A viable society. A need. An idea.
36,000 professionals. Energy.
Cooperation. Aluminium. Determination.
Pushing boundaries. Respect. Nature.
Courage. 100 years. Thinking ahead.

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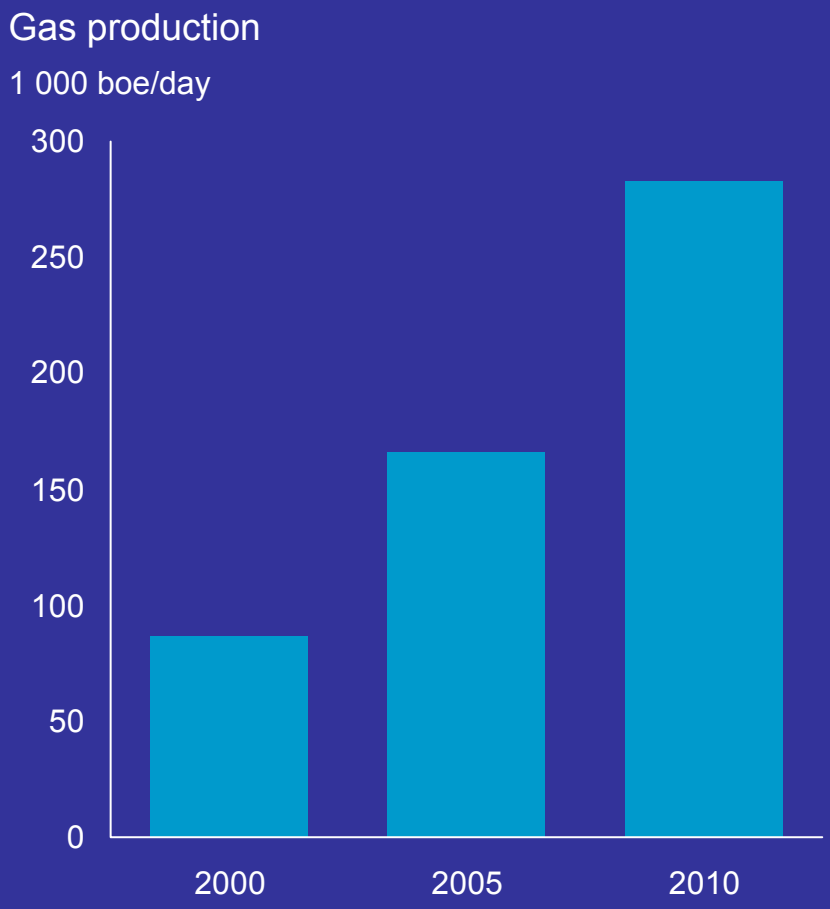
Commercializing a superior gas position

Jørgen Rostrup
Head of Marketing & Trading, Oil & Energy

Strong short-term ramp-up in gas production

Maximum lifting and secure best value

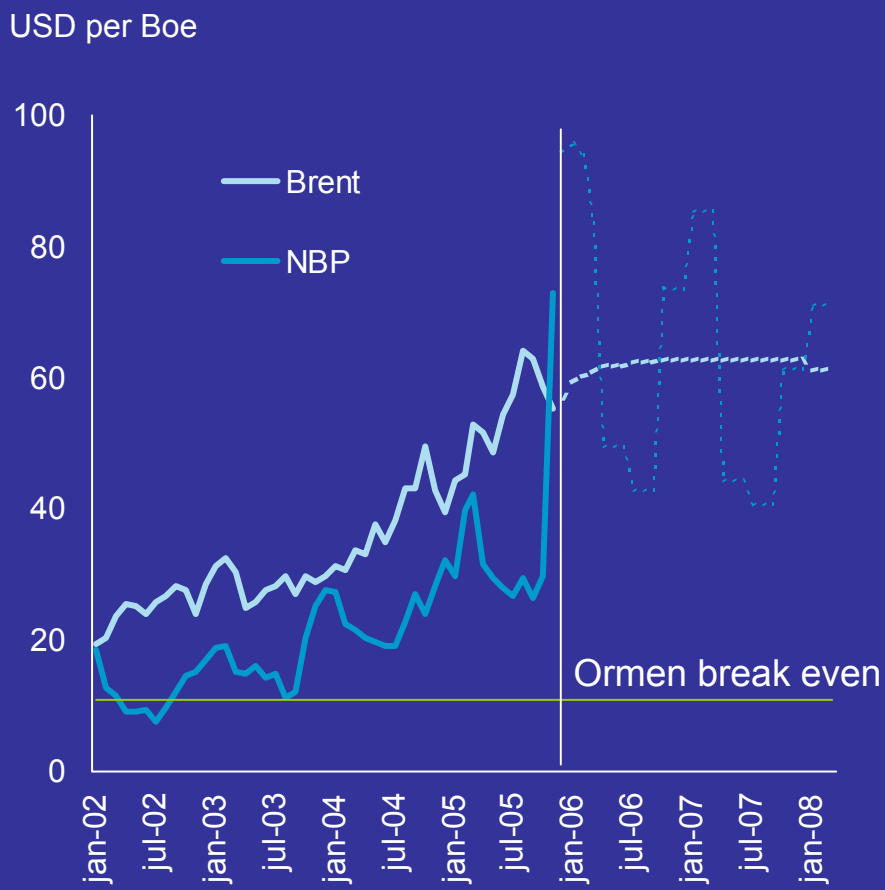


- 12% growth rate (CAGR) 2000-2010
- Market development facilitates further growth
- Large gas reserves in the middle of Europe
- High profitability going forward

HYDRO

Gas – an increasingly valuable commodity

Hydro well positioned to capture this value



- Significant increase in gas prices
- Infrastructure in place
- High value “per barrel” for the long term

HYDRO

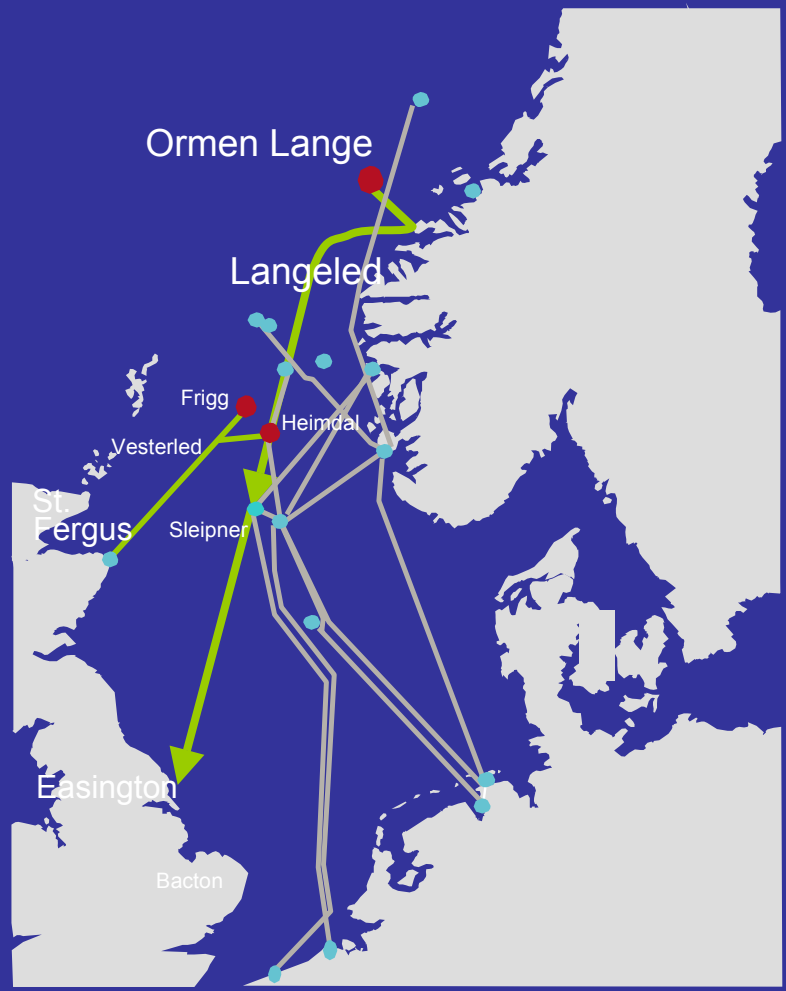
Vesterled
– Positioning Oseberg for the UK market

- Hydro initiative to link up NCS to a widening supply gap in the UK
- Increased flow and increased profiling from Hydro fields
- Low cost – quick delivery
- Innovative commercial system

HYDRO

Ormen Lange
– securing gas to an undersupplied UK

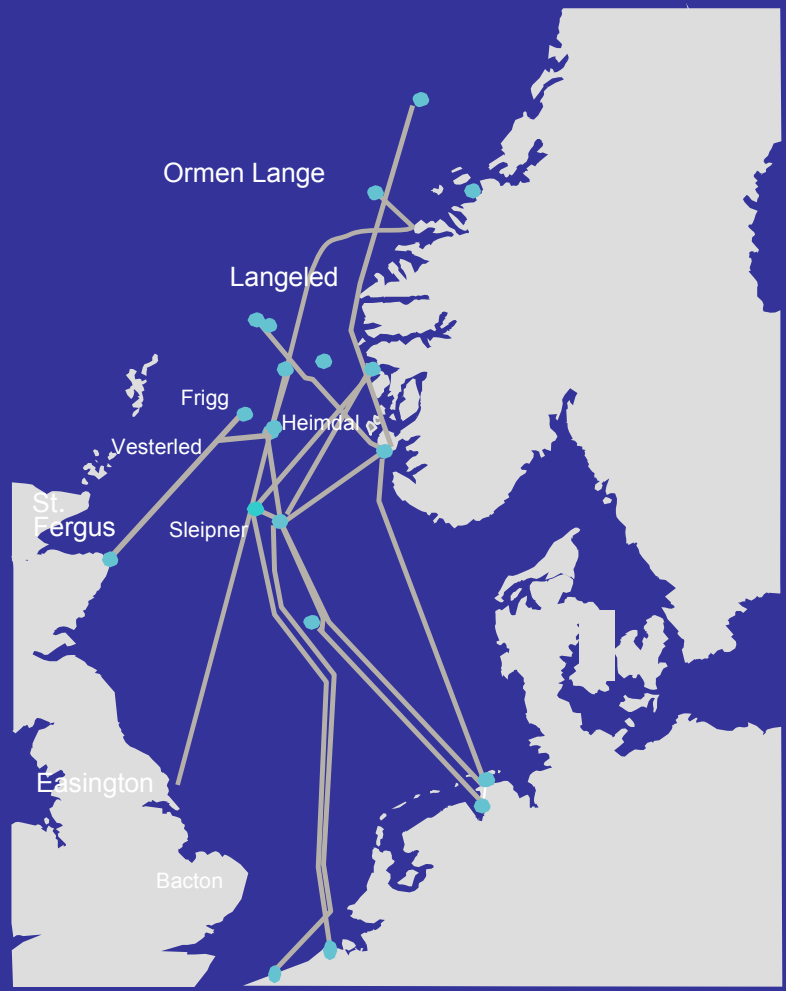
- Langeled – Hydro a driving force to route Ormen Lange Gas to the UK
  - Short time from discovery to market
- Langeled South – increased delivery to UK at the right time
  - Langeled on schedule and at cost
- First large-scale project without long-term commitments



HYDRO

Commercial thinking – Active positioning for UK supply gap

- Upstream positioning
- Infrastructure investments
- Adjustments of sales portfolio
- Constant optimisation of flows



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Secure outlet in changing markets

- High oil prices
- Gas to power
- New import projects
- LNG to US
- Liberalization
- National Champions

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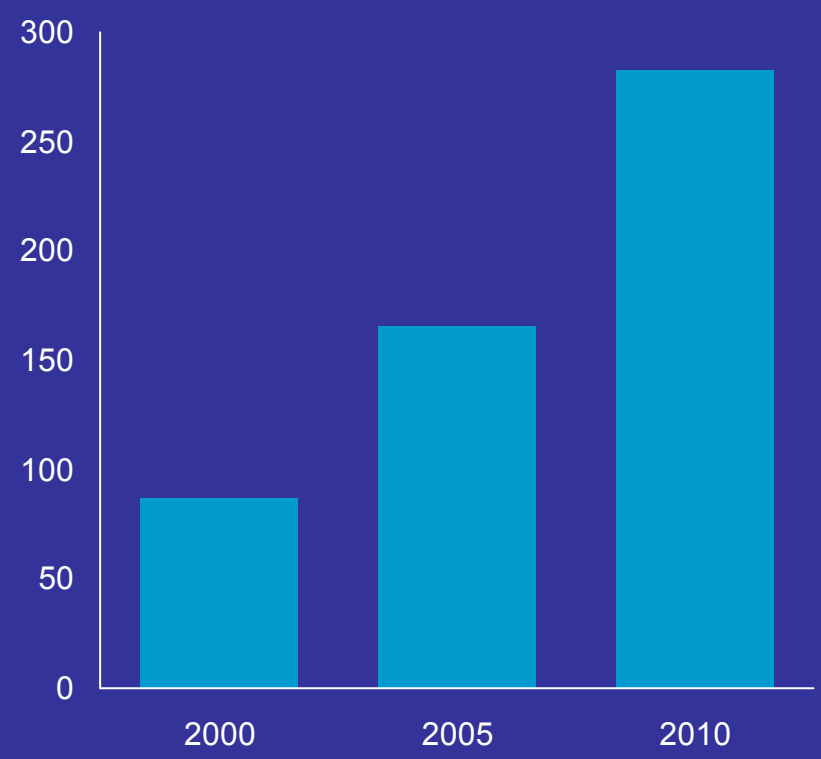
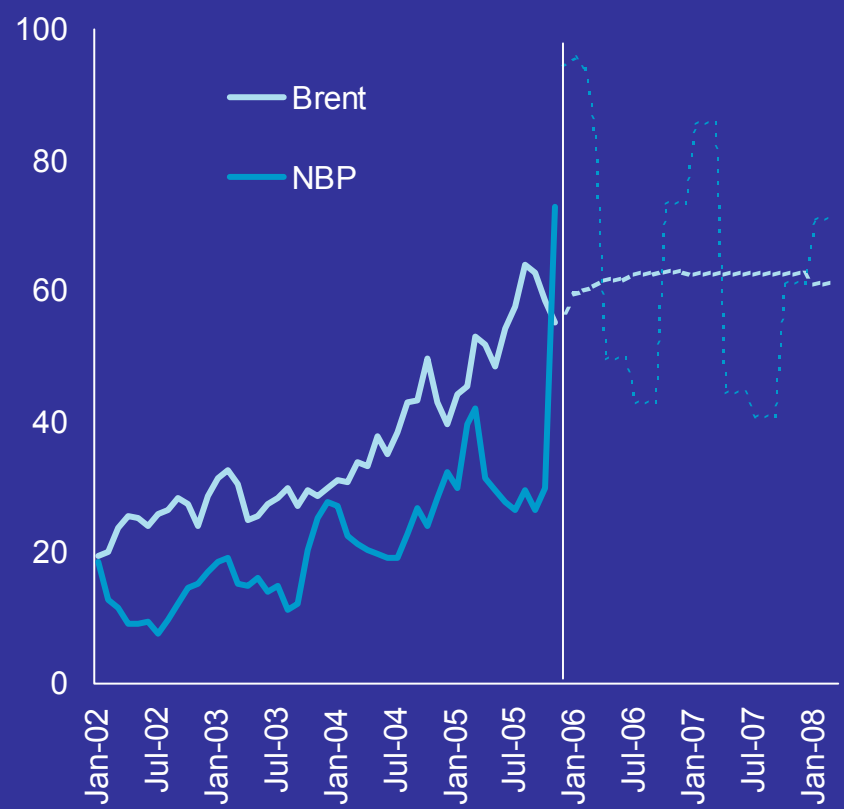
A strong future

Strong short-term ramp up in gas-production



Gas – an increasingly valuable commodity



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Mastering the NCS challenge

Lars Christian Alsvik, Head of Development Norway
Øystein Michelsen, Head of Operations

Mastering the NCS challenge

- Optimize recovery from existing fields
- Exploration and growth on a maturing shelf
- Meeting competition from newcomers

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Mastering the NCS challenge

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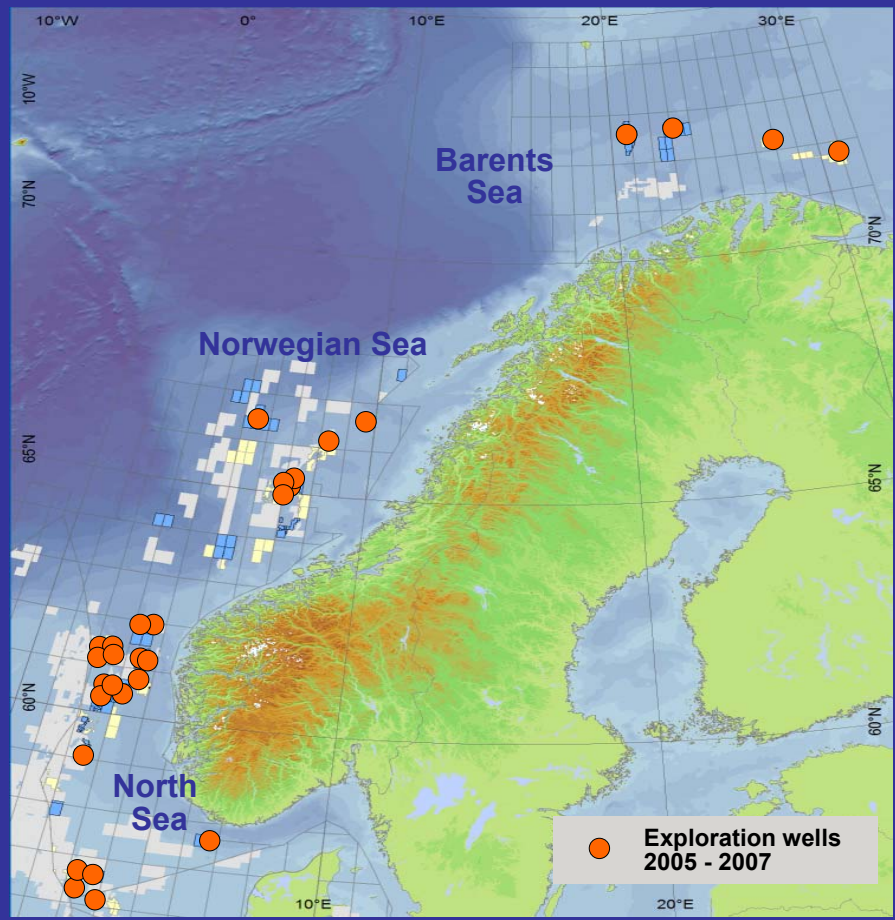
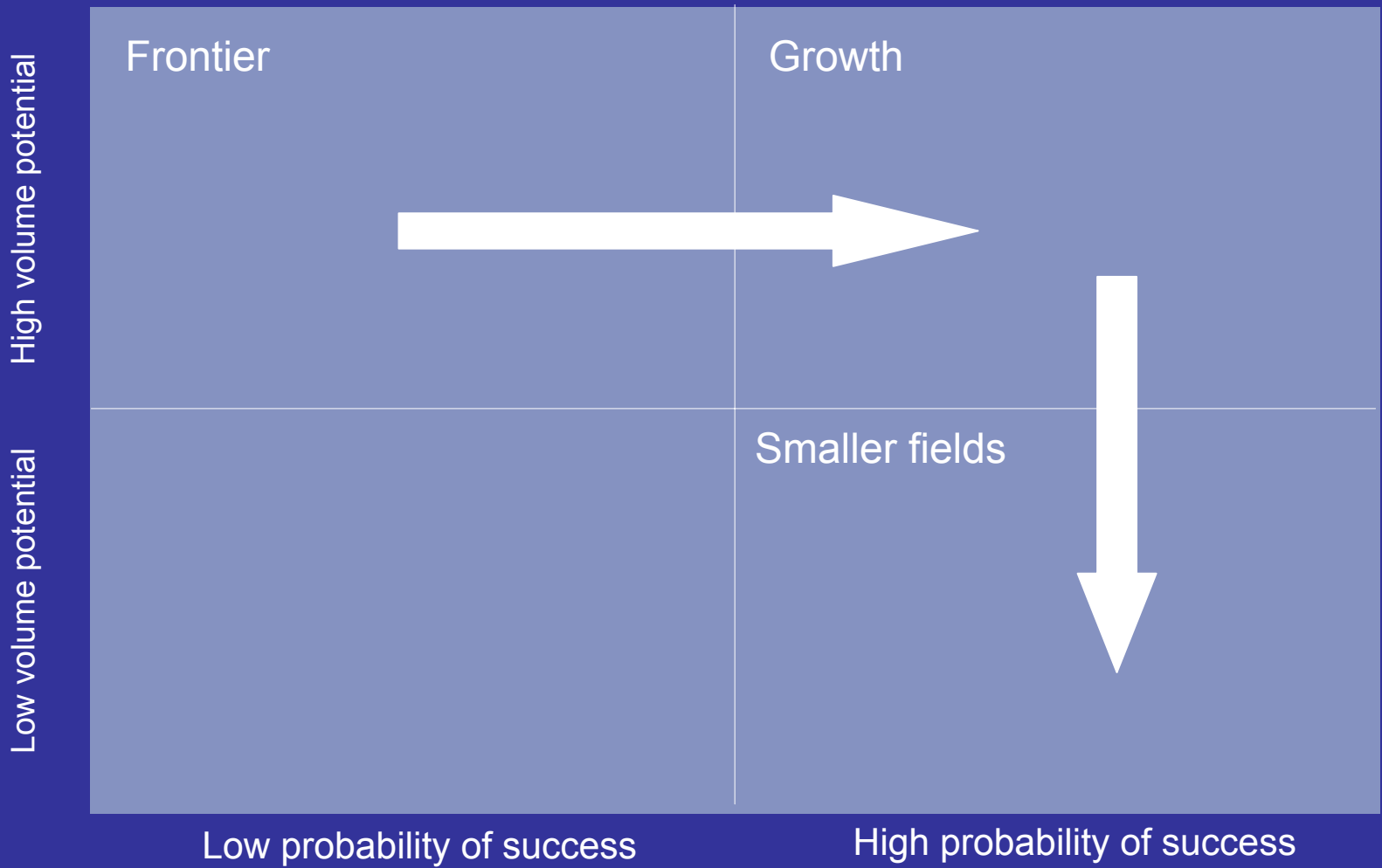
Exploring for new resources in all regions

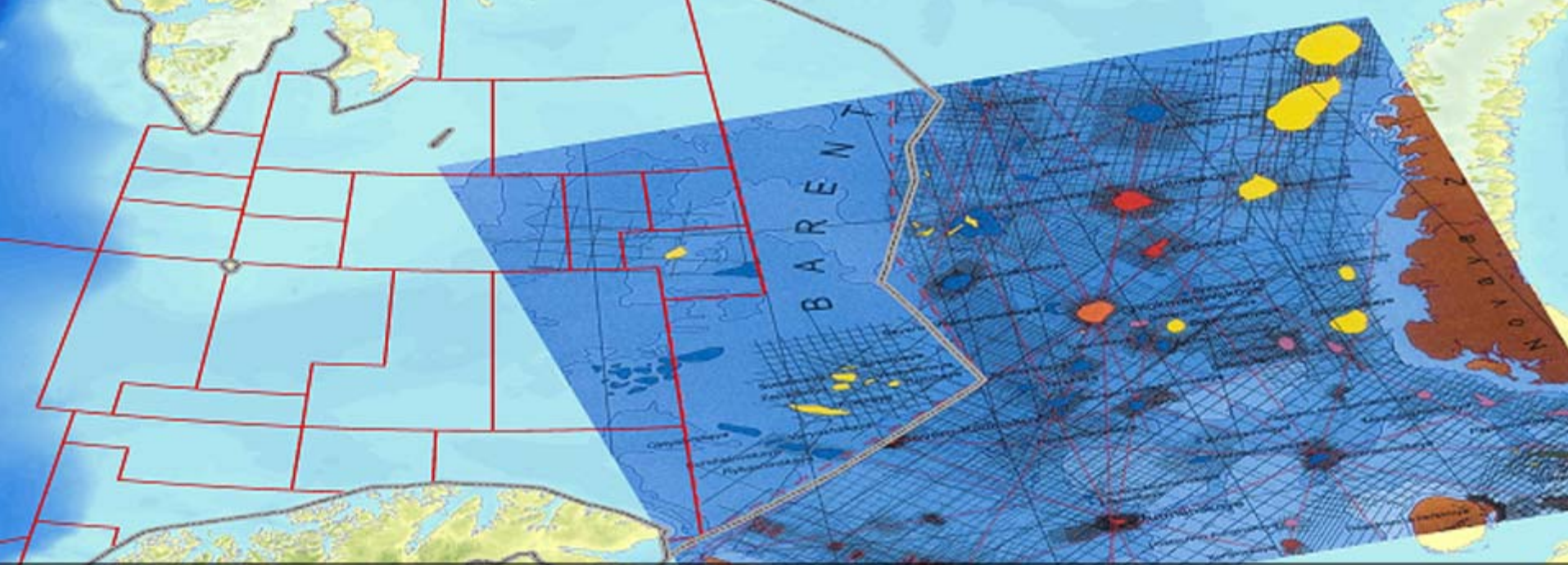
- Participating in 40 exploration wells in 2006-2007
- Add profitable resources to producing fields
- Still growth prospects in mature areas
- Exciting frontier drilling in the Barents Sea and Norwegian Sea



HYDRO

A balanced portfolio - illustration





The northern areas

- Large unexplored areas
- International attention
- Excellent fit between challenges and competence

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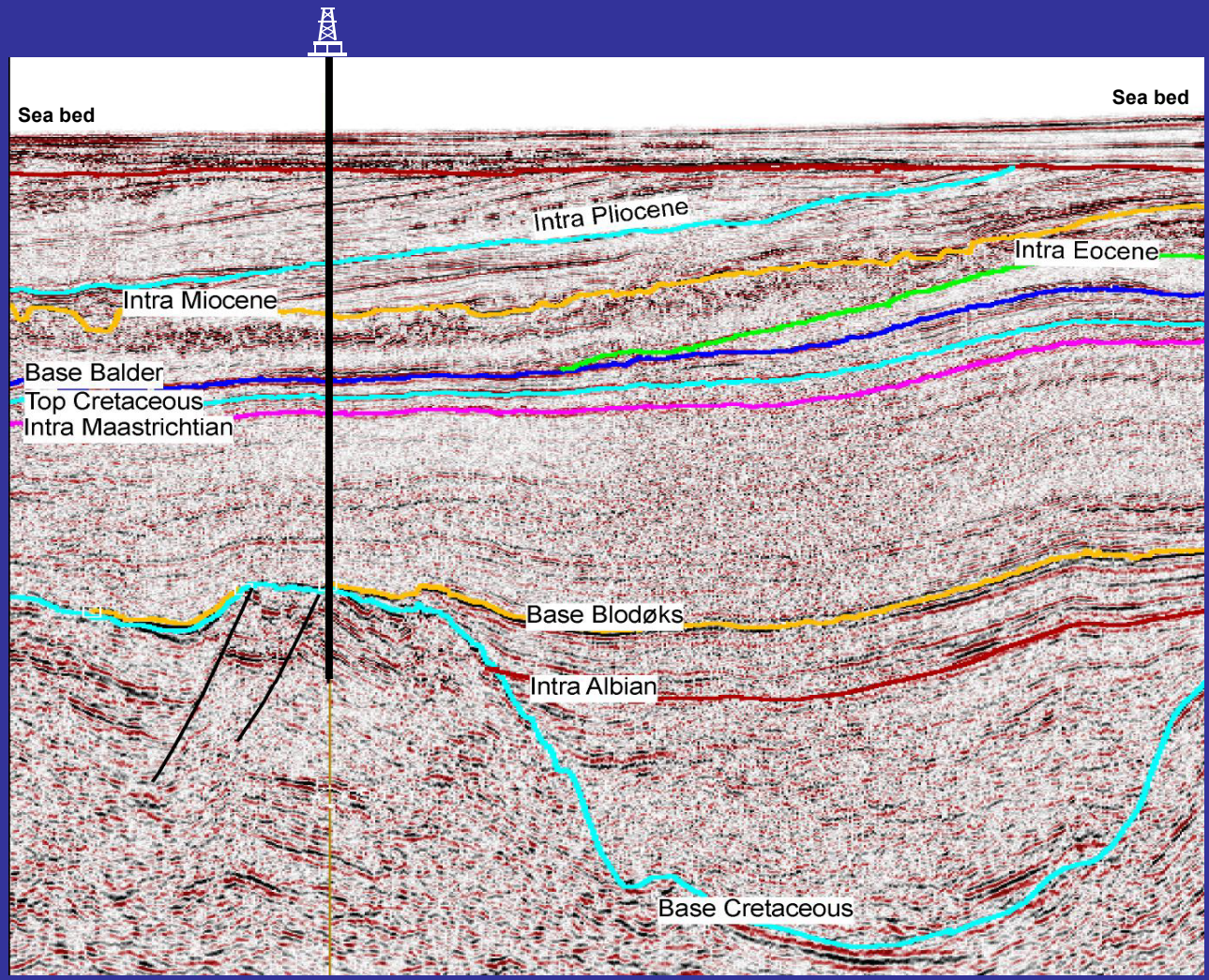
New exploration models in mature areas
Peon – creativity and determination



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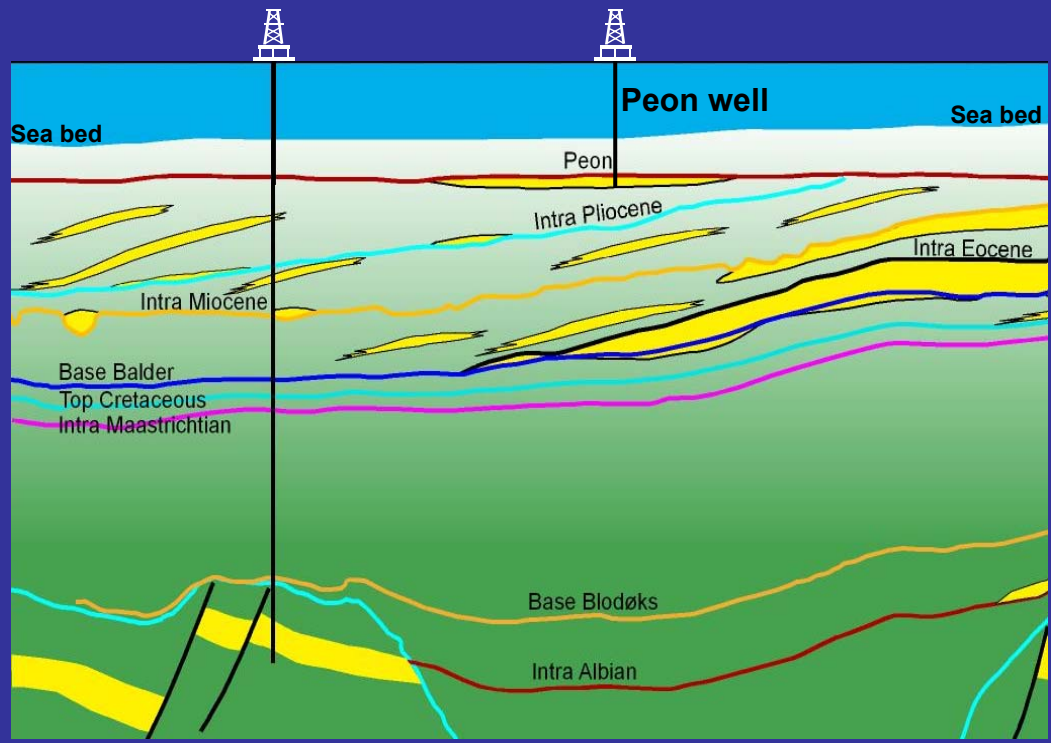
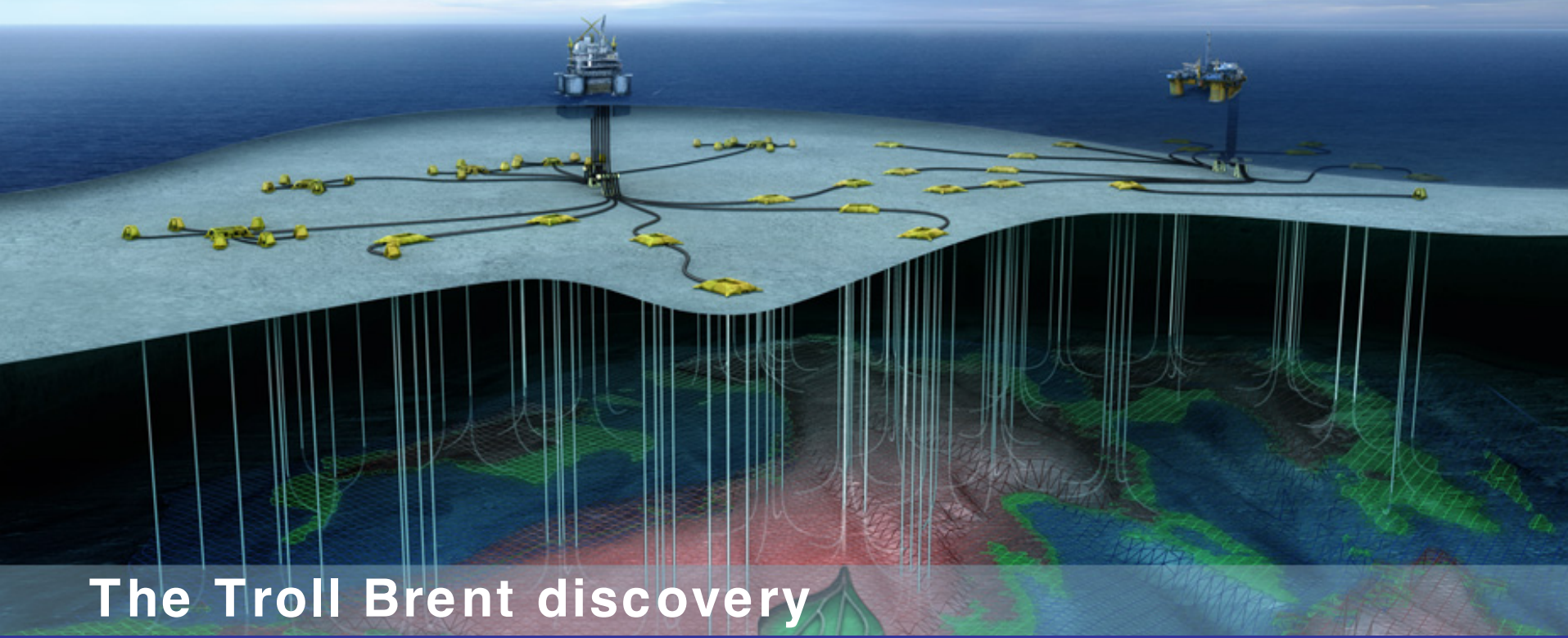
New exploration models in mature areas
Peon – creativity and determination

- Captured the new ideas
- Successful drilling of a challenging well
- Increased equity
- Determination to develop



HYDRO



The Troll Brent discovery

- From exploiting the Troll Field to exploring deep underneath
- Profitable additional resources to producing facilities

HYDRO

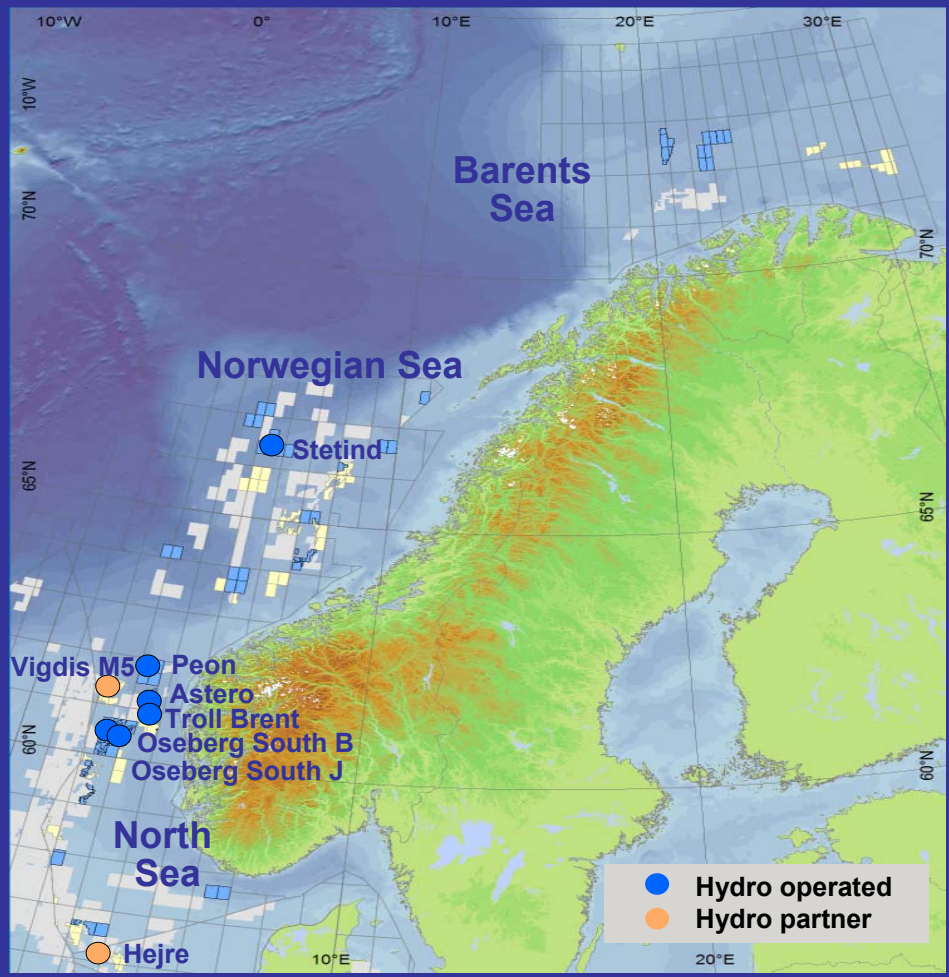
Exploration effort paying off

Newspaper headlines 2005:

”Hydro confirms oil discovery at Fram”
”Hydro Announces Oil and Gas Discovery near Oseberg South”
”Norsk Hydro finds more oil at North Sea Troll field”
”Gas find in northern part of North Sea”
”Norsk Hydro finds gas at Stetind”
”Peon well encountered gas”

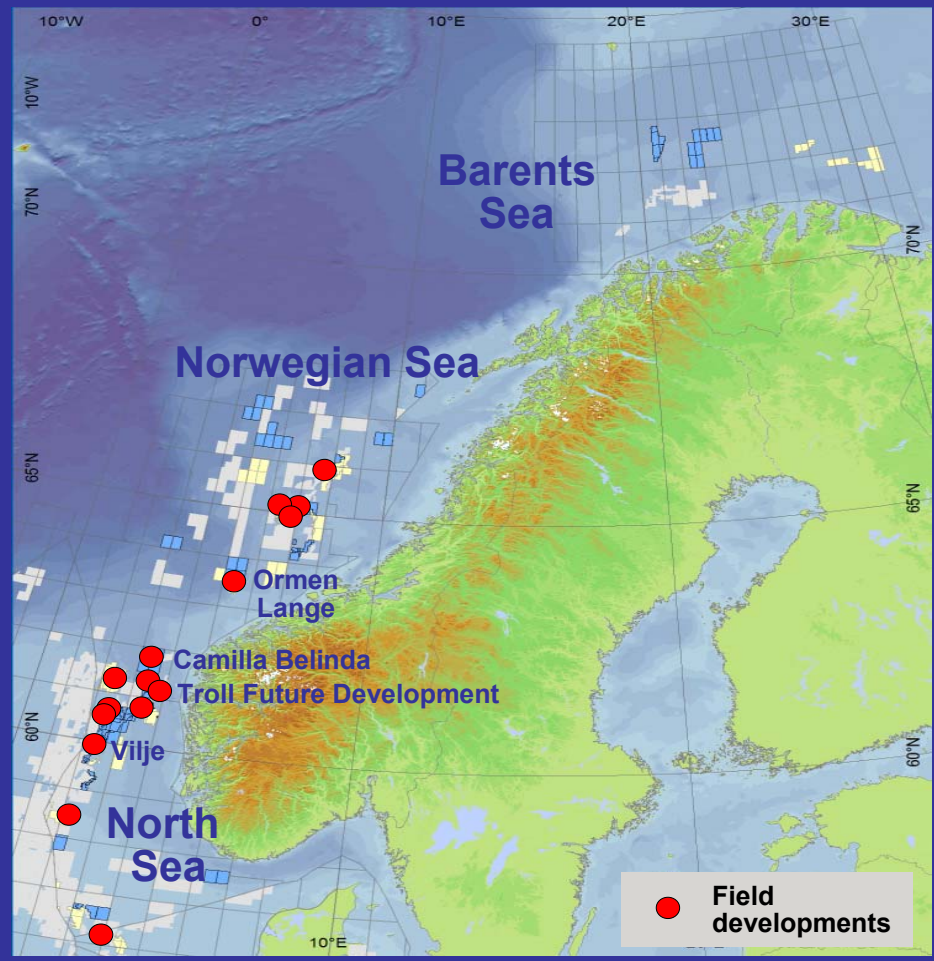
HYDRO

Exploration effort paying off



Extensive field development portfolio

- Technological step-outs
- Late-life projects
- Subsea tie-backs
- Commercialization of marginal resources



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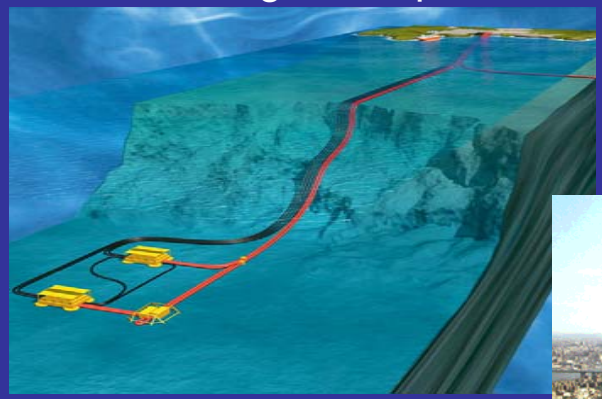
Extensive field development portfolio
Mastering the challenges

Ormen Lange
A technological step-out



Troll Future Development

Vilje – Subsea tie-back

HYDRO

Camilla Belinda

- Commercialization of marginal fields
- Clustering of resources

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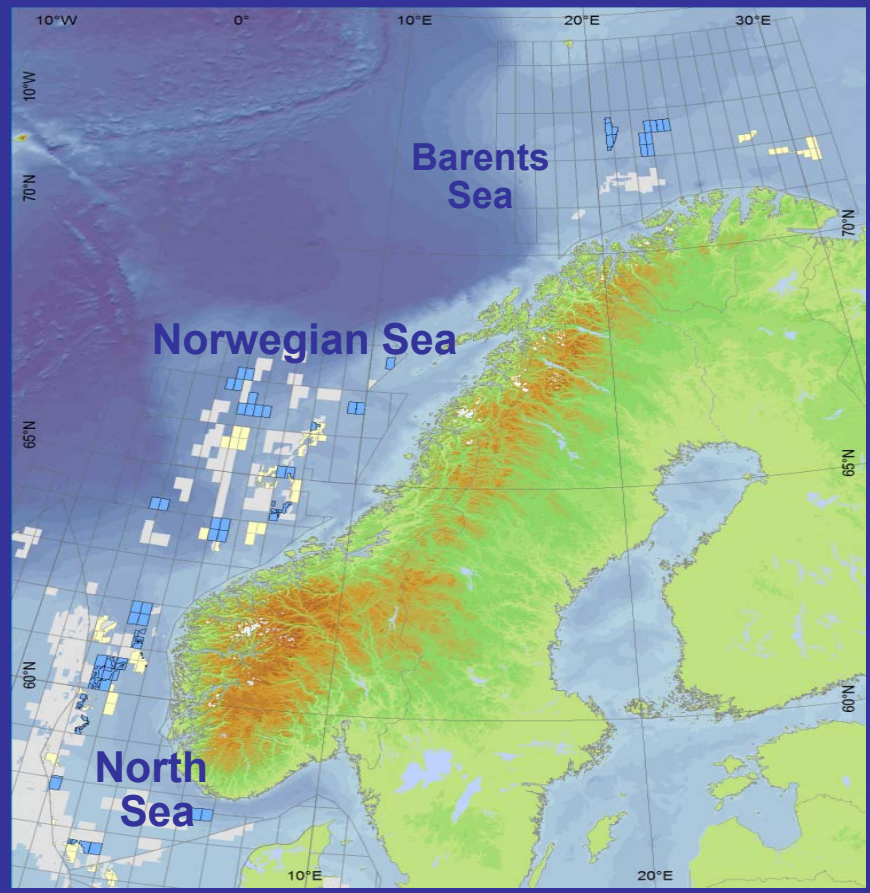
Capitalizing on NCS position

- Regular and predictable award of acreage important
- Capability to execute - a competitive advantage
- Securing rig capacity – an important factor
- Optimization in a large portfolio



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Securing rig capacity

- 8 floaters to be operated by Hydro on the NCS
- Transocean Winner contracted for exploration activity
- Innovative rig cooperation with other operators

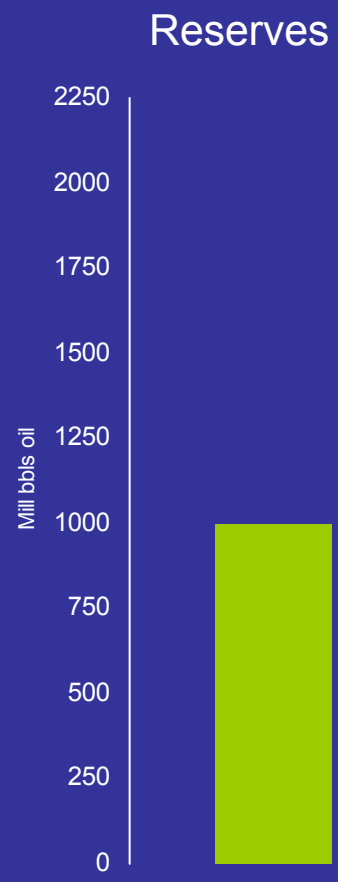
HYDRO

Exploiting the potential in core areas

HYDRO

Hydro is a leader in increased recovery
Oseberg field – targeting 70% recovery

Oseberg A+B

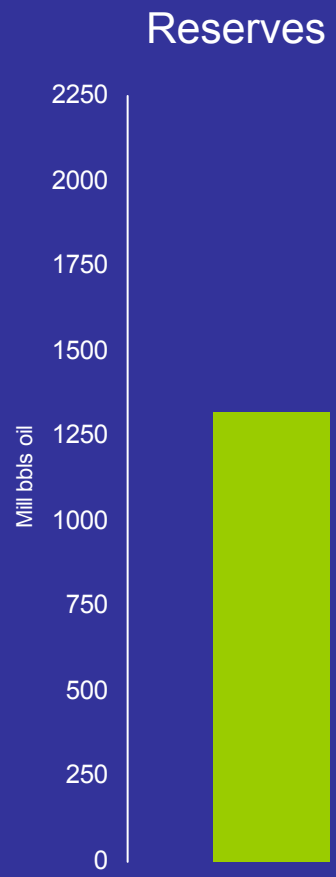


HYDRO

Hydro is a leader in increased recovery
Oseberg field – targeting 70% recovery

Oseberg A+B

Oseberg C

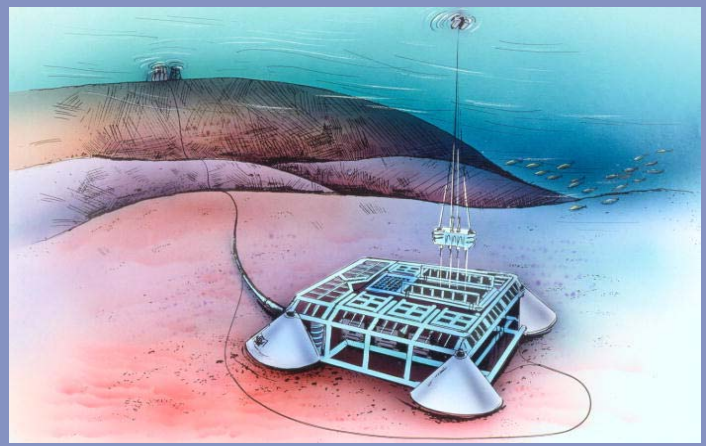


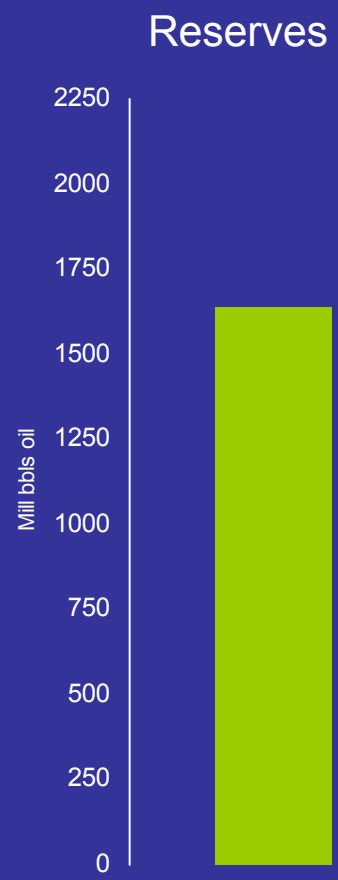
Hydro is a leader in increased recovery
Oseberg field – targeting 70% recovery

Oseberg A+B

Oseberg C

External gas injection





HYDRO

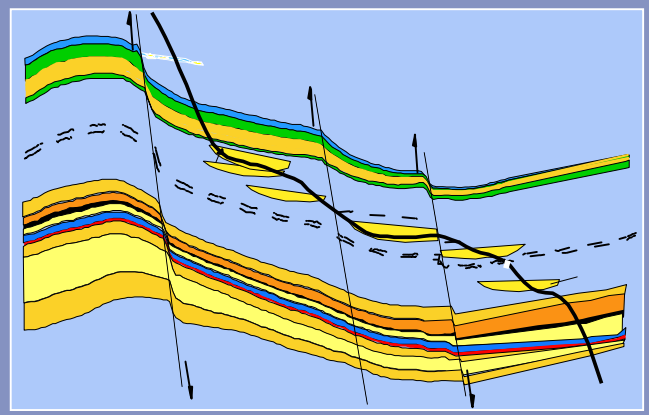
Hydro is a leader in increased recovery
Oseberg field – targeting 70% recovery

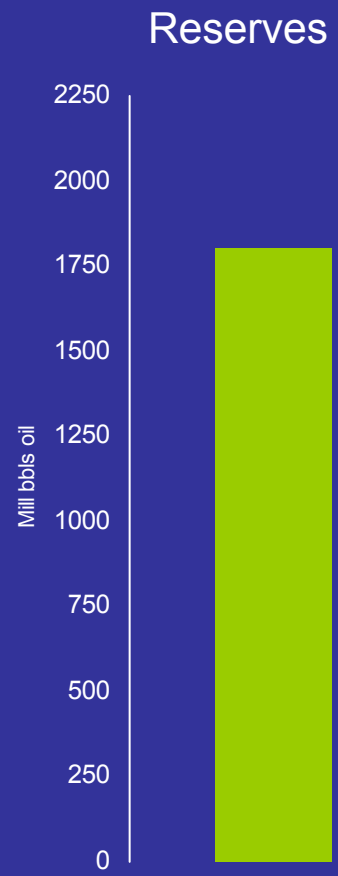
Oseberg A+B

Oseberg C

External gas injection

Advanced geosteering - Ness





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Oseberg field – targeting 70% recovery

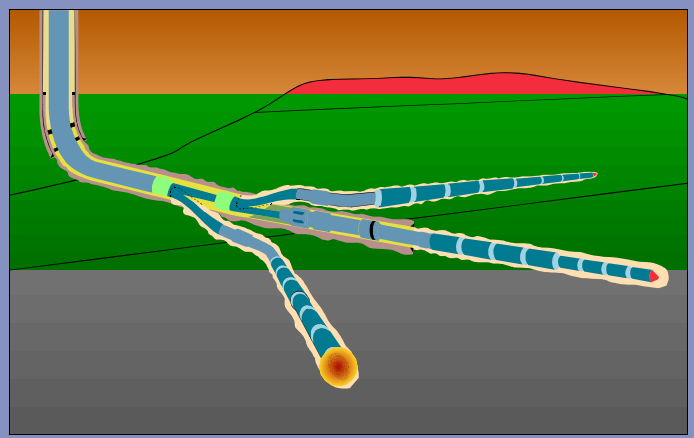
Oseberg A+B

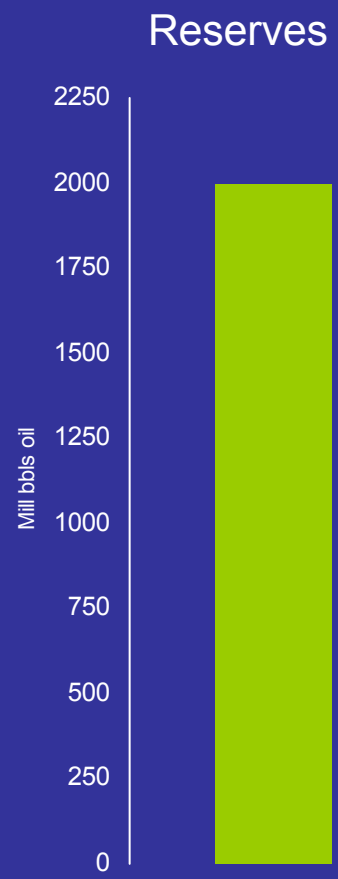
Oseberg C

External gas injection

Advanced geosteering - Ness

Multilateral wells





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Hydro is a leader in increased recovery
Oseberg field – targeting 70% recovery

Oseberg A+B

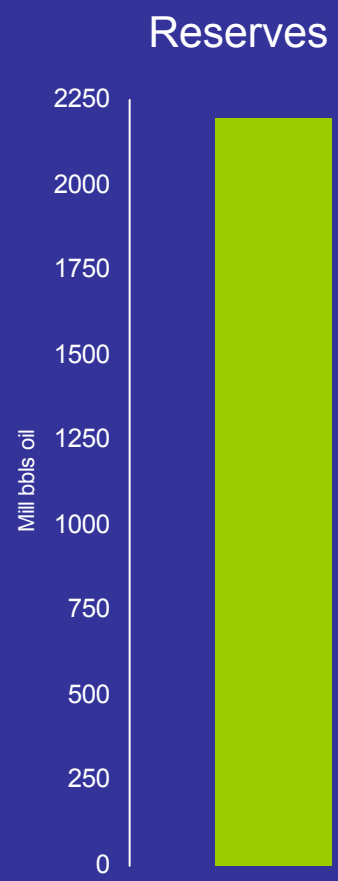
Oseberg C

External gas injection

Advanced geosteering - Ness

Multilateral wells

Gas export and condensate recovery



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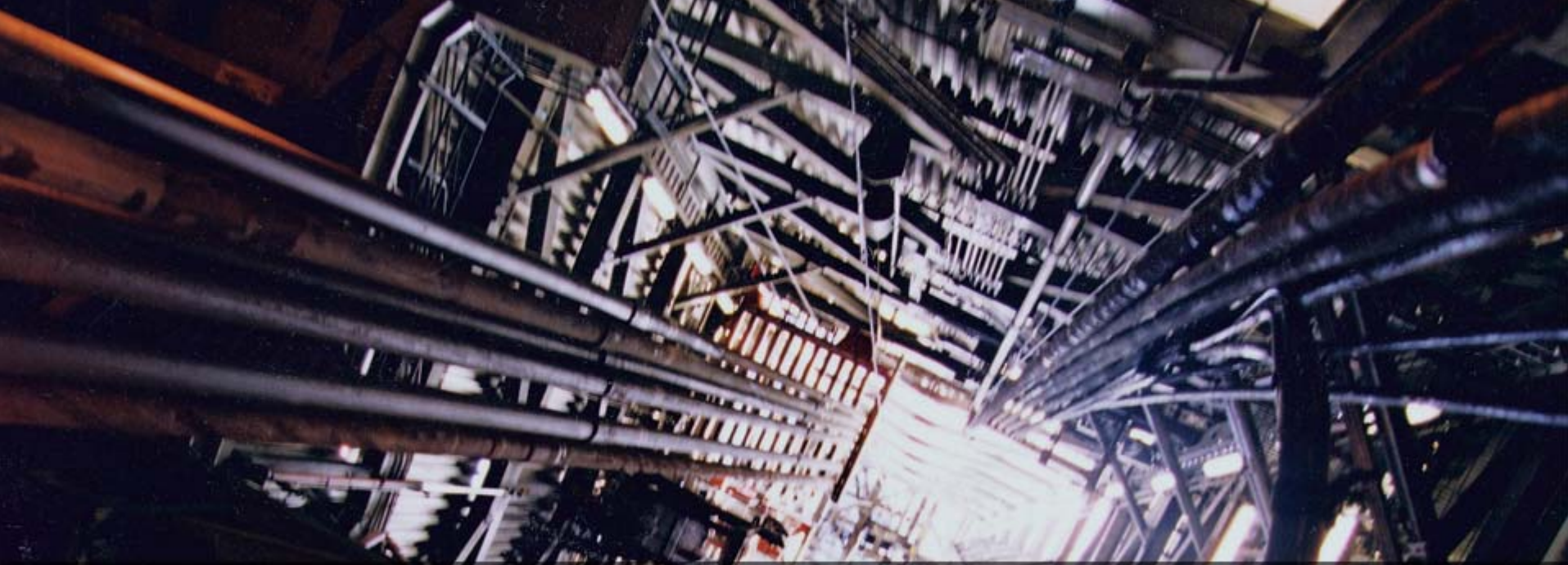
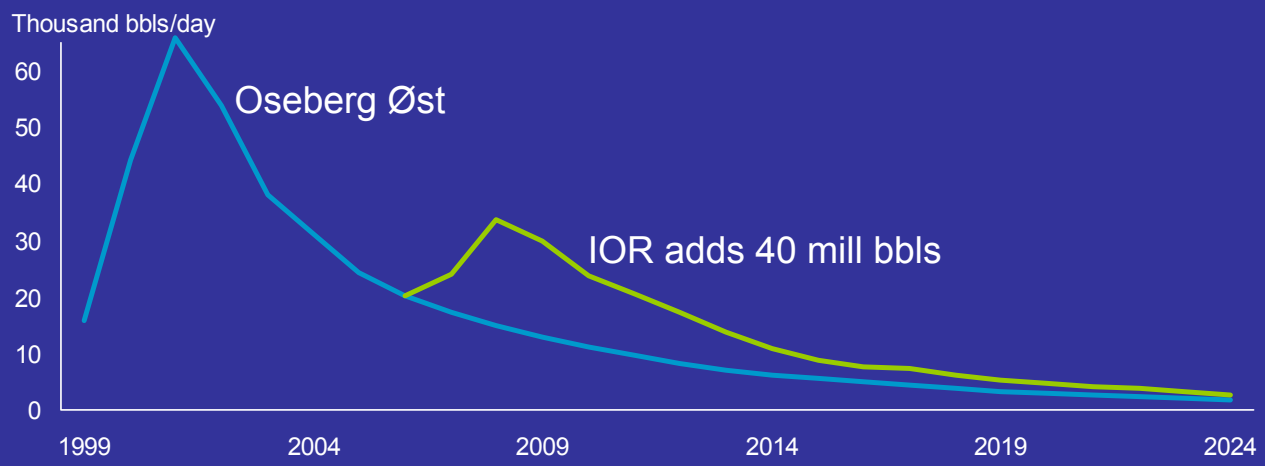


Innovative drilling solution increases recovery



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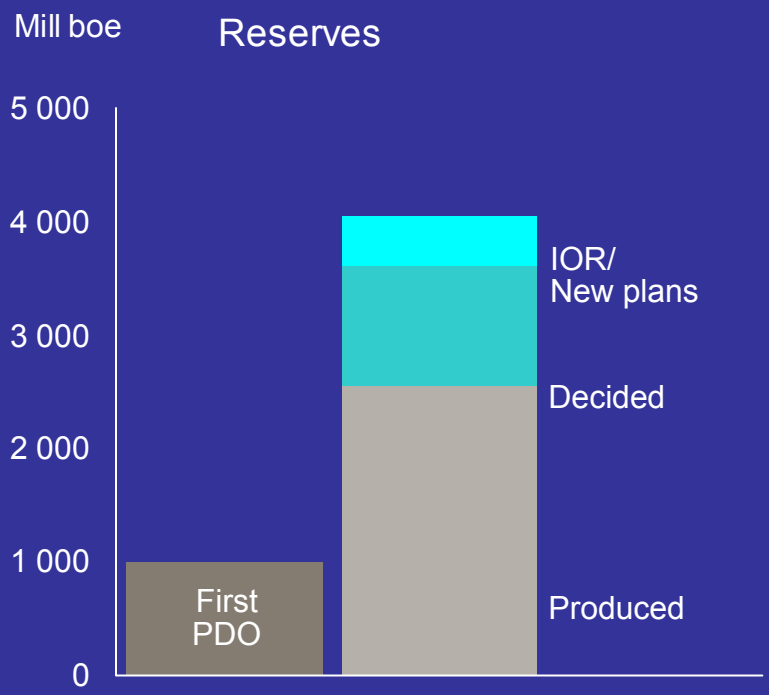
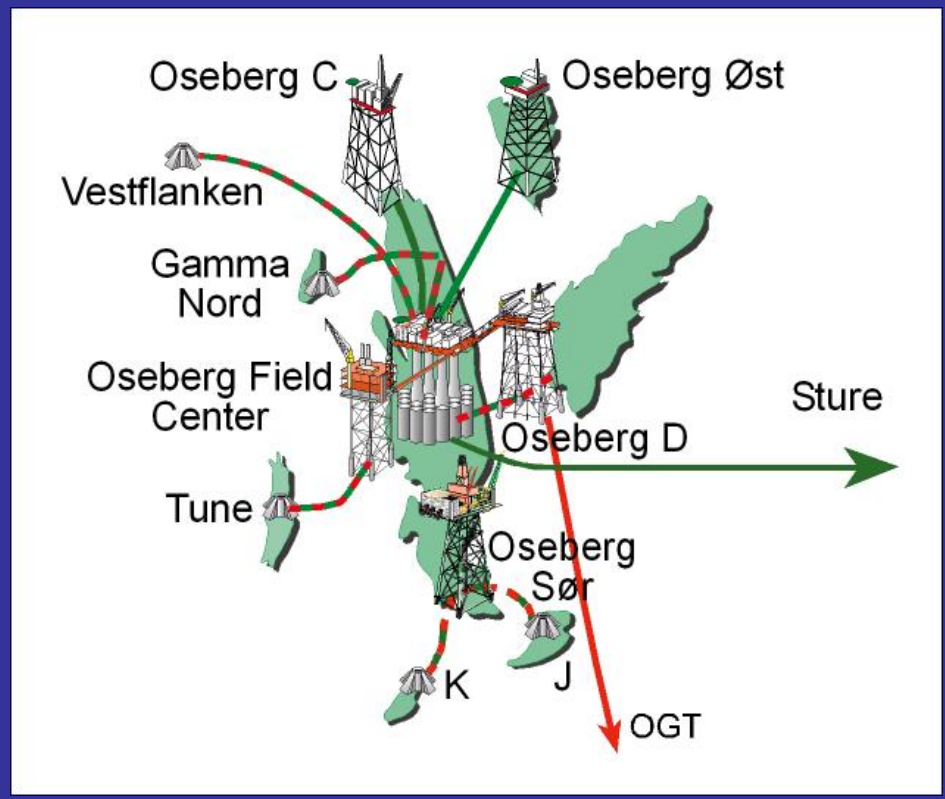
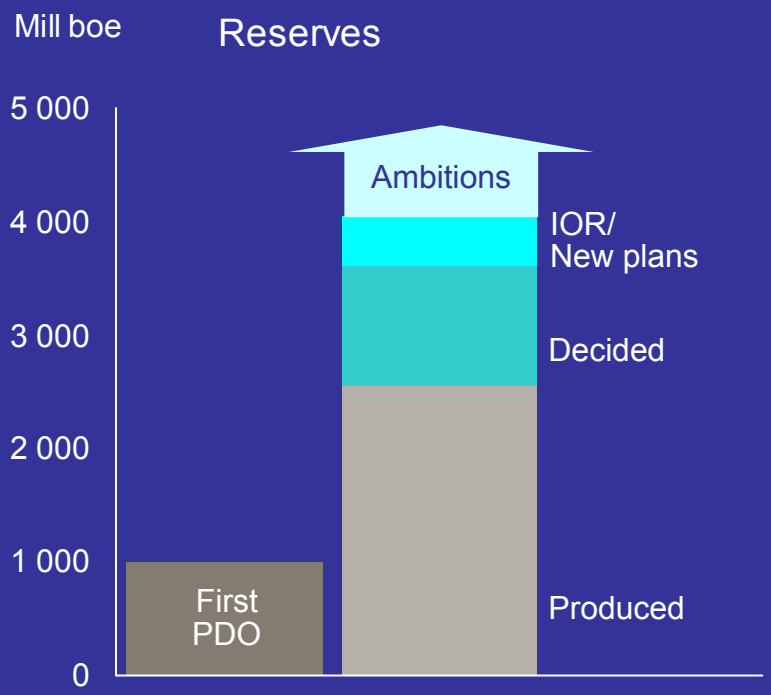
Continued value creation

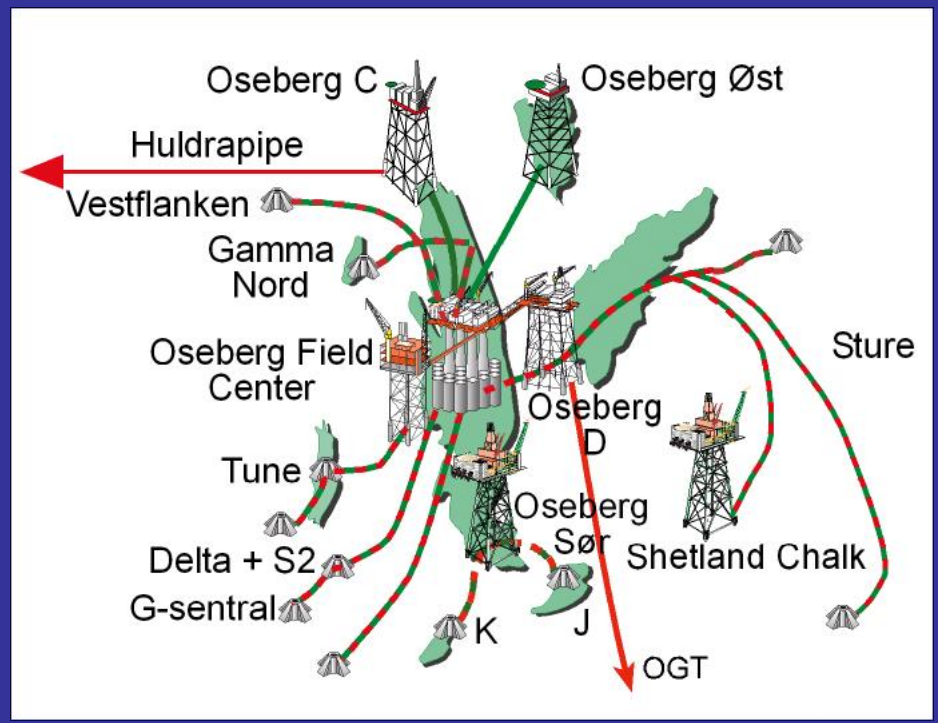




HYDRO

Aggressive development towards 2015

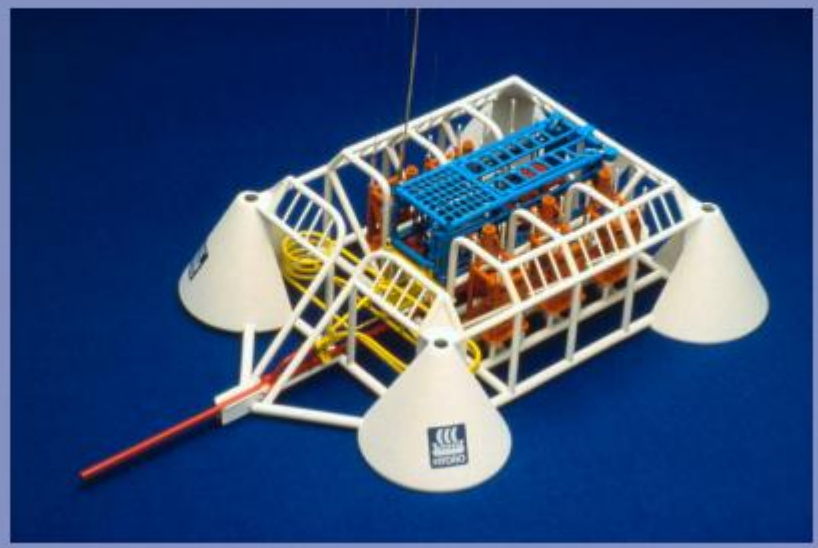




Grane delivered

Capitalizing on core skills

Troll - Oseberg gas injection



Capitalizing on core skills

Troll - Oseberg gas injection

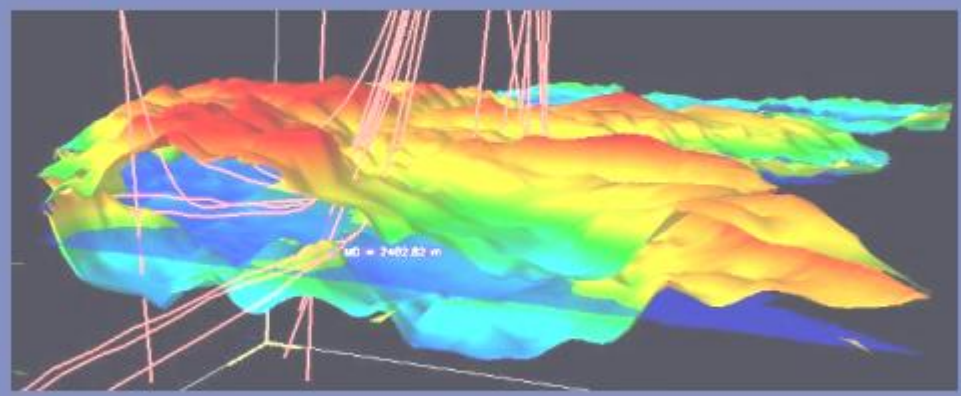
Troll horizontal multilateral wells

Capitalizing on core skills

Troll - Oseberg gas injection

Troll horizontal multilateral wells

Grane - gas injection and multilateral wells



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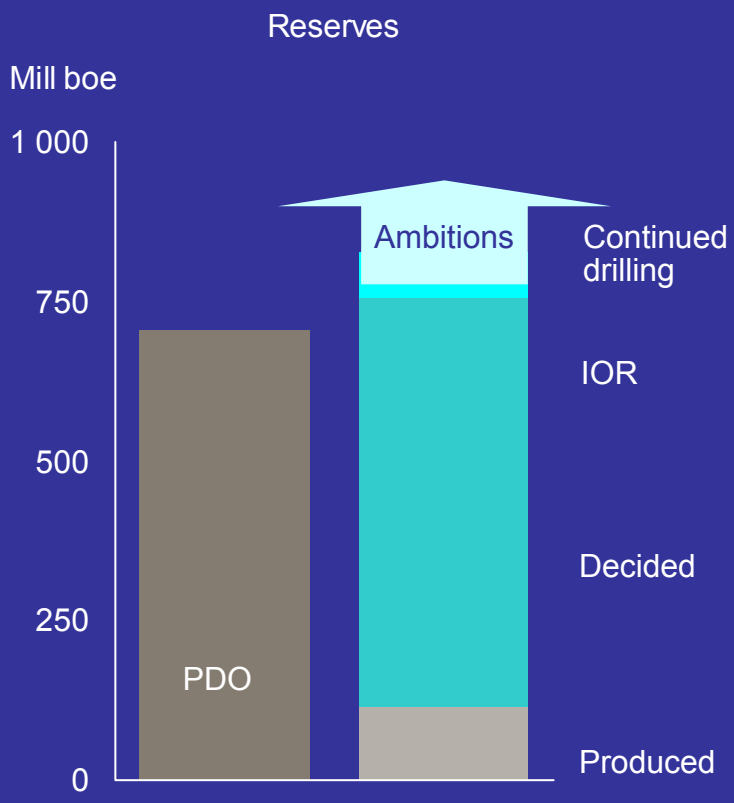
Targeting more than 60% recovery



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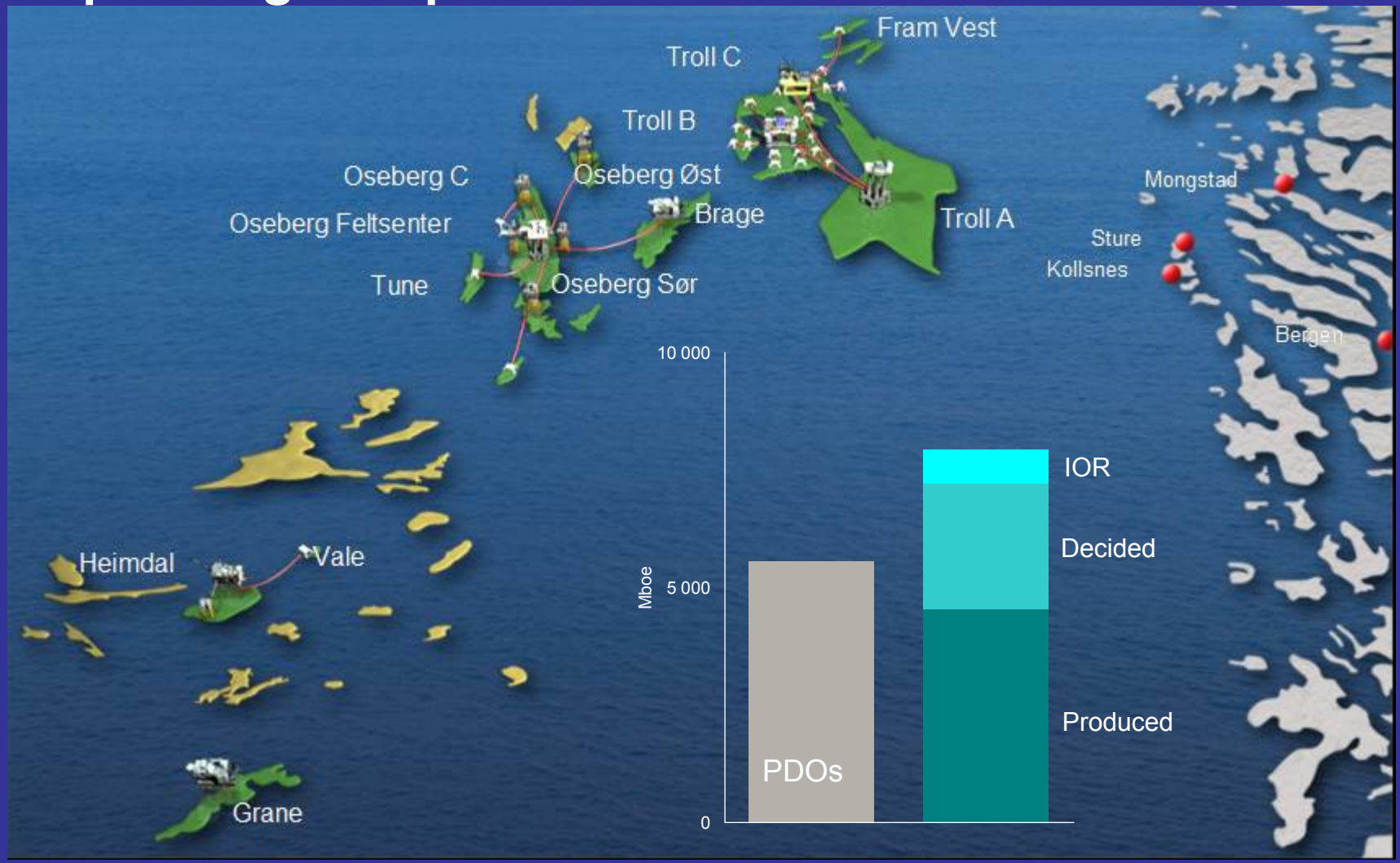
Exploiting the potential in core areas



NCS summary

- 64% success rate in exploration on NCS in 2005
- Aggressively pursuing IOR opportunities in core areas
- Expect production from NCS of 600 000 boe per day in 2010

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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 2004 Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission.

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).

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Cautionary note

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.

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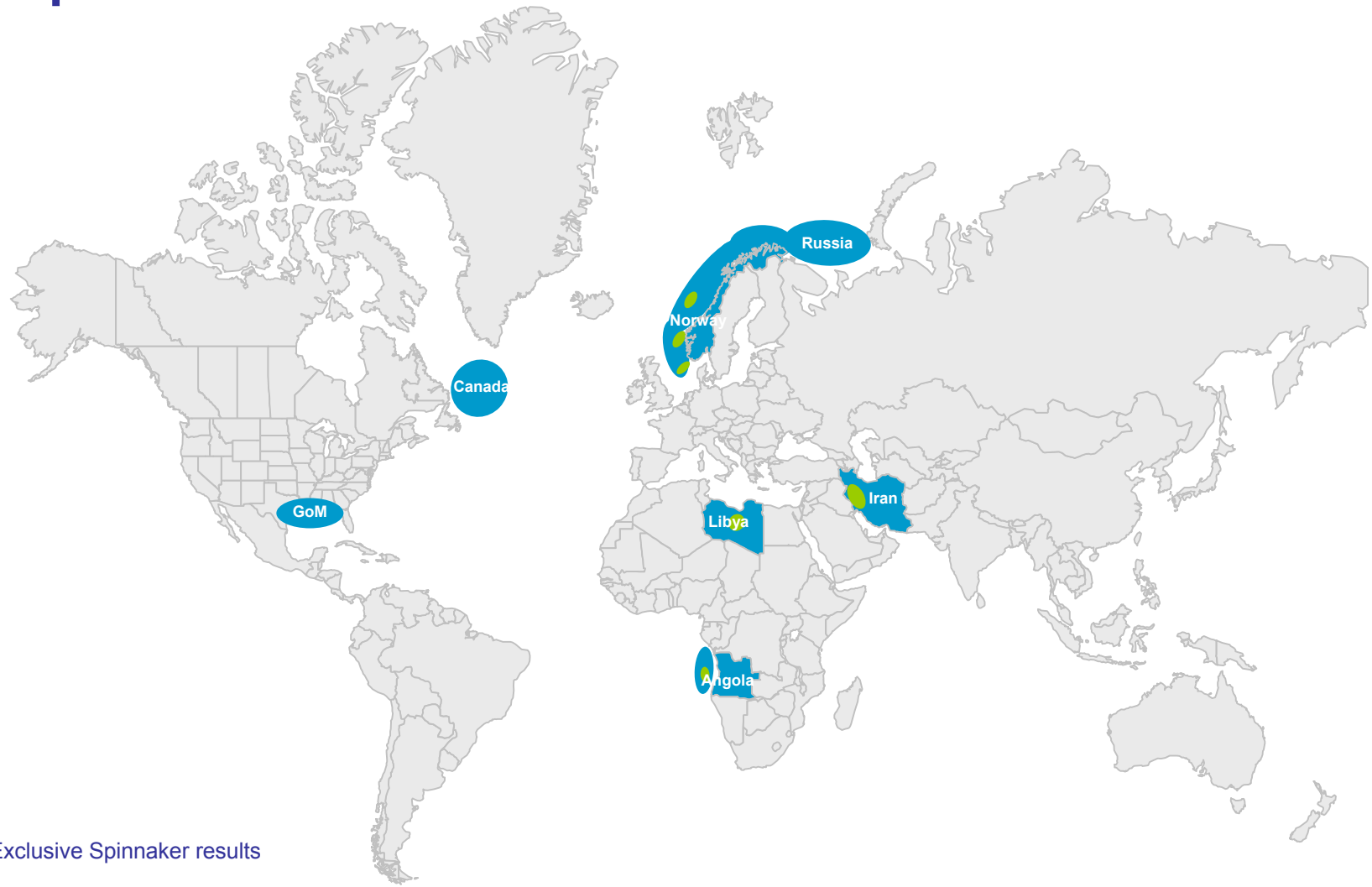
A viable society. A need. An idea. 36,000 professionals. Energy. Cooperation. Aluminium. Determination. Pushing boundaries. Respect. Nature. Courage. 100 years. Thinking ahead.

Exploration

Erik Finnstrøm
Area Manager Americas
Oil & Energy

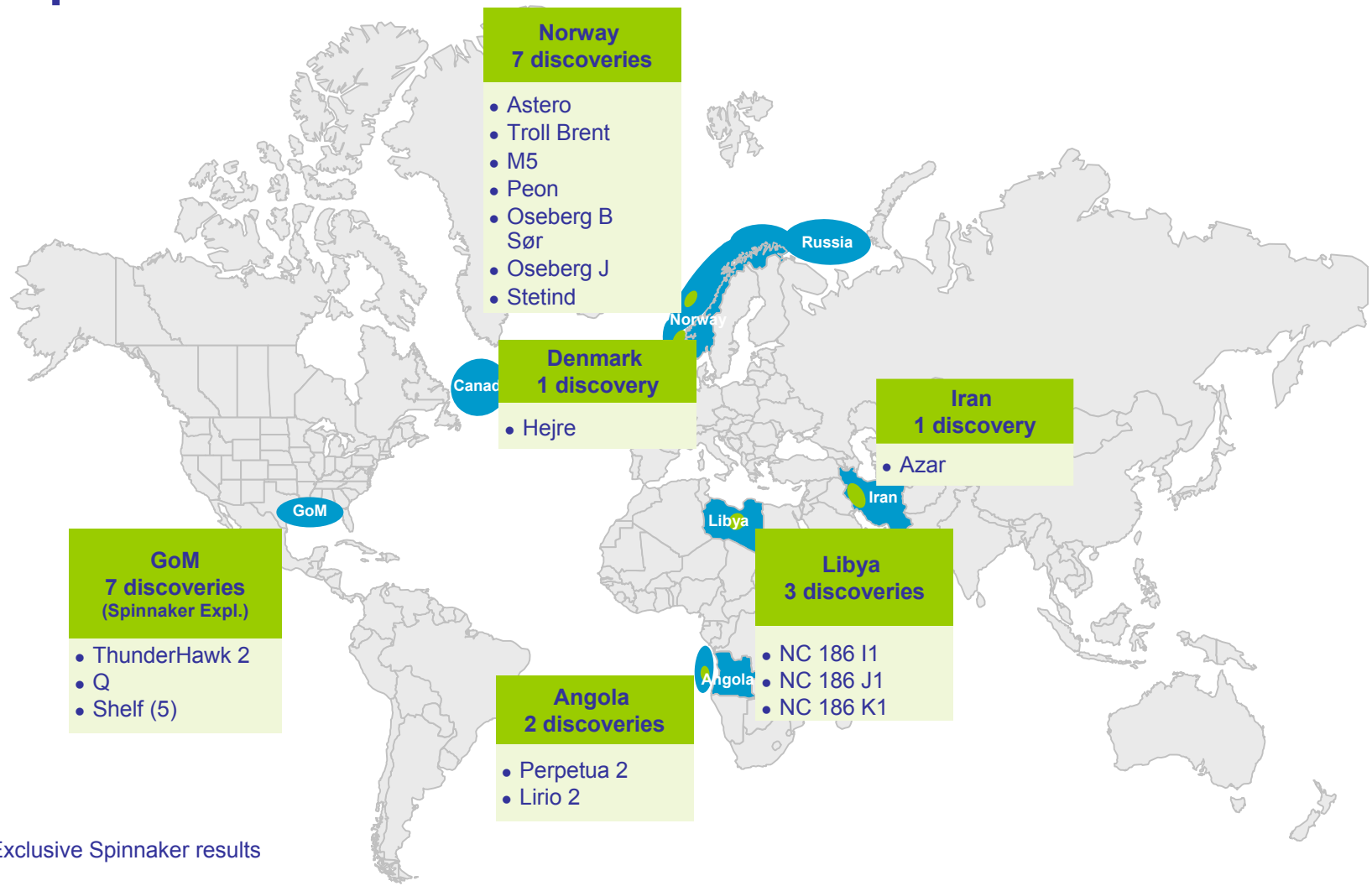
Exploration success – 14* discoveries in 2005



*Exclusive Spinnaker results

HYDRO

Exploration success – 14* discoveries in 2005



*Exclusive Spinnaker results

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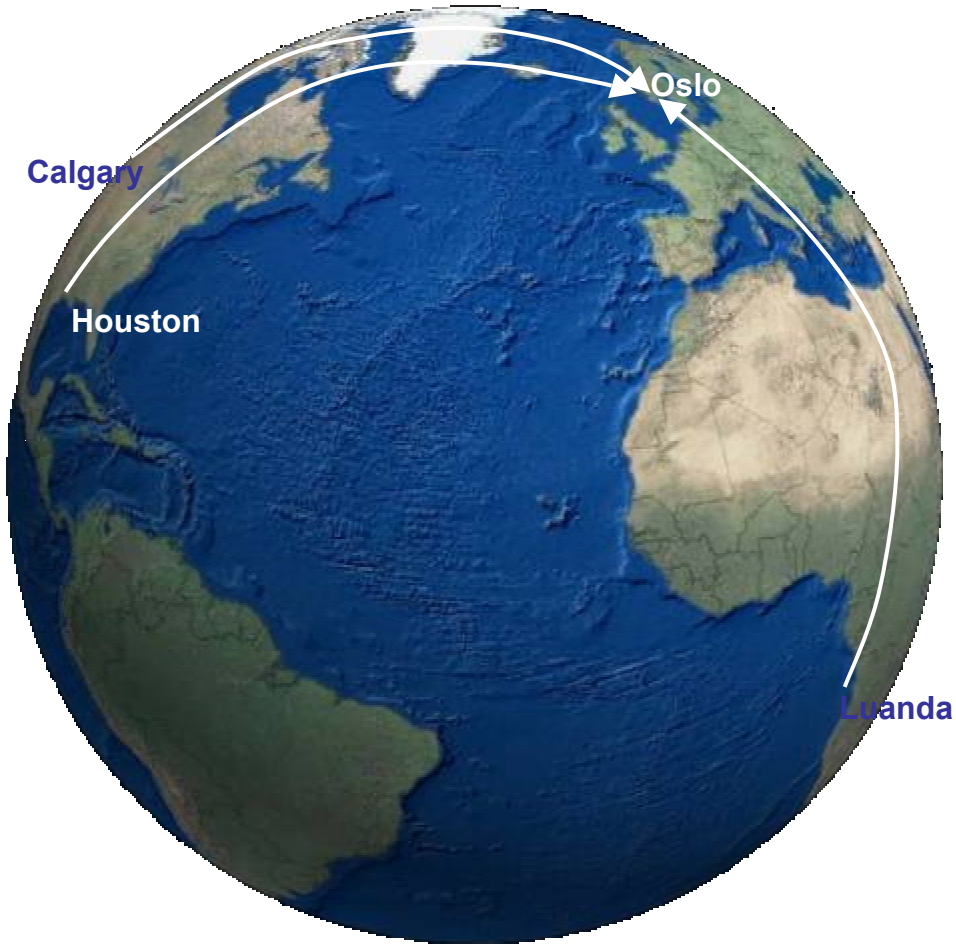
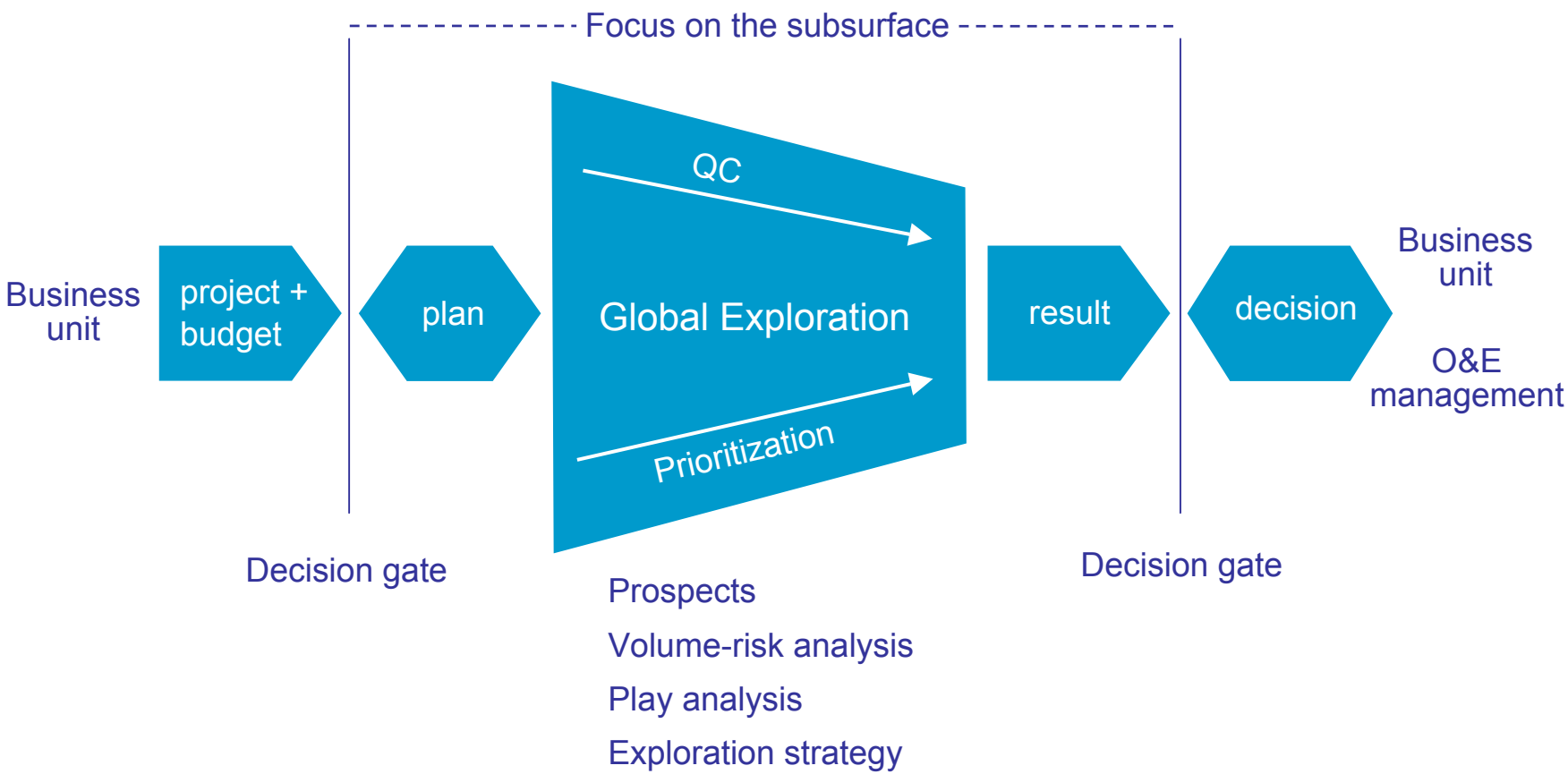
Exploration focus – unlocking our potential

- Technical personnel concentrated in one group – Global Exploration
- Develop
  - Common Work processes
  - Quality Control procedures
  - Standardized risk-volume analysis methodology
  - Global basin, prospect and well candidate ranking
  - Global resource allocation
- Focus on
  - Subsurface
  - Predictability
  - Continual Improvement



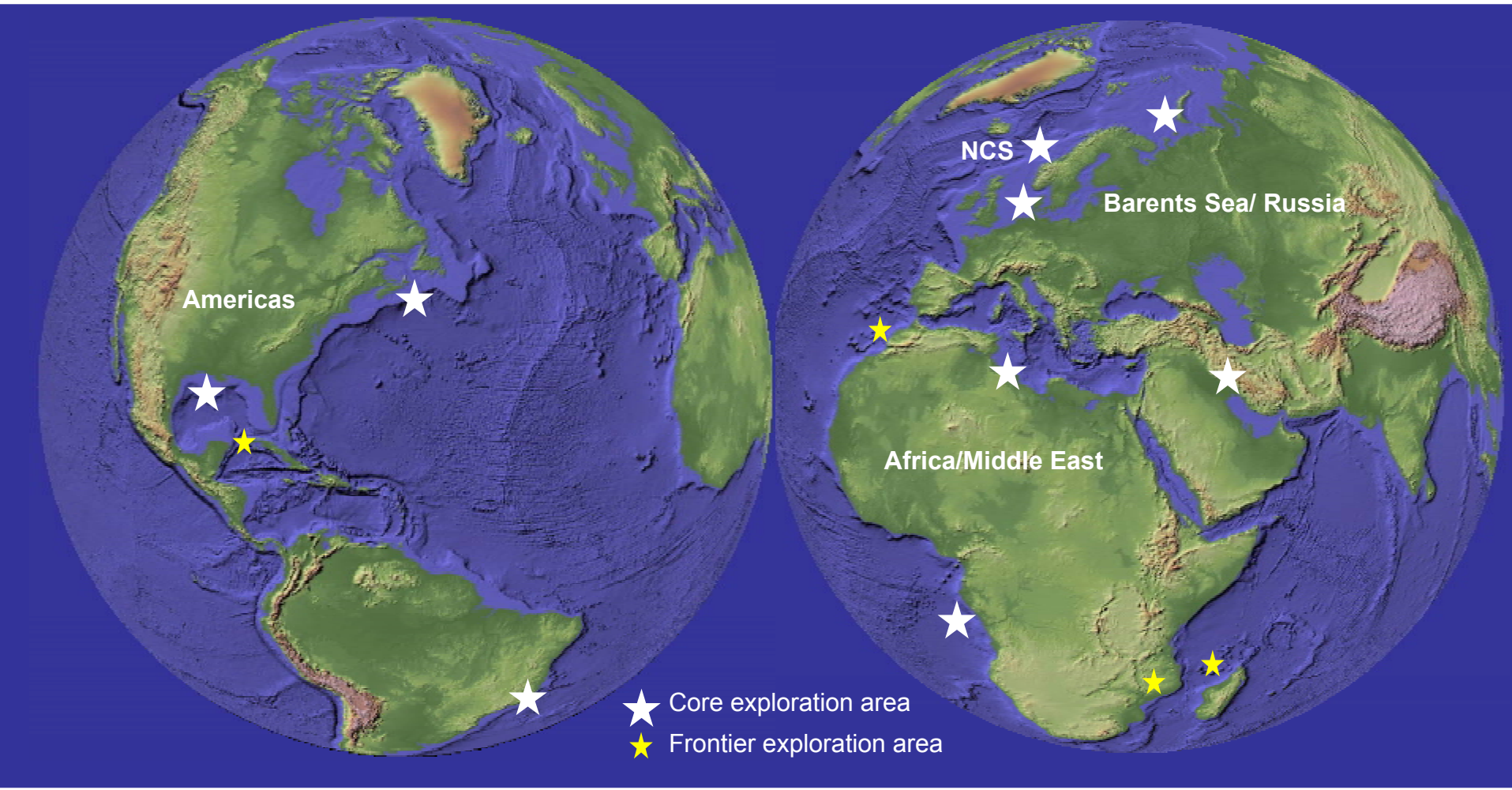
HYDRO

Global Exploration work processes



HYDRO

Global Exploration work processes



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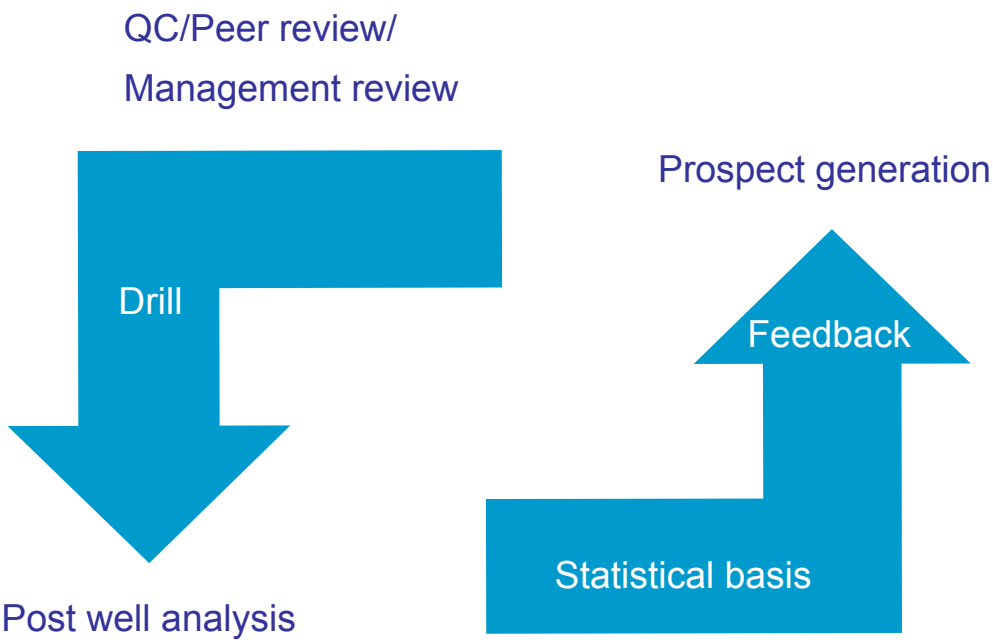
Global Exploration work processes

Focus on predictability



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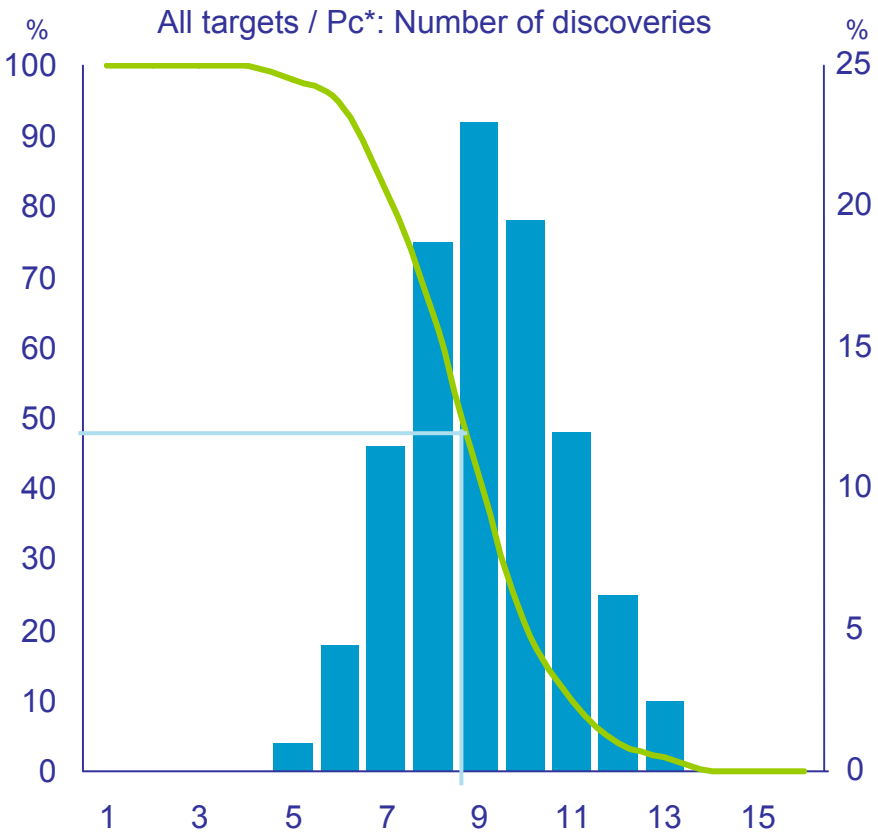
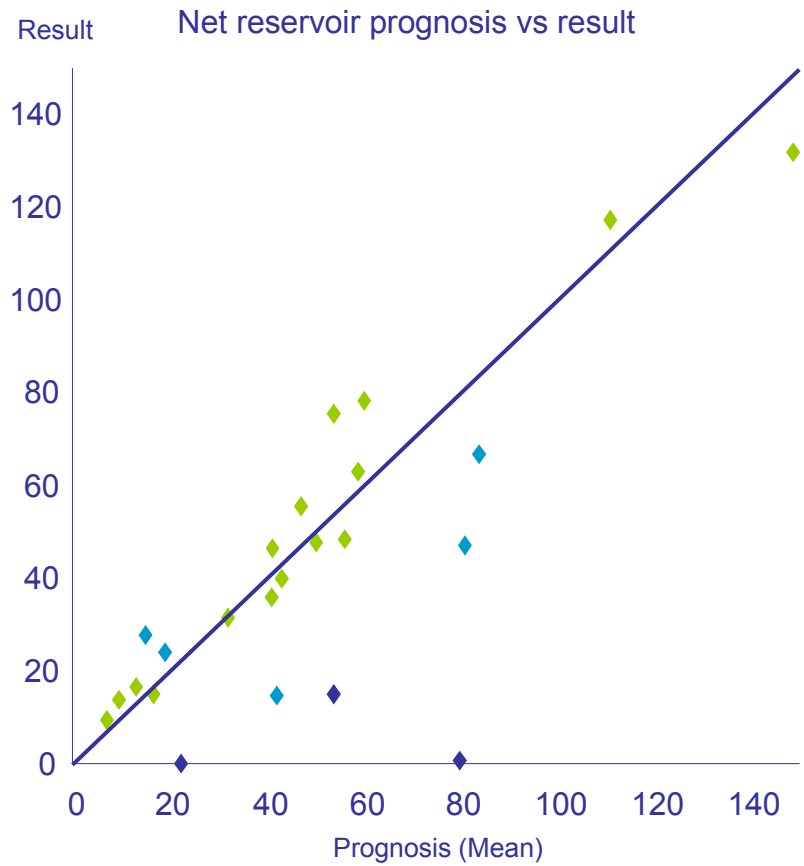
Global Exploration work processes

Focus on predictability

Review performance in choosing all risk and volume parameters





* Pc: Probability for commercial discovery

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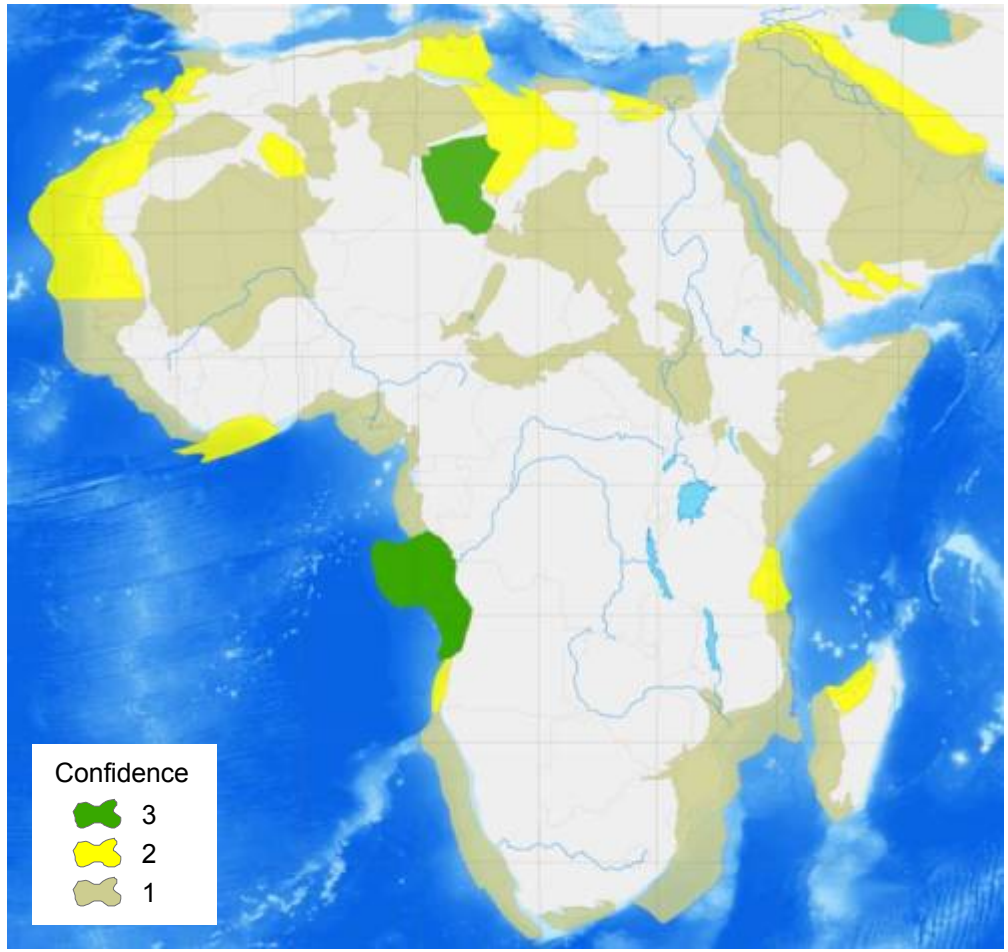
Global Exploration work processes

Global basin ranking

- 182 basins reviewed and ranked on sub-surface criteria (weighted numerical basis)
- Creates a level playing field for our resource allocation
- Reveals new basins for future focus and a better ranking of current focus areas



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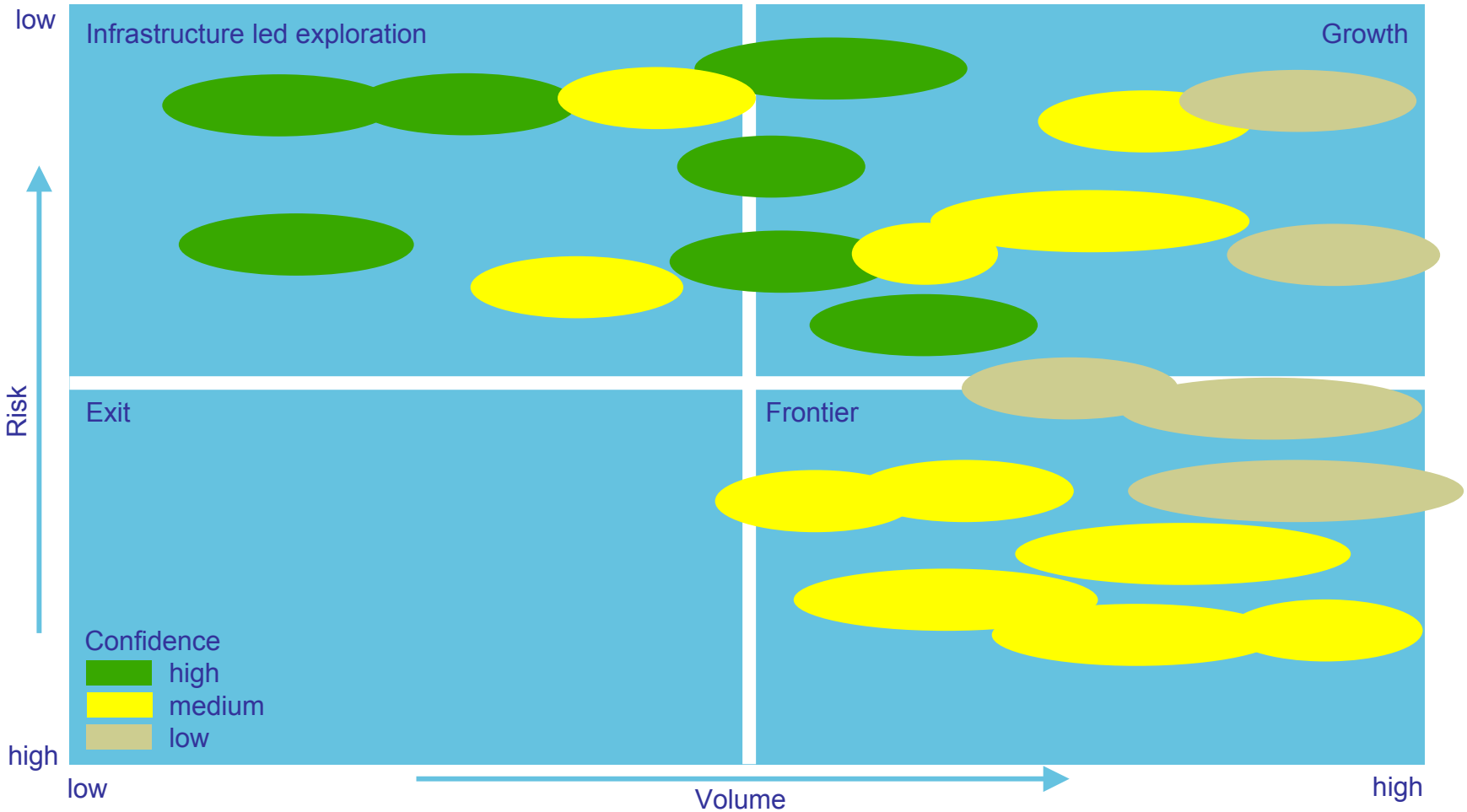
Global Exploration work processes

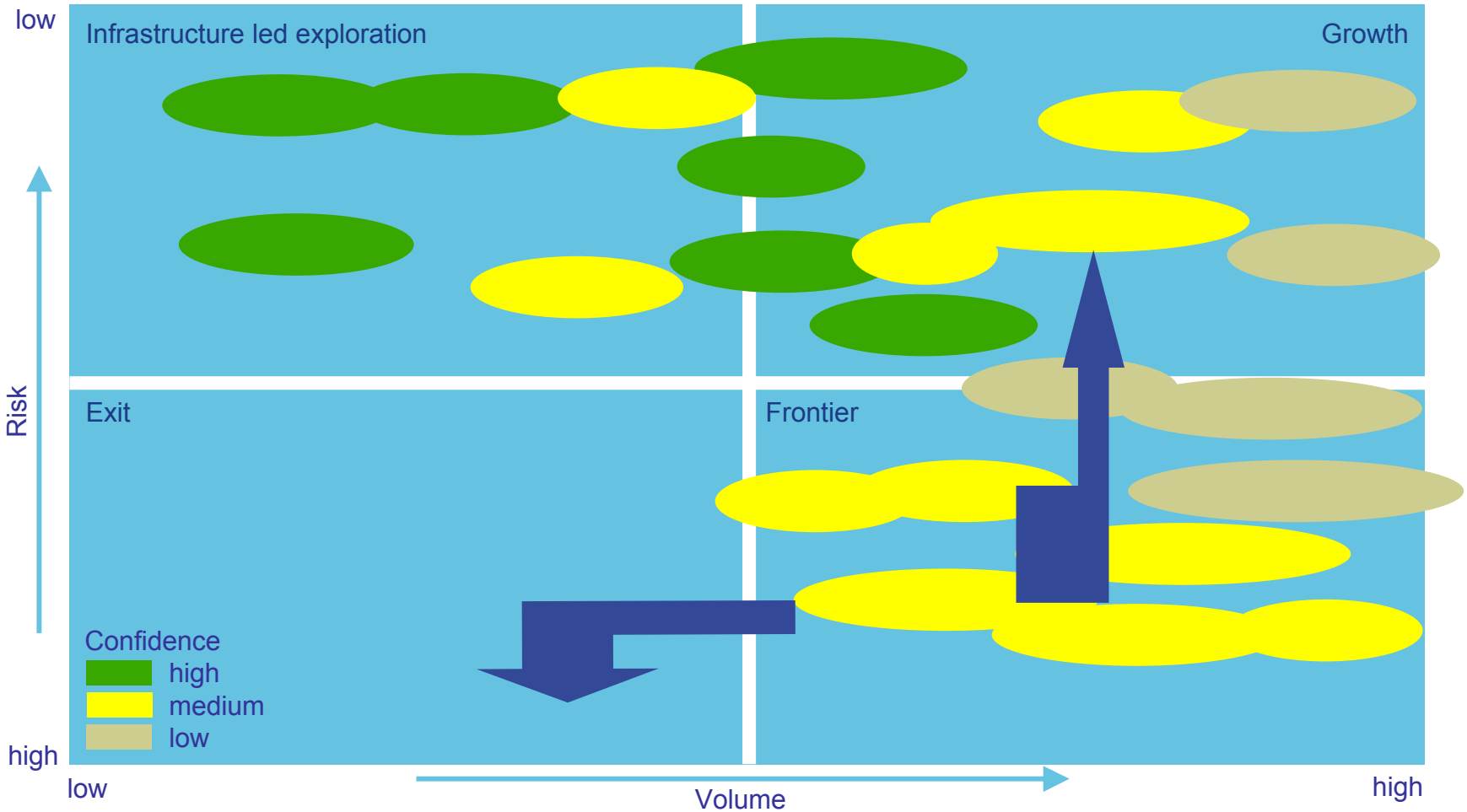
Global basin prioritization



HYDRO

Global Exploration work processes

Global basin prioritization



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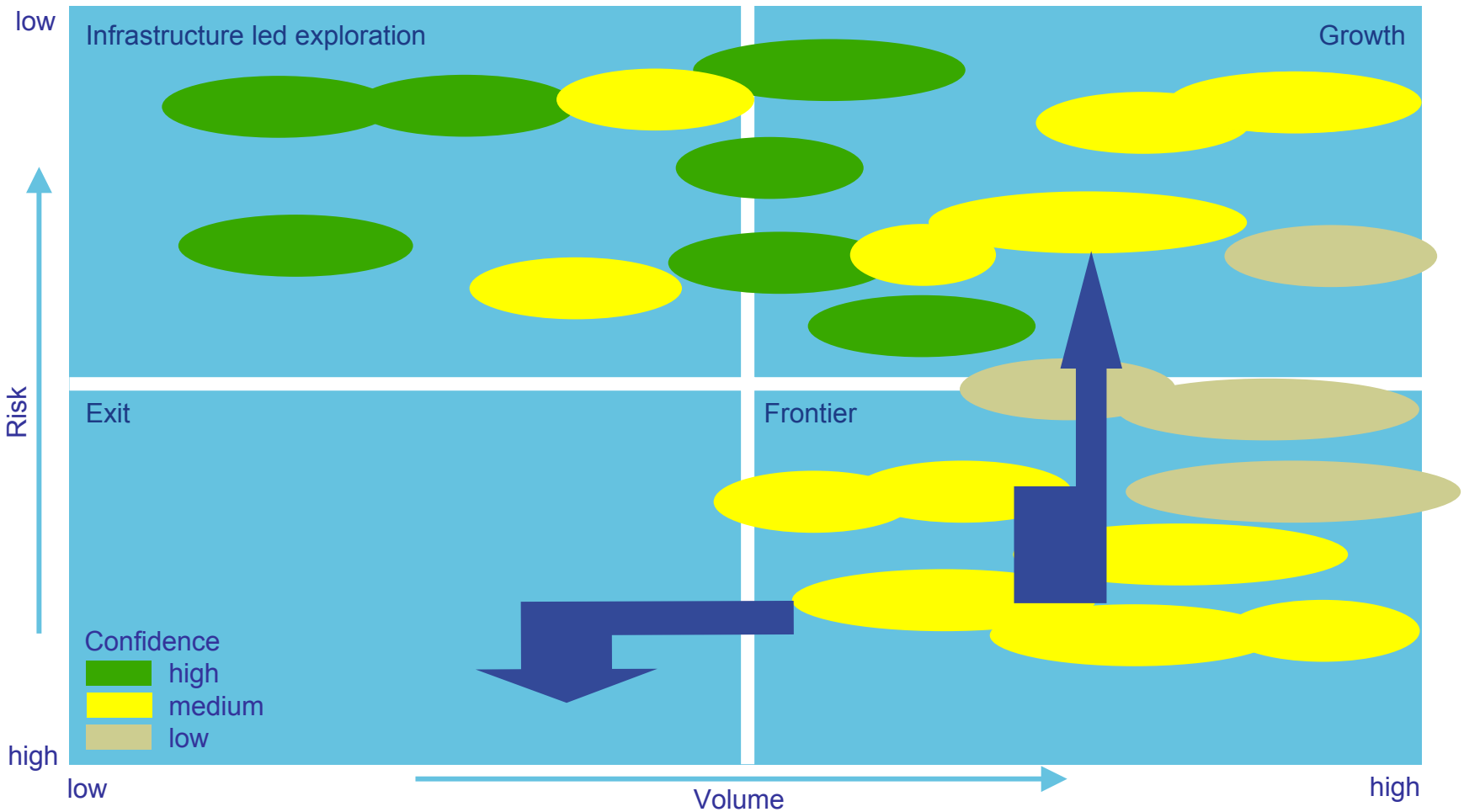
Global Exploration work processes

Global basin prioritization



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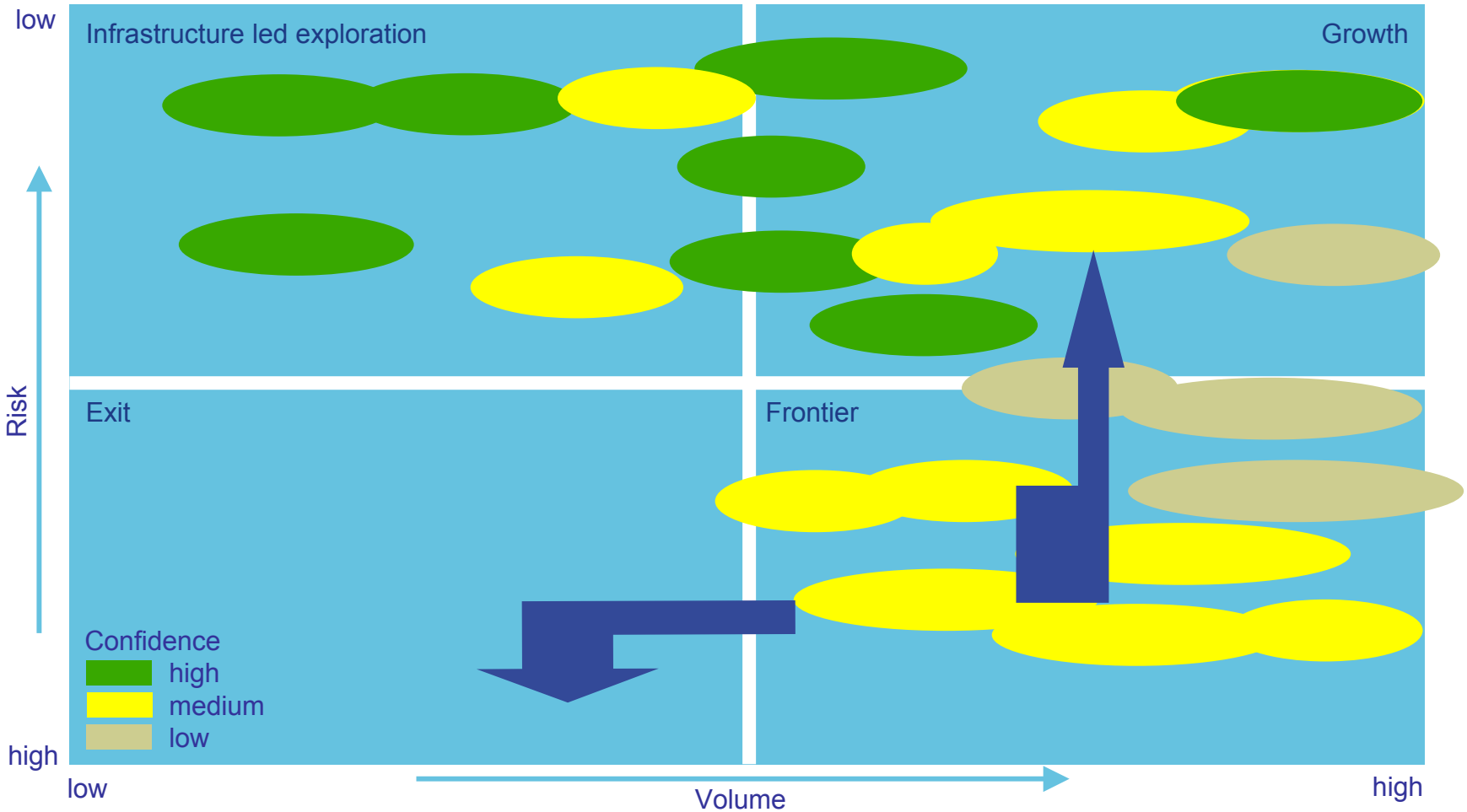
Global Exploration work processes

Global basin prioritization



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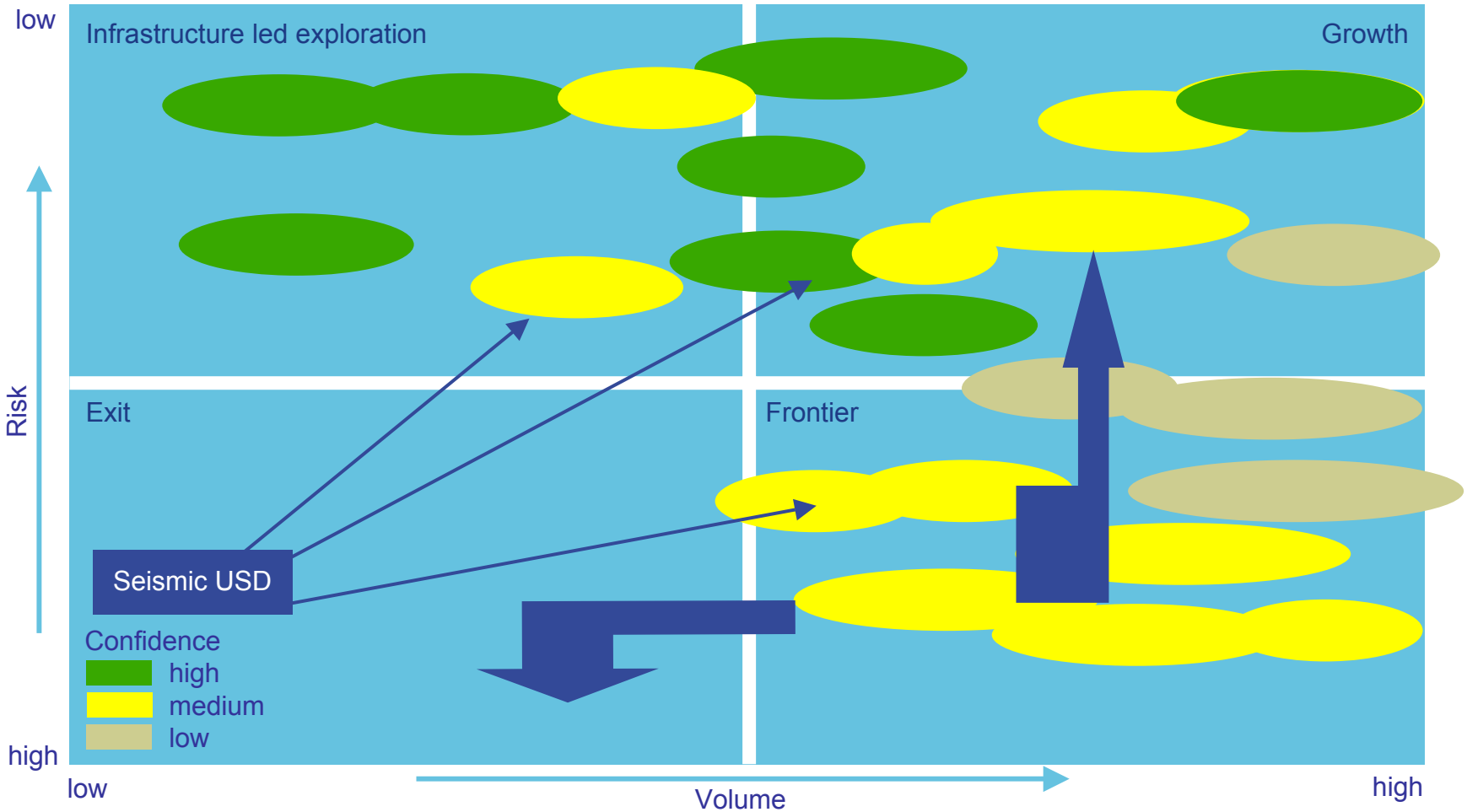
Global Exploration work processes

Global basin prioritization



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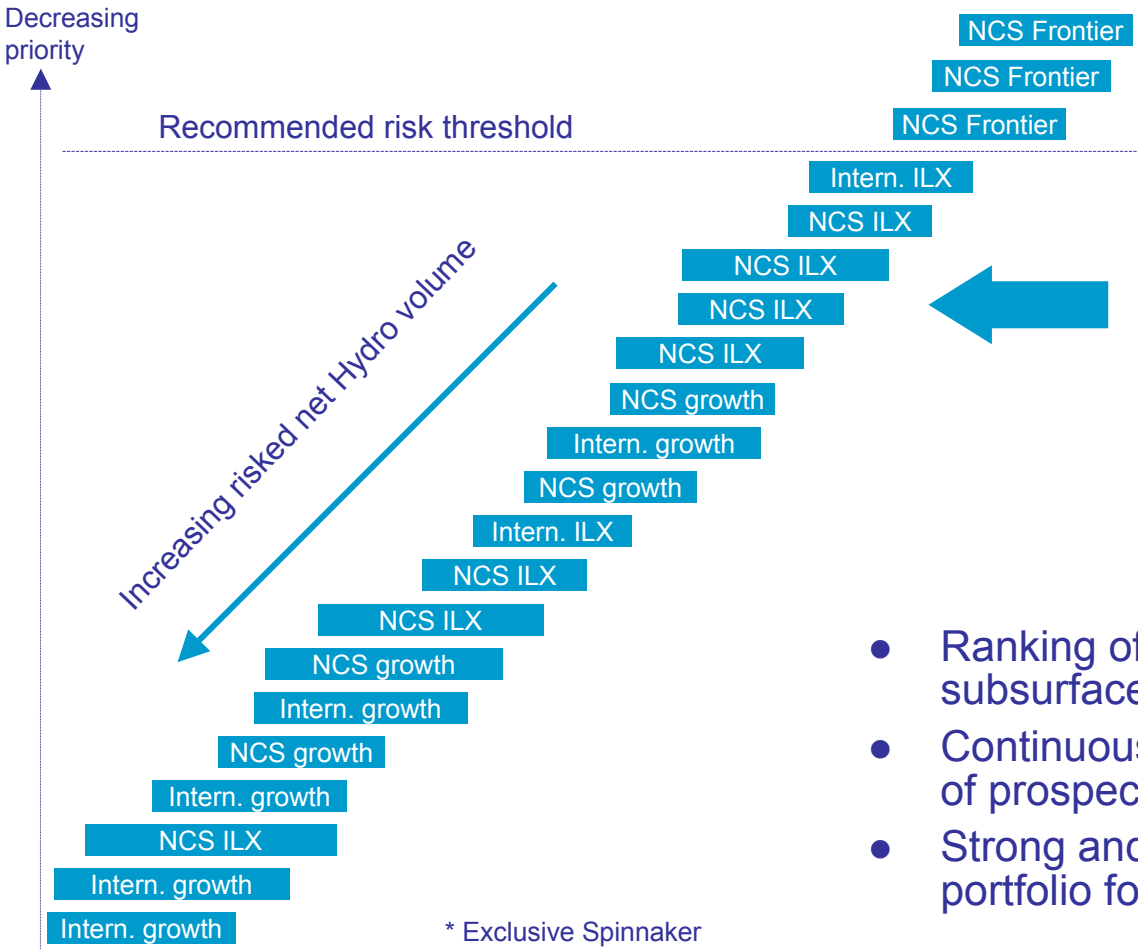
Global Exploration work processes

Drill candidate ranking – subsurface criteria



Evaluations being finalized :

- 18 NCS ILX prospects
- 3 International ILX prospects
- 1 International growth (cluster)
- 1 International frontier prospect (cluster)
- 1 International growth prospect

- Ranking of drill candidates based on subsurface evaluations
- Continuous updating and replenishing of prospect pyramid
- Strong and balanced drill candidate portfolio for 2006

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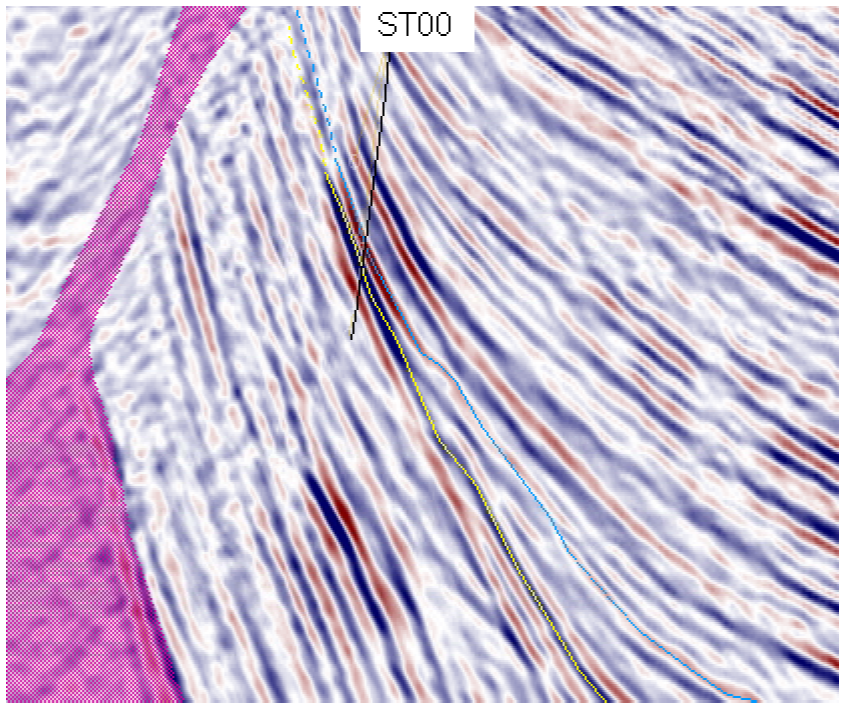
Focus on critical competence and technologies

Seismic imaging <-> PSDM*



- Integration of interpretation and processing prioritized
- Currently building an internal organization and hardware resources
- Will have the capacity to complete 10 projects/year

* PSDM = Pre-stack depth migration

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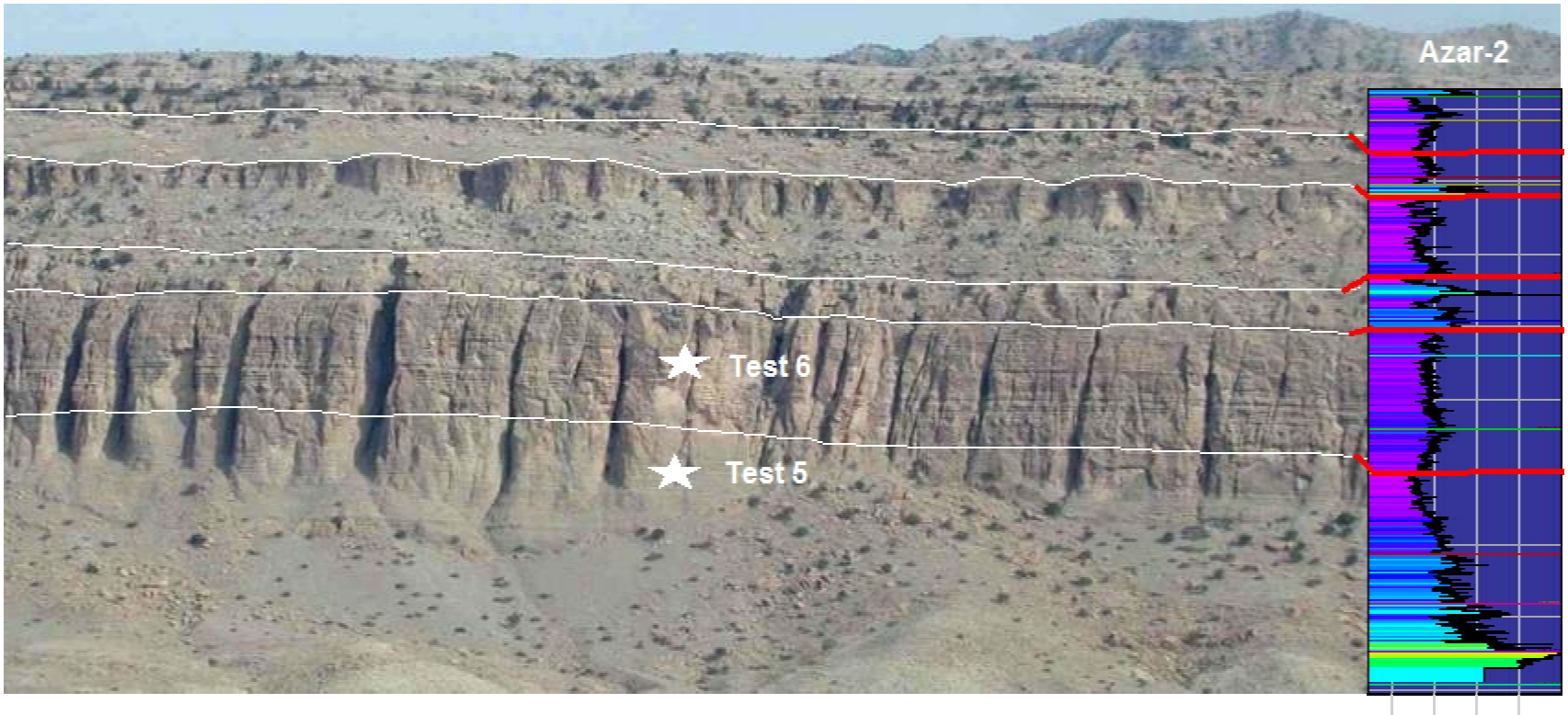
Focus on critical competence and technologies

Carbonate geology



- Hiring campaign directed at world-class expertise
- Carbonate research program – increased resources
- Tighter integration of research competence and technology with operational projects

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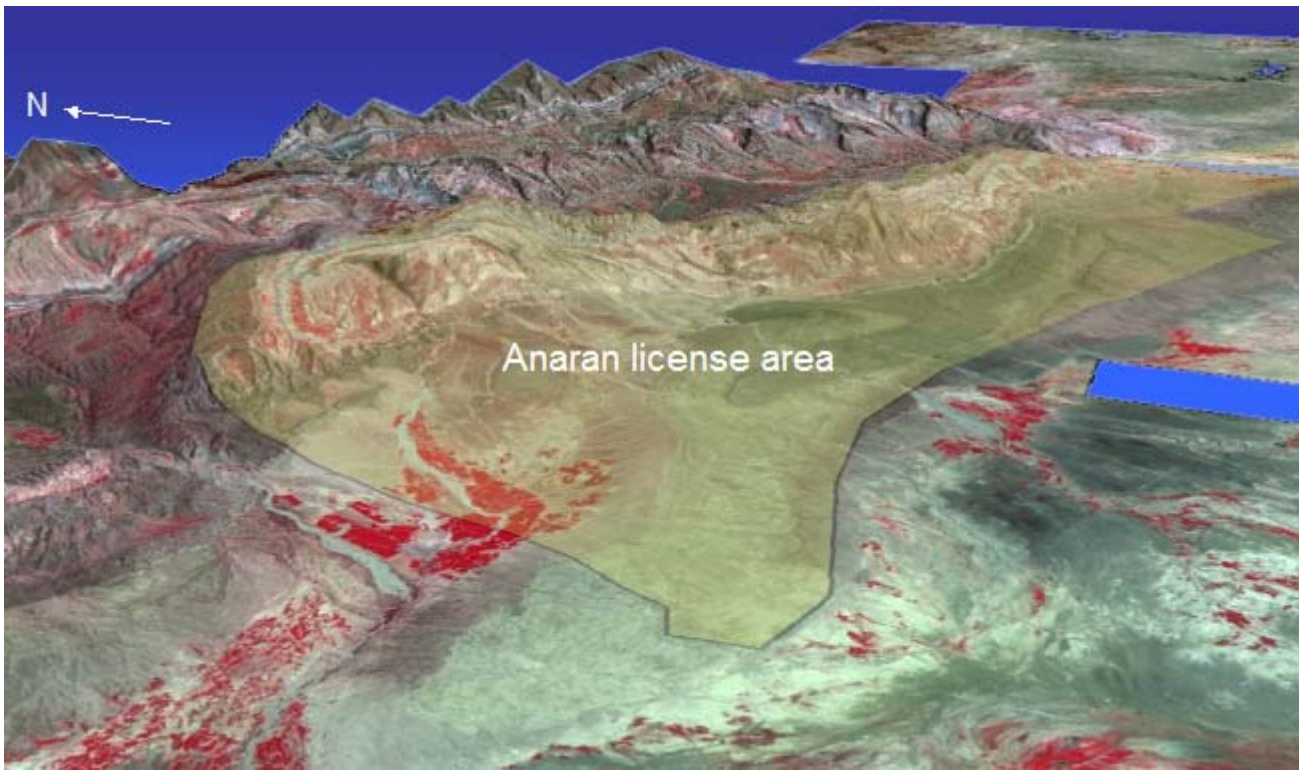
Exploration success – Azar discovery, Iran



- Azar-2 proved in excess of 1 billion barrels oil in place
- An extensive test program produced excellent results
- Significant additional upside potential

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Exploration success – Azar discovery, Iran

- 1 000 km 2D seismic acquired in extremely rugged terrain
- Little to no infrastructure in area, previous war frontier
  - Helicopter supported, dynamite sourced
  - No serious injuries
  - Good quality data achieved
  - Very high daily production relative to previous work

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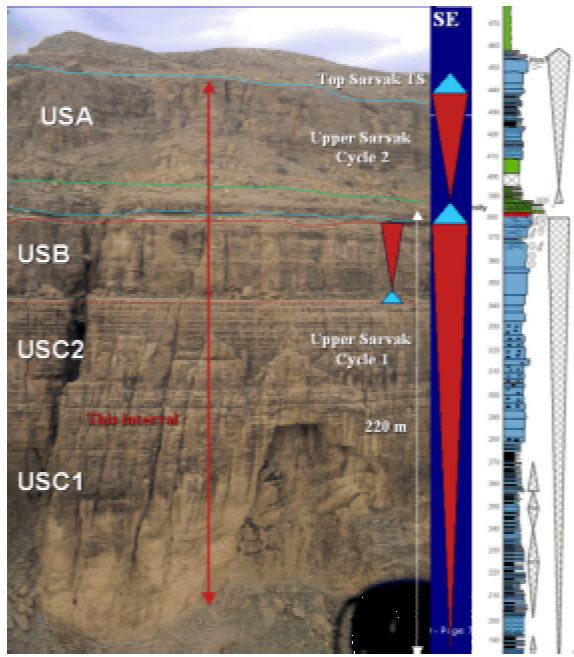
Exploration success – Azar discovery, Iran



- Geologic field work performed to understand:
  - structural development
  - reservoir variation – fracturing
  - drilling and logging challenges
  - future appraisal locations

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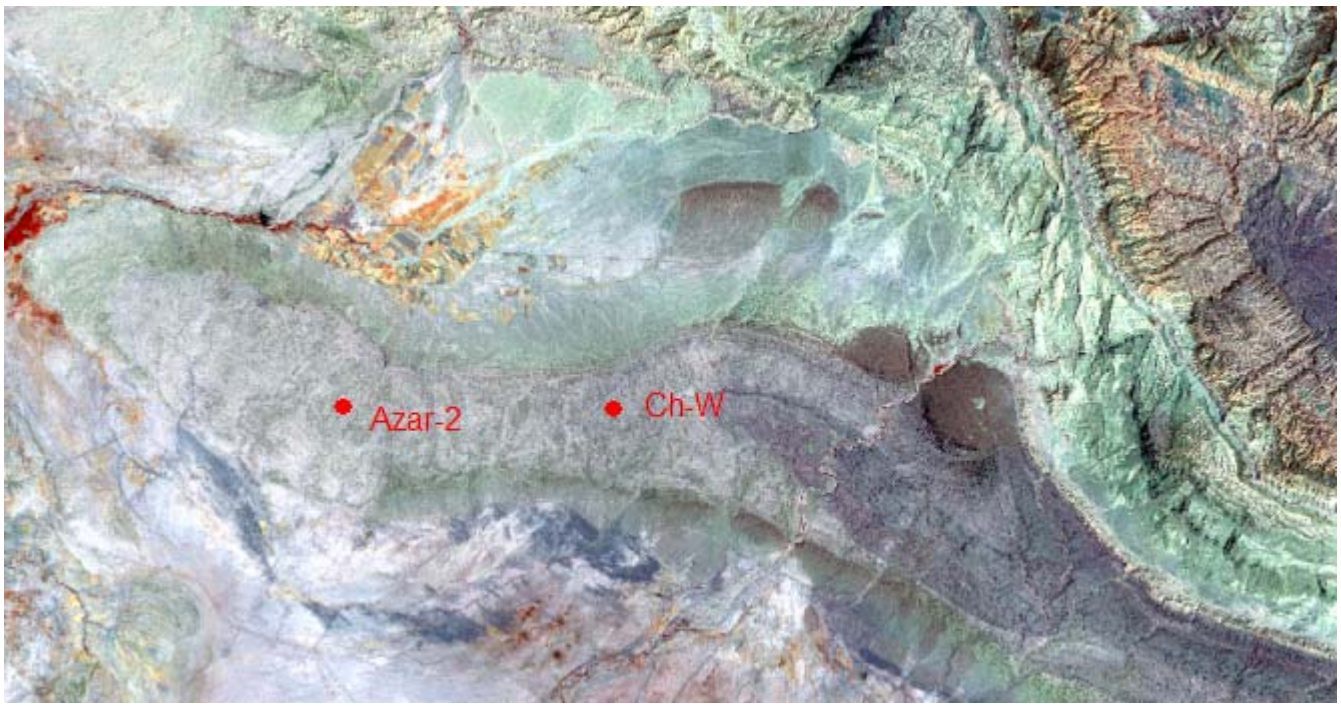
2006 highlights

Changuleh west well - Iran



- Follow-up to Azar on separate structure
- Capitalize on
  - geological understanding
  - drilling experience

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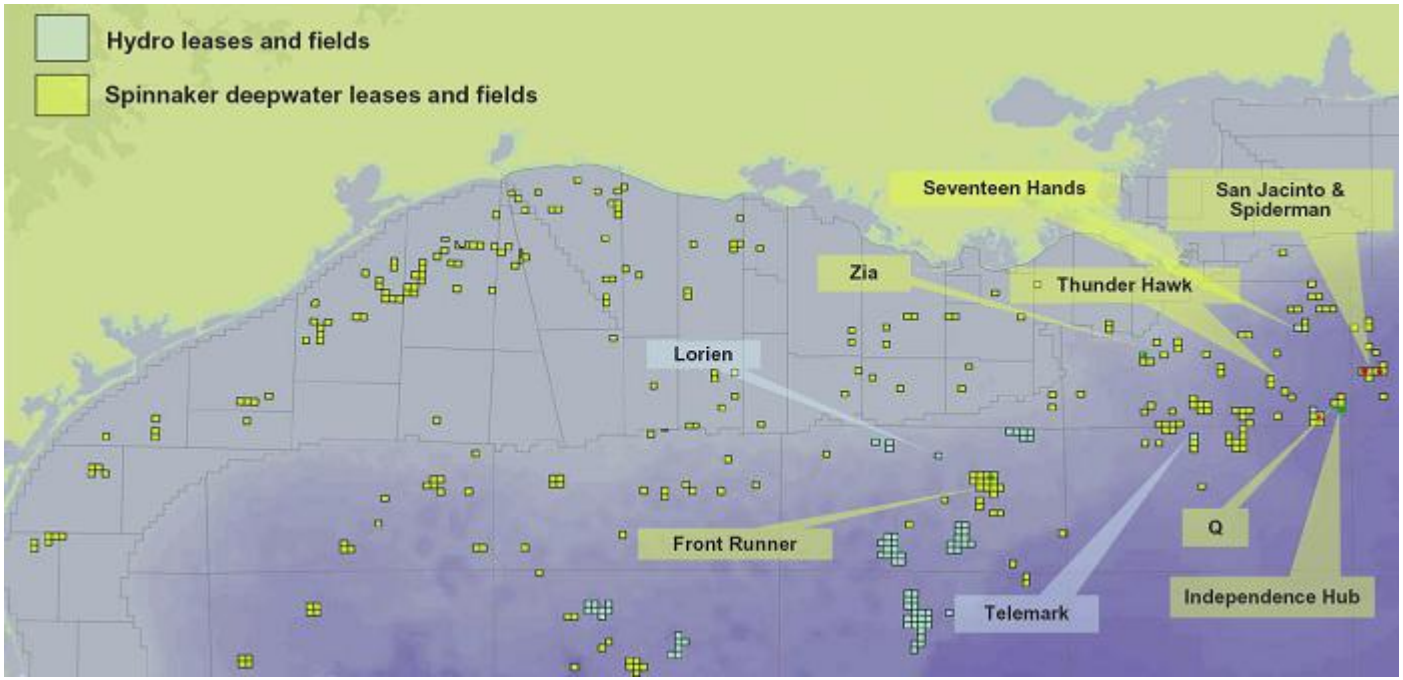
2006 highlights
Spinnaker portfolio – Gulf of Mexico



- Deep portfolio of prospects and leads
  - Now hold a complete portfolio spanning ILX to Growth to Frontier plays in GoM
- Relatively early in the life of most license terms
- Integration of databases and knowledge will significantly strengthen our efforts in the upcoming mega-lease sales

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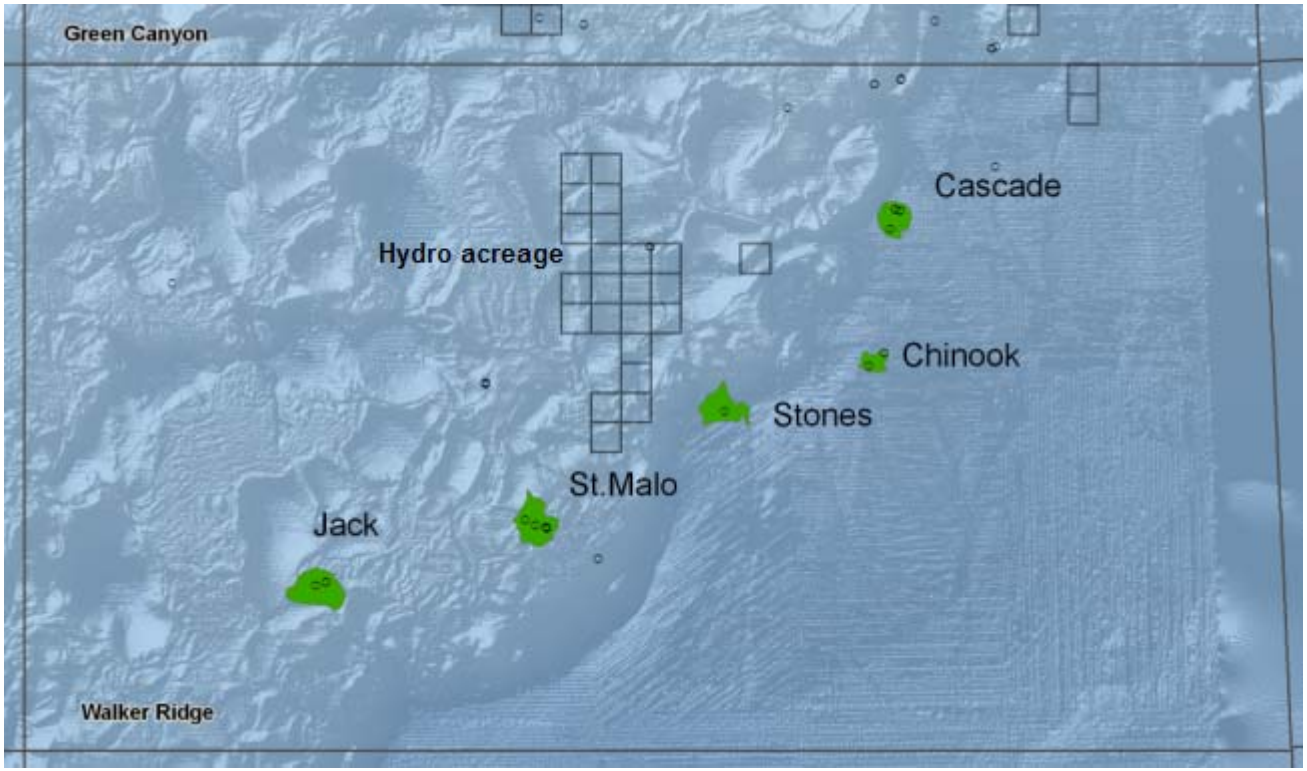
2006 highlights

Paleogene trend – Gulf of Mexico



- Hydro exploration acreage is well positioned in the trend
- Currently working to mature prospects in Hydro blocks with high equity
  - Significant industry interest in Hydro position

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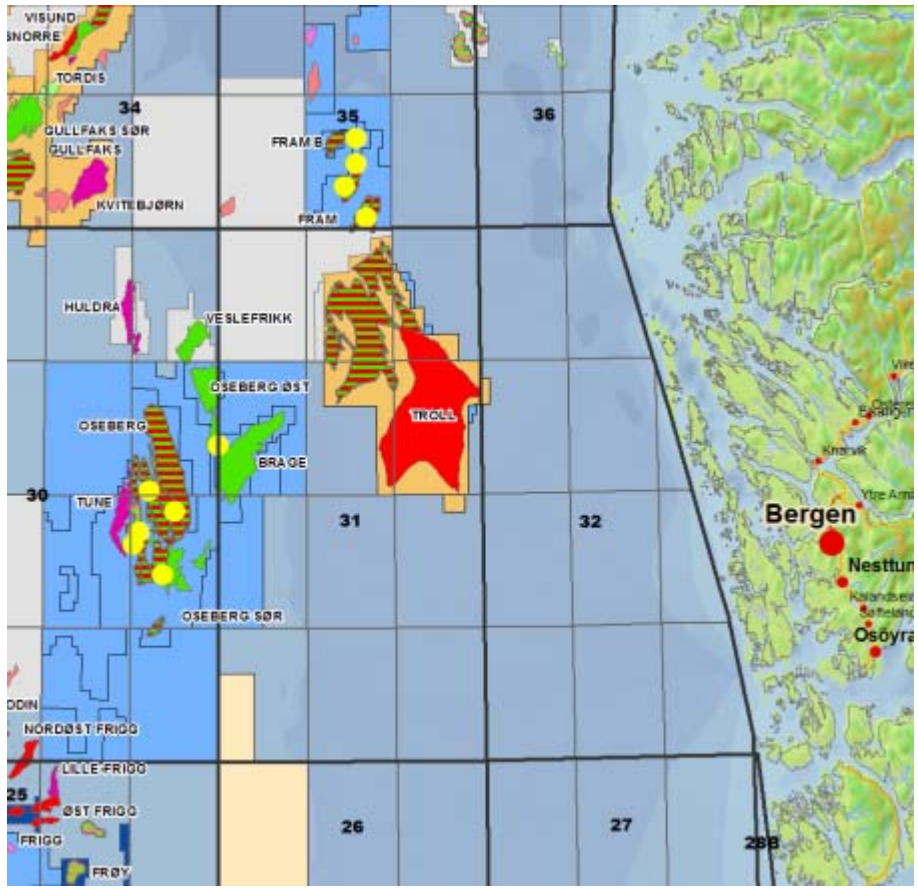
2006 highlights

Strong NCS infrastructure drilling program

- Troll Future development
  - Low risk prospects expected to prove additional resources to strengthen development
- Oseberg Area
  - Low risk prospects expected to prove oil reserves to fill available production capacity



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2007 and onwards ...

- Continued focus on
  - Play analysis
  - Aggressive acquisition of data and acreage in high-graded areas
  - Defining high impact prospects
  - Continual improvement

- High impact prospects being matured in
  - NCS
  - Libya
  - GoM
  - Iran

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Global Exploration – summary

- Exploration ‘turn-around’ successful
  - Unified exploration work processes firmly in place
  - Global prioritization scheme implemented
  - Predictable prospect analysis implemented

- 2005 a good year at the drill bit
  - Azar the world’s largest oil discovery in 2005
  - About 70% exploration success rate – 14 discoveries
  - Proved number of discoveries and volumes within expected range
  - Greatest proven resource growth since 1997

- Moving forward to develop high impact prospects and secure new prospective acreage. Stabilizing exploration resource growth

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A viable society. A need. An idea. 36,000 professionals. Energy. Cooperation. Aluminium. Determination. Pushing boundaries. Respect. Nature. Courage. 100 years. Thinking ahead.

Oil & Energy

Tore Torvund
Executive Vice President and Head of Oil & Energy

Agenda

- Status targets
- Growing asset base
- Beyond 2010
- Sources of production growth
- Targets 2006

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Performance

	CMD 2004	2005 estimate
Production target	575 000 boed	565 000 boed
Production cost	NOK 21/boe*	NOK 20/boe*
CAPEX level	NOK 16 billion	NOK 13.5 billion**
Exploration level	NOK 2 billion	NOK 2.1 billion**

* Excluding costs for gas injection (CMD 2004 assumption: NOK 3, current realised estimate: NOK 6)
** Excluding Spinnaker

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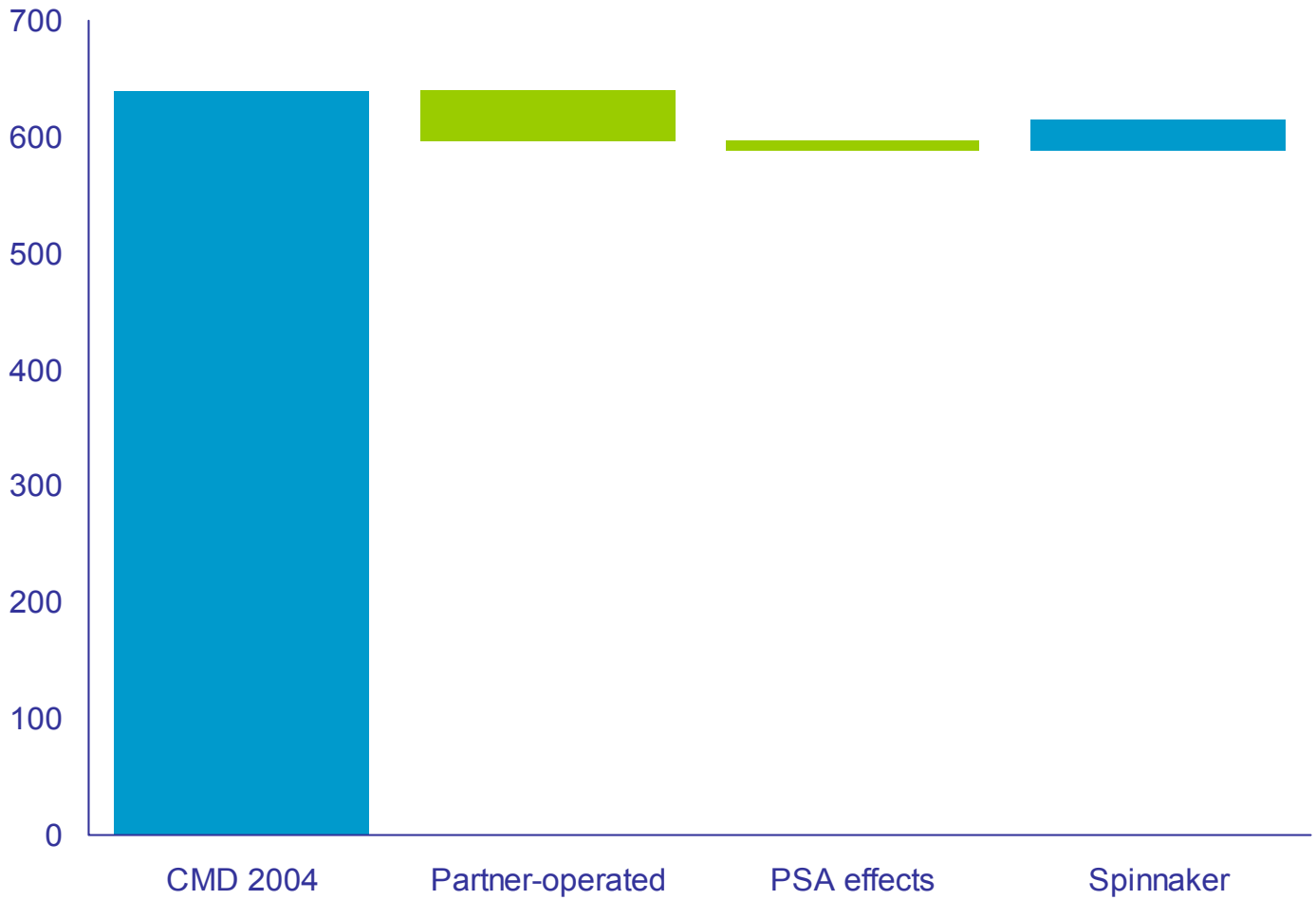
2006 production target: 615 000 boed



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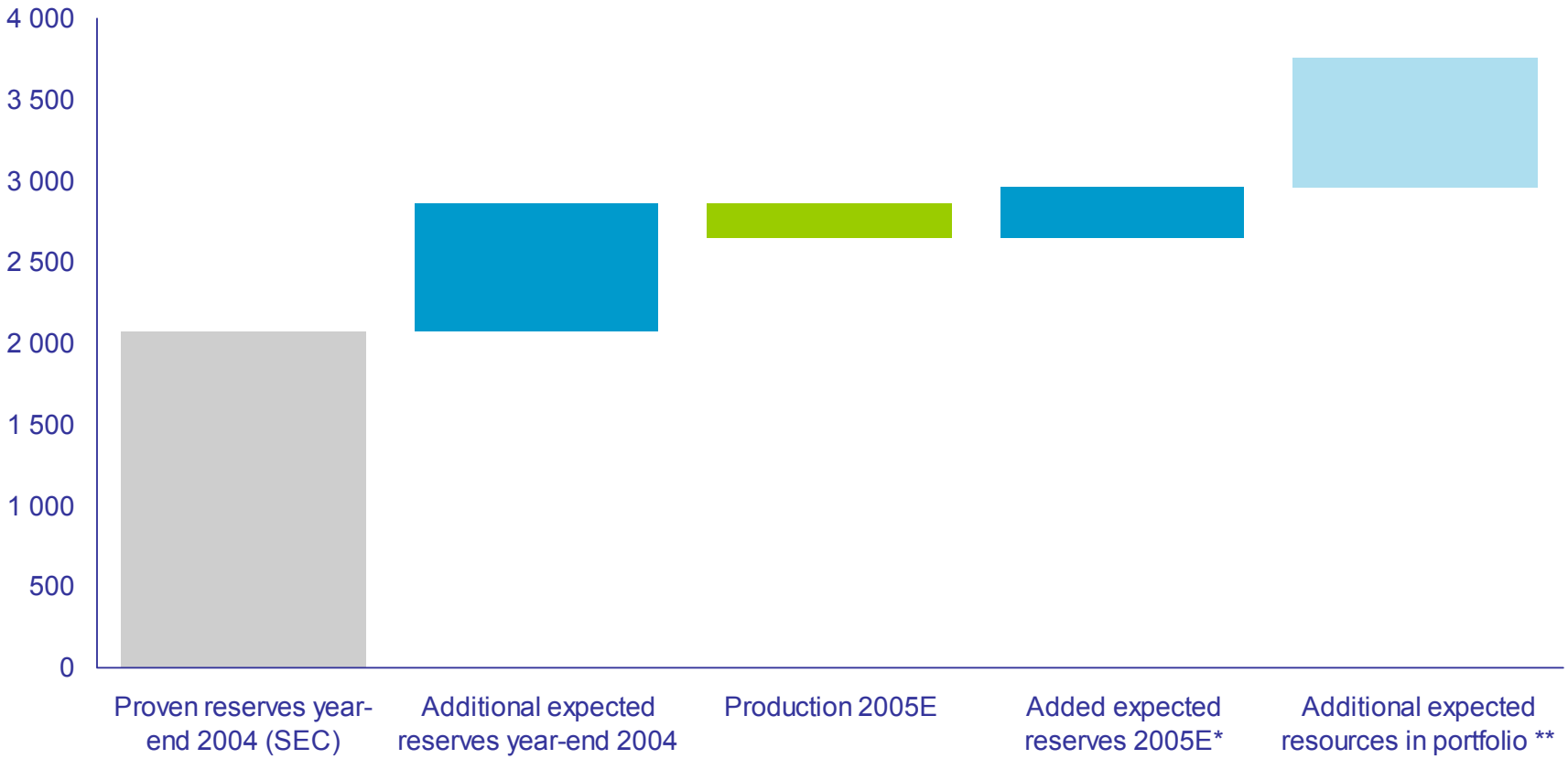
Oil and gas: Reserves and resources

Million boe Hydro share



* Including Spinnaker Exploration Company
** Non-sanctioned projects

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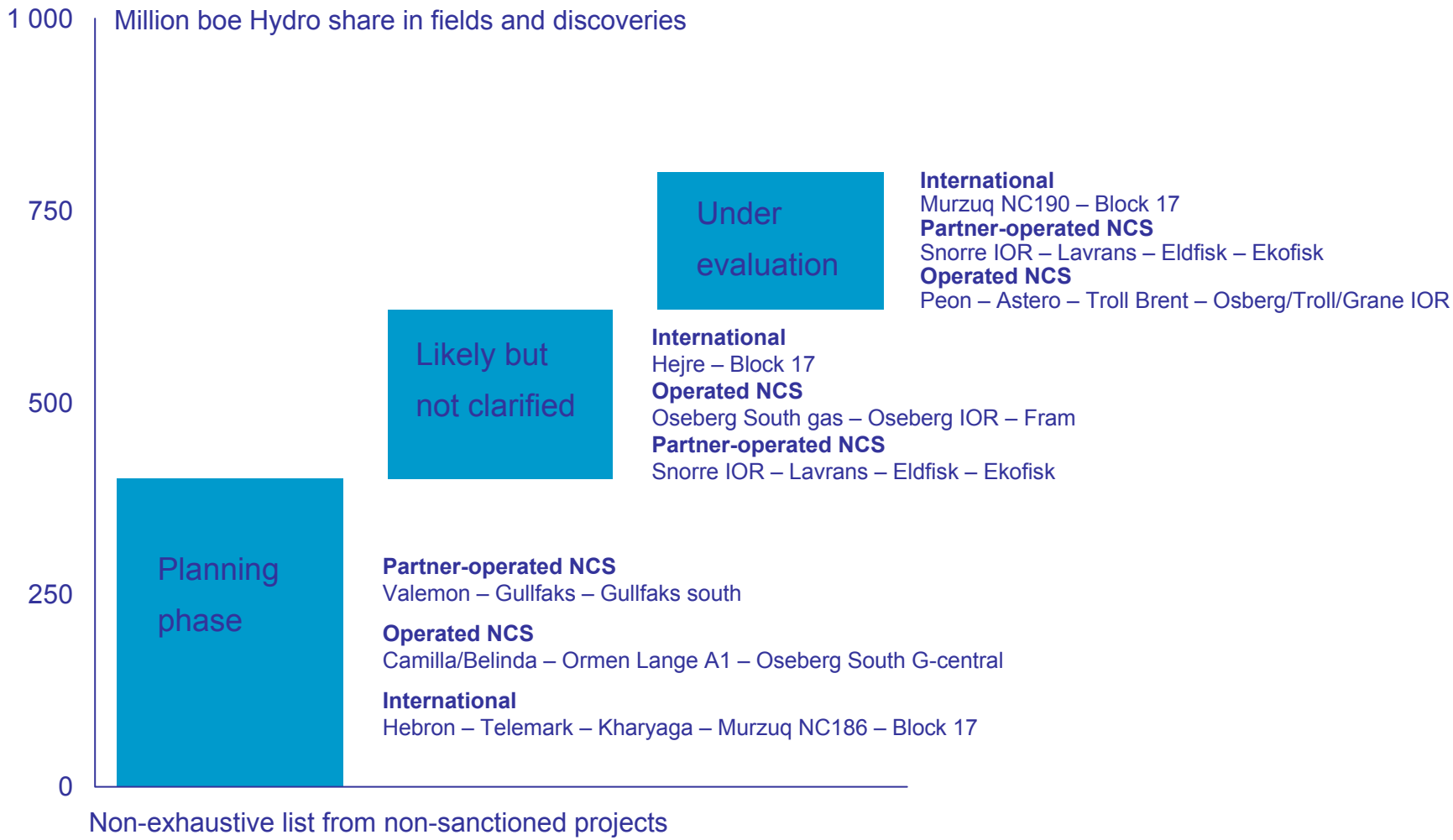
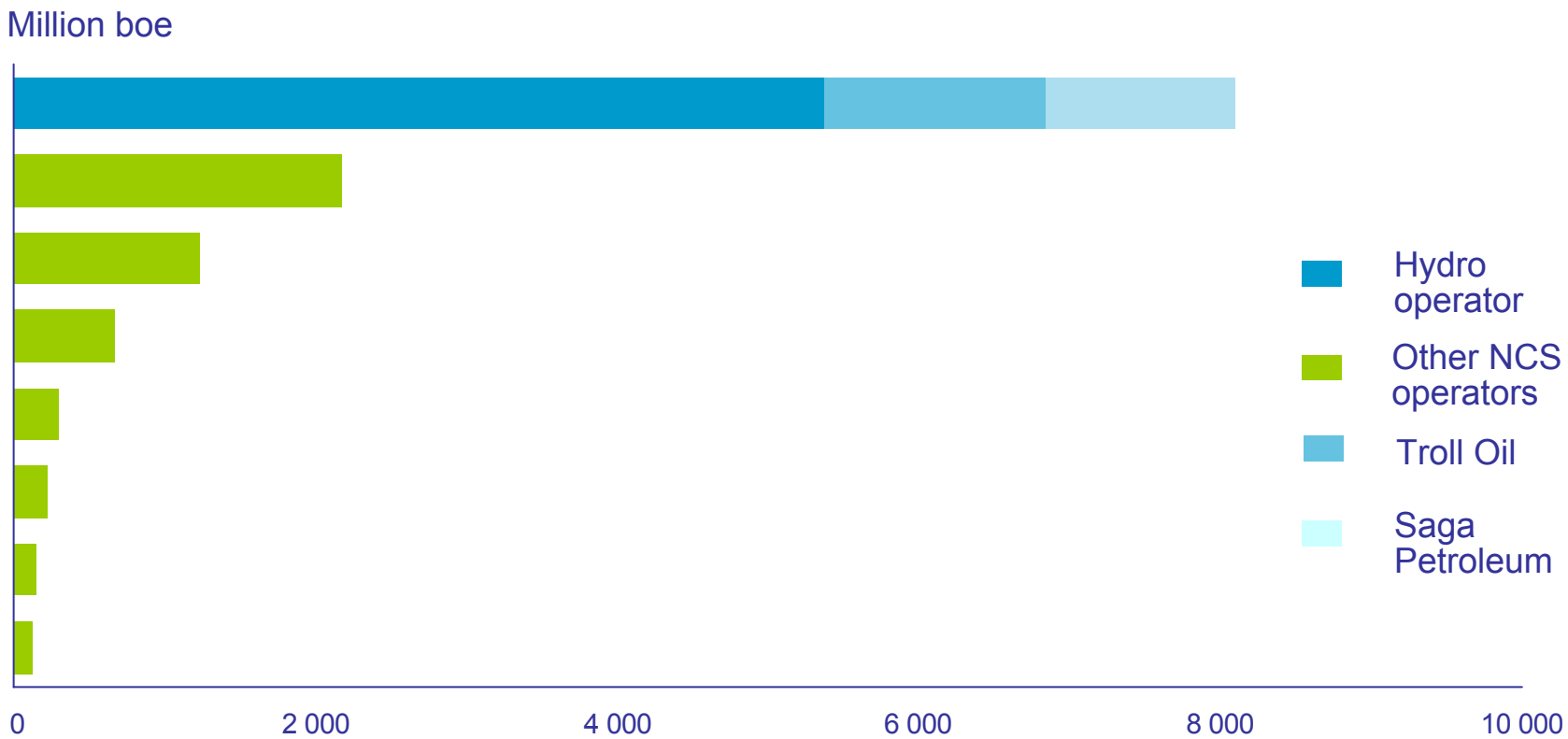
Additional expected resources in portfolio



Hydro E&P activity

Exploration competence developed on NCS

Discoveries on NCS 1985-2005



Reserves including 49 producing fields, 13 closed, 5 under development and 19 planned and discoveries in 1997-2005

Source: NPD – Latest recoverable reserves estimates, IHS Energy

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Rig coverage provides flexibility

- Rig capacity secured on Norwegian Continental Shelf through 2009
- Transocean Winner contracted for three years
- Rig slots secured in Gulf of Mexico and West Africa

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Long-term commitment to Russia

- Shtokman short list
- 15 years of cooperation
- Preparing to drill Well 7 in 2006

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Pioneer in new technology

Planning ahead for Increased Oil Recovery

Oseberg: Increased oil recovery - gas injection

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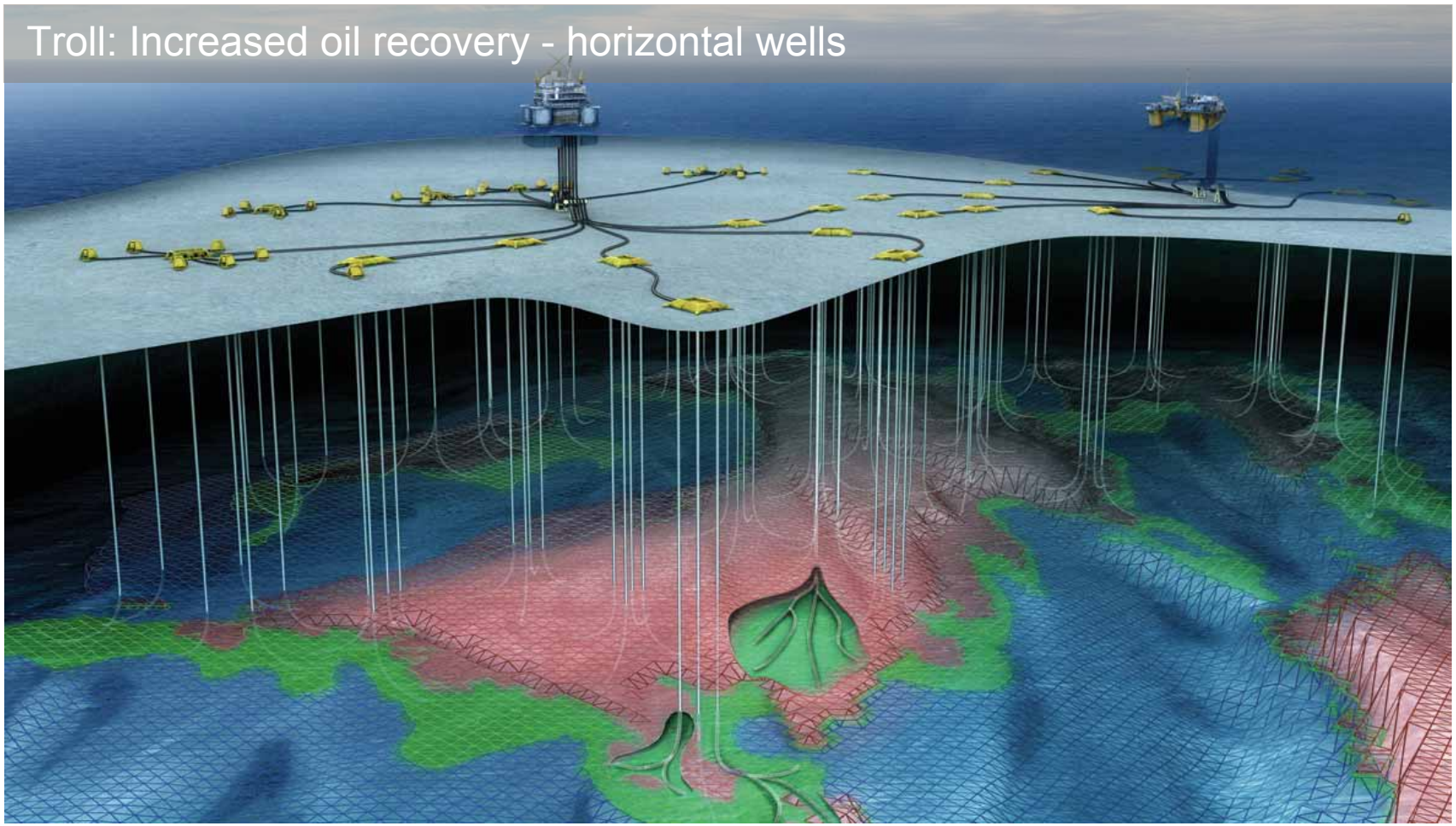
Pioneer in new technology

Planning ahead for Increased Oil Recovery



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Pioneer in new technology

Planning ahead for Increased Oil Recovery

Grane: Increased heavy oil recovery - gas injection and horizontal wells

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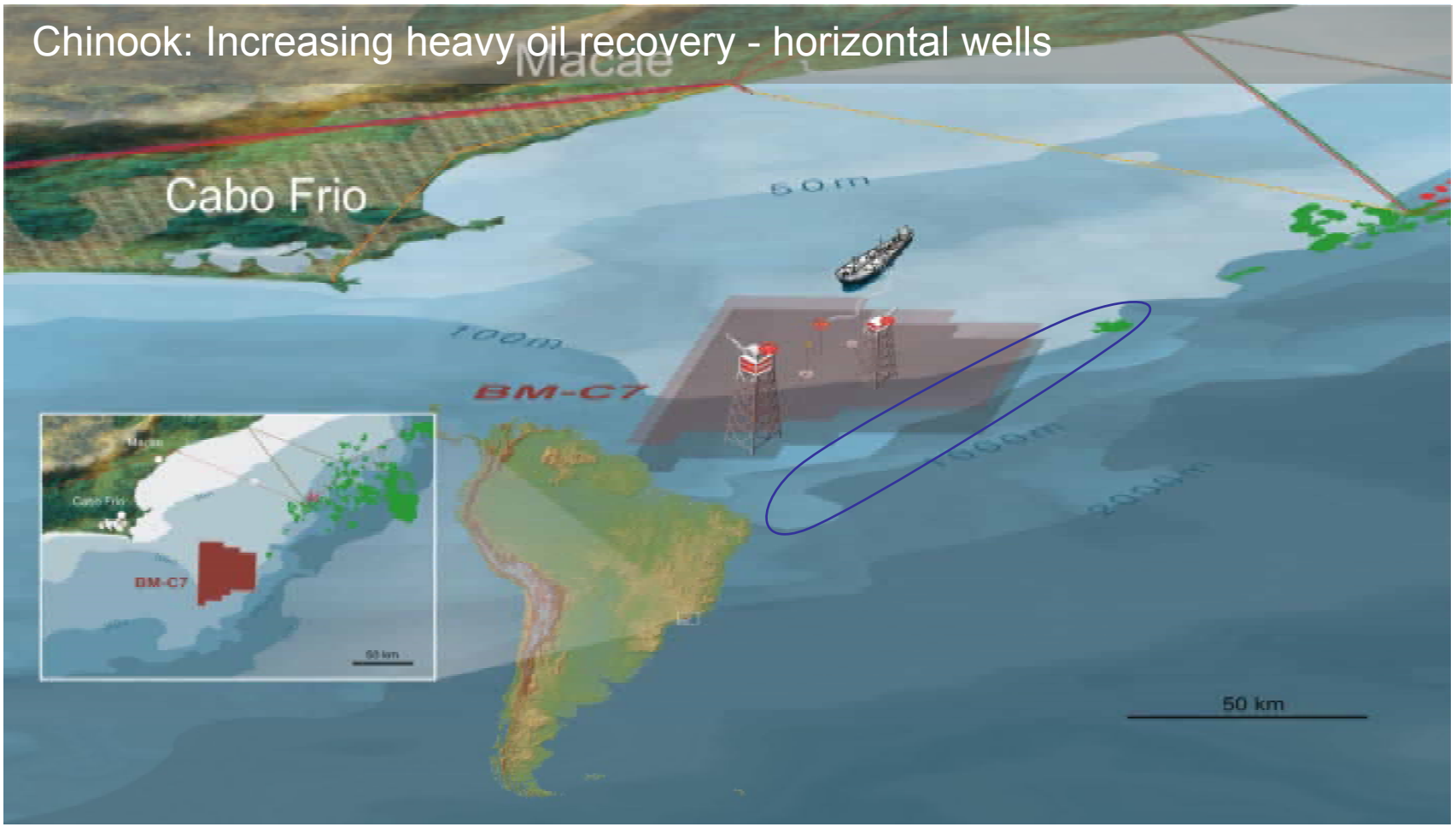
Pioneer in new technology

Planning ahead for Increased Oil Recovery



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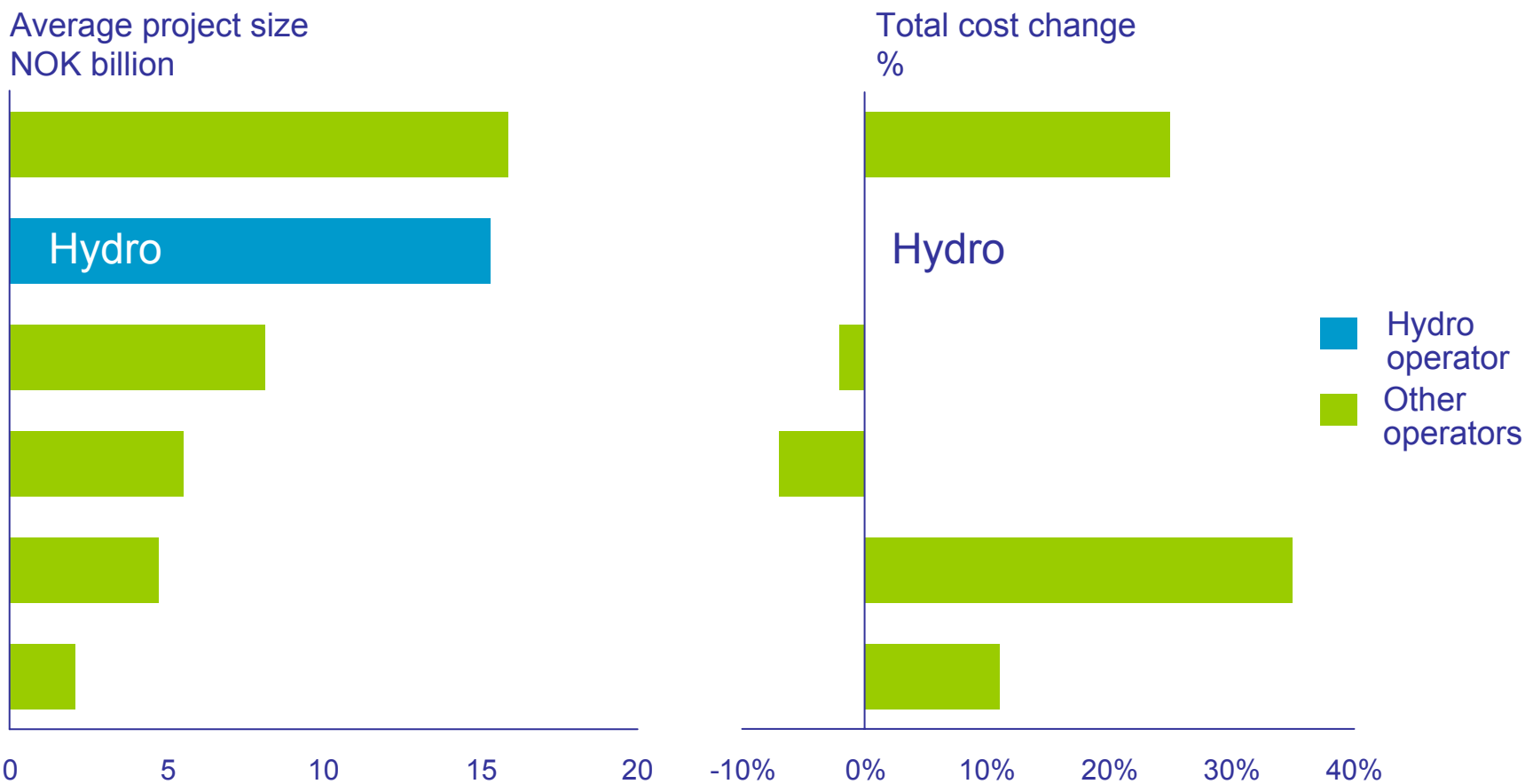
On time and on cost

Offshore projects last five years



Offshore projects with budgets exceeding NOK 1 billion
Source: MPE; St. prop. 1 2000- 2005

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Norwegian operations: Hydro's bread and butter

- Strong focus on safe, efficient and smart operations
- Consistent top-quartile performer
- Basis for future growth

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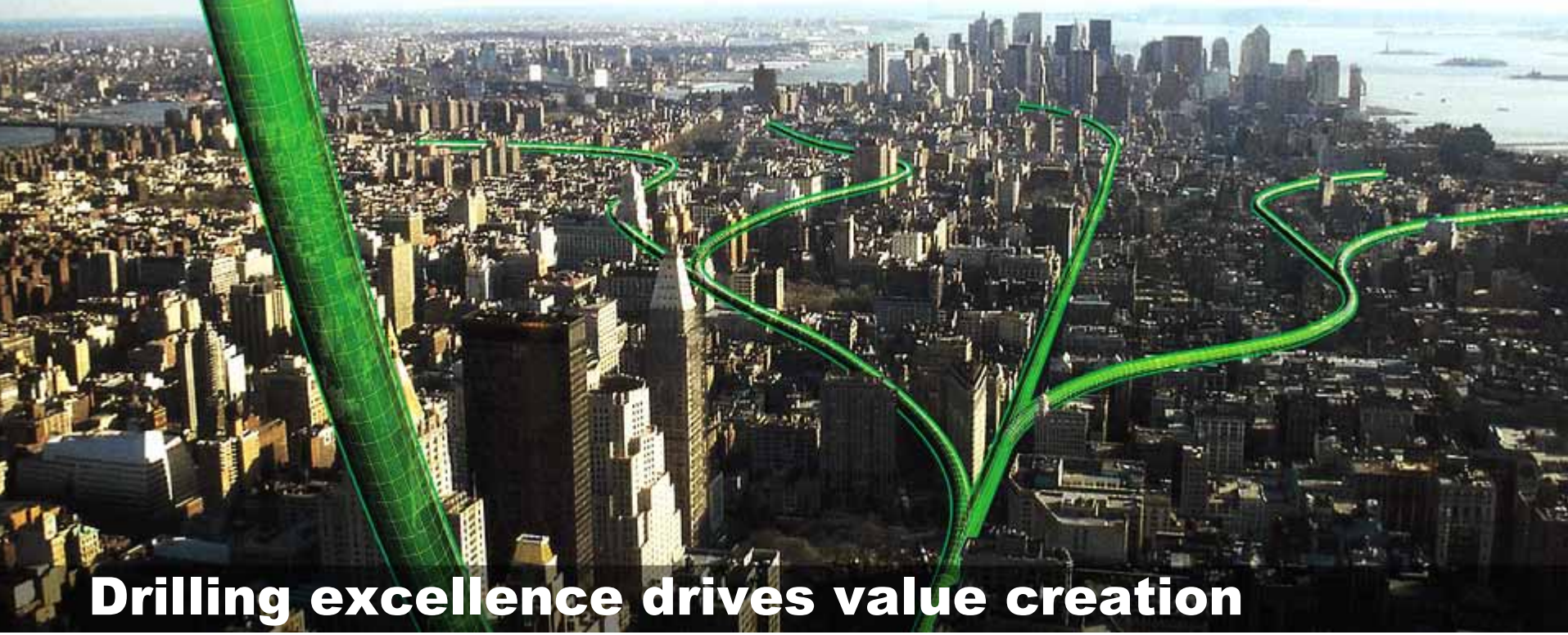

Drilling excellence drives value creation

- Early mover in drilling technology
- 47 multilateral wells drilled with 76 branches
- 50% of the world's advanced multilateral wells
- 88% of the world's advanced offshore multilateral wells
- First six-branched well on NCS started Dec 2005

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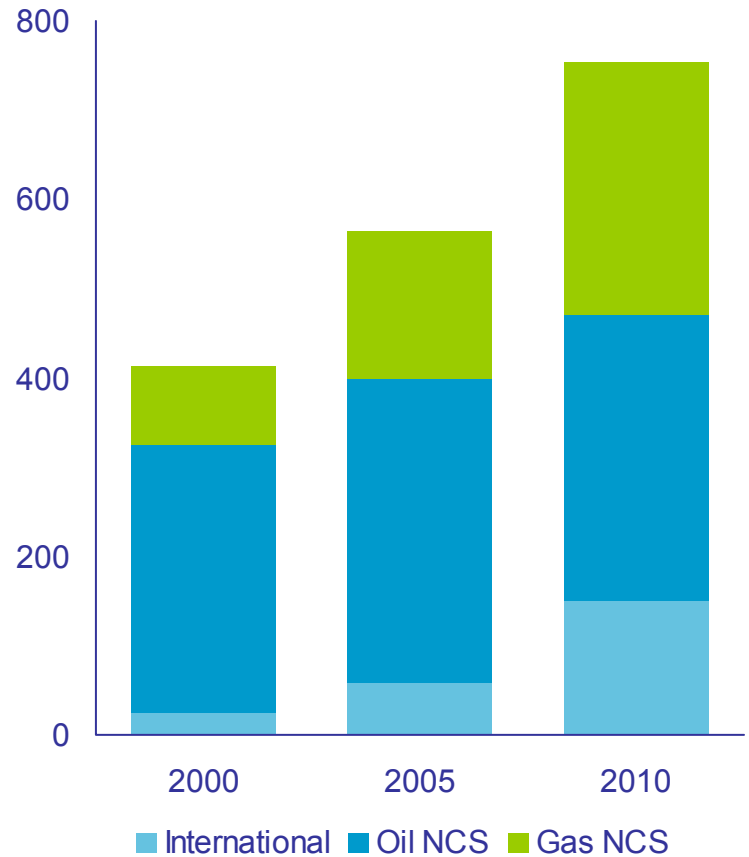
Extending production growth through 2010

Oil and gas production

1 000 boe/day



- Top-quartile growth continues
  - In oil
  - In gas
  - On NCS
  - Internationally
- Robust growth
  - 85% sanctioned projects
  - Low break-even prices
- Growing international share
  - Higher after-tax value per barrel in portfolio

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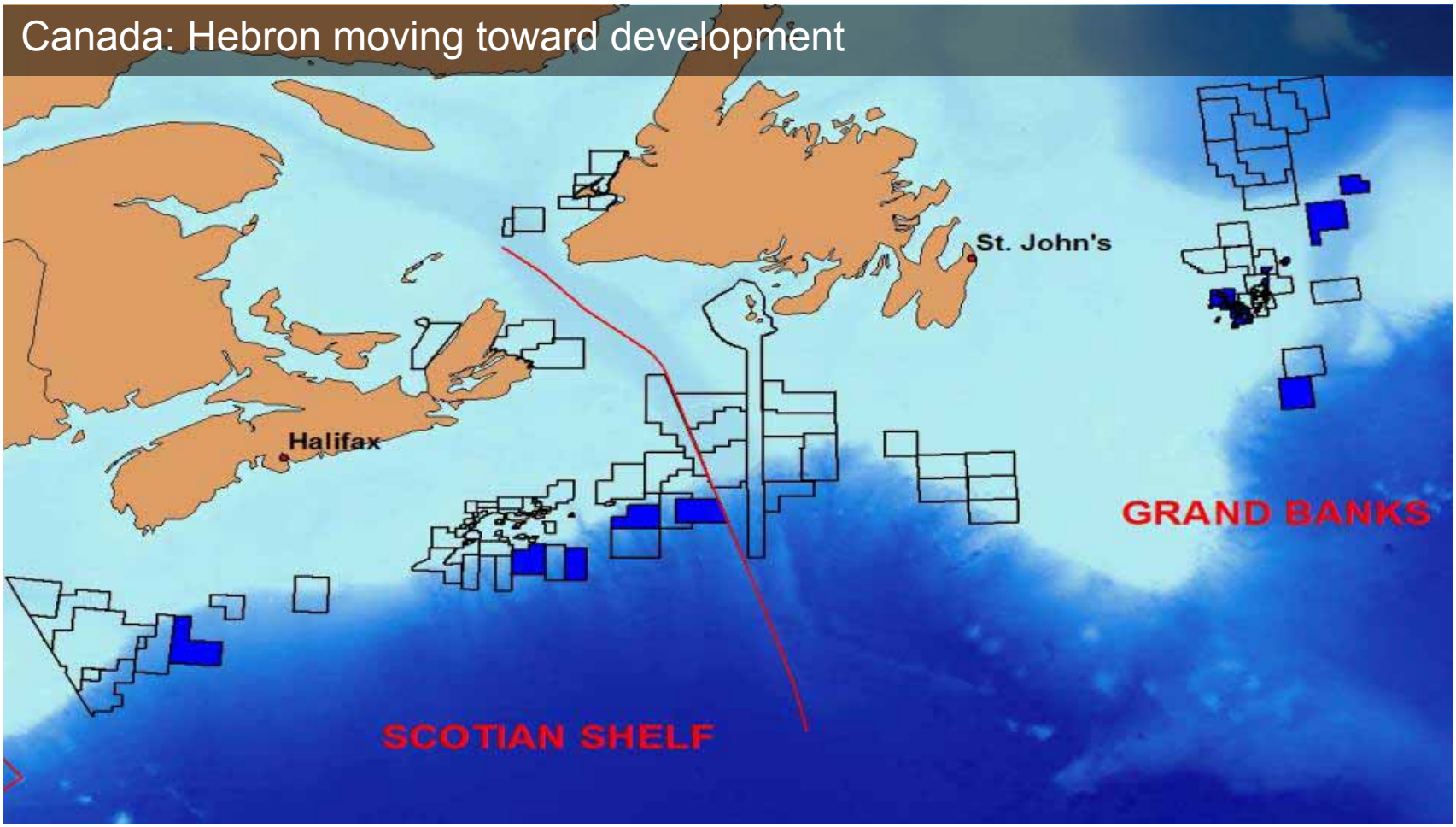
International breakthrough



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International breakthrough

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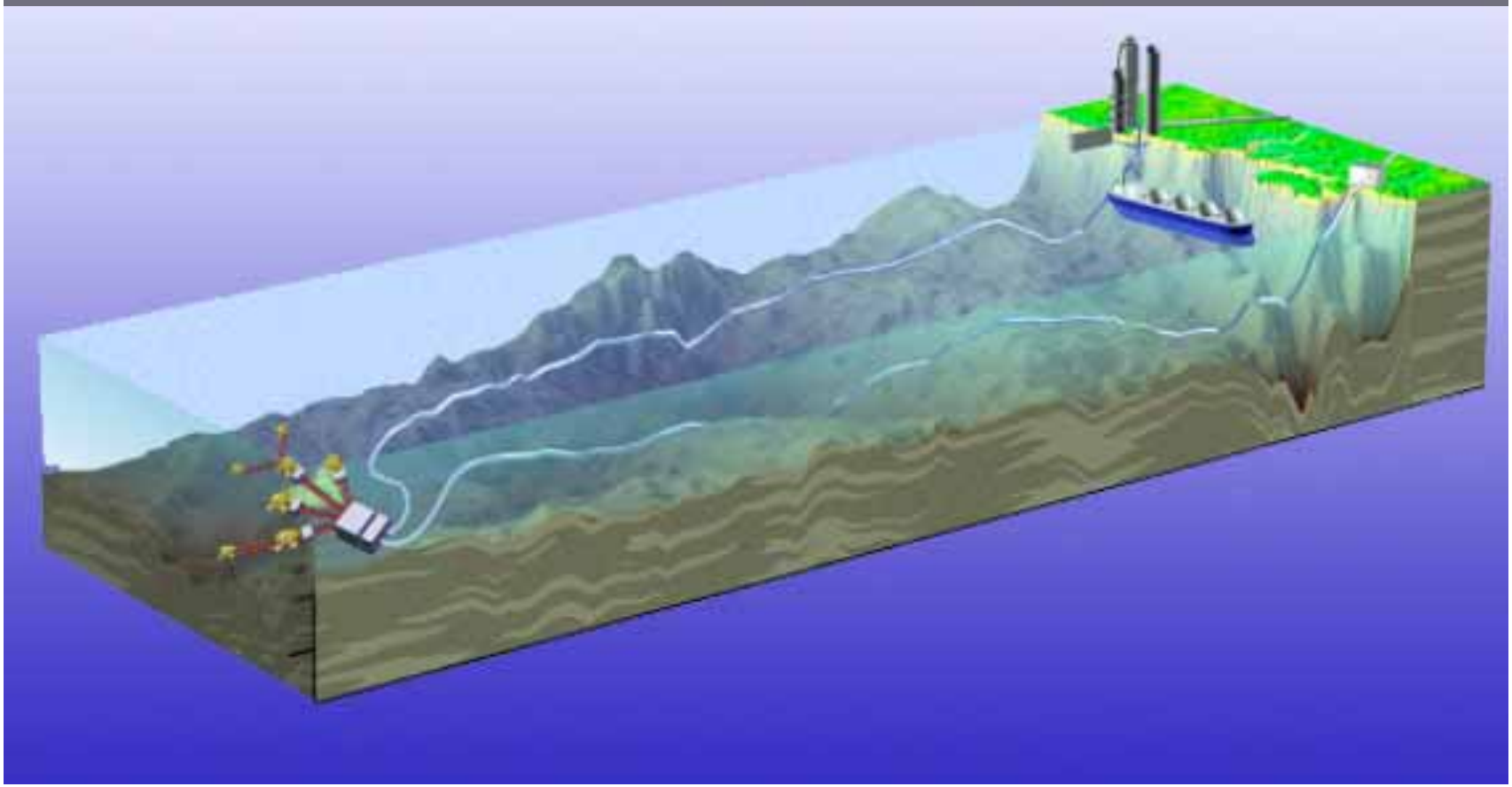
International breakthrough

Штокмановского ГКМ: Shtokman short-listing



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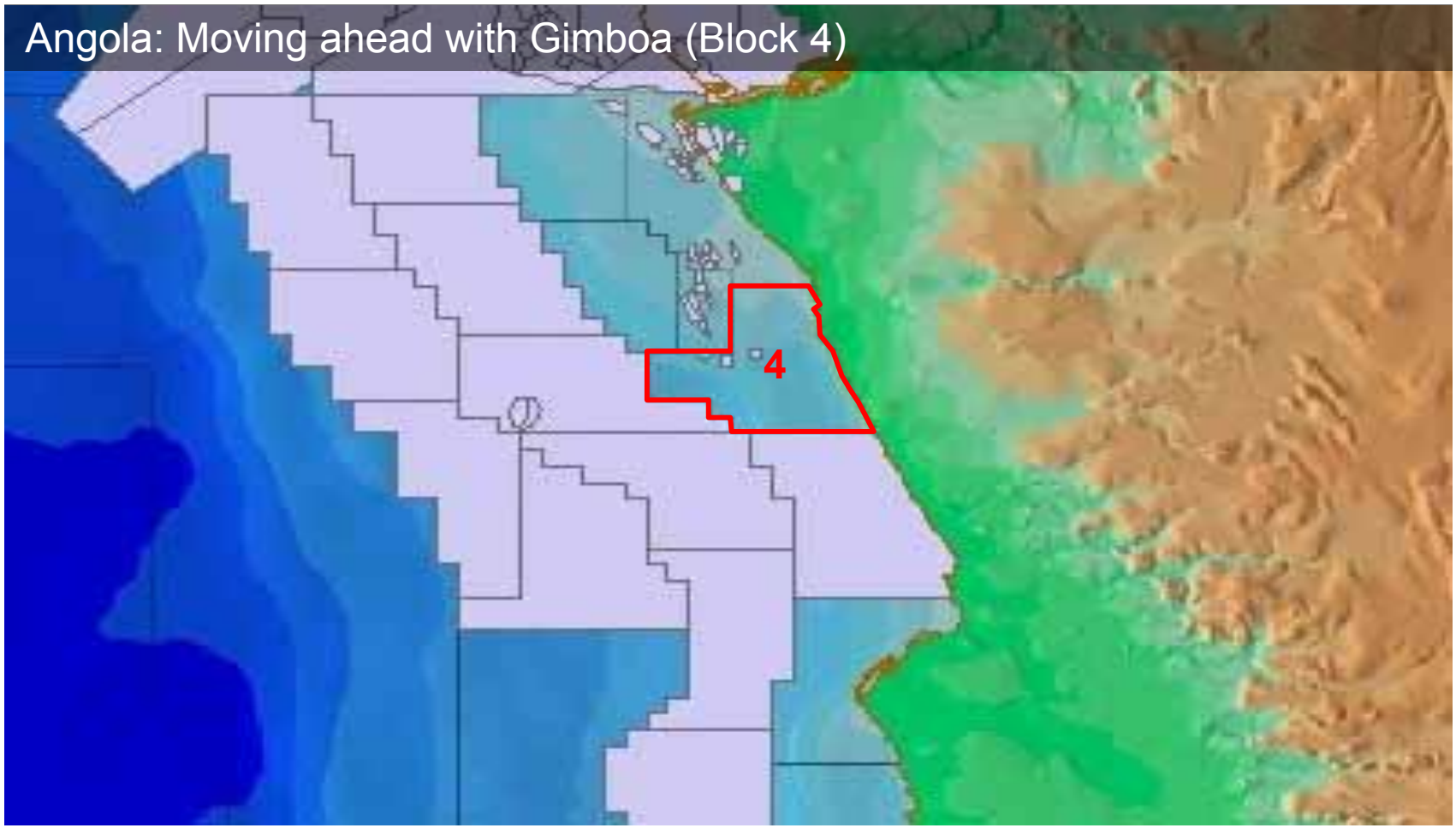
International breakthrough



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International breakthrough

Libya: Secured operatorship in NC146

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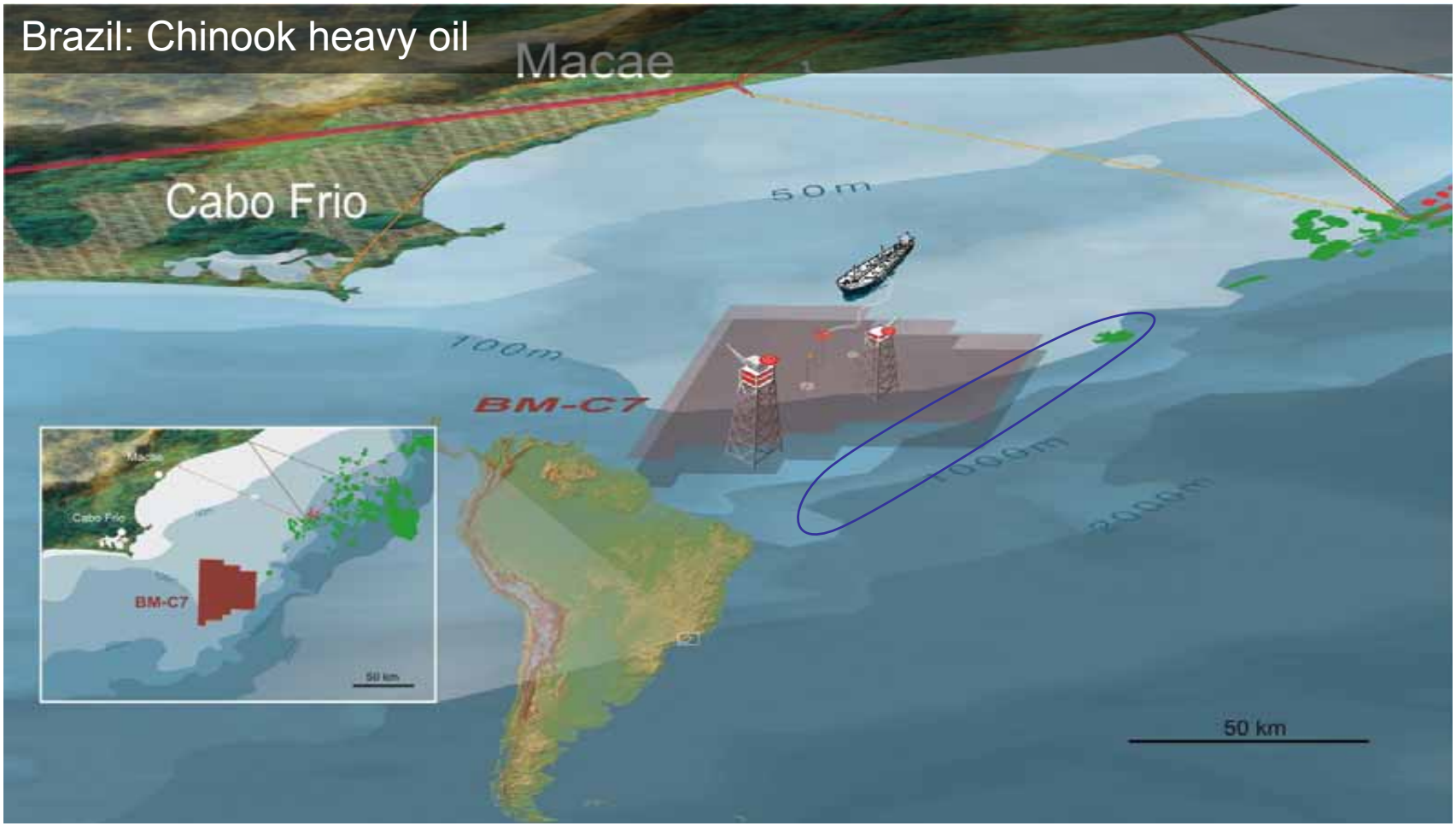
International breakthrough



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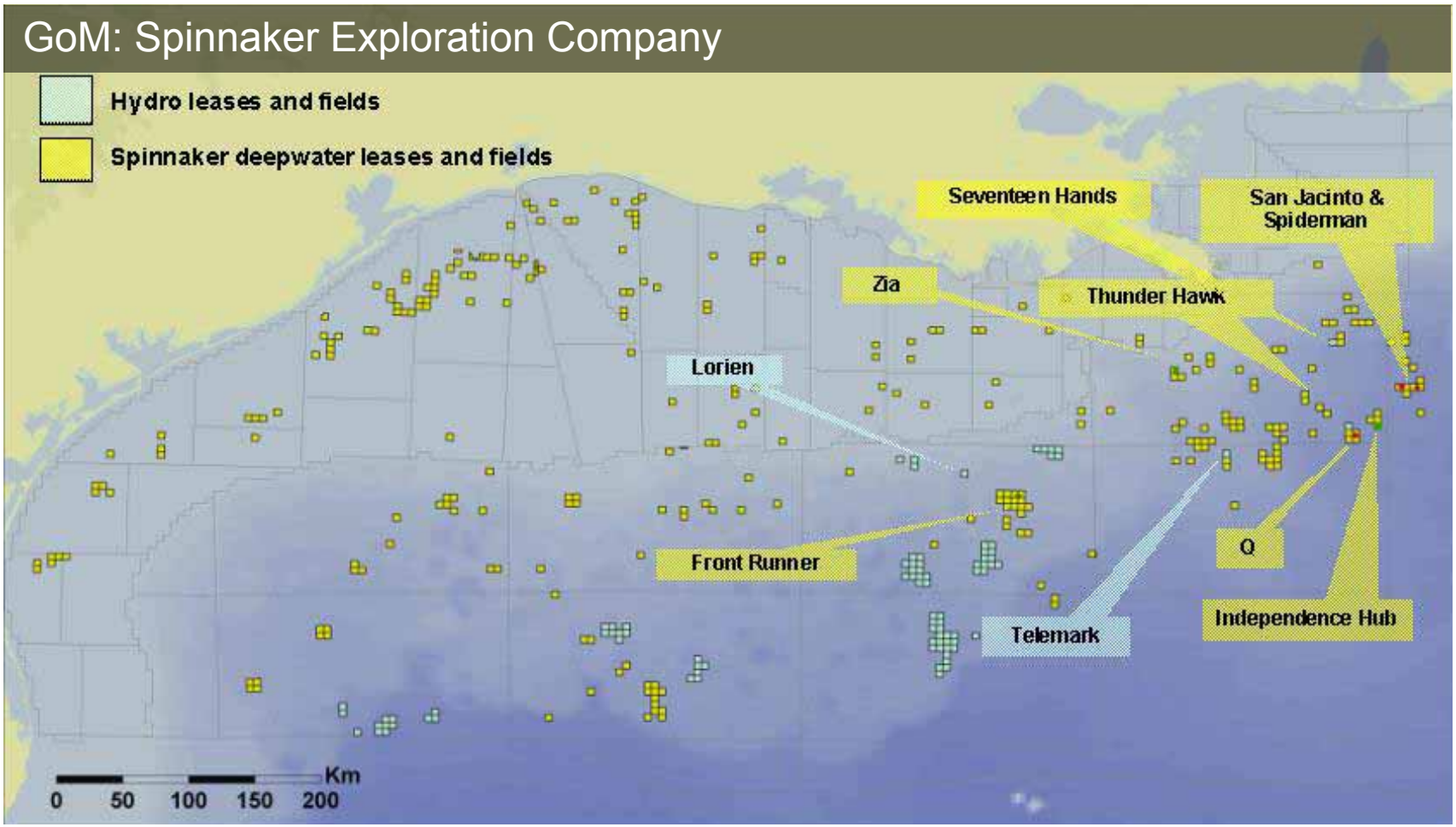
International breakthrough



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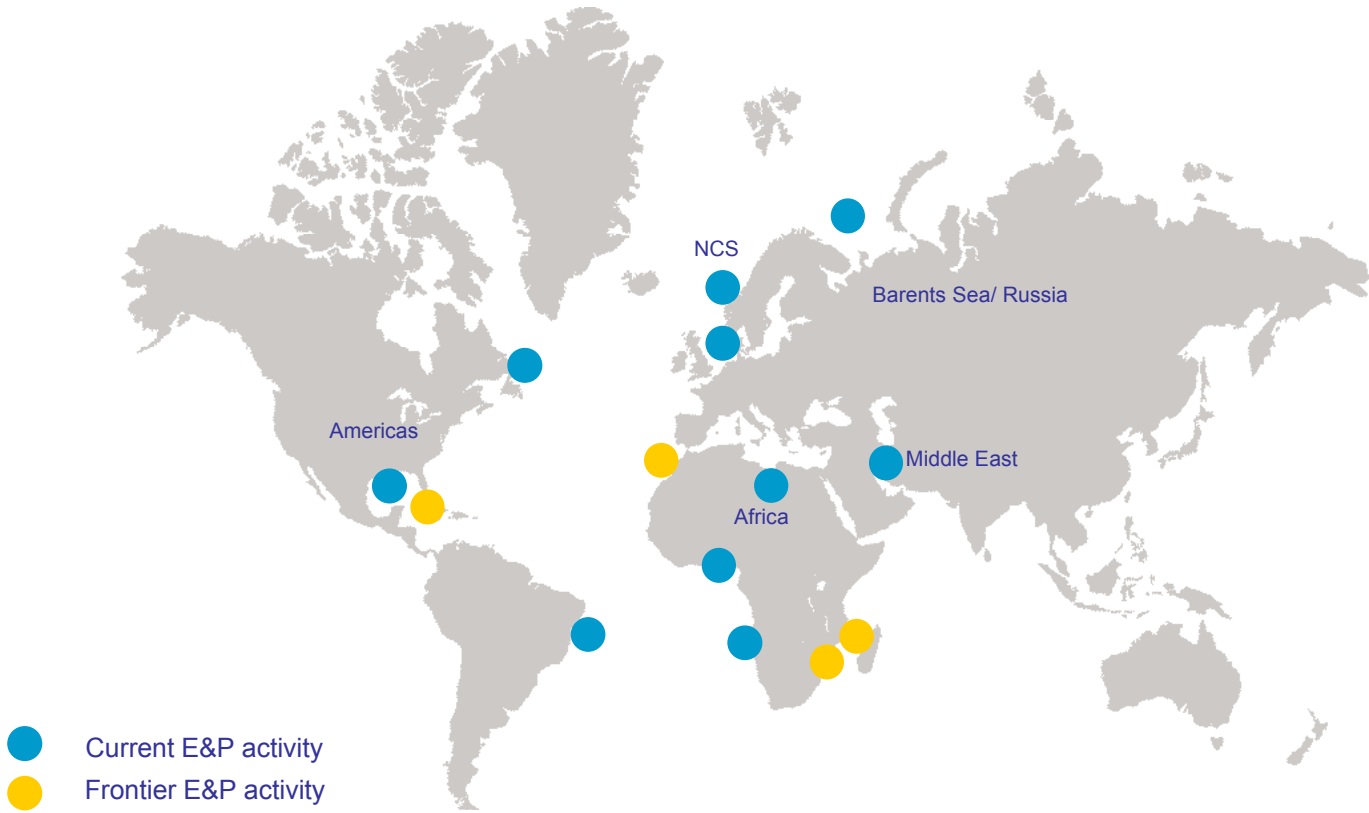
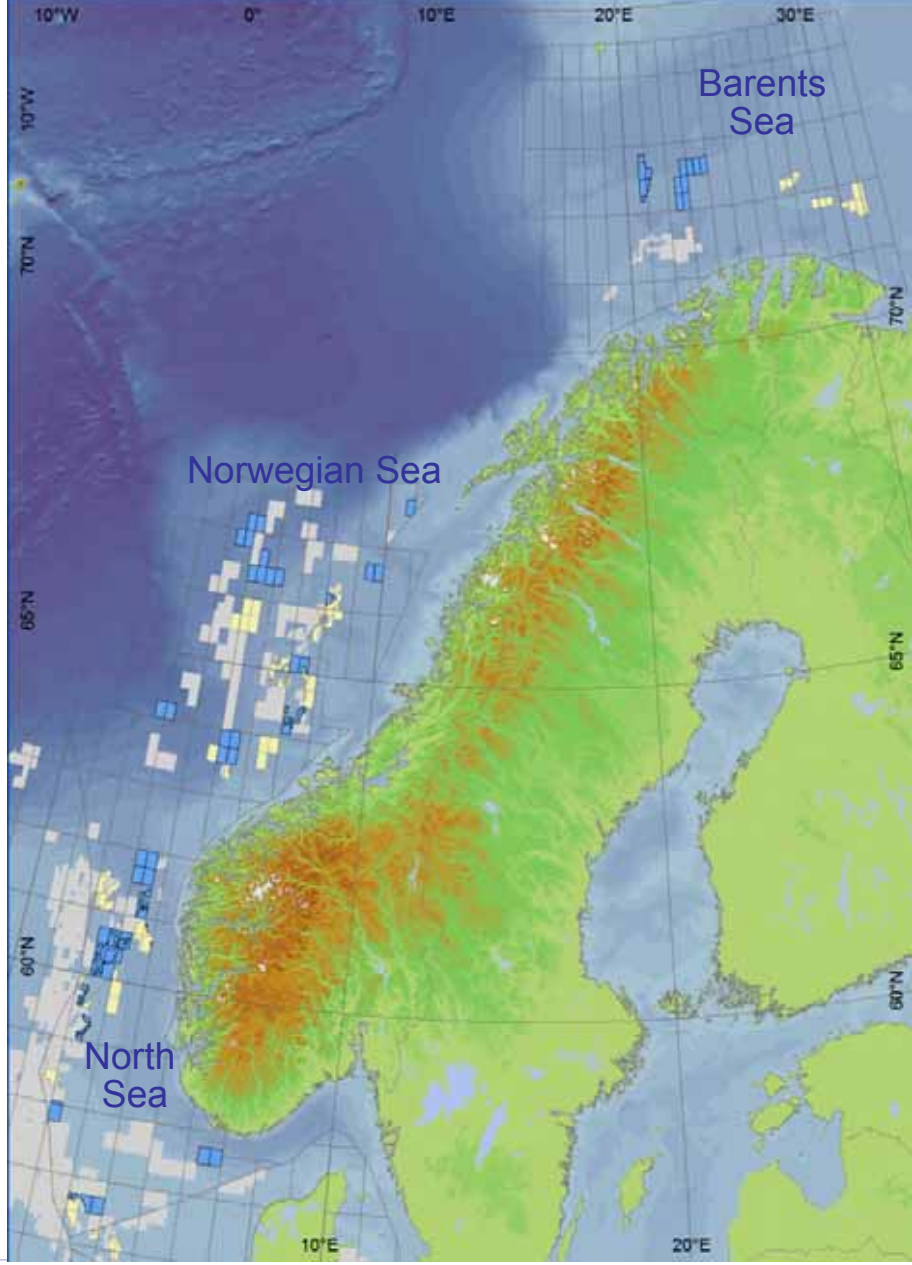
International breakthrough

Exploration acreage secured worldwide



Maximize NCS value

- Large IOR potential
- 15 new fields under development
- Exploration success
- About 40 exploration wells 2006-2007



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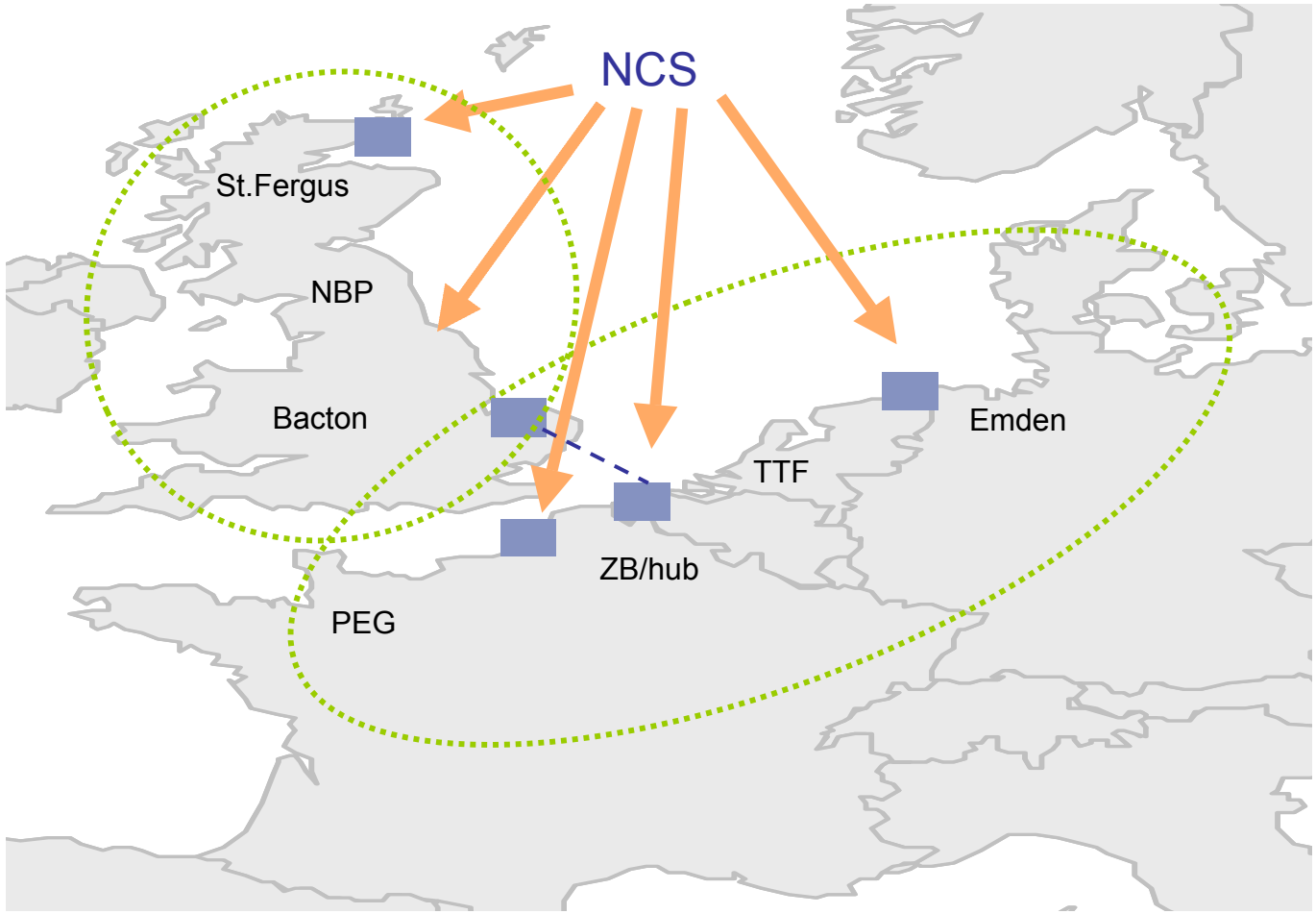
Increased value of gas portfolio



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2006 targets

- Production target — 615 000 boe/day
- Production costs — NOK 23/boe*
- CAPEX level — NOK 20 billion
- Exploration level — NOK 5 billion

` Excluding costs for gas injection

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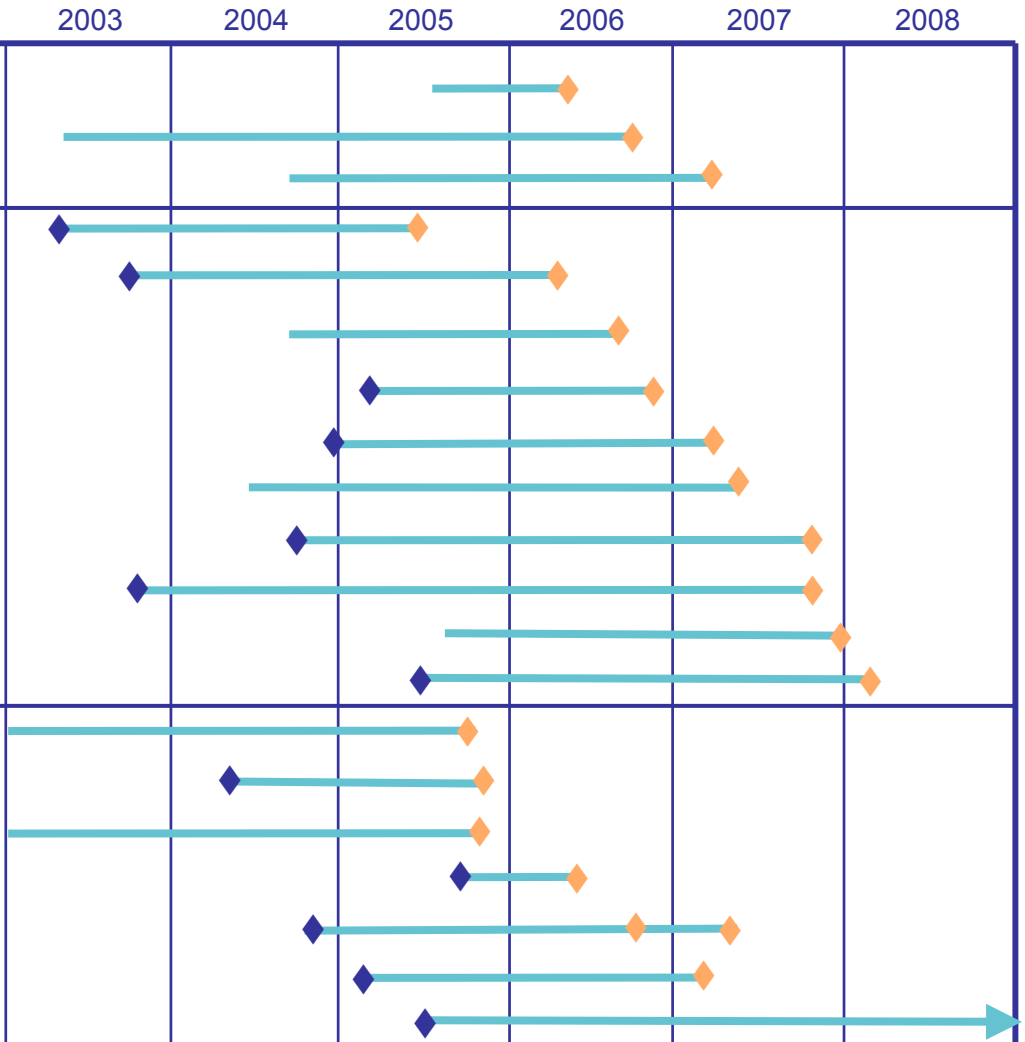
New fields on stream 2005 - 2008*

	Field	Hydro peak production (boe/day)	Peak year
International	Lorien	9 000	2007
	Dalia	24 000	2007
	Rosa	13 000	2008
Operator NCS	Oseberg South J	3 500	2006
	Oseberg Vestflanken	15 500	2007
	Oseberg Sør J Sentral	2 000	2009
	Fram East	12 500	2008
	Vilje	8 500	2008
	Oseberg East Drilling solution	6 500	2008
	Njord gas phase	9 000	2008
	Ormen Lange	70 000	2009
	Tune Sør	4 000	2009
	Oseberg Delta	12 500	2009
Non-operator NCS	Visund gas phase	18 000	2015
	Urd (Norne satellites)	7 000	2006
	Kristin	31 500	2007
	Ringhorne East	2 500	2007
	Rimfaks/Skinfaks IOR	3 000	2011
	Volve	6 000	2008
	Tyrihans	14 000	2016



* Excluding Spinnaker

Development ♦ PDO submittal ♦ Start production

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Investor Relations in Hydro

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Hydro is a Fortune 500 energy and aluminium supplier founded in 1905, with 36,000 employees in nearly 40 countries. We are a leading offshore producer of oil and gas, the world's third-largest integrated aluminium supplier and a pioneer in renewable energy and energy-efficient solutions. As we look forward to our next 100 years, we celebrate a century of creating value by strengthening the viability of the customers and communities we serve.

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Progress of a different nature

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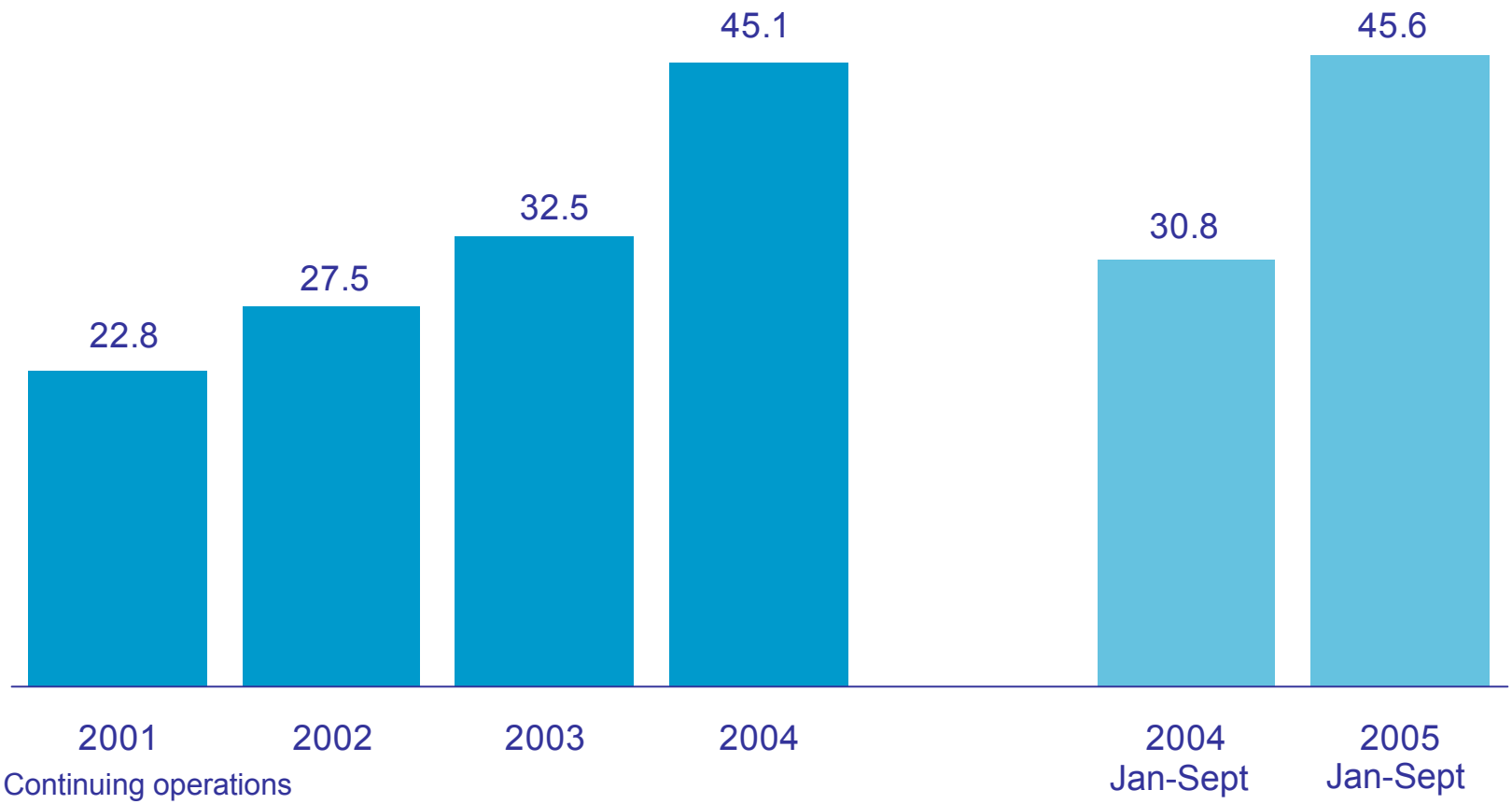
Performance focus and capital discipline

John Ove Ottestad
Executive Vice President and CFO

Strong earnings

Earnings per share (EPS) in NOK



Continuing operations

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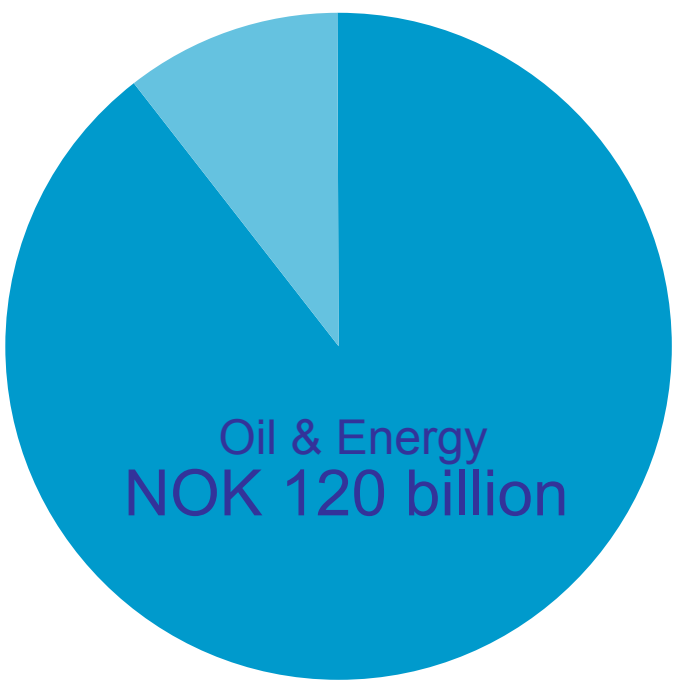
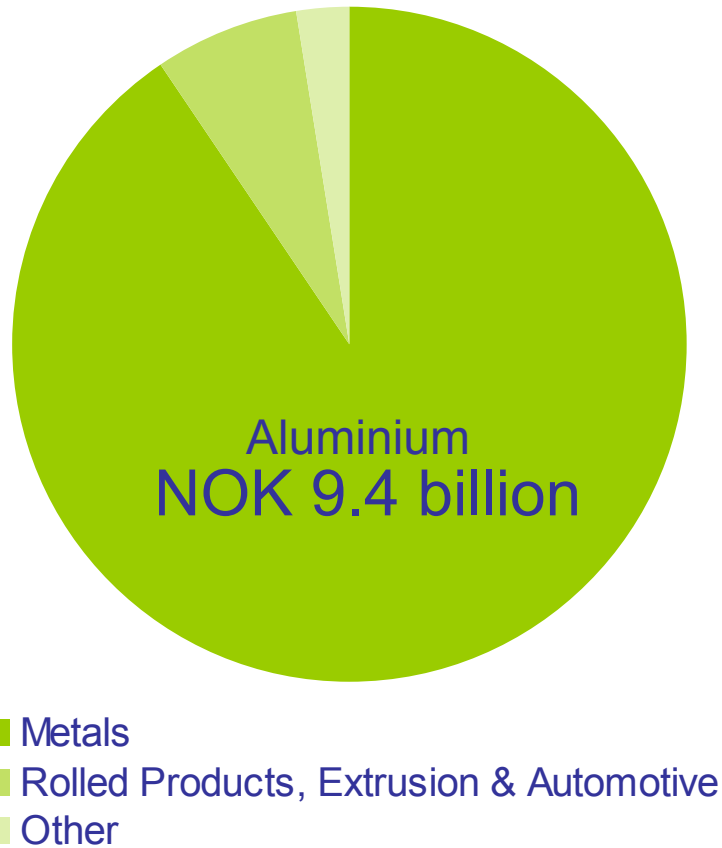
Earnings generated upstream

Accumulated operating income 2001 - Q3 2005





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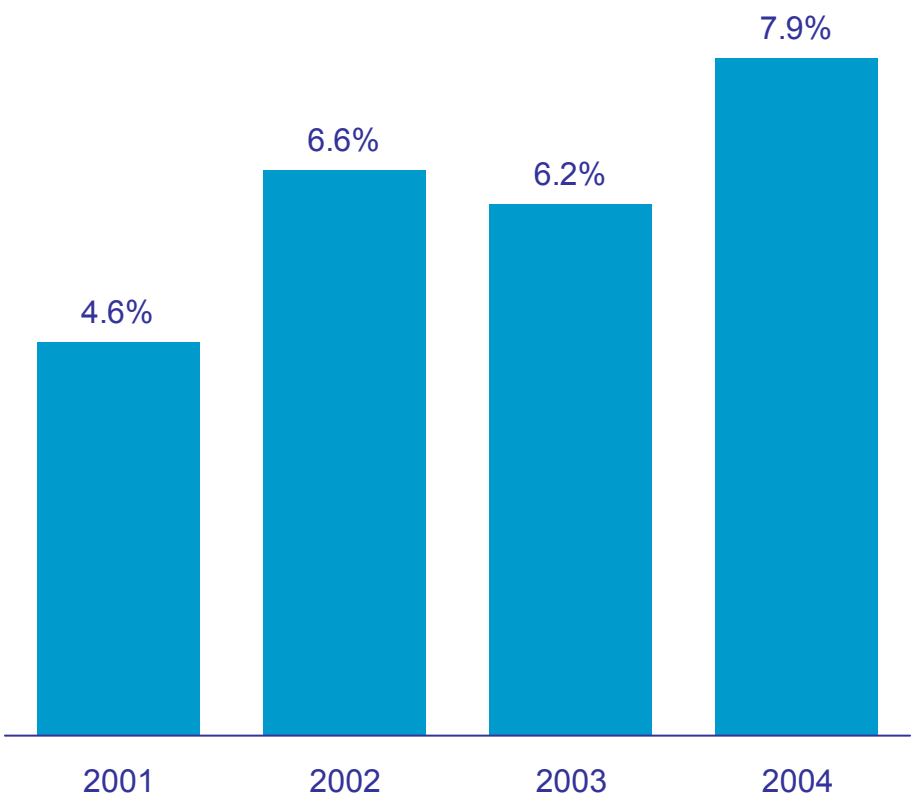
Improved capital efficiency at constant prices

Normalized RoaCE



Continuing operations

- Normalization assumptions
  - Oil: USD 25/bbl
  - Aluminium: USD 1 500/tonne
  - NOK/USD: 7.0
  - NOK/EUR: 8.0
  - Volumes and margins are not normalized
- Legacy assets will gradually be replaced by new assets with higher break-even price contributing to declining RoaCE
- Focusing on market-based assumptions for planning purposes

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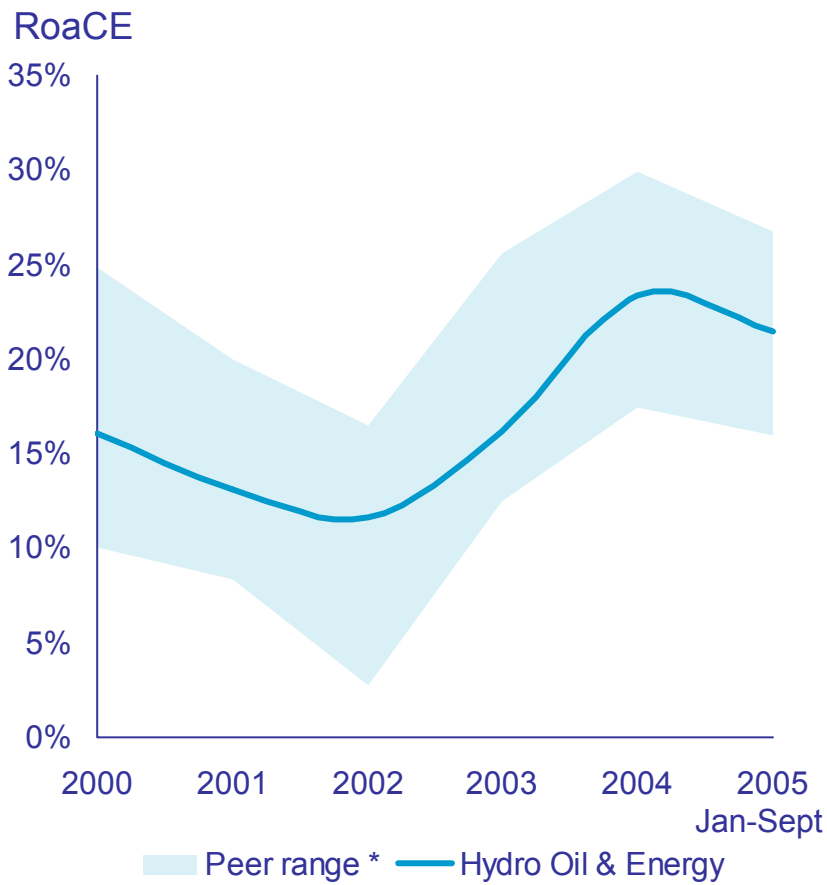
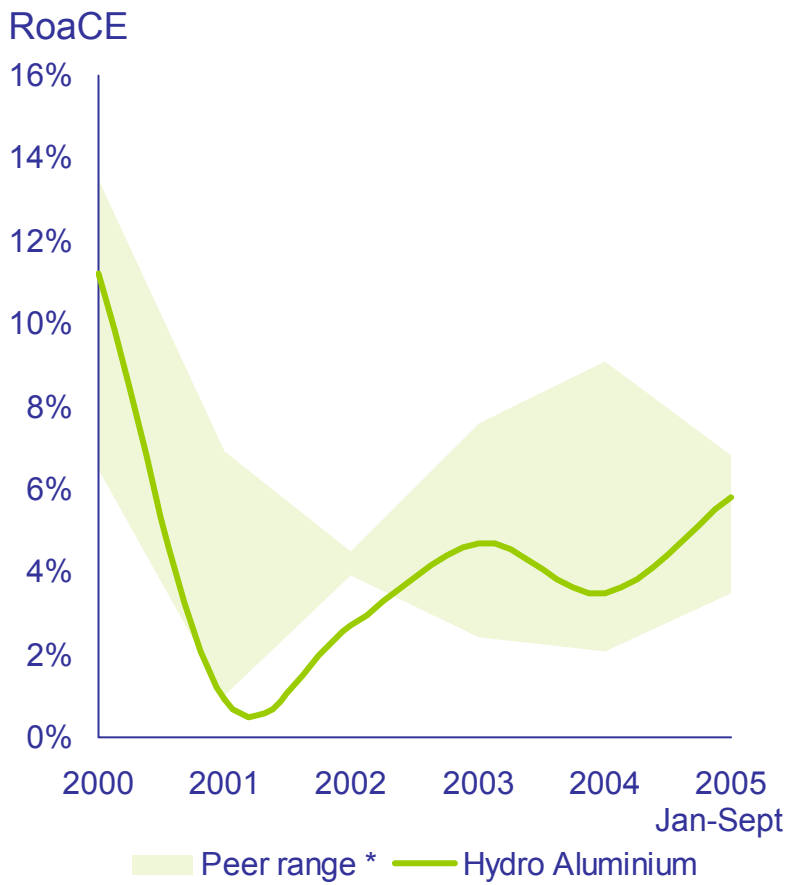
Return on capital competitive with peers



* BG Group, BP, Chevron, ENI, ExxonMobil, Shell, Statoil and Total



* Alcoa and Alcan

Source: Company Filings / Goldman Sachs

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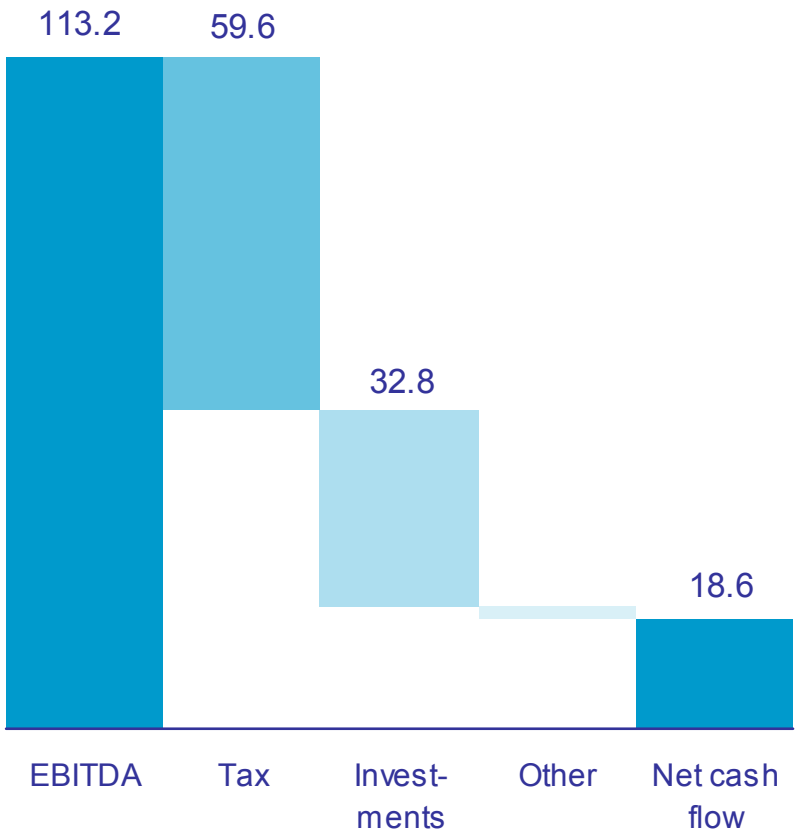
Capital allocation and investment criteria

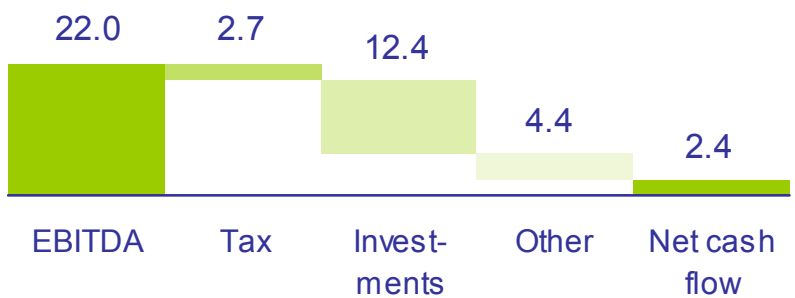
Positive cash-flow generation

2003 - Q3 2005

Oil & Energy



Aluminium



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Capital allocation

- Investments focused upstream
- Reduced engagement downstream Aluminium
  - Minimum investment level
  - Cash positive
- Business areas to demonstrate ability to fund capital projects with own cash flow

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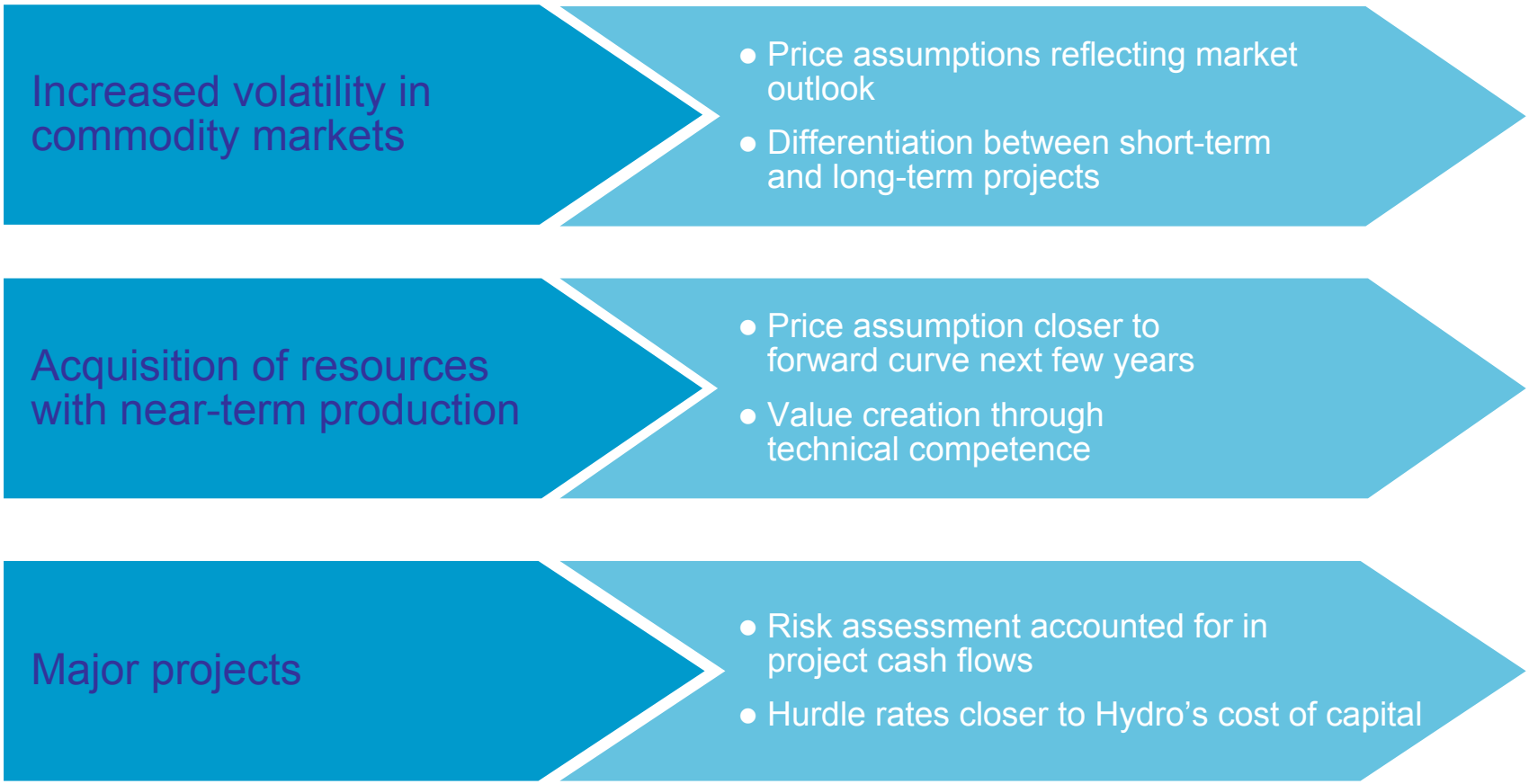
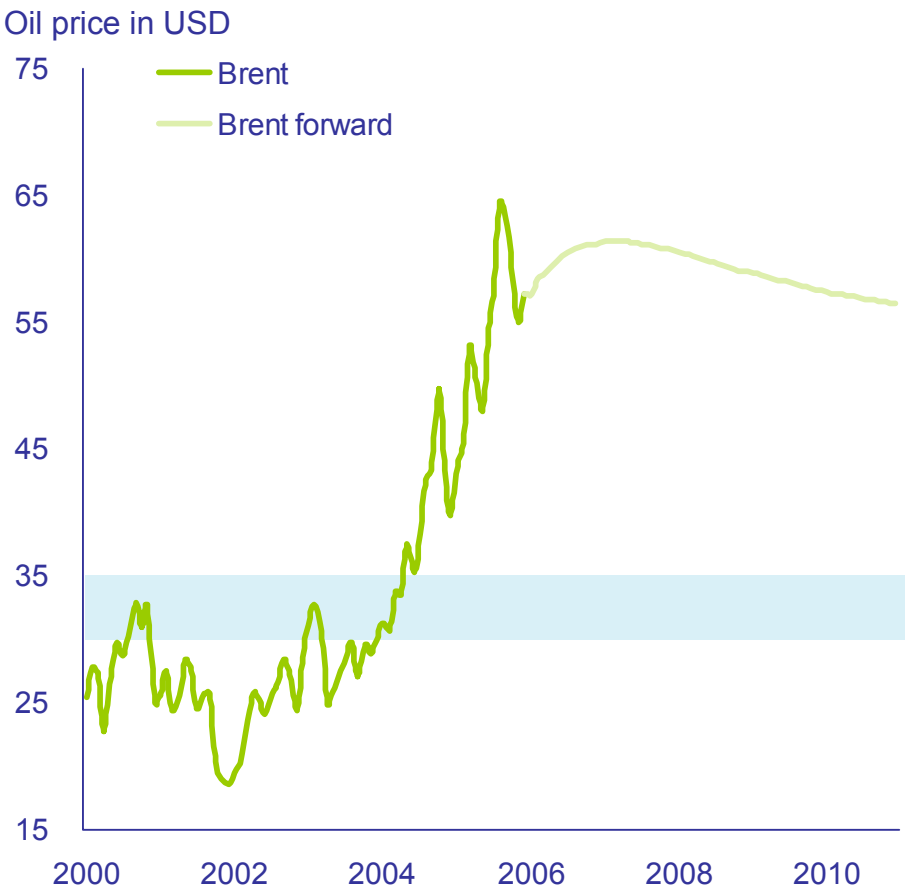
Investment evaluation approach



HYDRO

Investment criteria – Oil & Energy

Maintaining capital discipline in volatile markets



Source: Ecowin Brent FOB Dated NWE, Spot, Close (Nominal)

- Oil price
  - Long-term: USD 30-35 per barrel
- Currency
  - NOK/USD 6.5
  - NOK/EUR 8.0
- Hurdle rate
  - 10% IRR real after tax
  - IRR after tax above Hydro's cost of capital when risk is accounted for in cash flows

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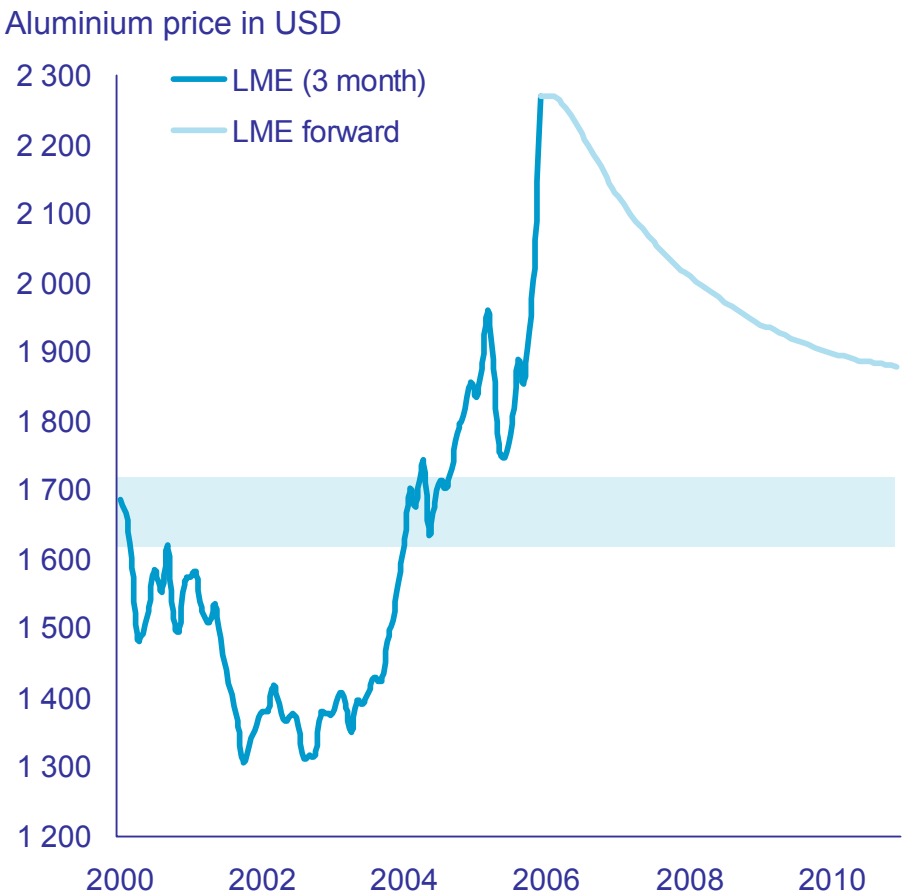
Investment criteria – Aluminium

Maintaining capital discipline in volatile markets



Source: Ecowin Aluminium, 3 Month Forward, LME, Close, (Nominal)

- Aluminium price
  - USD 1 600 - 1 700 per tonne
- Currency
  - NOK/USD 6.5
  - NOK/EUR 8.0
- Hurdle rate
  - 10% IRR real after tax
  - IRR after tax above Hydro's cost of capital when risk is accounted for in cash flows

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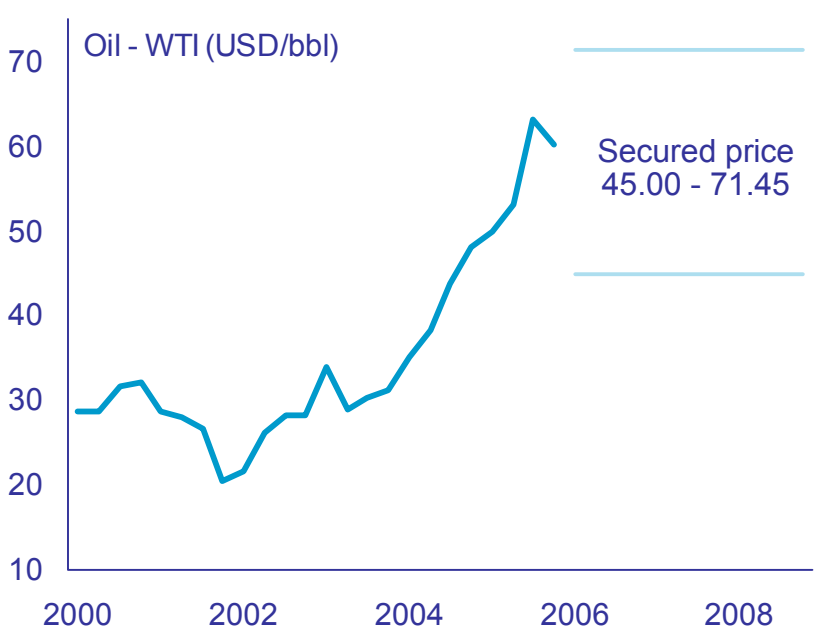
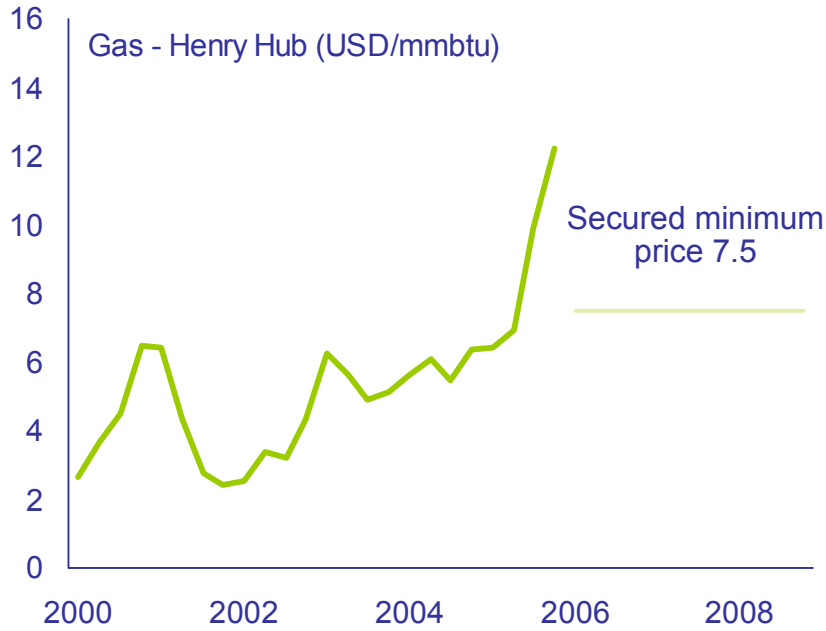
Secured prices for Spinnaker production



Source: Ecowin Oil, WTI Crude Oil, Spot, USD, (Nominal)



Source: Ecowin Natural Gas, Henry Hub, Spot, Close, USD, (Nominal)

- Prices secured for 2006-2008 for 35.9 million boe
  - Oil: 15.4 million boe (zero cost collar options)
  - Gas: 121 tbtu (put option with strike price 7.5 USD/mmbtu and deferred premium of 0.78 USD/mmbtu)
- Hedge structure preserves significant part of upside
- Hedging instruments marked to market with changes in fair value reported in earnings

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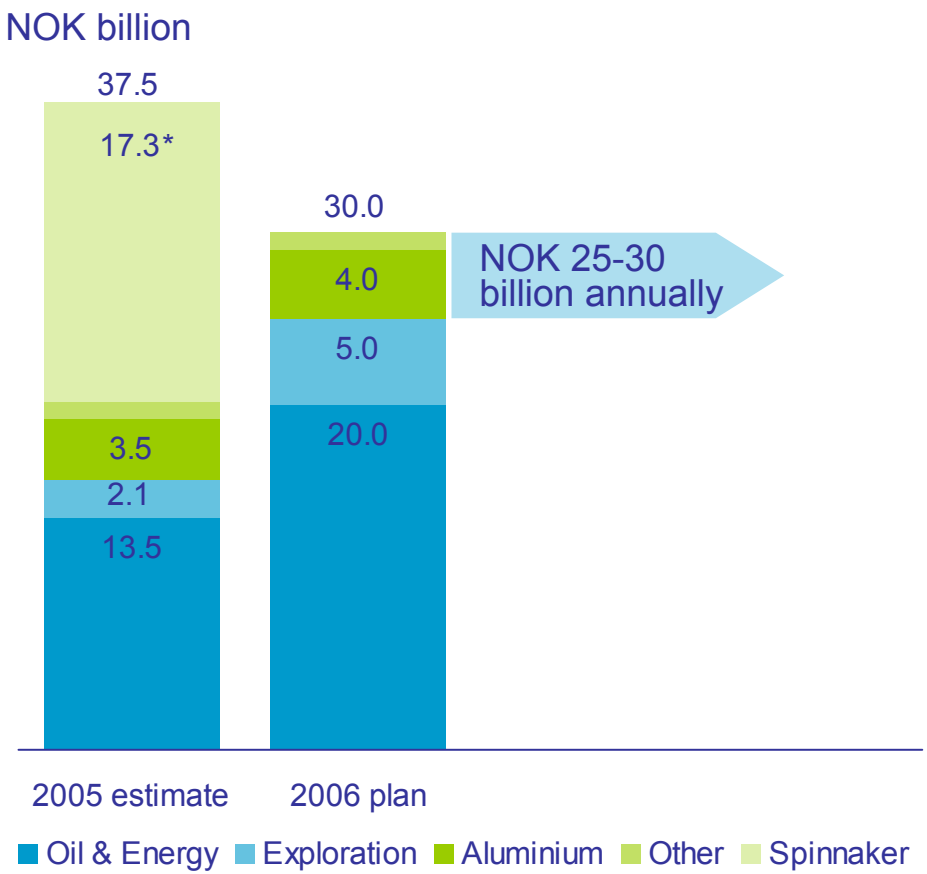
Capital and exploration expenditure



* Excluding gross-up for accounting purposes of approximately NOK 5 billion

2005

- Spinnaker acquisition
- Aluminium downscaled activity

2006-2010

- Oil & Energy
  - Increased exploration
  - Increased international activity
- Aluminium
  - Scale down overall investment level
  - Major projects Qatalum and Alunorte

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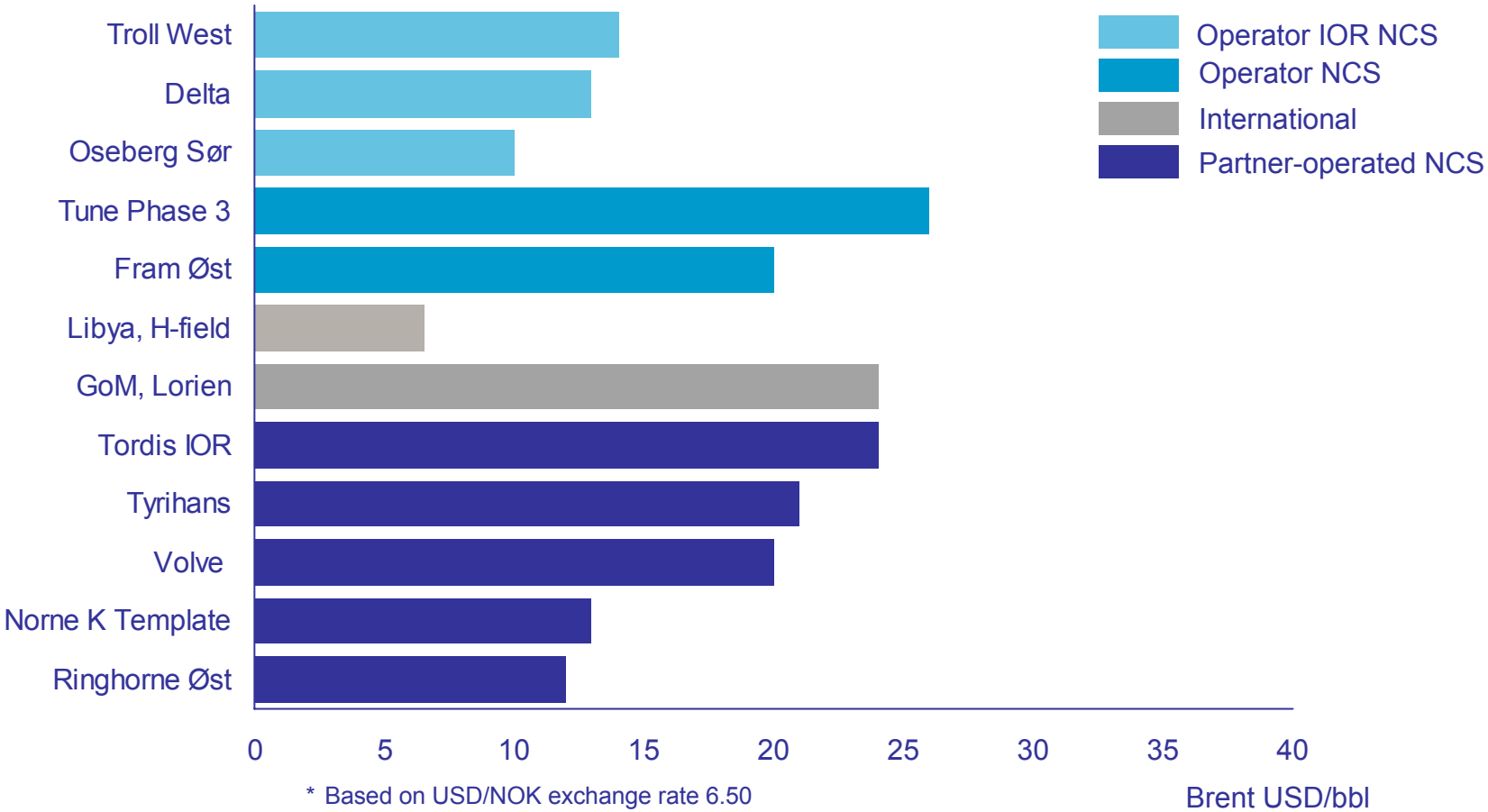
Sanctioned projects in 2005 with robust profitability

Oil price gives 10% real rate of return post tax*



* Based on USD/NOK exchange rate 6.50

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Financial priorities

- Capital discipline
- Realize value from recent acquisitions
- Strong performance focus
- Competitive shareholder returns

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Additional information

Indicative price and currency sensitivities 2006

NOK million	Income before tax	Net income	Change
Oil price per barrel	1 100	325	1 USD
Aluminium price per tonne	950	665	100 USD

NOK million	Income before tax	Net income	Change
USD Oil & Energy	7 500	2 250	1 NOK
USD Aluminium	2 800	1 900	1 NOK
USD before financial items	10 300	4 150	1 NOK
USD financial items	(3 000)	(1 950)	1 NOK
USD Net income	7 300	2 200	1 NOK

- Based on approximate average 2005 prices and expected business volumes for 2006:
  - Oil 50 USD/bbl
  - Aluminium 1 900 USD/tonne
  - NOK/USD 6.5
- USD sensitivity for Oil & Energy and Aluminium includes both USD revenues and USD costs
- Total USD sensitivity of financial positions is NOK 4 000 million negative and consists of assets and liabilities in various financial instruments. Positive net working capital of USD 1 000 million reduces the total sensitivity to 3 000 million.

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Financial solidity – calculation

Amounts in NOK million		31 December 2001	31 December 2002	31 December 2003	31 December 2004	30 September 2005
[A]	Cash and cash equivalents	27 148	5 965	15 249	14 366	16 607
[B]	Short-term investments	2 421	2 647	1 581	10 970	16 760
[C]	Bank loans and other interest-bearing short-term debt	(8 458)	(7 306)	(5 569)	(3 785)	(4 324)
[D]	Current portion of long-term debt	(1 966)	(1 958)	(1 242)	(568)	(397)
[E]	Long-term debt	(37 853)	(30 902)	(28 568)	(19 487)	(20 456)
[F]=[A]+[B] +[C]+[D]+[E]	Net interest-bearing debt	(18 708)	(31 554)	(18 549)	1 496	8 190
[G]	Net pension liabilities at fair value	(2 133)	(10 107)	(11 973)	(10 056)	(10 879)
[H]	Expected income tax benefit 30%	640	3 032	3 592	3 017	3 264
[I]=[G]+[H]	Net pension liabilities tax adjusted	(1 493)	(7 075)	(8 381)	(7 039)	(7 615)
[J]	Operating lease commitments discounted at 4.8% (2004: 10%)	(5 072)	(4 924)	(4 916)	(3 500)	(4 062)
[K]=[F]+[I]+[J]	Adjusted net interest-bearing debt	(25 272)	(43 552)	(31 846)	(9 043)	(3 487)
[L]	Net pension liabilities not recognized without equity effect	(2 767)	(6 994)	(7 862)	(6 341)	(6 340)
[M]	Expected income tax benefit 30%	830	2 098	2 358	1 902	1 902
[N]=[L]+[M]	Equity adjustment off-balance sheet pension liabilities	(1 937)	(4 896)	(5 504)	(4 439)	(4 438)
[O]	Minority interest	1 051	1 143	660	(1 571)	(1 357)
[P]	Shareholders' equity	74 793	75 867	88 080	(85 890)	(91 606)
[Q]=[N]+[O]+[P]	Adjusted shareholders' equity and minority	73 907	72 114	83 236	(83 022)	(88 525)
[R]=[K] / [Q]	Adjusted debt / equity ratio	0.34	0.60	0.38	0.11	0.04

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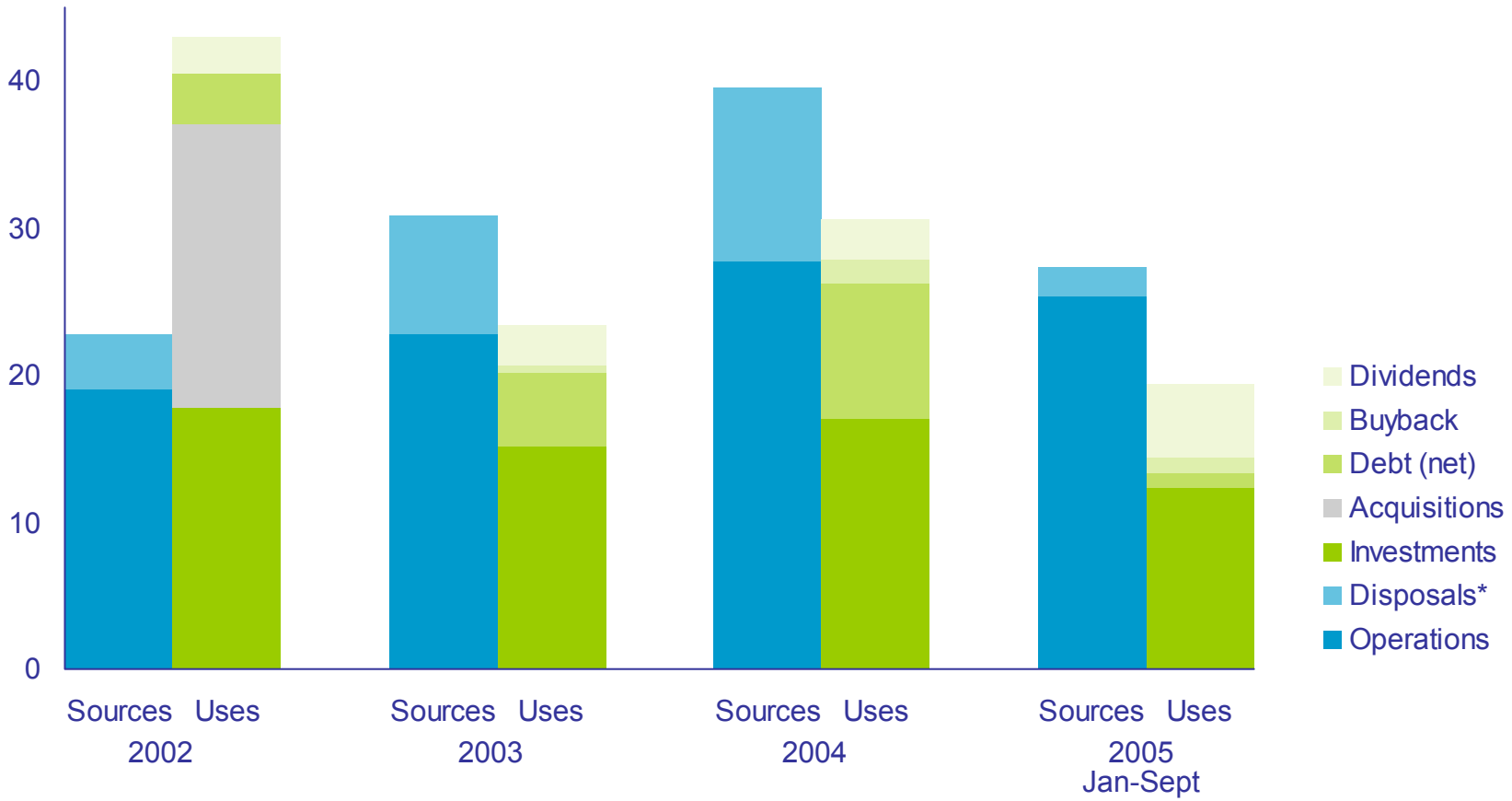
Sources and uses of cash



* Net cash from discontinued operations (Yara) included

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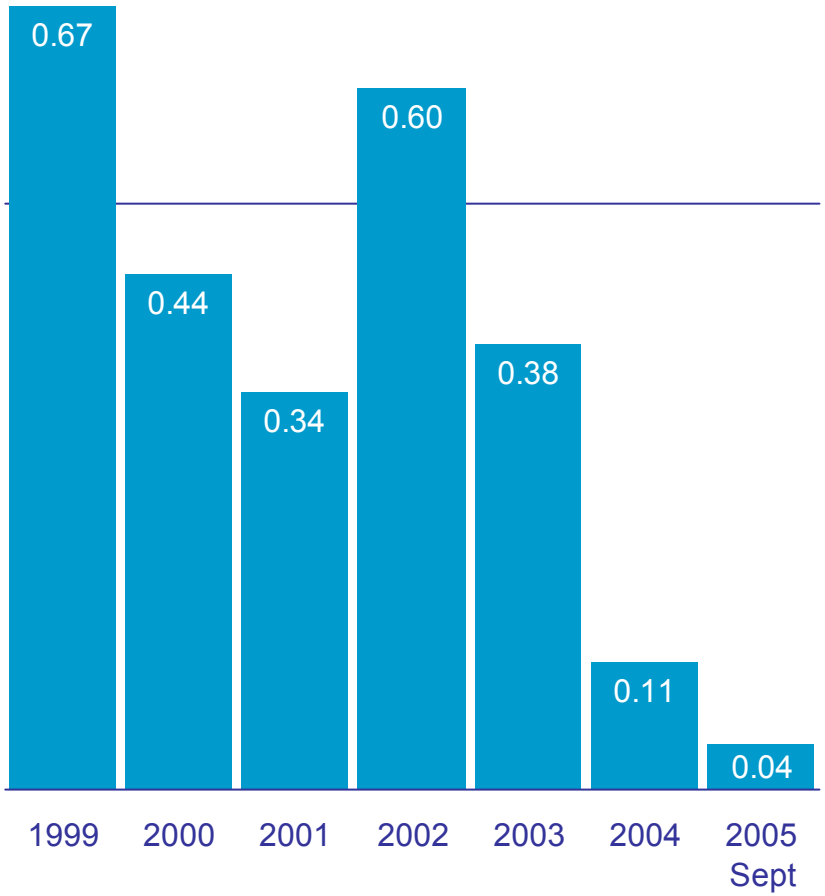
Strong financial position

Adjusted net debt/equity ratio



- Positioned to seize strategic opportunities
- Strong balance sheet allows for exposure to commodity prices
- Single A credit rating target maintained. Present rating:
  - Standard & Poor's: A
  - Moody's: A1
- Target debt/equity ratio 0.5

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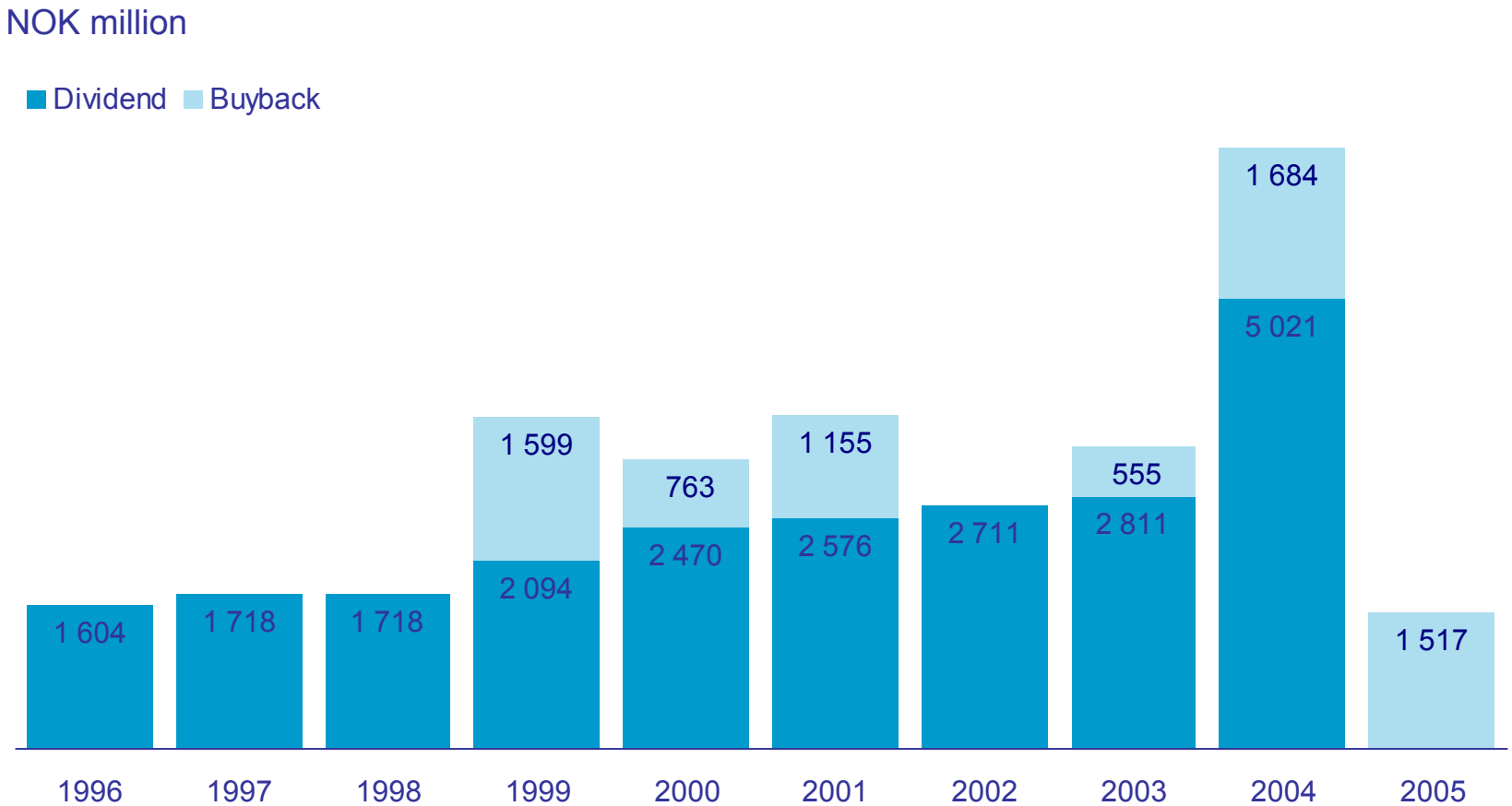
Increasing payout to shareholders



Dividend allocated to the year for which the dividend was paid. Buyback allocated to the year when the buyback transactions were executed.

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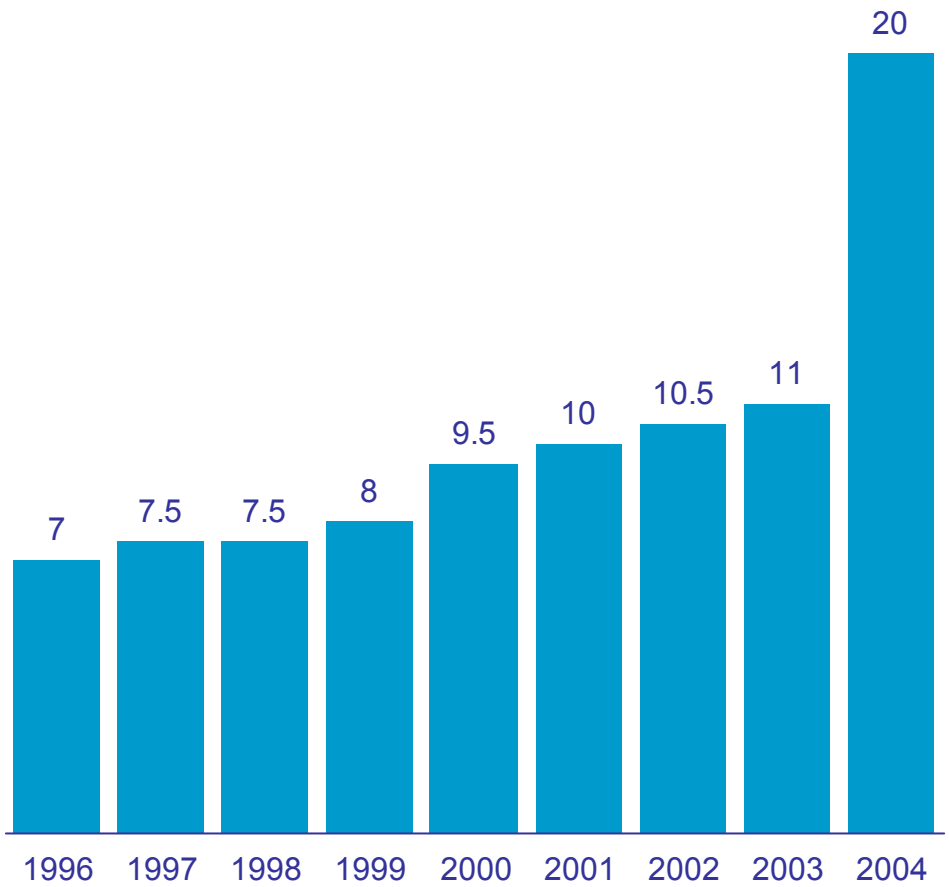
2005 dividend in line with 2004 level

Dividend per share in NOK



- Delivering increased dividend as earnings have grown
- 2005 net income expected to exceed 2004

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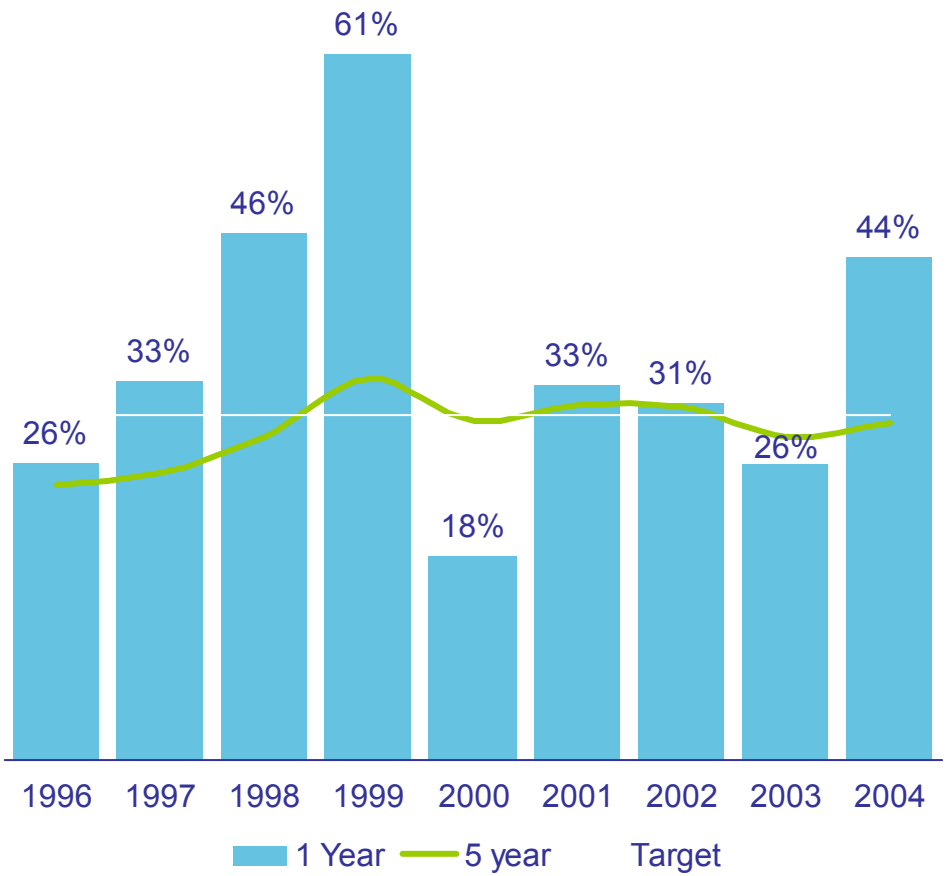
30% payout ratio over time

Payout ratio



- Dividend policy maintained
- Planned payout per share in 2005 is in line with policy
- Continued high commodity prices support current payout per share level
- Challenging to maintain a stable increase in dividend with volatile commodity prices

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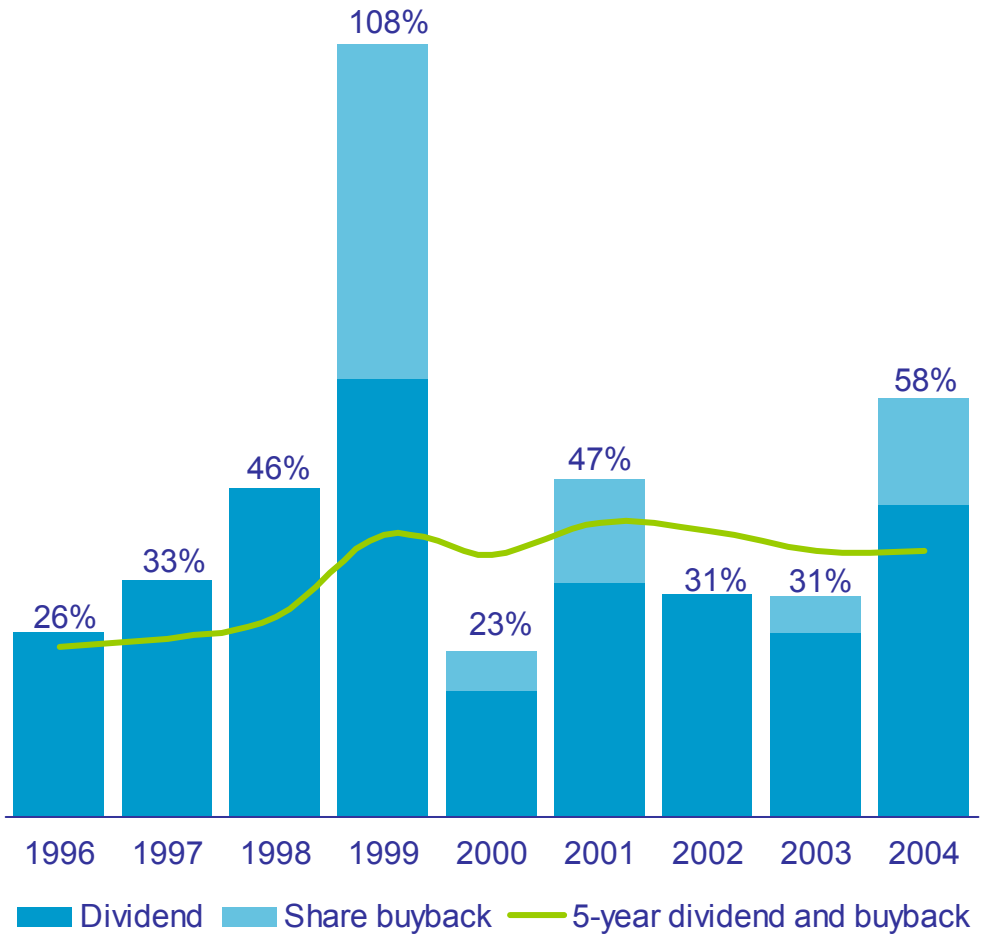
Share buyback lifts payout ratio

Payout ratio with dividend and buyback



- Supplement to dividend in periods with high earnings
- 2005 buyback activity
  - 2 191 190 shares acquired from the Norwegian state
  - 830 000 shares acquired in the market
  - Total NOK 1 517 million

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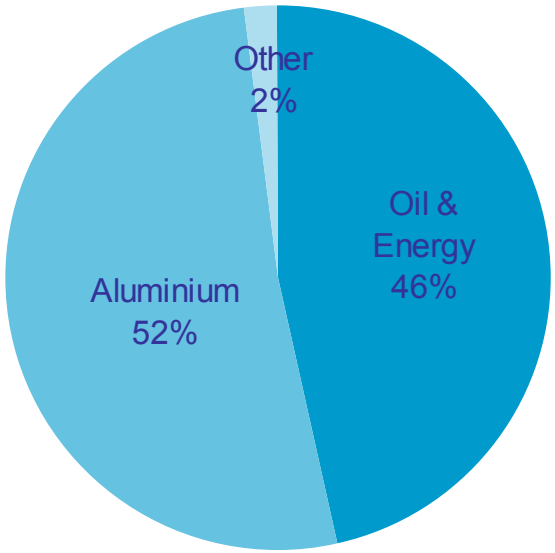
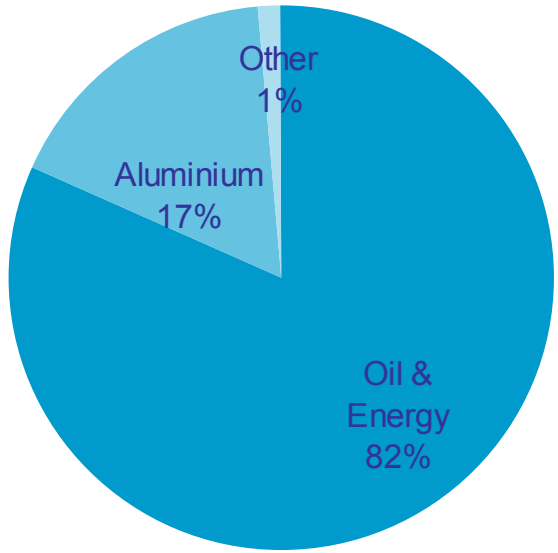
Financial overview 2004

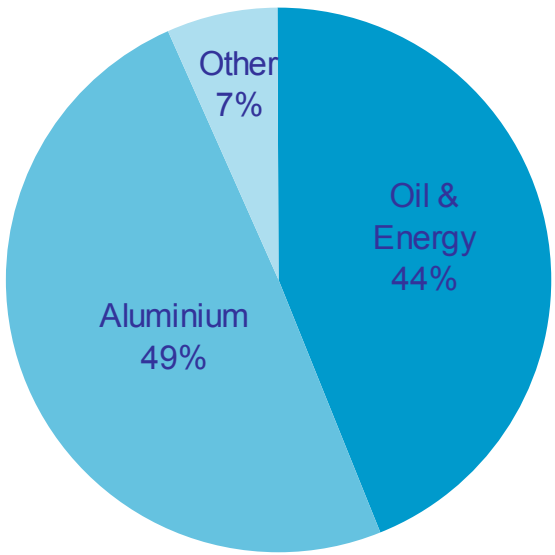
Operating revenues – NOK 154 billion



Adjusted EBITDA – NOK 51 billion



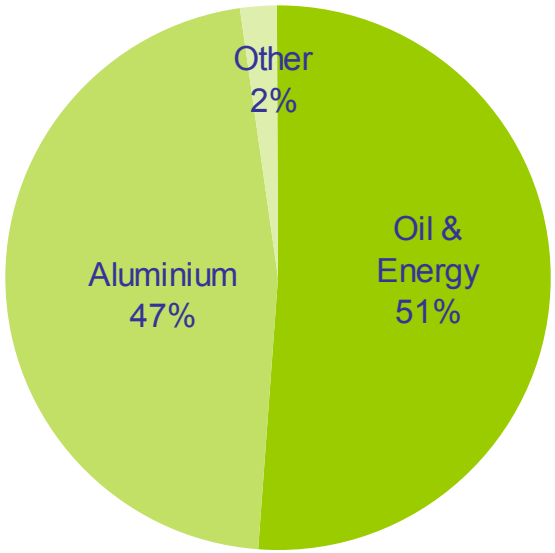
Capital employed –
NOK 86 billion



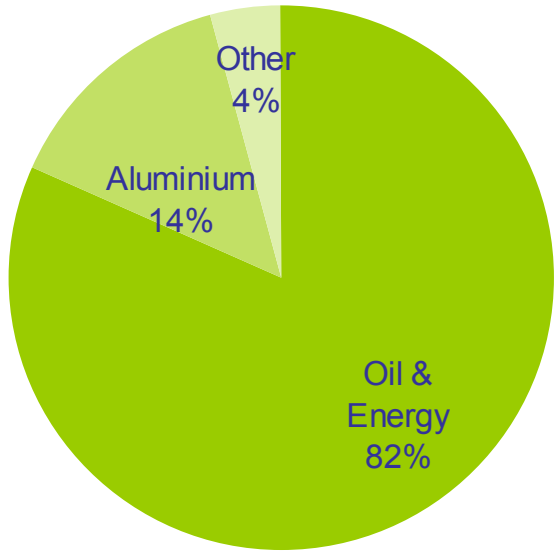
HYDRO

Financial overview 2005 Q1 – Q3

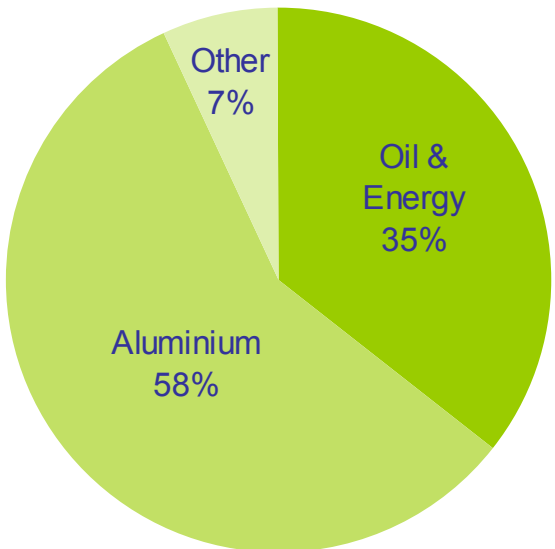
Operating revenues – NOK 129 billion



Adjusted EBITDA – NOK 48 billion



Capital employed – NOK 85 billion



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Aluminium

Jon-Harald Nilsen
Executive Vice President and Head of Aluminium

Agenda

- Significant internal improvements achieved
- Increased costs – an industry challenge
- Repositioning Aluminium – enhanced upstream focus
- Roadmap to return target
  - Strong measures to improve downstream performance

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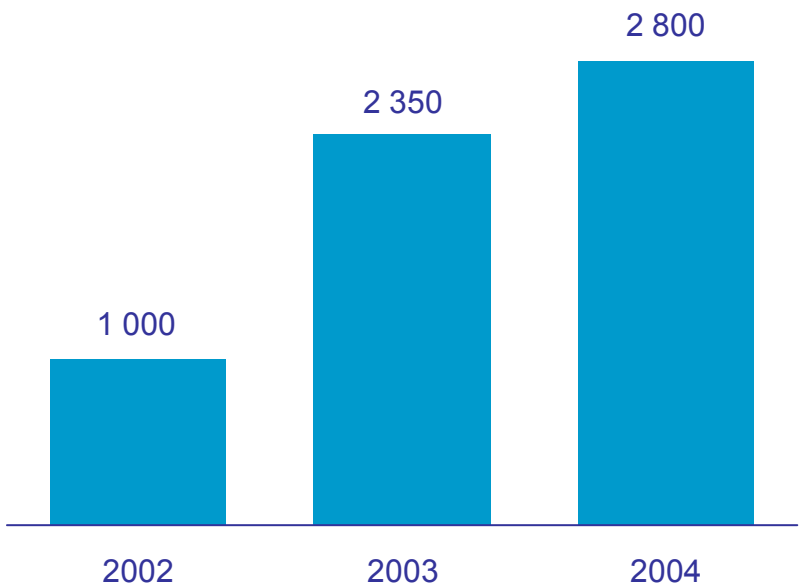
Continued cost improvement

Effects of reported cost-reduction programs*

Annual, NOK million



* As reported Capital Markets Day 2004

Additional improvement efforts

- Metals
  - Aluimprover 2004-2006
  - Neuss 2005-2006
  - Kurri-Kurri operational improvements
- Rolled Products
  - Improvement program 2002-2005
- Extrusion & Automotive
  - Capacity adjustments in Extrusion
  - Rationalization at Toulouse, Raeren, Holland and Adrian
- Closures and divestments
  - Søderberg lines (Norway), Hamburg and Stade
  - Leeds and Sanquhar
  - Puckett, Wuxi and Marine

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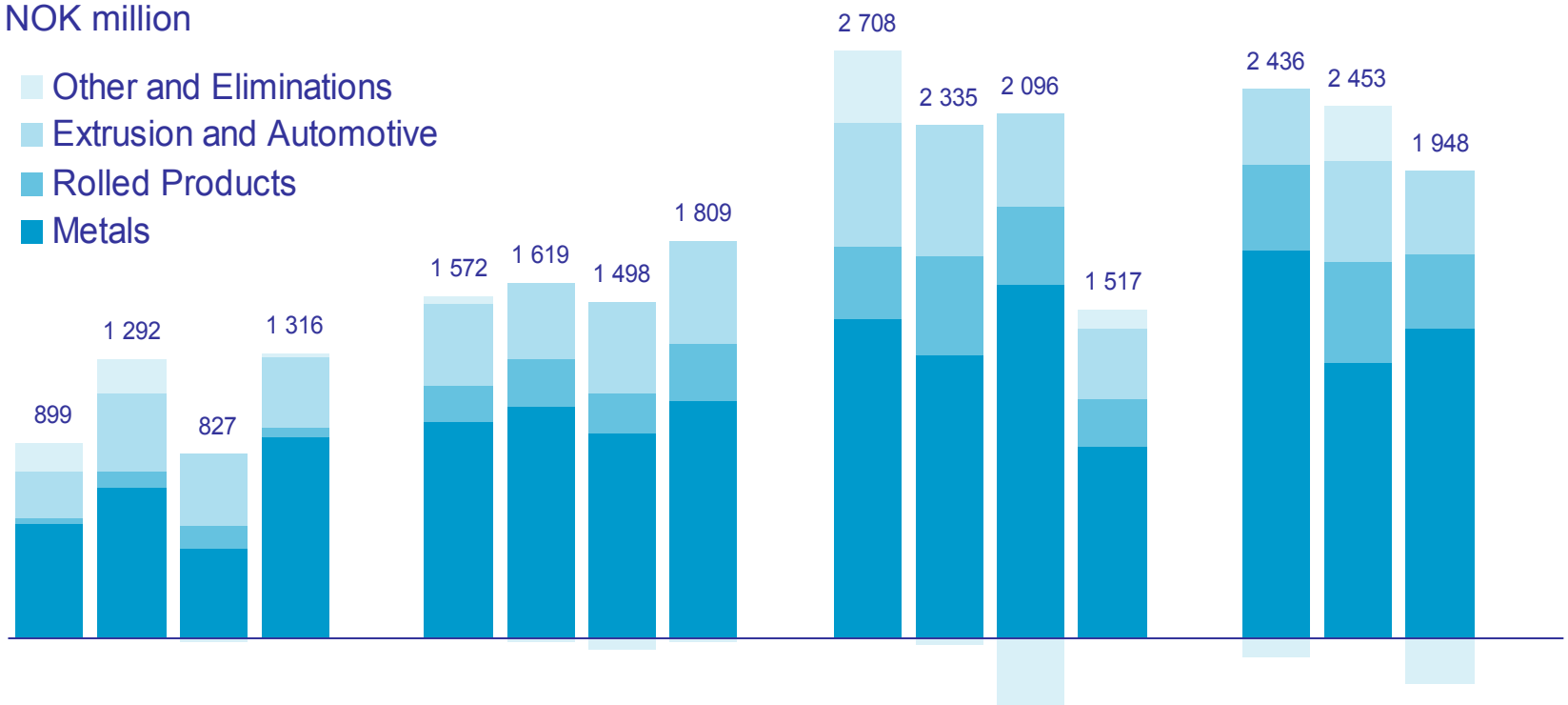
Improvements in cash from operations

Adjusted EBITDA*



2002	2003	2004	Jan-Sept 2005
4 334	6 498	8 656	6 837

* Income/(loss) before tax, interest expense, depreciation, amortization and write-downs

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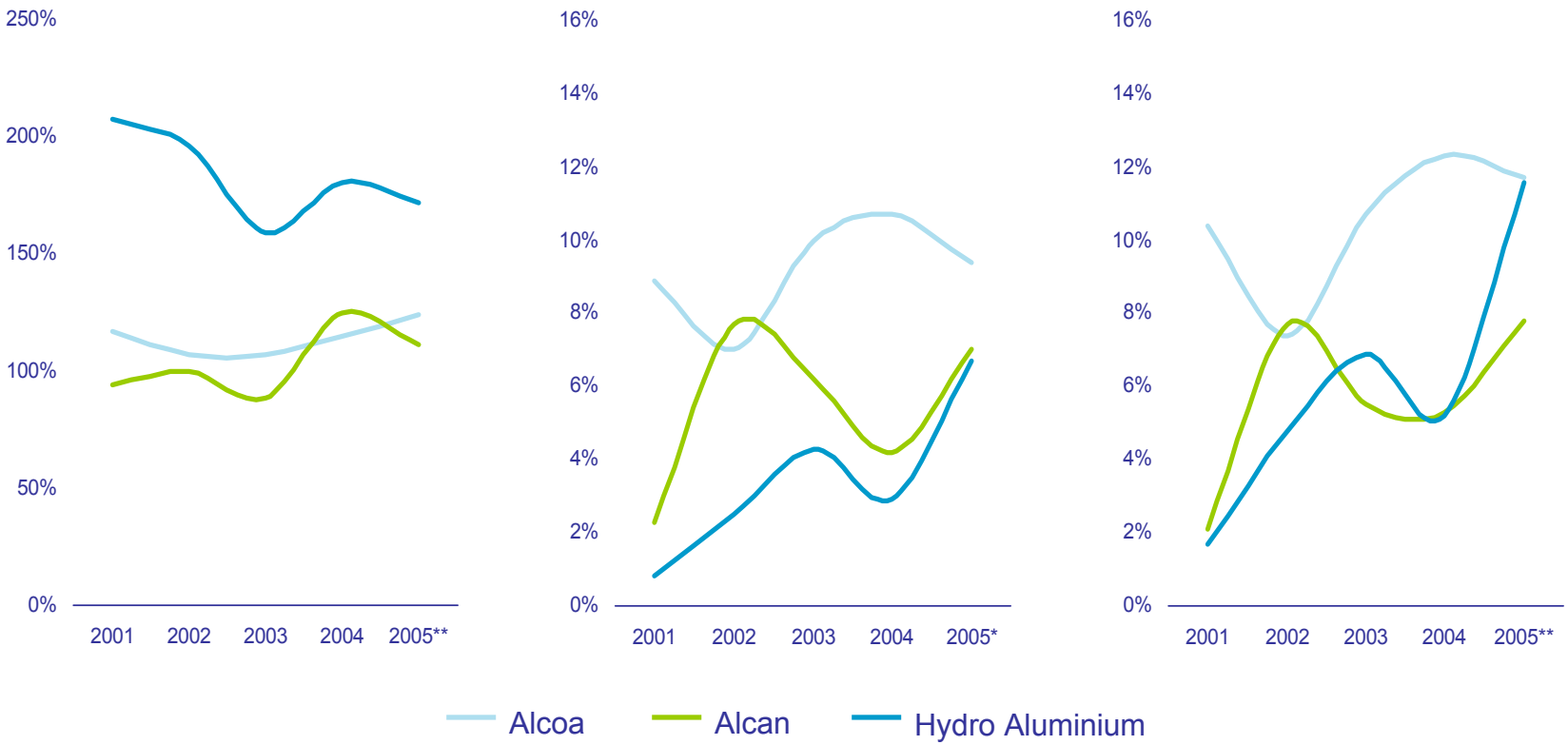
Closing performance gap

Revenues / capital employed X EBIT / revenues = EBIT / capital employed



Source: Company reports and Hydro estimates. Proxy figures where needed to obtain comparative figures
* YTD Q3. ** YTD Q3 annualized

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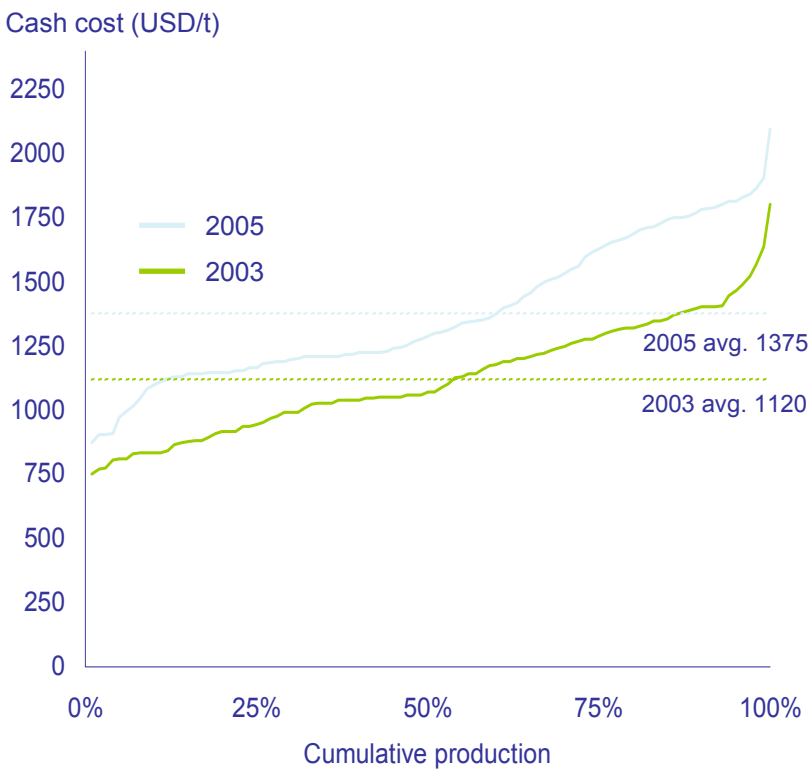
Increased costs – an industry challenge

Significant shift in industry cost curve*



- Energy
  - Oil and gas prices
  - Coal prices
  - CO_2 emission trading
  - Supply/demand for electricity
- Alumina
- Other raw materials
- Freight

** Source: CRU (Corporate Operating Cost definition)*

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Aluminium power supply

- 2006 primary smelter power requirement 27 TWh
  - Long-term contracts: 23 TWh
  - Short-term supply: 4 TWh
- 2006 estimated power cost increase of NOK 1.4 billion*
  - 2007-2010: only limited price changes expected on long-term contracts
- Price level on long-term contracts in line with global industry average

* Including upstream and downstream

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Aluminium prices at higher levels

5-year forward prices, LME

USD/tonne

- Attractive supply/demand outlook
- Increased cost supports higher price
- 5-year price from 1 400 to 1 850 USD/t

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Strategic shift in Aluminium

- Priority to upstream investments for repositioning and growth
- Improve profitability and cash generation downstream
- Enhance value through metal products positions

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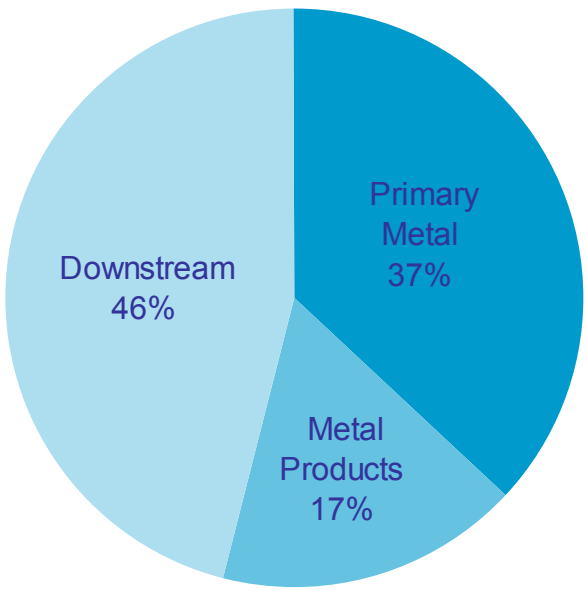
Capital allocation toward upstream

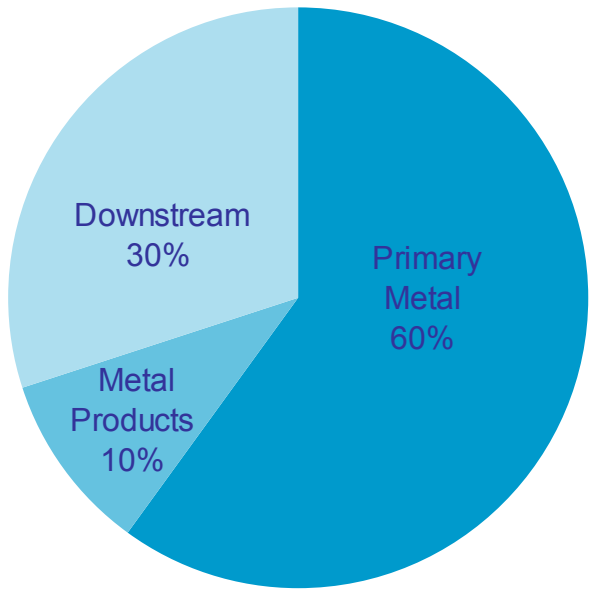
Capital employed

2004



Capital expenditure

2006-2010E



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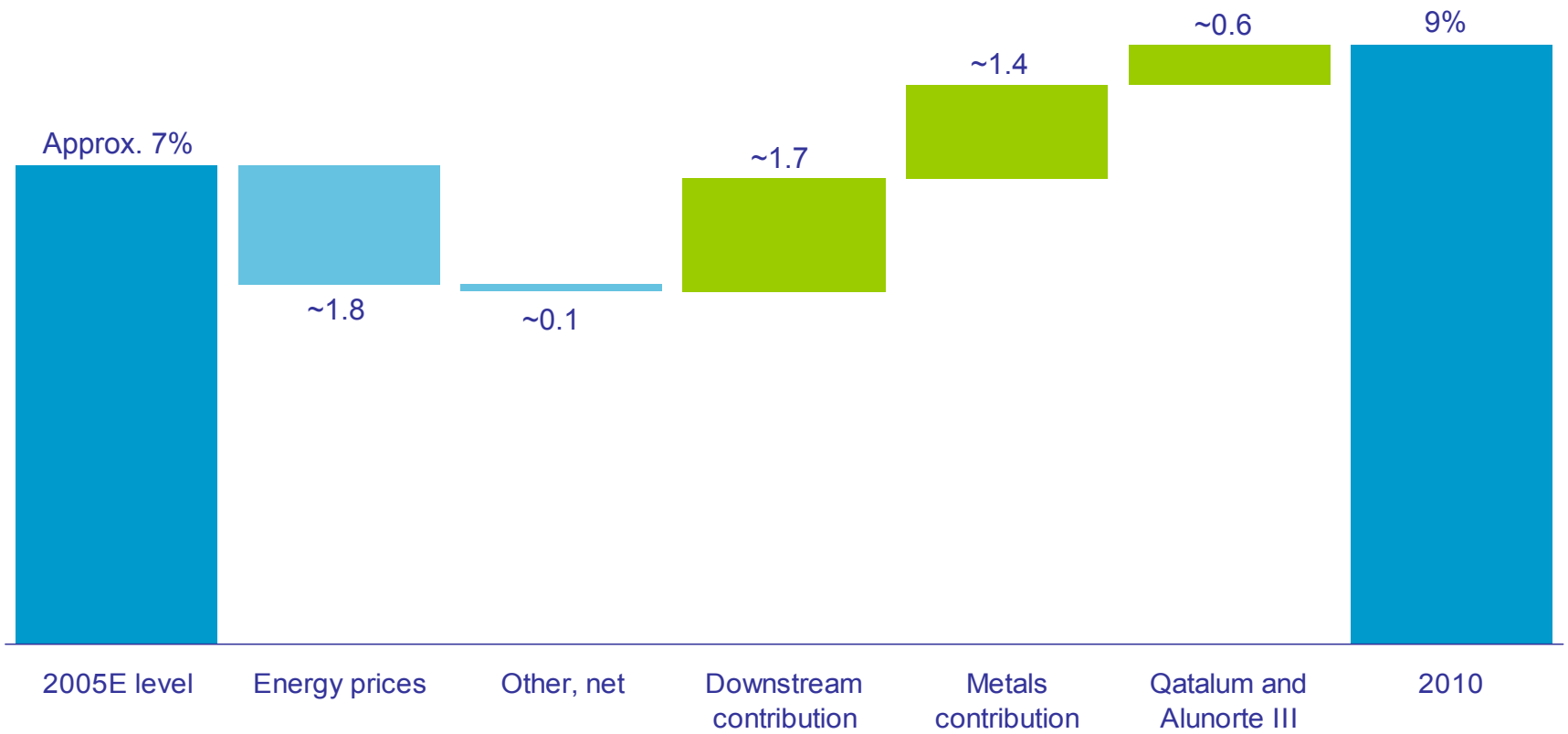
Roadmap to return target

Return on average capital employed - RoaCE



Roadmap excludes price, market and one-time effects. Aluminium price and currencies at 2005 levels (1 850 USD/t and 6.50 NOK/USD)

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Urgent measures downstream

- Reduce investments
- Cash contribution NOK 6-7 billion 2006-2010E
- Turn around, close or sell underperforming units

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Leverage metal products positions

- Further develop performance in Europe
- Improve operations in North America and develop stronger presence in Asia
- Capitalize on Qatalum – new pillar in global marketing system
- Increase use of scrap in remelters

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New projects strengthen primary production

Smelter project in Qatar

- Hydro to market all metal - 570 000 tonnes per year
- Attractive profitability
- Expected start-up Q4 2009

Expansion 3 of Alunorte alumina refinery

- Expansion of 1.9 million tonnes to 6.5 million tonnes
- Among the most competitive conversion costs in the industry
- Expected project completion Q4 2008

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More competitive smelter portfolio

Primary production, 1 000 tonnes

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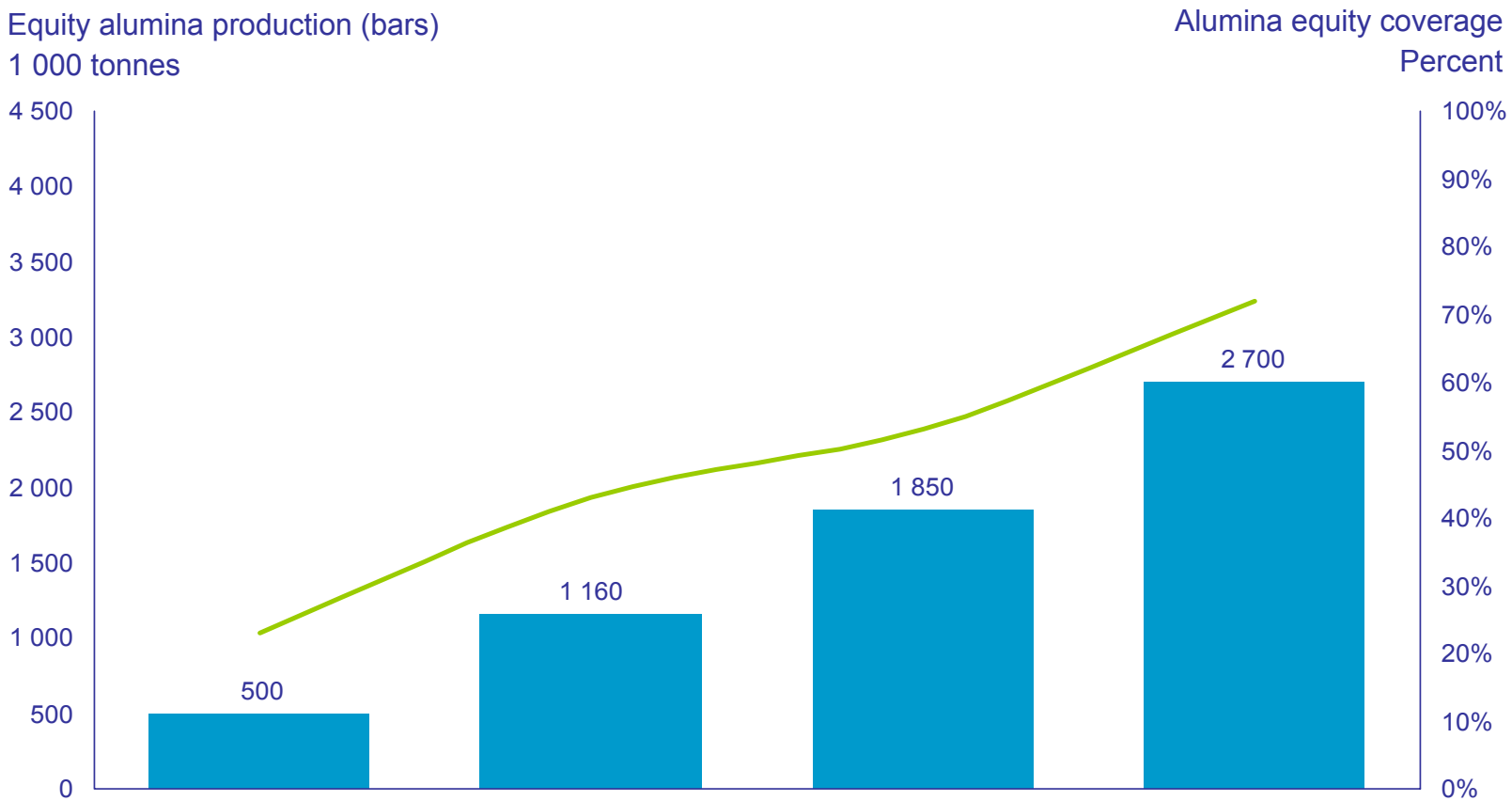
Increased alumina equity coverage at lower cost



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Priorities

- Execute in line with roadmap
- Implement urgent measures downstream
- Reposition and grow upstream
- Enhance value through metal products positions

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Additional information

Industry increasingly exposed to market power prices

Aluminium production* – power sourcing

* Excluding China

Source: CRU / Hydro

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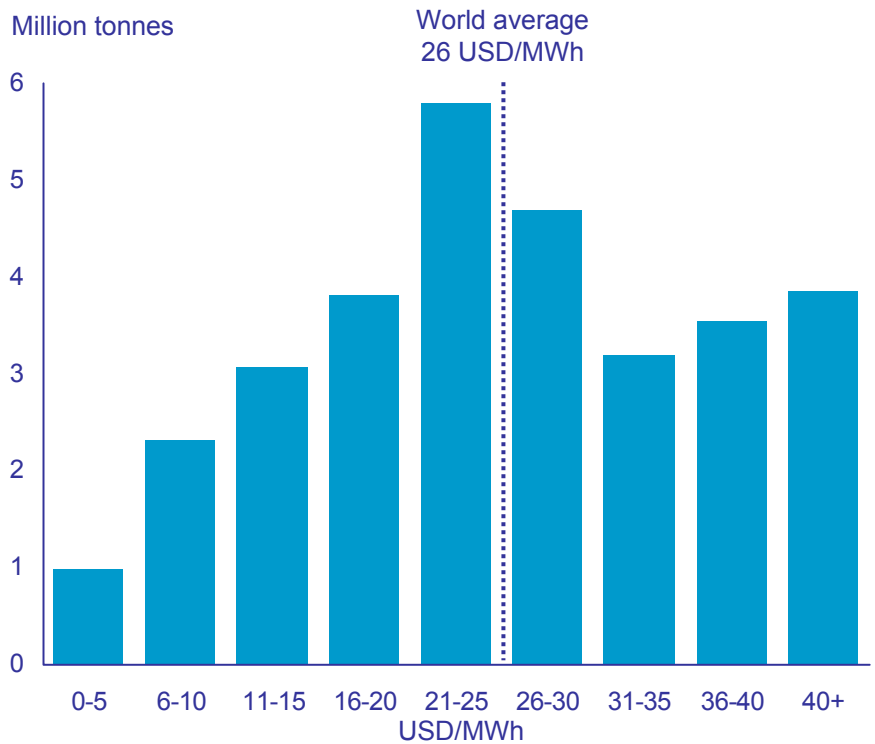
Hydro power costs on world average

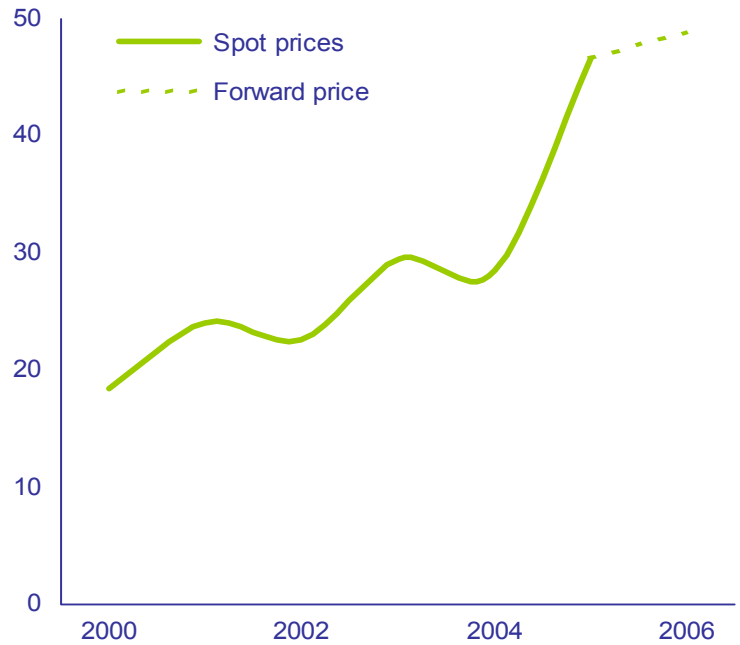
German prices not competitive

Power prices
World smelter production 2005



Source: CRU 2005

German electricity prices
€/MWh



Source: EEX. Price delivered site approx. 5-6 €/MWh higher (grid tariff & tax)

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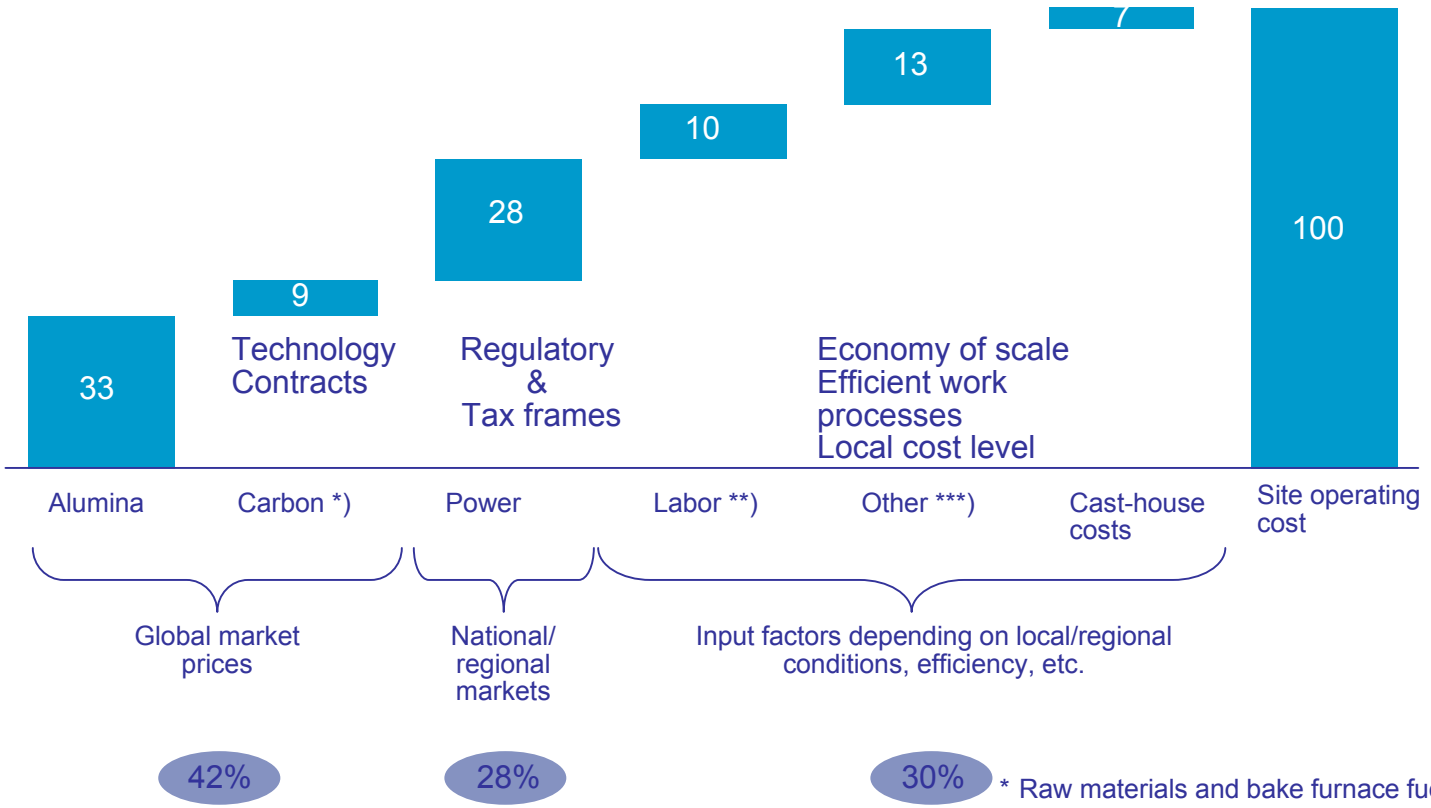
Smelter site operating cost position

Weighted average, percent



* Raw materials and bake furnace fuel costs
** Includes carbon plant, potroom and maintenance labor costs
*** Relining cost, capital replacement cost and administrative cost

Source: 2005 CRU industry cost model's figures for Hydro

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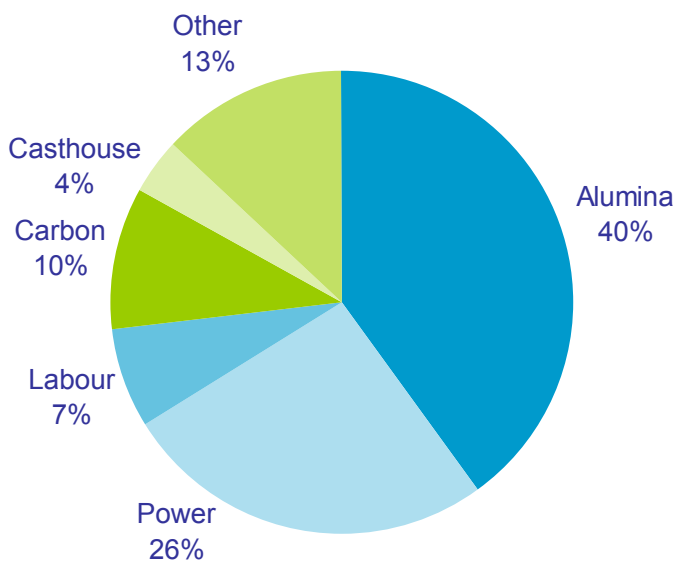
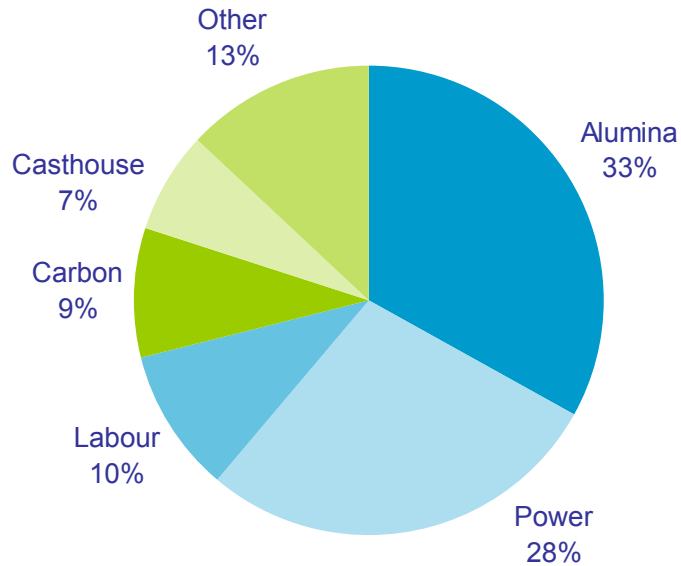
Alumina and power main smelter cost elements

World average cost structure*



Hydro average cost structure*



* CRU 2005, Site Operating Cost definition

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Project execution excellence

Morten Ruud,
Head of Projects, Oil & Energy

QVC – Qatar Vinyl Company – 2001 – NOK 3.7 bill.

Grane – 2003 – NOK 10.5 bill.

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SU 4 – Sunndal Expansion Project – 2004 – NOK 5.2 bill.

Qafco IV – Qatar fertilizer plant – 2004 – NOK 3.8 bill.

Tyin Hydro power plant – 2004 – NOK 1.0 bill.

Chlorine expansion Rafnes – ph.1 – 2005 – NOK 0.9 bill.

Consistent delivery within defined frames

- 94 Projects worth USD 15 billions from 1998 delivered on time and cost
- Latest oil development on NCS delivered ahead of time and below cost
- Ormen Lange 57% completed and on track

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World-class competence

- Innovative, efficient and team-oriented organization
- Determined project teams
- Risk management
- Project completion systems

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A structured way of decision making

- Capital value process
- Project integration
- Project controls
- Technology implementation
- Procurement
- Project completion

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Technology implementation

- Value creation combined with courage to implement new technologies
- Pushing technology further – subsea compression

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Modifications – offshore/onshore

- High risk due to ongoing operations
- Focus on HSE and detailed work preparations
- Flexibility in execution – seamless handover to operation
- Increased value

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Ormen Lange – on schedule and within budget

- Well defined concept at time of decision
- Innovative and cost-effective solutions
- Successful contract strategy and selection of contractors
- Ormen Lange / Langeled + 57% completed and within budget

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Technology, performance and society

- Increased value creation
- Delivery on time, budget and quality
- Talent for adaption to local setting

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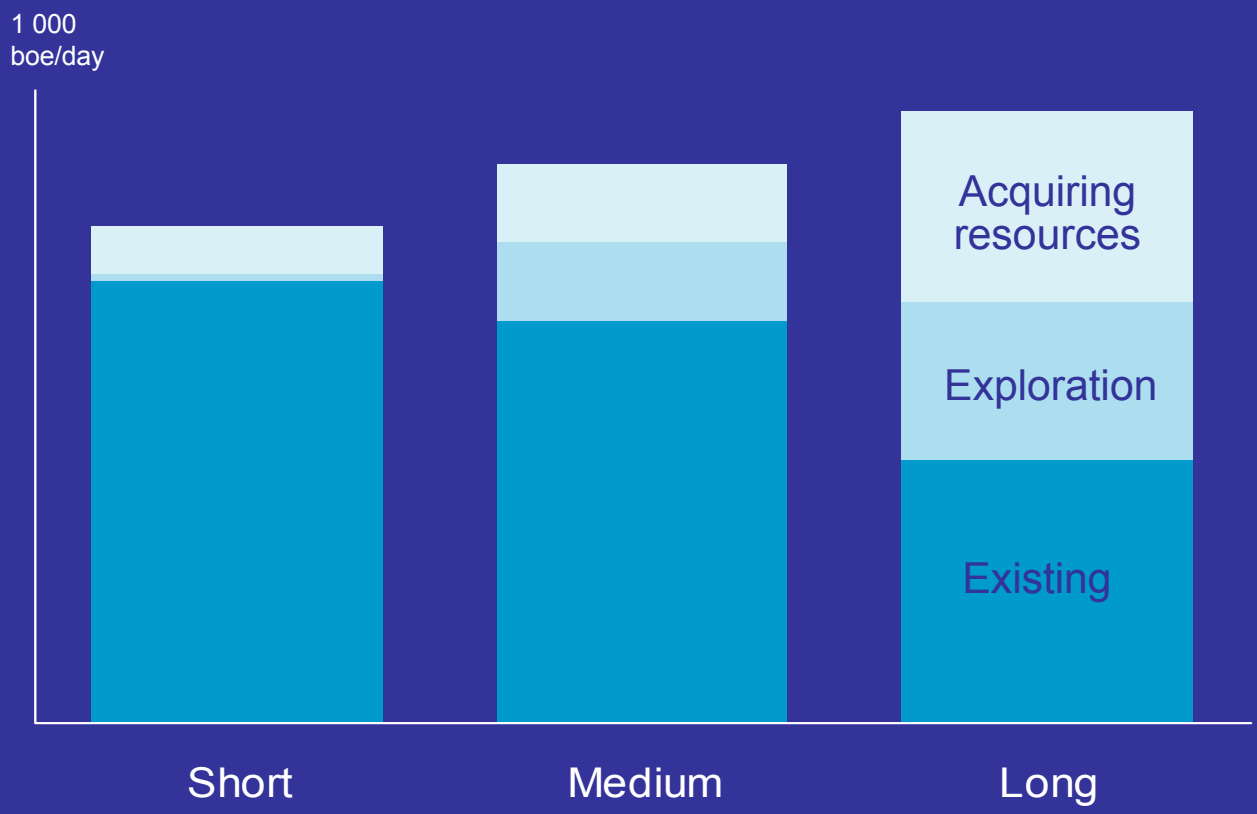
International breakthrough and plans

Kjetil Solbrække
Head of International Business Development, Oil & Energy

Capital Markets Day 2004

Sources of longer-term production growth



HYDRO

The world of hydrocarbons is changing

Stronger competence required in the future

Historically

Large discoveries and light oil
Accessible reserves
Limited environmental constraints

''The days of easy oil"

- Low cost
- OPEC controls supply

The future

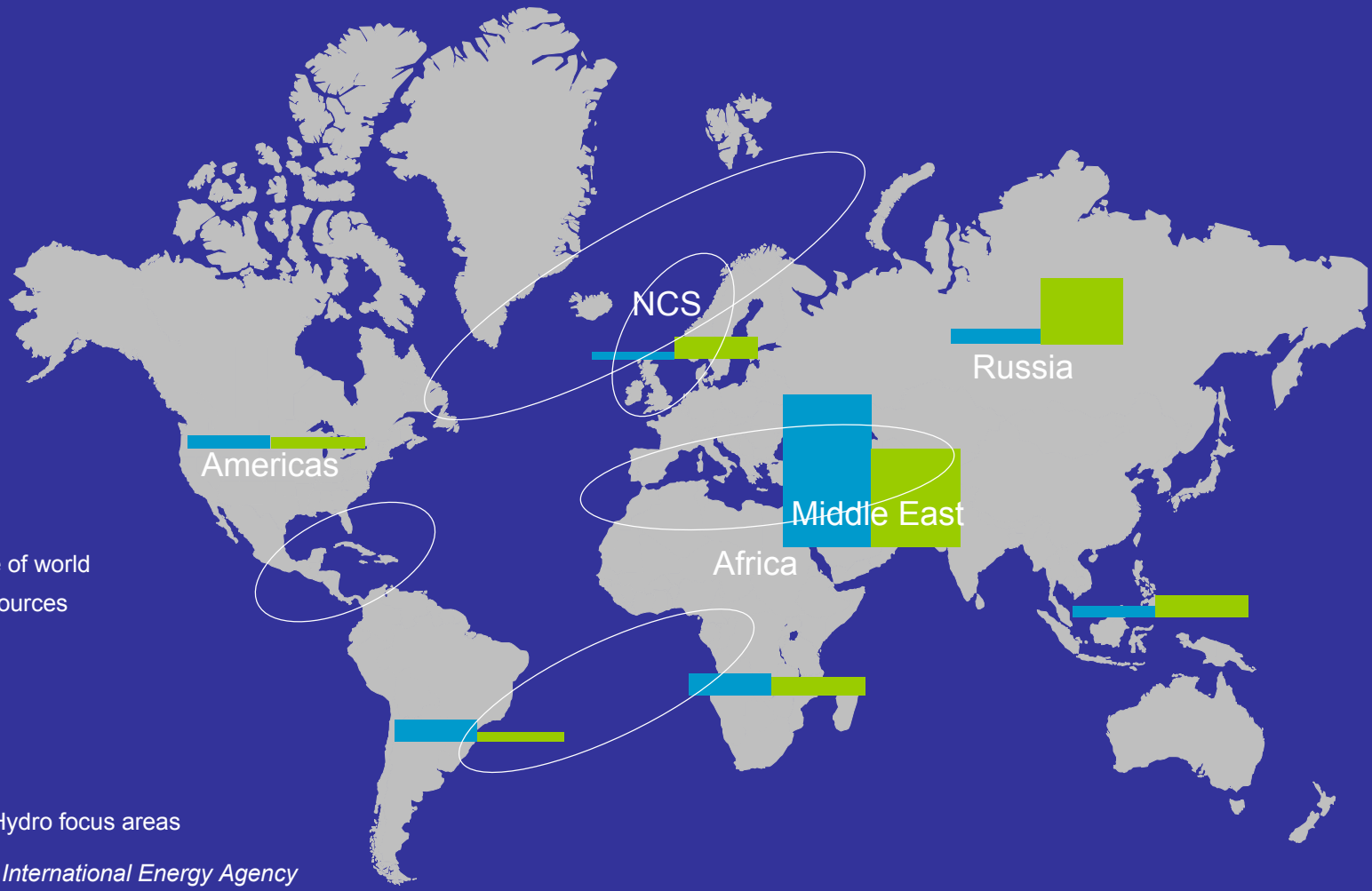
Smaller discoveries and heavy oil
Restricted access/ political unrest
Sustainable development

"Oil in need of competence"

- Higher costs
- Supply side sets prices

HYDRO

Internationalization focus



%-share of world total resources

Oil

Gas

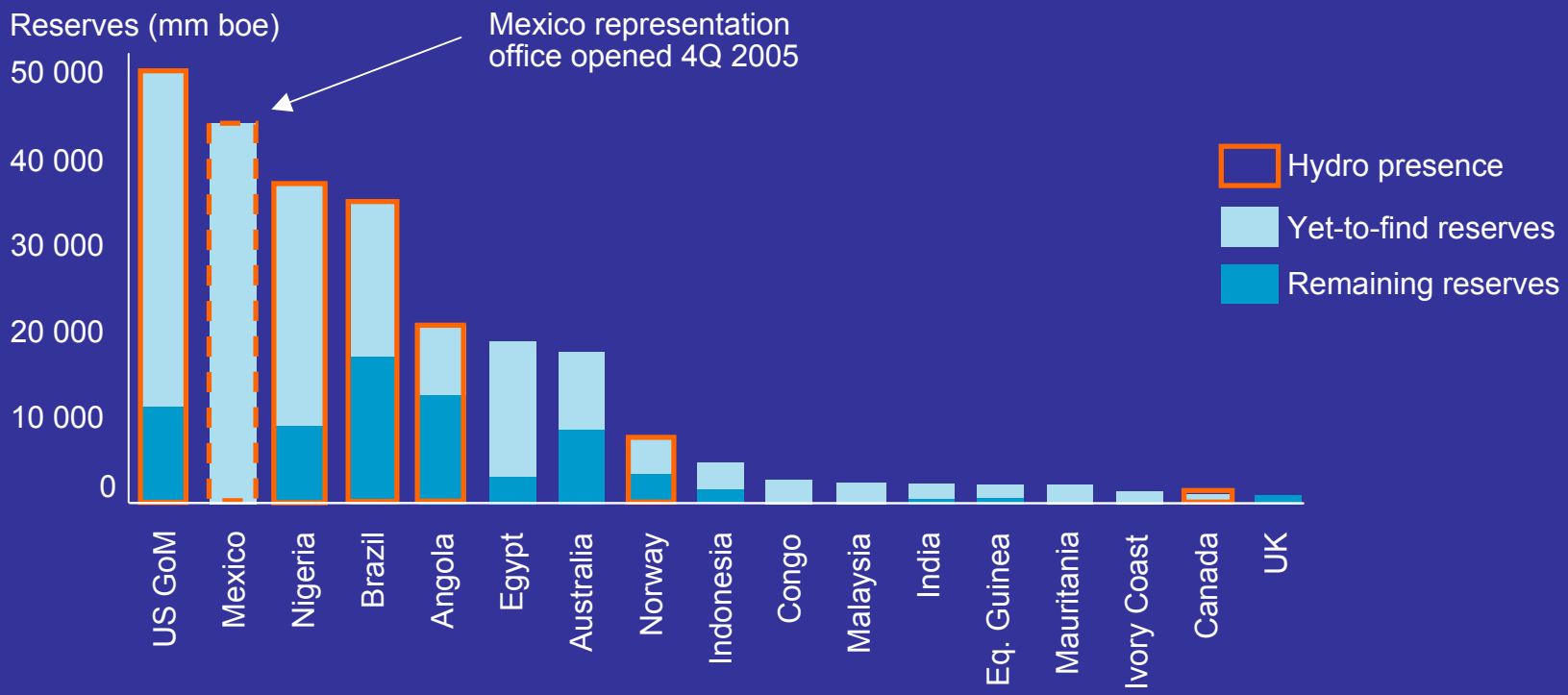
Hydro focus areas

Source: International Energy Agency

HYDRO

Internationalization focus

Hydro is capitalizing on deep water competence



Source: WoodMackenzie

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Spinnaker exploration

Attractive portfolio with substantial growth platform

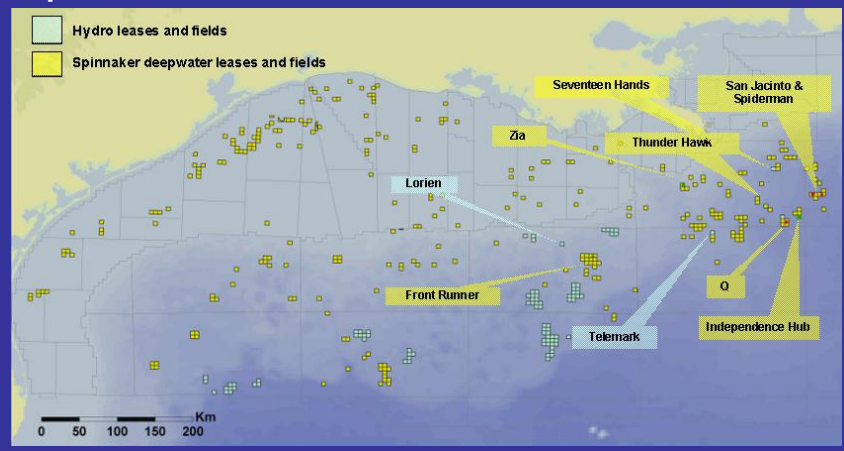
The company
- Highly successful US Gulf of Mexico specialist
- 45 producing fields and discoveries
  - 7 deepwater fields
  - Production from 38 blocks on the shelf

Key figures

Proven reserves (mmboe)	62
Expected reserves[1] (mmboe)	129
Production 1H'05 (boed)	23 000
Production 2008E (boed)	50 000

Key production and development assets

Shelf - 38 blocks		- Production[3]
Front Runner	25.00%	- Production
Eastern Gulf		- Development
Spiderman	18.33%	
San Jacinto	26.67%	
Q[2]	50.00%	
Thunder Hawk	25.00%	- Appraisal



Exploration assets	Shelf	Deepwater	Total
No. of leases:	169	181	350
Operating:	80%	35%	55%
Average equity:	80%	45%	60%

- Large G&G database:
  - Full US GoM coverage
  - Extensive PSDM[4] data package
- High-impact potential in Nigeria

1) Discovered volumes – 50/50 oil and gas
2) Operated
3) Mainly operated high-equity gas production
4) Pre-stack depth migration

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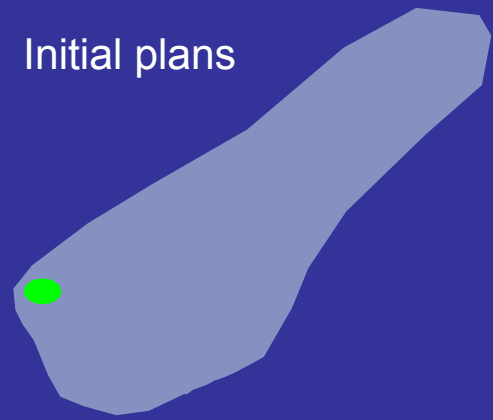
The Front Runner – reserves and production

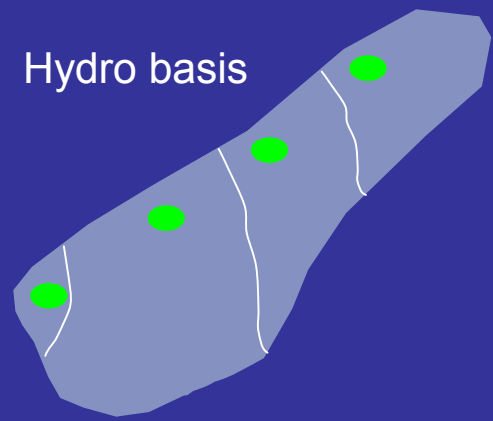
- Current status from operator
  - In-place resources are there
  - More wells are needed
  - Longer and lower production plateau

- Hydro basis for bid
  - Based on NCS experience and drilling competence
  - Basis for bid in line with current operator estimates

Initial plans



Hydro basis



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Pioneer in new technology

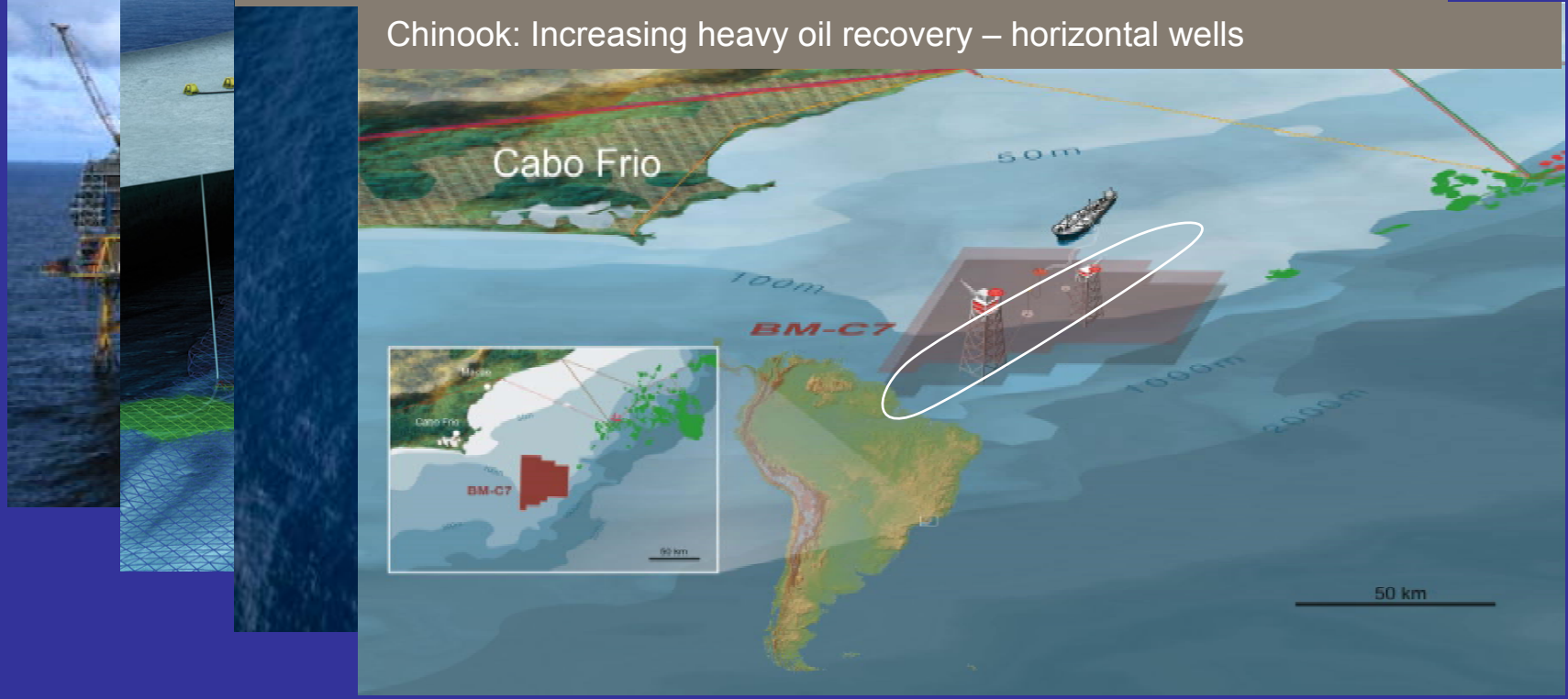
Planning ahead for Increased Oil Recovery

Oseberg: Increased oil recovery – gas injection

Troll: Increased oil recovery – horizontal wells

Grane: Increased heavy oil recovery – gas injection and horizontal wells

Chinook: Increasing heavy oil recovery – horizontal wells



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Hydro and the Chinook field

- Entry vehicle into Brazil
- Large in-place resources
- Successful well-test proven commercial rates
- Significant upside utilizing Hydro's competencies
  - Well technology
  - EOR insight (polymer flooding)

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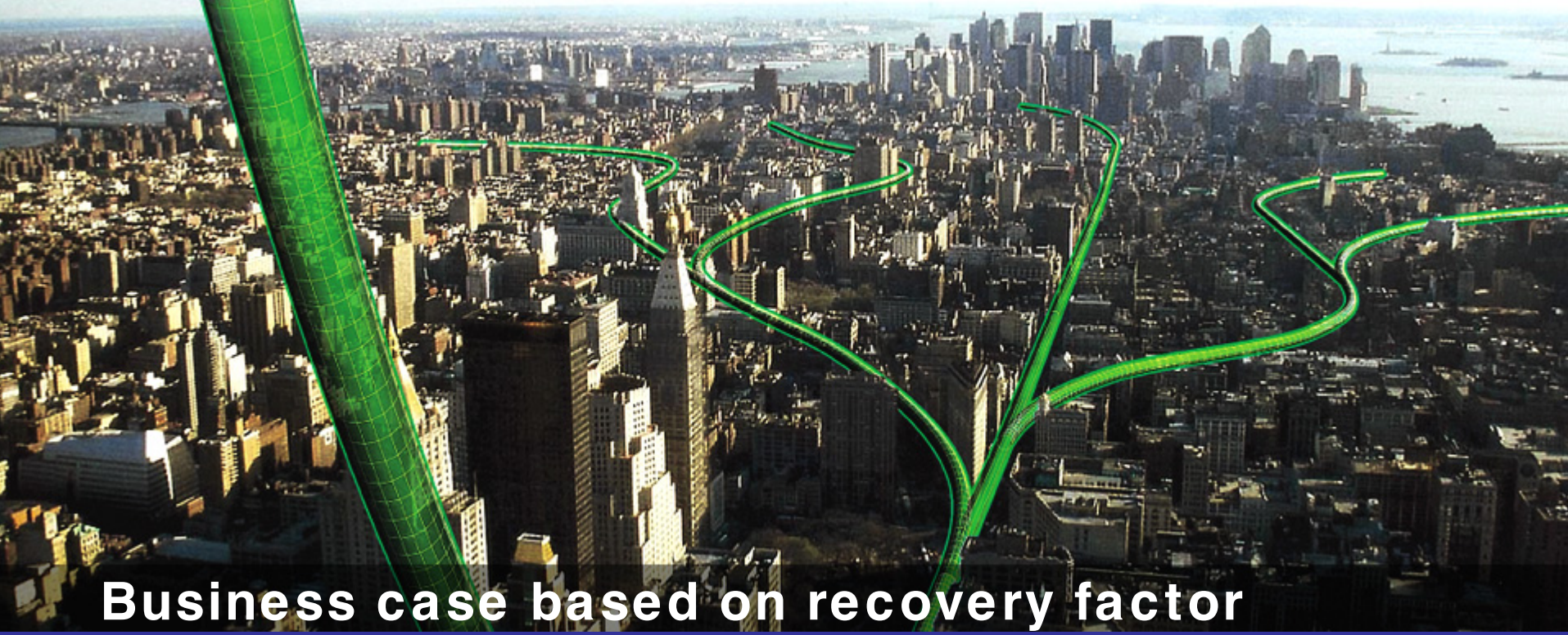
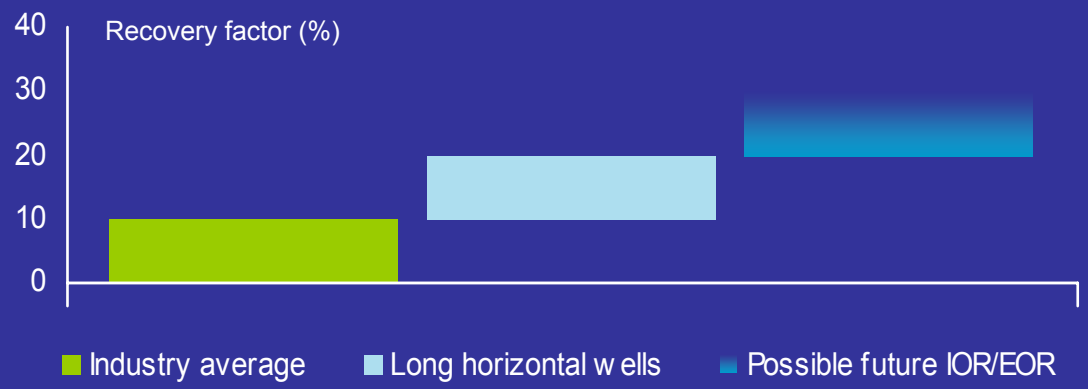


Business case based on recovery factor



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Stepping up activity in the Middle East

Libya: Operatorship secured

Stepping up activity in the Middle East

Libya: Operatorship secured

Iran: World class discovery and further exploration

Stepping up activity in the Middle East

Libya: Operatorship secured

Iran: World class discovery and further exploration

Iraq: MoU’s signed with Iraqi authorities

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Long-term commitment to Russia

- Shtokman short list
- 15 years of cooperation
- Preparing to drill Well 7 in 2006

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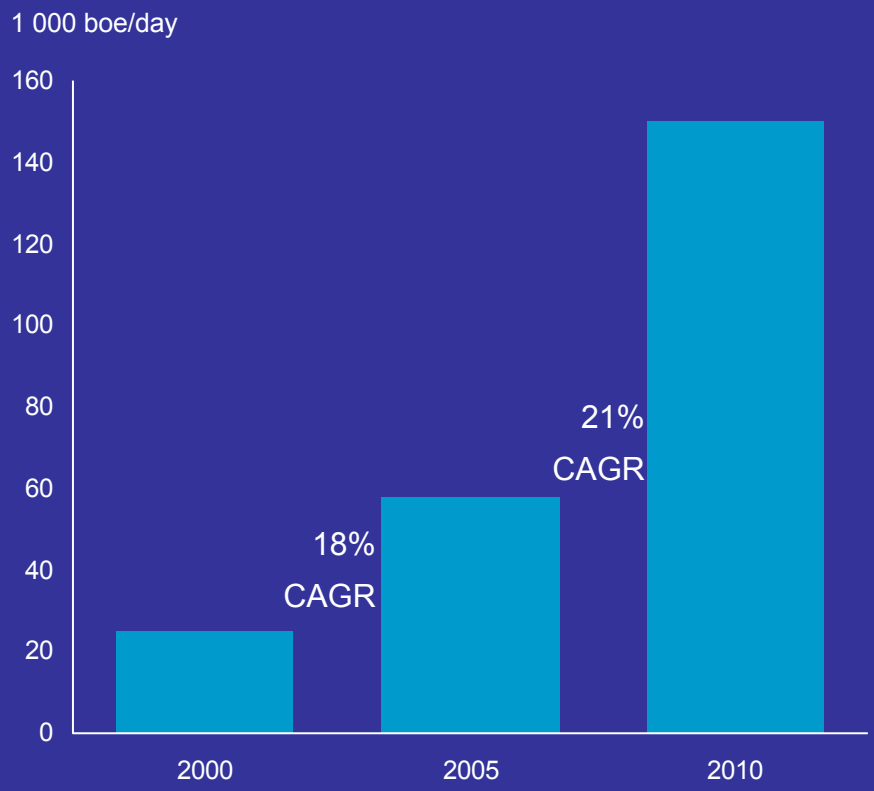
Exploration acreage secured world wide

Becoming an international oil-company

Oil and gas production



- Shtokman is first priority
- Continued business development in core areas
- Middle East to play a key role
- 30-40 exploration wells annually going forward

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A viable society. A need. An idea.
36,000 professionals. Energy.
Cooperation. Aluminium. Determination.
Pushing boundaries. Respect. Nature.
Courage. 100 years. Thinking ahead.

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Upstream repositioning 2005 - 2010

Torstein Dale Sjøtveit
Head of Primary Metal, Aluminium

Positioning for the future

- Improving operations
- Closing down unsustainable smelters
- World-class smelter in Qatar to meet demand
- World-class alumina refining in Alunorte supports smelting operations

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Relentless improvement focus

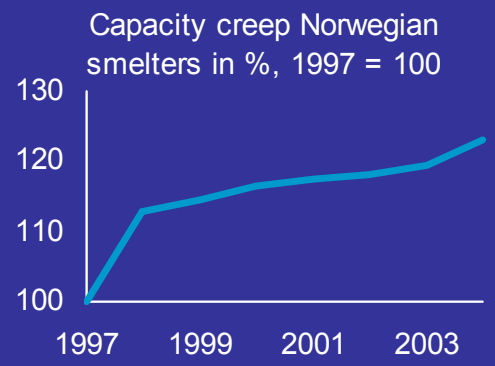
Improvement programs

- Aluimprover to reduce costs of NOK 350 - 400 million in Norwegian smelters
- Rheinwerk improvement program – yearly EBIT effect of € 20 - 30 million
- Kurri-Kurri improvement program to release full potential of smelter technology – yearly EBIT effect of AUD 30 - 40 million within 2010

Continued improvements

- Best practice implementation
- Roadmap for each unit detailing improvement program
- Performance audits to ensure execution

Utilizing technology competence



- Result: increased total production by 100 000 tpy since 1997

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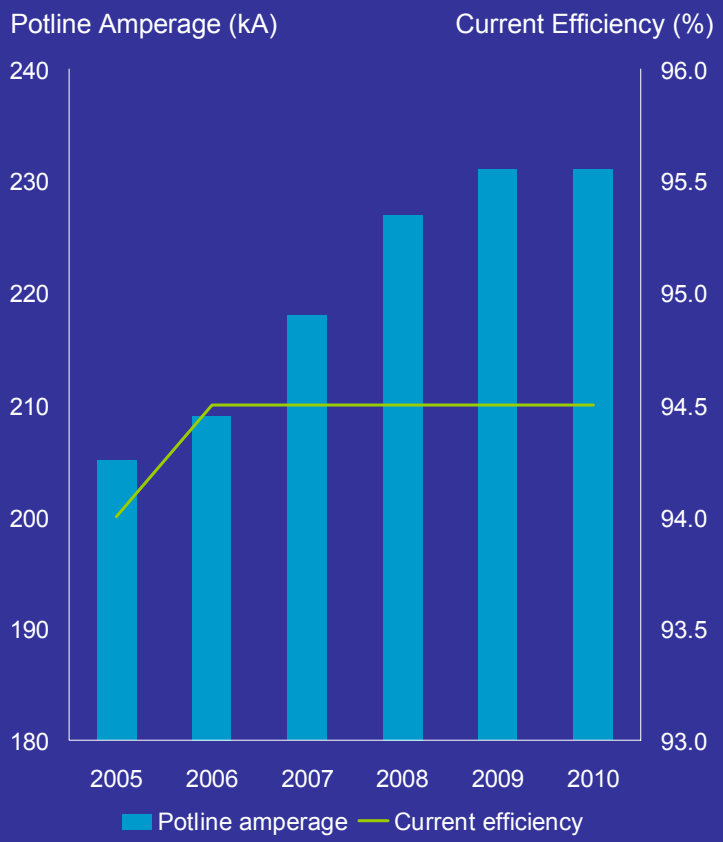
Productivity improvements at Karmøy smelter

Roadmap established – 15% capacity growth by 2010



- Combination of systematic de-bottlenecking and 'HAL best practices' basis for stepwise productivity improvements
- Increased anode size reducing specific energy consumption and maintaining high, stable current efficiency when increasing potline amperage

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Proprietary smelter technologies ensures world-class performance

- CAPEX
  - Low specific investment cost, investments per unit of capacity
- OPEX
  - Low energy consumption
  - High productivity
  - Operation and maintenance friendly cell
- Environment
  - Best available technology to meet all known international environmental requirements

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An attractive long-term power contract portfolio

- Primary production's power consumption in 2006 approx 27 TWh
- All primary production covered long-term – except Neuss and partly Søral
- Limited effect on primary production's power costs from increased aluminium price
- One-time effect in Norway (2005 to 2007) and Germany (2005 to 2006) due to renewed contract structure

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Restructuring – plant closures

Germany: Cost of energy	-Hamburg*	40 000 t	End of 2005
	-Stade	70 000 t	End of 2006
Norway: Emission legislation and financials	-Høyanger, Søderberg	20 000 t	1Q 2006
	-Årdal, Søderberg	50 000 t	End of 2006
	-Karmøy, Søderberg	120 000 t	End of 2009
		300 000 t	

- Total restructuring costs for the first four units are estimated at close to NOK 1 billion**
- About 1 200 employees are directly affected by the closures**

* Hydro ownership share of 33.3%

** Hamburg, Stade, Høyanger and Årdal

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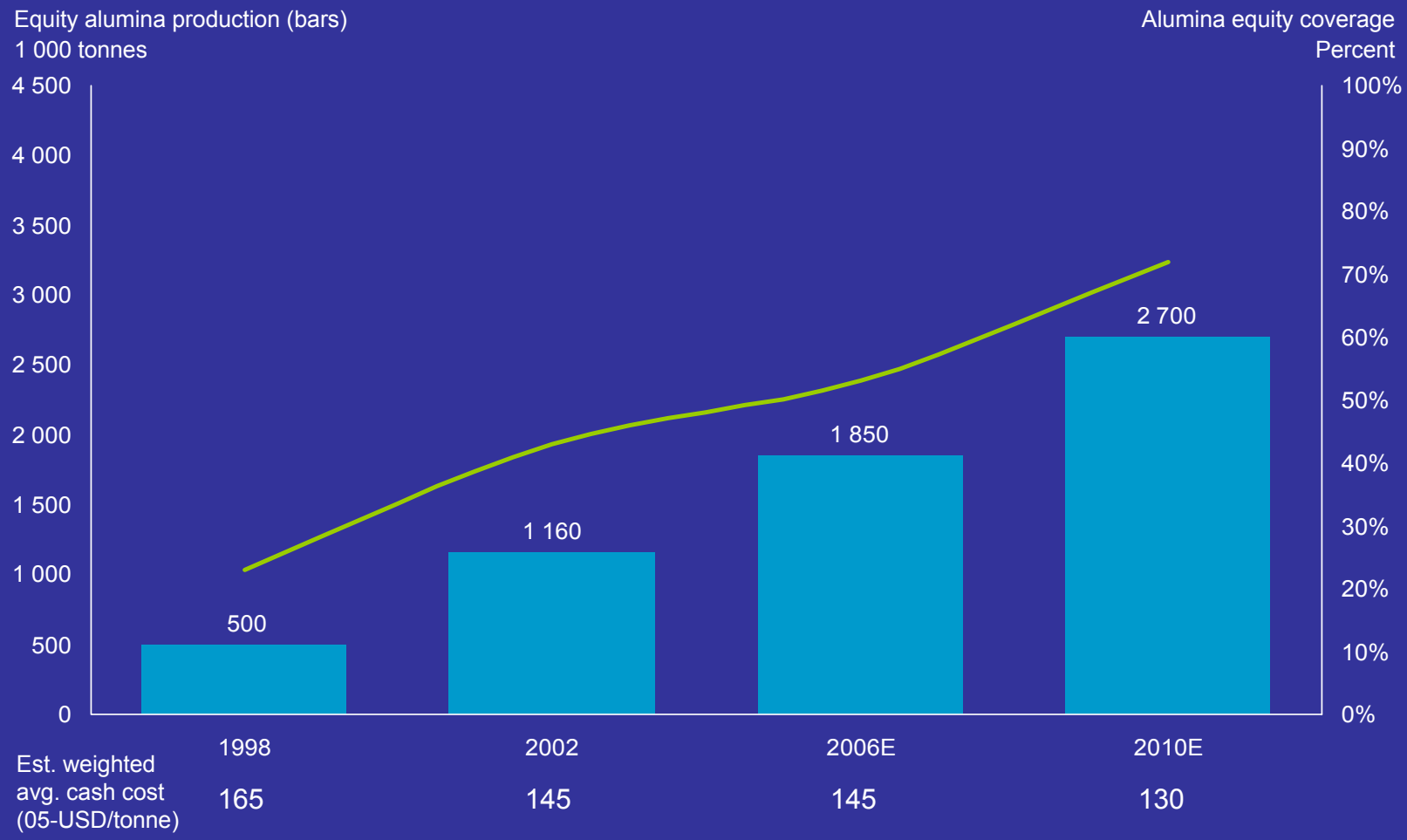
Increased alumina equity coverage at lower cost



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Alunorte expansion 3 – a highly competitive project

- Total investment: USD 845 million
- Production increase: 1 900 000 mt*
- Hydro's share 34%
- Project completion: late 2008
- Total capacity after expansion: 6 500 000 mt*
- Bauxite supplied by CVRD from its Paragominas mine in Brazil
- World's largest and most modern refinery following the expansion

* Metric tonnes

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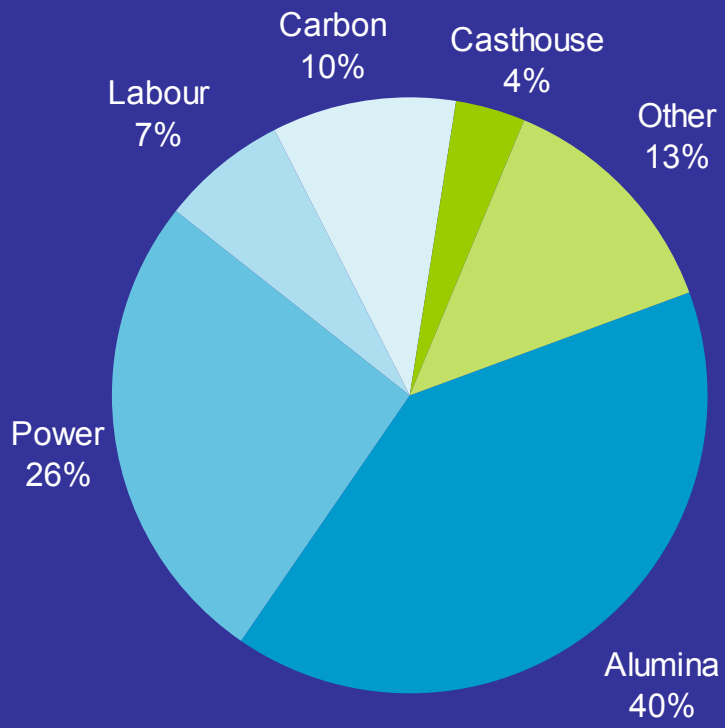
Alumina and power main smelter cost elements

World average cost structure*



** Source: CRU 2005, site operating cost definition*

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Regions with competitive energy resources

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Qatar – world-class aluminium project

- Capacity stage I: 570 000 tonnes per year
- Energy sourcing through dedicated gas fired power plant
- Alumina sourcing supported by Alunorte III investment
- Technology – Hydro's proven reduction cell technology
- Expected start-up Q4 2009

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Excellent record for project execution

Sunndal IV, Norway

- Planed expansion of 230 000 tpy – realised capacity of 267 000 tpy
- Completed ahead of plan and below budget
- Reached full production in 2004

Alouette, Canada (20% owned)

- Expansion of 300 000 tpy
- Completed ahead of plan and on budget
- Reached full production Q3 2005

Alunorte II, Brazil (34% owned)

- Total alumina capacity increase 1 800 000 tpy
- Proceeding according to plan and on budget
- Expected start-up Q1/Q2 2006, ramp-up concluded by Q3 2006

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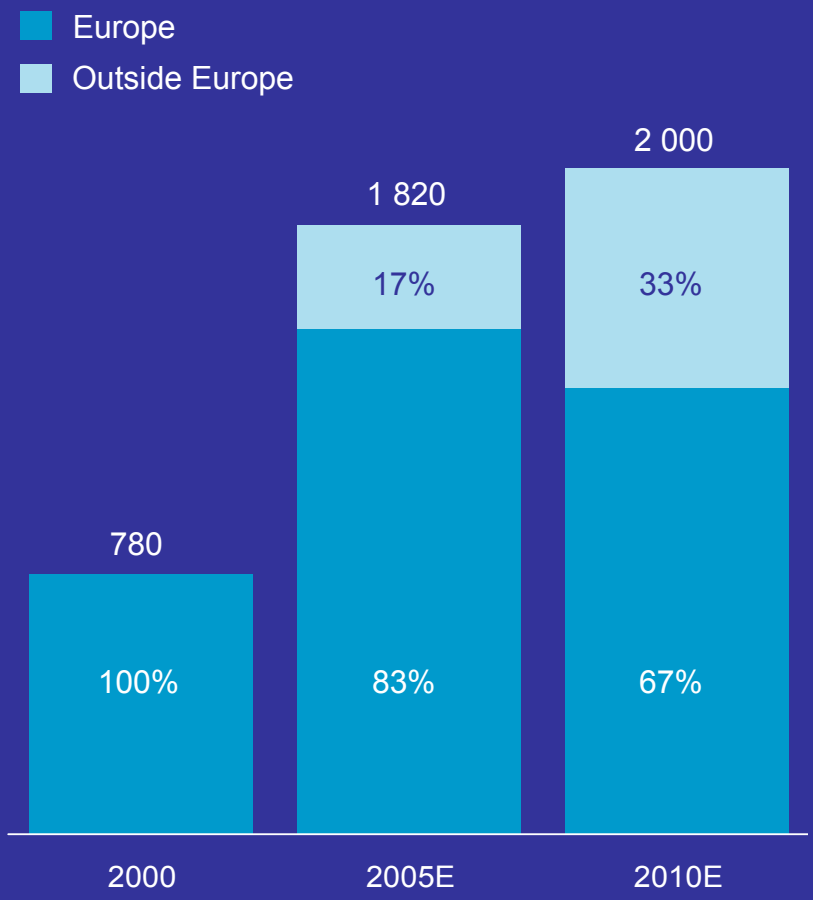
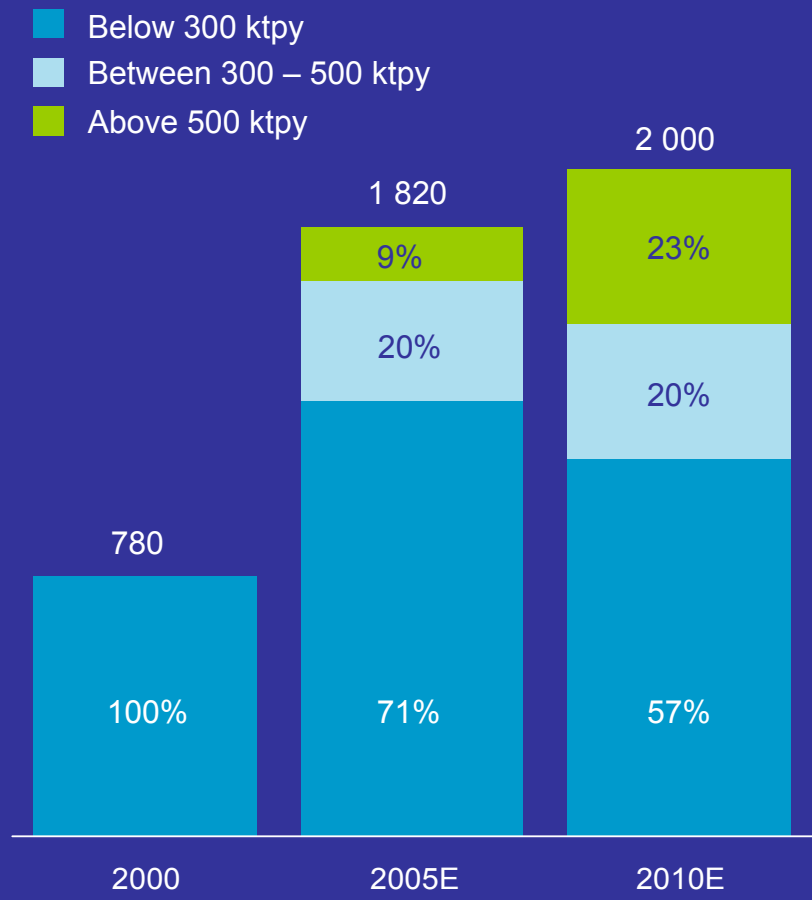
An improved smelter portfolio composition

Smelter geography



Smelter size



All figures in 1 000 tonnes per year

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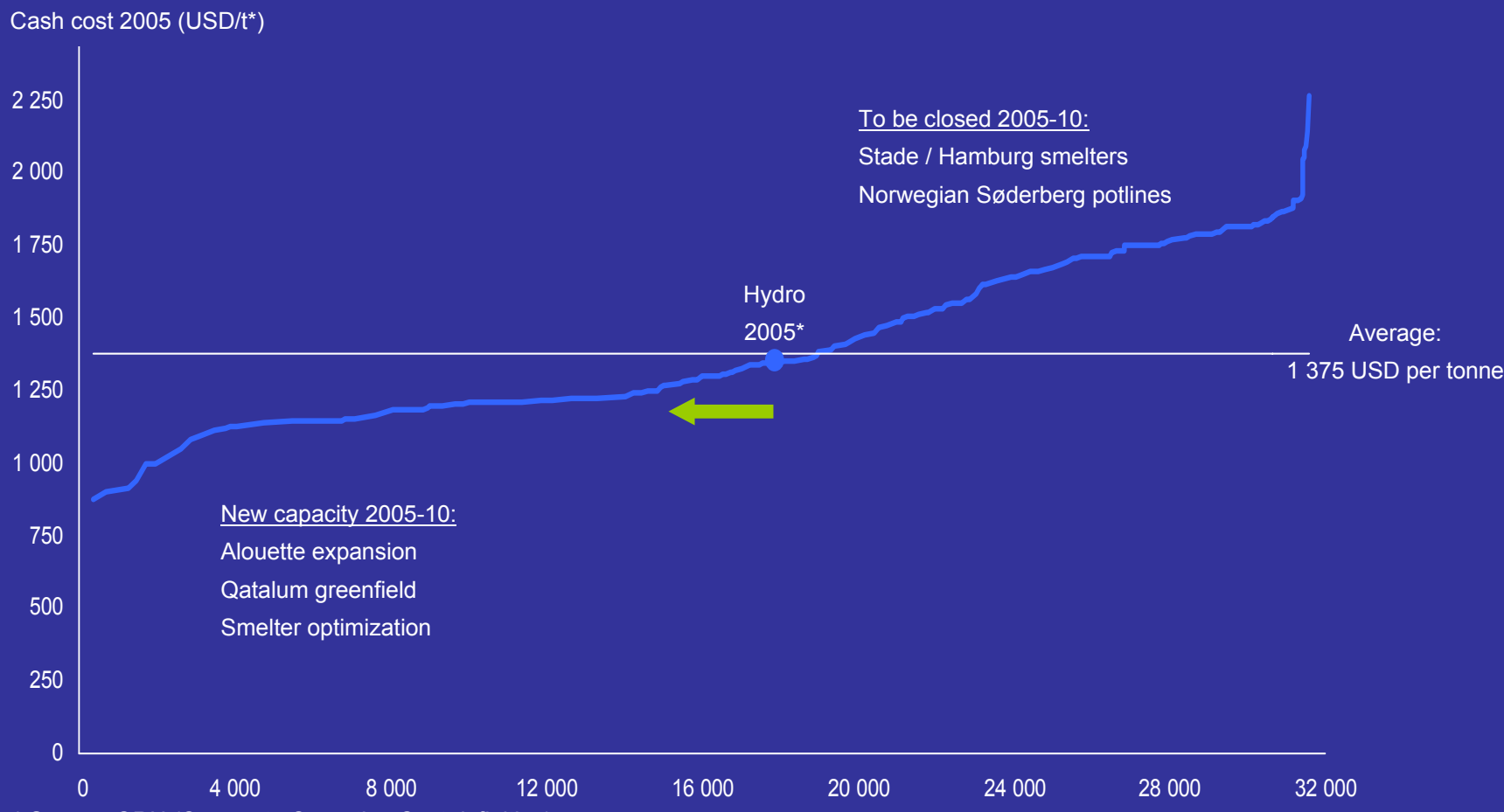
Improved relative smelter cost position

World production 2005, 1 000 tonnes



** Source: CRU (Corporate Operating Cost definition)*

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Future smelter capacity increases in energy-rich areas with complex frameworks

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Hydro is an experienced international project developer

Qatar Fertilizer Company and Qatar Vinyl Company

- More than 36 years of cooperation in Qatar

Angola

- Oil activities off the West African coast started in the mid-90s

Iran

- Business development started in the late-90s and drilling commenced first half 2003

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Well positioned upstream business in 2010

- Repositioned attractive smelter portfolio
- Competitive long-term energy supply
- Competitive alumina supply
- Qatalum – World class greenfield smelter
- Attractive project portfolio for future growth

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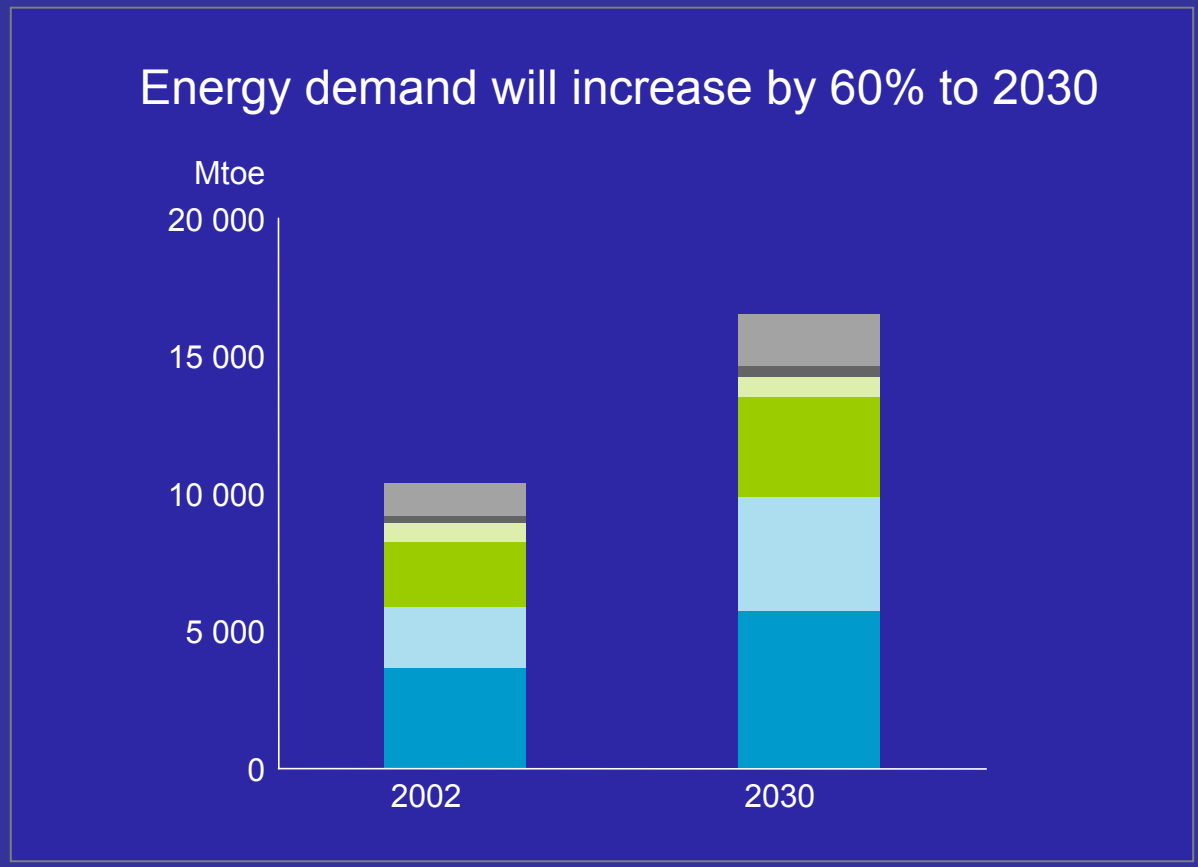
Capturing the value potential in New Energy

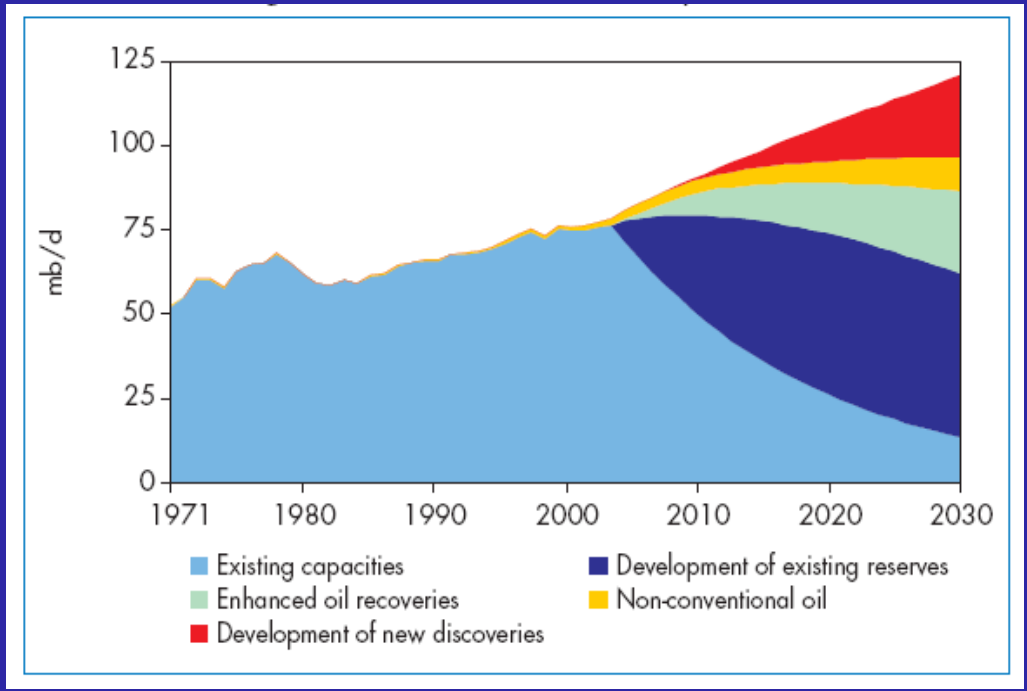
Alexandra Bech Gjørv
Head of New Energy, Oil & Energy

Strong drivers for new energy solutions



Strong drivers for new energy solutions

Oil and gas reserve replacement challenging



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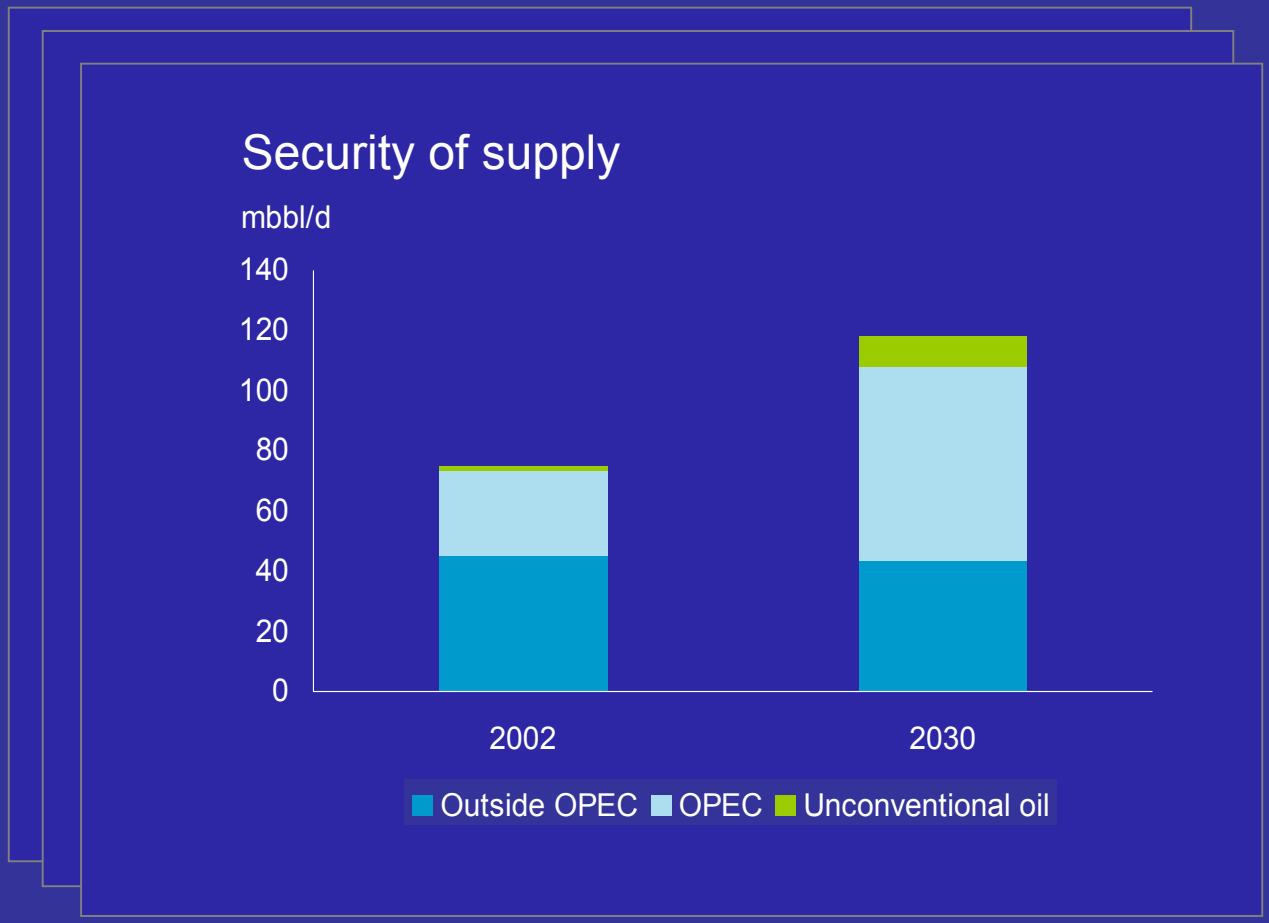
Strong drivers for new energy solutions



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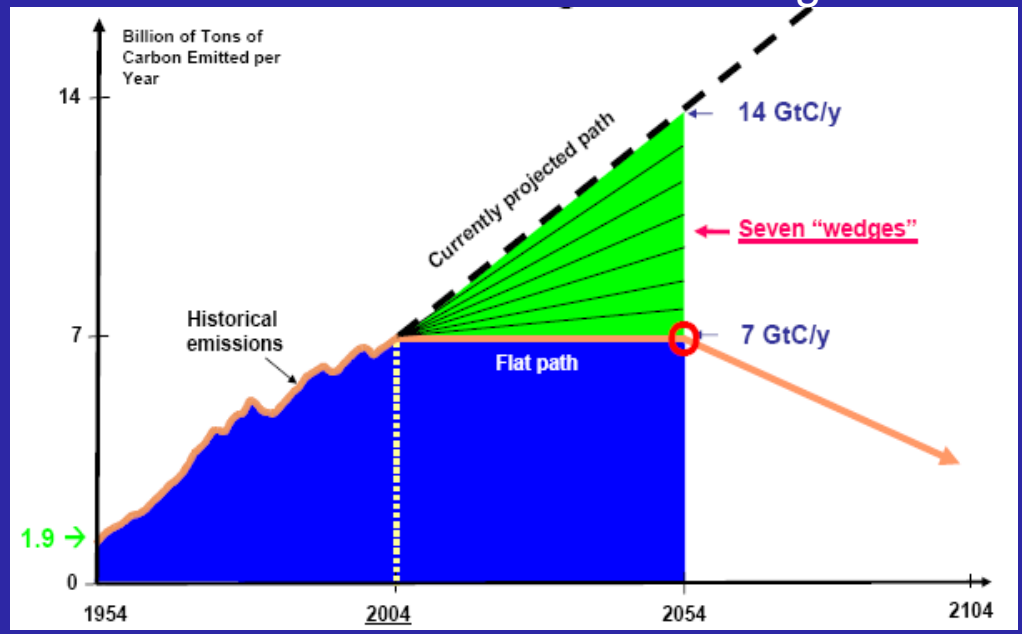
Strong drivers for new energy solutions

Increased awareness of climate change



Source: Prof. Socolow, Princeton Uni. US

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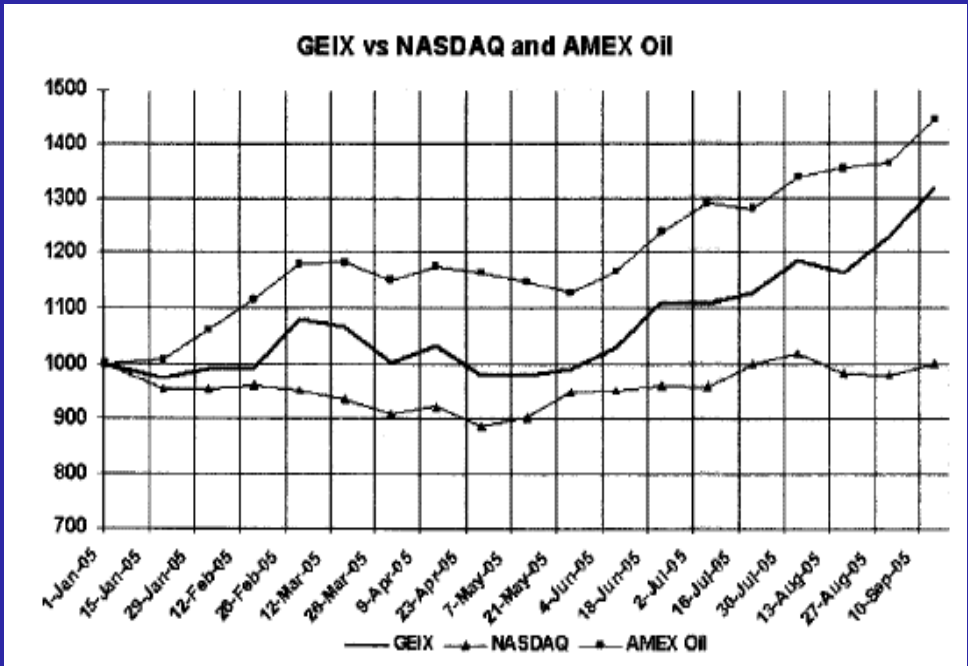
Strong drivers for new energy solutions

New energy companies attract investment capital



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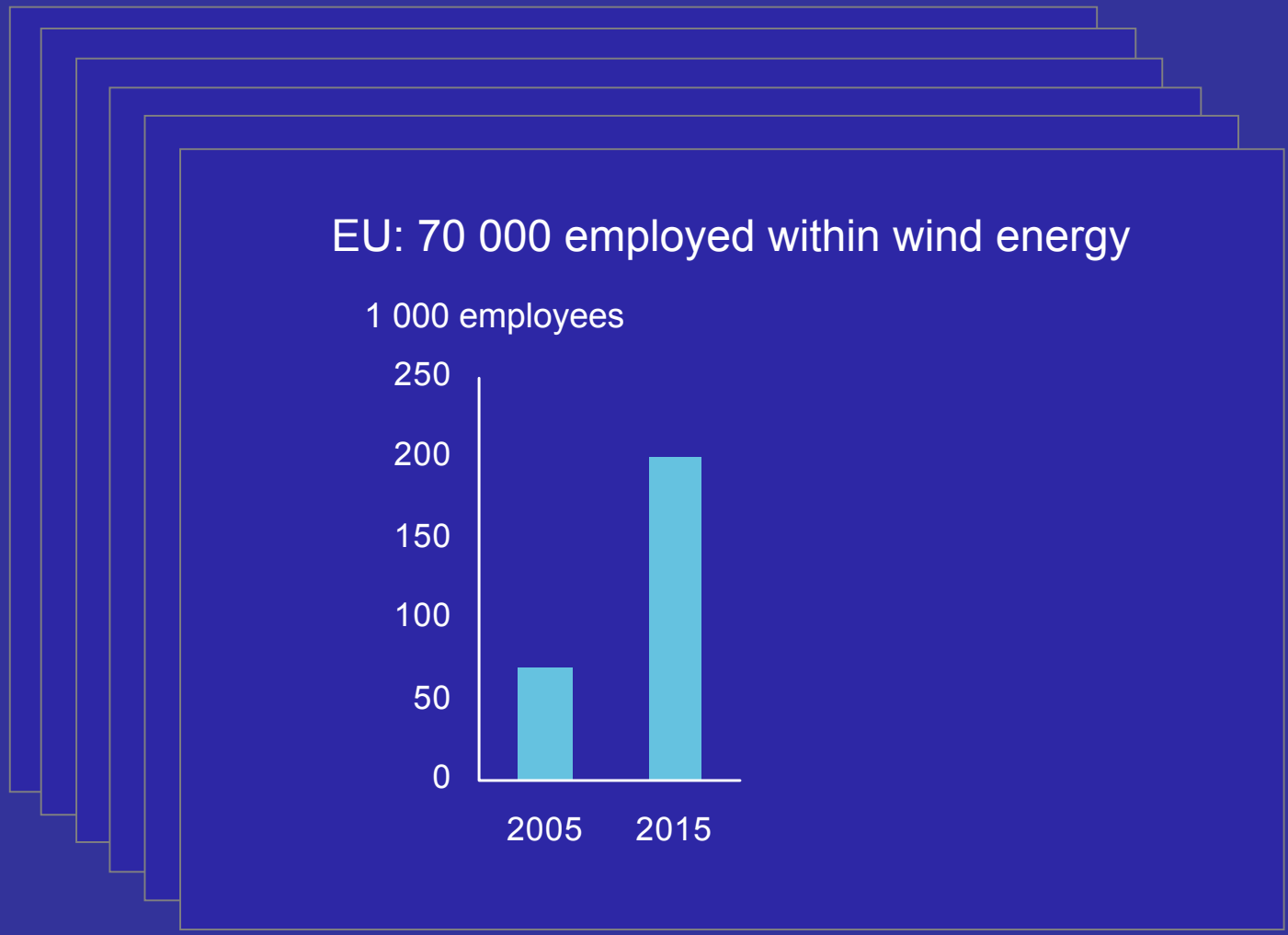
Strong drivers for new energy solutions



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Strong drivers for new energy solutions

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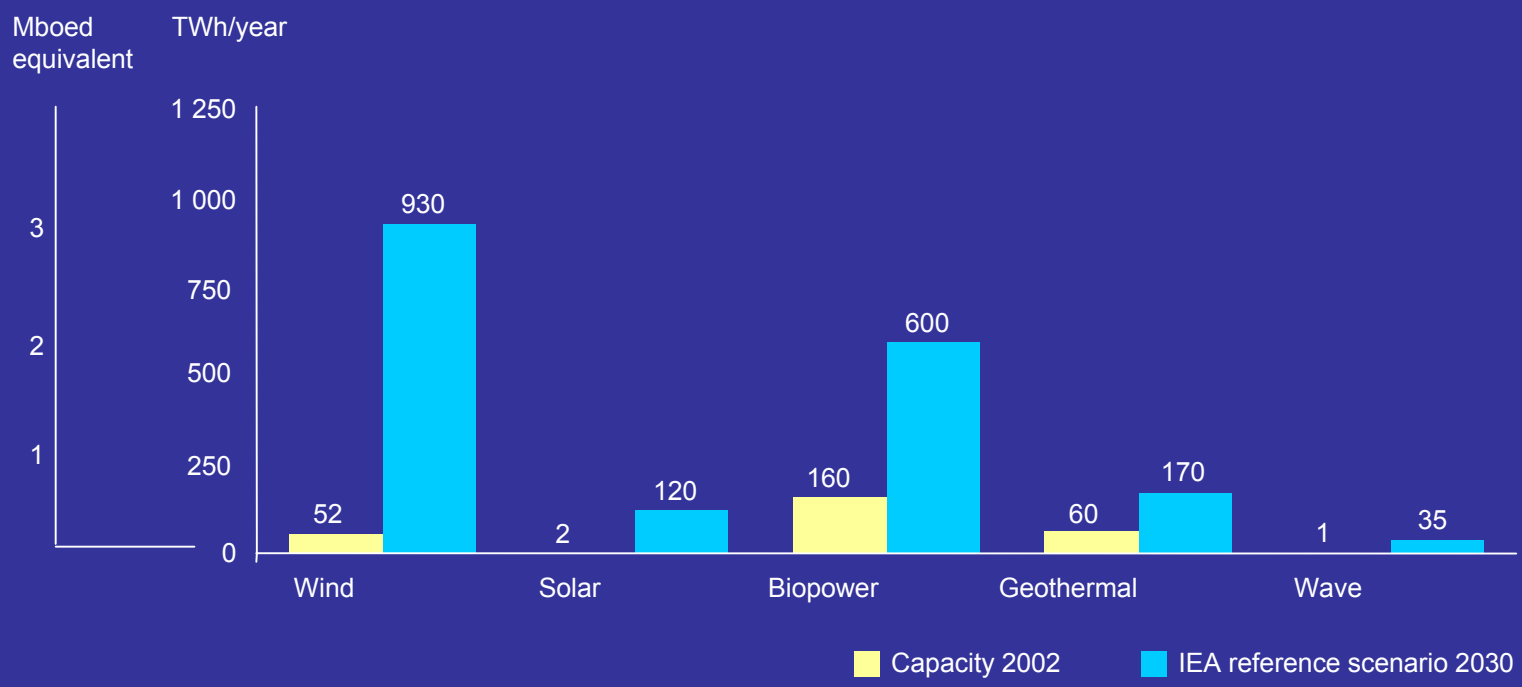
Growth in renewables create opportunities



Source: IEA World Energy Outlook

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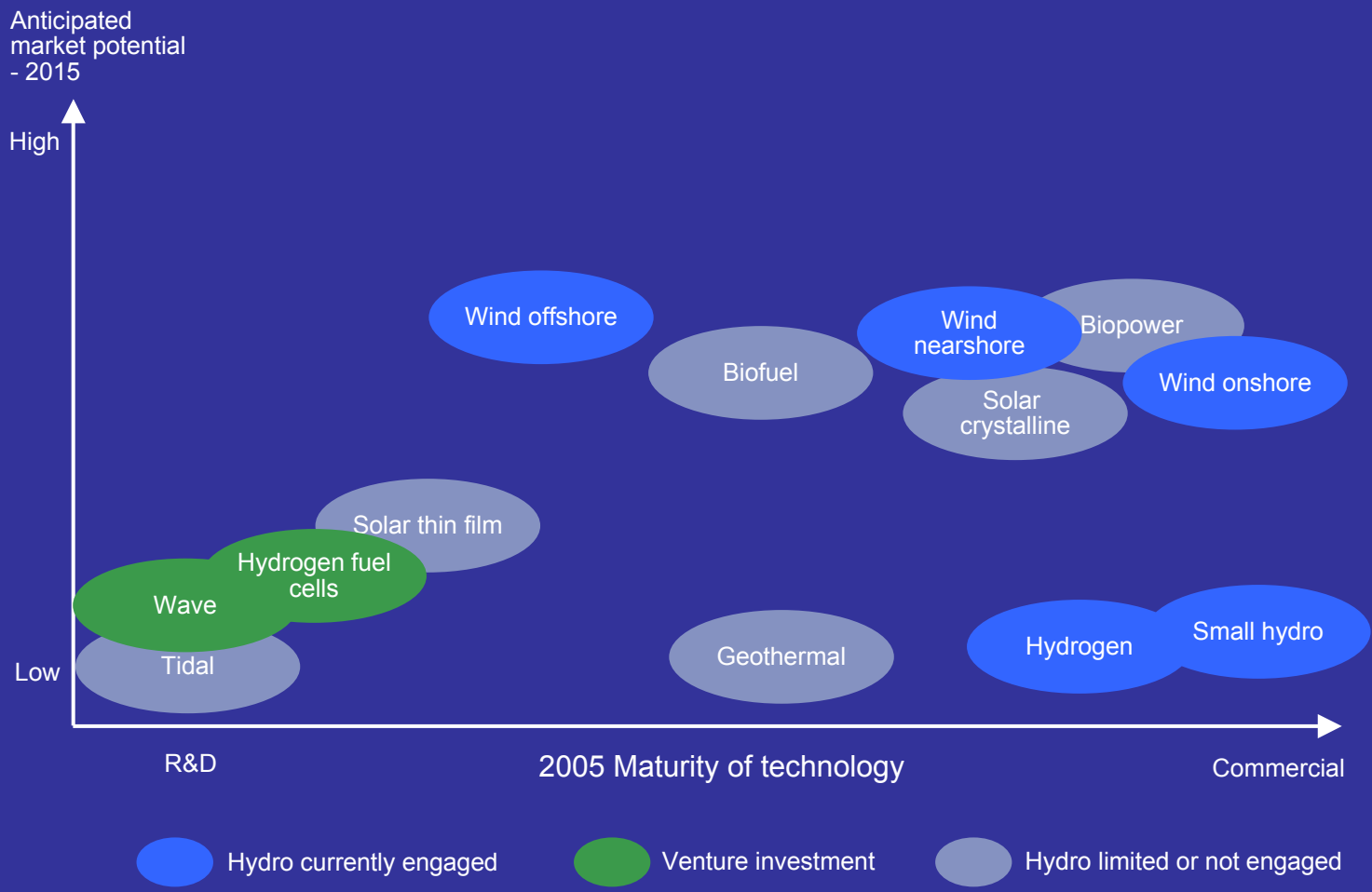
Hydro is positioned in the most mature new energy technologies



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Hydro's New Energy ambitions

- Increasing our activities in new energy solutions
- Capabilities in place for significant growth
- A preferred partner through our technical, operational and commercial skills

HYDRO

Unique competitive advantages in Hydro's broad capabilities

Our wind adventure

A successful early start at Havøygavlen

- Took a significant 140 mill. NOK position in 2001
- Learning from tough terrain and complex winds
- Good commercial positioning gives IRR well above cost of capital

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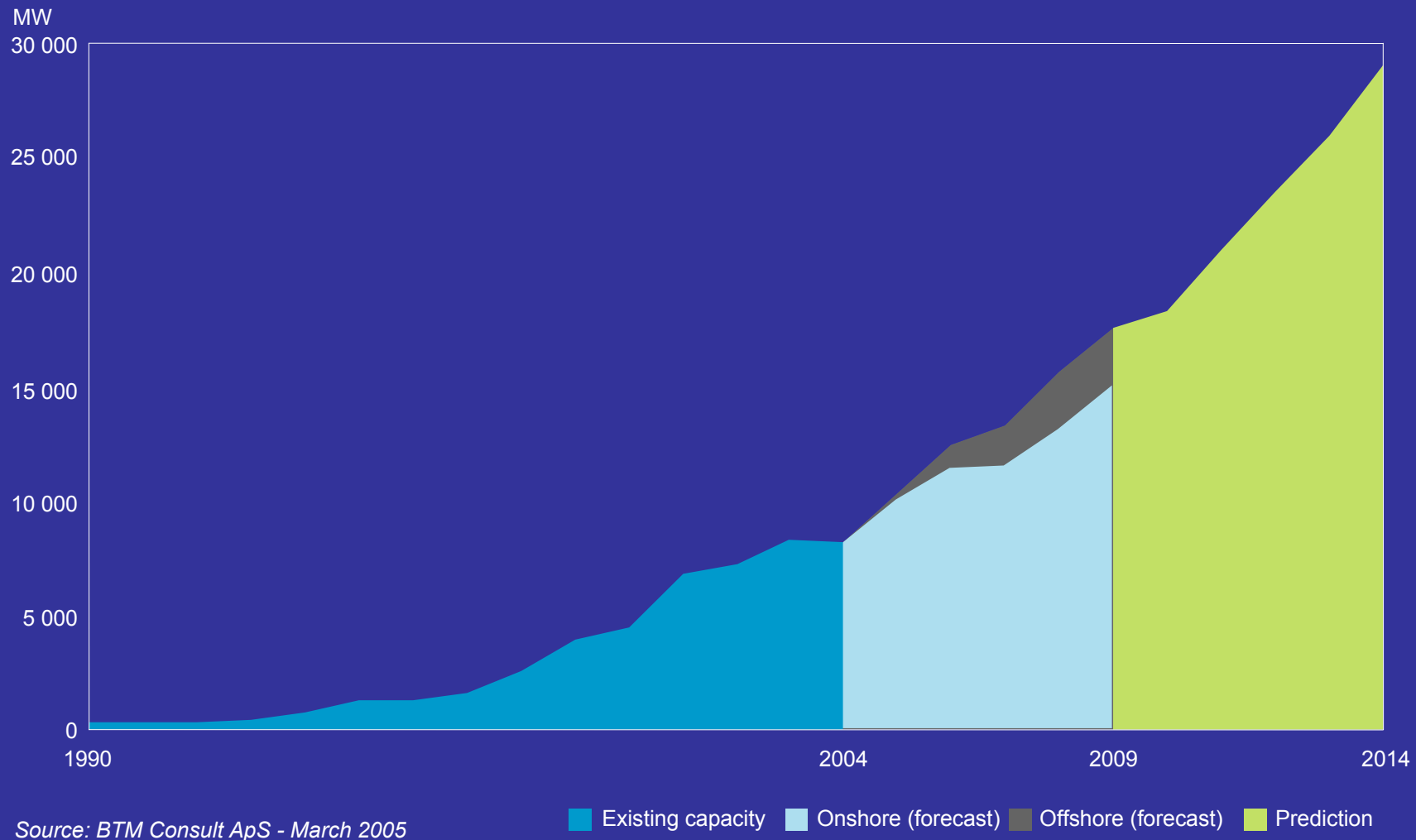
An attractive onshore portfolio in Norway

- Excellent wind conditions
- Incentive system in place 2007
  El-certificate system Norway/Sweden

Annual global wind power development

Actual 1990-2004 Forecast 2005-2009 Prediction 2010-2014



Source: BTM Consult ApS - March 2005

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Why offshore wind?

- Stronger, more stable winds
- Shortage of good land sites
- Avoiding community and environmental conflicts
- Economies of scale

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Challenging marine operations

Hydro's E&P skills create value in New Energy

- Expertise in marine operations
- Complex permitting is no obstacle
- Preferred partner through track record in project development, contract and risk management

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Acquired significant position offshore UK

- Very attractive winds and support mechanisms
- Scira: 315 MW Offshore shallow waters
- Positioned for GBP 300 million investment
- Many uncertainties – still an option

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Hywind – taking the next step

- Capturing even better winds
- Cost effective and robust
- Minimum offshore work
- Site independent, less conflicts

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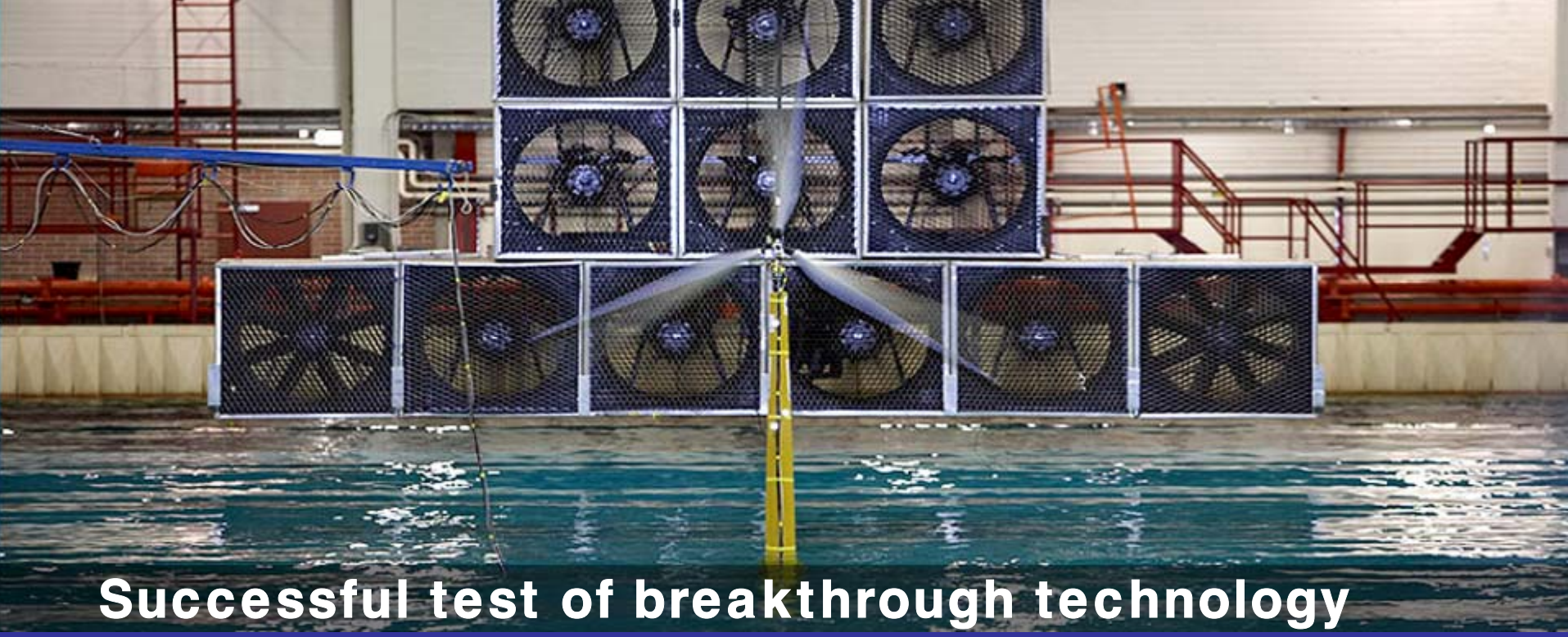

Successful test of breakthrough technology

- 3 year R&D program
- Hydro patented solutions
- Next step is full-scale demo

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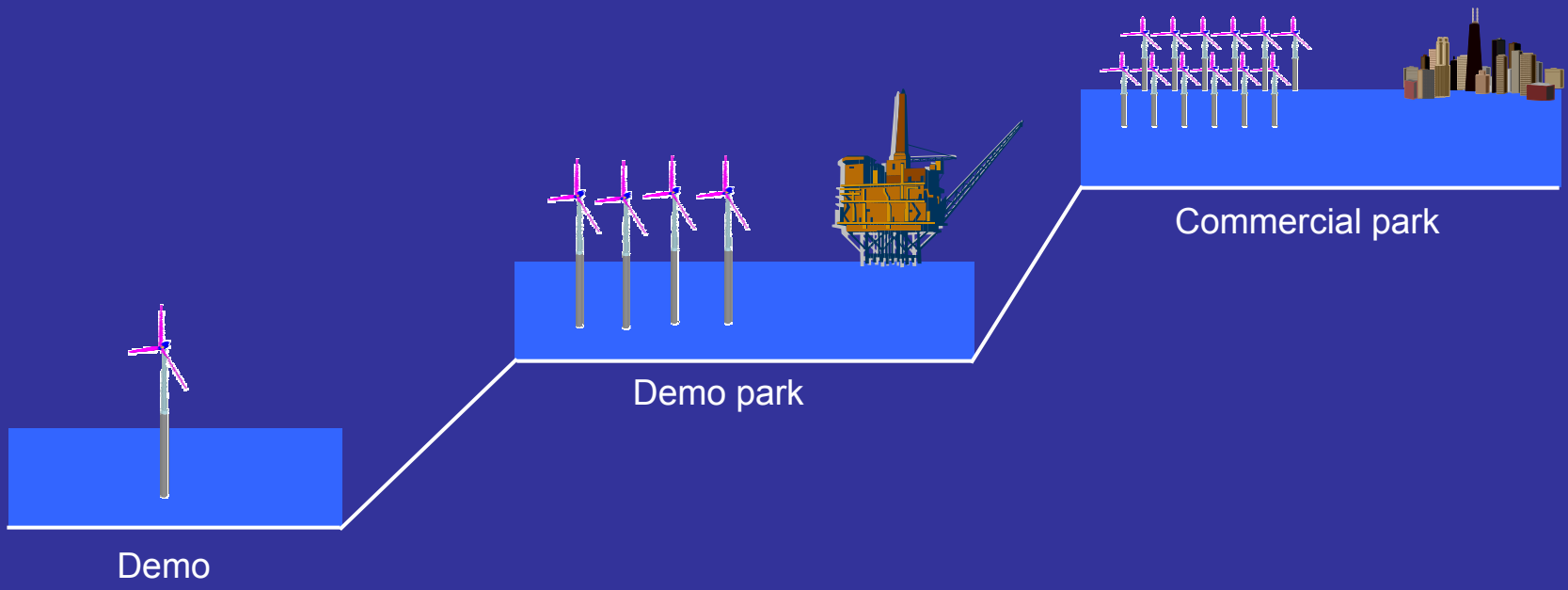
Commercialization



Technical focus

Cost focus

Market focus

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A truly global potential

- Deepwater sites near major consumption areas, with price/incentive premium

Map: NASA

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Hywind – a challenger to Ormen Lange?

- The gas in Ormen can generate 125 TWh/year for 20 years
- Same as two offshore blocks of Hywind – Forever

HYDRO


Hywind


Hywind

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Challenging marine operations