



Hydro Aluminium

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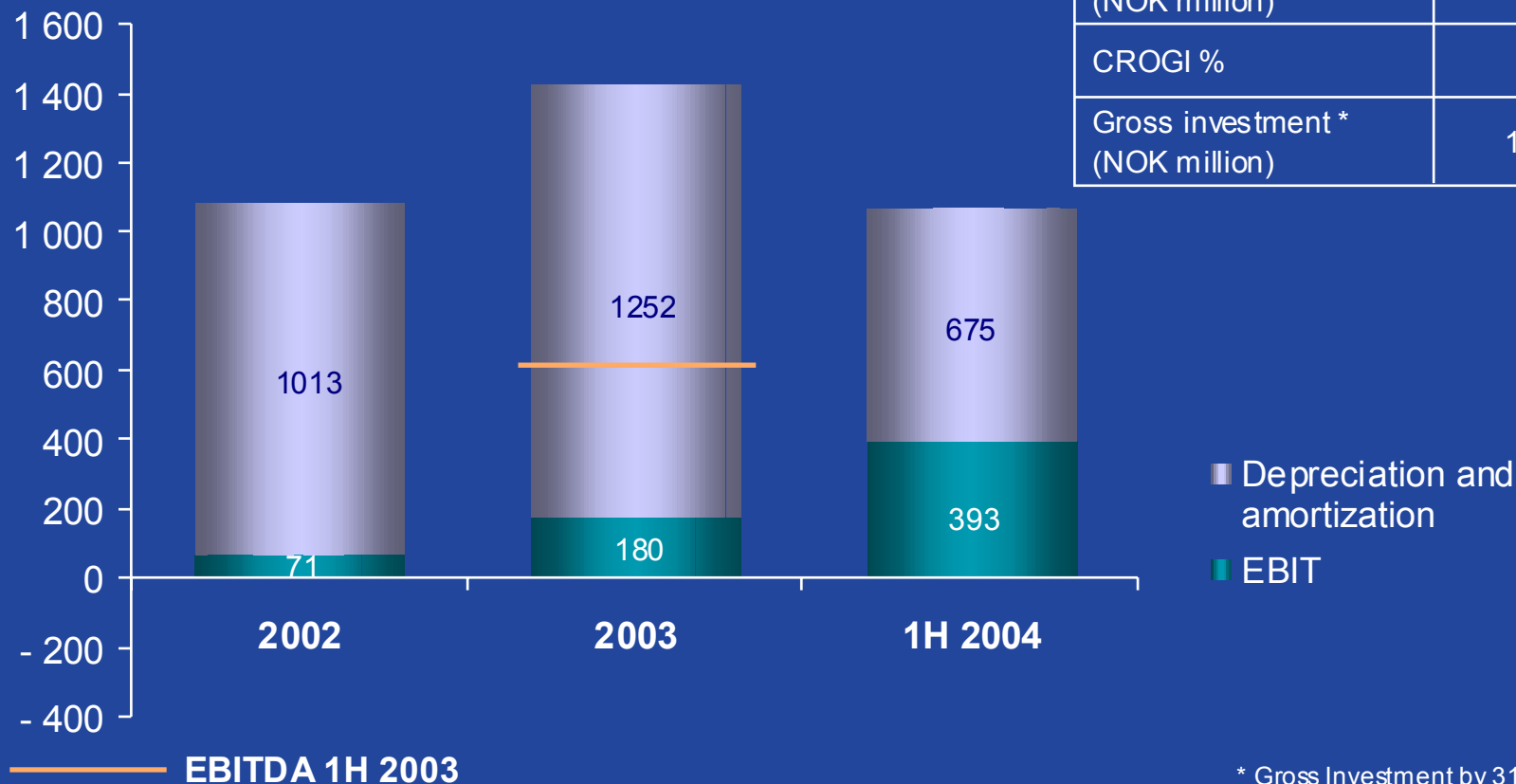


Global extrusion activities

Extrusion and Automotive segment: EBITDA

EBIT and EBITDA 2002 – 2004

NOK million



2003	
Operating revenues (NOK million)	24 500
CROGI %	7,9%
Gross investment * (NOK million)	18 700

* Gross Investment by 31.12.2003



Who we are - Industry attributes and trends

How do we perform?

Why do we perform?

The way forward



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Who we are



General Extrusions and Building Systems 2003

Main products	General extrusions and Building Systems
Production	464 000 tonnes
- Extrusion Europe	267KT
- Extrusion North America	103KT
- Extrusion South America	20KT
- Building Systems	74KT
Employees	10 000



- Extrusion North America
- Extrusion Europe, South America and other
- Building Systems

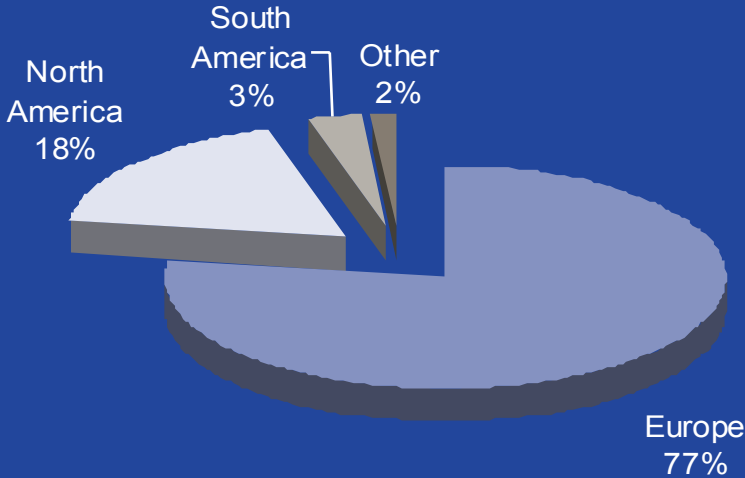
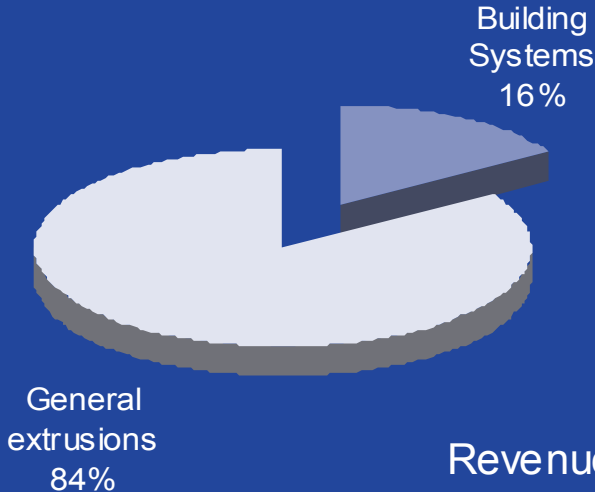


Global extrusion activities

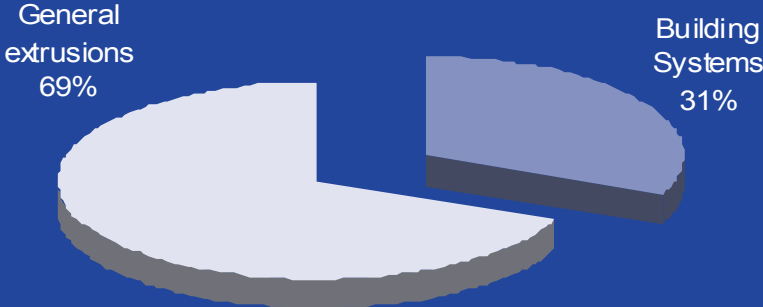
Product portfolio and main markets – 2003

Shipments : 464 000 tonnes

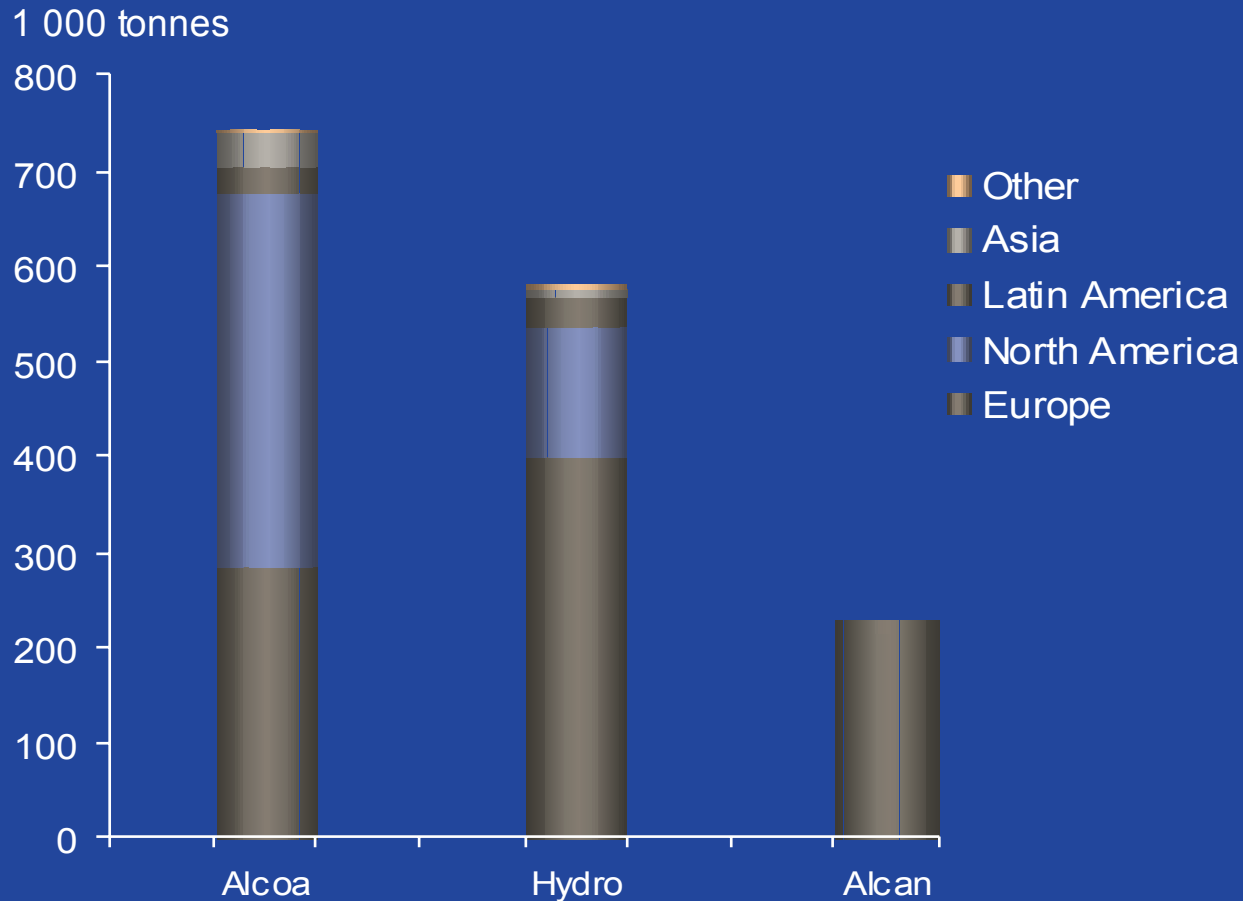
Markets (% of revenue)



Revenues : NOK 15 015 million



We are leading in Europe and second globally



Extrusion shipments including automotive

Our general extrusions business philosophy – service value proposition



Anodising



Painting



Thermal break



Extrusion

Product development

Our customers

Quality control

Technical support



Surface coating

Respect of environment

‘One stop shop’

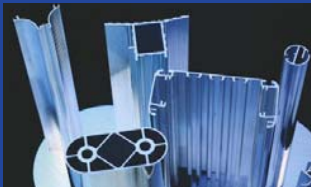


Logistics



Machines

Our Building Systems business philosophy – product and solution value proposition



Extrusions



Accessories & Fittings



Machines
Methods
Tests



Technical
& Commercial
Documentation



Hydro
Building Systems



Project
Support



Training

Guaranteed
performance
and
satisfaction



Software for
Planning and
Calculations



Distribution

Average 2002-2008 GDP growth per region



Source: Economist Intelligence Unit

Industry attributes and trends

Industry trends

- Growth:
Slow in Western Europe, faster in Eastern Europe and Latin America, very fast in China
- Globalization:
Fast growing intra-EU trade, imports from Eastern Europe growing slowly
- Consolidation:
Top 5 players represent 31% of the industry in 1998 and 39% in 2002. Rest is 80-100 small players

Business profile

- Unsophisticated
 - Proven, available, low cost technology
 - Low barriers to entry
 - Small customers
 - Mostly local business
- Very competitive
 - Over capacity
 - High level of fragmentation

Who we are - Industry attributes and trends

How do we perform?

Why do we perform?

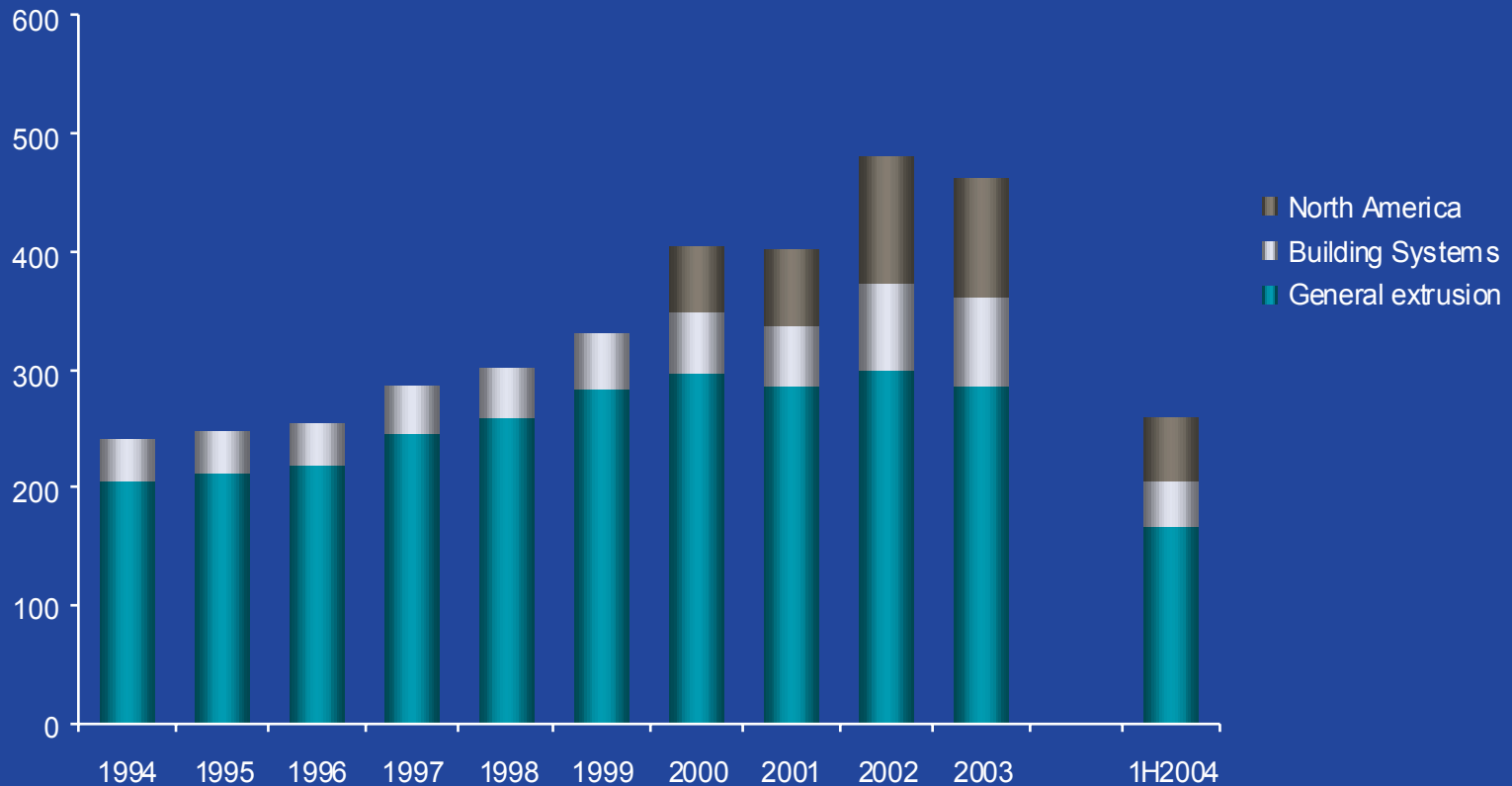
The way forward



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We have been able to grow even in soft business conditions

1 000 tonnes



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Higher return than competition

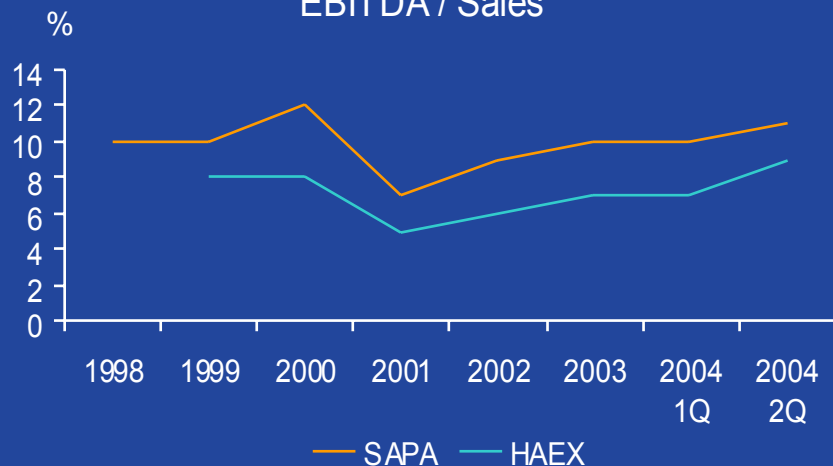
SAPA

- better margins

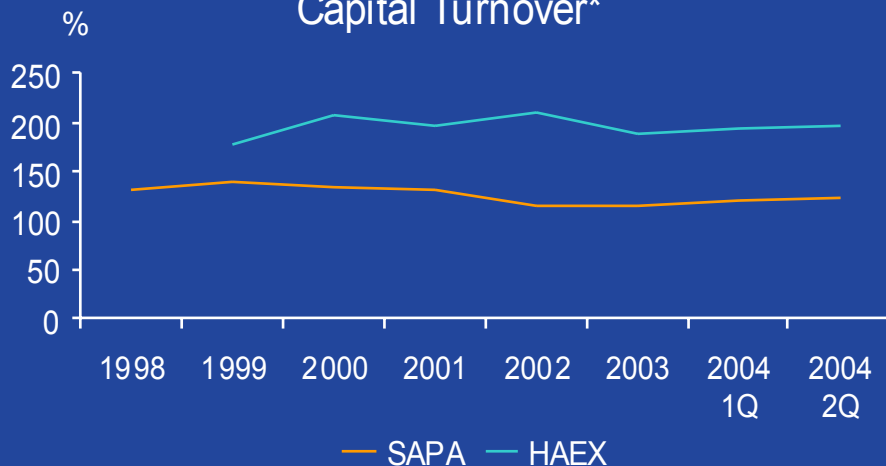
Hydro Aluminium Extrusion

- higher profit returns
- better efficiency
- higher capital turnover

EBITDA / Sales



Capital Turnover*



* Sales / Gross investment



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Why do we perform?

Profitable growth



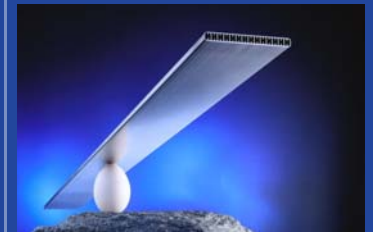
Customer
focus



Innovation



Manufacturing
Excellence



Performance
culture

Customer focus

Extrusion customers

- 15 000 active customers
- Average order size: 700 kg
- 4 000 orders per working day

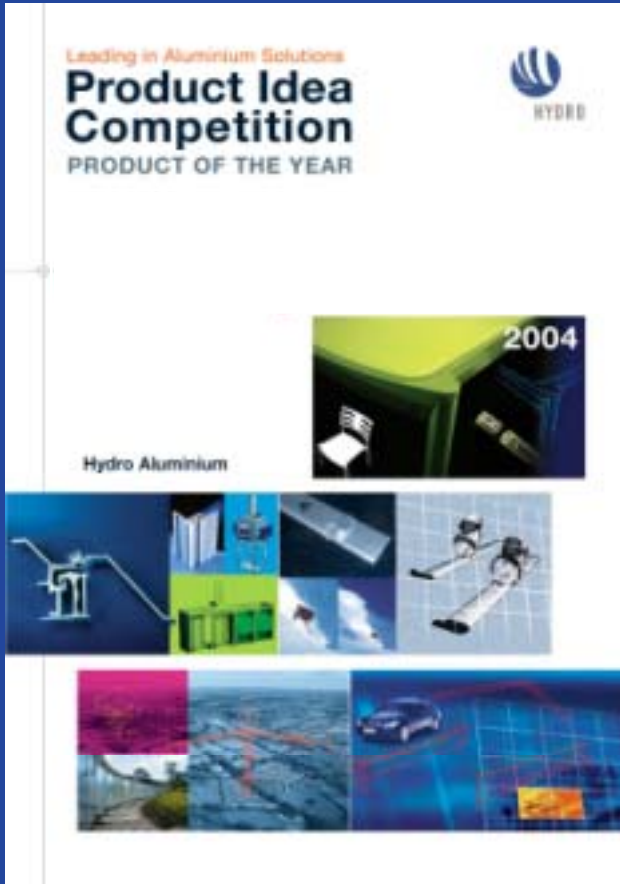
Building system customers

- 25 000 active customers
- Small company, 5 to 10 employees
- Average order size: 40 kg
- 10 000 orders per working day

We produce to order with competitive lead time and not for stock

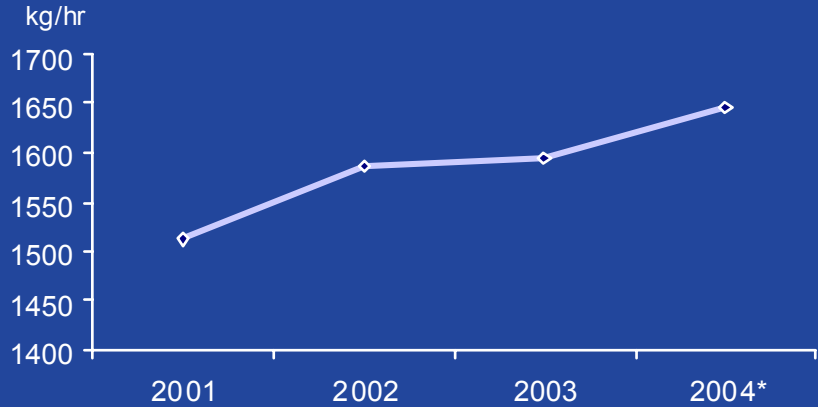
Innovation

100 new products per day

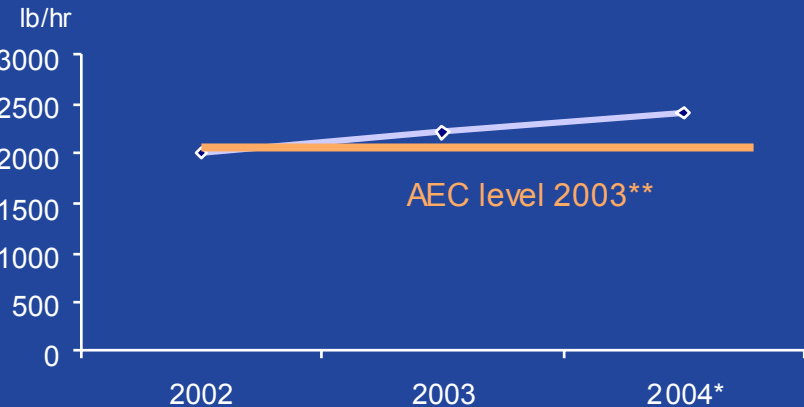


Continuous improvements

HAEX press productivity



HALNA press productivity



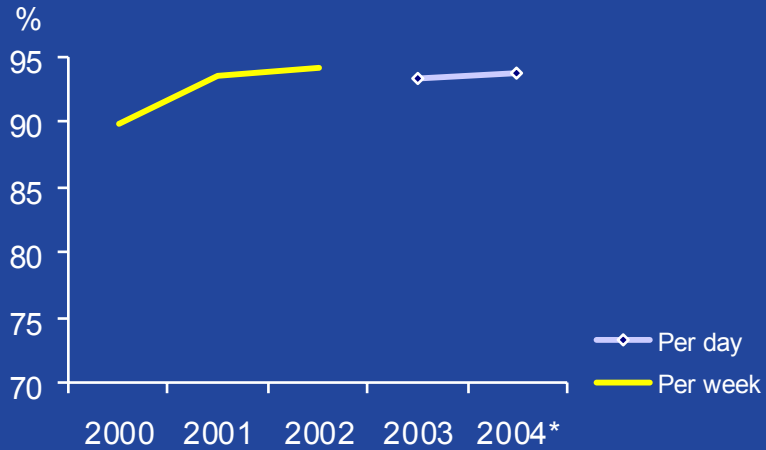
* 2004 year to July

** Sources: Aluminum extruders council; Hydro Aluminium

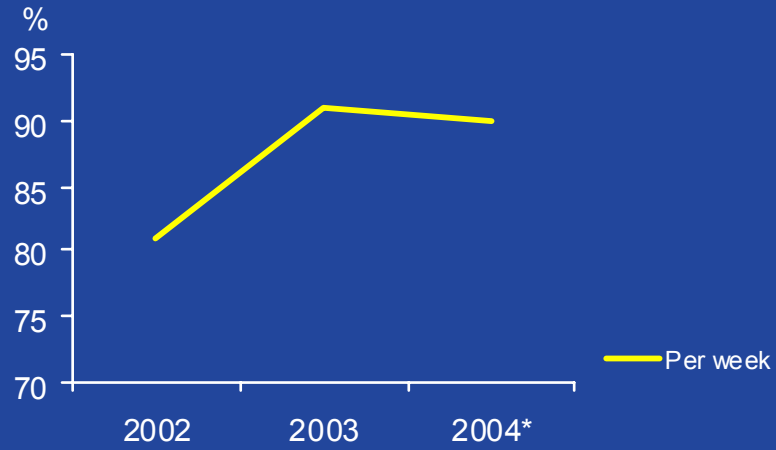


Continuous improvements

HAEX on-time delivery



HALNA on-time delivery - extrusion



*2004 year to July



Continuous improvements

HAEX safety – TRI-rate**



HALNA safety – TRI-rate**



* 2004 year to July

** TRI – Total recordable injuries per million worked hours

Performance culture

- Entrepreneurship
- Fast decisions, decentralisation
- Learning from each other, benchmarking



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Priorities going forward

Operations:

- Further improve lead time and reliability in deliveries to customers
- Continue on performance improvements and reduce further performance gap between US & Europe
- Grow added value operations

Direction:

- Consolidate leadership in Europe
- Strengthen our market position in North America in the building and construction segment
- Grow selectively in Latin America, Eastern Europe and Russia
- Increase low cost capacity in Eastern European countries
- Establish bridge head in China

Forward-looking statements/ use of non-GAAP financial measures

In order to utilize the “safe harbor” 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 2003 Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission.

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