

## **Appendix to Orkla's notice to OSE on 15 October 2012**

### **Description of the planned joint venture**

The planned joint venture between Orkla ASA and Norsk Hydro ASA will comprise the following:

- From Hydro: All assets within Extruded Products, which today is reported as a separate segment in the reporting of Hydro. Extruded Products consists of Extrusion North America, Extrusion South America, Extrusion Eurasia, Building Systems and Precision Tubing.
- From Orkla: All assets within Sapa Profiles (reported as separate segment), Sapa Building System and all assets within Extruded and Welded Tubes which today is part of Sapa Heat Transfer (not currently reported as a separate segment).

Further information about the companies' operations can be found on the respective websites: [www.orkla.com](http://www.orkla.com), [www.hydro.com](http://www.hydro.com), [www.sapagroup.com](http://www.sapagroup.com)

### **Board of Directors and management team of the planned joint venture company**

The Board of Directors of the planned joint venture company will, in addition to the employee representatives, consist of two board representatives each from Orkla and Hydro .

- Svein Richard Brandtzæg, President and CEO of Hydro, will be nominated as Chairman of the board
- Åge Korsvold, President and CEO of Orkla, will be nominated as a board member

Prior to completion, the parties will nominate one additional board member each.

The employee representatives will be elected after the completion of the transaction.

The management team of the planned joint venture company will consist of:

- Svein Tore Holsether, current President and CEO of Sapa AB, will be nominated as President and CEO
- Arnstein Sletmoe from Hydro, will be nominated as CFO
- Ingemar Wallin from Sapa, will be nominated as Head of HR & Organization
- Tolga Egrilmezer from Sapa, will be nominated as Head of Business Development
- Lene Trollnes from Hydro, will be nominated as Head of Integration Office
- John Thuestad from Sapa, will be nominated as Head of Profiles Europe
- Patrick Lawlor from Sapa, will be nominated as Head of Profiles Americas
- Keith Jones from Hydro, will be nominated as Head of Profiles Asia
- Lars H. Ringvold from Hydro, will be nominated as Head of Building Systems

- Salvador Biosca from Hydro, will be nominated as Head of Precision Tubing
- Head of Legal will be nominated at a later stage

## Key Figures

### *Sapa – Key figures for the contributed assets*

(in MNOK)	2011	2010	2009	YTD June 2012	YTD June 2011	Q2 2012	Q2 2011
Operating revenue	26 927	24 140	18 558	13 570	14 094	6 857	7 317
EBITDA	1 303	1 053	146	606	726	326	424
EBITA	632	404	-534	262	390	149	255
EBIT	-65	362	-722	232	-38	127	-150
Capital employed	12 639	11 161	10 203				

The figures represent a combination of Sapa Profiles (reported as separate segment in Orkla's segment reporting), Building System and part of Heat Transfer (Building System and entire Heat Transfer reported as separate segment), all figures collected from Orkla's group reporting system.

### *Hydro – Key figures for the contributed assets*

(in MNOK)	2011	2010	2009	YTD June 2012	YTD June 2012	Q2 2012	Q2 2011
Total revenue	20 085	19 405	20 065	9 478	10 402	4 761	5 300
Underlying EBITDA	655	987	585	290	459	165	222
Reported EBITDA	501	997	253	158	435	57	195
Underlying EBIT	151	444	-67	68	201	53	96
Reported EBIT	-240	426	-413	-85	176	-75	68
Capital employed	5 744	5 587	5 927	5 848	6 113	5 848	6 113

To provide a better understanding of Hydro's underlying performance, certain items have been excluded in Underlying EBITDA and Underlying EBIT. Figures for 2009 include Automotive Structures which was divested on December 31, 2009.

## Agreements in connection with the transaction

There are no, nor are there expected to be any, agreements made that would benefit board members or key personnel at Orkla, Hydro or Sapa as a result of the transaction. Plans are being made to offer incentive schemes to certain key employees on market terms.