



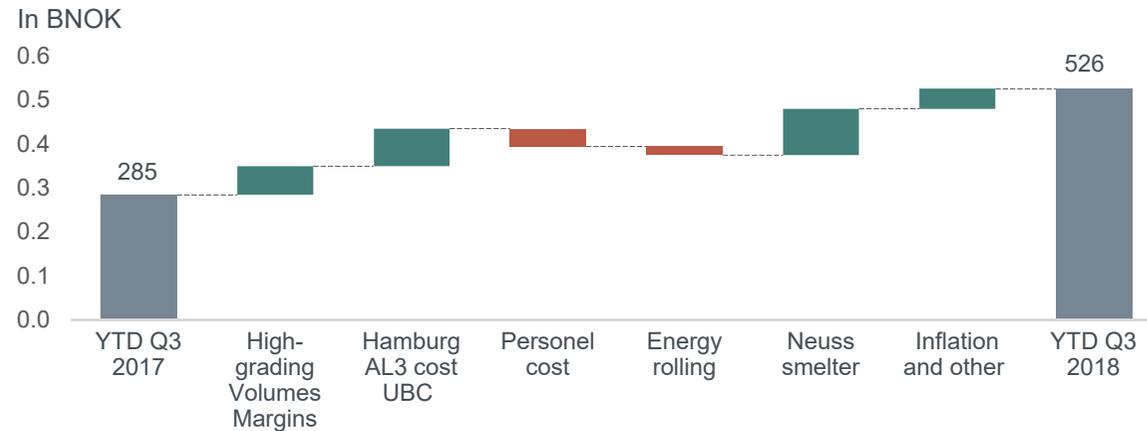
Rolled Products - building on our strengths, driving a lightweight future

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Step forward in 2018

Better Rolled Products one year in delay

Underlying EBIT improvement YTD Q3 2018 vs YTD Q3 2017



Rolled Products *Better* program progress



Development YTD Q3 2018 vs YTD Q3 2017

- High-grading benefits driven by automotive
- Increased shipments despite impact from Alunorf performance issues in Q3 2018
- Improved Automotive line 3 and UBC production performance
- Higher personnel and energy costs
- Neuss results up on higher aluminium prices and new power contract, more than offsetting increased raw material costs

Better RP Improvements driven by

- Automotive growth
- Increased recycling
- Operational performance
- Supply chain management
- Product high-grading
- Margin and portfolio mix
- Open and engaged culture

Better
Rolled Products
0.9 BNOK
by 2020

Strong positions in rolled products market segments



Portfolio high-grading and strong focus on quality and service as key elements for success



Ambition	Automotive Gain No.2 position in European BiW ¹⁾	Foil Strengthen global No. 1 in high-end plain foil	Beverage can Grow into No.2 position in Europe	Lithography Strengthen global No.1 position	Special products Strengthen No.1 positions in Europe
Main customers					
Focus/ Status	Growing more than the market	Focusing product portfolio	Shift to attractive european market	Competitors stepping out	>10% growth in strategic products

1) Body-in-White

Automotive growth on track, UBC with delays but ramping up

Positive development of automotive deliveries

- Automotive line 3 with significant volume ramp-up in H2-18 and on track to meet original plan during 2019
- Overall customer deliveries on plan, supported by automotive line 1 and 2
- Quality level received well by market, confirmed by increased customer qualifications

Used beverage can recycling line ramping up, but with delays

- Improved performance through 2018
- Further modification needed to resolve outstanding operational issues, planned for first half 2019
- Target stable output at 40 000 mt run-rate end 2019





We are closing the loop with sustainable solutions

- Circular economy is key for modern viable societies
- Recycling of post-consumer and customer process scrap is growing
- Developing scrap sorting technology e.g. for automotive recycling

+30.000 tonnes¹⁾

Recycling of post-consumer
and external scrap

1) From 2018 to 2019

Engineering the future, enabling progress

Aluminium solutions for growth in e-mobility

- New solutions needed to meet future urbanization and mobility challenges
- Hydro developed new electrical vehicle concept that is aluminium intensive
 - Collaboration between Primary Metal, Rolled Products and Extruded Solutions
- Innovative use of aluminium plays an extensive role for the development of electric vehicles and battery solutions



Rolled Products key focus areas

- Safety performance
- Production and operational reliability
- Commercial excellence
- Specific focus areas
 - Foil product portfolio
 - Alunorf performance
 - Automotive Line 3
 - Used beverage can recycling line

