



Results up on higher prices and sales, offset by currency

Second quarter presentation

Cautionary note

Certain statements included in this announcement contain forward-looking information, including, without limitation, information relating to (a) forecasts, projections and estimates, (b) statements of Hydro management concerning plans, objectives and strategies, such as planned expansions, investments, divestments, curtailments 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, and (i) qualified statements such as "expected", "scheduled", "targeted", "planned", "proposed", "intended" or similar.


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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

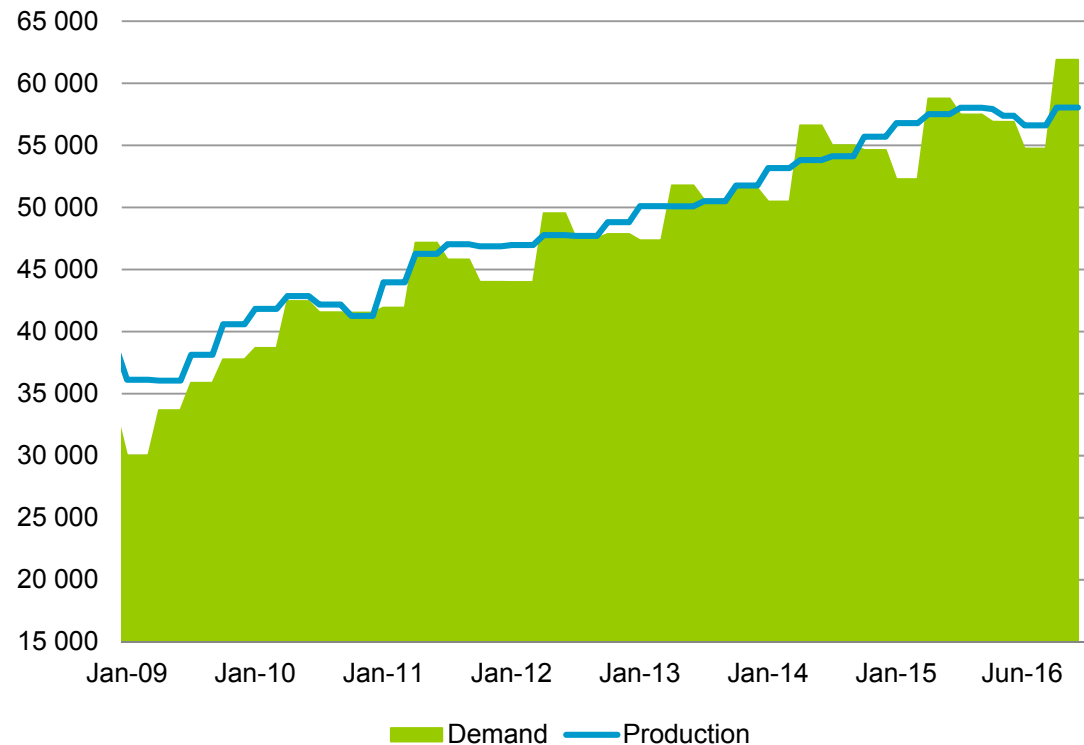
highlights

- Underlying EBIT of NOK 1 618 million
- Higher realized alumina and all-in aluminium prices, offset by currency developments
- Higher aluminium and alumina sales
- Significantly improved Sapa results
- *Better* improvement program on track for 2019 target of NOK 2.9 billion
- Positive cash flow in quarter with full-year dividend payment
- Global primary aluminium demand growth expected at 4-5%

Global undersupply in Q2, continued strong demand growth in China

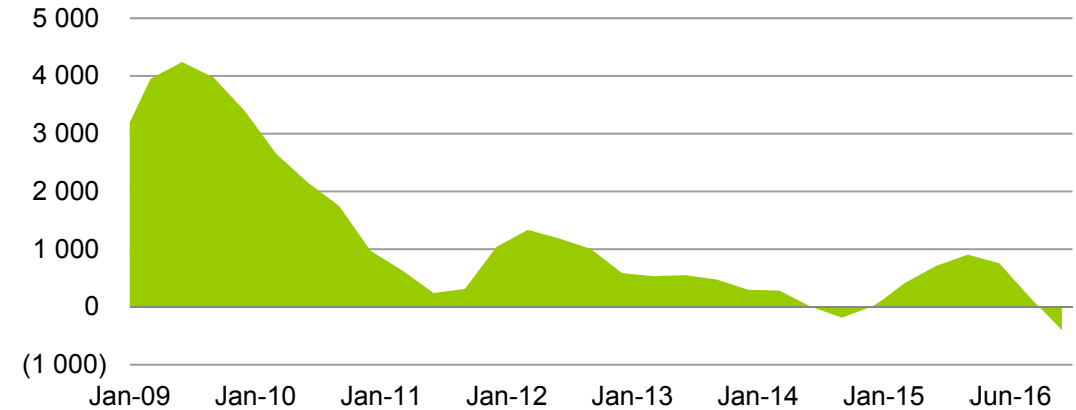
Demand and production (quarterly annualized)

1 000 mt primary aluminium



Production less demand

12 month rolling quarterly average, in 1 000 mt primary aluminium



- 2016 global demand growth expected at 4-5 %
- ~5.2 % demand growth Q2-16 vs Q2-15
 - ~ 7.7 % China
 - ~ 1.7 % Western Europe
 - ~ 3.6 % North America
 - (~ 3.9 %) Central and South America

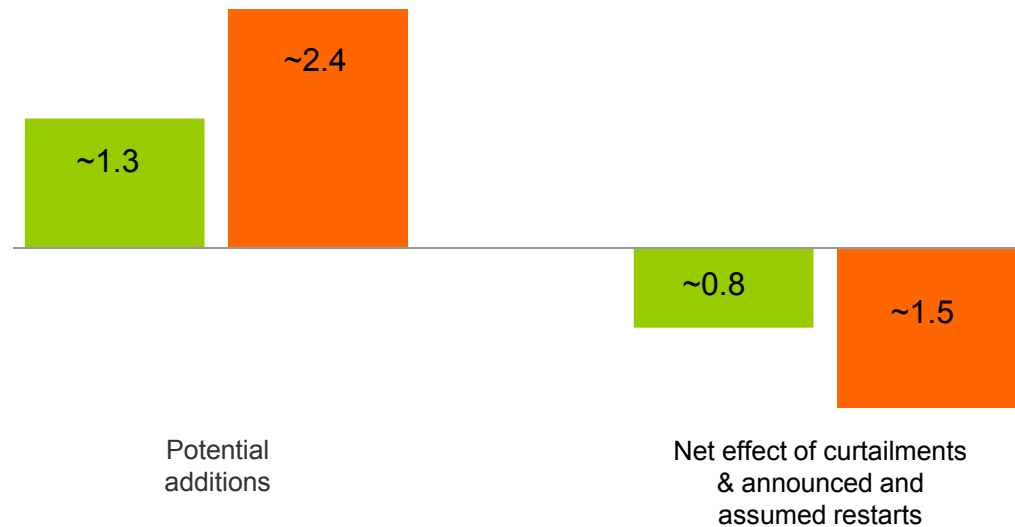
Source: CRU/Hydro

Primary aluminium market expected to be largely balanced in 2016

Limited effect of capacity restarts in China in first half, more expected in second half

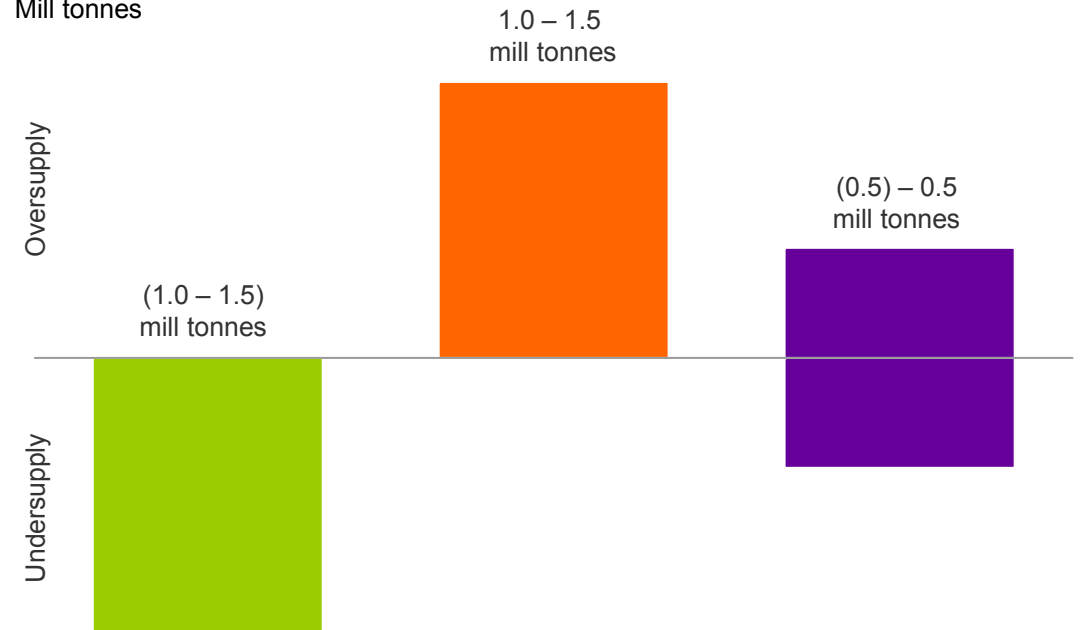
Supply development 2016

Mill tonnes



Market balance 2016

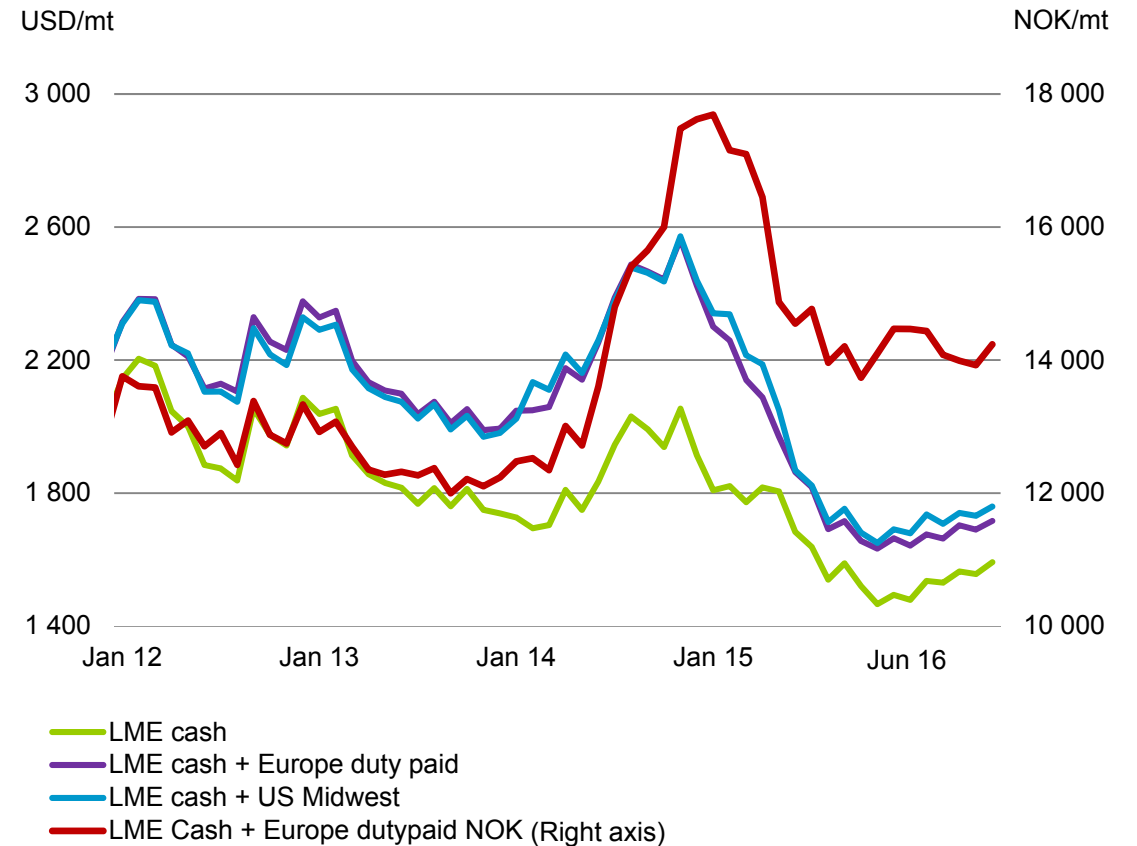
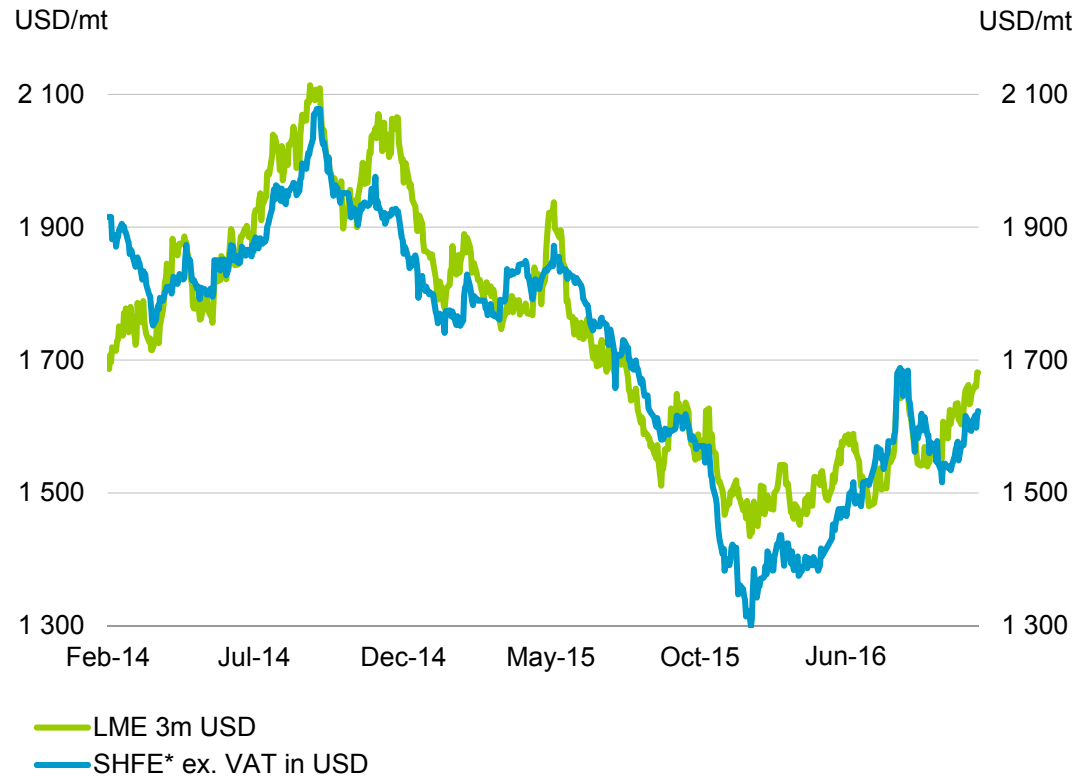
Mill tonnes



World ex-China China Global

Source: CRU, Hydro analysis

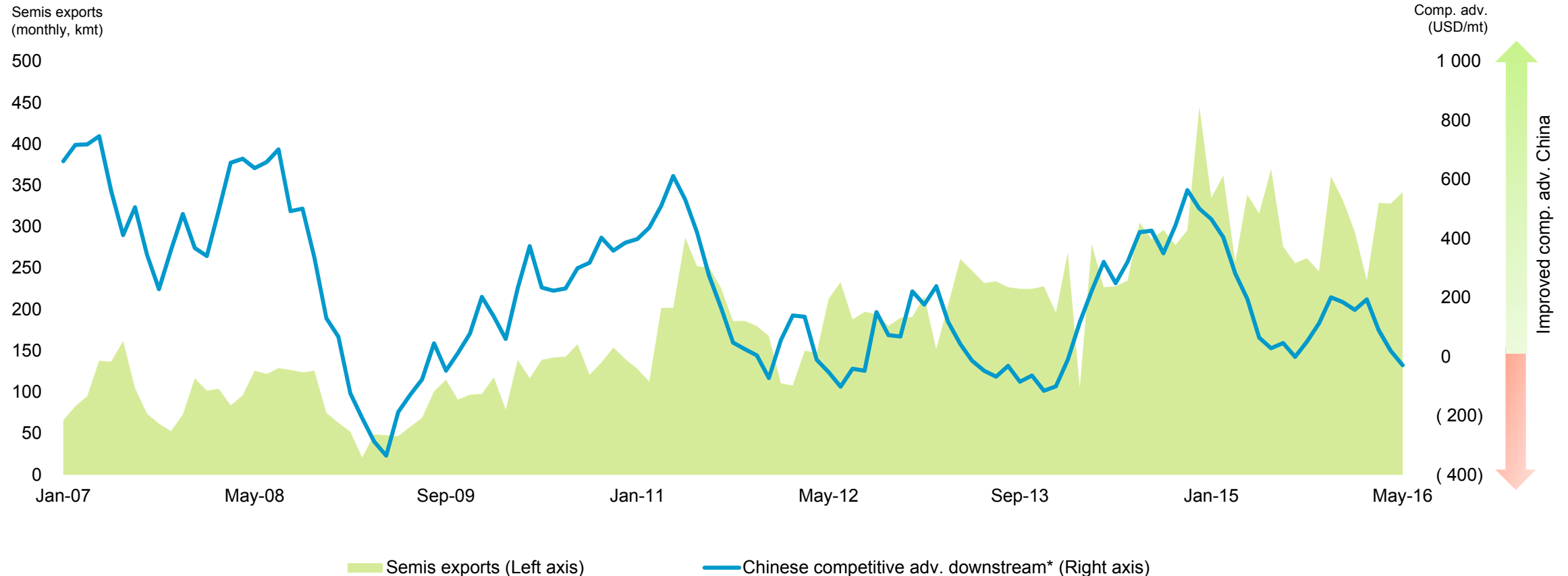
Slightly increasing all-in LME prices



Source: Metal Bulletin, MW/MJP: Platts, Reuters Ecowin, Hydro analysis
 * Shanghai Futures Exchange

Shrinking arbitrage, stable export levels given wider arbitrage in Q1

Preliminary export figures indicate June exports slightly below April/May level

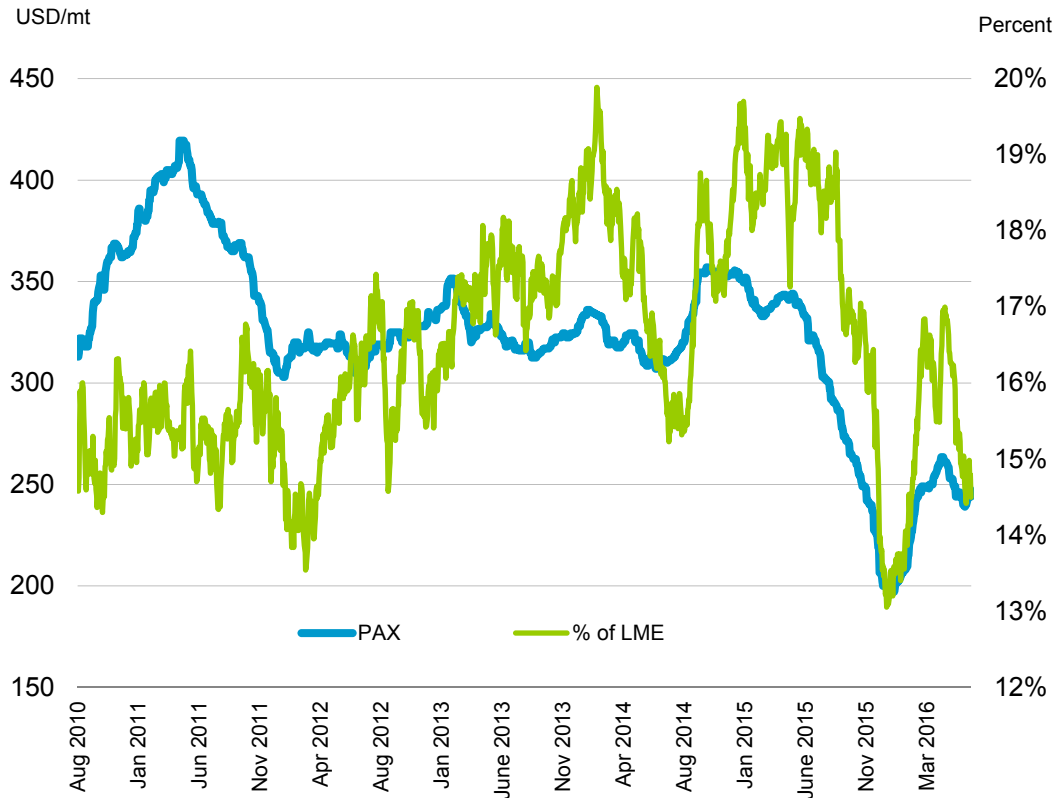


Source: CRU/Ecowin
 Est. metal cost China versus Europe
 Europe: LME cash + European duty-paid standard ingot premium
 China: SHFE cash + avg. local premium + freight – export rebates (~13 %)

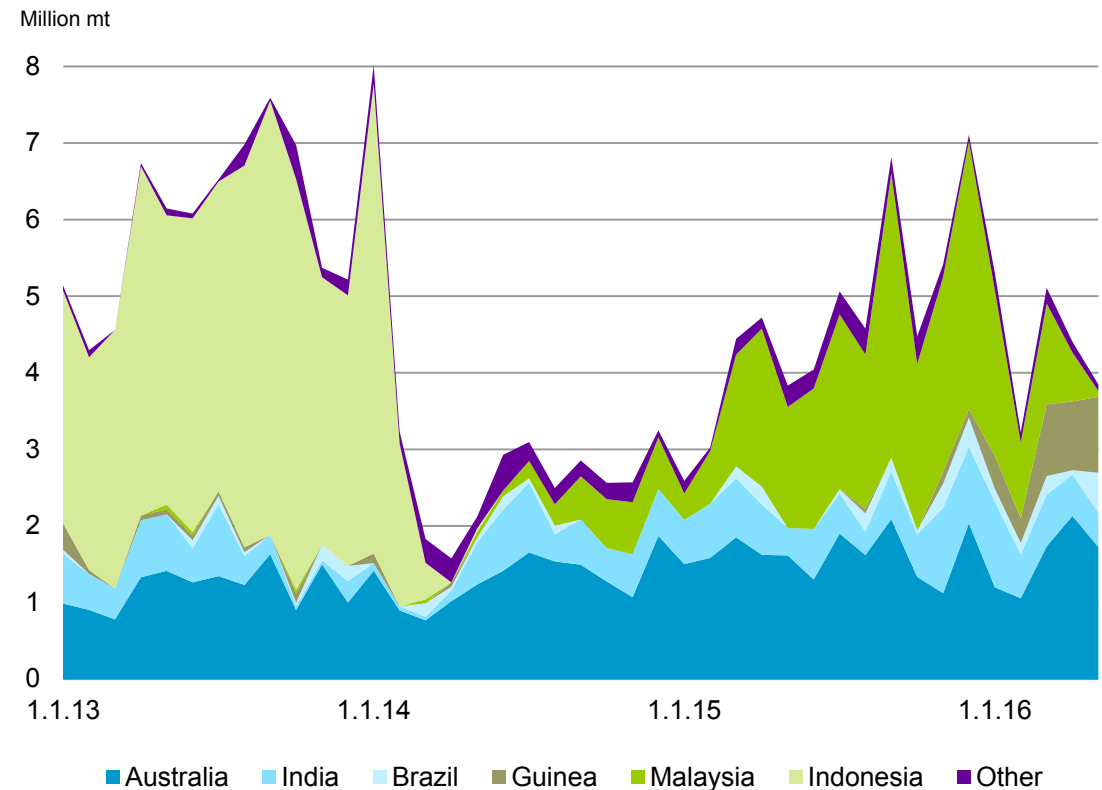


Alumina prices up in Q2, lower Chinese bauxite imports from Malaysia offset by Guinea

Platts alumina index (PAX)



Monthly Chinese bauxite imports

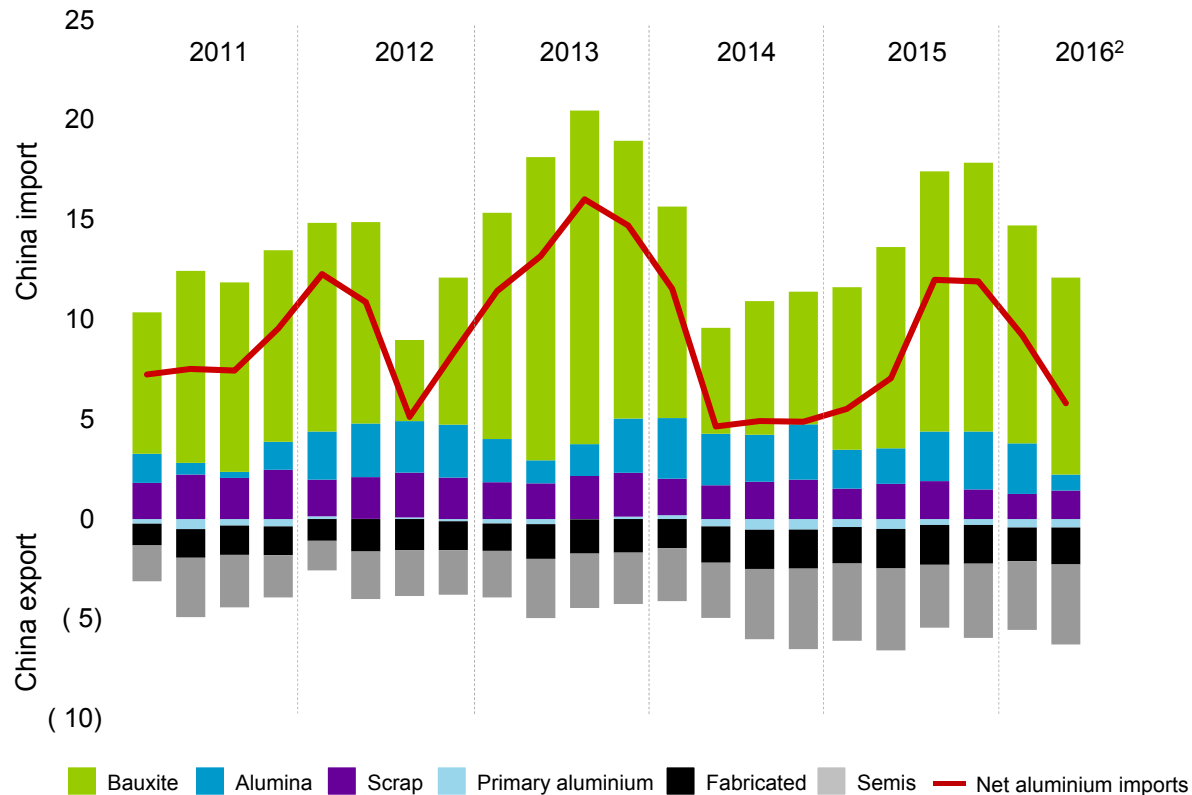


Source: Platts, Ecwin, China Customs

China net imports falling on lower alumina imports

Downstream exports increasing

Annualized aluminium equivalents¹⁾, million mt



- Bauxite and alumina
 - Alumina imports down in Q2
 - Increasing volumes from Guinea compensating for lower bauxite imports from Malaysia
- Primary aluminium
 - Export at low levels
- Scrap
 - Imports remain low
- Semis and fabricated
 - Increased exports in April/May amid wider arbitrage at the start of the year
 - Preliminary export figures indicate June exports slightly below April/May level

Source: CRU/Antaika/Hydro

1) Bauxite/alumina to aluminium conversion factor: 5.0/1.92

2) Quarterly annualized based on Apr/May data; full Q2 figures not available

Better program on track for 2019 target

NOK 2.9 billion targeted in 2016-2019, NOK 1.1 billion in 2016



- On track for NOK 400 million target in 2016
- USD 180 JV program on target to be completed by end-2016



- Behind the NOK 200 million target for 2016
- Strong operational improvements, offset by portfolio mix and delayed ramp-up of the UBC recycling line



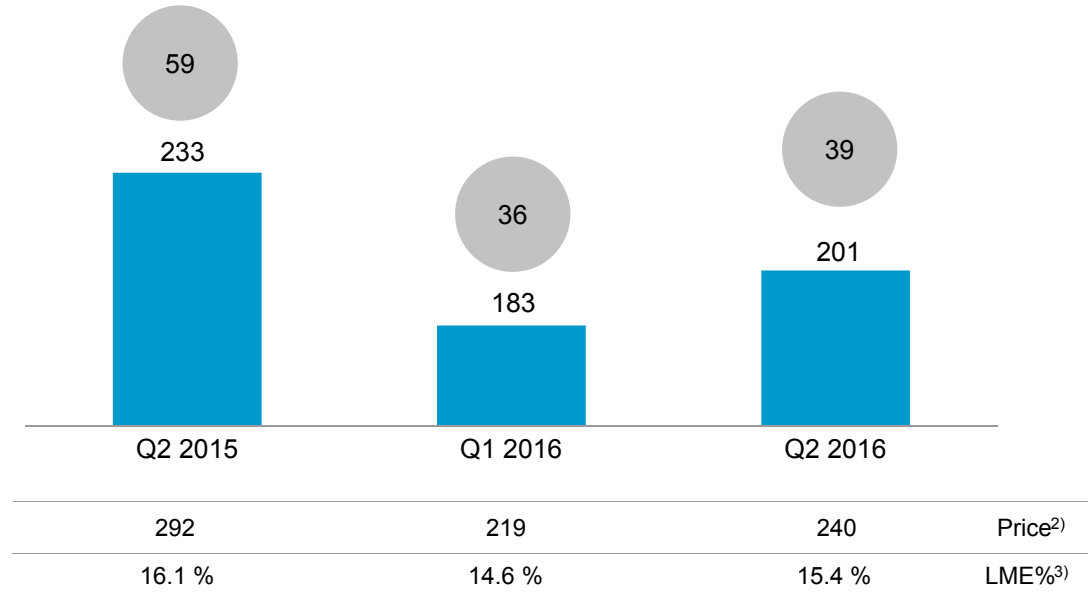
- On track for NOK 500 million target in 2016
- High and stable production at Alunorte and Paragominas
- Logistical optimization



1) Real 2015 terms

Increased implied alumina cost, higher alumina production

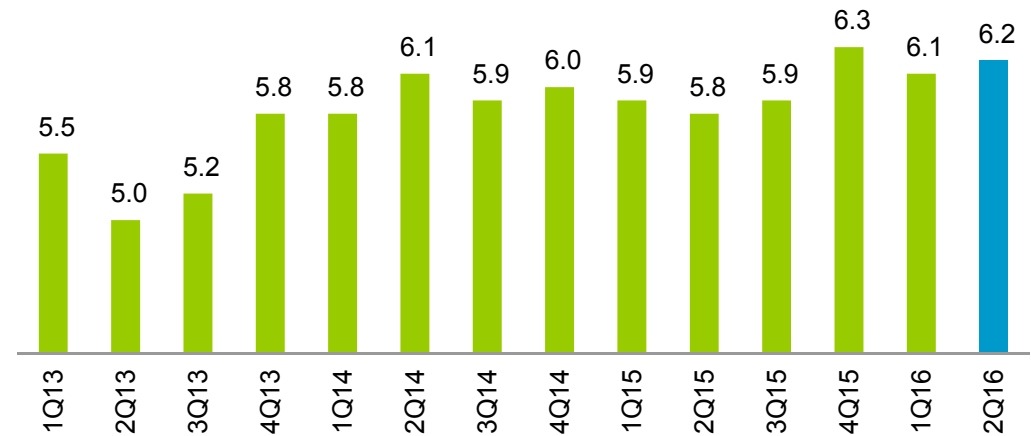
Implied alumina cost and margin, USD/mt ¹⁾



■ Implied EBITDA cost per mt ● EBITDA margin per mt

1) Realized alumina price minus underlying 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

Annualized alumina production, million mt
Alunorte

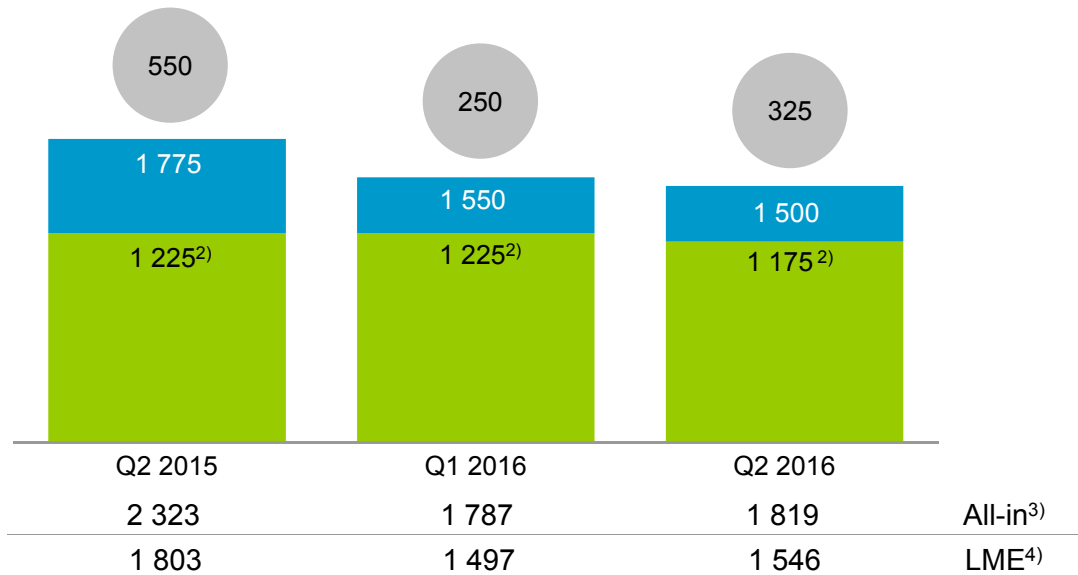


- USD/mt 18 increase in implied alumina cost from Q1
 - Lower bauxite production and higher maintenance-related cost in Paragominas
 - Stronger BRL vs USD
 - Partly offset by improved energy mix and lower raw material cost at Alunorte

Reduced cost and improved prices lift margins in Primary Metal

Lower costs, positive non-operational effects

All-in implied primary cost and margin, USD/mt ¹⁾



- All-in Implied EBITDA cost per mt
- LME Implied EBITDA cost per mt
- All-in EBITDA margin per mt

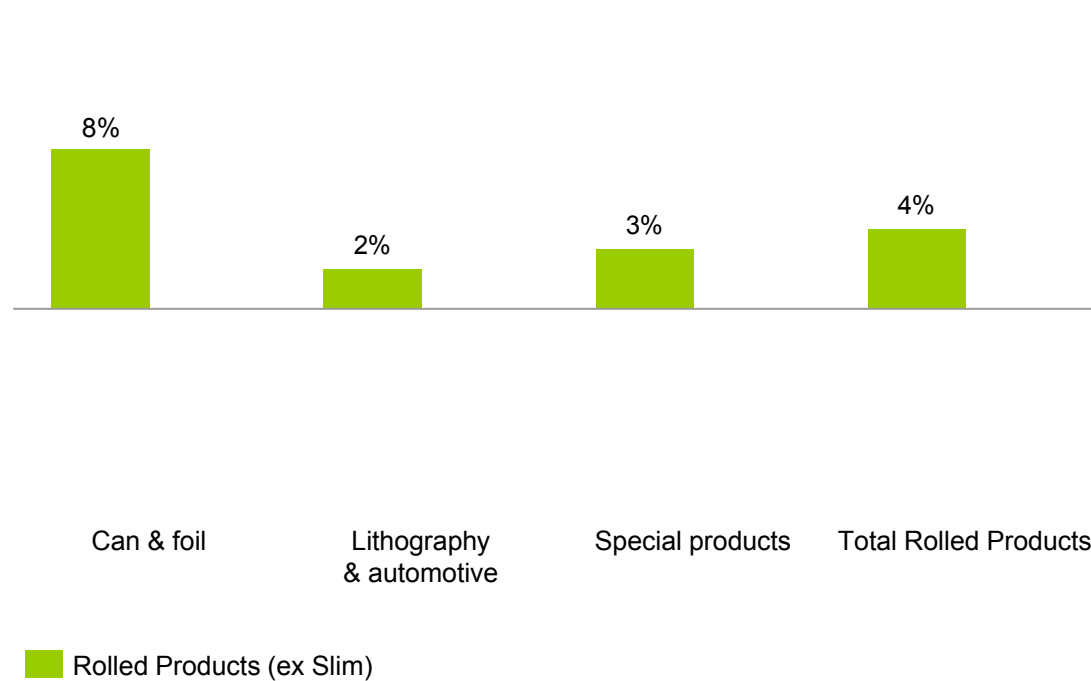
- Developments Q2 vs Q1
 - Reduced fixed and carbon costs, partly offset by increased alumina and energy costs
 - Positive non-operational effects in Årdal and Albras
 - Stronger NOK and BRL vs USD

- Full production at Årdal is resumed following power outage

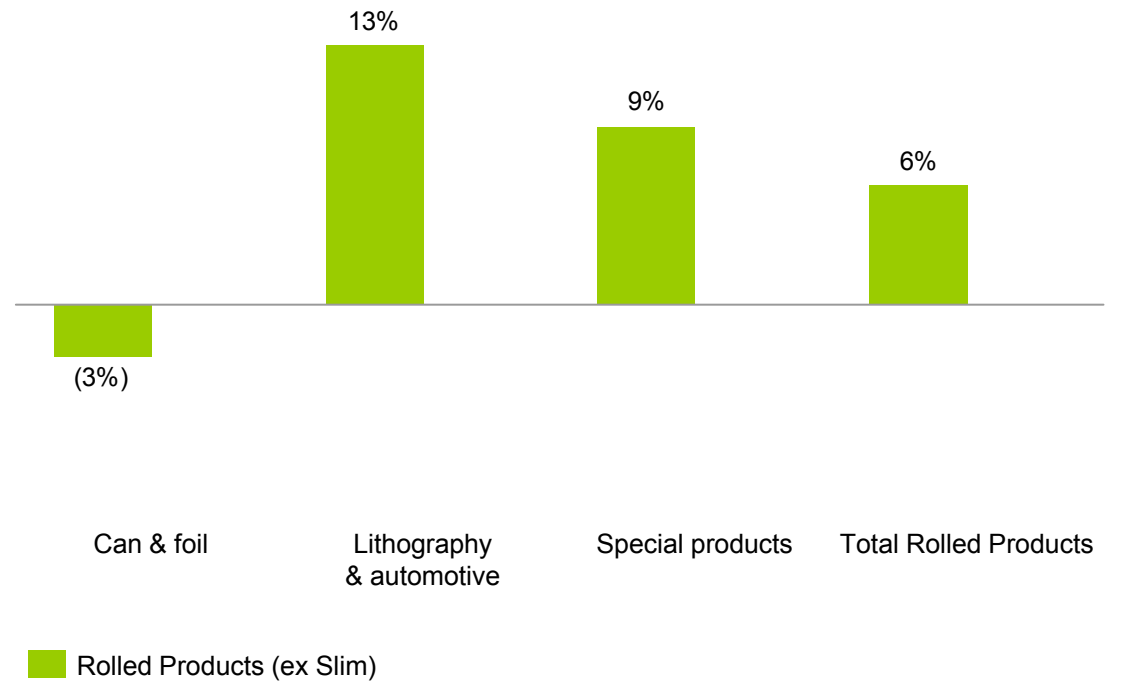
1) Realized all-in aluminium price minus underlying EBITDA margin, including Qatalum, per mt aluminium sold
 2) Realized LME aluminium price minus underlying EBITDA margin, including Qatalum, per mt primary aluminium produced
 3) Realized LME plus realized premiums, including Qatalum
 4) Realized LME, including Qatalum

Healthy demand for Rolled Products, seasonally strong in Q2

Q2 2016 vs Q1 2016



Q2 2016 vs Q2 2015



Seasonally stronger extrusion demand

- Seasonally stronger demand in Q2
 - ~3% increase in North America
 - ~4.5% increase in Europe
- Demand increased from same quarter last year
 - ~2.5% in North America due to increased building activity and strong automotive demand
 - ~1.5% in Europe due to positive developments in automotive and transportation, but a mixed picture in building and construction
- Outlook
 - Continued moderate market growth in Europe, driven by automotive and transportation
 - Continued demand growth in North America, but signs of flattening out in certain market segments
 - Seasonally lower demand in Q3

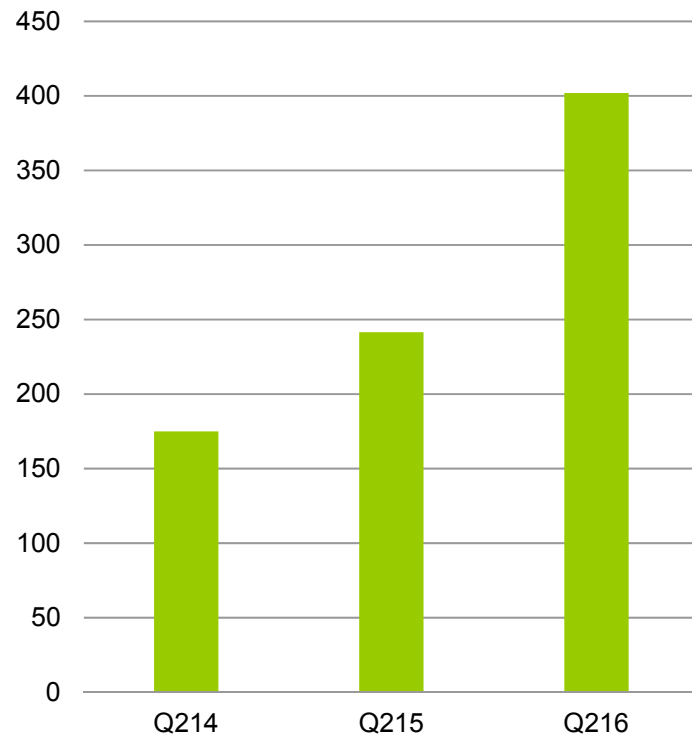


Record results for Sapa in second quarter

Seasonally higher demand and stronger margins

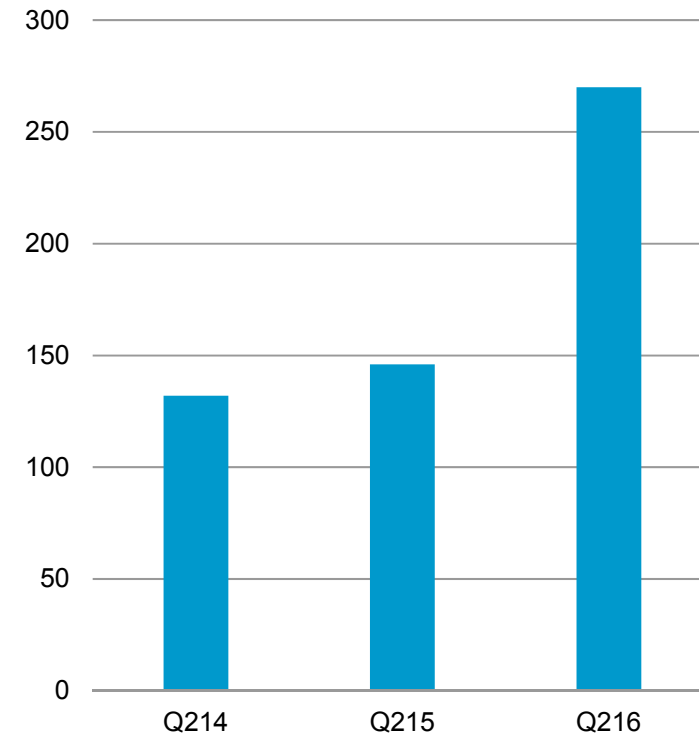
Hydro share of underlying EBIT

NOK million



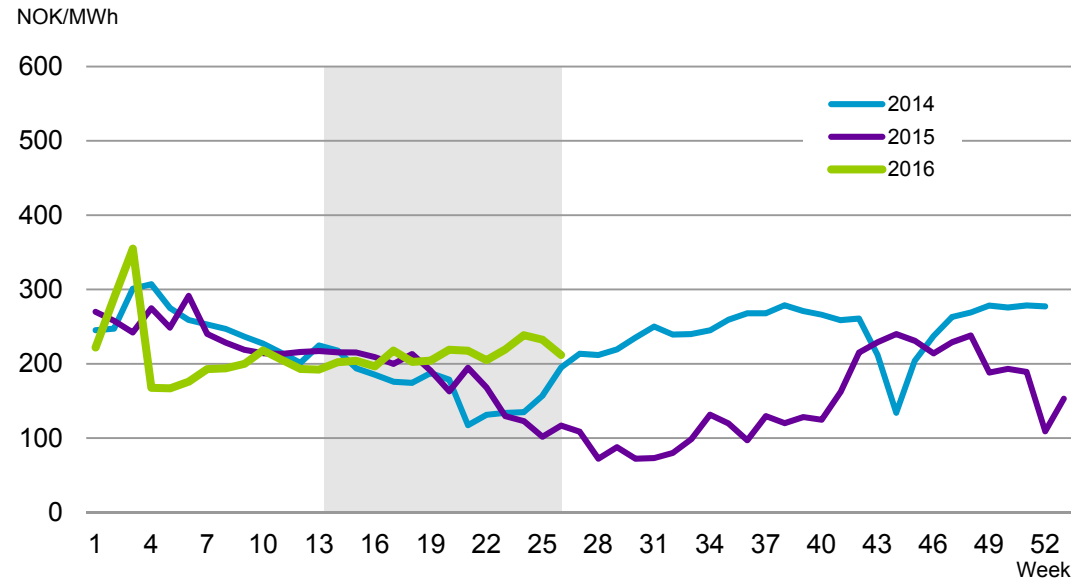
Hydro share of underlying net income

NOK million



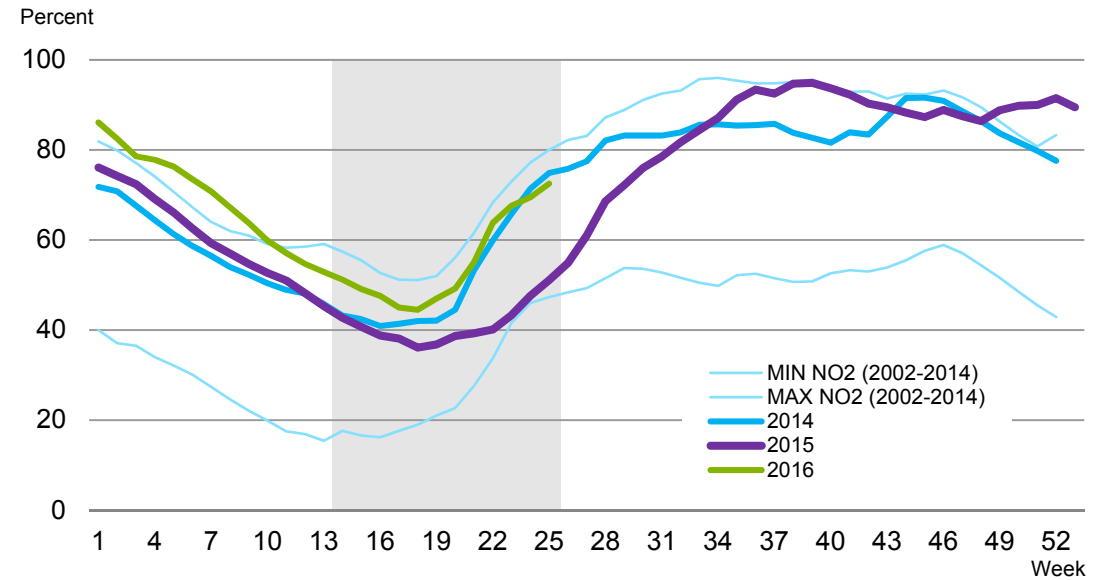
Energy: Stable prices during snowmelt period

Market price Southwestern Norway (NO2)



Energy price NOK/MWh	Q2 2016	Q1 2016
Southwestern Norway (NO2)	213	212
System	223	229

Water reservoir levels Southwestern Norway (NO2)



Reservoir levels	Jun 30, 2016	Mar 31, 2016
Southwestern Norway (NO2)	72.5%	54.7%
Norway	66.1%	45.6%

Progressing toward Better, Bigger and Greener ambition

Strengthening competitiveness and managing portfolio in Q2



Energy: Model for industrial ownership of power (ANS/DA) approved by Parliament



Rolled Products: Entering into new competitive power contract for Neuss – from 2021



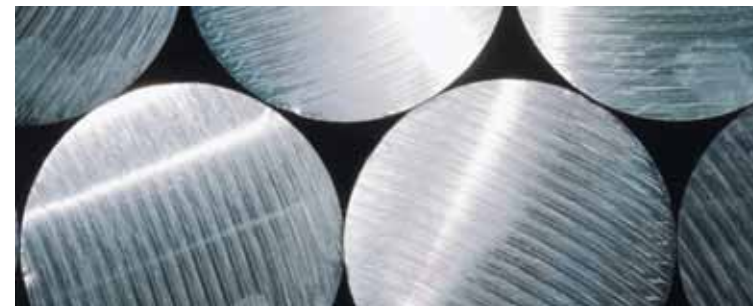
Other: Closed sale of Herøya Industrial park

Q1

Primary Metal: Increasing recycling capabilities in Clervaux, Luxembourg



Primary Metal: Entering into long-term commercial agreement with Sapa



Q2

Karmøy Technology Pilot advancing toward 2017 start-up

Next-generation technology

- R&D as the next step in efficiency optimization
- Testing the world's most energy and climate efficient aluminium technology
- Significant spin-off effects for the entire primary portfolio
- First metal expected second half 2017
- Net capex BNOK 2.7:
 - Total capex BNOK 4.3
 - Enova support ~BNOK 1.6

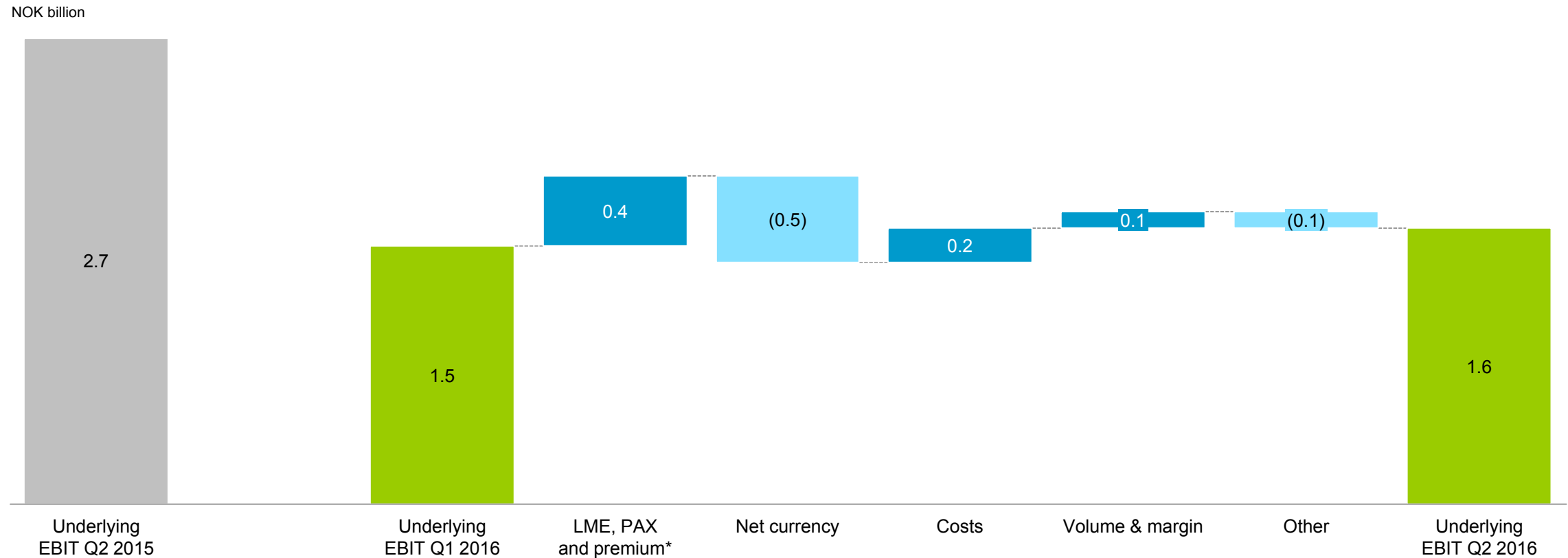


Eivind Kallevik



Executive Vice
President and CFO

Results up on higher prices and sales, offset by currency



* Price revenue effects, cost effects included in costs

Key financials

Underlying EPS up to 0.52 NOK/share

NOK million	Q2 2016	Q1 2016	Q2 2015	First half 2016	First half 2015
Revenue	20 391	20 138	22 436	40 529	45 726
Underlying EBIT	1 618	1 501	2 667	3 119	5 875
Items excluded from underlying EBIT	360	192	31	552	29
Reported EBIT	1 978	1 693	2 698	3 672	5 904
Financial income (expense)	948	1 001	258	1 949	(1 422)
Income (loss) before tax	2 926	2 694	2 955	5 621	4 482
Income taxes	(849)	(313)	(891)	(1 162)	(1 346)
Net income (loss)	2 077	2 382	2 064	4 459	3 136
Underlying net income (loss)	1 126	822	1 830	1 949	4 036
Reported EPS, NOK	0.95	1.12	0.94	2.08	1.40
Underlying EPS, NOK	0.52	0.39	0.83	0.91	1.78

Items excluded from underlying EBIT

Excluded MNOK 360 in non-recurring and timing effects

NOK million	Q2 2016	Q1 2016	Q2 2015	First half 2016	First half 2015
Underlying EBIT	1 618	1 501	2 667	3 119	5 875
Unrealized derivative effects on LME related contracts	146	137	(31)	283	(171)
Unrealized effects on power and raw material contracts	(114)	87	161	(27)	312
Metal effect, Rolled Products	17	(43)	2	(26)	63
Significant rationalization charges and closure costs	(67)	-	-	(67)	-
Gains (losses) on divestments	329	(15)	-	314	-
Other effects	-	-	37	-	37
Items excluded in equity accounted investment (Sapa)	49	26	(139)	75	(213)
Reported EBIT	1 978	1 693	2 698	3 672	5 904

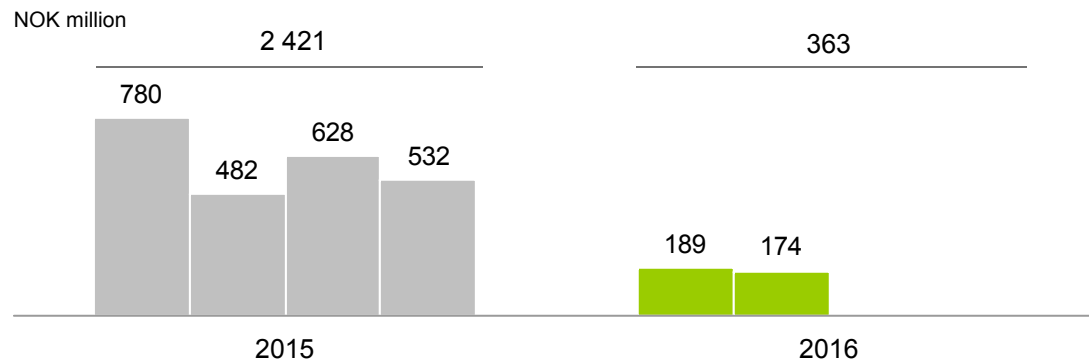
Bauxite & Alumina

Higher realized alumina price offset by negative currency development

Key figures	Q2 2016	Q1 2016	Q2 2015
Alumina production, kmt	1 554	1 517	1 437
Total alumina sales, kmt	2 078	2 073	2 099
Realized alumina price, USD/mt	240	219	292
Implied alumina cost, USD/mt	201	183	233
Bauxite production, kmt	2 609	2 682	2 232
Underlying EBITDA, NOK million	659	640	951
Underlying EBIT, NOK million	174	189	482



Underlying EBIT



Q2 results

- Higher alumina sales price due to higher LME and PAX
- Increased alumina production
- Improved energy mix and raw material costs in Alunorte
- Planned ball mill maintenance in Paragominas affected volumes and costs
- Negative currency development

Outlook

- Higher bauxite and stable alumina production
- Planned pipeline maintenance in Paragominas

Primary Metal

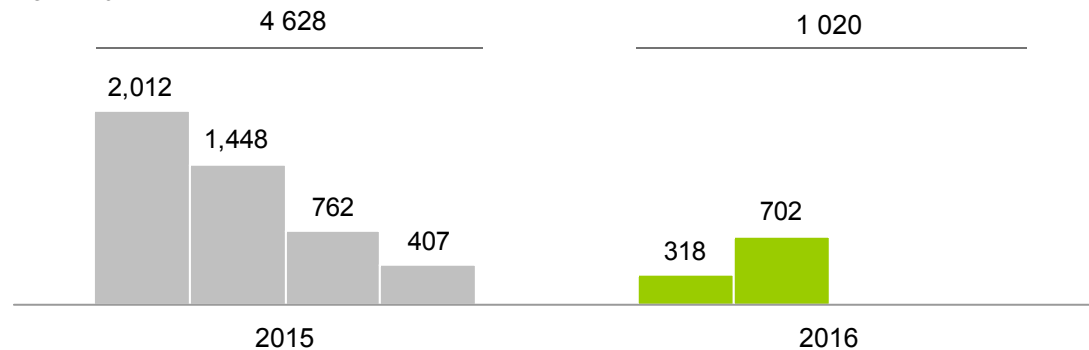
Increased all-in metal prices, higher sales volumes and lower costs lift results

Key figures	Q2 2016	Q1 2016	Q2 2015
Primary aluminium production, kmt	518	514	509
Total sales, kmt	596	552	544
Realized LME price, USD/mt	1 546	1 497	1 803
Realized LME price, NOK/mt	12 826	12 950	13 923
Realized premium, USD/mt	270	288	509
Implied all-in primary cost, USD/mt *	1 500	1 550	1 775
Underlying EBITDA, NOK million	1 186	792	1 931
Underlying EBIT, NOK million	702	318	1 448



Underlying EBIT

NOK million



Q2 results

- Higher realized all-in prices lifted results by MNOK ~150
- Lower carbon and fixed costs partly offset by higher alumina and power costs of MNOK ~150
- Negative net currency effect of MNOK ~150
- Higher sales volumes contributed with MNOK ~50 positive
- Reversal of ICMS tax accrual and other effects of MNOK ~200 positive

Outlook

- ~ 50% of primary production for Q3 priced at USD ~1 575 per mt, ex-Qatalum
- ~ 60% of premiums affecting Q3 booked at USD ~320 per mt, ex-Qatalum
- Seasonally lower sales volumes
- Higher raw material costs

* Realized all-in aluminium price minus underlying EBITDA margin, including Qatalum, per mt aluminium sold.

Metal Markets

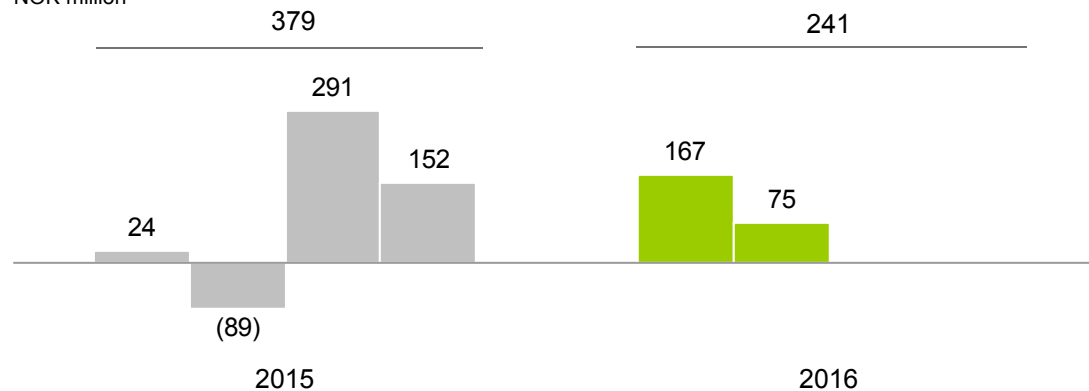
Negative currency and inventory valuation effects, weaker results at remelters

Key figures	Q2 2016	Q1 2016	Q2 2015
Remelt production, kmt	146	144	141
Metal products sales, kmt ¹⁾	777	736	750
Underlying EBITDA, NOK million	98	191	(64)
Underlying EBIT excl currency and inventory valuation effects, NOK million	113	145	21
Underlying EBIT, NOK million	75	167	(89)



Underlying EBIT

NOK million



Q2 results

- Weaker result at remelters
- Weaker metal sourcing and trading results
- Seasonally higher metal products sales
- MNOK 38 in negative currency and inventory valuation effects vs MNOK 21 positive in Q1

Outlook

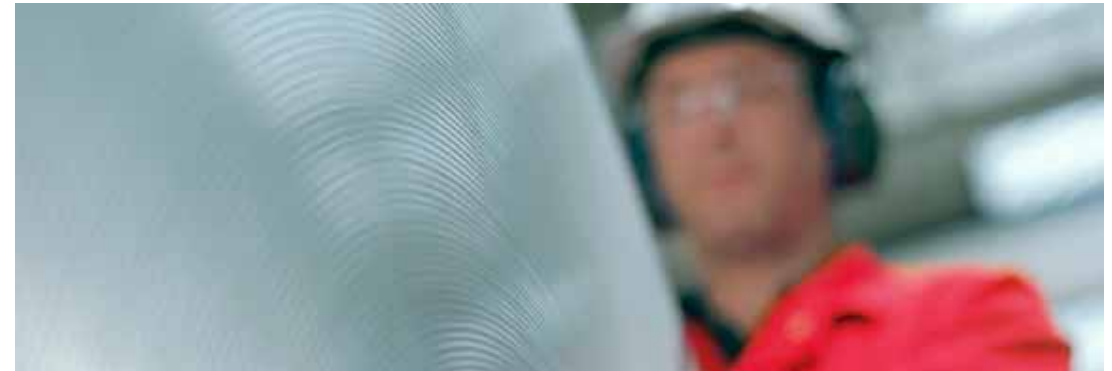
- Seasonally lower metal product sales and remelter volumes
- Volatile trading and currency effects

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

Rolled Products

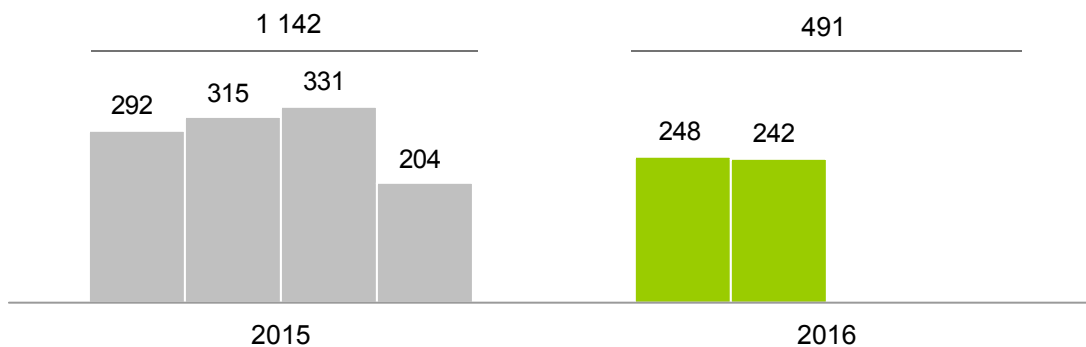
Seasonally stronger sales offset by negative currency effects and weaker Neuss results

Key figures	Q2 2016	Q1 2016	Q2 2015
External sales volumes, kmt	238	229	243
Underlying EBITDA, NOK million	432	446	488
Underlying EBIT, NOK million	242	248	315



Underlying EBIT

NOK million



Q2 results

- Seasonally higher shipments
- Negative currency development affecting margins
- Higher alumina and other costs in Neuss

Outlook

- Seasonally lower shipments
- Neuss results driven by all-in metal and raw material price development

Energy

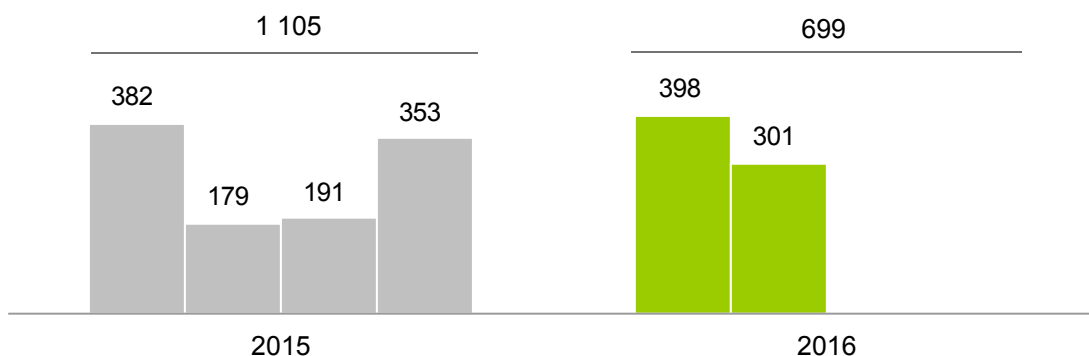
Results down on lower production amid stable prices, partly offset by lower costs

Key figures	Q2 2016	Q1 2016	Q2 2015
Power production, GWh	2 674	3 160	2 103
Net spot sales, GWh	1 393	1 795	724
Southwest Norway spot price (NO2), NOK/MWh	213	212	171
Underlying EBITDA, NOK million	352	453	227
Underlying EBIT, NOK million	301	398	179



Underlying EBIT

NOK million



Q2 results

- Lower production level
- Stable power prices
- Lower property taxes* and transmission costs
- Higher area cost

Outlook

- Higher property taxes*
- Price and volume uncertainty

* 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. The variation is around MNOK 45 per quarter with higher taxes in Q1 and Q3 and lower taxes in Q2 and Q4.

Sapa JV

Seasonally stronger demand and higher margins



Key figures – Sapa (50%)	Q2 2016	Q1 2016	Q2 2015
Revenue, NOK million*	7 036	6 953	7 242
Underlying EBITDA, NOK million	566	450	399
Underlying EBIT, NOK million	402	286	241
Underlying Net income (loss), NOK million	270	183	145
Sales volumes (kmt)	183	174	179

- Quarter-on-quarter results up on seasonally stronger demand and higher margins
- Year-on-year results up in all business segments, supported by
 - Improvement and restructuring program
 - Increased share of value-add products
 - Positive currency effects
 - Positive market developments
 - Q2 2015 negatively affected by sharply falling metal premiums in N. America

* Historical revenues have been reclassified

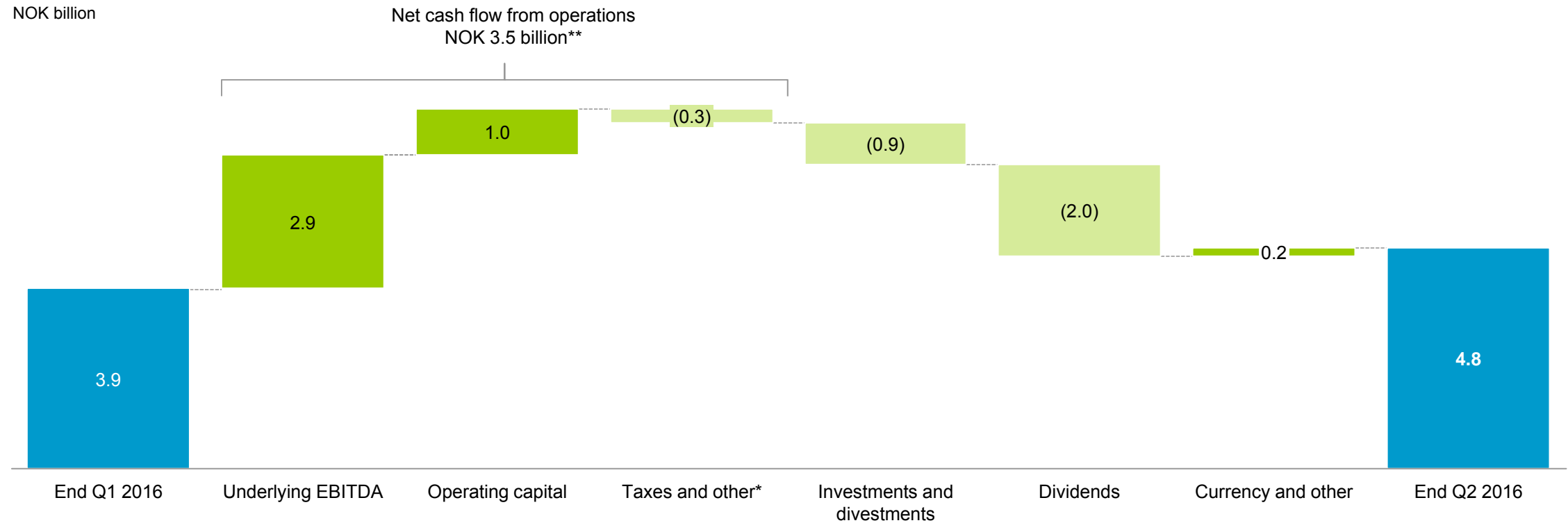
Other and Eliminations



Other and Eliminations, Underlying EBIT, NOK million	Q2 2016	Q1 2016	Q2 2015
Sapa JV	270	183	145
Other	(100)	(162)	(150)
Eliminations	(45)	160	338
Other and Eliminations	125	181	333

Net cash development Q2 2016

Positive cash flow in a quarter with dividends, supported by operating capital release



*Includes 0.1 BNOK in VAT reimbursement in Brazil

**Net cash provided by operating activities, less change in restricted deposits of 0.2 BNOK

Adjusted net debt decreased in Q2 2016

Mainly due to higher net cash position

NOK billion	Jun 30 2016	Mar 31 2016	Dec 31 2015
Cash and cash equivalents	9.2	5.9	6.9
Short-term investments	2.6	5.5	5.8
Short-term debt	(3.6)	(3.8)	(3.6)
Long-term debt	(3.5)	(3.7)	(4.0)
Net cash/(debt)	4.8	3.9	5.1
Net pension liability at fair value, net of expected tax benefit	(8.7)	(8.4)	(8.0)
Other adjustments ¹⁾	(4.8)	(4.7)	(5.4)
Adjusted net debt ex. EAI	(8.8)	(9.2)	(8.2)
Net debt in EAI ²⁾	(7.2)	(7.6)	(8.0)
Adjusted net debt incl. EAI	(15.9)	(16.8)	(16.2)



1) Operating lease commitments and other obligations

2) Equity accounted investments Qatalum and Sapa. Hydro share (50%) of net debt in Qatalum 6.6 BNOK, and in Sapa 0.6 BNOK at the end of Q2 2016



Priorities

- Deliver on *Better* improvement program
- Strengthen competitive position through technology pilot and new automotive line
- Maintain financial strength and flexibility

04

Additional
information

Prudent financial framework

Strong balance sheet and reliable dividend in cyclical industry

Lifting cash flow potential

Improving efficiency, strengthening margins with operational and commercial excellence

Improvement efforts

- 4.5 BNOK 2011-2015 ¹⁾
- 2.9 BNOK 2016-2019 ²⁾

Managing working capital

Financial strength and flexibility

Investment grade credit rating

- > BBB Stable

Financial ratio targets over the cycle

- FFO/aND ³⁾ > 40%
- aND/E ⁴⁾ < 55%

Strong liquidity

Disciplined capital allocation

Long-term sustaining capex below depreciation

- 3.5-4.0 BNOK per year

Total capex incl. growth

- 2015 BNOK 5.8
- 2016 BNOK 8.1⁵⁾
- Average 2016-2018 BNOK 6.1⁵⁾

Attractive organic growth prospects for the future

M&A optionality

Reliable shareholder remuneration policy

Sector competitive TSR

Dividend policy since 2014

- Dividend 1 NOK/share
- 40% payout ratio of Net Income over the cycle

Special dividends and share buybacks in the toolbox

Effective risk management

Volatility mitigated by strong balance sheet and relative positioning

Hedging policy

- Operational LME and currency hedging
- Limited financial hedging
- Long-term debt in USD

Diversified business

1) USD 300 program from 2009

2) Real 2015 terms

3) Funds from operations / adjusted net debt

4) Adjusted net debt / Equity

5) With Karmøy Technology Pilot net investment, after Enova support

Hydro's aspiration underpinned by firm financial targets

Medium and long-term

	Ambition	Timeframe	Actual 2015
Improvement programs	2.9 BNOK	2016-2019	4.5 BNOK 2009 - 2015
Sustaining capex	3.5 - 4.0 BNOK	Over the cycle	4.6 BNOK 2015
Average capex incl. growth	6.1 BNOK ¹⁾	2016-2018	5.8 BNOK 2015
Dividend payout ratio	40% of net income	Over the cycle	~110% ²⁾ 2011-2015
FFO/adjusted net debt ³⁾	> 40%	Over the cycle	89% 2015
Adjusted net debt/equity	< 55%	Over the cycle	20% 2015
RoACE	Competitive ⁴⁾	Over the cycle	9.1% ⁵⁾ 2015

Better Bigger Greener

1) With Karmøy Technology Pilot net investment, after ENOVA support
 2) Dividend paid divided by net income from continuing operations attributable to equity holders
 3) FFO – funds from operations
 4) Measured against a relevant peer group
 5) Underlying return on average capital employed (RoACE)

Shareholder and financial policy

- Hydro aims to give its shareholders competitive returns compared to alternative investments in peers
- Maintained dividend policy
 - Ordinary dividend: 40% of net income over the cycle
 - Five-year average ordinary pay-out ratio 2011-2015 of ~110%
 - Committed to a stable and reliable dividend level: currently 1 NOK/share since 2014
 - Share buybacks and extraordinary dividends as supplement in periods with strong financials and outlook
- Maintain investment-grade rating
 - At least BBB Stable
 - Currently: BBB stable (S&P) & Baa2 stable (Moody's)
 - Competitive access to capital and important for Hydro's business model (counterparty risk and partnerships)
- Financial ratios over the business cycle
 - Funds from operations to adjusted net debt > 40%
 - Adjusted net debt to equity < 55%
- Strong liquidity:
 - NOK 9.2 billion in cash and cash equivalents, end-Q2 2016
 - USD 1.7 billion in multi-currency revolving credit facility maturing in 2020, currently undrawn

Hedging policy

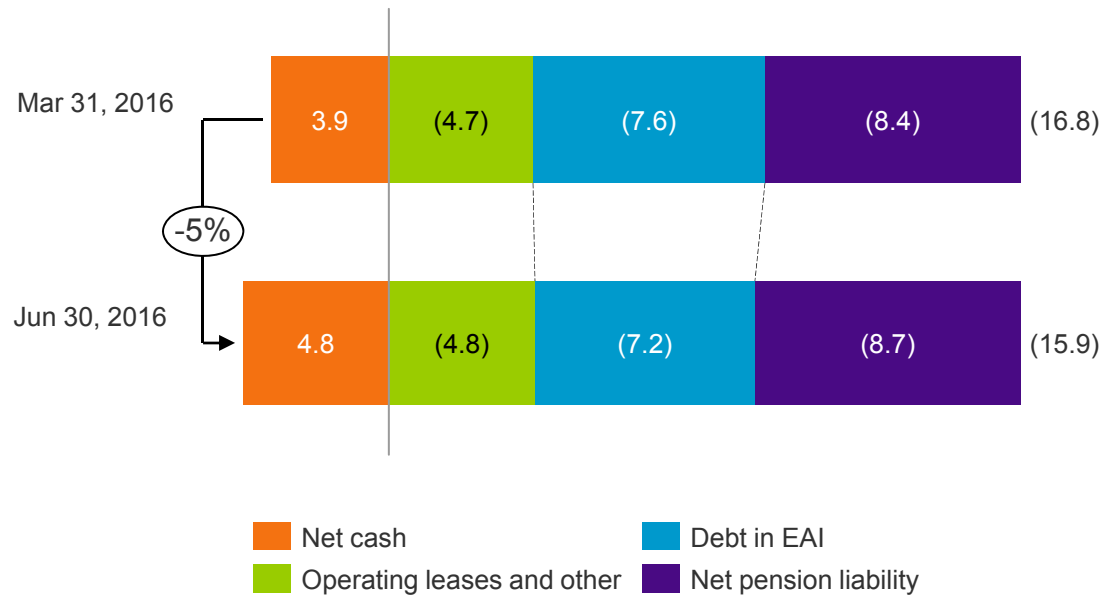
- Hedging strategy:
 - Fluctuating with the market: primarily exposed to LME and USD
 - Volatility mitigated by strong balance sheet
 - Improving relative position to ensure competitiveness
- Diversified business:
 - Upstream cyclicalities balanced with more stable earnings downstream
 - Exposed to different markets and cycles
- Bauxite & Alumina
 - Currency exposure, mainly USD and BRL
 - Exposed to LME and Platts alumina index prices
- Primary Metal
 - Operational LME hedging - one-month forward sales
 - Currency exposure, mainly USD, NOK and BRL
- Metal Markets, Rolled Products
 - Operational LME and currency hedging to secure margin
- Flexibility to hedge LME or currency in certain cases
- Maintaining long-term debt in the revenue currency (USD)

Maintaining a solid balance sheet and investment-grade credit rating

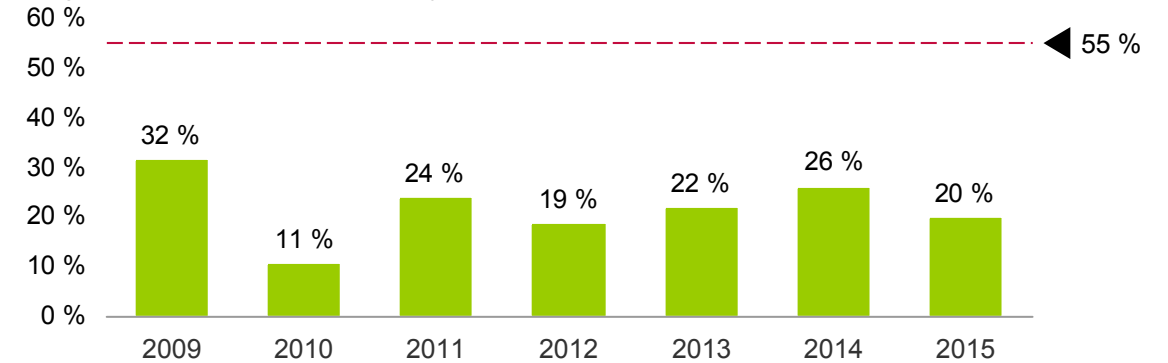
Funds from operations determine the balance sheet structure

Adjusted net debt

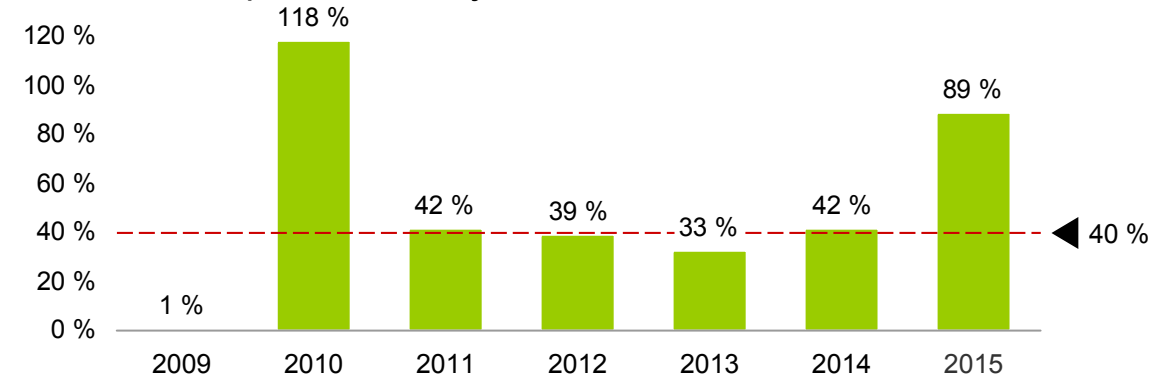
NOK billion



Adjusted net debt / Equity

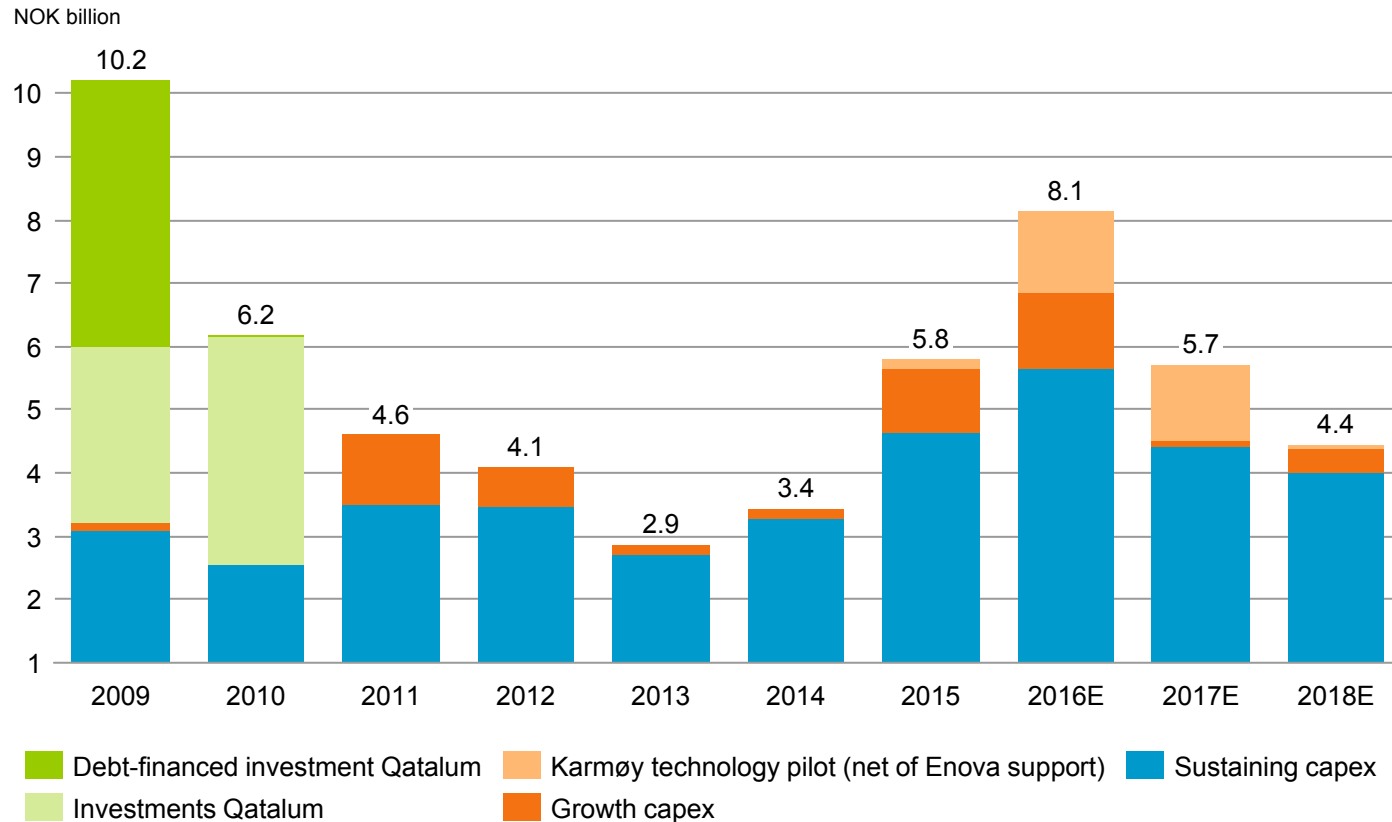


Funds from operations / Adjusted net debt



Majority of sustaining capex allocated upstream

High-grading and technology growth investments



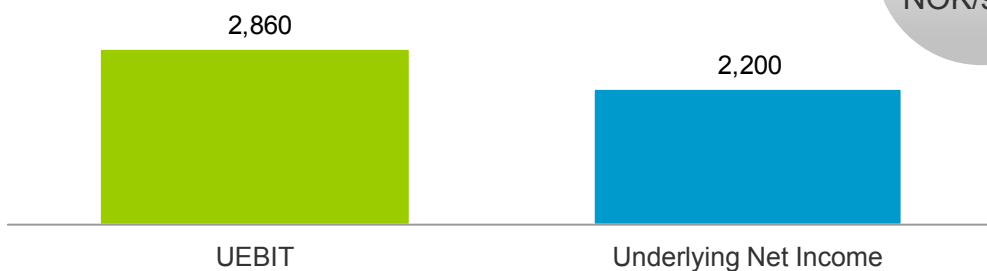
- Long-term annual sustaining capex BNOK 3.5-4.0
- Sustaining projects for 2014-2016:
 - Red mud disposal area
 - Bauxite tailing dam
 - Smelter relining
 - Energy rehabilitation
- Ongoing organic growth projects:
 - RP Automotive line
 - RP UBC recycling line
 - Clervaux recycling upgrade
 - Alunorf debottlenecking
 - Energy projects
 - AFM technology
- WMR technology acquisition in 2015
- Karmøy technology pilot 2015-2018:
 - Gross investment 4.3 BNOK
 - Of which Enova support ~1.6 BNOK
 - Net investment 2.7 BNOK

2011 excludes Vale assets acquisition
Excluding Extruded Products from 2013 onwards

Significant exposure to commodity and currency fluctuations

Aluminium price sensitivity +10%*

NOK million



Currency sensitivities +10%*

Sustainable effect:

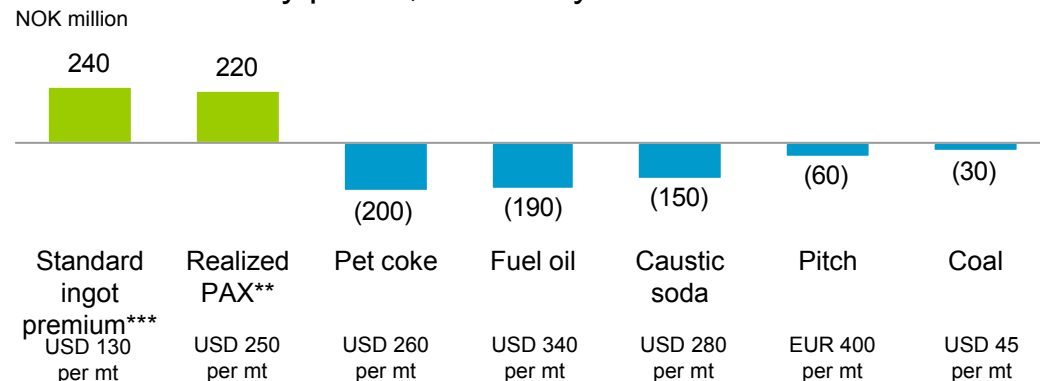
NOK million	USD	BRL	EUR
UEBIT	2 610	(970)	(270)

One-off reevaluation effect:

Financial items	(600)	510	(2 440)
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Other commodity prices, sensitivity +10%*

NOK million



- Annual sensitivities based on normal annual business volumes, LME USD 1 550 per mt, fuel oil USD 340 per mt, petroleum coke USD 260 per mt, caustic soda USD 280 per mt, coal USD 45 per mt, USD/NOK 8.30, BRL/NOK 2.40, EUR/NOK 9.30
- Aluminium price sensitivity is net of aluminium price indexed costs and excluding unrealized effects related to operational hedging
- BRL sensitivity calculated on a long-term basis with fuel oil assumed in USD. In the short-term, fuel oil is BRL-denominated
- Excludes effects of priced contracts in currencies different from underlying currency exposure (transaction exposure)
- Currency sensitivity on financial items includes effects from intercompany positions
- 2016 Platts alumina index (PAX) exposure used

*Excluding Sapa JV

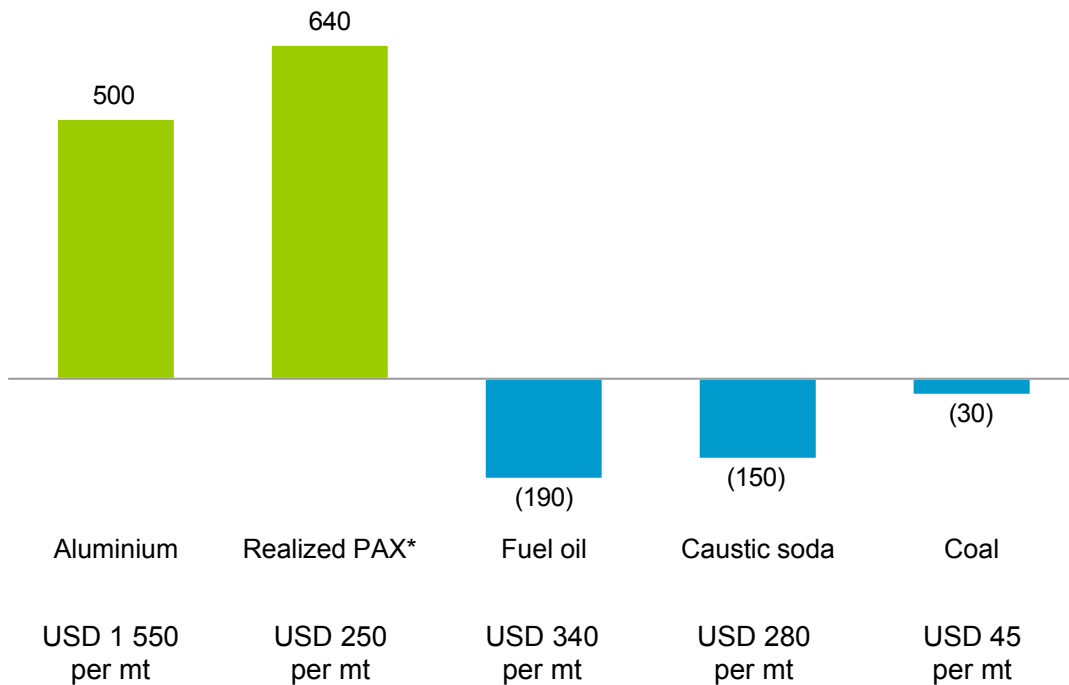
** 2016 Platts alumina index exposure

*** Europe duty paid standard ingot premium

Bauxite & Alumina sensitivities

Annual sensitivities on underlying EBIT if +10% in price

NOK million



Revenue impact

- ~14.5% of 3-month LME price per tonne alumina
 - ~One month lag
- Realized alumina price lags PAX by one month

Cost impact

Bauxite

- ~2.45 tonnes bauxite per tonne alumina
- Pricing partly LME-linked for bauxite from MRN

Caustic soda

- ~0.1 tonnes per tonne alumina
- Prices based on IHS Chemical, pricing mainly monthly per shipment

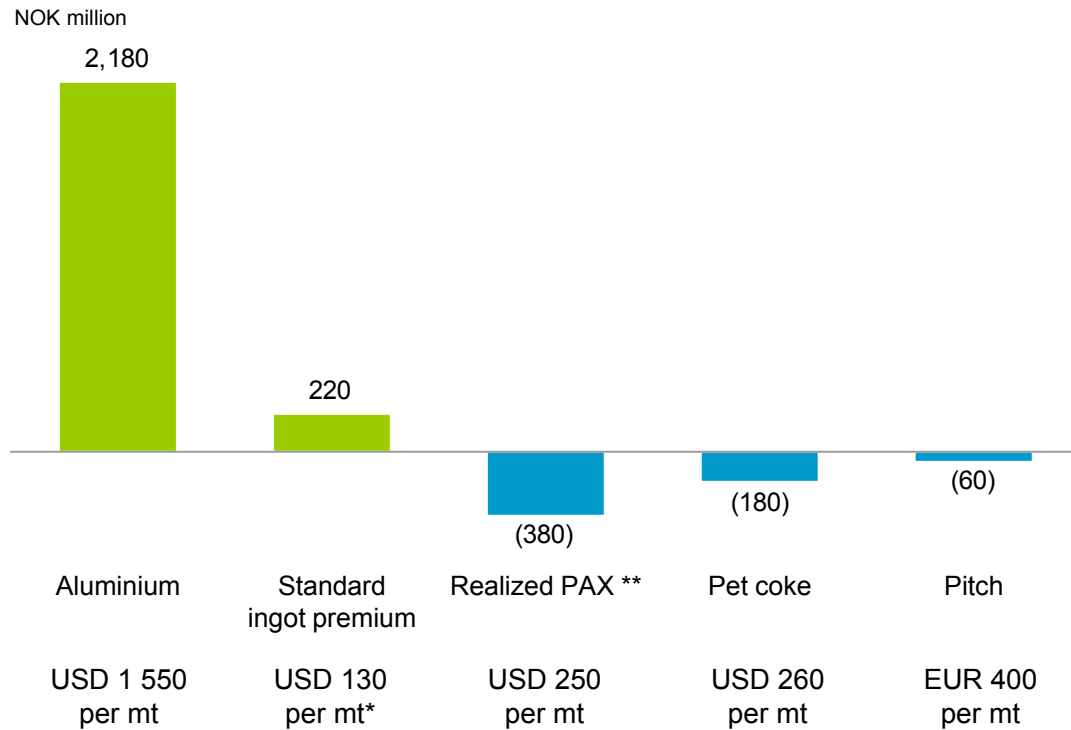
Energy

- ~0.11 tonnes coal per tonne alumina, Platts prices, one year volume contracts, weekly per shipment pricing
- ~0.11 tonnes heavy fuel oil per tonne alumina, prices set by ANP/Petrobras in Brazil, weekly pricing (ANP) or anytime (Petrobras)
- Increased use of coal as energy source in Alunorte

* 2016 Platts alumina index exposure
 Currency rates used: USD/NOK 8.30, BRL/NOK 2.40, EUR/NOK 9.30

Primary Metal sensitivities

Annual sensitivities on underlying EBIT if +10% in price



Revenue impact

- Realized price lags LME spot by ~1-2 months
- Realized premium lags market premium by ~1-2 months

Cost impact

Alumina

- ~1.9 tonnes per tonne aluminium
- ~14.5% of 3-month LME price per tonne alumina, increasing volumes priced on Platts index
- ~Two months lag

Carbon

- ~0.35 tonnes petroleum coke per tonne aluminium, Pace Jacobs Consultancy, 2-3 year volume contracts, half yearly pricing
- ~0.08 tonnes pitch per tonne aluminium, CRU, 2-3 year volume contracts, quarterly pricing

Power

- 13.7 MWh per tonne aluminium
- Long-term power contracts with indexations

* Europe duty paid. Hydro Q2'16 realized premium USD 270 per mt
 **2016 Platts alumina index exposure
 Currency rates used: USD/NOK 8.30, BRL/NOK 2.40, EUR/NOK 9.30

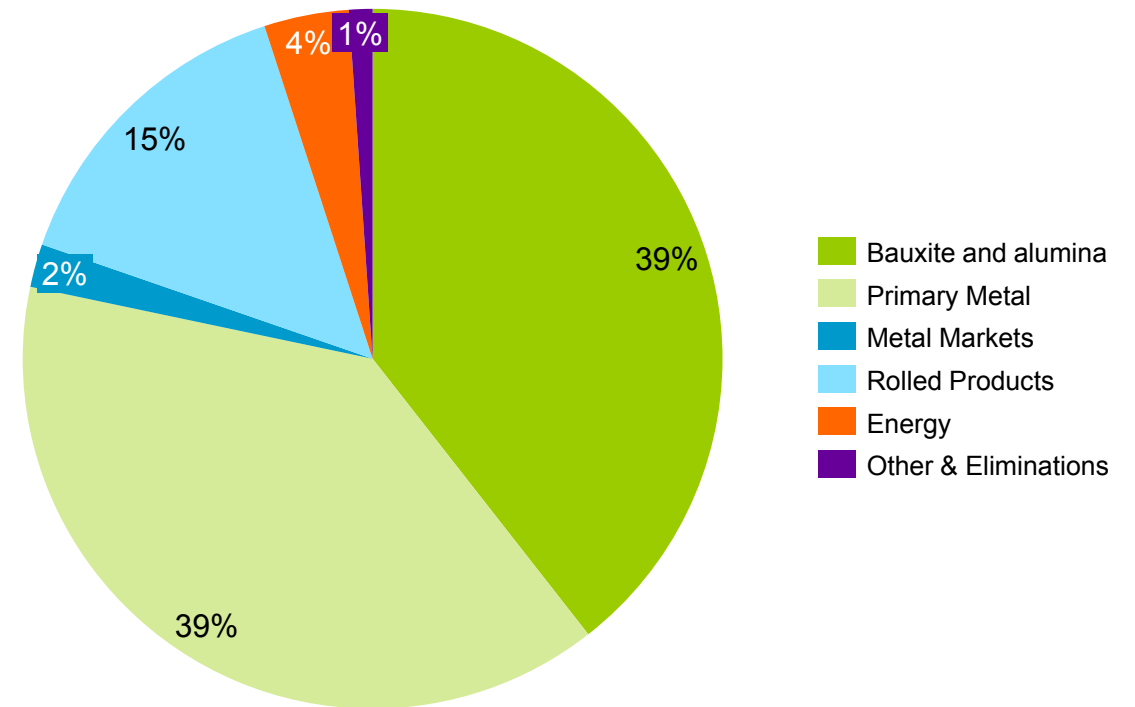
Depreciation by currency and business area

Total 2015 depreciation 5.0 BNOK

Depreciation currency exposure by business area

Percent	USD	EUR	BRL	NOK & Others
Bauxite & Alumina			100%	
Primary Metal	25%		25%	50%
Metal Markets	25%	45%		30%
Rolled Products		90%		10%
Energy				100%
Other & Eliminations				100%

Depreciation by business area 2015



Items excluded from underlying results - 2016

NOK million (+=loss/()-=gain)		Q1 2016	Q2 2016
Unrealized derivative effects on LME related contracts	Bauxite & alumina	-	-
Total impact	Bauxite & alumina	-	-
Unrealized derivative effects on LME related contracts	Primary metal	(72)	38
Unrealized effects on power contracts	Primary metal	(18)	(71)
Significant rationalization charges and closure costs	Primary metal	-	67
Total impact	Primary metal	(90)	34
Unrealized derivative effects on LME related contracts	Metal markets	(68)	(16)
Total impact	Metal markets	(68)	(16)
Unrealized derivative effects on LME related contracts	Rolled products	12	(182)
Metal effect	Rolled products	43	(17)
(Gains)/losses on divestments	Rolled products	15	13
Total impact	Rolled products	69	(186)
Unrealized derivative effects on power contracts	Energy	4	10
Total impact	Energy	4	10
Unrealized derivative effects on power contracts	Other and eliminations	(73)	175
Unrealized derivative effects on LME related contracts	Other and eliminations	(8)	15
(Gains)/losses on divestments	Other and eliminations	-	(342)
Items excluded in equity accounted investment (Sapa)	Other and eliminations	(26)	(49)
Total impact	Other and eliminations	(107)	(202)
Total EBIT	Hydro	(192)	(360)
Net foreign exchange (gain)/loss	Hydro	(1 032)	(904)
Income (loss) before tax	Hydro	(1 224)	(1 264)
Calculated income tax effect	Hydro	365	313
Other adjustments to net income	Hydro	(700)	-
Net income (loss)	Hydro	(1 559)	(951)

Items excluded from underlying results - 2015

NOK million (+=loss/)=gain)		Q1 2015	Q2 2015	Q3 2015	Q4 2015	2015
Unrealized derivative effects on LME related contracts	Bauxite & alumina	3	(6)	(6)	19	11
Total impact	Bauxite & alumina	3	(6)	(6)	19	11
Unrealized derivative effects on LME related contracts	Primary metal	54	(41)	75	7	95
Unrealized effects on power contracts	Primary metal	2	(2)	23	89	112
Insurance compensation (Qatalum)	Primary metal	-	(37)	-	-	(37)
Total impact	Primary metal	56	(81)	99	96	169
Unrealized derivative effects on LME related contracts	Metal markets	146	(45)	86	12	199
Total impact	Metal markets	146	(45)	86	12	199
Unrealized derivative effects on LME related contracts	Rolled products	(80)	143	82	(49)	95
Metal effect	Rolled products	(61)	(2)	344	177	458
(Gains)/losses on divestments	Rolled products	-	-	-	434	434
Total impact	Rolled products	(141)	141	426	562	988
Unrealized derivative effects on power contracts	Energy	1	(9)	10	1	3
Total impact	Energy	1	(9)	10	1	3
Unrealized derivative effects on power contracts	Other and eliminations	(154)	(150)	(106)	(122)	(533)
Unrealized derivative effects on LME related contracts	Other and eliminations	17	(20)	12	6	15
(Gains)/losses on divestments	Other and eliminations	-	-	-	(69)	(69)
Items excluded in equity accounted investment (Sapa)	Other and eliminations	74	139	65	53	331
Termination of lease contract Vækerø Park	Other and eliminations	-	-	-	285	285
Total impact	Other and eliminations	(63)	(32)	(29)	152	28
Total EBIT	Hydro	2	(31)	586	841	1 398
Net foreign exchange (gain)/loss	Hydro	1 587	(346)	3 205	(48)	4 397
Income (loss) before tax	Hydro	1 589	(377)	3 790	793	5 795
Calculated income tax effect	Hydro	(454)	144	(1 069)	(38)	(1 418)
Net income (loss)	Hydro	1 134	(234)	2 721	755	4 377

Operating segment information

Underlying EBIT

NOK million	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Year 2014	Year 2015
Bauxite & Alumina	(288)	(269)	(26)	528	780	482	628	532	189	174	(55)	2 421
Primary Metal	312	420	1 216	1 989	2 012	1 448	762	407	318	702	3 937	4 628
Metal Markets	141	100	171	221	24	(89)	291	152	167	75	634	379
Rolled Products	181	177	243	96	292	315	331	204	248	242	698	1 142
Energy	435	169	234	360	382	179	191	353	398	301	1 197	1 105
Other and Eliminations	(8)	(52)	(349)	(308)	(281)	333	12	(83)	181	125	(717)	(19)
Total	772	544	1 490	2 886	3 208	2 667	2 215	1 566	1 501	1 618	5 692	9 656

Underlying EBITDA

NOK million	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Year 2014	Year 2015
Bauxite & Alumina	122	162	417	1 046	1 240	951	1 048	1 165	640	659	1 747	4 404
Primary Metal	753	852	1 651	2 489	2 522	1 931	1 245	883	792	1 186	5 745	6 581
Metal Markets	157	120	192	243	47	(64)	317	180	191	98	712	480
Rolled Products	351	350	417	280	465	488	517	404	446	432	1 398	1 873
Energy	474	209	275	402	429	227	241	403	453	352	1 360	1 300
Other and Eliminations	4	(40)	(336)	(290)	(267)	347	26	(64)	194	136	(662)	42
Total	1 861	1 653	2 615	4 170	4 437	3 880	3 394	2 969	2 716	2 862	10 299	14 680

Operating segment information

EBIT

NOK million	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Year 2014	Year 2015
Bauxite & Alumina	(284)	(269)	(23)	537	776	487	634	513	189	174	(39)	2 411
Primary Metal	303	434	1 278	1 912	1 956	1 528	664	311	408	668	3 928	4 459
Metal Markets	73	93	265	285	(122)	(44)	205	141	235	91	717	180
Rolled Products	197	336	525	64	433	174	(95)	(358)	179	428	1 121	154
Energy	431	165	235	362	381	187	182	353	394	291	1 193	1 103
Other and Eliminations	102	(140)	(342)	(866)	(218)	364	41	(235)	288	327	(1 245)	(48)
Total	822	620	1 937	2 295	3 206	2 698	1 630	725	1 693	1 978	5 674	8 258

EBITDA

NOK million	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Year 2014	Year 2015
Bauxite & Alumina	125	163	419	1 056	1 237	957	1 054	1 146	640	659	1 763	4 393
Primary Metal	745	866	1 713	2 413	2 467	2 012	1 146	786	882	1 152	5 736	6 411
Metal Markets	122	114	286	307	(99)	(19)	231	168	259	114	829	281
Rolled Products	367	508	698	393	607	347	91	(158)	376	618	1 966	886
Energy	471	205	276	404	428	236	231	402	450	341	1 355	1 297
Other and Eliminations	115	(127)	(329)	(848)	(204)	379	55	(216)	301	338	(1 190)	14
Total	1 944	1 728	3 062	3 725	4 436	3 911	2 808	2 128	2 908	3 222	10 460	13 282

Operating segment information

Total revenue

NOK million	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Year 2014	Year 2015
Bauxite & Alumina	3 511	3 828	3 737	4 770	5 461	5 127	5 758	5 542	4 212	4 572	15 847	21 889
Primary Metal	6 618	6 384	6 986	8 075	9 096	8 154	7 951	7 138	7 694	8 006	28 064	32 340
Metal Markets	10 292	10 109	10 919	11 709	12 181	13 127	11 173	10 428	11 248	11 239	43 029	46 909
Rolled Products	5 238	5 275	5 618	5 324	6 170	6 173	6 225	5 592	5 737	5 985	21 455	24 160
Energy	1 539	1 381	1 492	1 891	1 553	1 140	1 152	1 481	1 620	1 670	6 303	5 326
Other and Eliminations	(8 917)	(8 706)	(9 055)	(10 112)	(11 171)	(11 286)	(10 666)	(9 808)	(10 373)	(11 080)	(36 790)	(42 931)
Total	18 282	18 272	19 698	21 656	23 290	22 436	21 594	20 374	20 138	20 391	77 907	87 694

External revenue

NOK million	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Year 2014	Year 2015
Bauxite & Alumina	2 208	2 404	2 257	2 699	3 387	2 978	3 656	3 513	2 443	2 699	9 568	13 534
Primary Metal	1 227	1 337	1 590	2 242	1 789	1 059	1 311	1 214	1 175	1 312	6 397	5 373
Metal Markets	8 719	8 853	9 784	10 625	11 315	11 862	10 100	9 518	10 133	10 169	37 981	42 795
Rolled Products	5 290	5 212	5 498	5 345	6 079	6 254	6 334	5 625	5 795	5 831	21 345	24 293
Energy	807	436	540	710	698	264	176	485	575	364	2 492	1 623
Other and Eliminations	31	29	28	35	21	19	17	19	17	15	124	77
Total	18 282	18 272	19 698	21 656	23 290	22 436	21 594	20 374	20 138	20 391	77 907	87 694

Operating segment information

Internal revenue

NOK million	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Year 2014	Year 2015
Bauxite & Alumina	1 304	1 424	1 480	2 071	2 074	2 150	2 103	2 030	1 769	1 873	6 279	8 356
Primary Metal	5 391	5 047	5 396	5 833	7 307	7 095	6 641	5 925	6 519	6 693	21 667	26 967
Metal Markets	1 573	1 256	1 136	1 084	866	1 265	1 073	910	1 116	1 070	5 048	4 114
Rolled Products	(52)	63	120	(22)	91	(81)	(109)	(33)	(58)	153	109	(132)
Energy	732	945	952	1 181	854	877	976	996	1 044	1 306	3 810	3 703
Other and Eliminations	(8 948)	(8 735)	(9 084)	(10 147)	(11 192)	(11 306)	(10 683)	(9 827)	(10 390)	(11 095)	(36 914)	(43 008)
Total	-	-	-	-	-	-	-	-	-	-	-	-

Share of profit /(loss) in equity accounted investments

NOK million	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Year 2014	Year 2015
Bauxite & Alumina	-	-	-	-	-	-	-	-	-	-	-	-
Primary Metal	92	77	234	325	250	282	25	(168)	(37)	10	728	389
Metal Markets	-	-	-	-	-	-	-	-	-	-	-	-
Rolled Products	-	-	-	-	-	-	-	-	-	-	-	-
Energy	-	-	-	-	-	-	-	-	-	-	-	-
Other and Eliminations	(51)	45	53	(359)	16	(6)	90	23	206	313	(313)	123
Total	40	122	287	(34)	265	276	115	(144)	170	323	415	512

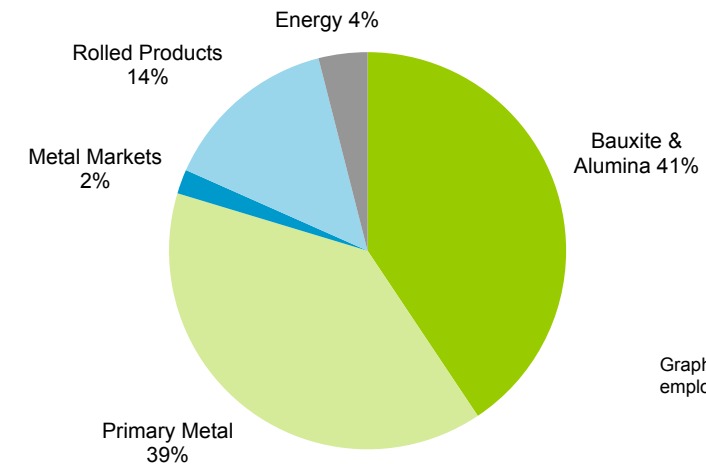
Operating segment information

Depreciation, amortization and impairment

NOK million	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Year 2014	Year 2015
Bauxite & Alumina	410	431	442	519	460	470	420	633	451	485	1 802	1 983
Primary Metal	437	427	431	499	511	483	483	475	474	484	1 794	1 952
Metal Markets	49	21	21	22	23	25	26	27	24	24	112	101
Rolled Products	170	172	174	329	173	173	186	200	197	189	845	732
Energy	39	40	41	42	47	48	50	49	55	51	162	195
Other and Eliminations	13	13	13	17	15	14	14	18	13	11	55	61
Total	1 117	1 104	1 121	1 428	1 229	1 213	1 178	1 403	1 215	1 244	4 771	5 023

Capital employed – upstream focus

NOK million	Jun 30, 2016
Bauxite & Alumina	32 856
Primary Metal	31 552
Metal Markets	1 605
Rolled Products	11 621
Energy	3 216
Other and Eliminations	(1 231)
Total	79 618



Graph excludes BNOK (1.2) in capital employed in Other and Eliminations

Income statements

NOK million	Q2 2016	Q1 2016	Q2 2015	First half 2016	First half 2015	Year 2015
Revenue	20 391	20 138	22 436	40 529	45 726	87 694
Share of the profit (loss) in equity accounted investments	323	170	276	493	542	512
Other income, net	481	111	195	592	467	461
Total revenue and income	21 195	20 419	22 908	41 614	46 735	88 667
Raw material and energy expense	13 145	12 729	14 374	25 874	29 036	56 330
Employee benefit expense	2 442	2 381	2 272	4 823	4 566	9 048
Depreciation, amortization and impairment	1 244	1 215	1 213	2 459	2 442	5 023
Other expenses	2 386	2 401	2 352	4 787	4 787	10 008
Earnings before financial items and tax (EBIT)	1 978	1 693	2 698	3 672	5 904	8 258
Financial income	179	157	58	336	146	297
Financial expense	769	844	200	1 613	(1 568)	(5 130)
Income (loss) before tax	2 926	2 694	2 955	5 621	4 482	3 425
Income taxes	(849)	(313)	(891)	(1 162)	(1 346)	(1 092)
Net income (loss)	2 077	2 382	2 064	4 459	3 136	2 333
Net income (loss) attributable to non-controlling interests	129	86	146	215	270	313
Net income (loss) attributable to Hydro shareholders	1 948	2 296	1 918	4 244	2 866	2 020
Earnings per share attributable to Hydro shareholders	0.95	1.12	0.94	2.08	1.40	0.99

NOK million	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Year 2014	Year 2015
Net income (loss)	462	269	665	(168)	1 072	2 064	(1 345)	541	2 382	2 077	1 228	2 333
Underlying net income (loss)	388	318	1 043	1 979	2 206	1 830	1 377	1 296	822	1 126	3 728	6 709
Earnings per share	0.19	0.09	0.29	(0.18)	0.46	0.94	(0.65)	0.23	1.12	0.95	0.39	0.99
Underlying earnings per share	0.16	0.13	0.43	0.83	0.95	0.83	0.61	0.59	0.39	0.52	1.55	2.98

Balance sheets

NOK million	Jun 30 2016	Mar 31 2016	Dec 31 2015	Sep 30 2015	Jun 30 2015
Cash and cash equivalents	9 220	5 946	6 917	9 372	8 142
Short-term investments	2 629	5 479	5 752	1 860	1 240
Accounts receivable	12 085	12 699	10 797	14 417	14 847
Inventories	11 820	11 684	12 192	11 996	12 722
Other current assets	158	128	502	390	301
Property, plant and equipment	55 378	51 828	51 174	47 850	51 945
Intangible assets	5 622	5 132	5 121	4 773	5 547
Investments accounted for using the equity method	19 841	19 455	20 150	19 414	18 413
Prepaid pension	3 198	3 319	3 382	4 116	4 313
Other non-current assets	6 798	6 845	6 557	5 476	5 856
Total assets	126 749	122 515	122 544	119 665	123 326
Bank-loans and other interest-bearing short-term debt	3 593	3 753	3 562	3 509	3 683
Trade and other payables	9 719	8 857	9 375	10 727	10 192
Other current liabilities	3 822	3 864	4 462	3 825	4 081
Long-term debt	3 474	3 735	3 969	4 408	5 013
Provisions	3 630	3 443	3 264	2 850	2 876
Pension liabilities	13 837	13 457	12 782	12 358	11 706
Deferred tax liabilities	2 477	2 222	1 999	2 078	2 459
Other non-current liabilities	3 154	3 436	3 801	3 821	2 919
Equity attributable to Hydro shareholders	77 285	74 524	74 169	71 284	74 737
Non-controlling interests	5 757	5 224	5 159	4 806	5 660
Total liabilities and equity	126 749	122 515	122 544	119 665	123 326

Operational data

Bauxite & Alumina	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Year 2014	Year 2015
Alumina production (kmt)	1 361	1 248	1 316	1 452	1 428	1 526	1 478	1 501	1 451	1 437	1 498	1 577	1 517	1 554	5 933	5 962
Sourced alumina (kmt)	476	427	711	395	550	431	532	503	666	725	806	590	531	615	2 016	2 787
Total alumina sales (kmt)	1 874	1 696	1 879	1 959	1 906	2 071	1 922	2 043	2 136	2 099	2 268	2 368	2 073	2 078	7 942	8 871
Realized alumina price (USD) ¹⁾	296	275	267	263	269	276	287	303	300	292	273	245	219	240	284	276
Implied alumina cost (USD) ²⁾	261	254	263	259	259	263	252	229	225	233	217	187	183	201	250	215
Bauxite production (kmt) ³⁾	2 210	1 765	1 513	2 080	2 242	2 370	2 287	2 582	2 135	2 232	2 735	2 959	2 682	2 609	9 481	10 060
Sourced bauxite (kmt) ⁴⁾	1 265	2 431	2 353	2 474	1 874	2 204	2 305	2 433	1 806	2 103	2 377	2 398	1 924	2 233	8 815	8 684
Underlying EBITDA margin ¹²⁾	11.1%	6.5%	1.4%	1.3%	3.5%	4.2%	11.2%	21.9%	22.7%	18.5%	18.2%	21.0%	15.2%	14.4%	11.0%	20.1%

Primary Metal ⁵⁾	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Year 2014	Year 2015
Realized aluminium price LME, USD/mt	2 043	1 926	1 822	1 802	1 749	1 762	1 906	1 997	1 897	1 803	1 685	1 555	1 497	1 546	1 850	1 737
Realized aluminium price LME, NOK/mt ⁷⁾	11 533	11 217	10 938	10 916	10 702	10 660	11 909	13 355	14 383	13 923	13 779	13 125	12 950	12 826	11 624	13 813
Realized premium above LME, USD/mt ⁶⁾	345	358	374	371	422	476	537	575	614	509	342	291	288	270	500	439
Realized premium above LME, NOK/mt ⁶⁾⁷⁾	1 945	2 087	2 247	2 246	2 583	2 883	3 355	3 845	4 660	3 927	2 796	2 460	2 488	2 243	3 140	3 492
Realized NOK/USD exchange rate ⁷⁾	5.64	5.82	6.00	6.06	6.12	6.05	6.25	6.69	7.58	7.72	8.18	8.44	8.65	8.30	6.28	7.95
Realized NOK/USD exchange rate excluding hedge	5.64	5.82	6.01	6.06	6.12	5.98	6.21	6.76	7.58	7.72	8.18	8.44	8.65	8.30	6.27	7.95
Implied primary cost (USD) ⁸⁾	1 625	1 575	1 450	1 375	1 400	1 375	1 275	1 150	1 150	1 225	1 325	1 275	1 225	1 175	1 300	1 250
Implied all-in primary cost (USD) ⁹⁾	2 025	1 975	1 850	1 775	1 900	1 925	1 875	1 775	1 800	1 775	1 675	1 575	1 550	1 500	1 875	1 725
Primary aluminium production, kmt	478	483	491	492	484	488	487	499	497	509	520	521	514	518	1 958	2 046
Casthouse production, kmt ¹⁰⁾	495	513	516	522	525	529	521	515	495	516	524	525	534	547	2 088	2 059
Total sales, kmt ¹¹⁾	541	531	540	515	593	559	542	527	534	544	550	531	552	596	2 220	2 159
Underlying EBITDA margin ¹²⁾	14.1%	12.1%	13.6%	16.9%	11.4%	13.3%	23.6%	30.8%	27.7%	23.7%	15.7%	12.4%	10.3%	14.8%	20.5%	20.3%

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 2013 have been revised due to change of definition

7) Including strategic hedges /hedge accounting applied

8) Realized LME price minus Underlying EBITDA margin (incl. Qatalum) per mt primary aluminium produced. Includes net earnings from primary casthouses.

9) Realized all-in price minus Underlying EBITDA margin (incl. Qatalum) per mt primary aluminium sold. Includes net earnings from primary casthouses.

10) Production volumes for 2013 have been revised, due to change of definition

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

12) Underlying EBITDA divided by total revenues

Operational data

Metal Markets	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Year2014	Year 2015
Remelt production (1 000 mt)	139	141	128	130	145	141	117	130	144	146	538	533
Third-party Metal Products sales (1 000 mt)	84	81	80	79	74	80	81	84	72	74	324	319
Metal Products sales excl. ingot trading (1 000 mt) ¹⁾	776	726	696	654	626	750	676	670	736	777	2 852	2 722
Hereof external sales excl. ingot trading (1 000 mt)	654	619	609	596	571	674	616	613	664	694	2 478	2 474
External revenue (NOK million)	8 719	8 853	9 784	10 625	11 315	11 862	10 100	9 518	10 133	10 169	37 981	42 795

Rolled Products	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Year2014	Year 2015
Rolled Products external shipments (1 000 mt)	243	245	244	213	227	243	248	229	229	238	946	948
Rolled Products – Underlying EBIT per mt, NOK	744	723	996	452	1 284	1 294	1 332	888	1 086	1 017	738	1 204
Underlying EBITDA margin ²⁾	6.7%	6.6%	7.4%	5.3%	7.5%	7.9%	8.3%	7.2%	7.8%	7.2%	6.5%	7.8%

Energy	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Year2014	Year 2015
Power production, GWh	2 964	2 248	2 170	2 823	3 071	2 103	2 839	2 882	3 160	2 674	10 206	10 894
Net spot sales, GWh	1 581	1 028	873	1 339	1 610	724	1 363	1 292	1 795	1 393	4 820	4 989
Nordic spot electricity price, NOK/MWh	252.0	211.0	263.0	264.0	246.0	177.0	122.0	204.0	229.0	223.0	248.0	187.0
Southern Norway spot electricity price (NO2), NOK/MWh	249.0	168.0	247.0	248.0	238.0	171.0	102.0	197.0	212.0	213.0	228.0	177.0
Underlying EBITDA margin ²⁾	30.8%	15.1%	18.4%	21.3%	27.6%	19.9%	20.9%	27.2%	28.0%	21.1%	21.6%	24.4%

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

2) Underlying EBITDA divided by total revenues

Sapa joint venture information

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

NOK million, except sales volumes	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Year 2014	Year 2015
Sales volume (1000 mt)	346	360	346	314	359	367	350	322	353	358	341	312	349	366	1 399	1 364
Revenues*	10 367	10 974	10 798	10 132	11 311	11 496	11 561	11 842	14 051	14 484	13 895	12 821	13 905	14 071	46 210	55 252
Underlying EBITDA	304	508	328	(43)	440	641	492	343	705	799	734	491	901	1 132	1 916	2 729
Underlying EBIT	16	213	24	(339)	155	350	201	(55)	392	483	404	128	571	804	652	1 407
Underlying net income (loss)				(281)	69	263	110	(44)	238	291	240	139	365	540	398	907

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

NOK million	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Year 2014	Year 2015
Reported EBIT	(148)	(1 096)	(1 985)	(787)	(3)	168	198	(679)	201	65	174	88	655	920	(316)	528
Reported net income (loss)				(620)	(103)	89	107	(719)	89	14	109	34	418	639	(626)	246

Sapa JV (100 % basis), reconciliation between reported and underlying EBIT (unaudited)

NOK million, except sales volumes	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Year 2014	Year 2015
Reported EBIT	(3)	168	198	(679)	201	65	174	88	655	920	(316)	528
Items excluded from EBIT:												
Unrealized derivative effects	73	36	66	(79)	(145)	(158)	(95)	208	83	116	96	(189)
Restructuring cost and other items	(231)	(218)	(70)	(546)	(47)	(260)	(135)	(249)	-	-	(1 065)	(690)
Total items excluded from EBIT**	(159)	(182)	(4)	(624)	(191)	(418)	(230)	(41)	83	116	(969)	(879)
Underlying EBIT	155	350	201	(55)	392	483	404	128	571	804	652	1 407

Pro forma figures before Q4 2013

* Historical revenues have been reclassified

** Negative figures represent a net cost to be added to get from reported EBIT to Underlying EBIT

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