

Specialty graphite solutions from SGL group in increasing demand in automotive industry

- 25 million euros to expand production capacities at the Bonn site
- Major order from “Rheinmetall Automotive – Pierburg”

Wiesbaden, January 17, 2018. The demand for solutions based on specialty graphite from SGL group for the automotive industry has grown steadily in recent years. The material enables solutions in applications such as bearings for water pumps and exhaust gas management, rotors and vanes in vacuum pumps or sealing rings for seals – both for vehicles with alternative drives and for standard combustion engines. Here, they play a major role in green driving, increased energy efficiency and lower CO₂ emissions.

Thereby, the projects are developed, tested and implemented in long-term collaboration with customers from all over the world. Due to the increased demand by the automotive industry for solutions and components based on specialty graphite, SGL Group is investing approx. 25 million euros in expanding its production capacities at the Bonn site over four years, including not only new production systems, but also a new hall. Initial measures have already been implemented, with the expansion set to be complete by 2020.

Burkhard Straube, Head of Graphite Materials & Systems (GMS) at SGL Group, says, “By investing in the capacity expansion and state-of-the-art, efficient production systems, we will significantly reinforce our position in the market segment of mobility and strengthen the Bonn site.”

The company was recently commissioned with a major order from “Rheinmetall Automotive – Pierburg”, where SGL Group will supply the centerpiece, rotors and vanes, for generating a vacuum in the EVP 40 for brake booster. The annual order volume is in the low two-digit million euros range.

“We are pleased with the trust Pierburg has placed in us. Our solutions are often used where classic materials reach their limits due to ever more complex requirements. Here, low friction values, temperature resistance and a long service life are crucial,” states Werner Müller, product group director at SGL Group.

To continue presenting its versatile new solutions, SGL Group will attend various industry trade fairs this year, including the AICHEM in Frankfurt am Main, the Japan Automotive Engineering Exhibition (JAEE) in Nagoya and the International Suppliers Fair (IZB) in Wolfsburg.

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 2016 financial year, approx. 4,000 employees generated 769.8 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.sqlgroup.com/press and at www.sqlgroup.com.

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, such as electric steelmaking, 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.

Contact Corporate Communications:

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

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