SGL CARBON AKTIENGESELLSCHAFT
Form 6-K
August 09, 2005

Form 6-K

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Report of Foreign Issuer
Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

For the month of: August 2005

SGL CARBON Aktiengesellschaft

(Name of registrant)

Rheingaustrasse 182
65203 Wiesbaden
Germany

(Address of Principal Executive Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F X   Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the SEC pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

Yes   No X

If "Yes" is marked, indicate the file number assigned to the registrant in connection with Rule 12g3-2(b): N/A

Exhibit Index

1. August 9, 2005 German Press Release - First Half 2005 Results

2. August 9, 2005 Letter to Shareholders re First Half 2005 Results

Exhibit 1

[LOGO OF SGL CARBON]

SGL Carbon: First Half of 2005

- Q2/2005 sales up by 17% and EBIT by 57% over Q1/2005
- Disproportionate 29% improvement in EBIT to (euro)53.8 million in H1/2005, with a positive after-tax result of (euro)14.5 million
- AUDI cooperation agreement goes into effect in Q3/2005
- Ongoing favorable developments anticipated in Q3/2005

Wiesbaden, August 09, 2005. SGL Carbon was able to boost consolidated sales due to the strong development of demand in all three business areas by 14.0% from (euro)453.0 million in H1/2004 to (euro)516.4 million in H1/2005. Adjusted for foreign currency changes, sales increased by 15.9%. EBIT increased by a disproportionately higher rate than sales from comparable (euro)41.8 million the previous year to (euro)53.8 million. This corresponds to a 28.7% increase despite a first-time charge due to share-based remuneration of approximately (euro)4 million. The principal causes for the growth in earnings were the ongoing favorable developments in Carbon and Graphite, the earnings turnaround in Process Technology, the breakeven result achieved by SGL Technologies in Q2, and cost savings of approximately (euro)10 million in H1/2005.

Net financing costs
First half-year net financing costs improved from (euro)-31.4 million in 2004 to (euro)-27.8 million in 2005. The net interest expense decreased during the first half of the year by (euro)0.8 million to (euro)14.6 million over the same period of the previous year due to the lower level of net debt. In addition, non-cash interest expenses in connection with the antitrust proceedings declined from (euro)3.4 million in the first half of 2004 to (euro)2.6 million in H1/2005.

Profit before and after tax
Profit before income taxes amounted to (euro)26.0 million, compared with (euro)10.4 million in H1/2004. With a tax rate of approximately 44%, consolidated net profit in H1/2005 doubled from (euro)7.0 million the previous year to (euro)14.5 million. Taking into consideration the loss from the Surface Protection business, profit after tax rose from (euro)0.3 million in the first half of 2004 to (euro)14.5 million during the same period of 2005. Earnings per share thus amounted to (euro)0.25, compared with the reported figure of (euro)-0.06 and a comparable figure of (euro)0.01 in H1/2004.

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Statement of Changes in Consolidated Equity
With equity up by (euro)29 million from (euro)282 million on December 31, 2004 to (euro)311 million on June 30, 2005, the equity ratio improved from 21.4% to 24.3%. Excluding assets and liabilities related to the Corrosion Protection business in the balance sheet as of December 31, 2004, the equity ratio increased from 22.5% to 24.3%. When the (euro)50 million convertible bond issue,

which becomes due in September 2005, is deducted from total assets as of the end of June 2005, a 25.3% pro forma equity ratio results.

Corporate Costs

Corporate costs rose from (euro)-9.9 million in the first half of 2004 to (euro)-13.8 million in the first half of 2005. This was primarily attributable to expenses in connection with the implementation of the Sarbanes-Oxley Act as well as the first time inclusion of share-based remuneration components under the provisions of IFRS 2 beginning on January 1, 2005, which was not undertaken in the previous year.

Employees

The number of employees in the Group remained virtually unchanged at 5,097 compared with a total of 5,091 at the end of March 2005, thereby remaining below the level of 5,109 at the end of December 2004.

Segment Reporting

Carbon and Graphite (CG)

Sales increased by 14.3% to (euro)311.1 million in the first half of 2005. Adjusted for foreign currency changes, the growth was 16.9%. Due to the continuing high demand for graphite electrodes and the high capacity utilization at all the plants as well as to price increases and ongoing cost reduction measures, EBIT amounted to (euro)60.3 million during the reporting period, up by 32.8% over the previous year's figure of (euro)45.4 million. The return on sales improved to over 19%, compared with just under 17% in the first half of 2004 (EBIT margin in Q2/2005: 20.0%; Q1/2005: 18.7%). The average price for graphite electrodes increased by 12% in USD terms and by 4% in EUR terms versus H1/2004. Total shipments amounted to 110,000 metric tons in the first half of 2005, 10% higher than in the first half of the previous year. As expected, raw material and energy costs increased by nearly 10%. Due to seasonally lower volumes, we are projecting the Q3/2005 EBIT slightly lower than in Q2/2005 ((euro)33.6 million), but in excess of the previous year's Q3 figure of (euro)25.5 million.

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Specialties (S)

Due to the integration of Process Technology (PT) into the Graphite Specialties Business Area (GS), we have renamed this area of business "Specialties" (S).

Thanks to a very good development of the U.S. business and PT's planned project launch in Q2/2005, sales increased by 7.2% to (euro)123.6 million versus H1/2004; growth of 7.7% was posted after adjusting for foreign currency changes. The rise in sales was modest for GS and substantial for PT. Whereas EBIT of GS was still below the strong previous year's figure, PT already recorded an improved result in the first half-year compared with the year earlier period. EBIT for the overall Specialties Business Area in the first half-year amounted to (euro)7.9 million, which due to the weak Q1/2005 was still (euro)2.3 million below the figure for H1/2004. However, with EBIT of (euro)6.6 million, the Q2/2005 result was already one-third higher than in Q2/2004, with PT contributing to that growth. From Q3/2005 onwards, the ongoing favorable sales trend will be further reflected in the EBIT of S, which will result in a significant double-digit improvement over Q3/2004.

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SGL Technologies (SGL T)
Due to strong demand for Fibers, Composites and Brakes, sales rose by 24.8% to (euro)80.5 million. After adjusting for foreign currency changes, growth amounted to 26.2%. EBIT totaled (euro)-0.6 million in the first half of 2005, compared with (euro)-3.9 million in the first half of the previous year, thereby reaching breakeven for the first time in Q2/2005. This satisfying development should continue in Q3/2005, with the increase in sales remaining below the growth in H1/2005 due to the high comparable figure in Q3/2004 but still continuing to exceed 10%.

Since the June 7, 2005 announcement of SGL Carbon entering a cooperation agreement with AUDI for the development of the carbon-ceramic brake disc, the appropriate bodies have since granted the necessary approvals and the agreement has received its notarial certification. With the official cooperation agreement coming into force on July 28, 2005, SGL Carbon will in Q3/2005 receive a low double-digit million amount payment as compensation for product and process development services already rendered and still to be provided. After offsetting these development costs from the received payment, a one-time medium single digit million amount is expected as positive earnings effect on EBIT in Q3.

Outlook
Due to the typical seasonality, SGL Carbon expects slightly weaker sales and EBIT in Q3/2005 versus Q2/2005. Compared with Q3/2004, however, marked growth of approximately 10% is anticipated for sales and a further disproportionate improvement of up to 50% for EBIT. For the year as a whole, the Company is forecasting an increase in consolidated sales of between 5% and 10%, a disproportionate growth in EBIT, and a positive after-tax result. The USD currency risk is hedged for fiscal year 2005 due to existing hedging transactions. Net financial debt should be less than (euro)300 million at year-end 2005 (2004 yearend: (euro)321 million) due to the significant positive free cash flow expected until the end of this year.

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Financial Highlights SGL Carbon Group
(in Mio. (euro))

	First Half	
	2005	2004
Sales revenue	516.4	453.
EBITDA	88.6	71.
EBIT	53.8	41.
Return on sales (1)	10.4%	9.
Net profit from continuing operations	14.5	7.
Net loss from discontinued operations	-	-6.
Net profit before minority interests	14,5	0,
Earnings per share (in (euro))	0.25	0.0
Operational cash flow from continuing operations (2)	43.0	45.

(1) EBIT divided by sales revenue
(2) Without currency exchange rate effects

	June 30, 2005	Dec. 31 2004

Total assets	1,278	1,31
Equity	311	28
Net debt	342	32
Debt ratio (gearing) (3)	1.1	1.
Equity ratio (4)	24.3%	21.

(3) Net debt divided by shareholders equity
(4) Shareholders' equity divided by total assets

Remark

Effective January 6, 2005, SGL Carbon concluded the sale of its investment in SGL ACOTEC GmbH, which included SGL's Surface Protection business. The effects resulting from this transaction were already recognized in the annual financial statements for 2004. The Process Technology (PT) business remaining in the Group was integrated within the Specialties (S) Business Area. Only the results of continuing operations are presented in this semi-annual report.

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According to IFRS 2, since January 1, 2005, share-based payments, such as stock option plans and share bonus programs for employees and members of senior management are included under staff costs. Based on current calculation, this change will burden the results of the segments and corporate costs by a total of approximately (euro)2 million each quarter in 2005.

As we already discussed at the year-end press conference in March, the restructuring measures have now largely been completed. Therefore, profit from operations (EBIT) no longer includes a separate presentation of restructuring expenses.

Important Notice:
This document contains statements on future developments that are based on currently available information and that involve risks and uncertainties that could lead to actual results deviating from these forward-looking statements. These risks and uncertainties include, for example, unforeseeable changes in political, economic and business conditions, particularly in the area of electrosteel production, the competitive situation, interest rate and currency developments, technological developments and other risks and unanticipated circumstances. We see other risks in price developments, unexpected developments relating to acquired and consolidated companies, ongoing restructuring measures and unforeseeable occurrences in conjunction with the reviews to be performed by the European antitrust authorities. SGL Carbon does not intend to update these forward-looking statements.

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Exhibit 2

H1

Report on the First Half of 2005

Prepared in accordance with International Financial Reporting Standards, IFRSs (unaudited)

The report on the first half of 2005 was prepared in accordance with the International Financial Reporting Standards (IFRSs) (unaudited). The same accounting policies were used in this report as in the annual financial statements for 2004.

- Q2/2005 sales up by 17% and EBIT by 57% over Q1/2005
- Disproportionate 29% improvement in EBIT to (euro)53.8 million in H1/2005,
- with a positive after-tax result of (euro)14.5 million
- AUDI cooperation agreement goes into effect in Q3/2005
- Ongoing favorable developments anticipated in Q3/2005

Financial Highlights (unaudited)

((euro) million)	First Half 2005
Sales revenue	516.4
Gross profit	151.2
EBITDA	88.6
EBIT	53.8
Return on sales(1)	10.4 %
Net profit from continuing operations	14.5
Net loss from discontinued operations	-
Net profit before minority interests	14.5
Earnings per share (in (euro))	0.25
Operational cash flow from continuing operations(2)	43.0

((euro) million)	June 30, 2005
Total assets	1,278
Equity	311
Net debt	342
Debt ratio (gearing)(3)	1.1
Equity ratio(4)	24.3 %

(1) EBIT divided by sales revenue
(2) Without currency exchange rate effects
(3) Net debt divided by shareholders' equity
(4) Shareholders' equity divided by total assets

Effective January 6, 2005, SGL Carbon concluded the sale of its investment in SGL ACOTEC GmbH, which included SGL's Surface Protection business. The effects resulting from this transaction were already recognized in the annual financial statements for 2004. The Process Technology (PT) business remaining in the Group was integrated within the Specialties (S) Business Area. Only the results of continuing operations are presented in this semi-annual report.

According to IFRS 2, since January 1, 2005, share-based payments, such as stock option plans and share bonus programs for employees and members of senior management are included under staff costs. Based on current calculation, this change will burden the results of the segments and corporate costs by a total of approximately (euro)2 million each quarter in 2005.

As we already discussed at the year-end press conference in March, the restructuring measures have now largely been completed. Therefore, profit from operations (EBIT) no longer includes a separate presentation of restructuring expenses.

Business Development in the Group

Consolidated Income Statement (unaudited)

((euro) million)	First Half 2005
Sales revenue	516.4
Gross profit	151.2
Selling, administrative, research and other income/expense	- 97.4
Profit from operations (EBIT)	53.8
Net financing costs	- 27.8
Profit (loss) before tax	26.0
Income taxes	- 11.5
Net profit (loss) from continuing operations	14.5
Net profit (loss) from discontinued operations	-
Net profit (loss) before minority interests	14.5
Earnings per share (in (euro), basic)	0.25

1. Comparable EBIT for the H1/2004 is calculated as follows: reported EBIT after restructuring expenses amounted to (euro)25.4 million in H1/2004. Taking into consideration the (euro)11.3 million operating loss from the divested Surface Protection business, the discontinuation of the (euro)2.6 million scheduled goodwill amortization in accordance with IFRS 3, and the reclassification of the interest on the North American pension provisions of (euro)2.5 million, which are now unified and shown in the net financing costs, the comparable EBIT of (euro)41.8 million results.

2. In H1/2005 approximately 56.9 million shares were outstanding on average.

Due to the strong development of demand in all three business areas, consolidated sales were boosted by 14.0% from (euro)453.0 million in H1/2004 to (euro)516.4 million in H1/2005. Adjusted for foreign currency changes, sales increased by 15.9%. EBIT increased by a disproportionately higher rate than sales from comparable (euro)41.8 million the previous year to (euro)53.8 million. This corresponds to a 28.7% increase despite a first-time charge due to share-based remuneration of approximately (euro)4 million. The principal causes for the growth in earnings were the ongoing favorable developments in Carbon and Graphite, the earnings turnaround in Process Technology, the breakeven result achieved by SGL Technologies in Q2, and cost savings of approximately (euro)10 million in H1/2005.

Details of Net Financing Costs

((euro) million)	First Half 2005
Interest expense (net)	- 14.6
Interest expense on pensions	- 6.7
Interest expense on antitrust (non-cash)	- 2.6
Total interest expense, net	- 23.9
Currency and hedging valuation adjustments of antitrust liabilities (non-cash)	- 1.0
Amortization of refinancing costs (non-cash)	- 1.9
Other	- 1.0
Total other financing expenses	- 3.9
Net financing costs	- 27.8

First half-year net financing costs improved from (euro)-31.4 million in 2004 to (euro)-27.8 million in 2005. The net interest expense decreased during the first half of the year by (euro)0.8 million to (euro)14.6 million over the same period of the previous year due to the lower level of net debt. In addition, non-cash interest expenses in connection with the antitrust proceedings declined from (euro)3.4 million in the first half of 2004 to (euro)2.6 million in H1/2005.

Profit before and after tax

Profit before income taxes amounted to (euro)26.0 million, compared with (euro)10.4 million in H1/2004. With a tax rate of approximately 44%, consolidated net profit in H1/2005 doubled from (euro)7.0 million the previous year to (euro)14.5 million. Taking into consideration the loss from the Surface Protection business, profit after tax rose from (euro)0.3 million in the first half of 2004 to (euro)14.5 million during the same period of 2005. Earnings per share thus amounted to (euro)0.25, compared with the reported figure of (euro)-0.06 and a comparable figure of (euro)0.01 in H1/2004.

Financial Position

Consolidated Balance Sheet (unaudited)

((euro) million)	June 30, 2005
Assets	
Intangible assets	89
Property, plant and equipment	342
Long-term investments	30
Deferred tax assets	136
Non-current assets	597
Inventories	271
Trade receivables	216
Other current assets	34
Cash and cash equivalents	46
Restricted cash for repayment of convertible bonds	51
Restricted cash for antitrust payments	63
Current assets	681
Assets held for sale	-
Total assets	1,278

((euro) million)	June 30, 2005
Equity and liabilities	
Equity including minority interests	311
Non-current financial liabilities	359
Provisions for pensions and other employee benefits	158
Deferred tax liabilities	43
Other non-current liabilities	1
Other non-current provisions	19
Non-current liabilities	580
Financial liabilities(1)	61
Trade payables	87
Other liabilities	114
Other provisions	125
Current liabilities	387
Liabilities held for sale	-
Total equity and liabilities	1,278

(1) Including convertible bonds totaling (euro)50 million as of June 30, 2005

Primarily due to the sale of the Surface Protection business on January 6, 2005, total assets declined by (euro)37 million to (euro)1,278 million as of June 30, 2005. In the first half of 2005 a scheduled payment of (euro)15 million was made out of the restricted cash account for antitrust payments to the U.S. antitrust authorities.

Working Capital (unaudited)

((euro) million) June 30,

	2005
Inventories	271
Trade receivables	216
Less trade payables	- 87
Working Capital	400

The increase in working capital by (euro)59 million over the year-end 2004 resulted from higher than expected business activity especially at CG and SGL T. Despite the typically high seasonal level at mid-year, we were nevertheless able to reduce the average days working capital from 149 as of June 30, 2004, to 139 as of June 30, 2005.

Statement of Changes in Consolidated Equity (unaudited)

((euro) million)	First Half 2005
Balance at January 1	282
Capital increase	2
Net profit from continuing operations	15
Currency exchange rate differences and other	12
Balance at June 30	311

With equity up by (euro)29 million from (euro)282 million on December 31, 2004 to (euro)311 million on June 30, 2005, the equity ratio improved from 21.4% to 24.3%. Excluding assets and liabilities related to the Corrosion Protection business in the balance sheet as of December 31, 2004, the equity ratio increased from 22.5% to 24.3%. When the (euro)50 million convertible bond issue, which becomes due in September 2005, is deducted from total assets as of the end of June 2005, a 25.3% pro forma equity ratio results.

Net Debt (unaudited)

((euro) million)	June 30, 2005
Financial debt (including convertible bonds)	420
Refinancing costs	19
Restricted cash for convertible bonds	- 51
Unrestricted cash and cash equivalents	- 46
Net debt	342

Net financial debt as of June 30, 2005, increased compared to the year-end 2004 level due to the (euro)20 million lower level of unrestricted cash and cash equivalents. Due to exchange rate effects of (euro)10 million, net debt at comparable exchange rates increased by only (euro)11 million.

Gearing was 1.1 as of June 30, 2005. Although unchanged from December 31, 2004, it slightly improved over the 1.2 figure as of March 31, 2005.

Financial Condition

Consolidated Cash Flow Statement (unaudited)

((euro) million)	First Half 2005
Profit from operations (EBIT)	53.8
Depreciation	34.8
EBITDA	88.6
Decrease (increase) in working capital	- 45.6
Operational cash flow	43.0
Other operating cash sources (uses)	- 37.7
Cash provided by operating activities before antitrust payments	5.3
Payments relating to antitrust proceedings(1)	- 15.1
Cash used by operating activities	- 9.8
Capital expenditures	- 17.4
Other investing activities	0.0
Cash used in investing activities	- 17.4
Free Cash Flow(2)	- 12.1
Net change in financial liabilities	- 9.1
Payments in connection with refinancing	0.0
Net proceeds from capital increase	1.8
Cash provided by (used in) financing activities	- 7.3
Cash used in discontinued operations	-
Effect of foreign exchange rate changes	1.3
Net increase (decrease) in cash and cash equivalents	- 33.2
Cash and cash equivalents at beginning of the year	192.7
Cash and cash equivalents at end of half year	159.5

(1) From restricted cash account for antitrust payments
(2) Cash provided by operating activities before antitrust payments less cash used in investing activities

Details of other operating cash sources (uses)(1) (unaudited)

((euro) million)	First Half 2005
Interest payments (net)	- 14.6
Cash interest expense for pensions	- 4.1
Other cash components of financial result (net)	- 0.6
Cash restructuring expense	- 2.6
Tax payments	- 6.3
Bonus payments/accruals	- 3.8
Other cash payments	- 5.7
Other operating cash sources (uses)	- 37.7

(1) adjusted by currency effects

SGL Carbon attained a positive operating cash flow of (euro)43.0 million in the first half of 2005, compared with (euro)45.3 million in the same period of the previous year. Higher profit contributions from operating activities contrasted with a temporary build-up of working capital, which was largely attributable to servicing higher than expected demand. Other operating cash uses increased to (euro)37.7 million from (euro)22.8 million in the first half of 2004. The main reasons for this are the semi-annual interest payment for the corporate bond, which had been paid for the first time in August 2004 as well as the bonus payment in 2005, since the Board of Management and 156 members of senior management waived their bonuses in 2004 as part of the refinancing and capital increase efforts of the company. As a result, net cash provided by operating activities before antitrust payments amounted to (euro)5.3 million in the first half of 2005, compared with (euro)22.5 million in the same period the previous year.

Payments made in connection with antitrust proceedings comprised the scheduled payments to the North American antitrust authorities of (euro)15.1 million, which were paid out of the restricted cash account for antitrust payments.

Capital expenditure of (euro)17.4 million exceeded the previous year's figure of (euro)15.5 million, and was approximately (euro)17 million below depreciation of (euro)34.8 million during the reporting period, compared with (euro)29.2 million in H1/2004. Due to the above-mentioned development of working capital as well as the higher interest and bonus payments, free cash flow amounted to (euro)-12.1 million in the first half of 2005, compared with (euro)3.4 million in the first half of 2004.

Segment Reporting

Carbon and Graphite [CG]

((euro) million)	First Half, 2005
Sales revenue	311.1
EBITDA	82.2
Profit from operations (EBIT)	60.3
Return on sales	19.4 %

Sales increased by 14.3% to (euro)311.1 million in the first half of 2005. Adjusted for foreign currency changes, the growth was 16.9%. Due to the continuing high demand for graphite electrodes and the high capacity utilization at all the plants as well as to price increases and ongoing cost reduction measures, EBIT amounted to (euro)60.3 million during the reporting period, up by 32.8% over the previous year's figure of (euro)45.4 million. The return on sales improved to over 19%, compared with just under 17% in the first half of 2004 (EBIT margin in Q2/2005: 20.0%; Q1/2005: 18.7%). The average price for graphite electrodes increased by 12% in USD terms and by 4% in EUR terms versus H1/2004. Total shipments amounted to 110,000 metric tons in the first half of 2005, 10% higher than in the first half of the previous year. As expected, raw material and energy costs increased by nearly 10%. Due to seasonally lower volumes, we are projecting the Q3/2005 EBIT slightly lower than in Q2/2005 ((euro)33.6 million), but in excess of the previous year's Q3 figure of (euro)25.5 million.

Specialties [S]
(Mio. (euro))

	First Half, 2005
Sales revenue	123.6
EBITDA	14.5
Profit from operations (EBIT)	7.9
Return on sales	6.4 %

Due to the integration of Process Technology (PT) into the Graphite Specialties Business Area (GS), we have renamed this area of business "Specialties" (S).

Thanks to a very good development of the U.S. business and PT's planned project launch in Q2/2005, sales increased by 7.2% to (euro)123.6 million versus H1/2004; growth of 7.7% was posted after adjusting for foreign currency changes. The rise in sales was modest for GS and substantial for PT. Whereas EBIT of GS was still below the strong previous year's figure, PT already recorded an improved result in the first half-year compared with the year earlier period.

EBIT for the overall Specialties Business Area in the first half-year amounted to (euro)7.9 million, which due to the weak Q1/2005 was still (euro)2.3 million below the figure for H1/2004. However, with EBIT of (euro)6.6 million, the Q2/2005 result was already one-third higher than in Q2/2004, with PT contributing to that growth. From Q3/2005 onwards, the ongoing favorable sales trend will be further reflected in the EBIT of S, which will result in a significant double-digit improvement over Q3/2004.

SGL Technologies [T]

((euro) million)	First Half, 2005
Sales revenue	80.5
EBITDA	5.7
Profit from operations (EBIT)	- 0.6
Return on sales	- 0.7 %

Due to strong demand for Fibers, Composites and Brakes, sales rose by 24.8% to (euro)80.5 million. After adjusting for foreign currency changes, growth amounted to 26.2%. EBIT totaled (euro)-0.6 million in the first half of 2005, compared with (euro)-3.9 million in the first half of the previous year, thereby reaching breakeven for the first time in Q2/2005. This satisfying development should continue in Q3/2005, with the increase in sales remaining below the growth in H1/2005 due to the high comparable figure in Q3/2004 but still continuing to exceed 10%.

Since the June 7, 2005 announcement of SGL Carbon entering a cooperation agreement with AUDI for the development of the carbon-ceramic brake disc, the appropriate bodies have since granted the necessary approvals and the agreement has received its notarial certification. With the official cooperation agreement coming into force on July 28, 2005, SGL Carbon will in Q3/2005 receive a low double-digit million amount payment as compensation for product and process development services already rendered and still to be provided. After offsetting these development costs from the received payment, a one-time medium single-digit million amount is expected as positive earnings effect on EBIT in Q3.

Corporate Costs

((euro) million)	First Half, 2005
Other revenue	1.2
Corporate costs	- 13.8

Corporate costs rose from (euro)-9.9 million in the first half of 2004 to (euro)-13.8 million in the first half of 2005. This was primarily attributable to expenses in connection with the implementation of the Sarbanes-Oxley Act as well as the first time inclusion of share-based remuneration components under the provisions of IFRS 2 beginning on January 1, 2005, which was not under-taken in the previous year.

Employees

The number of employees in the Group remained virtually unchanged at 5,097 compared with a total of 5,091 at the end of March 2005, thereby remaining below the level of 5,109 at the end of December 2004.

Outlook

Due to the typical seasonality, SGL Carbon expects slightly weaker sales and EBIT in Q3/2005 versus Q2/2005. Compared with Q3/2004, however, marked growth of approximately 10% is anticipated for sales and a further disproportionate improvement of up to 50% for EBIT. For the year as a whole, the Company is forecasting an increase in consolidated sales of between 5% and 10%, a disproportionate growth in EBIT, and a positive after-tax result. The USD currency risk is hedged for fiscal year 2005 due to existing hedging transactions. Net financial debt should be less than (euro)300 million at year-end 2005 (2004 year-end: (euro)321 million) due to the significant positive free cash flow expected until the end of this year.

Quarterly Sales Revenue & Profit from Operations (EBIT) by Segment (unaudited)

	2004					2
(euro) million	Q1	Q2	Q3	Q4	Full Year	Q1
Sales revenue						
Carbon and Graphite	122.6	149.5	140.5	142.9	555.5	142.9
Specialties	58.1	57.2	60.8	59.7	235.8	57.3
SGL Technologies	29.8	34.7	33.4	35.3	133.2	37.5
Other	0.5	0.6	0.3	0.3	1.7	0.6
	211.0	242.0	235.0	238.2	926.2	238.3

	2004					2
(euro) million	Q1	Q2	Q3	Q4	Full Year	Q1
Profit (loss) from Operations (EBIT)						
Carbon and Graphite	17.9	27.5	25.5	18.8	89.7	26.7
Specialties	5.3	4.9	4.2	0.8	15.2	1.3
SGL Technologies	- 1.8	- 2.1	- 2.1	- 4.1	- 10.1	- 0.6
Corporate	- 4.7	- 5.2	- 9.0	- 10.4	- 29.3	- 6.5
	16.7	25.1	18.6	5.1	65.5	20.9

Quarterly Consolidated Income Statement (unaudited)

	2004					2
(euro) million	Q1	Q2	Q3	Q4	Full Year	Q1
Sales revenue	211.0	242.0	235.0	238.2	926.2	238.3
Cost of sales	- 151.5	- 168.9	- 168.2	- 174.8	- 663.4	- 174.0
Gross profit	59.5	73.1	66.8	63.4	262.8	64.3
Selling/administrative/R&D/other	- 42.8	- 48.0	- 48.2	- 58.3	- 197.3	- 43.4
Profit (loss) from operations (EBIT)	16.7	25.1	18.6	5.1	65.5	20.9
Net financing costs	- 15.2	- 16.2	- 14.0	- 15.1	- 60.5	- 13.1
Profit (loss) before tax	1.5	8.9	4.6	- 10.0	5.0	7.8
Income taxes	- 0.9	- 2.5	- 4.1	6.3	- 1.2	- 4.1
Net profit (loss) from continuing operations	0.6	6.4	0.5	- 3.7	3.8	3.7
Net loss from discontinued operations	- 4.0	- 2.7	- 2.0	- 76.8	- 85.5	-
Net profit (loss) before minority interests	- 3.4	3.7	- 1.5	- 80.5	- 81.7	3.7

Important note:
This document contains statements on future developments that are based on currently available information and that involve risks and uncertainties that could lead to actual results deviating from these forward-looking statements. These risks and uncertainties include, for example, unforeseeable changes in political, economic and business conditions, particularly in the area of

electrosteel production, the competitive situation, interest rate and currency developments, technological developments and other risks and unanticipated circumstances. We see other risks in price developments, unexpected developments relating to acquired and consolidated companies, ongoing restructuring measures and unforeseeable occurrences in conjunction with the reviews to be performed by the European antitrust authorities. SGL Carbon does not intend to update these forward-looking statements.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SGL CARBON Aktiengesellschaft

Date: August 9, 2005

By: /s/ Robert J. Kohler
Name: Robert J. Koehler
Title: Chairman of the Board of Management

By: /s/ Sten Daugaard
Name: Mr. Sten Daugaard
Title: Member of the Board of Management