

Edgar Filing: SGL CARBON AKTIENGESELLSCHAFT - Form 6-K

SGL CARBON AKTIENGESELLSCHAFT

Form 6-K

July 26, 2006

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: July 2006

SGL CARBON Aktiengesellschaft

(Name of registrant)

Rheingastrasse 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. July 26, 2006 German Press Release - First Half of 2006
2. July 26, 2006 Shareholder Letter - Report on the First Half of 2006

[SGL CARBON LOGO]

SGL Carbon: First Half of 2006

- Sales in H1/2006 plus 9%, EBIT before ECJ decision plus 45% compared to H1/2005
- Return on sales before ECJ decision 14% in H1/2006
- Pre tax profit before ECJ decision more than doubled in H1/2006 to (euro) 56.7 million
- ECJ decision of June 29, 2006 burdens EBIT with (euro) 23.5 million and net financing costs with (euro) 12.8 million
- Further earnings improvement expected for Q3/2006 and guidance for 2006 before ECJ decision raised

Wiesbaden, July 26, 2006. Thanks to the favourable development of demand in all three business units, consolidated sales increased by 9% to (euro) 568.9 million in H1/2006, or 7% after adjusting for foreign currency changes. EBIT before ECJ decision increased more than expected, by 45% to (euro) 79.2 million. The main reasons for the earnings growth were the sustained positive development at Carbon and Graphite and Specialties as well as cost savings amounting to some (euro) 12 million.

Net Financing Costs

In H1/2006, the net financing costs before ECJ decision improved to minus (euro) 22.5 million compared with minus (euro) 27.8 million in the same six months of the previous year. This was due primarily to reduced net interest expenses resulting from the decrease of financial liabilities as well as lower interest expenses in connection with the antitrust proceedings resulting from the complete payment of the remaining North American antitrust liabilities in 2005 and the cash funding of the first European antitrust fine in April 2006. Furthermore, the other financing expenses are impacted by positive mark-to-market valuations of interest and currency instruments of the Company.

Profit before and after taxes

In the first half-year, pre tax earnings before ECJ decision more than doubled from (euro) 26.8 million in H1/2005 to (euro) 56.7 million in the reporting period. Due to the absolute level reached and the minimum taxation regulations in Germany, SGL Carbon did not book any deferred taxes for the tax-deductible interest expenses from the antitrust proceedings. Including the charges from the ECJ decision, a net profit for the period of (euro) 1 million was generated. Based on an average number of shares of 60.2 million, earnings per share amounted to (euro) 0.02.

SGL CARBON AG

Corporate Communications, Media Relations

Rheingaustrasse 182, D-65203 Wiesbaden

Tel.: +49 (6 11) 60 29-100, Fax: +49 (6 11) 60 29-101

E-Mail: cpc@sglcarbon.de, Internet: www.sglcarbon.de

Statement of Changes in Shareholders' Equity

As a result of the capital increases, shareholders' equity increased as at June 30, 2006 by (euro) 90 million to (euro) 402 million, thus leading to an improvement in the equity ratio from 27.2% to 34.1%. An equity ratio of 37%

Edgar Filing: SGL CARBON AKTIENGESELLSCHAFT - Form 6-K

would have resulted without the negative impact from the ECJ decision.

Net Debt

As at June 30, 2006, there was a significant improvement in net financial debt due to a reduction of (euro) 21 million in financial liabilities. In April 2006, the proceeds from the capital increase in addition to part of the cash and cash equivalents were used to cash fund the first European antitrust fine on the basis of the EC decision of April 29, 2004. For this reason, the ECJ decision of June 29, 2006 only impacts Q3/2006 with a cash outflow of (euro) 8.5 million. After payment in Q3/2006, a total of approximately (euro) 17 million will have been deployed in 2006 for making antitrust payments in addition to the funds from the capital increase. Despite this cash outflow, SGL Carbon is adhering to the guidance of reducing net financial liabilities to below (euro) 240 million by year-end due to higher cash flow provided by operating activities.

European Court of Justice Decision

As previously reported, on June 29, 2006 the European Court of Justice (ECJ) announced its decision in the "graphite electrodes" case, thus changing the decisions of the European Court (EC) of April 29, 2004 and the European Commission of July 18, 2001 and assessed a figure of (euro) 75.7 million. On the basis of this judgment, the Company made adjustments to its provisions in Q2/2006. As a result, EBIT was negatively impacted by (euro) 23.5 million and the net financing costs by (euro) 12.8 million. Both measures are non-cash in Q2/2006. As already reported, the fine and the outstanding interest on the basis of the EC decision were cash funded with the European Commission at the beginning of the second quarter with no acknowledgement of legal obligation. Consequently, the ECJ decision will result in a cash outflow of only (euro) 8.5 million in Q3/2006. With the ECJ decision and the measures taken in Q2/2006 impacting the balance sheet and income statement, the effects from the "graphite electrodes" proceedings are finally concluded.

2

Segment Reporting

Carbon and Graphite (CG)

In H1/2006, sales increased by 9% to (euro) 338.5 million, currency-adjusted by 7%. This was due to successfully implemented price increases for graphite electrodes and higher sales of cathodes. Despite the planned reduction in graphite electrode shipments, EBIT increased by 26% to (euro) 76.1 million as a result of price increases and ongoing cost reduction measures. The return on sales improved to 22.5% in comparison to 19.4% in the same six months of the previous year. The average prices for graphite electrodes increased by 22% in USD and 10% in EUR compared to H1/2005. As expected, the reporting period saw a reduction in graphite electrode shipments of 10% compared to the exceptionally strong H1/2005. Even so, deliveries reached a level of 99,000 metric tons, which is comparable to the average first six months of previous years. The factor cost increase was at the upper end of the indicated range of 10-15%.

Specialties (S)

Sales increased by 15% to (euro) 145.9 million, currency-adjusted by 14%, particularly due to demand from the solar and nuclear energy industry as well as from industrial applications and as a result of the good order book in Process Technology. Against H1/2005, which included the weak Q1/2005, EBIT more than doubled owing to the sales growth and the resulting improvement in capacity utilization. Like in Q1/2006, the 11.8% EBIT margin in H1/2006 remains within our target range of 10-15%.

3

Edgar Filing: SGL CARBON AKTIENGESELLSCHAFT - Form 6-K

SGL Technologies (T)

Sales increased by 3% to (euro) 83.7 million, adjusted for currency, sales remained flat. Higher demand for carbon fibres more than compensated for the project and development related shift of Composites sales to H2/2006. EBIT at (euro) 0.2 million is positive despite - as reported in Q1 - the burden resulting from a receivables writedown of approximately (euro) 1 million due to the Chapter 11 proceedings of Dana Corporation in the USA, one of SGL Carbon's customers in the area of Expanded Graphite.

Employees

The number of employees in the Group was 5,280 as at June 30, 2006 compared with 5,263 at the end of December 2005. Although the number of employees in Carbon and Graphite and Specialties declined slightly, additional employees were taken on by SGL Technologies due to the planned expansion of business.

Outlook

For Q3/2006, SGL Carbon is anticipating an increase in consolidated sales of at least 10% and consolidated EBIT of at least 20% compared to Q3/2005. Carbon and Graphite sales is likely to increase up to 20%, while the improvement in EBIT is again likely to be stronger with an increase of 30% to 40%. For Specialties, SGL Carbon expects another solid quarter of sales and EBIT, roughly at the same level as the strong third quarter of the previous year. At SGL Technologies, sales growth exceeding 10% and a positive EBIT is expected despite the shortfall of the AUDI special effect compared to Q3/2005. After the close of the first half-year, the Company is now raising its guidance for 2006, expecting sales to increase by 5-10% and an EBIT improvement before ECJ decision of at least 30%. A financial result before ECJ decision of approximately minus (euro) 50 million is still planned. As a consequence of the improved operating development, SGL Carbon anticipates pre tax and net profit before ECJ decision to more than double against the previous year.

4

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

	2006	1st Half ----- 2006
Sales revenue	568.9	521.1
EBITDA 1)	104.7	89.1
EBIT 1)	79.2	54.1
Return on sales 1) 2)	13.9%	10.1%
Net profit before minority interests	1.0	14.1
Earnings per share (in (euro))	0.02	0.21
Cash flow from operations before antitrust payments 3)	42.7	5.3
	June 30, 2006	Dec. 2005

Edgar Filing: SGL CARBON AKTIENGESELLSCHAFT - Form 6-K

Total assets	1,177	1,183
Shareholders' equity	402	322
Net debt	253	265
Debt ratio (gearing) 4)	0.6	0.8
Equity ratio 5)	34.1%	27.2

- 1) Before effect from ECJ decision of (euro) 23.5 million
- 2) Ratio of profit from operations to sales revenue
- 3) Without currency exchange rate effects
- 4) Net debt divided by shareholders' equity
- 5) Shareholders' equity divided by total assets

Retroactive adjustments

For the first time since the consolidated financial statements as at December 31, 2005 all previously non-consolidated subsidiaries are fully included in the scope of consolidation and two joint ventures are accounted for under the equity method. For the quarterly representation of the 2005 fiscal year, the reported data were adjusted to include the previously non-consolidated companies and thus made comparable.

5

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 electric steel 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.

Your contact:

Corporate Communications / Press Office / Stefan Wortmann
 Tel. : +49 611 60 29 105 / Fax : +49 6 11 60 29 101 / Mobil : +49 170 540 2667
 e-mail : stefan.wortmann@sglcarbon.de / Internet : www.sglcarbon.de

6

Exhibit 2

Report on the First Half of 2006

Highlights

Edgar Filing: SGL CARBON AKTIENGESELLSCHAFT - Form 6-K

- Sales in H1/2006 plus 9%, EBIT before ECJ decision plus 45% compared to H1/2005
- Return on sales before ECJ decision 14% in H1/2006
- Pre tax profit before ECJ decision more than doubled in H1/2006 to (euro) 56.7 million
- ECJ decision of June 29, 2006 burdens EBIT with (euro) 23.5 million and net financing costs with (euro) 12.8 million
- Further earnings improvement expected for Q3/2006 and guidance for 2006 before ECJ decision raised

Financial Highlights (unaudited)

(euro) million	2006
Sales revenue	568.9
Gross profit	181.2
EBITDA 1)	104.7
EBIT 1)	79.2
Return on sales1) 2)	13.9%
Net profit before minority interests	1.0
Earnings per share (in (euro))	0.02
Cash flow from operations before antitrust payments3)	42.7

(euro) million	June 30, 2006
Total assets	1,177
Shareholders' equity	402
Net debt	253
Debt ratio (gearing) 4)	0.6
Equity ratio 5)	34.1%

- 1) Before effect from ECJ decision of (euro)23.5 million
- 2) Ratio of profit from operations to sales revenue
- 3) Without currency exchange rate effects
- 4) Net debt divided by shareholders' equity
- 5) Shareholders' equity divided by total assets

On June 29, 2006 the European Court of Justice (ECJ) announced its decision in the "graphite electrodes" case, thus changing the decisions of the European Court (EC) of April 29, 2004 and the European Commission of July 18, 2001 and

Edgar Filing: SGL CARBON AKTIENGESELLSCHAFT - Form 6-K

assessed a figure of (euro) 75.7 million. On the basis of this judgment, the Company made adjustments to its provisions in Q2/2006. As a result, EBIT was negatively impacted by (euro) 23.5 million and the net financing costs by (euro) 12.8 million. Both measures are non-cash in Q2/2006. As already reported, the fine and the outstanding interest on the basis of the EC decision were cash funded with the European Commission at the beginning of the second quarter with no acknowledgement of legal obligation. Consequently, the ECJ decision will result in a cash outflow of only (euro) 8.5 million in Q3/2006. With the ECJ decision and the measures taken in Q2/2006 impacting the balance sheet and income statement, the effects from the "graphite electrodes" proceedings are finally concluded.

Retroactive adjustments

For the first time since the consolidated financial statements as at December 31, 2005 all previously non-consolidated subsidiaries are fully included in the scope of consolidation and two joint ventures are accounted for under the equity method. For the quarterly representation of the 2005 fiscal year, the reported data were adjusted to include the previously non-consolidated companies and thus made comparable.

Business Development in the Group

Consolidated Income Statement (unaudited)

(euro) million	2006
Sales revenue	568.9
Gross profit	181.2
Selling, administrative, research and other income/expense	-102.0
EBIT effect from ECJ decision	-23.5
Profit from operations	55.7
Net financing costs	-22.5
Interest effect from ECJ decision	-12.8
Profit before taxes	20.4
Income taxes	-19.4
Net profit before minority interests	1.0
Earnings per share	0.02

Thanks to the favourable development of demand in all three business units, consolidated sales increased by 9% to (euro) 568.9 million in H1/ 2006, or 7% after adjusting for foreign currency changes. EBIT before ECJ decision increased

Edgar Filing: SGL CARBON AKTIENGESELLSCHAFT - Form 6-K

more than expected, by 45% to (euro) 79.2 million. The main reasons for the earnings growth were the sustained positive development at Carbon and Graphite and Specialties as well as cost savings amounting to some (euro) 12 million.

Net Financing Costs

(euro) million	2006
Interest expense on loans (net)	-12.8
Interest expense on pensions	-6.8
Interest expense on antitrust (non-cash)	-1.1
Total interest expense, net	-20.7
Currency and hedging valuation adjustments of antitrust liabilities (non-cash)	0.0
Amortization of refinancing costs	-1.7
Other	-0.1
Total other financing expenses	-1.8
Net financing costs	-22.5

In H1/2006, the net financing costs before ECJ decision improved to minus (euro) 22.5 million compared with minus (euro) 27.8 million in the same six months of the previous year. This was due primarily to reduced net interest expenses resulting from the decrease of financial liabilities as well as lower interest expenses in connection with the antitrust proceedings resulting from the complete payment of the remaining North American antitrust liabilities in 2005 and the cash funding of the first European antitrust fine in April 2006. Furthermore, the other financing expenses are impacted by positive mark-to-market valuations of our interest and currency instruments.

Profit before and after taxes

In the first half-year, pre tax earnings before ECJ decision more than doubled from (euro) 26.8 million in H1/2005 to (euro) 56.7 million in the reporting period. Due to the absolute level reached and the minimum taxation regulations in Germany, we did not book any deferred taxes for the tax-deductible interest expenses from the antitrust proceedings. Including the charges from the ECJ decision, a net profit for the period of (euro) 1 million was generated. Based on an average number of shares of 60.2 million, earnings per share amounted to (euro) 0.02.

Financial Position

Edgar Filing: SGL CARBON AKTIENGESELLSCHAFT - Form 6-K

Consolidated Balance Sheet (unaudited)

Assets	June 30,
(euro) million	2006
Non-current assets	
Intangible assets	83
Property, plant and equipment	341
Long-term investments	14
Deferred tax assets	119
	557
Current assets	
Inventories	299
Trade receivables	199
Other current assets	37
Cash and cash equivalents	82
	617
Assets held for sale	3
Total assets	1,177
Equity and Liabilities	June 30,
(euro) million	2006
Shareholders' equity	402
Minority interests	1
Total equity	403
Non-current liabilities	
Financial liabilities	321
Provisions for pensions and other employee benefits	160
Deferred tax liabilities	32
Other liabilities	1
Other provisions	15
	529
Current liabilities	
Financial liabilities	0

Edgar Filing: SGL CARBON AKTIENGESELLSCHAFT - Form 6-K

Trade payables	89
Other liabilities	68
Other provisions	88
	245
Total equity and liabilities	1,177

As at June 30, 2006, total assets at (euro) 1,177 million were almost unchanged compared to the year-end 2005. The key development in H1/2006 was the cash funding of the first antitrust fine in April 2006 for which the proceeds from the capital increase in March 2006 and the existing cash position was used. Cash and cash equivalents to the amount of (euro) 18 million were used to pay back bank loans.

Working Capital	June 30,
(euro) million	2006
Inventories	299
Trade receivables	199
Less trade payables	-89
Working capital	409

The increase in working capital of around (euro) 22 million (currency-adjusted approximately (euro) 33 million) compared to year-end 2005 corresponds to the typical seasonal development at this time of the year.

Statement of Changes in Shareholders' Equity

	Six months
(euro) million	2006
Balance at January 1	322
Capital increase	90
Net profit	1

Edgar Filing: SGL CARBON AKTIENGESELLSCHAFT - Form 6-K

Currency exchange differences and other	-11
Balance at June 30	402

As a result of the capital increases, shareholders' equity increased as at June 30, 2006 by (euro) 90 million to (euro) 402 million, thus leading to an improvement in the equity ratio from 27.2% to 34.1%. An equity ratio of 37% would have resulted without the negative impact from the ECJ decision.

Net Debt

	June 30,
(euro) million	2006
Financial liabilities	321
plus accrued refinancing cost	14
Cash and cash equivalents	-82
Net financial debt	253

As at June 30, 2006, there was a significant improvement in net financial debt due to a reduction of (euro) 21 million in financial liabilities. In April 2006, the proceeds from the capital increase in addition to part of the cash and cash equivalents were used to cash fund the first European antitrust fine on the basis of the EC decision of April 29, 2004. For this reason, the ECJ decision of June 29, 2006 only impacts Q3/2006 with a cash outflow of (euro) 8.5 million. After payment in Q3/2006, a total of approximately (euro) 17 million will have been deployed in 2006 for making antitrust payments in addition to the funds from the capital increase. Despite this cash outflow, we are adhering to our guidance of reducing net financial liabilities to below (euro) 240 million by year-end due to higher cash flow provided by operating activities.

Financial Condition

Consolidated Cash Flow Statement (unaudited)

adjusted by currency impacts / (euro) million	2006
Cash Flows from operating activities	
Net income before taxes	20.4
Add back of net interest expenses	20.7
Reclassification of the ECJ expense	36.3

Edgar Filing: SGL CARBON AKTIENGESELLSCHAFT - Form 6-K

(Gain) loss on disposal of property, plant and equipment	-1.0
Depreciation and amortization of fixed assets	25.5
Amortization of refinancing costs	1.7
Income taxes paid	-10.2
Interest income received	2.9
Interest on financial debt paid	-15.7
Changes in provisions, net	-5.0
Changes in Working Capital	-32.9
Changes in other operating assets and other liabilities	0.0
Cash provided by operating activities before antitrust payments	42.7
Payments relating to antitrust	-89.3
Cash used in operating activities	-46.6
Cash Flows from investing activities	
Capital expenditure in property, plant and equipment and intangible assets	-29.0
Other investing activities	1.1
Cash used in investing activities	-27.9
Free Cash Flow*	14.8
Cash Flows from financing activities	
Changes in corporate debt	-17.6
Net proceeds from capital increase	81.6
Cash provided by/used in financing activities	64.0
Effect of FX-changes	-1.1
Total Cash Flow	-11.6
Cash and cash equivalents at beginning of period	93.4
Cash and cash equivalents at end of period	81.8
(thereof cash escrow account)	(0.0)

*defined as cash provided by operating activities before antitrust payments
minus cash flows from investing activities

In line with the reporting in the annual report, we have adapted the quarterly cash flow statements according to the indirect method as defined under IAS 7. To provide a better presentation of the cash flow statement compared to Q1/2006, we have now added back net interest expenses. The expenses resulting from the ECJ decision were also reclassified, as the cash outflow was posted separately under payments for antitrust proceedings.

In H1/2006, cash provided by operating activities before antitrust payments at (euro) 42.7 million was considerably improved against the (euro) 5.3 million in H1/2005 due to the stronger H1/2006 result before ECJ decision of (euro) 56.7 million (PY: (euro) 26.8 million), the lower build up of working capital and decreased interest payments for financial liabilities.

Despite significantly higher capital expenditure, free cash flow in H1/2006 improved by (euro) 26.9 million to (euro) 14.8 million after minus (euro) 12.1 million in H1/2005.

With the typical normalization of working capital in the course of the year, we expect a considerably improved free cash flow of at least (euro) 45 million from today's point of view, which despite (euro) 17 million higher cash outflow for antitrust payments and higher capital expenditure in property, plant and equipment of approximately (euro) 65 million (2005: (euro) 45 million), allows us to maintain our guidance of reducing net financial liabilities to below (euro) 240 million by the year-end.

Cash flow from financing activities resulted in a cash inflow of (euro) 64.0 million (H1/2005: outflows of (euro) 7.3 million), which is mainly due to the proceeds from the capital increase.

Segment Reporting

Carbon and Graphite (CG)

(euro) million	2006
Sales revenue	338.5
EBITDA	89.8
Profit from operations	76.1
Return on sales	22.5

In H1/2006, sales increased by 9% to (euro) 338.5 million, currency-adjusted by 7%. This was due to successfully implemented price increases for graphite electrodes and higher sales of cathodes. Despite the planned reduction in graphite electrode shipments, EBIT increased by 26% to

Edgar Filing: SGL CARBON AKTIENGESELLSCHAFT - Form 6-K

(euro) 76.1 million as a result of price increases and ongoing cost reduction measures. The return on sales improved to 22.5% in comparison to 19.4% in the same six months of the previous year. The average prices for graphite electrodes increased by 22% in USD and 10% in EUR compared to H1/2005. As expected, the reporting period saw a reduction in graphite electrode shipments of 10% compared to the exceptionally strong H1/2005. Even so, deliveries reached a level of 99,000 metric tons, which is comparable to the average first six months of previous years. The factor cost increase was at the upper end of the indicated range of 10-15%.

Specialties (S)

(euro) million	2006
Sales revenue	145.9
EBITDA	23.1
Profit from operations	17.2
Return on sales	11.8

Sales increased by 15% to (euro) 145.9 million, currency-adjusted by 14%, particularly due to demand from the solar and nuclear energy industry as well as from industrial applications and as a result of the good order book in Process Technology. Against H1/2005, which included the weak Q1/2005, EBIT more than doubled owing to the sales growth and the resulting improvement in capacity utilization. Like in Q1/2006, the 11.8% EBIT margin in H1/2006 remains within our target range of 10-15%.

SGL Technologies (T)

(euro) million	2006
Sales revenue	83.7
EBITDA	5.7
Profit from operations	0.2
Return on sales	0.2

Sales increased by 3% to (euro) 83.7 million, adjusted for currency, sales remained flat. Higher demand for carbon fibres more than compensated for the project and development related shift of Composites sales to H2/2006. EBIT at (euro) 0.2 million is positive despite - as reported in Q1 - the burden resulting from a receivables writedown of approximately (euro)1 million due to

Edgar Filing: SGL CARBON AKTIENGESELLSCHAFT - Form 6-K

the Chapter 11 proceedings of Dana Corporation in the USA, one of our customers in the area of Expanded Graphite.

Corporate Costs

(euro) million	2006

Other revenue	0.8
Corporate costs	-14.3
EBIT effect from ECJ decision	-23.5

Corporate costs remained virtually unchanged in H1/2006 at (euro) 14.3 million compared with the same six months of the previous year, despite higher expenses arising from the implementation of the Sarbanes-Oxley Act as well as share-based payments. The non-recurring charge from the ECJ decision impacts EBIT by (euro) 23.5 million and is presented separately.

Employees

The number of employees in the Group was 5,280 as at June 30, 2006 compared with 5,263 at the end of December 2005. Although the number of employees in Carbon and Graphite and Specialties declined slightly, additional employees were taken on by SGL Technologies due to the planned expansion of business.

Outlook

For Q3/2006, SGL Carbon is anticipating an increase in consolidated sales of at least 10% and consolidated EBIT of at least 20% compared to Q3/2005. Carbon and Graphite sales is likely to increase up to 20%, while the improvement in EBIT is again likely to be stronger with an increase of 30% to 40%. For Specialties, we expect another solid quarter of sales and EBIT, roughly at the same level as the strong third quarter of the previous year. At SGL Technologies, sales growth exceeding 10% and a positive EBIT is expected despite the shortfall of the AUDI special effect compared to Q3/2005.

After the close of the first half-year, the Company is now raising its guidance for 2006, expecting sales to increase by 5-10% and an EBIT improvement before ECJ decision of at least 30%. A financial result before ECJ decision of approximately minus (euro) 50 million is still planned. As a consequence of the improved operating development, we anticipate pre tax and net profit before ECJ decision to more than double against the previous year.

Quarterly Sales Revenue and Profit from Operations by Business Area (unaudited)

		2005				2005

(euro) million		Q1	Q2	Q3	Q4	Full Year

Sales revenue						

Edgar Filing: SGL CARBON AKTIENGESELLSCHAFT - Form 6-K

Carbon and Graphite	143.3	168.6	157.3	174.5	643.7	1
Specialties	59.1	68.1	66.3	69.9	263.4	
SGL Technologies	38.0	43.5	40.2	37.3	159.0	
Other	0.6	0.6	0.6	0.9	2.7	
	241.0	280.8	264.4	282.6	1,068.8	2

	2005				2005	
(euro) million	Q1	Q2	Q3	Q4	Full Year	
Profit (loss) from operations						
Carbon and Graphite	26.8	33.7	29.8	31.3	121.6	
Specialties	1.5	6.8	6.2	5.3	19.8	
SGL Technologies	-0.5	0.1	3.8	-3.2	0.2	
Corporate costs	-6.5	-7.3	-6.8	-8.2	-28.8	
	21.3	33.3	33.0	25.2	112.8	

1) Excluding charge of (euro)23.5 million resulting from ECJ decision

Quarterly Consolidated Income Statement (unaudited)

	2005				2005	
(euro) million	Q1	Q2	Q3	Q4	Full Year	
Sales revenue	241.0	280.8	264.4	282.6	1,068.8	2
Cost of sales	-174.7	-191.9	-183.8	-196.3	-746.7	-1
Gross profit	66.3	88.9	80.6	86.3	322.1	
Selling/administration /research/other	-45.0	-55.6	-47.6	-61.1	-209.3	-
EBIT effect from ECJ decision						
Profit from operations	21.3	33.3	33.0	25.2	112.8	
Net financing costs	-13.1	-14.7	-17.6	-20.2	-65.6	-

Edgar Filing: SGL CARBON AKTIENGESELLSCHAFT - Form 6-K

Interest effect from
ECJ decision

Profit (loss) before taxes	8.2	18.6	15.4	5.0	47.2
Income taxes	-4.3	-7.6	-6.1	-1.1	-19.1
Net profit (loss) before minority interests	3.9	11.0	9.3	3.9	28.1

Important note:

This interim report contains opinions on future developments which are based on currently available information and do not include the risks and uncertainties which may result in the actual results deviating from the opinions given on future developments. The opinions on future developments are not to be taken as guarantees. Rather, the future developments and occurrences are dependent on a multitude of factors, they include different risks and imponderables and are based on assumptions which may prove to be inaccurate. These include, for example, unforeseeable changes in policy, economic and social conditions, especially in terms of electric steel production, the competitive situation, interest rate and currency developments, technological developments and other risks and imponderables. We see further risks in, amongst other things, price developments, unforeseeable events in terms of acquired companies and Group companies, as well as with the current cost optimization programs. SGL Carbon does not intend to update these opinions on future developments.

Investor Relations Contact

SGL CARBON AG o Head Office o Investor Relations
Rheingaustrasse 182 o D-65203 Wiesbaden
Phone +49 611 60 29-0 o Fax +49 611 60 29-101
e-mail cpc@sglcarbon.de o www.sglcarbon.de

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: July 26, 2006

By: /s/ Robert J. Kohler

Name: Robert J. Koehler

Edgar Filing: SGL CARBON AKTIENGESELLSCHAFT - Form 6-K

Title: Chairman of the Board of
Management

By: /s/ Sten Daugaard

Name: Mr. Sten Daugaard

Title: Member of the Board of
Management