

Consolidated Financial Results

First Quarter, 2021



(May 13, 2021)

SHOWA DENKO K.K.

Motohiro Takeuchi, CFO

Representative Director & Managing Corporate Officer

Overview of CQ1, 2021 Financial Results



Net Sales, Operating Income

Net Sales : ¥339.7 bn (vs. CQ4, 2020 up ¥2.0 bn, vs. CQ1, 2020 up ¥167.9 bn)

Sales of petrochemicals increased due to a rise in market prices, and sales figures of Showa Denko Materials increased due to strong demand for semiconductors.

Operating Income : ¥20.8 bn (vs. CQ4, 2020 up ¥24.9 bn, vs. CQ1, 2020 up ¥18.3 bn)

Showa Denko Materials contributed to an increase in profit due to good performance of its semiconductor-related business.

Graphite electrode business went into the black due to progress in cost reduction measures including elimination of expensive raw materials.

Influence of COVID-19 shrunk to ¥2.0 bn (Showa Denko Materials)

Costs of the integration with Showa Denko Materials

(Unit: Billions of Yen)

Item		CQ1, 2021	2021 forecast
Post-merger integration (PMI) expenses*	(Operating expenses)	-0.8	-8.0
Interest on borrowing related to share acquisition, etc.	(Non-operating expenses)	-2.1	-8.5
Preferred stock dividends	(Net income attributable to non-controlling interests)	-3.2	-12.9
Total		-6.0	-29.4

(2021 forecast was announced on Feb. 17, 2021)

*PMI expenses: expenses related to merger processes such as management and operation to maximize the effect of integration after merger.

(Please refer to page 20 for PPA Results and Amortization of Assets Pertaining to Showa Denko Materials Co., Ltd.)

Consolidated Companies, Selected Data



Consolidated Companies

Consolidated subsidiaries: 151 (± 0 from Dec. 31, 2020)

Equity method applied: 14 (+1 from Dec. 31, 2020)

+1: Change in classification of an affiliate to be an equity-method affiliate

Selected Data

(Average)

	Jan.- Mar. 2020	Oct.- Dec. 2020	Jan.- Mar. 2021
Exchange rates			
(¥/US\$)	108.9	104.5	105.9
	<i>At March 31,2020</i> 108.8	<i>At December 31,2020</i> 103.5	<i>At March 31,2021</i> 110.7
(¥/€)	120.1	124.5	127.7
Domestic naphtha price (¥/KL)	44,800	31,300	38,800
Aluminum			
LME (US\$/T)	1,713	1,931	2,101
Domestic market* (K¥/T)	236	252	277

(*Domestic market: data from Nikkei)

Summary (CQ4 (Oct.-Dec.), 2020 vs. CQ1 (Jan.-Mar.), 2021)



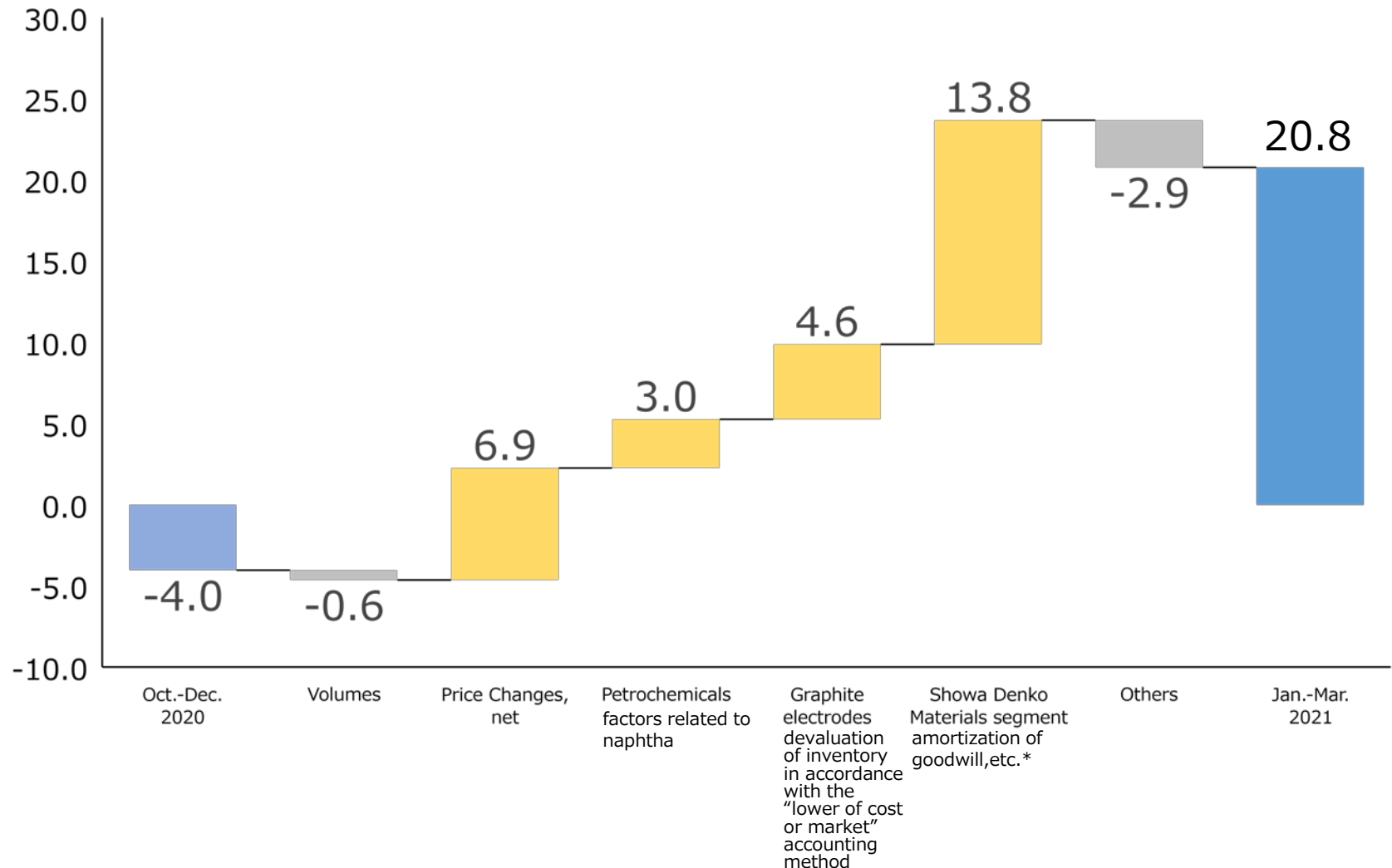
(Unit: Billions of Yen)

	CQ4, 2020	CQ1, 2021	Increase/ decrease
Net sales	337.7	339.7	2.0
Operating income	-4.0	20.8	24.9
Non-operating income and expenses, net	-3.2	4.3	7.4
Ordinary income	-7.2	25.1	32.3
Extraordinary profit/loss	-14.6	-11.7	2.9
Income before income taxes	-21.8	13.4	35.2
Income taxes	7.3	-4.2	-11.5
Net income	-14.5	9.2	23.7
Net income attributable to non-controlling interests	-4.1	-4.0	0.1
Net income attributable to owners of the parent	-18.6	5.2	23.8
EBITDA (Operating income + Depreciation expense + Amortization of goodwill, etc.)	28.2	50.0	21.8
EBITDA margin%	8.4%	14.7%	6.3p

Operating Income Breakdown by Factor (CQ4, 2020 vs. CQ1, 2021)



(Unit: Billions of Yen)



*Oct.-Dec. 2020: Includes inventory step-up costs of 10.9 billion yen

Summary of Consolidated Sales and Operating Income by Segment (CQ4, 2020 vs. CQ1, 2021)



(Unit: Billions of Yen)

		CQ4, 2020	CQ1, 2021	Increase/decrease	
Petrochemicals	Sales	50.8	57.8	6.9	13.6%
	O.I.*	3.6	5.5	1.9	51.9%
Chemicals	Sales	42.8	41.3	-1.5	-3.4%
	O.I.	4.2	4.9	0.7	16.7%
Electronics	Sales	28.7	21.7	-7.0	-24.5%
	O.I.	4.3	1.4	-2.9	-67.8%
Inorganics	Sales	21.6	21.2	-0.4	-1.6%
	O.I.	-6.1	1.0	7.1	-
Aluminum	Sales	21.7	22.5	0.7	3.4%
	O.I.	0.7	2.3	1.6	225.9%
Showa Denko Materials	Sales	157.9	159.6	1.7	1.1%
	O.I.	-9.1	7.6	16.7	-
Others	Sales	27.3	28.2	0.9	3.4%
	O.I.	0.6	0.2	-0.4	-73.1%
Adjustments	Sales	-13.1	-12.5	0.5	-
	O.I.	-2.3	-2.0	0.3	-
Total	Sales	337.7	339.7	2.0	0.6%
	O.I.	-4.0	20.8	24.9	-

(*O.I: Operating income)

Consolidated Sales and Operating Income by Segment (1) (CQ4, 2020 vs. CQ1, 2021)



Petrochemicals

(Unit: Billions of Yen)

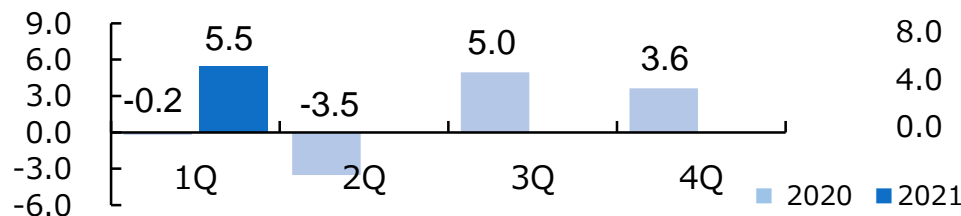
	CQ4, 2020	CQ1, 2021	Increase/decrease
Sales	50.8	57.8	6.9
Operating Income	3.6	5.5	1.9

Olefins: sales and profit increased (recovery from a negative effect of depreciation of naphtha inventory due to a rise in raw naphtha price)

Organic Chemicals: sales increased (shipment volumes of vinyl acetate substantially up due to a recovery of demand in the latter half of 4Q, 2020), profit decreased (spread was squeezed due to a rise in costs of raw materials)

SunAllomer Ltd.: Sales and profit increased (shipment volumes up due to a recovery of automotive demand)

[Quarterly Operating Income]
(Billion yen)



Chemicals

(Unit: Billions of Yen)

	CQ4, 2020	CQ1, 2021	Increase/Decrease
Sales	42.8	41.3	-1.5
Operating Income	4.2	4.9	0.7

General: sales decreased due to shutdown maintenance (SDM) in 1Q and seasonal

Basic chemicals: sales slightly decreased, profit maintained at CQ4, 2020 level

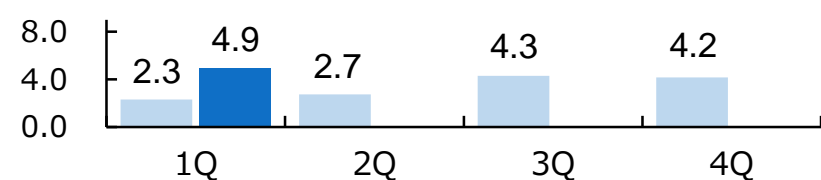
Electronic chemicals: sales remained at CQ4, 2020 level, profit decreased (steady demand but shipment volumes down due to SDM and seasonal cycle)

Functional chemicals: sales slightly decreased, profit increased (shipment volumes up, cost reduction)

Industrial gases: sales and profit decreased (shipment volumes down due to seasonal cycle)

Coating materials: sales decreased, profit slightly increased

[Quarterly Operating Income]
(Billion yen)



Consolidated Sales and Operating Income by Segment (2) (CQ4, 2020 vs. CQ1, 2021)



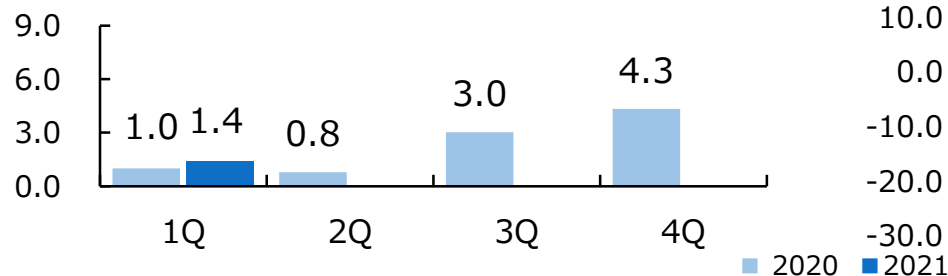
Electronics

(Unit: Billions of Yen)

	CQ4, 2020	CQ1, 2021	Increase/decrease
Sales	28.7	21.7	-7.0
Operating Income	4.3	1.4	-2.9

HDs: sales and profit decreased (shipment volumes down due to seasonal cycle)
 Compound semiconductors: sales and profit increased (lower of cost or market accounting method in CQ4,2020)
 LIB materials: sales slightly decreased, profit maintained at CQ4,2020 level (seasonally)
 SiC epitaxial wafers: sales and profit decreased (shipment volumes down)

[Quarterly Operating Income]
(Billion yen)



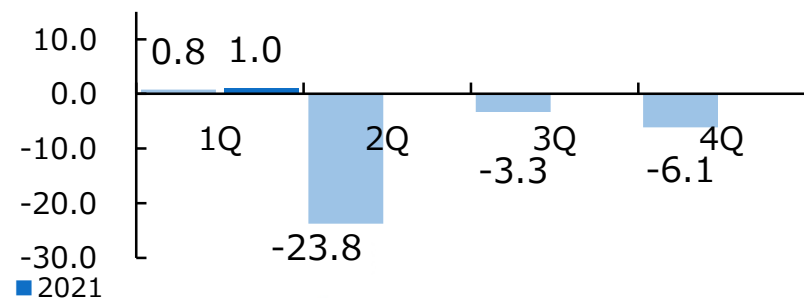
Inorganics

(Unit: Billions of Yen)

	CQ4, 2020	CQ1, 2021	Increase/decrease
Sales	21.6	21.2	-0.4
Operating Income	-6.1	1.0	7.1

Ceramics: sales and profit increased (shipment volumes for automotive use up due to a recovery of steel and auto industries)
 Graphite electrodes: sales decreased (shipment volumes maintained at CQ4, 2020 level but sales prices slightly down), profit increased (recovery from the devaluation of inventory caused by an application the "lower of cost or market" accounting method in 2020)

[Quarterly Operating Income]
(Billion yen)



Consolidated Sales and Operating Income by Segment (3) (CQ4, 2020 vs. CQ1, 2021)



Aluminum

(Unit: Billions of Yen)

	CQ4, 2020	CQ1, 2021	Increase/decrease
Sales	21.7	22.5	0.7
Operating Income	0.7	2.3	1.6

Aluminum specialty components: sales and profit increased (shipment volumes up due to a recovery of demand in OA/FA industries, cost reduction)
 High-purity foil for capacitors: sales and profit increased (shipment volumes up due to a recovery of demand in auto and FA industries)
 Aluminum cans: sales decreased, profit increased (shipment volumes down seasonally, but profit up due to cost reduction)

Others

(Unit: Billions of Yen)

	CQ4, 2020	CQ1, 2021	Increase/decrease
Sales	27.3	28.2	0.9
Operating Income	0.6	0.2	-0.4

Sales figures of SHOKO remained at CQ4, 2020 level and its profit increased, but profit from others including sales of building materials decreased.

Showa Denko Materials

(Unit: Billions of Yen)

	CQ4, 2020	CQ1, 2021	Increase/decrease
Sales	157.9	159.6	1.7
Operating Income	-9.1	7.6	16.7
Operating Income*	13.0	16.2	3.2

Sales of semiconductor materials and automobile-related products were firm against the backdrop of strong demand for semiconductors and steady recovery in automobile production
 Profit increased due to strong sales and cost reduction

[Quarterly Operating Income*]

(Billion yen)



*1Q and 2Q, 2020: Adjusted operating income of former Hitachi Chemical Co., Ltd. (for reference)
 From 3Q, 2020: Amounts are excluding amortization of goodwill, etc. and expenses for step-up of inventories due to its consolidation from operating income of Showa Denko Materials segment.

Summary (CQ1, 2020 vs. CQ1, 2021)



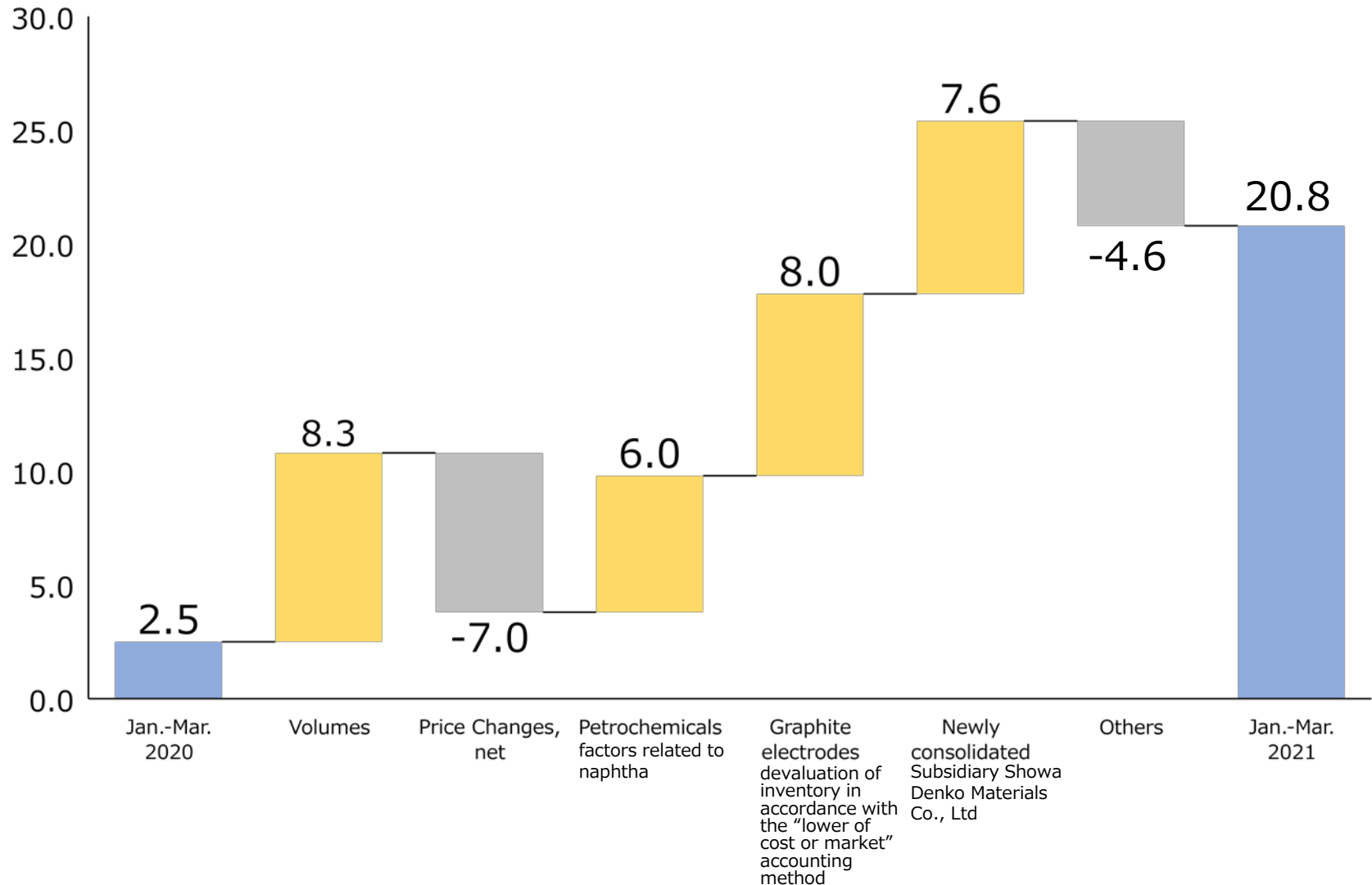
(Unit: Billions of Yen)

	CQ1, 2020	CQ1, 2021	Increase/ decrease
Net sales	171.7	339.7	167.9
Operating income	2.5	20.8	18.3
Non-operating income and expenses, net	0.8	4.3	3.5
Ordinary income	3.2	25.1	21.9
Extraordinary profit/loss	0.2	-11.7	-11.9
Income before income taxes	3.5	13.4	9.9
Income taxes	0.3	-4.2	-4.5
Net income	3.8	9.2	5.4
Net income attributable to non-controlling interests	-1.1	-4.0	-2.9
Net income attributable to owners of the parent	2.7	5.2	2.5
EBITDA (Operating income + Depreciation expense + Amortization of goodwill, etc.)	12.2	50.0	37.8
EBITDA margin%	7.1%	14.7%	7.6p

* Refer to page 16 for the breakdown of non-operating income and extraordinary income

Operating Income Breakdown by Factor (CQ1, 2020 vs. CQ1, 2021)

(Unit: Billions of Yen)



Summary of Consolidated Sales and Operating Income by Segment (CQ1, 2020 vs. CQ1, 2021)



(Unit: Billions of Yen)

		CQ1, 2020	CQ1, 2021	Increase/decrease	
Petrochemicals	Sales	55.0	57.8	2.7	5.0%
	O.I.*	-0.2	5.5	5.7	-
Chemicals	Sales	36.3	41.3	5.0	13.7%
	O.I.	2.3	4.9	2.6	112.1%
Electronics	Sales	23.6	21.7	-1.9	-8.1%
	O.I.	1.0	1.4	0.4	41.4%
Inorganics	Sales	21.4	21.2	-0.2	-0.7%
	O.I.	0.8	1.0	0.2	21.2%
Aluminum	Sales	19.2	22.5	3.3	17.3%
	O.I.	0.0	2.3	2.2	-
Showa Denko Materials	Sales	-	159.6	159.6	-
	O.I.	-	7.6	7.6	-
Others	Sales	28.6	28.2	-0.4	-1.5%
	O.I.	0.2	0.2	-0.0	-18.5%
Adjustments	Sales	-12.3	-12.5	-0.2	-
	O.I.	-1.7	-2.0	-0.3	-
Total	Sales	171.7	339.7	167.9	97.8%
	O.I.	2.5	20.8	18.3	742.9%

(*O.I: Operating income)

Consolidated Sales and Operating Income by Segment (1) (CQ1, 2020 vs. CQ1, 2021)



Petrochemicals

(Unit: Billions of Yen)

	CQ1, 2020	CQ1, 2021	Increase/decrease
Sales	55.0	57.8	2.7
Operating Income	-0.2	5.5	5.7

Olefins: sales and profit increased
(demand recovery, market prices up due to a rise in prices of raw naphtha)
Organic Chemicals: sales and profit increased
(vinyl acetate and ethyl acetate: shipment volumes up due to no SDM in CQ1,2021, market prices up)

Chemicals

(Unit: Billions of Yen)

	CQ1, 2020	CQ1, 2021	Increase/decrease
Sales	36.3	41.3	5.0
Operating Income	2.3	4.9	2.6

Basic chemicals: sales maintained at the year-earlier level, profit increased
(ammonia: sales and profit up due to shipment volumes up, AN: market prices up, chloroprene rubber: shipment volumes up)
Electronic chemicals: sales and profit increased
(shipment volumes up due to a recovery of semiconductor industry)
Industrial gases: sales maintained at the year-earlier level, profit increased
Functional chemicals: sales and profit increased
(shipment volumes up due to a recovery of demand for electronic parts and auto)
Coating materials: sales and profit increased
(shipment volumes up due to a recovery of demand)

Consolidated Sales and Operating Income by Segment (2) (CQ1, 2020 vs. CQ1, 2021)



Electronics

(Unit: Billions of Yen)

	CQ1, 2020	CQ1, 2021	Increase/decrease
Sales	23.6	21.7	-1.9
Operating Income	1.0	1.4	0.4

HDs: sales and profit decreased

(shipment volumes in total down: shipment volumes for data centers up but those for PCs down)

Compound semiconductors: sales and profit increased (shipment volumes up due to a recovery of demand)

LIB materials: sales and profit increased (shipment volumes of SPALF™ up)

SiC epitaxial wafers: sales slightly decreased, profit increased (shipment volumes for export down but volumes for domestic up)

Inorganics

(Unit: Billions of Yen)

	CQ1, 2020	CQ1, 2021	Increase/decrease
Sales	21.4	21.2	-0.2
Operating Income	0.8	1.0	0.2

Ceramics: sales and profit increased

(shipment volumes of abrasives and volumes for electronics up due to demand recovery)

Graphite electrodes: sales slightly decreased, profit decreased (shipment volumes up due to a recovery of demand but market prices down)

Consolidated Sales and Operating Income by Segment (3) (CQ1, 2020 vs. CQ1, 2021)



Aluminum

(Unit: Billions of Yen)

	CQ1, 2020	CQ1, 2021	Increase/decrease
Sales	19.2	22.5	3.3
Operating Income	0.0	2.3	2.2

Aluminum specialty components: sales slightly increased, profit increased (shipment volumes up due to a recovery of demand for FA industries, cost reduction)

High-purity foil for capacitors: sales and profit increased (shipment volumes up due to a recovery of demand in auto and FA/OA industries)

Aluminum cans: sales and profit increased (Vietnam: shipment volumes up due to start-up of new plant from 3Q, 2020, Japan: streamlined production lines)

Others

(Unit: Billions of Yen)

	CQ1, 2020	CQ1, 2021	Increase/decrease
Sales	28.6	28.2	-0.4
Operating Income	0.2	0.2	-0.0

SHOKO: sales decreased (market prices down in metal ceramics business), profit decreased

Showa Denko Materials

(Unit: Billions of Yen)

	CQ1, 2020 ^{*1}	CQ1, 2021	Increase/decrease
Sales	151.7	159.6	7.9
Operating Income	—	7.6	7.6
Operating Income ^{*2}	6.9	16.2	9.3

Sales of electronic materials, wiring board materials, and mobility components were firm against the backdrop of strong demand for semiconductors and the recovery of automobile production in China and other countries.

*1 Reference Value (Due to consolidation from July 2020)

*2 CQ1,2020 : Adjusted operating income of former Hitachi Chemical Co., Ltd. (for reference)

CQ1,2021 : Amounts are excluding amortization of goodwill, etc. due to its consolidation from operating income of Showa Denko Materials segment.

Non-operating income/expenses, Extraordinary profit/loss



Non-operating income/expenses

(Unit: Billions of Yen)

	CQ1, 2020	CQ1, 2021	Increase/ decrease	Main factors
Interest/Dividends income and expenses	0.1	-2.1	-2.2	Interest expenses increased
Equity in earnings of affiliates	0.4	1.8	1.4	Equity method newly applied to affiliates of Showa Denko Materials
Foreign exchange gains	0.6	4.6	4.1	
Other	-0.3	-0.1	0.2	
Non-operating income and expenses, net	0.8	4.3	3.5	

Extraordinary profit/loss

(Unit: Billions of Yen)

	CQ1, 2020	CQ1, 2021	Increase/ decrease	Main factors
Gain on sales of investment securities	0.2	1.3	1.1	
Loss on sales and retirement of noncurrent assets	-0.8	-0.6	0.3	
Environmental expenses	-	-9.0	-9.0	Aluminum Segment
Business structuring expenses	-	-2.7	-2.7	Showa Denko Materials
Other	0.9	-0.8	-1.6	
Extraordinary Profit/Loss, net	0.2	-11.7	-11.9	

Consolidated Balance Sheet



Consolidated Balance Sheet

(Unit: Billions of Yen)

Assets	Dec. 31, 2020	Mar. 31, 2021	Increase/decrease	Liabilities and net assets	Dec. 31, 2020	Mar. 31, 2021	Increase/decrease
Cash and deposits	199.0	182.3	-16.7	Notes and accounts payable	164.4	181.3	16.9
Notes and accounts receivable	271.6	294.1	22.4	Interest-bearing debt	1,060.1	1,056.3	-3.9
Inventories	190.2	209.4	19.2	Other liabilities	261.0	270.9	9.9
Other current assets	61.8	64.3	2.5	Total liabilities	1,485.5	1,508.4	22.9
Total current assets	722.6	750.1	27.5	<u>Total shareholders' equity</u>	372.7	368.4	-4.3
<u>Total tangible fixed assets</u>	727.1	737.1	10.0	incl. Retained earnings	165.6	161.3	-4.3
Goodwill	359.2	354.7	-4.5	<u>Total accumulated other comprehensive income</u>	33.3	56.7	23.4
Other intangible fixed assets	239.2	235.5	-3.8	incl. Valuation difference on available-for-sale securities	3.7	6.1	2.3
<u>Total intangible fixed assets</u>	598.4	590.2	-8.3	incl. Foreign currency translation adjustment	-0.5	19.5	20.0
<u>Investments and other assets</u>	155.4	163.5	8.1	Non-controlling interests	312.1	307.4	-4.7
Total fixed assets	1,481.0	1,490.8	9.8	Total net assets	718.1	732.5	14.4
Total assets	2,203.6	2,240.9	37.3	Total liabilities and net assets	2,203.6	2,240.9	37.3

Major Indicators

Adjusted net D/E ratio (Times)	1.84	1.80	-0.04p	Equity ratio (%)	18.4	19.0	0.5p
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Adjusted net D/E ratio : $\{(\text{Loans payable} + \text{Commercial papers} + \text{Bonds payable} + \text{Lease liabilities}) - \text{Cash and deposits} + \text{preferred stocks as equity capital} \times 50\% \} / \{(\text{Total shareholders' equity} + \text{preferred stocks as equity capital} \times 50\%) \}$

*The assumption that we consider 50% of the total value of issued preferred stocks as equity capital is based on the credit rating given by Japan Credit Rating Agency, Ltd. on April 21, 2020.

Equity ratio: $(\text{Total net assets} - \text{Non-controlling interests}) / \text{Total liabilities and net assets} \times 100$

2021 1st Half Forecast



(Unit: Billions of Yen)

	Earlier forecast (Announced on Feb. 17, 2021)	Revised forecast (Announced on May 10, 2021)	Increase/ decrease	2nd Half	Full-year 2021*
Net sales	630.0	695.0	65.0	650.0	1,345.0
Operating income	11.0	34.0	23.0	34.0	68.0
Non-operating income and expenses, net	-5.0	1.0	6.0	-5.0	-4.0
Ordinary income	6.0	35.0	29.0	29.0	64.0
Extraordinary profit/loss	-10.0	-12.0	-2.0	-10.0	-22.0
Net income	-9.0	17.0	26.0	9.0	26.0
Net income attributable to owners of the parent	-16.0	9.0	25.0	2.0	11.0

EBITDA (Operating income + Depreciation expense + Amortization of goodwill, etc.)	188.1
EBITDA margin	14.0%
Net income attributable to owners of the parent per share	¥75.40
Cash dividends per share	¥65

* Regarding consolidated performance forecast for full-year 2021, we revised the forecast to reflect only the changes in the performance forecast for the first half of 2021.

Summary of Sales and Operating Income by Segment, 2021 1st Half Forecast



(Unit: Billions of Yen)

		Earlier forecast (Announced on Feb. 17, 2021)	Revised forecast (Announced on May 10, 2021)	Increase/ decrease	2nd Half	Full-year 2021* ¹
Petro-chemicals	Sales	96.0	125.0	29.0	100.0	225.0
	O.I.	4.5	9.0	4.5	7.0	16.0
Chemicals	Sales	79.0	84.0	5.0	87.0	171.0
	O.I.	6.5	9.0	2.5	9.0	18.0
Electronics	Sales	47.0	49.0	2.0	63.0	112.0
	O.I.	2.5	3.5	1.0	10.0	13.5
Inorganics	Sales	37.0	47.0	10.0	40.0	87.0
	O.I.	0.0	4.5	4.5	3.0	7.5
Aluminum	Sales	42.0	51.0	9.0	16.0	67.0
	O.I.	2.5	5.0	2.5	1.0	6.0
Showa Denko Materials* ²	Sales	300.0	321.0	21.0	310.0	631.0
	O.I.	1.0 (18.2)	10.0 (27.2)	9.0	9.0 (26.2)	19.0 (53.4)
Others	Sales	53.0	36.0	-17.0	58.0	94.0
	O.I.	0.5	0.2	-0.3	0.5	0.7
Adjustments	Sales	-24.0	-18.0	6.0	-24.0	-42.0
	O.I.	-6.5	-7.2	-0.7	-5.5	-12.7
Total	Sales	630.0	695.0	65.0	650.0	1,345.0
	O.I.	11.0	34.0	23.0	34.0	68.0

*1: Regarding consolidated performance forecast for full-year 2021, we revised the forecast to reflect only the changes in the performance forecast for the first half of 2021. *2: Amounts in parentheses are those excluding amortization of goodwill, etc. and are for reference

(Reference)

PPA Results and Amortization of Assets Pertaining to Showa Denko Materials Co., Ltd.



(Unit: Billions of Yen)

	Recognized amount	Amortization Period	Amortization amount	
			2020 Results	2021 Forecast
Intangible Fixed Assets	215.9		8.1	16.1
Customer related assets	154.9	20 years	3.9	7.7
Technology related assets	57.1	7 years	4.1	8.2
Other	3.9	20 years	0.1	0.2
Goodwill	365.1	20 years	9.1	18.3
Subtotal (Operating expenses)	581.0		17.2	34.4
Investments and other assets				
Equity in earnings of affiliates (Investment securities) (Non-operating expenses)	44.9	20 years	1.1	2.2
Total	625.9		18.3	36.6

*PPA (Purchase Price Allocation) is an evaluation procedure, based on Accounting Standard for Business Combination, to distribute acquisition cost incurred during the process of M&A to the acquiring company's assets and liabilities

Segment	Topics
Electronics	Decided to increase capacity to produce aluminum platter for hard disks
Inorganics	Invested in AMI Automation (Graphite electrodes)
Aluminum	Announcement of execution of master agreement regarding series of transactions to effect, among other matters, the succession of the aluminum can and aluminum rolling businesses, and result in certain consolidated subsidiary ceasing to be a consolidated subsidiary of SDK
Showa Denko Materials	SDMC acquired 100% ownership of Hitachi Chemical Diagnostics System (Life sciences)
Others	Concluded basic agreement regarding tender offer over subsidiary (SHOKO)

*Please refer to financial statements or each press releases for details.

Financial statements: <https://www.sdk.co.jp/english/ir/library/results.html>

News Releases: <https://www.sdk.co.jp/english/news.html>

<https://www.mc.showadenko.com/news/english>

Note

Performance forecast and other statements pertaining to the future as contained in this presentation are based on the information available as of today and assumptions as of today regarding risk factors that could affect our future performance. Actual results may differ materially from the forecast due to a variety of risk factors, including, but not limited to, the influence of the coronavirus disease 2019 (COVID-19) on the world economy, the economic conditions, costs of naphtha and other raw materials, demand for our products such as graphite electrodes and other commodities, market conditions, and foreign exchange rates. We undertake no obligation to update the forward-looking statements unless required by law.