

NORSK HYDRO A S A  
Form 6-K  
May 29, 2007

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 6-K**

**REPORT OF FOREIGN PRIVATE ISSUER  
PURSUANT TO RULE 13a-16 OR 15d-16 OF  
THE SECURITIES EXCHANGE ACT OF 1934**

**29 May 2007**

**Commission File Number 001-09159**

**NORSK HYDRO ASA**

(Translation of registrant's name into English)

**Drammensveien 264, Vækerø**

**N-0240 OSLO**

**Norway**

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

**Form 20-F  Form 40-F**

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

**Yes  No**

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

**Yes  No**

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

**Yes  No**

(If  Yes  is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82 \_\_\_\_\_)

**A viable society.** A need. An idea.  
33,000 professionals. Energy.  
Cooperation. Aluminium. **Determination.**  
Pushing boundaries. Respect. Nature.  
Courage. 100 years. **Thinking ahead.**

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**Introduction to Hydro IFRS reporting**

As of 1 January 2007 Norsk Hydro ASA (Hydro) will prepare financial statements using International Financial Reporting Standards (IFRS). This is a conversion from US GAAP as Hydro's primary financial reporting language.

This document presents the IFRS financial statements for the fiscal year ending 31 December 2006 and the quarters ending 31 March, 30 June, 30 September and 31 December 2006 based on the IFRS principles as adopted by Hydro. IFRS information included in this document is reconciled to the previously released US GAAP 2006 income statement (on an annual and quarterly basis) and the 1 January 2006 and 31 December 2006 balance sheets.

Additionally, the IFRS transition principles adopted and the accounting principles used for Hydro's IFRS financial statements are disclosed, as well as a discussion of the principle differences for Hydro between IFRS and US GAAP.

The document is organized with a presentation of the IFRS financial statements, followed by Hydro's IFRS accounting principles. The 2006 income statement and balance sheet, as previously reported under US GAAP, is then converted to present Hydro's income statement and balance sheet using the IFRS presentation, classification and measurement principles that Hydro will continue using in 2007.

This document provides a basis for understanding Hydro's IFRS financial reporting going forward, and should be referred to for additional information in connection with our 2007 quarterly financial reports. Additional information related to our US GAAP reporting is available in Hydro's Annual Report 2006. Additional information related to the 2007 demerger of Hydro's oil and gas activities and the Hydro After Demerger carve-out financial statements is available in the Hydro Information Memorandum, and should be read in combination with this document. The documents are available at [www.hydro.com](http://www.hydro.com).

**Consolidated income statement 2006 IFRS (unaudited)**

Year ended 31 December Amounts in NOK million	2006
Revenue	201,283
Share of the profit (loss) in equity accounted investments	990
Other income, net	1,470
Total revenue and income	203,744
Raw material and energy expense	82,810
Employee benefits expense	19,546
Depreciation and amortization expense	17,215
Impairment of non-current assets	5,492
Other	23,670
Total expenses	148,733

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Earnings before financial items and tax	55,010
Financial income	1,425
Financial expense	(43)
Financial income (expense), net	1,382
Income before tax	56,392
Income tax expense	(38,459)
Net income	17,933
Net income attributable to minority interests	273
Net income attributable to equity holders of the parent	17,660
Basic and diluted earnings per share attributable to equity holders of the parent	14.20

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**4****Consolidated balance sheets****1 January and 31 December 2006 IFRS (unaudited)**

Amounts in NOK million	31 December	1 January
<b>Assets</b>		
Cash and cash equivalents	6,760	10,463
Short-term investments	15,020	3,865
Accounts receivable	34,508	35,438
Inventories	16,497	14,553
Other current assets	7,980	6,955
Assets held for sale	3,691	
Total current assets	84,457	71,275
Investments accounted for using the equity method	10,690	10,844
Property, plant and equipment	119,075	124,032
Intangible assets	11,475	10,371
Financial assets	4,914	5,452
Other non-current assets	303	96
Deferred tax assets	2,177	1,815
Total non-current assets	148,635	152,611
Total assets	233,092	223,885
<b>Liabilities and equity</b>		
Trade and other payables	29,785	27,832
Bank loans and other interest-bearing short-term debt	3,655	5,037
Provisions	2,197	1,200

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Taxes payable	18,995	13,843
Other current liabilities	7,949	9,066
Liabilities included in disposal groups	1,011	
Total current liabilities	63,591	56,978
Long-term debt	19,619	21,387
Provisions	14,357	10,883
Pension obligation	12,605	12,921
Other financial liabilities	353	402
Other liabilities	2,702	2,750
Deferred tax liabilities	23,265	27,820
Total non-current liabilities	72,900	76,164
Total liabilities	136,491	133,142
Share capital	4,708	4,739
Additional paid-in capital	9,736	10,501
Other reserves	(1,533)	723
Retained earnings	89,544	77,390
Treasury shares	(6,624)	(3,589)
Equity attributable to equity holders of the parent	95,831	89,763
Minority interest	771	980
Total equity	96,601	90,743
Total liabilities and equity	233,092	223,885



**Consolidated statement of cash flows 2006 IFRS (unaudited)**

Year ended 31 December, Amounts in NOK million	2006
<b>Operating activities:</b>	
Net income	17,933
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation, amortization and impairment losses	22,707
Share of profits in equity accounted investments	(990)
Dividends received from equity accounted investments	417
Deferred taxes	(3,733)
Loss on sale of non-current assets	519
Gain on foreign currency transactions	(1,011)
Net sales of trading securities	29
Capitalized interest	(1,231)
Other	(962)
Working capital changes that provided (used) cash:	
Receivables	203
Inventories	(2,095)
Other current assets	543
Other current liabilities	6,055
Net cash provided by operating activities	38,384
<b>Investing activities:</b>	
Purchases of property, plant and equipment	(15,927)
Purchases of other long-term investments	(6,197)
Purchases of short-term investments	(22,650)

Proceeds from sales of property, plant and equipment	358
Proceeds from sales of other long-term investments	1,658
Proceeds from sales of short-term investments	11,550
Net cash used in investing activities	(31,208)
<b>Financing activities:</b>	
Loan proceeds	89
Principal repayments	(1,431)
Ordinary shares purchased	(3,949)
Ordinary shares issued	59
Dividends paid	(5,506)
Net cash used in financing activities	(10,738)
Foreign currency effects on cash and bank overdraft	319
Net decrease in cash, cash equivalents and bank overdraft	(3,243)
Cash, cash equivalents and bank overdraft reclassified to assets held for sale	(47)
Cash, cash equivalents and bank overdraft at beginning of year	9,964
Cash, cash equivalents and bank overdraft at end of year	6,674
Specification of cash disbursements included above in operating activities regarding:	
Interest <sup>1)</sup>	853
Income taxes	37,057

1) Includes cash disbursements relating to early repayment of long-term debt ( breaking costs ) of NOK 15 million.

**6****Consolidated statement of changes in equity 2006 IFRS (unaudited)**

For year ended 31 December	
Amounts in NOK million	2006
<b>Ordinary shares issued</b>	
Balance at beginning of period	4,739
Cancellation treasury shares	(17)
Redeemed shares, the Norwegian State	(13)
Balance at end of period	4,708
<b>Additional paid-in capital</b>	
Balance at beginning of period	10,501
Treasury stock reissued to employees	56
Cancellation treasury shares	(363)
Redeemed shares, the Norwegian State	(458)
Balance at end of period	9,736
<b>Other reserves</b>	
Balance at beginning of period	723
Currency translation differences	(1,401)
Net unrealized gain (loss) on securities	(84)
Cash flow hedges, net of tax	(772)
Balance at end of period	(1,533)
<b>Retained earnings</b>	
Balance at beginning of period	77,390
Net income	17,660
Dividend declared and paid	(5,506)

Balance at end of period	89,544
<b>Treasury shares issued</b>	
Balance at beginning of period	(3,589)
Purchase of treasury shares	(3,477)
Treasury stock reissued to employees	61
Cancellation treasury shares	380
Balance at end of period	(6,624)
<b>Equity interests attributable to equity holders of the parent</b>	
Balance at beginning of period	89,763
Increase (decrease) in equity interests	6,067
Balance at end of period	95,831
<b>Minority interest</b>	
Balance at beginning of period	980
Minority s share of net income	273
Minority s share of dividend declared and paid	(231)
Equity interest purchased	(184)
Currency translation differences	(68)
Balance at end of period	771
Total equity	96,601

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**Changes in shares outstanding 2006 (unaudited)**

For year ended 31 December	
Number of shares in thousands	2006
Share information:	
<b>Ordinary shares issued</b>	
Balance at beginning of period	1,294,772
Cancellation treasury shares	(4,672)
Redeemed shares, the Norwegian State	(3,645)
Balance at end of period	1,286,455
<b>Treasury shares issued</b>	
Balance at beginning of period	(44,080)
Purchase of treasury shares	(21,627)
Treasury stock reissued to employees	755
Cancellation treasury shares	4,672
Balance at end of period	(60,280)

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**Consolidated condensed income statements**  
**2006 quarterly presentation IFRS (unaudited)**

Amounts in NOK million	First quarter	Second quarter	Third quarter	Fourth quarter	2006
Revenue	53,050	49,711	50,309	48,213	<b>201,283</b>
Share of the profit (loss) in equity accounted investments	321	376	234	59	<b>990</b>
Other income, net	244	432	298	496	<b>1,470</b>
Revenue and income	53,615	50,519	50,841	48,768	<b>203,744</b>
Depreciation, amortization and impairment	4,131	4,094	6,057	8,425	<b>22,707</b>
Other expenses	32,613	30,593	30,622	32,198	<b>126,026</b>
Total expenses	36,745	34,686	36,679	40,624	<b>148,733</b>
Earnings before financial items and tax	16,870	15,833	14,162	8,144	<b>55,010</b>
Financial income (expense), net	664	792	(819)	745	<b>1,382</b>
Income before tax	17,534	16,626	13,343	8,889	<b>56,392</b>
Income tax expense	(12,751)	(10,693)	(9,486)	(5,529)	<b>(38,459)</b>
Net income	4,783	5,932	3,858	3,361	<b>17,933</b>
Net income attributable to minority interests	(77)	103	238	8	<b>273</b>
Net income attributable to equity holders of the parent	4,859	5,829	3,619	3,353	<b>17,660</b>
Basic and diluted earnings per share attributable to equity holders of the parent	3.90	4.70	2.90	2.70	<b>14.20</b>



**Consolidated condensed balance sheets**  
**2006 quarterly presentation IFRS (unaudited)**

Amounts in NOK million	1 January	31 March	30 June	30 September	31 December
Cash and cash equivalents	10,463	20,762	7,725	16,490	<b>6,760</b>
Short-term investments	3,865	3,850	12,669	12,699	<b>15,020</b>
Receivables and other current assets	42,393	48,294	47,021	47,587	<b>42,488</b>
Inventories	14,553	15,230	15,985	16,310	<b>16,497</b>
Assets held for sale					<b>3,691</b>
Total current assets	71,275	88,135	83,400	93,086	<b>84,457</b>
Property, plant and equipment	124,032	123,349	122,106	123,298	<b>119,075</b>
Other non-current assets	28,579	28,159	28,348	31,044	<b>29,561</b>
Total non-current assets	152,611	151,508	150,454	154,341	<b>148,635</b>
Total assets	223,885	239,643	233,854	247,427	<b>233,092</b>
Bank loans and other interest-bearing short-term debt	5,037	3,855	3,545	3,346	<b>3,655</b>
Other current liabilities	51,941	66,068	65,381	72,418	<b>58,925</b>
Liabilities included in disposal groups					<b>1,011</b>
Total current liabilities	56,978	69,923	68,926	75,763	<b>63,591</b>
Long-term debt	21,387	20,814	19,942	20,653	<b>19,619</b>
Other long-term liabilities	26,957	27,521	27,480	27,729	<b>30,017</b>
Deferred tax liabilities	27,820	27,379	26,370	27,153	<b>23,265</b>
Total non-current liabilities	76,164	75,714	73,792	75,536	<b>72,900</b>

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Total liabilities	133,142	145,637	142,718	151,299	<b>136,491</b>
Equity attributable to equity holders of the parent	89,763	93,135	90,436	95,336	<b>95,831</b>
Minority interest	980	871	700	792	<b>771</b>
Total equity	90,743	94,006	91,136	96,129	<b>96,601</b>
Total liabilities and equity					