



## Fourth quarter 2024 – Improved Silicones profitability and strategic review initiated

Oslo, 12 February 2025

**Elkem's EBITDA for the fourth quarter 2024 was NOK 1,161 million, up from NOK 632 million in the corresponding quarter last year. Elkem remained resilient amid challenging market conditions, due to good cost positions and a strong asset base. Improved results in 2024 were driven by Elkem's improvement and capex reduction programme, which exceeded targets. The board proposes a dividend of NOK 0.30 per share.**

Elkem's total operating income for the fourth quarter 2024 was NOK 8,498 million, an increase of 5 per cent compared to the fourth quarter 2023. Earnings before interest, taxes, depreciation and amortisation (EBITDA) was NOK 1,161 million, up 84 per cent from the corresponding quarter last year. Earnings per share (EPS) was NOK -0.03 in the quarter, and NOK 0.77 year-to-date. The board proposes a dividend of NOK 0.30 per share.

“Despite continued adverse market conditions, all three divisions delivered improved EBITDA compared to the corresponding quarter last year,” says Elkem's CEO Helge Aasen. “The Silicones division delivered the best result since the third quarter 2022, driven by operational improvements and higher sales volumes. The Silicon Products and Carbon Solutions divisions reported stronger results, amid continued weak demand. Elkem closes 2024 with a good cost position and a strong asset base. The company is well positioned to further improve profitability once demand recovery gets underway.”

In 2024, Elkem introduced a comprehensive improvement programme to counter weak macro-economic conditions and challenging markets. The programme delivered good results, exceeding targets. The target was to improve EBITDA by at least NOK 1.5 billion and to reduce capital expenditures by NOK 2.0 billion compared to 2023. In 2024, Elkem realised EBITDA improvements of NOK 1.7 billion and capital expenditures were reduced by NOK 2.2 billion.

Elkem announced in January 2025 that it has initiated a strategic review of the Silicones division. The purpose of the review is to streamline Elkem and enable allocation of capital to accelerate growth in the Silicon Products and Carbon Solutions divisions. The decision follows a thorough review of the growth and return prospects of Elkem, as well as its capital allocation strategy and the market dynamics in the silicones business. The Silicones division has been reclassified in the accounts as discontinuing operations and assets held for sale, following the strategic review decision.

In December 2024, Elkem and Hafslund entered into a long-term power agreement for the period 2028 to 2035. The annual contract volume is approximately 400 GWh, with delivery in the NO3 price area. Elkem is now well-positioned with long-term power contracts in Norway with at least 75 per cent of the electricity consumption secured at competitive rates until end of 2029.

Sustainability is an integrated part of Elkem's strategy. In February 2025, Elkem was awarded the top score of A on Forest and Water Security, and B on Climate Change by CDP. The A scores are a recognition of Elkem's environmental transparency and commitment to corporate social responsibility and reflect the efforts we make in our operations and along our supply chain.

The group's equity as at 31 December 2024 amounted to NOK 26,020 million, which gave a ratio of equity to total assets of 49 per cent. Net interest-bearing debt was NOK 10,327 million, which gave a ratio of net interest-bearing debt to EBITDA of 2.5x. Elkem had cash and cash equivalents of NOK 6,070 million as at 31 December 2024, and undrawn credit lines of more than NOK 6,000 million.

Elkem continues to benefit from the effects of the 2024 improvement programme. The focus on operational improvements will continue as markets are characterised by high uncertainty going into 2025. Silicones markets are expected to remain stable and Elkem will benefit from new, improved capacity in China and France. First quarter will, however, be impacted by Chinese New Year and maintenance work. The Silicon Products division benefits from strong cost and market positions but is curtailing production in Iceland due to the power situation, and in Norway due to maintenance. The Carbon Solutions division continues to take advantage of strong market positions and geographical diversification, but customer-announced capacity reductions will affect first quarter sales volume.

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**About Elkem**

Elkem is one of the world's leading providers of advanced silicon-based materials shaping a better and more sustainable future. The company develops silicones, silicon products and carbon solutions by combining natural raw materials, renewable energy and human ingenuity. Elkem helps its customers create and improve essential innovations like electric mobility, digital communications, health and personal care as well as smarter and more sustainable cities. With a strong track record since 1904, its global team of more than 7,200 people has a joint commitment to stakeholders: Delivering your potential. In 2024, Elkem achieved an operating income of NOK 33 billion. Elkem has been awarded top score of A on Forests and Water Security, and B on Climate Change from CDP. Elkem is listed on the Oslo Stock Exchange (ticker: ELK), where the company is also included in the ESG Index. [www.elkem.com](http://www.elkem.com)