sgl carbon

UniCredit, Kepler Cheuvreux German Corporate Conference 2019

Dr. Michael Majerus (CFO) | Frankfurt (Germany) |
22 January 2019

Successful transformation of SGL Carbon.
Carbon and graphite for Megatrends

Lighting › **Steel, Aluminum** › **Mobility, Energy, Digitization**

1878

SIEMENS PLANIA

SIGRI

SGL CARBON
Sigri Great Lakes Carbon Group

SGL CARBON GROUP

SGL GROUP
THE CARBON COMPANY

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The transformation of SGL Group.
We have implemented the announced strategy

sgl carbon

Discontinued operations sold Q4/2017

Composites – Fibers & Materials (CFM)	Graphite Materials & Systems (GMS)	Performance Products (PP)
Fibers, materials and composites	Graphite based technological solutions	Graphite electrodes Cathodes Furnace linings Carbon electrodes

Central Innovation

Corporate Functions

- ✓ Disposal of the PP business to **concentrate** our resources on the **growth areas CFM and GMS**
- ✓ Focus on CFM and GMS improves the balance between markets and industries, and thus **reduces volatility in our business**

New SGL Carbon.
Specialized on carbon- and graphite-based solutions

34
Sites

~4,800
Employees

80+
Countries

€860m
Revenue[1]

Mobility

Energy

Digitization

Industrial Applications

Chemical

Textile Fibers

[1] Status 2017

Commanding entire value chain in carbon and graphite. Advantages in cost, quality and differentiation

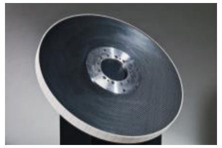
Customers

CFM

Acrylonitrile, Polyacrylonitrile (PAN)

Acrylic fibers, oxidized fibers, carbon fibers

Preforms, prepregs, multiaxial fabrics, braidings, textile products



Composite components, carbon ceramic brake discs, leaf springs

Raw materials

Intermediate stages

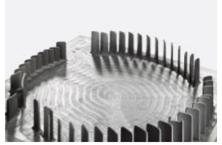
Semi finished products

Solutions/ components

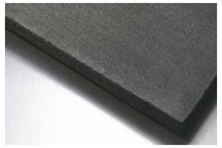
GMS

Cokes, pitches, natural graphites

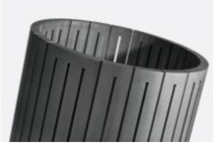
Synthetic fine grain graphite blocks, expanded natural graphite



Machining, finishing, coatings (e. g. SiC), assembly



Heaters, anode materials for lithium-ion batteries, sealings, felts, process equipment and solutions



Customers

Control over the entire **value chain** enables product customization to customer requirements

Customers receive **tailor made solutions** from every step of the value chain

Forward integration in finishing technologies (GMS) and CFRP-components (CFM) including application know how are essential for **differentiation**

1

Business Unit
Composites- Fibers & Materials (CFM)

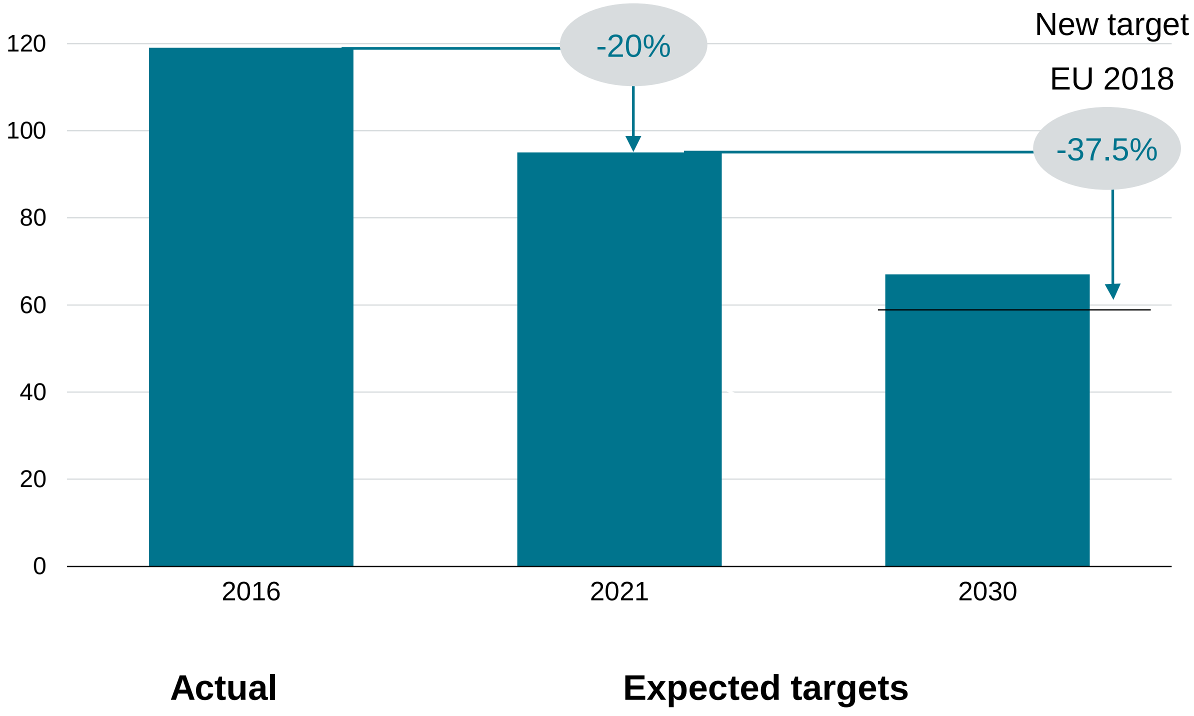
CFM expected to grow …

Market Segment	Automotive	Aerospace	Wind Energy	Industrial Applications	Textile Fibers
Sales 2017	30%[1]	6%	12%[2]	23%	29%
Sales 2018 **(pro forma)**	51%	6%	2%	17%	24%
CFM midterm growth expectation	↑	↑	↑	↗	↘

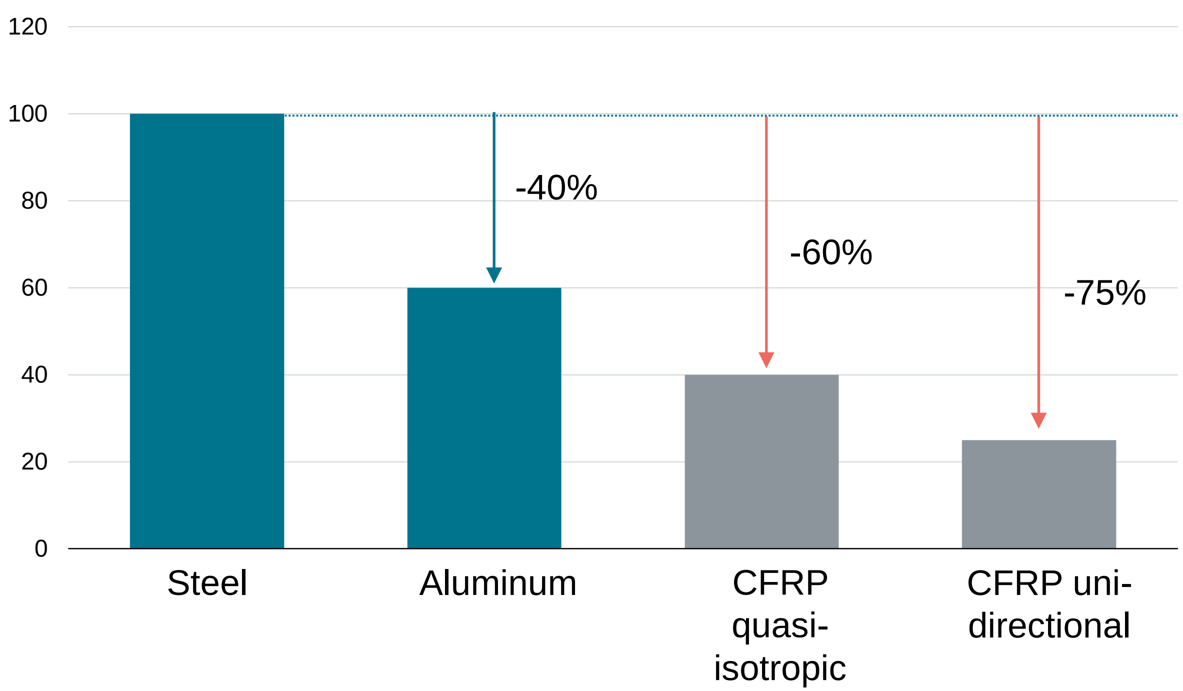
[1] Automotive sales 2017 proportion before effect from full consolidation of joint ventures with Benteler and BMW
[2] Wind energy sales including full consolidation of SGL Kümpers, sold end of 2017

CO_2 targets drive lightweight construction in the automotive industry.

OEM fleet target development (EU)[1]
(in g CO_2/km)



Relative component weight[2]
(in %)



[1]status as of 17/12/2018
[2]with same functionality
Source: ICCT, SGL estimates

By 2030 most cars expected to have fiber-reinforced polymer (FRP) parts and thermoplastic components.

Production volumes

Racing/ Super sports car

- Monocoques

1981–2003

Small series

- “Class A” Carbon
- Roofs
- Mirror caps

2008

Serial production

- “Life Cell”
- Pillars
- Roofs
- Rear benches
- etc.

2013

Serial production

- “Carbon Core”
- Multi-material mix
- Center roof rail
- Windshield frames
- Etc.

2015

Industrial standard

- Local FRP reinforcement
- Thermoplastic components
- Hybrid materials for battery enclosures
- Leaf springs

2030

Source: RedBull F1, Daimler AG, Audi AG, BMW Group

SGL Carbon is already well-positioned in the automotive industry.

Existing projects in different automotive vehicle segments

- Rear bench for performance sports cars
- Structural components for electric vehicles (EV)
- Leaf springs for light commercial vehicles and passenger car suspension systems
- Hybrid designs for large series passenger vehicles
- Friction materials for modern gear boxes

Audi MSS platform

BMW i3/i8

VW Crafter & **Daimler** Sprinter

BMW 7 series

Friction materials

Volvo XC 90

Source: Audi AG, BMW AG, Volkswagen AG, Volvo CC, SGL Carbon

The high production volume of narrow body commercial aircrafts requires serial production competency.

Airbus monthly production volume forecast

	2016	2020
A350 (wide body)	4	10
A320 (narrow body)	46	60+

Boeing monthly production volume forecast

	2016	2020
B787 (wide body)	11	12
B737 (narrow body)	42	58

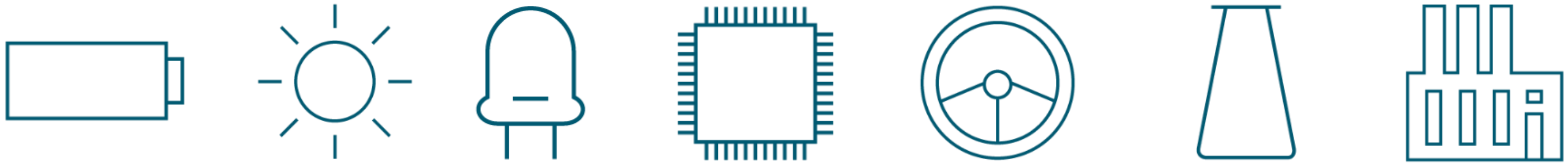
Remark: “Narrow body” typically describes single aisle aircrafts, “wide body” aircrafts with double aisles.
Source: Airbus, Boeing

1

Business Unit
Graphite Materials & Systems (GMS)

GMS – the hidden champion. Favorably positioned in high growth markets to contribute to SGL Carbon's above 8.5% CAGR

Market Segment

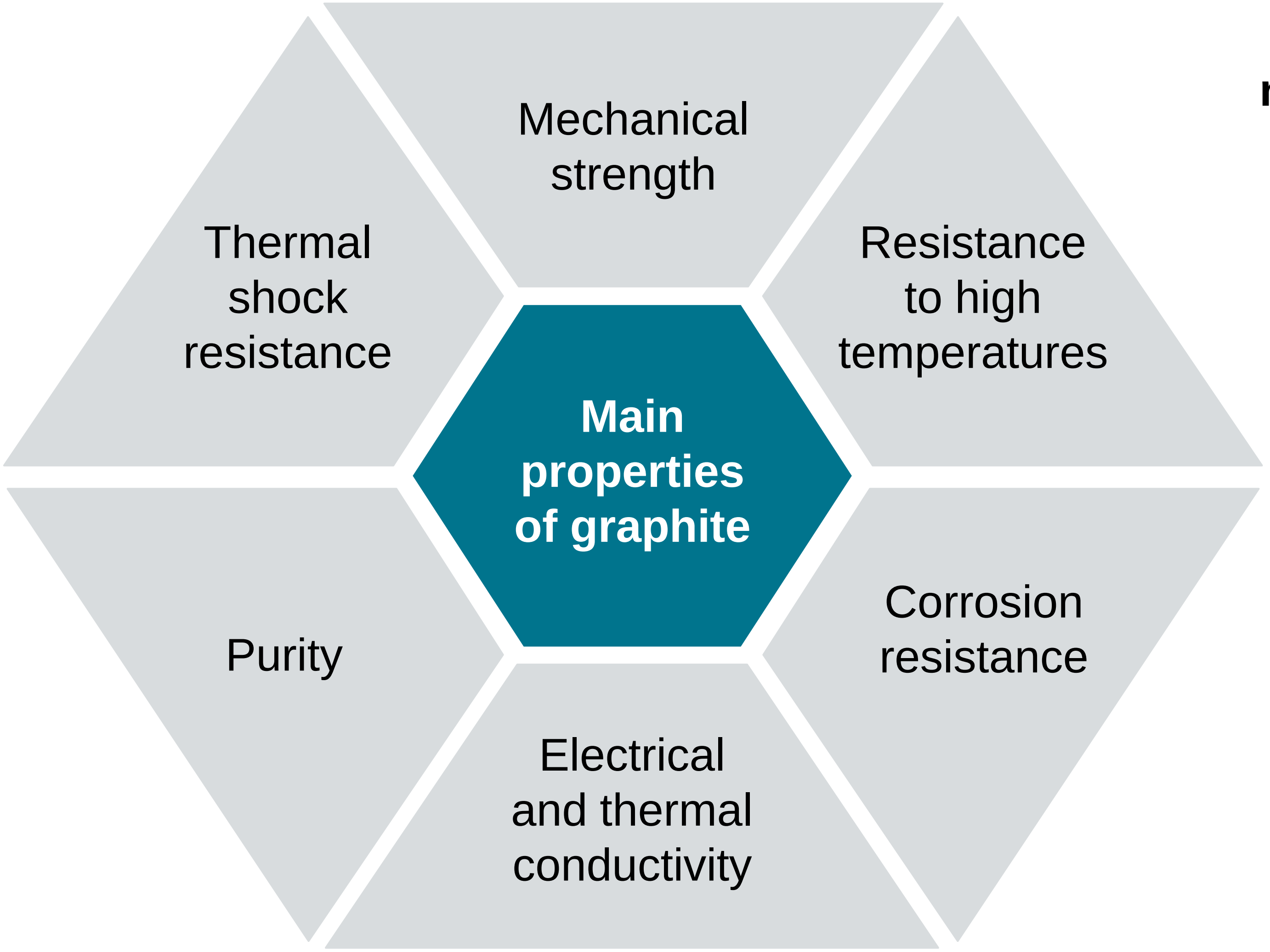


Sales	Battery & other Energy	Solar	LED	Semi-conductor	Automotive & Transport	Chemical	Industrial Applications
2017	**19%**	**10%**	**4%**	**5%**	**7%**	**24%**	**31%**
2016	16%	11%	2%	5%	7%	27%	32%
Mid-term targeted CAGR in %	High single digit	Mid single digit	Double digit	Double digit	High single digit	Mid single digit	GDP-like

Why graphite?

Specialty graphite materials required where other materials fail

Properties can be tailored to specific requirements



Graphite is present in nearly every industrial application

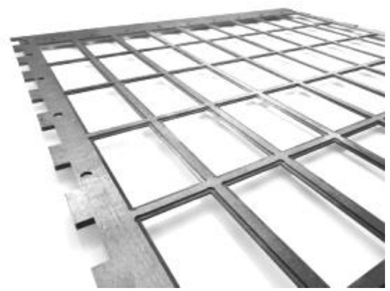
SGL provides its graphite based solutions to more than 35 industries

Best solutions for our customers.
We command the broadest graphite competence in the industry

… in the Solar, Semiconductor and LED Industry

Meander heater for mono-silicon units

SiC[1] coated wafer carrier for LED[2]/semi-conductor production

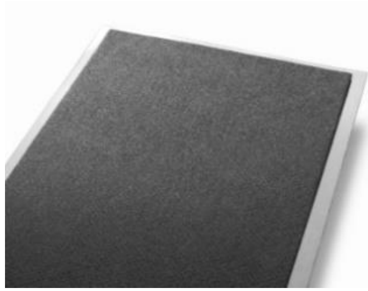


C/C[3] carrier frame for solar wafers

… in the Battery and Energy Storage Industry

Anode material for lithium-ion batteries

Redox flow battery electrode consisting of battery felt and bipolar plate



… in the Chemical Industry

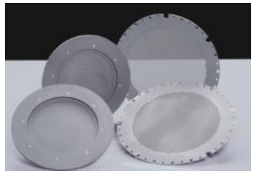
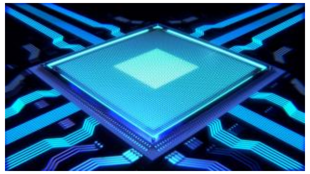
Systems & equipment (e.g. syntheses, heat exchangers)

Flexible graphite foil

Reinforced graphite sealing sheet

[1] Silicon Carbide; [2] Light-Emitting Diodes; [3] Carbon/carbon

Graphite solutions are mainly required along the entire silicon-based semiconductor value chain.

Metallurgical silicon	Polysilicon	Si crystal growing	Epitaxy wafer	Wafer processing	(Chip) Packaging
					

Graphite products

Metallurgical silicon	Polysilicon	Si crystal growing	Epitaxy wafer	Wafer processing	(Chip) Packaging
	• Heaters • Heat shields • Reactor internals • Small electrodes	• Heaters • Crucibles • Cones • Insulation	• Susceptors • Liners	• Arc slits • Etch electrodes	

Materials

Iso

Extruded

Extruded

SiC coating

CFRC[1], felts

CFRC, felts

GMS business

[1]Carbon fiber reinforced carbon

Financial targets

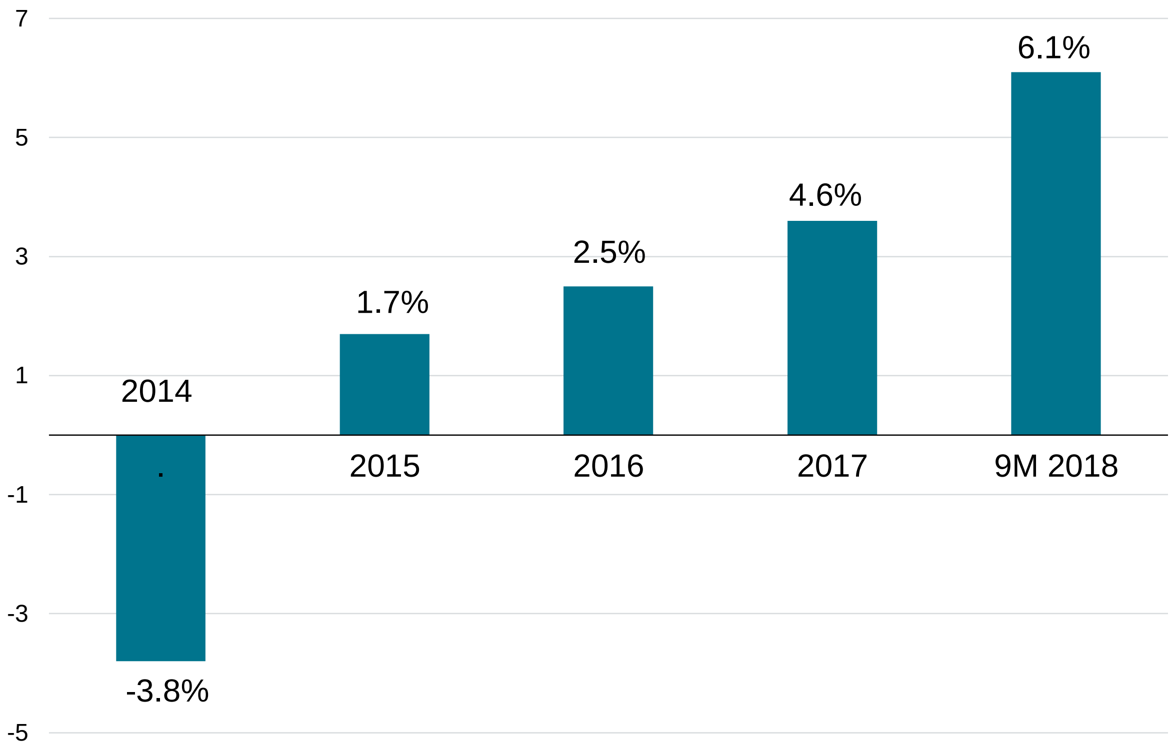
ROCE.
Remains key management principle for managing the business

In 2014, we, the new Board of Management, introduced ROCE as new key management principle, replacing ROS

As a result we implemented the ROCE target in all senior management layers, aligning their incentive system with ours

We started reporting ROCE on Group and BU levels on a quarterly basis, so that our progress can be tracked

ROCE[1] development



While we are not yet there, we have made substantial progress toward our targeted ROCE[1]

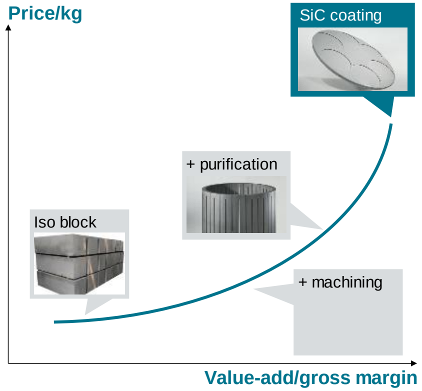
[1] ROCE defined as EBIT/Capital employed

SGL Carbon. New five-year plan to capture additional mid-term growth opportunities. Capex spending mainly allocated to GMS

New growth program with €80m additional capex to be spent over three years (2019 – 2021)

GMS capex projects:

- **Battery & other Energy (GAM[1]):**
  - Capacity expansion at low cost site Poland
  - Favorable market position esp. with Panasonic
  - Modular expansion strategy
- **LED**:
  - Capacity expansion in SiC[2]-coating
  - Move to Asia to be near our customers and to mitigate potential risks from trade barriers
  - Highly innovative product
- **Automotive & Transport**:
  - Expansion at our site in Bonn (Germany)
  - Parts for brake assistant and cooling water pumps

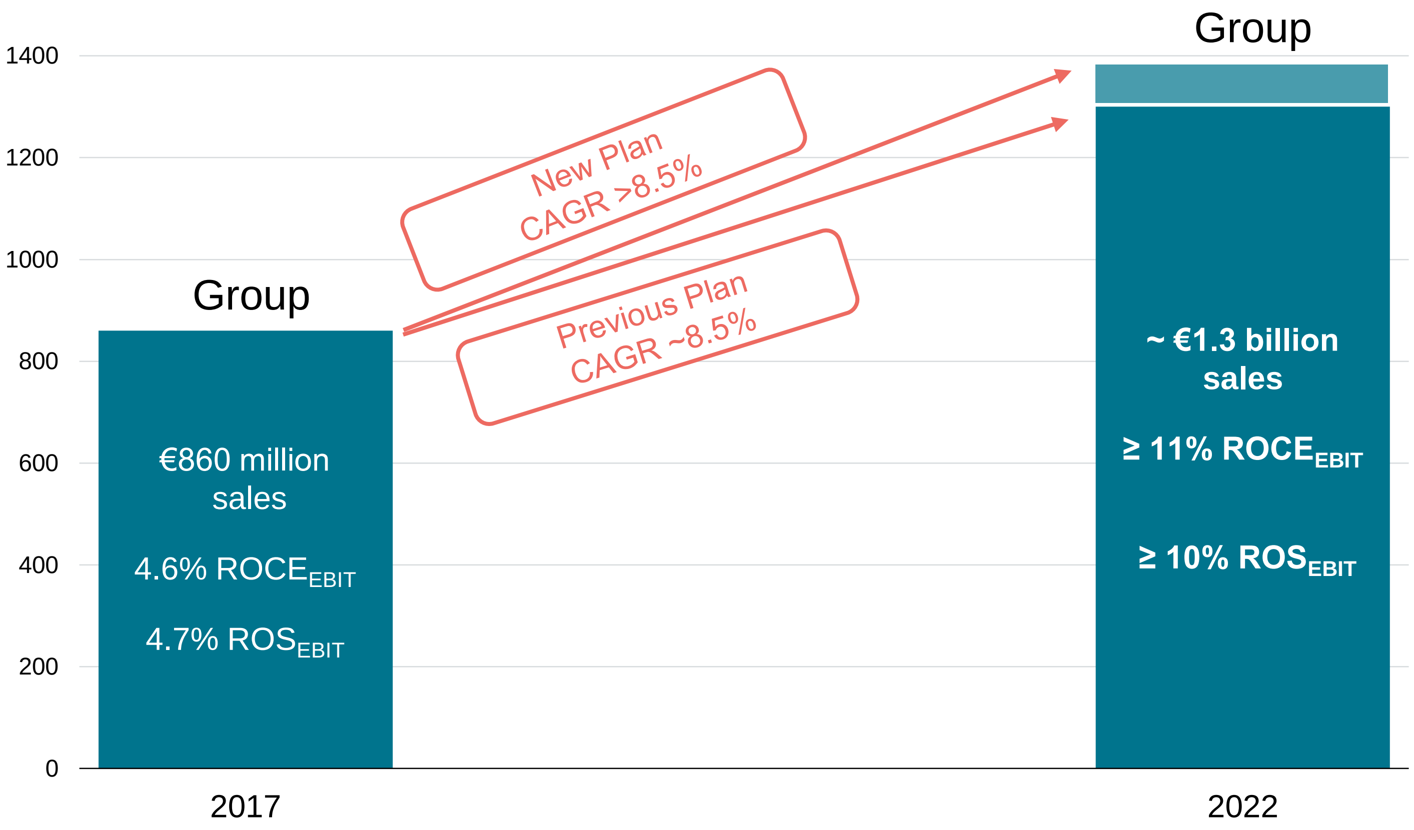


CFM capex projects:

- **Automotive:**
  - Capacity expansion for new leaf spring customer
- **Textile Fibers**:
  - Conversion of textile fiber line to precursor in Portugal

[1] Graphite anode material; [2] Silicon carbide

Growth & profitability targets. We adjusted our mid-term targets in December 2018 to reflect new growth opportunities



Driver for ROCE improvement: Top line growth, higher margin products, efficiency improvements

Note: EBIT always refers to EBIT before non-recurring items

Additional 2022 targets:

Net profit margin	~ 6–7%
Free cash flow margin	~ 5%

Business Unit 2022 targets:

ROS_{EBIT}	≥ 12%

Impact of new growth program on previous sales and EBIT targets for 2022:

Higher sales and unchanged margin targets **add low double digit million €** amount to our **EBIT** target for 2022

Over the entire guidance period:

Equity ratio	≥30%
Leverage ratio	≤2.5
Gearing (except 2019-2020)	≤0.5

Summary

The new SGL Carbon.
In a nutshell:

- Material competence based on **carbon**[1] and **high temperature processes**
- Commands **entire** carbon fiber and graphite **value chain**
- **High tech** carbon fiber & graphite based **engineered solutions**
- **Diversified customer base** – servicing more than 35 industries
- **Sales growth** fueled by the **megatrends energy, mobility** and **digitization**
- Targeting **earnings growth more than proportionate** to sales growth

[1] Carbon refers to the chemical element – graphite and carbon fiber are forms of carbon

sgl carbon

Thank you for your attention !

Backup

Outlook 2018

Reporting segment outlook 2018.
CFM

Composites – Fibers & Materials (CFM)

- Substantial **increase** in **sales by approx. 25%** expected
  - Mainly driven by acquisition of former joint ventures with BMW and Benteler
  - Accordingly sales in market segment **Automotive** expected to more than double, while sales with the **Wind Energy** industry should decline by more than half due to the sale of SGL Kümpers and lower customer demand
  - Sales to market segment **Aerospace** expected to increase slightly
  - Sales to market segments **Industrial Applications** and **Textile Fibers** expected on prior year level
  - Like-for-like (i.e. excluding currency and M&A effects) **mid-to-high single digit growth** rate expected
  - No material impact expected from initial IFRS 15 adoption
- **Recurring EBIT** expected to remain at previous year level
  - As cautioned in our H1 report due to weaker than previously anticipated operating performance in the market segments **Wind Energy, Textile Fibers** and **Industrial Applications**
  - Positive impact from full consolidation of former joint venture with BMW and higher volumes
  - Partially offset by negative currency effects and higher development expenses
  - No material impact from initial IFRS 15 adoption
  - Highest quarterly earnings of this fiscal year achieved in the first quarter 2018 due to the high capacity utilization as well as high shipments for particular projects

Reporting segment outlook 2018.
GMS and Corporate

Graphite Materials & Systems (GMS)

- Slight increase in **sales** expected – corresponding now to currency adjusted growth of approx. **10%**
  - Driven by market segments **LED**, **Automotive & Transport** as well as **Semiconductor**
  - **Industrial Applications** and **Chemicals** expected to show slight increases in sales
  - Sales in the market segment **Solar** limited as we prioritize sales to market segments **LED** and **Semiconductor**
  - Strong volume increase in market segment **Battery & other Energy.** In combination with successful pricing initiatives, we expect an increase in sales despite negative currency effects
  - Low double digit million Euro positive impact from the initial adoption of IFRS 15
- **Recurring EBIT** improvement expected to substantially outpace higher expected sales growth
  - High single digit to low double digit million Euro positive impact from the initial adoption of IFRS 15
- Group **$\mathbf{ROCE_{EBIT}}$** target of 9-10% should again be exceeded in this business unit and improvement over prior year expected

Corporate

- Slightly higher expenses due to
  - General cost increases (esp. wage increases)
  - Higher consulting fees (OMS, new data protection directive)
  - Partly offset by one-off income from a land sale in Canada recorded in Q1/2018

Group outlook 2018.

- Full year **Group sales** expected to increase by approx. 15%, corresponding now to a like-for-like (i.e. excluding currency and M&A effects) **high single digit growth** rate. In addition, we anticipate a low double digit million € positive impact on Group sales from the initial adoption of IFRS 15
- **Group recurring EBIT** expected to increase at a slightly faster pace than the now higher expected sales due to
  - Volume increases and successful implementation of pricing initiatives
  - Additional earnings contribution from the full consolidation of the former joint venture with BMW
  - Cost savings
  - Partially offset by adverse effects from personnel and raw material cost, and foreign currency developments
  - In addition, we anticipate a high single to low double digit million € positive impact from the initial adoption of IFRS 15
- **Net result – continued operations** expected to improve to a mid double digit € million amount due to
  - Improved operating profit (including higher IFRS impacts)
  - Lower interest expenses due to early redemption of corporate bond in October 2017 and repayment of convertible bond at maturity in January 2018 – partially offset by higher interest expenses relating to full consolidation of net debt of former JV with BMW
  - Impact from positive non-recurring effects in Q1/2018

Group outlook 2018.

- **Capex** to increase compared to prior year to approx. €80 million i.e. €15 million above level of depreciation
  - Level of depreciation increases to €65 million (before PPA) due to full consolidation of former joint ventures
- **Total free cash flow** expected to reach a “black zero”
  - **Free cash flow – continued operations** expected to improve significantly but remain negative in mid double digit range mainly due to higher capex level and cash outflow for the acquisition of the Wackersdorf site in the former joint venture with BMW
  - **Free cash flow – discontinued operations** expected to reach positive mid double digit range due to payment of final instalments of purchase price for disposal of GE and CFL/CE
- **Net debt** at end 2018 to substantially increase due to the full consolidation of former joint venture with BMW
- **Balance sheet targets** expected to continue to be met - **equity ratio** at or above 30%, **gearing** at or below 0.5 and **leverage ratio** at or below 2.5

Latest financials 9M/2018

Composites – Fibers & Materials.

in € million	9M/2018	9M/2017
Sales revenue	323.9	253.9
EBITDA[1]	45.8	32.8
EBIT[1]	20.9	17.2
EBIT-Margin[1] (in %)	6.5	6.8
$ROCE_{EBIT}$ (in %)	4.6	5.2

- **Sales revenue** increased by 28% (currency adjusted by 30%)
  - Primarily due to structural effects in the market segment **Automotive** resulting from the initial consolidation of the former at-equity accounted JV Benteler SGL as well as the full consolidation of the former partially consolidated JV SGL ACF
  - After the sale of our share in SGL Kümpers, the market segment **Wind Energy** now only includes lower sales of carbon fibers to the wind energy industry
  - Higher sales in the market segments **Automotive** and **Aerospace**
  - Sales in the market segments **Textile Fibers** and **Industrial Applications** on prior year level
- Recurring **EBIT** increased by 22%
  - Highest earnings growth in the market segment **Automotive**, particularly due to the full consolidation of former SGL ACF
  - Partially offset by significantly lower earnings contribution from **Wind** and **Industrial Applications**
  - Earnings in market segments **Aerospace** and **Textile Fibers** on prior year level

[1] before non-recurring items of €18.1 million in 9M/2018 and minus €6.0 million in 9M/2017

Graphite Materials & Systems.

in € million	9M/2018	9M/2017
Sales revenue	436.8	381.5
EBITDA[1]	76.5	54.4
EBIT[1]	59.5	37.5
EBIT-Margin[1] (in %)	13.6	9.8
$ROCE_{EBIT}$ (in %)	16.0	11.8

- **Sales revenue** (including IFRS 15 effects) up 15 % (currency adjusted by 17%)
  - Double digit growth in **Battery & other Energy, LED**, **Semiconductors**, **Automotive & Transport** and **Chemicals**
  - Slightly higher demand in **Industrial Applications;** limited sales to the **Solar** market segment to prioritize sales to **Semiconductors** and **LED**
  - Adjusted for IFRS 15 and FX, sales in GMS grew by approx. 11% (approx. 10% at H1/2018)

- Recurring **EBIT in 9M/2018** increased substantially more than proportionately to sales by 59% due to improvements in nearly all market segments and successful implementation of price increase initiatives (IFRS 15 effects of €14.7 million)

[1] before non-recurring items of €0.6 million in 9M/2018 and €1.0 million in 9M/2017

Corporate.

in € million	9M/2018	9M/2017
Sales revenue	25.6	6.7
EBITDA[1]	-16.6	-17.1
EBIT[1]	-21.2	-21.7

- **Sales revenue** improved significantly due to the disposal of our former PP activities. Services to PP now recorded as sales to third parties
- Recurring **EBIT** remained nearly stable due to the earnings contributions of approx. €4 million from a land sale in Canada, which more than compensated for
  - Costs for the implementation of the Operations Management System (OMS)
  - End of cost pass through to former PP activities, which were sold in 2017
  - **Central Innovation** expenses remained stable at €6.1 million

[1] before non-recurring items of €1.8 million in 9M/2018

Group.

in € million	9M/2018	9M/2017
Sales revenue	786.3	642.1
EBITDA before non-recurring items	**105.7**	**70.1**
EBIT before non-recurring items	**59.2**	**33.0**
$ROCE_{EBIT}$ (in %)	6.1	4.8
Non-recurring items	20.5	-5.0
EBIT	79.7	28.0
Net financing result	-21.3	-38.6
Results from continuing operations before income taxes	58.4	-10.6
Income tax expense and non controlling interests	-6.7	-9.6
Result from discontinued operations, net of income taxes	-4.0	25.5
Consolidated net result attributable to shareholders of parent company	**47.7**	**5.3**

- **EBIT before** non-recurring items increased by 79% to €59.2 million due to acquisition-driven higher results in CFM and improved earnings in the business unit GMS
- **Non-recurring items** predominantly relate to ppa effects relating to the purchase of remaining shares in former JVs with BMW and Benteler
- **Net financing result** improved significantly due to the repayment of the corporate bond and the convertible bond 2012/2018

Free cash flow.

in € million (continuing operations)	9M/2018	9M/2017
Cash flow from operating activities	7.6	-27.2
• Capital expenditures in property, plant, equipment and intangible assets	-38.7	-30.3
• Cash flow from other investing activities[1]	-8.8	20.1
Cash flow from investing activities	-47.5	-10.2
Free cash flow	-39.9	-37.4
Free cash flow from discontinued operations	58.6	4.1

- **Cash flow from operating activities** improved significantly mainly due to the improved result from continuing operations and lower build-up of working capital
- Higher **cash outflow from investing activities** due to
  - Cash outflow for the payment for the remaining interest in SGL ACF Germany of €23.1 million
  - Higher capex compared to prior year
- **Free cash flow from discontinued operations** contained cash inflow from the final outstanding payments for the sale of former PP activities

[1] dividends received, payments for capital contributions in investments accounted for At-Equity and other financial assets, payments for acquiring remaining stakes in our joint ventures, proceeds from sale of intangible assets and property, plant and equipment

Balance sheet.

in € million	30.09.2018	31.12.2017
Equity ratio (in %)	33.6	29.6
Total liquidity (incl. discontinued operations in 2017)	247.4	382.9
Net financial debt	220.9	139.0
Gearing (net debt/equity)	0.41	0.30
Leverage ratio (net debt/EBITDA)	1.7	1.5

- **Equity ratio** improved by 400bps mainly due to positive net result of the period of €47.7 million as well as
  - Adoption of IFRS 15 and IFRS 9 on transition date January 1, 2018 amounting to €13.8 million
  - Contribution from the IFRS equity component of the new convertible bond of €13.7 million
  - Adoption of higher interest rates on pension liabilities led to a positive impact of €12.9 million
- **Total liquidity** decreased mainly as a result of the repayment of the convertible bond in January 2018 (€239.2 million) and the repayment of a portion of the debt of SGL Composites (€67.5 million) which more than offset the cash inflow from the new convertible bond 2018/2023 (€159.3 million)
- Higher **net financial debt** reflects initial consolidation of the proportional debt relating to the full consolidation of SGL Composites amounting to €92.2 million

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Appendix

Group market segmentation.

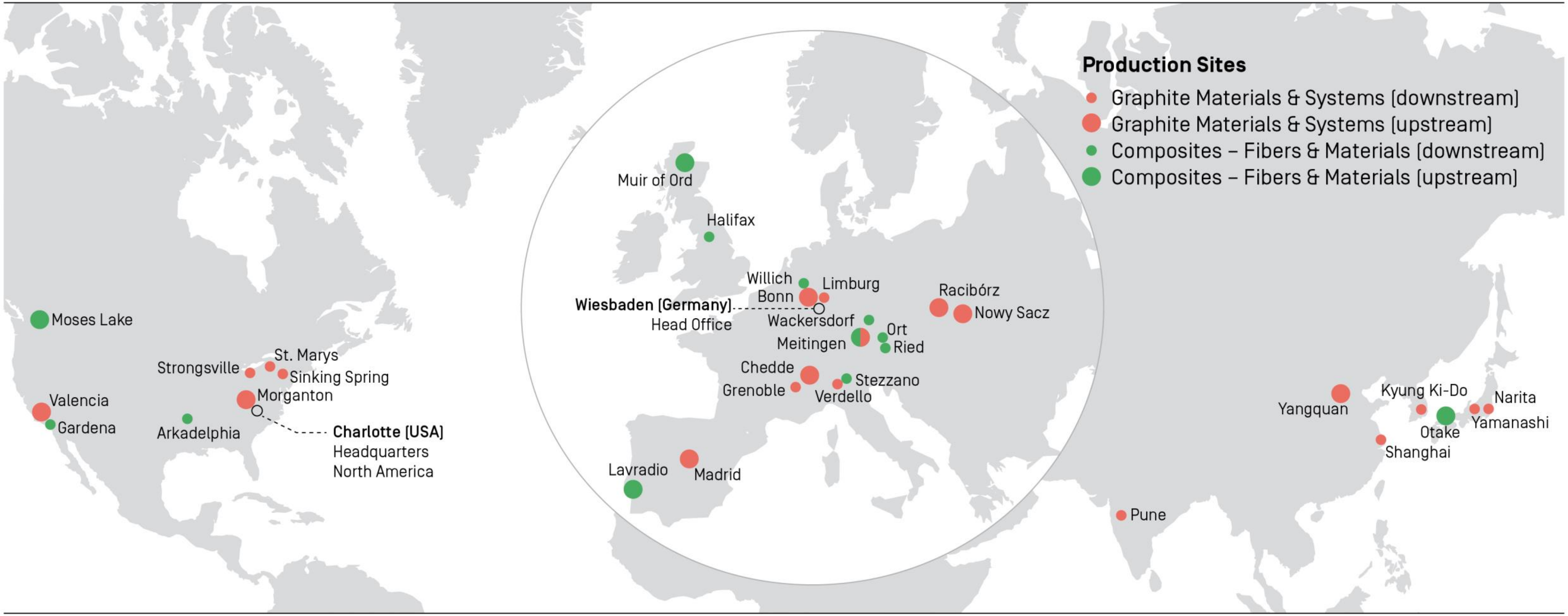
Stronger orientation to customer and growth markets

Market Segment	Sales[1] € million	Mobility[2]	Energy[3]	Digitization[4]	Industrial Applications	Chemical	Textile Fibers
2017	**860**	**19%**	**22%**	**5%**	**29%**	**14%**	**11%**
2016	770	20%	22%	4%	27%	15%	12%

[1] Figures do not reflect full consolidation of SGL ACF and Benteler SGL as well as disposal of SGL Kümpers
[2] comprises automotive, aerospace and transport markets; [3] comprises battery, solar, wind and other energy markets; [4] comprises LED and semiconductor markets

Global presence.

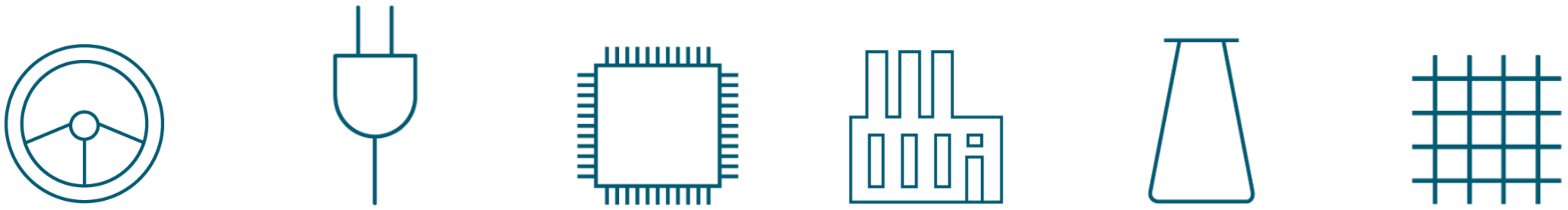
SGL Carbon worldwide sites



Group market segmentation.

Stronger orientation to customer and growth markets

Market Segment



	Sales[1] € million	Mobility[2]	Energy[3]	Digitization[4]	Industrial Applications	Chemical	Textile Fibers
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CFM growth strategy is based on the integration and control of the entire value chain

CFM key technologies and products

Upstream Area (Product Line Fibers)		Downstream Area (Product Lines Materials and Composites)			
Precursor	**Carbon fiber**	**Textile (dry material)**	**Prepreg (impregnated material)**	**Parts/ Components**	OEM
▪ 50k (24k) ▪ Panox	▪ 50k, 24k ▪ Panox ▪ Continous fibers ▪ Short-cut/ milled	▪ Non-crimped fabrics ▪ Braided textiles ▪ Non-wovens ▪ Woven fabrics	▪ Prepreg ▪ Towpreg ▪ Organo sheets	▪ RTM ▪ Wet press ▪ Compression technology ▪ Filament winding	

- Security of raw material supply
- Quality control (precursor)
- Cost competitive Panox and carbon fiber

- Certified/qualified materials
- Cost control of intermediate production stages
- Elimination of interfaces

- OEMs* request part/component solutions from their suppliers
- Provide "one-stop shopping"
- Customer value creation

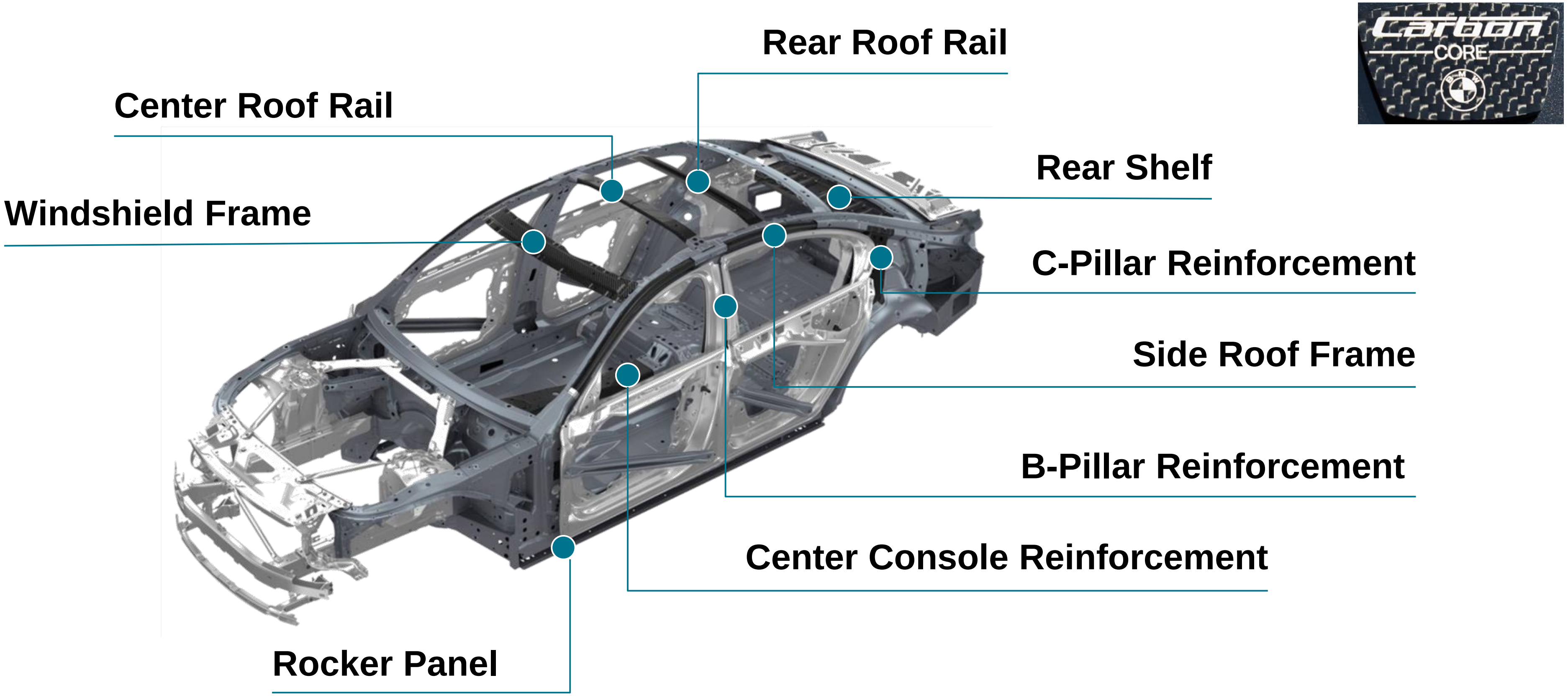
Demonstration of technology, development and series production competence along entire value chain is key

* In particular, the automotive industry, but also the aerospace sector

The next level of Carbon Fiber in Automotive.
BMW 7 series

Significant weight-savings through lightweight chassis

BMW
7 Series



Source: BMW

Our composites in the automotive industry.
Leaf springs for suspension systems

Significant weight-savings through glass fiber based lightweight leaf spring

Volvo
SPA[1]
Platform

- Structural component for axle module, from simulation-assisted product design up to parts delivery in large series
- Fully automated production lines
- Peak volume over 550,000 pieces/a
- Weight saving combined with dynamic driving advantages


Leaf spring


Volvo XC 90

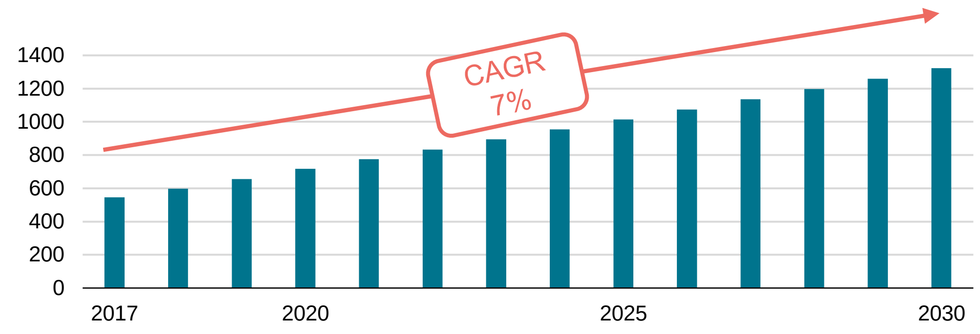
[1]Scalable Product Architecture
Source: Benteler, SGL

Wind energy is the key driver for the energy segment.

Key benefits of composites in the wind energy industry:

- Corrosion resistance
- Strength-to-weight ratio

Global cumulative installed wind power capacity in gigawatt[1]



Efficiency requirement for rotor blade design leads to potential for composites:

- The growing demand of efficient wind energy plants has led to new developments in wind turbine designs
- Plants with a large number of wind turbines with short rotor blades are being upgraded with a smaller number of wind turbines with longer rotor blades
- The requirement of longer rotor blades has resulted in a huge potential for composite use in rotor blade construction

[1]Source: Globaldata

Graphite Materials & Systems.
Leading market shares in major end markets

Global markets shares 2017

Chemicals	30%
Batteries & other energy	20%
LED	20%
Solar	15%
Semiconductor	15%
Automotive & transportation	15%
Industrial applications	10%-50%

Source: SGL Carbon’s own estimates

Levers to further profitability improvement.

Sales:

Focus on higher margin innovative **Megatrend markets** (digitization, energy, mobility)

Increase in share of **higher margin downstream businesses**

Increase utilization of existing capacities (CFM) and capacity extensions (GMS)

Commercial Excellence: margin and KPI steered sales organization with focus on price increases, improved product mix, high margin and high growth areas

Costs:

Automation

Digitization

Global **standardized** and **efficient processes**: e.g. Operations Management System

Fully utilize **Shared Service Center** and transfer further transactional tasks

Portfolio:

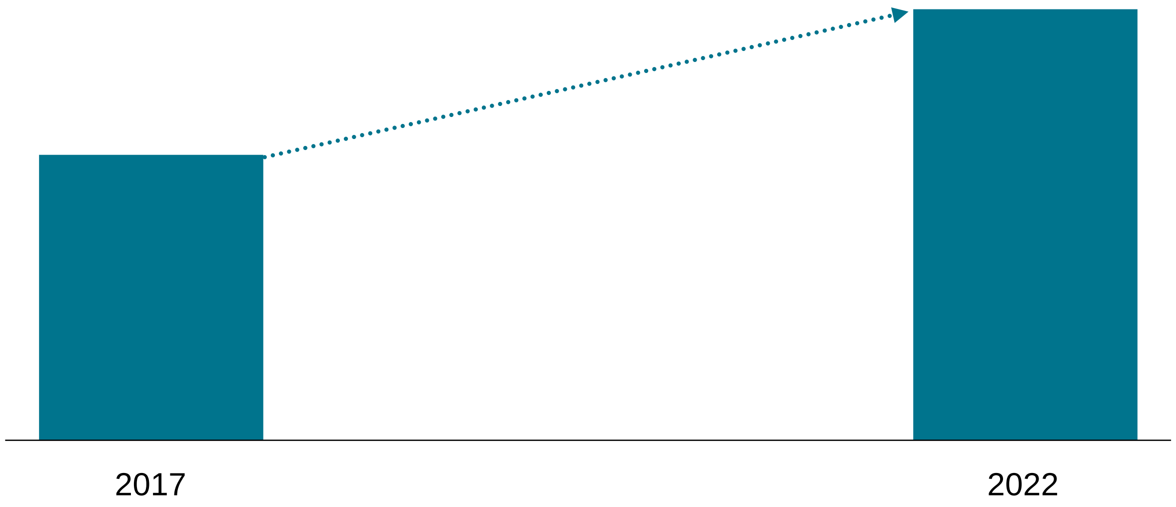
Lightweight and Application Center will support market penetration in automotive industry by closing the gap between materials and applications

Battery laboratory: continuous build-up of own competencies to develop next generation material

Strategic and **KPI-driven CAPEX** planning and improved execution

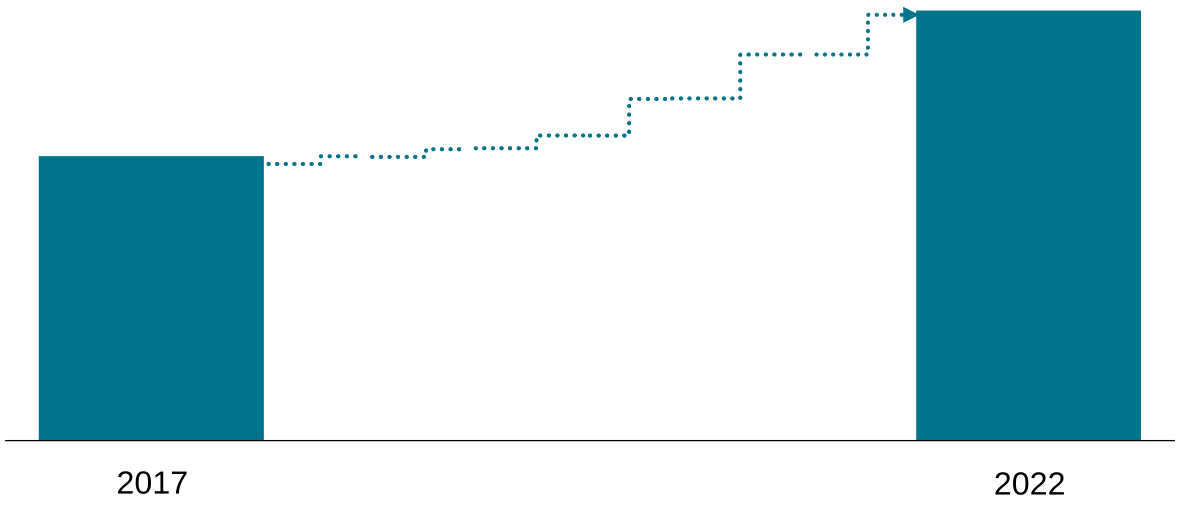
SGL Carbon – our sales growth paths.
Different mid-term growth patterns expected in GMS and CFM

GMS



- Well developed material
- Well established markets and businesses
- **“Linear“ growth expected**

CFM



- Young material
- Breakthrough in composites today
- We have to develop our markets
- **Project-driven growth expected, back-end loaded**

Graphs for illustrative purposes; not to scale

Regional Sales Distribution.

Sales by destination

Sales	Germany	Europe outside Germany	North America	Asia	Rest of World
2017	**26 %**	**22 %**	**19 %**	**28 %**	**6 %**
2016	27 %	22 %	18 %	27 %	5 %

Sales by origin

Sales	Germany	Europe outside Germany	North America	Asia
2017	**41 %**	**32 %**	**21 %**	**6 %**
2016	41 %	33 %	21 %	5 %

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 December 31, 2018)	122,341,478
Free float	~ 46%

Reported shareholdings according to §§ 21 f. WpHG and other notifications

SKion GmbH	28.5%
BMW AG	18.4%
Volkswagen AG	7.4%

Debt market instruments.

Convertible notes 2015/2020

Coupon	3.5%
Principal Amount	€ 167 million
Adjusted Conversion Price	€ 17.0732
Conversion Right (as at December 31, 2018)	9.78 million shares
Issue Date	14 September 2015
Date of Maturity	30 September 2020

Convertible notes 2018/2023

Coupon	3.0%
Principal Amount	€ 159.3 million
Initial Conversion Price	€ 13.0220
Conversion Right	12.234 million shares
Issue Date	20 September 2018
Date of Maturity	20 September 2023

Corporate bond (4.875% coupon, €250m principal amount, maturity 15 January 2021) with issue date 12 December 2013 redeemed early on October 30, 2017

Financial calendar/contact details.

Financial calendar 2019

March 27, 2019	Annual Report 2018
May 7, 2019	Report on the first quarter 2019
May 10, 2019	Annual General Meeting
August 6, 2019	Report on the first half year 2019
November 5, 2019	Report on the first nine months 2019

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