

## **SGL Group further expands SiC coating capacity at US-site St. Marys**

- Strong global growth in the semiconductor and LED industry are driving global demand for susceptors and wafer carriers
- Second investment phase started, total volume of approx. 25 Mio. euros

*Wiesbaden, March 7, 2018.* As part of its growth strategy, SGL Group is expanding its St. Marys site (Pennsylvania, USA), strengthening its lead in the area of SiC coating. Strong growth in the semiconductor and LED industry, in particular in the production of logic, power management, sensor and LED chips, is driving global demand for susceptors and wafer carriers from SGL Group, which are coated with silicon carbide (SiC) in St. Marys. The first expansion phase started last year, the second phase will begin now and is expected to be complete in the fourth quarter of 2018. A total of around 25 million euros will be invested in the expansion of the site as well as its production capacities over a period of three years.

The expansion of a new, state-of-the-art coating production line began last year. It enables the application of silicon carbide (SiC) in thin layers on graphite-based materials. This expansion is expected to be complete in mid-2018. While the first stage of the project is still in the process of implementation, the decision was made to start the second stage due to the further increasing global demand, which will see not only expansions to the coating technology but also to the capacities in other areas of processing and cleaning technology. In this way, not only the production volume will be increased, but also highest quality standards are ensured.

Burkhard Straube, Head of the business unit Graphite Materials & Systems (GMS) of SGL Group: “Our investment in St. Marys expands our capacities along the entire value chain in the production of wafer carriers. With these individual customer solutions based on specialty graphite, we support our growth strategy in the market segment of digitization. At the same time, we are further expanding our competence in this highly sophisticated technology and pave the way for future expansions in St. Marys and our global production network.”

Coatings based on silicon carbide – marketed by SGL Group under the name SIGRAFINE SiC® – are dense, wear-resistant, with high corrosion and heat resistance, and very good thermal conductivity, making them a key component in extending the life cycle of graphite-based material solutions from SGL Group. These properties are critical to the company’s customers, who produce wafers for the most advanced transistors and high brightness LEDs.

### About the SGL Group – The Carbon Company

The SGL Group is a leading manufacturer worldwide of products and materials made from carbon. The extensive product portfolio ranges from carbon and graphite products, carbon fibers all the way through to composites. The SGL Group's core expertise comprises the control of high-temperature technologies as well as the deployment of many years' application and engineering know-how. This is used to exploit the company's wide materials base. These carbon-based materials combine a number of unique material properties such as very good conductivity of electricity and heat, resistance to heat and corrosion as well as lightweight construction coupled with high firmness. The level of demand for the SGL Group's high-performance materials and products is increasing due to the industrialization of the growth regions of Asia and Latin America and the ongoing substitution of traditional construction materials by new materials. The SGL Group's products are deployed in the automotive and chemicals industries as well as in the semiconductor, solar, LED industry segments and in the field of lithium-ion batteries. Carbon-based materials and products are also used in wind energy, aviation and space travel as well as in the defense industry.

**With 32 production locations in Europe, North America and Asia as well as a service network in over 100 countries, the SGL Group is an enterprise with a global orientation. In the 2016 financial year, approx. 4,000 employees generated 769.8 million euros in sales revenue. Its Head Office is based in Wiesbaden / Germany.**

*Further particulars on the SGL Group can be found in the Newsroom of the SGL Group at [www.sqlgroup.com/press](http://www.sqlgroup.com/press) and at [www.sqlgroup.com](http://www.sqlgroup.com).*

**Important note:**

To the extent that our press release contains forward-looking statements, the latter are based on information that is available at present and on our current forecasts and assumptions. Forward-looking statements, by their very nature, entail known as well as unknown risks and uncertainties that may lead to actual developments and events differing substantially from the forward-looking assessments. Forward-looking statements must not be understood to be guarantees. Instead, future developments and events depend on a large number of factors; they comprise various risks and imponderables and are based on assumptions that may possibly turn out not to be appropriate. These include unforeseeable changes to fundamental political, economic, legal and societal conditions, particularly in the context of our main customers' industries, the competitive situation, interest and exchange rate trends, technological developments as well as other risks and uncertainties. We perceive additional risks e.g. in pricing developments, unforeseeable events in the environment of companies acquired and Group member companies as well as in current cost savings programs from time to time. The SGL Group assumes no obligation and does not intend to adjust or otherwise update these forward-looking statements either.

Contact Corporate Communications:

Telephone +49 611 6029 100 / Fax +49 611 6029 101

E-mail: [press@sqlgroup.com](mailto:press@sqlgroup.com) / [www.sqlgroup.com](http://www.sqlgroup.com)