

Capital Markets Day

President & CEO, Eivind Reiten
Norsk Hydro ASA
Oslo, January 8, 2002





Delivering on our strategy

- **Strong financial capacity established**
- **VAW acquisition — a transforming step for Aluminium**
- **Attractive international positions established for Oil and Energy**
- **Agri turnaround successfully completed**
- **Challenging to meet 2002 return target**

Creating a world class aluminium company



The VAW acquisition

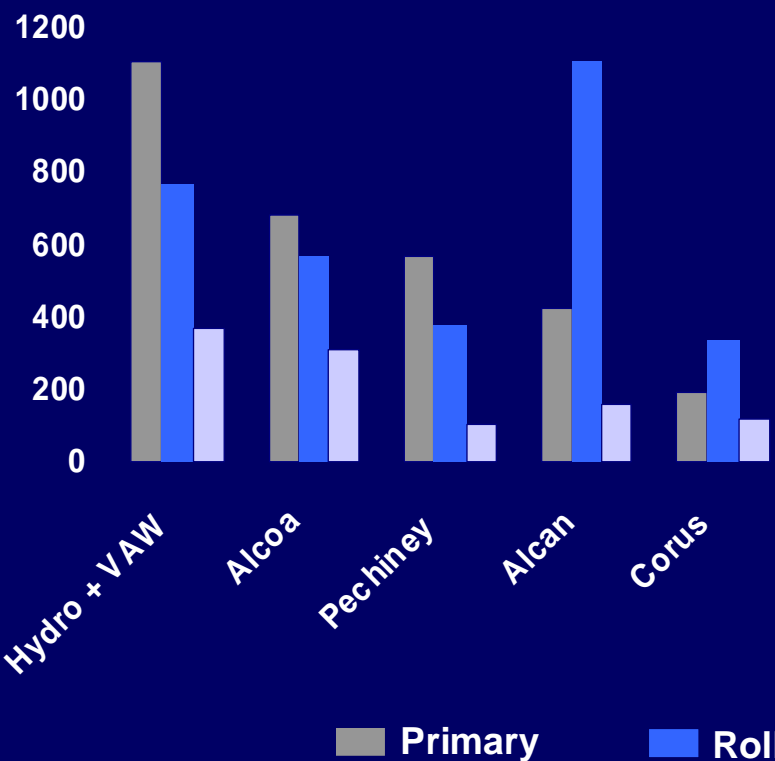
- **Establishing Europe's no. 1 aluminium company**
- **An excellent strategic fit — new company well positioned**
- **Accretive to EPS already in 2002**
- **Successful integration the main short term priority**
- **Ambitious programme to realise synergies and improve Hydro's existing aluminium business**
 - **Improvement target NOK 1.6 billion by end 2003**
 - **Manning to be reduced by 1100 persons**



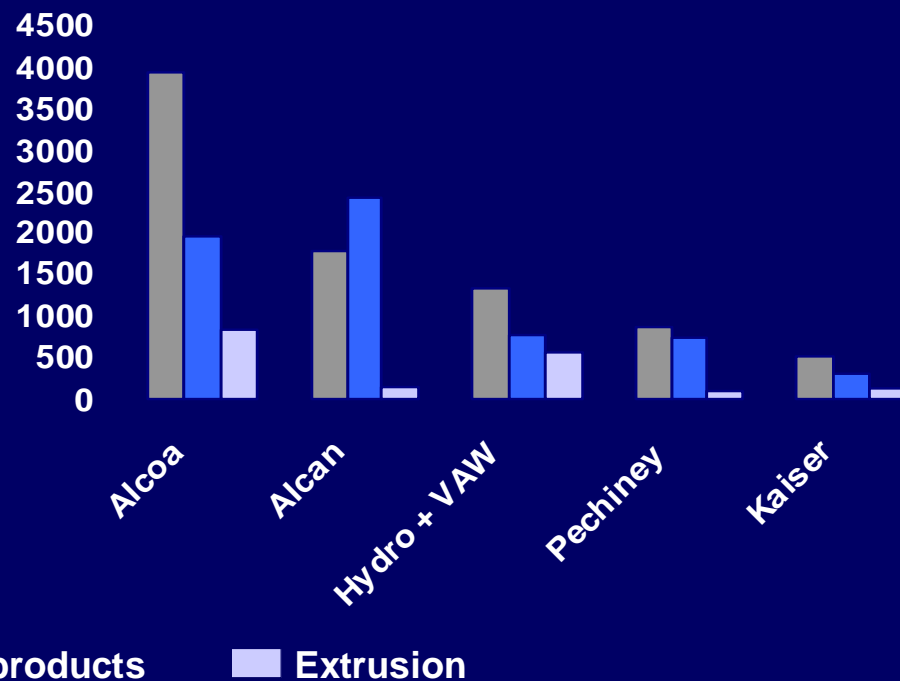
Creating a "top-tier" aluminium company

Total production, thousand tonnes, 2000

Europe



Global: World Integrated Aluminium Companies



Note: VAW's Kurri Kurri-smelter in Australia and HAL's Wells extrusion system in the US included full-year

Agri — potential for significant value creation



- **Successful turnaround exceeds original targets:**
 - **Greatly improved market balance in Europe**
 - **Annual fixed costs cut by 30% (NOK 2.3 billion) from 1998-level***
 - **Manning reduced by 30% (3,600 persons*) from 1998-level**
 - **Platform for sustainable competitive earnings**
- **Strengthened positions outside of Europe**
- **Strong performance by Gas and Chemicals**

* Based on first nine months 2001 figures

Oil and Energy — positive growth outlook



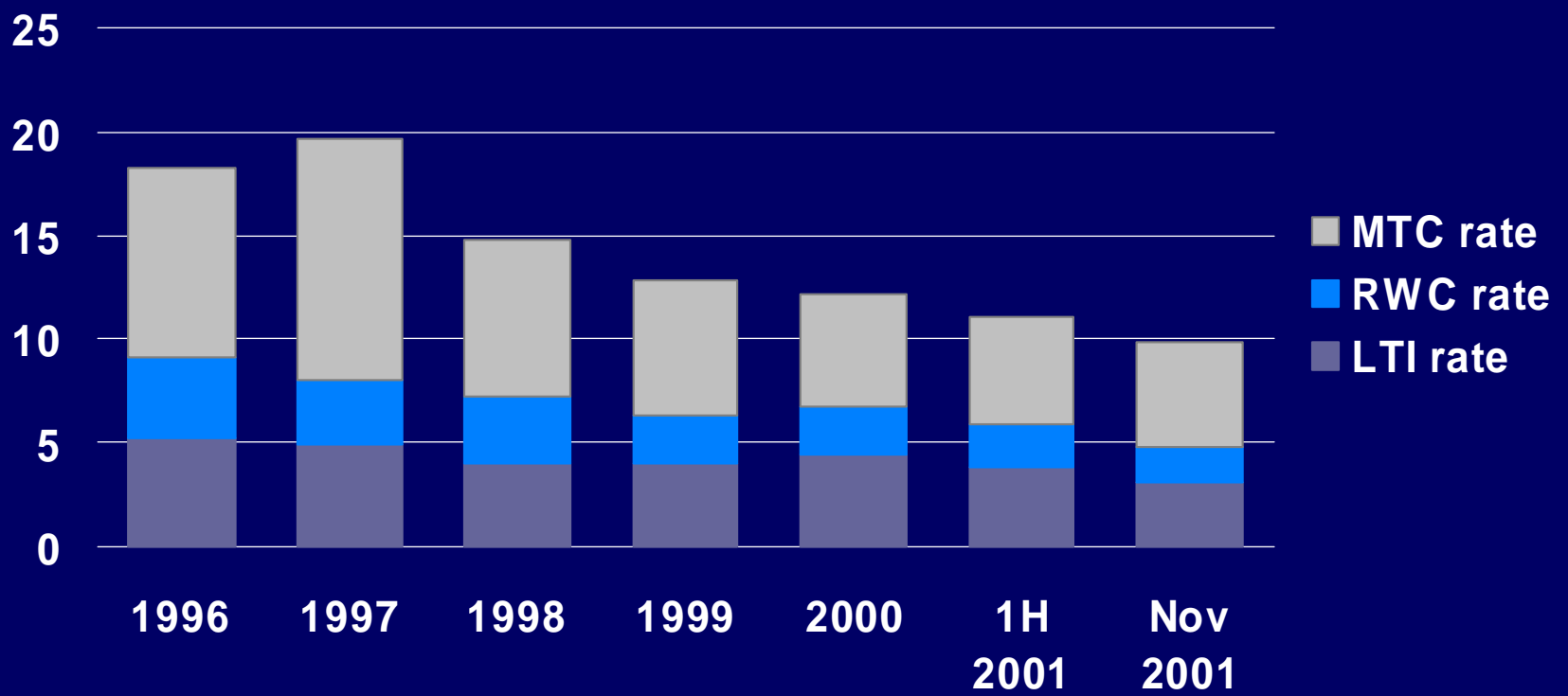
- **2001 production target of 415,000 boe/d. reached, average annual production growth to 2005 of 5 - 6%**
- **Growing natural gas sales and adding value through commercial activities**
- **Exciting exploration acreage secured**
- **Finding and development costs on track to reach \$5 target by 2003**



Safety performance

Total Recordable Injury Rate, Employees 12 month rolling average

Total recordable injuries/million hours worked

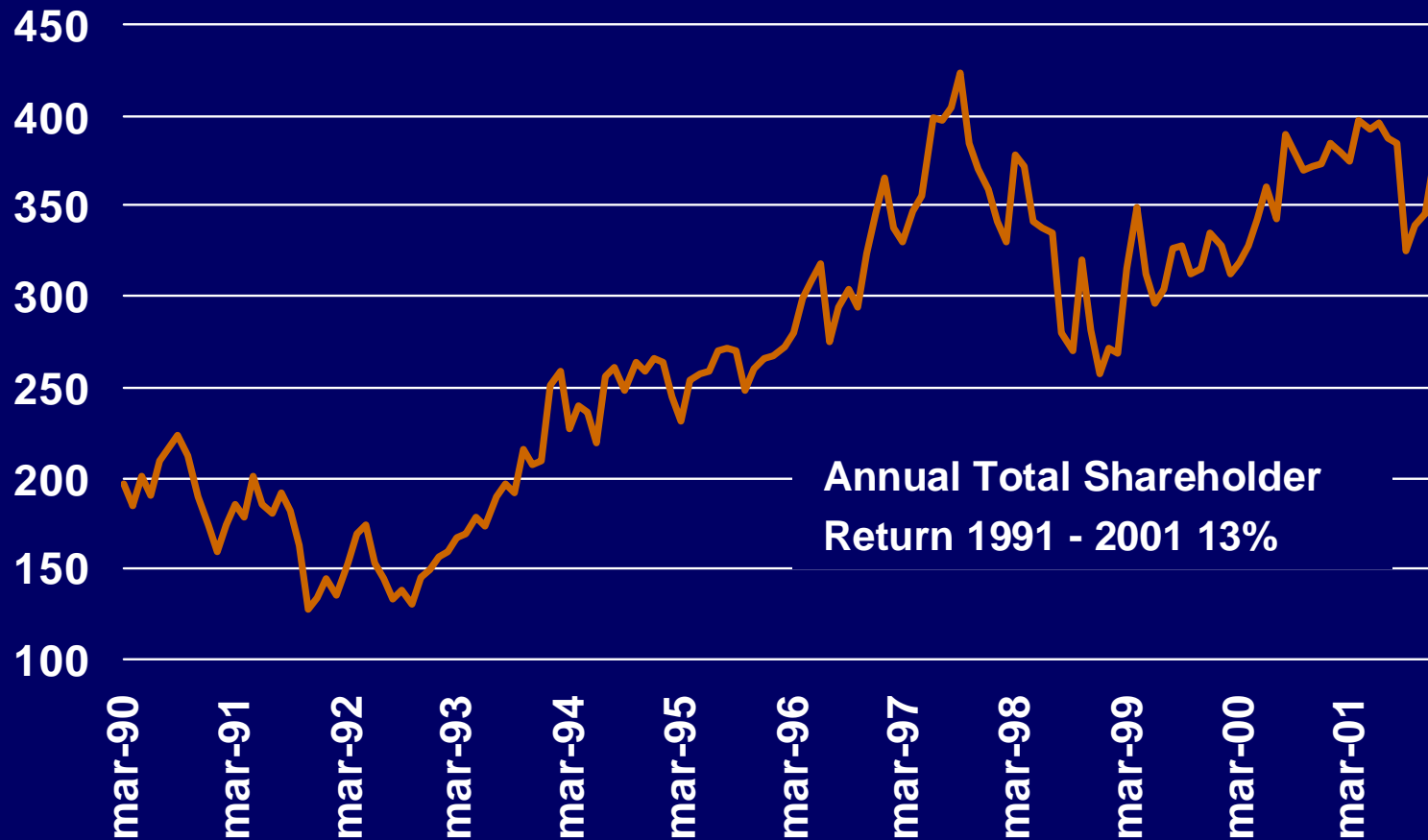


MTC: Medical treatment cases
 RWC: Restricted work cases
 LTI: Lost time injuries



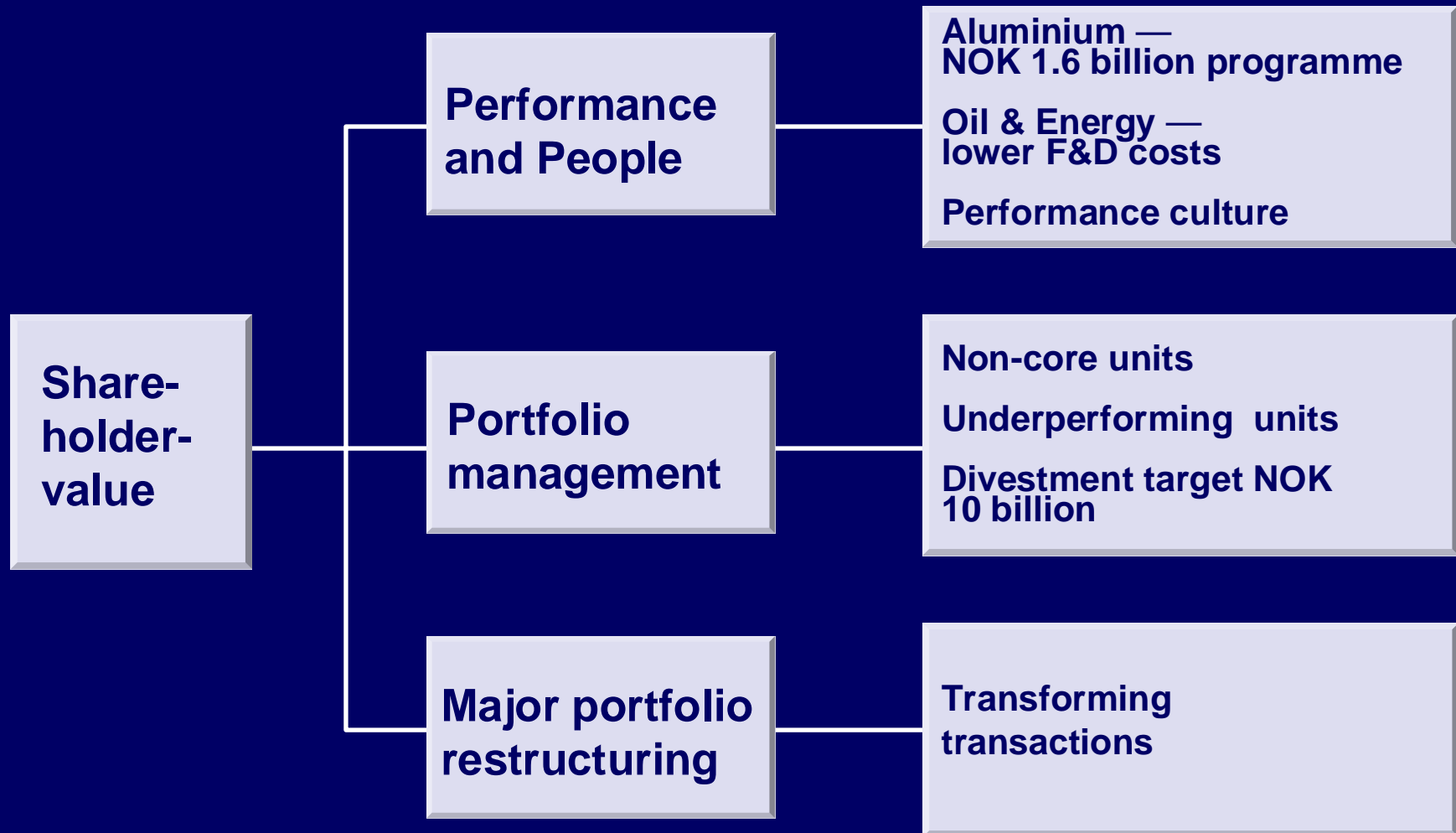
Share price performance — a major challenge

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Creating shareholder value

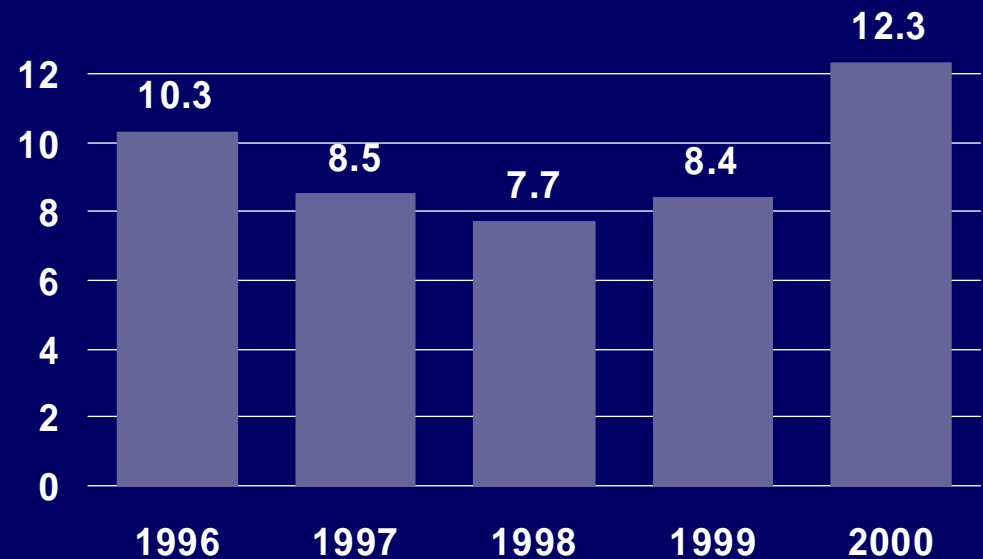




CROGI — our main metric for return on capital

CROGI — Cash Return on Gross Investments

- Average over the cycle
10%
- Level achieved in two of
the last five years;
improved performance
required
- 2001 CROGI affected by:
 - Weak aluminium market
 - Restructuring charges





Challenging to reach 2002 CROGI target

- **Current plans imply an expected normalised CROGI level of between 8 and 9% in 2002**
- **Challenge being met by continued drive for better performance**
 - **Implementing an aggressive restructuring and improvement programme in Aluminium**
 - **Developing an attractive exploration portfolio in Oil and Energy**
 - **New measures to bring further improvements in Agri**
 - **Active portfolio management and divestment of non-core assets**
 - **More efficient shared services**



Strengthen performance culture

- **Speedy actions to correct deviations from plans**
- **New top management incentive systems established**
- **Performance drive in total compensation systems**
- **Improved management development programmes**



Increased strategic flexibility

- **A strong platform providing attractive opportunities**
 - Oil and Energy with exciting exploration potential
 - VAW acquisition a transforming transaction for Aluminium
 - Agri established as a global industry leader
- **Successful Agri turnaround and VAW acquisition create new strategic options for Hydro**
- **Proactive approach towards industrial solutions, including alternatives which may require changes in the existing corporate structure**



Safe harbour statement

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 the 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 2000 Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission.