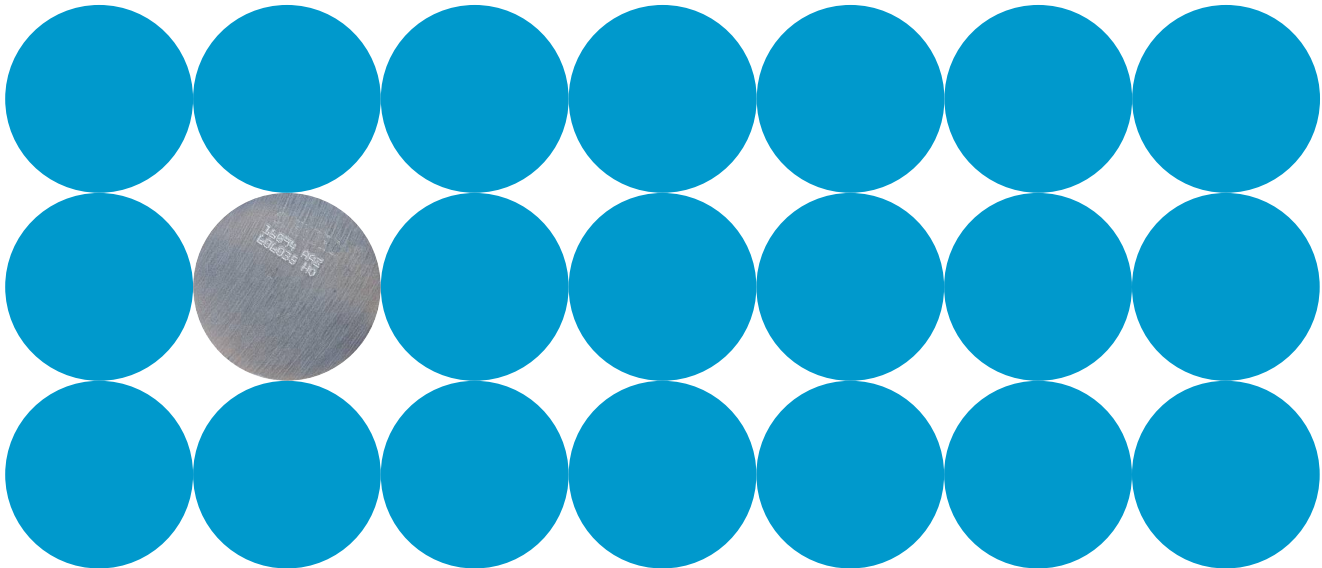


Hydro - a resourceful aluminium company



Stefan Solberg, Head of Investor Relations
November 27, 2007

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, we are providing the following cautionary statement.

Certain statements included within this announcement contain (and oral communications made by us or on our behalf 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 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 we believe 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 our 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: our continued ability to reposition and restructure our upstream and downstream Aluminium business; changes in availability and cost of energy and raw materials; global supply and demand for aluminium and aluminium products; world economic growth, including rates of inflation and industrial production; changes in the relative value of currencies and the value of commodity contracts; trends in Hydro’s key markets and competition; and legislative, regulatory and political factors. For a detailed description of factors that could cause our 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 our Annual Report 2006 (including Form 20-F) and subsequent filings on Form 6-K with the US Securities and Exchange Commission.

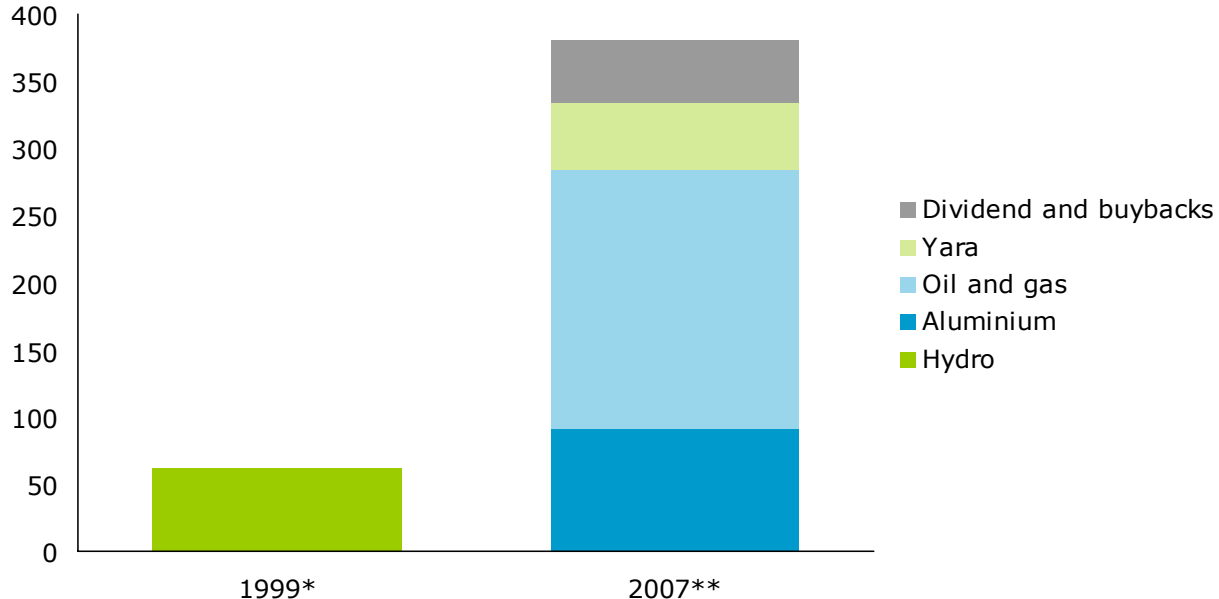
No assurance can be given that such expectations will prove to have been correct. Hydro disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

1

Company overview

Restructuring the Hydro conglomerate has created significant value

NOK billion



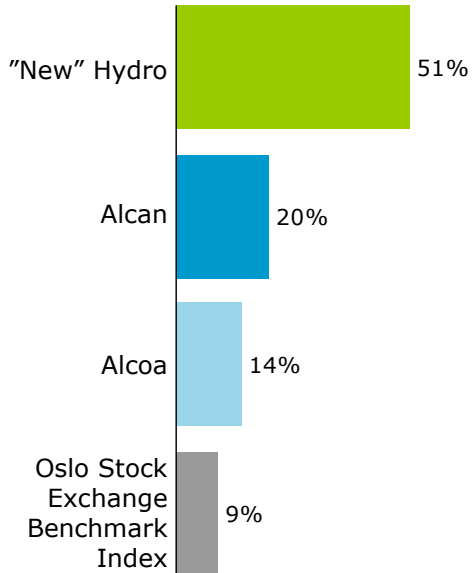
* 4 January 1999 close, nominal value

** 28 September 2007 close. Aluminium and Oil & Energy based on transaction equation adjusted for dividend payments

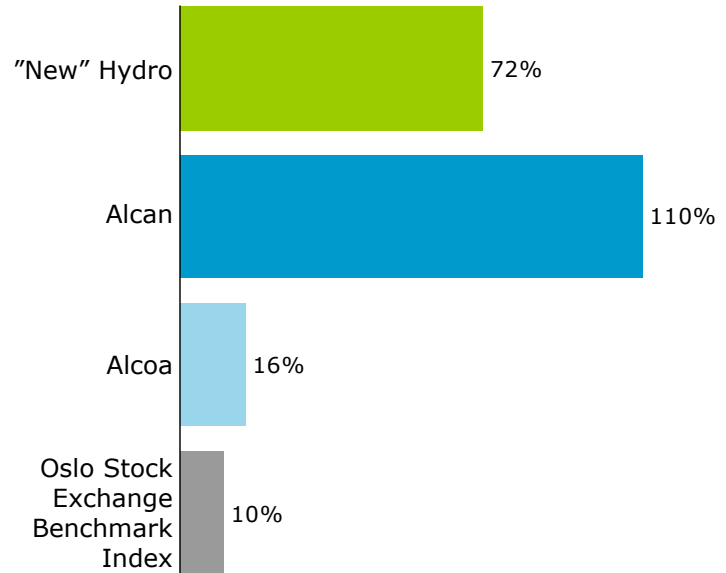
"New" Hydro well received

Relative share price development NYSE

18 December 2006 – 1 May 2007



18 December 2006 – 23 November 2007



Source: Yahoo Finance, NYSE (USD), except OBX. Based on closing prices on the respective dates

A resourceful aluminium company

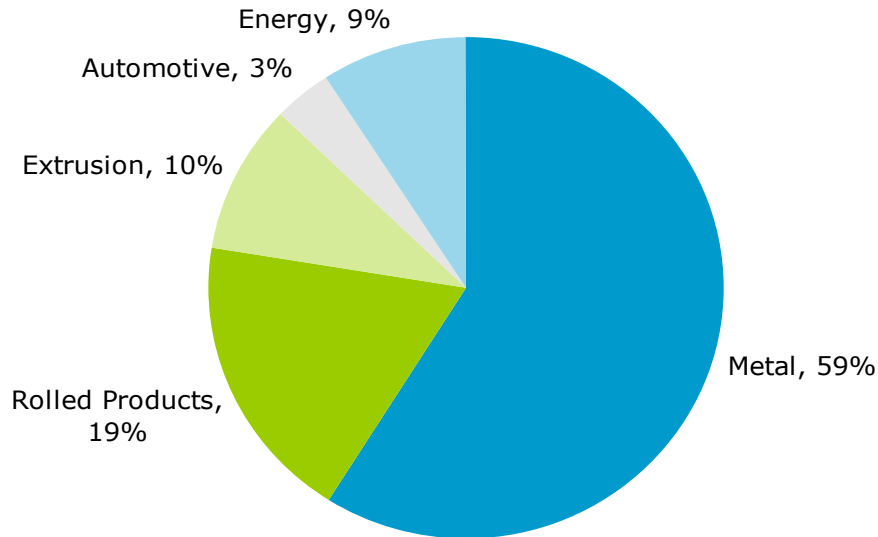


- 25 000 employees¹⁾
- Operations in more than 30 countries
- Turnover
 - 2006: NOK 99 billion
 - First nine months 2007: NOK 73 billion
- EBIT
 - 2006: NOK 7.5 billion
 - First nine months 2007: NOK 9.0 billion
- Market capitalization
~NOK 87 billion / USD 16 billion

1) Excluding Polymers

Capital employed – upstream focus

Total NOK 46 billion¹⁾ 30 September 2007



1) Including NOK 2.5 billion in negative capital employed in "Corporate and Other" not shown in graph

2

Upstream

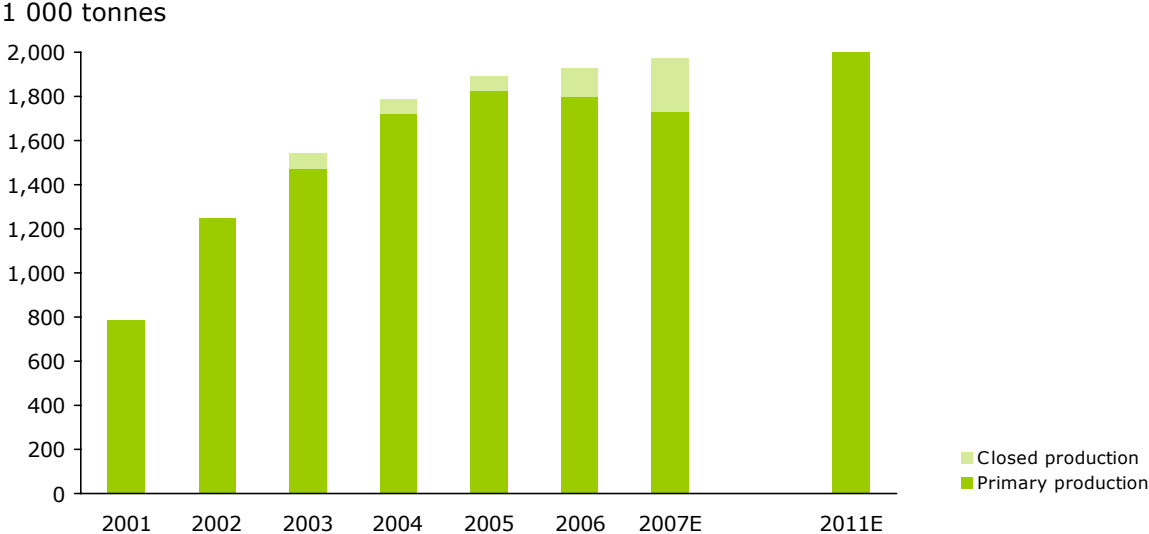
Aluminium Metal repositioned

- Build decision Qatalum 1 – 50% in 585 000-tonne smelter
- Closures of high-cost smelters in Norway and Germany
- Alunorte expansion 3 in progress
- MoU with CVRD to build new alumina plant in Brazil

Strong growth in primary production

CAGR 2001-07: 14%

	2001	2007E
Share of global production:	3.3%	4.5%
Share of global production (ex. China)	3.7%	7.0%



Qatalum smelter

Largest greenfield capacity built in one step



- First-stage capacity
 - Smelter: 585 000 tonnes per year
 - 704 cells in 2 double-lined potrooms
 - Hydro technology
 - Anode plant and cast houses
 - 1 250 MW power plant
- Possible expansion to 1 200 000 tonnes per year
- Technology designed for
 - Low specific energy consumption
 - High-labour productivity
 - Low emissions
- 50/50 joint venture between Hydro and Qatar Petroleum



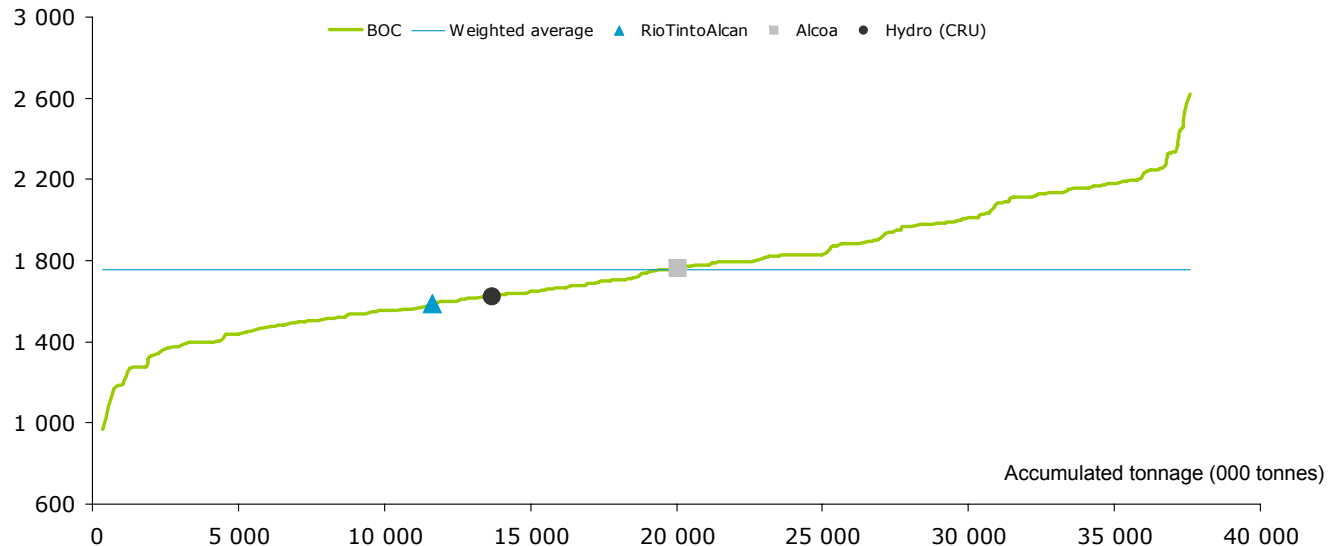
Qatalum investment cost

- Estimate ~USD 5.6 billion (100%)
 - Cost pressure for local sub-contractors
 - Weakened USD
- Satisfactory project economics at LME 1 900 USD/tonne
- Production start-up late 2009

Competitive cost position

Business operating cost 2007*

Business operating cash cost
USD/tonne

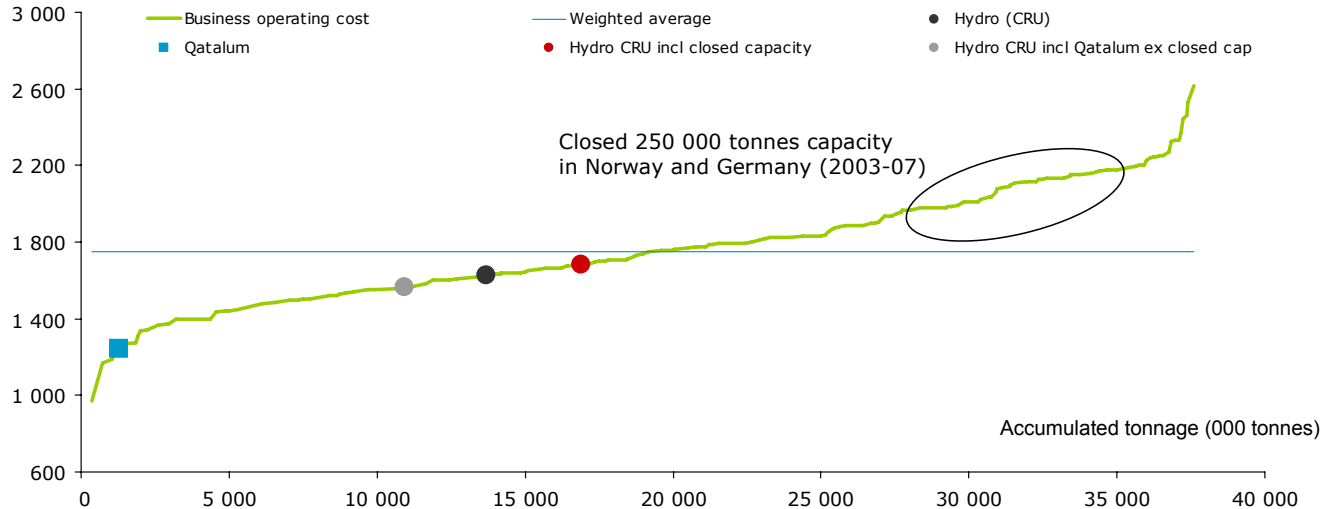


* Source: CRU, 2007. Business operating cost definition. Assumptions 3 month LME 2 705 USD/tonne and 3 month LME lagged 1Q 2 747 USD/tonne. Alumina spot 329 USD/tonne.

Growth and restructuring efforts

Improved cost position

Business operating cash cost
USD/tonne



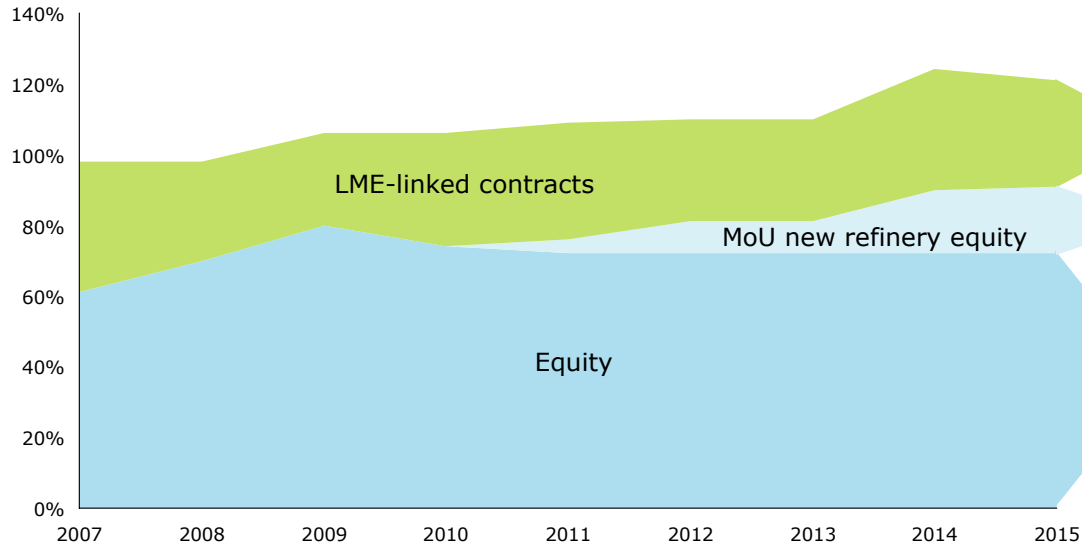
* Source: CRU, 2007. Business operating cost definition. Assumptions 3 month LME 2 705 USD/tonne and 3 month LME lagged 1Q 2 747 USD/tonne. Alumina spot 329 USD/tonne. Hydro numbers for Qatalum

Hydro well covered with alumina

New refinery positions Hydro for further growth in metal

Alumina coverage

Percent

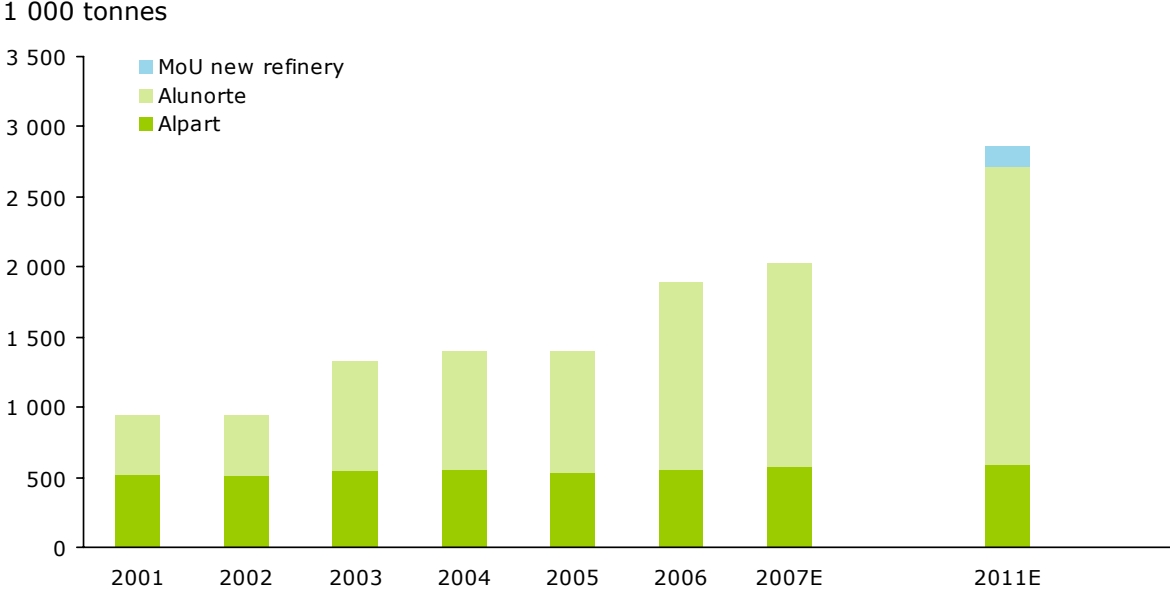


Based on existing smelter capacity and decided smelter and alumina projects

Excluding recently announced 400 000 tonnes of alumina under contract from RioTinto from 2011

Strong growth in alumina production

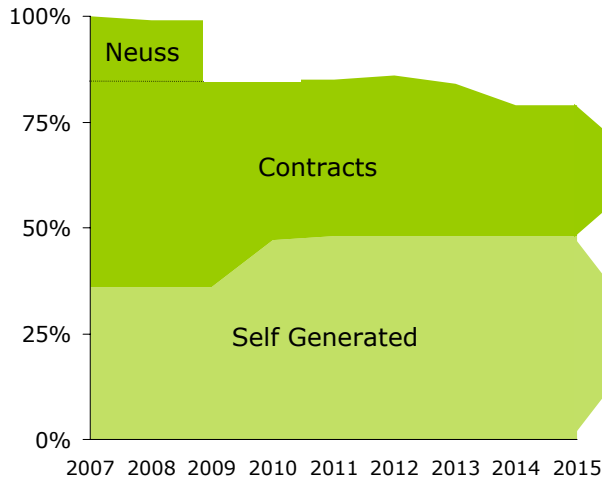
Hydro's equity alumina production



Competitive power sourcing

Critical for aluminium smelting

Power coverage

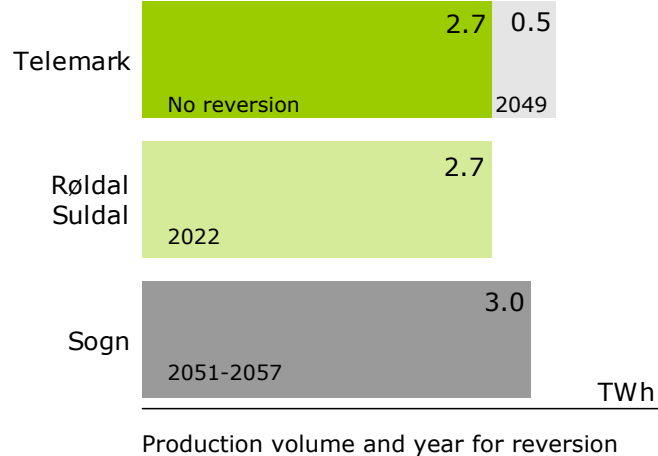


- Power represents 30% of production costs
- Long-term power sourcing ensures predictable costs
- Globalization of Hydro's power activities

Based on existing smelter capacity and decided smelter projects

Norway's second largest power producer

Production assets



- 9 TWh/year (7-11) production
- 100 percent hydro power

- Well-developed production assets provide stable cash flow

- Solar venture – attractive prospects and potential integration with Building Systems

3

Downstream

Turnaround in Aluminium Products

- Divestments and closures
 - Sales of Castings, Meridian and smaller units
 - Closure of magnesium plant in Becancour (Canada) and Ellenville extrusion (US)
- Improvement measures to offset weak US extrusion market
 - Capacity adjustments
 - 30% manning reduction in the US (~1 000 people)
- Five distinct businesses
 - Attractive markets for Hydro's products
 - Technological leadership and operational excellence
 - Close to markets and customers

Distinct businesses with leading positions

Rolled Products (50% of revenues)

Rolled Products

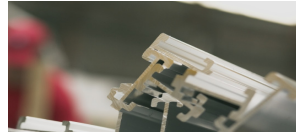


Reporting sub-segments and sectors

*Casting and Magnesium revenues excluded

Extrusion (40% of revenues)

Extrusion Eurasia



Extrusion Americas



Building Systems



Automotive* (10% of revenues)

Precision Tubing



Automotive Structures



4

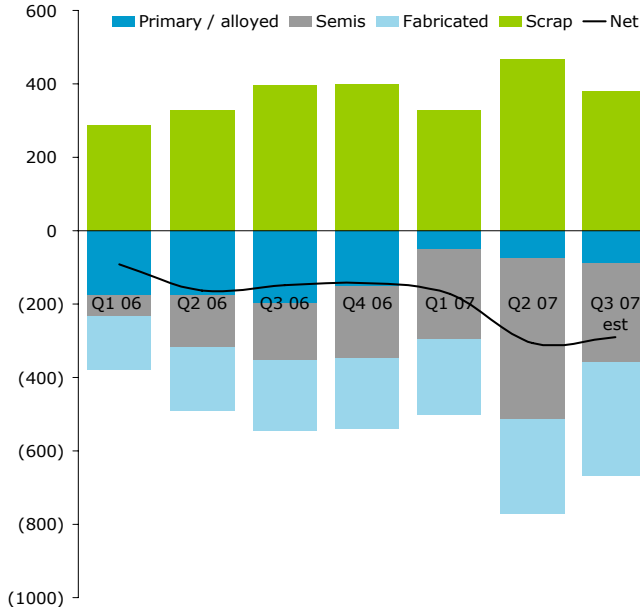
Market outlook

Healthy demand for aluminium

- Properties give competitive edge
- Recyclability more important with high energy price
- Expected annual demand growth 4.0-4.5% coming 10 years
- China represents almost 2/3 of expected growth
- Main product segments expected to grow 4.0-5.0% annually



China striving for balance

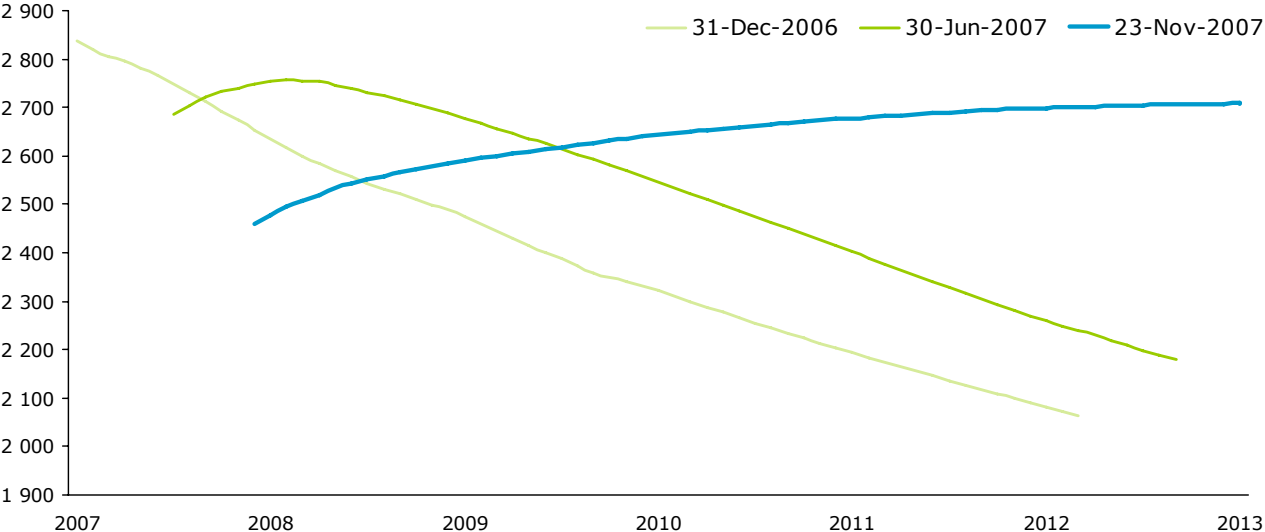


- No current subsidies on export of metal and low value added products
- Majority of export to Asian markets
- China expected to be balanced, medium to long-term

Source: Hydro 2007 / Antaike

Shift in forward curve

LME USD/tonne



5

Financials

Solid financial position

"New" Hydro

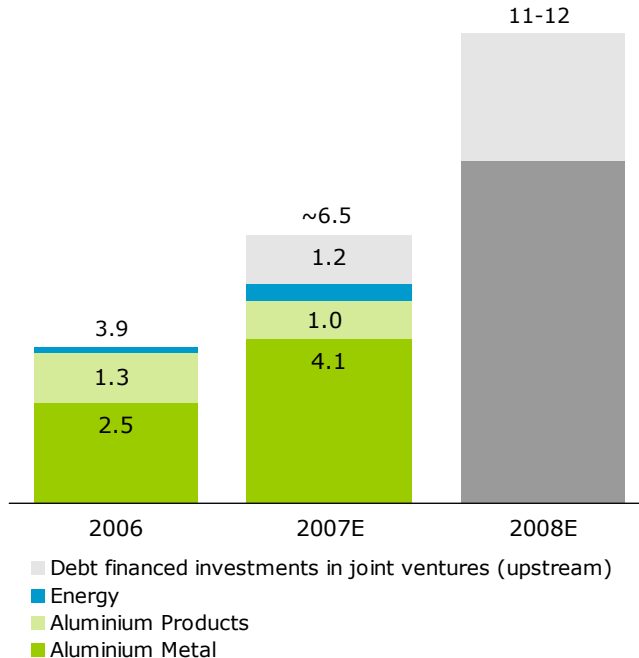
NOK billion	September 30 2007
Cash and cash equivalents	33.9
Short-term investments	2.2
Short-term debt	(2.2)
Long-term debt	(0.3)
Demerger debt	(26.2)
Net cash/(debt)	7.4
Net pension liability	(7.2)
Expected tax benefit, 30%	2.2
Operating lease commitments ¹⁾	(0.5)
Net adjusted cash/(debt)	1.9

- Demerger debt settled October 1
- Redemption of State's shares
 - NOK 2.8 billion in September
- NOK 5.5 billion proceeds from Polymers sale expected Q1 2008
- Measures to adjust capital structure to be announced with Q4 results in February 2008

1) December 31, 2006

Capital allocation – upstream focus

NOK billion



~80 percent of 2008 investments are upstream

Qatalum: USD 2.8 billion

- ~55 percent project financed
- Completion Q4 2009

Alunorte 3: USD 300 million

- Completion Q4 2008

New alumina project: USD 300 million

- Assumed completion first phase first half 2011

Aluminium Products – selective growth initiatives in Extrusion and Building Systems

Sustaining capex

- ~NOK 3 billion annually
- Share of debt in joint ventures will impact Hydro's total debt capacity

Price and currency sensitivities

NOK million	Income before tax	Net income	Change
Aluminium price per tonne	710	510	100 USD
Aluminium price per tonne excl. strategic hedges	880	630	100 USD

NOK million	Income before tax	Net income	Change
USD before financial items	3 210	2 280	1 NOK
USD financial items	(2 790)	(1 980)	1 NOK
USD Net income	420	300	1 NOK

- Based on realized prices first half 2007 and expected business volumes for 2008:
 - Aluminium 2 748 USD/tonne
 - NOK/USD 6.16
- LME sensitivity includes the effect of strategic hedges, but excludes and unrealized effects related to operational hedging
- USD sensitivity includes both USD revenues and USD costs
- Total USD sensitivity for financial items is based on actual financial positions 30 June 2007



Hydro's competitive strengths

- Power position
- Operational performance
- Technological leadership across value chain
- Close to markets and customers
- Reputable partner in joint ventures
- Distinct project management skills
- Financial capacity to grow



www.hydro.com