



HYDRO



2016

FIRST QUARTER REPORT

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Oslo, April 26, 2016

Overview

Summary underlying financial and operating results and liquidity

Key financial information

NOK million, except per share data	First quarter 2016	Fourth quarter 2015	%change prior quarter	First quarter 2015	%change prior year quarter	Year 2015
Revenue	20 138	20 374	(1) %	23 290	(14) %	87 694
Earnings before financial items and tax (EBIT)	1 693	725	>100 %	3 206	(47) %	8 258
Items excluded from underlying EBIT	(192)	841	>(100) %	2	>(100) %	1 398
Underlying EBIT	1 501	1 566	(4) %	3 208	(53) %	9 656
<i>Underlying EBIT :</i>						
Bauxite & Alumina	189	532	(64) %	780	(76) %	2 421
Primary Metal	318	407	(22) %	2 012	(84) %	4 628
Metal Markets	167	152	10 %	24	>100 %	379
Rolled Products	248	204	22 %	292	(15) %	1 142
Energy	398	353	13 %	382	4 %	1 105
Other and eliminations ¹⁾	181	(83)	>100 %	(281)	>100 %	(19)
Underlying EBIT	1 501	1 566	(4) %	3 208	(53) %	9 656
Underlying EBITDA	2 716	2 969	(9) %	4 437	(39) %	14 680
Net income (loss)	2 382	541	>100 %	1 072	>100 %	2 333
Underlying net income (loss)	822	1 296	(37) %	2 206	(63) %	6 709
Earnings per share	1.12	0.23	>100 %	0.46	>100 %	0.99
Underlying earnings per share	0.39	0.59	(34) %	0.95	(59) %	2.98
<i>Financial data:</i>						
Investments ²⁾	1 970	2 556	(23) %	802	>100 %	5 865
Adjusted net interest-bearing debt	(9 206)	(8 173)	(13) %	(13 478)	32 %	(8 173)

Key Operational information

Bauxite production (kmt) ³⁾	2 682	2 959	(9) %	2 135	26 %	10 060
Alumina production (kmt)	1 517	1 577	(4) %	1 451	5 %	5 962
Primary aluminium production (kmt)	514	521	(1) %	497	4 %	2 046
Realized aluminium price LME (USD/mt)	1 497	1 555	(4) %	1 897	(21) %	1 737
Realized aluminium price LME (NOK/mt)	12 950	13 125	(1) %	14 383	(10) %	13 813
Realized USD/NOK exchange rate	8.65	8.44	3 %	7.58	14 %	7.95
Rolled Products sales volumes to external market (kmt)	229	229	-	227	1 %	948
Sapa sales volumes (kmt) ⁴⁾	174	156	12 %	177	(1) %	682
Power production (GWh)	3 160	2 882	10 %	3 071	3 %	10 894

1) Other and eliminations includes Hydro's 50 percent share of underlying net income from Sapa.

2) Investments include non-cash elements relating to capitalized leases.

3) Paragominas on wet basis.

4) Hydro's 50 percent share of Sapa sales volumes.

Hydro's underlying earnings before financial items and tax declined to NOK 1,501 million in the first quarter, down from NOK 1,566 million in the fourth quarter of 2015. The decline mainly reflected lower realized aluminium and alumina prices, partly offset by positive currency effects, lower raw material costs and seasonally stronger downstream results.

Underlying EBIT for Bauxite & Alumina decreased compared to fourth quarter mainly due to lower realized alumina prices and lower sales volumes. The negative price development was partly offset by positive currency effects from a weaker Brazilian Real, lower fuel prices and lower depreciation following catch up effects on reassessment of useful life of certain assets in 2015. Production in Alunorte and Paragominas fell slightly after reaching record production levels in the fourth quarter of 2015.⁵⁾

Underlying EBIT for Primary Metal declined in the first quarter due to lower realized prices, higher fixed costs and additional cost related to ICMS tax on sales of surplus power in Brazil in the previous periods. This was partly offset by a stronger USD, a decline in alumina costs and positive effects on premiums in Qatalum following a negative time lag adjustment in the fourth quarter of 2015.

Underlying EBIT for Metal Markets increased somewhat in the first quarter mainly due to positive currency effects and improved results in remelters. This was partly offset by weaker results from sourcing and trading activities.

Adjusted for the divestment of the Slim rolling mill⁶⁾, sales volumes in Rolled Products were seasonally higher in the first quarter. This together with reduced alumina cost for the Neuss smelter, supported improved profitability compared to the fourth quarter of 2015. Reduced net margins partly offset the positive effects.

Underlying EBIT for Energy increased compared to the previous quarter due to higher production, partly offset by higher production cost. The cost increase was mainly driven by transmission costs and property taxes⁷⁾

Underlying EBIT for Sapa increased mainly due to seasonally higher demand and stronger margins.

During the first quarter, Hydro progressed according to plan on its "Better" improvement ambition targeting NOK 2.9 billion of annual improvements by 2019.

Operating cash flow amounted to NOK 0.1 billion for the first quarter, including a working capital build up of NOK 1.8 billion. Net cash used for investment activities amounted to NOK 1.3 billion. Hydro's net cash position decreased during the first quarter by NOK 1.2 billion to NOK 3.9 billion at the end of the quarter.

5) Since Hydro acquired Vale's aluminium business in 2011.

6) Slim rolling mill divestment was completed by December 17, 2015.

7) From 2015 property tax is charged to the period it becomes an unconditional payment obligation (in Norway when invoiced). This leads to periodic variations within the year without affecting the annual property tax level.

Reported EBIT and net income

Reported earnings before financial items and tax amounted to NOK 1,693 million in the first quarter. In addition to the factors discussed above, reported EBIT included net unrealized derivative gains of NOK 224 million and negative metal effects of NOK 43 million. Reported earnings also included a negative adjustment of NOK 15 million related to the sale of the Slim rolling mill in the fourth quarter of 2015. In addition, reported earnings included a net gain of NOK 26 million for Sapa (Hydro's share net of tax), mainly relating to unrealized derivative gains.

In the previous quarter reported earnings before financial items and tax amounted to NOK 725 million including net unrealized derivative gains and negative metal effects of negative NOK 139 million in total. Reported earnings also included charges of NOK 285 million relating to the termination of the Vækerø Park lease contract (head-office building) and net losses on divestments of NOK 365 million including losses of NOK 434 million related to the sale of the Slim rolling mill and gains of NOK 69 million in total related to sale of other assets. In addition, reported earnings included a net charge of NOK 53 million for Sapa (Hydro's share net of tax), including NOK 88 million relating to restructuring charges, NOK 73 million relating to unrealized derivative gains and NOK 38 million related to net foreign exchange losses.

Net income amounted to NOK 2,382 million in the first quarter including a reduction in tax expense and related interest income of NOK 700 million in total following settlement of a tax case in April 2016. See note 4 to the interim financial statements for further information. Net income also included a net foreign exchange gain of NOK 1,032 million mainly reflecting the strengthening BRL versus US dollars affecting US dollar liabilities in Brazil, as well as the strengthening Norwegian kroner versus Euro affecting liabilities in Euro in Norway and embedded currency derivatives in power contracts.

In the previous quarter net income was NOK 541 million including a net foreign exchange gain of NOK 48 million mainly reflecting marginal currency fluctuations and effects for the period, as well as significantly reduced US dollar intercompany debt.

Market developments and outlook

Market statistics ¹⁾	First quarter 2016	Fourth quarter 2015	%change prior quarter	First quarter 2015	%change prior year quarter	Year 2015
USD/NOK Average exchange rate	8.65	8.53	1 %	7.76	11 %	8.07
USD/NOK Balance sheet date exchange rate	8.27	8.81	(6) %	8.09	2 %	8.81
BRL/NOK Average exchange rate	2.21	2.22	-	2.72	(18) %	2.45
BRL/NOK Balance sheet date exchange rate	2.29	2.22	3 %	2.49	(8) %	2.22
EUR/NOK Average exchange rate	9.53	9.34	2 %	8.73	9 %	8.95
EUR/NOK Balance sheet date exchange rate	9.41	9.62	(2) %	8.70	8 %	9.62
<i>Bauxite and alumina:</i>						
Average alumina price - Platts PAX FOB Australia (USD/t)	222	233	(5) %	341	(35) %	301
China bauxite import price (USD/mt CIF China)	50	51	(3) %	57	(13) %	53
Global production of alumina (kmt)	27 485	28 346	(3) %	27 421	-	112 313
Global production of alumina (ex. China) (kmt)	13 984	13 901	1 %	13 860	1 %	55 526
<i>Primary aluminium:</i>						
LME three month average (USD/mt)	1 516	1 509	-	1 813	(16) %	1 680
LME three month average (NOK/mt)	13 066	12 859	2 %	14 062	(7) %	13 508
Standard ingot premium (EU DP Cash)	146	158	(8) %	439	(67) %	241
Extrusion ingot premium (DP)	319	330	(4) %	782	(59) %	523
Global production of primary aluminium (kmt)	14 193	14 598	(3) %	14 004	1 %	57 564
Global consumption of primary aluminium (kmt)	13 536	14 342	(6) %	12 900	5 %	56 384
Global production of primary aluminium (ex. China) (kmt)	6 687	6 703	-	6 479	3 %	26 317
Global consumption of primary aluminium (ex. China) (kmt)	6 822	6 724	1 %	6 687	2 %	27 222
Reported primary aluminium inventories (kmt)	6 303	6 305	-	7 822	(19) %	6 305
<i>Rolled products and extruded products:</i>						
Consumption rolled products - Europe (kmt)	1 156	1 045	11 %	1 132	2 %	4 514
Consumption rolled products - USA & Canada (kmt)	1 180	1 085	9 %	1 181	-	4 656
Consumption extruded products - Europe (kmt)	735	669	10 %	731	1 %	2 861
Consumption extruded products - USA & Canada (kmt)	601	545	10 %	585	3 %	2 336
<i>Energy:</i>						
Average southern Norway spot price (NO2) (NOK/MWh)	212	197	8 %	238	(11) %	177
Average mid Norway spot price (NO3) (NOK/MWh)	221	201	10 %	245	(10) %	190
Average nordic system spot price (NOK/MWh)	229	204	12 %	246	(7) %	187

1) Industry statistics and other information in the table and text have been derived from analyst reports, trade associations and other public sources including Hydro's own analysis unless otherwise indicated. The information included in this section does not have any direct relationship to the reported figures of Norsk Hydro. Amounts presented in prior reports may have been restated based on updated information. Currency rates have been derived from Norges Bank.

Bauxite and alumina

Chinese alumina imports amounted to 1.2 million mt in the first quarter of 2016, up 33 percent from the same period in 2015. Chinese bauxite imports increased 36 percent to 13.6 million mt compared to the first quarter of 2015, driven by a significant increase of imports from Guinea and Malaysia. Although Malaysia continued to export from existing bauxite inventories, the three month bauxite mining moratorium imposed on January 15, 2016 has caused overall exports to decline materially. In April 2016, Malaysia extended the moratorium for an additional three months.

Platts alumina spot prices averaged USD 222 per mt in the first quarter of 2016, a decrease of USD 11 per mt compared to the previous quarter. Prices started the quarter at all time lows reaching USD 197 per mt before recovering to USD 249 per

mt at the end of the quarter. Average prices represented 14.6 percent of LME in the quarter compared with 15.5 percent in the previous quarter. According to Chinese import statistics, the average delivered China bauxite price was USD 50 per mt in February 2016, USD 1 per mt below the fourth quarter 2015 average.

Primary aluminium

Three-month LME prices ranged between USD 1,452 and USD 1,589 per mt throughout the first quarter of 2016. The average LME three-month price was USD 1,516, increasing slightly by USD 7 per mt compared to the fourth quarter of 2015. In Europe, all-in prices including duty paid standard ingot premiums declined in the first part of the quarter, before increasing towards the end of the quarter. European all-in prices ranged between USD 1,616 and USD 1,727 per mt.

Average standard ingot premiums decreased slightly during the first quarter. European duty paid standard ingot premiums ended the quarter at USD 138 per mt, compared to USD 173 at the beginning of the quarter, and averaged USD 146 per mt in the first quarter of 2016 compared to USD 158 per mt in the fourth quarter of 2015. Midwest premiums started the quarter at USD 196 per mt, and ended the quarter at USD 176 per mt, averaging USD 192 per mt compared to USD 181 per mt in the fourth quarter.

Shanghai Futures Exchange (SHFE) prices increased by 5 percent in the first quarter of 2016 compared to the fourth quarter of 2015. The increased prices, together with decreased standard ingot premiums outside China, resulted in lower export arbitrage opportunities, especially during the last part of the quarter. Compared to January and February 2015, net exports of semi-fabricated products declined by approximately 24 percent in the first two months of 2016. However, preliminary data for March indicate that exports picked up towards the end of the quarter, also compared to levels in March 2015. The increased SHFE prices have increased the risk for potential restarts of Chinese capacity. The risk of restarts is enhanced by power tariff discounts across several regions, lowering production cost.

Global primary aluminium consumption decreased by 6 percent to 13.5 million mt in first quarter of 2016 compared to the fourth quarter of 2015, mainly due to seasonality in China. Compared to the first quarter of 2015, global demand increased by 5 percent. Global demand for primary aluminium is expected to grow by around 3-4 percent in 2016.

Outside China, demand increased by 1.5 percent compared to the fourth quarter of 2015, and the year-on-year increase from the first quarter of 2015 was 2 percent. Quarterly consumption amounted to 6.82 million mt for the first quarter of 2016. Corresponding production amounted to 6.69 million mt, a decrease of 0.2 percent compared to the fourth quarter of 2015. Production outside China was stable in the first quarter of 2016 compared to the fourth quarter of 2015, and increased by 3.2 percent compared to the first quarter of 2015, largely driven by ramp-up of new production capacity in India, Canada and Malaysia. This has been partly offset by curtailments in the US. Demand for primary aluminium outside China is expected to grow by around 2-4 percent in 2016.

Compared to the fourth quarter of 2015, Chinese aluminium consumption decreased by 11.9 percent, to 6.7 million mt, due to seasonality, but was up 8.1 percent compared to the first quarter of last year. Corresponding aluminium production decreased by 4.9 percent compared to the fourth quarter, and decreased 0.2 percent compared to the first quarter of 2015. While ramp up of new capacity continued in the Northwest regions and in Shandong and Inner Mongolia, some of the capacity curtailments announced in the fourth quarter of 2015 were implemented during the first quarter of 2016. Demand for primary aluminium in China is expected to grow by around 3-5 percent in 2016.

European demand for extrusion ingot was slightly up in the first quarter of 2016 compared to the same period one year ago. Demand for sheet ingot and primary foundry alloys increased at a higher rate than extrusion ingot, mainly due to positive developments in the automotive industry.

LME stocks have continued to decline, amounting to 2.7 million mt at the end of the first quarter of 2016 compared to 2.9 million mt at the end of the fourth quarter of 2015. Compared to first quarter of last year, LME stocks were down 1.2 million mt. This, combined with global oversupply, implies an estimated increase in unreported stocks.

Rolled products

European demand for flat rolled products increased by 11 percent in the first quarter compared to the fourth quarter of 2015, mainly due to seasonality. Compared to the first quarter of the previous year, demand also showed positive developments, in particular for the automotive and beverage can segments.

Compared to the fourth quarter of 2015, demand for automotive products was higher primarily due to the increasing substitution of steel by aluminium for automotive body sheet, together with higher car production and seasonally higher demand. Demand for beverage can declined due to seasonality, but demand was solid when comparing to the first quarter of 2015. Building and construction market demand remained weak but continues to show signs of a recovery in parts of Southern and Eastern Europe. Demand for foil products was slightly higher compared to the fourth quarter of 2015. However, imports from China remained on a high level, despite the extension of an anti-dumping duty on household foil, keeping margins under pressure. The market for general engineering products was solid.

European demand for flat rolled products is expected to be higher in the second quarter of 2016 due to seasonality and improved underlying demand across most segments.

Extruded products

Demand for extruded products in North America increased by 10 percent compared to the previous quarter, due to seasonality. Compared to the same quarter of the previous year, demand increased by 3 percent as a result of increased building and construction activity and strong automotive demand.

In Europe, extruded products demand increased 10 percent compared to the previous quarter, due to seasonality. Compared to the same quarter last year, demand grew marginally, affected by a stabilizing European building and construction market.

Demand for extruded products is expected to seasonally improve going into the second quarter of 2016 and also compared to the second quarter of 2015. In both North America and Europe, aluminium substitution in the automotive industry is contributing positively.

Energy

The Nordic system price started the quarter at low levels due to record high water reservoirs and mild weather outlook. Spot prices climbed in January, peaking at 355 NOK/MWh in Southwestern Norway as cold and dry weather set in. Prices came down again in February and March with milder weather and lower prices on the continent, ending the quarter at 192 NOK/MWh.

The Nordic hydrological balance started the quarter around 12 TWh above normal and ended close to normal. Water reservoirs in Norway were 45.6 percent of full capacity at the end of the quarter, which is 4.5 percent above normal. Snow reservoirs in Norway were slightly below normal at the end of the quarter.

Additional factors impacting Hydro

Primary Metal has sold forward around 50 percent of its expected primary aluminium production for the first quarter of 2016 at a price level of around USD 1,525 per mt.¹⁾ This excludes volumes from Qatalum.

Hydro has signed a Letter of Intent (LoI) with the Brazilian mining company Vale for the possible acquisition of Vale's 40 percent interest in Brazilian bauxite producer Mineração Rio do Norte (MRN).

Sapa Profiles Inc. Portland (SPI), a subsidiary of Sapa AS (owned 50 percent by Hydro) is under investigation by the United States Department of Justice (DOJ) Civil and Criminal Divisions regarding aluminum extrusions that SPI manufactured from 1996 to 2015 and delivered to a supplier to NASA. SPI is cooperating fully in these investigations. In response to these pending investigations, Sapa has performed audits of its quality assurance processes at all relevant extrusion operations in North America, and is in the process of finalizing audits of its extrusion operations in Europe. Quality issues identified in these audits have been, or are in the process of being, addressed with the affected customers and remediation actions are being undertaken. The investigations are currently ongoing, and, at this point, the outcome of the DOJ investigations and of the identified quality issues, including financial consequences on Sapa, is uncertain. Based on the information known to Hydro at this stage, Hydro does not expect any resulting liabilities to have a material adverse effect on its consolidated results of operations, liquidity or financial position.

Norsk Hydro ASA has entered into an agreement with Oslo Pensjonsforsikring AS, a life insurance company wholly owned by the Municipality of Oslo, regarding the sale of Herøya Industripark AS. The transfer will likely occur during the second quarter of 2016 and is expected to give Hydro a book gain of approximately NOK 350 million.

Hydro has in the first quarter of 2016 booked a reduction in tax expense and related interest income of NOK 700 million in total, related to a tax case settled in April 2016. See note 4 to the interim financial statements for further information. Hydro expects to receive the cash reimbursement in the second quarter of 2016.

1) Prices are fixed mainly one month prior to production. As a result, and due to the hedging of product inventories, Hydro's realized aluminium prices lag LME spot prices by around 1.5 to 2 months.

Underlying EBIT

Bauxite & Alumina

Operational and financial information	First quarter 2016	Fourth quarter 2015	%change prior quarter	First quarter 2015	%change prior year quarter	Year 2015
Underlying EBIT (NOK million)	189	532	(64) %	780	(76) %	2 421
Underlying EBITDA (NOK million)	640	1 165	(45) %	1 240	(48) %	4 404
Alumina production (kmt)	1 517	1 577	(4) %	1 451	5 %	5 962
Sourced alumina (kmt)	531	590	(10) %	666	(20) %	2 787
Total alumina sales (kmt)	2 073	2 368	(12) %	2 136	(3) %	8 871
Realized alumina price (USD/mt) ¹⁾	219	245	(10) %	300	(27) %	276
Bauxite production (kmt) ²⁾	2 682	2 959	(9) %	2 135	26 %	10 060
Sourced bauxite (kmt) ³⁾	1 924	2 398	(20) %	1 806	7 %	8 684

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

2) Paragominas on wet basis.

3) 40 percent MRN off take from Vale and 5 percent Hydro share on wet basis.

Underlying EBIT for Bauxite & Alumina decreased compared to fourth quarter mainly due to lower realized alumina prices and lower sales volumes. The negative price development was partly offset by positive currency effects from a weaker Brazilian Real, lower fuel prices and lower depreciation following catch up effects on reassessment of useful life of certain assets in 2015. Production in Alunorte and Paragominas fell slightly after reaching record production levels in the fourth quarter of 2015.⁴⁾

Bauxite and Alumina started their new improvement program "Better Bauxite & Alumina" with a target of NOK 500 million for 2016 successfully. The progress in first quarter is in line with expectations.

Compared to the first quarter of the previous year the underlying EBIT declined mainly due to significantly lower realized alumina prices. This was partly offset by higher production, both at Alunorte and Paragominas, lower raw material prices for energy and caustic in addition to positive currency effects of a weaker Brazilian Real.

4) Since Hydro acquired Vale's aluminium business in 2011.

Primary Metal

Operational and financial information ¹⁾	First quarter 2016	Fourth quarter 2015	%change prior quarter	First quarter 2015	%change prior year quarter	Year 2015
Underlying EBIT (NOK million)	318	407	(22) %	2 012	(84) %	4 628
Underlying EBITDA (NOK million)	792	883	(10) %	2 522	(69) %	6 581
Realized aluminium price LME (USD/mt) ²⁾	1 497	1 555	(4) %	1 897	(21) %	1 737
Realized aluminium price LME (NOK/mt) ²⁾	12 950	13 125	(1) %	14 383	(10) %	13 813
Realized premium above LME (USD/mt) ³⁾	288	291	(1) %	614	(53) %	439
Realized premium above LME (NOK/mt) ³⁾	2 488	2 460	1 %	4 660	(47) %	3 492
Realized USD/NOK exchange rate	8.65	8.44	3 %	7.58	14 %	7.95
Primary aluminium production (kmt)	514	521	(1) %	497	4 %	2 046
Casthouse production (kmt)	534	525	2 %	495	8 %	2 059
Total sales (kmt)	552	531	4 %	534	3 %	2 159

1) Operating and financial information includes Hydro's proportionate share of underlying income (loss), production and sales volumes in equity accounted investments. Realized prices, premiums and exchange rates exclude equity accounted investments, and include the effects of strategic currency hedges (hedge accounting applied).

2) Realized aluminium prices lag the LME price developments by approximately 1.5 - 2 months.

3) Average realized premium above LME for casthouse sales from Primary Metal.

Operational and financial information Qatalum (50%)	First quarter 2016	Fourth quarter 2015	%change prior quarter	First quarter 2015	%change prior year quarter	Year 2015
Revenue (NOK million)	1 140	1 226	(7) %	1 492	(24) %	5 502
Underlying EBIT (NOK million)	28	(105)	>100 %	305	(91) %	588
Underlying EBITDA (NOK million)	333	216	54 %	585	(43) %	1 750
Underlying Net income (loss) (NOK million)	(36)	(167)	78 %	246	>(100) %	350
Primary aluminium production (kmt)	76	77	(1) %	76	-	305
Casthouse sales (kmt)	73	84	(13) %	77	(5) %	320

Underlying EBIT for Primary Metal declined in the first quarter due to lower realized prices, higher fixed costs and additional cost related to ICMS tax on sales of surplus power in Brazil in the previous periods. This was partly offset by a stronger USD, a decline in alumina costs and positive effects on premiums in Qatalum following a negative time lag adjustment in the fourth quarter of 2015.

Primary Metal made progress on their improvement initiatives targeting roughly NOK 400 million improvements for 2016. The progress in first quarter is in line with expectations.

Compared to the first quarter of 2015, underlying EBIT declined substantially due to lower realized premiums and aluminium prices. This was partly offset by positive currency effects of the stronger USD in addition to decreasing alumina and other raw material costs.

Metal Markets

Operational and financial information	First quarter 2016	Fourth quarter 2015	%change prior quarter	First quarter 2015	%change prior year quarter	Year 2015
Underlying EBIT (NOK million)	167	152	10 %	24	>100 %	379
Currency effects ¹⁾	24	(43)	>100 %	(8)	>100 %	(43)
Inventory valuation effects ²⁾	(3)	15	>(100) %	(28)	90 %	(29)
Underlying EBIT excl. currency and ingot inventory effects	145	180	(19) %	60	>100 %	451
Underlying EBITDA (NOK million)	191	180	6 %	47	>100 %	480
Remelt production (kmt)	144	130	11 %	145	(1) %	533
Metal products sales excluding ingot trading (kmt) ³⁾	736	670	10 %	626	18 %	2 722
Hereof external sales (kmt)	664	613	8 %	571	16 %	2 474

1) Includes the effects of changes in currency rates on sales and purchase contracts denominated in foreign currencies (mainly US dollar and Euro for our European operations) and the effects of changes in currency rates on the fair valuation of derivative contracts (including LME futures) and inventories mainly translated into Norwegian kroner. Hydro manages its external currency exposure on a consolidated basis in order to take advantage of offsetting positions.

2) Comprised of hedging gains and losses relating to inventories. Increasing LME prices result in unrealized hedging losses, while the offsetting gains on physical inventories are not recognized until realized. In periods of declining prices, unrealized hedging gains are offset by write-downs of physical inventories.

3) Includes external and internal sales from primary casthouse operations, remelters and third party metal sources.

Underlying EBIT for Metal Markets increased somewhat in the first quarter mainly due to positive currency effects and improved results in remelters. This was partly offset by weaker results from sourcing and trading activities.

Compared to the first quarter of 2015, underlying EBIT for Metal Markets improved mainly due to improved results from sourcing and trading activities and positive currency effects, partly offset by weaker results from remelters. Underlying results in the first quarter of 2015 included substantial losses from sourcing and trading activities as a result of a significant decline in standard ingot premiums.

Rolled Products

Operational and financial information	First quarter 2016	Fourth quarter 2015	%change prior quarter	First quarter 2015	%change prior year quarter	Year 2015
Underlying EBIT (NOK million)	248	204	22 %	292	(15) %	1 142
Underlying EBITDA (NOK million)	446	404	10 %	465	(4) %	1 873
Sales volumes to external market (kmt)	229	229	-	227	1 %	948

Sales volumes to external markets (kmt) - Product areas ¹⁾

Can & foil	76	80	(6) %	76	(1) %	331
Lithography & automotive	78	70	11 %	78	-	300
Special products	75	79	(5) %	73	2 %	317
Rolled Products	229	229	-	227	1 %	948

1) As of the first quarter of 2016, the reporting structure for Rolled Products Sales volumes to external markets has been changed. All previous periods presented have been adjusted to present the information on a comparable basis.

Adjusted for the divestment of the Slim rolling mill²⁾, sales volumes in Rolled Products were seasonally higher in the first quarter. This together with reduced alumina cost for the Neuss smelter, supported improved profitability compared to fourth quarter of 2015. Reduced net margins partly offset the positive effects.

Rolled Products made progress on the new "Better RP" program targeting around NOK 200 million improvements for 2016. The progress in first quarter is slightly behind expectations.

Compared to the first quarter of 2015, underlying EBIT was lower, mainly due to the all-in metal price development affecting the Neuss smelter. For our rolling mills we saw the same patterns as described above. Currency effects were positive compared to the first quarter of 2015.

2) Slim rolling mill divestment was completed by December 17, 2015.

Energy

Operational and financial information	First quarter 2016	Fourth quarter 2015	%change prior quarter	First quarter 2015	%change prior year quarter	Year 2015
Underlying EBIT (NOK million)	398	353	13 %	382	4 %	1 105
Underlying EBITDA (NOK million)	453	403	13 %	429	6 %	1 300
Direct production costs (NOK million) ¹⁾	193	134	45 %	204	(5) %	610
Power production (GWh)	3 160	2 882	10 %	3 071	3 %	10 894
External power sourcing (GWh)	2 227	2 254	(1) %	2 200	1 %	8 918
Internal contract sales (GWh)	3 339	3 531	(5) %	3 315	1 %	13 731
External contract sales (GWh)	253	313	(19) %	346	(27) %	1 093
Net spot sales (GWh)	1 795	1 292	39 %	1 610	11 %	4 989

1) Includes maintenance and operational costs, transmission costs, property taxes and concession fees for Hydro as operator.

Underlying EBIT for Energy increased compared to the previous quarter due to higher production, partly offset by higher production cost. The cost increase was mainly driven by transmission costs and property taxes.²⁾

Compared to the first quarter in 2015, underlying EBIT increased somewhat. An increase in production was partly offset by slightly lower spot prices.

2) From 2015 property tax is charged to the period it becomes an unconditional payment obligation (in Norway when invoiced). This leads to periodic variations within the year without affecting the annual property tax level.

Other and eliminations

Financial information NOK million	First quarter 2016	Fourth quarter 2015	%change prior quarter	First quarter 2015	%change prior year quarter	Year 2015
Sapa (50%) ¹⁾	183	70	>100 %	119	54 %	454
Other	(162)	(169)	4 %	(117)	(39) %	(531)
Eliminations	160	17	>100 %	(284)	>100 %	58
Underlying EBIT Other and eliminations	181	(83)	>100 %	(281)	>100 %	(19)

1) Hydro's share of Sapa's underlying net income.

Eliminations are comprised mainly of unrealized gains and losses on inventories purchased from group companies which fluctuate with product flows, volumes and margin developments throughout Hydro's value chain.

Operational and financial information Sapa (50%)	First quarter 2016	Fourth quarter 2015	%change prior quarter	First quarter 2015	%change prior year quarter	Year 2015
Revenue (NOK million) ²⁾	6 953	6 410	8 %	7 026	(1) %	27 626
Underlying EBIT (NOK million)	286	64	>100 %	196	46 %	704
Underlying EBITDA (NOK million)	450	245	84 %	353	28 %	1 364
Underlying Net income (loss) (NOK million)	183	70	>100 %	119	53 %	454
Sales volumes (kmt)	174	156	12 %	177	(1) %	682

2) Historical revenues have been reclassified.

Compared to the previous quarter, underlying EBIT for Sapa increased mainly due to seasonally higher demand and stronger margins.

Underlying EBIT for Sapa increased significantly compared to the same quarter of the previous year. Earnings improved across all business areas mainly due to the effects of the improvement programs, increased share of higher margin business, and positive currency effects from the weakening Norwegian krone against the US dollar and Euro. In addition, a continued strong market supported the North American operations.

Finance

Financial income (expense)	First quarter 2016	Fourth quarter 2015	% change prior quarter	First quarter 2015	% change prior year quarter	Year 2015
NOK million						
Interest income	172	89	94 %	75	>100%	279
Dividends received and net gain (loss) on securities	(15)	16	>(100)%	13	>(100)%	18
Financial income	157	104	51 %	88	78 %	297
Interest expense	(103)	(75)	(39)%	(100)	(3)%	(337)
Capitalized interest	22	17	25 %	-	-	34
Net foreign exchange gain (loss)	1 032	48	>100%	(1 587)	>100%	(4 397)
Net interest on pension liability	(51)	(106)	52 %	(36)	(43)%	(215)
Other	(55)	(59)	7 %	(45)	(23)%	(215)
Financial expense	844	(174)	>100%	(1 768)	>100%	(5 130)
Financial income (expense), net	1 001	(70)	>100%	(1 680)	>100%	(4 834)

The net foreign exchange gain of NOK 1,032 million reflects strengthening of BRL against USD affecting USD denominated debt in Brazil and strengthening of NOK against Euro affecting both embedded derivatives in power contracts and intercompany debt.

Interest income includes interest income related to a tax case in Norway of around NOK 100 million.

Tax

Income tax expense amounted to NOK 313 million for the first quarter of 2016 or about 12 percent of income before tax. The tax rate reflects a reduced tax expense of approximately NOK 600 million related to a favorable decision from the Norwegian Tax Appeal Board in a tax dispute, in April 2016.

Items excluded from underlying EBIT and net income

To provide a better understanding of Hydro's underlying performance, the items in the table below have been excluded from EBIT and net income.

Items excluded from underlying EBIT are comprised mainly of unrealized gains and losses on certain derivatives, impairment and rationalization charges, effects of disposals of businesses and operating assets, as well as other items that are of a special nature or are not expected to be incurred on an ongoing basis.

Items excluded from underlying net income ¹⁾	First quarter 2016	Fourth quarter 2015	First quarter 2015	Year 2015
NOK million				
Unrealized derivative effects on LME related contracts ²⁾	(137)	(5)	140	415
Unrealized derivative effects on power and raw material contracts ³⁾	(87)	(33)	(151)	(419)
Metal effect, Rolled Products ⁴⁾	43	177	(61)	458
Significant rationalization charges and closure costs ⁵⁾	-	-	-	-
Impairment charges (PP&E and equity accounted investments) ⁶⁾	-	-	-	-
(Gains)/losses on divestments ⁷⁾	15	365	-	365
Other effects ⁸⁾	-	285	-	248
Items excluded in equity accounted investment (Sapa)	(26)	53	74	331
Items excluded from underlying EBIT	(192)	841	2	1 398
Net foreign exchange (gain)/loss ⁹⁾	(1 032)	(48)	1 587	4 397
Calculated income tax effect ¹⁰⁾	365	(38)	(454)	(1 418)
Other adjustments to net income ¹¹⁾	(700)	-	-	-
Items excluded from underlying net income	(1 559)	755	1 134	4 377

1) Negative figures indicate a gain and positive figures indicate a loss.

2) Unrealized gains and losses on contracts used for operational hedging purposes where hedge accounting is not applied, as well as for LME derivatives in equity accounted investments and elimination of changes in fair value of certain internal physical aluminium contracts.

3) Unrealized gains and losses on embedded derivatives in raw material and power contracts for own use and financial power contracts used for hedging purposes, as well as elimination of changes in fair value of embedded derivatives within certain internal power contracts.

4) Timing differences resulting from inventory adjustments due to changing aluminium prices during the production, sales and logistics process, as well as inventory write-downs for Rolled Products.

5) Costs that are typically non-recurring for significant individual plants or operations, for example termination benefits, plant removal costs and clean-up activities in excess of legal liabilities, etc.

6) Write-downs of assets or groups of assets to estimated recoverable amounts in the event of an identified loss in value.

7) Net gain or loss on divested businesses and individual major assets.

8) Other effects include recognition of pension plan amendments and related curtailments and settlements, insurance proceeds, legal settlements, etc.

9) Realized and unrealized gains and losses on foreign currency denominated accounts receivable and payable, funding and deposits, forward currency contracts purchasing and selling currencies that hedge net future cash flows from operations, embedded foreign currency derivatives in power contracts, sales contracts and working capital.

10) In order to present underlying net income on a basis comparable with our underlying operating performance, we have calculated an income tax effect of items excluded from underlying income before tax.

11) Other major financial and tax related effects.

Items excluded from underlying EBIT - Operating segments

The following includes a summary table of items excluded from underlying EBIT for each of the operating segments and for Other and eliminations.

Items excluded from underlying EBIT ¹⁾

NOK million	First quarter 2016	Fourth quarter 2015	First quarter 2015	Year 2015
Unrealized derivative effects on LME related contracts	-	19	3	11
Bauxite & Alumina	-	19	3	11
Unrealized derivative effects on LME related contracts	(72)	7	54	95
Unrealized derivative effects on power contracts	(18)	89	2	112
Insurance compensation (Qatalum)	-	-	-	(37)
Primary Metal	(90)	96	56	169
Unrealized derivative effects on LME related contracts	(68)	12	146	199
Metal Markets	(68)	12	146	199
Unrealized derivative effects on LME related contracts	12	(49)	(80)	95
Metal effect	43	177	(61)	458
(Gains)/losses on divestments	15	434	-	434
Rolled Products	69	562	(141)	988
Unrealized derivative effects on power contracts	4	1	1	3
Energy	4	1	1	3
Unrealized derivative effects on power contracts ²⁾	(73)	(122)	(154)	(533)
Unrealized derivative effects on LME related contracts ²⁾	(8)	6	17	15
(Gains)/losses on divestments	-	(69)	-	(69)
Items excluded in equity accounted investment (Sapa)	(26)	53	74	331
Termination of lease contract Vækerø Park	-	285	-	285
Other and eliminations	(107)	152	(63)	28
Items excluded from underlying EBIT	(192)	841	2	1 398

1) Negative figures indicate a gain and positive figures indicate a loss.

2) Unrealized derivative effects on power contracts and LME related contracts result from elimination of changes in the valuation of embedded derivatives within certain internal power contracts and in the valuation of certain internal aluminium contracts.

Interim financial statements

Condensed consolidated statements of income (unaudited)

NOK million, except per share data	First quarter		Year
	2016	2015	2015
Revenue	20 138	23 290	87 694
Share of the profit (loss) in equity accounted investments	170	265	512
Other income, net	111	271	461
Total revenue and income	20 419	23 827	88 667
Raw material and energy expense	12 729	14 662	56 330
Employee benefit expense	2 381	2 295	9 048
Depreciation, amortization and impairment	1 215	1 229	5 023
Other expenses	2 401	2 435	10 008
Total expenses	18 725	20 621	80 409
Earnings before financial items and tax (EBIT)	1 693	3 206	8 258
Financial income	157	88	297
Financial expense	844	(1 768)	(5 130)
Financial income (expense), net	1 001	(1 680)	(4 834)
Income (loss) before tax	2 694	1 526	3 425
Income taxes	(313)	(455)	(1 092)
Net income (loss)	2 382	1 072	2 333
Net income (loss) attributable to non-controlling interests	86	124	313
Net income (loss) attributable to Hydro shareholders	2 296	948	2 020
Basic and diluted earnings per share attributable to Hydro shareholders (in NOK) ¹⁾	1.12	0.46	0.99
Weighted average number of outstanding shares (million)	2 042	2 040	2 041

1) Basic earnings per share are computed using the weighted average number of ordinary shares outstanding. There were no significant diluting elements.

The accompanying notes are an integral part of the condensed consolidated financial statements (unaudited).

Condensed consolidated statements of comprehensive income (unaudited)

NOK million	First quarter		Year
	2016	2015	2015
Net income (loss)	2 382	1 072	2 333
Other comprehensive income			
Items that will not be reclassified to income statement:			
Remeasurement postemployment benefits, net of tax	(667)	(19)	764
Share of remeasurement postemployment benefits of equity accounted investments, net of tax	-	-	126
Total	(667)	(19)	890
Items that will be reclassified to income statement:			
Currency translation differences, net of tax	(960)	(3 710)	(2 130)
Unrealized gain (loss) on securities, net of tax	(30)	107	15
Cash flow hedges, net of tax	(48)	67	72
Share of items that will be recycled to profit or loss of equity accounted investments, net of tax	(257)	87	502
Total	(1 296)	(3 449)	(1 541)
Other comprehensive income	(1 962)	(3 468)	(651)
Total comprehensive income	419	(2 396)	1 681
Total comprehensive income attributable to non-controlling interests	65	(434)	(418)
Total comprehensive income attributable to Hydro shareholders	354	(1 962)	2 099

The accompanying notes are an integral part of the condensed consolidated financial statements (unaudited).

Condensed balance sheets (unaudited)

NOK million, except number of shares	2016	March 31 2015	December 31 2015
Assets			
Cash and cash equivalents	5 946	7 172	6 917
Short-term investments	5 479	2 456	5 752
Accounts receivables	12 699	15 122	10 797
Inventories	11 684	13 392	12 192
Other current assets	128	272	502
Total current assets	35 936	38 413	36 160
Property, plant and equipment	51 828	50 952	51 174
Intangible assets	5 132	5 332	5 121
Investments accounted for using the equity method	19 455	18 679	20 150
Prepaid pension	3 319	3 753	3 382
Other non-current assets	6 845	6 015	6 557
Total non-current assets	86 579	84 731	86 384
Total assets	122 515	123 145	122 544
Liabilities and equity			
Bank loans and other interest-bearing short-term debt	3 753	4 239	3 562
Trade and other payables	8 857	10 593	9 375
Other current liabilities	3 864	4 373	4 462
Total current liabilities	16 474	19 204	17 399
Long-term debt	3 735	5 722	3 969
Provisions	3 443	2 802	3 264
Pension liabilities	13 457	13 407	12 782
Deferred tax liabilities	2 222	1 318	1 999
Other non-current liabilities	3 436	3 146	3 801
Total non-current liabilities	26 294	26 396	25 816
Total liabilities	42 767	45 600	43 215
Equity attributable to Hydro shareholders	74 524	72 068	74 169
Non-controlling interests	5 224	5 477	5 159
Total equity	79 748	77 545	79 329
Total liabilities and equity	122 515	123 145	122 544
Total number of outstanding shares (million)	2 042	2 040	2 042

The accompanying notes are an integral part of the condensed consolidated financial statements (unaudited).

Condensed consolidated statements of cash flows (unaudited)

NOK million	First quarter		Year
	2016	2015	2015
Operating activities			
Net income	2 382	1 072	2 333
Depreciation, amortization and impairment	1 215	1 229	5 023
Other adjustments	(3 839)	(1 206)	7 017
Net cash provided by (used in) operating activities	(242)	1 095	14 373
Investing activities			
Purchases of property, plant and equipment	(1 395)	(847)	(5 254)
Purchases of other long-term investments	(32)	(19)	(212)
Purchases of short-term investments	-	(500)	(5 050)
Proceeds from long-term investing activities	161	15	125
Proceeds from sales of short-term investments	550	-	1 000
Net cash used in investing activities	(716)	(1 351)	(9 391)
Financing activities			
Loan proceeds	993	380	2 340
Principal repayments	(1 415)	(1 846)	(7 042)
Net increase (decrease) in other short-term debt	443	(232)	(344)
Proceeds from shares issued	10	5	35
Dividends paid	-	-	(2 370)
Net cash provided by (used in) financing activities	31	(1 693)	(7 381)
Foreign currency effects on cash and bank overdraft	(44)	(127)	68
Net decrease in cash, cash equivalents and bank overdraft	(971)	(2 076)	(2 331)
Cash, cash equivalents and bank overdraft at beginning of period	6 917	9 248	9 248
Cash, cash equivalents and bank overdraft at end of period	5 946	7 172	6 917

The accompanying notes are an integral part of the condensed consolidated financial statements (unaudited).

Condensed consolidated statements of changes in equity (unaudited)

NOK million	Share capital	Additional paid-in capital	Treasury shares	Retained earnings	Other components of equity	Equity attributable to Hydro shareholders	Non-controlling interests	Total equity
January 1, 2015	2 272	29 045	(972)	45 872	(2 187)	74 030	5 911	79 941
<i>Changes in equity for 2015</i>								
Total comprehensive income for the period				948	(2 909)	(1 962)	(434)	(2 396)
March 31, 2015	2 272	29 045	(972)	46 819	(5 096)	72 068	5 477	77 545
January 1, 2016	2 272	29 068	(913)	45 850	(2 107)	74 169	5 159	79 329
<i>Changes in equity for 2016</i>								
Total comprehensive income for the period				2 296	(1 941)	354	65	419
March 31, 2016	2 272	29 068	(913)	48 145	(4 048)	74 524	5 224	79 748

The accompanying notes are an integral part of the condensed consolidated financial statements (unaudited).

Notes to the condensed consolidated financial statements

Note 1: Accounting policies

All reported figures in the financial statements are based on International Financial Reporting Standards (IFRS). Hydro's accounting principles are presented in note 2 Significant accounting policies in Hydro's Financial Statements - 2015.

The interim accounts are presented in accordance with IAS 34 Interim Financial Reporting. The condensed consolidated interim financial information should be read in conjunction with Hydro's Financial Statements - 2015 that are a part of Hydro's Annual Report - 2015.

As a result of rounding adjustments, the figures in one or more columns may not add up to the total of that column.

Note 2: Operating segment information

Hydro identifies its reportable segments and discloses segment information under IFRS 8 Operating Segments. This standard requires Hydro to identify its segments according to the organization and reporting structure used by management. See Hydro's Financial statements - 2015 note 7 Operating and geographic segment information for a description of Hydro's management model and segments, including a description of Hydro's segment measures and accounting principles used for segment reporting.

The following tables include information about Hydro's operating segments, including a reconciliation of EBITDA to EBIT for Hydro's operating segments.

NOK million	First quarter		Year
	2016	2015	2015
Total revenue			
Bauxite & Alumina	4 212	5 461	21 889
Primary Metal	7 694	9 096	32 340
Metal Markets	11 248	12 181	46 909
Rolled Products	5 737	6 170	24 160
Energy	1 620	1 553	5 326
Other and eliminations	(10 373)	(11 171)	(42 931)
Total	20 138	23 290	87 694
External revenue			
Bauxite & Alumina	2 443	3 387	13 534
Primary Metal	1 175	1 789	5 373
Metal Markets	10 133	11 315	42 795
Rolled Products	5 795	6 079	24 293
Energy	575	698	1 623
Other and eliminations	17	21	77
Total	20 138	23 290	87 694
Internal revenue			
Bauxite & Alumina	1 769	2 074	8 356
Primary Metal	6 519	7 307	26 967
Metal Markets	1 116	866	4 114
Rolled Products	(58)	91	(132)
Energy	1 044	854	3 703
Other and eliminations	(10 390)	(11 192)	(43 008)
Total	-	-	-
Share of the profit (loss) in equity accounted investments			
Bauxite & Alumina	-	-	-
Primary Metal	(37)	250	389
Metal Markets	-	-	-
Rolled Products	-	-	-
Energy	-	-	-
Other and eliminations	206	16	123
Total	170	265	512

NOK million	First quarter		Year
	2016	2015	2015
Depreciation, amortization and impairment			
Bauxite & Alumina	451	460	1 983
Primary Metal	474	511	1 952
Metal Markets	24	23	101
Rolled Products	197	173	732
Energy	55	47	195
Other and eliminations	13	15	61
Total	1 215	1 229	5 023
Earnings before financial items and tax (EBIT) ¹⁾			
Bauxite & Alumina	189	776	2 411
Primary Metal	408	1 956	4 459
Metal Markets	235	(122)	180
Rolled Products	179	433	154
Energy	394	381	1 103
Other and eliminations	288	(218)	(48)
Total	1 693	3 206	8 258
EBITDA			
Bauxite & Alumina	640	1 237	4 393
Primary Metal	882	2 467	6 411
Metal Markets	259	(99)	281
Rolled Products	376	607	886
Energy	450	428	1 297
Other and eliminations	301	(204)	14
Total	2 908	4 436	13 282
Investments ²⁾			
Bauxite & Alumina	858	230	1 923
Primary Metal	551	375	1 839
Metal Markets	8	26	280
Rolled Products	475	141	1 434
Energy	56	27	290
Other and eliminations	22	3	99
Total	1 970	802	5 865

1) Total segment EBIT is the same as Hydro group's total EBIT. Financial income and expense are not allocated to the segments. There are no reconciling items between segment EBIT to Hydro EBIT. Therefore, a separate reconciliation table is not presented.

2) Additions to property, plant and equipment (capital expenditures) plus long-term securities, intangible assets, long-term advances and investments in equity accounted investments.

NOK million	EBIT	Depr., amor. and impairment ¹⁾	EBITDA
EBIT - EBITDA First quarter 2016			
Bauxite & Alumina	189	451	640
Primary Metal	408	474	882
Metal Markets	235	24	259
Rolled Products	179	197	376
Energy	394	55	450
Other and eliminations	288	13	301
Total	1 693	1 215	2 908

1) Depreciation, amortization and impairment write-down of tangible and intangible assets, and amortization of excess values in equity accounted investments and impairment loss of such investments.

Note 3: Contingent liabilities

Hydro is involved in or threatened with various legal and tax matters arising in the ordinary course of business. Hydro is of the opinion that it is not probable that the resulting liabilities, if any, will have a material adverse effect on its consolidated results of operations, liquidity or financial position.

Note 4: Taxes

In April 2016, the Norwegian Tax Appeal Board ruled in favor of Hydro in a tax dispute. Taxes related to losses on refinancing of subsidiaries in 2008 were denied for deduction in 2013 and the tax claim was paid in 2014. Following the final decision in the Tax Appeal Board, Hydro has recognized approximately NOK 600 million in reduced tax expense and approximately NOK 100 million in interest income in the first quarter of 2016. Hydro expects to receive the reimbursement in the second quarter of 2016.

Additional information

Financial calendar 2016

May 2	Annual General Meeting
July 21	Second quarter results
October 25	Third quarter results
December 1-2	Capital Markets Day

Hydro reserves the right to revise these dates.

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.

Hydro is a global aluminium company with production, sales and trading activities throughout the value chain, from bauxite, alumina and energy generation to the production of primary aluminium and rolled products as well as recycling. Based in Norway, the company has 13,000 employees involved in activities in more than 50 countries on all continents. Rooted in more than a century of experience in renewable energy production, technology development and progressive partnerships, Hydro is committed to strengthening the viability of the customers and communities we serve.

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Infinite aluminium