

Third quarter 2002

Norsk Hydro ASA
21 October 2002





Highlights third quarter, 2002

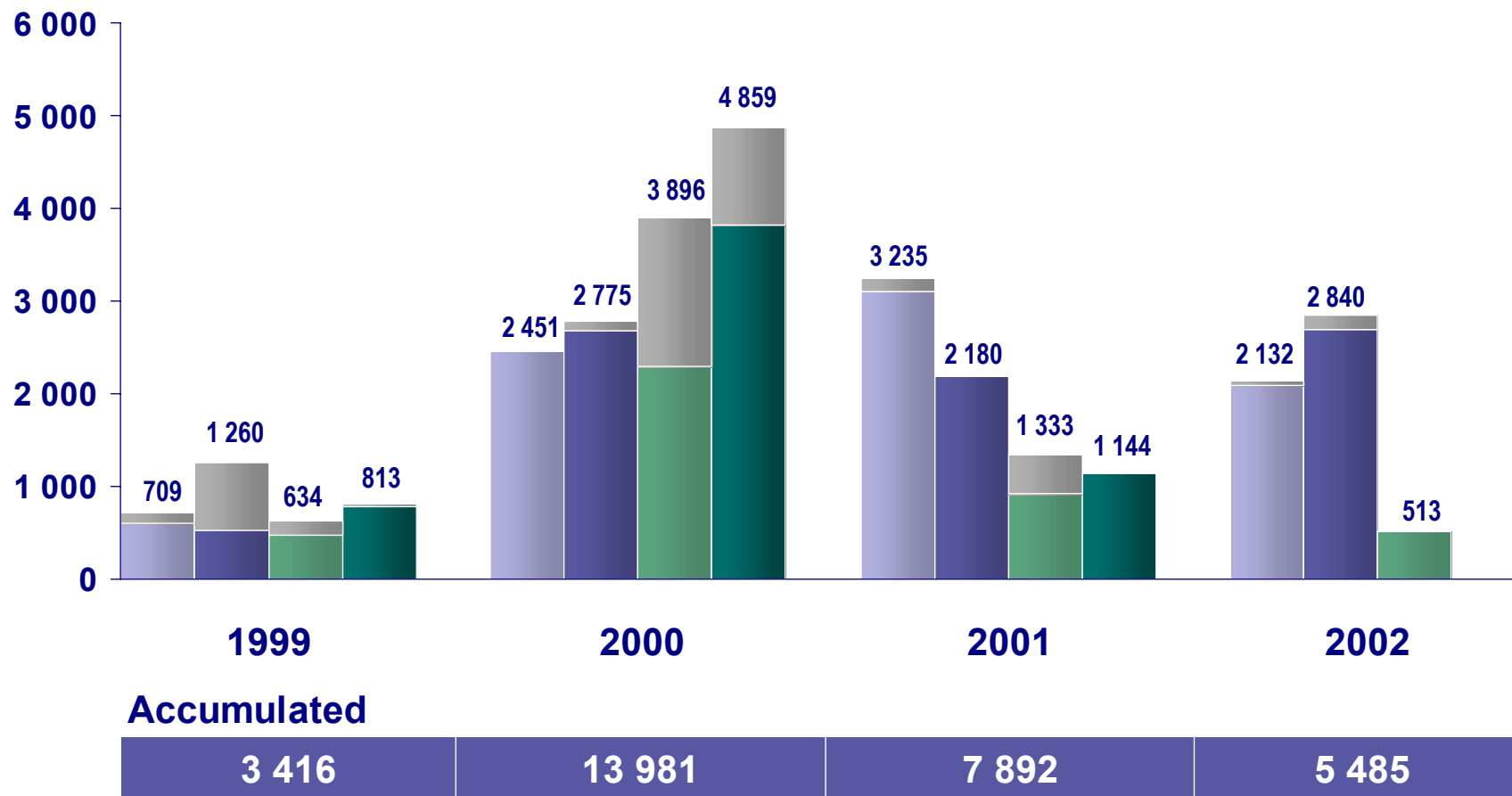
- High oil and gas production – increased 2002 production target
- High exploration charge, NOK 1.3 billion
- Challenging aluminium markets – weak earnings
- Solid Agri performance in low price environment
- Strong NOK reduces earnings
- High tax rate
- Cost reduction and integration programs on track
- Financial strength maintained, debt/equity ratio 0.43



Net income

Per quarter
NOK million

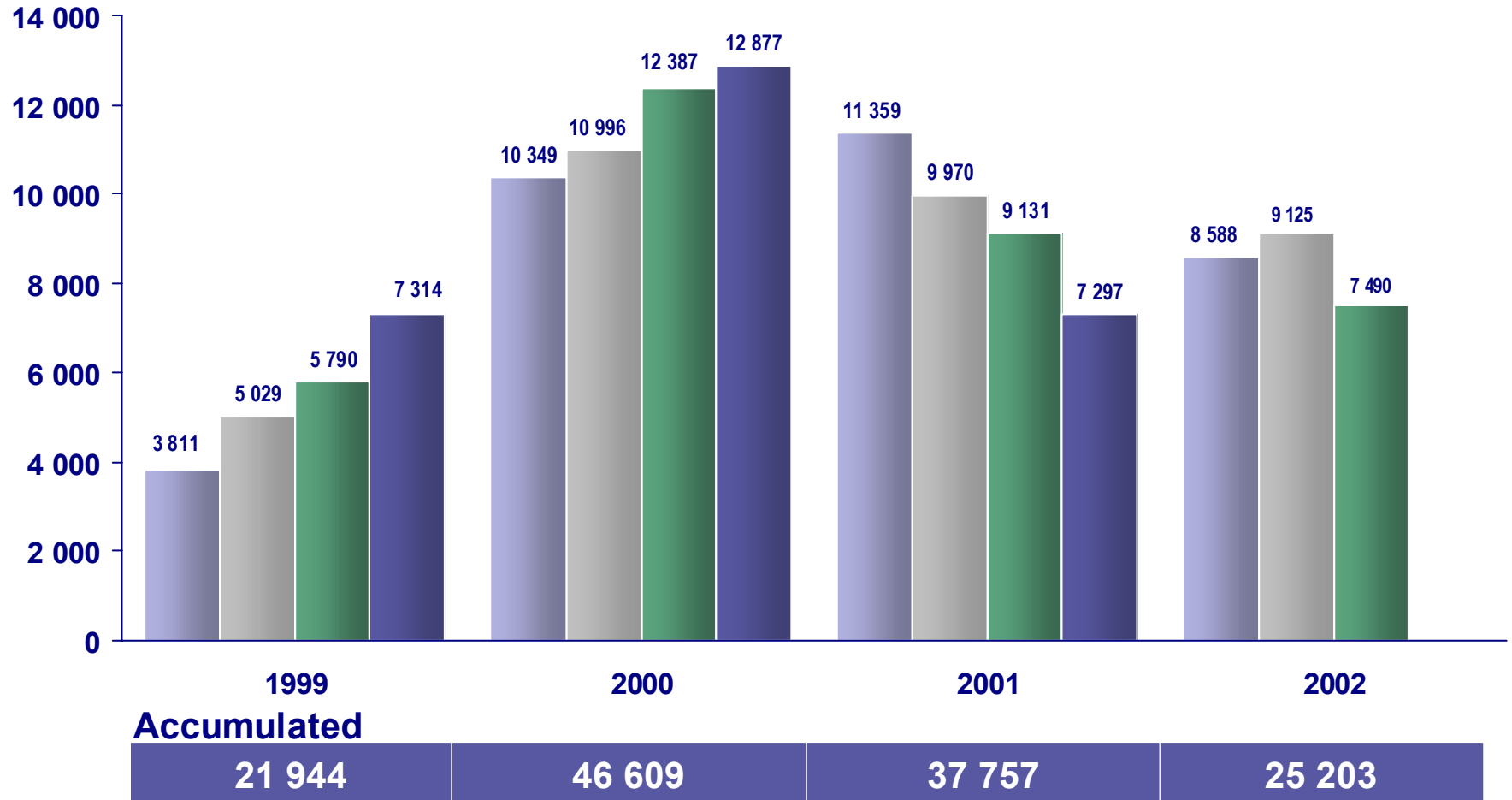
■ Gains from divestments





Earnings before interest, tax, depreciation and amortization (EBITDA)

Per quarter
NOK million





Consolidated income statements

NOK million	3rd quarter 2002	3rd quarter 2001
Operating revenues	40 560	36 086
Operating income	3 945	4 741
Equity in net income of non-consolidated investees	(356)	17
Interest income and other financial income	210	655
Other income, net	-	418
Earnings before interest expense and tax (EBIT)	3 799	5 831
Interest expense and foreign currency gain/(loss)	(628)	(250)
Income before tax and minority interest	3 171	5 581
Income tax expense	(2 701)	(4 213)
Minority interest	43	(35)
Net income	513	1 333
Earnings per share* – NOK	2.00	5.20

*) For calculation of EPS, 3rd quarter 2002: 257,960,532 shares, 3rd quarter 2001: 257,377,942 shares



Net financial income (expense)

NOK million	3rd quarter 2002	3rd quarter 2001
Interest income	305	730
Dividends and net gain/(loss) on securities	(95)	(75)
Interest income and other financial income	210	655
Interest expense	(761)	(902)
Capitalized interest	162	153
Net foreign exchange gain/(loss)	30	527
Other	(59)	(28)
Interest expense and foreign exchange gain/(loss)	(628)	(250)
Net financial income (expense)	(418)	405



Variance analysis Hydro group

NOK million	Year to date	3rd quarter
2002	25 203	7 490
2001	30 460	9 131
Variance EBITDA	(5 257)	(1 641)
- Prices and currency, E&P *	(4 730)	(1 045)
- Margin incl. currency effects	(3 670)	(850)
- Volume	3 525	1 090
- Fixed costs	1 605	625
- Depreciation	(235)	165
- Production and exploration costs, E&P *	(2 380)	(1 105)
- Infrequent items and restructuring costs	220	(95)
- Trading and unrealized effects, Aluminium	665	145
- New business (VAW and Technal)	1 025	370
- Other	(430)	(100)
Variance Operating income	(4 406)	(796)
- Non-consolidated investees	(754)	(374)
- Other income	(378)	(418)
- Interest income and other	(972)	(446)
- Depreciation and amortization	1 253	393
Variance EBITDA	(5 257)	(1 641)

*) Exploration and Production



EBITDA

Individual operating segment

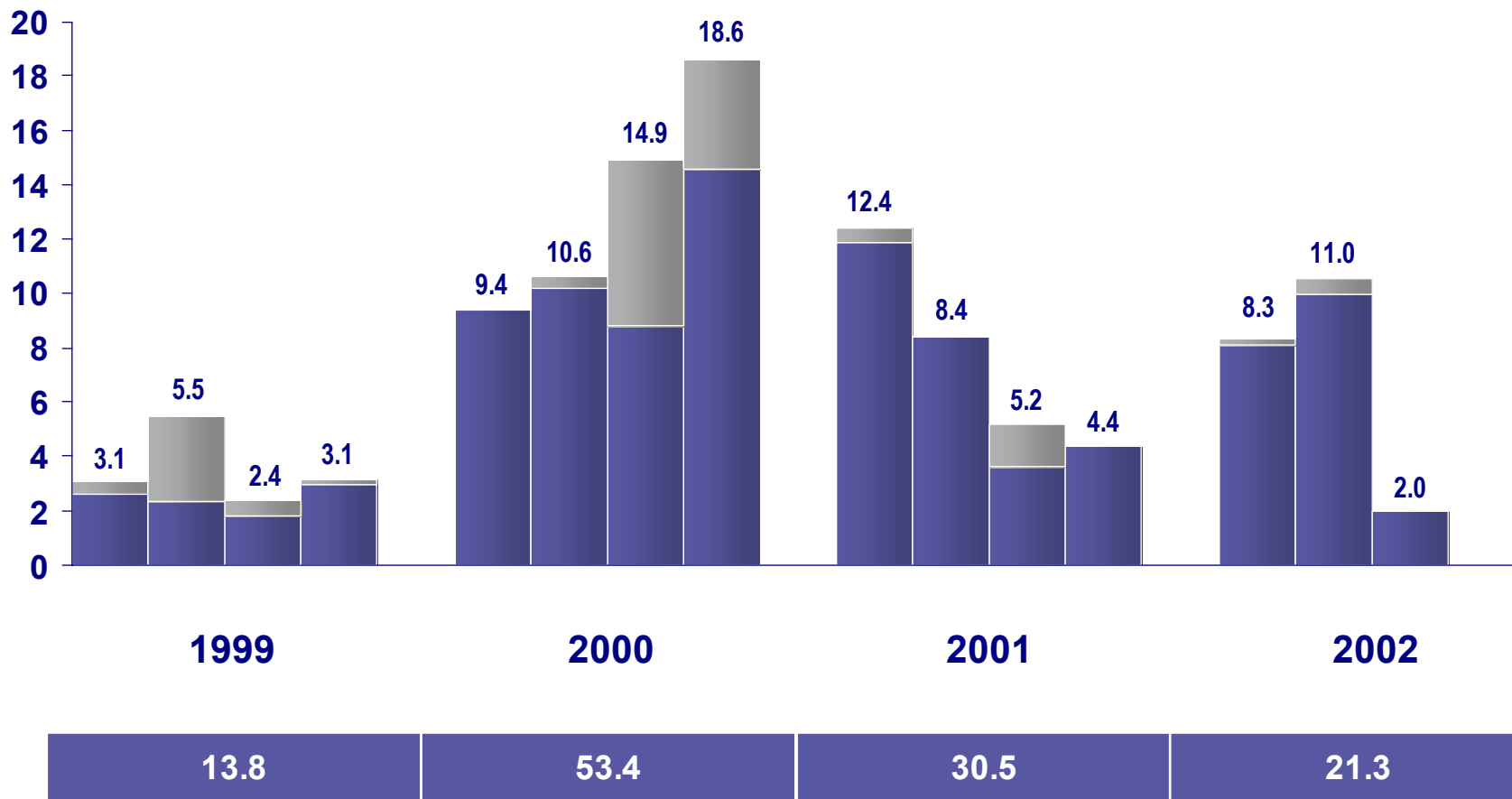
NOK million	3rd quarter 2002	3rd quarter 2001
Exploration and Production Energy and Oil Marketing	5 022 429	6 533 224
Hydro Oil and Energy	5 451	6 757
Metals	474	287
Rolled Products	101	46
Extrusion and Automotive	274	210
Other and Eliminations	(22)	(17)
Hydro Aluminium	827	526
Hydro Agri	719	725
Other Activities	365	636
Corporate and Eliminations	128	487
Total	7 490	9 131



Earnings per share

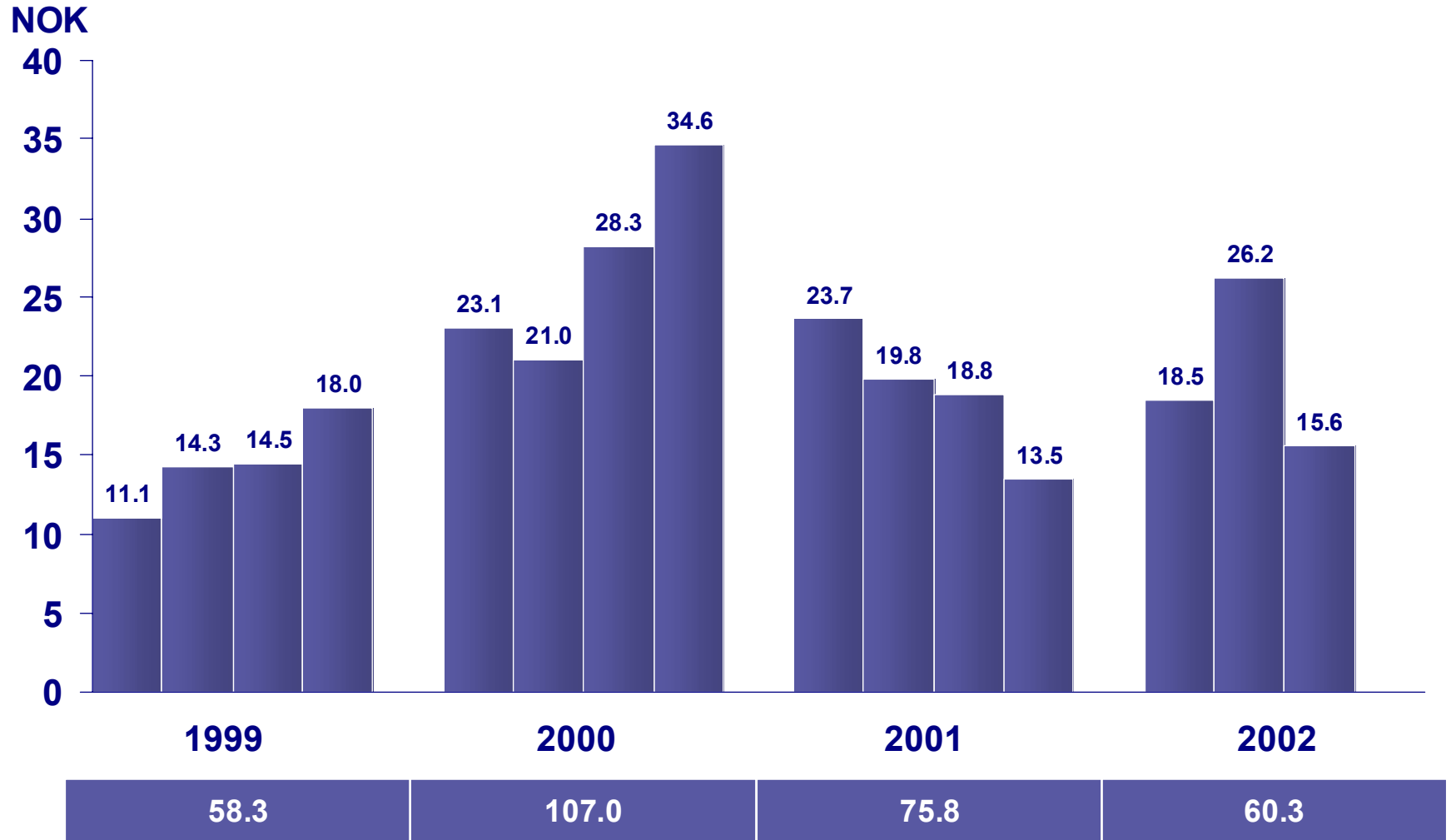
NOK

■ Gains from divestments





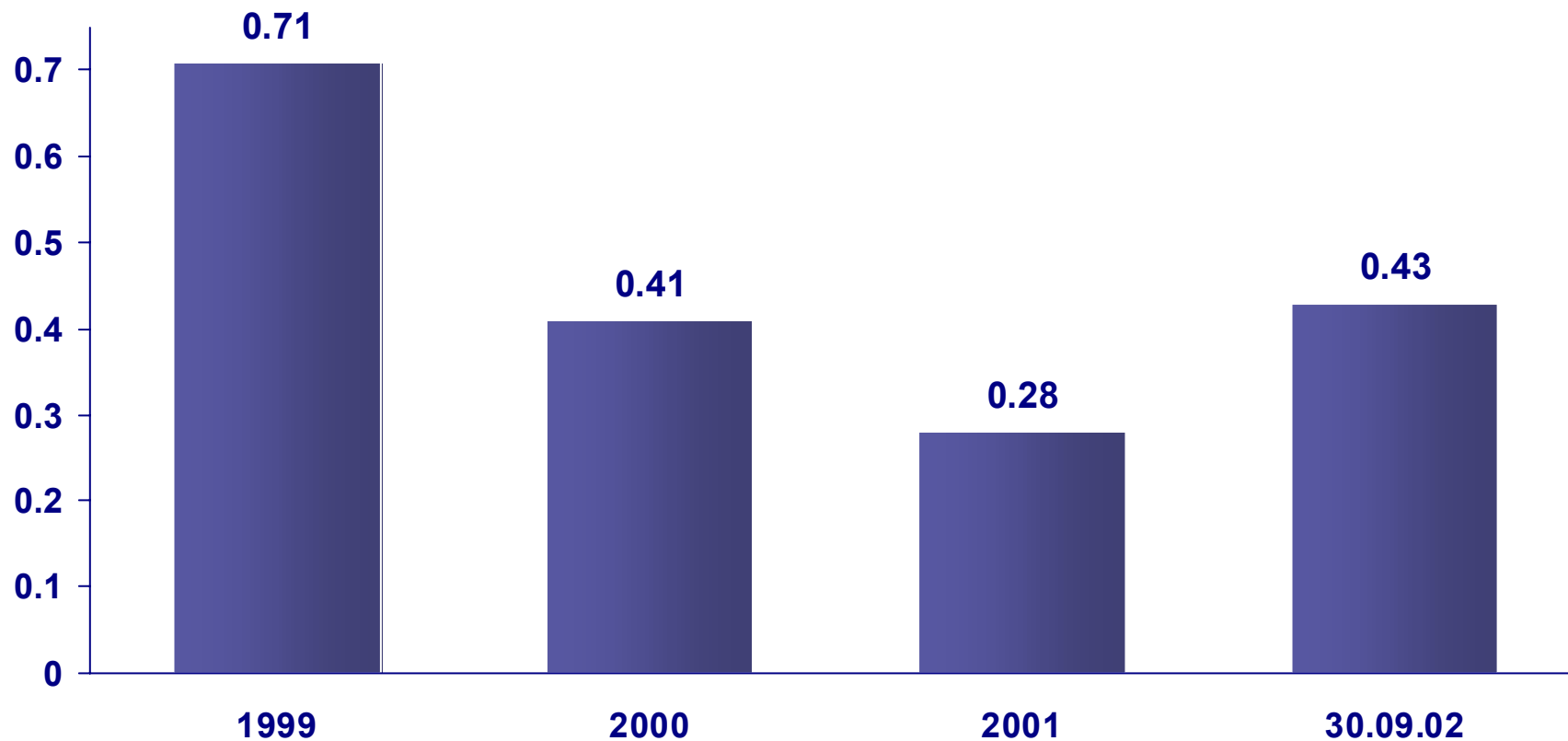
Cash flow per share





Net interest-bearing debt/shareholders' equity*

Ratio



* Net interest-bearing debt divided by shareholders' equity plus minority interest



Oil and Energy – highlights third quarter

- **Production 452 000 boed, up 33 000 from Q3 2001**
- **Realized oil price USD 27.1 per barrel, in NOK down 7.5% for oil and 23% for gas compared to Q3 2001**
- **Exploration**
 - **Expensed acquisition costs and high drilling costs**
 - **Discoveries in Canada and Libya**
- **Project Development**
 - **NOK 1 billion cost reduction in Grane development (Hydro 38%)**
 - **Ormen Lange development concept presented to partners**
- **High power production, inventory gain on refined products**



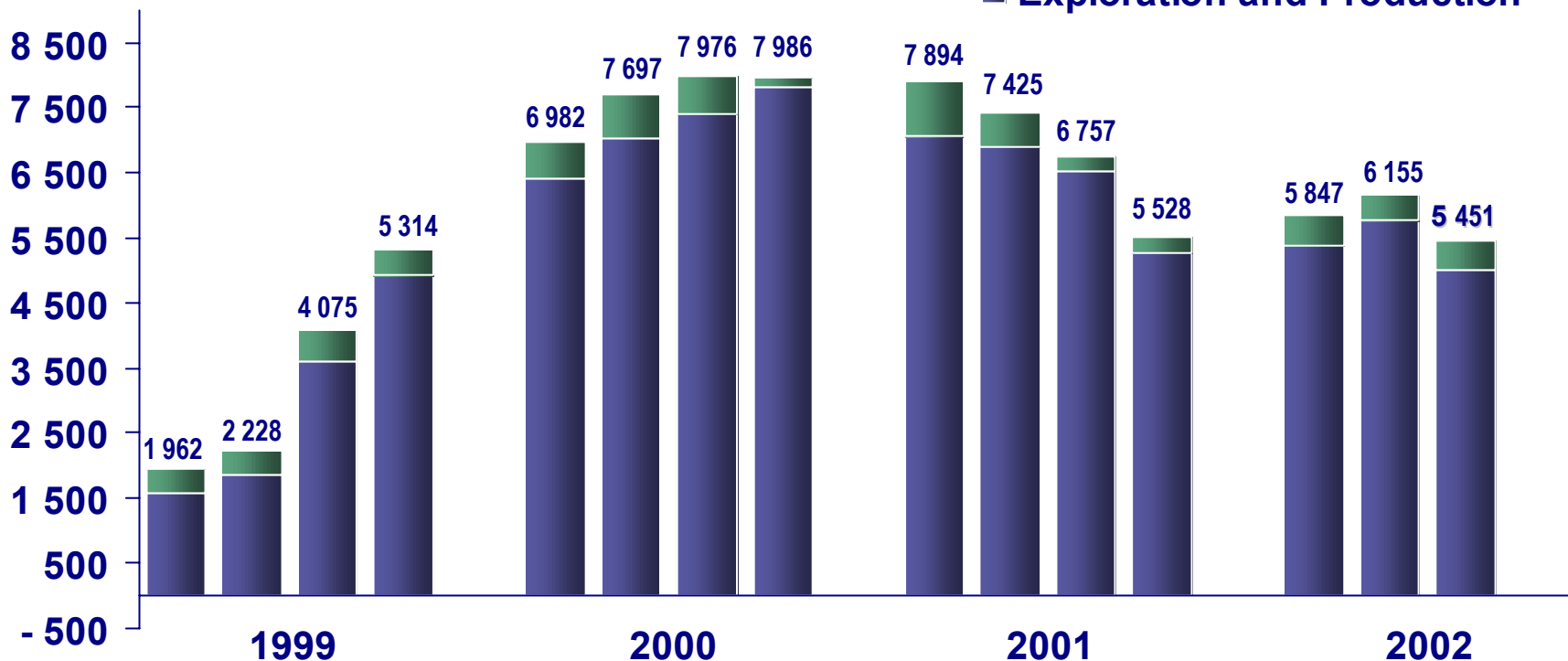


Oil and Energy

EBITDA

NOK million

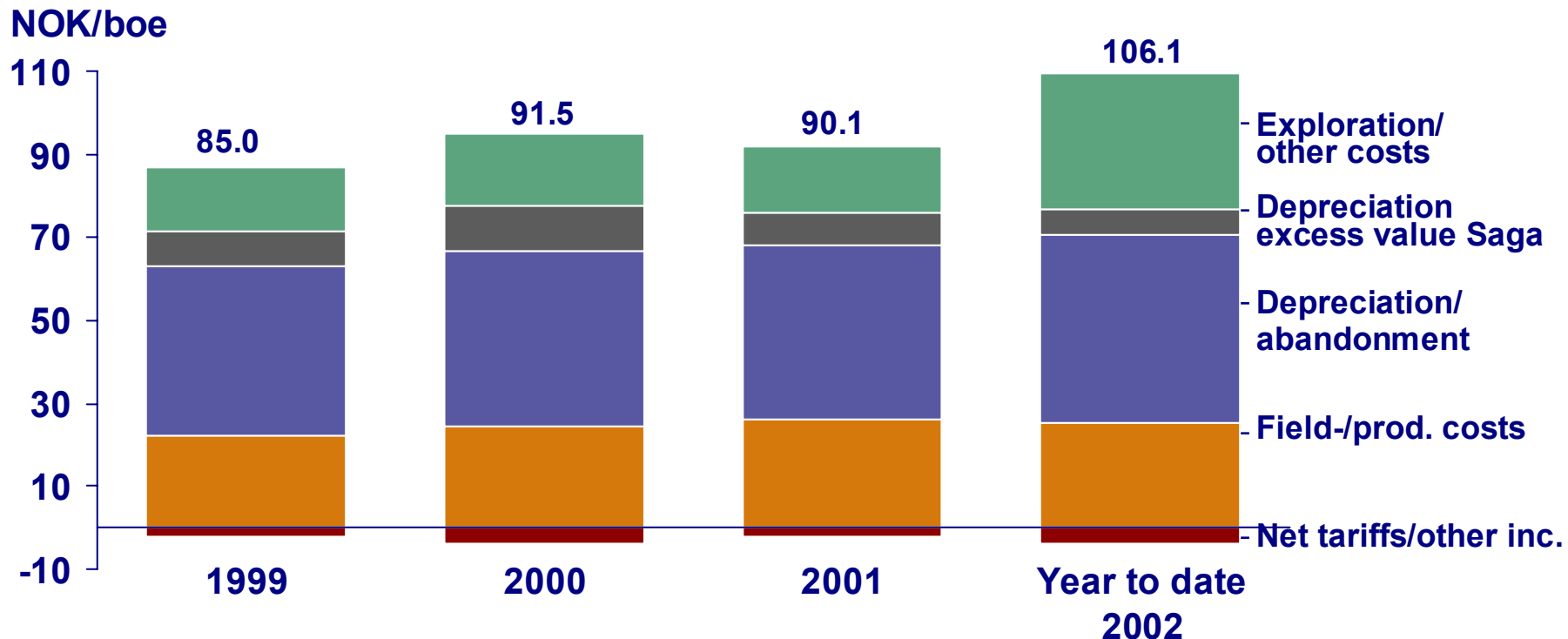
- Eliminations
- Energy and Oil Marketing
- Exploration and Production



Accumulated	13 579	30 641	27 604	17 453
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Operating costs per barrel oil equivalents



NOK/boe	1999	2000	2001	Year to date 2002
Exploration/other	15.7	17.2	15.6	32.9
Excess value Saga	8.4	11.2	8.4	6.3
Deprec.& aband.	40.6	42.0	42.3	45.3
Field-/prod. cost	22.4	24.6	26.1	25.1
Net tariffs/other income	(2.1)	(3.5)	(2.3)	(3.5)
	85.0	91.5	90.1	106.1
Million BOE produced	124	151	154	126

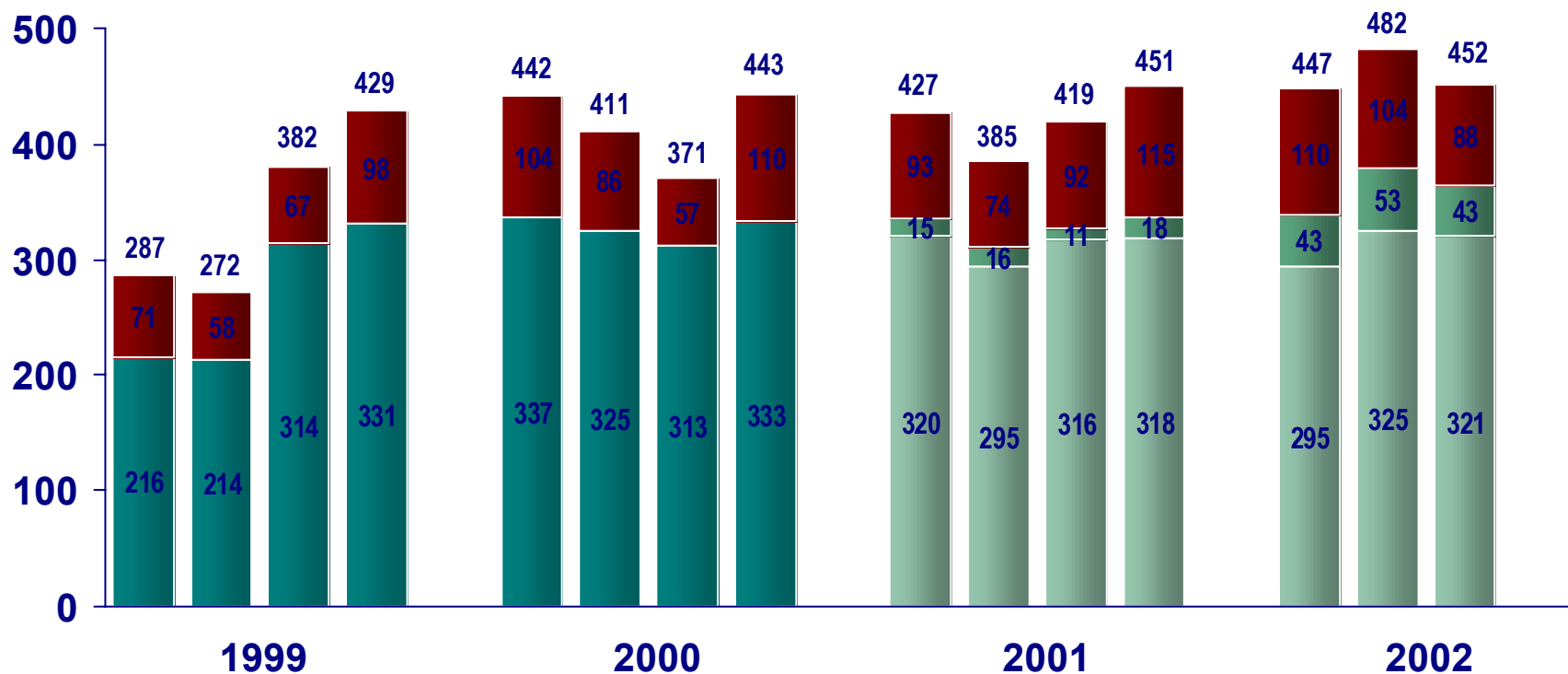


Petroleum production

Per quarter

1 000 boe/day

■ Oil ■ Oil Norway ■ Oil International ■ Gas Norway



Average per year:





Exploration

NOK million	Activity current period	Capitalized current period	Expensed, capitalized previous years	Expensed
Q1 Misc. Norway Gulf Of Mexico (Kate) Hebron	623	316	406	714
Q2 Angola (Block 34 and Block25) Trinidad and Tobago	634	86	387	936
Q3 Angola (Block 34) Gulf Of Mexico (Spa) Denmark (Svane)	605	-118	620	1 342
YTD	1 862	284	1 413	2 992

Remaining capitalized costs of acquired licence rights less than NOK 150 million.



Exploration — significant wells

Location	Norsk Hydro share	Well expected finalised
Norway - Solsikke	50%	4Q 2002
Canada - Flemish pass	30%	2003
GoM - 2 wells	25%	2002/2003
Iran - Anaran	100%	2003



Oil and Energy – prospects

- Q4 production target 500 000 boed
 - 2002 target lifted from 455 000 to 470 000 boed
- Q4 exploration
 - Solsikke (NCS), Voss (GoM) and Zinia (Angola block 17)
- Tune start up in Q4, a gas field tie-in to Oseberg





Aluminium – highlights third quarter

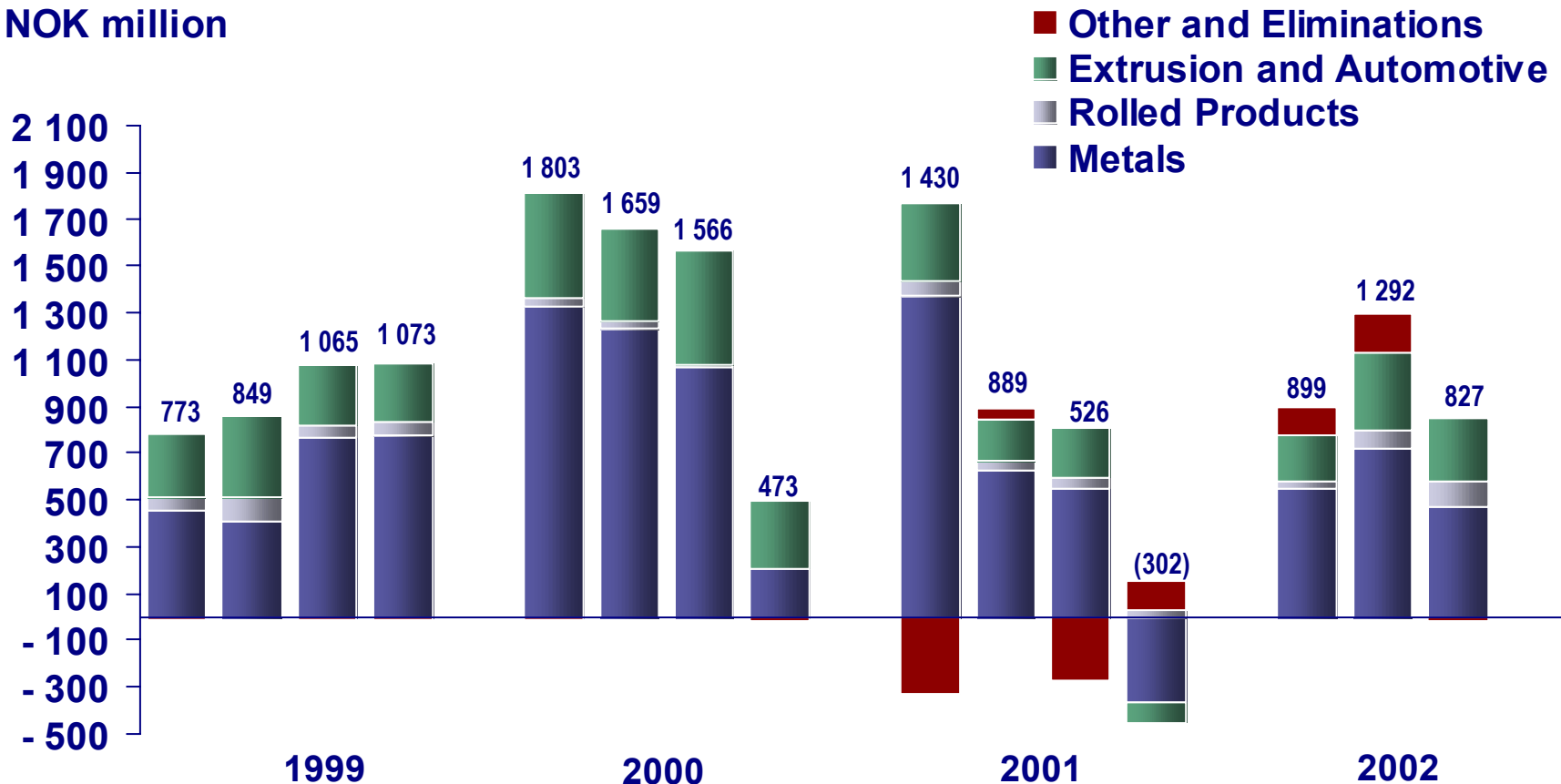
- **Weak markets**
 - Realized price USD 1 379 per tonne, vs USD 1 472 in Q3 2001
- **Strengthened downstream market share in Europe**
- **Permanent capacity reduction in Extrusion North America**
- **Cost reductions and integration on track**
 - Rationalization cost estimate reduced by NOK 175 million





Aluminium

EBITDA
NOK million



Accumulated	3 760	5 501	2 543	3 018
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Metals - highlights

- **Realized prices in NOK decreased approximately 20% vs Q3 2001**
- **Product premiums still at low level**
- **Depreciated BRL vs USD causes unrealized currency loss in Brazil of NOK 380 million, YTD NOK 620 million**
- **Brownfield expansions in Sunndal, Alunorte and Aluchemie on track**





Rolled Products - highlights

- **Weak market – increased market share**
- **Operational performance of major mills on plan, performance gap in Holmestrand**
- **Inventory loss of approximately NOK 100 million from declining metal prices**





Extrusion and Automotive - highlights

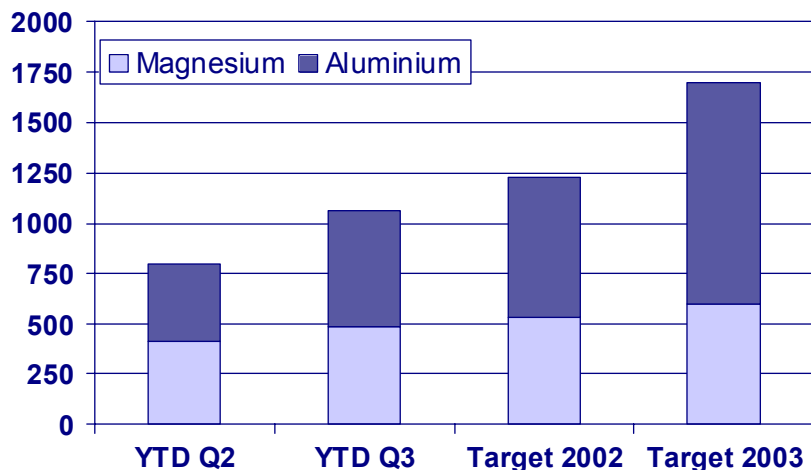
- **European extrusion – improved performance in challenging market**
 - **Increased market share**
 - **Operational improvements**
- **US extrusion – permanent closure of plant and offices**
 - **NOK 90 million charged**
- **Automotive – low demand for key car models in Europe**



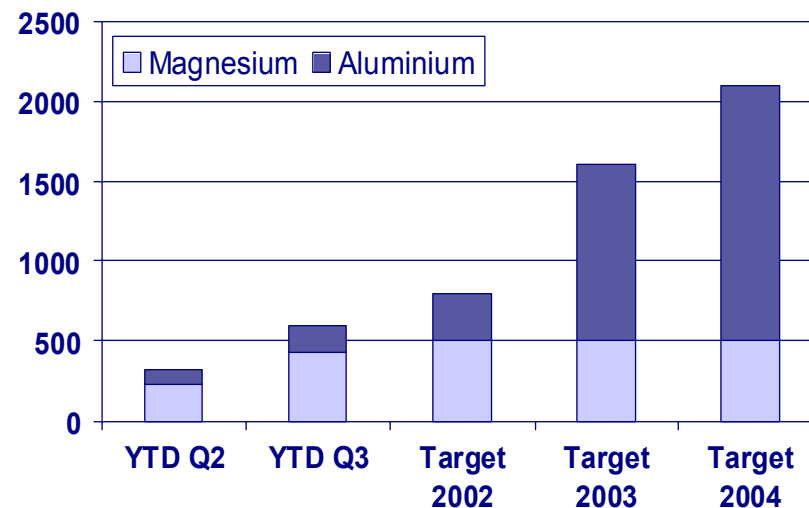


Aluminium improvement program on track

Workforce reduction



Cost reductions



Restructuring and rationalization costs (NOK million)

	Realized			Remaining	Total
	2001	1st half 2002	Q3 2002	Estimate	
Magnesium	700	59	-69	24	714
Aluminium	-	127	108*	435	670

Workforce and cost reductions relative to 2001.

*) NOK 19 million expensed in Q3, NOK 89 million charged to VAW opening balance.



Aluminium – prospects

- **Challenging markets**
- **Strengthened self-help initiatives**
- **Improve cost position through brownfield expansions (Sunndal, Alunorte, Alouette)**





Agri – highlights third quarter

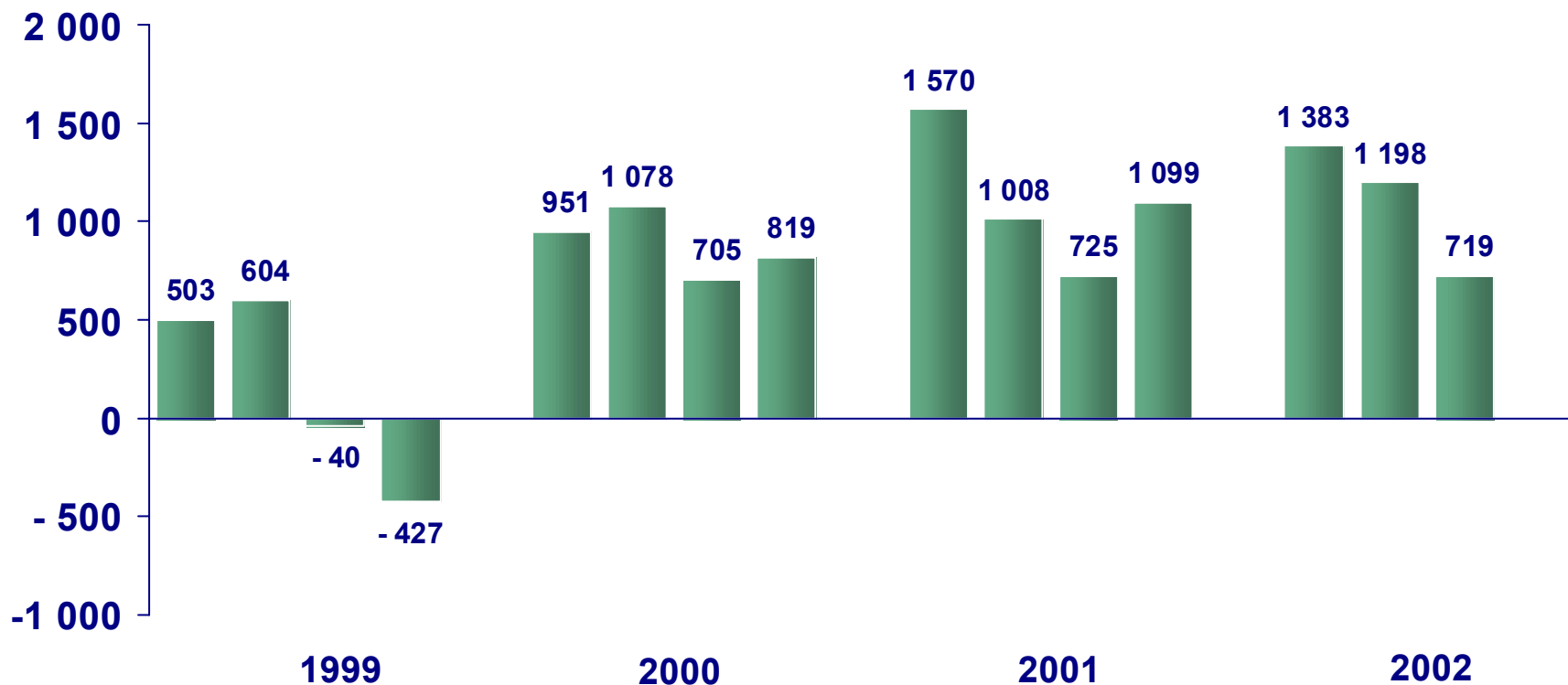
- **Satisfactory start of new fertilizer season in Europe**
- **Strong volume growth outside Europe**
- **Continued productivity improvements**
- **Strong returns for gas and chemicals activities**
- **Still low prices on key fertilizers**



Agri

EBITDA

NOK million



Accumulated	640	3 553	4 402	3 300
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Agri – prospects

- **Increasing ammonia price, urea price still low**
- **Flat fertilizer consumption in Europe compared with last season**
- **Positive NPK volume outlook in Asia**
- **Recovery in grain prices**





Norsk Hydro – prospects

- **Realize value creation potential after VAW acquisition**
- **Increasing oil and gas production**
- **Growth in non-European fertilizer sales**
- **Financial strength a priority**
 - **NOK 10 billion divestment program in progress**

Additional information





Operating income

Individual operating segment

NOK million	3rd quarter 2002	3rd quarter 2001
Exploration and Production	2 844	4 499
Energy and Oil Marketing	326	122
Eliminations	-	1
Hydro Oil and Energy	3 170	4 622
Metals	441	(163)
Rolled Products	(18)	18
Extrusion and Automotive	12	16
Other and Eliminations	(23)	(17)
Hydro Aluminium	412	(146)
Hydro Agri	436	207
Other Activities	19	107
Corporate and Eliminations	(92)	(49)
Total	3 945	4 741

Equity in net income of non-consolidated investees



NOK million	3rd quarter 2002	3rd quarter 2001
Exploration and Production	6	19
Energy and Oil Marketing	48	11
Eliminations	-	(2)
Hydro Oil and Energy	54	28
Metals	(329)	(70)
Rolled Products	(18)	-
Extrusion and Automotive	(23)	(6)
Hydro Aluminium	(370)	(76)
Hydro Agri	(50)	61
Other Activities	10	4
Total	(356)	17



Infrequent items – EBITDA

Individual operating segment

NOK million	3rd quarter 2002	2nd quarter 2002	1st quarter 2002
Exploration and Production	-	-	77
Hydro Oil and Energy	-	-	77
Metals	(20)	(93)	(169)
Rolled Products	(20)	(162)	(48)
Extrusion and Automotive	(105)	(43)	(18)
Hydro Aluminium	(145)	(298)	(234)
Hydro Agri	(94)	181	-
Other Activities	-	166	-
Total	(239)	49	(157)



Statement of Cash Flow

NOK million	Year to date 2002	Year to date 2001
Operating activities:		
Net income	5 485	6 748
Depreciation, depletion and amortization	10 206	9 171
Other adjustments	4 093	6 961
Net cash provided by operating activities	19 784	22 880
Investing activities:		
Purchases of property, plant and equipment	(14 193)	(9 189)
Purchases of other long-term investments	(17 171)	(1 021)
Net sales (purchases) of short-term investments	(531)	24
Proceeds from sales of property, plant and equipment	698	535
Proceeds from sales of other long-term investments	1 042	283
Net cash used in investing activities	(30 155)	(9 368)
Financing activities:		
Loan proceeds	592	527
Principal repayments	(3 785)	(899)
Ordinary shares purchased	-	(1 155)
Ordinary shares issued	53	70
Dividends paid	(2 576)	(2 470)
Net cash used by financing activities	(5 716)	(3 927)
Foreign currency effect on cash flows	(490)	(110)
Net increase (decrease) in cash and cash equivalents	(16 577)	9 475



Consolidated balance sheet

NOK million	30.09.02	30.09.01	31.12.2001
Cash and cash equivalents	10 571	31 241	27 148
Other liquid assets	1 956	2 304	2 421
Receivables	39 643	35 013	34 960
Inventories	17 238	16 776	15 794
Non-current assets	139 638	115 106	117 599
Total assets	209 046	200 440	197 922
Short-term interest-bearing debt	8 048	7 944	8 458
Current portion of long-term debt	2 062	3 542	1 966
Other short-term liabilities	40 604	34 924	32 569
Long-term interest-bearing debt	33 247	37 742	37 853
Other long-term liabilities	14 325	9 269	10 127
Deferred tax liabilities	35 254	31 732	31 105
Minority interest	1 175	1 181	1 051
Shareholders' equity	74 331	74 106	74 793
Total liabilities and shareholders' equity	209 046	200 440	197 922
Shareholders' equity per share, NOK	288.10	287.90	290.30



Depreciation

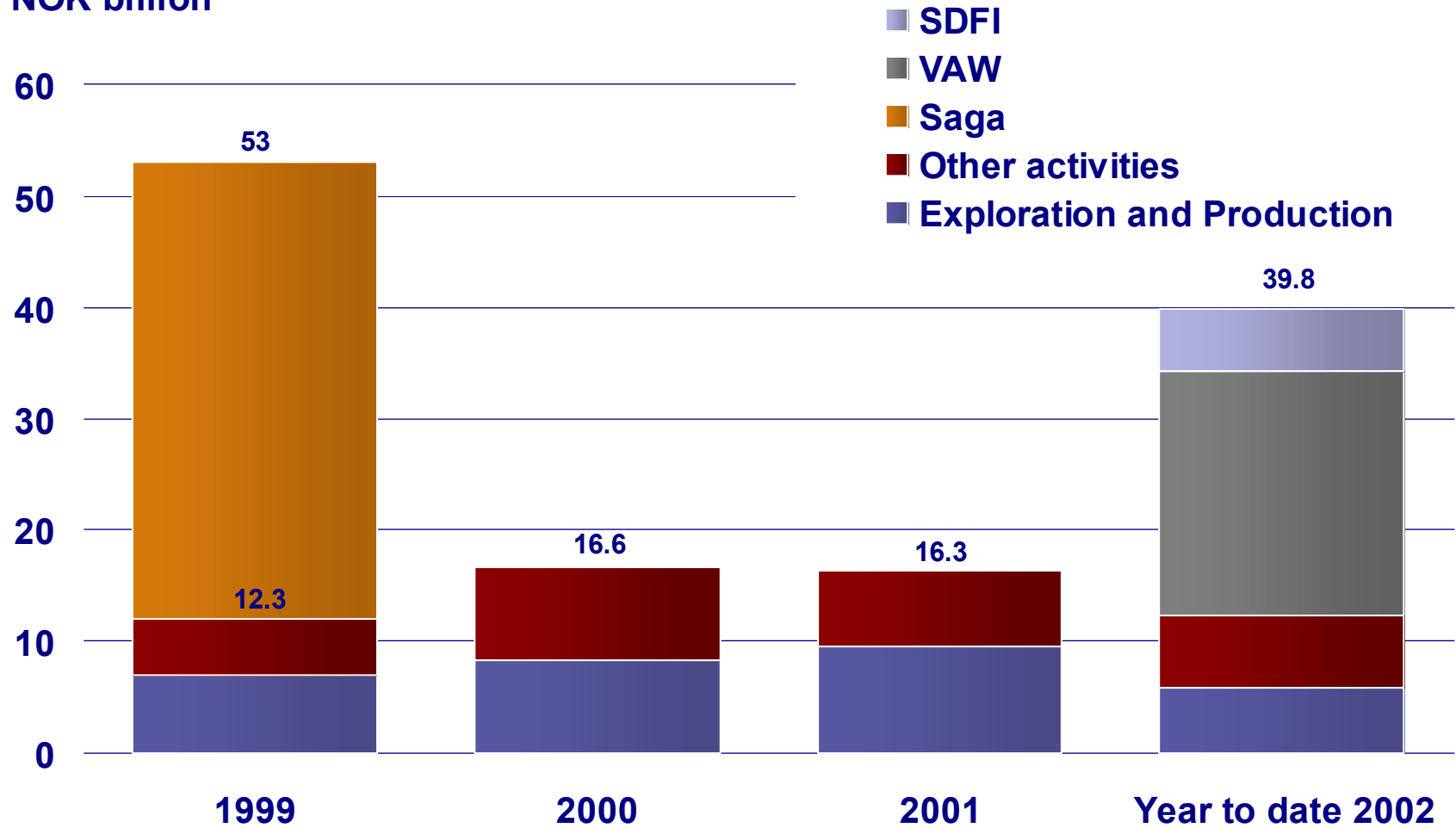
Individual operating segment

NOK million	3rd quarter 2002	3rd quarter 2001
Exploration and Production	2 157	1 951
Energy and Oil Marketing	51	83
Eliminations	-	(1)
Hydro Oil and Energy	2 208	2 033
Metals	316	468
Rolled Products	116	26
Extrusion and Automotive	256	186
Hydro Aluminium	688	680
Hydro Agri	269	360
Other Activities	402	202
Corporate and Eliminations	2	3
Total	3 569	3 278



Investments

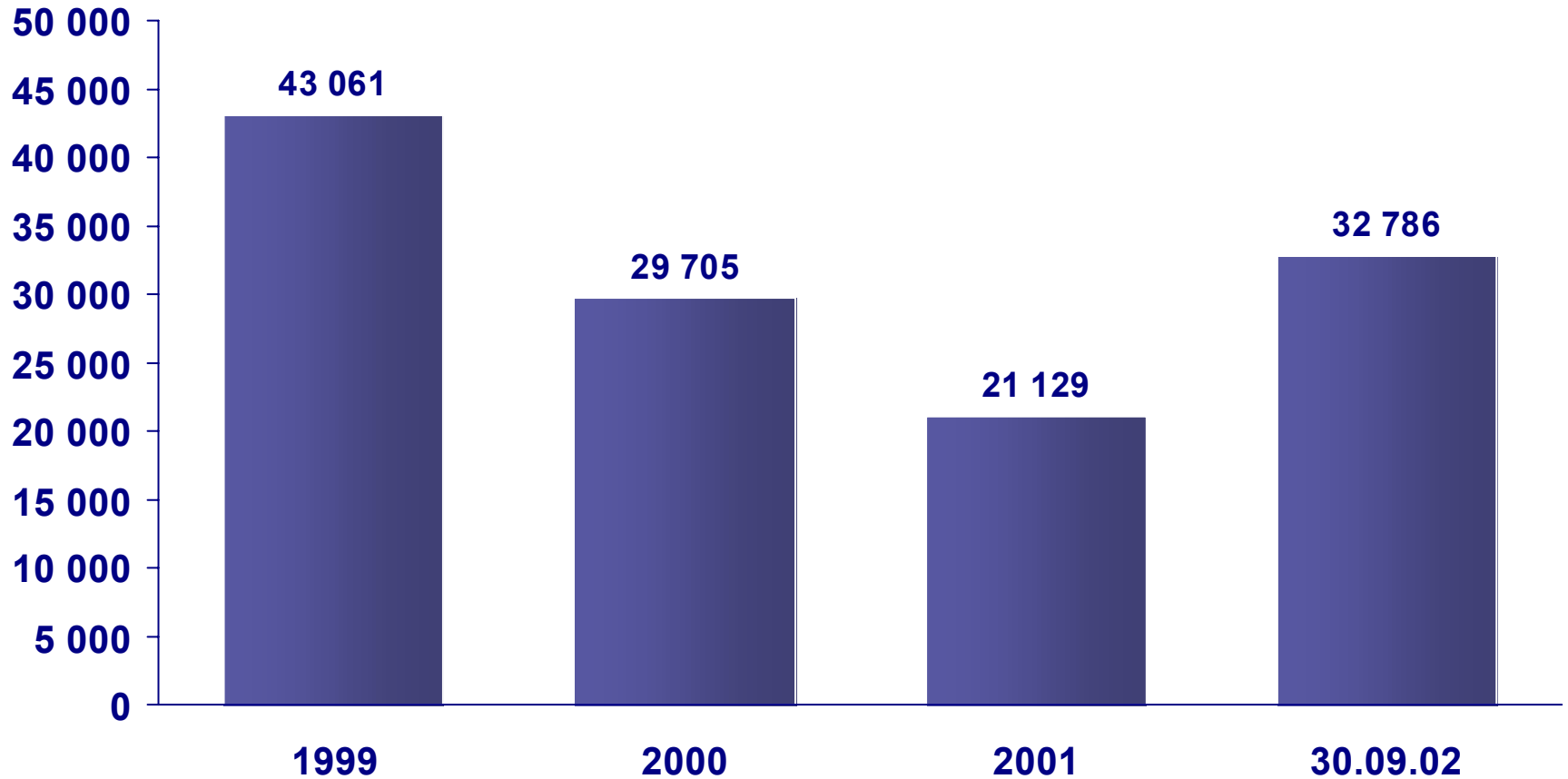
NOK billion





Net interest bearing debt*

NOK million



* Interest bearing debt less cash and cash equivalents



Variance analysis Oil and Energy

NOK million	Year to date	3rd quarter
2002	17 453	5 451
2001	22 076	6 757
Variance EBITDA	(4 623)	(1 306)
- Prices and currency		
- Oil	(1 450)	550
- Gas	(1 200)	(335)
- Currency	(2 070)	(1 185)
- Put options	(10)	(75)
	(4 730)	(1 045)
- Margin	(305)	75
- Volume	3 150	755
- Fixed costs	70	50
- Depreciation	(925)	(180)
- Production costs	(325)	(55)
- Exploration costs	(2 055)	(1 050)
- Other	(310)	(5)
Variance Operating income	(5 430)	(1 452)
- Non-consolidated investees	64	23
- Other income	(102)	-
- Interest income and other	(63)	(53)
- Depreciation and amortization	908	176
Variance EBITDA	(4 623)	(1 306)

Variance analysis

Exploration and Production



NOK million	Year to date	3rd quarter
2002	16 163	5 022
2001	20 497	6 533
Variance EBITDA	(4 334)	(1 511)
- Prices and currency		
- Oil	(1 450)	550
- Gas	(1 200)	(335)
- Currency	(2 070)	(1 185)
- Put options	(10)	(75)
	(4 730)	(1 045)
- Volume	3 070	700
- Depreciation	(960)	(210)
- Production costs	(325)	(55)
- Exploration costs	(2 055)	(1 050)
- Other	(305)	5
Variance Operating income	(5 303)	(1 655)
- Non-consolidated investees	(7)	(13)
- Other income	77	-
- Interest income and other	(62)	(52)
- Depreciation and amortization	961	209
Variance EBITDA	(4 334)	(1 511)

Variance analysis

Energy and Oil Marketing



NOK million	Year to date	3rd quarter
2002	1 290	429
2001	1 579	224
Variance EBITDA	(289)	205
- Margin	(305)	75
- Volume	80	55
- Fixed costs	70	50
- Depreciation	35	30
- Other	(5)	(5)
Variance Operating income	(127)	204
- Non-consolidated investees	71	36
- Other income	(179)	-
- Interest income and other	(1)	(1)
- Depreciation and amortization	(53)	(34)
Variance EBITDA	(289)	205

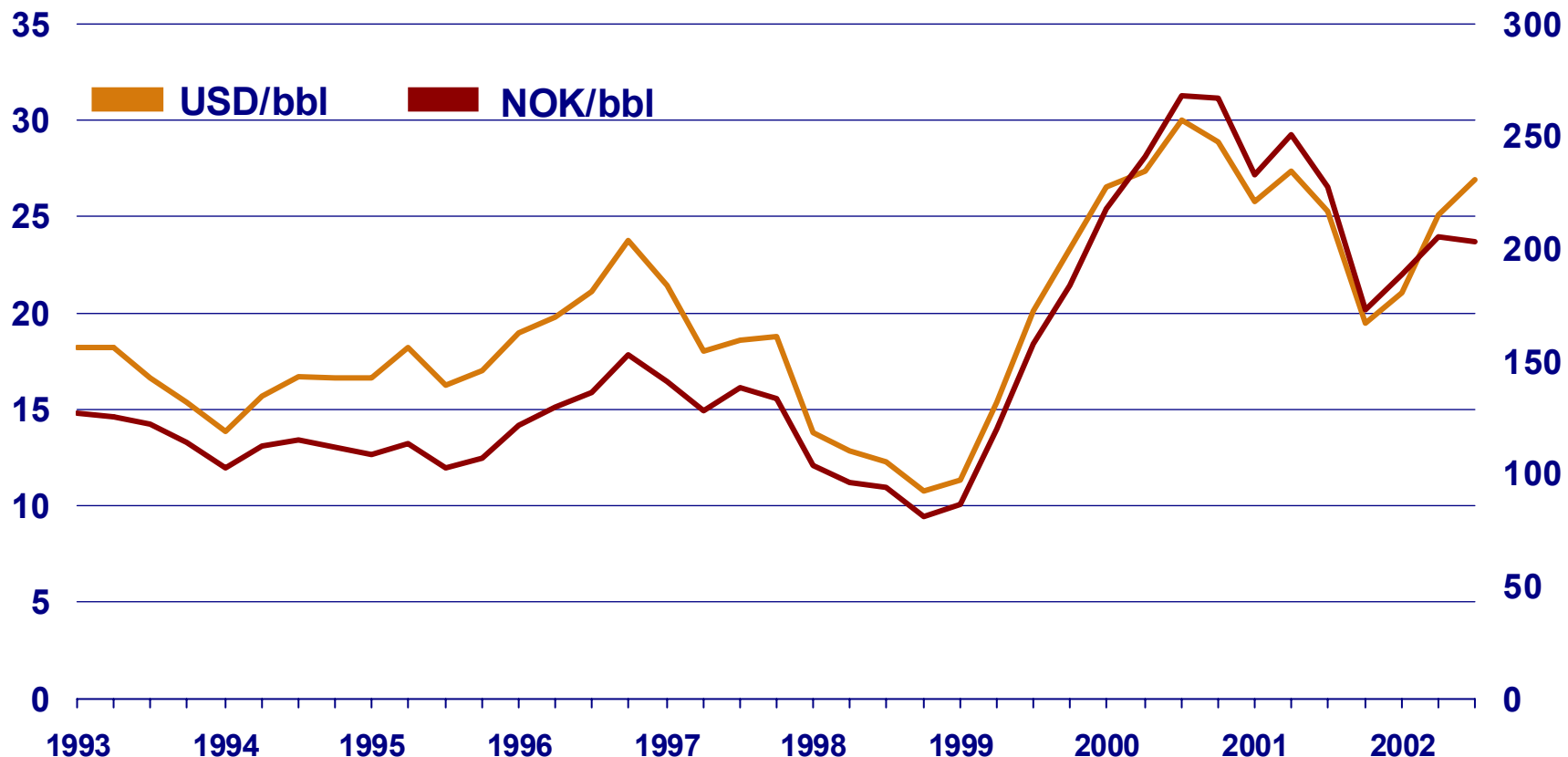


Price development – crude oil

Average Brent Blend dated per quarter

USD/bbl

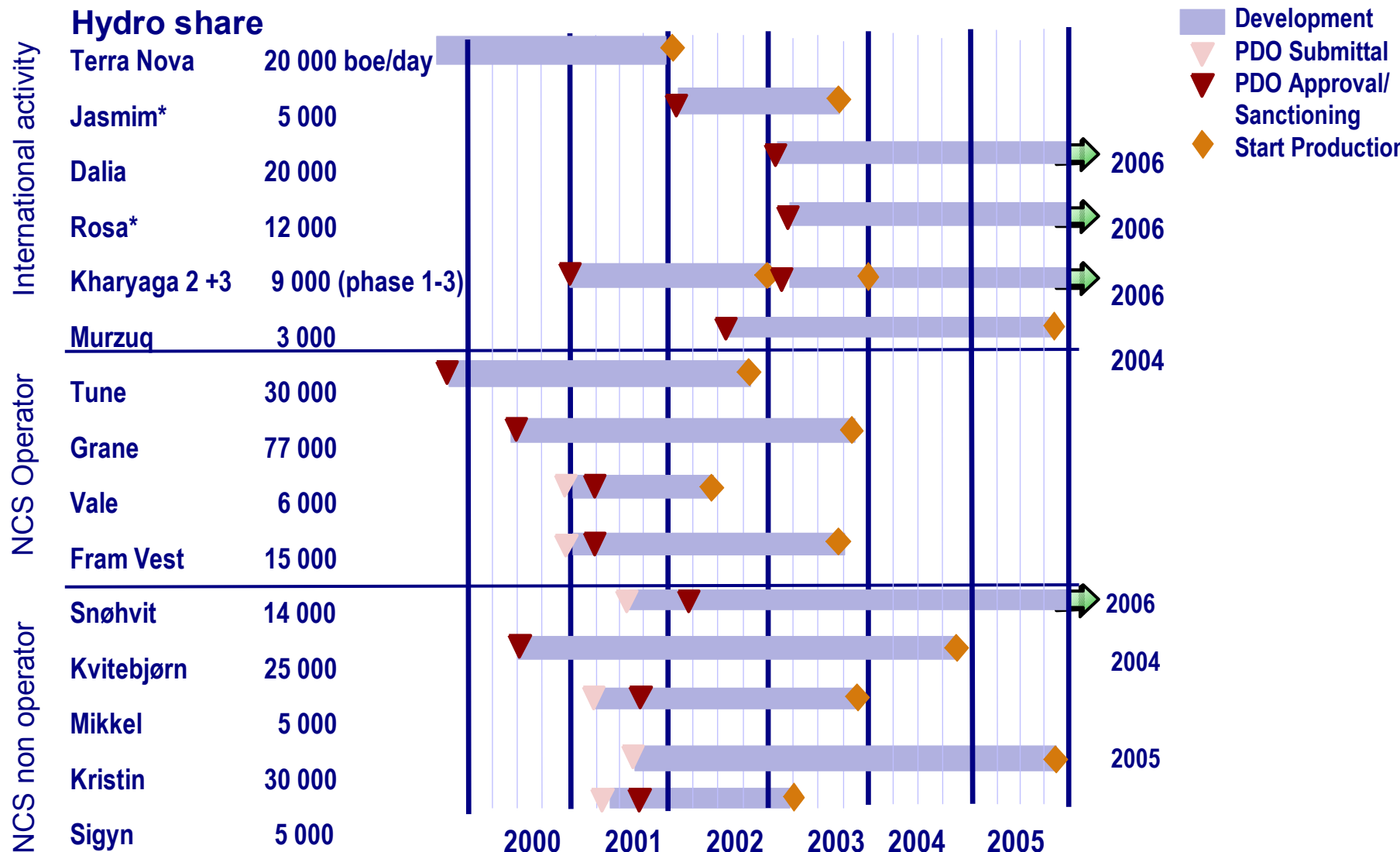
NOK/bbl



3rd quarter 2002: 203 NOK/bbl
27 USD/bbl



New fields on stream 2002 - 2005



* Tie in to Girassol



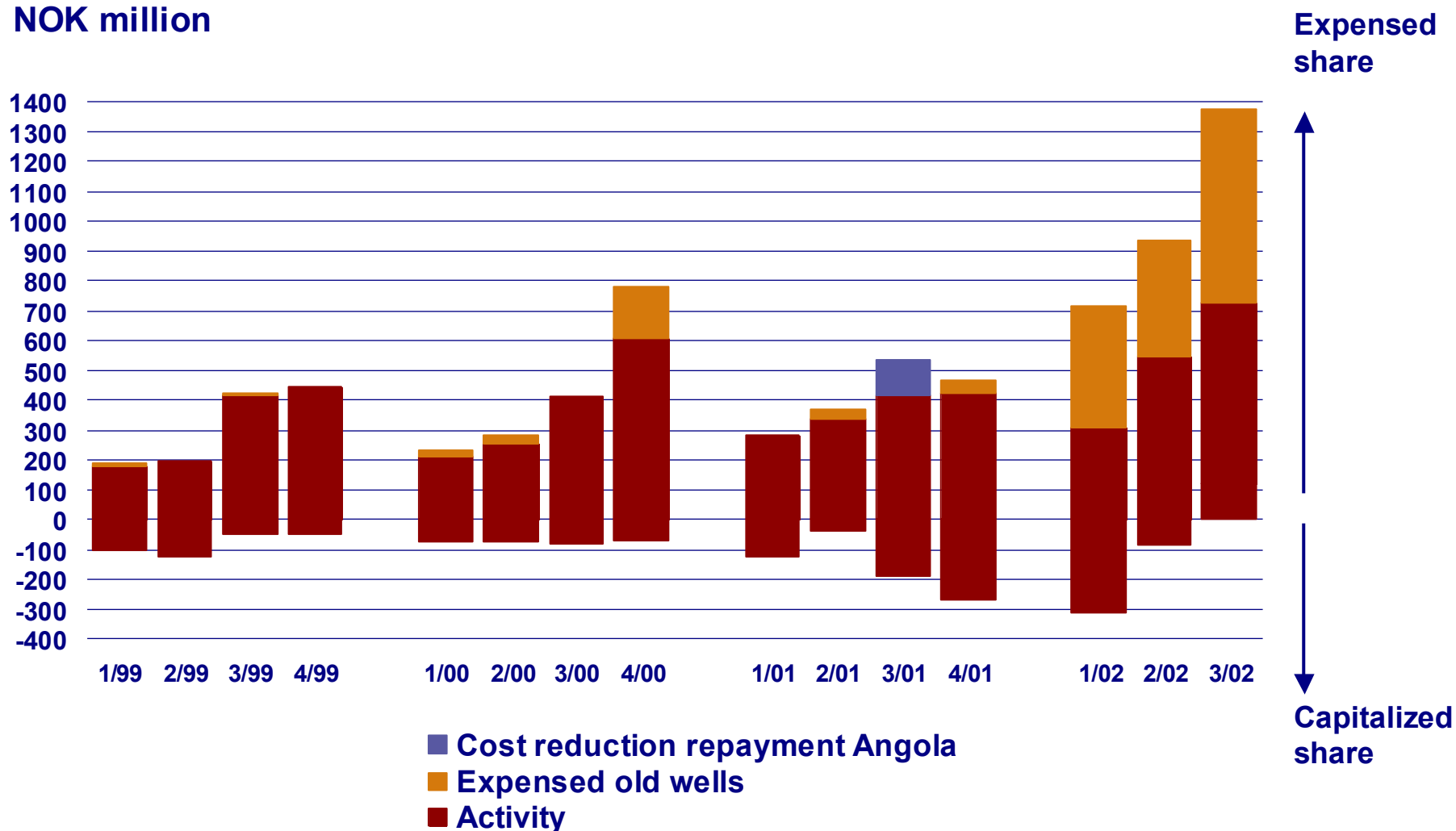
Production per field

Field (Oil incl. NGL/condensate)	Daily average boe/day	Daily average boe/day	Hydro's share	Hydro's production
	Q3 2001	Q3 2002	Percent	BOE/Day
Oseberg	192 000	191 000	34.00	64 803
Snorre	262 000	197 000	17.65	34 780
Oseberg South	87 000	76 000	34.00	25 733
Ekofisk	286 000	381 000	6.65	25 328
Åsgard	173 000	232 000	9.60	22 293
Troll B	159 000	201 000	9.78	19 694
Troll C	156 000	195 000	9.78	19 083
Gullfaks	245 000	192 000	9.00	17 288
Oseberg East	68 000	49 000	34.00	16 826
Norne	178 000	187 000	8.10	15 138
Tordis	86 000	82 000	13.28	10 845
Sleipner Area	118 000	100 000	9.50	9 535
Brage	40 000	37 000	24.44	9 130
Visund	55 000	40 000	20.30	8 084
Njord	49 000	32 000	22.50	7 292
Vigdis	64 000	51 000	13.28	6 708
Girassol		179 000	10,00	17 865
Terra Nova		86 000	15,00	12 873
Hibernia	140 000	166 000	5,00	8 299
Other Fields				12 054
SUM OIL				363 652
GAS				88 061
Total production				451 713



Exploration activity and costs

NOK million





Variance analysis Aluminium

NOK million	Year to date	3rd quarter
2002	3 018	827
2001	2 845	526
Variance EBITDA	173	301
- Margin	(2 100)	(435)
- Volume	85	130
- Fixed costs	725	295
- Depreciation	510	335
- Infrequent items and restructuring costs	(475)	(50)
- Trading	245	155
- Unrealized effects	420	(10)
- New business (VAW and Technal)	940	320
- Other	(65)	(185)
Variance Operating income	286	558
- Non-consolidated investees	(463)	(295)
- Interest income and other	(51)	(51)
- Depreciation and amortization	401	89
Variance EBITDA	173	301



Variance analysis Metals

NOK million	Year to date	3rd quarter
2002	1 739	474
2001	2 115	287
Variance EBITDA	(376)	187
- Margin	(1 775)	(510)
- Volume	200	300
- Fixed costs	570	230
- Depreciation	420	310
- Infrequent items and restructuring costs	(105)	50
- Trading	245	155
- New business (VAW)	715	305
- Other	(125)	(235)
Variance Operating income	146	604
- Non-consolidated investees	(467)	(260)
- Interest income and other	(52)	(29)
- Depreciation and amortization	(3)	(128)
Variance EBITDA	(376)	187



Variance analysis Rolled Products

NOK million	Year to date	3rd quarter
2002	211	101
2001	137	46
Variance EBITDA	74	55
- Margin	(50)	(30)
- Volume	(35)	5
- Fixed costs	(30)	(15)
- Infrequent items	(230)	(20)
- New business (VAW)	185	30
- Other	(5)	(5)
Variance Operating income	(163)	(36)
- Non-consolidated investees	(39)	(18)
- Interest income and other	5	(17)
- Depreciation and amortization	271	126
Variance EBITDA	74	55

Variance analysis

Extrusion and Automotive



NOK million	Year to date	3rd quarter
2002	799	274
2001	723	210
Variance EBITDA	76	64
- Margin	(255)	100
- Volume	(100)	(195)
- Fixed costs	185	85
- Depreciation	90	25
- Infrequent items	(140)	(80)
- New business (VAW and Technal)	60	(20)
- Other	65	80
Variance Operating income	(95)	(4)
- Non-consolidated investees	43	(17)
- Interest income and other	(4)	(3)
- Depreciation and amortization	132	88
Variance EBITDA	76	64



Aluminium – Key figures by segment

Volumes and prices	Q3 2002	Q2 2002	Q3 2001
Primary production (Kmt)	348	342	199
Total metal sales (Kmt) *)	521	559	279
LME, realized (USD/t)	1 379	1 392	1 472
USD/NOK, realized **)	8.03	8.77	9.19
Rolled Products external shipment (Kmt)	213	211	49
Extrusion & Automotive, external revenues (NOK million)	6 001	6 719	5 201

EBITDA	Q3 2002	Q2 2002	Q3 2001
Metals	474	715	287
Rolled Products	101	82	46
Extrusion & Automotive	274	331	210

*) excluding trading

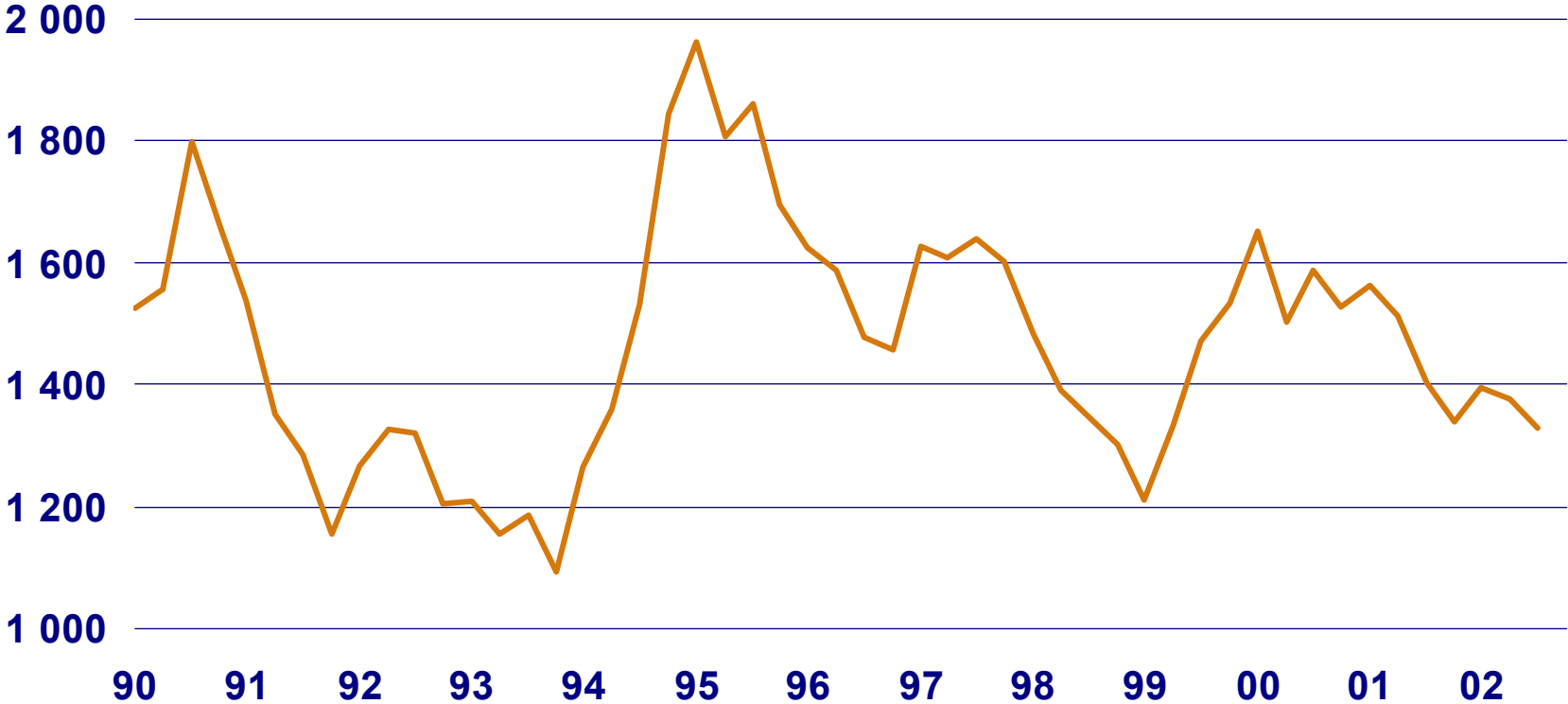
**) difference between realized exchange rate and spot rate at the transaction date is reported as currency gain/loss and not included in EBITDA



Aluminium price

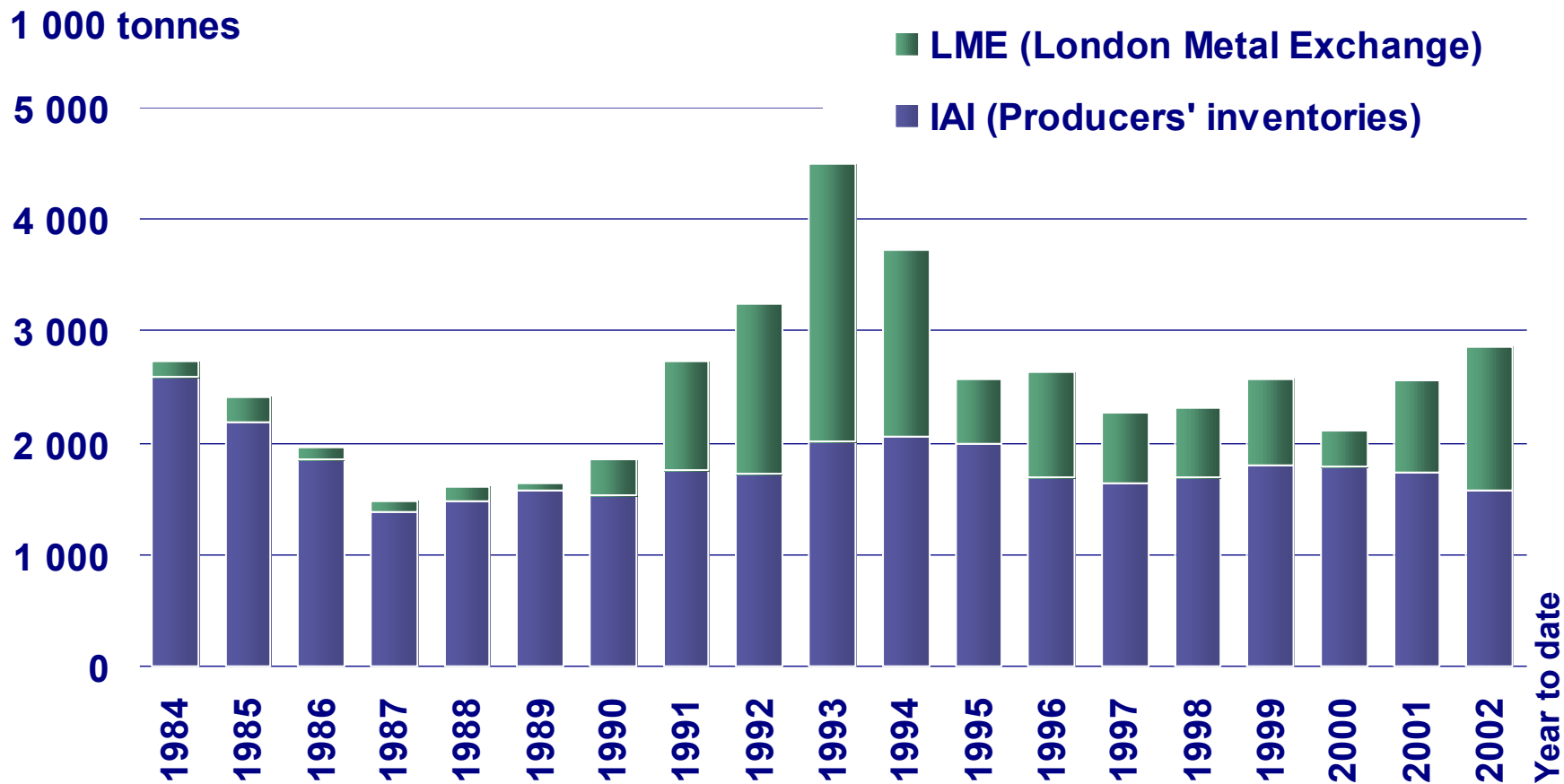
3 months LME price, average per quarter

USD per tonne





Inventories – primary aluminium



Sources: IAI and Reuters
 2002: IAI figures per August and LME figures per September





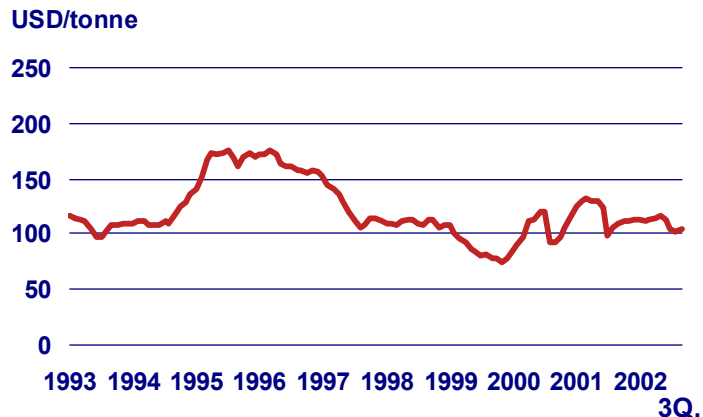
Variance analysis Agri

NOK million	Year to date	3rd quarter
2002	3 300	719
2001	3 303	725
Variance EBITDA	(3)	(6)
- Margin	(1 110)	(345)
- Volume	335	230
- Fixed costs	650	220
- Depreciation	270	160
- Infrequent items	320	(45)
- Other	65	10
Variance Operating income	530	229
- Non-consolidated investees	(313)	(110)
- Other income	166	-
- Interest income and other	(116)	(53)
- Depreciation and amortization	(270)	(72)
Variance EBITDA	(3)	(6)

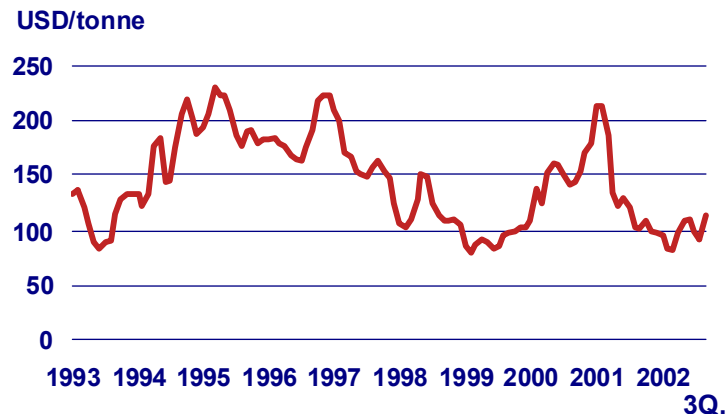


Fertilizer prices

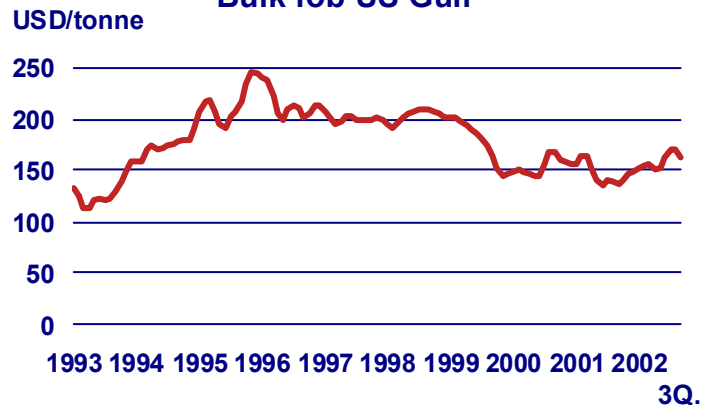
CAN Germany
Bulk delivered warehouse



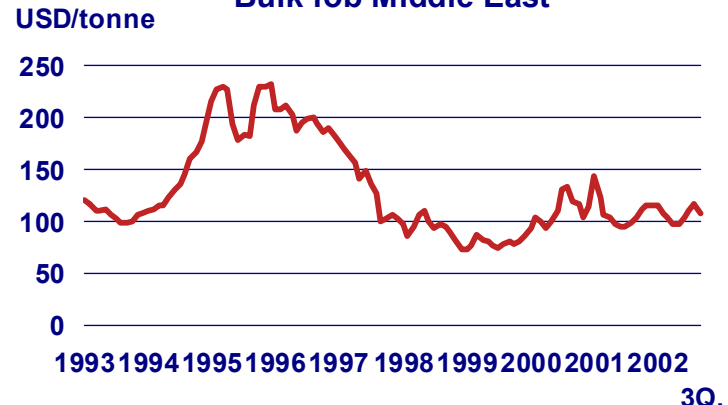
Ammonia
Fob Caribbean



DAP
Bulk fob US Gulf



Urea
Bulk fob Middle East

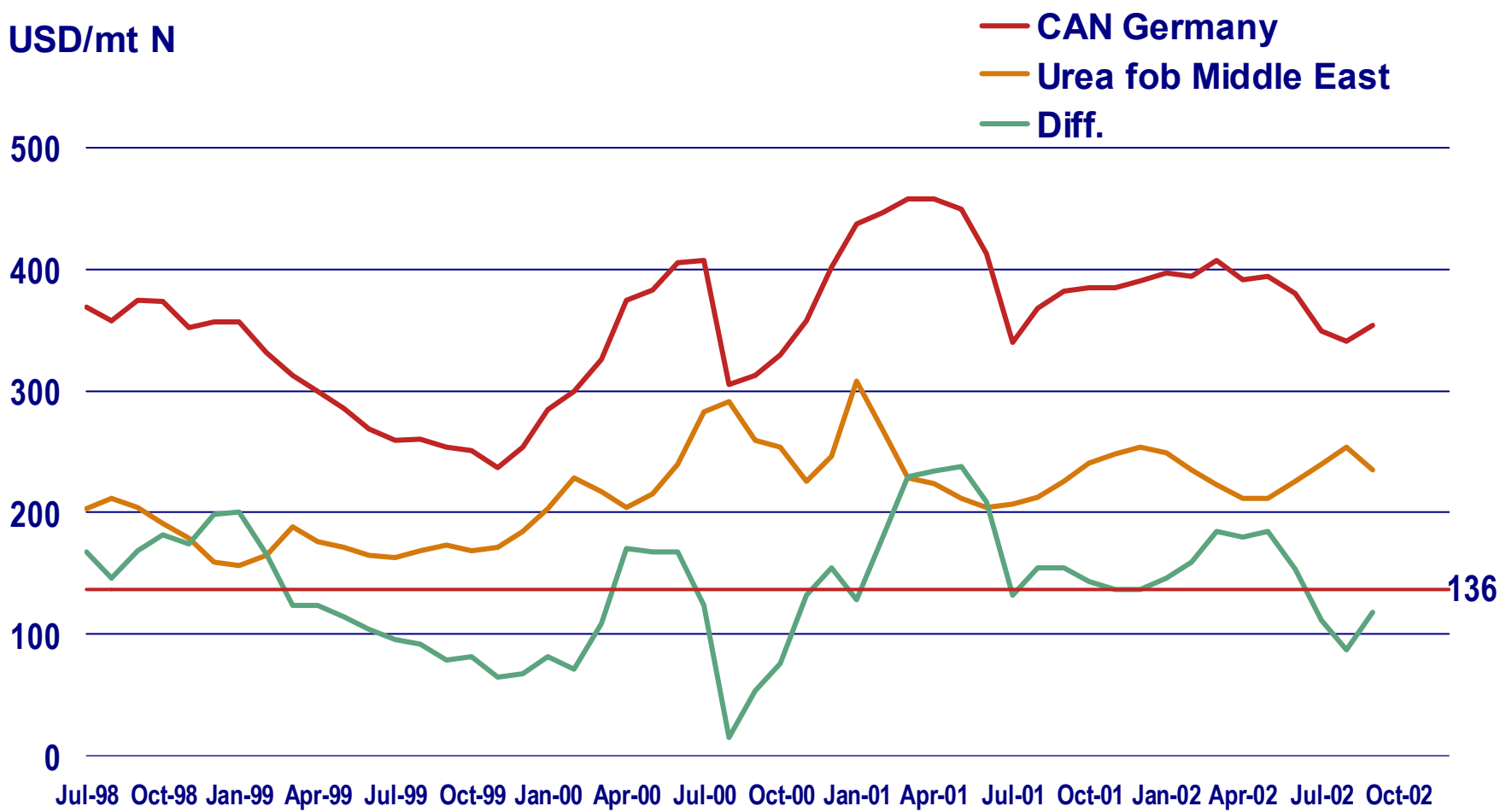


Source: Fertilizer Week, The Market for CAN

Nitrate premium above international urea price



USD/mt N



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Variance analysis Petrochemicals

NOK million	Year to date	3rd quarter
2002	285	154
2001	363	117
Variance EBITDA	(78)	37
- Margin	(200)	(30)
- Volume	(70)	-
- Fixed costs	155	60
- Depreciation	35	10
- Infrequent items	75	-
- Other	(10)	(5)
Variance Operating income	(15)	35
- Non-consolidated investees	(30)	12
- Depreciation and amortization	(33)	(10)
Variance EBITDA	(78)	37



Safe harbour statement

In order to utilize the "Safe Harbour" provisions of the United States Private Securities Litigation Reform Act of 1995, Hydro is providing the following cautionary statement: This presentation contains certain forward-looking statements with respect to the financial condition, results of operations and business of the Company and certain of the plans and objectives of the Company with respect to these items. By the nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. The actual results and developments may differ materially from those expressed or implied in the forward-looking statements due to any number of different factors. These factors include, but are not limited to, changes in costs and prices, changes in economic conditions, and changes in demand for the Company's products. Additional information, including information on factors which may affect Hydro's business, is contained in the Company's 2001 Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission.