



HYDRO

All-in metal price rise
continues, seasonally
lower Energy results

Second quarter
presentation

Cautionary note

Certain statements included within this announcement contain forward-looking information, including, without limitation, those relating to (a) forecasts, projections and estimates, (b) statements of management's plans, objectives and strategies for Hydro, such as planned expansions, investments or other projects, (c) targeted production volumes and costs, capacities or rates, start-up costs, cost reductions and profit objectives, (d) various expectations about future developments in Hydro's markets, particularly prices, supply and demand and competition, (e) results of operations, (f) margins, (g) growth rates, (h) risk management, as well as (i) statements preceded by "expected", "scheduled", "targeted", "planned", "proposed", "intended" or similar statements.

Although we believe that the expectations reflected in such forward-looking statements are reasonable, these forward-looking statements are based on a number of assumptions and forecasts that, by their nature, involve risk and uncertainty. Various factors could cause our actual results to differ materially from those projected in a forward-looking statement or affect the extent to which a particular projection is realized. Factors that could cause these differences include, but are not limited to: our continued ability to reposition and restructure our upstream and downstream aluminium business; changes in availability and cost of energy and raw materials; global supply and demand for aluminium and aluminium products; world economic growth, including rates of inflation and industrial production; changes in the relative value of currencies and the value of commodity contracts; trends in Hydro's key markets and competition; and legislative, regulatory and political factors.

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



Svein Richard
Brandtzæg

President and CEO



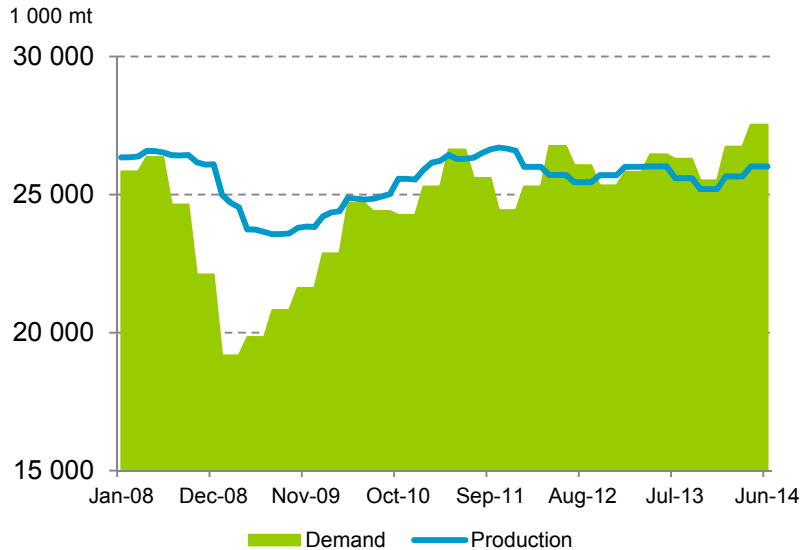
Q2 highlights

- Underlying EBIT NOK 544 million
- Higher all-in aluminium and realized alumina prices
- Alunorte production at record levels
- Seasonally lower power production and prices
- World outside China primary aluminium demand continues to exceed production

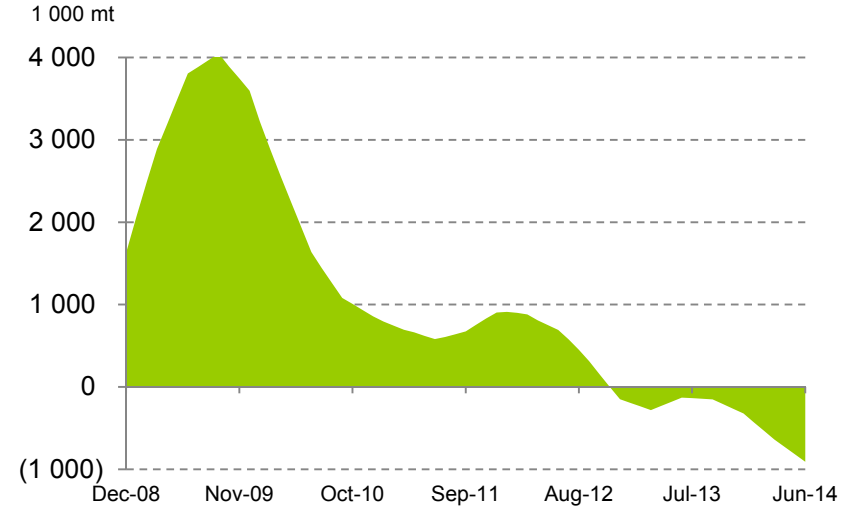
Demand to exceed production in 2014

World outside China

World outside China (quarterly annualized)



Production less demand, (quarterly annualized)*



- Transport sector drives growth in US and Europe
- 2014 aluminium demand grew 4 % year to date in world outside China
- New curtailments and delays partly offsetting ramp-ups

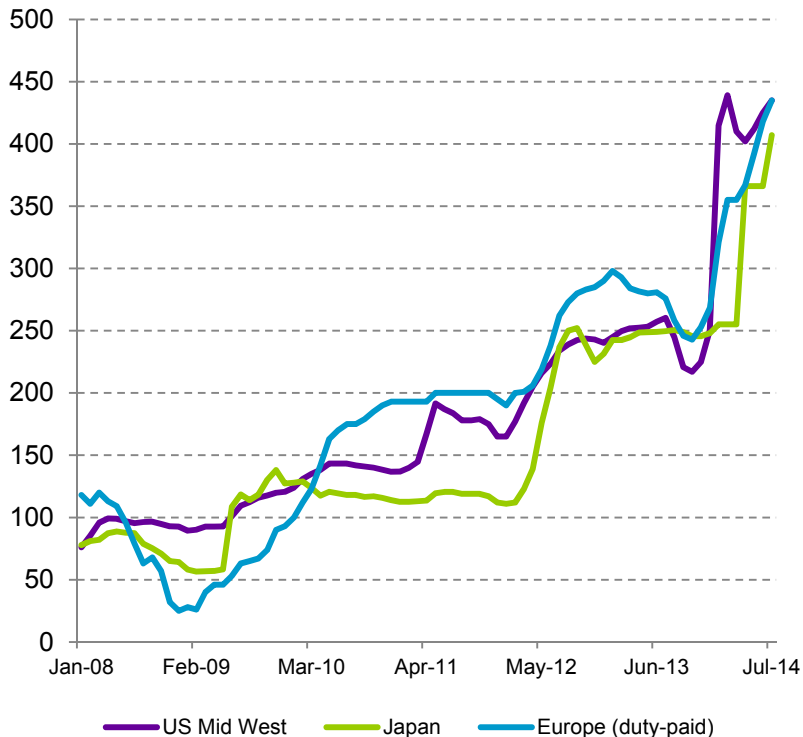
Source: CRU/Hydro

* 12 month rolling average

Standard ingot premiums remain at record levels

Regional standard ingot premiums

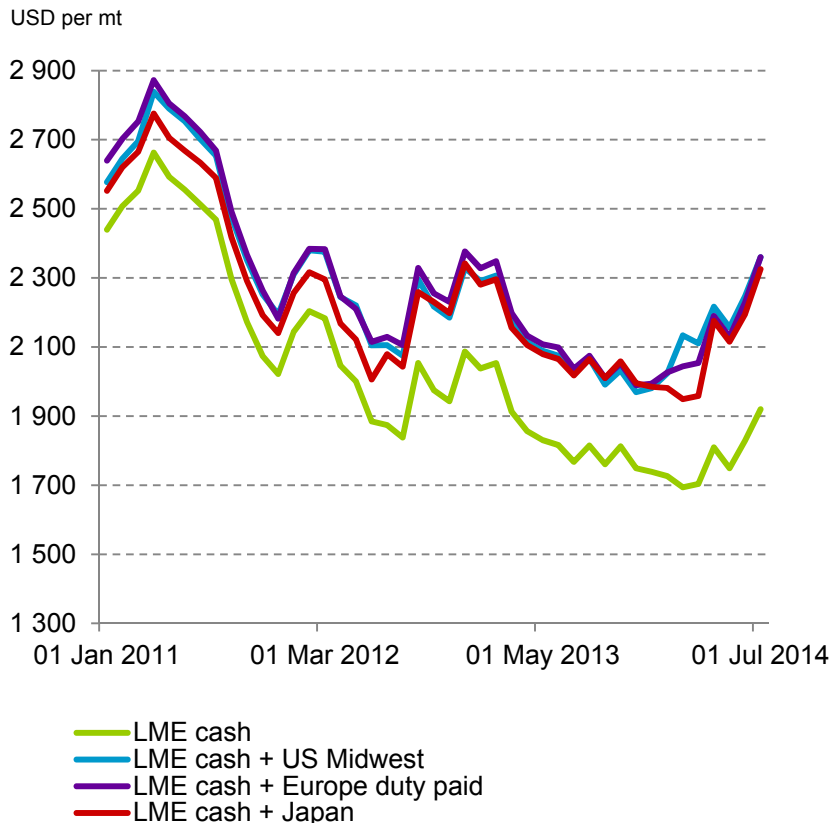
USD per mt



- European and Japanese standard ingot premium continued to rise through Q2 2014
- US, EU (duty-paid) and Japanese premiums above 400 USD/mt
- Value-added premiums also at record-high levels

Source: Metal Bulletin, MW/MJP: Platts

Tighter physical markets driving all-in aluminium price



- 3-month LME price ranged between 1 750 and 1 900 USD/mt during Q2
 - Traded at 16-month high in July
- LME increase partly offset by strengthening NOK
- Realized price for Q2 1 762 USD/mt

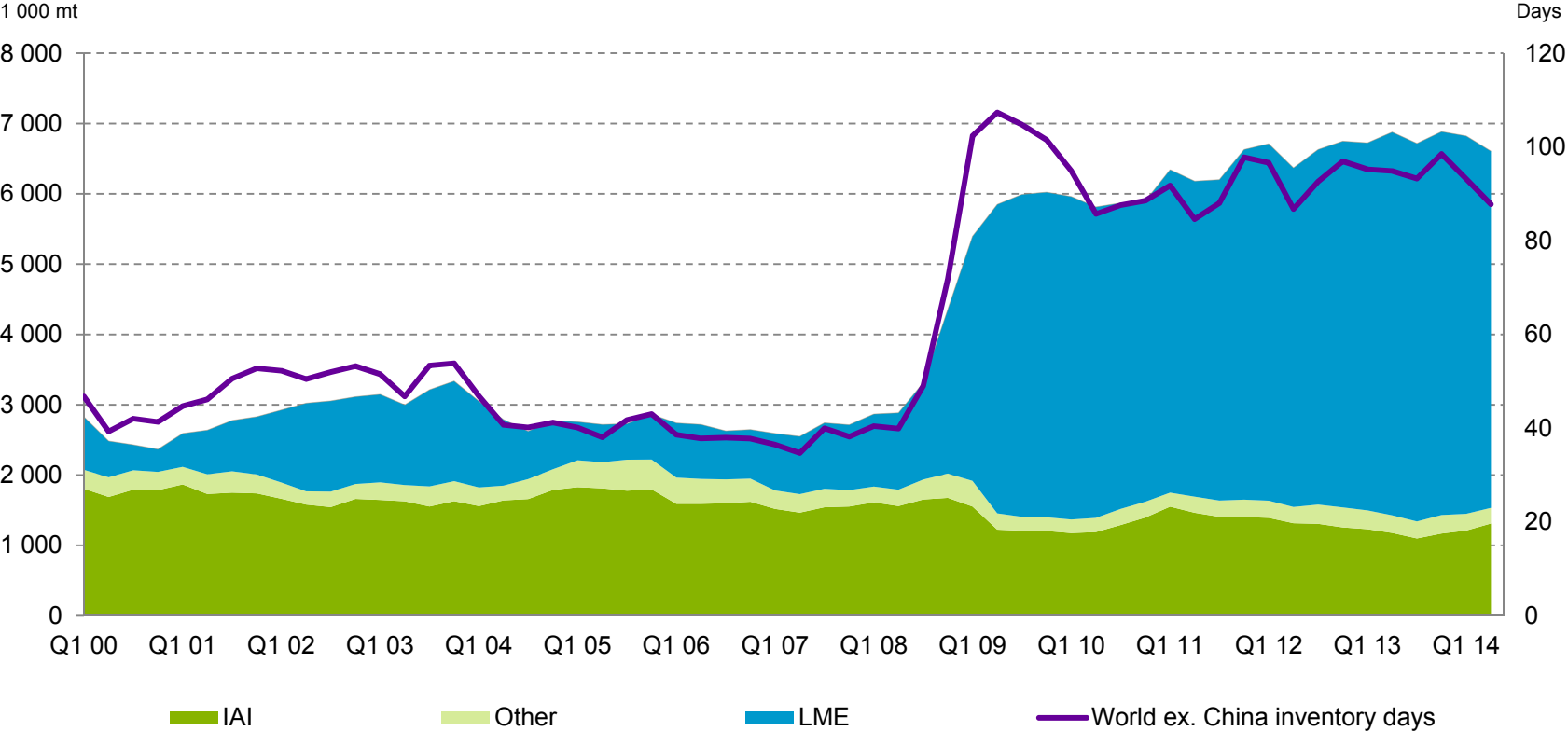
Primary aluminium LME*	USD/mt	NOK/mt
Q2 2014 average	1 836	10 991
Q2 2014 end	1 884	11 548
Q1 2014 average	1 752	10 671
Q1 2014 end	1 774	10 620

Source: Metal Bulletin, MW/MJP: Platts, Reuters Ecwin

* LME three month average

Reduction in reported inventories world ex-China

World outside China reported primary aluminium inventories



Source: CRU/Hydro

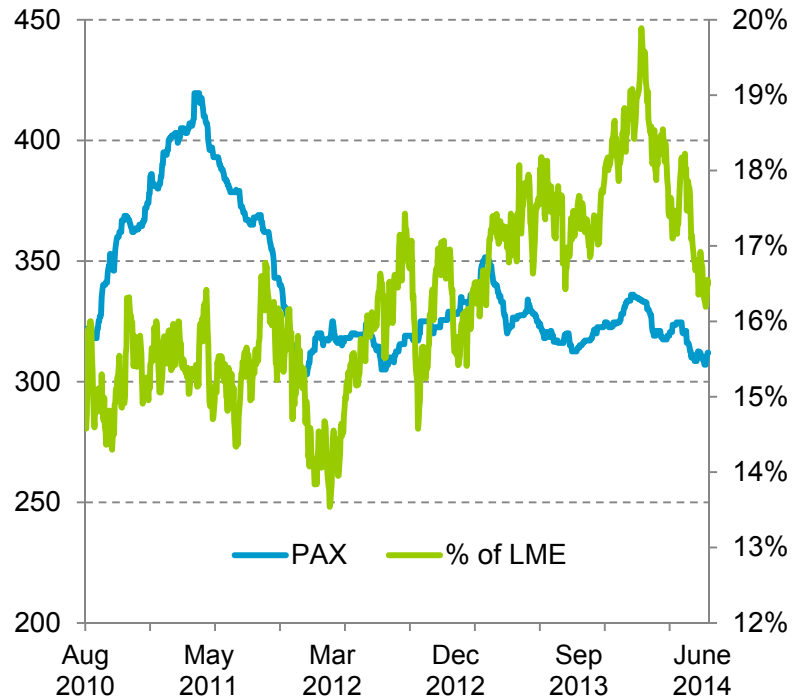


Declining alumina prices

Platts alumina index (PAX)

USD per mt

Percent

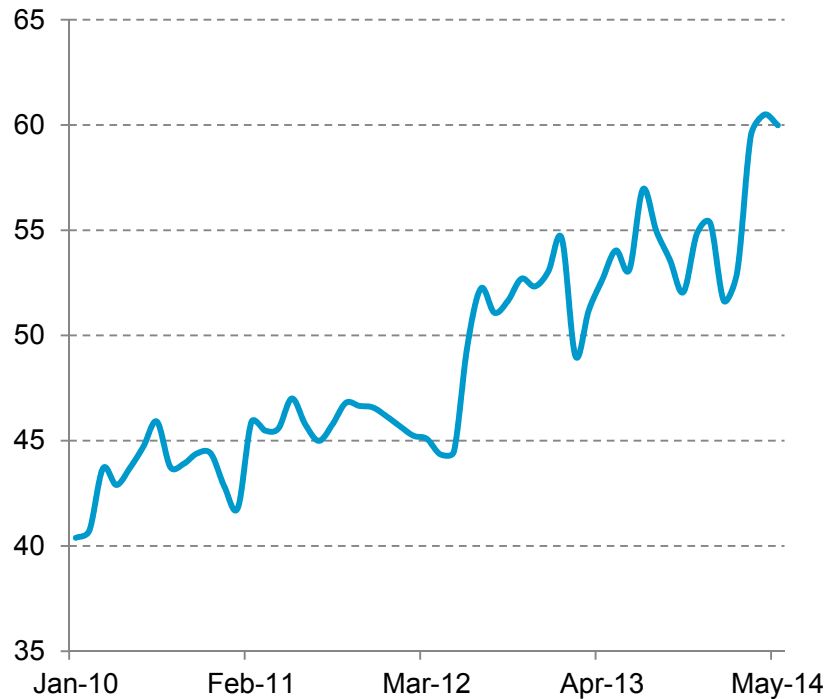


- Average price 316 USD/mt, down 12 USD/mt from Q1
- Alumina as % of LME decreased due to rising LME price, lowest level since January 2013

Indonesia bauxite ban remains in place

Average Chinese import price

USD per mt

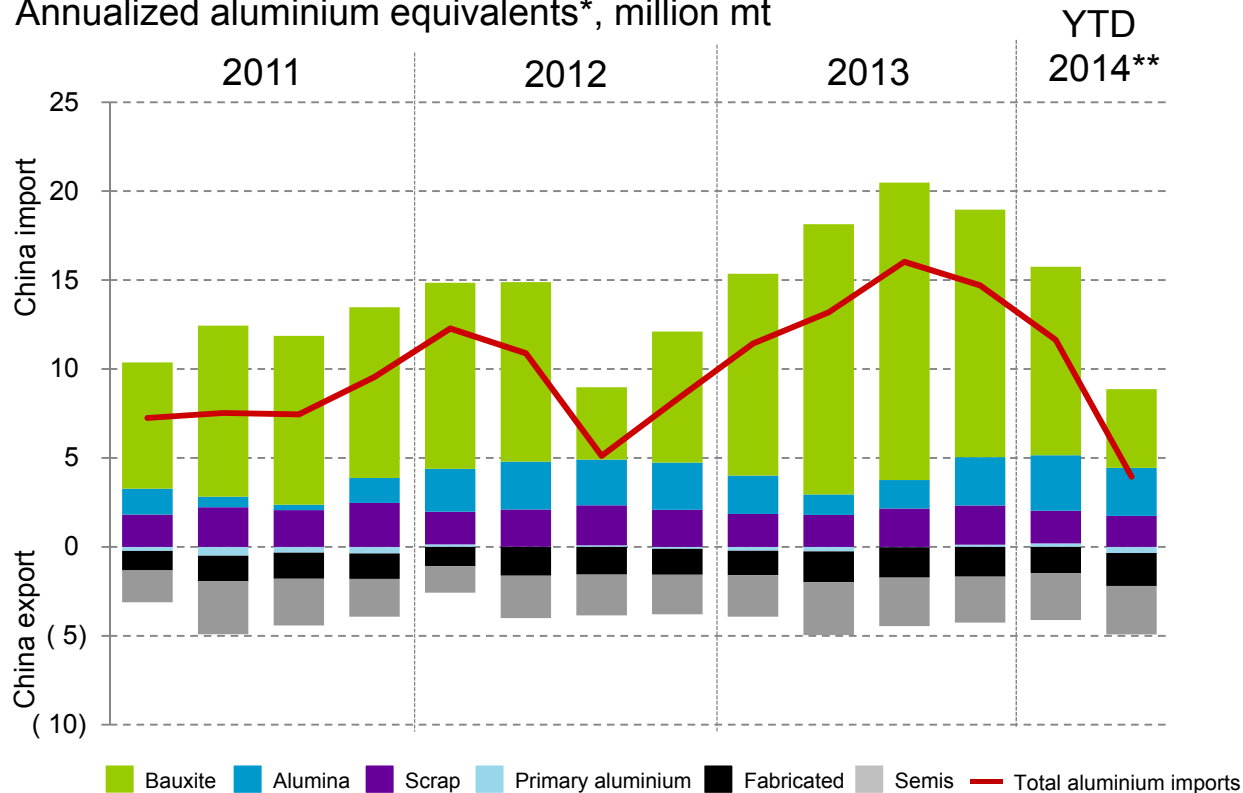


- Uncertainty around possibility to obtain export licenses for those with plans to build Indonesia alumina capacity
- Indonesian election in progress
- Increased price for bauxite imports to China

Source: Chinese import statistics

China bauxite imports continue to decline

Annualized aluminium equivalents*, million mt



- Bauxite and alumina
 - Significant drop in bauxite imports from January to May as Indonesia export ban is taking effect
 - Alumina imports increasing YTD compared to same period last year
- Primary aluminium
 - No significant import or export expected in 2014
- Semis and fabricated
 - Export of semis and fabricated products stable year on year

Source: CRU/Antaika/Hydro

* Bauxite/alumina to aluminium conversion factor: 5.0/1.925

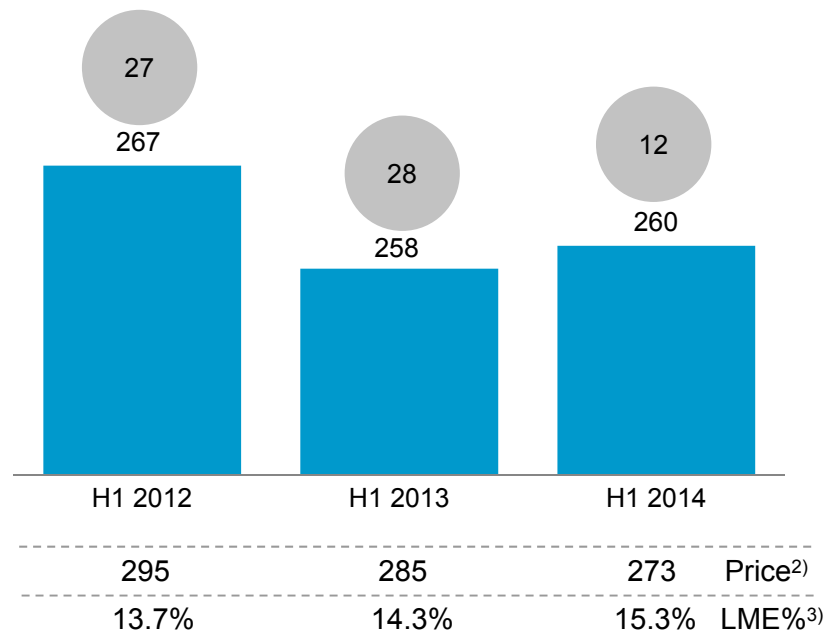
**April and May annualized

Record levels of alumina production

ICMS negatively affects implied alumina cost

- Alumina production at record level
- Bauxite production increasing
- “From B to A” improvement program progressing according to plan
 - Target NOK 1 billion by end-2015, of which NOK 600 million by end-2014
- Close dialog on ICMS taxes and framework conditions continues

Implied alumina cost and margin, USD/mt ¹⁾



■ Implied EBITDA cost per mt

● EBITDA margin per mt

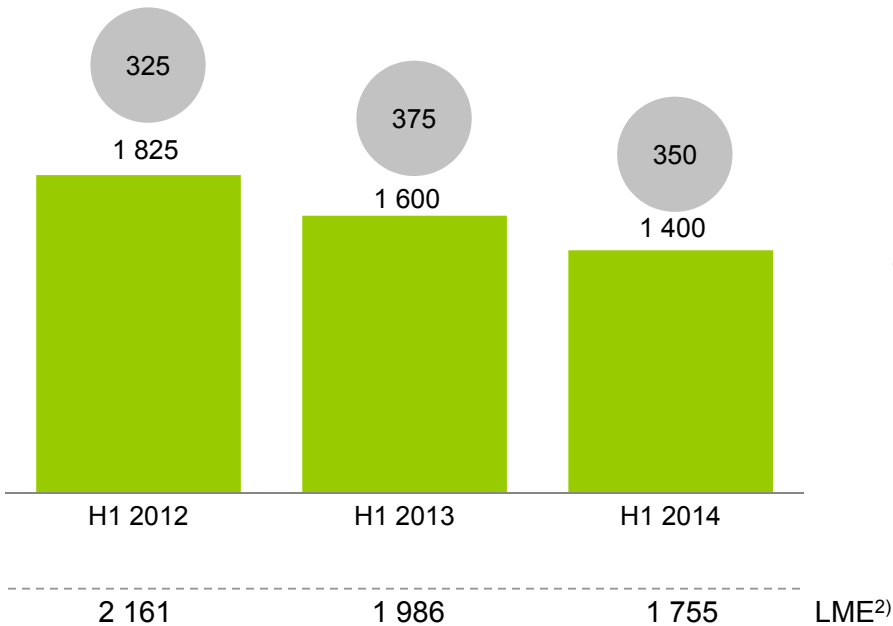
1) Realized alumina price minus EBITDA for B&A, per mt alumina sales

2) Realized alumina price

3) Realized alumina price as % of three month LME price with one month lag

Primary Metal operational improvements continue

Implied primary cost and margin, USD/mt ¹⁾



- Primary cost continues downward trend
 - Improvement efforts with bottom-line effect
 - Favorable exchange rate development
 - Increasing premiums
- USD 180 JV program on track, to be concluded by end-2016
 - Positive contribution from continued cost reductions at Qatalum

■ Implied EBITDA cost per mt

● EBITDA margin per mt

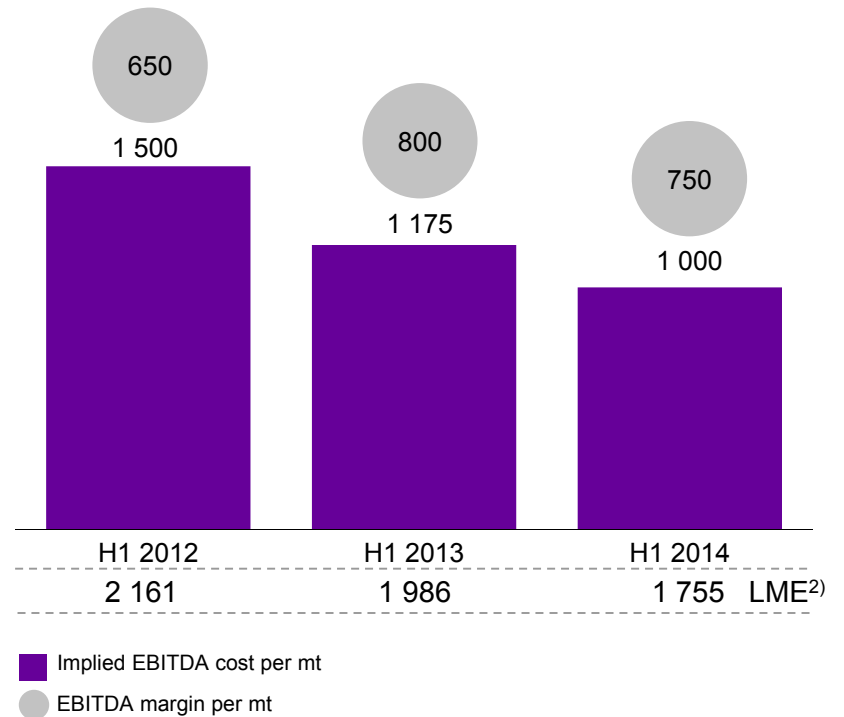
1) Realized aluminium price minus EBITDA margin per mt primary aluminium.
Includes net earnings from primary casthouses

2) Realized LME

Qatalum confirms first-decile cost position



Implied Qatalum primary cost and margin, USD/mt ¹⁾



1) Realized aluminium price minus EBITDA margin per mt primary aluminium

2) Realized LME for Primary Metal

Hydro to take over Søral aluminium plant

- To take over RTAs 50% share
- Short-term cost relief
- Closing expected second half 2014, pending regulatory approval

Sør-Norge Aluminium (Søral)

- Annual capacity of 180 kmt
 - Currently producing 90 kmt
- 100% value added products
- Located on the west coast of Norway



Enova supports Hydro's technology pilot

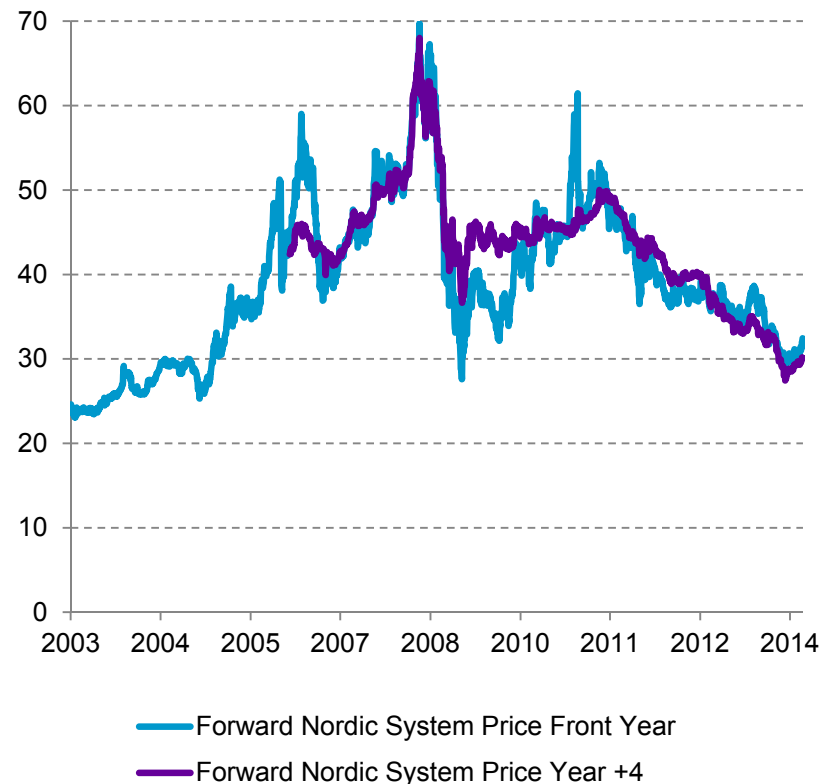
- NOK 1.5 billion contribution
 - Pending ESA approval
- Potentially world's most energy-efficient production line for aluminium
 - Target of 12.3 KWh/kg
 - Reduced carbon emissions
- Other conditions necessary for building
 - Strengthened regional grid
 - Competitive energy supply contract
 - Healthy aluminium market balance



Norwegian power sourcing until 2030

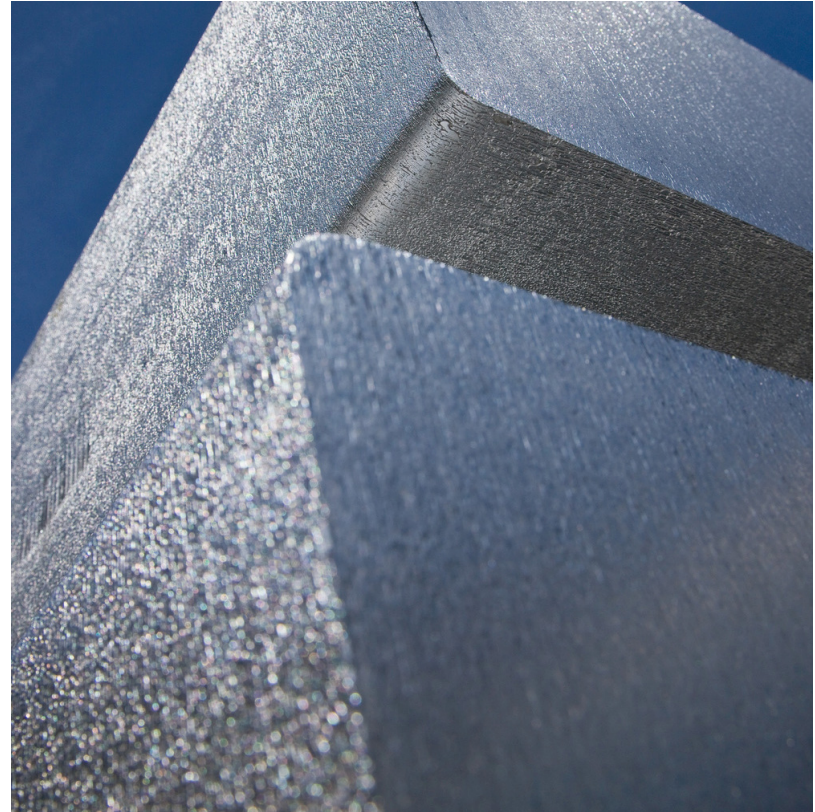
- Competitive power sourcing key to sustaining operations for Norwegian aluminium portfolio
- Statkraft contract expires 2020
 - 6.4 TWh
- Four new power contracts signed
 - Total 2.7 TWh
 - Agder Energi, Lyse Energi and Axpo Trading

Nordic system forward prices, EUR/MWh



Advanced Hydro casting technology targeting growing automotive market

- Investment in high-tech casting tables
 - Adjustable Flexible Moulds (AFM)
 - In-house technology
 - Årdal and Høyanger
- Strengthens Hydro's position as supplier of advanced sheet ingot
- Positive customer feedback
 - Surface quality, geometry, microstructure
- Implementation first half of 2015, completion expected first half 2016



The automotive industry embraces aluminium

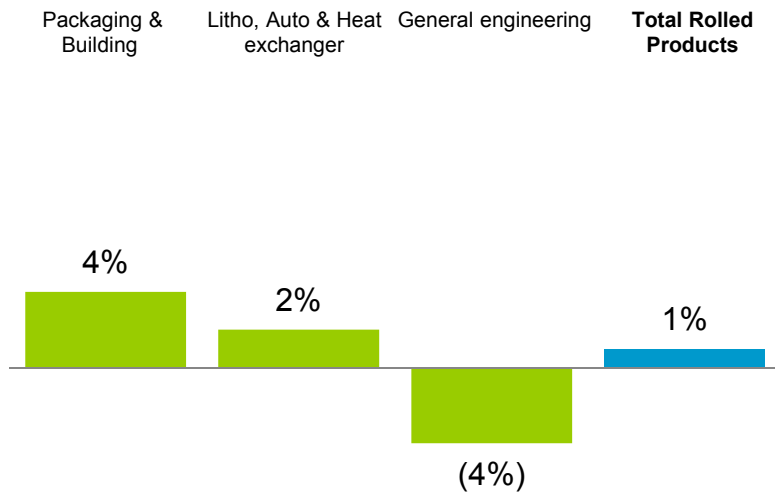
- Regulations driving light weighting of cars
 - Corporate average fuel economy (CAFE)
 - EU 2020 vehicle targets
- Aluminium is the clear choice
 - Ductile material with high specific energy absorption
 - Especially competitive for body in white, due to stiffness
 - Weight, recyclability, corrosion-resistant



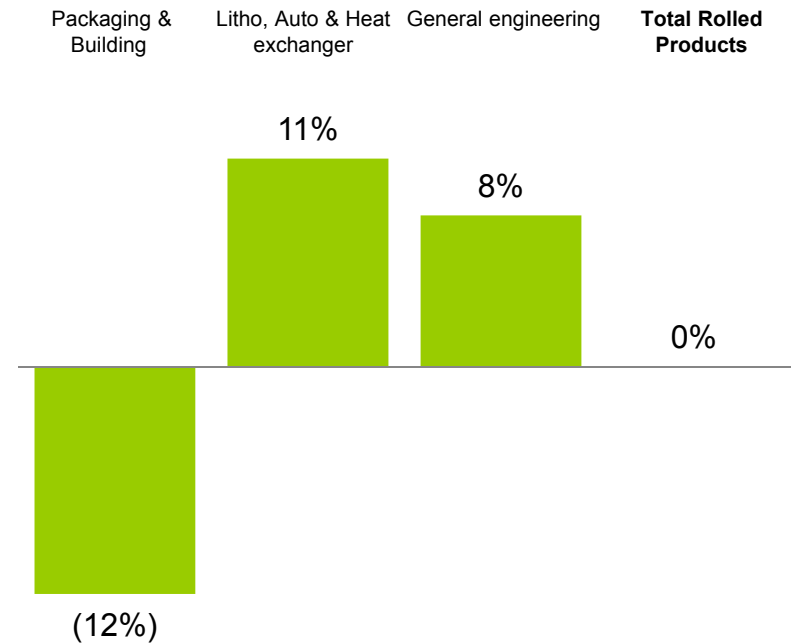
Stable shipments in Rolled Products

Rolled Products sales by segment

Q2 2014 vs. Q1 2014



Q2 2014 vs. Q2 2013



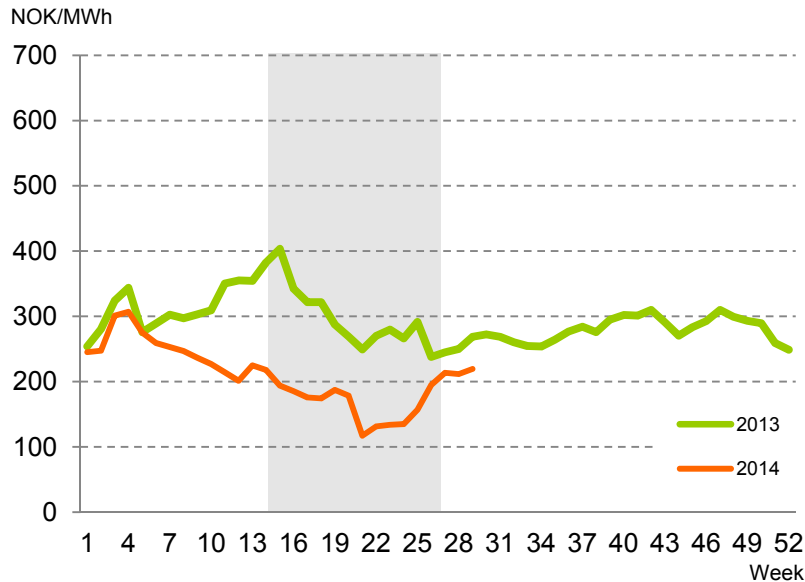
Seasonally stronger demand for extruded products



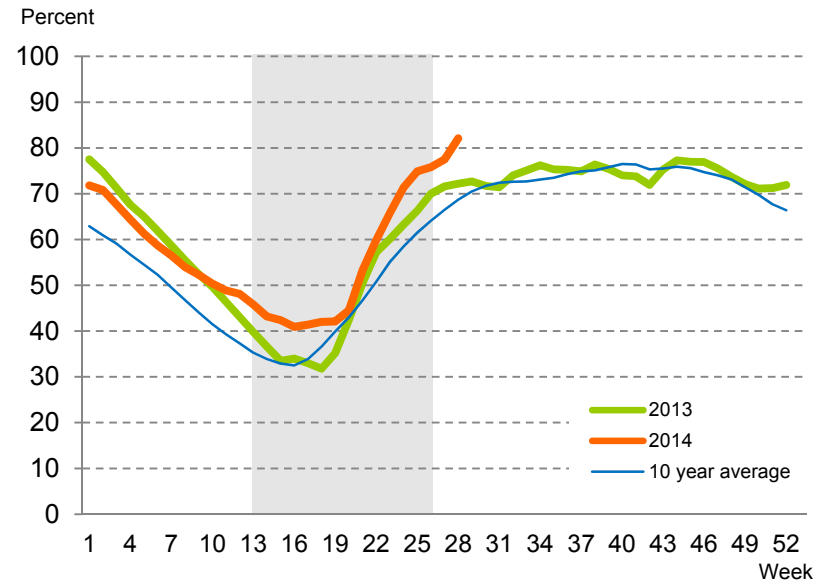
- Seasonal demand rises from Q1
 - Increases in North America and Europe
- Increased demand compared to same period last year
- Global demand for precision tubing continues
 - Strong automotive market
 - Substitution within automotive and residential segments

Higher reservoir levels, lower prices

Market price Southwestern Norway (NO2)



Water reservoir levels Southwestern Norway (NO2)*



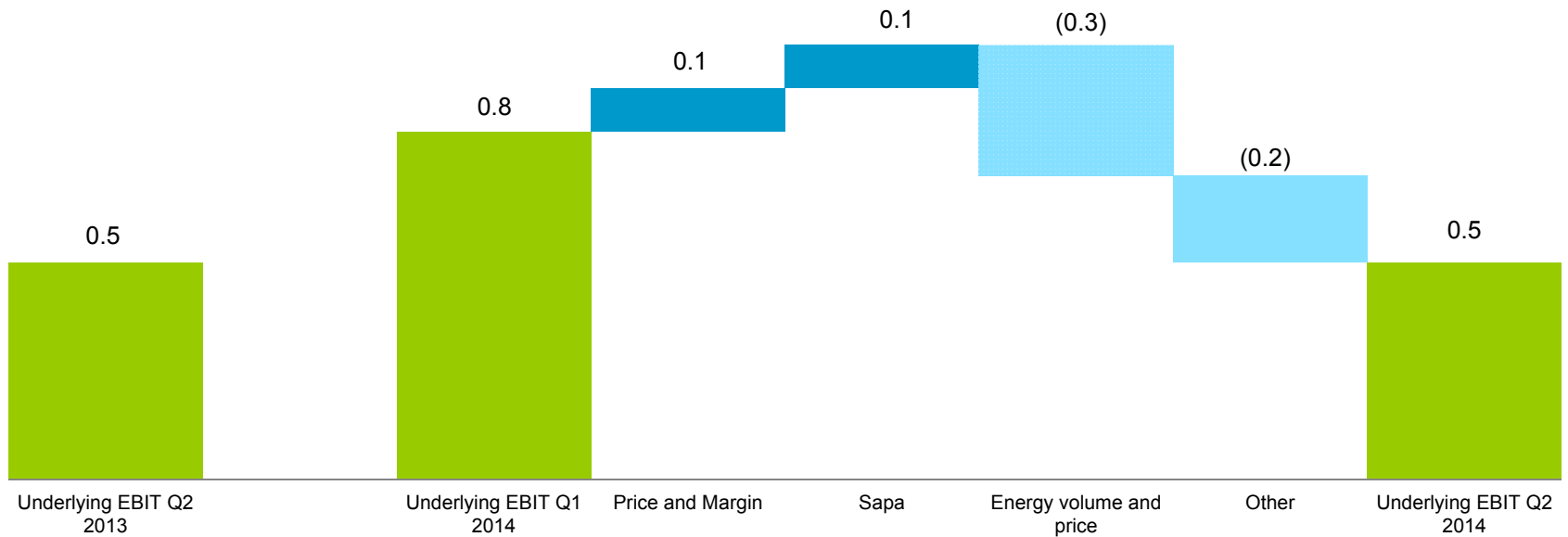
Energy price NOK/MWh	Q2 2014	Q1 2014
Southwestern Norway (NO2)	168	249
System	211	252

Reservoir levels (%Points) above/(below) 10 year average	Jun 30, 2014	Mar 31, 2014
Southwestern Norway (NO2)	11.7	10.5
Norway	2.1	0.2

Source: Nordpool and NVE

High-level quarterly result development

NOK billion



Figures for 2013 throughout the presentation have been adjusted reflecting IFRS 11

Key financials

NOK million	Q2 2014	Q1 2014	Q2 2013	First Half 2014	First Half 2013
Revenue	18 272	18 282	16 052	36 553	32 161
Underlying EBIT	544	772	520	1 316	1 596
Items excluded from underlying EBIT	75	50	(144)	126	(516)
Reported EBIT	620	822	376	1 442	1 081
Financial income (expense)	(199)	92	(1 373)	(107)	(1 550)
Income (loss) before tax	421	914	(997)	1 335	(469)
Income taxes	(152)	(452)	284	(604)	10
Income (loss) from continuing operations	269	462	(713)	730	(460)
Income (loss) from discontinued operations	-	-	48	-	57
Net income (loss)	269	462	(665)	730	(402)
Underlying net income (loss)	318	388	427	705	1 075
Reported EPS, NOK	0.09	0.19	(0.31)	0.28	(0.17)
Underlying EPS, NOK	0.13	0.16	0.19	0.29	0.49

Items excluded from underlying EBIT

NOK million	Q2 2014	Q1 2014	Q2 2013	First Half 2014	First Half 2013
Underlying EBIT	544	772	520	1 316	1 596
Unrealized effects on power and raw material contracts	(40)	175	155	135	(114)
Unrealized derivative effects on LME related contracts	136	(5)	(129)	131	(159)
Metal effect, Rolled Products	58	-	(100)	58	(95)
Rationalization charges and closure costs	-	-	(86)	-	(164)
Impairment charges	-	(33)	-	(33)	-
Gains (losses) on divestments	8	-	16	8	16
Items excluded in equity accounted investment (Sapa)	(87)	(86)	-	(173)	-
Reported EBIT	620	822	376	1 442	1 081

Bauxite & Alumina

Key figures	Q2 2014	Q1 2014	Q2 2013
Alumina production, kmt	1 526	1 428	1 248
Total alumina sales, kmt	2 071	1 906	1 696
Realized alumina price, USD/mt	276	269	275
Implied alumina cost, USD/mt	263	258	254
Bauxite production, kmt	2 370	2 242	1 765
Underlying EBITDA, NOK million	162	122	203
Underlying EBIT, NOK million	(269)	(288)	(244)

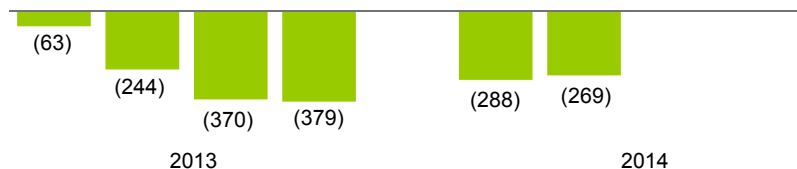


Underlying EBIT

NOK million

(1 057)

(557)



Q2 results

- Increased bauxite and alumina production
- Higher realized alumina price
- Implied cost negatively affected by ICMS and currency

Outlook

- Reduced bauxite production due to planned maintenance
- Stable alumina production
- Lower alumina index exposure
- Improvement efforts continuing as planned

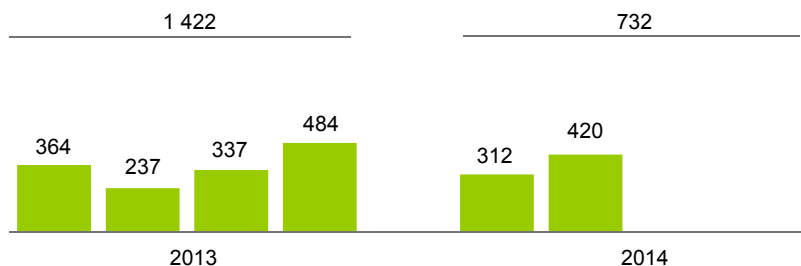
* Implied alumina cost (based on EBITDA and sales volume) replaces previous apparent alumina cash cost

Primary Metal

Key figures	Q2 2014	Q1 2014	Q2 2013
Primary aluminium production, kmt	488	484	483
Total sales, kmt	559	593	531
Realized LME price, USD/mt	1 762	1 749	1 926
Realized LME price, NOK/mt	10 660	10 702	11 217
Implied primary cost USD/mt	1 375	1 400	1 575
Underlying EBITDA, NOK million	852	753	713
Underlying EBIT, NOK million	420	312	237

Underlying EBIT

NOK million



Q2 results

- Realized premiums lifted results by NOK ~130 million
- Realized LME price and seasonally lower sales volume lowered results by NOK ~60 million

Outlook

- About 50 % of primary production affecting Q3 results priced at ~USD 1 825 per mt, excluding Qatalum
- Rising premiums
- Seasonally lower fixed costs

Higher premiums drive Qatalum earnings

Key figures – Qatalum (50%)	Q2 2014	Q1 2014	Q2 2013
Revenue, NOK million	1 095	1 087	1 080
Underlying EBITDA, NOK million	370	342	338
Underlying EBIT, NOK million	158	115	89
Underlying Net income (loss), NOK million	112	75	44
Primary aluminium production, kmt	77	76	75
Casthouse sales, kmt	80	83	79

- Underlying net income increases by NOK 37 million from Q1 2014
- Higher realized premiums partially offset by lower volumes

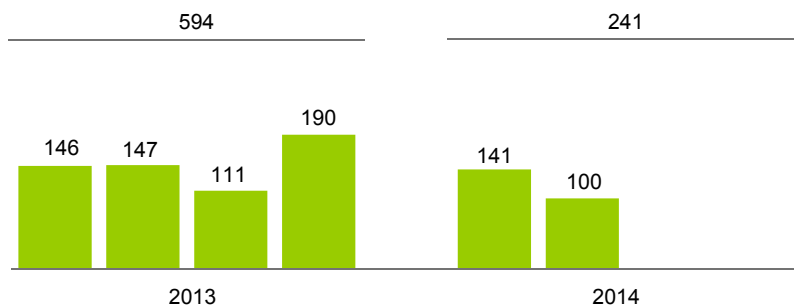
Metal Markets

Key figures	Q2 2014	Q1 2014	Q2 2013
Remelt production, kmt	141	139	132
Metal products sales, kmt*	700	720	678
Underlying EBITDA, NOK million	120	157	165
Underlying EBIT excl currency and inventory valuation effects, NOK million	122	161	109
Underlying EBIT, NOK million	100	141	147



Underlying EBIT

NOK million



* Sales volumes for 2013 revised due to change of definition

Q2 results

- Weaker results from sourcing and trading activities
- Higher volumes at remelters
- Largely stable currency and ingot inventory valuation effects

Outlook

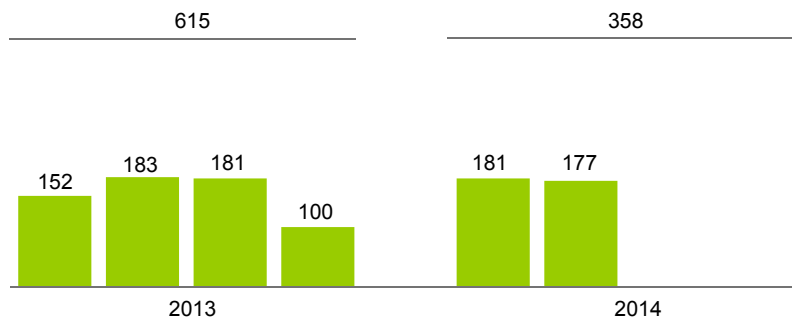
- Seasonally lower volumes at remelters
- Volatile trading and currency effects

Rolled Products

Key figures	Q2 2014	Q1 2014	Q2 2013
External sales volumes, kmt	245	243	245
Underlying EBITDA, NOK million	350	351	346
Underlying EBIT, NOK million	177	181	183

Underlying EBIT

NOK million



Q2 results

- Stable shipments
- Lower margins due to rising premiums

Outlook

- Seasonally lower sales
- Continued margin pressure from rising premiums

* Figures adjusted for 2013 reflecting IFRS 11

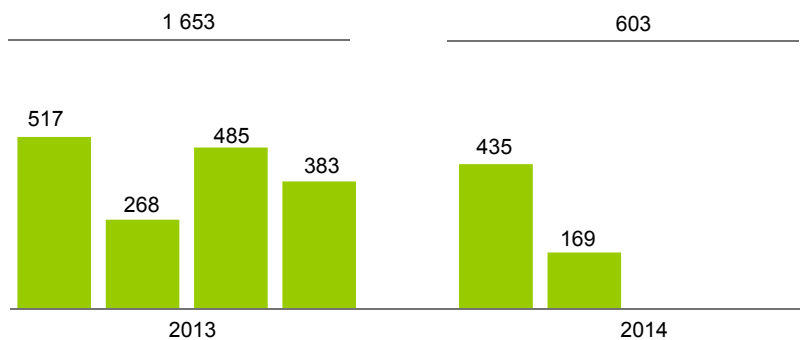
Energy

Key figures	Q2 2014	Q1 2014	Q2 2013
Power production, GWh	2 248	2 964	2 090
Net spot sales, GWh	1 028	1 581	829
Southwest Norway spot price (NO2), NOK/MWh	168	249	296
Underlying EBITDA, NOK million	209	474	302
Underlying EBIT, NOK million	169	435	268



Underlying EBIT

NOK million



Q2 results

- Results down on lower prices and production
- Above-average snow melt and export limitations affected prices in South Norway
- Large area price differences

Outlook

- Lower production due to Rjukan upgrade project
- Volume and price uncertainty

Sapa joint venture

Key figures – Sapa (50%)	Q2 2014	Q1 2014
Revenue, NOK million	5 772	5 673
Underlying EBITDA, NOK million	321	220
Underlying EBIT, NOK million	175	78
Underlying Net income (loss), NOK million	131	35
Sales volumes (kmt)	184	180

- Seasonally stronger quarter
- Underlying net income increases by NOK 96 million from Q1
- Restructuring agenda progressing according to plan

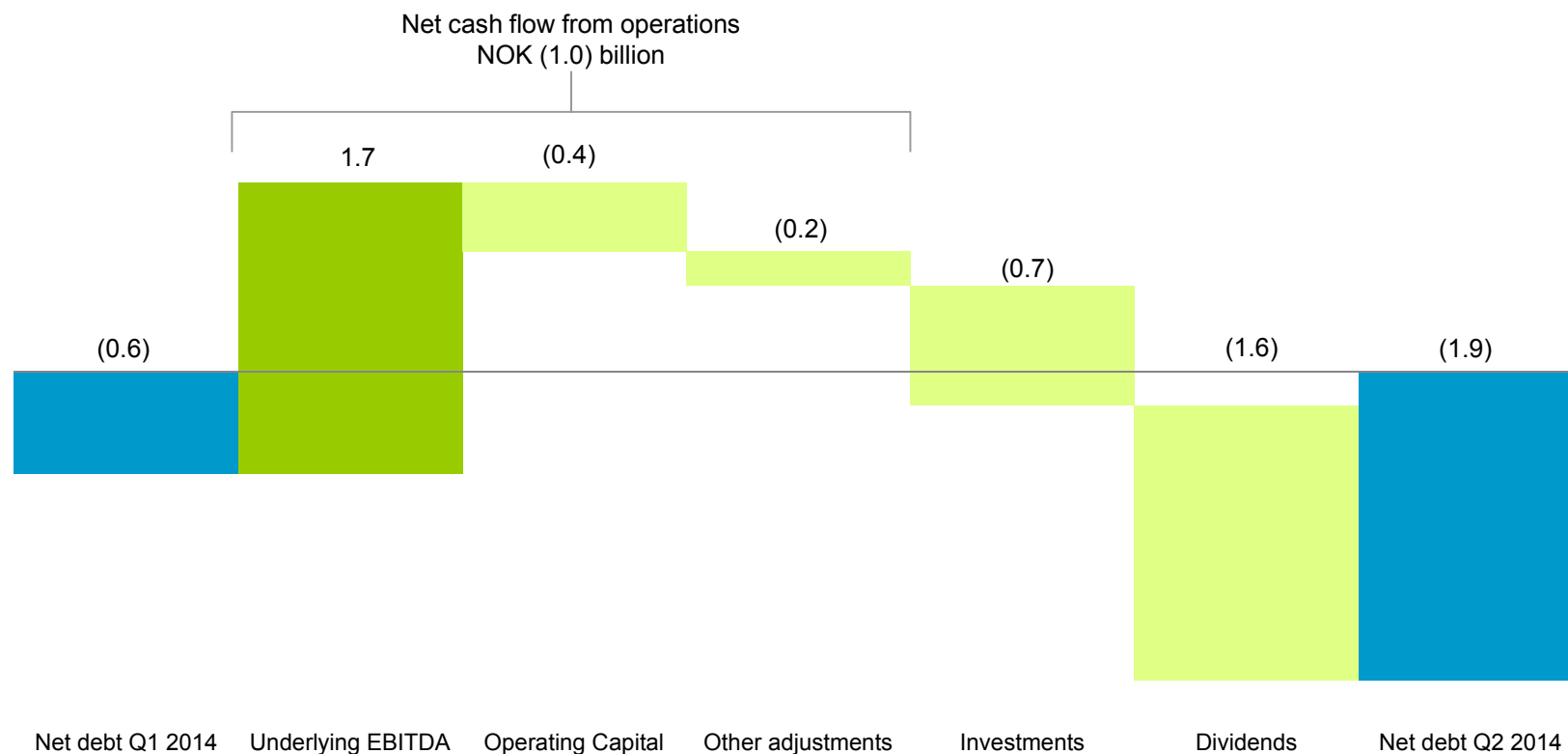
Other and Eliminations

Other and Eliminations	Q2 2014	Q1 2014	Q2 2013
Sapa JV	131	35	-
Other	(176)	(127)	(110)
Eliminations	(8)	84	40
Other and Eliminations	(52)	(8)	(70)



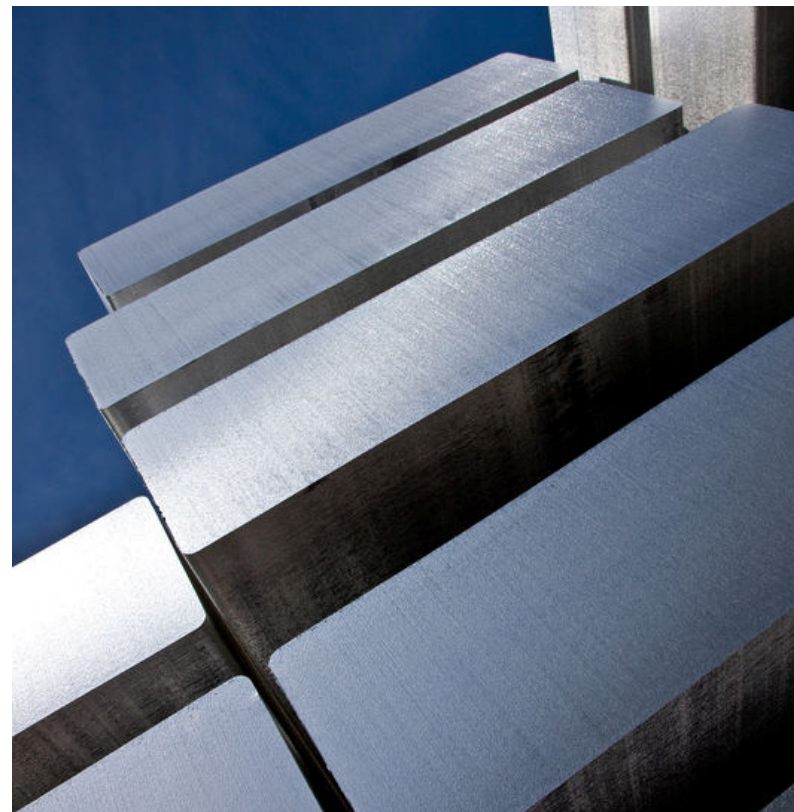
Net cash/(debt) development Q2 2014

NOK billion

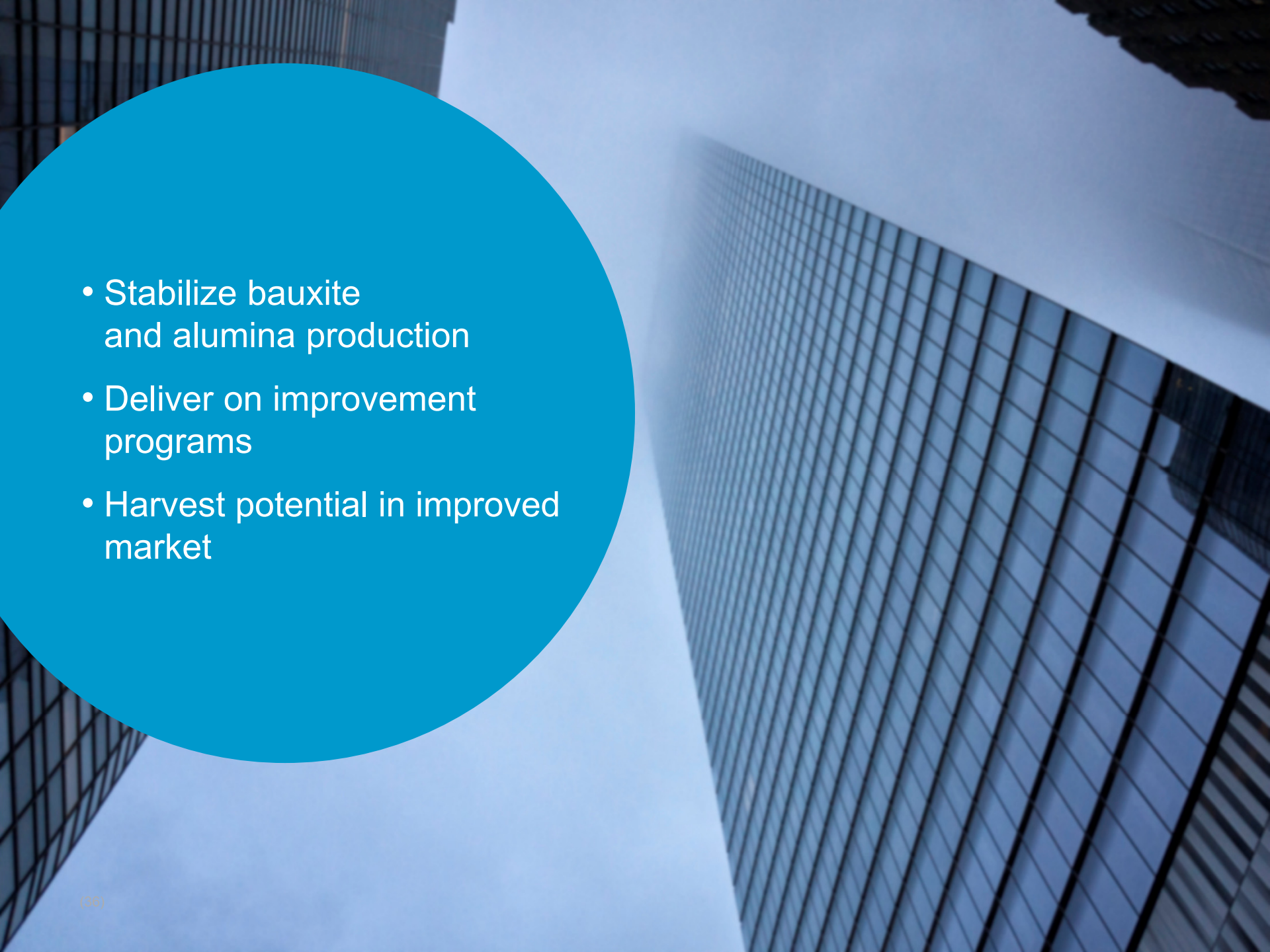


Adjusted net debt increased to NOK 13.6 billion

NOK billion	Jun 30, 2014	Mar 31, 2014
Cash and cash equivalents	6.6	6.5
Short-term investments	1.8	3.1
Short-term debt	(6.1)	(6.3)
Long-term debt	(4.1)	(3.9)
Net cash/(debt)	(1.9)	(0.6)
Net pension liability at fair value, net of expected tax benefit	(6.3)	(5.2)
Other adjustments ¹	(5.4)	(5.4)
Net adjusted cash/(debt)	(13.6)	(11.2)



1) Operating lease commitments and other

- 
- Stabilize bauxite and alumina production
 - Deliver on improvement programs
 - Harvest potential in improved market



Additional
information

Items excluded from underlying results - 2014

NOK million (+=loss/)=gain)		Q1 2014	Q2 2014
Unrealized derivative effects on LME related contracts	Bauxite & Alumina	(4)	(1)
Total impact	Bauxite & Alumina	(4)	(1)
Unrealized derivative effects on LME related contracts	Primary Metal	(12)	(38)
Unrealized effects on power contracts	Primary Metal	43	(8)
Unrealized derivative effects on power contracts (Søral)	Primary Metal	(33)	24
Unrealized derivative effects on raw material contracts	Primary Metal	10	9
Total impact	Primary Metal	8	(14)
Unrealized derivative effects on LME related contracts	Metal Markets	35	6
Impairment charges	Metal Markets	33	-
Total impact	Metal Markets	69	6
Unrealized derivative effects on LME related contracts	Rolled Products	(16)	(101)
Metal effect	Rolled Products	-	(58)
Total impact	Rolled Products	(16)	(159)
Unrealized derivative effects on power contracts	Energy	3	4
Total impact	Energy	3	4
Unrealized derivative effects on power contracts	Other and Eliminations	(198)	12
Unrealized derivative effects on LME related contracts	Other and Eliminations	1	(2)
(Gains)/Losses on divestments	Other and Eliminations	-	(8)
Items excluded in equity accounted investment (Sapa)	Other and Eliminations	86	87
Total impact	Other and Eliminations	(111)	88
Total EBIT	Hydro	(50)	(75)
Net foreign exchange (gain)/loss	Hydro	(193)	101
Income (loss) before tax	Hydro	(244)	26
Calculated income tax effect	Hydro	170	23
Net income (loss)	Hydro	(74)	49

Items excluded from underlying results - 2013

NOK million (+=loss/(-)=gain)		Q1 2013	Q2 2013	Q3 2013	Q4 2013	2013
Unrealized derivative effects on LME related contracts	Bauxite & Alumina	13	(3)	-	3	12
Legal settlements	Bauxite & Alumina	-	-	-	109	109
Total impact	Bauxite & Alumina	13	(3)	-	112	121
Unrealized derivative effects on LME related contracts	Primary Metal	72	55	(70)	23	81
Unrealized derivative effects on power contracts (Søral)	Primary Metal	16	88	40	45	189
Unrealized derivative effects on power contracts	Primary Metal	251	(42)	19	57	285
Unrealized derivative effects on raw material contracts	Primary Metal	6	8	10	12	36
Rationalization charges and closure costs	Primary Metal	-	7	-	-	7
Insurance compensation (Qatalum)	Primary Metal	-	-	-	(30)	(30)
Total impact	Primary Metal	346	116	(1)	107	568
Unrealized derivative effects on LME related contracts	Metal Markets	(82)	26	49	(5)	(12)
(Gains)/Losses on divestments	Metal Markets	-	-	(53)	-	(53)
Pension	Metal Markets	-	-	-	(7)	(7)
Total impact	Metal Markets	(82)	26	(4)	(12)	(73)
Unrealized derivative effects on LME related contracts	Rolled Products	45	58	(28)	59	134
Metal effect	Rolled Products	(5)	100	107	87	289
Rationalization charges and closure costs	Rolled Products	-	45	28	12	85
(Gains)/Losses on divestments	Rolled Products	-	-	-	69	69
Pension	Rolled Products	-	-	-	(45)	(45)
Total impact	Rolled Products	41	202	107	182	532
Unrealized derivative effects on power contracts	Energy	4	(3)	4	(8)	(4)
Total impact	Energy	4	(3)	4	(8)	(4)
Unrealized derivative effects on power contracts	Other and Eliminations	(9)	(205)	(66)	(119)	(399)
Unrealized derivative effects on LME related contracts	Other and Eliminations	(19)	(6)	15	(2)	(13)
Impairment charges	Other and Eliminations	-	-	-	80	80
Pension	Other and Eliminations	-	-	-	(338)	(338)
(Gains)/Losses on divestments	Other and Eliminations	-	(16)	-	-	(16)
Rationalization charges and closure costs	Other and Eliminations	78	34	(37)	312	386
Items excluded in equity accounted investment (Sapa)	Other and Eliminations	-	-	45	172	217
Total impact	Other and Eliminations	51	(193)	(43)	104	(81)
Total EBIT	Hydro	372	144	62	485	1 063
Net foreign exchange (gain)/loss	Hydro	114	1 291	152	688	2 246
Income (loss) before tax	Hydro	486	1 435	214	1 173	3 309
Calculated income tax effect	Hydro	(141)	(406)	(66)	(276)	(889)
Items excluded from discontinued operations	Hydro	40	64	(75)	-	30
Net income (loss)	Hydro	385	1 092	73	898	2 450

Operating segment information

Underlying EBIT

NOK million	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Year 2012	Year 2013
Bauxite & Alumina	(144)	(188)	(386)	(73)	(63)	(244)	(370)	(379)	(288)	(269)	(791)	(1 057)
Primary Metal	36	245	(4)	58	364	237	337	484	312	420	335	1 422
Metal Markets	88	45	8	70	146	147	111	190	141	100	210	594
Rolled Products	150	203	213	70	152	183	181	100	181	177	637	615
Energy	556	362	220	322	517	268	485	383	435	169	1 459	1 653
Other and Eliminations	(108)	(136)	(35)	(275)	(38)	(70)	(87)	(306)	(8)	(52)	(553)	(502)
Total	578	531	16	172	1 076	520	658	471	772	544	1 297	2 725

Underlying EBITDA

NOK million	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Year 2012	Year 2013
Bauxite & Alumina	331	250	42	336	366	203	47	45	122	162	959	662
Primary Metal	582	741	482	528	838	713	802	940	753	852	2 332	3 293
Metal Markets	114	70	33	92	163	165	149	214	157	120	308	691
Rolled Products	262	315	324	189	311	346	351	284	351	350	1 090	1 293
Energy	584	391	250	363	557	302	523	420	474	209	1 588	1 803
Other and Eliminations	(92)	(120)	19	(258)	(24)	(55)	(72)	(285)	4	(40)	(452)	(435)
Total	1 780	1 648	1 149	1 250	2 212	1 674	1 801	1 619	1 861	1 653	5 827	7 306

2012 are adjusted to reflect IAS19R

2013 are adjusted to reflect IFRS11

Operating segment information

EBIT

NOK million	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Year 2012	Year 2013
Bauxite & Alumina	(136)	(199)	(387)	(62)	(76)	(241)	(370)	(491)	(284)	(269)	(783)	(1 178)
Primary Metal	(91)	(1 227)	(48)	112	19	122	338	377	303	434	(1 254)	855
Metal Markets	156	17	(246)	211	228	121	116	202	73	93	138	666
Rolled Products	168	160	339	121	110	(19)	74	(83)	197	336	788	83
Energy	554	353	217	323	513	271	481	391	431	165	1 448	1 657
Other and Eliminations	59	286	(108)	(1)	(89)	122	(43)	(410)	102	(140)	235	(420)
Total	710	(610)	(232)	704	704	376	596	(14)	822	620	571	1 663

EBITDA

NOK million	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Year 2012	Year 2013
Bauxite & Alumina	339	240	41	347	353	207	47	(67)	125	163	967	540
Primary Metal	456	423	438	472	492	597	803	833	745	866	1 789	2 726
Metal Markets	182	42	(145)	232	245	139	153	226	122	114	312	764
Rolled Products	280	271	450	240	270	144	245	102	367	508	1 241	761
Energy	582	383	248	364	553	306	519	429	471	205	1 577	1 807
Other and Eliminations	74	302	(55)	16	(74)	138	(28)	(309)	115	(127)	337	(274)
Total	1 913	1 661	977	1 672	1 839	1 531	1 739	1 214	1 944	1 728	6 222	6 323

2012 are adjusted to reflect IAS19R
2013 are adjusted to reflect IFRS11

Operating segment information

Total revenue

NOK million	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Year 2012	Year 2013
Bauxite & Alumina	3 195	3 573	3 032	3 465	3 304	3 147	3 354	3 546	3 511	3 828	13 265	13 350
Primary Metal	7 458	7 578	6 169	5 485	5 945	5 896	5 884	5 554	6 618	6 384	26 690	23 279
Metal Markets	11 461	10 836	8 968	8 666	9 853	9 880	9 061	8 996	10 292	10 109	39 931	37 791
Rolled Products	5 143	4 988	5 063	4 885	5 015	5 205	5 005	4 868	5 238	5 275	20 080	20 092
Energy	1 454	852	1 144	1 240	1 762	1 246	1 674	1 596	1 539	1 381	4 691	6 279
Other and Eliminations	(11 668)	(10 997)	(9 653)	(8 157)	(9 770)	(9 322)	(8 833)	(7 990)	(8 917)	(8 706)	(40 476)	(35 914)
Total	17 044	16 829	14 722	15 585	16 109	16 052	16 145	16 570	18 282	18 272	64 181	64 877

External revenue

NOK million	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Year 2012	Year 2013
Bauxite & Alumina	1 954	2 217	1 921	2 367	1 982	1 894	2 077	2 171	2 208	2 404	8 459	8 124
Primary Metal	1 127	1 237	1 072	1 043	813	1 040	1 025	988	1 227	1 337	4 479	3 866
Metal Markets	8 043	7 776	6 466	6 675	7 429	7 321	7 228	7 668	8 719	8 853	28 960	29 646
Rolled Products	5 113	5 085	4 955	4 846	5 032	5 284	5 002	4 968	5 290	5 212	20 000	20 286
Energy	762	462	285	586	826	489	779	737	807	436	2 095	2 830
Other and Eliminations	44	52	24	68	28	24	34	38	31	29	187	124
Total	17 044	16 829	14 722	15 585	16 109	16 052	16 145	16 570	18 282	18 272	64 181	64 877

2013 are adjusted to reflect IFRS 11

Operating segment information

Internal revenue

NOK million	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Year 2012	Year 2013
Bauxite & Alumina	1 241	1 356	1 111	1 098	1 322	1 253	1 277	1 375	1 304	1 424	4 806	5 226
Primary Metal	6 331	6 341	5 097	4 442	5 132	4 856	4 860	4 566	5 391	5 047	22 210	19 413
Metal Markets	3 418	3 060	2 502	1 992	2 424	2 559	1 833	1 328	1 573	1 256	10 971	8 144
Rolled Products	30	(97)	108	39	(17)	(80)	3	(101)	(52)	63	80	(194)
Energy	691	391	859	654	936	758	895	860	732	945	2 595	3 449
Other and Eliminations	(11 712)	(11 049)	(9 677)	(8 225)	(9 797)	(9 345)	(8 867)	(8 028)	(8 948)	(8 735)	(40 663)	(36 038)
Total	-	-	-	-	-	-	-	-	-	-	-	-

Share of profit /(loss) in equity accounted investments

NOK million	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Year 2012	Year 2013
Bauxite & Alumina	-	-	-	-	-	-	-	-	-	-	-	-
Primary Metal	(105)	(5)	(137)	(73)	35	(70)	(19)	162	92	77	(320)	108
Metal Markets	-	(1)	-	1	-	-	-	-	-	-	-	-
Rolled Products	(14)	(16)	(16)	(21)	-	-	-	-	-	-	(67)	-
Energy	-	-	-	-	-	-	-	-	-	-	(2)	-
Other and Eliminations	2	2	(63)	(2)	-	(1)	(35)	(312)	(51)	45	(61)	(348)
Total	(117)	(20)	(218)	(95)	34	(70)	(54)	(150)	40	122	(450)	(240)

2013 are adjusted to reflect IFRS 11

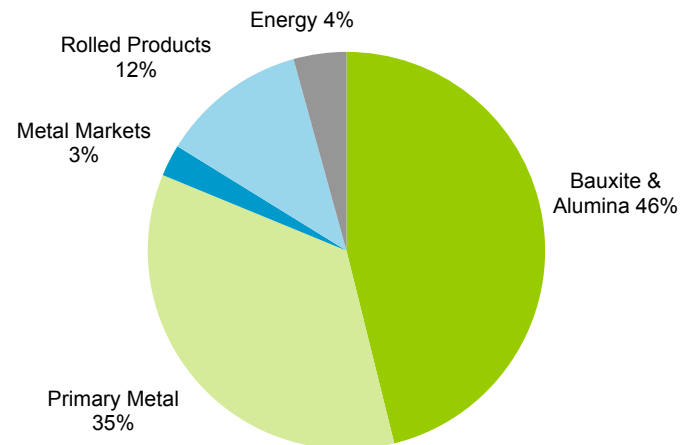
Operating segment information

Depreciation, amortization and impairment

NOK million	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Year 2012	Year 2013
Bauxite & Alumina	475	439	428	409	429	448	417	424	410	431	1 750	1 718
Primary Metal	542	1 645	482	356	470	472	461	452	437	427	3 026	1 855
Metal Markets	26	26	101	22	18	18	38	24	49	21	174	98
Rolled Products	98	98	98	106	160	163	170	184	170	172	401	677
Energy	28	30	30	41	40	35	37	37	39	40	129	150
Other and Eliminations	16	16	15	17	15	15	15	101	13	13	63	146
Total	1 184	2 254	1 155	951	1 131	1 150	1 139	1 223	1 117	1 104	5 544	4 644

Capital employed – upstream focus

NOK million	Jun 30, 2014
Bauxite & Alumina	36 057
Primary Metal	27 420
Metal Markets	2 030
Rolled Products	9 299
Energy	3 362
Other and Eliminations	410
Total	78 579



Graph excludes NOK 0.41 billion in capital employed in Other and Eliminations 2013 are adjusted to reflect IFRS 11

Income statements

NOK million	Q2 2014	Q1 2014	Q2 2013	First half 2014	First half 2013	Year 2013
Revenue	18 272	18 282	16 052	36 553	32 161	64 877
Share of the profit (loss) in equity accounted investments	122	40	(70)	162	(36)	(240)
Other income, net	147	132	213	279	450	801
Total revenue and income	18 540	18 454	16 195	36 995	32 576	65 438
Raw material and energy expense	12 526	12 287	10 630	24 813	21 277	43 175
Employee benefit expense	2 018	2 033	1 954	4 051	3 940	7 360
Depreciation, amortization and impairment	1 104	1 117	1 150	2 222	2 282	4 644
Other expenses	2 272	2 194	2 084	4 467	3 997	8 596
Earnings before financial items and tax (EBIT)	620	822	376	1 442	1 081	1 663
Financial income	98	63	95	161	197	402
Financial expense	(297)	29	(1 469)	(268)	(1 746)	(2 978)
Income (loss) from continuing operations before tax	421	914	(997)	1 335	(469)	(913)
Income taxes	(152)	(452)	284	(604)	10	(115)
Income (loss) from continuing operations	269	462	(713)	730	(460)	(1 029)
Income (loss) from discontinued operations	-	-	48	-	57	189
Net income (loss)	269	462	(665)	730	(402)	(839)
Net income (loss) attributable to minority interest	84	69	(28)	153	(53)	81
Net income (loss) attributable to Hydro shareholders	185	393	(637)	578	(349)	(920)
Earnings per share attributable to Hydro shareholders	0.09	0.19	(0.31)	0.28	(0.17)	(0.45)

NOK million	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Year 2012	Year 2013
Net income (loss)	575	(1 737)	(256)	87	263	(665)	321	(758)	462	269	(1 331)	(839)
Underlying net income (loss)	233	243	(44)	(24)	649	427	393	140	388	318	408	1 610
Earnings per share	0.24	(0.80)	(0.15)	0.06	0.14	(0.31)	0.11	(0.39)	0.19	0.09	(0.65)	(0.45)
Underlying earnings per share	0.12	0.11	(0.01)	(0.01)	0.30	0.19	0.14	0.02	0.16	0.13	0.21	0.65

2012 are adjusted to reflect IAS19R
2013 are adjusted to reflect IFRS 11

Balance sheets

NOK million	Jun 30 2014	Mar 31 2014	Dec 31 2013	Sep 30 2013	Jun 30 2013
Cash and cash equivalents	6 617	6 476	8 412	8 397	7 399
Short-term investments	1 765	3 081	2 480	1 433	1 273
Accounts receivable	10 835	11 116	9 539	10 769	9 811
Inventories	10 213	9 599	10 070	9 758	9 669
Other current assets	371	325	181	375	448
Assets held for sale	-	-	-	-	10 915
Property, plant and equipment	54 041	52 559	52 855	53 374	54 952
Intangible assets	5 828	5 598	5 562	5 647	5 743
Investments accounted for using the equity method	16 717	16 775	17 148	17 060	9 978
Prepaid pension	3 178	3 801	3 595	3 307	3 313
Other non-current assets	7 082	6 394	6 483	6 423	6 682
Total assets	116 647	115 724	116 324	116 541	120 182
Bank-loans and other interest-bearing short-term debt	6 141	6 255	6 220	6 220	5 805
Trade and other payables	8 936	9 073	9 197	8 465	8 539
Other current liabilities	2 608	3 002	3 433	2 946	2 743
Liabilities included in disposal group	-	-	-	-	3 748
Long-term debt	4 093	3 941	3 986	4 148	4 178
Provisions	2 857	2 714	2 684	2 519	2 528
Pension obligation	10 257	9 798	9 858	9 302	9 105
Deferred tax liabilities	2 894	2 833	2 853	3 701	3 910
Other non-current long-term liabilities	2 599	2 133	2 828	3 141	3 214
Equity attributable to Hydro shareholders	70 542	70 533	69 981	70 417	70 663
Minority interest	5 720	5 443	5 283	5 682	5 748
Total liabilities and equity	116 647	115 724	116 324	116 541	120 182

2013 are adjusted to reflect IFRS 11

Operational data

Bauxite & Alumina	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Year 2012	Year 2013
Alumina production (kmt)	1 464	1 491	1 441	1 397	1 361	1 248	1 316	1 452	1 428	1 526	5 792	5 377
Sourced alumina (kmt)	324	332	399	335	476	427	711	395	550	431	1 390	2 009
Total alumina sales (kmt)	1 776	1 888	1 683	1 880	1 874	1 696	1 879	1 959	1 906	2 071	7 227	7 408
Realized alumina price (USD) ¹⁾	293	296	270	285	296	275	267	263	269	276	286	275
Implied alumina cost (USD) ²⁾	261	274	266	253	261	254	263	259	258	263	263	260
Bauxite production (kmt) ³⁾	2 290	2 115	2 439	2 378	2 210	1 765	1 513	2 080	2 242	2 370	9 221	7 567
Sourced bauxite (kmt) ⁴⁾	1 841	2 142	2 166	2 543	1 265	2 431	2 353	2 474	1 874	2 204	8 692	8 523
Primary Metal ⁵⁾	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Year 2012	Year 2013
Realized aluminium price LME, USD/mt	2 155	2 167	2 022	1 940	2 043	1 926	1 822	1 802	1 749	1 762	2 080	1 902
Realized aluminium price LME, NOK/mt ⁷⁾	12 404	12 637	11 856	11 069	11 533	11 217	10 938	10 916	10 702	10 660	12 047	11 160
Realized premium above LME, USD/mt ⁶⁾	286	281	293	313	345	358	374	371	422	476	294	362
Realized premium above LME, NOK/mt ^{6) 7)}	1 644	1 639	1 716	1 788	1 945	2 087	2 247	2 246	2 583	2 883	1 691	2 124
Realized NOK/USD exchange rate ⁷⁾	5.75	5.83	5.86	5.71	5.64	5.82	6.00	6.06	6.12	6.05	5.79	5.87
Realized NOK/USD exchange rate excluding hedge	5.75	5.83	5.86	5.71	5.64	5.82	6.01	6.06	6.12	5.98	5.79	5.87
Implied primary cost (USD) ⁸⁾	1 900	1 875	1 750	1 650	1 625	1 575	1 450	1 375	1 400	1 375	1 775	1 500
Primary aluminium production, kmt	514	502	484	485	478	483	491	492	484	488	1 985	1 944
Casthouse production, kmt ⁹⁾	592	579	540	504	495	513	516	522	525	529	2 215	2 046
Total sales, kmt ¹⁰⁾	627	615	557	505	541	531	540	515	593	559	2 304	2 127

1) Weighted average of own production and third party contracts, excluding hedge results. The majority of the alumina is sold linked to the LME prices with a one month delay.

2) Implied alumina cost (based on EBITDA and sales volume) replaces previous apparent alumina cash cost

3) Paragominas on wet basis

4) 40 percent MRN offtake from Vale and 5 percent Hydro share on wet basis

5) Operating and financial information includes Hydro's proportionate share of production and sales volumes in equity accounted investments. Realized prices, premiums and exchange rates exclude equity accounted investments

6) Average realized premium above LME for casthouse sales from Primary Metal. Historical premiums for 2012 and 2013 have been revised due to change of definition

7) Including strategic hedges /hedge accounting applied

8) Realized aluminium price minus EBITDA margin per mt primary aluminium. Includes net earnings from primary casthouses. Q1 2012 and Q2 2012 figures revised

9) Production volumes for 2012 and 2013 have been revised, due to change of definition

10) Total sales replaces previous casthouse sales due to change of definition

Operational data

Metal Markets	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Year 2012	Year 2013
Remelt production (1 000 mt)	152	142	136	119	135	132	127	123	139	141	548	517
Third-party Metal Products sales (1 000 mt)	76	82	81	85	84	78	76	78	84	79	323	317
Metal Products sales excl. ingot trading (1 000 mt) ¹⁾²⁾	781	773	713	657	697	678	668	648	720	700	2 924	2 691
Hereof external sales excl. ingot trading (1 000 mt) ²⁾	650	634	606	562	583	576	579	626	699	662	2 452	2 364
External revenue (NOK million)	8 043	7 776	6 466	6 675	7 429	7 321	7 228	7 668	8 719	8 853	28 960	29 646

Rolled Products	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Year 2012	Year 2013
Rolled Products external shipments (1 000 mt)	227	228	228	226	236	245	234	226	243	245	909	941
Rolled Products – Underlying EBIT per mt, NOK	665	895	940	310	641	745	776	442	744	723	701	656

Extruded Products – Discontinued operations	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Jul/Aug 2013	Q4 2013	Q1 2014	Q2 2014	Year 2012	Year 2013
Extruded external shipments (1 000 mt)	133	137	125	112	119	127	78	-	-	-	508	324
Extruded – underlying EBIT per mt, NOK ³⁾	105	387	216	(670)	(187)	392	115	-	-	-	39	113

Energy	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Year 2012	Year 2013
Power production, GWh	3 190	2 513	2 157	2 448	2 904	2 090	2 838	2 411	2 964	2 248	10 307	10 243
Net spot sales, GWh	1 879	1 284	989	1 099	1 518	829	1 673	1 089	1 581	1 028	5 251	5 110
Nordic spot electricity price, NOK/MWh	291.0	215.0	154.0	275.0	313.0	294.0	284.0	296.0	252.0	211.0	234.0	297.0
Southern Norway spot electricity price (NO2), NOK/MWh	272.0	203.0	131.0	268.0	311.0	296.0	267.0	287.0	249.0	168.0	218.0	290.0

1) Includes external and internal sales from primary casthouse operations, remelters and third party Metal sources

2) Sales volumes for 2012 and 2013 have been revised due to change of definition

3) EBIT used for calculations in Q4 2012, Year 2012 and 2013, are pro forma

2012 are adjusted to reflect IAS19R

2013 are adjusted to reflect IFRS 11

Sapa joint venture information

Sapa JV (100 % basis), underlying (unaudited)

NOK million, except sales volumes	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014
Sales volume (1000 mt)	343	311	346	360	346	314	359	368
Revenues	10 414	9 654	10 367	10 974	10 797	10 132	11 346	11 544
Underlying EBITDA	365	154	304	508	328	(43)	440	641
Underlying EBIT	76	(142)	16	213	24	(339)	155	350
Underlying net income (loss)						(281)	69	263

Sapa JV (100 % basis), reported (unaudited)

NOK million	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014
Reported EBIT	(954)	(618)	(148)	(1 096)	(1 985)	(787)	(3)	168
Reported net income (loss)						(624)	(103)	89

Pro forma figures before Q4 2013

Price and currency sensitivities

Commodity price sensitivity +10%*

NOK million	EBIT
Aluminium	2 500
Oil	(180)
Pet coke	(185)
Caustic soda	(100)
Coal	(30)

Currency sensitivities +10%*

NOK million	EBIT	Financial items
USD	2 045	(1 125)
BRL	(840)	730
EUR	(155)	(1 120)

- Annual sensitivities based on normal annual business volumes, LME USD 1 800 per mt, Oil USD 500 per mt, petroleum coke USD 400 per mt, caustic soda USD 300 per mt, coal USD 70 per mt, NOK/USD 6.00, NOK/BRL 2.70, NOK/EUR 8.20
- Aluminium price sensitivity is net of aluminium price indexed costs and excluding unrealized effects related to operational hedging
- Excludes effects of priced contracts in currencies different from underlying currency exposure (transaction exposure)
- Excludes effects from BRL/USD hedge
- Currency sensitivity on financial items includes effects from intercompany positions

* Excluding Sapa JV

Investor Relations in Hydro



Pål Kildemo

Head of Investor Relations

t: +47 970 96 711

e: pal.kildemo@hydro.com

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