

Ad hoc notification according to Art. 17 MAR (Market Abuse Regulation N° 596/2014)

## **Preliminary Results 1st Quarter 2018: High Positive One-time Effects and Good Operational Development Lead to Slight Increase in 2018 Net Income Guidance**

*Wiesbaden, April 24, 2018.* SGL Carbon SE expects net income of €30 to €33 million (Q1/2017: minus €0.3 million) in the first quarter 2018 mainly driven by positive one-time effects as follows:

Recurring EBIT in the first quarter 2018 includes two such effects. A land sale in Canada increases recurring EBIT by approx. €4 million. The adoption of IFRS 15 leads to a positive earnings effect of approx. €5 to €6 million, resulting from a temporary increase in inventory and higher than planned selling prices in the market segment Battery & other Energy in the business unit GMS. Excluding the above-mentioned effects, recurring EBIT amounts to between €11 and €12 million and is thus within the framework of expectations (Q1/2017: €9.6 million).

Non-recurring items: the full consolidation of the former joint venture with BMW Group (SGL ACF) requires an adjustment to the fair value of the proportionate shareholding as of the date of acquisition. This leads to a positive, non-cash earnings contribution of €25 to €30 million to the EBIT after non-recurring items. On the other hand, the preliminary purchase price allocation (ppa) will increase depreciation by approx. €10 to €11 million p.a. until 2021.

Sales revenue in the first quarter 2018 increased substantially to €260 to €265 million (Q1/2017: €216.3 million). Slightly more than half of the sales revenue increase is attributable to the full consolidation of the former joint ventures with BMW and Benteler (and taking into account the sale of SGL Kümpers) as well the above-mentioned effect from IFRS 15.

The solid first quarter 2018 at least confirms our full year guidance for non-recurring EBIT before ppa, for which we expect a slightly more than proportionate increase compared to the sales revenue growth.

Due to the in total positive non-recurring effects, we slightly increase our guidance for net income from continuing operations to a low double digit million € amount (previous guidance: black zero).

The full report on the first quarter 2018 will be published on May 8, 2018, as planned. The use of KPIs in this notification is aligned to the annual report 2017 which is available under <http://www.sglgroup.com>.

### 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 2017 financial year, approx. 4,200 employees generated 860.1 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.sglgroup.com/presse](http://www.sglgroup.com/presse) and at [www.sglgroup.com](http://www.sglgroup.com).*

#### **Additional Information:**

ISIN: DE0007235301 and DE000A2G8YM4

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

Company's seat: Wiesbaden

#### **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.

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