Third quarter 2025 – Results supported by strong operational performance and cost improvements

Oslo, 23 October 2025

Elkem reported an EBITDA of NOK 829 million for the third quarter 2025, compared to NOK 1 241 million in the corresponding quarter last year. While sales prices remained low, results were supported by strong operational performance and cost improvements. The strategic review of the Silicones division is proceeding as planned. The exclusive sales process is expected to close in the first half of 2026.

Elkem's total operating income for the third quarter 2025 was NOK 7 523 million, which was 7 per cent lower than the third quarter 2024. Earnings before interest, taxes, depreciation and amortisation (EBITDA) was NOK 829 million, down 33 per cent from the corresponding quarter last year. Earnings per share (EPS) was NOK 0.05 in the quarter and NOK -0.77 year to date. EPS was negatively impacted by the results in Silicones. This division has been classified as discontinued operations and assets held for sale due to the strategic review initiated to streamline Elkem's business portfolio.

The Silicon Products division was impacted by low silicon and ferrosilicon prices in the third quarter, while the speciality segments delivered improved results. The division reported a total operating income of NOK 3 369 million, a reduction of 8 per cent compared to the third quarter last year, while the EBITDA declined 53 per cent year-on-year. Carbon Solutions reported an EBITDA of NOK 231 million, down 14 per cent from the third quarter last year, resulting in an EBITDA margin of 28 per cent. The lower EBITDA was mainly due to lower sales prices and somewhat higher raw material costs. Silicones recorded higher results due to improved cost and market positions. The division reported an EBITDA of NOK 248 million, a 23 per cent increase year-on-year, despite a 6 per cent reduction in operating income.

"Despite challenging market conditions and pricing pressures, Elkem continues to deliver robust operational performance and cost improvements across our three divisions. The strategic review is proceeding according to plan and once successfully completed, Elkem will be well positioned for future growth. While uncertainties persist due to geopolitical and trade developments, Elkem benefits from a geographically diverse portfolio, a resilient supply chain and strong client relations, enabling our company to respond effectively to shifting market trends," says Helge Aasen, CEO of Elkem.

Elkem has initiated a strategic review to sell the Silicones division to streamline the company and redirect capital towards accelerating growth in the Silicon Products and Carbon Solutions divisions. An exclusive sales process is currently underway with a major industrial player that has a significant presence in the global chemicals industry. Elkem is confident that the potential transaction would represent the best possible outcome for the Silicones division as well as the Company, to the benefit of all stakeholders. Subject to negotiations, agreement and necessary approvals, the closing of the transaction is expected to occur in the first half of 2026.

EU is considering safeguard measures that could become effective from 19 November 2025. The safeguard measures will be aimed at raising prices and protecting internal production within EU. It remains unclear how Norway and Iceland will be affected. The safeguard regulations appear to focus on ferrosilicon and foundry alloys, with no clear indication if silicon will be included. In addition, the US has imposed countervailing duties (CVD) on silicon imported from several countries, including Norway. The preliminary rate for Norway is 16.87 per cent, mainly related to free allocation of CO_2 quotas and CO_2 compensation under EU rules. Elkem's position is that EU's policies for CO_2 quotas and CO_2 compensation do not constitute countervailable subsidies harming the US domestic industry.

The Elkem group's equity as at 30 September 2025 amounted to NOK 23 968 million, which gave a ratio of equity to total assets of 50 per cent. Net interest-bearing debt was NOK 11 666 million, which gave a ratio of net interest-bearing debt to EBITDA of 3.1x. Elkem had cash and cash equivalents of NOK 3 968 million as at 30 September 2025, and undrawn credit lines of around NOK 6 000 million.

The Silicon Products division is facing challenging conditions, with low silicon and ferrosilicon demand. However, the division's leading cost positions and good performance in specialty segments, are mitigating the negative impact. The Carbon Solutions division benefits from good cost positions and a geographically diverse customer portfolio, but continued weak demand is impacting the division's results. The silicones producers are actively trying to increase prices, but markets are still hampered by overcapacity. Potential trade regulations and protective measures are expected to impact Elkem's markets going forward. The safeguard measures in EU are not yet concluded, and the overall impact for Elkem is unclear.

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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.
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