

Press Release

Wiesbaden, December 4, 2019

SGL Carbon and Hyundai Motor Group agree on major contract for fuel cell components

- New long-term contract will enable a substantial ramp-up of current production and delivery volumes in order to support Hyundai's objectives in the area of fuel cell drive systems
- Supply of SIGRACET® gas diffusion layers for the Hyundai NEXO fuel cell car
- Dr. Michael Majerus, Spokesman of the Board of Management of SGL Carbon: "The extension of the partnership is perfectly aligned to our strategic direction."
- In the medium-term, SGL Carbon plans to more than quintuple its business with fuel cell components to annual sales of approximately 100 million euro

SGL Carbon and the Hyundai Motor Group have agreed on an early extension to the existing supply agreement for fuel cell components. The long-term agreement provides now for a substantial ramp-up of current production and delivery volumes of gas diffusion layers for the NEXO fuel cell car to support Hyundai's objectives in the area of fuel cell drives. The investment required to fulfill this contract will not increase the overall capital expenditure budget of SGL Carbon in the next two years, as the company has reprioritized its investment projects.

"The extension of the partnership with Hyundai is perfectly aligned to our strategic direction. Intelligent solutions in the area of sustainable energy are one of the key growth drivers for our company," explains Dr. Michael Majerus, Spokesman of the Board of Management of SGL Carbon. "Whether used in a drive system in vehicles or as a stationary power supply, the fuel cell is one of the greenest energy technologies around. The market for fuel cells thus offers enormous potential for us."

In the medium-term, SGL Carbon plans to more than quintuple its business with fuel cell components to annual sales of approximately 100 million euro. The company supplies around 200 customers around the world with gas diffusion layers for use in fuel cells. As a result of the growing demand, the company has gradually stepped up production capacity at its plant in Meitingen. Thanks to its technological expertise and experience, SGL Carbon is in a position to manufacture high-quality components for fuel cells on an industrial scale. To further advance the accelerated commercialization, the business with gas diffusion layers (GDL) will be transferred from the central R&D department Central Innovation to the business unit Graphite Materials & Systems (GMS) already in the fourth quarter 2019.

Powered by hydrogen, the fuel cell is one of the cleanest technologies of the future. Hydrogen can be produced in a climate-neutral way using surplus energy from renewable sources. The only waste product after the reaction is water, which can be discharged in the form of water vapor. In the transport sector, the fuel cell offers greater range and a shorter refueling time than battery-powered drive systems. According to market estimates, up to 20 percent of all electric

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vehicles in the world will be powered by fuel cells by 2030. In addition to the transport sector, there are also huge opportunities arising from the stationary use of fuel cells, e.g. as a power supply.

SGL Carbon has been carrying out research and development into components for fuel cells since the 1990s. The gas diffusion layers regulate the flow of gas within the fuel cell and carry water and heat away. They have a significant impact on the power density and the efficiency of the fuel cell. SIGRACET® gas diffusion layers from SGL Carbon were first used as a standard in the Hyundai iX35 in 2012.

About SGL Carbon

SGL Carbon is a technology-based company and world leader in the development and production of carbon-based solutions. Its high-quality materials and products made from specialty graphite and composites are used in industrial sectors that determine the future: automotive, aerospace, solar and wind energy, semiconductor and LEDs as well as in the production of lithium-ion batteries and other energy storage systems. In addition, SGL Carbon develops solutions for chemical and industrial applications.

In 2018, SGL Carbon SE generated sales of around 1 billion euros. The company has approx. 5,100 employees at 31 locations in Europe, North America, and Asia.

Materials, products and solutions from SGL Carbon are embedded in the major topics of the future: sustainable mobility, new energies and cross-industry digitization. Further developments in these areas demand more intelligent, more efficient, networked and sustainable solutions. This is where the entrepreneurial vision of SGL Carbon evolves around: contributing to a smarter world.

Further information on SGL Carbon can be found at www.sglcarbon.com/press.

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 Carbon assumes no obligation and does not intend to adjust or otherwise update these forward-looking statements either.

SGL Carbon SE

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