

PRESS RELEASE



Ad hoc notification pursuant to § 15 of the German Securities Trading Act (Wertpapierhandelsgesetz)

SGL Carbon SE: Agreement on the sale of the aerostructures business of HITCO leads to an impairment charge in H1/2015

Wiesbaden, July 20, 2015. SGL Group today concluded an agreement with Toronto-listed Avcorp Industries Inc. (Canada) on the sale of our subsidiary HITCO's (HITCO Carbon Composites, Inc., USA) business of manufacturing composite structural parts for commercial and military aerostructures. This includes all inventories, equipment, tooling and other fixed assets, intellectual property, contractual rights, good will, accounts receivable, and work in progress; Hitco's materials division is not part of this transaction.

The terms of the agreement result in overall negative proceeds of USD 47 million, which consists of payments to Avcorp, repayments of customer advance payments as well as costs relating to various services to the benefit of the buyer. The purchase consideration is subject to customary adjustments based on working capital of Hitco and certain contract pricing adjustments.

This leads to an impairment charge in the range of EUR 50-55 million on the HITCO assets held for sale recorded under discontinued operations in the income statement. The related cash outflow amounts to approx. EUR 40 million, of which the larger part will be payable on closing. The cash outflow related to the sale of the commercial business of HITCO was not included in the Company's free cash flow guidance from continued operations and will be recorded in the free cash flow from discontinued operations.

The transaction is subject to customary closing conditions, including approval by the relevant US authorities (Committee on Foreign Investment in the United States (CFIUS), International Traffic in Arms Regulations (ITAR)), the conclusion of ancillary agreements and non-occurrence of a material adverse change until closing, and is expected to be closed at the latest by October 16, 2015.

The agreement on the sale of the HITCO's aerostructures business will have an impact on the Company's financials for the first half year 2015 as well as for the full year 2015 as described above. A further non-recurring item impacting the financials relates to the Company's tax liabilities in conjunction with tax audits. The related cash outflow amounts to approximately EUR 35 million in 2015 compared to existing tax provisions of EUR 41 million. This development does not materially impact the Group's guidance for free cash flow from continuing operations.

With exception of above items and their impact on the group's cash flow, key performance indicators for H1/2015 remain in line with market expectations. In the first half year of 2015, Group sales amounted to EUR 655 million, Group EBITDA before non recurring items to EUR 61 million, Group EBIT before non recurring items to EUR 15 million, Group ROS before non

SGL Group – The Carbon Company
Corporate Communications, Media Relations
Soehnleinstrasse 8, 65201 Wiesbaden/Germany
Phone +49 611 6029-100, Fax +49 611 6029-101
E-mail: press@sglgroup.com / www.sglgroup.com

recurring items to 2%, and net debt as of June 30, 2015, to EUR 523 million.

SGL Group adheres to its full year 2015 guidance of a substantially improved EBITDA and EBIT compared to 2014. Due to subdued order intake activity in the first half of the year, we expect the EBIT of the Business Unit GMS in the full year 2015 to remain below the 2014 level. This, however, will be compensated by a better than anticipated performance in the Business Unit CFM.

The full report on the first half year 2015 and the outlook will be published as planned on August 6, 2015.

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 42 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 2014, the Company's workforce of around 6,300 employees generated sales of €1,336 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.sglgroup.com/press or at www.sglgroup.com.

Additional Information:

ISIN: DE0007235301

Listing: Amtlicher Markt / Prime Standard / Frankfurter Wertpapierbörse
(Official Market / Prime Standard / Frankfurt Stock Exchange)

Company's seat: Wiesbaden

Important note:

This 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.

Contact Corporate Communications:

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

E-mail: press@sglgroup.com / www.sglgroup.com