

SGL Group receives major PTFE-lined piping order in China

- Huge market potential for PTFE-lined piping systems in China
- Proprietary manufacturing process enables excellent performance, high safety and long service life

Shanghai, September 12, 2016. SGL Group - The Carbon Company - recently won the largest PTFE-lined piping order of its history in the Chinese market from Shanghai Lianheng Isocyanate Co. Ltd. (SLIC). SGL Group will supply PTFE-lined piping systems for SLIC's 120,000 metric ton per year HCL (hydrogen chloride) recycling plant for the production of chlorine as a precursor for MDI (diphenylmethane diisocyanate) . The project is expected to start in 2017.

“With nearly six decades of proven application experience, SGL Group’s PTFE-lined piping systems hold the leading market share in Europe,” said Burkhard Straube, Chairman of the Business Unit Graphite Materials & Systems (GMS) at SGL Group. “This project with SLIC is proof of the great customer value we offer and the huge market potential for our PTFE-lined piping products in China. It also proves our capabilities for providing local technological expertise, engineered solutions and comprehensive services to our customers.”

The liners used in the project are made from SGL Group’s POLYFLURON® PTFE liners, which are paste extruded using a proprietary manufacturing process. This material delivers outstanding chemical resistance, substantial wall thickness and maximum barrier properties against aggressive media. Pipes incorporating the material can be used in highly corrosive applications of chemical industries, with the properties such as high reliability, low permeation rates, easy maintenance and long service lives, helping customers reduce maintenance cost and total costs of ownership.

Proven, reliable POLYFLURON® applications have long been established in chemical plant construction, where the material is used for lining corrosion-sensitive components, among other uses. POLYFLURON® is also employed for other uses in other industries, such as a highly effective plastic insulator in electrical equipment, in expansion joints for applications requiring very high flexural fatigue strength, or when extremely high product purity is needed.

Shanghai Lianheng Isocyanate Co. Ltd. (SLIC) is a leading chemical raw material company invested by BASF, Huntsman, Shanghai Hua Yi (Group) Company, and SINOPEC Shanghai Gaoqiao Company and Shanghai Chlor-Alkali Chemical Co. Ltd. The new recovery facility is an important part of its MDI plant expansion at its site in the Shanghai Chemical Industry Park (SCIP). MDI itself is a precursor in the manufacture of polyurethanes that are used in industries like construction, automotive, appliance, and footwear.

SGL Group – The Carbon Company

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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 40 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 2015, the Company's workforce of around 5,700 employees generated sales of €1,323 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.

Important note:

This press 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.

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