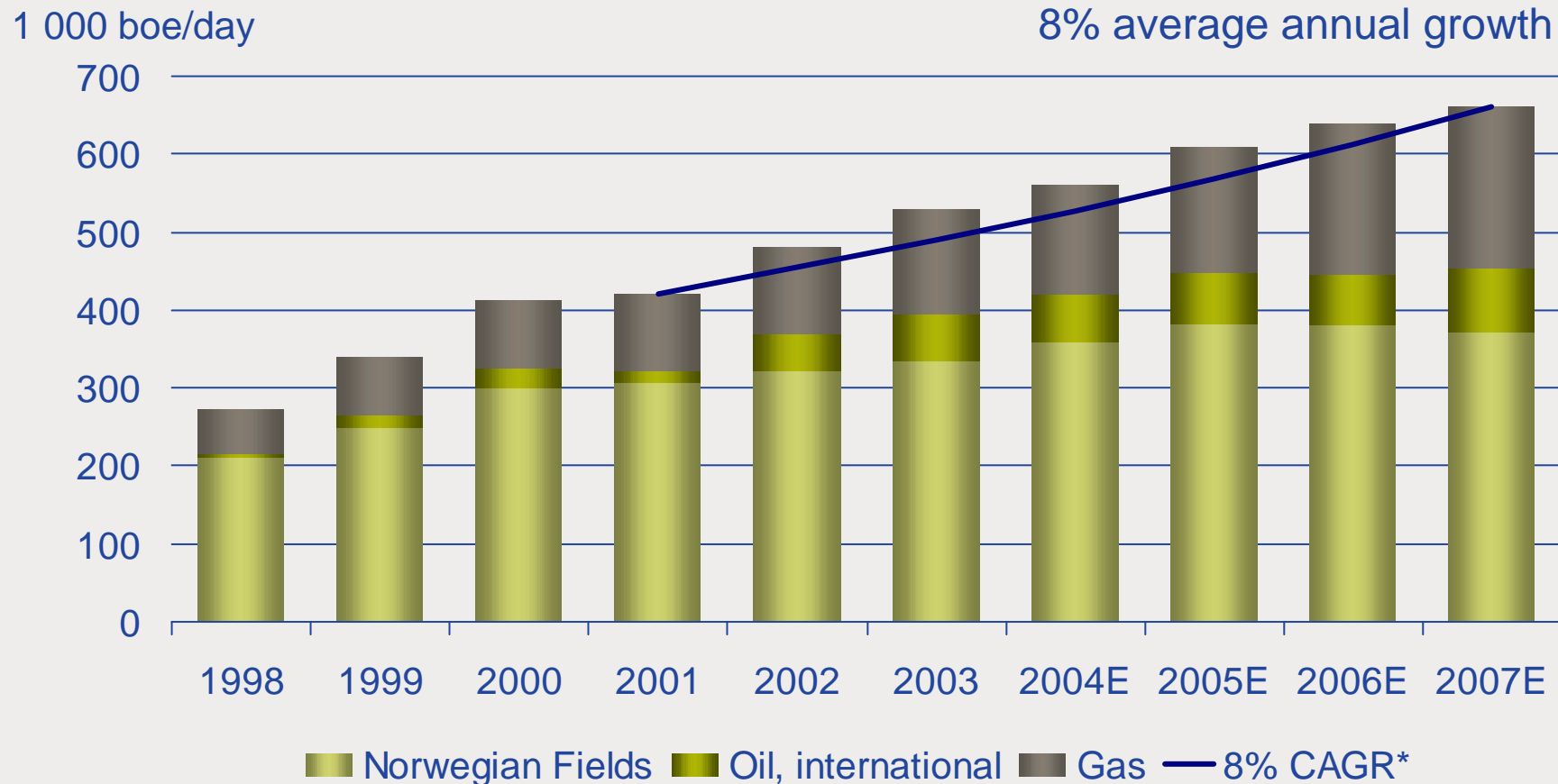
USD/bbl

NOK/bbl



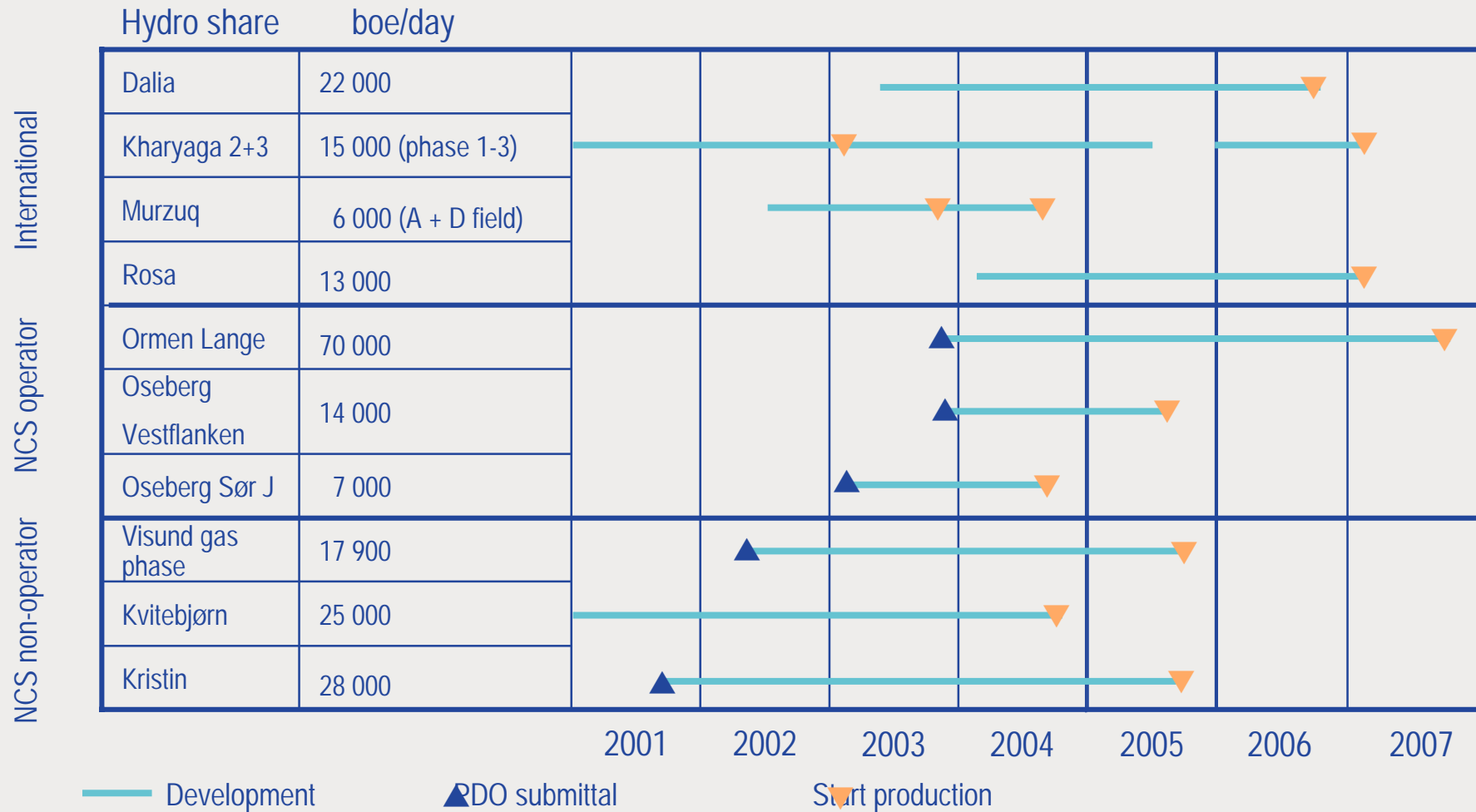
4th quarter 2003: 203.10 NOK/bbl 29.40 USD/bbl

Strong production growth



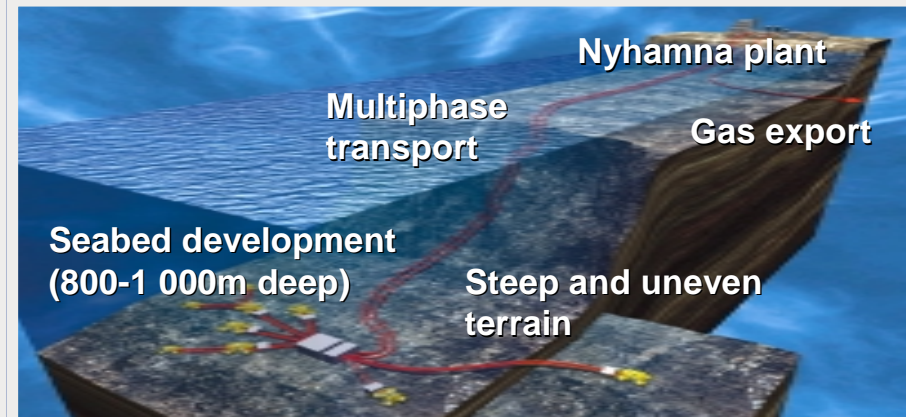
* Compound Annual Growth Rate, 2001 baseline

New fields on stream 2004 – 2007



Ormen Lange – one of the world's most technologically challenging gas projects

- Development plan delivered
 - Total investments (field + pipeline): NOK 66 billion
- Production start October 2007
- Hydro equity: 18%
- 10% real return after tax attained with gas prices below USD 1.7 / MMBtu



Recoverable Resources	Expected*
Gas (bcm)	399
Liquids (million bbl)	182

* Expected reserves, not proven according to SEC definition

Variance analysis Aluminium

NOK million	Year to year	4th quarter
2003	6 498	1 809
2002	4 334	1 316
Variance EBITDA	2 164	493
- Margin	(560)	400
- Volume	860	310
- Fixed costs	(345)	(125)
- Depreciation	(515)	(160)
- Infrequent items and restructuring costs	615	75
- Trading and hedging	785	85
- Unrealized LME-effects	(310)	(55)
- New/disposed business	285	-
- Other	(60)	(55)
Variance operating income	758	479
- Non-consolidated investees	652	(266)
- Interest income and other	(45)	-
- Depreciation and amortization	799	280
Variance EBITDA	2 164	493

Variance analysis Metals

NOK million	Year to year	4th quarter
2003	4 298	1 136
2002	2 703	964
Variance EBITDA	1 595	172
- Margin	(760)	115
- Volume	415	160
- Fixed costs	(160)	(70)
- Depreciation	(295)	(145)
- Infrequent items and restructuring costs	365	75
- Trading & price hedging	785	85
- New/disposed business	305	-
- Other	(50)	(35)
Variance operating income	603	183
- Non-consolidated investees	655	(183)
- Interest income and other	(55)	(6)
- Depreciation and amortization	392	178
Variance EBITDA	1 595	172

Variance analysis Rolled Products

NOK million	Year to year	4th quarter
2003	835	268
2002	258	47
Variance EBITDA	577	221
- Margin	235	275
- Volume	195	30
- Fixed costs	(55)	(5)
- Depreciation	(45)	30
- Infrequent items	155	(45)
- New/disposed business	(10)	-
- Other	(50)	(40)
Variance operating income	427	248
- Non-consolidated investees	(21)	(61)
- Interest income and other	3	3
- Depreciation and amortization	168	31
Variance EBITDA	577	221

Variance analysis

Extrusion and Automotive

NOK million	Year to year	4th quarter
2003	1 432	426
2002	1 084	285
Variance EBITDA	348	141
- Margin	15	-
- Volume	250	120
- Fixed costs	(130)	(50)
- Depreciation	(175)	(45)
- Infrequent items	95	45
- New/disposed business	(10)	-
- Other	40	20
Variance operating income	84	89
- Non-consolidated investees	18	(22)
- Interest income and other	7	3
- Depreciation and amortization	239	71
Variance EBITDA	348	141

Aluminium – Key figures by segment

Volumes and prices	Q4 2003	Q3 2003	Q4 2002
Primary production (Kmt)	388	381	349
Total metal sales (Kmt) *)	483	506	480
LME, realized (USD/t) **)	1 488	1 445	1 343
USD/NOK, realized ***)	7.10	7.33	7.49
Rolled Products, external shipment (Kmt)	211	225	211
Extrusion and Automotive, external revenues (NOK million)	6 200	5 914	5 851

EBITDA	Q4 2003	Q3 2003	Q4 2002
Metals	1 136	991	964
Rolled Products	268	184	47
Extrusion and Automotive	426	377	285

*) excluding trading

**) including LME hedges (hedge accounting) and LME forward contracts

***) difference between realized exchange rate and spot rate at the transaction date is reported as currency gain/loss and not included in EBITDA

Aluminium price

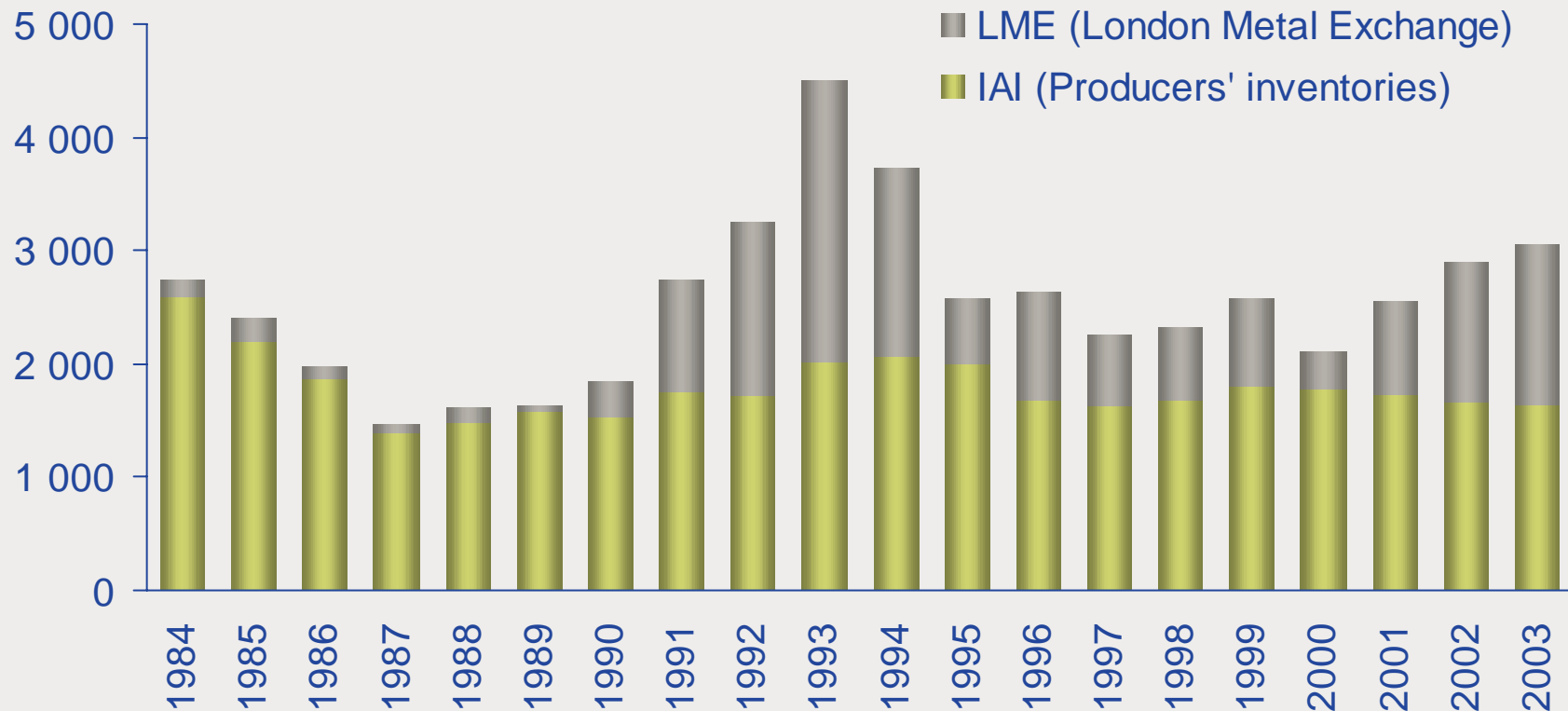
3 months LME price, average per quarter

USD/tonne



Inventories – primary aluminium

1 000 tonnes



Sources: IAI and LME

Variance analysis Agri

NOK million	Year to year	4th quarter
2003	4 748	1 484
2002	3 945	645
Variance EBITDA	803	839
- Margin	645	595
- Volume	150	135
- Fixed costs	(190)	5
- Depreciation	40	-
- Other	(50)	(35)
Variance operating income	593	698
- Non-consolidated investees	553	173
- Interest income and other	(50)	(7)
- Other income	(166)	-
- Depreciation and amortization	(127)	(25)
Variance EBITDA	803	839

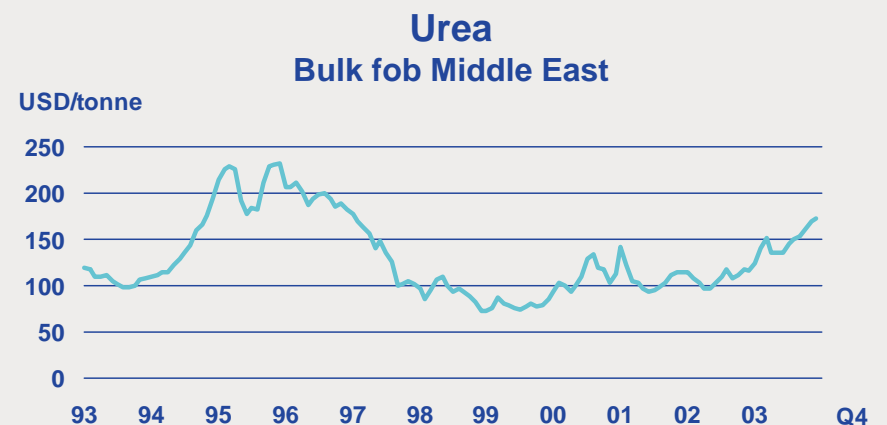
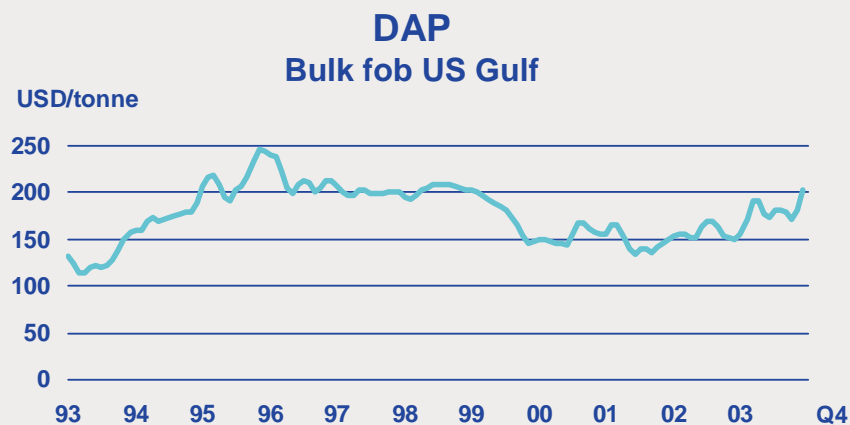
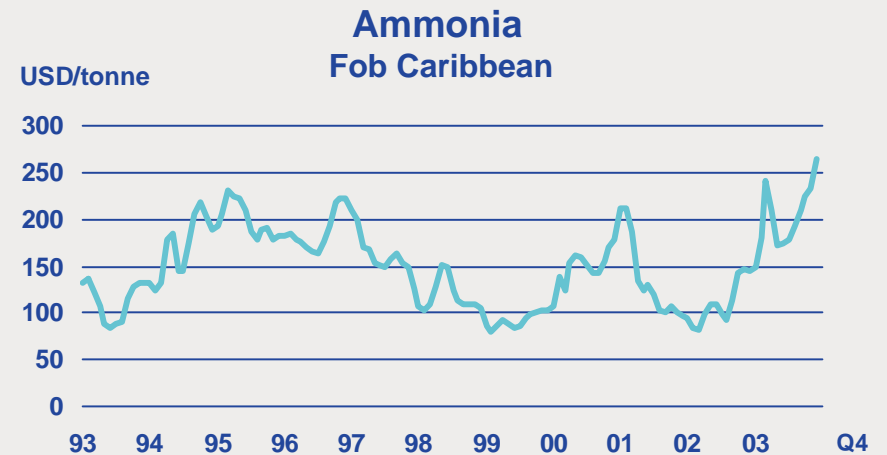
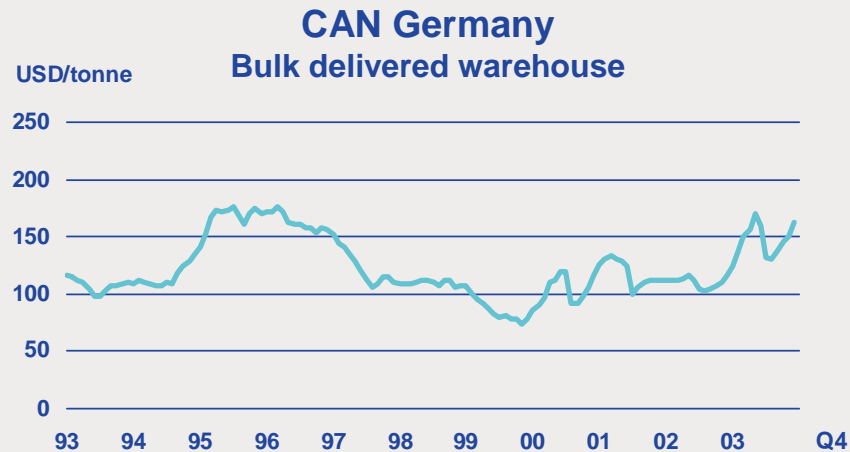
Variance analysis Agri (cont.)

NOK million	Year to year	4th quarter
2003	4 748	1 484
2002	3 945	645
Variance EBITDA	803	839
Currency effect (transaction and translation) ¹⁾	850	130
Total change in EBITDA calculated with stable currency rates	1 653	969
Volume	150	140
Prices/Margins ²⁾ (incl. Qafco and Tringen)	2 900	1 000
Energy cost (Europe)	(1 200)	(200)
Fixed cost	-	65
Other income	(166)	-
Other	(31)	(36)
Total change in EBITDA calculated with stable currency rates	1 653	969

1) Currency effects have been isolated by applying constant (2003) exchange rates

2) Margins includes the long position gains in the magnitude of NOK 300 million for 2003 and NOK 130 million for fourth quarter 2003 as a result of the strong price throughout 2003, mostly within the ammonia area

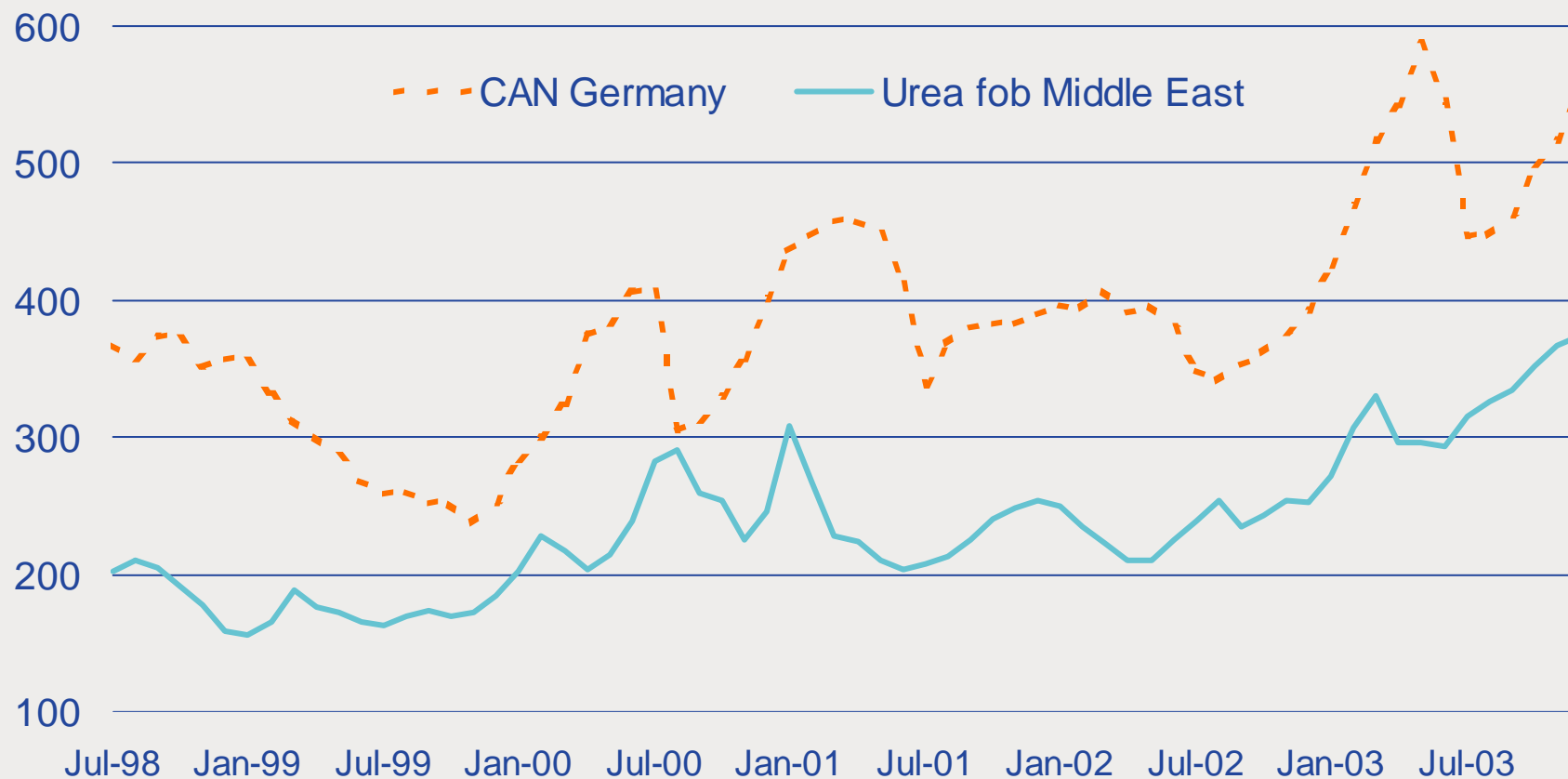
Fertilizer prices



Source: International publications

Nitrate premium above urea price

USD/tonne nitrogen



Variance analysis Petrochemicals

NOK million	Year to year	4th quarter
2003	401	148
2002	320	35
Variance EBITDA	81	113
- Margin	-	90
- Volume	50	15
- Fixed costs	(15)	5
- Depreciation	(5)	(5)
- Other	(5)	(15)
Variance operating income	27	92
- Non-consolidated investees	60	18
- Interest income and other	(14)	(5)
- Depreciation and amortization	8	8
Variance EBITDA	81	113

Forward-Looking Statements/ Use of Non-GAAP Financial Measures

In order to utilize the “safe harbour” provisions of the United States Private Securities Litigation Reform Act of 1995, Hydro is providing the following cautionary statement:

This presentation contains certain forward-looking statements with respect to the financial condition, results of operations and business of the Company and certain of the plans and objectives of the Company with respect to these items. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. The actual results and developments may differ materially from those expressed or implied in the forward-looking statements due to any number of different factors. These factors include, but are not limited to, changes in costs and prices, changes in economic conditions, and changes in demand for the Company's products. Additional information, including information on factors which may affect Hydro's business, is contained in the Company's 2002 Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission.

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).



Cautionary Note

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.