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Prepared in accordance with International Accounting Standards, IAS (unaudited)

Report on the First Three Quarters of 2002

- Sharp increase in profit from operations and profit after tax in Q3
- Operational cash flow more than doubled during the first three quarters
- Reduction in losses at SGL Technologies exceeds expectations
- Success of restructuring measures above plan

The Company generated consolidated sales revenue of (euro)284 million in Q3/2002, 2% above the revenue for Q2 and 5% below the prior-year quarter. Profit from operations increased in Q3 to (euro)11 million, up 56% compared with Q2 and 82% on the prior-year quarter. Net financing costs were (euro)7 million in Q3 after (euro)9 million in Q2 and income of (euro)1 million in the prior-year quarter.

Profit before tax in Q3 was (euro)4 million after a loss of (euro)1 million in Q2/2002 and a profit of (euro)8 million in Q3/2001. Following two quarters in which a net loss was recorded the Company returned in Q3/2002 to generate a profit after tax of (euro)5 million (Q2/2002: (euro)-2million, Q3/2001: (euro)3 million).

Consolidated sales revenue for the nine-month period was down 10% on the prior year at (euro)822 million; this overall decline is due to cyclical weakness in key SGL Carbon customer industries. Profit from operations amounted to (euro)19 million and the loss after tax was (euro)6 million (2001: (euro)5 million and (euro)-34 million net loss including a (euro)35 million provision for antitrust risks).

As a result of its five-point program the Company further reduced net financial liabilities in Q3. At (euro)454 million as of the end of the period under review they were (euro)73 million lower compared to the beginning of the year. In the first nine months working capital has been cut by (euro)74 million - excluding exchange rate effects - through focused inventory management and sale of receivables. Operational cash flow increased to (euro)154 million compared to (euro)67 million in the comparable prior-year period excluding exchange rate effects. We improved the free cash flow by (euro)102 million to (euro)70 million.

At the end of September the Company's share price came under heavy pressure and fell below (euro)5.00 at times. The reason for this, in addition to the generally weak stock market climate, was unconfirmed speculation about a possible fine by the European antitrust authorities related to Graphite Specialties. However, the investigations in question are not related to new facts, but are part of investigations which have been ongoing in Europe since 1997. The Company already published information about this at the end of June in the course of its regular reporting. All transactions are connected to the (euro)80 million fine imposed on Graphite Electrodes in July 2001; the Company is currently taking legal actions against this decision at the EU court for reasons of double punishment and gross disproportion. The Company is confident that the court will confirm this opinion.

Businesses of Carbon and Graphite as well as SGL Technologies were in line with, or in some cases slightly above, the estimates given at the beginning of the year. In the case of Graphite Specialties and Corrosion Protection, however, demand has slowed significantly and orders have been postponed into 2003. Restructuring and cost-cutting plans are ahead of schedule, and the Company

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therefore intends to bring forward additional measures planned for 2003; these mainly include headcount reduction, originally of 430 and now of over 650 jobs, as well as an additional reduction in inventories to further improve working capital and cash flow. The estimated costs of approximately (euro)10 million will be brought forward to Q4/2002 and accordingly relieve the result for 2003. The Company anticipates that the result for H2 will improve significantly on the result for H1.

Negotiations on Group refinancing are currently in progress; SGL expects to be able to conclude them within a few weeks, thus putting the Group's financing on a sound more midterm footing.

### Financial Highlights ((euro)million, except per share amounts)

	First Three Quarters	First Three
(unaudited)	2002	2001
Sales revenue	821.9	781.9
EBITDA before antitrust charge <sup>1</sup>	79.9	79.9
Profit from operations before antitrust charge <sup>1</sup>	19.2	19.2
Profit from operations after antitrust charge <sup>1</sup>	19.2	19.2
Return on sales <sup>2</sup>	2.3 %	2.3 %
Net loss before minority interests	-6.2	-6.2
Earnings per share	-0.30	-0.30
Operational cash flow <sup>3</sup>	154.3	154.3
	Sept 30,	Sept 30,
(unaudited)	2002	2001
Total assets	1,346	1,346
Equity	220	220
Net financial liabilities (net debt)	454	454
Debt ratio (gearing) <sup>4</sup>	2.1	2.1
Equity ratio <sup>5</sup>	16.3 %	16.3 %

1 Antitrust charge of 35 million in second quarter of 2001.

2 Ratio of profit from operations before antitrust charge to sales revenue.

3 Without currency exchange rate effects.

4 Financial liabilities less cash and cash equivalents divided by shareholders' equity.

5 Shareholders' equity divided by total assets.

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## News from SGL Carbon's Businesses

- SGL Carbon Subsidiary HITCO wins Contract for Airbus A-380  
For further details, please visit our website at [WWW.SGLCARBON.COM](http://WWW.SGLCARBON.COM)

## Segment reporting

### Carbon and Graphite [CG]

	First Three Quarters	First Three Quarters
((euro)million)	2002	2001
Sales revenue	402.3	464.5
EBITDA	69.2	91.5
Profit from operations	42.1	64.1
Return on sales	10.5 %	13.8 %

- Sales revenue in Carbon and Graphite amounted to (euro)136 million in Q3, a decline of 3% on Q2 that was primarily due to exchange rate effects. During the nine-month period, sales revenue dropped 13% to (euro)402 million, mainly as a result of price factors and low volume in Q1.
- The steel industry continues to show signs of improvement following the specific crisis in the USA and the end of the inventory reductions in Europe. Demand also picked up in Asia. Despite the fact that Q3 in Graphite Electrodes is typically weaker for seasonal reasons, sales volume increased here by 6% to 44,500 tons compared to 42,100 tons in Q2. For the year to date period this was 7% down on the prior year at 121,200 tons. The average price for Graphite Electrodes in Q3 was (euro)2,200/ton, a decline of 17% on the prior-year quarter. Carbon and Graphite intends to apply the price increase of approximately 10% - as previously announced - to contracts to be negotiated for 2003.
- Profit from operations rose 47% to (euro)18 million (Q2/2002: (euro)12 million), up 22% on Q3/2001 ((euro)15 million) mainly as a result of successful restructuring. Profit from operations for the first nine months amounted to (euro)42 million, down 34% on the prior-year period ((euro)64 million).

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- Business in the remaining Carbon and Graphite areas (carbon electrodes, cathodes, furnace linings) was healthy; sales revenue increased by 15% to (euro)111 million compared to the first nine months of 2001. This was principally due to the strong business in cathodes for the aluminum industry.
- Carbon and Graphite expects demand to remain high in Q4 and that results will develop along similar lines to Q3.

### Graphite Specialties [GS]1

	First Three Quarters	First Three Quarters
((euro)million)	2002	2001
Sales revenue	150.9	183.5
EBITDA	17.3	35.0
Profit from operations	3.6	18.4
Return on sales	2.4 %	10.0 %

1 2001 Business Area results have been restated to reclassify the graphite foils business (expanded graphite) from GS to SGL T

- The continued economic slowdown in Europe and North America in several key industries, such as semiconductors, plant and engineering and chemical industry, led to a decline in sales revenue of 18% to (euro)151 million in the first nine months of the current fiscal year compared to the prior-year period. Sales revenue in Q3/2002 remained constant at (euro)50 million compared to Q2/2002 (Q3/2001: (euro)56 million).
- Profit from operations during the first nine months of 2002 amounted to (euro)4 million compared to (euro)18 million for the prior-year period, and was particularly affected by the 15% drop in volume and by focused reductions in inventory. Despite this decline in sales revenue, GS successfully reduced inventories by (euro)16 million in the year-to-date period in order to increase cash flow, and generated a profit from operations of (euro)1 million in Q3. This figure was unchanged from Q2/2002 (Q3/2001: (euro)7 million).
- Graphite Specialties does not anticipate significant improvement in demand during Q4/2002. Restructuring measures to be brought forward from 2003 will affect the result by a single-digit million figure, together with reductions in inventories designed to prioritize the goals of increasing cash flow and reducing financial liabilities.

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### Corrosion Protection [CP]

	First Three Quarters	First Three Quarters
((euro)million)	2002	2001
Sales revenue	151.4	163.1
EBITDA	6.8	8.6
Profit from operations	-	1.0
Return on sales	0.0 %	0.6 %

- Customers in the chemical, energy and environmental industries are continuing their cautious policy on investment and maintenance expenditures, resulting in a drop in sales revenue of 7% to (euro)151 million for the first three quarters compared to the prior-year period. Due to seasonal effects, sales revenue rose by 26% compared to Q2 to (euro)59 million, despite declining 6% compared to Q3/2001.
- CP broke even in terms of its profit from operations in Q3 and for the first nine months. The latter figure was down (euro)1 million in total compared to the first three quarters of 2001, mainly due to poor sales revenue and staff reduction costs.
- Business conditions are not expected to improve in CP in the short term; however, CP does anticipate a positive overall profit from operations, due to the fact that billing for projects generally takes place in Q4. Nevertheless, profit from operations will be substantially down on 2001 figures due to the downturn in the economy and postponement of orders into 2003.
- Ongoing cost-cutting measures are proving effective and will continue to contribute to increasing profitability.

As in Graphite Specialties, additional staff cuts which the Company intends to bring forward from 2003 into Q4/2002 will affect the Q4 result by a low single-digit million figure.

### Established Businesses [CG, GS, CP]

	First Three Quarters	First Three Quarters
((euro)million)	2002	2001
Sales revenue	704.6	811.1
EBITDA	93.3	135.1
Profit from operations	45.7	83.5
Return on sales	6.5 %	10.3 %

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SGL Technologies [T]1

	First Three Quarters	First Three Quarters
((euro)million)	2002	2001
Sales revenue	115.4	101.2
EBITDA	3.3	-14.0
Loss from operations	-9.7	-27.1
Return on sales	-8.4 %	-26.8 %

1 2001 Business Area results have been restated to reclassify the graphite foils business (expanded graphite) from GS to SGL T

- Sales revenue at SGL T remained approximately constant at (euro)39 million in Q3 compared to the prior quarter and was up 29% on Q3/2001. Business for the year to date was up 14% to (euro)115 million. Developments in aerospace/defense, brake discs, fibers and foils were particularly encouraging.
- Despite the vacation season SGL T's loss was up slightly quarter-on-quarter in Q3/2002, but down substantially compared to the prior-year quarter. All in all, the loss declined from (euro)27 million to (euro)10 million during the nine-month period, thus contributing to the Company's growth drive and cost-cutting measures.
- HITCO Carbon Composites, Inc., SGL's US subsidiary, has secured a strategically important order from Airbus Deutschland GmbH to supply tail unit components for the new Airbus A-380.
- The new plant for the series production of the Company's carbon-ceramic brake discs is operating smoothly and producing consistently high quality. Carbon Fibers business is improving, with sales revenue increasing sharply. Graphite Foils business (expanded graphite) for the automotive industry continues to develop positively.
- For the year 2002 as a whole, SGL T continues to expect to cut losses by at least 50% compared to 2001.

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### Corporate

	First Three Quarters	First Three Quarters
((euro)million)	2002	2001
Sales revenue	1.9	2.7
Corporate costs	-16.8	-16.1

- Costs in the first nine months of 2002 were in line with projections for the year at (euro)17 million.
- For the year 2002 as a whole, SGL also expects costs to remain almost unchanged in comparison to 2001.

### Employees

The number of employees of the Group dropped by 666 from 8,197 at the end of 2001 to 7,531 at September 30, 2002 as a result of restructuring measures.

### Consolidated Income Statement ((euro)million, except per share amounts)

	First Three Quarters	Fir
(unaudited)	2002	
Sales revenue	821.9	
Gross profit	173.9	
Selling, administrative, research and other costs	-154.7	
Profit from operations before antitrust charge	19.2	
Antitrust charge	-	
Profit from operations	19.2	
Financing costs:		
Interest expense on loans	-20.2	
Interest expense on pensions	-7.8	
Currency impacts on antitrust liabilities (non-cash)	2.7	



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Imputed interest on antitrust liabilities (non-cash)	1.8
Other	1.3
Net financing costs	-22.2
Loss before tax	-3.0
Income tax	-3.2
Net loss before minority interests	-6.2
Earnings per share	-0.30

- The Company increased its profit from operations in Q3 in line with estimates to just over (euro)11 million, which led to a profit of (euro)19 million for the first nine months (prior year: (euro)5 million after provisions for antitrust risks of (euro)35 million).
- Interest expense on loans over the nine months remained constant compared to the prior year at around (euro)20 million; the average interest rate for the period was 4.5% (prior year: 4.9%).
- Translation of the US antitrust liabilities in the course of the current year-to-date period led to a positive (non-cash) exchange rate effect of (euro)3 million due to the weakness of the US dollar.
- Non-cash interest accrued on liabilities from antitrust proceedings contributed positively to the net financial costs in the year-to-date period. As reported, the renegotiation of the payment plan had led to an one-time reduction in the financial result of (euro)5 million in Q1/2002.
- Tax expense is the result of positive earnings from foreign subsidiaries that cannot be offset against losses from other Group companies. Deferred tax assets on ongoing losses in 2002 remained unrecognized for the Group's companies in the USA and the United Kingdom. This resulted in a tax relief shortfall of (euro)7 million which possibly can be utilized in the future.
- Earnings per share are calculated on the basis of an average of 21.8 million shares outstanding (2001: 21.6 million).

-- Consolidated Balance Sheet ((euro) million)

(unaudited)	Sept 30, 2002	Dec 31, 2001
Assets		
Intangible assets	101	101

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Property, plant and equipment	493	5
Long-term investments	34	
Noncurrent assets	628	6
Inventories	332	3
Trade receivables	208	2
Other current assets including cash and cash equivalents	92	
Current assets	632	7
Deferred tax assets	86	
Total assets	1,346	1,4
	Sept 30,	Dec 31,
(unaudited)	2002	2001
Equity and Liabilities		
Equity	220	2
Minority interests	2	
Provisions for pensions and other employee benefits	193	1
Other provisions	147	1
Provisions	340	3
Financial liabilities	490	5
Trade payables	90	1
Other liabilities	166	1
Liabilities	746	8
Deferred tax liabilities	38	
Total equity and liabilities	1,346	1,4

- Total assets declined by (euro)149 million compared to December 31, 2001, of which (euro)76 million is due to exchange rate effects.
- Half of the decline in noncurrent assets of (euro)71 million was due to exchange rate translation differences, and half to depreciation and amortization in excess of capital expenditures.
- The reduction in inventories amounted to (euro)62 million, with (euro)18 million resulting from exchange rate effects and (euro)44 million from successful inventory management measures.
- Reduced sales revenue in the current fiscal year as well as increased

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sales of receivables resulted in a decline in trade receivables of (euro)54 million compared to December 31, 2001.

- Net financial liabilities were reduced by (euro)73 million to (euro)454 million compared to December 31, 2001.
- The equity ratio was 16% compared to 17% at the end of 2001, mainly due to exchange rate effects.

### Consolidated Statement of Changes in Equity ((euro)million)

(unaudited)	2002	2001
Balance at January 1	255	337
Capital increase	1	2
Net loss, net of minority interests	-6	-34
Currency exchange differences and other	-30	2
Balance at September 30	220	307

### Consolidated Cash Flow Statement ((euro) million)

(unaudited)	First Three Quarters 2002	First
Profit from operations <sup>1</sup>	19.2	
Depreciation and amortization	60.7	
EBITDA	79.9	
Decrease (increase) in working capital	74.4	
Operational cash flow	154.3	
Payments related to antitrust proceedings	-8.3	
Other operating cash uses	-54.5	
Cash provided by operating activities	91.5	

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Capital expenditures	-32.1
Other investing activities	10.3
Cash used in investing activities	-21.8
Cash used in/provided by financing activities	-44.7
Effect of foreign exchange rate changes in cash	-1.7
Net increase in cash and cash equivalents	23.3
Cash and cash equivalents at beginning of the period	12.1
Cash and cash equivalents at end of the period	35.4

1 Before antitrust charge

- The Group generated EBITDA<sup>1</sup> of (euro)80 million in the nine-month period under review, after (euro)105 million in the comparable period of the prior year.
- Working capital<sup>2</sup> was reduced by (euro)74 million during the nine-month period under review after adjustment for exchange rate effects.
- The Group was also able to increase operational cash flow<sup>3</sup> by 130% to (euro)154 million, compared to (euro)67 million in the prior-year nine-month period.
- Cash and cash equivalents at the end of the current period amounted to (euro)35 million; this resulted in a free cash flow<sup>4</sup> of (euro)70 million for the fiscal year-to-date, compared to (euro)-32 million for the same prior-year period, an improvement of (euro)102 million.
- At (euro)32 million, capital expenditures were around (euro)29 million below depreciation and amortization ((euro)61 million) in the period under review.
- Net cash used in financing activities of (euro)45 million was used to reduce financial liabilities.

- 1 EBITDA: earnings before interest, tax, depreciation and amortization on noncurrent assets
- 2 Working capital: inventories plus trade receivables minus trade payables
- 3 Operational cash flow: EBITDA plus change in working capital
- 4 Free cash flow: net cash provided by operating activities minus net cash used in investing activities

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### Important note:

This presentation contains forward-looking statements as defined in the US Private Securities Litigation Reform Act of 1995. It contains forward-looking statements and information relating to sales and earnings figures, based on currently available information. Actual future results and trends could differ materially from those set forth in such statements due to various factors. Such factors include unforeseeable alterations in electric steel production, the possibility of changing economic and competitive conditions, changes in currency rates, technological developments, unanticipated developments relating to recently acquired businesses and Group companies, unforeseen difficulties relating to investigations by the North American and European antitrust authorities and the civil actions related to these investigations and other risks and uncertainties, including those detailed in the Company's filings with the US Securities and Exchange Commission. SGL Carbon does not intend to update these forward-looking statements and does not assume any obligation to do so.

### Sales Revenue & Profit from Operations by Quarter ((euro)million)

	2001						
	Q1	Q2	Q3	First Three Quarters	Q4	Year	Q1
Sales revenue							
Carbon and Graphite	153.1	164.4	147.0	464.5	155.3	619.8	127.2
Graphite Specialties <sup>1</sup>	63.6	63.5	56.4	183.5	47.2	230.7	51.4
Corrosion Protection	48.7	51.4	63.0	163.1	72.7	235.8	45.0
Established Businesses <sup>1</sup>	265.4	279.3	266.4	811.1	275.2	1,086.3	223.6
SGL Technologies <sup>1</sup>	34.6	36.5	30.1	101.2	33.9	135.1	36.4
Other	0.4	0.6	1.7	2.7	9.2	11.9	1.0
	300.4	316.4	298.2	915.0	318.3	1,233.3	261.0

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	2001						
Profit (loss) from operations <sup>2</sup>	Q1	Q2	Q3	First Three Quarters	Q4	Year	Q1
Carbon and Graphite	22.8	26.5	14.8	64.1	14.8	78.9	11.7
Graphite Specialties <sup>1</sup>	5.8	6.0	6.6	18.4	3.9	22.3	1.8
Corrosion Protection	0.2	0.8	-	1.0	11.6	12.6	-1.9
Established Businesses <sup>1</sup>	28.8	33.3	21.4	83.5	30.3	113.8	11.6
SGL Technologies <sup>1</sup>	-9.8	-7.7	-9.6	-27.1	-6.6	-33.7	-4.6
Corporate Costs	-5.4	-5.0	-5.7	-16.1	-5.3	-21.4	-6.0
	13.6	20.6	6.1	40.3	18.4	58.7	1.0

Consolidated Income Statements by Quarter ((euro) million)

	2001						
	Q1	Q2	Q3	First Three Quarters	Q4	Year	Q1
Sales revenue	300.4	316.4	298.2	915.0	318.3	1,233.3	261.0
Cost of sales	-230.4	-237.3	-233.6	-701.3	-240.5	-941.8	-210.4
Gross profit	70.0	79.1	64.6	213.7	77.8	291.5	50.6
Selling/administration/research/other	-56.4	-58.5	-58.5	-173.4	-59.4	-232.8	-49.6
Profit from operations <sup>2</sup>	13.6	20.6	6.1	40.3	18.4	58.7	1.0
Antitrust charge	-	-35.0	-	-35.0	-	-35.0	-
Restructuring charge	-	-	-	-	-41.0	-41.0	-
Profit (loss) from operations	13.6	-14.4	6.1	5.3	-22.6	-17.3	1.0

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Net financing costs	-17.3	-16.3	1.4	-32.2	-16.3	-48.5	-6.3
Profit (loss) before tax	-3.7	-30.7	7.5	-26.9	-38.9	-65.8	-5.3
Income tax	1.3	-3.3	-4.8	-6.8	-22.4	-29.2	-4.0
Net profit (loss) before minority interests	-2.4	-34.0	2.7	-33.7	-61.3	-95.0	-9.3

- 1 2001 Business Area results have been restated to reclassify of the graphite foils business (expanded graphite) from Graphite Specialties to SGL Technologies
- 2 Before antitrust charge and restructuring charge

### 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: November 7, 2002 By:

/s/ Robert J. Kohler

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 Name: Robert J. Koehler  
 Title: Chairman of the Board of Management

By: /s/ Dr. Bruno Toniolo

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 Name: Dr. Bruno Toniolo  
 Title: Member of the Board of Management