



Quarterly Statement as of March 31, 2022

Summary Q1 2022

Significant sales growth in Q1 2022 to €270.9 million [+12.2% year-on-year] driven by all business units.

Sales growth supported in particular by continued high orders from the semiconductor and automotive industries, as well as rising orders from other industrial applications and the chemical industry.

Sales growth and sustainable cost reductions from the transformation lead to an 11.5% increase in adjusted EBITDA to €36.8 million. Savings diminished by increased raw material, energy and transport costs.

The equity ratio improved further to 30.6% [year-end: 27.0%]. Net financial debt increases slightly to €215.4 million [+4.4% compared to year-end 2021, -20.7% compared to the end of the prior-year quarter].

Confirmation of 2022 full-year guidance despite continued high uncertainties regarding strained supply chains as well as raw material and energy availability due to the Ukraine war coupled with renewed large-scale corona lockdowns in China.

Financial Highlights Q1 2022

€ million	1st Quarter		
	2022	2021	Change
Sales revenue	270.9	241.5	12.2%
EBITDA pre ¹⁾	36.8	33.0	11.5%
EBITDA pre-margin	13.6%	13.7%	-0.1% points
EBIT	31.2	17.0	83.5%
Consolidated net result (attributable to shareholders of the parent company)	21.4	6.1	>100%
Free cash flow	1.5	25.3	-94.1%

€ million	Mar 31, 22	Dec 31, 21	Change
Total assets	1,383.6	1,376.3	0.5%
Equity (attributable to the shareholders of the parent company)	423.2	371.5	13.9%
Net financial debt	215.4	206.3	4.4%
Return on capital employed (ROCE) ²⁾	8.3%	8.0%	+0.3%-points
Leverage ratio ³⁾	1.5	1.5	-
Equity ratio	30.6%	27.0%	+3.6%-points

Share price in €	1st Quarter 2022	Financial year 2021	Change
High	7.91	10.78	-26.6%
Low	5.04	3.76	34.0%
Closing price at end of period	5.67	7.69	-26.3%

¹⁾ Adjusted for one-off effects and non-recurring items. For more details, please refer to the business development section

²⁾ EBIT pre for the last twelve months to average capital employed (total of goodwill, other intangible assets, property, plant and equipment, investments accounted for At-Equity and working capital)

³⁾ Net financial debt divided by EBITDA pre of the last 12 months

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Interim Group Management Report

Economic Environment

In April, the International Monetary Fund (IMF) revised its global growth forecast for the current year significantly downward to 3.6% [previously: 4.4%]. In particular due to the Ukraine war, the global outlook for the developing and emerging economies deteriorated more sharply (by -1 percentage point to 3.8% compared with the January forecast). The outlook for the advanced industrialized nations was revised downward by -0.6 percentage point to 3.3% growth, a slightly lower rate. In addition to the effects of the Russia-Ukraine conflict, the tightening of central bank monetary policy, the cooling of growth momentum in China and the impact of the Covid-19 pandemic with lower fiscal stimulus are causal factors for the reduced growth outlook.

For the euro zone, the IMF expects economic output to increase by 2.8% in the current year, 1.1 percentage points lower than in its January forecast. For Germany, economic growth of 2.1% - reduced by 1.7 percentage points - is expected compared with the January forecast for 2022. The outlook for economic development in Germany has deteriorated, above all due to the Russian war of aggression against Ukraine. The war is causing additional disruptions on supply chains that are under strain due to the pandemic. In parallel, significantly higher prices for energy (especially natural gas and oil) have had a negative impact on businesses and private consumption. The economic forecast published at the end of March 2022 by the German government's Council of Economic Experts assumes a growth rate of 1.8% for Germany in 2022. Due to Germany's heavy dependence on energy supplies from Russia, a further intensification of the Ukraine conflict entails considerable risks for the already downgraded forecast.

From the IMF's perspective, the risks to the realization of the already downwardly revised growth forecast outweigh the risks also in the global environment.

Basis of Preparation

The accounting policies applied in this quarterly statement are unchanged compared with December 31, 2021.

Income taxes for the 1st quarter of 2022 were calculated during the year on the basis of a forecasted tax rate for the full year in the respective countries, which was applied to the pre-tax earnings of the interim financial statements.

Key Events of the Business Development

Termination of a heritable building right

On March 30, 2022, an agreement on the cancellation of a heritable building right on a non-operational property at the Frankfurt-Griesheim site was concluded with Clariant Produkte (Deutschland) GmbH as owner of the site and a joint project company of Swiss Life Asset Managers and BEOS AG. In addition to the cancellation of the heritable building right, the agreement provides for, among other things, the clearing of the land and the dismantling of the facilities. The Frankfurt-Griesheim site was already decommissioned in 2016.

The termination agreement will result in a positive one-off effect totaling around €27 million in 2022 from the release of provisions and liabilities as well as from the mutual payment obligations, and a cash outflow of around €6 million for the decommissioning of the facilities over the next three to four years. In the first quarter of 2022, the agreement resulted in income of €11.7 million. This amount is the net result of the write-down of the asset value of the leased land of €1.9 million and a release of provisions of €13.6 million that are no longer required. When the leasehold is cancelled by entry in the land register, which is expected to take place in the course of the year, the remaining current lease liability of €15.6 million will be derecognized through profit or loss and a net amount of €1.0 million will be paid out. In return, the previous charge from the leasehold of around €1 million per year will no longer apply.

Status of the transformation

The restructuring and transformation process initiated at the end of 2020 has made a significant contribution to the Group's positive sales and earnings performance. In addition to leaner and more efficient structures and a reorganization of the business units with responsibility for results, a large number of improvement and cost initiatives across all business units have enabled the success of the transformation program, which is still ongoing.

As of March 31, 2022, the vast majority of the planned initiatives have been implemented. The cost savings targets of more than

€100 million per year and the associated reduction of over 500 jobs were already more than achieved by the end of 2021.

Business Development

Group business development

Condensed Consolidated Income Statement

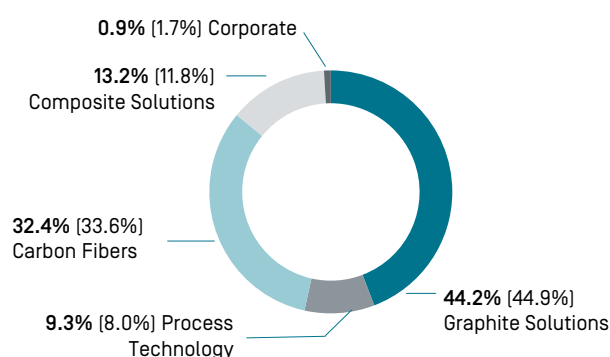
€ million	1st Quarter		
	2022	2021	Change
Sales revenue	270.9	241.5	12.2%
Cost of sales	-214.8	-187.4	14.6%
Gross profit	56.1	54.1	3.7%
Selling, administrative and R&D expenses	-40.2	-41.9	-4.1%
Other operating income/expenses	2.6	2.5	4.0%
Result from investments accounted for At-Equity	4.2	4.5	-6.7%
EBIT pre	22.7	19.2	18.2%
One-off effects/Non-recurring items	8.5	-2.2	-
EBIT	31.2	17.0	83.5%

SGL Carbon generated sales revenue of €270.9 million in Q1 2022 (Q1 2021: €241.5 million). This corresponds to an increase of €29.4 million or 12.2% compared to the previous year period (9.1% adjusted for currency effects). The impact of the war in Ukraine, which has been ongoing since the end of February 2022, had little effect on SGL Carbon's sales development in Q1. Annual sales revenue with customers from Russia, Belarus and Ukraine amounted to less than 1% of total sales in the past.

The breakdown of sales revenue by business units remained almost constant compared to the prior-year quarter. The business unit Graphite Solutions with 44.2% and Carbon Fibers with

32.4% accounted for the largest share of sales revenue. Composite Solutions and Process Technology each contributed 13.2% and 9.3% respectively to sales revenue. Corporate sales decreased to 0.9%.

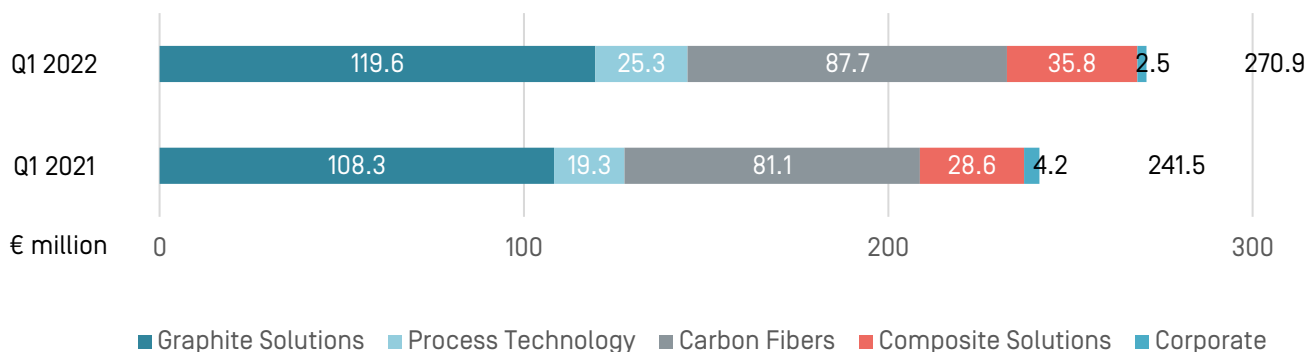
Group sales by reporting segments Q1 2022 (Q1 2021)



In the first three months of fiscal 2022, all operating business units increased their sales revenue: Graphite Solutions (+€11.3 million), Carbon Fibers (+€6.6 million), Composite Solutions (+€7.2 million) and Process Technology (+€6.0 million).

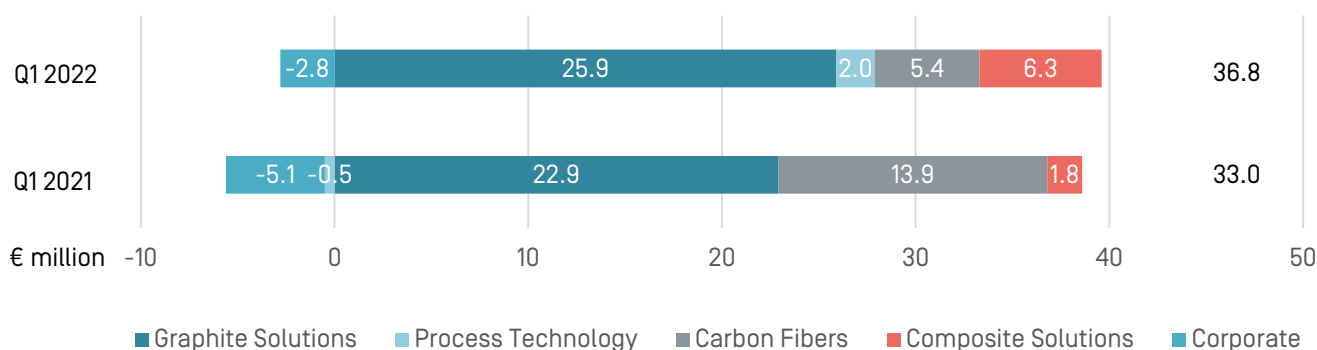
In particular, sales revenue to customers in the automotive and semiconductor industries and a significant recovery in the industrial applications market segment were key factors in the positive order and sales development. The Process Technology business unit's sales revenue to customers in the chemical industry were also encouraging, rising by 31.1% to €25.3 million and thus exceeded our expectations. A detailed presentation of the sales development of the individual business units can be found in the segment reporting.

Group sales development



Earnings situation of the Group

Results development – EBITDA pre



Despite the increasingly difficult market environment in the course of the first quarter of 2022, associated with supply-related production stoppages at our customers, partially interrupted transport routes, and significantly higher energy prices, the earnings situation of SGL Carbon improved further compared to the prior-year period. While adjusted EBITDA (EBITDA pre) was €33.0 million in Q1 2021, it rose by 11.5% to €36.8 million in the reporting period. Increased demand in almost all business units, higher capacity utilization and product mix effects contributed to the improvement in earnings, as did

the cost savings achieved from the transformation initiated at the end of 2020. From the end of February 2022, increased raw material, energy and logistics costs in particular had a negative impact on earnings. Price increases could not be fully passed on to customers during the quarter via price increase initiatives. The Carbon Fibers business unit was particularly affected by the energy price developments. A one-time effect on earnings in the amount of €9.2 million in connection with

energy derivatives burdened this business unit in Q1 2022. Overall, approximately 85% of the energy requirements of the entire SGL Carbon for fiscal year 2022 are covered by price hedges.

The trends presented are also reflected in the Group's income statement:

- Cost of sales increased by 14.6% and thus overproportionately to the increase in sales, mainly due to higher energy costs. The gross margin decreased accordingly from 22.4% to 20.7% in the comparison of the first three months.
- The 4.1% reduction in selling, administrative and R&D costs to €40.2 million clearly demonstrates the success of strict cost management. In this context, selling expenses were burdened by significantly increased distribution costs in Q1 2022.
- The result from investments accounted for At-Equity decreased slightly to €4.2 million (Q1 2021: €4.5 million).

The reconciliation from adjusted EBITDA to EBIT is shown in the following table:

€ million	1st Quarter		
	2022	2021	Change
EBITDA pre	36.8	33.0	11.5%
Depreciation and amortization of fixed assets	-14.1	-13.8	2.2%
EBIT pre	22.7	19.2	18.2%
One-off effects/Non-recurring items	8.5	-2.2	-
EBIT	31.2	17.0	83.5%

Positive effects not included in adjusted EBITDA or adjusted EBIT amounted to a net total of €8.5 million. This mainly includes income of €11.7 million from the signed agreement on the cancellation of a heritable building right at the Frankfurt-Griesheim site. Amortization on identified assets and liabilities from the purchase price allocations of the SGL Composites companies of €2.6 million and additional restructuring expenses of €0.2 million had a negative impact. In the prior-year period, one-off effects and non-recurring items of minus €2.2 million were incurred.

EBIT increased significantly to €31.2 million in Q1 2022 due to the positive one-off effect mentioned above, compared with €17.0 million in the prior-year period.

Financial result

€ million	1st Quarter		
	2022	2021	Change
Interest income	0.2	0.1	100.0%
Interest on financial liabilities and other interest expense	-4.4	-4.5	-2.2%
Imputed interest convertible bond	-0.8	-0.7	14.3%
Imputed interest on lease liabilities and other financial liabilities	-0.4	-0.4	0.0%
Interest component of additions to provisions for pensions	-0.7	-0.6	16.7%
Interest expense, net	-6.1	-6.1	0.0%
Amortization of refinancing costs	-0.6	-0.8	-25.0%
Foreign currency valuation of intercompany loans	-0.3	0.5	-
Other financial expenses	-0.5	0.0	-
Other financial result	-1.4	-0.3	>100%
Financial result	-7.5	-6.4	17.2%

Financial result amounted to minus €7.5 million in the first quarter of 2022, a decrease of 17.2% compared with the prior-year period. This resulted from the lower other financial result of minus €1.4 million (Q1 2021: minus €0.3 million) due to the foreign currency valuation of intercompany loans. Net interest expense remained constant at minus €6.1 million.

Condensed Consolidated Income Statement (continued)

€ million	1st Quarter		
	2022	2021	Change
EBIT	31.2	17.0	83.5%
Financial result	-7.5	-6.4	17.2%
Result before income taxes	23.7	10.6	>100%
Income tax expense	-2.2	-4.4	-50.0%
Net result for the period	21.5	6.2	>100%
Attributable to:			
Non-controlling interests	0.1	0.1	0.0%
Consolidated net result (attributable to shareholders of the parent company)	21.4	6.1	>100%
Earnings per share - basic and diluted (in €)	0.18	0.05	>100%

Result before income taxes and net result

Due to the significantly higher EBIT, result before income taxes increased from €10.6 million in the prior-year period to €23.7 million. Income tax expense amounted to €2.2 million (Q1 2021: €4.4 million) and was determined for Q1 2022 on the basis of an estimate of the weighted average annual income tax rate in the respective countries, which was applied to the pre-tax result for the interim period.

After taxes, the consolidated net result for the reporting period was positive at €21.4 million, compared to €6.1 million in the prior-year period. Accordingly, an increased positive earnings per share of €0.18 is reported for Q1 2022 (Q1 2021: €0.05).

Balance sheet structure

ASSETS € million	Mar 31, 22	Dec 31, 21	Change
Non-current assets	670.3	666.6	0.6%
Current assets	713.3	709.7	0.5%
Total assets	1,383.6	1,376.3	0.5%
EQUITY AND LIABILITIES € million			
Equity attributable to the shareholders of the parent company	423.2	371.5	13.9%
Non-controlling interests	9.4	9.3	1.1%
Total equity	432.6	380.8	13.6%
Non-current liabilities	676.7	742.3	-8.8%
Current liabilities	274.3	253.2	8.3%
Total equity and liabilities	1,383.6	1,376.3	0.5%

Total assets increased slightly by €7.3 million or 0.5% to €1,383.6 million as of March 31, 2022, compared to December 31, 2021. The slight increase resulted from the €11.8 million increase in investments accounted for At-Equity and from the change in current assets (+€3.6 million), especially inventories (+€21.1 million). The decrease in trade receivables and contract assets [-€8.9 million] and in cash and cash equivalents [-€10.4 million] had an opposite effect. In addition, currency effects, in particular from the stronger US dollar, contributed €6.8 million to an increase of balance sheet items.

The significant decrease in non-current liabilities of €65.6 million is mainly due to a signed agreement on the cancellation of an existing heritable building right on a non-operational property at the Frankfurt-Griesheim site, which led to a reduction in other provisions of €29.3 million and a reclassification of other financial liabilities in the amount of €15.6 million to current liabilities. In addition, pension provisions decreased by €19.8 million to €227.3 million as a result of an increase in the pension discount rates. The increase of €21.1 million in current liabilities is mainly due to the increase of €11.6 million in trade payables and contract liabilities and of €11.3 million in other current financial liabilities. The heritable building right of €15.6 million previously reported under non-current liabilities is now classified as a current lease liability, as this item will be derecognized in profit or loss in the further course of the financial year following the legal transfer.

Working Capital

€ million	Mar 31, 22	Dec 31, 21	Change
Inventories	294.9	273.8	7.7%
Trade receivables and contract assets	173.7	182.6	-4.9%
Trade payables and contract liabilities	-126.8	-115.2	10.1%
Working Capital	341.8	341.2	0.2%

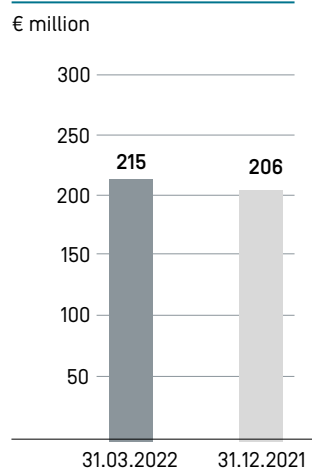
Working capital was virtually unchanged at €341.8 million (+0.2%) as of March 31, 2022. Changes resulted in particular from the increase in inventories (+€21.1 million), which was offset by an increase in trade payables and contract liabilities (+€11.6 million) and a decrease in trade receivables and contract assets (-€8.9 million).

Increase in equity

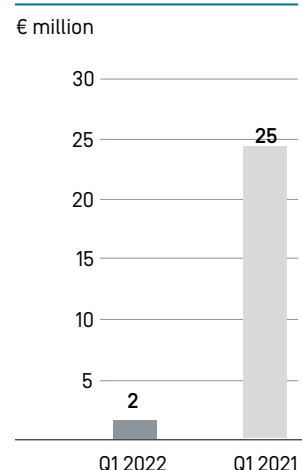
As of March 31, 2022, equity attributable to shareholders of the parent company increased by €51.7 million (+13.9%) to €423.2 million (December 31, 2021: €371.5 million). In addition to the consolidated net income of €21.4 million, the increase is attributable to actuarial gains from the higher pension interest rate level and positive translation effects from the stronger US dollar. As a result, the equity ratio increased to 30.6% as of March 31 (December 31, 2021: 27.0%) and is thus above the target value of ≥ 30% for the first time in three years.

Net financial debt / free cash flow

Net financial debt



Free Cashflow



€ million	Mar 31, 22	Dec 31, 21	Change
Carrying amount of current and non-current financial liabilities	418.4	418.4	0.0%
Remaining imputed interest for the convertible bond	4.0	4.8	-16.7%
Accrued refinancing cost	3.5	4.0	-12.5%
Financial debt	425.9	427.2	-0.3%
Cash and cash equivalents	210.5	220.9	-4.7%
Net financial debt	215.4	206.3	4.4%

SGL Carbon's net financial debt increased by €9.1 million (+4.4%) to €215.4 million as of March 31, 2022. The main reason for this development was the decrease in cash and cash equivalents by €10.4 million. This is based on the significantly lower free cash flow of €1.5 million compared to the prior-year quarter, less interest payments of €8.7 million and lease payments of €2.3 million.

€ million	1st Quarter	
	2022	2021
EBIT	31.2	17.0
Depreciation and amortization of fixed assets	14.1	13.8
Changes in working capital	3.8	-6.1
Changes in provisions	-23.7	10.0
Miscellaneous items	-16.9	-3.1
Cash flow from operating activities	8.5	31.6
Payments to purchase intangible assets and property, plant & equipment	-7.0	-6.9
Proceeds from the sale of intangible assets and property, plant & equipment	0.0	0.6
Cash flow from investing activities	-7.0	-6.3
Free cash flow	1.5	25.3

Cash flow from operating activities reflects the positive operating earnings performance in the first three months of 2022, but was impacted in Q1 2022 compared to the prior-year quarter by a significantly higher payment for variable compensation due to the high level of target achievement in the past fiscal year 2021, and decreased accordingly by €23.1 million to €8.5 million.

Cash flow from investing activities changed from minus €6.3 million of the previous year period to minus €7.0 million in the reporting period, mainly due to the proceeds from the sale of fixed assets amounting to €0.6 million included in the prior-year quarter.

Despite the positive business performance, free cash flow decreased significantly by €23.8 million to €1.5 million (Q1 2021: €25.3 million) due to the above-mentioned effects.

Employees

In line with the streamlining of the corporate structure and processes initiated in the transformation process, the number of employees was reduced to 4,669 in the 1st quarter 2022.

Headcount	Mar 31, 22	Dec 31, 21	Change
Graphite Solutions	2,462	2,444	0.7%
Process Technology	514	531	-3.2%
Carbon Fibers	1,139	1,108	2.8%
Composite Solutions	419	416	0.7%
Corporate	135	181	-25.4%
Total SGL Carbon	4,669	4,680	-0.2%

Headcount	Mar 31, 22	Dec 31, 21	Change
Germany	2,065	2,092	-1.3%
Europe excluding Germany	1,326	1,318	0.6%
USA	751	750	0.1%
Asia	527	520	1.3%
Total SGL Carbon	4,669	4,680	-0.2%

Segment Reporting

Reporting segment Graphite Solutions (GS)

€ million	1st Quarter		
	2022	2021	Change
Sales revenue	119.6	108.3	10.4%
EBITDA pre	25.9	22.9	13.1%
EBITDA pre-margin	21.7%	21.1%	+0.6% points
EBIT	19.0	18.3	3.8%

The business unit **Graphite Solutions** generated sales of €119.6 million in Q1 2022 and confirmed its stable upward trend with a sales increase of 10.4% compared to the same quarter of the previous year (Q1 2021: €108.3 million). The increase in sales is based in particular on the positive development of the important Semiconductor & LED market segment, which accounts for around one third of the business unit's total sales. Compared to the prior-year quarter, sales to customers in the semiconductor & LED industry increased by around 50%. Sales from industrial applications and chemicals also increased strongly by around +40% and 30%, respectively. Order intake in

Q1 2022 underpins the continued positive development prospects for the business unit Graphite Solutions.

Due to the increase in sales, combined with higher capacity utilization and favorable changes in the product mix, adjusted EBITDA for the GS business unit increased by 13.1% to €25.9 million (Q1 2021: €22.9 million). The adjusted EBITDA margin improved slightly from 21.1% to 21.7%. By contrast, price increases in raw material and energy purchasing impacted earnings at GS, but were largely offset by price adjustments at our customers and the cost savings from the transformation.

Reporting segment Process Technology (PT)

€ million	1st Quarter		
	2022	2021	Change
Sales revenue	25.3	19.3	31.1%
EBITDA pre	2.0	-0.5	-
EBITDA pre-margin	7.9%	-2.6%	+10.5% points
EBIT	1.6	-0.9	-

In previous months we reported on the increased order intake in the **Process Technology** business unit. The chemical industry is the unit's most important customer segment. Although the recovery in sales was still lacking in the previous months due to the long order processing times in this unit, PT reported a 31.1% increase in sales in the 1st quarter of 2022. Accordingly, sales increased from €19.3 million to €25.3 million in the first three months of 2022.

Despite partly higher prices for raw materials, especially steel, the adjusted EBITDA of the PT business unit improved significantly. Following negative adjusted EBITDA in the prior-year quarter, PT achieved adjusted EBITDA of €2.0 million in the first three months of the current fiscal year. In particular, the increased capacity utilization, combined with the savings effects from the transformation, led to this pleasing earnings development. Furthermore, a large part of the price increases for raw materials, energy, transport and logistics could be passed on to customers.

Reporting segment Carbon Fibers (CF)

€ million	1st Quarter		
	2022	2021	Change
Sales revenue	87.7	81.1	8.1%
EBITDA pre	5.4	13.9	-61.2%
EBITDA pre-margin	6.2%	17.1%	-10.9% points
EBIT	-1.0	7.6	-

In the first three months of the current fiscal year, sales of the **Carbon Fibers** business unit increased by 8.1% to €87.7 million (Q1 2021: €81.1 million).

The most important industrial sector of the business unit is the automotive industry with a share of around 44% of CF's total sales. As in previous quarters, sales to automotive customers continued to increase in Q1 2022 (+11.8%). Sales to customers in the Industrial Applications segment also developed well, with a strong increase in sales of 32.0%.

By contrast, sales from wind energy failed to realize their full potential and remained virtually unchanged from the previous year, as existing capacities were largely utilized by higher-margin orders from automotive customers. However, we expect a significant increase in sales from this customer segment in the course of the year. The expiry of a contract with an automotive customer is to be compensated for as planned by customer orders from the fast-growing wind industry, utilizing freed-up production capacities.

Due to a special effect from energy derivatives amounting to €9.2 million, adjusted EBITDA in the CF business unit decreased from €13.9 million to €5.4 million in a quarter-on-quarter comparison. The production of carbon fibers is energy intensive. Since the start of the war in Ukraine at the end of February 2022, uncertainty on the gas and energy markets has increased significantly. This has resulted in volatile price developments, especially in Europe. For this business unit, almost the entire energy requirements for fiscal 2022 are price secured.

In addition, higher raw material prices, particularly for acrylonitrile, and rising transport costs adversely affected the earnings situation of the CF unit. However, a large part of the increased manufacturing costs caused by the price increases could be passed on to customers. Due to the successfully implemented pricing initiatives at customers and the cost savings from the transformation, adjusted EBITDA of CF would

have been at least at the level of the prior-year quarter without the one-time charges from the energy hedging transactions.

Reporting segment Composite Solutions (CS)

€ million	1st Quarter		
	2022	2021	Change
Sales revenue	35.8	28.6	25.2%
EBITDA pre	6.3	1.8	>100%
EBITDA pre-margin	17.6%	6.3%	+11.3% points
EBIT	4.7	0.3	>100%

The **Composite Solutions** business unit confirmed the upward trend it started in 2021 with sales of €35.8 million, an increase of 25.2% compared to the prior-year quarter.

Around 80% of CS's sales are generated with customers in the automotive industry. Demand from our automotive customers in Q1 2022 was not yet affected by supply bottlenecks caused by the war in Ukraine, therefore sales to automotive customers made a significant contribution to the increase in CS sales in Q1 2022, rising by €5.7 million or 23.8%.

In line with the encouraging business performance, CS achieved a significant improvement in earnings. Adjusted EBITDA increased quarter-on-quarter from €1.8 million to €6.3 million. The adjusted EBITDA margin increased accordingly from 6.3% to 17.6%. In addition to strong revenue growth in all product lines, partly due to the ramp-up of new customer contracts concluded in 2020, increased capacity utilization and cost savings from the transformation program contributed to this pleasing earnings performance. In addition, adjusted EBITDA in the 1st quarter of 2022 was positively impacted by compensations received from automotive customers for early project terminations in the amount of €2.4 million. It should also be noted that the 1st quarter of the prior year was impacted by the effects of the Corona pandemic.

Reporting segment Corporate

€ million	1st Quarter		
	2022	2021	Change
Sales revenue	2.5	4.2	-40.5%
EBITDA pre	-2.8	-5.1	-45.1%
EBIT	6.9	-8.3	-

As expected, revenue in the **Corporate** reporting segment was down year-on-year in the quarter under review. The sale of real estate in the previous year, which resulted in the loss of rental income, and lower income from services were the reasons for the decline in sales to €2.5 million (Q1 2021: €4.2 million).

Despite lower revenues, adjusted EBITDA improved from minus €5.1 million in Q1 of the previous year to minus €2.8 million. This development is attributable in particular to lower administrative costs.

Opportunities and Risks

With regard to existing opportunities and risks, we refer to the detailed statements made in the Annual Report 2021. There we referred among other things to the risks arising from the possible impact of the war in Ukraine on the economic environment and our business activities.

High risks remain in the area of commodity and energy markets, both in terms of significantly rising costs and their availability. As a result of the ongoing war in Ukraine, coupled with a continuing zero-covid policy in China, which has again led to large-scale lockdowns in 2022, increasing supply bottlenecks and further price increases for raw materials, energy, transport and logistics are possible in the course of the year. If the Ukraine war leads to an energy embargo on oil and gas supplies from Russia, this could lead to supply bottlenecks in Europe with currently unforeseeable consequences for our business development.

Based on the information currently available, we do not believe that there are any significant individual risks neither at present nor in the foreseeable future that could jeopardize the Company as a going concern. Even the cumulative view of the current individual risks does not jeopardize the continued existence of SGL Carbon.

Outlook

The revenue and earnings figures for the 1st quarter of 2022 confirm the stable demand from our market segments. In particular, orders with customers in the semiconductor and LED industries characterized the increase in sales in the first three months. Price increases and volatility in the availability of raw materials, transportation services and energy were largely offset by savings from the transformation program and pricing initiatives at our customers.

We expect commodity and energy prices to remain volatile in 2022 and to be significantly higher overall than in 2021. To ensure our production and supply capability, we have hedged a large part of our expected electricity and gas requirements for 2022 through price hedging transactions. We also use our global network of suppliers to offset volatility in the availability of raw materials and services. We have incorporated the increase in factor costs expected at the time of planning into our forecast for 2022. Nevertheless, uncertainties remain as to the extent and duration to which we and our customers will be affected by the impact of the war in Ukraine throughout the year. Therefore, our outlook for fiscal 2022 does not include supply interruptions or production stoppages at our customers that cannot be estimated at present, nor the impact of a possible energy embargo.

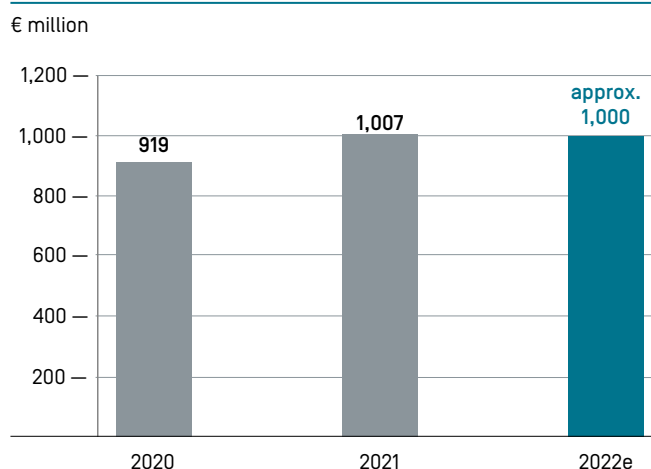
Our forecast also implies that factor cost increases can be passed on to our customers at least in part through pricing initiatives. We also included the impact on sales and earnings of the expiry of a supply contract with a major automotive manufacturer at the end of June 2022 in our forecast for fiscal 2022 in March 2022. The production capacities previously used for this contract are to be used in particular for orders from the wind power industry. However, we do not expect these orders to show the profitability of the expiring contract.

Due to the reasons described, we do not currently expect the business performance of the 1st quarter to be representative for the rest of the fiscal year. In line with the comments made above, we confirm the sales and earnings forecast for fiscal 2022 issued on March 24, 2022.

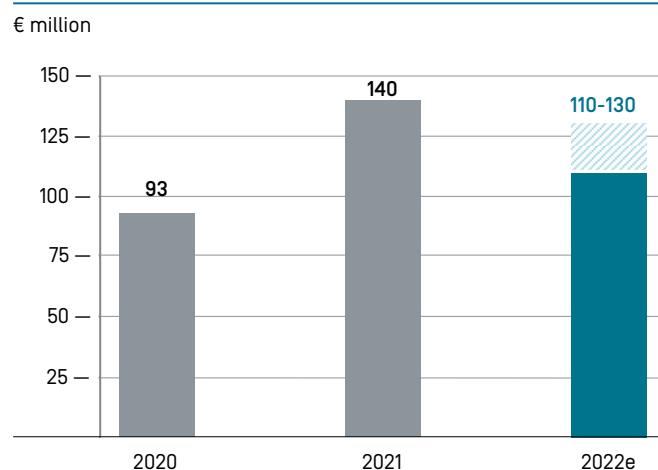
For the financial year 2022, the company expects consolidated net sales to be at the level of the previous year. Furthermore, adjusted EBITDA is expected to be between €110 - 130 million. Taking into account depreciation and amortization, adjusted EBIT is forecast to be between €50 - 70 million. We also expect

free cash flow at the end of the fiscal year 2022 to be significantly below the prior-year level. With regard to return on capital employed, we expect ROCE to be between 5% and 7%.

Outlook - Sales



Outlook - EBITDA adjusted



Wiesbaden, May 5, 2022

SGL Carbon SE

The Board of Management

Dr. Torsten Derr

Thomas Dippold

Consolidated Financial Statements

Consolidated Income Statement

€ million	1st Quarter		
	2022	2021	Change
Sales revenue	270.9	241.5	12.2%
Cost of sales	-217.4	-190.0	14.4%
Gross profit	53.5	51.5	3.9%
Selling expenses	-24.5	-23.0	6.5%
Research and development costs	-7.6	-7.9	-3.8%
General and administrative expenses	-8.1	-11.0	-26.4%
Other operating income	3.8	7.0	-45.7%
Other operating expenses	-1.6	-2.5	-36.0%
Result from investments accounted for At-Equity	4.2	4.5	-6.7%
Restructuring expenses	11.5	-1.6	-
Operating profit/loss	31.2	17.0	83.5%
Interest income	0.2	0.1	100.0%
Interest expense	-6.3	-6.2	1.6%
Other financial result	-1.4	-0.3	>100%
Result before income taxes	23.7	10.6	>100%
Income tax expense	-2.2	-4.4	-50.0%
Net result for the period	21.5	6.2	>100%
Thereof attributable to:			
Non-controlling interests	0.1	0.1	0.0%
Consolidated net result (attributable to shareholders of the parent company)	21.4	6.1	>100%
Earnings per share, basic and diluted, (in€)	0.18	0.05	>100%

Consolidated Statement of Comprehensive Income

€ million	1st Quarter	
	2022	2021
Net result for the period	21.5	6.2
Items that may be reclassified subsequently to profit or loss		
Share of investments accounted for at-equity in other comprehensive income	7.7	
Cash flow hedges	-0.8	-0.3
Currency translation	5.4	12.6
Items that will not be reclassified subsequently to profit or loss		
Actuarial gains/losses on pensions and similar obligations	18.0	31.2
Other comprehensive income	30.3	43.5
Comprehensive income	51.8	49.7
Thereof attributable to:		
Non-controlling interests	0.2	0.3
Consolidated net result (attributable to shareholders of the parent company)	51.6	49.4

Consolidated Balance Sheet

ASSETS € million	Mar 31, 22	Dec 31, 21	Change
Goodwill	22.4	22.1	1.4%
Other intangible assets	18.3	20.5	-10.7%
Property, plant and equipment	552.8	558.3	-1.0%
Investments accounted for At-Equity	66.3	54.5	21.7%
Other non-current assets	6.2	6.6	-6.1%
Deferred tax assets	4.3	4.6	-6.5%
Total non-current assets	670.3	666.6	0.6%
Inventories	294.9	273.8	7.7%
Trade receivables and contract assets	173.7	182.6	-4.9%
Other receivables and other assets	34.2	32.4	5.6%
Cash and cash equivalents	210.5	220.9	-4.7%
Total current assets	713.3	709.7	0.5%
Total assets	1,383.6	1,376.3	0.5%

EQUITY AND LIABILITIES € million	Mar 31, 22	Dec 31, 21	Change
Issued capital	313.2	313.2	0.0%
Capital reserves	1,041.5	1,041.5	0.0%
Accumulated losses	-931.5	-983.2	-5.3%
Equity attributable to the shareholders of the parent company	423.2	371.5	13.9%
Non-controlling interests	9.4	9.3	1.1%
Total equity	432.6	380.8	13.6%
Provisions for pensions and similar employee benefits	227.3	247.1	-8.0%
Other provisions	13.9	43.4	-68.0%
Interest-bearing loans	413.7	413.7	0.0%
Other financial liabilities	15.7	32.0	-50.9%
Other liabilities	4.6	4.6	0.0%
Deferred tax liabilities	1.5	1.5	0.0%
Total non-current liabilities	676.7	742.3	-8.8%
Other provisions	80.9	85.8	-5.7%
Current portion of interest-bearing loans	4.7	4.7	0.0%
Trade payables and contract liabilities	126.8	115.2	10.1%
Other financial liabilities	25.0	13.7	82.5%
Other liabilities	36.9	33.8	9.2%
Total current liabilities	274.3	253.2	8.3%
Total equity and liabilities	1,383.6	1,376.3	0.5%

Consolidated Cash Flow Statement

€ million	1st Quarter	
	2022	2021
Result before income taxes	23.7	10.6
Adjustments to reconcile the result to cash flow from operating activities:		
Interest expense (net)	6.1	6.1
Depreciation/amortization expense	16.7	16.5
Changes in net working capital		
Inventories	-24.8	6.4
Trade receivables	17.6	-30.9
Trade payables	11.0	18.4
Changes in the value of contract assets (IFRS 15)	-2.8	5.0
Restructuring expenses	-11.5	1.6
Result from investments accounted for At-Equity	-4.2	-4.5
Amortization of refinancing costs	0.6	0.8
Changes in provisions, net	-23.7	10.0
Income taxes paid	-3.7	-2.0
Changes in other operating assets/liabilities	3.5	-6.4
Cash flow from operating activities	8.5	31.6
Payments to purchase intangible assets and property, plant & equipment	-7.0	-6.9
Proceeds from the sale of intangible assets and property, plant & equipment	0.0	0.6
Cash flow from investing activities	-7.0	-6.3
Proceeds from issuance of financial liabilities	0.0	13.0
Repayment of financial liabilities	-1.2	-1.1
Redemption payments for lease liabilities	-2.3	-2.0
Interest paid	-8.7	-8.9
Cash flow from financing activities	-12.2	1.0
Effect of foreign exchange rate changes	0.3	0.5
Net change in cash and cash equivalents	-10.4	26.8
Cash and cash equivalents at beginning of period	220.9	141.8
Cash and cash equivalents at end of period	210.5	168.6

Condensed Consolidated Statement of Changes in Equity

€ million	1st Quarter 2022		
	Equity attributable to the shareholders of the parent company	Non-controlling interests	Total equity
Balance at December 31	371.5	9.3	380.8
Net result for the period	21.4	0.1	21.5
Other comprehensive income	30.3		30.3
Comprehensive income	51.7	0.1	51.8
Balance at March 31	423.2	9.4	432.6

€ million	1st Quarter 2021		
	Equity attributable to the shareholders of the parent company	Non-controlling interests	Total equity
Balance at December 31	220.7	12.2	232.9
Net result for the period	6.1	0.1	6.2
Other comprehensive income	43.3	0.2	43.5
Comprehensive income	49.4	0.3	49.7
Balance at March 31	270.1	12.5	282.6

Segment Information

€ million	Graphite Solutions	Process Technology	Carbon Fibers	Composite Solutions	Corporate	SGL Carbon
1st Quarter 2022						
Sales revenue by customer industry						
Mobility	11.2		40.8	32.8	2.5	87.3
Energy	18.1		15.5			33.6
Industrial Applications	41.4		13.6	3.0	0.0	58.0
Chemicals	8.0	25.3				33.3
Digitization	40.9					40.9
Textile Fibers			17.8			17.8
Total sales revenue	119.6	25.3	87.7	35.8	2.5	270.9
EBITDA pre ¹⁾	25.9	2.0	5.4	6.3	-2.8	36.8
Amortization/depreciation on intangible assets and property, plant and equipment	6.9	0.4	4.0	1.3	1.5	14.1
EBIT pre	19.0	1.6	1.4	5.0	-4.3	22.7
One-off effects/Non-recurring items	0.0	0.0	-2.4	-0.3	11.2	8.5
Operating profit/loss (EBIT)	19.0	1.6	-1.0	4.7	6.9	31.2
Capital expenditure ²⁾	4.0	0.0	1.2	0.9	0.9	7.0
Result from investments accounted for At-Equity			4.2		-	4.2
Working Capital ³⁾	217.4	27.2	115.1	39.0	-56.9	341.8

€ million	Graphite Solutions	Process Technology	Carbon Fibers	Composite Solutions	Corporate	SGL Carbon
1st Quarter 2021						
Sales revenue by customer industry						
Mobility	14.6		36.1	26.7	2.2	79.6
Energy	31.8		15.7			47.5
Industrial Applications	29.3		10.3	1.9	2.0	43.5
Chemicals	6.0	19.3				25.3
Digitization	26.6					26.6
Textile Fibers			19.0			19.0
Total sales revenue	108.3	19.3	81.1	28.6	4.2	241.5
EBITDA pre ¹⁾	22.9	-0.5	13.9	1.8	-5.1	33.0
Amortization/depreciation on intangible assets and property, plant and equipment	6.6	0.4	4.1	1.3	1.4	13.8
EBIT pre	16.3	-0.9	9.8	0.5	-6.5	19.2
One-off effects/Non-recurring items	2.0	0.0	-2.2	-0.2	-1.8	-2.2
EBIT	18.3	-0.9	7.6	0.3	-8.3	17.0
Capital expenditure ²⁾	3.8	0.0	0.7	1.9	0.5	6.9
Result from investments accounted for At-Equity			4.5		-	4.5
Working Capital (31.12.) ³⁾	197.7	26.5	115.1	34.4	-32.5	341.2

¹⁾ Q1 2022 adjusted for income from restructuring of €11.5 million, the carryforward of the purchase price allocations of the SGL Composites companies totaling minus €2.6 million and external consultant fees of minus €0.4 million. Q1 2021 adjusted for insurance benefits of €2.0 million, the carryforward of the purchase price allocations of the SGL Composites companies totaling minus €2.6 million and restructuring expenses of minus €1.6 million

²⁾ Defined as total of capital expenditures in other intangible assets and property, plant and equipment

³⁾ Defined as sum of inventories, trade receivables and contract assets less trade payables and contract liabilities

Subsequent events

In April 2022, SGL Carbon acquired convertible bonds with a total nominal amount of €15.8 million before maturity below par.

Also in April 2022, the rating agency Moody's upgraded SGL Carbon SE's corporate family rating to B3 from Caa1. The upgrade of SGL Carbon to B3 reflects significant improvements in the company's liquidity profile over the last 12 months, solid trading performance in 2021, and expectations for SGL Carbon to maintain credit metrics commensurate with a B3 rating also over the next 12 to 18 months.

Other Information

Quarterly Sales Revenue and EBITDA pre by Reporting Segment

€ million	2021					2022
	Q1	Q2	Q3	Q4	Full Year	Q1
Sales revenue						
Graphite Solutions	108.3	112.9	111.5	110.9	443.6	119.6
Process Technology	19.3	21.5	21.3	25.1	87.2	25.3
Carbon Fibers	81.1	85.3	78.3	92.5	337.2	87.7
Composite Solutions	28.6	31.6	31.9	30.4	122.5	35.8
Corporate	4.2	3.9	3.8	4.6	16.5	2.5
SGL Carbon	241.5	255.2	246.8	263.5	1,007.0	270.9

€ million	2021					2022
	Q1	Q2	Q3	Q4	Full Year	Q1
EBITDA pre						
Graphite Solutions	22.9	21.1	23.5	20.4	87.9	25.9
Process Technology	-0.5	0.6	1.3	3.3	4.7	2.0
Carbon Fibers	13.9	18.5	11.4	10.7	54.5	5.4
Composite Solutions	1.8	3.9	3.4	3.0	12.1	6.3
Corporate	-5.1	-5.4	-2.8	-5.9	-19.2	-2.8
SGL Carbon	33.0	38.7	36.8	31.5	140.0	36.8

Quarterly Consolidated Income Statement

€ million	2021					2022
	Q1	Q2	Q3	Q4	Full Year	Q1
Sales revenue	241.5	255.2	246.8	263.5	1,007.0	270.9
Cost of sales	-187.4	-194.1	-187.6	-215.0	-784.1	-214.8
Gross profit	54.1	61.1	59.2	48.5	222.9	56.1
Selling, administrative, R&D and other operating income/expense	-39.4	-40.7	-41.4	-38.7	-160.2	-37.6
Result from investments accounted for At-Equity	4.5	3.9	4.3	4.3	17.0	4.2
EBIT pre	19.2	24.3	22.1	14.1	79.7	22.7
One-off effects/Purchase price allocation effects/Impairment losses	-0.6	0.8	13.9	16.4	30.5	-3.0
Restructuring expenses	-1.6	-3.8	-2.5	8.1	0.2	11.5
EBIT	17.0	21.3	33.5	38.6	110.4	31.2
Financial result	-6.4	-7.6	-7.5	-6.8	-28.3	-7.5
Result before income taxes	10.6	13.7	26.0	31.8	82.1	23.7
Income tax expense	-4.4	-1.8	-1.1	1.1	-6.2	-2.2
Net result for the period	6.2	11.9	24.9	32.9	75.9	21.5
Thereof attributable to:						
Non-controlling interests	0.1	0.1	0.2	0.1	0.5	0.1
Consolidated net result (attributable to shareholders of the parent company)	6.1	11.8	24.7	32.8	75.4	21.4

Financial Calendar 2022

May 17, 2022

- Annual General Meeting

August 4, 2022

- Report on the First Half Year 2022
- Conference call for investors and analysts

November 3, 2022

- Statement on the First Nine Months 2022
- Conference call for investors and analysts

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Important Note

This interim report contains statements relating to certain projections and business trends that are forward-looking, including statements with respect to SGL Carbon's outlook and business development, including developments in SGL Carbon's Graphite Solutions (GS), Process Technology (PT), Carbon Fibers (CF) and Composite Solutions (CS) businesses, expected customer demand, expected industry trends and expected trends in the business environment, statements related to SGL Carbon's cost savings programs. You can generally identify these statements by the use of words like "may", "will", "could", "should", "project", "believe", "anticipate", "expect", "plan", "estimate", "forecast", "potential", "intend", "continue" and variations of these words or comparable words. These statements are not historical facts, but rather are based on current expectations, estimates, assumptions and projections about SGL Carbon's businesses and future financial results, and readers should not place undue reliance on them. Forward-looking statements do not guarantee future performance and involve risks and uncertainties. These risks and uncertainties include, without limitation, changes in political, economic, legal and business conditions, particularly relating to SGL Carbon's main customer industries, competitive products and pricing, the ability to achieve sustained growth and profitability in SGL Carbon's Graphite Solutions (GS), Process Technology (PT), Carbon Fibers (CF) and Composite Solutions (CS) businesses, the impact of any manufacturing efficiencies and capacity constraints, widespread adoption of carbon fiber products and components in key end-markets of SGL Carbon, including the automotive and aerospace industries, the inability to execute additional cost savings or restructuring measures, availability of raw materials and critical manufacturing equipment, trade environment, changes in interest rates, exchange rates, tax rates, and regulation, available cash and liquidity, SGL Carbon's ability to refinance its indebtedness, development of the SGL Carbon pension obligations, share price fluctuation may have on SGL Carbon's financial condition and results of operations and other risks identified in SGL Carbon's financial reports. These forward-looking statements are made only as of the date of this document. SGL Carbon does not undertake to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.

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