

SGL Group inaugurates carbon fiber precursor line in Portugal

- Successful conversion and enhancement of parts of the acrylic fiber production
- Total investment of 30 million euros
- Value chain for carbon fiber based solutions completed

Wiesbaden/Lavradio, September 15, 2016. SGL Group – The Carbon Company – today celebrates the inauguration of the production line for precursor at its FISIFE site in Lavradio, near Lisbon in Portugal. Precursor is a polymer-based fiber which is used as the main raw material for the production of carbon fibers. The production line has been set up by converting and enhancing parts of the existing production facility in Lavradio.

The build-up has been completed last month following four years of research and development, construction work and qualification procedures. Over this period, in total, 30 million euros have been invested in Lavradio into different elements of the precursor production including the spinning line. As part of the global production network of SGL Group, the precursor from Portugal is being used as of September for the production of our new generation of high-end industrial SIGRAFIL carbon fibers in Moses Lake, Washington State (USA) and Muir of Ord (Scotland). The carbon fibers will then be used in various applications in the automotive, aerospace, as well as in other industries.

Completion of value chain for carbon fiber based solutions

“With the new precursor line at our Lavradio site we now have the complete value chain of high-quality carbon fiber materials available in-house to further support our customers in developing and utilizing innovative lightweight solutions” comments Andreas Wüllner, Chairman of the business unit Composites – Fibers & Materials (CFM) at SGL Group.

SGL Group is a global innovation leader in composites for lightweight design with broad competence for fibers, materials, processes and applications. In order to further increase value for the customers, the business unit currently enhances its activities offering not only materials but also extensive expertise and support to enable customers to optimize the use of fibers and materials for composites. In this context, SGL Group also sets up a new Lightweight and Applications Center (LAC) at its biggest site in Meitingen, Germany to facilitate the product and manufacturing technology development from fibers and materials to component.

Consequent development of Lavradio facility

In addition, the completion of the precursor production line is also a consequent and successful step of further developing the business and set-up of the FISIFE site in Lavradio, Portugal. Having been founded more than 40 years ago, FISIFE has established as a specialist for acrylic fibers. Under the umbrella of SGL Group – which acquired FISIFE in April 2012 – the acrylic fiber business is maintained while the precursor production has been set up.

SGL Group – The Carbon Company

Corporate Communications

Philipp Stieffenhofer (Deputy Spokesperson)

Söhnleinstrasse 8, 65201 Wiesbaden/Germany

Phone +49 611 6029-104, Fax +49 611 6029-101

E-mail: philipp.stieffenhofer@sglgroup.com / www.sglgroup.com

“With around 350 employees in Lavradio and a production site of more than 200,000 qm now also including the new state-of-the-art precursor production line, we are proud to contribute to the further build-up of highly innovative composites and thus help to establish more and more fascinating lightweight solutions around the world. I would like to sincerely thank all colleagues involved in this project for their great support and engagement.” says Stefan Seibel, Managing Director at FISIFE in Lavradio.

Precursor production is part of path forward for SGL Group

The precursor production is part of SGL Group’s path forward towards sustainable profitable growth targeting a 50 percent sales increase until 2020 in the fields of composites and graphite materials and systems. In future, the Company will focus on supporting and accelerating developments linked to the megatrends of mobility, energy, and digitalization.

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.

Media Contact

Philipp Stieffenhofer, Deputy Spokesperson

Phone +49 611 6029-104, Fax +49 611 6029-101

E-mail: philipp.stieffenhofer@sglgroup.com / www.sglgroup.com