



## Second quarter 2026 – Driving cost improvements and deleveraging

Oslo, 10 July 2026

**Elkem reported an EBITDA of NOK 523 million for the second quarter 2026, a decline from NOK 645 million in the corresponding quarter last year. The reduction was mainly explained by lower sales prices for silicon. Elkem's transformation continues to build momentum. The organisational streamlining is completed and cost reductions are on track and ahead of target. Measures to strengthen the balance sheet have been successfully concluded. Elkem raised NOK 1.8 billion in new equity and refinanced its main bank facilities.**

Elkem's total operating income for the second quarter 2026 was NOK 3 708 million, which was down 4 per cent from the second quarter 2025. Earnings before interest, taxes, depreciation and amortisation (EBITDA) was NOK 523 million, down 19 per cent from the corresponding quarter last year.

The Silicon Products division was impacted by low prices for silicon and ferrosilicon, yet the EBITDA improved quarter-on-quarter, partly as a result of production resuming at the Elkem Rana and Elkem Salten plants. The EU safeguard measures introduced on imports of ferroalloys in November 2025 have so far had limited impact on prices, reflecting weak demand and continued substitution risk. Prices are expected to gain as ferroalloy supply may tighten following the EU's decision to decrease tariff-free steel quotas and double tariffs beyond the quotas as of 1 July 2026. Silicon Products reported a total operating income of NOK 2 946 million, a reduction of 4 per cent compared to the second quarter last year, while the EBITDA declined 28 per cent year-on-year. Carbon Solutions reported an EBITDA of NOK 172 million, down 29 per cent from the second quarter last year. The lower EBITDA was mainly due to lower sales volume and lower average sales prices.

Elkem Iceland's performance has been weak since 2024, driven by a structurally higher cost base compared to other Elkem plants. Strategic options are being assessed and Elkem Iceland has been reclassified as discontinued operations.

Elkem initiated significant cost-reduction measures as of March 2026, to improve productivity and maintain a strong cost position. The initial target was to reduce the global workforce by approximately 300 FTEs. Once completed, the programme will have exceeded the target, nearing a reduction of 400 FTEs. The target is to deliver annual savings of more than NOK 600 million. In addition, Elkem is targeting a working capital reduction of NOK 1 000 million. By the end of the second quarter, working capital reductions amounted to NOK 841 million from year-end 2025. Investments will be capped at a maximum of NOK 1 000 million for the year. Total investments YTD-June stood at NOK 304 million.

"Elkem's transformation is gaining real momentum, with the organisational streamlining completed, cost reductions exceeding targets, and a successful refinancing demonstrating strong market confidence. We are actively pursuing strategic options across the portfolio while positioning for growth and margin improvements. Structural demand, driven by digitalisation, AI infrastructure, energy transition and defence, continues to strengthen our long-term outlook. This provides a solid foundation for sustainable value creation," says CEO Helge Aasen.

Elkem completed a NOK 1 800 million equity raise in the second quarter and refinanced its main bank facilities of EUR 1 000 million. In addition, Elkem has obtained a loan of NOK 750 million from the Nordic Investment Bank (NIB) on attractive conditions with a tenor of 10 years. Combined, these transactions have materially strengthened Elkem's financial position

Elkem equity as at 30 June 2026 amounted to NOK 12 628 million, which gave a ratio of equity to total assets of 44 per cent. Net interest-bearing debt was NOK 6 593 million, which gave a ratio of net interest-bearing debt to EBITDA of 3.2x. Elkem had cash and cash equivalents of NOK 4 876 million as at 30 June 2026, and undrawn credit lines of more than NOK 4 500 million.

In the second quarter, Elkem and Statkraft signed a new long-term power purchase agreement (PPA). The PPA is for the 2031-2037 period, and the total contract volume is 1 534 GWh. The agreement secures competitive and predictable electricity supply for Elkem's plant in Bjølvefossen, Norway. Elkem has a strong portfolio of long-term power contracts in Norway, and this agreement is a significant contribution to the extension of the portfolio.

On 2 July 2026, Elkem announced the appointment of Dag Teigland as CEO by the board of directors, effective 3 August 2026. Aasen will step down from his role as CEO and assume the position of chairman of the board. Teigland brings over two decades of industrial and investment experience, and also has prior experience from Elkem, where he held several leadership roles between 1998 and 2002.

Trade regulations and protective measures are expected to continue affecting Elkem's markets, and could support a recovery in demand and prices in the EU. Elkem's cost reduction programme will continue to contribute positively to the results from the third quarter and onwards. Silicon Products is still experiencing challenging market conditions. The underlying profitability is improving, but third quarter is expected to be impacted by seasonally lower activity. Carbon Solutions expects generally stable financial performance in the third quarter.

From the third quarter 2026, Elkem will report on the new divisional structure, i.e. Elkem Silicon, Elkem Foundry Alloys and Elkem Carbon.

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**About Elkem ASA**

With a strong track record since 1904, 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 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)