HYDRO

First quarter 2007

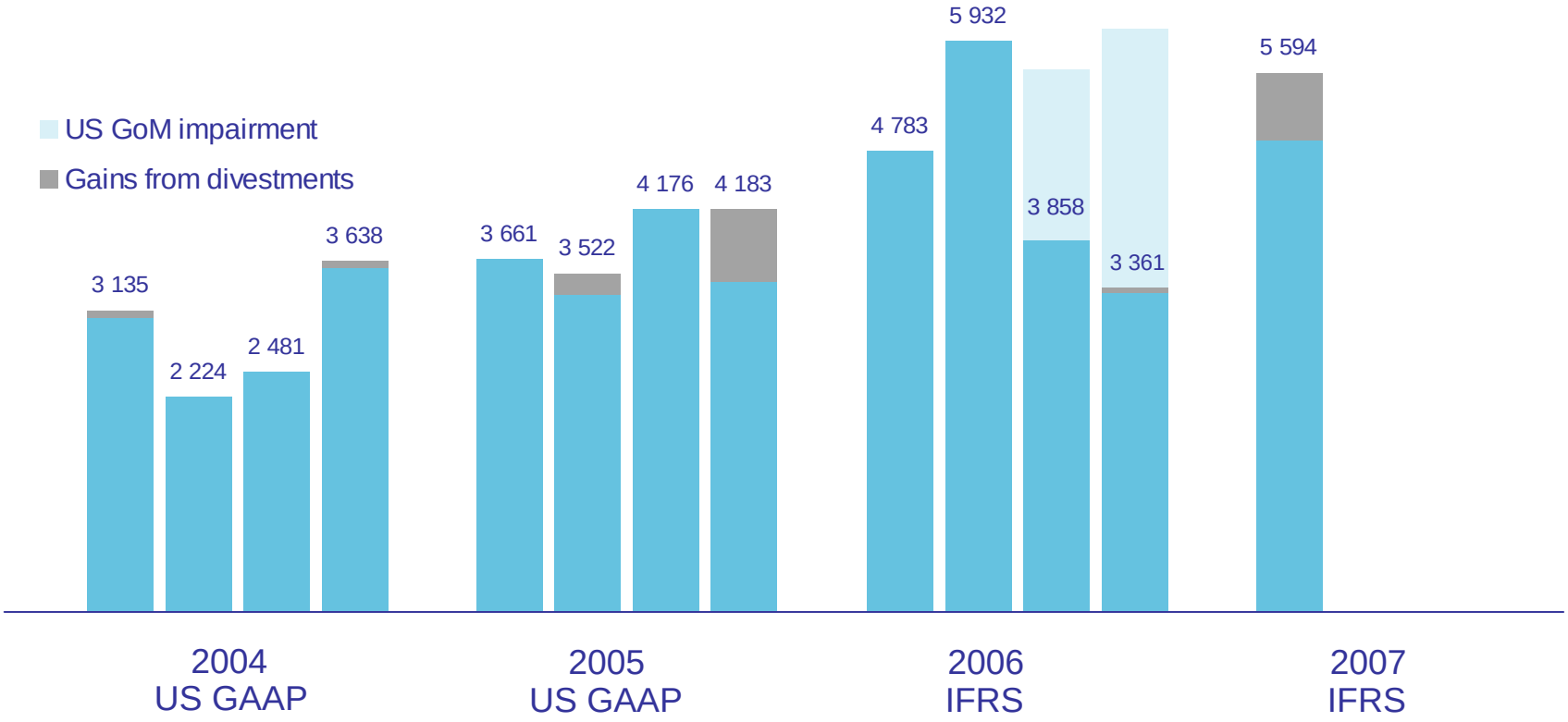
www.hydro.com

Highlights first quarter

- Strong results in Aluminium Metal and Oil & Energy
- Results for Aluminium Products significantly improved
- Continued strong market conditions
- Ormen Lange/Langeled on track
- Oil and gas merger with Statoil expected to close 1 October

Net income from continuing operations

NOK million



Accumulated				
US GAAP	11 477	15 542	17 224	
IFRS			17 933	5 594

Consolidated income statements

NOK million	Q1 2007	Q4 2006	Q1 2006
Revenue	48 753	48 213	53 050
Share of the profit in equity accounted investment	286	59	321
Other income, net	1 075	496	244
Revenues and income	**50 114**	**48 768**	**53 615**
Depreciation, amortization and impairment	(4 703)	(8 425)	(4 131)
Other expenses	(30 588)	(32 198)	(32 613)
Earnings before financial items and tax (EBIT)	**14 823**	**8 144**	**16 870**
Financial income (expense), net	753	745	664
Income continuing operations before tax	**15 576**	**8 889**	**17 534**
Income tax expense	(9 982)	(5 529)	(12 751)
Minority interest	(103)	(8)	77
Net income attributable to parent	**5 491**	**3 353**	**4 859**
Basic and diluted earnings per share attributable to the equity holders of the parent – NOK	4.50	2.70	3.90

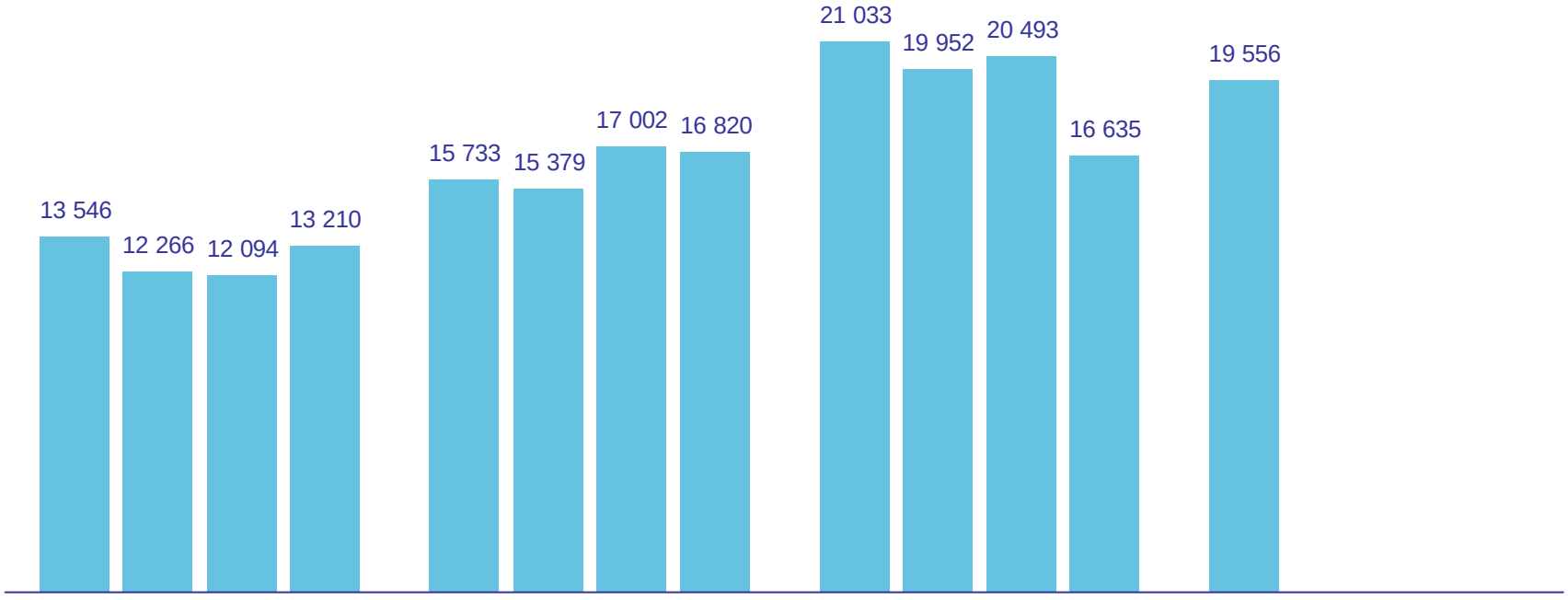
For calculation of EPS Q1 2007: 1 226 175 885, Q4 2006: 1 229 232 363, Q1 2006: 1 250 692 320 shares.

Earnings before financial items and tax (EBIT)

NOK million	Q1 2007	Q4 2006	Q1 2006
Exploration and Production	10 146	7 246	12 927
Energy and Oil Marketing	1 310	1 324	1 157
Eliminations	(290)	539	57
Oil & Energy	11 166	9 109	14 140
Aluminium Metal	2 534	899	1 706
Aluminium Products	1 315	(481)	486
Other Activities	172	736	134
Corporate and Eliminations	(365)	(2 119)	404
Total	14 823	8 144	16 870

EBITDA

NOK million

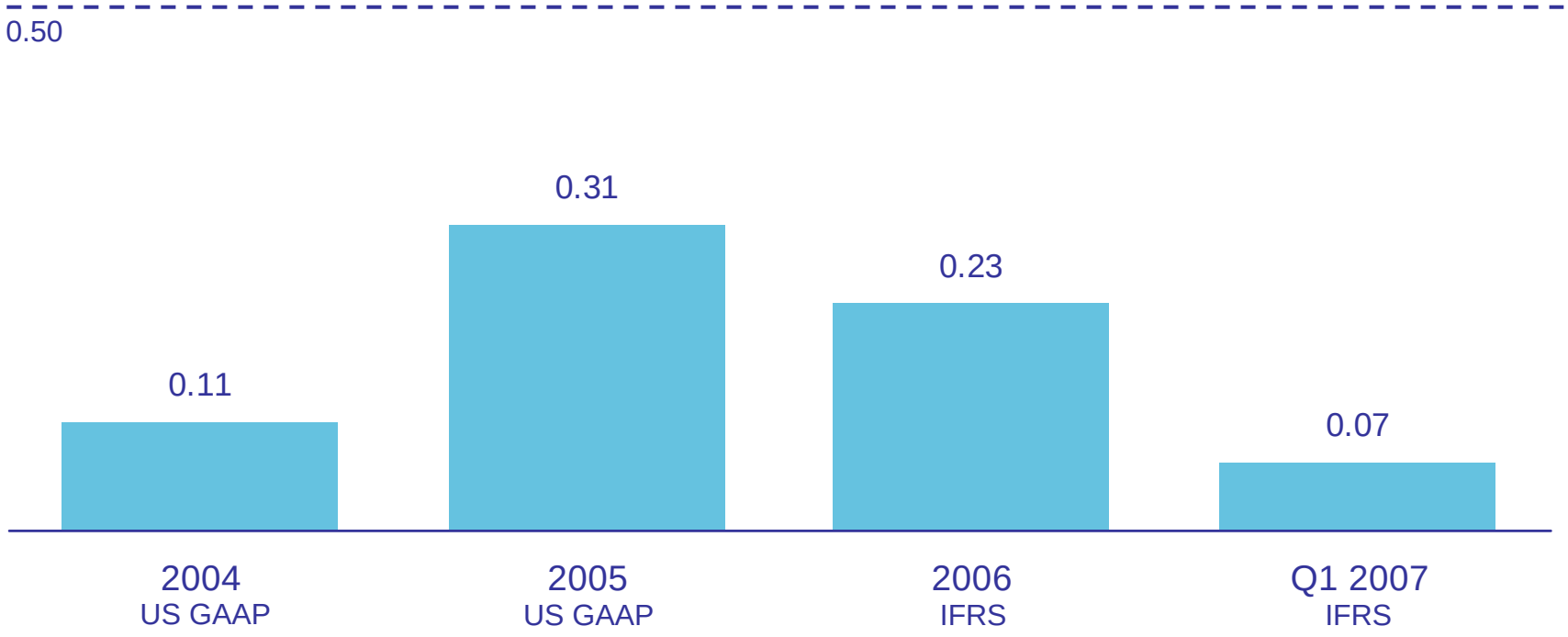


2004 US GAAP	2005 US GAAP	2006 IFRS	2007 IFRS
13 546	15 733	21 033	19 556
12 266	15 379	19 952	
12 094	17 002	20 493	
13 210	16 820	16 635	

Accumulated

51 116	64 933	78 112	19 556

Adjusted net debt/equity ratio



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

Oil & Energy – highlights

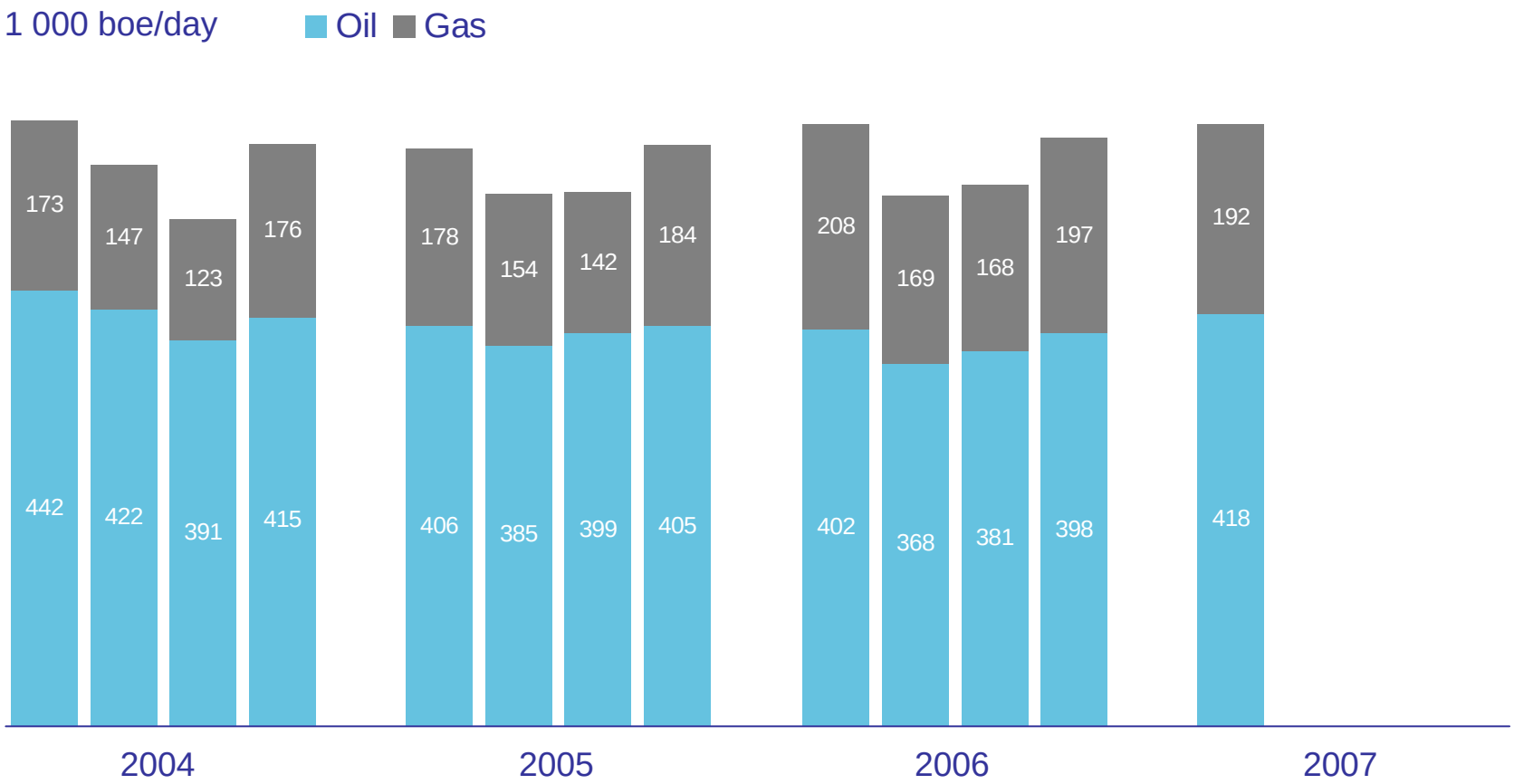
- Oil and gas production 610 000 boed
- Four new discoveries
- Ormen Lange/Langeled on track – 94 percent complete
- Peregrino field development plan approved by Brazilian authorities
- Realized oil price: USD 55.94 per bbl
- Realized gas price: NOK 1.90 per Sm^3

Oil & Energy – key figures

Operational data	Q1 2007	Q4 2006	Q1 2006
Oil and gas production (1 000 boe/day)	610	595	610
Realized oil price, USD/boe	55.94	57.80	60.61
Realized oil price, NOK/boe	347.80	369.20	403.50
Realized gas price, NOK/Sm^3	1.90	1.97	2.16
Exploration expense, NOK million	786	2 093	1 407

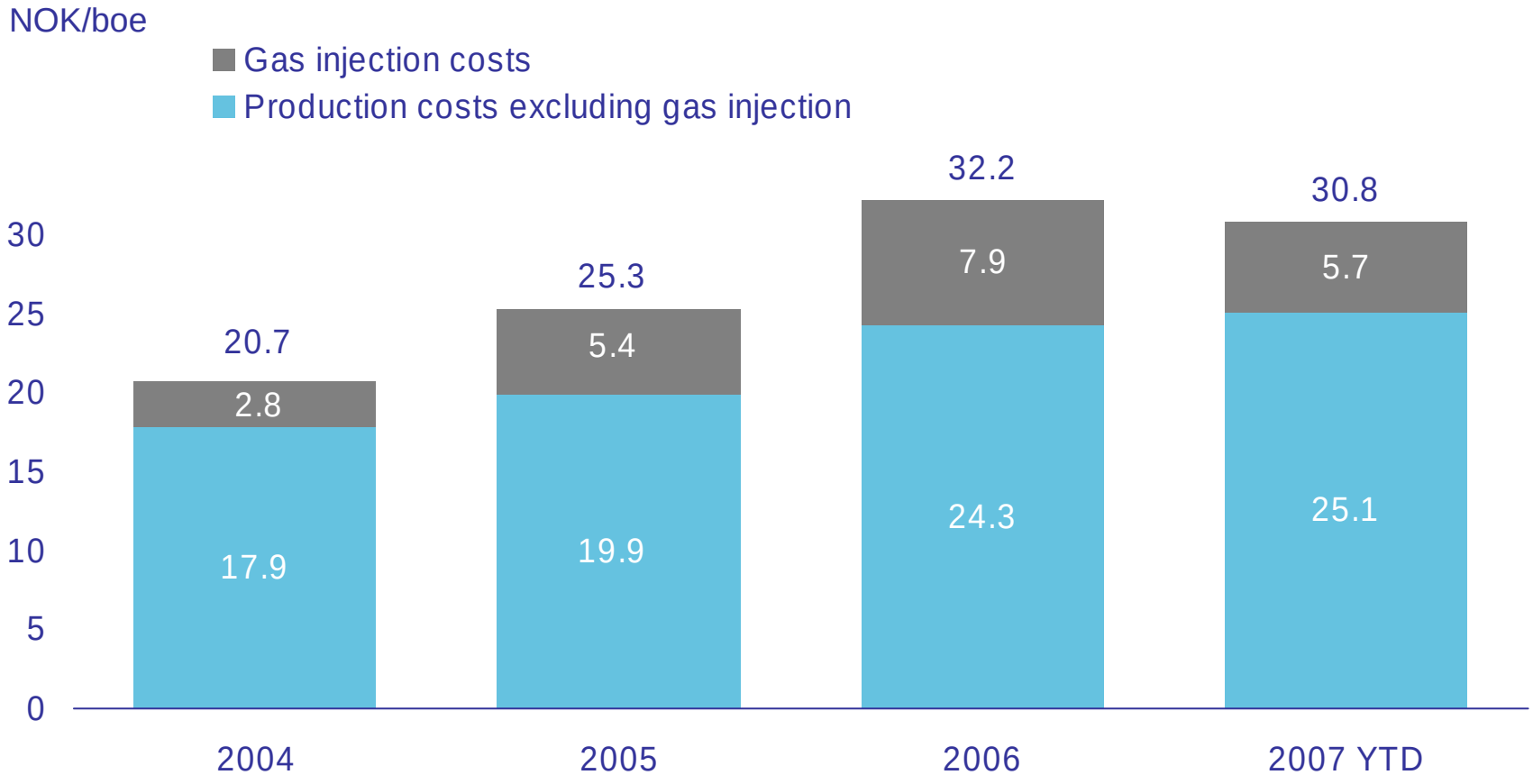
EBIT, NOK million	Q1 2007	Q4 2006	Q1 2006
Exploration and Production	10 146	7 246	12 927
Energy and Oil Marketing	1 310	1 324	1 157
Eliminations	(290)	539	57
Oil & Energy	**11 166**	**9 109**	**14 140**

Petroleum production per quarter



Average			
572	563	573	610

Production costs per barrel



Production in million boe

2004	2005	2006	2007 YTD
209	206	209	55

Exploration activity

- 60 wells planned in 2007
- Nine wells completed
- Four discoveries – three in Norway and one in US Gulf of Mexico
- Activity of NOK 900 million

Oil & Energy – prospects

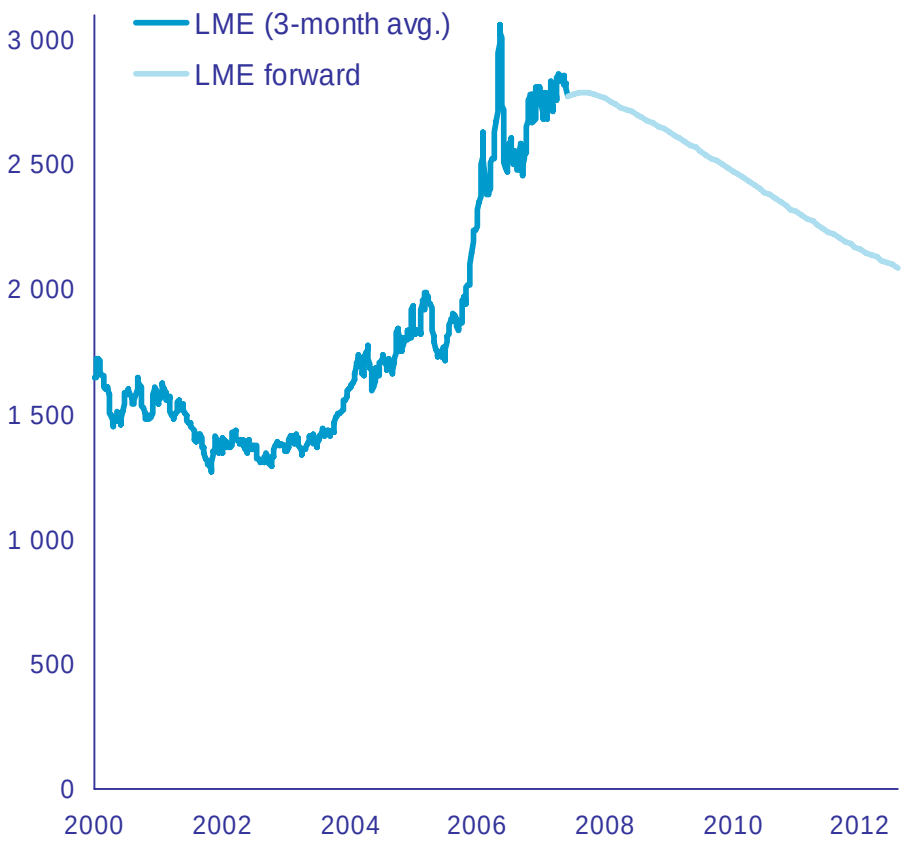
- 2007 production target of 585 000 boed
- Ormen Lange start-up on schedule
- Peregrino development phase on track
- High exploration activity
- Planned merger with Statoil expected to close 1 October 2007

Aluminium Metal – highlights

- Best-ever quarterly result
- Realized aluminium price of 2 588 USD per tonne
- Smelter production 433 000 tonnes as projected
- Strong casthouse product premiums in Europe

Aluminium market price – 3 month LME

USD per mt



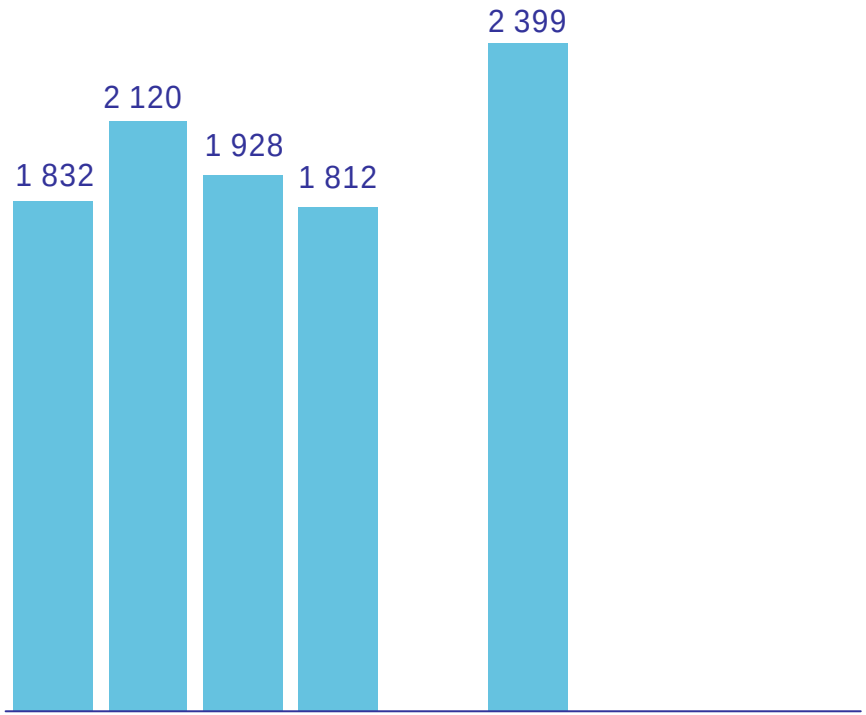
Primary aluminium LME	USD/tonne
Q1 2007 average	2 746
Q1 2007 end	**2 780**
Q4 2006 average	2 725
Q4 2006 end	**2 803**
Q3 2006 average	2 528
Q3 2006 end	**2 584**
Q2 2006 average	2 682
Q2 2006 end	**2 630**
Q1 2006 average	2 444
Q1 2006 end	**2 471**
Average 2007	2 746
Average 2006	2 594

Source: Reuters Ecowin / Bloomberg, weekly average, forward curve as of 25 May 2007,

Aluminium Metal – EBIT

Adjusted for special items

NOK million



	2006	Q1 2007
Adjusted EBIT	7 692	2 399
Reported EBIT	7 302	2 534

- Realized aluminium price
  - USD 2 588 per tonne
    - +7% vs. Q4 2006, +21% vs Q1 2006
  - NOK 16 480 per tonne
    - +4% vs. Q4 2006, +12% vs Q1 2006
- Primary production 433 000 tonnes
- Higher raw material and energy costs reduce impact of price increase
- Lower fixed cost compared with unusually high level in Q4 2006
- Strong product premiums
- Strong results in Alunorte

Aluminium Metal – prospects

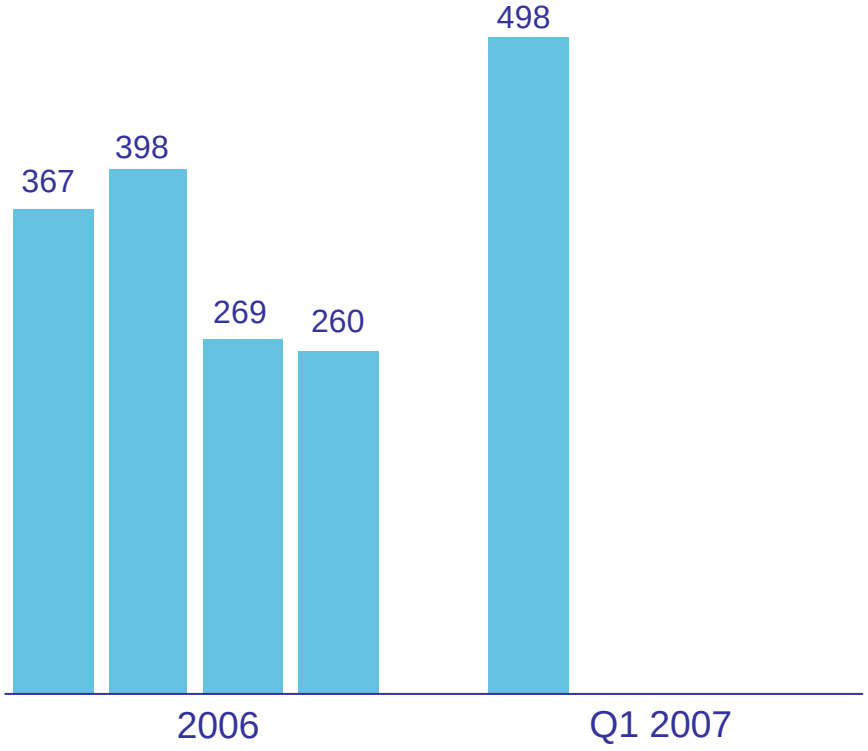
- Continued high aluminium prices
- 83 percent of expected Q2 production sold at 2 573 USD/tonne as of 31 March
  - Including full effect of strategic hedges
- Final build decision for Qatalum expected in July 2007
- 2007 production target – 1 730 000 tonnes
  - Årdal Søderberg production (50 000 tonnes) to be shut down in June 2007

Aluminium Products – highlights

- Record results
  - Strong performance in Extrusion and Rolled Products
  - Divestment of Automotive businesses, net gain NOK 690 million
- Primary magnesium plant in Canada closed in March
- Continued restructuring

Aluminium Products – EBIT
Adjusted for special items

NOK million



	2006	Q1 2007
Adjusted EBIT	1 294	498
Reported EBIT	(104)	1 315

- Rolled Products
  - Margin and volume improvement compared with Q1 and Q4 2006
- Extrusion
  - Positive margin development, somewhat down from Q4
  - Volumes stable
- Automotive
  - Weak results
  - Divested activities (Castings) included with EBIT of NOK 79 million
- Focus on cash generation
  - Adjusted EBITDA: NOK 1 661 million
  - Investments: NOK 90 million

Aluminium Products – prospects

- Building on competitive positions in Europe
  - Strong markets for Extrusion, Building Systems and Rolled Products in Europe
- Weak automotive and US markets
- Portfolio restructuring continues
  - US Ellenville extrusion plant to be closed in Q2

Strong results for “new” Hydro in Q1 2007

NOK million	Estimated EBIT	Estimated EBITDA
Aluminium Metal	2 534	3 074
Aluminium Products	1 315	1 661
Power	300	328
Corporate and other	(250)	(233)
Total *	**3 899**	**4 830**
Special items	(800)	(800)
Total after special items *	**3 099**	**4 030**

* Hydro Polymers excluded

Hydro – priorities

- Successful integration of oil and gas activities with Statoil
- Launch of “new” Hydro
- Operational excellence
- Competitive return on capital
- World-class execution of Qatalum
- Solid platform for upstream growth

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.

Additional 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

Adjusted income Q1 2007

NOK million	Reported income	Adjustments	Adjusted income
Exploration and Production	10 146	772	10 918
Energy and Oil Marketing	1 310	45	1 355
Eliminations	(290)	289	(1)
Oil & Energy	11 166	1 106	12 272
Aluminium Metal	2 534	(135)	2 399
Aluminium Products	1 315	(817)	498
Other activities	172	50	222
Corporate and eliminations	(365)	174	(191)
Total EBIT	14 823	378	15 201
Financial income (expense), net	753	(566)	187
Income continuing operations before tax and minority interest	15 576	(188)	15 388
Income tax expense [1)]	(9 982)	120	(9 862)
Minority interest	(103)	-	(103)
Net income attributable to parent	5 491	(68)	5 423

1) Estimated tax effect on income statement adjustments using the quarterly marginal tax rate of 64.1 %.

Special items impacting income statement Q1 2007

		NOK million
Unrealized (gains)/losses on oil and gas derivatives, Spinnaker	Exploration & Production	355
Unrealized (gains)/losses on gas contracts	Exploration & Production	417
Unrealized (gains)/losses on gas contracts	Energy and Oil Marketing	67
Unrealized (gains)/losses on power contracts	Energy and Oil Marketing	(22)
Unrealized (gains)/losses on gas and power contracts	Eliminations Oil & Energy	289
Total impact	**Oil & Energy**	**1 106**
Closure costs	Aluminium Metal	17
Unrealized (gains)/losses on LME contracts	Aluminium Metal	(272)
Unrealized (gains)/losses on power contracts	Aluminium Metal	127
Associates/JVs - unrealized currency (gains)/losses Alunorte	Aluminium Metal	(41)
Associates/JVs - unrealized (gains)/losses on LME contracts Alunorte	Aluminium Metal	(13)
Associates/JVs - unrealized (gains)/losses power contracts	Aluminium Metal	47
Total impact	**Aluminium Metal**	**(135)**
Inventory (gains)/losses	Rolled Products	(149)
Net gain on disposed business	Automotive	(691)
Unrealized (gains)/losses on LME contracts	Other and Eliminations	23
Total impact	**Aluminium Products**	**(817)**
Unrealized (gains)/losses on power contracts in Polymers	Other Activities	50
Total impact	**Other Activities**	**50**
Unrealized (gains)/losses on power and NGL contracts	Corporate and Eliminations	174
Total impact	**Corporate and Eliminations**	**174**
Net impact on EBIT	**Hydro**	**378**
Net foreign exchange (gain)/loss	Hydro	(566)
Net impact on income before tax	**Hydro**	**(188)**
Marginal tax rate [1)]	Hydro	64.1%
Estimated impact on income tax expense	Hydro	120
Net impact on net income attributable to parent	**Hydro**	**(68)**

1) Estimated tax effect on income statement adjustments using the quarterly marginal tax rate of 64.1%.

Adjusted income Q1 2006

NOK million	Reported income	Adjustments	Adjusted income
Exploration and Production	12 927	447	13 374
Energy and Oil Marketing	1 157	(144)	1 013
Eliminations	57	(57)	-
Oil & Energy	14 140	246	14 387
Aluminium Metal	1 706	126	1 832
Aluminium Products	486	(119)	367
Other activities	134	-	134
Corporate and eliminations	404	(780)	(376)
Total EBIT	16 870	(527)	16 344
Financial income (expense), net	664	(529)	135
Income continuing operations before tax and minority interest	17 534	(1 056)	16 478
Income tax expense [1)]	(12 751)	768	(11 983)
Minority interest	77	-	77
Net income attributable to parent	4 859	(288)	4 571

1) Estimated tax effect on income statement adjustments using the quarterly marginal tax rate of 72.7 %.

Special items impacting income statement Q1 2006

		NOK million
Unrealized (gains)/losses on oil and gas derivatives, Spinnaker	Exploration & Production	127
Unrealized (gains)/losses on gas contracts	Exploration & Production	320
Unrealized (gains)/losses on gas contracts	Energy and Oil Marketing	(262)
Unrealized (gains)/losses on power contracts	Energy and Oil Marketing	118
Unrealized (gains)/losses on gas and power contracts	Eliminations Oil & Energy	(57)
Total impact	**Oil & Energy**	**246**
Closure costs	Aluminium Metal	499
Unrealized (gains)/losses on LME contracts	Aluminium Metal	(422)
Unrealized (gains)/losses on power contracts	Aluminium Metal	191
Associates/JVs - unrealized currency (gains)/losses Alunorte	Aluminium Metal	(82)
Associates/JVs - unrealized (gains)/losses on LME contracts Alunorte	Aluminium Metal	24
Associates/JVs - unrealized (gains)/losses power contracts	Aluminium Metal	(84)
Total impact	**Aluminium Metal**	**126**
Inventory (gains)/losses	Rolled Products	(349)
UK defined pension plan	Rolled Products	15
UK defined pension plan	Extrusion	340
UK defined pension plan	Automotive	25
Unrealized (gains)/losses on LME contracts	Other and Eliminations	(150)
Total impact	**Aluminium Products**	**(119)**
Unrealized (gains)/losses on power and NGL contracts	Corporate and Eliminations	(400)
Elimination of UK defined pension plan	Corporate and Eliminations	(380)
Total impact	**Corporate and Eliminations**	**(780)**
Net impact on EBIT	**Hydro**	**(527)**
Net foreign exchange (gain)/loss	Hydro	(529)
Net impact on income before tax	**Hydro**	**(1 056)**
Marginal tax rate [1)]	Hydro	72.7%
Estimated impact on income tax expense	Hydro	768
Net impact on net income attributable to parent	**Hydro**	**(288)**

1) Estimated tax effect on income statement adjustments using the quarterly marginal tax rate of 72.7%.

Estimated EBIT and EBITDA for ”new” Hydro Q1 2007

Estimated EBIT	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)	174	(76)
Total *	**3 899**	**(800)**	**3 099**
Hydro Polymers	145	50	195

Estimated EBITDA	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)	174	(59)
Total *	**4 830**	**(800)**	**4 030**
Hydro Polymers	255	50	305

* Hydro Polymers excluded

Variance analysis Hydro

NOK million	Q1 2007
2007 2006	14 823 16 870
Variance EBIT	(2 047)
Prices and currency - Oil - Gas - LME - Currency - Margin - Volume - Strategic hedges - Derivatives - Associates and JCE - Exploration and production costs - Other operational costs, net - Depreciation incl. Impairment - Portfolio	 (619) (518) 1 031 (1 003) 402 (251) (261) (1 741) (28) 420 548 (665) 637
Variance EBIT	(2 047)

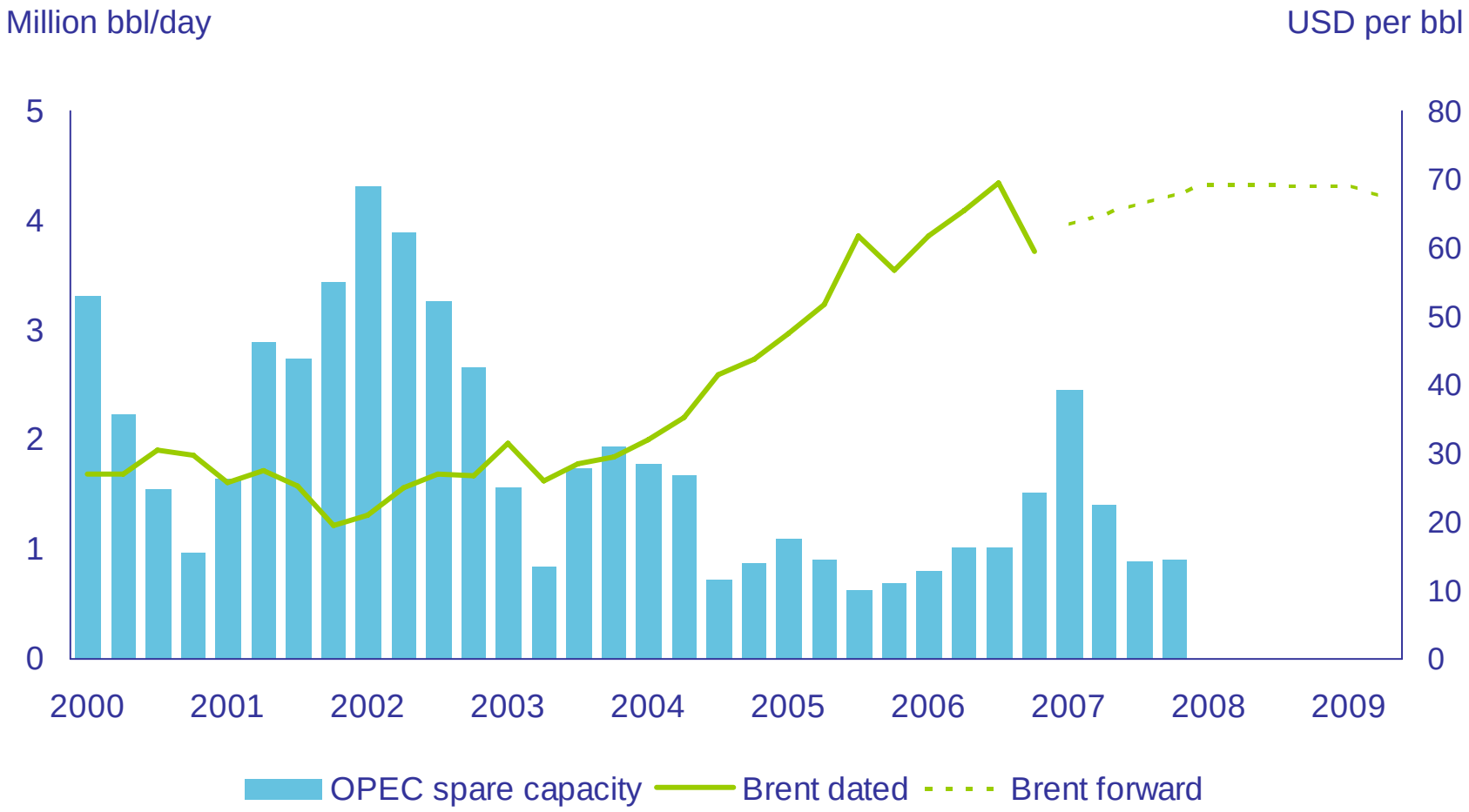
Consolidated balance sheets

NOK million	31 March 2007	31 December 2006	31 March 2006
Cash and cash equivalents	21 881	6 760	20 762
Short-term investments	14 982	15 020	3 850
Receivables and other current assets	44 377	42 488	48 294
Inventories	16 564	16 497	15 230
Assets held for sale	-	3 691	-
Non-current assets	145 574	148 635	151 508
Total assets	**243 377**	**233 092**	**239 643**
Short-term interest-bearing debt	3 629	3 655	3 855
Other current liabilities	66 426	58 925	66 068
Liabilities included in disposal groups	-	1 011	-
Long-term interest-bearing debt	19 043	19 619	20 814
Other long-term liabilities	29 787	30 017	27 521
Deferred tax liabilities	23 634	23 265	27 379
Minority interest	848	771	871
Equity attr. to equity holders of the parent	100 011	95 831	93 135
Total liabilities and equity	**243 377**	**233 092**	**239 643**

Statement of cash flows

NOK million	Q1 2007	Q1 2006	Year 2006
Operating activities:			
Net income	5 594	4 783	17 933
Depreciation, amortization and impairment loss	4 703	4 131	22 707
Other adjustments	4 544	6 583	(2 256)
Net cash provided by operating activities	**14 841**	**15 497**	**38 384**
Investing activities:			
Purchases of property, plant and equipment	(3 289)	(3 587)	(15 927)
Purchases of other long-term investments	(915)	(632)	(6 197)
Purchases of short-term investments	-	-	(22 650)
Proceeds from sales of property, plant and equipment	29	69	358
Proceeds from sales of other long-term investments	4 131	152	1 658
Proceeds from sales of short-term investments	-	-	11 550
Net cash used in investing activities	**(44)**	**(3 998)**	**(31 208)**
Financing activities:			
Loan proceeds	135	3	89
Principal repayments	(43)	(1 576)	(1 431)
Ordinary shares purchased	-	-	(3 949)
Ordinary shares issued	15	15	59
Dividend paid	-	-	(5 506)
Net cash provided by (used in) financing activities	**107**	**(1 558)**	**(10 738)**
Foreign currency effect on cash and bank overdraft	19	(84)	319
Net increase (decrease) in cash, cash equivalents and bank overdraft	**14 923**	**9 857**	**(3 243)**
Cash, cash equivalents and bank overdraft reclassified to assets held for sale	-	-	(47)
Cash, cash equivalents and bank overdraft at beginning of period	6 674	9 964	9 964
Cash, cash equivalents and bank overdraft at end of period	**21 597**	**19 821**	**6 674**

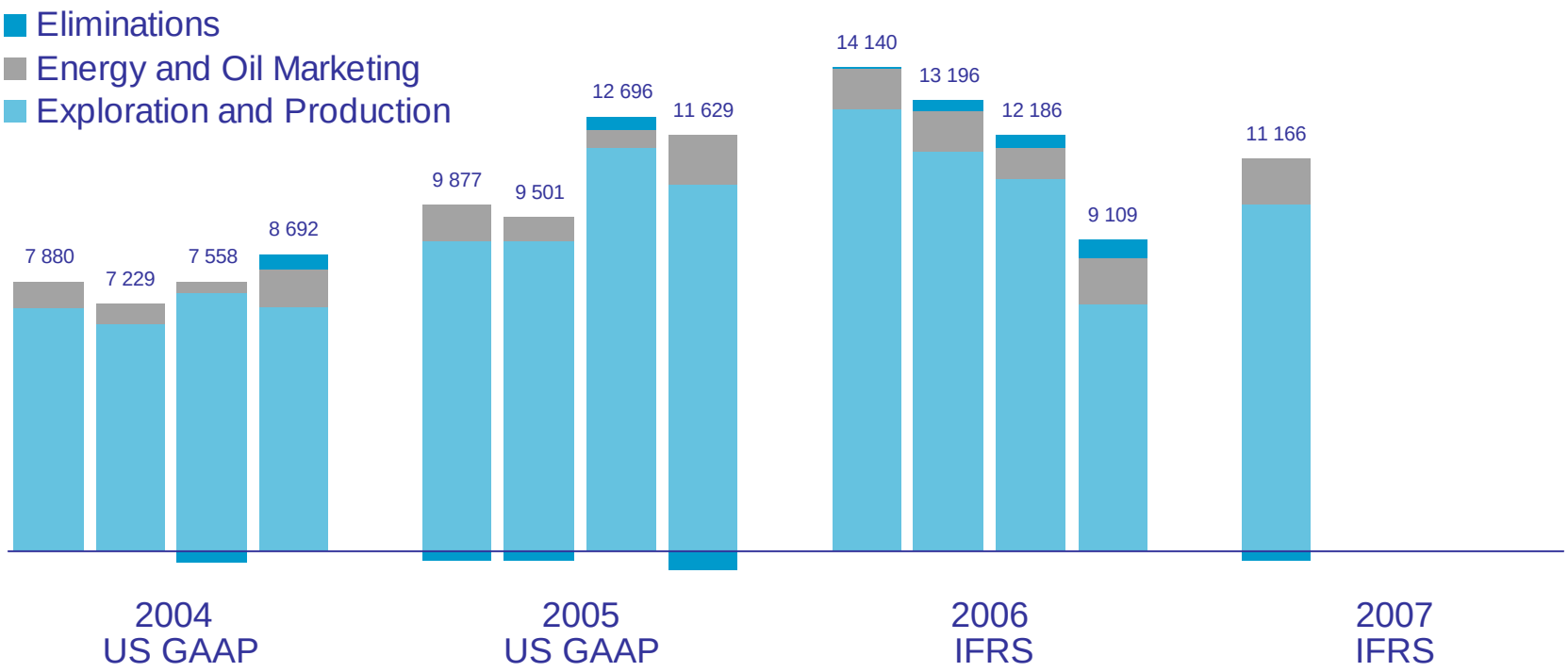
High oil price driven by supply concerns



Sources: Pira, Reuters, Platts

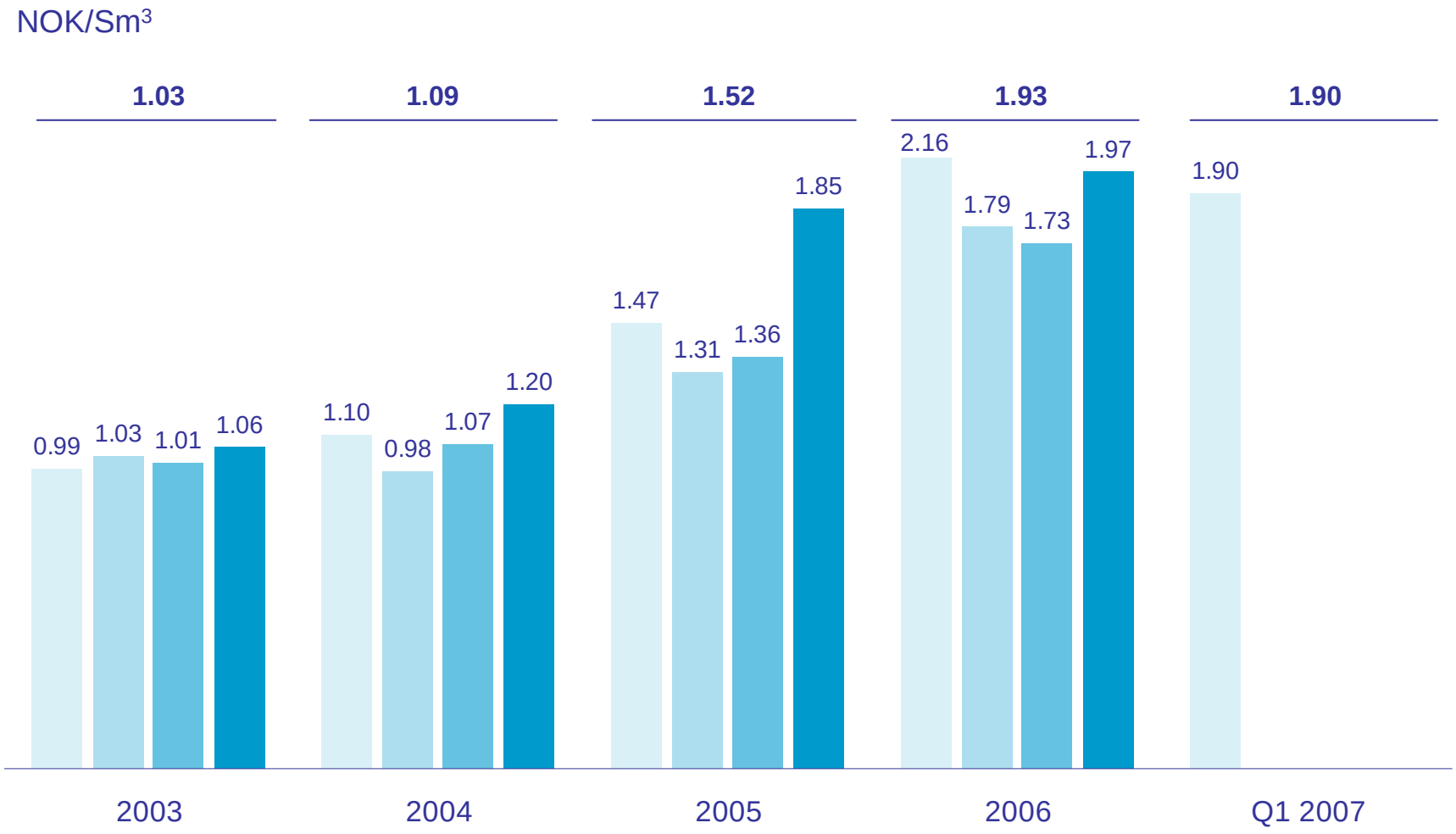
Oil & Energy – EBIT

NOK million



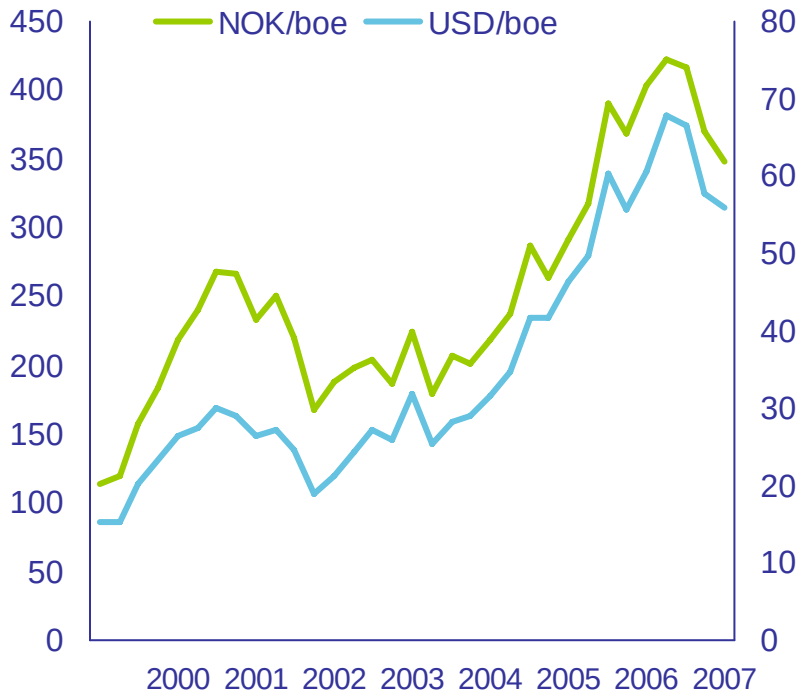
Accumulated			
31 359	43 703	48 632	11 166

Average realized gas prices

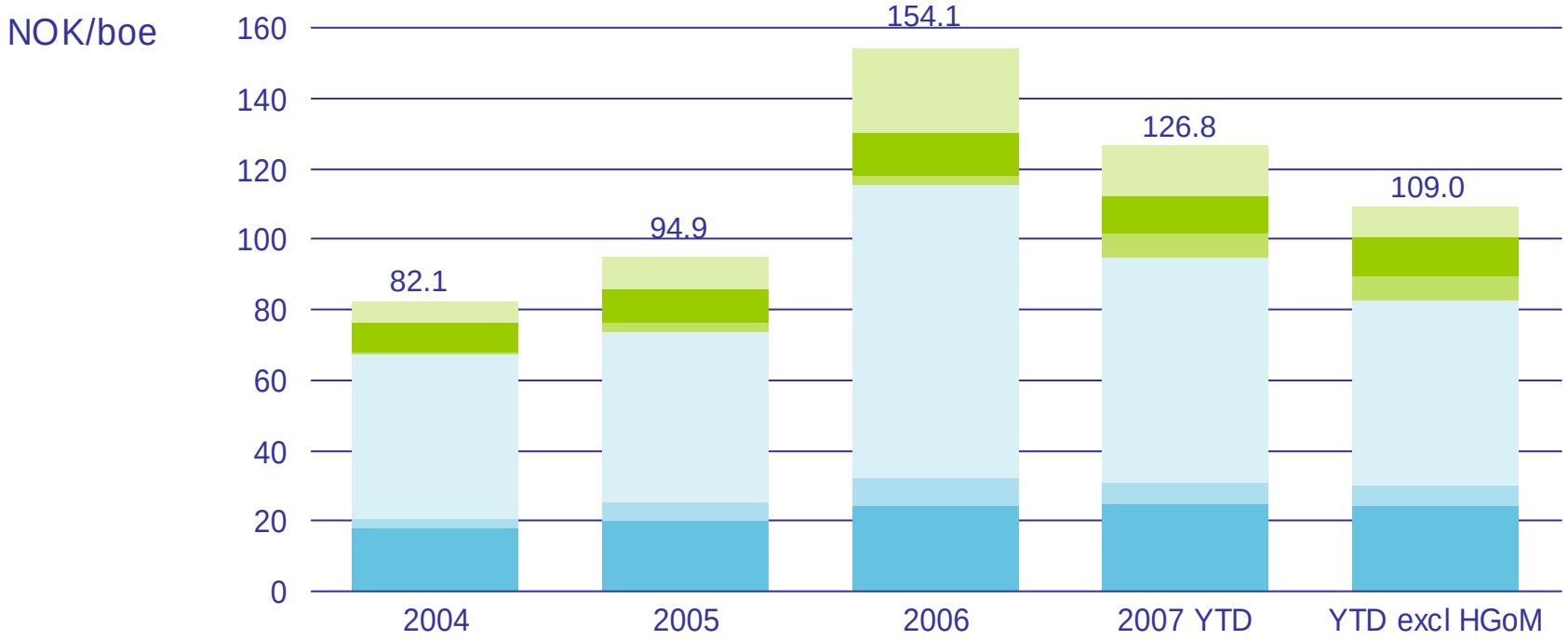


Average prices and exchange rates

	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
Avg. 2007	55.9	347.8	6.22	1.90



Operating costs per boe



	2004	2005	2006	2007 YTD	YTD excl HGoM
Exploration	6.0	8.9	23.9	14.3	8.3
Net transportation	8.3	9.4	12.4	10.8	11.1
Other costs/income	0.7	3	2.7	6.9	6.9
Deprec.& aband.	46.4	48.2	83.1	63.9	52.8
Gas for injection	2.8	5.4	7.9	5.7	5.9
Prod. costs	17.9	19.9	24.3	25.1	24.2
Production million boe	209	206	209	55	53

Oil production per field – Q1

Boe/day Oil and NGL/Condensate	Share	Hydro Q1 2006	Hydro Q1 2007
Grane	38.00%	82	83
Oseberg incl. C	34.00%	50	46
Snorre	17.77%	28	30
Girasol/Jasmin/ Dalia	10.00%	13	25
Ekofisk	5.81-6.65%	23	22
Oseberg South	34.00%	24	20
Troll	9.78%	24	20
Åsgard	9.61%	18	20
Terra Nova	15.00%	12	18
Gullfaks incl. Sat	9.00%	19	15
Kristin	14.00%	8	13
Fram	25.00%	7	11
US Gulf of Mexico		6	11
Visund	20.30%	2	11
Vigdis	13.28%	9	10
Hibernia	5.00%	9	6
Sleipner Area	8.85-10.00%	8	6
Tordis	13.28%	7	6
Kvitebjørn	15.00%	10	5
Kharyaga	40.00%	5	5
Norne	8.10%	7	5
Njord	20.00%	6	4
Brage	20.00%	5	4
Other fields		20	22
Total oil		**402**	**418**
Gas		**208**	**192**
Total oil and gas		**610**	**610**

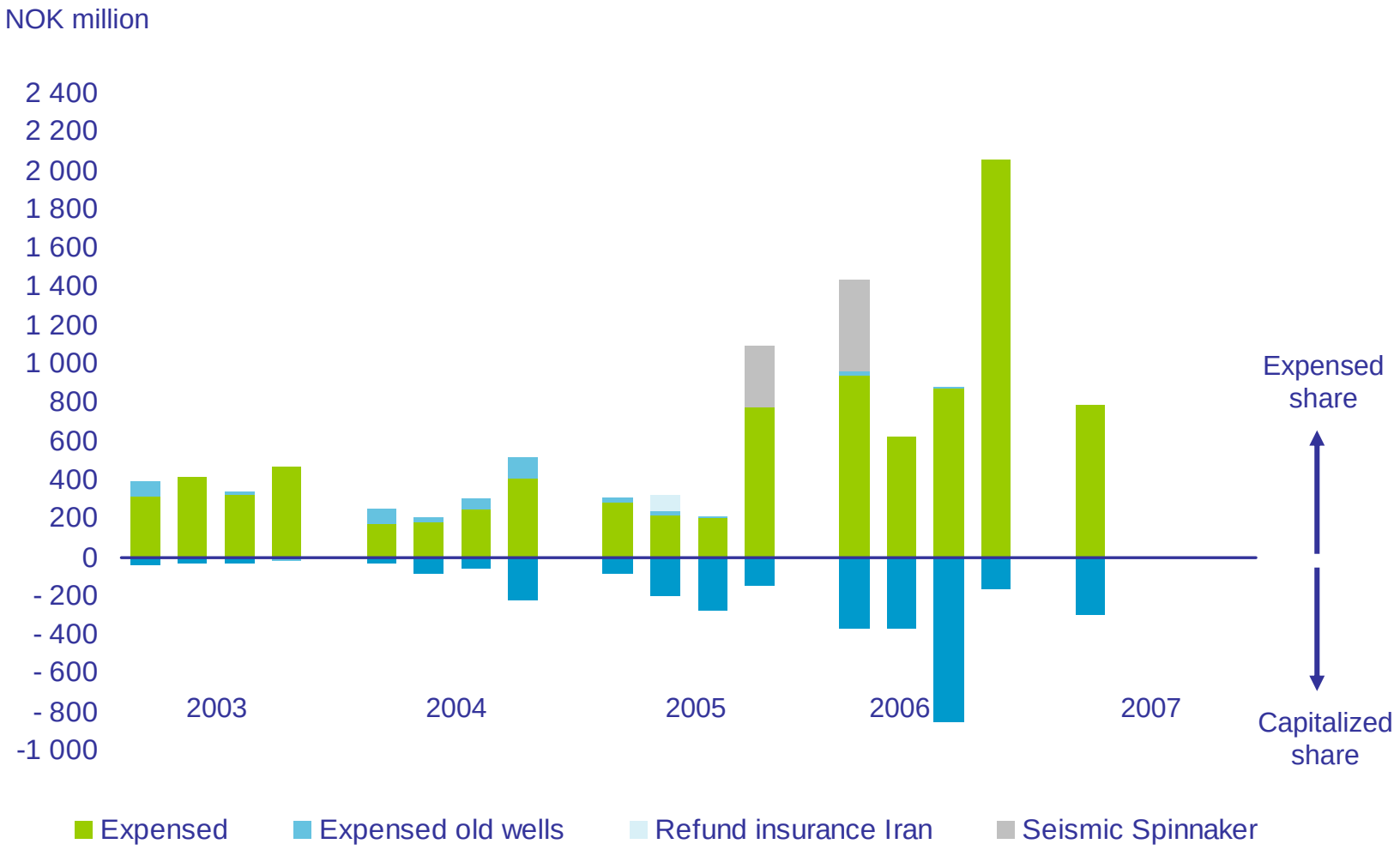
Gas production per field – Q1

Boe/day	Share	Hydro Q1 2006	Hydro Q1 2007
Troll	9.78%	53	61
Sleipner Area	8.85-10.00%	25	23
Åsgard	9.61%	17	19
Oseberg incl. C	34.00%	34	14
Tune	40.00%	20	13
US Gulf of Mexico		9	13
Kvitebjørn	15.00%	17	9
Kristin	14.00%	5	8
Gullfaks incl. Sat	9.00%	8	7
Visund	20.30%	1	6
Oseberg South	34.00%	4	5
Ekofisk	5.81-6.65%	4	4
Mikkel	10.00%	3	3
Other		8	7
Total gas		**402**	**192**
Oil		**208**	**418**
Total oil and gas		**610**	**610**

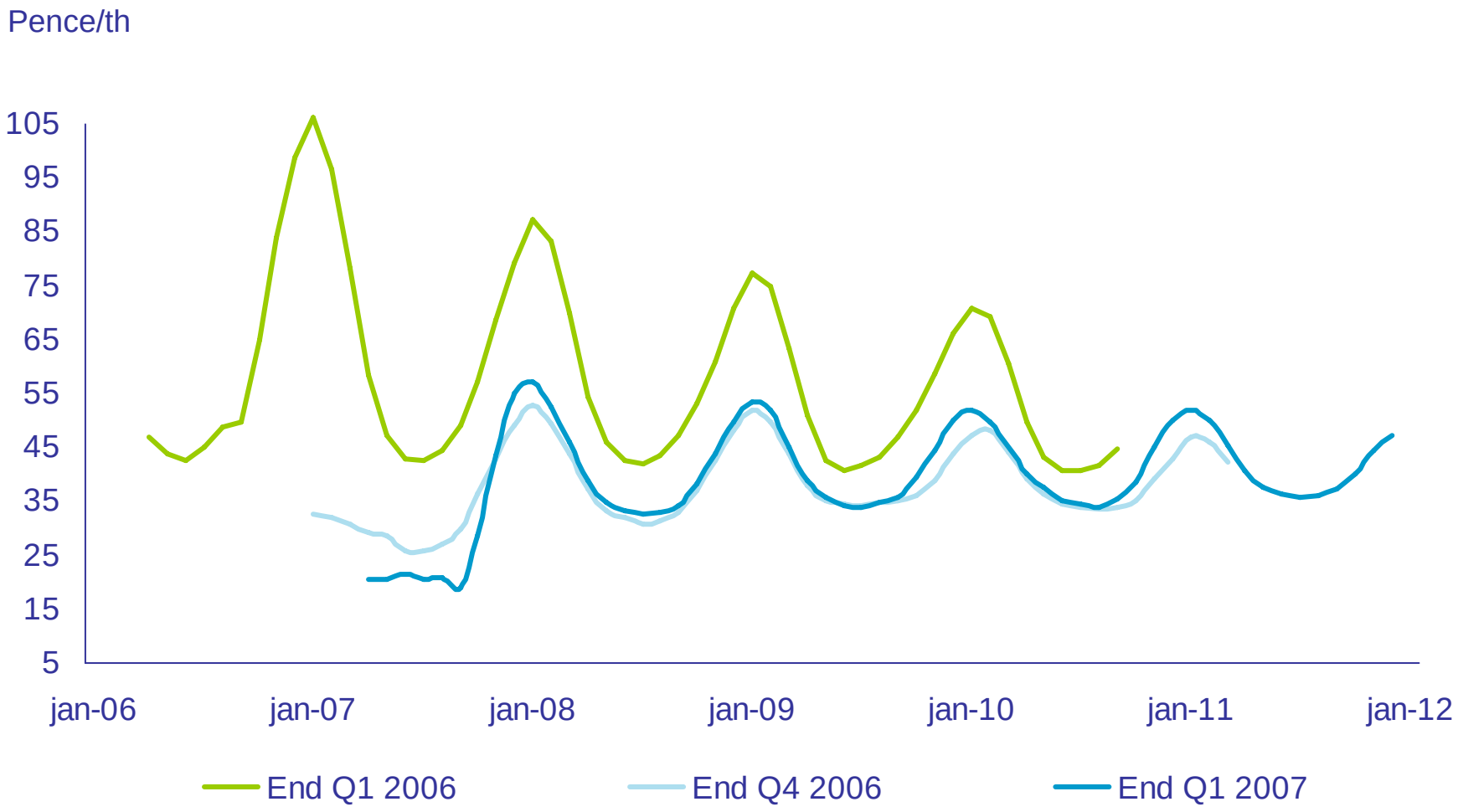
New fields on stream 2007 - 2010

Start year	Field name	Hydro share at peak production (boed)	Country	Type	Operator
2007	Ormen Lange	70 000	Norway	Gas/ Condensate	Hydro
	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 assistent
	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

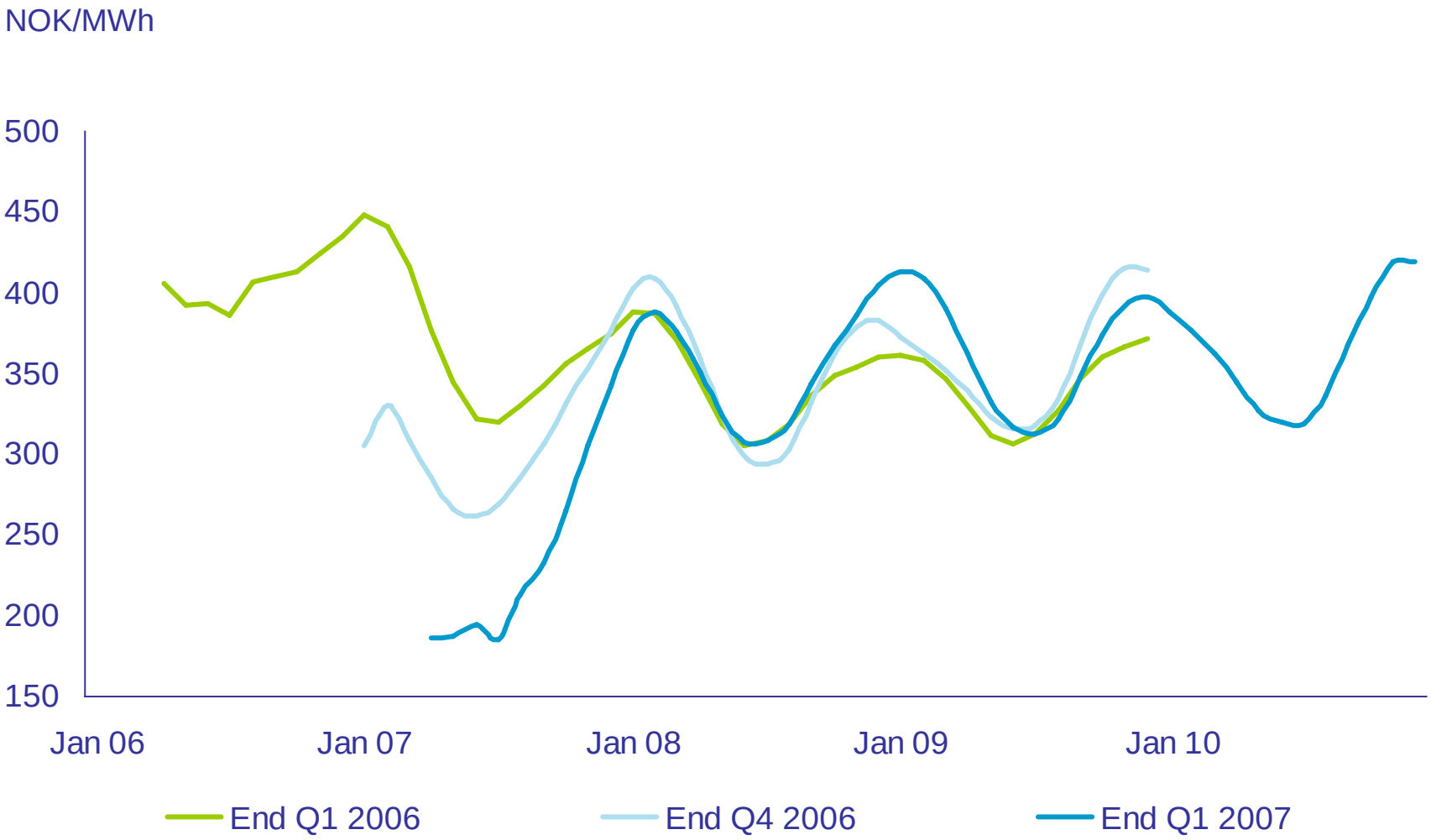
Exploration activity/costs



UK gas prices – NBP forward curves



Nordic power market – forward curves



Variance analysis Oil & Energy

NOK million	Q1 2007
2007 2006	11 166 14 140
Variance EBIT	(2 974)
Prices and currency - Oil - Gas - Currency - Margin - Volume - Derivatives - Associates and JCE - Exploration and production costs - Other operational costs, net - Depreciation incl. impairment	 (619) (518) (1 003) 555 (192) (1 070) (23) 420 111 (635)
Variance EBIT	(2 974)

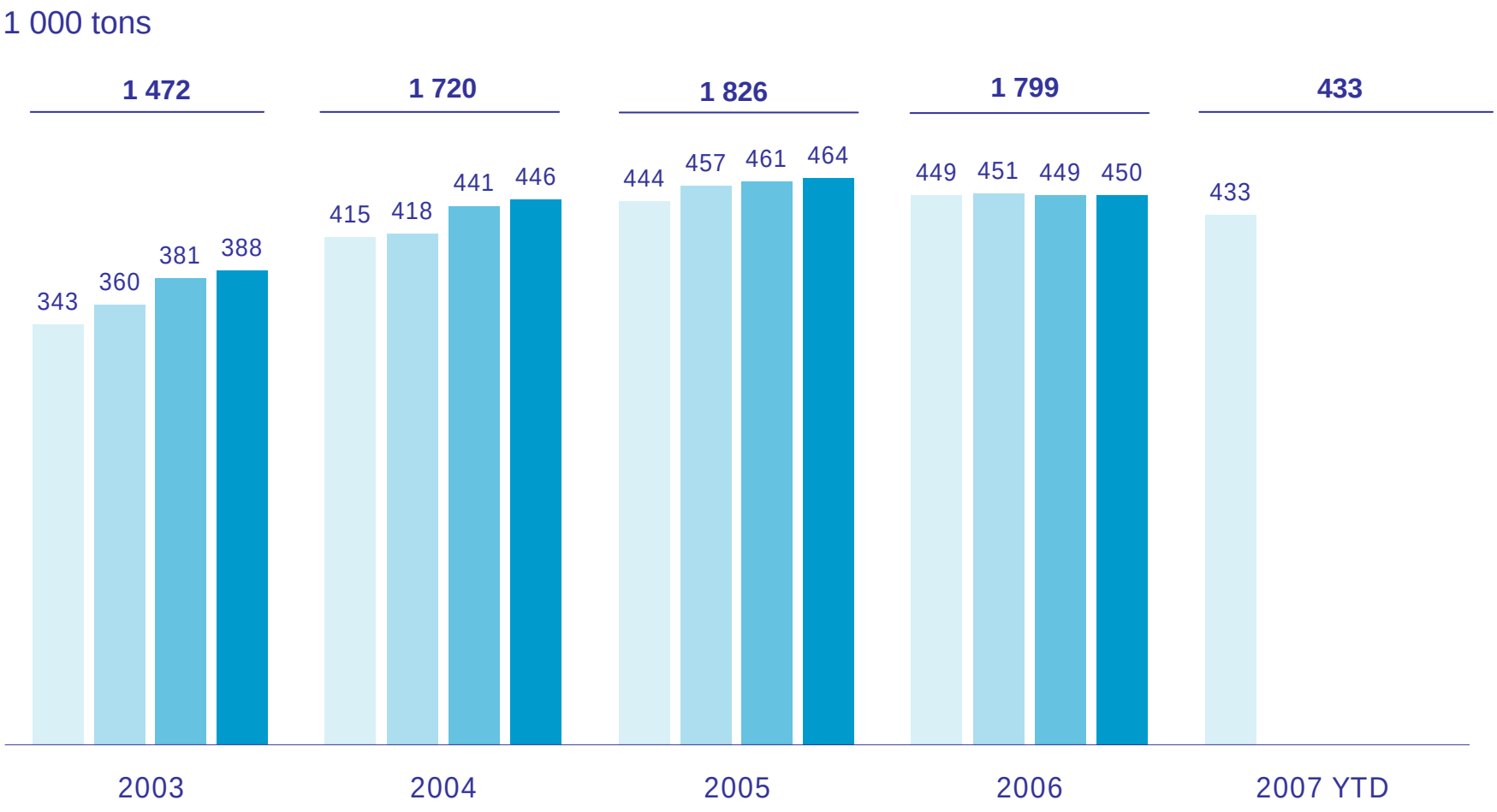
Variance analysis Exploration and Production

NOK million	Q1 2007
2007 2006	10 146 12 927
Variance EBIT	(2 780)
Prices and currency - Oil - Gas - Currency - Volume - Derivatives - Associates and JCE - Exploration costs - Production costs - Other operational costs, net - Depreciation incl. impairment	 (619) (518) (1 003) (160) (326) (1) 621 (201) 58 (632)
Variance EBIT	(2 780)

Variance analysis Energy and Oil Marketing

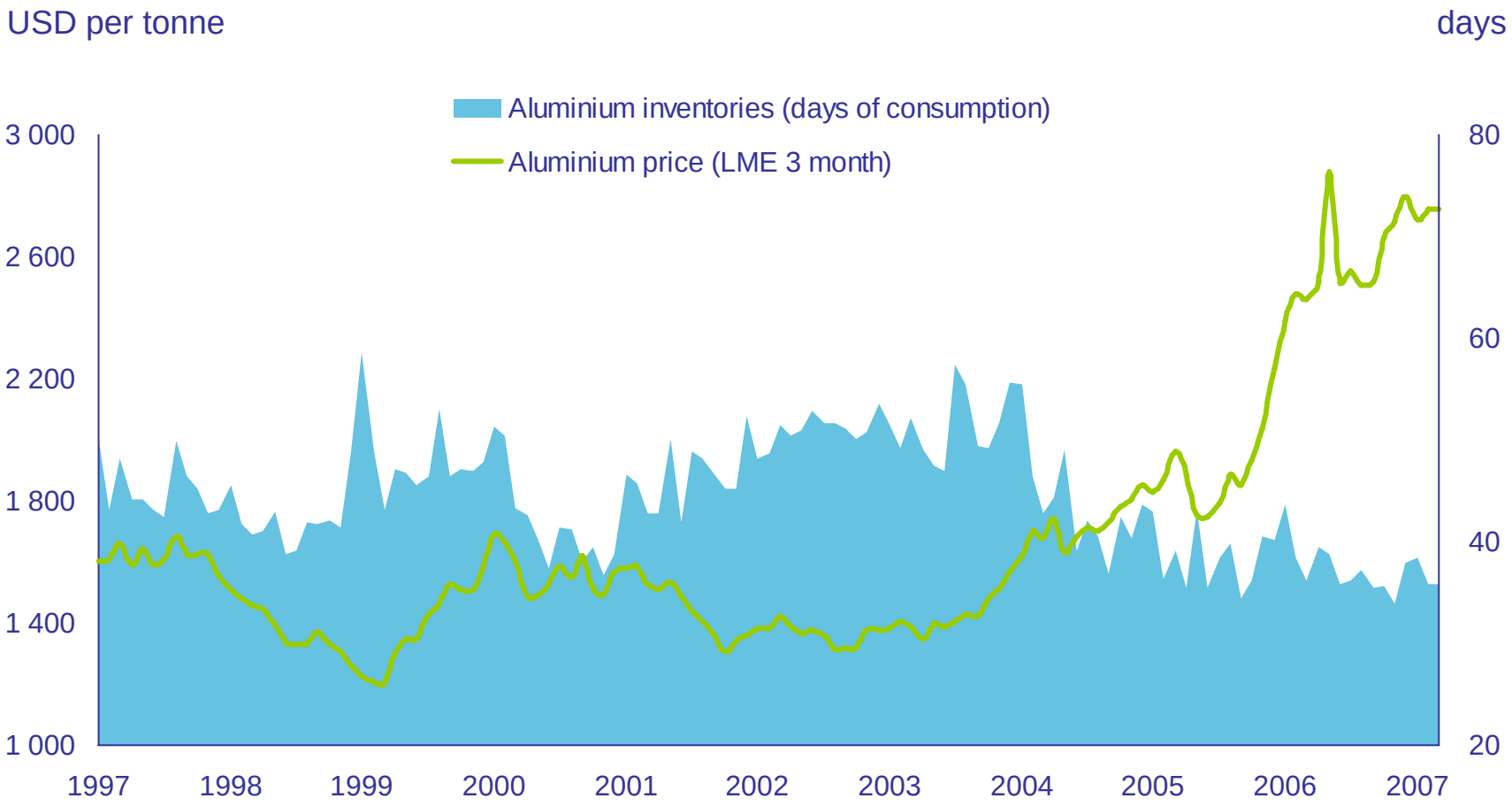
NOK million	Q1 2007
2007 2006	1 310 1 157
Variance EBIT	153
- Margin - Volume - Derivatives - Associates and JCE - Other operational costs, net - Depreciation	415 (32) (258) (22) 53 (3)
Variance EBIT	153

Primary aluminium production per quarter



Slovalco consolidated from Q1 2004

Primary aluminium market



Aluminium Metal hedge programs [1)]

	2007	2008
2006-2008 program – volume tonne [2)] 2006-2008 program – LME price USD/tonne	163 800 2 300	167 100 2 200
2003-2007 program (Sunndal) – volume tonne [3)] 2003-2007 program (Sunndal) – LME price USD/tonne 2003-2007 program (Sunndal) – LME price NOK/tonne	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 tonnes in each of the three first quarters, down to 28 000 tonnes in the fourth quarter.

Aluminium – operational data

Volumes and prices	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006	Q4 2005	Q3 2005	Q2 2005	Q1 2005
Primary production (1 000 mt)	433	450	449	451	449	464	461	457	444
LME realized (USD/mt) including hedges	2 588	2 430	2 462	2 368	2 146	1 851	1 770	1 842	1 783
NOK/USD realized including hedges *	6.37	6.50	6.36	6.47	6.85	6.56	6.47	6.51	6.54
LME realized (NOK/mt) including hedges	16 480	15 793	15 662	15 331	14 697	12 145	11 453	11 992	11 664
LME realized (USD/mt) excluding hedges	2 734	2 560	2 614	2 476	2 192	1 883	1 796	1 886	1 812
NOK/USD realized excluding hedges *	6.25	6.46	6.33	6.32	6.66	6.51	6.39	6.29	6.31
LME realized (NOK/mt) excluding hedges	17 082	16 536	16 537	15 638	14 591	12 257	11 468	11 865	11 435
Total metal products sales excluding trading (1 000 mt)	825	775	783	856	869	736	741	835	802
Rolled Products external shipment (1 000 mt)	266	247	251	252	254	227	244	243	239
Extrusion external shipment (1 000 mt)	164	153	155	171	167	146	146	164	150

* 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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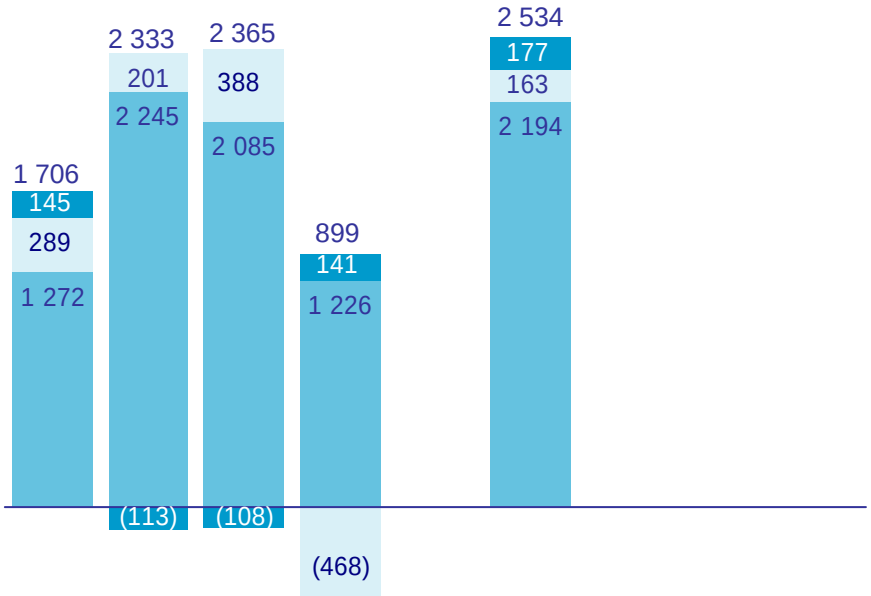
Aluminium Metal – EBIT

NOK million

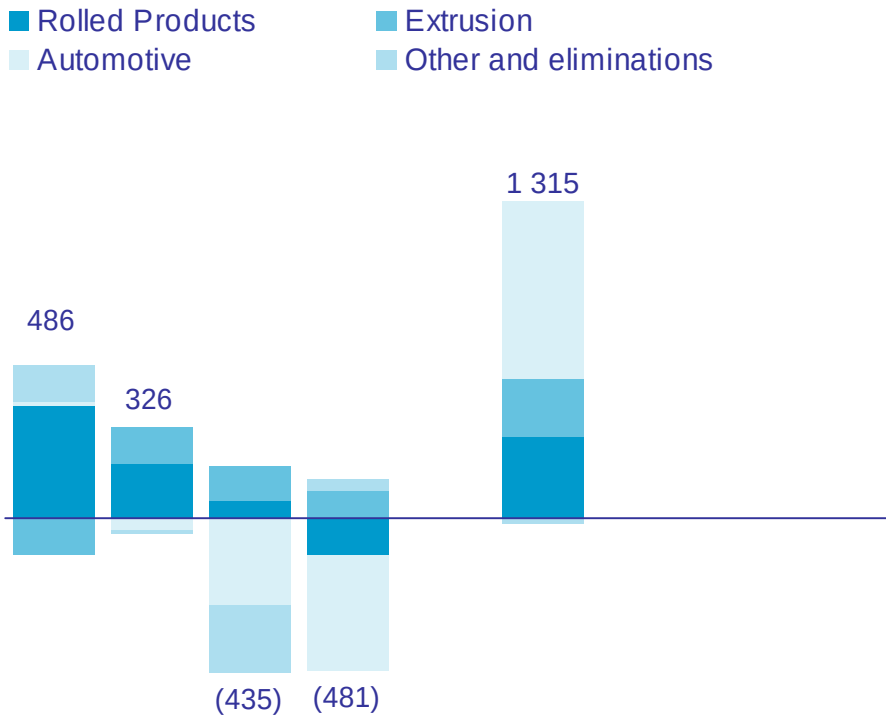


Accumulated	2006	2007
	7 303	2 534

- Realized aluminium price
  - USD 2 588 per tonne
    - +7% vs. Q4 2006, +21% vs Q1 2006
  - NOK 16 480 per tonne
    - +4% vs. Q4 2006, +12% vs Q1 2006
- Primary aluminium production
  - 433 000 mt
    - 450 000 Q4 2006, 449 000 Q1 2006
- Higher raw material and energy costs reduce impact of price increase
- Fixed cost reductions compared to unusually high level in Q4 2006
- Improved product premiums
- Improved results in Alunorte
- Net positive special items NOK 135 million

Aluminium Products – EBIT

NOK million



Accumulated	2006	2007
	(104)	1 315

- Rolled Products
  - Margin and volume improvement compared to both Q1 and Q4 2006
  - Metal effect NOK 149 million in Q1
- Extrusion
  - Positive margin development, somewhat down from Q4
  - Volumes stable
- Automotive
  - Weak results
  - Divested activities (Castings) included with EBIT of NOK 79 million
  - Gain on divested activities NOK 691 million
- Focus on cash generation in 2007
  - Adjusted EBITDA: NOK 1 661 million
  - Investments: NOK 232 million

Variance analysis Aluminium Metal

NOK million	Q1 2007
2007 2006	2 534 1 706
Variance EBIT	828
- Price LME - Margin - Volume - Strategic hedges - Derivatives - Associates and JCE - Other operational costs, net - Depreciation - Portfolio	1 031 (286) (126) (261) 136 3 393 (37) (25)
Variance EBIT	828

Variance analysis Aluminium Products

NOK million	Q1 2007
2007 2006	1 315 486
Variance EBIT	829
- Margin - Volume - Derivatives - Associates and JCE - Other operational costs, net - Depreciation - Portfolio	32 (86) (184) 3 375 27 662
Variance EBIT	829

Variance analysis Rolled Products

NOK million	Q1 2007
2007 2006	343 469
Variance EBIT	(126)
- Margin - Volume - Derivatives - Associates and JCE - Other operational costs, net - Depreciation - Portfolio	(129) 61 (10) 11 (89) 10 19
Variance EBIT	(126)

Variance analysis Extrusion

NOK million	Q1 2007
2007 2006	245 (156)
Variance EBIT	401
- Margin - Volume - Associates and JCE - Other operational costs, net - Depreciation	120 (77) (1) 347 12
Variance EBIT	401

Variance analysis Automotive

NOK million	Q1 2007
2007 2006	748 20
Variance EBIT	728
- Margin - Volume - Associates and JCE - Other operational costs, net - Depreciation - Portfolio	62 (71) (7) 96 5 643
Variance EBIT	728

Variance analysis Hydro Polymers

NOK million	Q1 2007
2007 2006	145 86
Variance EBIT	59
- Margin - Volume - Derivatives - Associates and JCE - Other operational costs, net - Depreciation	37 153 (50) (5) (63) (13)
Variance EBIT	59

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