



Report on the
first half year **2021**

Highlights H1 2021

Group sales up 8.8% to €496.7 million. Sales growth particularly driven by rising orders from the automotive industry.

EBITDA pre increased by 70.7% to €71.7 million. Both, the increase in sales and the success of the transformation contributed to the improvement in earnings.

Transformation program continues to run successfully. Initiatives already implemented lead to significant savings.

Free cash flow positive in reporting period at €56.5 million. Net debt reduced by 13.9% to €246.7 million.

Guidance for the current fiscal year raised on July 13, 2021: Sales expected to reach approx. €1.0 billion (previously: €920 - 970 million) and EBITDA pre of €130 - 140 million (previously: €100 - 120 million). Forecast of positive net income and free cash flow above the previously expected €20 million. The forecast is subject to the assumption of stable procurement markets and supply chains.

Financial Highlights H1 2021

€ million	1st Half Year		
	2021	2020	Change
Sales revenue	496.7	456.5	8.8%
EBITDA pre ¹⁾	71.7	42.0	70.7%
EBITDA pre-margin	14.4%	9.2%	+5.2%-pts.
EBIT	38.3	5.7	>100%
Return on capital employed (ROCE) ²⁾ , ⁴⁾	4.9%	1.6%	+3.3%-pts.
Consolidated net result (attributable to shareholders of the parent company)	17.9	-13.8	-
Free cash flow	56.5	36.3	55.6%

€ million	30. Jun 21	31. Dec 20	Change
Total assets	1,331.6	1,258.8	5.8%
Equity (attributable to the shareholders of the parent company)	276.8	220.7	25.4%
Net financial debt	246.7	286.5	-13.9%
Leverage ratio ³⁾ , ⁴⁾	2.0	3.1	-
Equity ratio	20.8%	17.5%	+3.3%-pts.

Share price in €	1st Half Year 2021	Financial Year 2020	Change
High	8.30	4.94	68.0%
Low	3.76	2.32	62.1%
Closing price at end of period	8.09	3.95	>100%

¹⁾ Adjusted for one-off effects and non-recurring items. For more details, please refer to the Notes to the Condensed Consolidated Interim Financial Statements, segment information

²⁾ EBIT pre for the last twelve months to average capital employed (total of goodwill, other intangible assets, property, plant and equipment, investments accounted for At-Equity and working capital)

³⁾ Net financial debt divided by EBITDA pre of the last 12 months

⁴⁾ Prior period adjusted. For details, please refer to section "Basis of Preparation"

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Interim Group Management Report

Economic Environment

In July 2021, the International Monetary Fund (IMF) essentially confirmed its global growth forecast for the current year.

In 2021, the IMF expects the global economy to grow by 6.0%. The global trend compared with the April 2021 forecast remained virtually unchanged, with slight adjustments for the individual country categories. For example, the 2021 outlook for emerging and developing countries was revised downward by 0.4 percentage points to 6.3%. This relates in particular to the Asian emerging markets. By contrast, the forecast for the developed industrialized nations was revised upward by 0.5 percentage points (new forecast: +5.6% growth).

For the euro zone, the IMF expects economic output to increase by 4.6% in the current year, 0.2 percentage points higher than in its April forecast. For Germany, economic growth of 3.6% [unchanged from the April forecast] is expected for 2021.

One of the reasons for these adjustments was the further development of the Corona pandemic. The stronger rise in economic recovery in the industrialized nations is mainly due to more pronounced fiscal packages, some of which were already implemented in the 2nd half of 2020, and the recovery of the economies.

These confirmed growth forecasts for 2021 should support SGL Carbon in achieving the targets set.

Basis of Preparation of the Interim Consolidated Financial Statements

The accounting policies applied in these interim consolidated financial statements are unchanged compared with December 31, 2020, with the exception of the reporting of interest paid in the statement of cash flows. Interest paid will be presented as a component of cash flows from financing activities from 2021 onwards instead of cash flows from operating activities as was the case until 2020. For further details, please refer to the Notes to the Condensed Interim Consolidated Financial Statements.

Adjusted Reporting

Key Performance Indicators

In order to focus our corporate management even more strongly on cash flow in the current challenging overall environment, we have been using EBITDA pre (adjusted for one-off effects and non-recurring items) as the key performance indicator for our business areas since the beginning of 2021. This gives us a better picture of the sustainable cash related profitability of the business units and the Company. We also provide our earnings forecast for 2021 on the basis of EBITDA pre.

Consequently, the calculation and forecast of the leverage ratio and return on capital employed (ROCE) have also been adjusted. The leverage ratio is now calculated on the basis of EBITDA pre and the return on capital employed (ROCE) on the basis of EBIT pre.

New Reporting Segment Structure

Since January 1, 2021, SGL Carbon has been managing its operating business in four business units: Graphite Solutions [GS], Process Technology [PT], Carbon Fibers [CF] and Composite Solutions [CS]. This has created focused business units that bear full responsibility for sales and earnings for the respective segment. In addition to the four operating reporting segments, there is also a fifth reporting segment, Corporate, in which the remaining central functions have been bundled. The prior-year figures have been adjusted for comparability.

Key Events of the Business Development

Impacts and measures related to the Corona pandemic

To mitigate the impact of the Corona pandemic, SGL Carbon has two clear priorities. The primary objective is to take precautionary measures to protect the health of our employees, their families and our business partners. Furthermore, our top priority is to guide SGL Carbon through this period in the best possible way and as unharmed as possible. The work and

behavioral measures introduced have contributed to the fact that SGL Carbon employees have been tested positively for the coronavirus or fallen ill only in isolated cases.

Since the beginning of 2021, SGL Carbon's 29 production plants have been able to maintain production, but with varying degrees of capacity utilization. As a result of the measures taken, we were able to deliver products at any time. As of June 30, 2021, no SGL Carbon employee was on short-time work or similar measures.

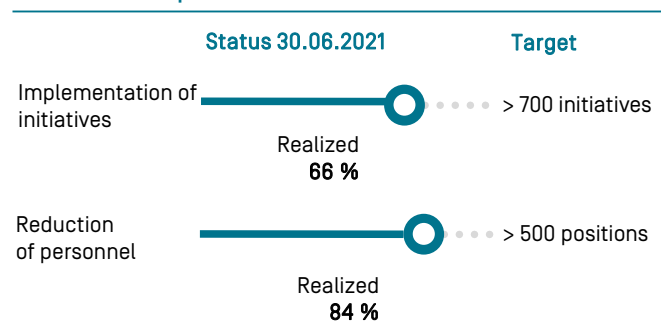
Status of the Transformation

The restructuring and transformation process initiated at SGL Carbon has made a significant contribution to the Company's positive sales and earnings performance. In addition to leaner and more efficient structures as well as a reorganization of the business units with responsibility for results, a large number of improvements and cost initiatives have enabled the success of the transformation program, which is still ongoing.

As of June 30, 2021, 66% of the initiatives identified to date have been implemented. The development and initiation of further improvement measures will continue to be a key focus of all SGL Carbon businesses in the coming months.

The initiatives implemented over the course of the program have been across all business units and sites.

Overview of implementation status



Business Development

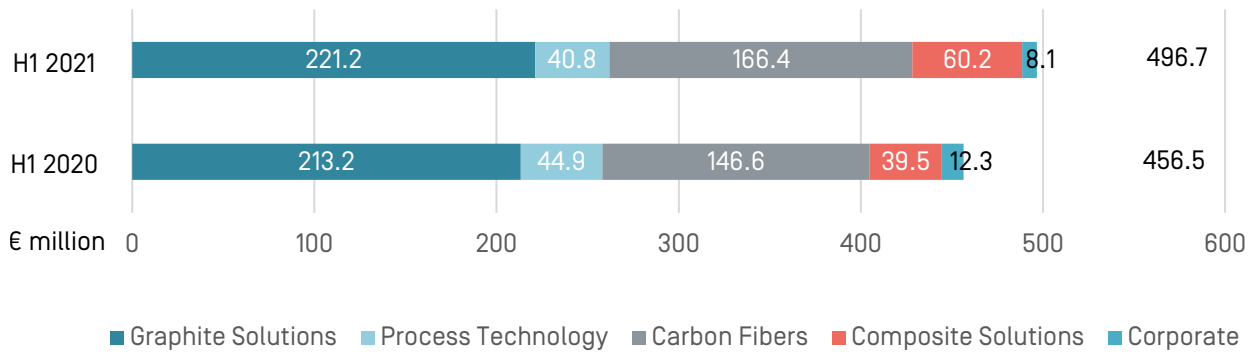
Condensed Consolidated Income Statement

€ million	1st Half Year		
	2021	2020	Change
Sales revenue	496.7	456.5	8.8%
Cost of sales	-381.5	-364.4	4.7%
Gross profit	115.2	92.1	25.1%
Selling, administrative and R&D expenses	-83.0	-89.8	-7.6%
Other operating income/expenses	2.9	4.0	-27.5%
Result from investments accounted for At-Equity	8.4	2.4	>100%
EBIT pre	43.5	8.7	>100%
One-off effects/Non-recurring items	-5.2	-3.0	73.3%
EBIT	38.3	5.7	>100%

SGL Carbon's sales amounted to €496.7 million in H1 2021 (H1 2020: €456.5 million). This corresponds to an increase of €40.2 million or 8.8% compared to the same period of the previous year [11.1% adjusted for currency effects]. It should be noted that, particularly in Q2 2020, some of our customers (e.g. the automotive industry) suffered from pandemic-related restrictions.

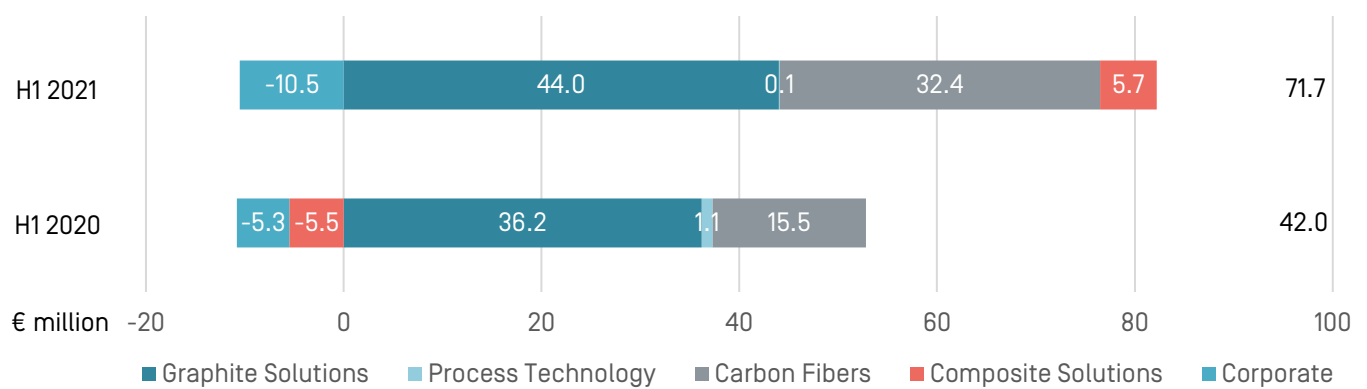
Sales increase was driven in particular by the Carbon Fibers (+€19.8 million) and Composite Solutions (+€20.7 million) business units. The pick-up in orders from the automotive industry and increased demand in Textile Fibers led to double-digit sales growth of 13.5% in the CF Business Unit. Sales of the CS business unit also developed significantly positively, recording a sales increase of 52.4%, partly due to the rise in orders from the automotive sector. A detailed presentation of the sales development of the individual business units can be found in the segment reporting.

Group sales development



Earnings situation of the Group

Earnings development – EBITDA pre



Based on the increase in sales and the results of the transformation, the earnings situation of SGL Carbon improved significantly in H1 2021 compared to the same period of the previous year.

In the reporting period, the Group's EBITDA pre increased by 70.7% to €71.7 million (H1 2020: €42.0 million). Compared with the first half of the previous year, earnings improved due to positive volume effects and in particular to savings achieved as a result of the transformation. By contrast, increased purchasing prices for raw materials, energy, and transport and logistics had a negative impact.

The trends described are also reflected in the Group's income statement:

- The cost of sales increased slightly by 4.7% and thus at a lower rate than the increase in sales. The gross margin improved accordingly from 20.2% to 23.2% compared to the first half of the previous year.
- Reduction of selling, general and administration and R&D costs by 7.6% to €83.0 million through strict cost management.

The reconciliation from EBITDA pre to EBIT is shown in the following table:

€ million	1st Half Year		
	2021	2020	Change
EBITDA pre	71.7	42.0	70.7%
Depreciation and amortization of fixed assets	-28.2	-33.3	-15.3%
EBIT pre	43.5	8.7	>100%
One-off effects/Non-recurring items	-5.2	-3.0	73.3%
EBIT	38.3	5.7	>100%

Positive effects not included in EBITDA pre or EBIT pre comprise an insurance payment of €2.0 million and the release of jubilee provisions of €3.3 million. A negative impact had restructuring expenses of €5.4 million and the amortization of amounts capitalized or recognized as liabilities in context of the purchase price allocations of the SGL Composites companies of €5.1 million. In the prior-year period, there were non-recurring items and one-off effects of minus €3.0 million.

EBIT increased significantly to €38.3 million in H1 2021 compared to €5.7 million in the prior-year period. In addition to the positive effects mentioned above, the EBIT increase also resulted from the €5.1 million decrease in depreciation and amortization to €28.2 million (H1 2020: €33.3 million) due to the €106.5 million impairment carried out at the end of 2020, thereof €87.0 million attributable to property, plant and equipment and other intangible assets.

Financial result

€ million	1st Half Year		
	2021	2020	Change
Interest income	0.2	0.4	-50.0%
Interest expense	-9.4	-8.6	9.3%
Imputed interest convertible bonds	-1.5	-1.4	7.1%
Imputed interest financial debt	-0.8	-1.6	-50.0%
Interest expense on pensions	-1.2	-2.0	-40.0%
Interest expense, net	-12.7	-13.2	-3.8%
Amortization of refinancing costs	-1.8	-1.1	63.6%
Foreign currency valuation of intercompany loans	0.3	-0.4	-
Other financial income/expenses	0.2	-1.1	-
Other financial result	-1.3	-2.6	-50.0%
Financial result	-14.0	-15.8	-11.4%

The financial result for H1 2021 amounted to minus €14.0 million and improved by 11.4% compared with the prior-year period. This was particularly due to the lower net interest expense of minus €12.7 million (H1 2020: minus €13.2 million) and to improvements in the other financial result.

Condensed Consolidated Income Statement (continued)

€ million	1st Half Year		
	2021	2020	Change
EBIT	38.3	5.7	>100%
Financial result	-14.0	-15.8	-11.4%
Result from continuing operations before income taxes	24.3	-10.1	-
Income tax expense	-6.2	-3.4	82.4%
Result from continuing operations	18.1	-13.5	-
Result from discontinued operations, net of income taxes	0.0	-0.1	-
Net result for the period	18.1	-13.6	-
Attributable to:			
Non-controlling interests	0.2	0.2	0.0%
Consolidated net result (attributable to shareholders of the parent company)	17.9	-13.8	-
Earnings per share - basic and diluted (in €)	0.15	-0.11	-

Result before taxes and net result

Due to the increase in EBIT and the improved financial result, earnings before income taxes increased from minus €10.1 million in the prior-year period to €24.3 million. The increase in income tax expenses to €6.2 million (H1 2020: €3.4 million) reflects the current tax expenses on the positive earnings contributions of the Group companies.

After taxes, the consolidated net profit for the reporting period was positive at €17.9 million, compared with minus €13.8 million in the prior-year period (in each case after deduction of non-controlling interests of €0.2 million). Accordingly, positive earnings per share of €0.15 were reported in H1 2021 (H1 2020: minus €0.11).

Balance sheet structure

ASSETS € million	30. Jun 21	31. Dec 20	Change
Non-current assets	654.0	658.7	-0.7%
Current assets	677.6	600.1	12.9%
Total assets	1,331.6	1,258.8	5.8%
EQUITY AND LIABILITIES € million			
Equity attributable to the shareholders of the parent company	276.8	220.7	25.4%
Non-controlling interests	9.5	12.2	-22.1%
Total equity	286.3	232.9	22.9%
Non-current liabilities	796.7	823.9	-3.3%
Current liabilities	248.6	202.0	23.1%
Total equity and liabilities	1,331.6	1,258.8	5.8%

Total assets as of June 30, 2021, increased by €72.8 million or 5.8% to €1,331.6 million compared to December 31, 2020. The increase results in particular from the rise in current assets (+€77.5 million) based on the improved liquidity (+€42.5 million) as well as of higher trade receivables and contract assets (+€25.9 million). In addition, currency effects from the stronger US dollar contributed €11.3 million to the increase in the balance sheet total.

Capital expenditures in property, plant and equipment and intangible assets of €15.2 million in the first half of 2021 was well below the level of depreciation and amortization of €28.2 million.

The decrease in non-current liabilities by €27.2 million is mainly attributable to the reduction in pension provisions by €27.4 million to €312.7 million, due to the adjustment of the pension discount rates to the significantly higher interest environment. The increase in current liabilities by €46.6 million mainly resulted from the rise in trade payables and contract liabilities by €29.3 million and the rise in provisions of €14.9 million, in particular for accruals related to personnel costs.

Working Capital

€ million	30. Jun 21	31. Dec 20	Change
Inventories	255.2	247.3	3.2%
Trade accounts receivable and contract assets	208.0	182.1	14.2%
Trade payables and contract liabilities	-106.9	-77.6	37.8%
Working Capital	356.3	351.8	1.3%

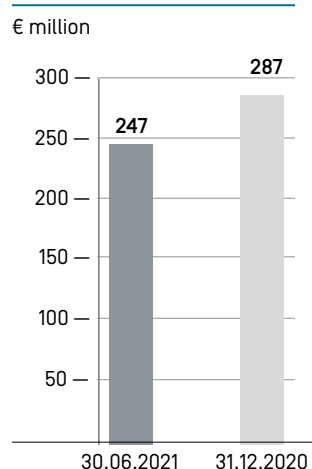
Working capital increased slightly by €4.5 million to €356.3 million as of June 30, 2021. The nominal increase results mainly from the increase in inventories (€7.9 million) as well as in trade receivables and contract assets (€25.9 million), which were partly offset by higher trade payables and contract liabilities (€29.3 million).

Increase in Equity

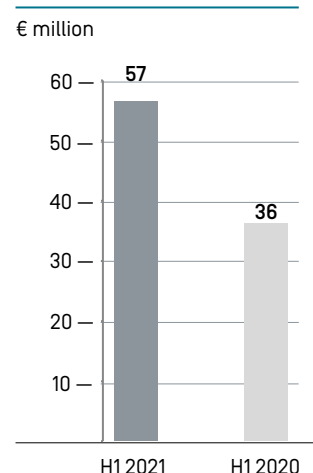
As of June 30, 2021, equity attributable to the shareholders of the parent company increased by €56.1 million or 25.4% to €276.8 million (December 31, 2020: €220.7 million). The increase is attributable on the one hand to the adjustment of interest rates for pension provisions and on the other hand to the positive net result of €17.9 million. Accordingly, equity ratio as of June 30, 2021 increased to 20.8% compared to 17.5% as of December 31, 2020.

Net financial debt / Free cash flow

Net financial debt



Free cash flow



€ million	30. Jun 21	31. Dec 20	Change
Carrying amount of current and non-current financial liabilities	420.0	414.6	1.3%
Remaining imputed interest for the convertible bonds	6.3	8.0	-21.3%
Accrued refinancing cost	4.7	5.7	-17.5%
Financial debt	431.0	428.3	0.6%
Liquidity	184.3	141.8	30.0%
Net financial debt	246.7	286.5	-13.9%

SGL Carbon's net financial debt decreased by €39.8 million or 13.9% to €246.7 million as of June 30, 2021. This development was mainly due to the increased liquidity by €42.5 million. The increase in liquidity is based on the positive free cash flow of €56.5 million less interest payments of €9.8 million.

€ million	1st Half Year	
	2021	2020 ¹⁾
Cash flow from operating activities		
EBIT	38.3	5.7
Depreciation and amortization of fixed assets	28.2	33.3
Changes in working capital	-4.0	-1.6
Miscellaneous items	3.4	13.1
Cash flow from operating activities	65.9	50.5
Cash flow from investing activities		
Payments to purchase intangible assets and property, plant & equipment	-15.2	-19.9
Proceeds from the sale of intangible assets and property, plant & equipment	0.8	0.7
Dividend payments from investments accounted for At-Equity	5.0	5.0
Cash flow from investing activities - continuing operations	-9.4	-14.2
Cash flow from investing activities - discontinued operations	0.0	-2.3
Cash flow from investing activities - continuing and discontinued operations	-9.4	-16.5
Free cash flow ²⁾ - continuing operations	56.5	36.3
Free cash flow ²⁾ - discontinued operations	0.0	-2.3

¹⁾ Prior period adjusted, for details see section "Basis of Preparation"

²⁾ Defined as cash flow from operating activities minus cash flow from investing activities

Cash flow from operating activities reflects the positive earnings trend in the first half of 2021 and improved by €15.4 million to €65.9 million. Cash flow from investing activities decreased to minus €9.4 million (H1 2020: minus €14.2 million), due to lower capital expenditures in the first six months of 2021.

As a result of the above effects, free cash flow from continuing operations improved significantly by €20.2 million to €56.5 million (H1 2020: €36.3 million).

Employees

Part of the transformation process at SGL Carbon is also a more efficient design of the corporate structure and its processes. As a consequence, the number of employees worldwide across all business units was reduced by 121 to 4,716 as of June 30, 2021.

Headcount	30. Jun 21	31. Dec 20	Change
Graphite Solutions	2,422	2,481	-2.4%
Process Technology	545	581	-6.2%
Carbon Fibers	1,124	1,147	-2.0%
Composite Solutions	439	434	1.2%
Corporate	186	194	-4.1%
Total SGL Carbon	4,716	4,837	-2.5%

Headcount	30. Jun 21	31. Dec 20	Change
Germany	2,156	2,249	-4.1%
Europe excluding Germany	1,303	1,328	-1.9%
USA	739	743	-0.5%
Asia	518	517	0.2%
Total SGL Carbon	4,716	4,837	-2.5%

The proportion of women in the total workforce is 17.1% as of June 30, 2021 (December 31, 2020: 17.0%). The proportion of women among managers across all regions and business areas amounts to 17.9% (December 31, 2020: 17.0%). If only the central functions of the holding company are considered, this share rises to 35.8%.

Segment Reporting

Reporting segment Graphite Solutions (GS)

€ million	1st Half Year		
	2021	2020	Change
Sales revenue	221.2	213.2	3.8%
EBITDA pre ¹⁾	44.0	36.2	21.5%
EBITDA pre-margin	19.9%	17.0%	+2.9%-pts.
EBIT	34.0	24.1	41.1%

¹⁾ H1 2021 adjusted for insurance benefits (€2.0 million), release of jubilee provisions (€1.7 million) and restructuring expenses (minus €0.2 million). H1 2020 adjusted for insurance benefits (€3.3 million) and other material one-off effects (minus €2.3 million)

Sales of the reporting segment **Graphite Solutions (GS)** amounted to €221.2 million in the first half of 2021, up 3.8% (6.4% adjusted for foreign exchange) on the prior-year level and thus slightly above expectations. The increase in sales is based in particular on the development of the important market segments Semiconductor & LED, Battery Materials, and Automotive & Transportation, which together account for just over 50% of the business unit's sales. The share of sales to customers in the solar and chemical industries remained

nearly unchanged. After a subdued start in industrial applications, sales recovered in Q2 2021, but are still below the figures of the first half of the previous year.

With an increase in EBITDA pre of 21.5% to €44.0 million (H1 2020: €36.2 million), the earnings situation developed very favorably. The development of EBITDA pre was positively impacted by both, the higher sales of the business unit and, in part, the positive effect from an early contract termination with a customer in Q1 2021. On the other hand, price increases in raw material purchasing and in transportation and logistics costs negatively impacted earnings at GS.

Reporting segment Process Technology (PT)

€ million	1st Half Year		
	2021	2020	Change
Sales revenue	40.8	44.9	-9.1%
EBITDA pre ¹⁾	0.1	1.1	-90.9%
EBITDA pre-margin	0.2%	2.4%	-2.2%-pts.
EBIT	-0.3	-0.5	-40.0%

¹⁾ H1 2021 adjusted for release of jubilee provisions (€0.4 million) and restructuring expenses (minus €0.1 million). H1 2020 adjusted for other material one-off effects (minus €0.4 million)

Following €44.9 million in the first half of the previous year, sales of the **Process Technology (PT)** reporting segment decreased by 9.1% (adjusted for exchange rate effects minus 10.5%) to €40.8 million in the first half of 2021. The main sales driver is the chemical industry, which placed significantly fewer orders for new equipment and service as well as maintenance of its plants due to the pandemic. Although order intake has increased in recent months, this development is not yet reflected in PT's sales.

The decline in sales in the first half of 2021 led to a reduction in EBITDA pre from € 1.1 million to €0.1 million. Even the positive effects achieved from the transformation initiatives already implemented were unable to compensate this development. As a result, the EBITDA pre margin decreased to 0.2% (H1 2020: 2.4%).

Reporting segment Carbon Fibers (CF)

€ million	1st Half Year		
	2021	2020	Change
Sales revenue	166.4	146.6	13.5%
EBITDA pre ¹⁾	32.4	15.5	>100%
EBITDA pre-margin	19.5%	10.6%	+8.9%-pts.
EBIT	20.3	-1.5	-

¹⁾ H1 2021 adjusted for the carryforward of the purchase price allocations of the SGL Composites companies (minus €4.8 million) and the release of jubilee- and restructuring provisions (€0.2 million each). H1 2020 adjusted for the carryforward of the purchase price allocations of the SGL Composites companies (minus €4.9 million) and other material one-off effects (minus €0.4 million)

Sales in the **Carbon Fibers (CF)** reporting segment developed well, increasing by €19.8 million or 13.5% in the first half of 2021 compared to the same period of the previous year (adjusted for foreign exchange: plus 17.1%) and thus slightly exceeding expectations. The increase is mainly attributable to the product lines Acrylic Fibers and Textile Materials for the Textile and Automotive Industries. Both recorded double-digit growth rates. Together, these two market segments account for around 60% of CF's sales. Sales from the other main customer industries, such as wind energy and other industrial applications, were almost unchanged compared to the first half of the previous year.

EBITDA pre improved significantly to €32.4 million in the first half of 2021 compared with €15.5 million in the same period of the previous year.

The favorable earnings trend is mainly attributable to the higher utilization of CF capacities as a result of higher sales. Product mix effects led to a further improvement in profitability. Raw material price increases had only a minor negative impact on CF's earnings performance, as these could largely be passed on to customers. EBITDA pre was impacted by higher energy costs, which were, however, more than offset by savings from the transformation program. The €6.0 million increase in income from investments accounted for using the equity method (carbon ceramic brake disc joint venture with Brembo; BSCCB) also contributed to CF's success.

Reporting segment Composite Solutions (CS)

€ million	1st Half Year		
	2021	2020	Change
Sales revenue	60.2	39.5	52.4%
EBITDA pre ¹⁾	5.7	-5.5	-
EBITDA pre-margin	9.5%	-13.9%	+23.4%-pts.
EBIT	2.7	-6.3	-

¹⁾ H1 2021 adjusted for the carryforward of the purchase price allocation of SGL Composites AT (minus €0.3 million), release of jubilee provisions (€0.2 million) and restructuring expenses (minus €0.1 million). H1 2020 adjusted for the carryforward of the purchase price allocation of SGL Composites AT (minus €0.2 million) and other material one-off effects (€1.9 million)

Sales of the **Composite Solutions (CS)** reporting segment are dominated by orders from the automotive and aerospace industries. Both industries were severely impacted by the developments of the Corona pandemic, so that orders were partly postponed. Due to the general recovery in the automotive market segment and the start of new automotive projects, CS sales increased by €20.7 million or 52.4% (56.2% adjusted for currency effects) to €60.2 million in the first half of 2021, thus significantly exceeding expectations.

In line with the favorable business performance, CS achieved a clearly positive result. EBITDA pre increased year-on-year from minus €5.5 million to €5.7 million. In addition to strong sales growth in all product lines, savings resulting from the transformation program were also responsible for the strong result.

Reporting segment Corporate

€ million	1st Half Year		
	2021	2020	Change
Sales revenue	8.1	12.3	-34.1%
EBITDA pre ¹⁾	-10.5	-5.3	98.1%
EBIT	-18.4	-10.1	82.2%

¹⁾ H1 2021 adjusted for the release of jubilee provisions (€0.9 million) and restructuring expenses (minus €5.3 million).

As expected, sales in the **Corporate** reporting segment in the first half of 2021 were significantly below the prior-year level (no currency effect). Lower rental income due to the properties sold in the previous year and lower income from services were the reasons for the drop in sales to €8.1 million (H1 2020: €12.3 million).

Despite significant savings, EBITDA pre declined to minus €10.5 million (H1 2020: minus €5.3 million) due to lower sales.

Opportunities and Risks

The updated Group outlook for fiscal 2021 takes into account the strong performance in the first half and the successes of the transformation. Following the sharp economic slump in 2020, we expect the global economy to continue to recover in the course of 2021 compared with the low level in 2020. For the remaining months we see only limited market risks in the reporting segments. In this context, we do not assume any deterioration in underlying conditions due to the Corona pandemic.

With regard to existing opportunities and risks, we refer to the detailed statements made in the Annual Report as of December 31, 2020.

Due to the positive development of free cash flow in H1 2021, which contributed to a 30.0% increase in cash and cash equivalents to €184.3 million as of June 30, 2021, we assess the risks to the financial position for the remainder of the fiscal year as low (year-end 2020: medium).

Based on the information currently available, we do not believe that there are any significant individual risks either at present or in the foreseeable future that could jeopardize the Company as a going concern. Even the cumulative view of the current individual risks does not jeopardize the continued existence of SGL Carbon.

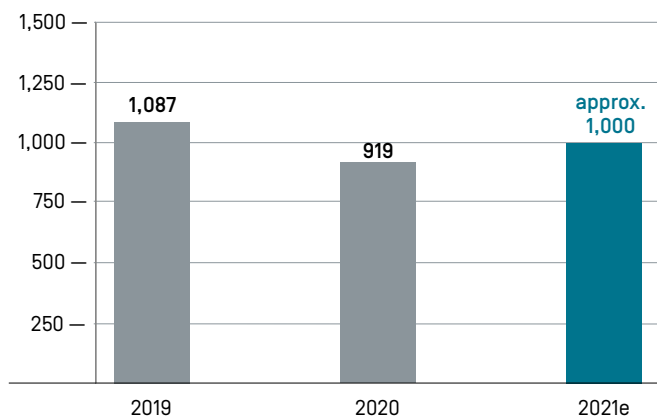
Outlook

Based on the encouraging business performance in the first half of 2021 and the transformation successes, SGL Carbon has raised its outlook for the financial year 2021 on July 13, 2021.

For the fiscal year 2021, the Company now expects consolidated sales of around €1.0 billion (previously: €920 - 970 million). In line with the developments in the first half of 2021, EBITDA pre for 2021 is expected to be between €130 - 140 million (previously: €100 - 120 million).

Outlook - Sales

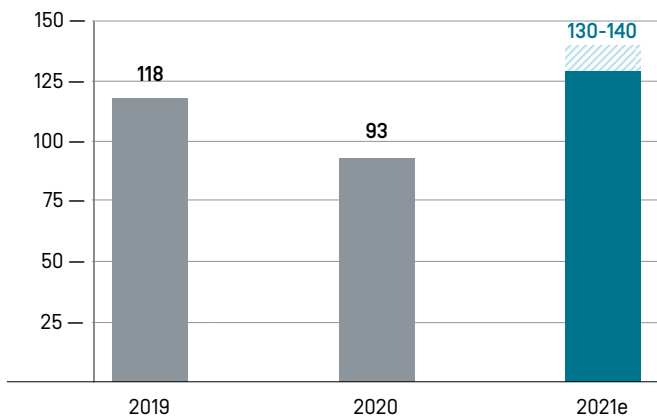
€ million



The new forecast for the financial year 2021 has been prepared based on the prevailing market environment and assumes no deterioration in conditions due to the corona pandemic. In particular, it is based on the assumption that procurement markets and logistics chains remain stable and production lines stay in operation. The communicated medium-term targets up to 2025 remain unaffected by the forecast adjustment.

Outlook – EBITDA pre

€ million



Group financial targets

€ million	Actual 2020	Original outlook ¹⁾	Updated outlook ¹⁾
Sales revenue	919.4	920 - 970	approx. 1,000
EBITDA pre	92.8	100 - 120	130 - 140
ROCE EBIT pre ²⁾	1.8%	slight improvement	significant improvement
Consolidated net result [continuing operations]	-132.9	-20 to 0	slightly positive
Capital expenditures ¹⁾	55.8	at the level of depreciation and amortization (around 60)	at the level of depreciation and amortization (around 60)
Free cash flow ²⁾	93.9	20	> 20

¹⁾ "Slight" indicates a variation of up to 10%; "significant" indicates a variation of more than 10%

²⁾ Prior period adjusted. For details, please refer to "Basis of Preparation"

Based on the forecast increase in sales and EBITDA pre, outlook for net profit and free cash flow has also been adjusted. The expectation for free cash flow for the full year is therefore above the forecast of €20 million given at the beginning of the year. The planned capital expenditures for 2021 are expected to remain unchanged at the level of depreciation. Due to the recovery of business, working capital is expected to increase in the course of the year, but is expected to decrease again by the end of the year.

Based on the business developments presented in this report, management expects a slightly positive consolidated net result for SGL Carbon in fiscal year 2021 (previously: minus €20 million - €0 million).

SGL Carbon's management expects growing demand in our most important markets for the coming months. In particular, the recovery of the automotive industry including the battery business, the growth markets LED and semiconductor industry as well as wind energy will positively shape the development of sales and earnings. It is assumed that price increases for raw materials, energy, transportation and logistics can largely be passed on to customers in a timely manner or can be compensated by savings in other areas.

Outlook on the business units

SGL Carbon's forecast is based on the sales and earnings performance of the individual business units. In line with the developments presented in the segment reporting, the outlook of individual business units for fiscal year 2021 has been raised. The following table provides an overview:

Segment	KPI	Actual 2020 in € million	Original outlook ¹⁾	Updated outlook ¹⁾
GS	Sales revenue	407.5	slight improvement	unchanged
	EBITDA pre	63.1	significant improvement	unchanged
PT	Sales revenue	88.2	constant	unchanged
	EBITDA pre	3.4	constant	unchanged
CF	Sales revenue	303.9	constant	significant improvement
	EBITDA pre	41.4	slight improvement	significant improvement
CS	Sales revenue	88.6	significant improvement	unchanged
	EBITDA pre	-4.7	slightly positive	significant improvement
Corpo- rate	EBITDA pre	-10.4	significant decline	unchanged

¹⁾ "Slight" indicates a variation of up to 10%; "significant" indicates a variation of more than 10%

Wiesbaden, August 12, 2021

SGL Carbon SE

The Board of Management

Dr. Torsten Derr

Thomas Dippold

Condensed Consolidated Financial Statements

Consolidated Income Statement

€ million	2nd Quarter			1st Half Year		
	2021	2020	Change	2021	2020	Change
Sales revenue	255.2	209.7	21.7%	496.7	456.5	8.8%
Cost of sales	-196.6	-169.5	16.0%	-386.6	-367.9	5.1%
Gross profit	58.6	40.2	45.8%	110.1	88.6	24.3%
Selling expenses	-22.8	-23.8	-4.2%	-45.8	-48.8	-6.1%
Research and development costs	-8.9	-8.1	9.9%	-16.8	-18.0	-6.7%
General and administrative expenses	-9.4	-12.5	-24.8%	-20.4	-23.0	-11.3%
Other operating income	6.7	2.4	>100%	13.7	6.4	>100%
Other operating expenses	-3.0	-0.5	>100%	-5.5	-1.9	>100%
Result from investments accounted for At-Equity	3.9	1.6	>100%	8.4	2.4	>100%
Restructuring expenses	-3.8	0.0	-	-5.4	0.0	-
Operating profit/loss	21.3	-0.7	-	38.3	5.7	>100%
Interest income	0.1	0.2	-50.0%	0.2	0.4	-50.0%
Interest expense	-6.7	-6.7	0.0%	-12.9	-13.6	-5.1%
Other financial result	-1.0	0.1	-	-1.3	-2.6	-50.0%
Result from continuing operations before income taxes	13.7	-7.1	-	24.3	-10.1	-
Income tax expense	-1.8	-2.2	-18.2%	-6.2	-3.4	82.4%
Result from continuing operations	11.9	-9.3	-	18.1	-13.5	-
Result from discontinued operations, net of income taxes	0.0	-0.1	-	0.0	-0.1	-
Net result for the period	11.9	-9.4	-	18.1	-13.6	-
Thereof attributable to:						
Non-controlling interests	0.1	0.1	0.0%	0.2	0.2	0.0%
Consolidated net result (attributable to shareholders of the parent company)	11.8	-9.5	-	17.9	-13.8	-
Earnings per share, basic and diluted, (in€)	0.10	-0.07	-	0.15	-0.11	-

Consolidated Statement of Comprehensive Income

€ million	2nd Quarter		1st Half Year	
	2021	2020	2021	2020
Net result for the period	11.9	-9.4	18.1	-13.6
Items that may be reclassified subsequently to profit or loss				
Cash flow hedges	0.3	0.0	0.0	0.0
Currency translation	-2.0	-8.1	10.6	-4.4
Items that will not be reclassified subsequently to profit or loss				
Actuarial gains/losses on pensions and similar obligations	-3.5	-27.7	27.7	-2.5
Other comprehensive income	-5.2	-35.8	38.3	-6.9
Comprehensive income	6.7	-45.2	56.4	-20.5
Thereof attributable to:				
Non-controlling interests	0.0	0.1	0.3	0.1
Consolidated net result (attributable to shareholders of the parent company)	6.7	-45.3	56.1	-20.6

Consolidated Balance Sheet

ASSETS € million	30. Jun 21	31. Dec 20	Change
Goodwill	21.3	20.7	2.9%
Other intangible assets	26.0	32.7	-20.5%
Property, plant and equipment	535.6	538.3	-0.5%
Investments accounted for At-Equity	59.5	56.2	5.9%
Other non-current assets	6.4	7.1	-9.9%
Deferred tax assets	5.2	3.7	40.5%
Total non-current assets	654.0	658.7	-0.7%
Inventories	255.2	247.3	3.2%
Trade receivables and contract assets	208.0	182.1	14.2%
Other receivables and other assets	30.1	28.9	4.2%
Liquidity	184.3	141.8	30.0%
<i>Time deposits</i>	<i>0.0</i>	<i>0.0</i>	-
<i>Cash and cash equivalents</i>	<i>184.3</i>	<i>141.8</i>	<i>30.0%</i>
Total current assets	677.6	600.1	12.9%
Total assets	1,331.6	1,258.8	5.8%

EQUITY AND LIABILITIES €m	30. Jun 21	31. Dec 20	Change
Issued capital	313.2	313.2	0.0%
Capital reserves	1,041.5	1,041.6	0.0%
Accumulated losses	-1,077.9	-1,134.1	-5.0%
Equity attributable to the shareholders of the parent company	276.8	220.7	25.4%
Non-controlling interests	9.5	12.2	-22.1%
Total equity	286.3	232.9	22.9%
Provisions for pensions and similar employee benefits	312.7	340.1	-8.1%
Other provisions	36.3	36.7	-1.1%
Interest-bearing loans	413.8	410.9	0.7%
Other financial liabilities	27.8	29.8	-6.7%
Other liabilities	4.5	4.6	-2.2%
Deferred tax liabilities	1.6	1.8	-11.1%
Total non-current liabilities	796.7	823.9	-3.3%
Other provisions	85.0	70.1	21.3%
Current portion of interest-bearing loans	6.2	3.7	67.6%
Trade payables and contract liabilities	106.9	77.6	37.8%
Other financial liabilities	12.7	12.7	0.0%
Other liabilities	37.8	37.9	-0.3%
Total current liabilities	248.6	202.0	23.1%
Total equity and liabilities	1,331.6	1,258.8	5.8%

Consolidated Cash Flow Statement

€ million	1st Half Year	
	2021	2020
Operating profit/loss (EBIT)	38.3	5.7
Depreciation and amortization of fixed assets	33.5	38.7
Changes in net working capital		
Inventories	0.3	10.9
Trade receivables and contract assets	-32.3	16.1
Trade payables and contract liabilities	28.0	-28.6
Interest received	2.1	0.4
Changes in provisions, net	11.5	0.7
Income taxes paid	-8.2	-1.9
Changes in other operating assets/liabilities	-7.3	8.5
Cash flow from operating activities	65.9	50.5
Payments to purchase intangible assets and property, plant & equipment	-15.2	-19.9
Proceeds from the sale of intangible assets and property, plant & equipment	0.8	0.7
Dividend payments from investments accounted for At-Equity	5.0	5.0
Cash flow from investing activities - continuing operations	-9.4	-14.2
Cash flow from investing activities and cash management activities - discontinued operations	0.0	-2.3
Cash flow from investing activities and cash management activities - continuing and discontinued operations	-9.4	-16.5
Proceeds from issuance of financial liabilities	13.0	6.7
Repayment of financial liabilities	-10.3	-2.2
Redemption payments for lease liabilities	-4.4	-11.6
Interest paid	-9.8	-9.7
Other financing activities	-3.0	-
Cash flow from financing activities	-14.5	-16.8
Effect of foreign exchange rate changes	0.5	-0.4
Net change in cash and cash equivalents	42.5	16.8
Cash and cash equivalents at beginning of period	141.8	133.1
Cash and cash equivalents at end of period	184.3	149.9
Time deposits at end of period	0.0	4.0
Liquidity	184.3	153.9

Condensed Statement of Comprehensive Income

€ million	1st Half Year 2021		
	Equity attributable to the shareholders of the parent company	Non-controlling interests	Total equity
Balance as of December 31	220.7	12.2	232.9
Dividends	0.0	-3.0	-3.0
Net result for the period	17.9	0.2	18.1
Other comprehensive income	38.2	0.1	38.3
Comprehensive income	56.1	0.3	56.4
Balance as of June 30	276.8	9.5	286.3

€ million	1st Half Year 2020		
	Equity attributable to the shareholders of the parent company	Non-controlling interests	Total equity
Balance as of December 31	418.6	10.3	428.9
Net result for the period	-13.8	0.2	-13.6
Other comprehensive income	-6.8	-0.1	-6.9
Comprehensive income	-20.6	0.1	-20.5
Balance as of June 30	398.0	10.4	408.4

Notes to the Condensed Consolidated Interim Financial Statements

Basis of Preparation

The Condensed Consolidated Interim Financial Statements of SGL Carbon have been prepared in accordance with International Financial Reporting Standards (IFRS) applicable to interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and as adopted by the European Union (EU) and should be read in conjunction with the SGL Carbon Consolidated Financial Statements as of December 31, 2020.

The Condensed Consolidated Interim Financial Statements as of June 30, 2021, apply the same accounting principles and practices as well as the same estimates and assumptions as those used in the 2020 annual financial statements, except for the presentation of interests paid in the cash flow statement. To provide a more meaningful presentation of the cash flow from operating activities, the option under IAS 7.33 was exercised and interest paid are shown as a component of the cash flow from financing activities starting from 2021. The prior period presentation was adjusted accordingly, resulting in an improvement of €9.7 million in cash flow from operating activities and a corresponding deterioration in cash flow from financing activities.

Income taxes are calculated in the same way as at the end of the financial year by calculating the tax expense as of the interim reporting date. The option of making an estimate in accordance with IAS 34 based on the current estimated effective tax rate of SGL Carbon was not applied. Results for the interim reporting period are not necessarily indicative for future results.

The Condensed Consolidated Interim Financial Statements and interim group management report have not been audited, neither have they been subject to an auditor's review. They were authorized for issue by the Board of Management on August 12, 2021.

New reporting structure from January 1, 2021

The realignment of the organizational structure commencing 2020 is now reflected in the external reporting. Effective January 1, 2021, SGL Carbon made fundamental changes to its management and resource allocation structure. The former reporting segment Graphite Materials & Systems (GMS) has been split into Graphite Solutions (GS) and Process Technology (PT). The former reporting segment Composites - Fibers & Materials (CFM) has been broken down into the units Carbon Fibers (CF) and Composite Solutions (CS). The four business units (BUs) GS, PT, CF and CS have been designated as the leading internal reporting structures and now comprise the reportable segments. In addition to the four operating reporting segments, there is a fifth reporting segment, Corporate, which covers the central functions. These support the four BUs as before by providing systems, standards and policies together with specified services. The previous year's figures have been adjusted for reasons of comparability.

Other disclosures

Provisions for pensions and similar employee benefits

During the reporting period, SGL Carbon increased the pension discount rate used to calculate the estimated present value of the pension plans in Germany and the US by 0.4%-points and 0.3%-points, respectively, as a consequence of changed long-term interest rate levels. As of June 30, 2021, the discount rates are 1.0% in Germany (Dec 31, 2020: 0.6%) and 2.9% in USA (Dec 31, 2020: 2.6%). The discount rate adjustment and the revaluation of the plan assets resulted in actuarial gains of €27.7 million (without tax effect) which have been included in other comprehensive income, thereby increasing equity in its full amount.

Investments accounted for At-Equity

The main joint venture accounted for At-Equity is Brembo SGL Carbon Ceramic Brakes S.p.A. (Ceramic Brake Discs), Stezzano, Italy (BSCCB), which is operated together with Brembo and produces and further develops carbon ceramic brake discs. The share of SGL Carbon in the net assets and the share in the net result of the period are allocated to the segment CF. The table below provides the result of operations and the financial position of BSCCB, as reported in its financial statements (taking into account IFRS 15 effects).

€ million	1st Half Year	
	2021	2020
Ownership interest	50%	50%
Income statement		
Sales revenue (100%)	100.0	63.9
Operating loss/profit	22.2	5.3
Net financial result	-0.2	-0.3
Net result for the period (100%)	16.0	3.5
Share of SGL Carbon in the net result for the period (50%)	8.0	1.8
Balance Sheet		
	30. Jun, 21	31. Dec. 20
Non-current assets	66.3	67.1
Current assets	90.7	80.3
<i>Thereof cash and cash equivalents</i>	36.9	34.4
Non-current liabilities	25.1	24.6
<i>Thereof financial liabilities</i>	14.7	0.0
Current liabilities	41.5	38.6
<i>Thereof financial liabilities</i>	2.0	0.0
Net assets (100%)	90.4	84.2
Share of SGL Carbon in the net assets (50%)	45.2	42.1
Goodwill	3.6	3.6
Carrying amount of material joint ventures	48.8	45.7

The carrying amount of remaining investments accounted for At-Equity was €10.7 million (Dec. 31, 2020: €10.5 million) and their contribution to the result from investments accounted for At-Equity during the first half of 2021 was €0.4 million (H1 2020: €0.6 million).

Additional disclosures on financial instruments

The following table assigns the individual balance sheet items for the financial instruments to classes and measurement categories:

€ million	Measurement category under IFRS 9	Carrying amount at Jun. 30, 21	Carrying amount at Dec. 31, 20
Financial assets			
Cash and cash equivalents	1)	184.3	141.8
Time deposits	1)	0.0	0.0
Trade receivables and contract assets	1)	206.9	178.9
Trade accounts receivable (factoring agreements)	2)	1.1	3.2
Marketable securities and similar investments	2)	5.1	4.9
Other financial assets	1)	-	0.0
Derivative financial assets			
Derivatives without a hedging relationship	3)	0.8	0.7
Derivatives with a hedging relationship	n.a.	0.2	-
Financial liabilities			
Corporate bond	4)	250.0	250.0
Convertible bonds	4)	145.0	151.3
Bank loans, overdrafts and other financial liabilities	4)	29.7	19.0
Refinancing costs	4)	-4.7	-5.7
Lease liabilities	n.a.	35.7	37.9
Trade payables and contract liabilities	4)	106.9	77.6
Miscellaneous other financial liabilities	4)	4.8	4.6
Derivative financial liabilities			
Derivatives without a hedging relationship	5)	0.0	-
Derivatives with a hedging relationship	n.a.	0.1	-
Thereof aggregated by measurement category in accordance with IFRS 9			
1) Financial assets measured at amortized costs		391.2	320.7
2) Financial assets measured at fair value through profit and loss		6.2	8.1
3) Other financial assets measured at fair value through profit and loss		0.8	0.7
4) Financial liabilities measured at amortized costs		531.7	496.8
5) Financial liabilities measured at fair value through profit and loss		0.0	-

n.a. = not applicable

The following table shows the breakdown of the assets and liabilities measured at fair value into the three levels of fair value hierarchy in accordance with IFRS 13:

€ million	30. Jun. 21			Total
	Level 1	Level 2	Level 3	
Marketable securities and similar investments	5.1			5.1
Trade accounts receivable (Factoring-agreement)			1.1	1.1
Derivative financial assets		1.0		1.0
Derivative financial liabilities		0.1		0.1

€ million	31. Dec. 20			Total
	Level 1	Level 2	Level 3	
Marketable securities and similar investments	4.9			4.9
Trade accounts receivable (Factoring-agreement)			3.2	3.2
Derivative financial assets		0.7		0.7
Derivative financial liabilities				-

As of June 30, 2021, the market value of the exchange listed corporate bond was €255.3 million (December 31, 2020: €236,8 million. The fair value was derived from stock market

prices as of June 30 and corresponds to Level 1 of the fair value hierarchy of IFRS 13.

In the reporting period, SGL Carbon acquired convertible bonds with a total nominal amount of €8.0 million before maturity. The acquisition was made in two tranches of €5.0 million at a price of 99.00% and €3.0 million at a price of 99.25%, in each case plus accrued interest. The consideration paid for the acquisition was allocated to the liability and equity components of the instrument at the time of the respective transactions. The loss related to the debt components and the amount of the consideration related to the equity components was €0.1 million, respectively.

The fair market value of the convertible bond 2018/2023 as of June 30, 2021, was €146.0 million (December 31, 2020: €138.3 million). As the fair value is derived from quoted prices in active markets, these financial instruments are allocated to Level 1.

Receivables management

Factoring concluded in the reporting period reduced the carrying amount of trade receivables. The volume of sales of receivables on the balance sheet date was €23.1 million (31. December 2020: €27.7 million).

Seasonality of operations

Customer order patterns within the segments primarily follow overall global trends (e. g. for lightweight materials) and depend on the availability and the pricing of such materials.

The overall economic environment is usually a first indicator for any developments in the customers' demand. In addition, individual large projects can significantly impact the business development and overlap regular seasonality.

Other additional information

Issued capital as of June 30, 2021, remained unchanged to December 31, 2020, at €313.2 million and is divided into 122,341,478 no-par value ordinary bearer shares at €2.56 per share. During the first half of 2021, no new shares were issued from the authorized capital. As of June 30, 2021, there were 857,760 Stock Appreciation Rights (SARs) outstanding. SGL Carbon SE held a total of 70,501 of its own shares (treasury shares) as of June 30, 2021. Based on an average number of 122.3 million shares, basic earnings per share amounted to €0.15 (H1 2020: minus €0.11).

The calculation of diluted earnings per share assumes the conversion of outstanding debt securities (convertible bonds) to shares or exercise of other contracts for the issue of common shares such as stock appreciation rights. The above mentioned potentially dilutive financial instruments are only taken into account in the calculation of diluted earnings per share, if these instruments would have a dilutive effect. Accordingly, EPS diluted is unchanged and amounts to €0.15 (H1 2020: minus €0.11).

Segment information

€ million	Graphite Solutions	Process Technology	Carbon Fibers	Composite Solutions	Corporate	Consolidation	SGL Carbon
1st Half Year 2021							
External sales revenue	221.2	40.8	166.4	60.2	8.1	0.0	496.7
Intersegment sales revenue	4.9	0.9	4.7	0.2	18.0	-28.7	0.0
Total sales revenue	226.1	41.7	171.1	60.4	26.1	-28.7	496.7
Timing of revenue recognition							
Products transferred at point in time	227.7	42.9	165.7	60.3	8.1	0.0	504.7
Products and services transferred over time	-6.5	-2.1	0.7	-0.1	0.0	0.0	-8.0
Total sales revenue	221.2	40.8	166.4	60.2	8.1	0.0	496.7
Sales revenue by customer industry							
Mobility	29.0	-	67.5	55.7	4.5	0.0	156.7
Energy	53.4	-	34.3	-	-	0.0	87.7
Industrial Applications	67.5	-	25.4	4.5	3.6	0.0	101.0
Chemicals	12.8	40.8	-	-	-	0.0	53.6
Digitization	58.5	-	-	-	-	0.0	58.5
Textile Fibers	-	-	39.2	-	-	0.0	39.2
Total sales revenue	221.2	40.8	166.4	60.2	8.1	0.0	496.7
EBITDA pre	44.0	0.1	32.4	5.7	-10.5	0.0	71.7
Amortization/depreciation on intangible assets and property, plant and equipment	13.5	0.8	7.7	2.7	3.5	0.0	28.2
EBIT pre	30.5	-0.7	24.7	3.0	-14.0	0.0	43.5
One-off effects/Non-recurring items	3.5	0.4	-4.4	-0.3	-4.4	0.0	-5.2
Operating profit/loss (EBIT)	34.0	-0.3	20.3	2.7	-18.4	0.0	38.3
Capital expenditures ¹⁾	8.3	0.1	1.8	4.1	0.9	0.0	15.2
Result from investments accounted for At-Equity	-	-	8.4	-	-	0.0	8.4
Working Capital ²⁾	209.8	29.8	111.8	40.0	-35.1	0.0	356.3
Capital employed ³⁾	459.1	41.4	329.7	106.5	62.7	0.0	999.4
Cash Generation ⁴⁾	32.8	0.2	33.7	-2.5	-7.0	0.0	57.2

€ million	Graphite Solutions	Process Technology	Carbon Fibers	Composite Solutions	Corporate	Consolidation	SGL Carbon
1st Half Year 2020							
External sales revenue	213.2	44.9	146.6	39.5	12.3	0.0	456.5
Intersegment sales revenue	4.1	1.1	4.4	0.3	19.2	-29.1	0.0
Total sales revenue	217.3	46.0	151.0	39.8	31.5	-29.1	456.5
Timing of revenue recognition							
Products transferred at point in time	228.4	43.3	145.1	38.8	12.3	0.0	467.9
Products and services transferred over time	-15.2	1.6	1.5	0.7	0.0	0.0	-11.4
Total sales revenue	213.2	44.9	146.6	39.5	12.3	0.0	456.5
Sales revenue by customer industry							
Mobility	24.7	-	58.3	33.9	4.7	0.0	121.6
Energy	46.9	-	33.8	-	-	0.0	80.7
Industrial Applications	79.7	-	24.9	5.6	7.6	0.0	117.8
Chemicals	13.6	44.9	-	-	-	0.0	58.5
Digitization	48.3	-	-	-	-	0.0	48.3
Textile Fibers	-	-	29.6	-	-	0.0	29.6
Total sales revenue	213.2	44.9	146.6	39.5	12.3	0.0	456.5
EBITDA pre	36.2	1.1	15.5	-5.5	-5.3	0.0	42.0
Amortization/depreciation on intangible assets and property, plant and equipment	13.1	1.2	11.7	2.5	4.8	0.0	33.3
EBIT pre	23.1	-0.1	3.8	-8.0	-10.1	0.0	8.7
One-off effects/Non-recurring items	1.0	-0.4	-5.3	1.7	0.0	0.0	-3.0
Operating profit/loss (EBIT)	24.1	-0.5	-1.5	-6.3	-10.1	0.0	5.7
Capital expenditures ¹⁾	11.3	0.2	4.7	1.9	1.8	0.0	19.9
Result from investments accounted for At-Equity	-	-	2.4	-	-	-	2.4
Working Capital (31.12.) ²⁾	203.2	29.5	114.8	35.8	-31.5	0.0	351.8
Capital employed (31.12.) ³⁾	454.0	41.8	332.5	95.8	75.6	0.0	999.7
Cash Generation ⁴⁾	36.0	0.7	-0.1	-6.3	-1.1	0.0	29.2

¹⁾ Defined as total of capital expenditures in other intangible assets and property, plant and equipment

²⁾ Defined as sum of inventories, trade receivables and contract assets less trade payables and contract liabilities

³⁾ Defined as the sum of goodwill, other intangible assets, property, plant and equipment, investments accounted for At-Equity, and working capital

⁴⁾ Defined as total of operating profit/loss (EBIT) before non-recurring items plus amortization of intangible assets and depreciation on property, plant and equipment plus change in working capital minus capital expenditures

EBITDA pre is calculated by adjusting earnings before interest, taxes, depreciation and amortization of the first half of 2021 for insurance compensations of €2.0 million (H1 2020: €3.3 million), release of jubilee provisions of €3.3 million (H1 2020: €0.0 million), carryforward of the purchase price allocations of the SGL Composites companies of minus €5.1 million (H1 2020: minus €5.1 million), restructuring expenses of minus €5.4 million (H1 2020: €0.0 million), and in the first half of 2020

additionally by other material one-off effects of minus €1.2 million.

Sales revenue with one customer of the reporting segment CF amount to approx. €56 million of total SGL Carbon sales revenue (H1 2020: €47 million).

Subsequent events

None.

Wiesbaden, August 12, 2021

SGL Carbon SE

The Board of Management

Dr. Torsten Derr

Thomas Dippold

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim Group Management Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Wiesbaden, August 12, 2021

SGL Carbon SE

The Board of Management

Dr. Torsten Derr

Thomas Dippold

Other Information

Quarterly Sales revenue and EBITDA pre by Reporting Segment

€ million					2020			2021
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	1st Half
Sales revenue								
Graphite Solutions	111.7	101.5	94.8	99.5	407.5	108.3	112.9	221.2
Process Technology	23.0	21.9	20.4	22.9	88.2	19.3	21.5	40.8
Carbon Fibers	81.7	64.9	76.8	80.5	303.9	81.1	85.3	166.4
Composite Solutions	23.0	16.5	21.2	27.9	88.6	28.6	31.6	60.2
Corporate	7.4	4.9	13.8	5.1	31.2	4.2	3.9	8.1
SGL Carbon	246.8	209.7	227.0	235.9	919.4	241.5	255.2	496.7

EBITDA pre					2020			2021
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	1st Half
Graphite Solutions	20.8	15.4	13.3	13.6	63.1	22.9	21.1	44.0
Process Technology	0.7	0.4	0.7	1.6	3.4	-0.5	0.6	0.1
Carbon Fibers	10.3	5.2	12.9	13.0	41.4	13.9	18.5	32.4
Composite Solutions	-0.8	-4.7	0.5	0.3	-4.7	1.8	3.9	5.7
Corporate	-2.0	-3.3	-1.2	-3.9	-10.4	-5.1	-5.4	-10.5
SGL Carbon	29.0	13.0	26.2	24.6	92.8	33.0	38.7	71.7

Quarterly Consolidated Income Statement

€ million					2020			2021
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	1st Half
Sales revenue	246.8	209.7	227.0	235.9	919.4	241.5	255.2	496.7
Cost of sales	-191.3	-173.1	-184.7	-200.8	-749.9	-187.4	-194.1	-381.5
Gross profit	55.5	36.6	42.3	35.1	169.5	54.1	61.1	115.2
Selling, administrative, R&D and other operating income/expense	-42.9	-42.9	-38.4	-37.3	-161.5	-39.4	-40.7	-80.1
Result from investments accounted for At-Equity	0.8	1.6	3.5	5.6	11.5	4.5	3.9	8.4
EBIT pre	13.4	-4.7	7.4	3.4	19.5	19.2	24.3	43.5
One-off effects/Purchase price allocation effects/Impairment losses	-7.0	4.0	13.2	-96.2	-86.0	-0.6	0.8	0.2
Restructuring expenses			-1.5	-25.7	-27.2	-1.6	-3.8	-5.4
EBIT	6.4	-0.7	19.1	-118.5	-93.7	17.0	21.3	38.3
Financial result	-9.4	-6.4	-7.6	-6.0	-29.4	-6.4	-7.6	-14.0
Result from continuing operations before income taxes	-3.0	-7.1	11.5	-124.5	-123.1	10.6	13.7	24.3
Income tax expense	-1.2	-2.2	-1.1	-2.5	-7.0	-4.4	-1.8	-6.2
Result from continuing operations	-4.2	-9.3	10.4	-127.0	-130.1	6.2	11.9	18.1
Result from discontinued operations, net of income taxes	0.0	-0.1	0.0	0.8	0.7	0.0	0.0	0.0
Net result for the period	-4.2	-9.4	10.4	-126.2	-129.4	6.2	11.9	18.1
Thereof attributable to:								
Non-controlling interests	0.1	0.1	0.5	2.1	2.8	0.1	0.1	0.2
Consolidated net result (attributable to shareholders of the parent company)	-4.3	-9.5	9.9	-128.3	-132.2	6.1	11.8	17.9

Financial Calendar 2021

November 11, 2021

- Quarterly statement on the 3rd quarter 2021
- Conference call for investors and analysts

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Important Note

This interim report 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 Graphite Solutions (GS), Process Technology (PT), Carbon Fibers (CF) and Composite Solutions (CS) 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 Graphite Solutions (GS), Process Technology (PT), Carbon Fibers (CF) and Composite Solutions (CS) businesses, the impact of any manufacturing efficiencies and capacity constraints, widespread adoption of carbon fiber products and components in key end-markets of SGL Carbon, including the automotive and aerospace 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 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.

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Key Visual for Formula Carbon –
our Guiding Principles

A series of horizontal, glowing light trails in shades of red, orange, and blue, creating a dynamic, futuristic visual effect at the bottom of the page.