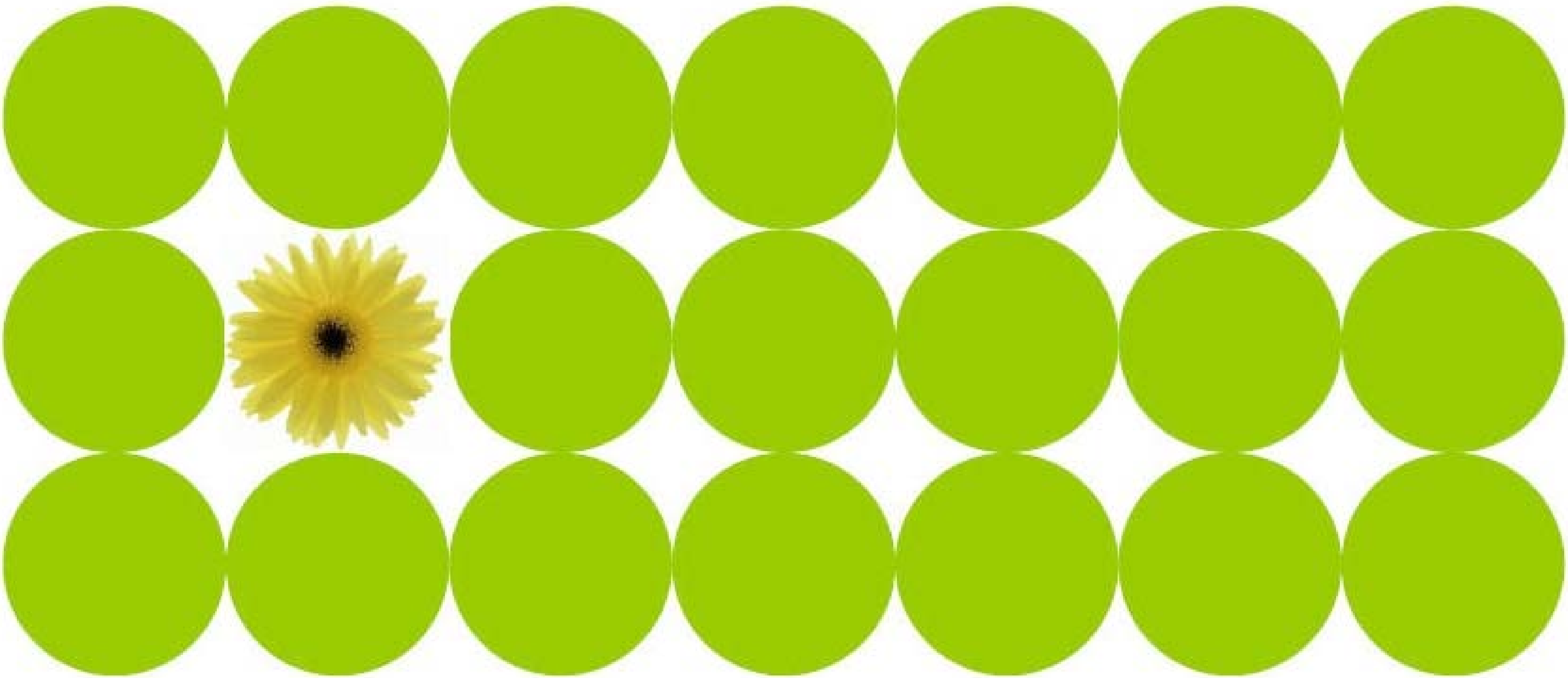
Hydro - resource rich and fully integrated



Stefan Solberg, Vice President and Head of Investor Relations
SEB Enskilda Nordic Metals & Mining Seminar, September 27 2011

Strong positions across aluminium value chain

Raw materials processing and energy

Primary aluminium production, marketing and recycling

Aluminium in products

Bauxite & Alumina

- Bauxite capacity 12.2 million tonnes
- Expansion potential to 17.2 million tonnes
- Alumina capacity 6.9 million tonnes
- Expansion potential to 14.5 million tonnes
- Long-term sourcing contracts for bauxite and alumina

Energy

- Long-term power supply secured
- 9.4 TWh of renewable energy production in Norway

Primary Metal

- 2.4 million tonnes primary capacity
- High LME and USD sensitivity
- Improving cost position
- Leading in technology

Metal Markets

- 3.8 million tonnes (primary, remelt, recycling and cold metal)
- Expertise in materials
- Flexible system
- Strong marketing organization
- Risk management

Rolled Products

- 1 million tonnes
- Margin business
- Regional business
- Close to customers
- Innovation
- Market leading in litho and foil

Extruded Products

- 0.6 million tonnes
- Margin business
- Local business
- Close to customers
- Innovation
- Market leading in Building Systems

Pro forma capacity for end-2010 after Vale transaction. 100% of volumes for assets that are fully consolidated and pro rata volumes for other assets.

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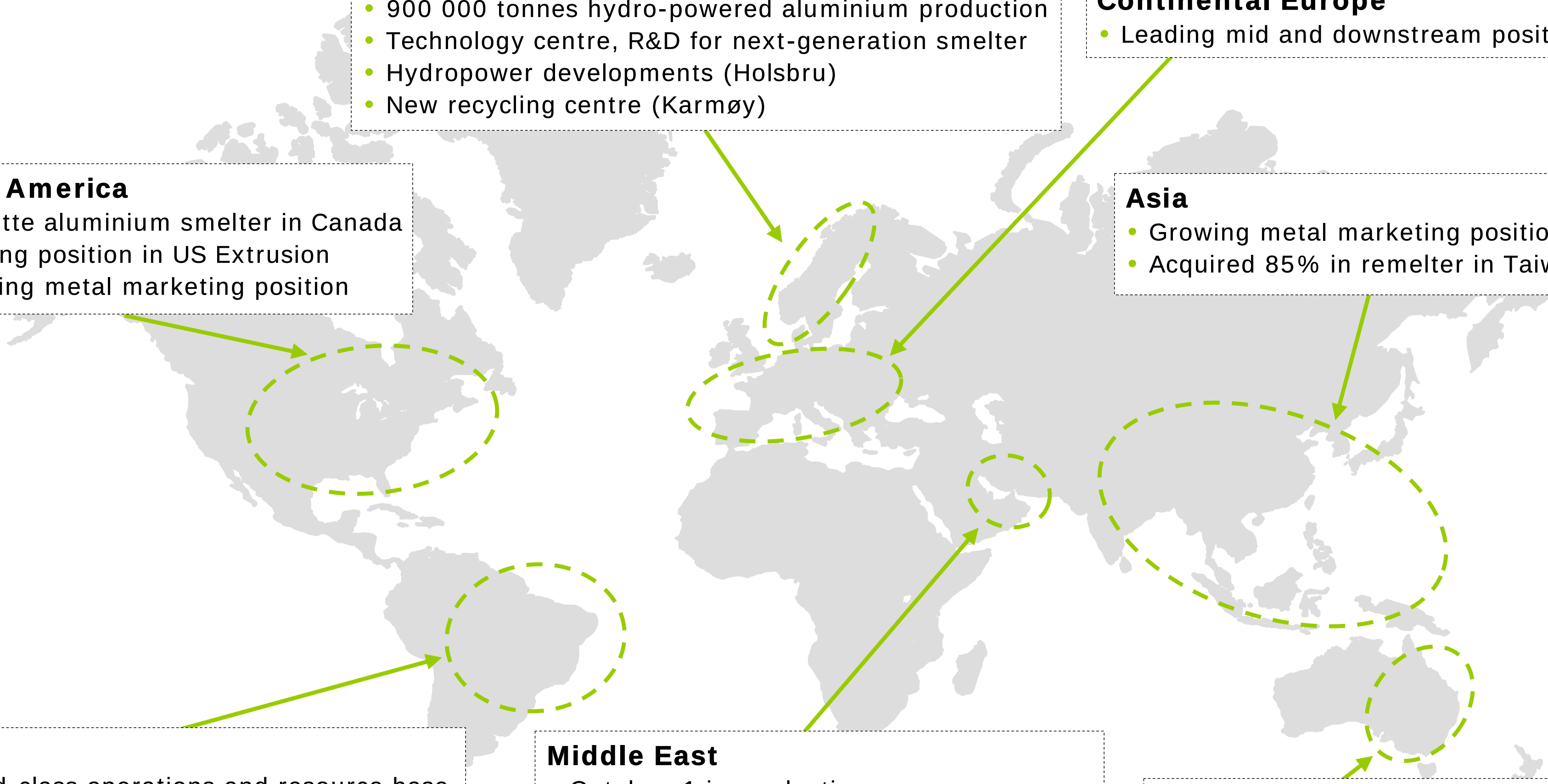
Attractively positioned, global reach



Norway
- 900 000 tonnes hydro-powered aluminium production
- Technology centre, R&D for next-generation smelter
- Hydropower developments (Holsbru)
- New recycling centre (Karmøy)

Continental Europe
- Leading mid and downstream position

North America
- Alouette aluminium smelter in Canada
- Leading position in US Extrusion
- Growing metal marketing position

Asia
- Growing metal marketing position
- Acquired 85% in remelter in Taiwan

Brazil
- World-class operations and resource base
- Bauxite and alumina growth projects

Middle East
- Qatalum 1 in production
- Qatalum expansion opportunity

Australia
- Primary aluminium production

Vale transaction completed February 28, 2011

- Platform for further growth as fully integrated resource-rich aluminium company
- Positions Hydro as a leading global bauxite and alumina player
- Integration process well under way
- Key priority: increase production towards nameplate capacity
  - improved production performance in Q2
- Promising growth prospects
- Vale has become key shareholder in Hydro with 22% ownership

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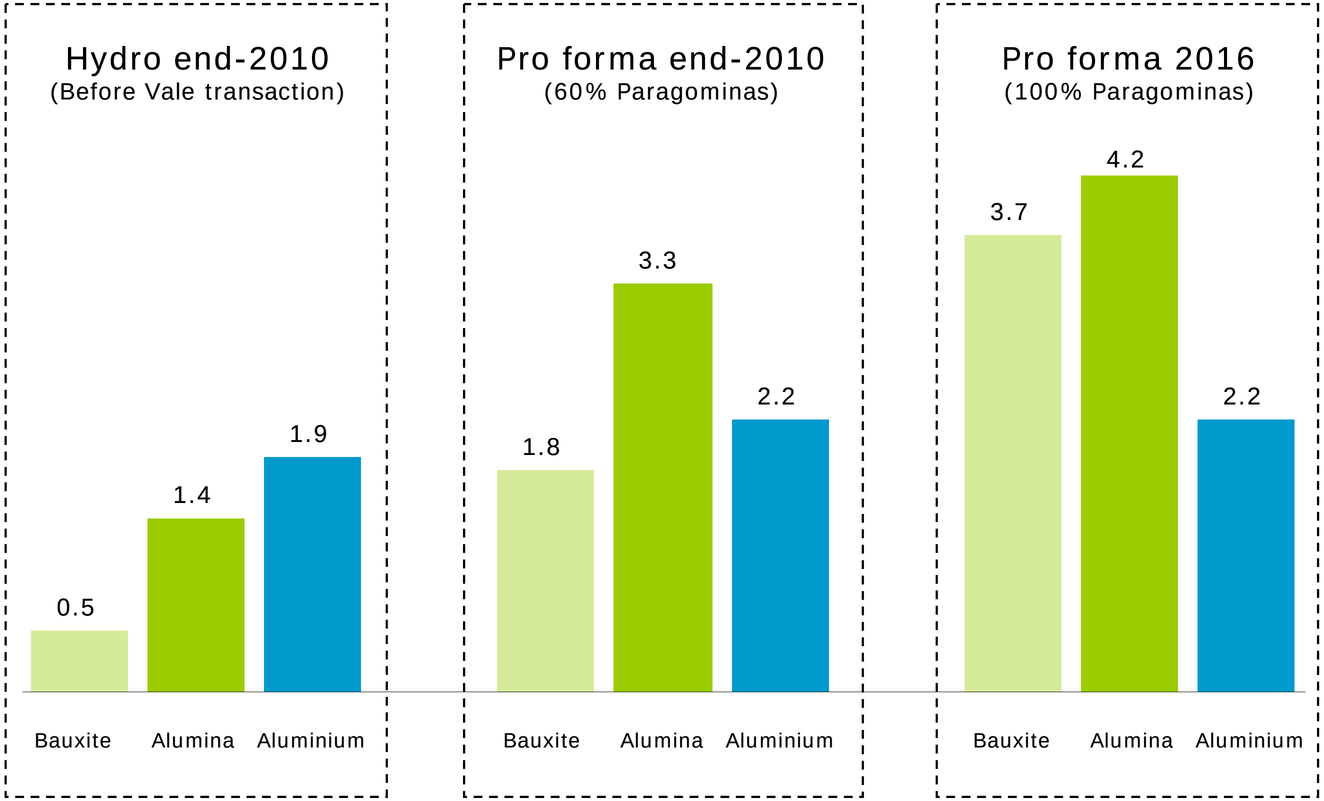
Hydro becomes long in bauxite and alumina

Aluminium equivalent equity capacity, million tonnes

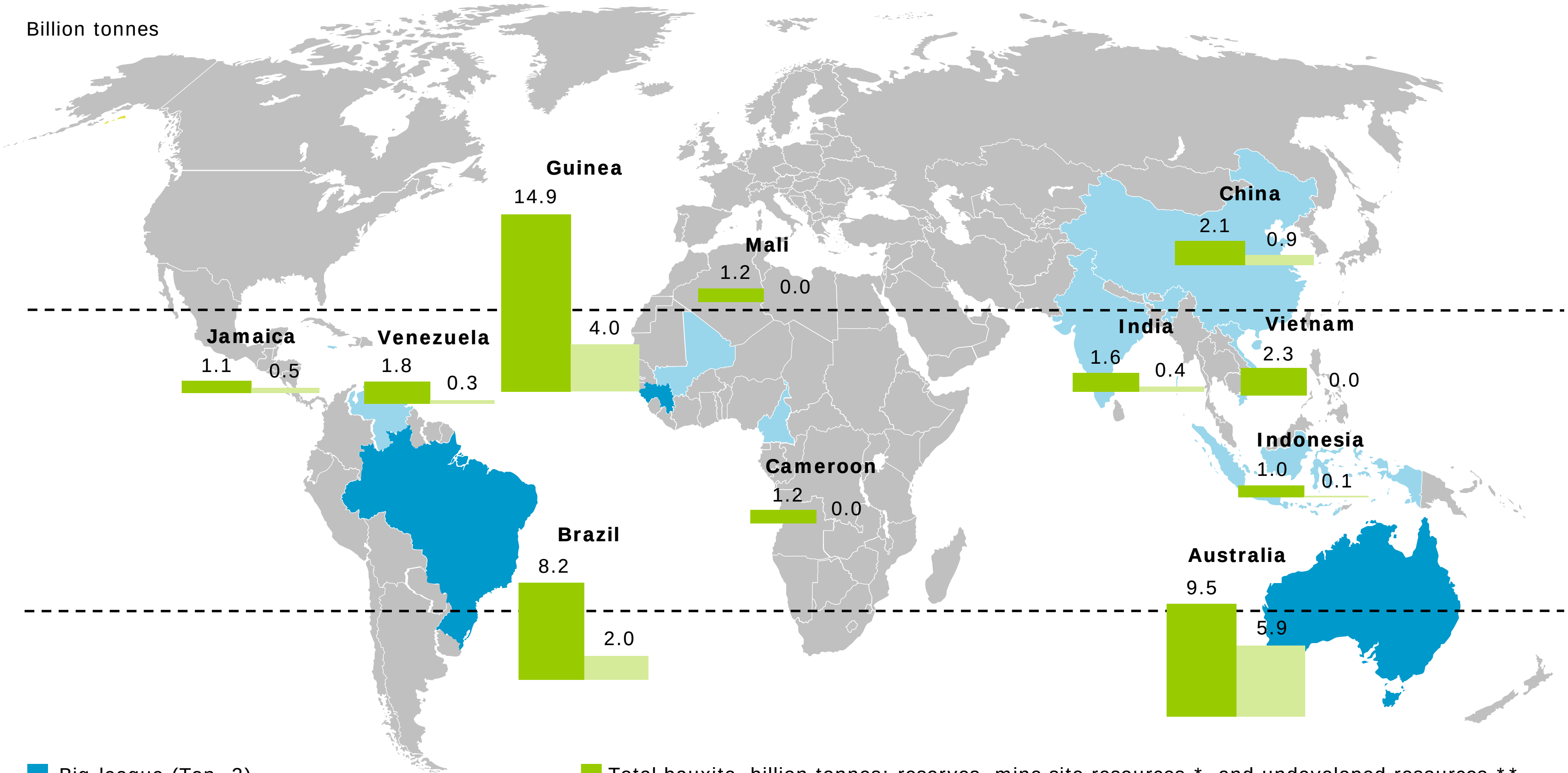


- Hydro's position transformed from large share of long-term contract sourcing to full resource ownership
- Excess alumina sold on standard industry contracts until 2015
- Portfolio of bauxite and alumina sourcing contracts strengthens equity position
  - Hydro will annually purchase 6.8 million tonnes of bauxite on an evergreen contract from MRN
  - Hydro's current alumina sourcing contracts will remain in portfolio

Includes idled capacity. Assumed assets included on a pro rata basis. 2016 includes Paragominas at 15 million tonnes and CAP first phase.

66% of bauxite availability concentrated in 3 countries

Billion tonnes



Big-league (Top- 3)

Mid-league (Top- 11; each > 2% of world total)

Total bauxite, billion tonnes: reserves, mine site resources *, and undeveloped resources **

Potential reserves, billion tonnes: associated with currently operating mines ***

*) Mine site resources are known bauxite resources that do not currently qualify as reserves for various reasons

**) Undeveloped resources might or might not became feasible for new mines (quality, size, access, etc)

***) Potential reserves = current reserves (economically extractible) + 70% of mine site resources. Undeveloped resources are excluded.

Source: Roskill and Hydro analysis

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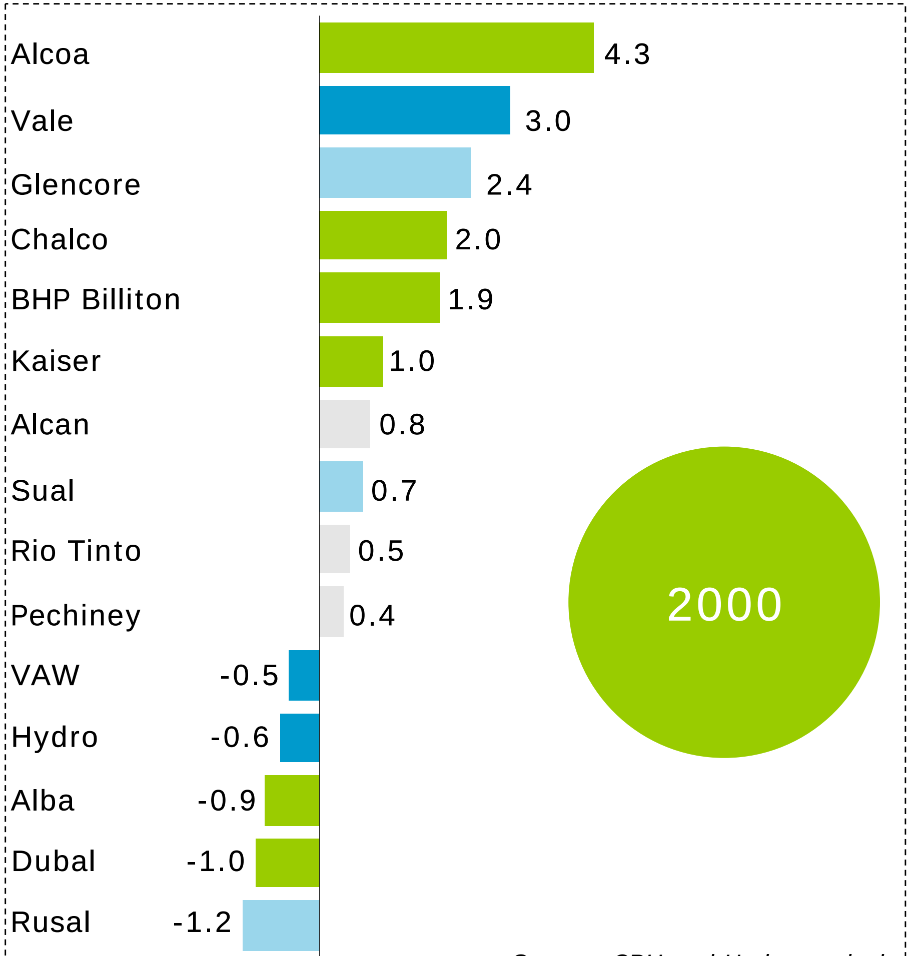
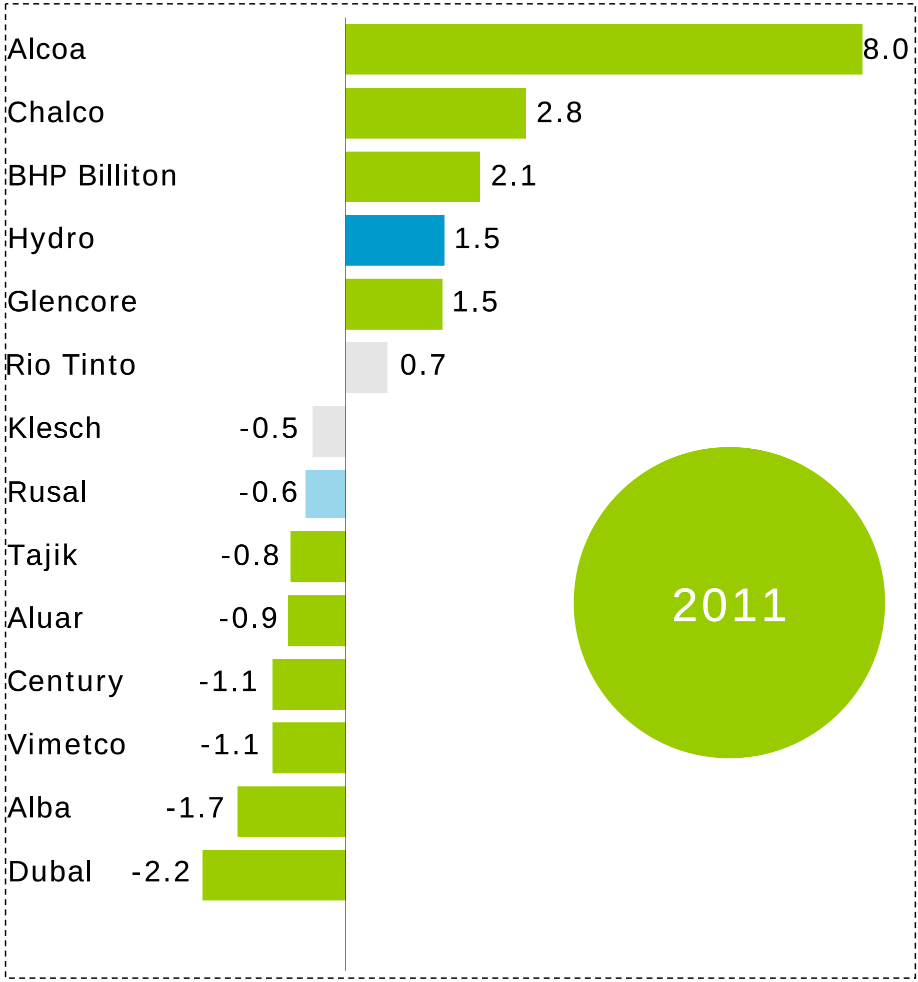
Alumina market is consolidating

Equity alumina production less equity alumina requirement, million tonnes



Source: CRU and Hydro analysis



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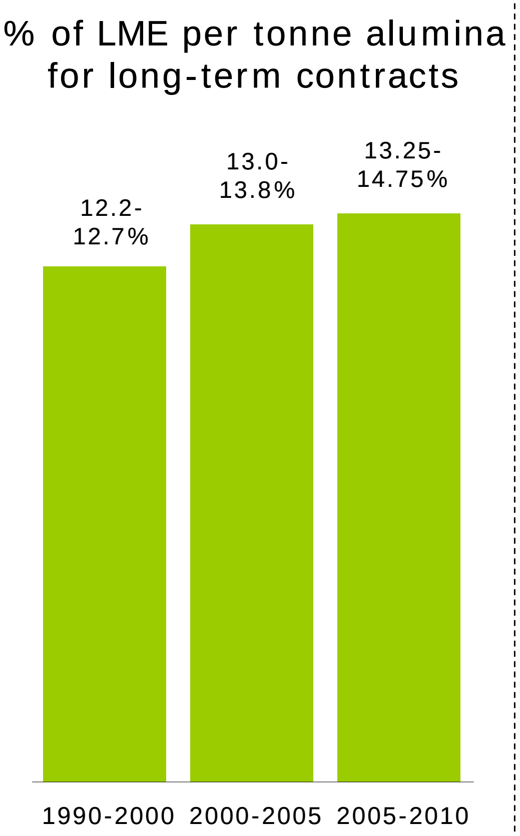
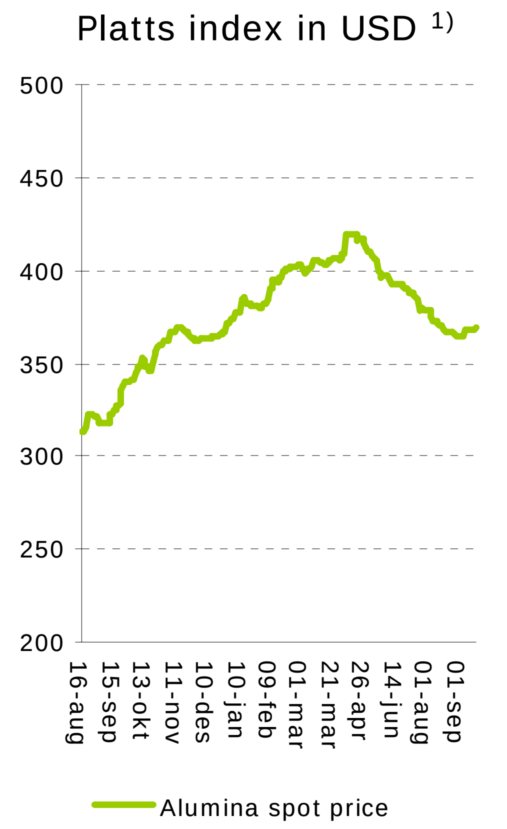
Shift towards shorter contract durations



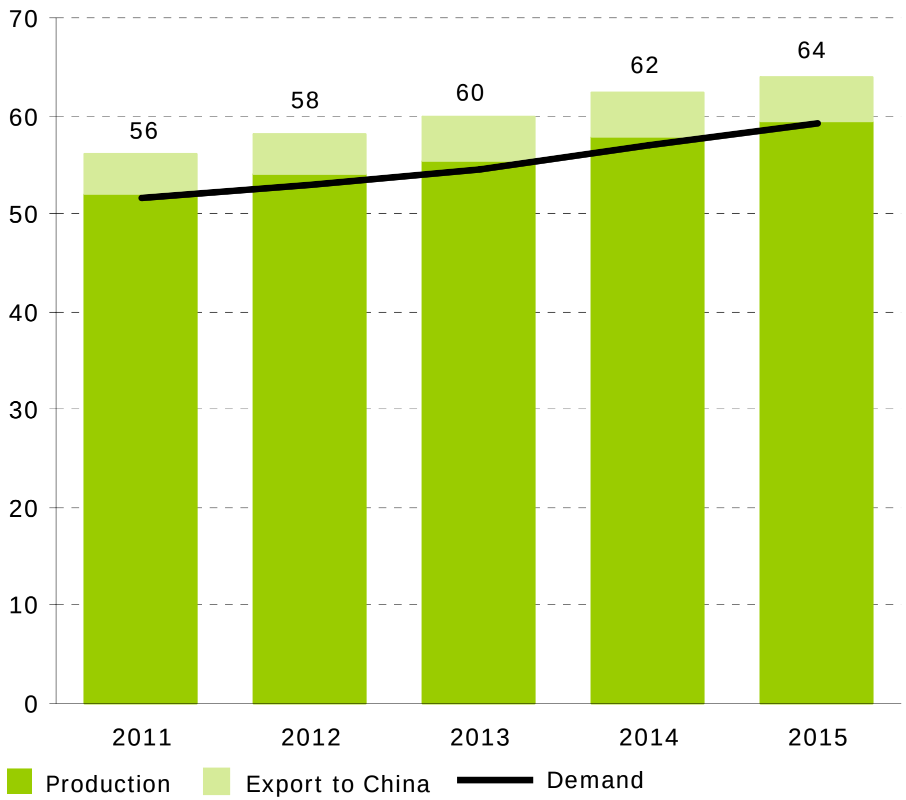


Source: Platts and Hydro estimates 1) Platts, started spot notifications in August 2010

Attractive commercial foundation for alumina

Alumina market appears balanced

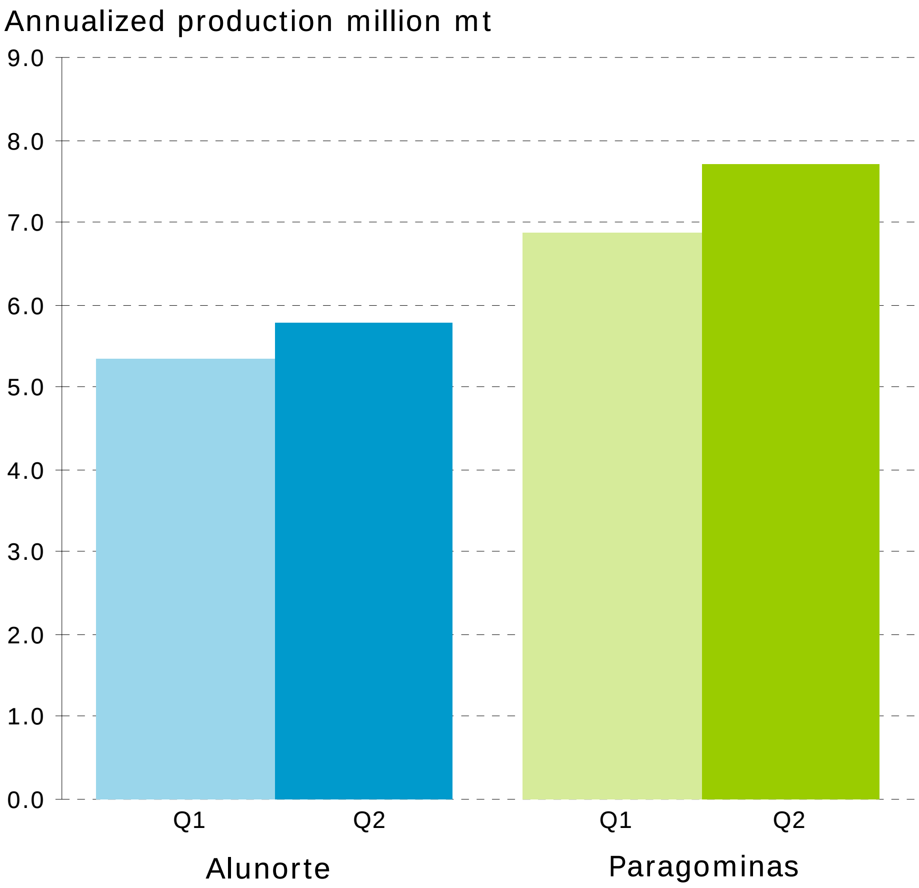
World outside China, million tonnes



Source: CRU and Hydro analysis

- Scarcity of high-quality bauxite
- Large alumina and bauxite deficit in China seems to continue
- Growth expectations for aluminium requires new alumina capacity next decade
- Development and construction costs for new capacity increasing
- Future pricing needs to reflect economic fundamentals of the bauxite and alumina value chain

Bauxite and alumina production improvements



- Paragominas production up 12% from Q1
  - Improved performance in beneficiation plant
- Alunorte production up 8% from Q1
  - Improvement in older lines
  - Increased utilization in coal boilers
- Focus on housekeeping and safety
- Preventive maintenance
- Target higher and more stable production

Substantial values in long-term assets in Norway

- Stable and solid cash generation
  - Indicative annual EBITDA NOK 1.6 – 1.8 billion

- Hydro's power balance, normal year
  - Normal production ~9.4 TW
  - Sourcing on long-term contracts ~7.0 TWh
  - Consumption in Primary Metal* ~12.5 TWh
  - Contract sales and concession power ~1.0 TWh
  - Spot sales ~3.0 TWh

- Value enhancement potential
  - Growth opportunities in Norway
  - Holsbru project to add 84 GWh from 2012
  - Optimization of power value in market, and in cooperation with smelters

* Including Sunndal 3 line currently curtailed

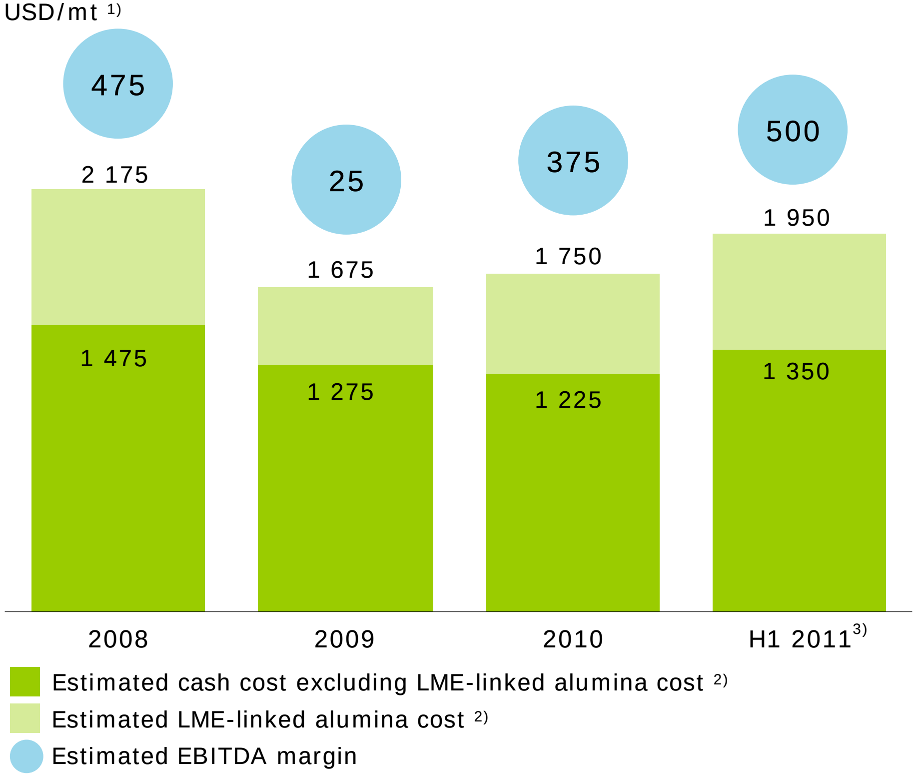
Power production capacity (TWh)
per region and reversion year

Sale of non-strategic stake in power producer

- Divestment of 20.86% stake in Norwegian power company SKS Produksjon to Salten Kraftsamband
- SKS Produksjon production: ~1.8 TWh
  - ~1.5 TWh excluding quota power sold at cost
- No synergies with Hydro's industrial activity
  - Sale does not affect Hydro's ownership of 9.4 TWh of power production in Norway
- Transaction summary
  - Cash consideration: NOK 1.0 billion
  - Q3 results: ~NOK 650 million gain
  - Closing to be completed on July 26, 2011

Primary Metal improvement program on target

Estimated primary aluminium cash cost and margin



1) Realized aluminium price minus EBITDA margin per mt primary aluminium. Excludes Qatalum earnings and volumes, but includes net earnings from primary casthouses.
2) 13% of LME 3 month price with 2.5 months delay
3) Albras included from March 1, 2011

- USD 300 per mt cost improvement
  - USD 50 per mt realized in 2010
  - Further USD 125 per mt targeted in 2011
- Cash cost up ~USD 200 from 2010 on raw material cost increases
  - LME-linked alumina prices
  - Energy
  - Petroleum coke
  - Weaker USD
  - Albras included from March 1, 2011
- Significantly improved EBITDA margin

Program assumptions: Higher energy and petroleum coke costs may offset some improvements. Improvements may be influenced by fluctuations in raw material prices and currencies. Applies to ~1 million mt annual capacity.

Qatalum in full production

- 704 of 704 cells producing from Sep 21
  - 100 000 mt produced in Q2 (100%)
- Annual capacity: 585 000 mt (100%)
  - 50/50 joint venture between Qatar Petroleum and Hydro
- Fully integrated with casthouse, carbon plant, port and storage facilities, and captive power plant
- World-class cost position
  - Cash costs estimated around USD 1 400-1 500 per mt at 2010 market conditions when in full production

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Leading metal products supplier in Europe

Casthouse production
Primary production
Remelting & recycling
Commercial agreements

Extrusion ingot
1 550 000 tonnes

Foundry alloys
450 000 tonnes

Sheet ingot
525 000 tonnes

- Growing marketing position in U.S. and Asia through Qatalum volumes
- Enhance value of market system and optimize value on top of LME price
- Strengthen margin management and contribute to improved earnings in primary casthouses
- Capitalize on strong market position through sourcing and trading strategies
- Firm operational LME risk management

No. 1 flat rolled products producer in Europe

Packaging & building

Revenues:
NOK 11.3 billion

Automotive, heat exchangers & general engineering

Revenues:
NOK 6.8 billion

Litho

Revenues:
NOK 3.7 billion

- World leading positions in high-end products: foil, litho and automotive
- Solid cash generation
- Record results in 2010
- Technology leadership and innovation
- Strategy
  - Margin management and cash generation
  - Focus production system on core assets
  - High-grading product portfolio

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Strong extrusion position in Europe, U.S. and Brazil

Extrusion Eurasia
Revenues: NOK 8.8 billion

Building Systems
Revenues: NOK 5.6 billion

Precision Tubing
Revenues NOK 2.4 billion

Extrusion North America
Revenues: NOK 2.5 billion

Extrusion South America
Revenues: NOK 0.8 billion

Strong entrepreneur-ship, management culture and competence

Product innovation through strong customer relations

- Leading position in Europe in Extrusion and Building Systems
- Strong position in the U.S. and Brazil
- Global leader in precision tubing
- Strategy
  - Reinforce European extrusion base
  - Specialist in energy-neutral building solutions, including solar
  - Selective acquisitions
  - Entry into emerging markets
- Operating revenues ~NOK 19.4 billion
- ~9 500 employees

Strategy for further value creation

Bauxite & Alumina

- Integrate
- Expand
- Commercialize

Primary Metal

- Reposition
- Keep solid cash flow in current assets
- Expand in high-class assets

Energy

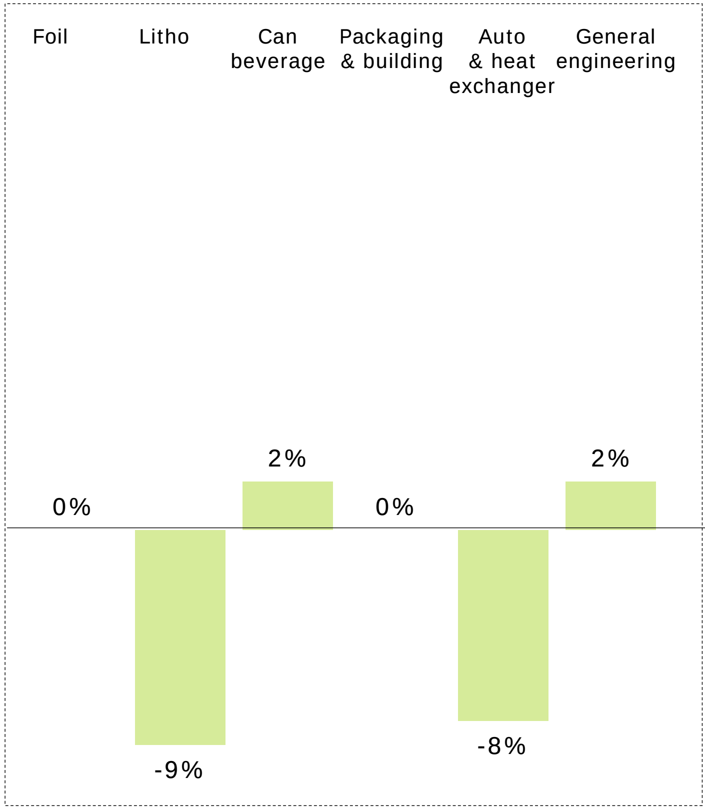
- Increase value of business and competence
- Focus on operation and commercialization of current assets
- Implement global approach to power sourcing

Mid- and downstream

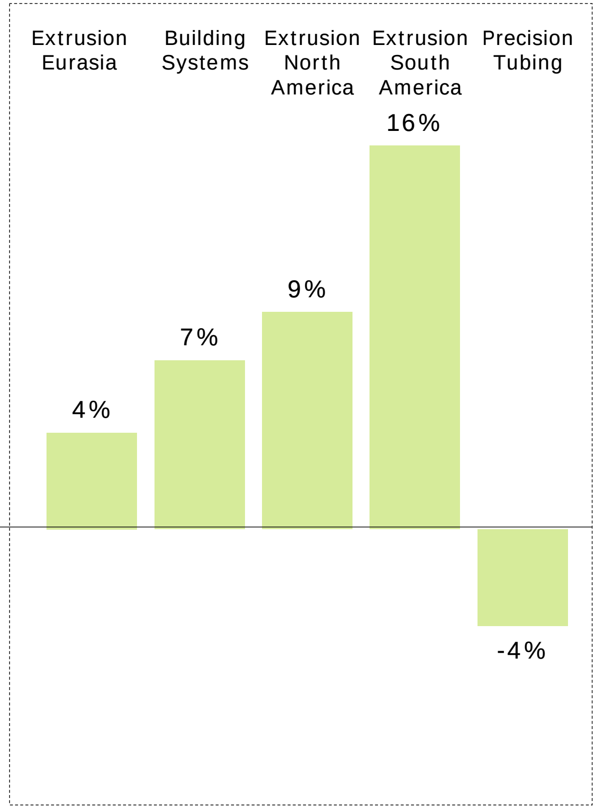
- Continue proven high-end product strategy
- Pursue profitable life-cycle investments: recycling, energy-efficient building systems, aluminum in transport
- Expand selectively in emerging markets

Fabricated products sales stable

Hydro's fabricated products sales Q2 2011 vs Q1 2011

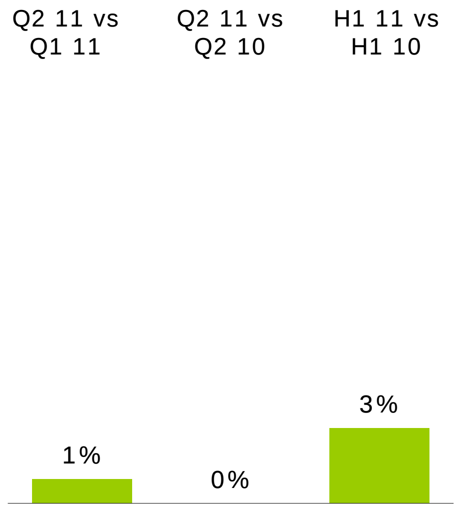


Rolled Products: -1%



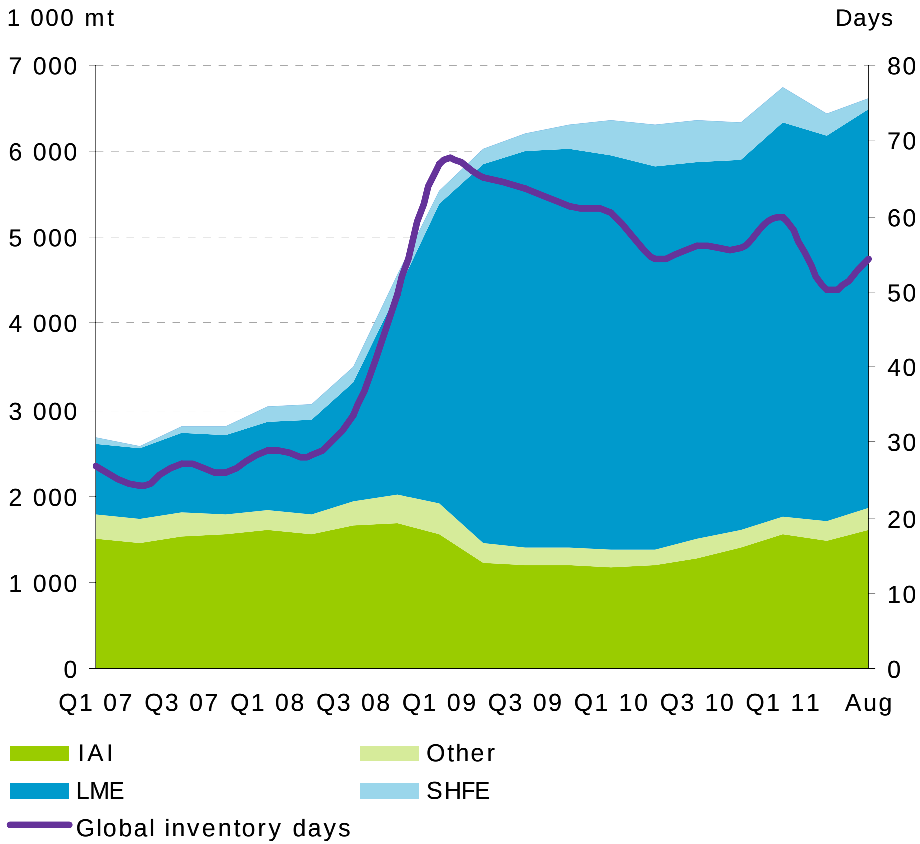
Extruded Products: +5%

Total fabricated products sales



Global inventory days trending down

World reported primary aluminium inventories

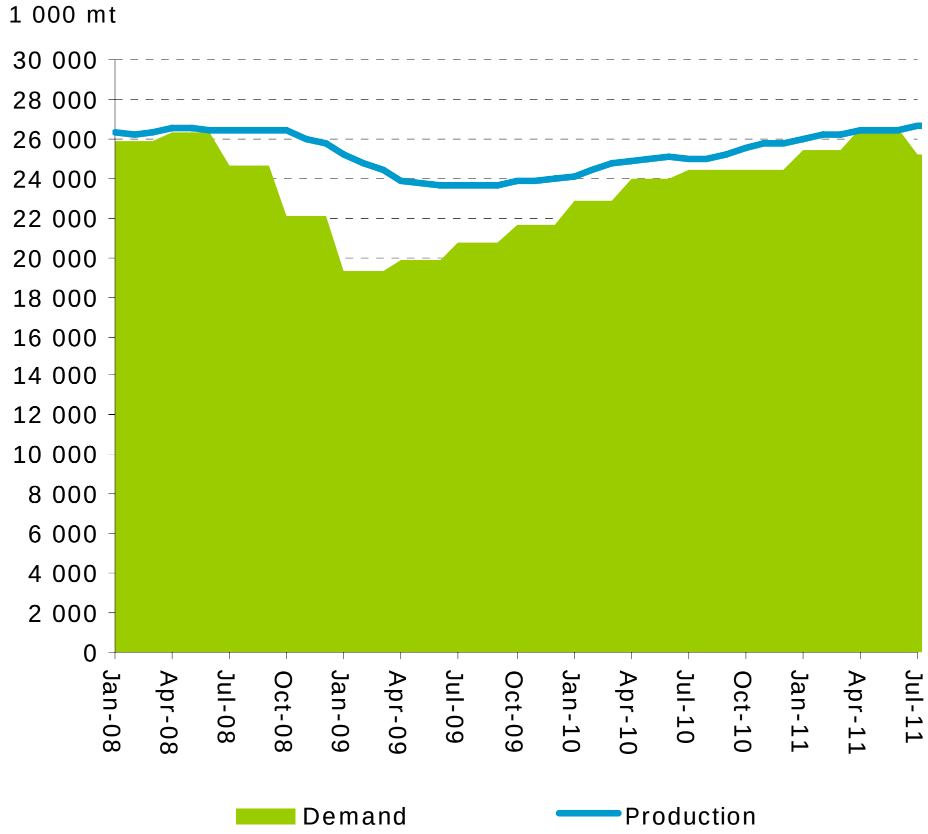


Source: CRU

- Inventory days reduction driven by increased consumption
- High inventories well known in market
  - Different views on unreported inventories
- Estimated total reported and unreported inventories ~11 million tonnes
  - Represents ~3 months of consumption
- Financial deals locking up metal
  - Profitable on a short-term duration

2011 market outlook unchanged

World outside China (quarterly annualized)



Source: CRU

- Annualized demand at 25.1 million mt in July/August
- ~7% demand growth estimated for 2011
- Capacity development
  - 1.2 million mt curtailed capacity restarted or in process of being restarted
  - 1.3 million mt curtailed capacity may restart if current market conditions continue
- Increased uncertainty due to more volatile macro environment and sovereign debt issues

Situation in China

Primary aluminium

- Annualized demand at 20.2 million mt in Q2
  - Up 20% vs Q1 2011
  - Corresponding higher production
- ~10% demand growth estimated for 2011
- China expected to be balanced in primary aluminium in short to medium term

Bauxite and alumina

- Quality of domestic bauxite resources deteriorating
- China dependent on bauxite imports, mainly from Indonesia
- China to be relatively balanced in alumina
  - Minor imports

Priorities 2011

- Successful integration and improved performance in Bauxite & Alumina
- Primary Metal repositioning through USD 300 program and Qatalum ramp-up
- Solid operations with firm cost control and strong market focus

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