

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

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## **SGL Carbon SE to issue convertible notes and simultaneously launch a tender offer for the € 190m 3.5% convertible notes due 2016 (ISIN: DE000A0Z2BL6)**

*Wiesbaden, September 9, 2015.* The Management Board of SGL Carbon SE (the "**Issuer**" together with its subsidiaries, the "**SGL Group**") resolved today, with the consent of the Supervisory Board, to issue unsubordinated, unsecured notes convertible into no-par value ordinary shares of the Issuer (the "**Convertible Notes**"). The Convertible Notes will be offered only to institutional investors outside the United States of America by way of an accelerated bookbuilding (the "**Offering**"). The pre-emptive rights (Bezugsrechte) of existing shareholders of the Issuer to subscribe to the Convertible Notes are excluded.

The initial offering size of the issue is € 150 million, with an increase option of up to € 17 million that may be exercised at the Issuer's discretion on the pricing date. The Convertible Notes will be convertible into up to approximately 9 million no-par value ordinary shares of the Issuer including the increase option if exercised. The Convertible Notes will have a maturity of 5 years and 16 days until September 30, 2020, and will be issued and redeemed at 100% of their principal amount with a coupon of between 3.50 % – 4.25 % p.a., payable semi-annually in arrears on March 31 and September 30, commencing on March 31, 2016 (long first coupon). The initial conversion price will be set at a premium of 25 % – 30 % above the volume weighted average price of SGL Carbon SE's shares on XETRA between launch and pricing.

The Issuer's principal shareholders (Skion GmbH, Bayerische Motoren Werke Aktiengesellschaft - BMW - and VOLKSWAGEN Aktiengesellschaft - VW) have indicated to the Issuer their intention to subscribe up to 55% of the convertible bonds – corresponding approximately to their current shareholdings in the Issuer.

Pricing is expected to be announced later today and settlement is expected to take place on or around September 14, 2015.

SGL Carbon SE intends to list the Convertible Notes on the Open Market (Freiverkehr) segment of the Frankfurt Stock Exchange. However, closing and settlement of the Offering is not conditional upon obtaining such inclusion to trading.

The SGL Carbon SE plans to use the proceeds from the Offering for refinancing all or part of the € 190,000,000 3.5 per cent convertible notes due 2016 (ISIN DE000A0Z2BL6) issued by the Issuer in 2009 (the "**2016 Notes**" whose outstanding principal amount is € 134,700,000 as of today), to the extent tendered by the holders during the announced Repurchase Invitation (as described below) and for general corporate purposes.

Therefore, concurrently with the Offering, the Issuer invites the holders of the outstanding 2016 Notes to tender for purchase for cash any and all of the outstanding 2016 Notes (the

"**Repurchase Invitation**"). The repurchase price per 2016 Note tendered under the Repurchase Invitation is 102 per cent of the principal amount of the 2016 Note (equal to € 51,000 per 2016 Note) (excluding accrued interest). The Issuer will also pay interest accrued on the purchased 2016 Notes from and including the interest payment date for the 2016 Notes immediately preceding the Invitation Settlement Date (as described below) up to but excluding the Invitation Settlement Date.

The Repurchase Invitation commences September 9, 2015, and will expire at 1 pm CET on September 15, 2015, unless amended, extended, re-opened or terminated.

Settlement of the Repurchase Invitation is expected to take place on September 18, 2015 (the "**Invitation Settlement Date**"), subject to the successful completion of the Offering of the Convertible Notes.

Commerzbank AG and Credit Suisse Securities (Europe) Limited are acting as Global Coordinators and Joint Bookrunners and Dealer Managers in relation to the Offering and the Repurchase Invitation. Société Générale Corporate & Investment Banking is acting as Joint Bookrunner and Dealer Manager in relation to the Offering and the Repurchase Invitation. Landesbank Baden-Württemberg is acting as Co-Lead Manager in relation to the Offering.

#### 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 €1,300 million. The Company's head office is located in Wiesbaden.**

*Further information on SGL Group can be found online at [www.sgigroup.com](http://www.sgigroup.com).*

#### **Additional Information:**

ISIN: DE0007235301

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

Company's seat: Wiesbaden

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The offer referred to herein when made in member states of the European Economic Area ("EEA") which have implemented the Prospectus Directive (each, a "**relevant member state**"), is only addressed to and directed at persons who are "qualified investors" as defined in the Prospectus Directive ("**Qualified Investors**"). For these purposes, the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in a relevant member state), and includes any relevant implementing measure in the relevant member state and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

In the United Kingdom, this announcement is directed only at, Qualified Investors (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**") or (ii) who fall within Article 49(2)(a) to (d) of the Order, and (iii) to whom it may otherwise lawfully be communicated (all such persons together being referred to as "**relevant persons**"). This announcement must not be acted on or relied on (i) in the United Kingdom, by persons who are not relevant persons, and (ii) in any member state of the European Economic Area other than the United Kingdom, by persons who are not Qualified Investors.

This announcement may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements reflect the Issuer's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to SGL Group's business, results of operations, financial position, liquidity, prospects, growth or strategies. Forward-looking statements speak only as of the date they are made.

Each of the Issuer and the Managers and their respective affiliates expressly disclaims any obligation or undertaking to update, review or revise any forward looking statement contained in this announcement whether as a result of new information, future developments or otherwise.

No reliance may or should be placed by any person for any purposes whatsoever on the information contained in this announcement or on its completeness, accuracy or fairness. The information in this announcement is subject to change.

The date of admission of the convertible notes and the shares issued upon conversion to trading may be influenced by things such as market conditions. There is no guarantee that admission will occur and you should not base your financial decisions on the Issuer's intentions in relation to admission at this stage. Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested. Persons considering making such investments should consult an authorised person specialising in advising on such investments. This announcement does not constitute a recommendation concerning the convertible bond offering. The value of shares can decrease as well as increase. Potential investors should consult a

professional advisor as to the suitability of the convertible notes offering for the person concerned.

Each Manager is acting exclusively for the Issuer and no-one else in connection with the offering of the securities referred to herein. They will not regard any other person as their respective clients in relation to such offering and will not be responsible to anyone other than the Issuer for providing the protections afforded to their respective clients, or for providing advice in relation to such securities, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

In connection with the offering of the securities referred to herein, each Manager and any of their affiliates, acting as investors for their own accounts, may subscribe for or purchase convertible notes of the Issuer and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such securities and any other securities of the Issuer or any related investments and may offer or sell such securities or other investments otherwise than in connection with the offering of the securities referred to herein. The Managers do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

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