SGL GROUP
THE CARBON COMPANY

Investor Relations Presentation

August 2012

BROAD BASE. BEST SOLUTIONS.

Introduction to SGL Group's Businesses

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SGL Group
Business structure

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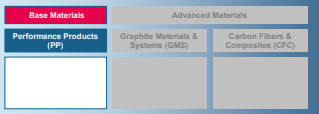
Base Materials	Advanced Materials	
Performance Products (PP)	**Graphite Materials & Systems (GMS)**	**Carbon Fibers & Composites (CFC)**
• Graphite & Carbon Electrodes (GCE) • Cathodes & Furnace Linings (CFL)	• Graphite Specialties (GS) • Process Technology (PT) • New Markets (NM)	• Carbon Fibers & Composite Materials (CF/CM) • Aerostructures (AS) • Rotor Blades (RB)

Technology and Innovation (T&I)

Six Sigma (SGL Excellence)

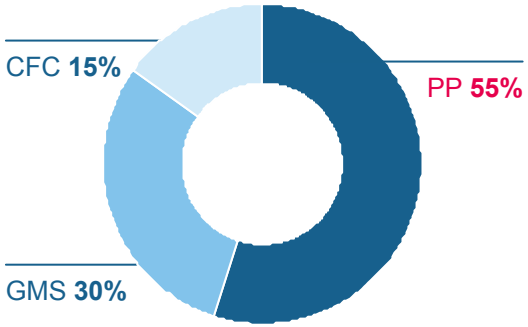
Base Materials
Performance Products (PP)



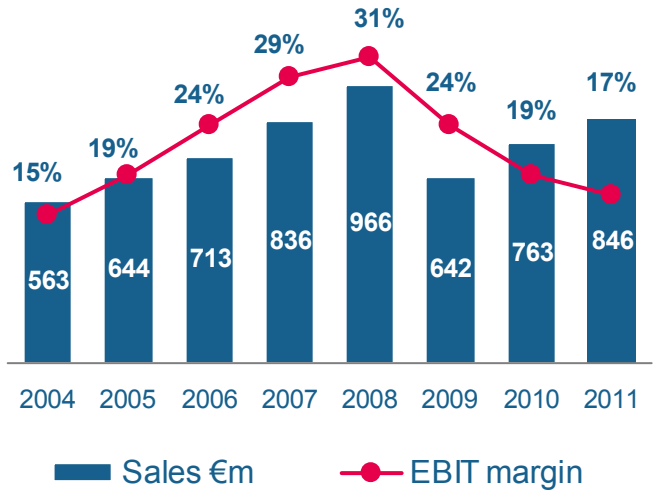
Business units

- Graphite & Carbon Electrodes
- Cathodes & Furnace Linings

2011 Group sales



PP sales & EBIT margins



Key industries served

- Steel
- Aluminum
- Ferrous and non-ferrous metals

Characteristics

- Supplying the metal industries
- Leading competitive position
- Ongoing growth in BRIC
- High ROS & ROCE
- Strong cash flow
- Stable growth

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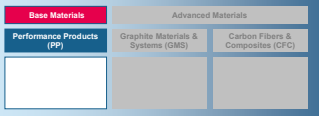
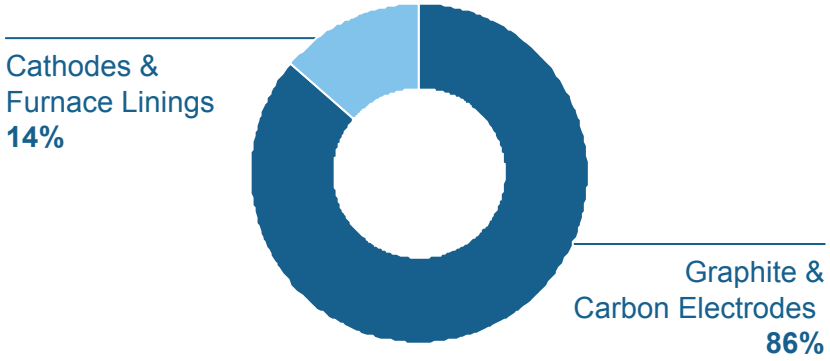
Base Materials
Performance Products (PP)



Sales – 2011



Highlights 2011

- Continued improvement in graphite electrode volumes
- Construction of full integrated Malaysian graphite plant (electrodes & cathodes) continues on schedule

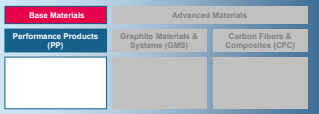
Medium-term targets

- Volume growth: 2 – 3% p.a.
- ROS: 15 – 20%

Strategic priorities

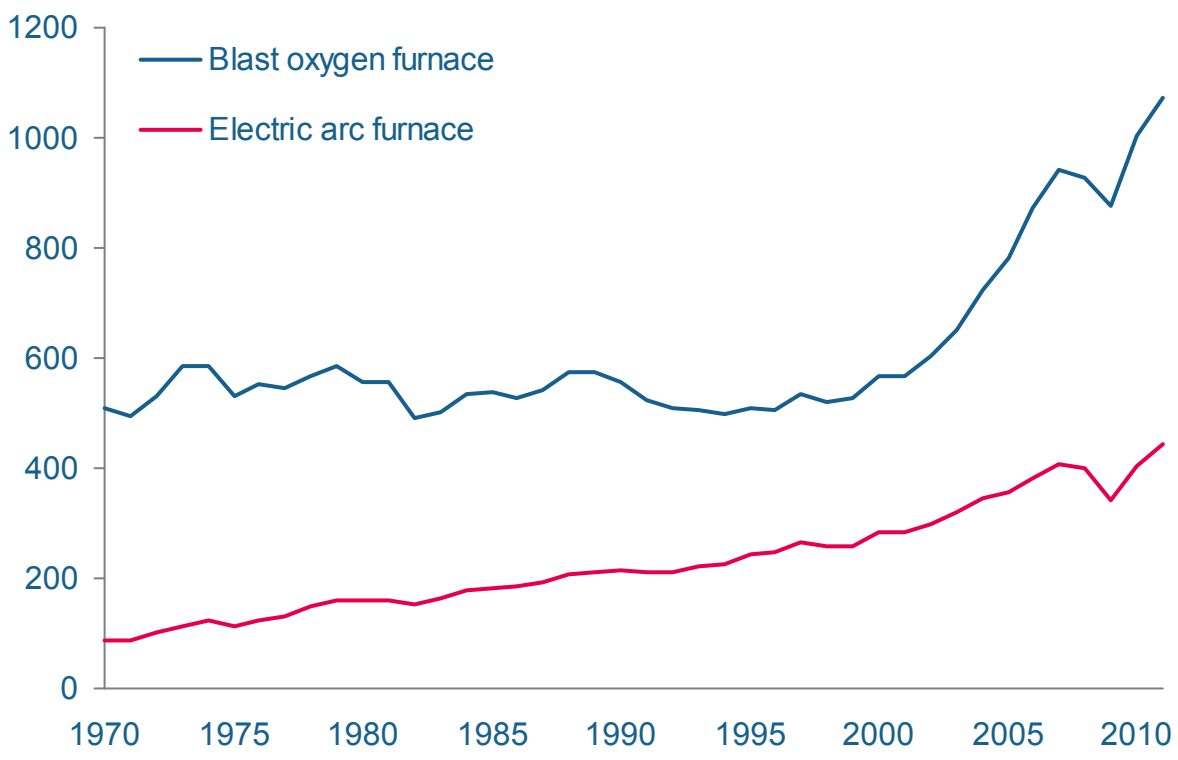
- Continued cost reduction projects
- Major initiative to increase customer value through product quality and consistency
- Full integration of electrode and cathode production in Malaysia

Performance Products
Graphite electrodes (GE) for steel production in EAFs



- Growth in steel production fuelled by infrastructure demand from emerging countries
- Scrap availability limits EAF growth in emerging countries
- Due to continued efficiency gains GE demand growth only 1 – 2% p.a.
- GE critical to EAF furnace efficiency but only ~3% of steel-making conversion cost

Worldwide steel production [in mt]



Source: WSD, IISI, own estimate

An EAF (electric arc furnace) is a furnace that heats charged scrap steel material (also known as mini mills)
BOF (blast oxygen furnace) is the steelmaking route that uses iron ore and coking coal to produce primary steel (also known as integrated steel)

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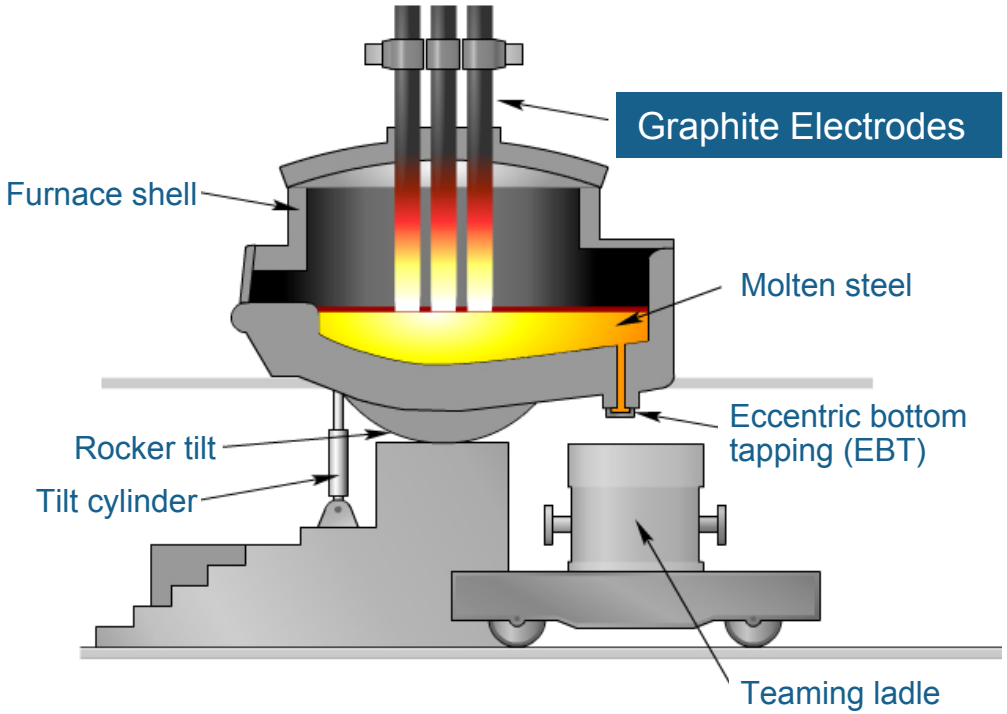
Performance Products
Graphite electrodes

Steelmaking – An Electric Arc Furnace (EAF)

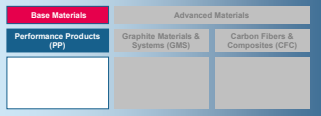
Section view through EAF



Graphite electrode

Source: steeluniversity.org

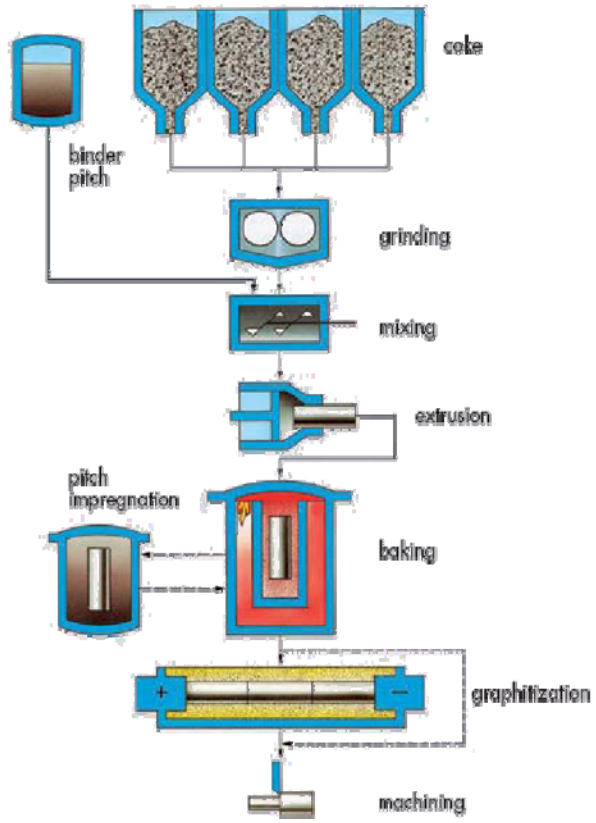
Performance Products
Graphite electrode production process



- GE critical to EAF furnace efficiency but only ~ 3% of steelmaking conversion cost
- GE is a consumable – replaced every 5 to 8h
- GE usually sold mostly in annual contracts
- Needle coke requirements sourced on basis of multiyear contracts

➔Production process takes up to 3 months

Graphite production



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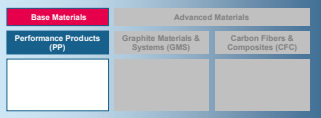
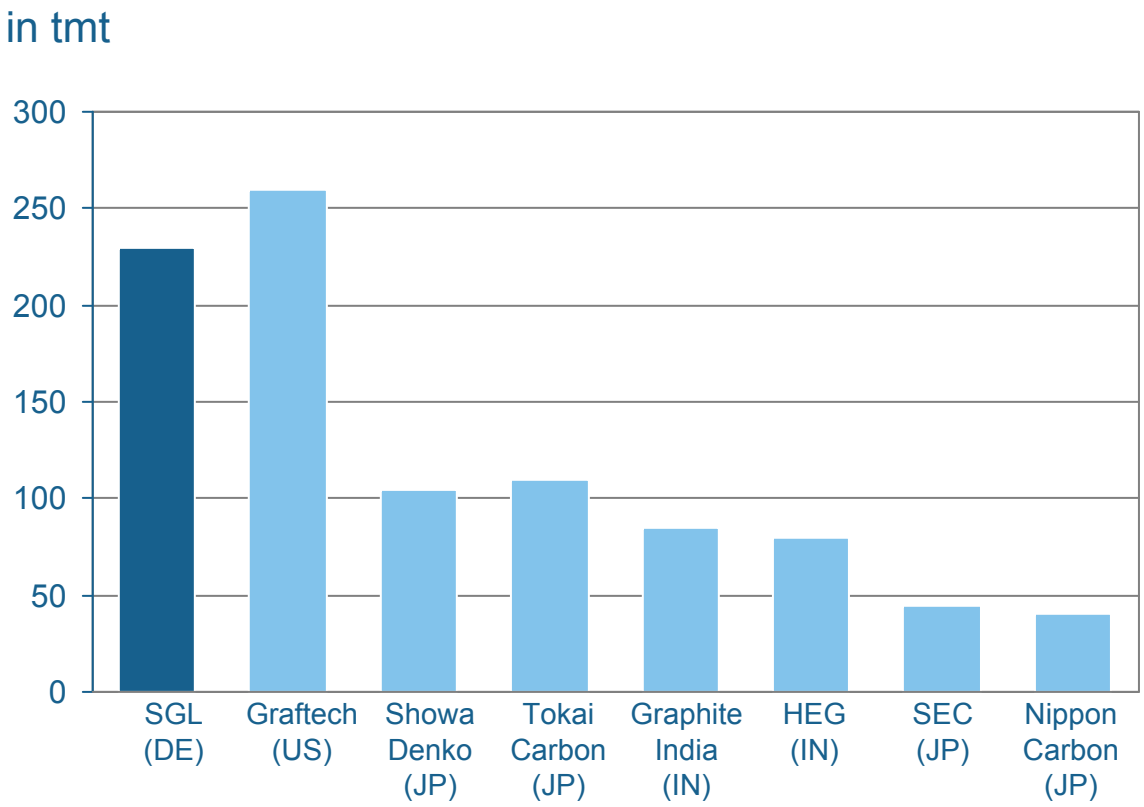
Performance Products
Graphite electrode market



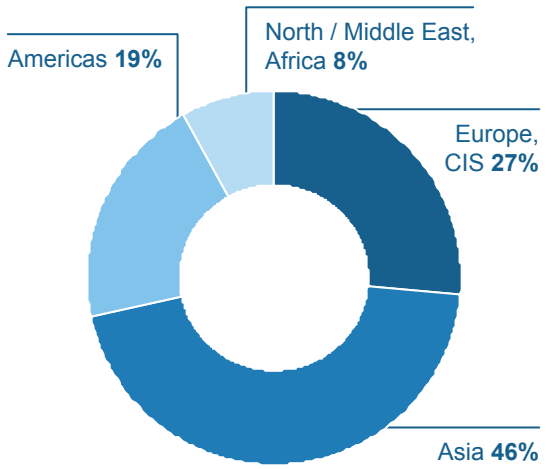
Capacity by competitor in 2012* – UHP / HP-quality



* Russia and China: Potential UHP capacity dependent on equipment, technical capability and needle coke availability

Source: SGL Group's own estimates (as of March 2012)

Regional demand in 2011



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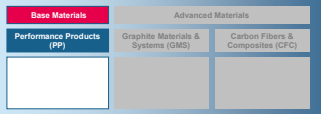
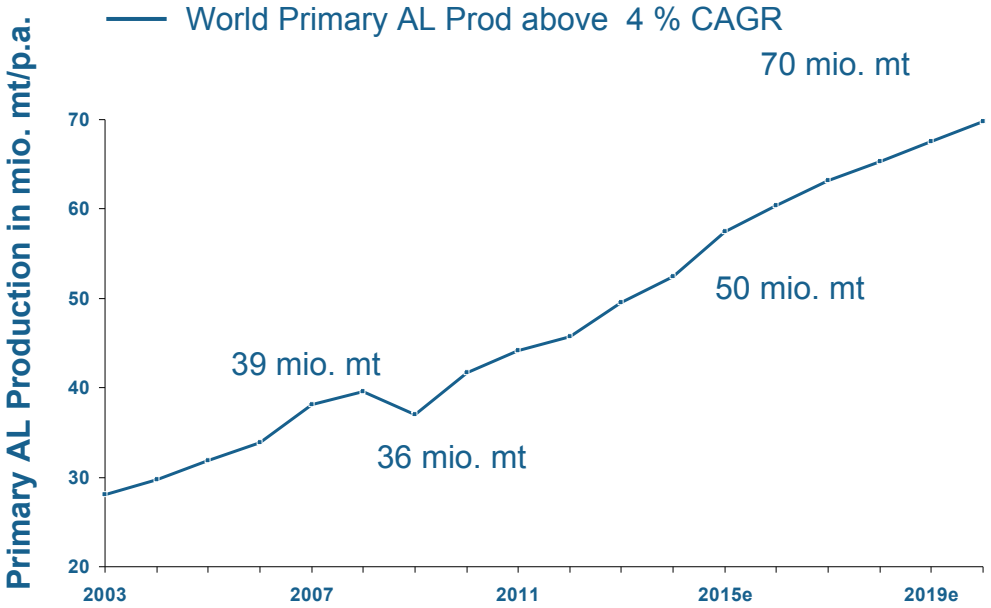
Performance Products
Cathodes for the aluminum industry



- Aluminum demand driven by:
  - Population growth and urbanization
  - Further industrialization of BRICs
  - Weight / strength / cost advantages in higher energy cost environment
- Cathodes essential to aluminum smelters
  - ➔Existing smelters relining
  - ➔Investment good (5 – 7 years lifetime)
  - ➔New smelter construction leading first to project demand and long-term to higher relining demand
- Existing smelters upgrading
  - ➔Amorphous → graphitized cathodes
  - ➔Only three to four major established producers of graphitized cathodes
- Cathodes essential for aluminum smelting but representing only 2% of production costs for 1 mt aluminum

Aluminum global production scenarios 2003 – 2020 / Above pre-crisis scenarios

Fundamentals for Aluminum production growth are solid. Various new Projects under construction and additional feasibility studies for capacity increase underway.



Source: IAI, Habor, SGL Group's own estimates, Hydro; Alcoa, CRU

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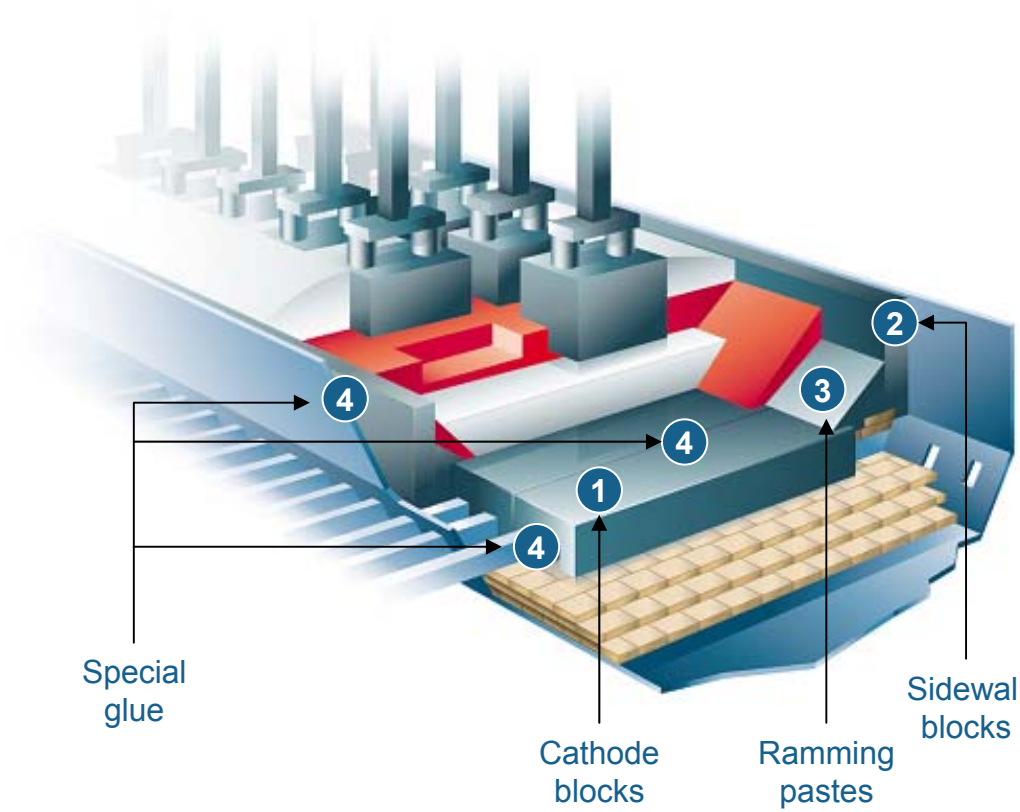
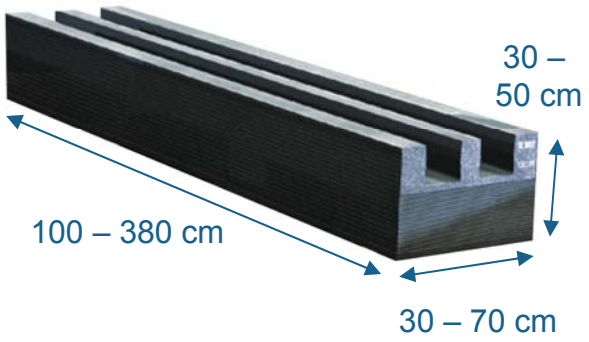
Performance Products
Cathodes for the aluminum industry

Aluminum smelter

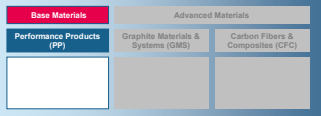


Cathodes



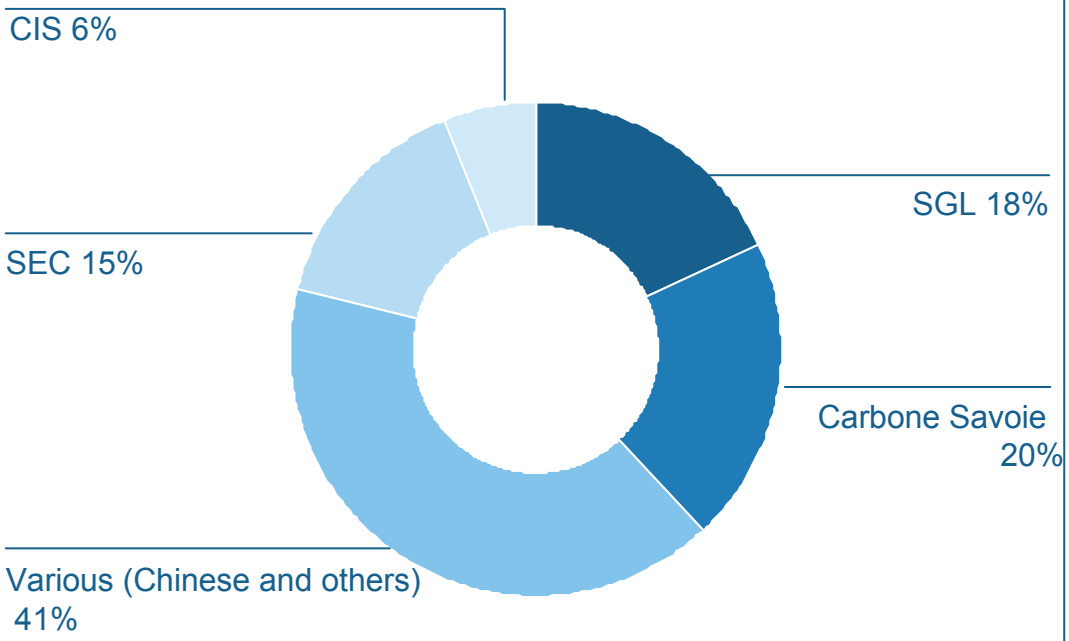
Source: SGL Group

Performance Products
Market shares in cathodes 2011



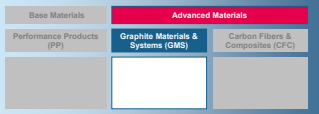
- Increasing cathode demand due to new projects.
- In Western World disproportional growth for graphitized cathodes due to higher efficiency and yield advantages
- Graphitized cathodes industry highly concentrated (only 3 – 4 established players)

Market shares in cathodes 2011



Source: SGL Group's own estimates, market shares based on volume (excl. China domestic)
Various (Chinese & others): various cathode producers combined in this number, none of them exceeding 5% market share

Advanced Materials
Graphite Materials & Systems (GMS)



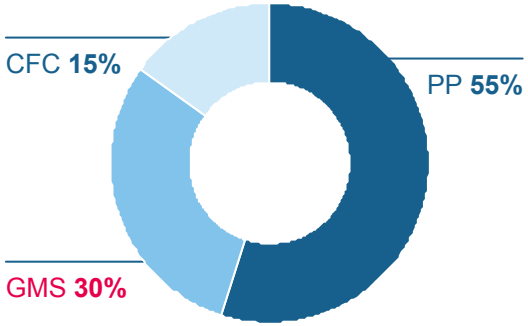
Business units

- Graphite Specialties
- New Markets
- Process Technology

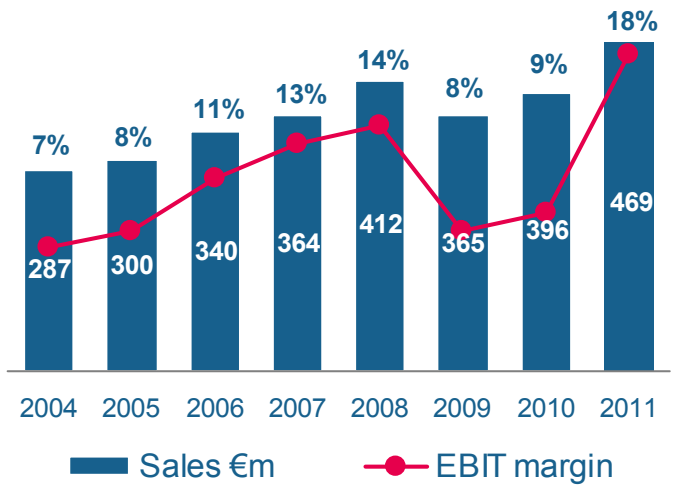
Key industries served

- Chemical
- Energy – Solar/Battery
- Semiconductor/LED
- Metallurgy
- Tool manufacturing
- Automotive
- High-temperature processes

2011 Group sales



GMS sales & EBIT margins



Characteristics

- C-parts supplier to high tech investment goods industry (GS/NM)
- Broadest product portfolio
- Global footprint
- Sustainable growth potential in renewable energies, energy efficiency and energy storage

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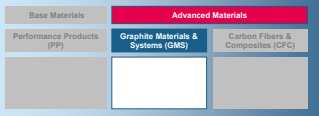
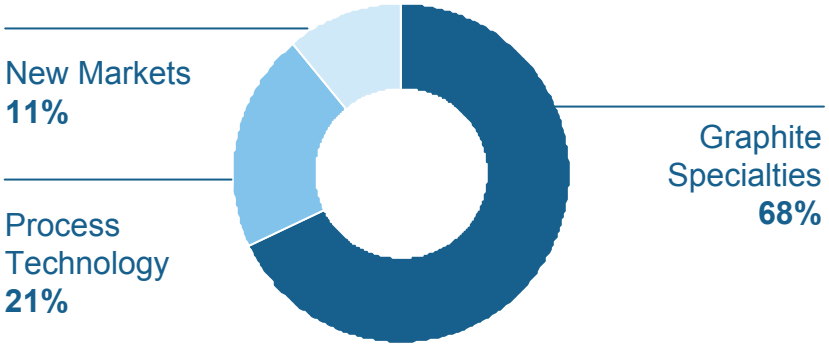
Advanced Materials
Graphite Materials & Systems (GMS)



Sales – 2011



Highlights 2011

- Record sales and ROS due to high demand from all customer industries
- Capacity expansion on stream to accompany increasing demand of industries such as photovoltaic, LED, etc. (isostatic graphite)
- Process Technology ended 2011 with record number of new orders

Medium-term targets

- Sales growth: >10% p.a.
- ROS: >10%

Strategic priorities

- Capture market opportunities in fast growing markets with timely investments
- Maintain leading position in all core product technologies
- Further improve business position in Asia by strengthening local investments and skills

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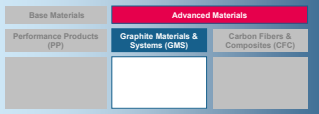
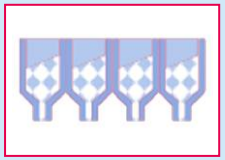
Graphite manufacturing passes multiple process steps and requires 4 to 6 months of production time (net)



Raw Materials (Pitches & Cokes)



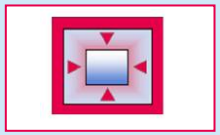
High quality raw materials from reliable sources

Pre-pressing Processes

Breaking, milling, sieving, binding, mixing, homoge-nizing

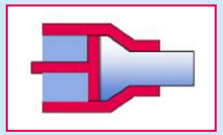
4 days

Pressing



Isostatic pressing

or



Extruding

1 day

Baking 850°C – 1,200°C

Carbonizing

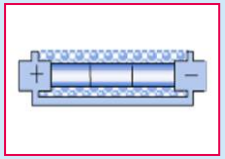
4- 6 weeks

Impregnate & Re-Bake

Carbonizing, Densification

4 weeks

Graphitizing 2,800°C – 3,000°C



Formation of graphite structure and densification

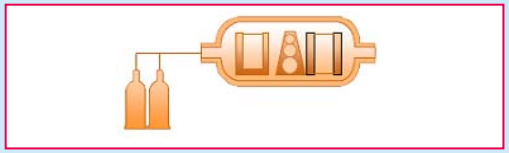
5 weeks

Machining

Machining of the feedstock: Sawing, turning, milling, sanding, boring, lapping, polishing

1- 5 days

Finishing / Value-Adding



Purification 2 days

Coating 3 days

Production time

Σ 4 - 6 months

Source: GS Production

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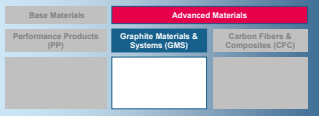
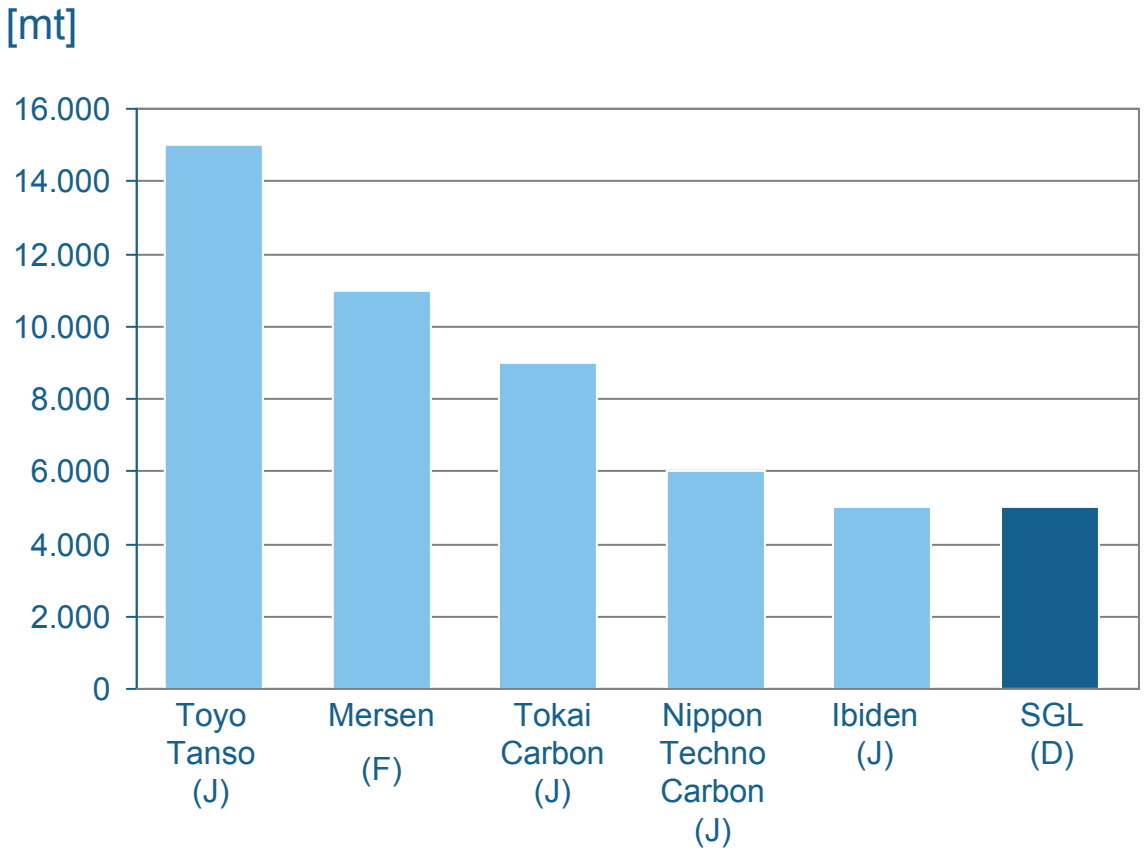
Graphite Materials & Systems
Feedstock production: Isostatic graphite

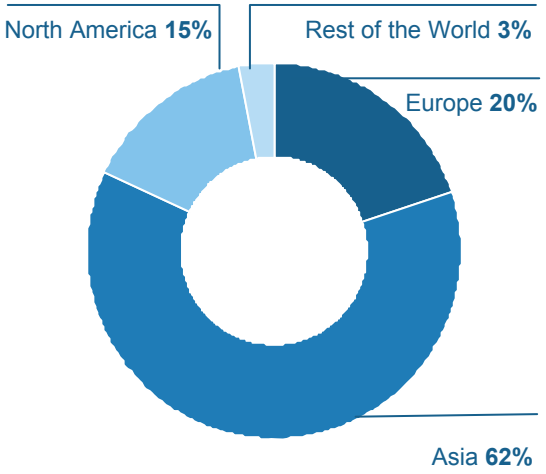


Capacity by competitor in 2011



Source: Own estimates (as of March 2012)

Regional demand in 2011



Source: Own estimates (as of March 2012)

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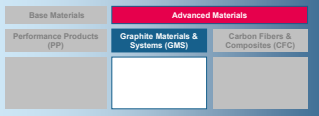
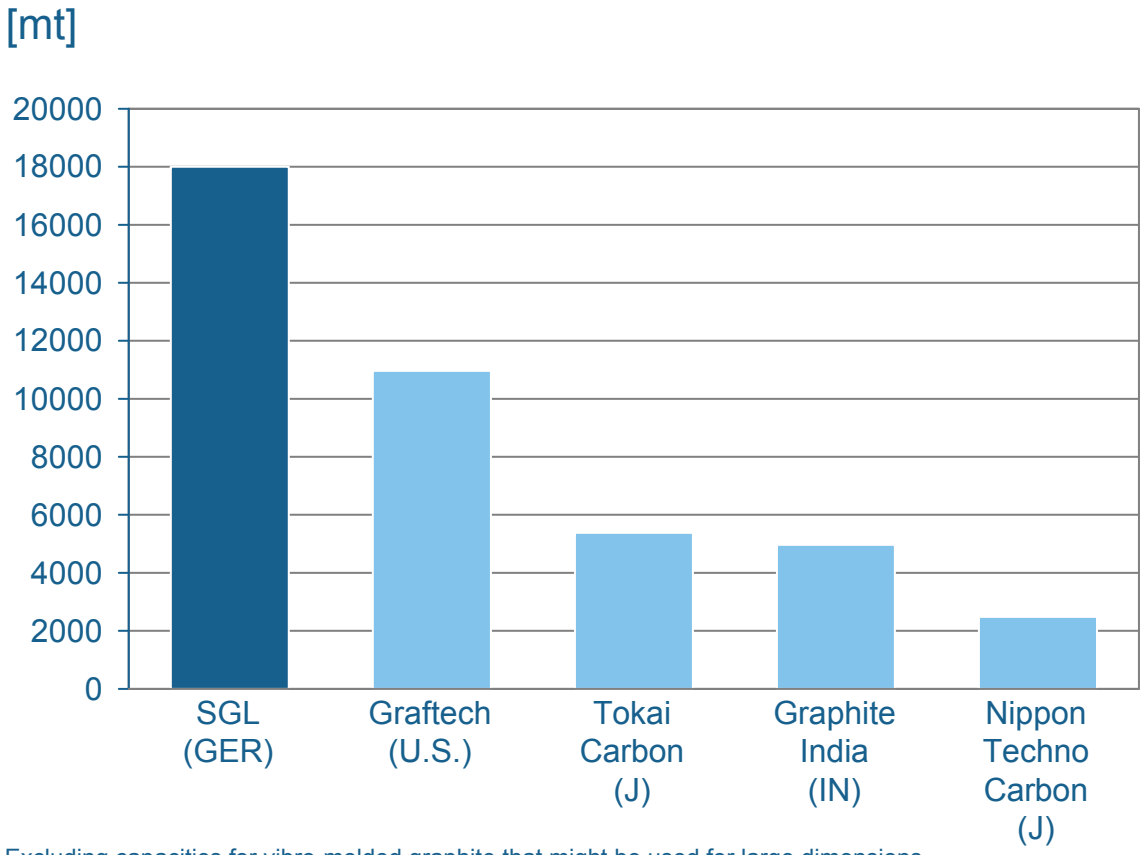
Graphite Materials & Systems
Feedstock production: Extruded graphite

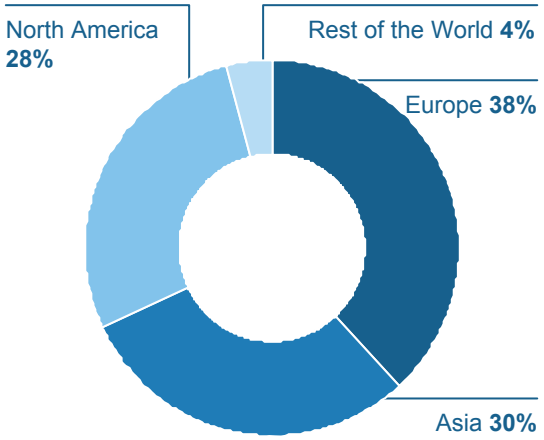


Capacity by competitor in 2011



Excluding capacities for vibro-molded graphite that might be used for large dimensions
Source: Own estimates (as of March 2012)

Regional demand in 2011



Source: Own estimates (as of March 2012)

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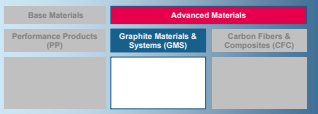
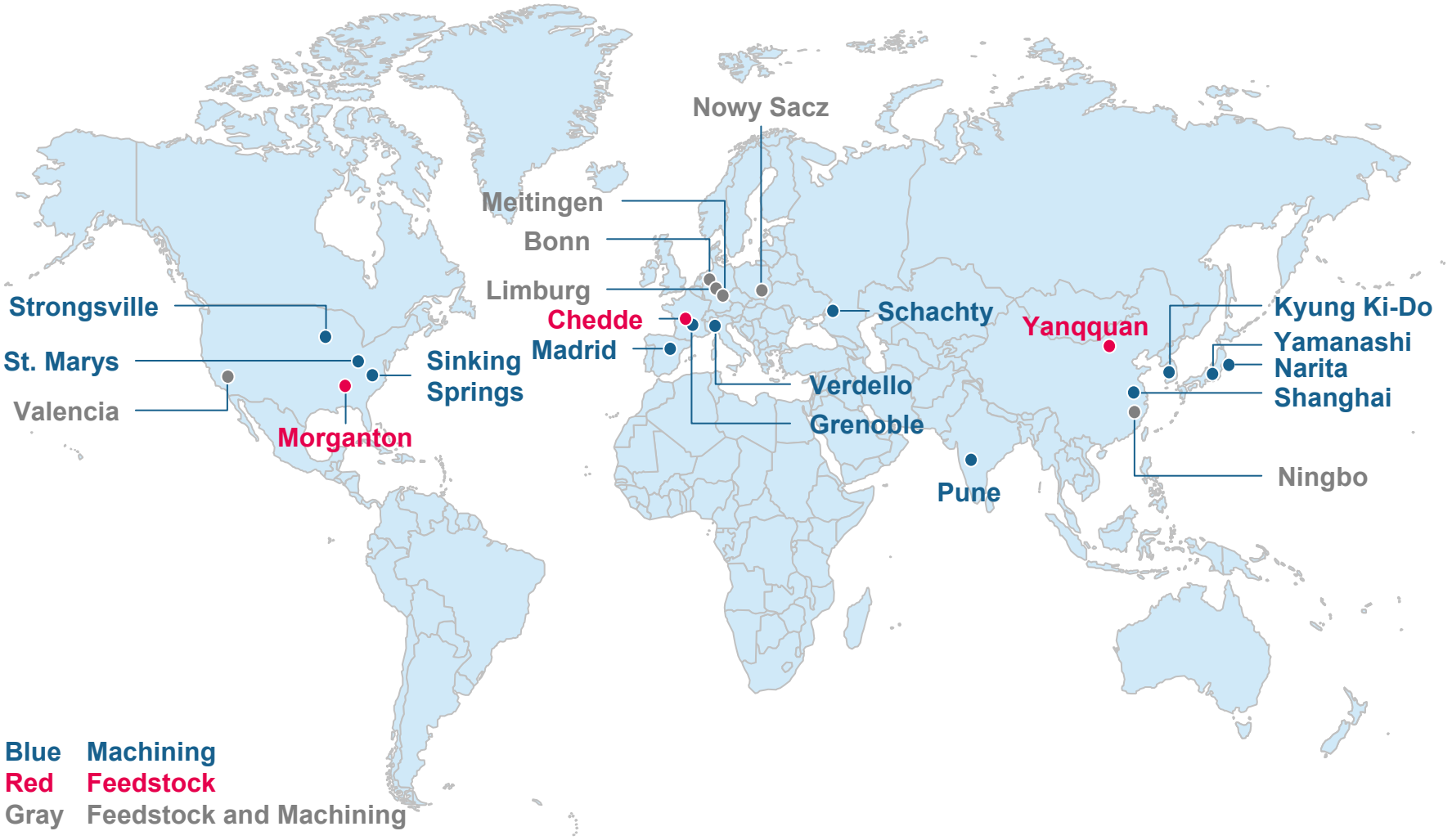
Graphite Materials & Systems
Production sites





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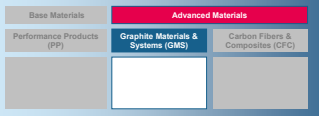
Graphite Materials & Systems
Graphite Specialties can have different properties

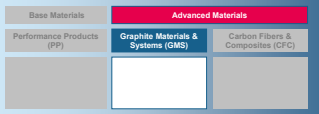


Graphite Specialties have unique properties:

- Self-lubricating
  - Necessary where oil and grease would be detrimental
  - Suitable above permissible temperatures for oils and fats
- Mechanically stable up to very high temperatures
  - Allow faster operating rates than with metals
  - Some applications, e.g., semiconductors could not be produced without graphite equipment
- Electrical and thermal conductivity
  - Graphite powder is a powerful and effective anode material in lithium-ion batteries
  - Metallurgical applications
- Highest thermal shock stability of all well-known materials
  - Graphite is both an effective lining and moderation material in nuclear power plants

The properties are modifiable to suit the required application!

Graphite Materials & Systems
Best solutions for our customers …



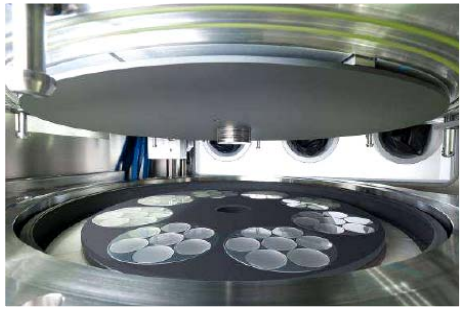
… in the PV / Semiconductor Industry

Iso susceptor, heating elements, heat shields/insulation (Soft- and Rigid Felt)

Iso graphite heating element

Mono crystalline silicon ingot

… in the LED Industry



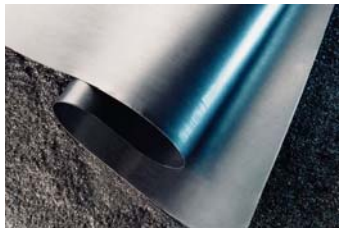
MOCVD reactor

SiC coated Iso Graphite Susceptor

… in the Chemical and Automotive Industry

Flange sealed by a gasket

Reinforced Graphite Sealing Sheet



Flexible Graphite Foil

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BU Process Technology

Process solution provider for chemical and related industries

Product portfolio

Systems

- Syntheses
- Distillation, purification, concentration, dilution
- Absorption, desorption
- Reactors & converters
- Steel pickling

Equipment

- Heat exchangers
- Reactors and internals
- Quenchers and vessels
- Pumps
- Piping
- Accessories

After sales services

- Spare parts
- Maintenance / Repairs
- Training

Core industries served

- Chemicals
- Pharma
- Metals & Mining
- Energy
- Solar
- Environmental

Core applications

- Hydrochloric acid (HCl)
- Phosphoric acid (H_3PO_4)
- Sulfuric acid (H_2SO_4)
- Hydrofluoric acid (HF)
- Oxidizing acids
- Isocyanates
- Epichlorohydrine (EPC)
- Vinyl chloride (VCM)
- Polysilicon

BU Process Technology
Business model and 3D growth strategy

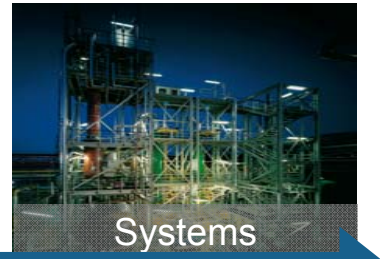
Engineered process solutions lead to high value leverage on graphite

Graphite
SiC
PTFE
Ex. Metals

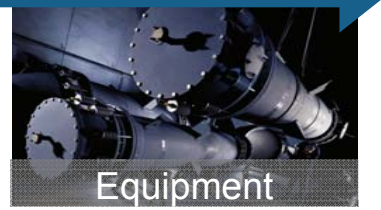
Engineering

Production

Process Solutions



Value chain



1st Dimension: **Regional rollout**

3D growth strategy – engine for sustainable profitable growth

2nd Dimension: **New products**

3rd Dimension: **New industries**

Leading to sales growth, ROS and ROCE supporting GMS targets

3D growth strategy – engine for sustainable profitable growth

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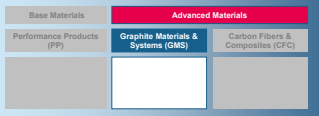
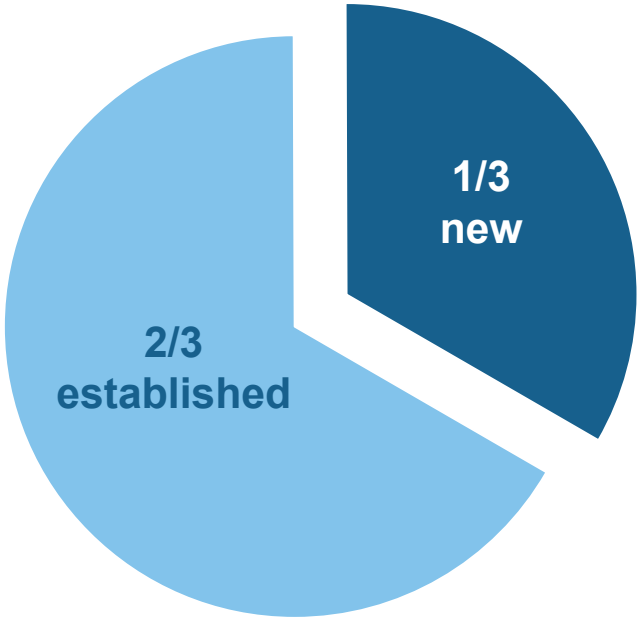
Graphite Materials & Systems
Innovation driving new product portfolio



Examples:

- Heaters, molds and insulation for photovoltaic applications
- Silicon Carbide coated platters for LED
- Carbon for anode material for **lithium-ion batteries**
- High purity expanded graphite for **environmental needs** and **thermal management** (electronics, climate), **e.g.** cooling ceilings (Deutsche Bank Green Towers)
- Process solutions for destruction of HCFCs (Hydrochlorofluorocarbons)

GMS 2011 sales: €469 million



1/3 of sales based on new products introduced over the last 4 years

BROAD BASE. BEST SOLUTIONS.

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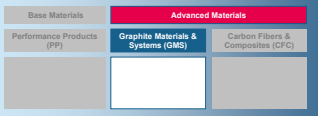
Graphite Materials & Systems

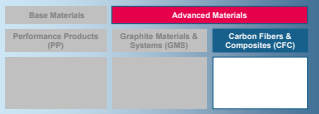
Major customer industries and market shares 2011



	% of total GMS sales 2011	Global market share 2011
Chemicals	24%	30%
Energy: Solar	21%	25%
Energy: Batteries & Nuclear	13%	25%
Semiconductor (incl. LED)	8%	20%
Metallurgy	7%	20%
Tool manufacturing	6%	15%
Automotive	4%	15%
High-temperature processes	3%	15%

Source: SGL Group's own estimates

Advanced Materials
Carbon Fibers and Composites (CFC)



Business units

- Carbon Fibers/ Composite Materials
- Aerostructures
- Rotor Blades

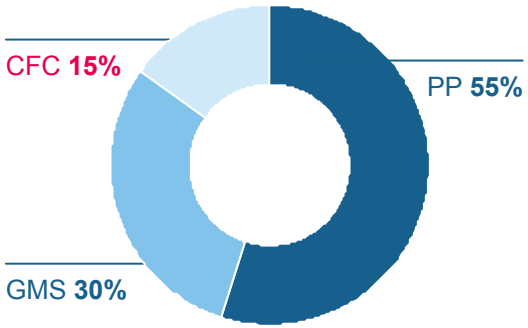
At-Equity JVs

- BMW, Brake Disc, Components

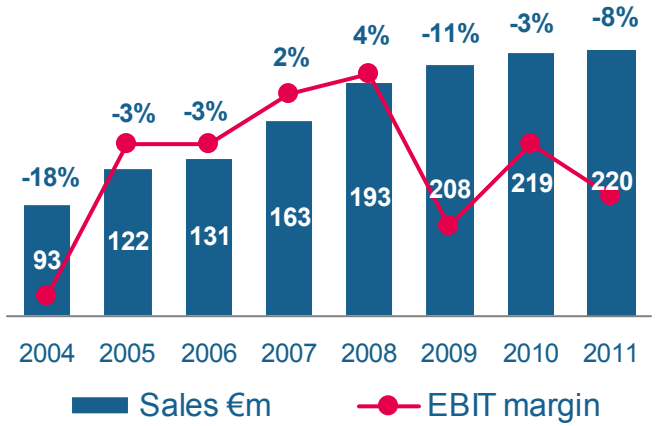
Key industries served

- Energy
- Aerospace & Defense
- Automotive
- Industrial
- Sporting Goods
- Medical Technology
- Construction

2011 Group sales



CFC sales & EBIT margins

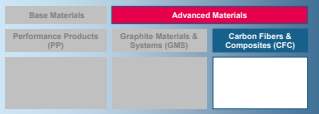


2004-05 SGL Technologies Business Unit excl. Expanded Graphite
2004-07 incl. Brake Disc business
SGL Rotec consolidated from September 2008 onwards

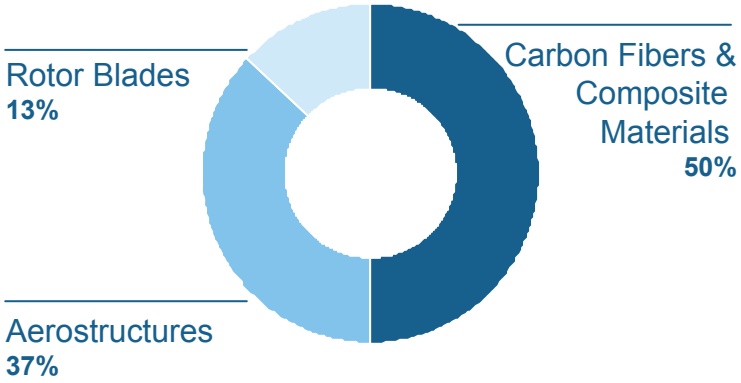
Characteristics

- New applications in automotive, energy, aeronautics, industrial
- High earnings improvement potential
- Complete value chain in house
- Only EU carbon fiber company

Advanced Materials
Carbon Fibers and Composites (CFC)



Sales – 2011



Highlights 2011

- Carbon Fibers & Composite Materials (CF/CM):
  - Improved volumes and capacity utilization
  - JVs with BMW Group for automotive materials progressing on schedule
- Aerostructures (AS)
  - Improved profitability due to further ramp up of customer projects; new investments in automation to support further growth in aerospace & defense business
- Rotor Blades (RB):
  - Wind industry project delays and cancellation of a major order caused lack of sales and low utilization

Medium-term targets

- Sales growth: > 20% p.a.
- ROS : > 10%
  (by end of 2013, subject to wind energy market developments)

Strategic priorities

- Become supplier of choice for our focus markets
  - Automotive
  - Alternative energies
  - Aviation / defense technology
  - Industrial, Construction
- Expand Carbon Fiber and Composite capacities
- Support organic growth with targeted partnerships and acquisitions
- Safeguard own raw material supply

Carbon Fibers & Composites
Best solutions for our customers

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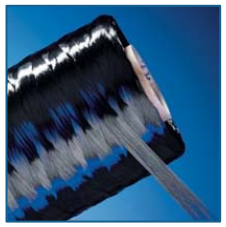
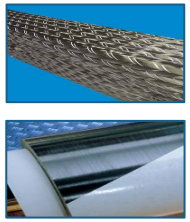
SGL Group
The only integrated European carbon fiber producer

Carbon Fibers & Composite Materials





Raw Material | Carbon Fiber | Composite Materials

PAN Precursor

- **Fisipe** (target 100%)
- **EPG:** JV with Lenzing) (44%)
- **MSP**: JV with Mitsubishi Rayon (33%)

Carbon Fiber

- **Prod. Capacity**
  ~ 4kt in UK
  ~ 2kt in USA
- **SGL-ACF**: JV with BMW (51%)
  ~ 3kt in USA

Prepreg Preform

- **SGL epo** (100%)
- **SGL Kümpers** (51%)
- **SGL-ACF**: JV with BMW (51%)

Composite Components

Aerospace & Defense

- **HITCO** (100%)

Industrial & Energy

- **SGL Rotec** (74.9%)

Automotive

- **Benteler SGL** (50%)
- **Brembo SGL Carbon Ceramic Brakes** (50%)

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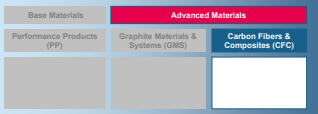
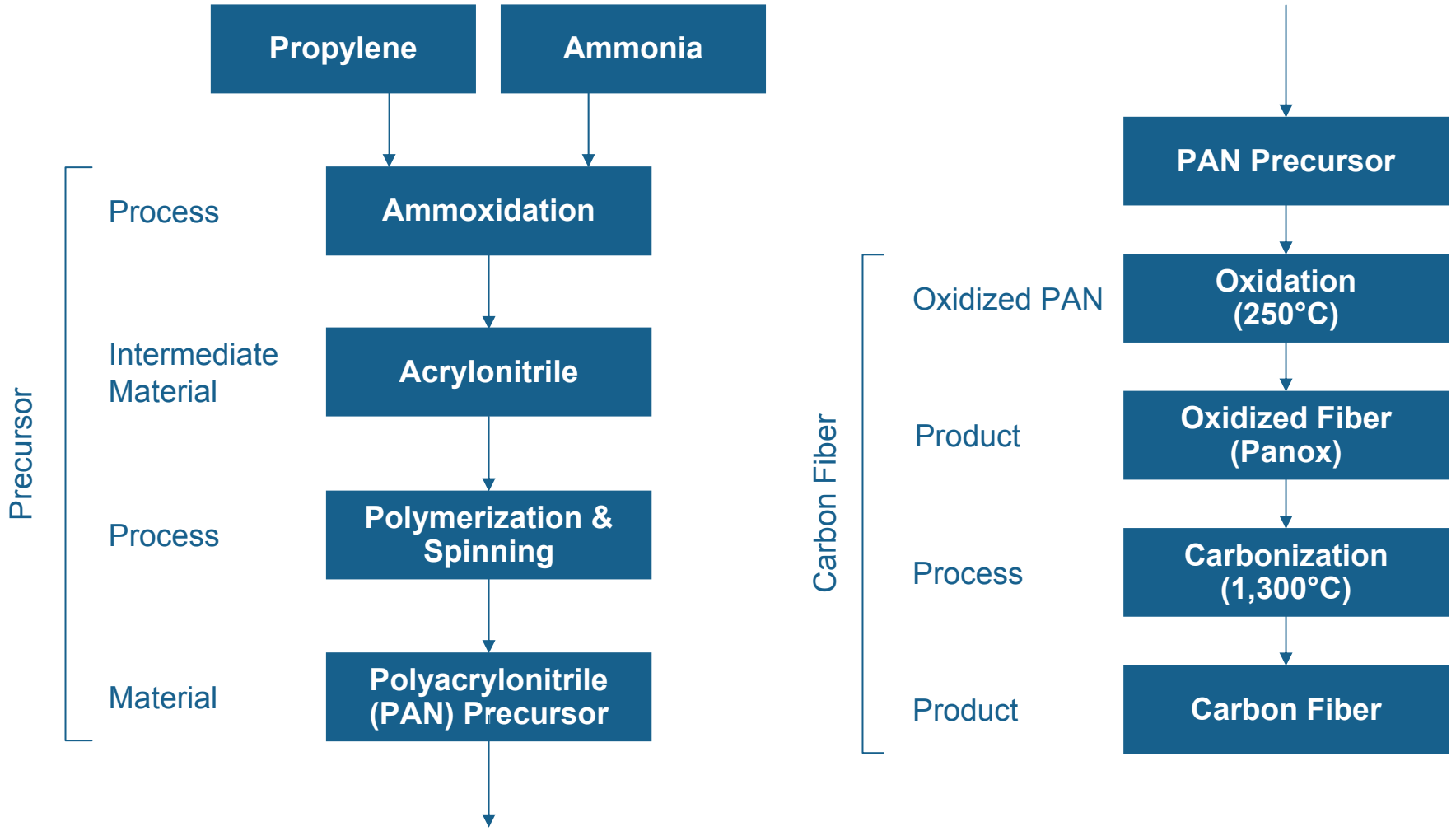
Carbon Fibers & Composites
PAN precursor and carbon fiber





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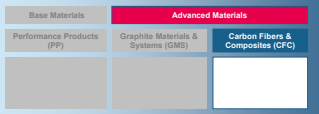
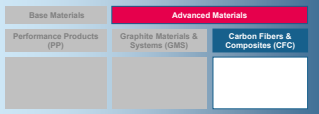
Carbon Fibers & Composites
Carbon fiber characteristics



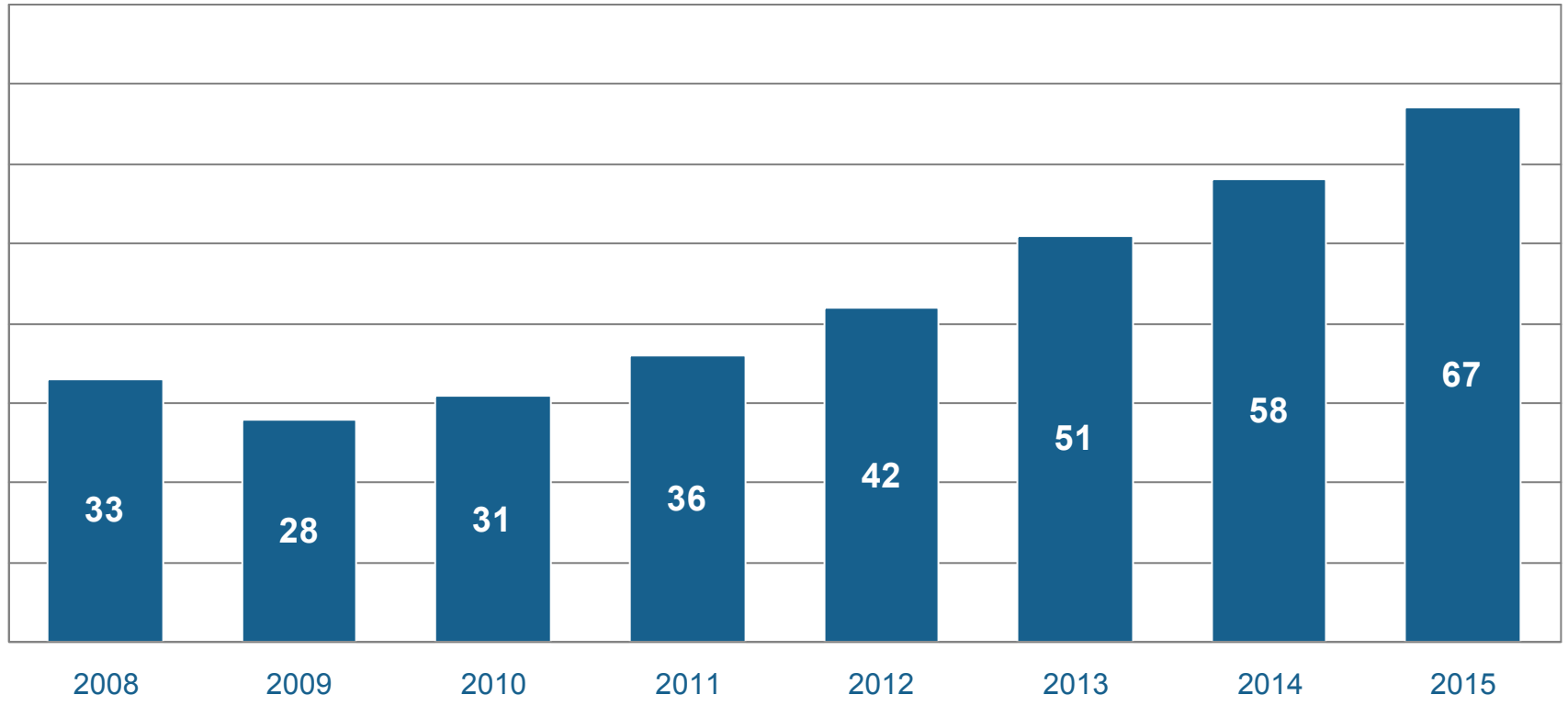
Characteristics	Applications
Physical strength, toughness, light weight	Aerospace, transport, sporting goods, pressure vessels, wind turbine blades, marine & off-shore applications
High dimensional stability, low coefficient of thermal expansion, low abrasion	Missiles, aircraft brakes, aerospace antenna and support structures, large telescopes, optical benches, waveguides for stable high-frequency (GHz) precision measurement frames
Good vibration damping, strength, and toughness	Audio equipment, loudspeakers for Hi-fi equipment, pickup arms, robot arms, rollers
Electrical conductivity	Automobile hoods, tooling, casings and bases for electronic equipment, electromagnetic interference (EMI) and radio frequency (RF) shielding, brushes
Biologically inert, x-ray permeability	Medical applications in prostheses, surgery and x-ray equipment, implants, tendon / ligament repair
Fatigue resistance, self-lubrication, high damping	Textile machinery, general engineering
Chemically inert, high corrosion resistance	Chemical industry; nuclear field; valves, seals, and pump components in process plants; civil engineering
Electromagnetic properties	Large generator retaining rings, radiological equipment

Source: CARBON FIBERS Updated: April, 2004 – Raghavendra R. Hegde, Atul Dahiya, M. G. Kamath (Monika Kannadaguli & Haoming Rong); SGL Group

Carbon Fibers & Composites: Carbon fiber demand growth delayed by 2-3 years but all growth drivers intact



CF market forecast (in thousand mt p.a.)



Source: SGL Group market research

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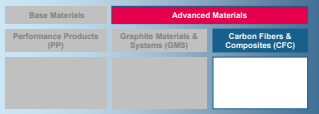
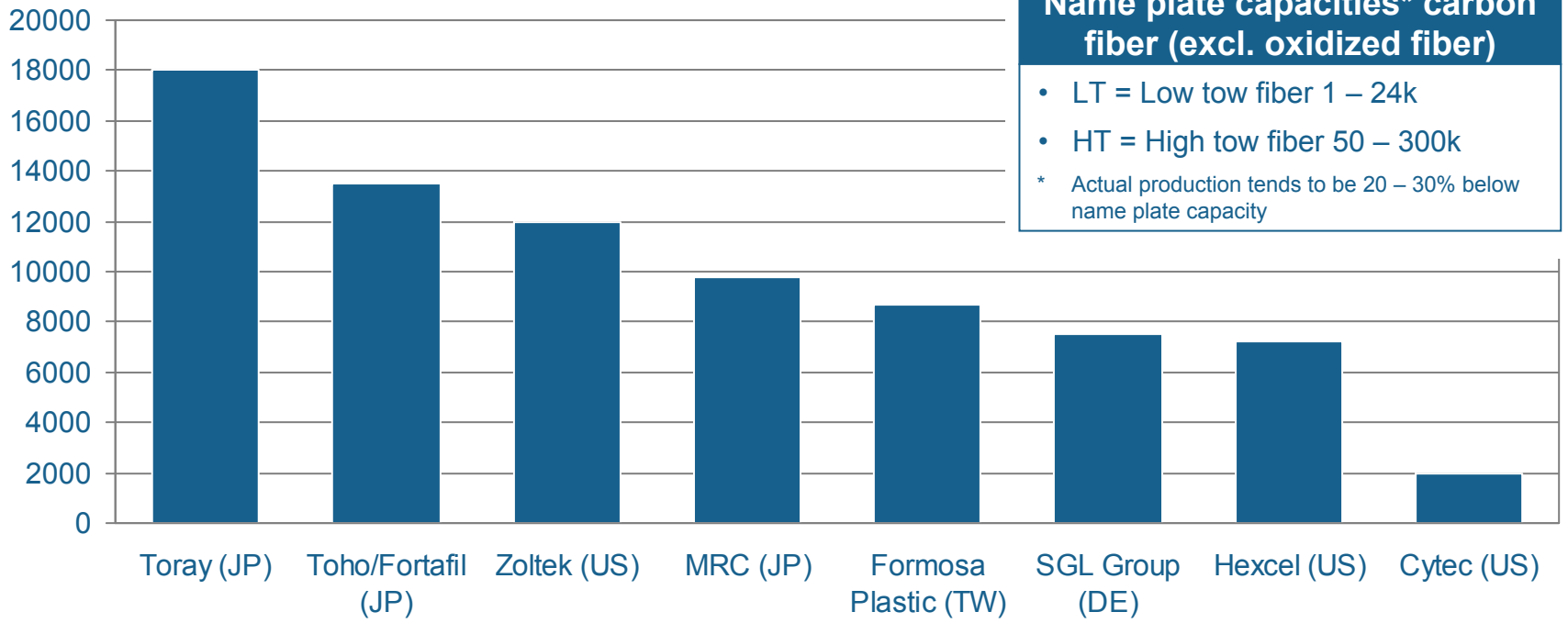
Carbon Fibers & Composites
Carbon fiber capacity



Capacity in mt



Name plate capacities* carbon fiber (excl. oxidized fiber)

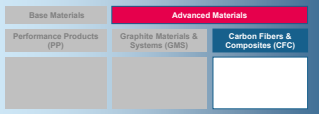
- LT = Low tow fiber 1 – 24k
- HT = High tow fiber 50 – 300k

* Actual production tends to be 20 – 30% below name plate capacity

Precursor	Own	Own	Own	Own	Own	Partially own	Own	Own
Product	LT	LT	HT	LT/HT	LT	HT	LT	LT
Markets	Aero / Ind.	Aero / Ind.	Ind.	Ind.	Ind.	Ind.	Aero / Ind.	Aero / Ind.

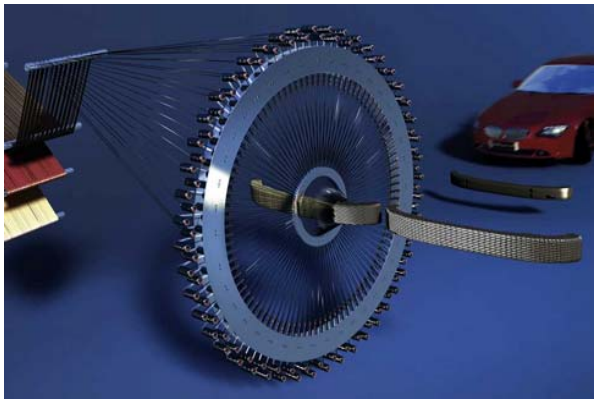
Source: SGL Group's own estimates, company websites (as of January 2012)

Carbon Fibers & Composites
Composite Materials



- Carbon fibers can be woven or braided and are often impregnated with resin before component production

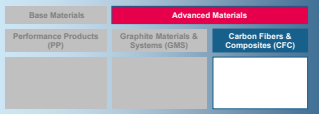
- We aim to have a broad range of technologies for prepreging / preforming
  - Impregnation (e.g., prepregs for wind turbine blades or aircraft parts)
    - SGL epo
  - Weaving (e.g., sporting goods, automotive, medical industry)
  - Preforms (e.g., automotive industry)
  - Braiding (e.g., automotive industry)
    - SGL Kümpers



SGL Kümpers

SGL epo

Carbon Fibers & Composites
Aerostructures – HITCO

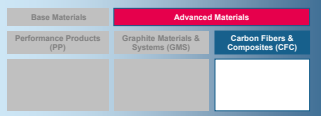


- HITCO: California-based composite component manufacturer for aerospace & defense industries
- Complex multi-contoured hand lay-up expertise augmented by world class automation for carbon fiber reinforced aero structures
- Investment into automation technologies AFP (Automated Fiber Placement machine), ATL (Automatic Tape Layer machine) and NDI (Non Destructive Testing Equipment) substantially improves competitiveness of HITCO
- Received 2011 Defense Manufacturing Technology Achievement Award for superior accomplishments on the Joint Strike Fighter (JSF) Program and recognition for Out of Autoclave (OOA) processing of composite structures
- Successive Preferred Supplier Certifications from The Boeing Company for Quality & Delivery Performance
- Recent contract wins / extensions:
  - Composite Floor & Cargo Beams for Boeing 787 -8 & 9 Dreamliner
  - Wing / Nacelle Skins and other complex components for JSF (F-35)
  - Empennage Rib Chords for Boeing 777 Program
  - Composite closures for Trident Missile submarines

AFP

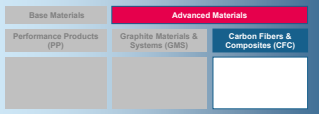
ATL

Carbon Fibers & Composites
Rotor Blades – SGL Rotec

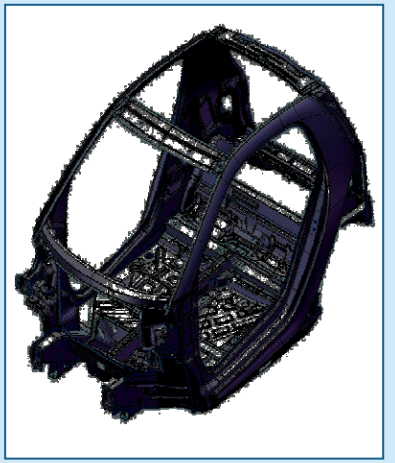


- SGL Rotec: German based manufacturer of rotor blades for wind turbines of multi-MW classes
- Built-to-print manufacturing based on fiber composite technology since early 1990s
- High reputation as
  - manufacturer of high quality rotor blades
  - specialist in manufacturing of large size rotor blades for onshore and offshore turbines
  - innovator in process and technology development
- Composite Technology:
  - Process: Vacuum infusion
  - Main materials: Epoxy, polyester and vinyl ester resin, glass fiber, carbon fiber
- Development of a “Competence & Development Center” for next generation rotor blade manufacturing

Carbon Fibers & Composites
JVs in Automotive



- Benteler-SGL:
  - 50/50 JV between SGL Group and Benteler AG to develop composite based automotive components
  - February 2009: Acquisition of Fischer Composite Technologies GmbH in Austria
  - Leading position in developing structural automotive parts and modern, automated production technologies
  - Successful manufacturing of prototype parts for the BMW i3

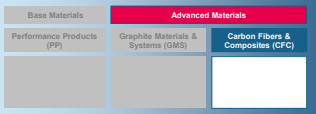


- Brembo-SGL:
  - 50/50 JV between SGL Group and Brembo SPA for carbon ceramic based automotive brakes
  - Leading global position, supplying most of the high-end car makers, with production sites in Germany and Italy

- SGL Group's strategic objectives in automotive:
  - Drive the metal substitution process in automotive to become a major automotive parts supplier by 2013
  - Ensure that SGL Group's materials are at the forefront in the automotive industry

Carbon Fibers & Composites

JVs with BMW, Mitsubishi exclusively for BMW's demand



- Milestone in serial application of carbon fibers in automotive industry – market launch of first serially produced car (BMW i3) with a CFRP passenger cell in 2013
- €90 million total investment volume in initial phase, overall investment volume €230 million subject to BMW demand increase
- JVs to be consolidated at equity by SGL and BMW during build-up phase
- BMW guarantees certain minimum purchasing volumes at contractually agreed conditions in the context of safeguarding the overall project
- BMW provides debt financing
- SGL Automotive Carbon Fibers LLC, Moses Lake (USA): 51/49 JV between SGL Group and BMW Group to produce carbon fibers exclusively for BMW's demand (3kt carbon fiber capacity in 1st stage)
- SGL Automotive Carbon Fibers, Wackersdorf (Germany): 51/49 JV between SGL and BMW Group to produce composite materials (fabrics) in Wackersdorf (Germany) based on carbon fiber produced in Moses Lake (USA)
- These fabrics to be sold to BMW who will produce automotive parts and then finally assemble the BMW i3 in Landshut and Leipzig (Germany)
- Precursor supply safeguarded by MRC – SGL Precursor Co. Ltd., Otake (Japan): 33/67 JV between SGL Group and Mitsubishi Rayon

Source: BMW Group

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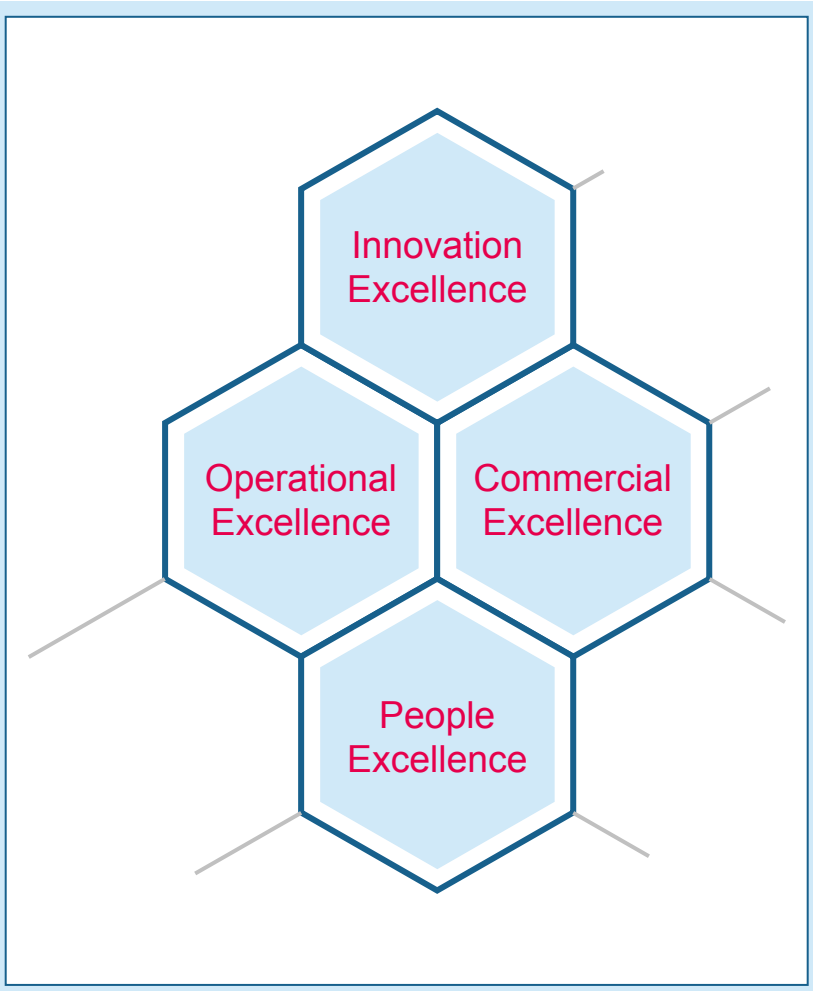
Ensuring the future
SGL Excellence – enables productivity and growth



SGL Excellence

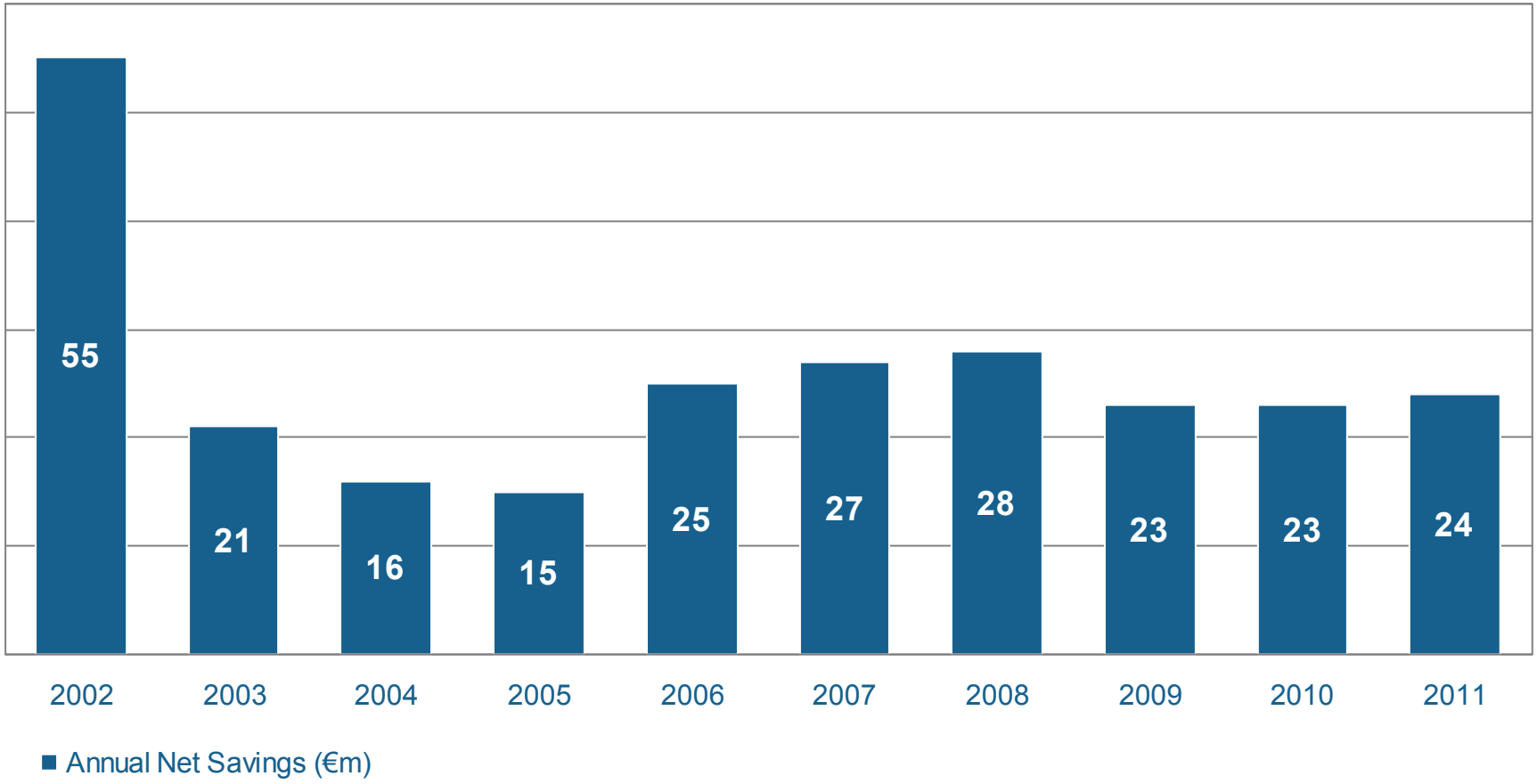
- Started in 2002
- The core element of the Company mission
- An ongoing and Company wide program
- Our philosophy of doing business

SIX SIGMA + LEAN

- Our core methodology
- Focuses on:
  - Customer value
  - Measurable objectives and results
- Applies to every function in our Company
- Empowers our employees with skills and tools:
  - **> 3,000 SIX SIGMA trained employees**
  - **> 600 Green Belts**
  - **> 120 Black Belts**

Ensuring the future
SGL Excellence savings

Since 2002 continuous cost reduction of €257 million in total



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Ensuring the future
Technology & Innovation – foundation for profitable growth

Technology & Innovation: SGL Group's centralized R&D organization

- Market driven R&D ensures best-in-class support for current and future customers
- Industry networks with suppliers and customers are an essential part of our development strategy thus ensuring close contacts to our markets
- Global networks with leading universities cover the basic research.
- Material, process and application know-how is the platform for our development clusters: synthetic graphite, carbon fibers and composites, energy systems, and ceramic fibers and composites.
- Strategic IP management safeguards our products and processes and is a driver of our long term market success

Ensuring the future
Technology & Innovation – foundation for profitable growth

Activity areas of T&I 2012

Raw materials & synthetic graphite development for basic industries targeting

- Reduction of graphite electrode consumption in EAF by optimization of raw materials, oxidation resistance and GE-joint
- Increase energy efficiency of aluminum production process by improved cathode recipes and advantageous cathode designs
- Elongate lifetime of furnace linings by improved microporous carbon-ceramic recipes and advanced lining bloc designs

Strengthen Carbon Fiber based value chain

- Commissioning of carbon fiber Pilot Line and improvement of carbon fiber production processes
- Development of special carbon fiber grades based on own precursor
- Improvement of textile structures, prepregs and preforms

Energy systems

- Improved low cost graphite based anode materials for Li-ion batteries and high performance carbon powder for Supercaps with enhanced energy density.
- Development of carbon felt with enhanced surface characteristics and improved electrochemical behavior for stationary energy storage systems such as Redox flow batteries.

Improved Ceramic Materials

- Development of new C/SiC materials and manufacturing methods for large complex shaped ceramic structures
- Development of high-temperature stable SiC fiber

Latest Financials and 2012 Outlook

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SGL Group
H1/2012 Results for the Group

in € million	H1/2012	H1/2011
Sales revenue	809.8	725.0
EBITDA	111.3	110.3
Operating profit (EBIT)*	73.0	76.2
Operating profit (EBIT)	73.0	80.3
Return on sales (in %)*	9.0	10.5
Result from At-Equity accounted investments	-7.2	-14.7
Net financing result	-24.7	-24.9
Profit before tax	41.1	40.7
Net profit after non-controlling interests	23.7	35.0
EPS, basic (in €)	0.34	0.53

- Sales revenue increase: 12%, currency adjusted 8%
- Initial consolidation of recently acquired Portuguese Fisipe contributed €29.8 million to sales
- EBIT includes sustainable cost savings of €12 million from SGL Excellence Initiative (SGL X)

* Before reversal of impairment losses and impairment losses in 2011

SGL Group
H1/2012 Results for Performance Products (PP)

in € million	H1/2012	H1/2011
Sales revenue	413.1	388.1
EBITDA	94.3	80.5
Operating profit (EBIT)	75.5	62.6
Return on sales (in %)	18.3	16.1

- Sales revenue increased 6%, currency adjusted 3%
  - anticipated lower graphite electrode volumes due to weaker Q1 compensated by higher selling prices
  - recovery in cathode volumes offset by expected lower selling prices
- EBIT increased 21% due to
  - higher graphite electrode prices
  - increased cathode sales volumes
- Continued start-up costs for commissioning our new Malaysian plant weigh on earnings
- €4.5 million savings from SGL X initiative

SGL Group
H1/2012 Results for Graphite Materials & Systems (GMS)

in € million	H1/2012	H1/2011
Sales revenue	252.8	226.0
EBITDA	50.1	48.5
Operating profit (EBIT)	41.3	39.9
Return on sales (in %)	16.3	17.7

- Sales revenue increased 12%, currency adjusted 8%
  - broad materials base was able to more than compensate for the cyclical downturn in solar and LED industries
  - Business Unit Process Technology continued positive development based on record order backlog at the end of 2011
- EBIT increased less than proportionately to sales by 4%
  - resulting from lower fixed cost absorption as production has been adjusted to lower demand
- €4 million savings from SGL X initiative

SGL Group
H1/2012 Results for Carbon Fibers & Composites (CFC)

in € million	H1/2012	H1/2011
Sales revenue	142.9	107.9
EBITDA	-8.7	1.6
Operating profit (EBIT)*	-16.5	-4.2
Operating profit (EBIT)	-16.5	-0.1
Return on sales (in %)*	-14.7	-4.2

- Sales revenue increased 32%, currency adjusted 29%
  - initial sales contribution of €29.8 million from newly acquired Portuguese Fisipe
  - organic sales growth of 5%
  - higher sales in Business Unit Rotor Blades compared to weak H1/2011 partially offset by lower sales in Business Units Carbon Fibers & Composite Materials (CF/CM) and Aerostructures (AS)
- Decrease in EBIT due to
  - continued negative earnings situation of our wind/rotor blade business
  - low capacity utilization in the carbon fiber business
  - unsatisfactory utilization level in the Business Unit AS caused by Boeing 787 and Joint Strike Fighter delays
- €4 million savings from SGL X initiative

* Before reversal of impairment losses and impairment losses in 2011

SGL Group
H1/2012 Results for Central T&I and Corporate Costs

in € million	H1/2012	H1/2011
Sales revenue/other revenue	1.0	3.0
Central T&I costs	-6.6	-5.8
Corporate costs	-20.7	-16.3

- Central T&I costs increased by 14% mainly due to higher R&D-activities
- Corporate costs increased by 27% primarily due to project related (mainly relating to preparations for the acquisition of Fisipe) and sponsoring expenses

Financing Structure, Balance Sheet Ratios and Cash on Hand
Allow Continuation of Growth Path

SGL Group established a solid long term financial structure in May 2007

- €200 million Corporate Bond at EURIBOR plus 125 bps (maturity 2015)
- €145.5 million* Convertible Bond at 0.75%, adjusted conversion price of €36.30 (maturity 2013)
  (originally €200 million prior to conversion)
- €200 million credit facility, undrawn (original 2012 maturity extended to 2015)

Followed by supplemental debt instruments in June 2009 and in April 2012

- €134.7 million* Convertible Bond at 3.5%, adjusted conversion price of €29.21 (maturity 2016)
  (originally €190 million prior to conversion)
- €240 million Convertible Bond at 2.75%, adjusted conversion price of €43.84 (maturity 2018)

SGL Group has solid balance sheet ratios and liquidity at end of June 2012

- Equity ratio: 44%
- Gearing: 0.51
- Total liquidity: €267 million

SGL Group has currently no refinancing requirements

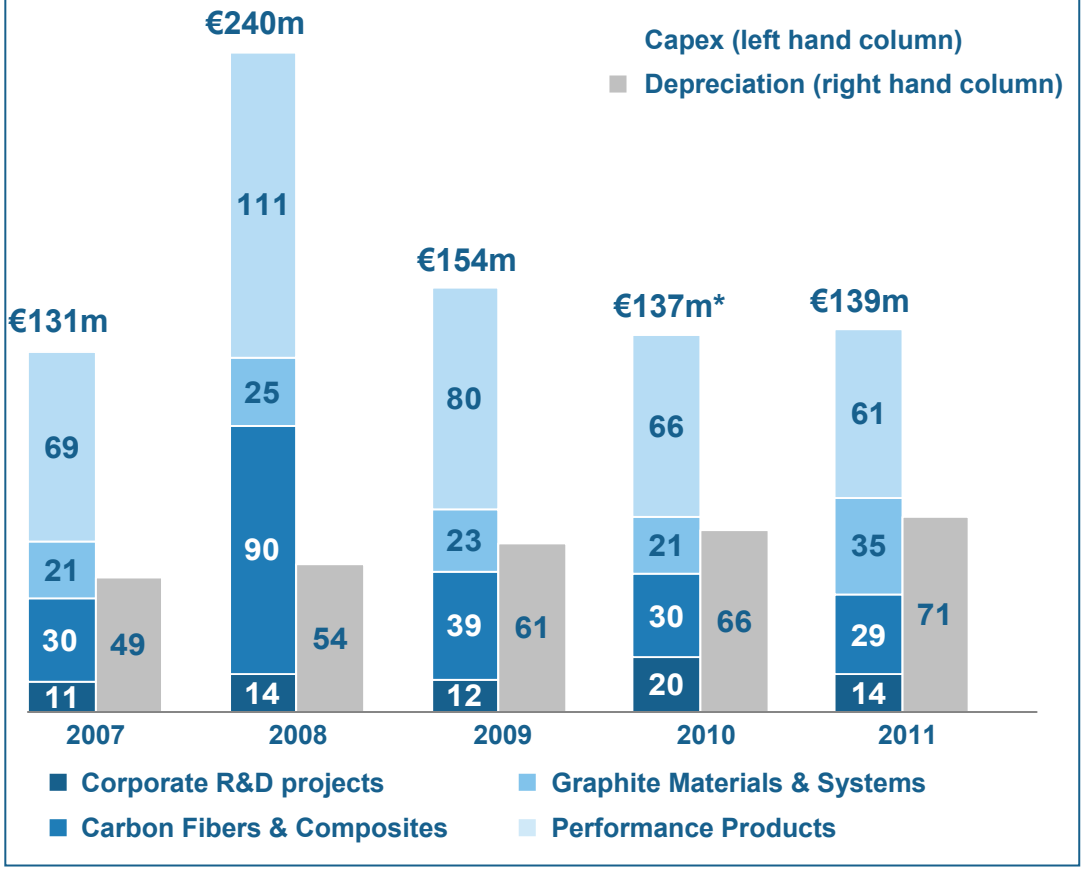
* As at July 31, 2012

Ensuring the Future
Capital Expenditure by Business Area

Major investment focus in 2011:

- **PP:**
  - **Continued build up of new GE + CA production facility in Malaysia**
- **GMS:**
  - **Isostatic graphite capacity expansion in Germany**
  - **Capacity expansion in USA, China and India**
  - **Reconstruction and expansion of graphite foil production in Meitingen (Germany)**
  - **Replacement and ESHA investments in France, USA and Germany**
- **CFC:**
  - **Further investments in automation technologies at HITCO (USA) and SGL Kümpers (Germany)**
  - **ESHA investment in Scotland**

Capital expenditure and depreciation (in € million)



* Reported capex of €129.5 million for 2010 includes €7.4 million cash inflow for services rendered by SGL Group. Therefore cash outflow for capex was €136.9 million

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SGL Group
Outlook 2012 strongly dependent on macroeconomic development in H2

Group

- Assuming world economy will begin to pick up pace in H2, FY 2012 sales to grow vs. 2011
- EBIT to remain on 2011 level of approx. €160 million due to higher losses in CFC vs. 2011
- Relief from lower loss from investments accounted for At-Equity, financial result will be impacted by new convertible bond issue in April 2012

Capex, Balance Sheet, Cash Flow

- Key KPI: target gearing level to remain at approx. 0.5 based on today's portfolio
- Gearing ~0.5 defines capex level
- Capex up to €150 million (including Fisipe) to be largely funded from operational cash flow
- Free cash flow (excluding acquisitions and dividend payment for FY 2011) of up to minus €60 million
- Free cash flow including payments relating to Fisipe acquisition (excluding dividend payment for FY 2011) of approx. minus €115 million

Key risks to forecasts

- Political, economic, financial market related uncertainties

SGL Group
Business Area Outlook and Key Assumptions 2012

PP	GMS	CFC
• Sales growth driven mainly by GE pricing, ROS comparable to 2011 **Graphite Electrodes** • Comparable GE volumes if global economy and electric steel production recover in H2 • Weaker volumes in H1 vs. H2 expected • Factor cost increases to be compensated with higher selling prices **Cathodes** • Volume recovery • Factor cost increases not yet compensated by selling prices	• Stable sales compared to record 2011, ROS comfortably ≥ 10% **Graphite Specialties** • Slightly lower volumes and thus utilization due to cyclical slowdown in photovoltaic and LED industries **New Markets** • Continued good demand from Li-ion batteries for consumer segment **Process Technology** • Record order intake in 2011 promises sales growth and profitability	• Double digit sales growth, higher losses compared to 2011 **Carbon Fibers/ Composite Materials** • Affected by lower material demand from wind industry caused mainly by the plant shutdown of a major customer **Aerostructures** • HITCO affected by delays in Boeing 787 and Joint Strike Fighter **Rotor Blades** • SGL Rotec expected to ramp up production and reduce losses in course of 2012

Fundamental long-term growth drivers and mid term horizon

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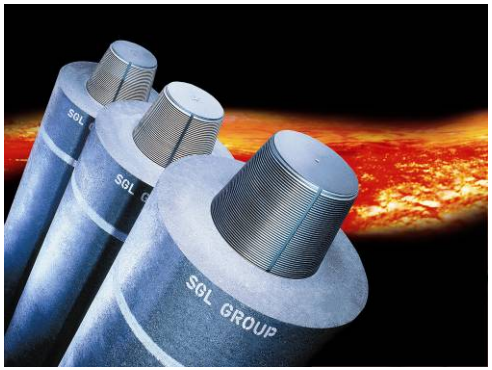
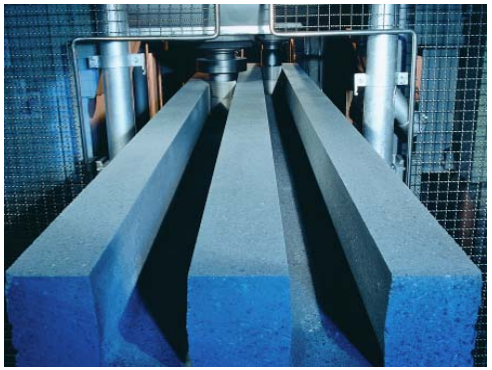
Fundamental long-term growth drivers for our businesses

Strong growth in emerging countries (BRIC etc.)

- **Industrialization**
- **Infrastructure build up**

Increasing demand for graphite electrodes and cathodes





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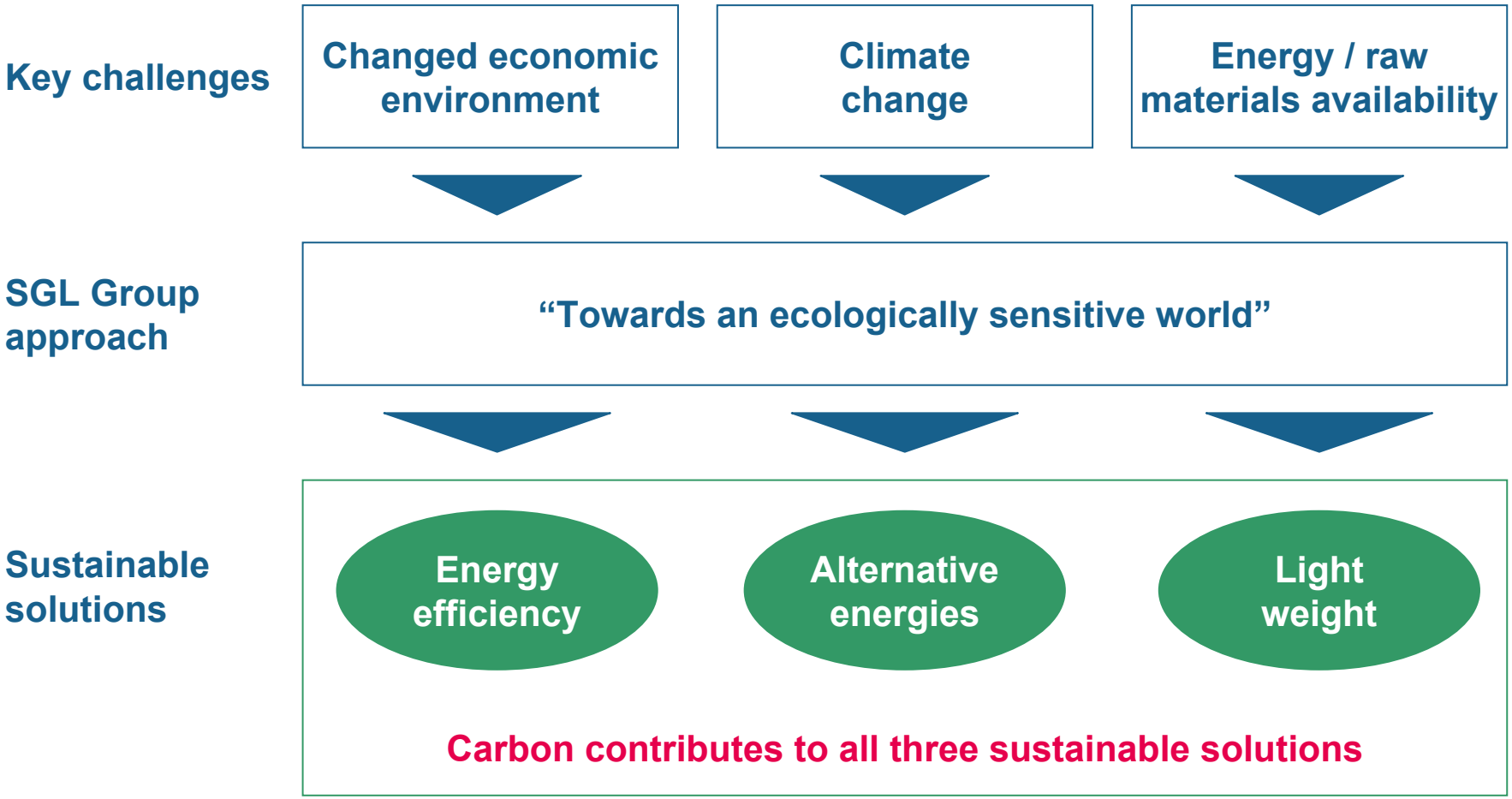
Fundamental long-term growth drivers for our businesses



Our carbon based products offer sustainable solutions towards less CO_2

2011 Sales (in €m)

1.540

approx. 70% of Group Sales

~ 1.050

12%

13%

76%

Light weight

Alternative energies

Energy efficiency

Aerospace

Automotive

Wind

Solar

Scrap recycling

Batteries

Automotive

Cooling systems

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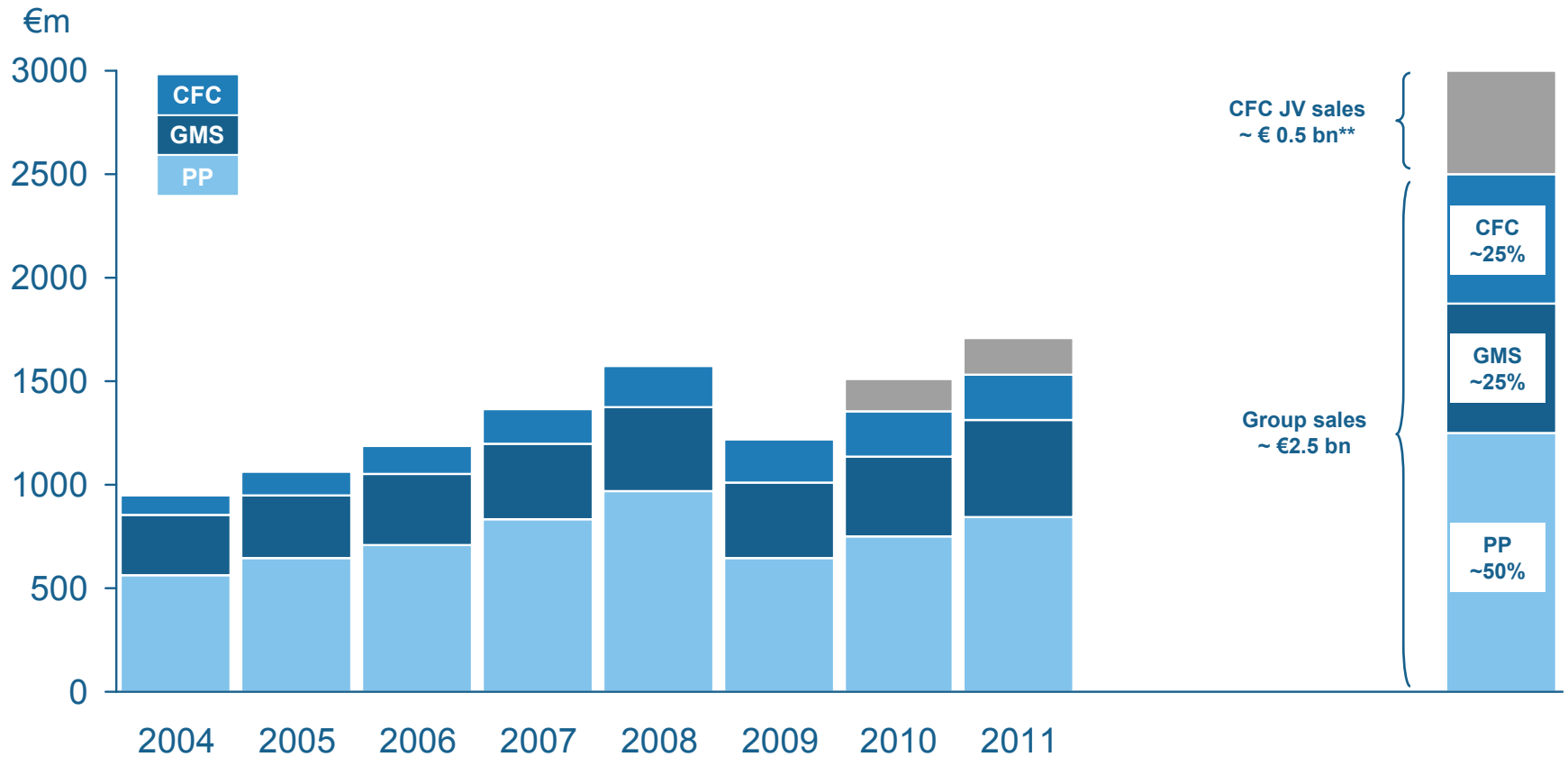
Mid Term Horizon

Group Sales to increase by more than 10% p.a.*

Advanced Materials targeted to reach ~ 50% of Group sales



*organic growth, excluding acquisitions **additional sales from at-equity consolidated JVs in CFC calculated on 100% ownership

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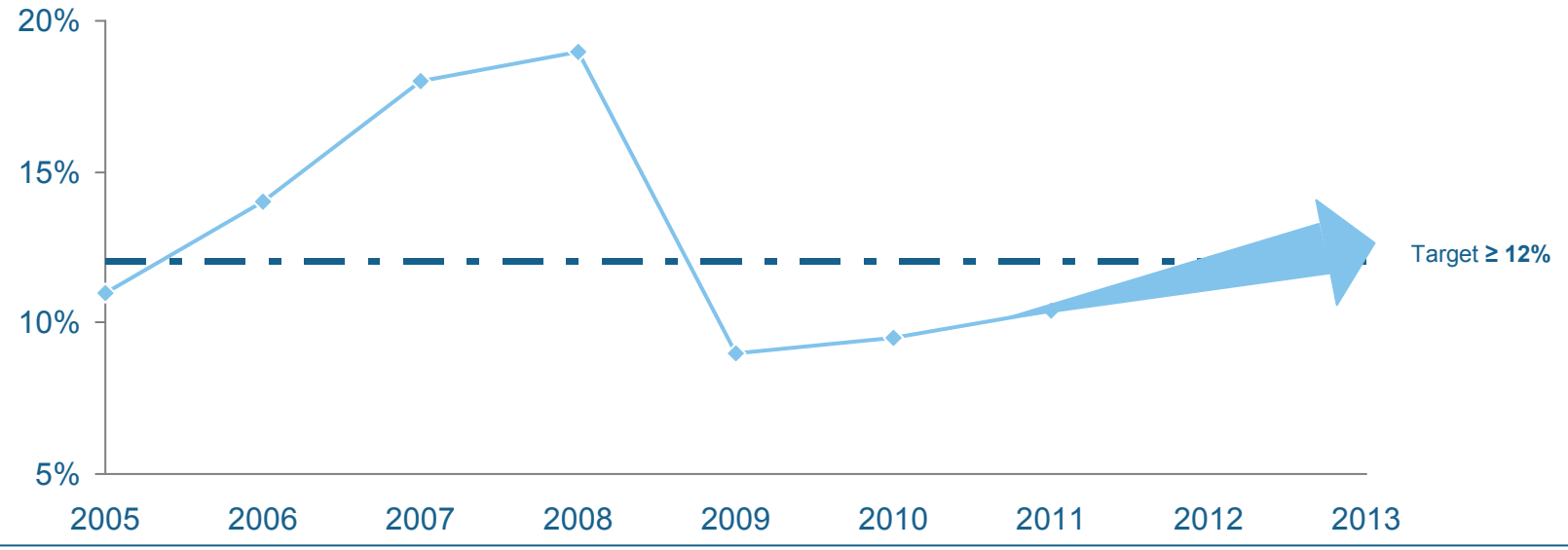
Mid Term Horizon

Return on Sales (ROS) target remains at minimum 12%

Group ROS target of ≥ 12% to be achieved again in course of 2013 onwards

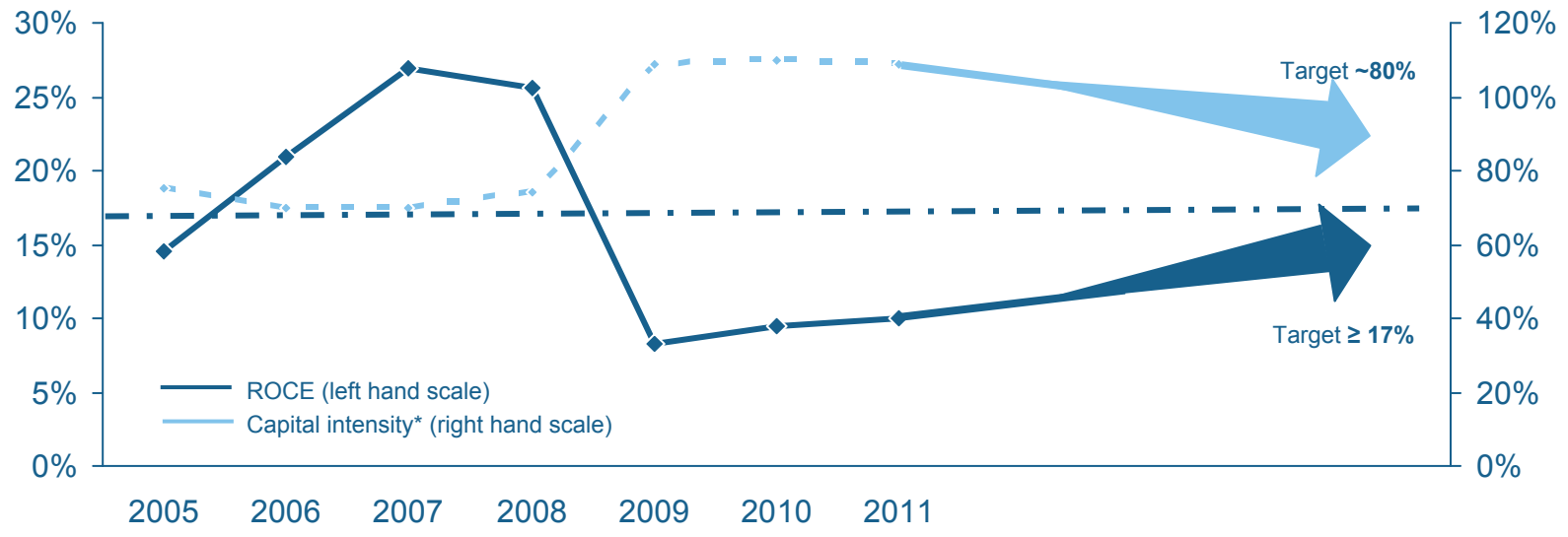


- Outlook for 2012, especially for H2, uncertain due to unclear macroeconomic environment
- New assets coming on stream contribute to sales and cash flow growth
- Higher capacity utilization expected to lead to ROS ≥ 12% in course of 2013

Mid Term Horizon

Return on Capital Employed (ROCE) target remains at minimum 17%

Group ROCE target of ≥ 17% to be reached again by the end of the planning period



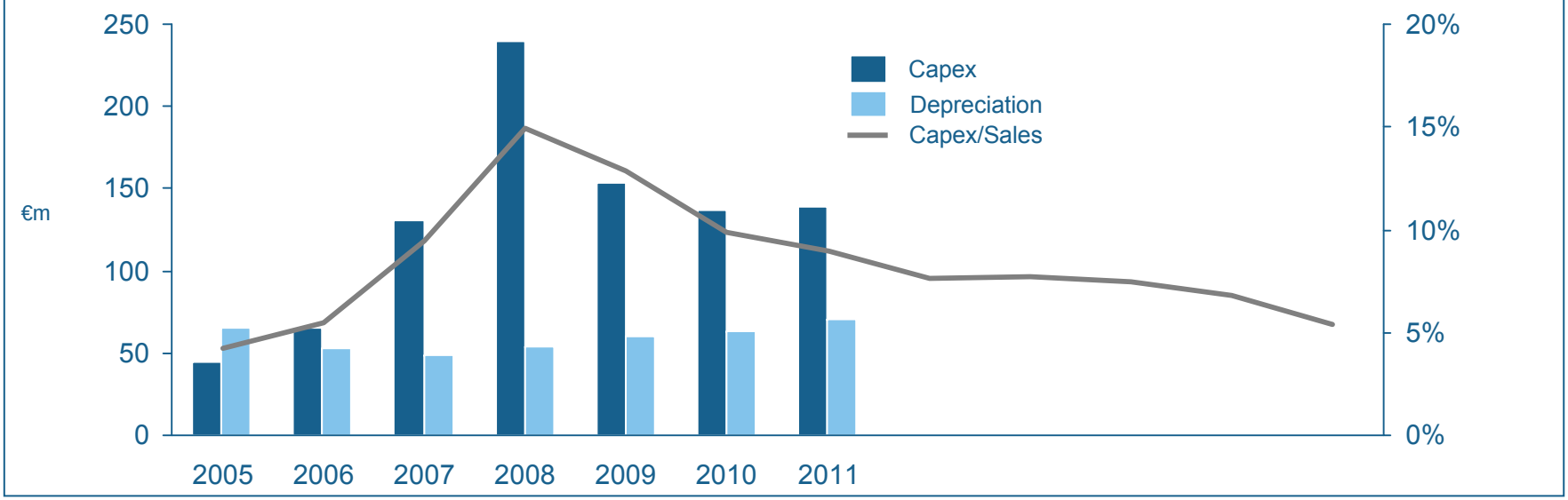
- Anticyclical investments provide basis for long term growth
- The resulting sales growth will lead to normalized capital intensity* improving from 109% in 2011 to ~80% as investment pace slows and sales growth accelerates
- As a consequence we expect to reach our Group ROCE target ≥ 17% again towards the end of the planning period

*capital employed/sales, measure of capital invested per € of sales

Mid Term Horizon

Capex remains high until 2012 – Free Cash Flow positive expected from 2013

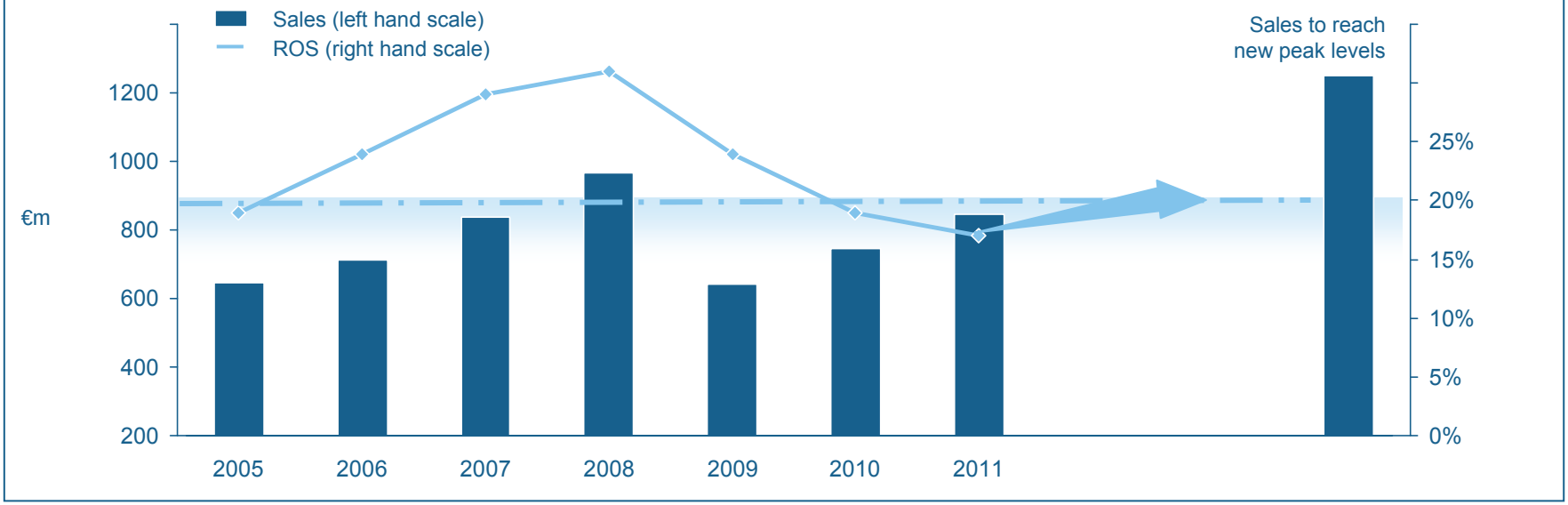
Capex and depreciation expected to converge, capex/sales ratio to return to historical levels



- Major investments on schedule
- Capex requirements up to €150 million in 2012, declining thereafter
- Capex continues to be funded almost entirely from operating cash flow
- Positive free cash flow (before acquisitions) starting 2013
- Gearing target remains at approx. 0.5 and is indicative for capex levels

Mid Term Horizon
Performance Products

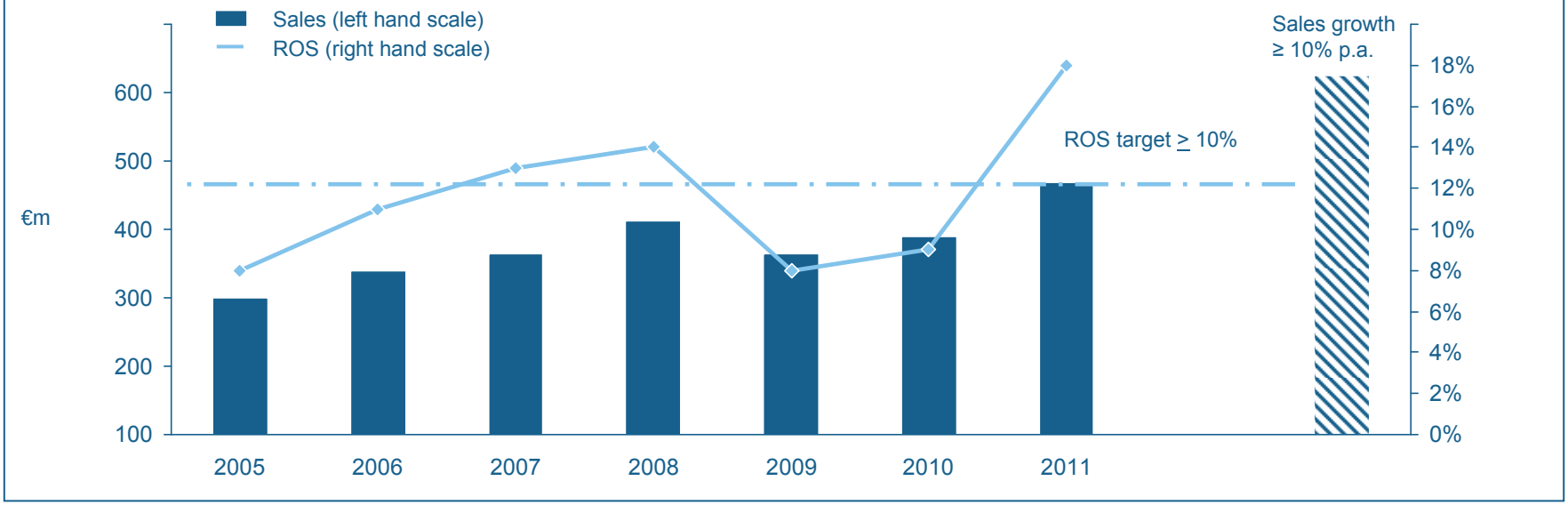
New state-of-the-art facility in Malaysia on stream; strong cash flow



- Investment in low cost carbon & graphite hub in Malaysia will enhance competitiveness
- ROS estimated at upper end of long term average bracket 15 - 20% for a transitory period due to slowed global growth and delayed recovery of investment spending in aluminum industry
- Longer term target ≥20% still achievable
- Plans to increase our investment in Chinese electrode production
- PP remains high performing business in terms of profitability, sales growth, and cash flow

Mid Term Horizon
Graphite Materials & Systems

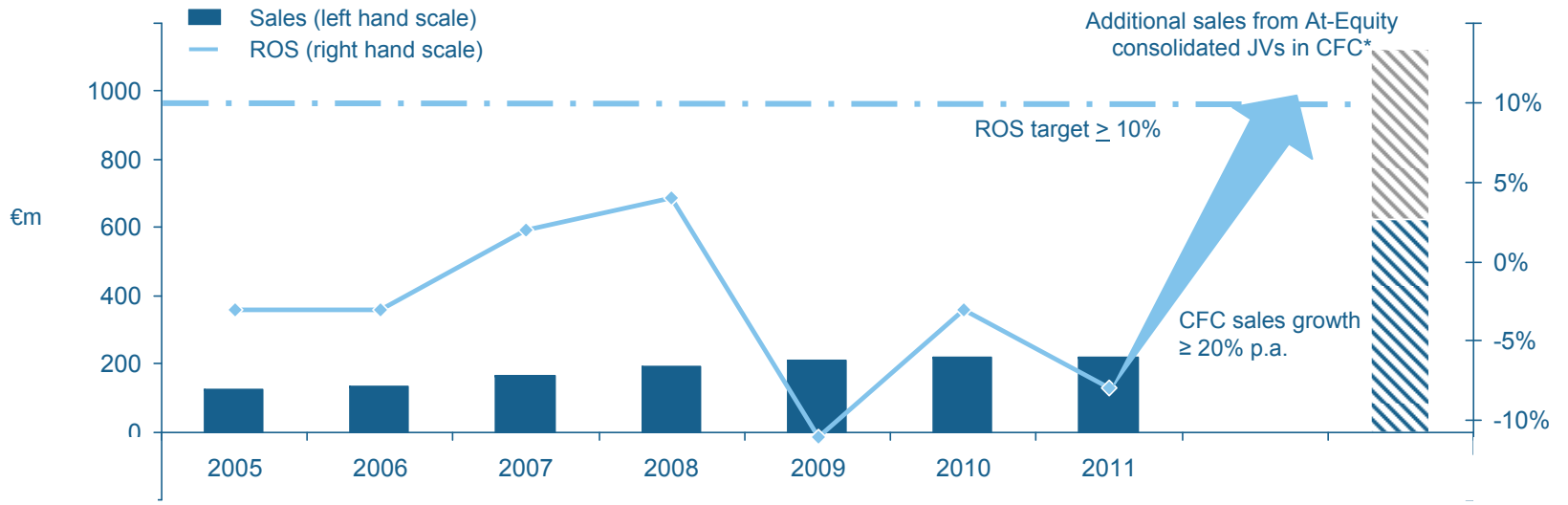
Sales growth accelerating; ROS ≥ 10% throughout planning period



- Accelerated sales growth of ≥ 10% p.a. (previously 6-8% p.a.) due to rising demand from high growth end markets (semiconductor, photovoltaic, LED, lithium-ion batteries)
- ROS to achieve ≥ 10% target throughout planning period
- 2012 EBIT ROS expected to be affected by cyclical downturn in solar and LED industries following record performance in 2011

Mid Term Horizon
Carbon Fibers & Composites

Sales growth to accelerate



*calculated on 100% ownership

- Sales growth target remains ≥ 20% p.a. despite wind energy market related setbacks in recent years
- Sales growth driven by continued material substitution in aircraft, wind, industrial and automotive applications
- Total CFC sales of more than €1bn targeted for end of planning period including approximately €500 million sales of At-Equity accounted JVs (calculated on 100% ownership)
- Target ROS ≥ 10% by end 2013 potentially at risk due to wind/rotor blade business

Appendix

Global presence

12 production sites – North America

26 production sites – Europe

9 production sites – Asia

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Shares in issue and shareholder structure

Basic shares	
Security Identification Number	723530
ISIN Number	DE0007235301
Cusip Number	784 188 203
Number of Shares (as at July 31, 2012)	70,542,965
Free float	~ 40%

Reported shareholdings according to §§ 21 f. WpHG		
SKion GmbH	(17 May 2011)	26.87%
BMW AG	(21 Dec 2011)	15.72%
Voith GmbH	(01 Sep 2011)	9.14%
Volkswagen AG	(25 Feb 2011)	8.18%

Financing structure

Convertible notes (maturity 2013)	
Coupon	0.75%
Principal Amount	€ 200 million
Outstanding Amount (as at July 31, 2012)	€ 145.50 million
Adjusted Conversion Price	€ 36.30
Conversion Right (as at July 31, 2012)	3.98 million shares
Issue Date / Date of Maturity	16 May 2007 / 16 May 2013

Corporate bond	
Coupon	EURIBOR + 1.25%
Principal Amount	€ 200 million
Issue Date	16 May 2007
Date of maturity	16 May 2015

Convertible notes (maturity 2016)	
Coupon	3.5%
Principal Amount	€ 190 million
Outstanding Amount (as at July 31, 2012)	€ 134.70 million
Adjusted Conversion Price	€ 29.21
Conversion Right (as at July 31, 2012)	4.58 million shares
Issue Date / Date of Maturity	30 June 2009 / 30 June 2016

Convertible notes (maturity 2018)	
Coupon	2.75%
Principal Amount	€ 240 million
Adjusted Conversion Price	€ 43.84
Conversion Right (as at July 31, 2012)	5.44 million shares
Issue Date / Date of Maturity	25 April 2012 / 25 January 2018

Financial calendar / contact details

Financial calendar	
03-22-2012	Annual Report
05-03-2012	Report on the First Quarter
05-10-2012	Annual General Meeting
08-09-2012	Interim Financial Report First Half
11-08-2012	Report on Nine Months

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