



Growth platform strengthened in 2007

Fourth quarter and full year results 2007
14 February 2008



Agenda

- Highlights and strategy Dag J. Opedal
- Financial performance Q4 and full year 2007 Terje Andersen
 - Orkla Financial Investments
 - Orkla Materials
 - Orkla Associates
- Orkla Branded Consumer Goods Torkild Nordberg
- Orkla Aluminium Solutions Ole Enger
- Q & A

2007 in brief

- Financial performance

Change compared with 2006:

- Adjusted EPS, NOK 8.1 +23 %
- Profit before tax, NOK 10.1 billion +18 %
- EBITA, NOK 5.1 billion +1 %

Annual return:

- Share performance, dividend reinvested 52.4 %
- Return on Capital Employed, Industry division 12.4 %
- Return on Share Portfolio 16.2 %

2007 in brief

– positions substantially moved forward

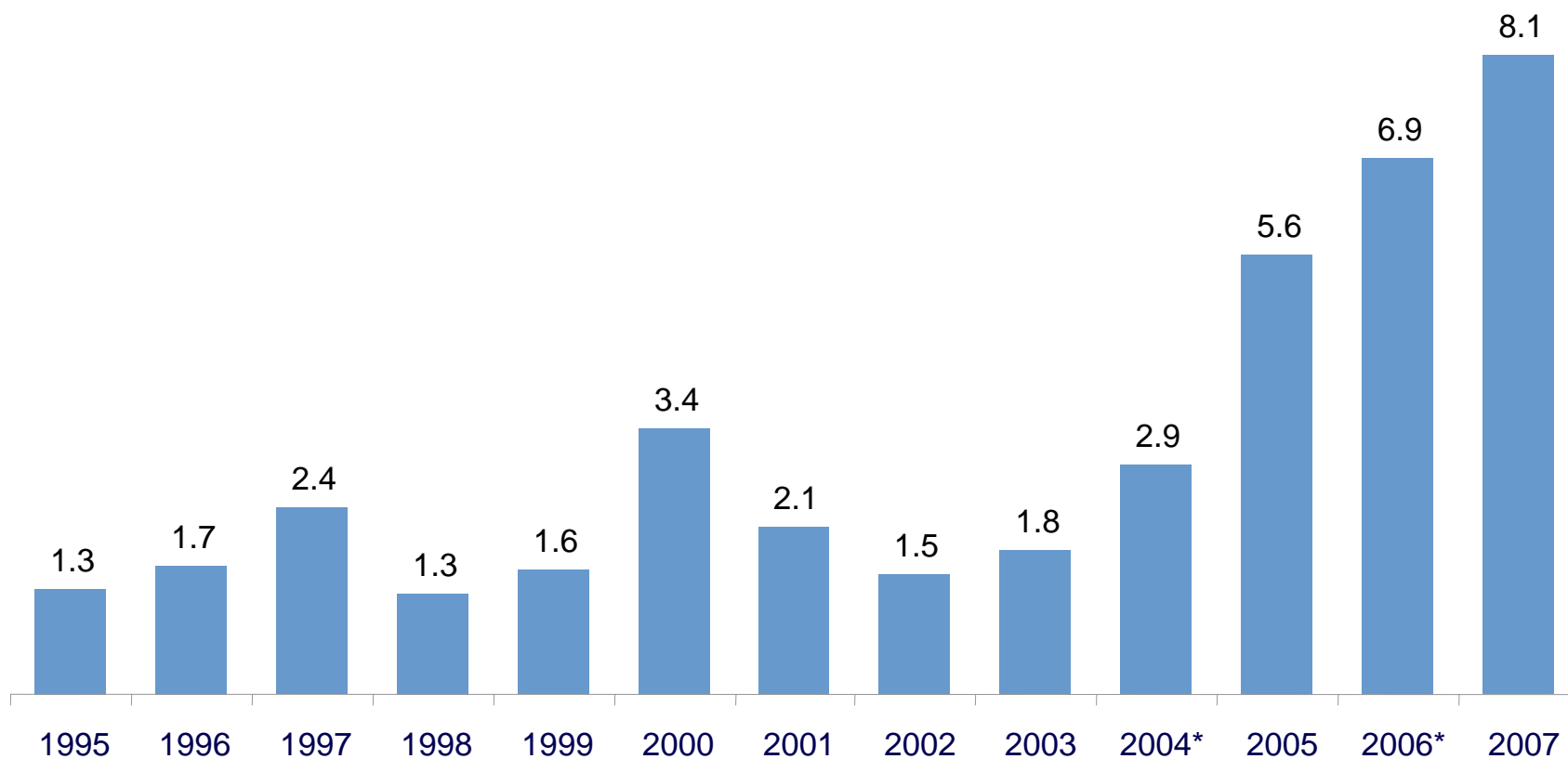
- Increased exposure to the solar industry
 - Holding in REC increased to 39.73 % (average cost NOK 50 per share)
 - Elkem Solar plans for commercialisation by the end of 2008
- Orkla and Alcoa create world leading aluminium extrusion company
- Realisation of portfolio gains in strong markets
- Sale of Orkla Media completed

Q4-07 – Operational issues

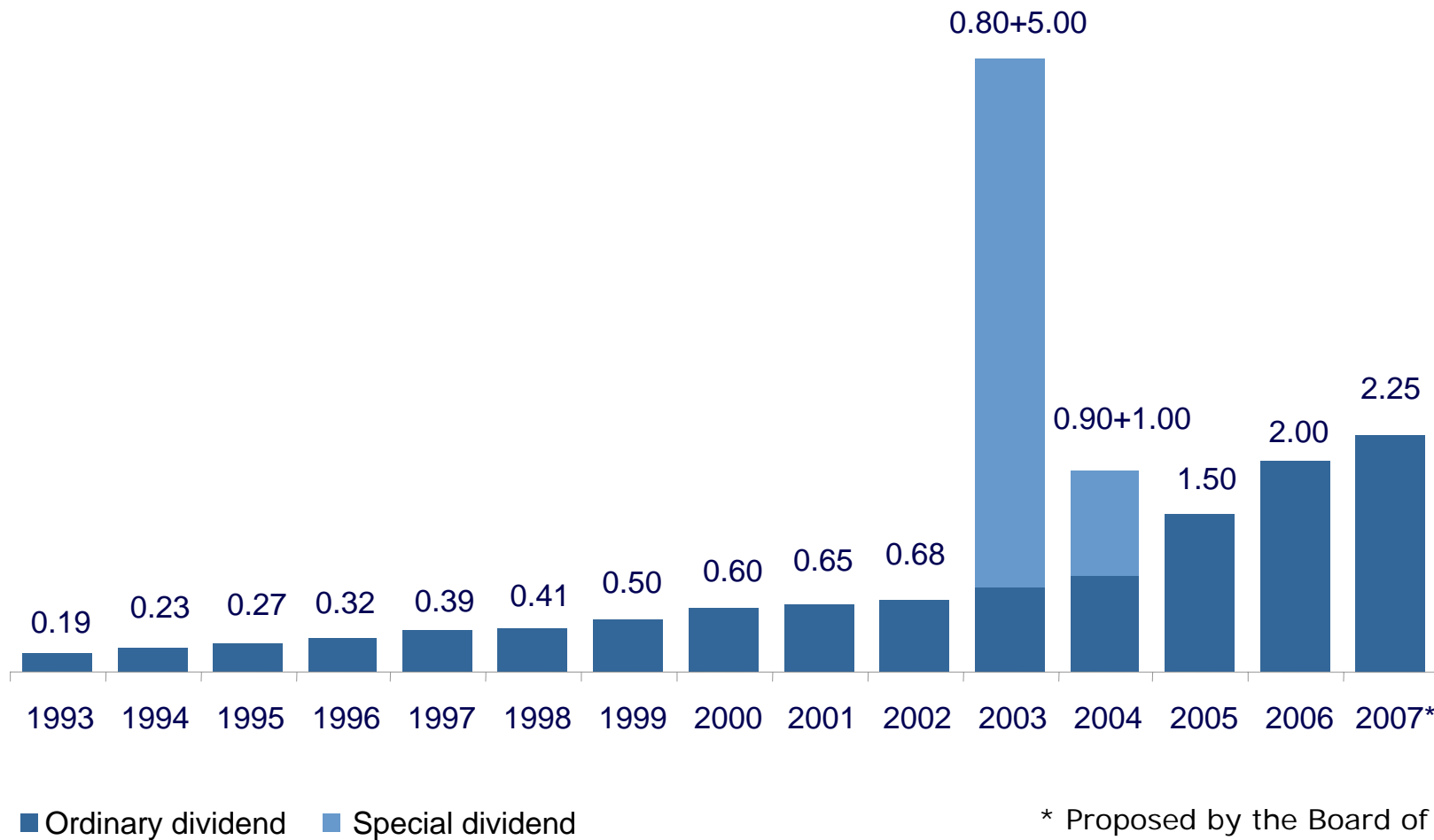
- Performance as expected for Orkla Branded Consumer Goods
 - Action plan on track
- Sapa-merger progressing according to plan
 - Weaker markets and one-off costs for Sapa Profiles
- Profit in Primary Aluminium negatively impacted by weaker USD and higher raw material costs
- More challenging trading conditions at turn of the year

Growth in EPS 1995-2007

(excl. Carlsberg Breweries NOK 12.1 in 2004 and Orkla Media NOK 4.0 in 2006)



Dividend strategy- predictability and stability



The Orkla Group – strategic positions

Branded Consumer Goods



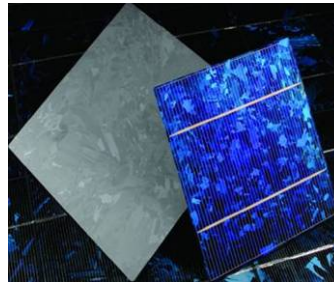
- The leading Nordic FMCG company with approx. 80 % of rev. from #1 brands
- Growth ambitions in selected segments in Baltic/CIS/CEE/India
- 42.5 % in Jotun, a leading paint and coatings company in selected segments

Aluminium Solutions



- The world's largest aluminium profile company
- #2 world wide position in heat transfer

Solar Energy



- 39.73 % in REC
- 100 % in Elkem Solar
- Technological frontrunner in production of solar grade silicon and wafers

Materials



- Global leading producer of silicon and wood based chemicals
- A competitive cost position in primary aluminium
- A major player in the Nordic hydropower market

Financial Investments



- One of the largest privately held Nordic equity portfolios

Financial performance

Terje Andersen
CFO



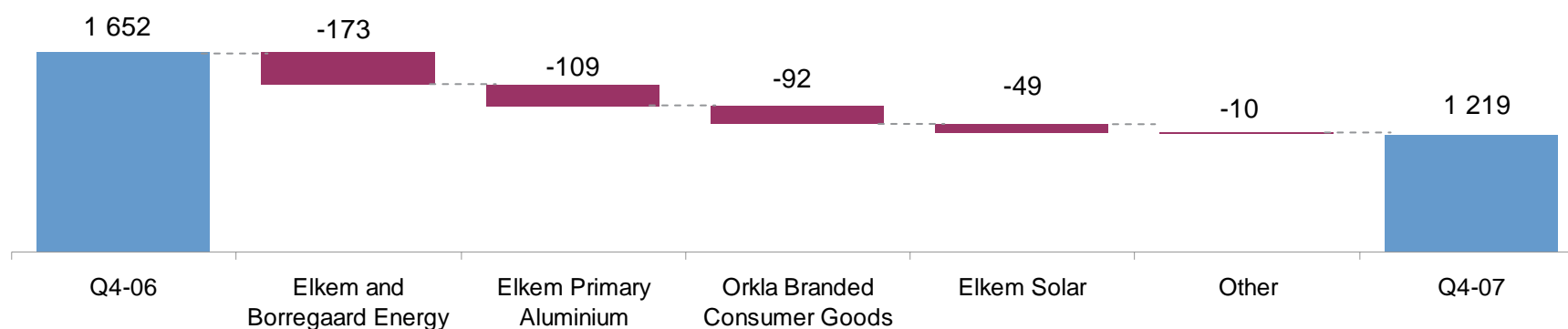
Group income statement Q4-07

Key figures *in NOK million*

1 Oct - 31 Dec	2007	2006	Change
Operating revenues	18 135	14 580	24 %
EBITA	1 219	1 652	-26 %
Amortisation intangibles	-63	-57	
Restructuring and significant impairment	-385	-388	
EBIT	771	1 207	
Associates	5	118	
Dividends and portfolio gains	694	1 768	
Net financial items	- 203	- 128	
Profit before tax	1 267	2 965	-57 %
Taxes	-207	-345	
Profit after tax	1 060	2 620	
Discontinued operations	0	- 35	
Profit for the year	1 060	2 585	
Minority interests' share of profit for the year	- 50	17	
Profit attributable to equity holders	1 110	2 568	
Earnings per share diluted (NOK)*	1.5	2.8	

* Excluding amortisation, restructuring and significant impairment and discontinued operation

Change in EBITA from Q4-06 to Q4-07



All figures in NOK million

Group income statement 2007

Key figures *in NOK million*

1 Jan - 31 Dec	2007	2006	Change
Operating revenues	63 867	52 683	21 %
EBITA	5 112	5 084	1 %
Amortisation intangibles	-230	-216	
Restructuring and significant impairment	-814	-388	
EBIT	4 068	4 480	
Associates	848	289	
Dividends and portfolio gains	4 703	4 040	
Net financial items	440	- 284	
Profit before tax	10 059	8 525	18 %
Taxes	-1614	-1346	
Profit after tax	8 445	7 179	
Discontinued operations	0	4 109	
Profit for the year	8 445	11 288	
Minority interests' share of profit for the year	46	52	
Profit attributable to equity holders	8 399	11 236	
Earnings per share diluted (NOK)*	9.0	7.3	

* Excluding amortisation, restructuring and significant impairment and discontinued operation

Orkla - Q-Cells put options

% in REC	Exercise period start	Exercise period end	Right of deferral*	Exercise price
4.00 %	09.02.2008	09.02.2009	1.5 years	70 NOK/per share
5.95 %	09.02.2008	09.02.2010	2.5 years	90 NOK/per share
<u>5.95 %</u>	09.02.2009	09.02.2010	2.0 years	90 NOK/per share
15.90 %				

* From start of exercise period

- Orkla has the right to postpone Q-Cells' right to put by an agreed number of days
 - Spread in exercise periods and deferrals gives flexibility
- These put options will be reduced or cancelled by Orkla if Q-Cells sells REC shares or Orkla can present Q-Cells to a buyer on certain terms after the dead period
- Calculated liability, Feb 2007: NOK -489 million, Q4-07: NOK -67 million, 13 Feb 2008: Approximately NOK -400 million

Cash flow 2007

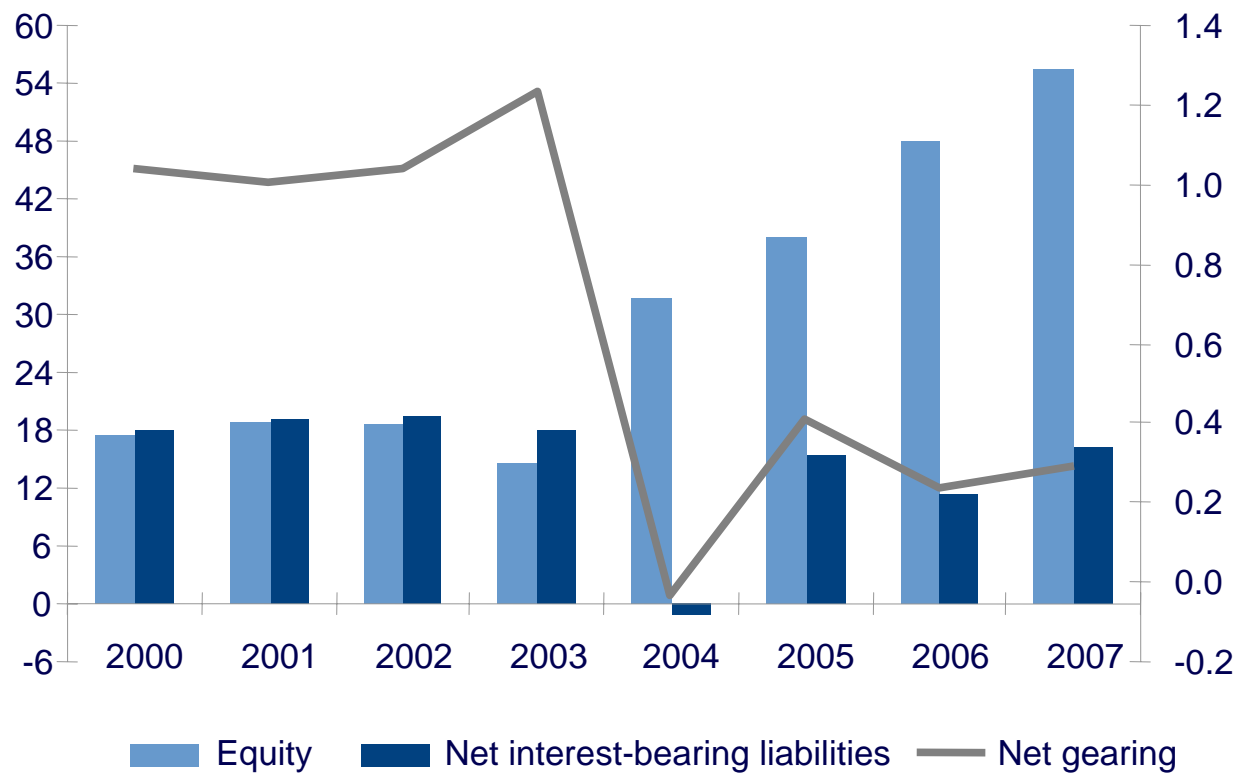
Key figures *in NOK million*

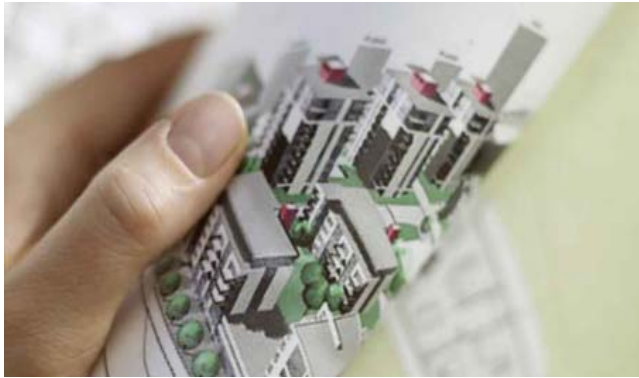
1 Jan - 31 Dec	2007	2006
Cash flow from operations	4 443	4 555
Financial items, net	- 618	- 814
Cash flow from industrial activities	3 825	3 741
Cash flow from Financial Investments	1 352	1 113
Taxes paid and miscellaneous	- 957	-1 232
Cash flow before capital transactions	4 220	3 622
Dividends paid and share buybacks	-2 680	-1 862
Net expansion	-8 577	1 412
Net purchases/sales portfolio investments	1 821	1 710
Net cash flow	-5 216	4 882

Net gearing 0.3 per 31 Dec 2007

NOK
billion

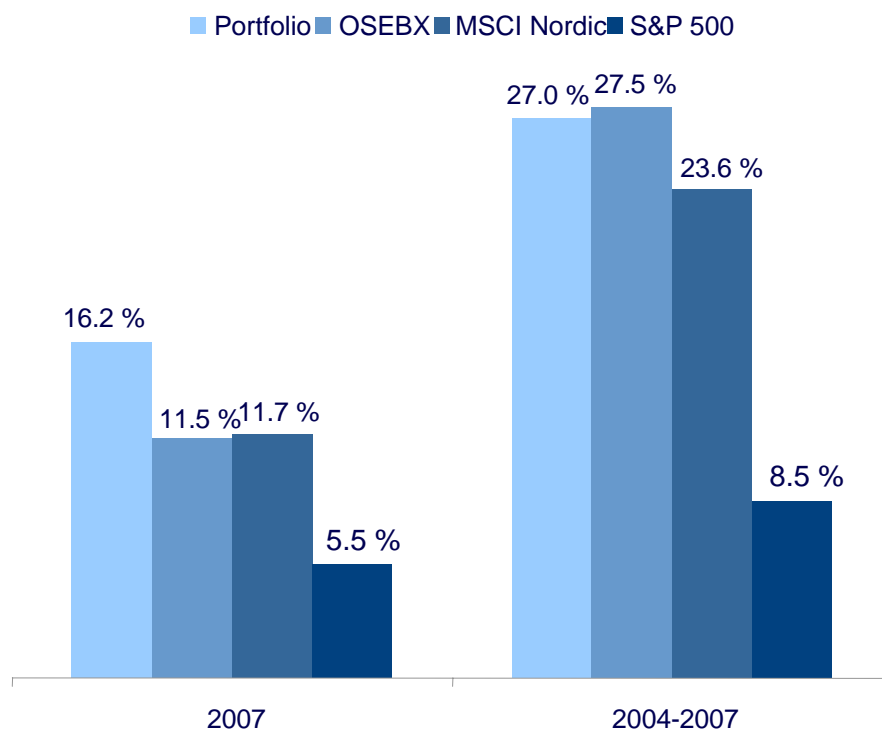
Net gearing





Orkla Financial Investments

Return on Share Portfolio +16.2 % in 2007



Gains and dividends *in NOK million*

2007	1 Oct - 31 Dec	1 Jan - 31 Dec
Unrealised gains	- 204	-1 837
Net gains and losses	264	3 150
Change in fair value of associates	73	477
Dividend received	358	1 076
Tax and interest	- 698	- 592
Change in net asset value	-207	2 274
Market value portfolio	17 513	
Unrealised gains before tax	3 810	

- Released capital from financial assets in 2007 totalled NOK 4.6 billion

Orkla Finans and Orkla Real Estate

Orkla Finans

- Strengthened position
- Operating revenues increased by 22 %
- More uncertain market conditions in 2008

Profit before tax

in NOK million

1 Jan - 31 Dec	2007	2006	Change
Orkla Finans	216	178	21 %
Orkla Real Estate	360	145	148 %

Orkla Real Estate

- Realised gain from sale of project at Fornebu, Oslo NOK 261 million



Orkla Materials

Elkem – Lower profit in Q4

- Weak USD and higher raw material costs for primary aluminium
- Satisfactory results for the energy-operations
 - Down from exceptionally high trading results in Q4-06
- Rising prices for Silicon-related business in Q4
 - Good market prospects for silicon metal prices in 2008
- Elkem Solar expensed project costs of NOK 76 million in Q4
 - Total expensed project costs NOK 195 million in 2007
 - Estimated at approximately NOK 100 million per quarter in 2008

Elkem

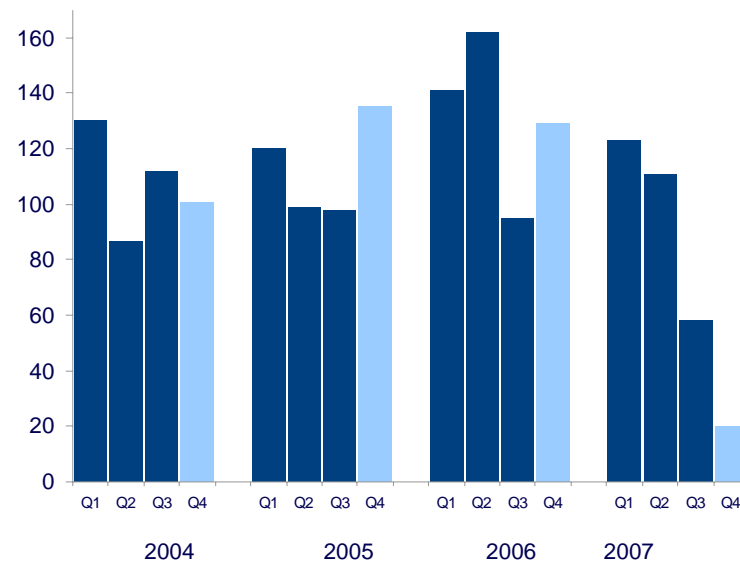
in NOK million

1 Oct - 31 Dec Revenues	2007	2006	Change
Elkem	3 290	2 461	34 %
Energy	442	425	4 %
Primary Aluminium	679	638	6 %
Silicon-related	2 391	1 537	56 %
Eliminations	- 222	- 139	
EBITA			
Elkem	265	553	-52 %
Energy	173	322	-46 %
Primary Aluminium	20	129	-84 %
Silicon-related excl. solar	148	129	15 %
Elkem Solar	- 76	- 27	
EBITA margin	8.1%	22.5%	

Primary Aluminium – Weak USD and higher raw material costs hamper profitability in Q4

- USD/NOK weakened, effect on EBITA NOK 51 million
- Increased raw material costs
 - Alloy materials
 - New alumina contracts from 2007
- One-off effect of NOK 16 million due to Mosjøen anode start-up costs
- Loss on metal hedges NOK 75 million

EBITA per quarter - Primary aluminium



High LME but increased cost curve for aluminium

Income:

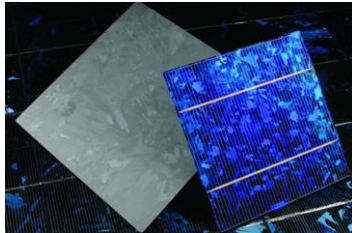
- Metal hedges reduce exposure to LME - USD 100 per MT, change in EBITA of NOK 25 million per year
 - Unrealised loss 2008: NOK 222 million
 - Unrealised loss 2009: NOK 223 million
 - Unrealised loss 2010: NOK 134 million
 - Unrealised loss 2011: NOK 32 million
- Historic weak USD – Change in USD/NOK by NOK 1, change in EBITA of NOK 40-50 million per quarter

Costs:

- Higher energy costs from 2008 (+NOK 100 million +, annually), but still favourable contracts to 2019
- Cost reduction due to savings on anodes, positive effect in 2008 NOK 60 million
- Peak bulk prices on transportation will affect 2008 negatively by NOK 20–25 million per quarter

Elkem – development projects enhancing value

Solar



Primary Aluminium



Energy



Silicon-related



Positions:

- Technological frontrunner in production of solar grade silicon

- Competitive cost position

- Major player in Nordic hydro power market

- Global leading

Development:

- Start-up end of 2008
- Ramp-up during 2009

- New Anode factory will reduce cost base

- Sauda project – new capacity gradually on stream in Q3 (approx. 600 GWh)

- Continued strong end- markets
- Restructuring and start-ups (Iceland, Salten and Bjølvfossen)

Borregaard – Improved profitability for Chemicals

- Favourable market conditions for lignin and speciality cellulose
- Higher wood and energy prices, weaker USD hamper profitability
- Large volume decline as expected, and lower prices for the energy operations

Borregaard

in NOK million

1 Oct - 31 Dec

Revenues	2007	2006	Change
Borregaard	1 194	1 237	-3 %
Energy	50	105	-52 %
Chemicals	1 191	1 160	3 %
Eliminations	- 47	- 28	

EBITA

Borregaard	97	73	33 %
Energy	38	62	-39 %
Chemicals	59	11	436 %
EBITA margin	8.1%	5.9%	



Orkla Associates

Orkla Associates



REC

in NOK million

1 Jan - 31 Dec	2007	2006	Change
Revenues	6 642	4 334	53 %
EBITDA	3 172	1 965	61 %
EBIT	2 588	1 574	64 %
Profit before tax	1 977	1 540	28 %



Jotun

in NOK million

1 Jan - 31 Aug	2007	2006	Change
Revenues	6 136	5 228	17 %
EBIT	701	528	33 %
Profit before tax	687	489	40 %

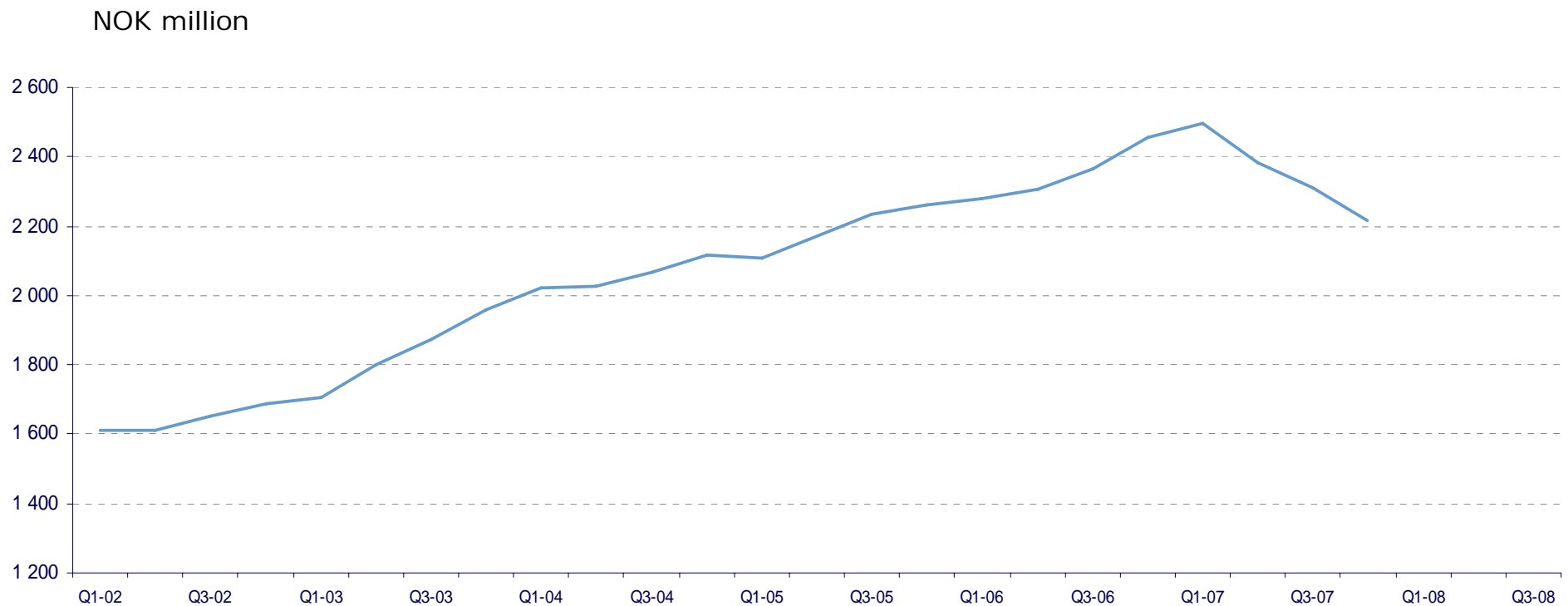
- Strong organic growth internationally
- Continued expansion in Asia with several new plants under construction (India, Korea and Libya)

Orkla Branded Consumer Goods

Torkild Nordberg
EVP



Orkla Branded Consumer Goods - EBITA 12 month rolling



Action plan proceeding as planned

- 1) Price increases for finished goods to offset hike in raw material prices, wages and energy costs
 - Raw material and other costs will continue to increase
 - Further price increases will be passed on
- 2) International operations
 - Superfish has been divested
 - Further structural changes initiated
 - Ongoing improvement projects in all three factories in Russia
 - New top management in International and SladCo
- 3) Bread and bakery operations in Norway
 - Adjustment of business model in progress

Orkla Brands – Satisfactory top line growth

- Underlying top line growth +3 % in Q4-07
 - + 4 % in 2007
- Profit decrease in Q4-07 compared with Q4-06 due to increased raw material costs
 - Price increases from 1 Feb 2008
- Strong focus on cost efficiency programmes

Orkla Brands *in NOK million*

1 Oct - 31 Dec	2007	2006	Change
Revenues	1 986	2 085	-5 %
EBITA	308	329	-6 %
EBITA margin	15.5%	15.8%	



Orkla Foods – Decline in profit, but lower in relative terms compared with previous quarters

- Strong underlying growth for Orkla Food Ingredients + 7 %
- Weak performance for the bread and bakery operations
- Improved results for Orkla Foods International in Russia, India and the Baltic states

Orkla Foods

in NOK million

1 Oct - 31 Dec 2007 2006 Change

Revenues

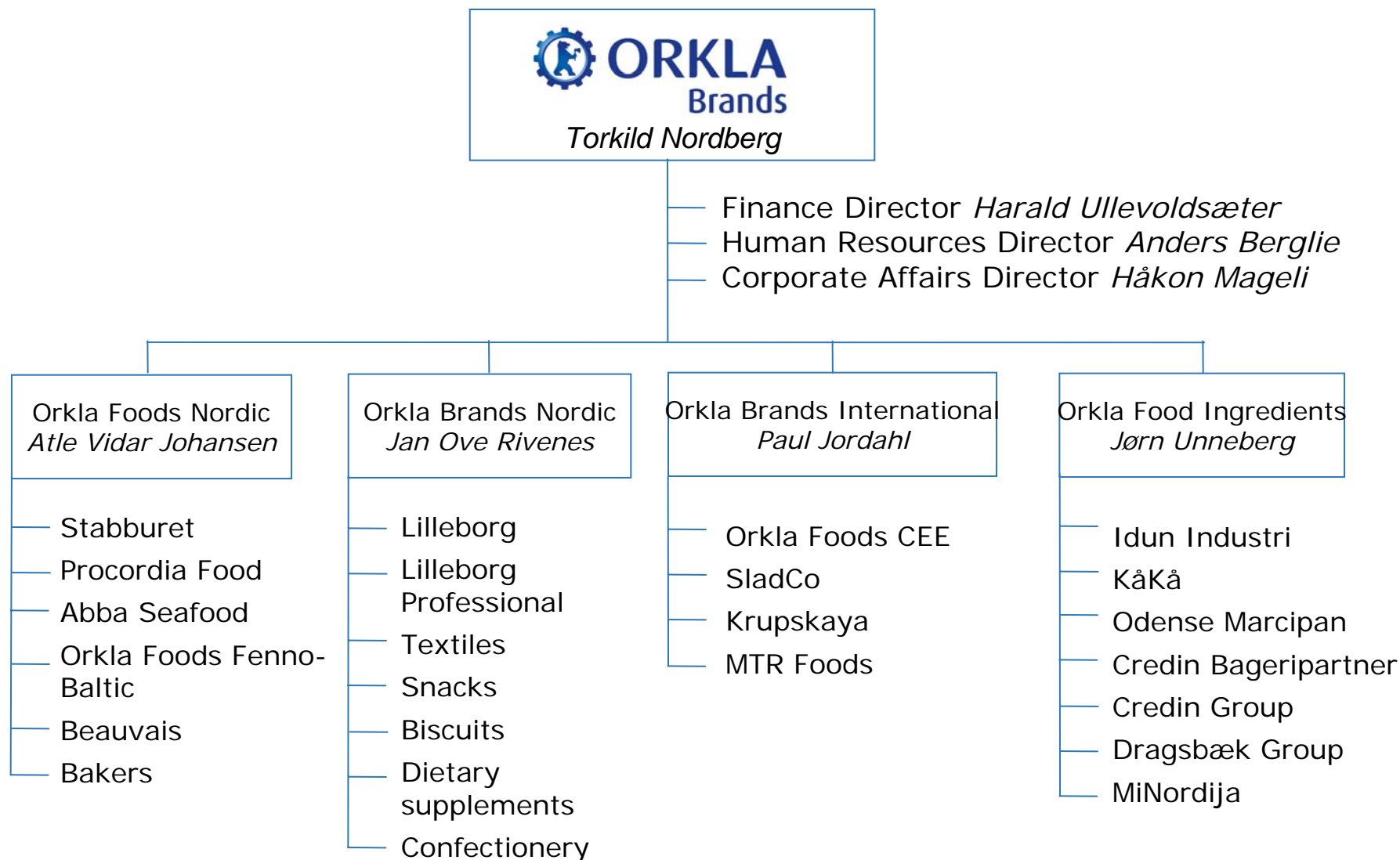
Orkla Foods	4 229	4 201	1 %
Nordic	2 540	2 598	-2 %
Ingredients	955	837	14 %
International	839	848	-1 %
Eliminations	- 105	- 82	

EBITA

Orkla Foods	388	459	-15 %
Nordic	280	336	-17 %
Ingredients	68	72	-6 %
International	40	51	-22 %

EBITA margin 9.2% 10.9%

New organisation: Strengthened multi local approach



Launch: New Jif mopp system







Orkla Aluminium Solutions

Ole Enger
CEO Sapa

The Sapa growth story

2007

Targets:

- Sapa and Alcoa establish world leading extrusion business

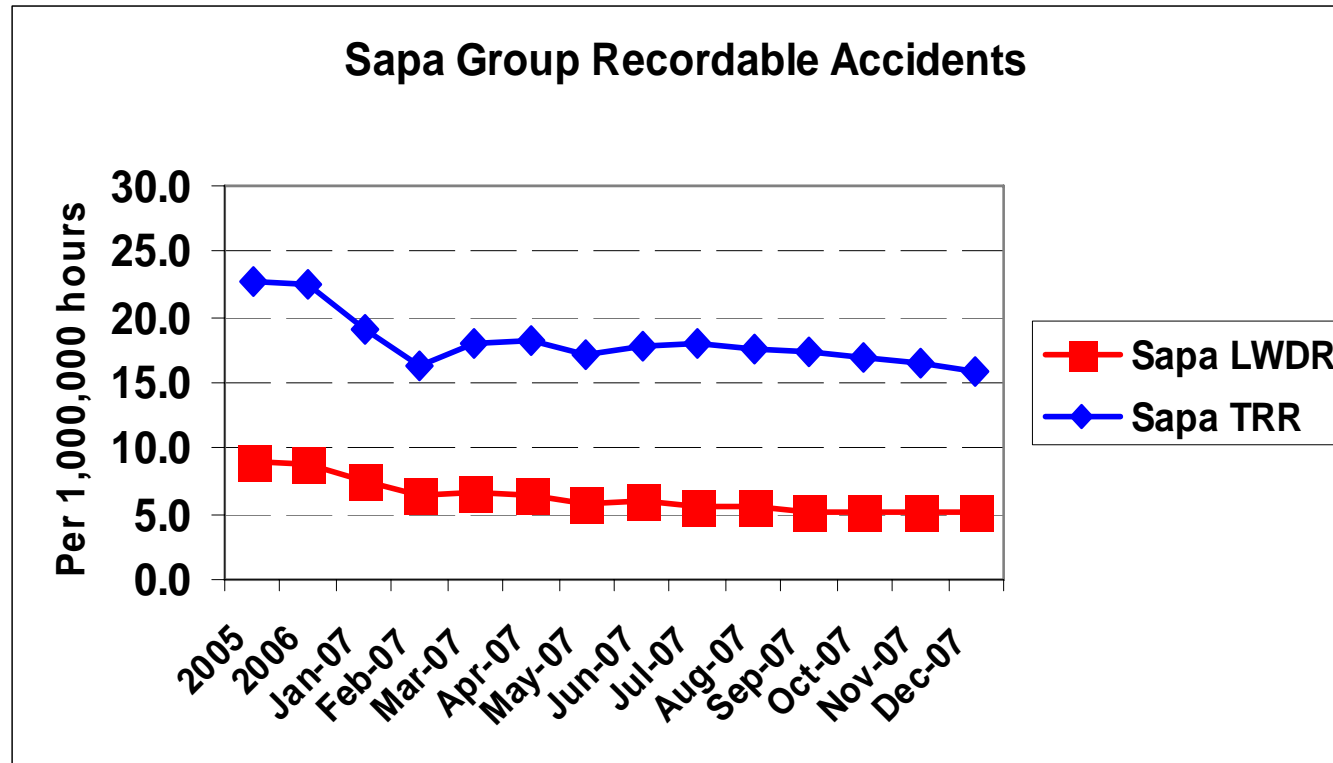
2007/2008



Actions:

- Improve EBITA – margin to 5-6 % over a business cycle, 3 x asset turnover and ROCE at 15-20 % within 3 years
- Balance portfolio between US, Europe and Asia
- Restructuring within the company
- Grow in Asia/China (Kam Kiu + Heath Transfer)
- Convert from a product- to a solution driven company
- Improve technical and manning productivity as well as EHS

Safety Year to Date December 2007: Sapa Group



LWDR: Lost Work Day accident Rate

TRR: Total Recordable accident Rate

- 102 fewer people injured in 2007 compared to 2006

Communicated in Q3:

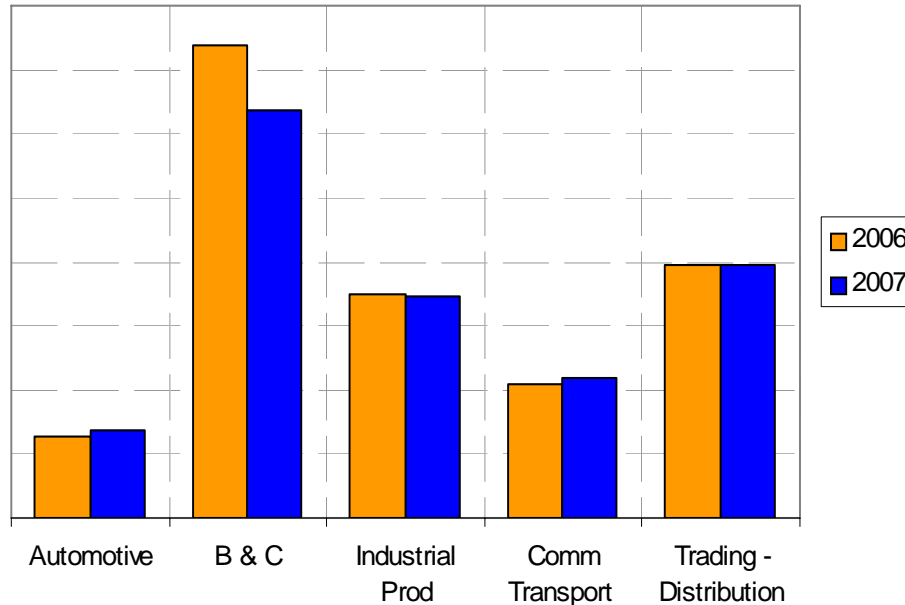
- Q4 will be influenced by:

- Weaker markets for Profile and Building System than Q4 last year
- Strong demand for Heat Transfer
- Restructuring costs for Sapa Profiles
- Further start-up/integration costs for Sapa Profiles



The U.S. slowdown, started with the housing downturn

Sapa Europe shipments (tonnes) by Market segment

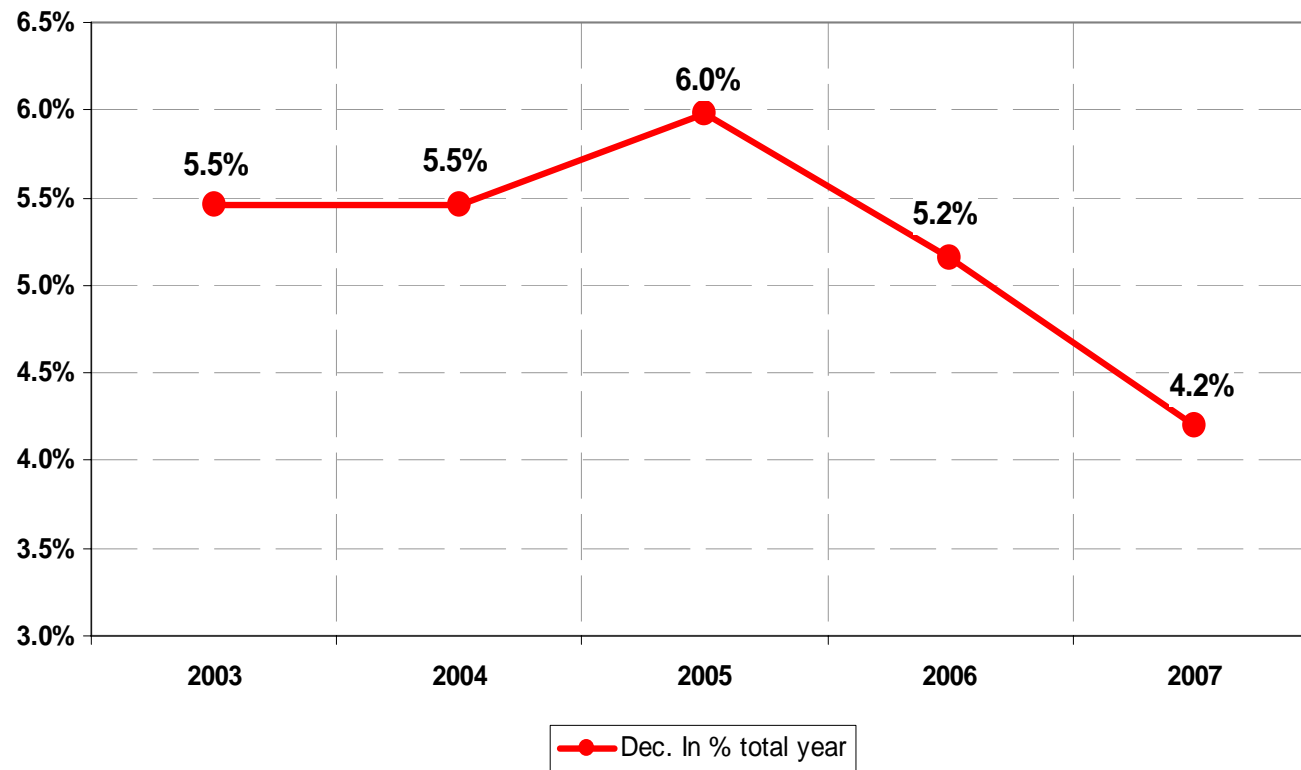


- Weakness in Building & Construction (B&C) now seen in Europe as well as U.S.
- 40-50 % of Sapa Profiles production is for B&C industry
- Sapa Profiles sales volume is impacted

Delivered Volumes - December

Sapa Europe profile companies 2003 - 2007

December shipments as % of total year



- Relative December profile shipments were the lowest in the last 5 years

Summing up Q4

- The very low volumes in Q4 2007 were caused by three factors:
 - Low consumption
 - Destocking as a consequence of decline in aluminium prices
 - Fewer working days in December 2007 than in previous years



Underlying consumption is probably somewhat better than what shipments indicate

Restructuring decided in Q4

- Banbury plant in UK to be shut down
- Noblejas plant in Spain to be shut down
- Redd Team location in Florida, USA to be shut down
 - Parts of production moved to other Sapa locations in USA
- Magnolia plant in Arkansas, USA, extrusion activities scaled back, two presses and anodizing line shut down
 - Remaining extrusion only to serve fabricated products business
- Louisville plant in Kentucky, USA, 50 % volume reduction
 - Production rate to be reduced by 50 % and moved to sister plant in Monterey. Mexico
- Drunen plant in Netherlands to be streamlined
 - One press to be shut down
 - Parts of operations to be relocated to improve flow and free up part of land for sale

Effects of restructuring decided in Q4

- P/L effect of NOK 309 million in Q4, but cash positive due to freeing up capital and sales of land
- Production facilities will be scaled back or closed during first half 2008
- 600 employees affected
- Positive EBITA effect of restructuring towards end of 2008, full effect 2009
- Full EBITA effect on annual basis NOK 100 million/yr

Q4 results:

Weak for Profiles, still strong for Building System and Heat Transfer

- Lower margins due to
 - Dilution effect from consolidation of Alcoa figures
 - Weaker markets in North America, and Europe (10 % & 3 % respectively vs. Q4 06)
 - Start-up cost. One off costs of NOK 60 million
- Continued positive growth for Heat Transfer and Building System

Orkla Aluminium Solutions

in NOK million

1 Oct - 31 Dec			
Revenues	2007	2006	Change
Orkla Aluminium Solutions	7 170	4 325	66 %
Sapa Profiles	5 624	2 905	94 %
Sapa HT and BS*	1 759	1 675	5 %
Eliminations	- 213	- 255	
EBITA			
Orkla Aluminium Solutions	205	236	-13 %
Sapa Profiles	19	109	-83 %
Sapa HT and BS*	186	127	46 %
EBITA margin	2.9%	5.5%	

* Sapa Heat Transfer and Building Systems

Orkla Aluminium Solutions

– Full year results 2007

Orkla Aluminium Solutions

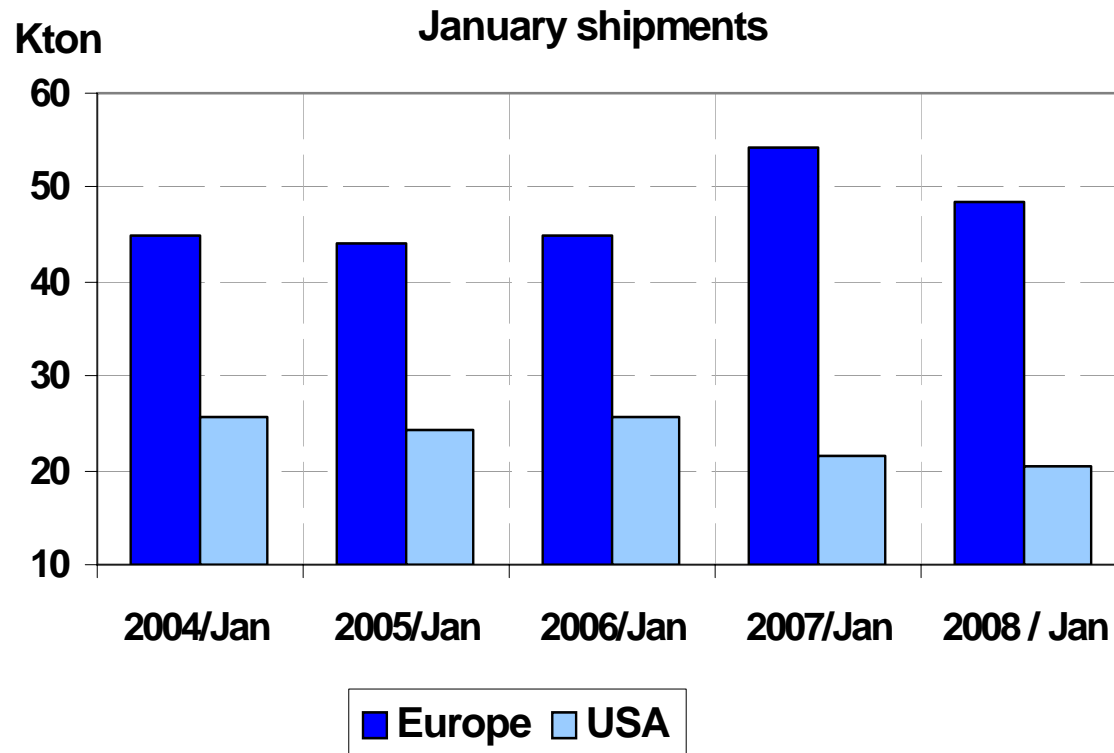
in NOK million

1 Jan - 31 Dec			
Revenues	2007	2006	Change
Orkla Aluminium Solutions	25 335	16 318	55 %
Sapa Profiles	19 305	10 984	76 %
Sapa HT and BS*	7 060	6 425	10 %
Eliminations	-1 030	-1 091	
EBITA*			
Orkla Aluminium Solutions	1 187	839	41 %
Sapa Profiles*	590	442	33 %
Sapa HT and BS*	597	397	50 %
EBITA margin	4.7%	5.1%	

* Before restructuring costs of NOK 309 million

Including Sapa/Alcoa from June 2007

Profile shipments in Europe in January back to a more normal level, though lower than last year



- January profile shipments may be overstated just as December was understated

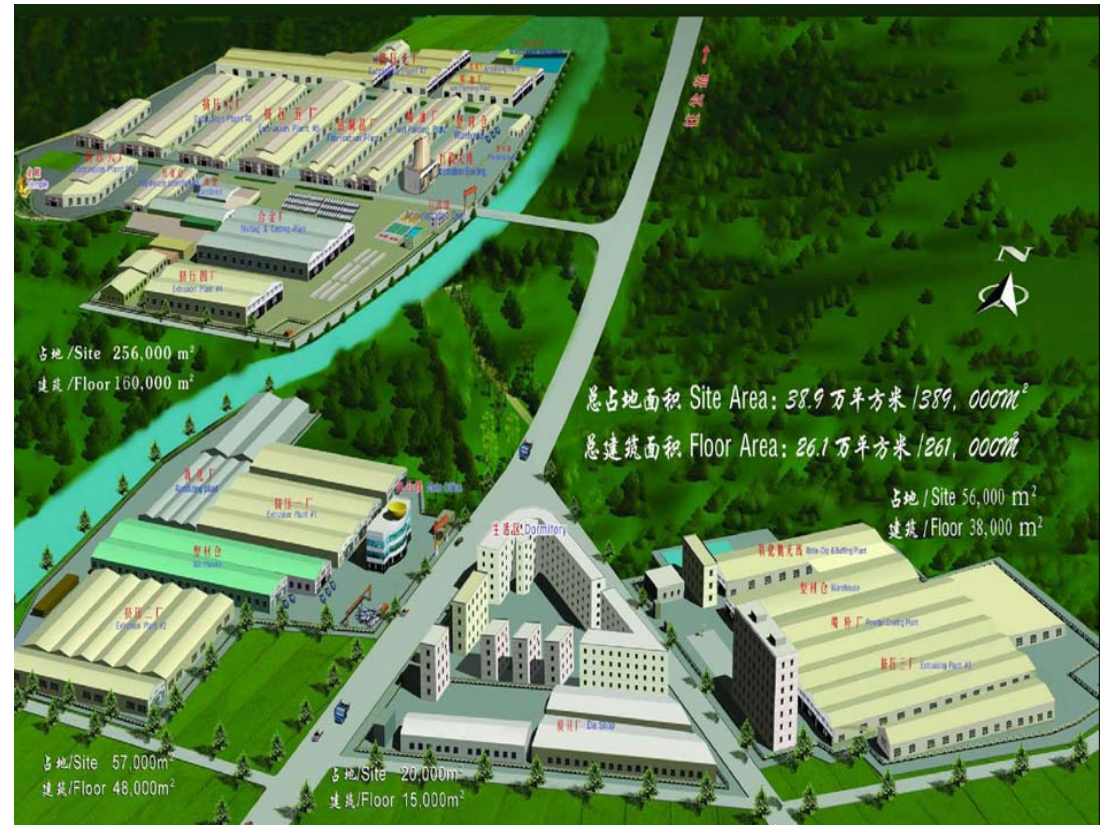
Q1-08 Sapa influenced by:

- Weaker for Profiles than in Q1-07, but better than in Q4-07
- Further start-up/integration costs for Profiles:
 - NOK 40-50 million per quarter related to implementation of Shared Service and cost cutting programmes in 2008
- Strong demand for Heat Transfer

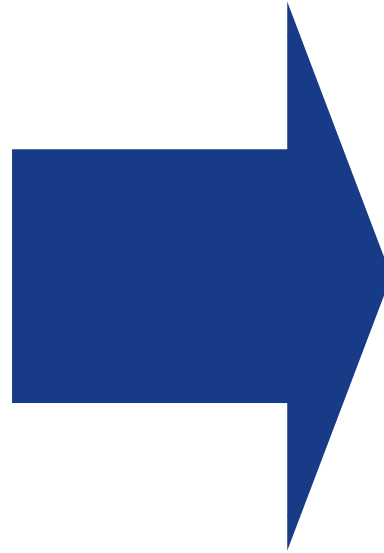


The Kam Kiu Aluminium Group

- Strong foothold in China
- Letter Of Intent signed February 5, 2008
- Net sales approx. SEK 1 400 million
- Production level 60 Ktons/year
 - *Potential to double capacity with low capex*
- Estimated completion Q2-08



From products to solutions



Cost improvements:

- Restructuring
- Productivity
- Manning reductions

Growth initiatives:

- Kam Kiu Aluminium Group
- Organisational development
- Value added and expansion investments of NOK 300-500 million in 2008

- 5-6 % EBIT (15-20 % ROCE) in 3 years

Coming events

24 April 2008	Annual General Meeting
25 April 2008	Share quoted ex. dividend
6 May 2008	First quarter 2008 results
7 May 2008	Dividend payment
13 August 2008	Second quarter 2008 results



ORKLA

Appendix

Balance sheet 2007

Key figures *in NOK million*

	31.12.2007	31.12.2006
Intangible assets	16 626	17 571
Property, plant and equipment	21 481	16 568
Financial non-current assets	14 999	7 914
Non-Current assets	53 106	42 053
Assets held for sale		113
Inventories	8 533	6 510
Receivables	12 628	10 924
Share Portfolio etc.	17 559	18 224
Cash and cash equivalents	2 966	1 788
Current assets	41 686	37 446
Total assets	94 792	79 612
Paid-in equity	2 002	2 008
Earned equity	50 661	45 765
Minority interests	2 601	336
Equity	55 264	48 109
Provisions	6 142	5 308
Non-current interest-bearing liabilities	16 093	10 849
Current interest-bearing liabilities	3 188	3 552
Other current liabilities	14 105	11 794
Equity and liabilities	94 792	79 612
Equity to total assets ratio	58.3%	60.4%
Net gearing	0.3	0.2

Cash flow 2007

Key figures *in NOK million*

1 Jan - 31 Dec	2007	2006
Industry division:		
Operating profit	3 831	4 295
Amortisations, depreciations and write-downs	2 556	2 377
Changes in net working capital	- 286	- 770
Net replacement expenditure	-1 658	-1 347
Cash flow from operations	4 443	4 555
Financial items, net	- 618	- 814
Cash flow from Industry division	3 825	3 741
Cash flow from Financial Investments	1 352	1 113
Taxes paid and miscellaneous	- 957	-1 232
Cash flow before capital transactions	4 220	3 622
Dividends paid and share buybacks	-2 680	-1 862
Cash flow before expansion	1 540	1 760
Net expansion	-8 577	1 412
Net purchases/sales portfolio investments	1 821	1 710
Net cash flow	-5 216	4 882
Currency translation net interest-bearing debt	458	- 266
Change in net interest-bearing debt	4 758	-4 616
Net interest-bearing debt	16 178	11 420

Largest holdings in the Share Portfolio

Market value *in NOK million*

per 31 Dec 2007

Principal holdings	Industry	Market value	Share of portfolio (%)	Share of equity (%)
Tomra	Industry	922	5,3	14,5 %
Vimpelcom	Telecommunication	888	5,1	0,3 %
Hennes & Mauritz	Retailing	727	4,1	0,3 %
Fast Search	Systems Software	719	4,1	15,2 %
Rieber & Søn	Food	652	3,7	15,6 %
DnB NOR	Bank	623	3,6	0,6 %
Amer Group	Consumer Goods	524	3,0	5,0 %
StatoilHydro	Energy	464	2,7	0,1 %
Mobil Telesys	Telecommunication	372	2,1	0,1 %
Nokian Renkaat	Automobiles & Components	305	1,7	1,3 %
Total principal holdings		6 197	35,4	
Market value of entire portfolio		17 513		

Portfolio key figures

Key figures *in NOK million*

	31 Dec 07	31 Dec 06	Change 07
Market value portfolio	17 513	18 198	- 685
Unrealised gains before tax	3 810	5 647	-1 837
Share of portfolio invested			
- outside Norway	55 %	51 %	+4 % pts
- in listed companies	85 %	85 %	-0 % pts

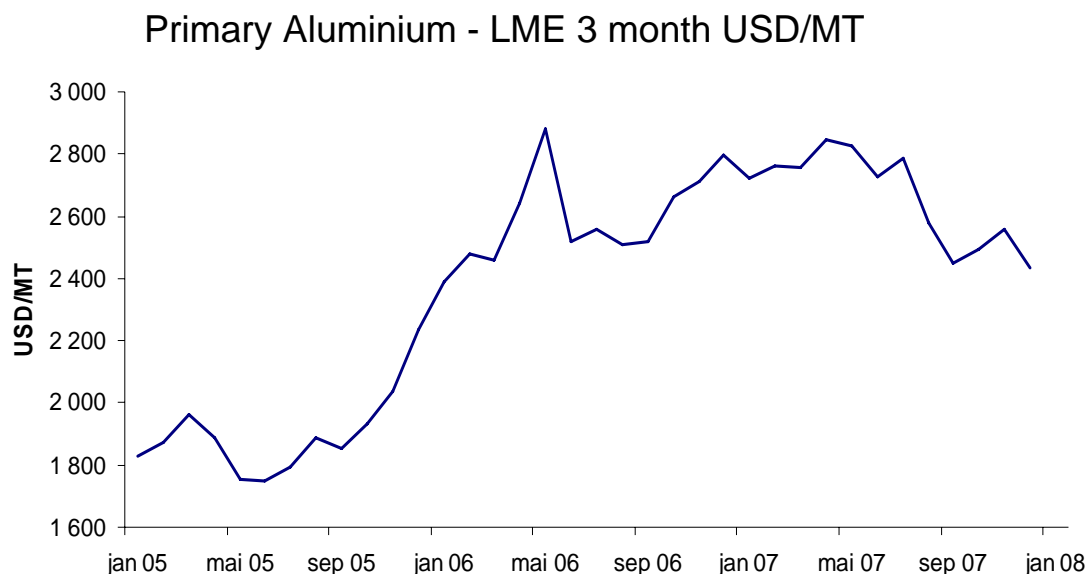
Currency translation effects

in NOK million

Revenues	Q4-07	2007
Orkla Foods	-179	-82
Orkla Brands	-42	-6
Orkla Aluminium Solutions	-792	-856
Elkem	0	0
Borregaard	-55	-96
Total	-1 068	-1 040

EBITA	Q4-07	2007
Orkla Foods	-17	-16
Orkla Brands	-4	-3
Orkla Aluminium Solutions	-10	-8
Elkem	0	0
Borregaard	-5	-7
Total	-36	-34

Aluminium hedging at Elkem



- Elkem Aluminium recorded a loss of NOK 75 million on its metal hedging in Q4-07 (50 % basis)
- At the end of the fourth quarter 361 000 MT of aluminium were sold forward at an average price of USD 1 959 per MT (100 % basis). Put options for 7 354 MT have been purchased at an average strike price of USD 1 730 per MT.
- Unrealised metal hedging losses total NOK 610 million (50 % basis, 01.01.08), distributed over 2008-2011

New reporting structure – Orkla Brands:

Orkla Brands

in NOK million

1 Jan - 31 Dec
Revenues

2007

Orkla Brands	22 253
Orkla Foods Nordic*	9 548
Orkla Brands Nordic	7 666
Orkla Brands International	2 262
Orkla Food Ingredients	3 200
Eliminations	- 423

EBITA

Orkla Brands	2 218
Orkla Foods Nordic*	893
Orkla Brands Nordic	1 218
Orkla Brands International	- 71
Orkla Food Ingredients	178

EBITA margin **10.0%**

Orkla Foods Nordic will include Orkla Foods Baltic (previously reported in Orkla Foods International), Revenues approx. NOK 250 million, and EBITA NOK 20 million in 2007.

Orkla Aluminium Solutions

– Comparable figures for 2007

Orkla Aluminium Solutions - Comparable figures 2007

in NOK million

Revenues	Q1 2007	Q2 2007	Change
Orkla Aluminium Solutions	9 151	8 820	4 %
Sapa Profiles (Alcoa+Sapa Profiles)	7 703	7 211	7 %
Sapa Heat Transfer and Building System	1 778	1 857	-4 %
Eliminations	- 330	- 248	

EBITA

Orkla Aluminium Solutions	414	435	-5 %
Sapa Profiles (Alcoa+Sapa Profiles)	286	292	-2 %
Sapa Heat Transfer and Building System	128	143	-10 %

Financial items

Financial items

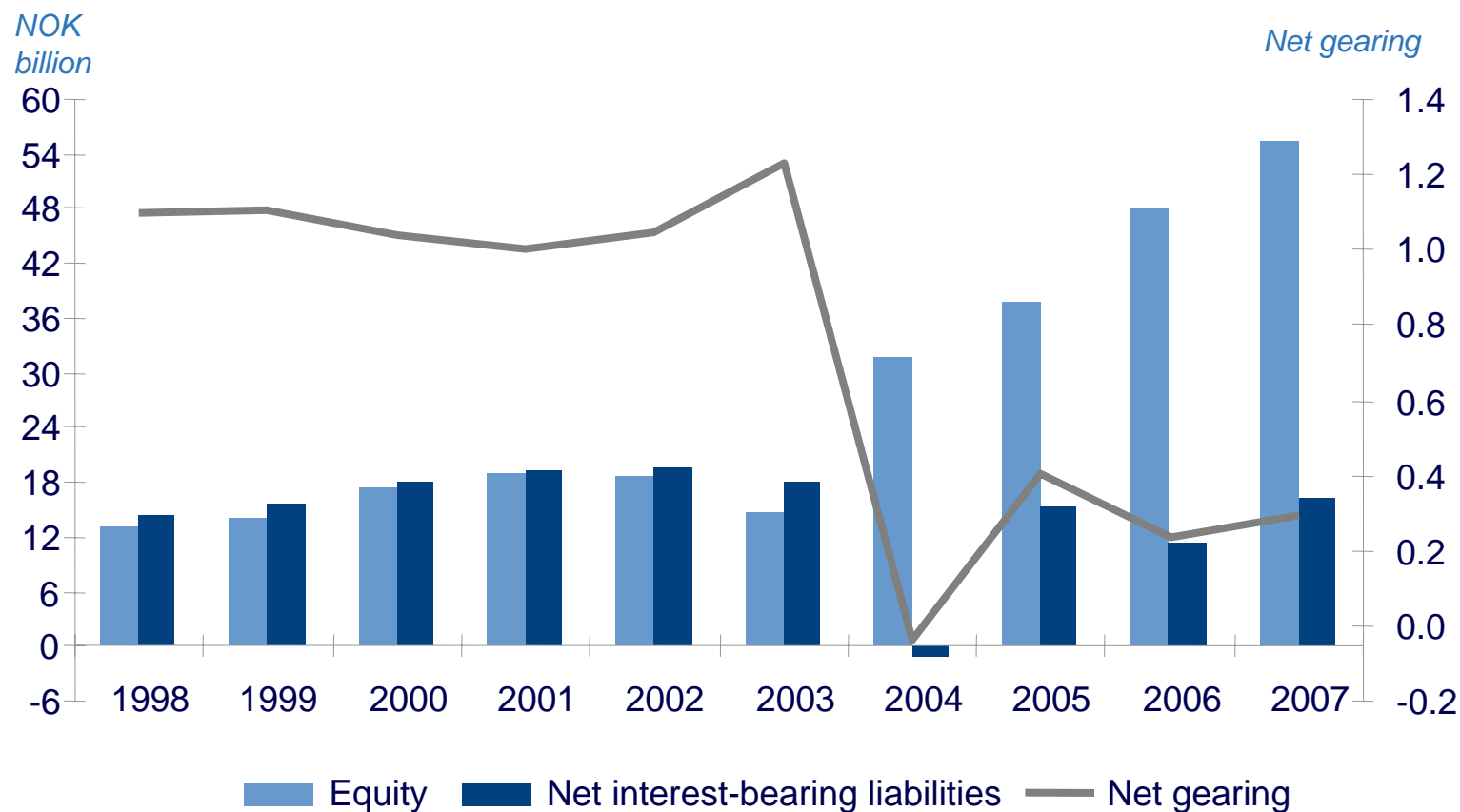
Key figures *in NOK million*

1 Jan - 31 Dec	2007	2006
Net interest expenses	-704	-579
Currency gain/loss	32	-38
Other financial items, net*	1 112	333
Net financial items	440	-284

* Major effects in 2007:

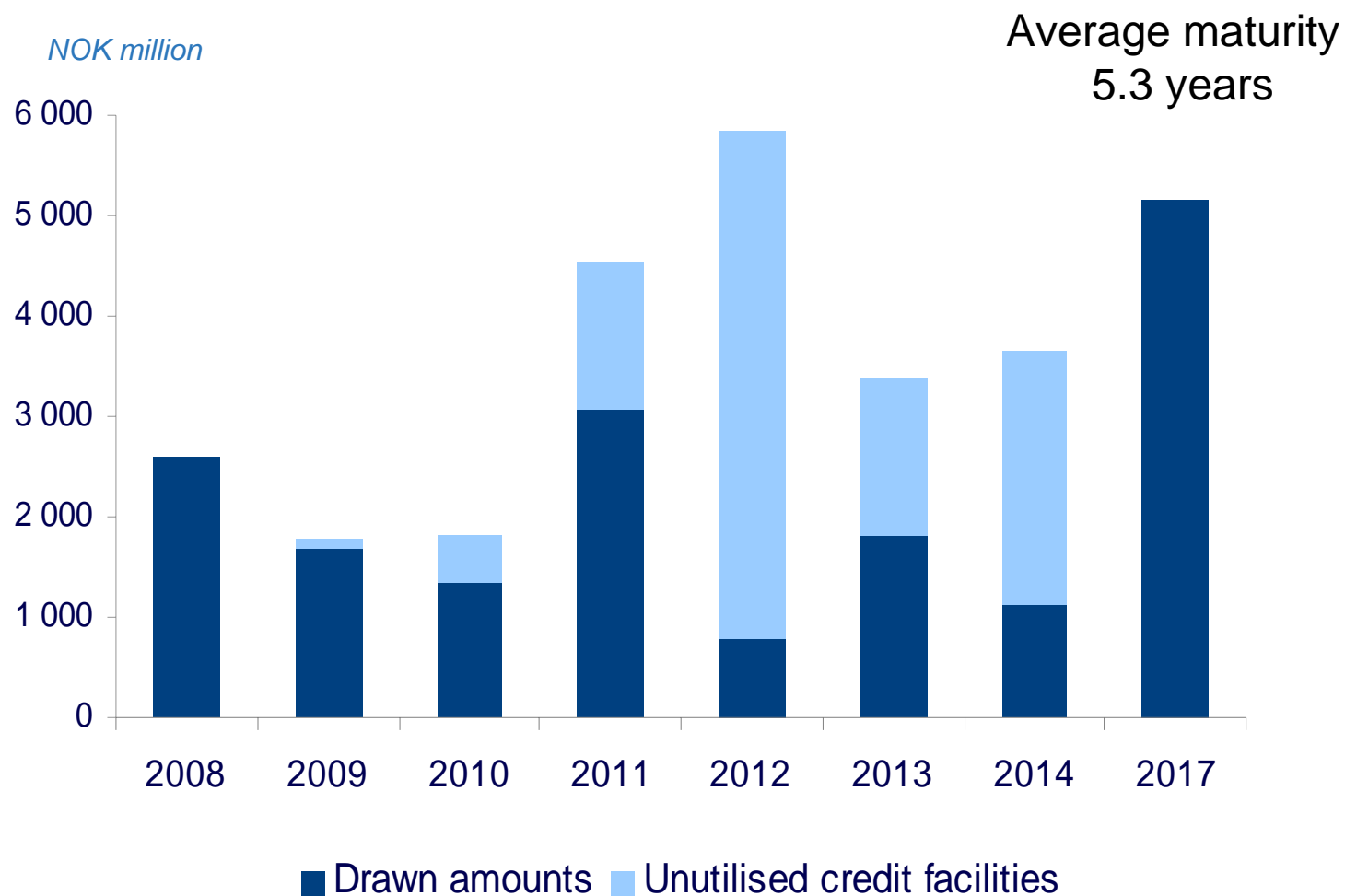
- Gains from sale of shares in Mecom (NOK 311 million), financial interest in Good Energies' sale of REC shares (NOK 270 million) and interest in real estate projects on Fornebu (NOK 261 million)
- According to IFRS changes in the fair value of put options issued in REC must be recognised in the income statement NOK 422 million per year end 2007.

Equity and liabilities



Figures as reported
IFRS accounting from
2004

Debt maturity profile 31 Dec 2007



Funding Sources 31 Dec 2007

