PRESS RELEASE



SGL Group modernizes its production capacity for fine-grain graphite in Bonn

- Expansion of capacity through renovation and upgrading of existing production systems for the production of fine-grain graphites
- · Opening new market opportunities for die-molded graphite

Bonn, July 12, 2016. The SGL Group – The Carbon Company – is investing in its location in Bonn, in a further modernization of their production systems. Following the commissioning of the world's largest press for isostatic graphite in 2014, in the coming two years the product segment PTS (Pressed-to-Size-Technology) will see the modernization and expansion of its production facilities for die-molded carbon and graphite. The construction work on the systems will commence this year and is planned to be finished in 2018. The total investment will amount to approximately 3.5 million euros.

Die-molded carbon and graphite is a particularly durable material, which can support an extremely broad range of characteristics regarding mechanical strength, friction behavior and conductivity. It is implemented in, for example, the mechanical engineering sector as well as in the automotive industry. The highly efficient near net shaping presses in Bonn produce complex parts in high volumes cost efficiently and with minimum material input.

Burkhard Straube, Head of the business unit Graphite Materials & Systems of SGL Group: "With the modernization and automation of the PTS system in Bonn we are reacting to the increasing demand from the automotive industry. Moreover the investment is also a commitment to the Bonn location."

At the SGL location in Bonn a variety of customer-specific graphite-based solutions are produced for many different growth markets. The main products are applications from very fine (so-called isostatic) graphite, which are used for the production systems in the solar, LED and semi-conductor industries. Die-molded graphite specialities are an additional focus. The upgrading of the PTS system is part of a comprehensive modernization of the production processes in the plant, which will run over a number of years and will serve the purpose of further strengthening the location's competitive position in international markets. In addition a variety of apprenticeships are offered including training for industrial mechanics and cutting machine operators.



About SGL Group - The Carbon Company

SGL Group is one of the world's leading manufacturers of carbon-based products and materials. It has a comprehensive portfolio ranging from carbon and graphite products to carbon fibers and composites. SGL Group's core competencies are its expertise in high-temperature technology as well as its applications and engineering know-how gained over many years. These competencies enable the Company to make full use of its broad material base. SGL Group's carbon-based materials combine several unique properties such as very good electrical and thermal conductivity, heat and corrosion resistance as well as high mechanical strength combined with low weight. Due to industrialization in the growth regions of Asia and Latin America and increased substitution of traditional with innovative materials, there is a growing demand for SGL Group's high-performance materials and products. Products from SGL Group are used predominantly in the steel, aluminum, automotive and chemical industries as well as in the semiconductor, solar and LED sectors and in lithium-ion batteries. Carbon-based materials and products are also being used increasingly in the wind power, aerospace and defense industries.

With 40 production sites in Europe, North America and Asia as well as a service network covering more than 100 countries, SGL Group is a company with a global presence. In 2015, the Company's workforce of around 5,700 employees generated sales of €1,323 million. The Company's head office is located in Wiesbaden.

Further information on SGL Group can be found in SGL Group's newsroom at www.sqlgroup.com/press or at www.sqlgroup.com.

Important note:

This press release may contain forward-looking statements based on the information currently available to us and on our current projections and assumptions. By nature, forward-looking statements involve known and unknown risks and uncertainties, as a consequence of which actual developments and results can deviate significantly from these forward-looking statements. Forward-looking statements are not to be understood as guarantees. Rather, future developments and results depend on a number of factors; they entail various risks and unanticipated circumstances and are based on assumptions which may prove to be inaccurate. These risks and uncertainties include, for example, unforeseeable changes in political, economic, legal, and business conditions, particularly relating to our main customer industries, such as electric steel production, to the competitive environment, to interest rate and exchange rate fluctuations, to technological developments, and to other risks and unanticipated circumstances. Other risks that in our opinion may arise include price developments, unexpected developments connected with acquisitions and subsidiaries, and unforeseen risks associated with ongoing cost savings programs. SGL Group does not intend or assume any responsibility to revise or otherwise update these forward-looking statements.

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