sgl carbon

Investor Relations Presentation

February 2019

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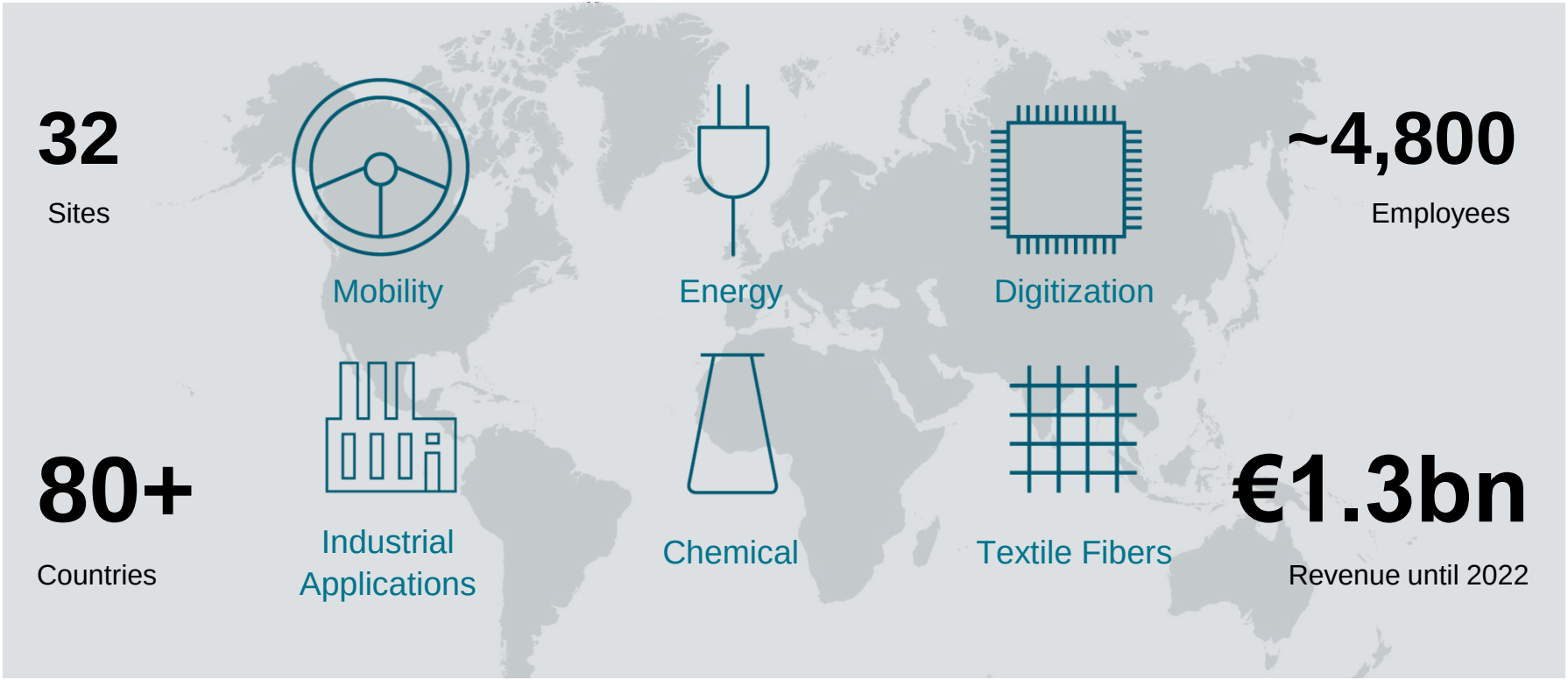
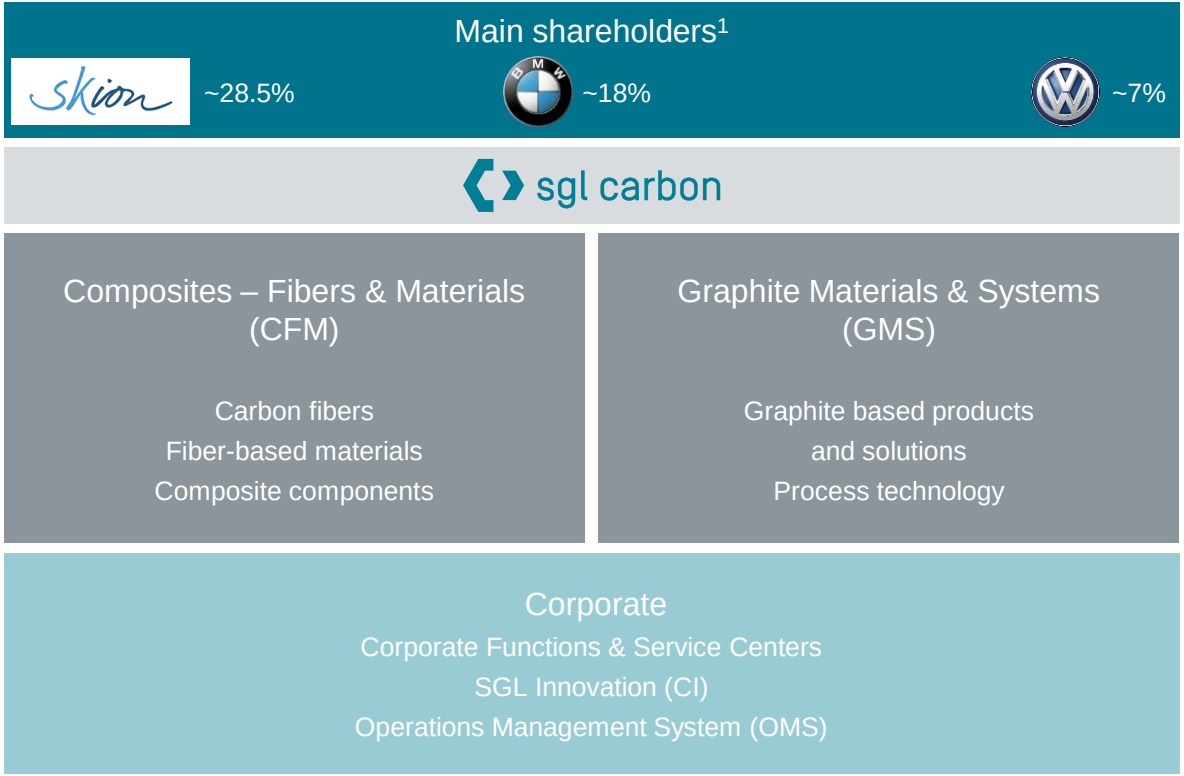
1 The Business Model

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



New SGL Carbon. Re-focused on carbon and graphite based tailor-made solutions for growth markets

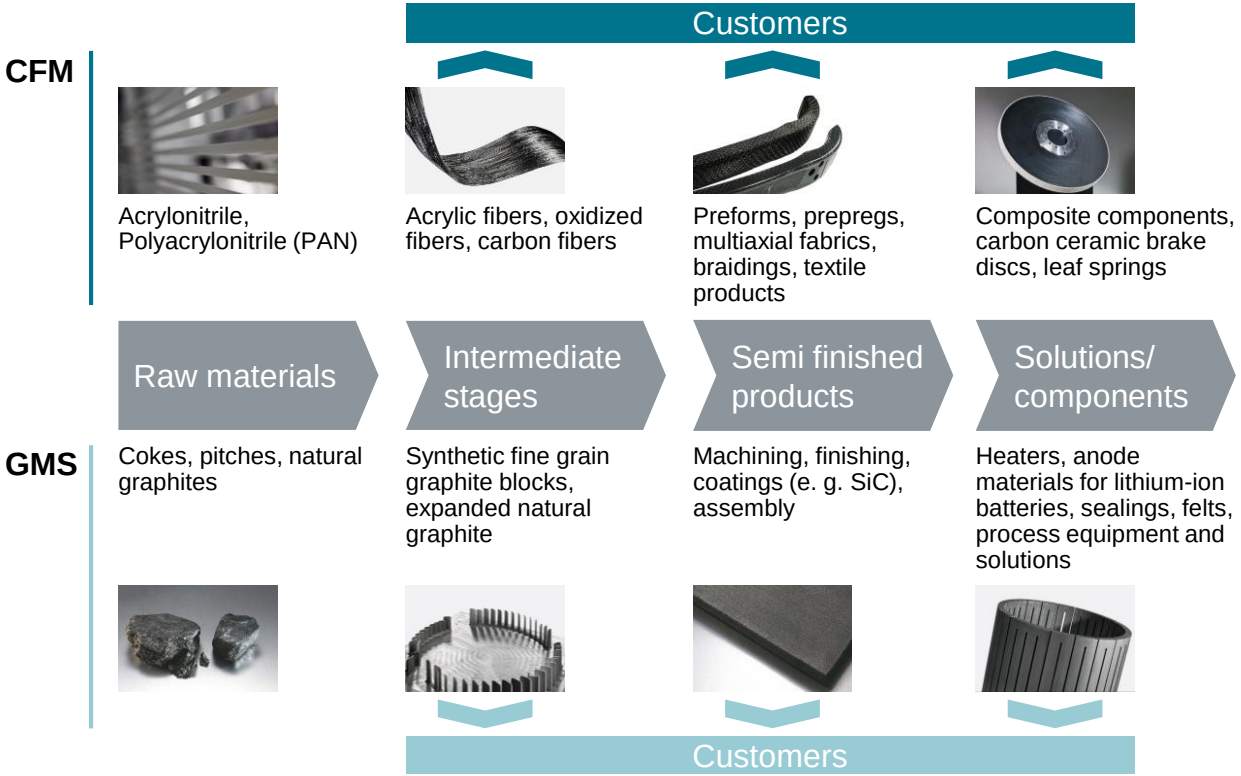


Performance Products (PP): Graphite electrodes → Sale to Showa Denko closed on October 2, 2017

Performance Products (PP): Cathodes, furnace linings, carbon electrodes → Sale to Triton closed on November 2, 2017

[1] according to their respective latest notifications

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

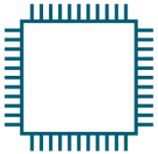


Control over the entire **value chain** enables product customization to customer requirements

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**

Group Market Segmentation.
Reflects stronger orientation to customer and growth markets

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

[1] comprises automotive, aerospace and transport markets; [2] comprises battery, solar, wind and other energy markets; [3] comprises LED and semiconductor markets

ROCE.
Remains key management principle for managing the business

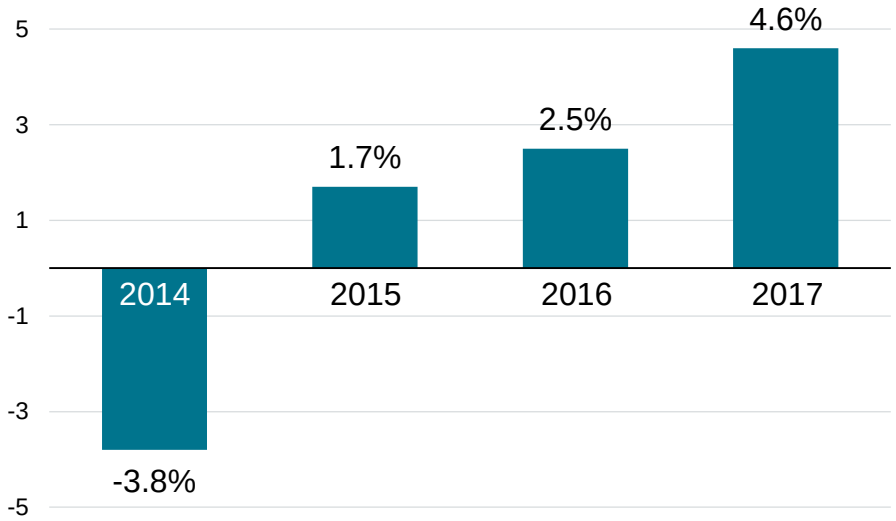
In 2014, we, the new Board of Management, introduced ROCE as new key management principle, replacing ROS

We wanted to be held accountable for our stated targets and goals

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

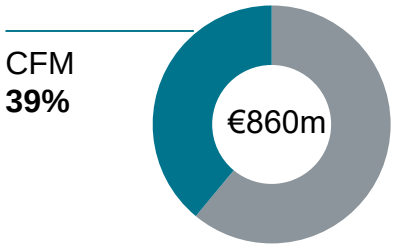
2 The Business Units: Composites – Fibers & Materials (CFM)

Reporting Segment.
Composites – Fibers & Materials (CFM)

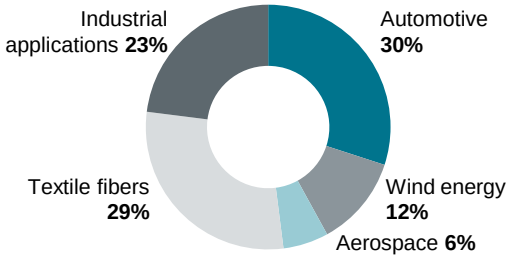
Activities

- Carbon Fibers
- Composite Materials
- Composite Components
- Ceramic Brake Discs (JV with Brembo)

Group sales 2017



CFM sales 2017



Key industries served

- Automotive
- Energy
- Aerospace
- Industrial Applications
- Textile fibers

Characteristics

- New applications in automotive, energy, industrial
- High earnings improvement potential
- Complete value chain in house

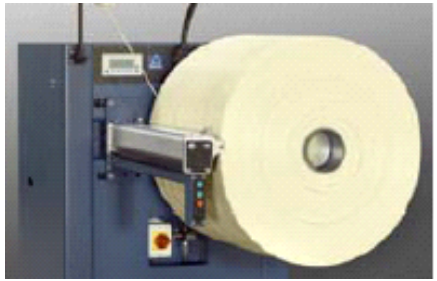
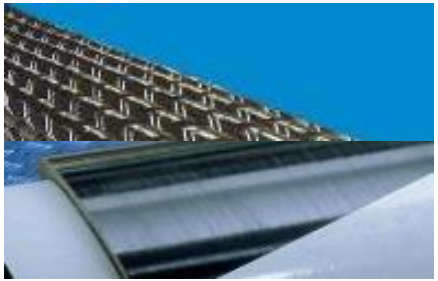
Strategic priorities

- Strengthen capabilities to safe-guard globally leading position
- Develop products and production technologies for innovative customer solutions
- Exploit synergies across the value chain

Composites – Fibers & Materials.
Market segmentation

Market Segment					
Sales	**Automotive**	**Aerospace**	**Wind Energy**	**Industrial Applications**	**Textile Fibers**
2017	**30 %**	**6 %**	**12 %**	**23 %**	**29 %**
2016	29 %	7 %	15 %	21 %	28 %

Composites – Fibers & Materials (CFM).
Integrated value chain from precursor to components

PAN Precursor	Carbon Fiber	Materials	Components
			
• Lavradio (PT) • Otake (JP): JV with Mitsubishi Chemicals (33%)	• Muir of Ord (UK) • Moses Lake (WA, USA)	• Willich (DE) • Wackersdorf (DE)	• Ried (AT) • Ort (AT) • Arkadelphia (AR, USA) • Meitingen (DE)/Stezzano (IT): JV with Brembo (50%)

Our composites solutions serve key markets.

Unique integrated value chain

Fibers

Broad portfolio of high-performance products

- Acrylic Fibers
- Oxidized Fibers
- Carbon Fibers
- Yarns

Materials

Production technologies along the fiber value chain

- Woven Fabrics
- Non-crimped Fabrics
- Resins, Adhesives
- Braidings
- Preforms
- Prepregs
- Organo Sheets
- Wet Friction Materials

Components

Lightweight and Application Center (LAC)

- In-house bridge between SGL products and customer applications in the development of fiber reinforced composite components
- Engineering solutions and manufacturing prototypes (e.g. CFRP Parts)
- Highly automated components production facilities in Austria

Markets

Our capabilities are tailored to serve market needs.

Product Toolboxes

≤5 min. cycle time

≤3 min. cycle time

≤1 min. cycle time

Engineering

Concept development

Product design

Process simulation

Structural analysis

Virtual prototyping

Prototyping

Product testing

Virtual factory

Component Processes

Placement

Pressing

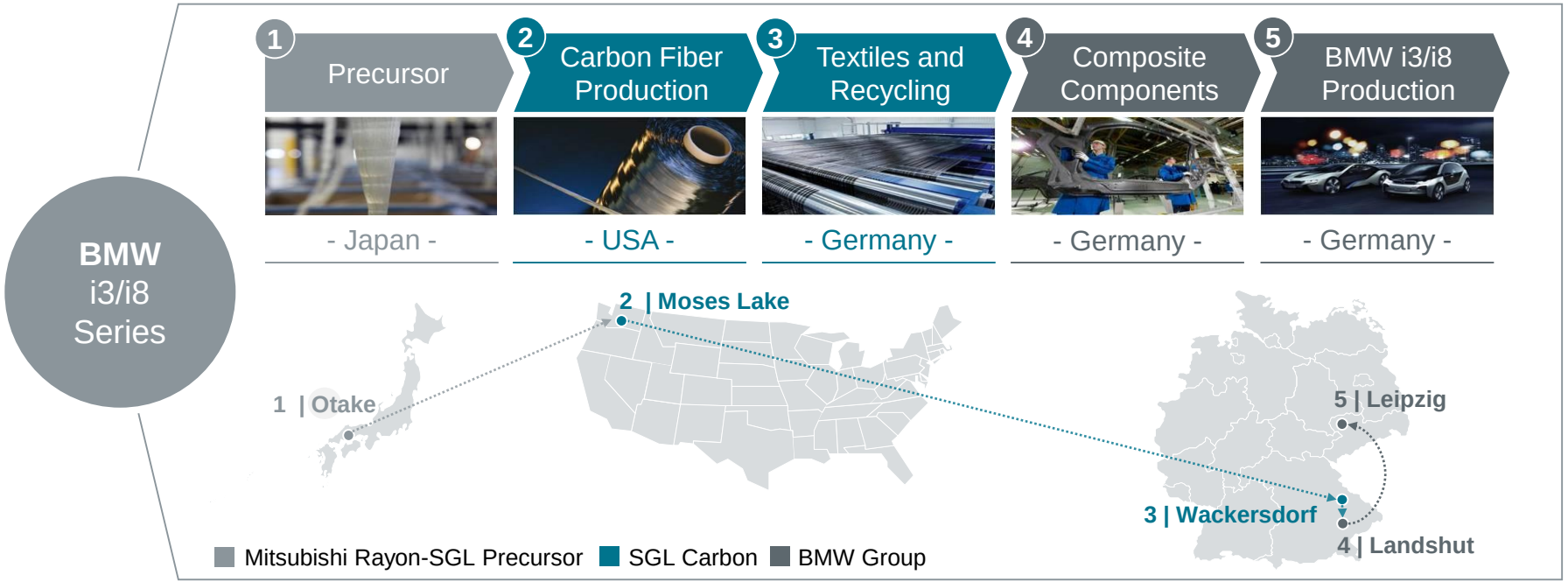
Injection molding

Market Needs

- Mass production
- Automated processing
- Hybrid design (e.g. GF/CF)
- Load path adapted design
- Minimum scrap

The foundation of our automotive composites competence. Lightweight expertise for BMW Group

CFRP supply chain



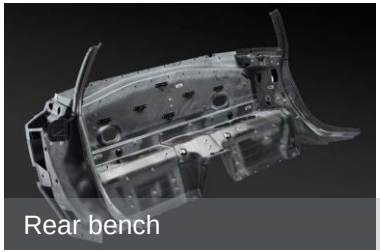
Source: BMW, SGL

Our composites in the automotive industry.
Integral part of the material mix in serial production

Rear bench for performance sports cars

Audi
MSS
Platform

- Structural Audi MSS (Modular Sportscar System) bodywork system
- The rear bench of the body work is made of carbon-fiber reinforced plastic
- Composite components includes all the connecting parts and elements


Rear bench

This platform is used for

Lamborghini Huracan
(Coupé & Spyder)

Audi R8
(Coupé & Spyder)

Source: Benteler, SGL

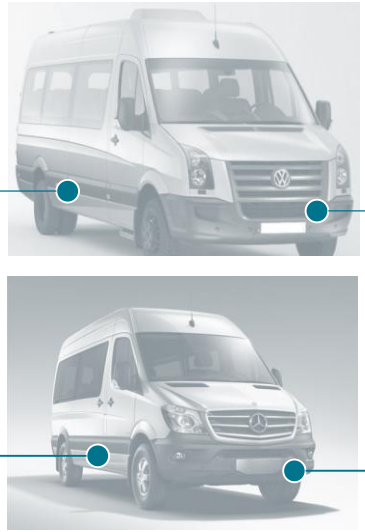
Our composites in the automotive industry.
Leaf springs for suspension systems

Significant weight-savings through glass fiber based lightweight leaf spring

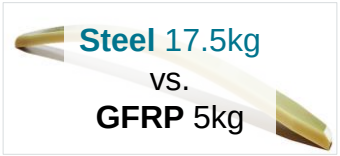
VW
Crafter &
Daimler
Sprinter

Rear leaf spring
Prototype phase

>20kg
weight-savings/
vehicle



Front leaf spring
Serial production
>100,000 pcs/a



12.5kg
weight-savings

Our tailor- made glass fiber fabrics serve a fully automated production for high performance leaf springs

Source: Benteler, SGL

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

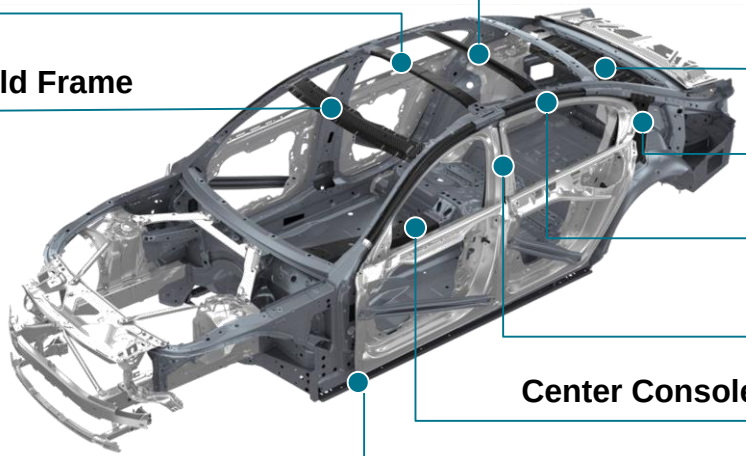

Volvo XC 90

1 Scalable Product Architecture
Source: Benteler, SGL

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

Significant weight-savings through lightweight chassis

BMW
7 Series



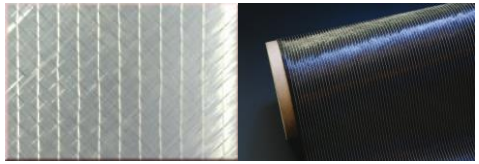
Rear Roof Rail
Center Roof Rail
Rear Shelf
Windshield Frame
C-Pillar Reinforcement
Side Roof Frame
B-Pillar Reinforcement
Center Console Reinforcement
Rocker Panel

Source: BMW

New hybrid materials manufactured with automated production systems. Example B-Pillar

Continuous

1. Materials

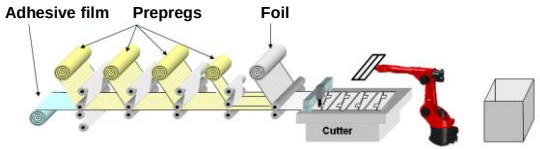


Continuous

2. Prepreg Production

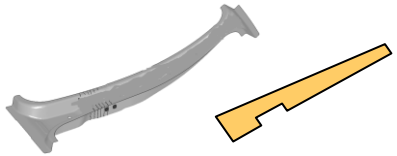
Automated

3. Laminate Layup



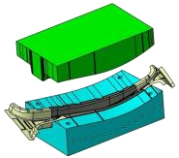
Automated

4. Laminate layup



Automated

5. Forming & Pressing



Final product

Hybrid B-Pillar

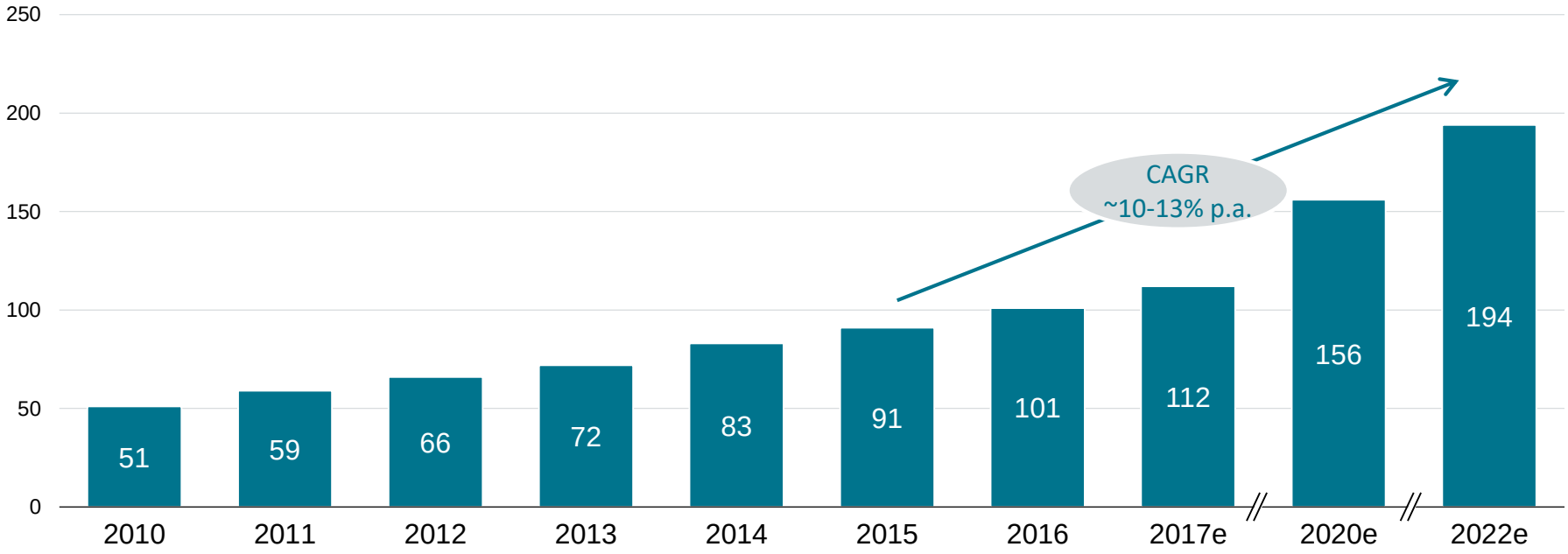
Cycle times of < 50 seconds enable large series production (e.g. 150,000 pieces/a)

… Production system

Source: SGL Carbon

Carbon fibers and composite materials. Strong demand growth anticipated

Global Carbon Fiber Reinforced Plastics (CFRP) Demand
[in thousand mt p.a.]



Source: CCeV (September 2017)

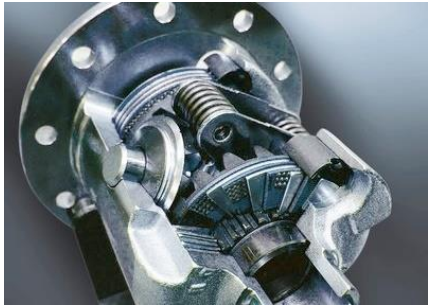
3 Project highlights CFM

Optimizing the CFM value chain.
Fibers, composite materials and production

- Commissioning and inauguration of the new precursor production line in Portugal
  - Precursor is the raw material for carbon fibers
  - Completion of the value chain
  - Total investment amounting to €30 million
- Concentration of carbon fiber production at two sites
  - Evanston site sold
  - Enhanced efficiency of the production network through concentration at two sites in Moses Lake (USA) and Muir of Ord (UK)
- Construction and launch of the Lightweight and Application Center (LAC) in Meitingen (DE)
  - OEM-neutral ”carbon carrier” developed together with Bertrandt presented in November 2017
- Full ownership of Benteler SGL agreed on November 8, 2017
  - Allowing us to fully control and further develop our composite part marking capabilities

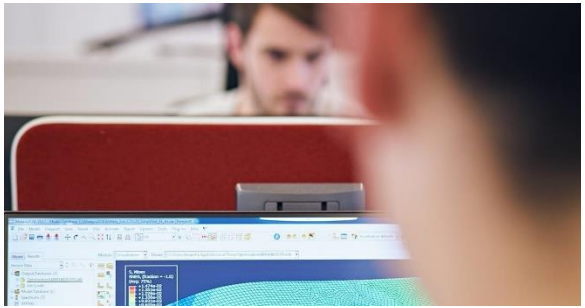
Developed customized solutions.
Serial production of structural parts and gear box applications

- 500,000 leaf springs p.a. from 2020 onwards based on composite materials for the models S60, S90, V60, V90 and XC60
  - Project with highest production volume of a composite component in the industry
- CFRP back wall and top B-pillar for the Audi MSS platform (Audi R8, Lamborghini Huracán)
- Close and intensive cooperation with BMW in various additional projects beyond the i3, i8 and 7 series models
- 50% sales increase in high performance wet friction material based on carbon components (e.g. duplex gear clutch)



Initiated development projects globally.
For material mix solutions in passenger cars

- Jaguar Land Rover
  - Cooperation with British research institutes and OEMs under SGL Carbon leadership
  - Development of new composite materials structures and manufacturing prototypes for structural parts of existing car models
- Daimler
  - Carbon fiber supply for CFRP stiffeners (manufactured with pultrusion technology)
  - Development projects for various components with new SGL Carbon materials
- Two Asian OEMs



Ready for lift-off.
Contract extension and various development projects

- Extension of contract with Airbus-subsidiary Elbe Flugzeugwerke (pre-impregnated carbon fiber textiles for Airbus A350 floor panels)
- Planned increase in vertical integration with an aerospace industry supplier for secondary structural parts
- Development project with aircraft supplier for cabin interior parts
- Product developments with the large aircraft manufacturers for the adoption of our industrial fiber (50k) in components

Photography source: istockphoto Foto 1-3 f.l.t.r.

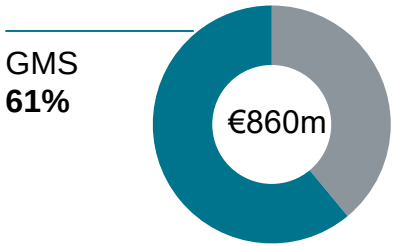
4 The Business Units: Graphite Materials & Systems (GMS)

Reporting Segment.
Graphite Materials & Systems (GMS)

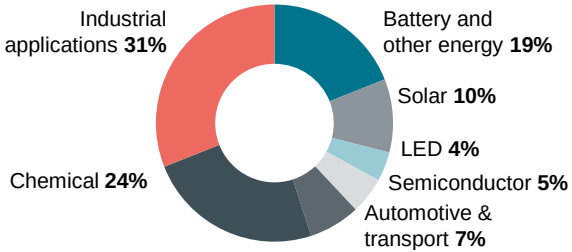
Activities

- Anode materials
- Isostatic graphite
- Fiber materials
- Extruded graphite
- Die molded
- Expanded graphite
- Process technology

Group sales 2017



GMS sales 2017



Key industries served

- Lithium-Ion-Battery
- Solar
- Semiconductor
- LED
- Chemical
- Automotive & transport
- Industrial applications[1]

Characteristics

- Higher value-added products enabling customer innovations
- Specialized, partially tailor-made, products for differentiated customers
- Innovation driven business
- Engineered products & solutions for customers from > 35 industries – some with high growth potential

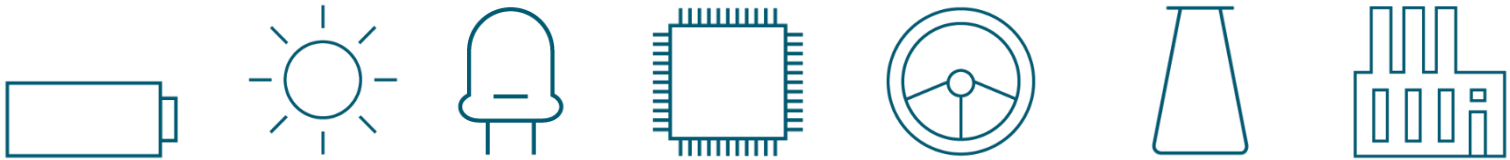
Strategic priorities

- Focus on forward integration and innovation
- Combine material know-how and engineering competence
- Advanced material, equipment, and process solutions in cooperation with customers
- Global competence and presence
- Improve cost competitiveness
- Target new market segments

[1] e.g. electric discharge machining (EDM), oil and gas, glass, high temperature applications, metallurgy

Graphite Materials & Systems.
Market segmentation

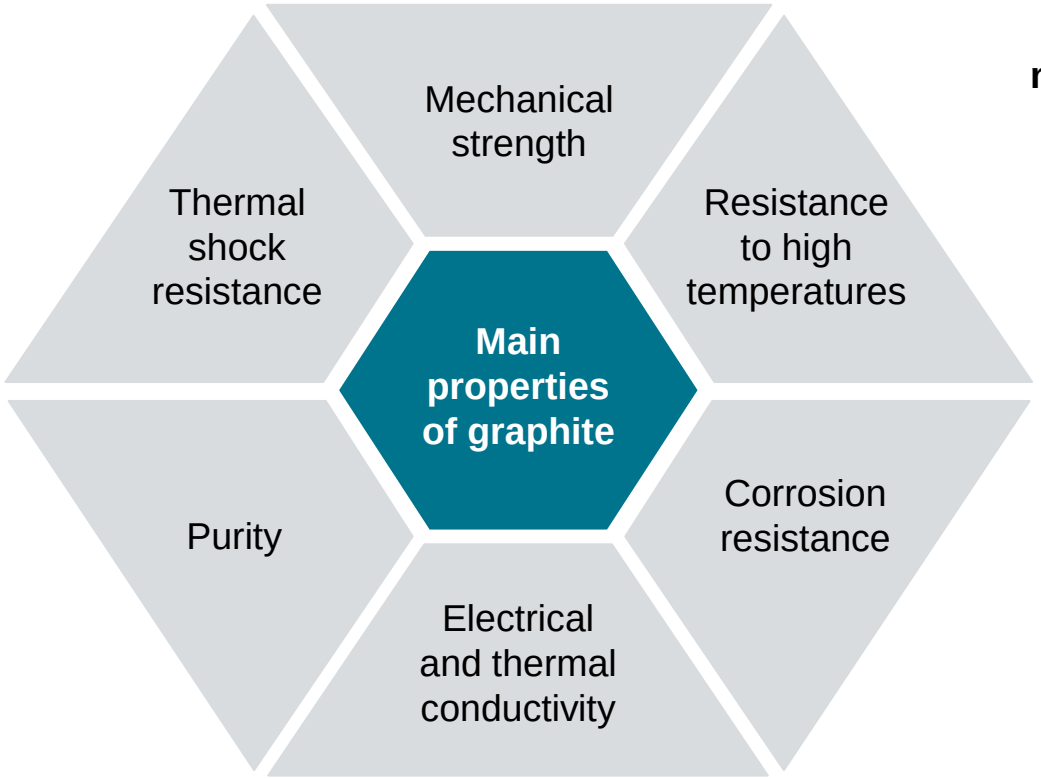
Market Segment



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 %

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

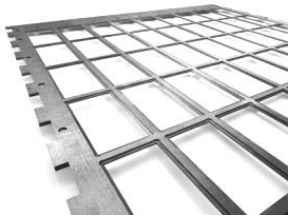
SGL provides its graphite based solutions to more than 35 industries

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)

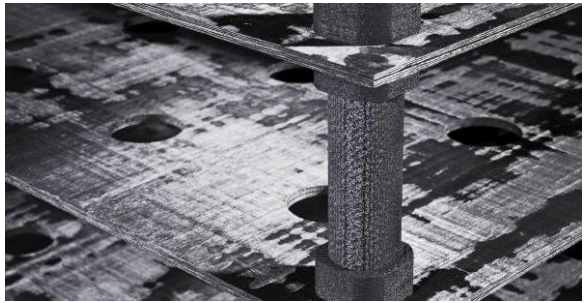
Flexible graphite foil

Reinforced graphite sealing sheet

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

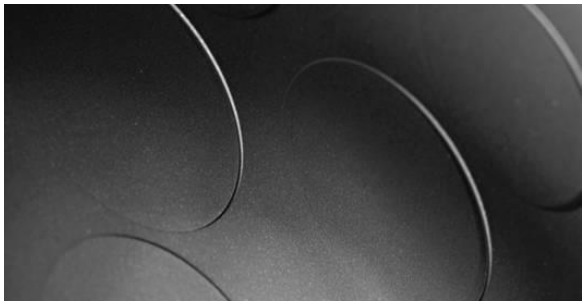
Integrated value chain and broad materials portfolio. Allow us to serve a wide range of industrial applications

Full integration to ensure consistent quality



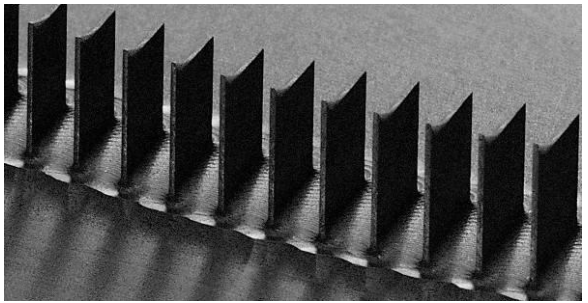
- Feedstock
- Machining
- Purification
- Impregnation & coating
- Global production: America, Asia/Pacific and Europe

Most comprehensive portfolio in the industry



- Isostatic
- Extruded
- Vibro molded
- Die molded
- Expanded
- Carbon fiber reinforced carbon
- Soft & rigid felt
- SiC coating
- Syntheses & heat exchangers

Partnering with customers from >35 industries



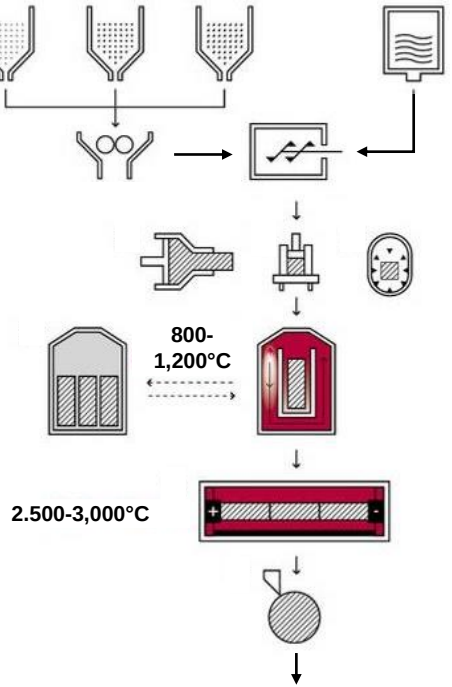
- Lithium-ion battery
- Chemical
- Solar
- Semi-conductor
- LED
- Automotive
- Transport
- Polysilicon
- Sapphire
- Heat treatment
- Sealing & gaskets
- EDM
- Glass & refractory
- Mechanical engineering

Production of specialty graphite is complex and requires up to six months.

Coke & graphite

Grinding

Pitch impregnating



Binder pitch

Mixing

Shaping
Extruding, vibration/die molding, isostatic pressing

Carbonizing

Graphitizing

Finishing
Machining, purifying, coating

Tailor made product

4-5 months

2-4 weeks

Source: GMS Production

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 and piping
- Accessories

After sales services

- Spare parts
- Maintenance/Repairs
- Training

Core industries served

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

Core applications

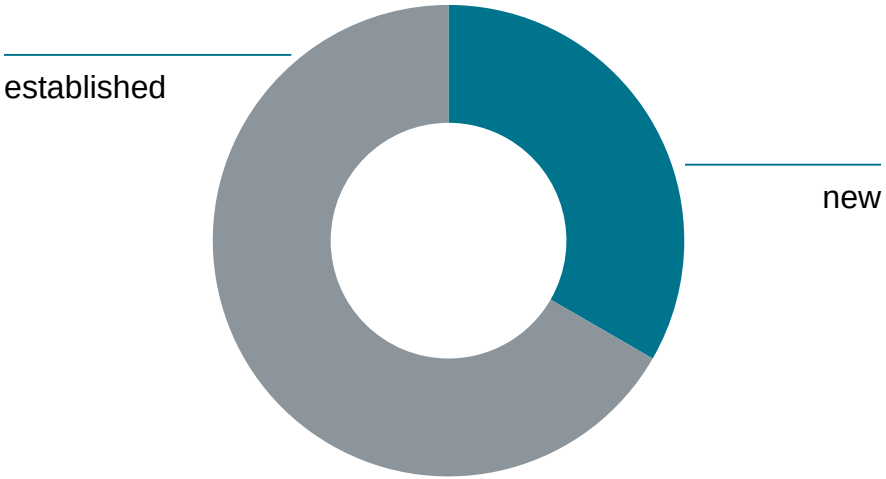
- Hydrochloric acid (HCl)
- Phosphoric acid (H3PO4)
- Sulfuric acid (H2SO4)
- Hydrofluoric acid (HF)
- Oxidizing acids
- Isocyanates
- Epichlorohydrine (EPC)
- Vinyl chloride (VCM)
- Polysilicon

Graphite materials enable innovation.

Examples:

- Advanced graphite anode materials for lithium-ion batteries
- Graphite foils and felts for stationary energy storage
- Additives for advanced lead acid batteries
- Advanced silicon carbide coated carriers for LED and semiconductors
- CFRC charging racks carriers for high-temperature applications
- Extra large reactors for polysilicon production
- CFRC column internals for chemical processes
- Special graphite grades for glass bending
- Graphite felts for fuel cell applications

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



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

5 Project highlights GMS

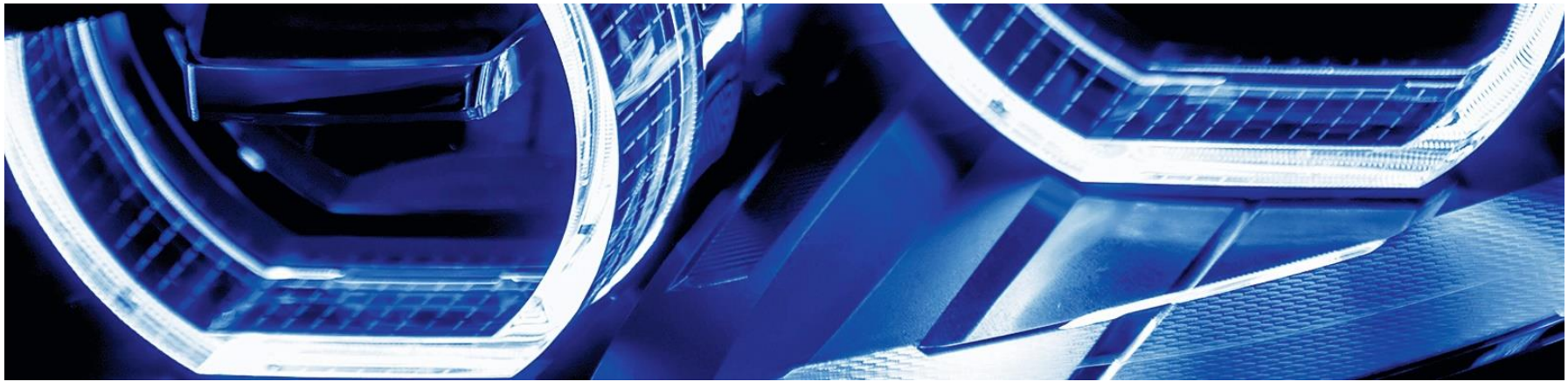
Strengthened position in lithium-ion battery industry. Expansion of business opportunities

- Synthetic anode material qualified with further cell manufacturers
  - Cooperation intensified with long-standing partner Hitachi Chemicals
- Development of next generation lithium-ion batteries with higher storage density
  - Together with research institute ZSW and supported with research grants
- Bundling of competencies for battery development in Germany
  - Cooperation with leading German companies

KLiB
Kompetenznetzwerk
Lithium Ionen Batterien

Capacity increase in the USA.
To meet increased demand for LEDs

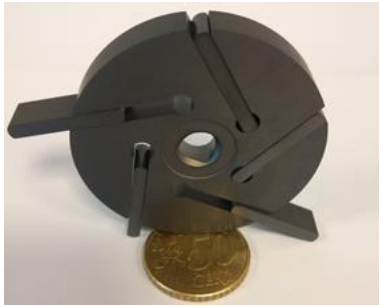
- Construction of new state-of-the-art production lines for the coating of graphite carrier plates (wafer carriers) in the USA
  - Total investment of approx. €25 million
  - Completion end 2018
  - SGL Carbon technology provides critical contribution to LED quality
  - Supporting customers in furthering technical developments of LED production processes



Photography source : istockphoto

Increased demand for our specialty graphite solutions from the automotive industry.

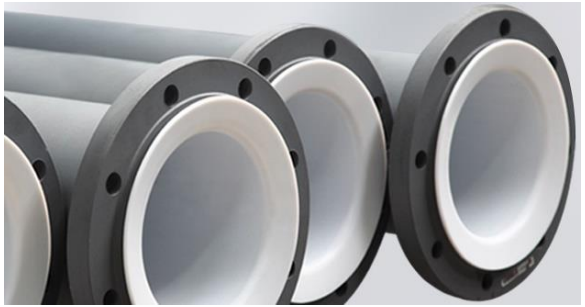
- Major capacity expansion in Bonn driven by demand from automotive industry
  - Investment of €25 million to expand production capacity in Bonn
  - Expansion to be completed by 2020



- We were commissioned with a major order from Rheinmetall Automotive – Pierburg after years of collaboration
  - To supply the centerpiece, rotors, and vanes for generating a vacuum in the EVP 40 for brake booster
  - SOP in 2017 with low volumes
  - Millions of sets will be delivered 2017-2021
  - Annual order volume in the low double-digit million € range

Large orders and portfolio extension. Continued industrialization in China

- Largest order ever in China for PTFE coated pipes for a recycling facility for hydrochloric acid (photovoltaic industry)
- Large order from Sabic Cartagena (Spain) for pipes for treatment of process waste water
- Extension of product portfolio and first successful application of carbon fiber reinforced carbon (CFRC) for distillation apparatus in the Chinese chemical industry
- Construction of an additional hard felt production in China. This high performance graphite based insulation material is used in high temperature furnaces



6 SGL Innovation
Our research and development

SGL Innovation.
Our R&D organization as the foundation for profitable growth

- 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 dedicated to Business Units and Future Growth Areas
- Strategic IP management safeguards our products and processes and is a driver of our long term market success

SGL Innovation.
Activity areas in 2017

Strengthen Technology Position in Lightweight Applications for Mobility

- Operate carbon fiber pilot line and improve carbon fiber production processes
- Development of new carbon fiber grades with advanced modulus
- Studies of low cost production processes with reduced energy consumption

New Products for Energy Storage

- Next generation anode materials for Li-ion batteries based on nano silicon/graphite composites to enhance range of electric vehicles by increasing energy density
- New materials for components in fuel cells for cars and stationary applications

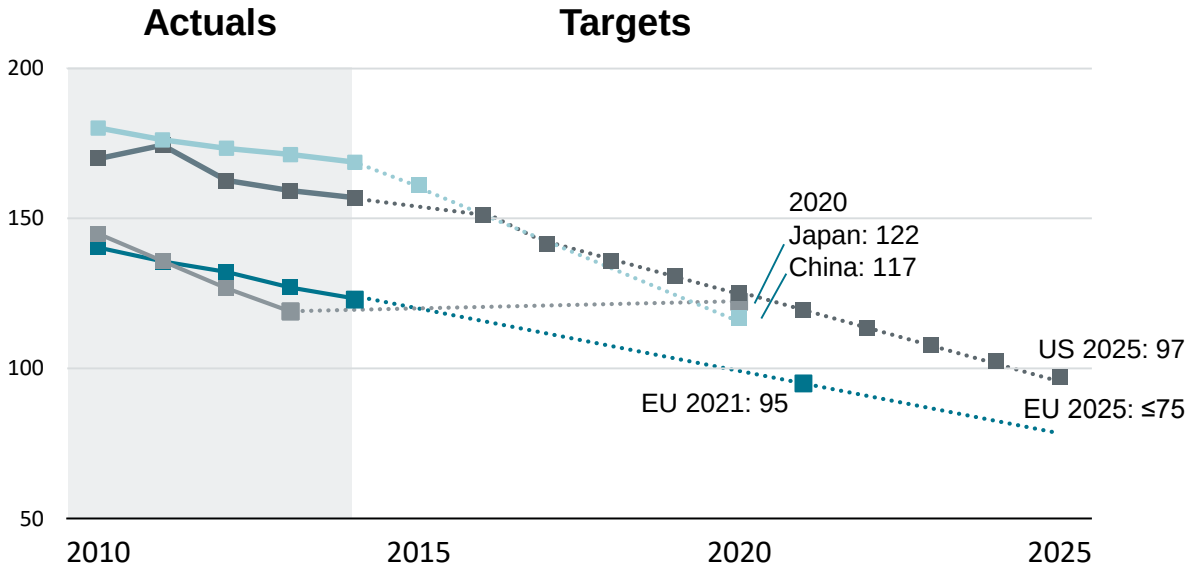
Future Growth Areas – New Technologies ensuring Long Term Business Growth

- Material and product development for additive manufacturing “3D-Printing” processes
  - Development of prototypes with customers in clean tech and wear & friction segment
- Composite materials for concrete reinforcement and civil engineering
- Development of new textiles for application in filtration and water treatment

7 Market and business developments

Automotive.
Stringent CO_2 emission restrictions globally

CO_2 emissions car fleet actual averages and targets
[in g CO_2 per km, normalized to NEDC[1]]

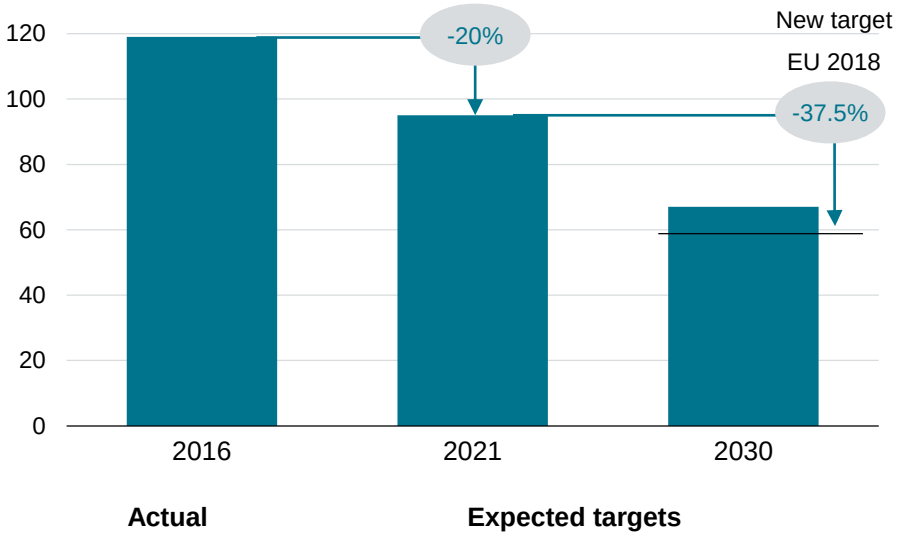


- Global approach to reduce CO_2 emissions
- Progressively more comfort and safety features on board
- Driver for lightweight

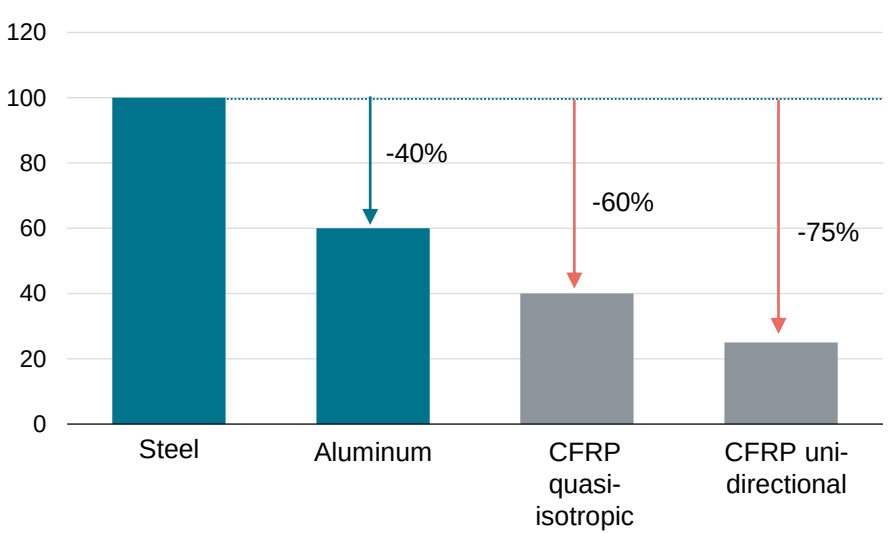
[1] New European Driving Cycle
Source: ICCT

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

Automotive.
Driving growth in CFM …

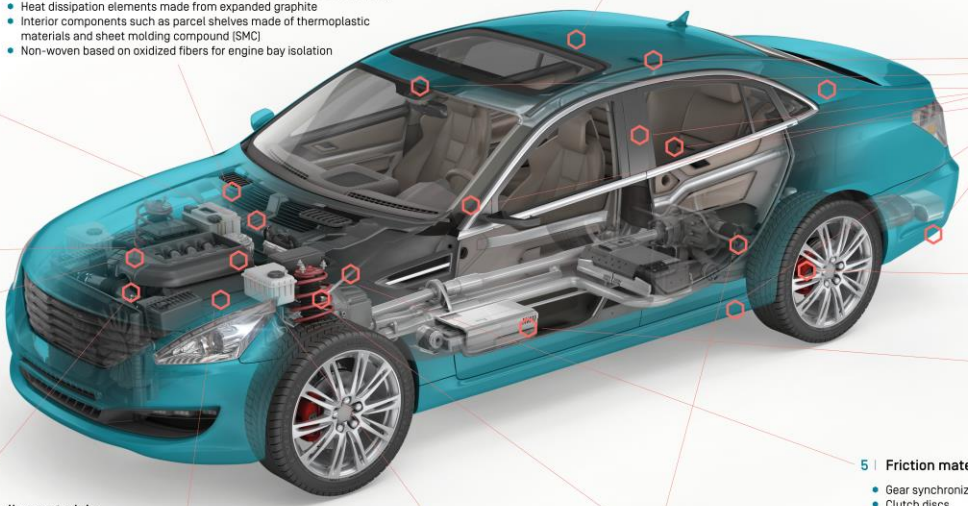
- Completion of the FRP[1] value chain by acquiring and integrating former JVs with Benteler and BMW will allow to better address the increasing number of new requests from both OEM and Tier1 in the market
- Growth in components driven by
  - New applications (e.g. leaf spring)
  - New technologies (e.g. thermoplastics)
  - Existing products/markets (e.g. wet friction)
- Clear trend evolving toward multi material mix and FRP[1] usage for local reinforcement
- Globalization and ramp-up in America and Asia
- E-Mobility as a key driver for new lightweight structural FRP[1] concepts also driven by new OEM entrants

[1] Fiber reinforced plastic

Automotive.
… as well as in GMS

- E-mobility supports growth with graphite parts: higher demand for brake assistant pumps and water pumps
  - Brake assistant pumps: create missing vacuum (electric vehicles)
  - Water Pumps: cooling remains key topic in all vehicles (e.g. Tesla S has 4 secondary water pumps)
- Entry into Chinese market via existing and new customers, supply to some key projects opens up additional opportunities
- Due to increased demand for automotive solutions and components based on specialty graphite, we are investing approx. 25 million euros until 2020 to increase capacity at the Bonn site
- We have recently received a major order from “Rheinmetall Automotive – Pierburg”, where we will supply brake assistant pumps. The annual order volume is in the low double-digit million euros range

sgl carbon



1 | Body and main parts
- Door, engine hood, rear spoiler
- Fender
- Coating of gas dampers/shock absorbers
- Roof

2 | Body shell components
- Roof frame
- Air deflector
- A-, B-, C-pillar
- Rear bench
- Door sills
- Floor reinforcing bar

3 | Carbon-ceramic brake discs

4 | Battery solutions
- Graphite anode material for lithium-ion-batteries
- Composite-based battery cases

5 | Friction materials
- Gear synchronizing rings
- Clutch discs
- Oxidized fibers for brake pads

6 | Chassis components
- Composite leaf springs
- Composite coil springs

7 | Gas diffusion layers
- Fuel cell

8 | Vanes and rotors
- Brake assist pumps
- Comfort pumps
- Tank leakage diagnostic

9 | Sealing materials
- Cylinder head
- Diesel particulate filter
- Exhaust gas system
- Auxiliary heating

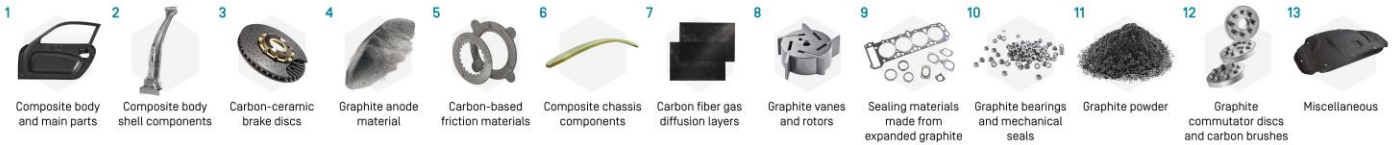
10 | Bearings and mechanical seals
- Fuel pumps
- Cooling water pumps
- Exhaust gas recirculation
- Turbocharger
- Air-conditioning compressor

11 | Powder
- Plastic filler

12 | Commutator discs and carbon brushes
- Alternator
- Starter
- Cooling fan
- Fuel pumps

13 | Miscellaneous
- Carbon fibers for seat heaters
- Conductivity additive based on expanded graphite for lead-acid battery
- Heat dissipation elements made from expanded graphite
- Interior components such as parcel shelves made of thermoplastic materials and sheet molding compound (SMC)
- Non-woven based on oxidized fibers for engine bay isolation

Component examples made from carbon, graphite and composite



1 Composite body and main parts
2 Composite body shell components
3 Carbon-ceramic brake discs
4 Graphite anode material
5 Carbon-based friction materials
6 Composite chassis components
7 Carbon fiber gas diffusion layers
8 Graphite vanes and rotors
9 Sealing materials made from expanded graphite
10 Graphite bearings and mechanical seals
11 Graphite powder
12 Graphite commutator discs and carbon brushes
13 Miscellaneous

Aerospace.
Market growth and focus on operating cost efficiency

- Airline industry extremely competitive, constant battle over cost reduction → composites address this key customer requirement as lightweight construction reduces fuel consumption
- Strong commercial aircraft **CFRP market growth (CAGR > 8%)** driven by aircraft programs (e.g. A350, B787, B777X)
- Besides Boeing and Airbus in the field of commercial aircraft other aerospace markets are accelerating – launcher, UAV, etc.

Aerospace. CFM growth based on proven competence in automated serial manufacturing

- Limitations in today's aerospace composites manufacturing prevented further penetration beyond Boeing 787 and Airbus 380 and 350
  - Low annual production volume allow labor intensive production processes
  - Composites for aerospace are by far the most expensive. Average markup (ratio of end-user/raw material cost) is nearly 6.5, and thus far ahead of the next sector, consumer goods (ratio of 2.9)[1]
- Aerospace industry likely to further increase composites penetration rate between 2016-2021[1]
  - Requirement: higher use of automation to produce composite parts at lower manufacturing costs and increased production volumes
- We are ideally positioned to address exactly these issues based on our carbon fiber and composites competence acquired while working for the automotive industry
  - Integrated value chain from precursor to components
  - Materials (e.g. fabrics) for secondary structures, and interior applications
  - New aerospace projects for materials and aircraft components

Source: JEC

Wind energy.
Redefine CFM market approach to better exploit opportunities

- Current market conditions challenging
  - Stagnating global installed wind turbine growth
  - German-centric customer base more than proportionally affected (new tendering procedures)
  - OEMs and suppliers are under high cost pressure and qualify further suppliers
- Temporarily lower sales share due to sale of SGL Kümpers
- Changing technologies (prepreg vs. fabrics vs. pultrusion) require adjustment of market approach
- Several OEMs design new blades for large off-and on-shore wind turbines based on new technologies
- **Beyond wind energy:** additional opportunities identified in oil & gas industry
  (e.g. pipes, risers, liquid gas tanks, and others)

Battery & other energy. The whole value chain continues to invest into lithium-ion battery technology

Cell Material Producers

umicore
BASF
Hitachi Chemical
IMERYS Graphite & Carbon
TORAY
SYRAH RESOURCES
JM
ALBEMARLE

Multiplying of capacities initiated

Cell/Battery Producers

TERRA E
CONTINENTAL SINCE 1871
northvolt
SAMSUNG SDI
LG Chem
TESLA
Panasonic
CATL

New capacities announced >500 GWh/a until 2030

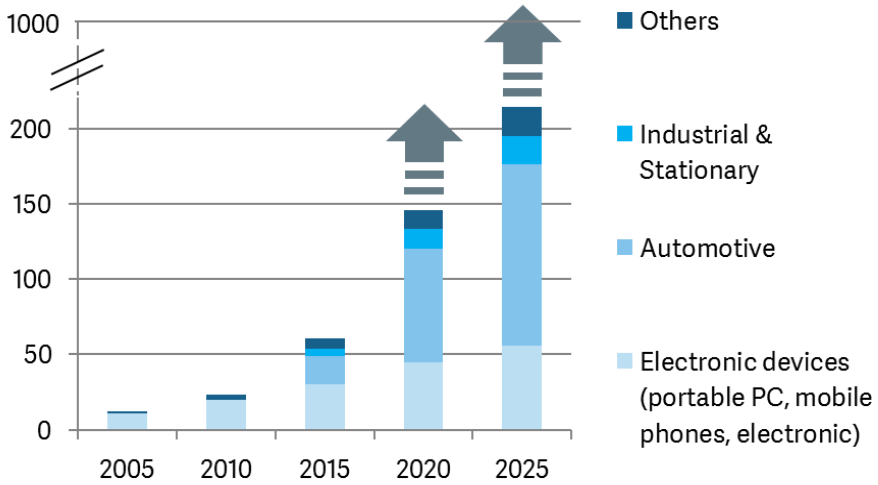
Automotive OEMs

BMW
VOLVO
PSA GROUPE
TESLA

> 200 new xEV models announced until 2025

Battery & other energy. Accelerated growth drives our graphite anode material business

Market Development LIB
[GWh/a prod capacity]

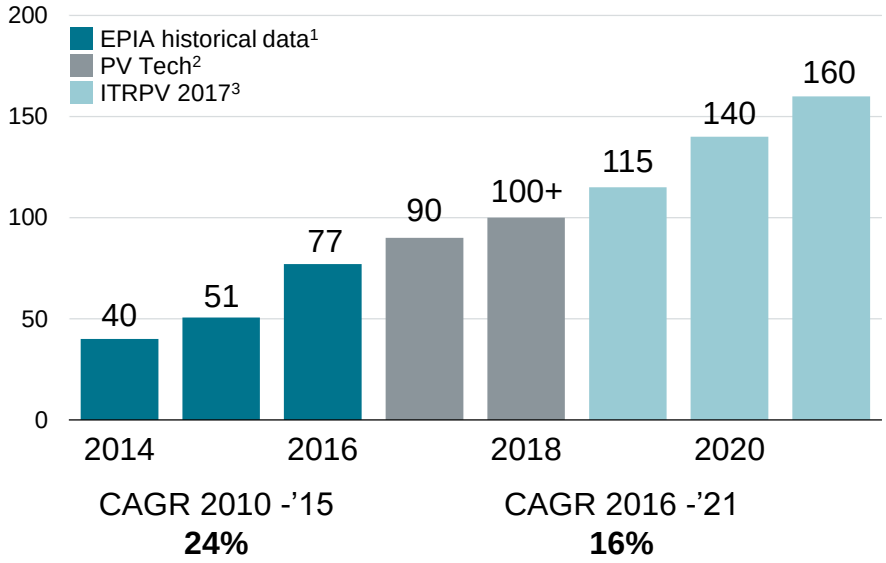


- All prior growth estimates will be exceeded – e-mobility as key driver
- Graphite Anode Material (GAM) demand approx. 1kg per 1 kWh
- Our strong market share positions us well to participate in anticipated strong growth
- Lithium-ion continues to remain the dominant battery technology well beyond 2025, due to
  - Established technology and capacities
  - Cost/kWh will halve until 2025

Source: Avicenne Energy Analysis 2017; Barclays 2017; Berenberg 2016; SGL Carbon

Solar.
Growth continues, driven by and depending on China

PV module installations
[GWp/a]



Solar growth continues

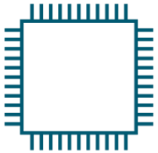
- China, India and USA are main drivers
- Levelized costs of PV energy continues to fall
- Crystalline silicon remains dominant PV technology but shift towards mono due to higher efficiency

Positive impact on GMS

- Technology shift from multi/crystalline to mono/crystalline favoring our graphite product portfolio
- Opportunities for price increases and long-term partnerships with industry players
- Promotion of full graphite portfolio (differentiating factor)

[1] EU PV Industry Assoc., "Global Market Outlook 2017-2021"; [2] **PV Tech article Aug. 16, 2017** and IHS Markit Aug. 24, 2017; [3] ITRPV (International Technology Roadmap for PV, Mar. 15, 2017) "Low scenario" figures are in line with IEA expectations (IEA, Energy Technology Perspective, June 2016)

Semiconductors.
Stable long-term growth



Semi sees stable and long-term growth

- 5% CAGR expected 2017-2022[1]
- Memory (computing, mobile phones) drives 12’’
- Automotive (semi-autonomous and autonomous driving) and industrial (“Industry 4.0”) drives 8’’
- After strong 2017, we expect 8’’ and 12’’ wafers in short supply in 2018
- Artificial Intelligence a sustainable growth driver
- Long-term growth particularly in China

Positive impact on GMS’ graphite products

- Potential for price increases
- Gain qualification at new accounts
- Maintain/intensify cooperation with Chinese players (>40 new semi fabs to be built in the next years)

[1] Source: SEMI Industry Strategy Symposium, Gartner, IHS Markit

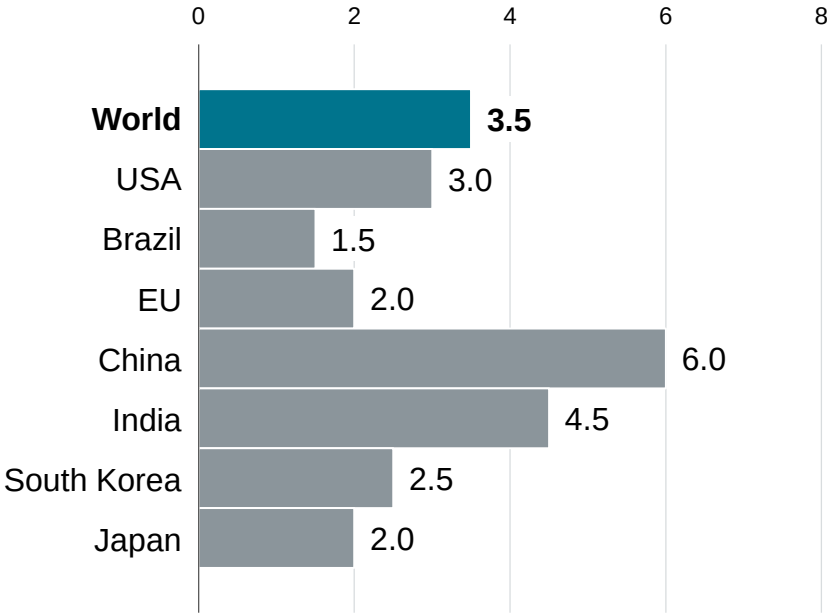
LED.
Major contributor to GMS‘ growth expectations

- **LED growth** driven by
  - **7.9%: automotive**[1] CAGR 2016-2022 (increasing LED use on vehicle exteriors, headlamps, daytime running lights, rear lighting, turning lights, and interior vehicle illumination for both cars and heavy vehicles)
  - **8.5%: signage**[1] CAGR 2016-2022 (trend towards finer pitch displays, large full color displays, road signs, traffic lights, and building lettering)
  - **6.1%: general lighting**[1] CAGR 2016-2022
- **Expansion of LED fabs** leading to a sellout situation in **SiC coated graphite**
- Settlement of patent litigation will **accelerate our growth 2018ff**
- This strong growth drives demand for our **graphite susceptors** and **wafer carriers**. Consequently we are beginning with the **second expansion stage** in our St. Marys (Pennsylvania, USA) **coating facility**
  - First expansion stage started in 2017 to be completed mid 2018
  - Second expansion stage to be completed in fourth quarter 2018
  - Total capex €25 million over 3 years

[1] Source: IHS Markit

Chemicals.
Chemical industry expected to stabilize

Chemical production forecast
[change 2018 vs. 2017 in %]



Chemical industry improving profitability

- Consolidation (e.g. Dow/DuPont)
- US petrochemical industry recovering from low base
- Shale gas recovery expected

We expect our business to benefit from this improvement

- Recent contract win in China for HCl recovery
- Postponements of projects/system maintenance of recent years now have to be executed
- Maintenance capex in EMEA and US to drive sealing business

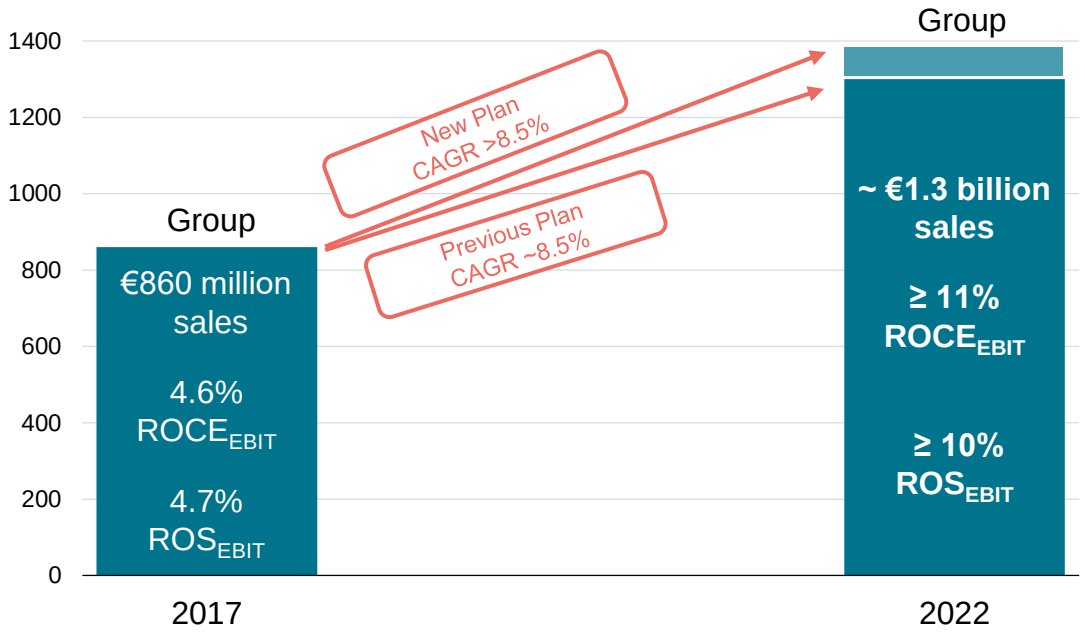
Source: Industry Top Trends 2017 – Oil & Gas, EIA: www.eia.gov/todayinenergy, PWC 2017 Chemicals Industry Trends, Chemie Technik June 2017; VCI Business Worldwide Sep. 2017

Industrial Applications. Favorable economic backdrop for continued improvement in high-tech applications

- Economic forecasts (IMF, PMI, etc.) predict ongoing, if not improving favorable general industrial environment
- **CFM:**
  - Industrial applications important end market to bridge automotive and aerospace development time
  - New applications/industries: Prepregs, CFRP, grids, thermoplastics for machinery, medical, marine, ballistic
  - High growth in carbon fiber, esp. for injection molding parts
  - New application possibilities for the use of carbon in civil engineering projects
- **GMS:**
  - US market for industrial applications with cautious improvement driven by increased drilling activities
  - New applications under development, for example glass bending and optical fiber enabled by graphite solutions

8 New mid-term guidance

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

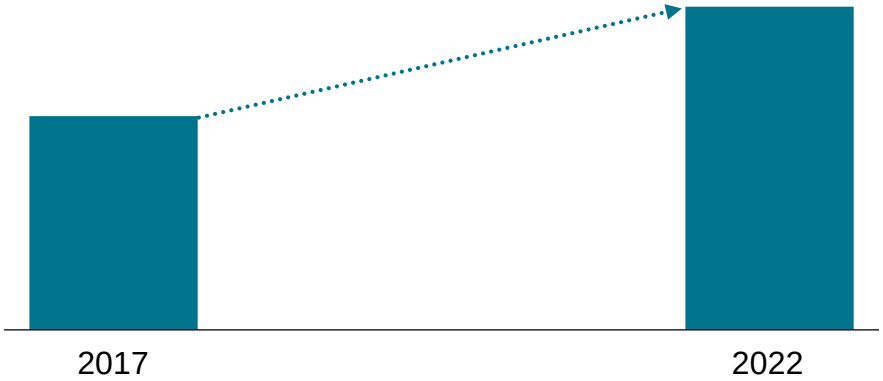
Over the entire guidance period:

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

SGL Carbon – our growth path.

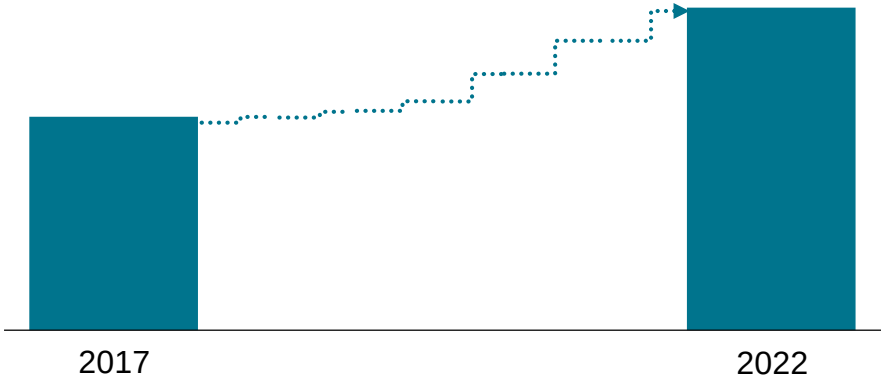
Different mid-term growth patterns expected in GMS and CFM

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

9 Back-up

9 Back-up
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 **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

9 Back-up
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

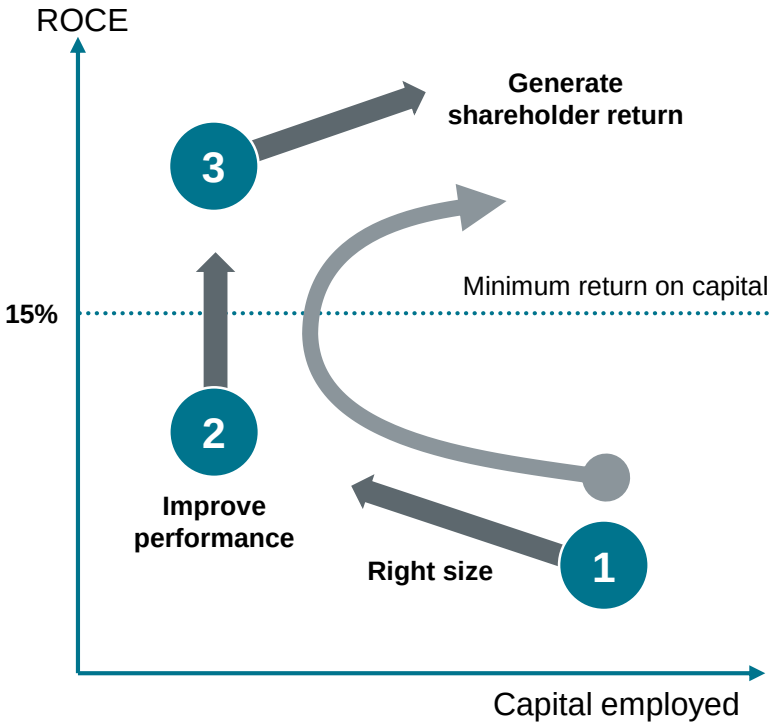
Balance sheet.

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

9 Back-up
Transformation of SGL Group

Fully on track.
In achieving our strategic realignment



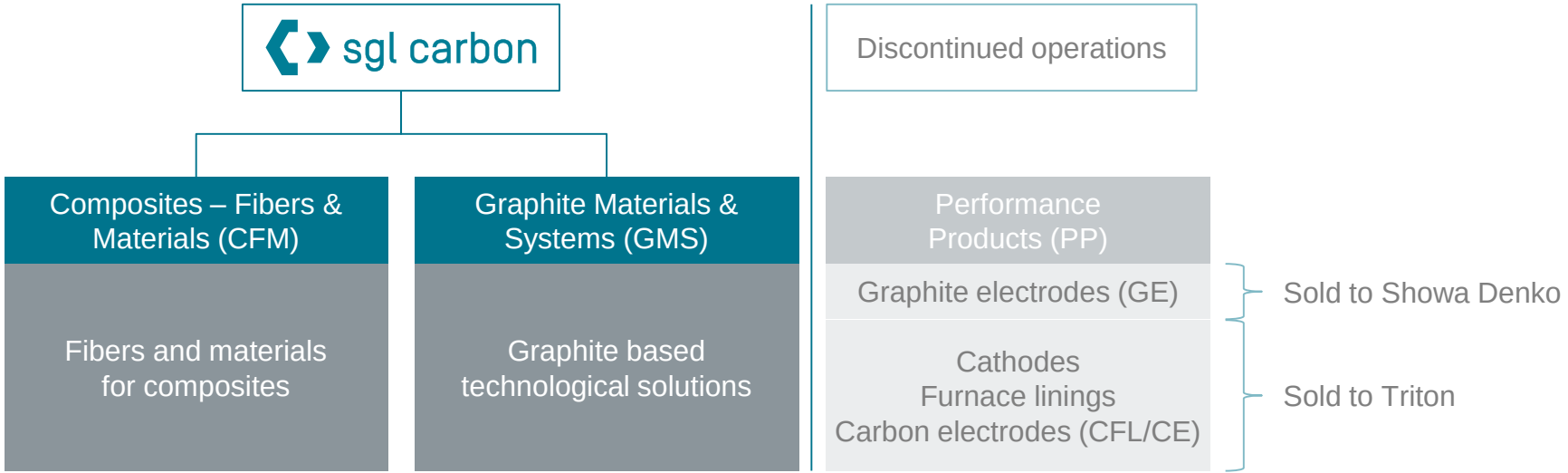
1 **Right size**
Disposal[1] of businesses that are not performing or that no longer fit to the new SGL Carbon

2 **Improve performance**
Cost savings and organizational streamlining[2], as well as strengthening of capital structure[3]

3 **Generate shareholder return with profitable growth**
CFM: CFM 2020+
GMS: Growth strategy 2020

[1] includes Rotorblades, HITCO, and former business unit Performance Products (PP); [2] Cost savings programs SGL 2015, CORE as well as SGLX; [3] early redemption of the €250m corporate bond on October 30, 2017 and repayment of the €240m convertible bond on January 25, 2018 with proceeds from PP disposal and December 2016 capital increase

The transformation of SGL Group.
We are implementing the announced strategy



- ✓ The disposal of the PP/GE business enables the new SGL Carbon to **concentrate** its resources on the **growth areas CFM und GMS**
- ✓ Focus on CFM and GMS improves the balance between markets and industries, and thus **reduces volatility in our business**

9 Back-up

Acquisition of SGL ACF (former JV with BMW Group)

Taking full ownership of SGL ACF.
Rationale

Background & objectives

- SGL Carbon is the “natural owner” of the carbon fiber and composites value chain. Therefore, process and valuation methodology of taking over BMW’s share was already pre-defined in the joint venture agreement
- Initiate step-wise full integration of SGL ACF activities into business unit Composites – Fibers & Materials (CFM) while maintaining debt financing from BMW Group until end 2020
- Leverage SGL ACF’s capacities and capabilities for CFM growth strategy
- Gain operating degrees of freedom, e.g. growing main North American production hub in Moses Lake (Washington, USA)
- Attractive valuation metrics (high single digit EV/EBITDA) compared to other M&A transactions in the composites industry in recent years (double digit EV/EBITDA)

Taking full ownership of SGL ACF. Main cornerstone for CFM's mid- to long-term growth perspective

Key value driver 1: i- and 7-series project with BMW

- Contractually agreed take-or-pay mechanism ensures a good profitability level until end of production of BMW i3
- The i-series project is the foundation of an excellent supplier relationship with BMW

Key value driver 2: SGL ACF's capabilities beyond existing BMW projects

- Full ownership enables CFM to utilize the sites in Moses Lake (USA) and Wackersdorf (D) as additional hubs not just for the automotive industry but also for energy, aerospace and civil engineering
- Developed knowledge and available capacities can also be leveraged for other automotive OEMs
- Development, production and marketing of new generation carbon fiber technology

Taking full ownership of SGL ACF. Main cornerstone for CFM's mid- to long-term growth perspective (cont.)

Key value driver 3: Synergies

- The site in Moses Lake (USA) will be CFM's main hub for all North American activities
- Potential for reduced capex
- SGL ACF's existing site overhead functions can be leveraged for CFM (avoided headcount increase)

Acquisition of SGL ACF.
Two-step transaction structure

Innovative transaction structure limits near term cash outflow

- Agreement includes full acquisition of both Wackersdorf and Moses Lake sites
- Closing of Wackersdorf acquisition will be pursued immediately and is expected in Q1/2018 – leading to cash outflow of purchase price relating to Wackersdorf
- Closing of Moses Lake site acquisition (incl. payment of related purchase price) can be pursued at any time until the end of 2020 – BMW Group will continue to provide debt financing until then
- However, agreement does lead to full consolidation of the total SGL ACF debt (excl. purchase price for Moses Lake) as of January 1, 2018 (see next page)

Acquisition of SGL ACF.
Financial Impact on 2018

Financial impact on KPIs in 2018 (based on closing in Q1/2018)

- Additional turnover: mid double digit million € (change from proportionate to full consolidation)
- Additional EBITDA: low double digit million € (change from proportionate to full consolidation)
- Net income: small positive impact as higher depreciation related to purchase price allocation and higher interest expenses (due to full consolidation of SGL ACF debt) to partially offset higher EBITDA contribution
- Purchase price:
  - approx. €24 million for Wackersdorf (payable upon closing Q1/2018)
  - approx. USD 62 million for Moses Lake (payable upon closing end of 2020 at the latest)
- Net debt effect: approximately €100-150 million increase (full consolidation of SGL ACF debt and purchase price Wackersdorf)

9 Back-up
Acquisition of Benteler SGL

Acquisition of Benteler SGL. Provides the right component platform for the business unit CFM

Leading large-scale serial manufacturer for automotive composite parts

Business process competencies

- Strong automotive mind-set
- Proximity to automotive customers
- Process capabilities and systems to handle quotations, automotive logistics, and development projects
- Supporting quality management and tools incl. ISO/TS 16949
- Experienced team (commercial, engineering, and technical)

+

Technology competencies

- Development and prototyping capabilities
- Pilot line equipment (close to serial production equipment)
- Track record in the industrialization of large scale production processes incl. automation
- Existing technologies (wet press, RTM) can serve as basis for future modification/expansion

Acquisition of Benteler SGL. Rationale

Background & objectives

- Acquisition of 50% share from Benteler Automobil Technik (BAT) in JV B-SGL to achieve 100% of control
- Complete integration of Benteler SGL into the business unit CFM will significantly strengthen the automotive activities of the business unit and provide synergies
- Privileged partnership with Benteler Automotive Technologies (BAT) in the area of composite leaf springs for chassis systems
- Continuation of the growth path in structural composite components
- Leverage synergies throughout the SGL value chain (i.e. captive use of carbon fibers)

Acquisition of Benteler SGL.
An attractive investment case for SGL Carbon

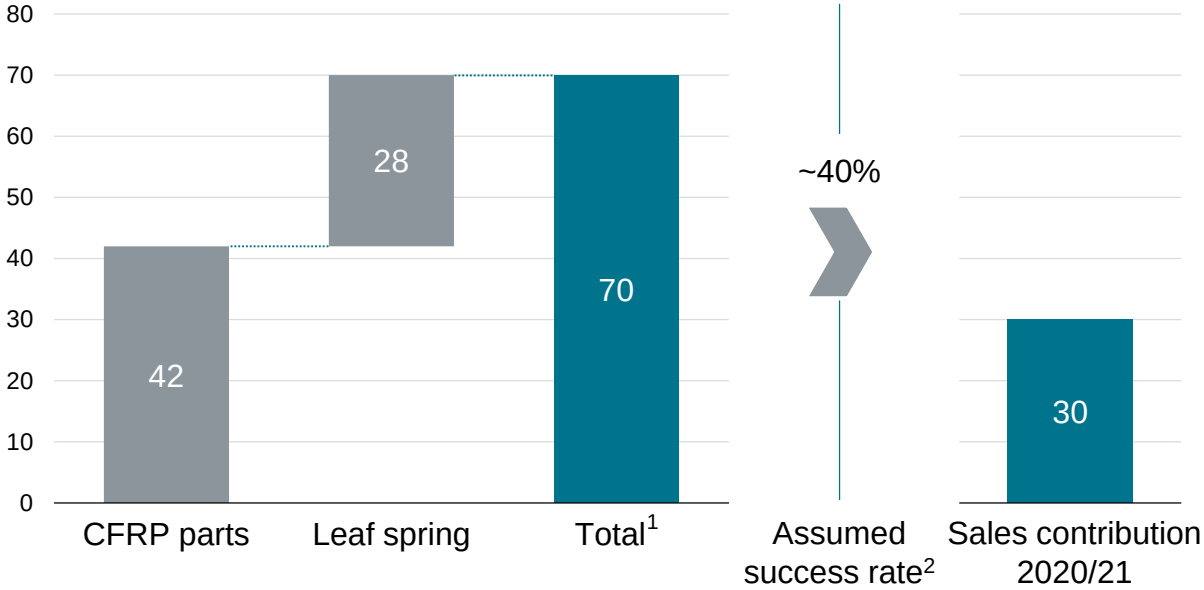
- **Long-term market growth** is expected to continue (CAGR 2017-2026 >10% p.a.) driven by **major automotive technology trends** incl. battery electric mobility, lightweight, multi material design concepts and local composite reinforcements
- **Key value driver 1: Sustainable mid-term growth**. Benteler SGL's leading technology positions and project portfolio allow growth with or above market rate. Structural parts and leaf springs as two complementary business segments. Established partnerships with OEMs incl. privileged partnership with BAT (leaf springs/suspension systems). Upside from offering technology to other industries
- **Key value driver 2: Long-term growth perspective**. Leverage technology platform and manufacturing experience to establish CFM as leading 1st tier supplier. Several project/program discussions are related to SOPs beyond five years planning horizon

Acquisition of Benteler SGL.
An attractive investment case for SGL Carbon (cont.)

- **Key value driver 3: Enabling of CFM projects**. Customers/partners expect SGL Carbon to demonstrate and guide how to design and develop solutions and how to industrialize manufacturing. Already today, Benteler SGL serves as an important partner in particular for OEMs who are less experienced with composites, e.g. Asian car producers
- **Key value driver 4: Synergies from the integration into the business unit CFM**. Shared resources in business development, sales, engineering, industrialization, quality management, and usage of pre-materials from the SGL Carbon value chain incl. gross margin and working capital benefits. Benteler SGL has appropriate business process and technology competencies and the team can make a strong nucleus for automotive business within CFM

Acquisition of Benteler SGL.
Current JV project pipeline

Benteler SGL project pipeline analysis
Annual sales in m€



Current JV project pipeline expected to generate additional low to mid double digit million euro sales by 2020/21

[1] In total 17 different projects being pursued; [2] Based on experience and status of project discussions

Acquisition of Benteler SGL.
Financial impact

Financial impact on KPIs (based on expected closing mid-December)

- Sales FY 2017 — Negligible
- EBITDA FY 2017 — Negligible
- Net debt at end 2017 — mid double-digit million euro increase

- Sales FY 2018 — Additional sales (low to mid-double digit million euro amount)
- EBITDA FY 2018 — Small positive impact

9 Back-up
Efficiency and cost cutting programs

Operations Management System. Aims for global standardization and higher performance

Situation

Analysis shows improvement potential in

- performance orientation and performance management
- shopfloor and people management
- global standards in methods
- transparency and comparability in KPIs
- continuous improvement
- performance culture and discipline

Project Content

Detailed definition of a standardized OMS include

- Strategic Alignment and Objectives
- Organizational Set-Up
- People and Performance Culture
- Performance Management
- Shopfloor Management
- Methods and Tools

to evaluate each plant's OMS maturity levels

Objective

Globally standardized OMS provides

- Unified KPIs to compare performance at various technologies/production sites
- Harmonized shopfloor and performance management
- Foundation for continuous improvement
- Standardized processes, methods and tools to enable continuous improvement
- High plant and operations performance

Project CORE.
Transforms the „new“ SGL Carbon to a growth business model

Business Units will be refocused to concentrate purely on activities that generate growth: **Development, Production, Marketing & Sales**

All **administrative tasks** will be streamlined and **concentrated in the corporate functions**

Savings potential of **€25 million until the end of 2018** (base year: 2015) identified

More than 75% of expected savings reached until **end of 2017**

Business Process Excellence (BPX).
Group wide program introduced in 2015 and reinforced in 2017

- Target is to **streamline** and **standardize** cross-BU processes
- Utilization of **standardized IT solutions** (SAP)
- Initial focus on **procurement**, **supply chain** and **sales processes**
  - **Procurement** – ongoing procurement optimization project launched under SGL2015.
    Target: reduce procurement costs and improve profitability
  - **Supply chain** – improve alignment between all stages of the supply chain, from sales to procurement to production, etc.
    Target: improve supply chain process to further reduce net working capital
  - **Sales organization** – implementation of uniform CRM system, development of new group wide standards and best practices for optimized customer and market approach.
    Target: generate additional, profitable sales, optimize pricing
- External consultant appointed for “outside-in” view and for project set up phase
- Recently implemented: **more stringent investment process**

10 Appendix

Global presence.

SGL Carbon Worldwide Sites

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 January 31, 2019)	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 January 31, 2019)	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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Important note.

Important note:

This presentation contains statements relating to certain projections and business trends that are forward-looking, including statements with respect to SGL Carbon’s outlook and business development, including developments in SGL Carbon’s Composites - Fibers & Materials and Graphite Materials & Systems businesses, expected customer demand, expected industry trends and expected trends in the business environment, statements related to SGL Carbon’s cost savings programs. You can generally identify these statements by the use of words like "may", "will", "could", "should", "project", "believe", "anticipate", "expect", "plan", "estimate", "forecast", "potential", "intend", "continue" and variations of these words or comparable words. These statements are not historical facts, but rather are based on current expectations, estimates, assumptions and projections about SGL Carbon’s businesses and future financial results, and readers should not place undue reliance on them. Forward-looking statements do not guarantee future performance and involve risks and uncertainties. These risks and uncertainties include, without limitation, changes in political, economic, legal and business conditions, particularly relating to SGL Carbon’s main customer industries, competitive products and pricing, the ability to achieve sustained growth and profitability in SGL Carbon’s Composites - Fibers & Materials and Graphite Materials & Systems businesses, the impact of any manufacturing efficiencies and capacity constraints, widespread adoption of carbon fiber products and components in key end-markets of the SGL Carbon, including the automotive and aviation industries, the inability to execute additional cost savings or restructuring measures, availability of raw materials and critical manufacturing equipment, trade environment, changes in interest rates, exchange rates, tax rates, and regulation, available cash and liquidity, SGL Carbon’s ability to refinance its indebtedness, development of the SGL Carbon’s pension obligations, share price fluctuation may have on SGL Carbon’s financial condition and results of operations and other risks identified in SGL Carbon’s financial reports. These forward-looking statements are made only as of the date of this document. SGL Carbon does not undertake to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.