SC070001

SGL Carbon Fibers Limited

Report and Financial Statements

31 December 2009

Directors

J K Becker	
C W Hauswirth	
J Koehler	(Appointed 26 January 2009)
J Verdenhalven	
L Hill	(Resigned 18 August 2009)
D J Pichler	(Resigned 30 June 2009)
J Park	(Appointed 1 November 2009)
D Reuscher	(Appointed 1 November 2009)

Secretary

Ledingham Chalmers LLP

Auditors

Ernst & Young LLP
Barony House
Stoneyfield Business Park
Stoneyfield
Inverness IV2 7PA

Bankers

Bank of Scotland
High Street
Beauly
Inverness-shire IV4 7BS

Solicitors

Ledingham Chalmers
Johnstone House
52 - 54 Rose Street
Aberdeen AB10 1HA

Hammonds
Trinity Court
16 John Dalton Street
Manchester M60 8HS

Registered Office

Muir of Ord Industrial Estate
Ross-Shire

Directors' report

The directors present their report and financial statements for the year ended 31 December 2009.

Results and dividends

The net loss for the year amounted to £54,866,383 (2008 – loss of £1,629,142). The directors do not recommend the payment of any dividends (2008 – £nil).

Principal activities and review of the business

The principal activity of the company during the year was the manufacture and sale of oxidized PAN fibre and carbon fibre. The company's oxidized PAN fibre products are used as a substrate by manufacturers of carbon aircraft brakes and in a variety of other industrial non-woven and other textile applications. The company's carbon fibre products are used primarily in two market segments. Chopped Carbon Fibre is supplied to the Industrial Market for use as reinforcement in, or to add electrical conductivity to, moulding compounds for components of electronic devices. Spooled Caron Fibre is supplied to the Wind Energy Market as the raw material to produce the composites needed for wind turbines.

The operational contribution to the year's result, before financing and exchange costs, worsened significantly, as turnover fell by 15% whilst the operation suffered an increase in operational costs. An impairment charge of £39.8m was made against fixed assets as explained in note 3.

Future developments

The outlook for 2010 is positive. Whilst the company expects continued market pressure on prices, there are signs that volumes may begin to increase. Major capital projects are expected to come to fruition during 2010, and these will secure both additional capacity and a secure supply of raw material. This will ensure that the company is able to maintain market share in a fast growing market.

Research and development

The company does research and development in order to improve its operations and product portfolio for the future. The directors take an active role in selecting, directing and monitoring progress on all research and development projects. All research and development costs are expenses in the current year.

Directors

The directors who served during the year and appointed subsequently were as follows:

J K Becker	
C W Hauswirth	
J Koehler	(Appointed 26 January 2009)
J Verdenhalven	
L Hill	(Resigned 18 August 2009)
D J Pichler	(Resigned 30 June 2009)
J Park	(Appointed 1 November 2009)
D Reuscher	(Appointed 1 November 2009)

Principal risks and uncertainties

The principal risks and uncertainties facing the group are broadly grouped as follows:

Competitive risks

The group faces competition from other companies in all our market sectors. The group policy is to maintain our high levels of customer service and to build upon strong supplier relationships.

Directors' report

Principal risks and uncertainties (continued)

Financial risks

These risks can be sub-divided as follows:

Liquidity risk

The group policy is to ensure that sufficient liquidity is available to meet the foreseeable needs and to invest cash assets safely and profitably. Liquidity is achieved by overdraft and other long term bank facilities.

Interest rate risk

The group finances its operations through bank borrowings at floating rates based on both Base Rate and LIBOR. The groups policy is to borrow at the lowest rates for periods that do not carry excessive time premiums.

Credit risk

The group policy is to minimise exposure to losses of defaulting customers. Credit terms are only granted to customers who satisfy credit worthiness procedures and in certain market sectors where appropriate credit insurance can be obtained. Credit limits are reviewed by finance department staff on a regular basis in conjunction the debt ageing and collection history.

Currency risk

The group policy is to reduce currency exposure for particular projects by using the same currency for purchasing and selling the materials. Where this is not possible and values are significant, forward contracts are agreed with our bank.

Charitable donations

During the year the company made no charitable donations . (2008 – £40,501)

Creditor payment policy and practice

It is the company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the company and its suppliers, provided that all terms and conditions have been complied with.

At 31 December 2009, the company had an average of 100 days purchases outstanding in trade creditors (2008 – 106 days).

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Directors' report

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

On behalf of the Board

Director

J VERDENHALVEN

27 August 2010

Director

C W HAUSWIRTH

27 August 2010

Statement of directors' responsibilities

The directors are responsible for preparing the Directors report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report

to the members of SGL Carbon Fibers Limited

We have audited the financial statements of SGL Carbon Fibers Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report

to the members of SGL Carbon Fibers Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Ernst & Young LLP

Peter Mearns (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP (Statutory Auditor)
Inverness
30/8/2010

Profit and loss account

for the year ended 31 December 2009

	Notes	2009 £000	2008 £000
Turnover	2	27,784	32,821
Cost of sales	3	71,513	26,008
Gross (loss)/profit		(43,729)	6,813
Distribution costs		590	763
Administrative expenses		5,570	5,696
Operating (loss)/profit	4	(49,889)	354
Bank interest receivable	7	-	42
Interest payable and similar charges	8	(4,977)	(2,026)
		(54,866)	(1,984)
Loss on ordinary activities before taxation		(54,866)	(1,630)
Tax on loss on ordinary activities	9	-	–
Loss for the financial year transferred from reserves		(54,866)	(1,630)

Statement of total recognised gains and losses

for the year ended 31 December 2009

There are no recognised gains or losses other than the loss attributable to the shareholders of the company of £54,866,383 in the year ended 31 December 2009 (2008– loss of £1,629,142).

Balance sheet

at 31 December 2009

	Notes	2009 £000	2008 £000
Fixed assets			
Tangible assets	10	23,980	58,409
Current assets			
Stocks	11	11,613	16,689
Debtors	12	4,383	7,471
Cash at bank		1,770	2,386
		17,766	26,546
Creditors: amounts falling due within one year	13	8,818	76,035
Net current assets / (liabilities)		8,948	(49,490)
Total assets less current liabilities		32,928	8,919
Accruals and deferred income			
Deferred government grants	14	1,389	1,522
		31,539	7,397
Capital and reserves			
Called up share capital	15	620	620
Share premium account	16	20	20
Other reserves	16	216	233
Profit and loss account	16	30,683	6,524
Shareholder's funds	16	31,539	7,397

Director
J VEROENHALVEN
27 August 2010

Director
C W HAUSWIRTH
27 August 2010

Notes to the financial statements

at 31 December 2009

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention, modified to include the revaluation of certain fixed assets. The financial statements are prepared in accordance with applicable accounting standards.

Going concern

During the year ended 31 December 2009 the company made a loss of £54,866,383, after an impairment charge of £39,835,000 and at the balance sheet date had net current assets of £8,947,922, including amounts owed to group companies of £2,897,824. Financial projections indicate that the company will become increasingly profitable in future but will require short-term support in undertaking capital expenditure plans. Therefore, the company relies on support from its intermediate parent company, SGL Technologies GmbH, and its ultimate parent company, SGL Carbon SE, in order to meet its liabilities as they fall due.

SGL Carbon SE has confirmed to the directors that this support will continue to be provided for the foreseeable future and on this basis, and all other available information, they consider that it is appropriate to prepare the financial statements on the going concern basis. The financial statements do not contain any adjustments that would result if the financial support of SGL Carbon SE were withdrawn.

Statement of cash flows

The directors have taken advantage of the exemption in FRS 1 (revised) from including a statement of cash flows in the financial statements on the grounds that the company is wholly owned and its parent publishes consolidated financial statements.

Research and development

Expenditure on research and development is written off against profits in the year in which it is incurred unless the expenditure relates to a proven product for which a commercial market exists in which case the costs are capitalised.

Fixed assets

All fixed assets are initially recorded at cost.

Revaluation of tangible fixed assets

As permitted by the transitional provisions of FRS 15 - Tangible Fixed Assets the company has elected not to adopt a policy of revaluation of tangible fixed assets. The company will retain the book value of certain plant and machinery, previously revalued at 2 March 1995 and will not update that valuation.

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset evenly over its expected useful life, as follows:

Freehold land and buildings	–	25 years
Plant and machinery	–	10 years
Fixtures and fittings	–	4 to 5 years
Motor vehicles	–	5 years

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

Notes to the financial statements

at 31 December 2009

1. Accounting policies (continued)

Impairment of assets and impairment test

The company assesses at each balance sheet date whether there are any indications that its tangible assets are impaired. If such an indication is identified, the recoverable amount is estimated in order to quantify the amount of the impairment loss. Impairment losses are recognised when the recoverable amount of the asset is lower than its carrying amount. The recoverable amount is the higher of fair value less costs to sell (net selling price) and value in use, with the net selling price being determined at first. If this amount is higher than the carrying amount, the asset's value in use will not be calculated. These values are determined using measurement methods based on discounted cash flows which are based on the company's five year plans. The estimated future cash flows are discounted to their present value using a discount rate reflecting current market expectations for interest rates and the specific risks attached to the asset or the company.

Government grants

Capital based government grants are included within accruals and deferred income in the balance sheet and credited to operating profit over the estimated useful economic lives of the assets to which they relate.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition, as follows:

Raw materials, consumables and goods for resale	– purchase cost on a first-in, first-out basis.
Work in progress and finished goods	– cost of direct materials and labour plus attributable overheads based on a normal level of activity.

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Notes to the financial statements
at 31 December 2009

1. Accounting policies (continued)

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the profit and loss account.

Share-based payments

The company issues equity settled share based payments to certain employees. A fair value for the equity settled share awards is measured at the date of grant. This is measured by the full share price of the parent undertaking, SGL Carbon SE, on grant date. The fair value of each award is recognised as an expense over the vesting period on a straight line basis.

Operating lease agreements

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Pension costs

The company makes discretionary contributions to individual employee personal pension plans. The amount charged against profits represents the contributions payable to those schemes in respect of the accounting period.

2. Turnover

Turnover represents the amounts derived from the provision of goods and services to customers, less value added tax.

An analysis of turnover by geographical market is given below:

	2009	*2008*
	£000	*£000*
Europe	20,035	19,469
United States of America	4,236	3,943
Other	3,513	9,409
	27,784	32,821

Notes to the financial statements
at 31 December 2009

3. Exceptional Items

	2009 £000	2008 £000
Included within cost of sales:		
Impairment of tangible fixed assets	39,835	-

Due to the impact of the global financial and economic crisis, SGL Group carried out an impairment test of property, plant and equipment as of 30 September 2009. The impairment test was conducted as described in the accounting policies in note 1. The impairment test led to the recognition of an impairment loss totalling £39,835,000 allocated to SGL Carbon Fibers Limited. The reasons for the impairment loss mainly relate to the current overcapacities in the carbon fiber market and the resulting delay in market growth, which has led to an underutilisation of production capacities as well as to price reductions in the market based on competition.

4. Operating loss

This is stated after charging/(crediting):

	2009 £000	2008 £000
Auditors' remuneration – audit services	96	88
– non-audit services	29	–
Depreciation of owned fixed assets	2,137	1,649
Operating lease rentals – plant and machinery	862	852
Net loss on foreign currency translation	2,584	3,688
Government grants released re fixed assets	(133)	(133)

5. Directors' emoluments

	2009 £000	2008 £000
Emoluments	257	186
Value of company pension contributions to money purchase schemes	7	15

	2009 No.	2008 No.
Members of money purchase pension schemes	2	2

Notes to the financial statements

at 31 December 2009

5. Directors' emoluments (continued)

The highest paid director received remuneration of £159,522.

No contributions were paid to a money purchase pension scheme in respect of the highest paid director.

6. Staff costs

	2009	*2008*
	£000	*£000*
Wages and salaries	6,011	7,125
Social security costs	668	743
Other pension costs	185	174
Redundancy costs	1,131	-
	7,995	8,042

The monthly average number of employees during the year was as follows:

	2009	*2008*
	No.	*No.*
Production staff	159	204
Administrative staff	66	76
	225	280

7. Interest receivable

	2009	*2008*
	£000	*£000*
Bank interest receivable	-	42

8. Interest payable and similar charges

	2009	*2008*
	£000	*£000*
Bank interest payable	-	55
Interest on loans from group companies	2,392	1,971
Hedging costs	2,585	–
	4,977	2,026

Notes to the financial statements

at 31 December 2009

9. Tax

(a) Tax on profit on ordinary activities

	2009	*2008*
	£000	*£000*
Current tax:		
UK corporation tax	-	–
Adjustments in respect of previous years	-	–
Total current tax (note 8(b))	-	–

(b) Factors affecting current tax credit

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 28% (2008 –28.5%). The differences are reconciled below:

	2009	*2008*
	£000	*£000*
Loss on ordinary activities before tax	(54,866)	(1,630)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2008 – 28.5%)	(15,362)	(464)
Effects of:		
Expenses not deductible for tax purposes	75	(36)
Group relief	167	435
Capital allowances in advance of depreciation	10,055	(1,663)
Tax losses	5,064	1,713
Other short term timing differences	1	15
Total current tax (note 8(a))	–	–

(c) Deferred tax

The deferred taxation asset not recognised in the financial statements is as follows:

	2009	*2008*
	£000	*£000*
Capital allowances in advance of depreciation	8,043	(3,102)
Tax losses available	13,738	10,141
Short term timing differences	4	16
	21,785	7,055

Notes to the financial statements

at 31 December 2009

10. Tangible fixed assets

	Freehold land and buildings £000	*Plant, machinery and vehicles £000*	*Fixtures and fittings £000*	*Total £000*
Cost:				
At 1 January 2009	12,644	66,290	1,529	80,463
Additions	281	7,074	256	7,611
Disposals	-	(68)	(11)	(79)
At 31 December 2009	12,925	73,296	1,774	87,995
Depreciation:				
At 1 January 2009	3,444	17,346	1,264	22,054
Provided during the year	491	1,538	108	2,137
Impairment adjustment (note 4)	-	39,835	-	39,835
Released on disposal	-	(4)	(7)	(11)
At 31 December 2009	3,935	58,715	1,365	64,015
Net book value:				
At 31 December 2009	8,990	14,582	408	23,980
At 1 January 2009	9,200	48,944	265	58,409

Certain items of plant and machinery were revalued at 2 March 1995, using the net current replacement cost method of valuation. This revaluation was carried out by the directors.

On the historical cost basis, certain fixed assets would have been included as follows:

	£000
Cost:	
At 1 January 2009 and 31 December 2009	2,899
Cumulative depreciation based on cost:	
At 1 January 2009 and 31 December 2009	2,899

11. Stocks

	2009 £000	*2008 £000*
Raw materials	4,041	6,727
Finished goods	7,572	9,962
	11,613	16,689

Notes to the financial statements

at 31 December 2009

12. Debtors

	2009	2008
	£000	£000
Trade debtors	2,199	4,081
Amounts owed by group undertakings	1,830	1,531
Other debtors	277	1,405
Prepayments and accrued income	77	454
	4,383	7,471

13. Creditors: amounts falling due within one year

	2009	2008
	£000	£000
Bank overdraft	-	–
Trade creditors	4,726	9,567
Amounts owed to group undertakings	2,938	64,947
Other taxation and social security	222	334
Accruals and deferred income	932	1,187
	8,818	76,035

14. Accruals and deferred income

	Deferred government grants	
	2009	2008
	£000	£000
Balance as at 1 January	1,522	400
Additions during the year	-	1,255
Released during the year	(133)	(133)
Balance as at 31 December	1,389	1,522

15. Issued share capital

		2009		2008
Allotted, called up and fully paid	*No.*	*£000*	*No.*	*£000*
Ordinary shares of £1 each	620,000	620	620,000	620

Notes to the financial statements

at 31 December 2009

16. Reconciliation of shareholder's funds and movement on reserves

	Share capital £000	Share premium account £000	Other reserves £000	Profit and loss account £000	Total share-holders' funds £000
At 31 December 2007	620	20	266	8,154	9,060
Loss for the year	–	–	–	(1,630)	(1,630)
Share based payment	–	–	(33)	–	(33)
At 31 December 2008	620	20	233	6,524	7,397
Loss for the year	-	-	-	(54,866)	(54,866)
Share based payment	-	-	(17)	-	(17)
Capital contribution - Group debt forgiven	-	-	-	79,025	79,025
At 31 December 2009	620	20	216	30,683	31,539

A UK group restructuring exercise carried out during the year resulted in group debt due by SGL Carbon Fibers Limited of £79,025,104 being forgiven by fellow subsidiaries, intermediate parent undertakings and the ultimate parent undertaking.

17. Operating lease commitments

At 31 December 2009 the company had annual commitments under non-cancellable operating leases as set out below:

	2009		2008	
	Land and Buildings £000	Other £000	Land and buildings £000	Other £000
Operating leases which expire:				
Within one year	242	9	234	13
In two to five years	-	203	242	209
	242	212	476	222

18. Contingent liability

The company is party to a guarantee, supported by fixed and floating charges over the assets of the company, to Deutsche Bank Luxembourg in respect of certain borrowings of the SGL Carbon SE group of companies. At 31 December 2009, the outstanding borrowings of the group were Euros 601.7 million (2008 – Euros 408.6 million).

Notes to the financial statements

at 31 December 2009

19. Share-based payments

Matching shares plan

Management Group I to Management Group III employees may elect to buy SGL Carbon SE shares from their Annual Bonus Plan and hold them for purposes of the Matching Shares Plan. Employees that have held such shares for two years are eligible to receive matching shares from SGL Carbon SE without cash payment. The exercise price of the options is equal to the estimated market price of the shares on the date of grant.

SAR plan 2005

Under the SAR Plan 2005, SGL Carbon SE grants stock appreciation rights (SARs) to its Management Group I to Management Group III employees. These employees will be eligible to receive the amount of stock appreciation from the current share price on grant date to the exercise price, which is the current share price on execution date. This stock appreciation is settled by shares. The vesting period is two years and the term of the SARs is ten years.

The expense recognised for share-based payments in respect of employee services received during the year to 31 December 2009 is £25,407.

20. Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £Nil (2008 – £91,617).

21. Derivative financial instruments

The company enters into forward foreign exchange contracts to hedge the cash flow risk relating to the value of forecast sales which are denominated in foreign currencies. The risk hedged relates to the changes in foreign exchange rate of the forecast sales value. The fair value of these hedges as at 31 December 2009 is a net liability of £340,114.

22. Related party transactions

The company is a wholly owned subsidiary of SGL Carbon SE, the consolidated financial statements of which are publicly available. Accordingly, the company has taken advantage of the exemption in FRS 8 from disclosing transactions with members or investees of the SGL Carbon SE Group.

23. Ultimate parent undertaking

The company is a subsidiary undertaking of SGL Carbon SE, incorporated in Germany.

The largest group in which the results of the company are consolidated is that headed by SGL Carbon SE. The group financial statements are available to the public and may be obtained from SGL Group, Rheingaustrasse 182, 65203 Wiesbaden, Germany.