

The Wacker logo is presented in a bold, black, sans-serif font. It is contained within a white rectangular box that has a thin black border. The background of the slide features a vibrant orange gradient with a prominent, glossy, white, curved shape that resembles a stylized 'W' or a chemical structure, set against a white background below the orange section.

**WACKER**

# NOMURA GLOBAL CHEMICAL INDUSTRY LEADER CONFERENCE, ROME

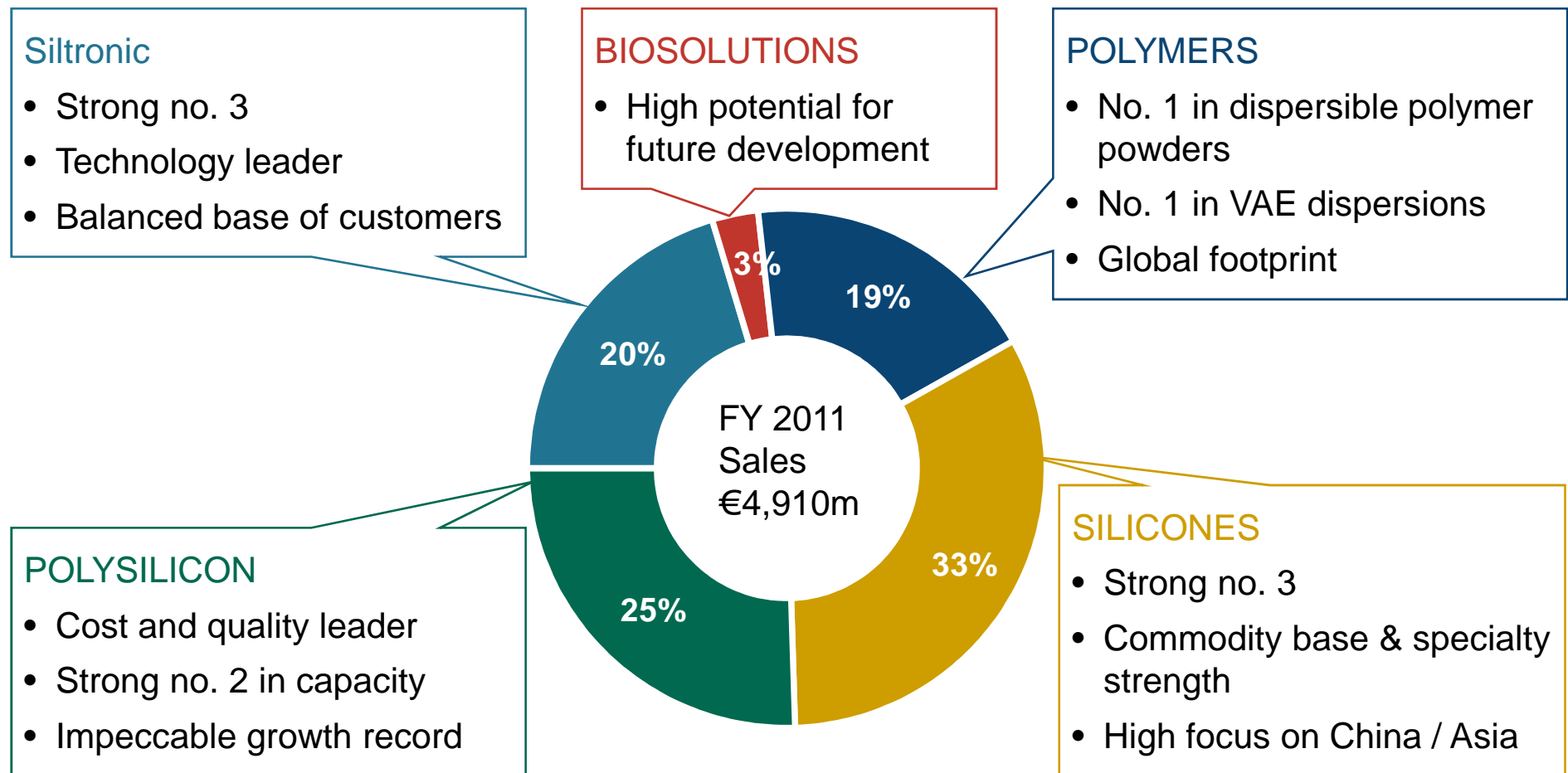
Dr. Rudolf Staudigl, CEO, March 2012

CREATING TOMORROW'S SOLUTIONS

# DISCLAIMER

The information contained in this presentation is for background purposes only and is subject to amendment, revision and updating. Certain statements and information contained in this presentation may relate to future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties. In addition to statements which are forward-looking by reason of context, including without limitation, statements referring to risk limitations, operational profitability, financial strength, performance targets, profitable growth opportunities, and risk adequate pricing, other words such as "may, will, should, expects, plans, intends, anticipates, believes, estimates, predicts, or continue", "potential, future, or further", and similar expressions identify forward-looking statements. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions which could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These include, among other factors, changing business or other market conditions and the prospects for growth anticipated by the Company's management. These and other factors could adversely affect the outcome and financial effects of the plans and events described herein. Statements contained in this presentation regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. The Company does not undertake any obligation to update or revise any statements contained in this presentation, whether as a result of new information, future events or otherwise. In particular, you should not place undue reliance on forward-looking statements, which speak only as of the date of this presentation.

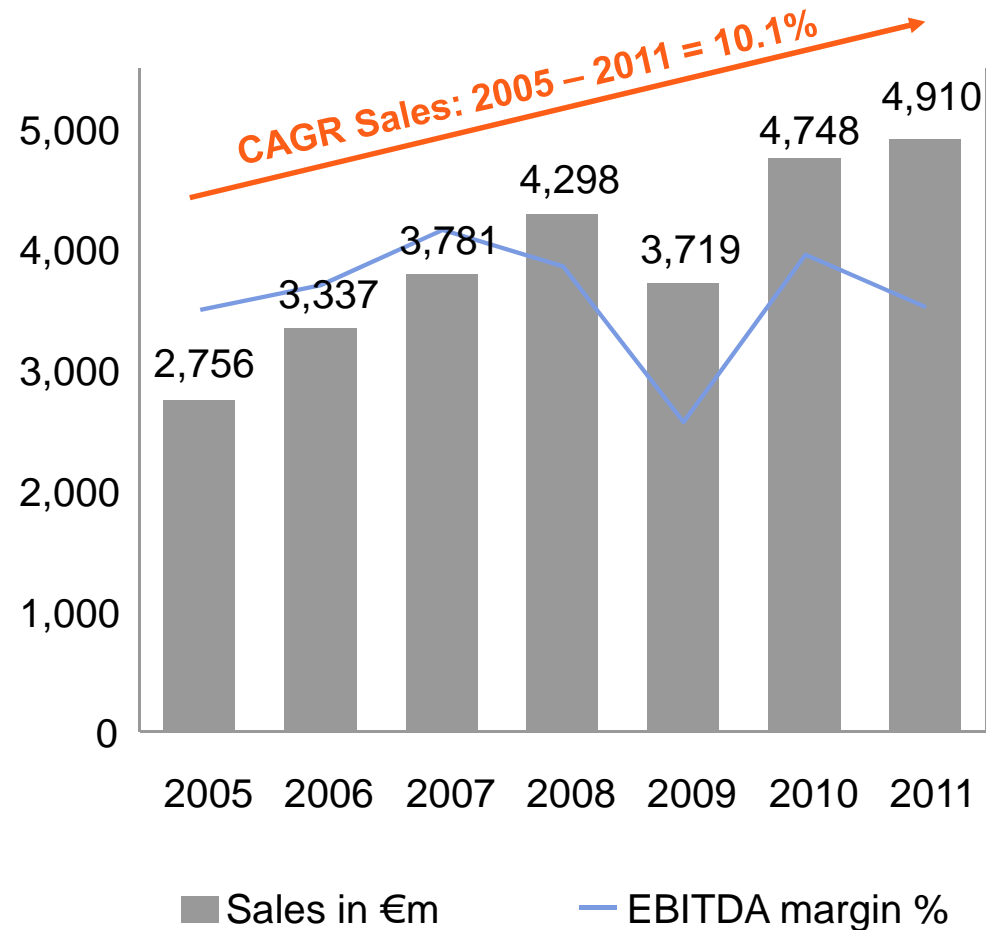
# OUR BUSINESS PORTFOLIO – A FOUNDATION FOR GROWTH



Innovation & Engineering

# SOLID GROWTH PERFORMANCE – OUTPACING GDP CYCLES

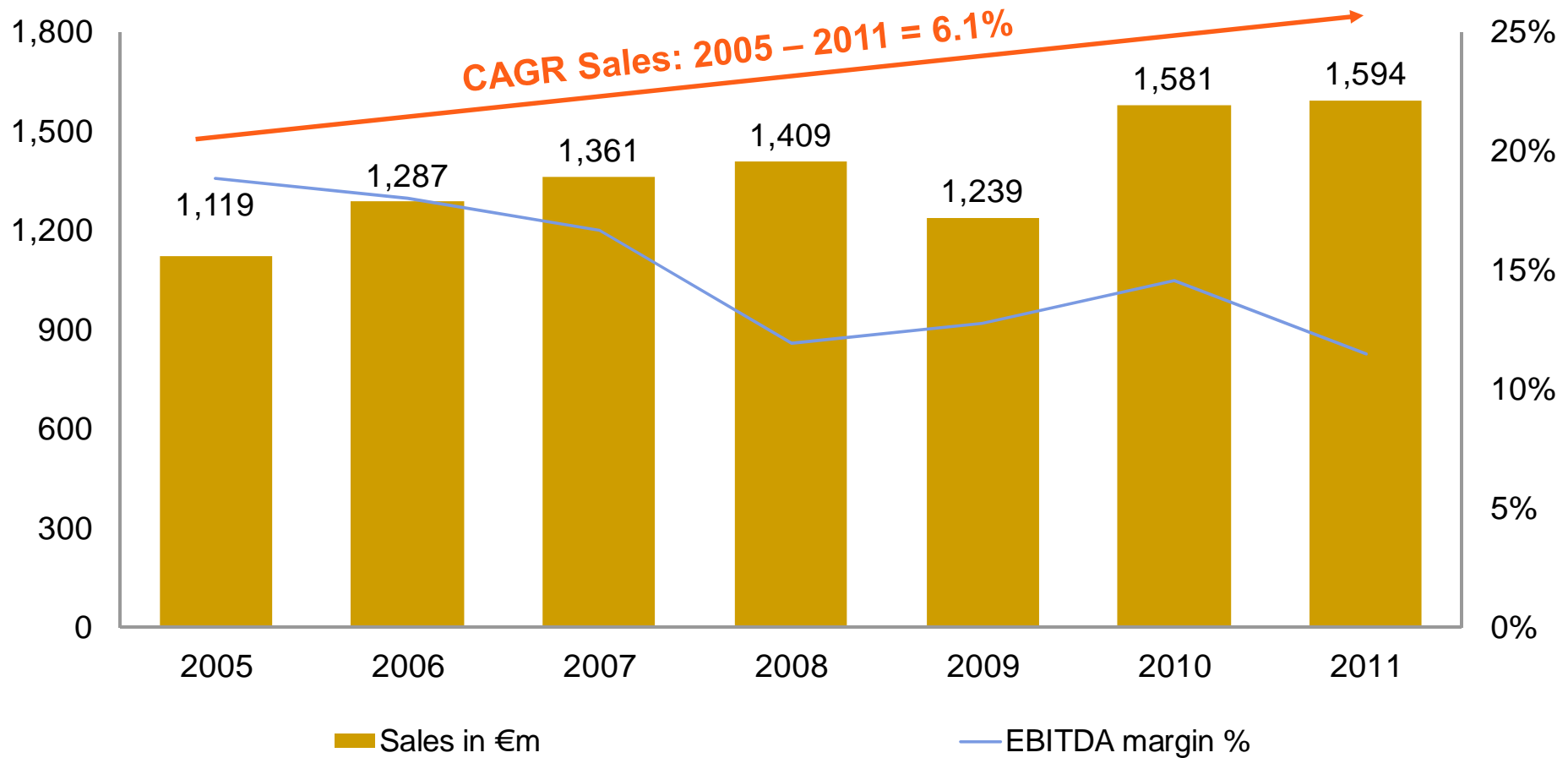
## Sales Performance



- Leading market shares
- Leading production and process technology
- Addressing multiple growth platforms
- Strong productivity and cost focus
- World-scale production sites

# GROWTH SUPPORTED THROUGH SUBSTITUTION, INNOVATION AND EMERGING MARKETS

**WACKER** **SILICONES**



# VERSATILE SILICONES IN MORE THAN 3,000 PRODUCTS

**WACKER** **SILICONES**



**insulating**



**hydrophobic**



**softening**



**low temper. flexibility**



**releasing**



**gloss sustaining**



**heat resistant**



**UV stable**



**dielectric strength**



**adherent**



**radiation resistant**



**defoaming**

**WACKER**

Nomura Global Chemical Industry Leader Conference, Rome  
Dr. Rudolf Staudigl, CEO, March 2012, Slide 5

# BETTER ENCAPSULATION LOWERS PROCESSING COSTS IN PHOTOVOLTAIC MODULE MANUFACTURING

**WACKER** **SILICONES**

Transparent silicone copolymers as encapsulant for photovoltaic modules



## Task

- Reduce processing time for module encapsulation
- Ensure reliable high electrical insulation of PV systems

## Solution TECTOSIL® 177

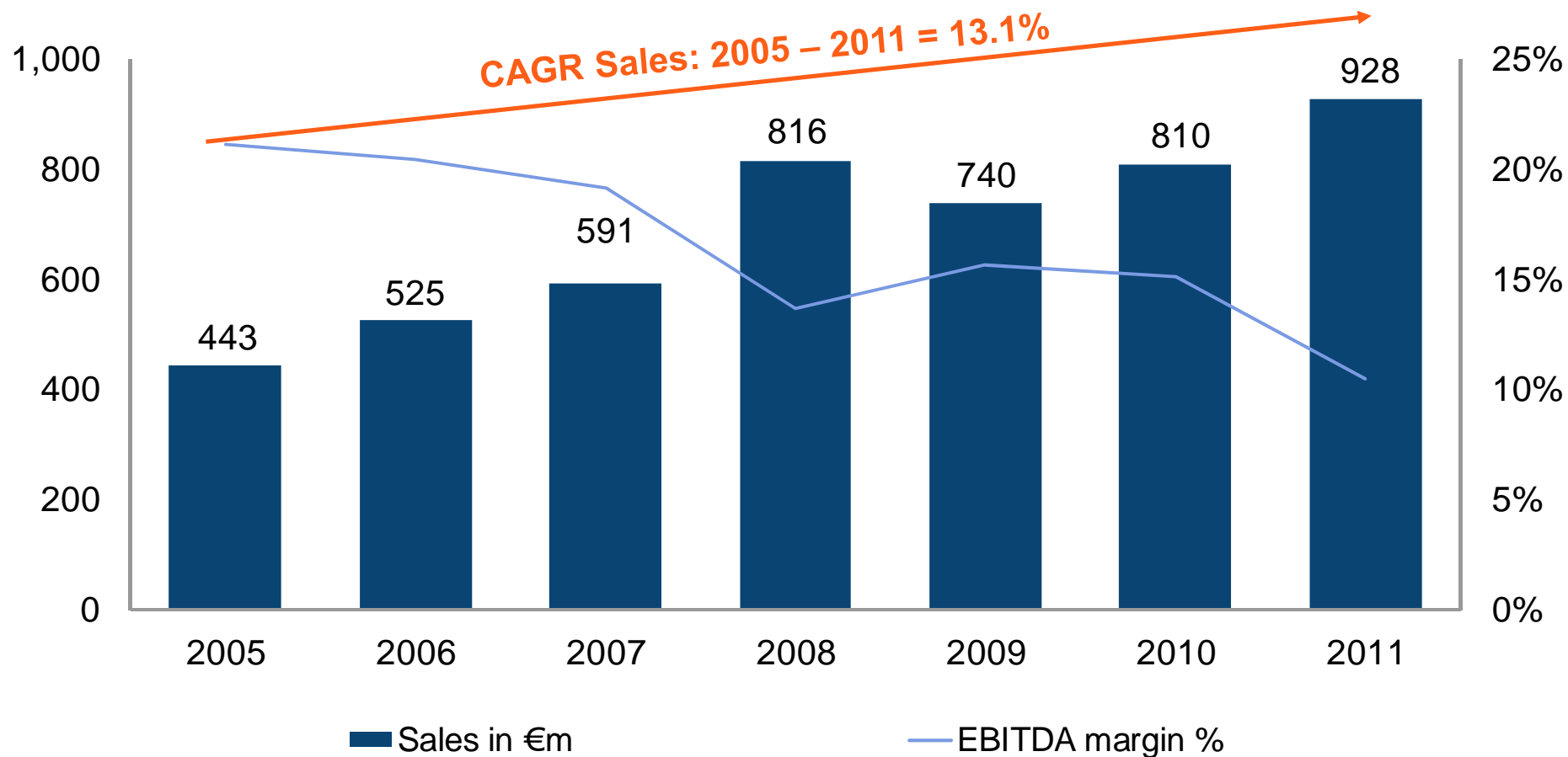
- Silicone based highly transparent thermoplastic copolymer film
- Fast processing with already existing equipment
- Superior isolation properties
- Enabling easy module recycling

**WACKER**

Nomura Global Chemical Industry Leader Conference, Rome  
Dr. Rudolf Staudigl, CEO, March 2012, Slide 6

# INCREASED DEMAND FROM CONSTRUCTION INDUSTRY SUPPORTED GROWTH OF VINNAPAS® PRODUCTS

## WACKER POLYMERS



2008: Acquisition of Air Product Polymers and Wacker Polymer Systems  
Sales and EBITDA margin adjusted for gumbase reclassification



# DISPERSIONS FOR VARIOUS APPLICATIONS – SUBSTITUTING COMPETING TECHNOLOGIES

**WACKER** **POLYMERS**

## ADHESIVES



## COATINGS



## ENGINEERED FABRICS



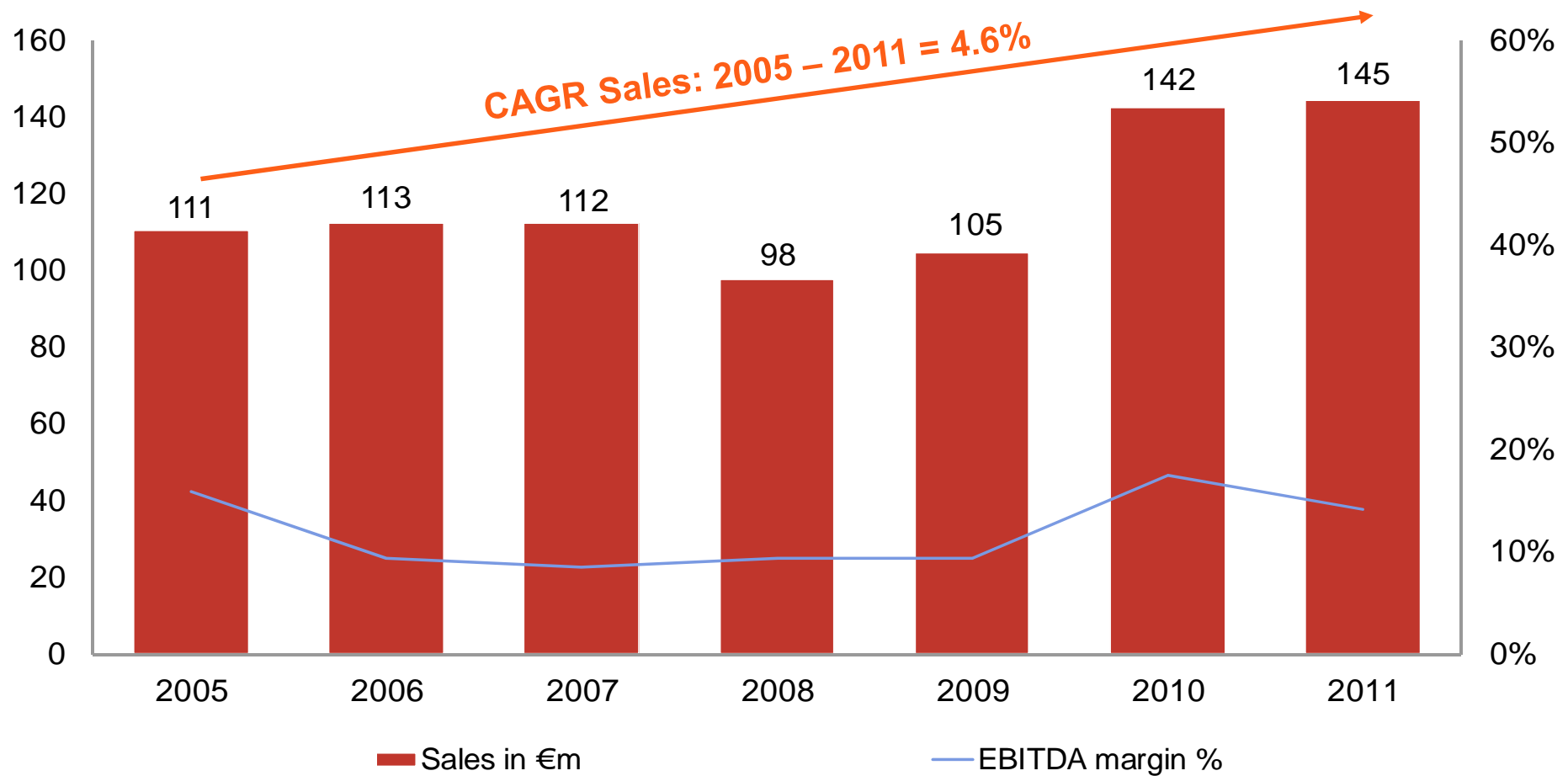
**WACKER**

Nomura Global Chemical Industry Leader Conference, Rome  
Dr. Rudolf Staudigl, CEO, March 2012, Slide 8

# FOCUS ON CUSTOMER-SPECIFIC SOLUTIONS FOR GROWTH AREAS, SUCH AS FOOD ADDITIVES ETC.

**WACKER**

**BIOSOLUTIONS**



**WACKER**

Nomura Global Chemical Industry Leader Conference, Rome  
Dr. Rudolf Staudigl, CEO, March 2012, Slide 9

# NEW APPLICATIONS DRIVE GROWTH IN CYCLODEXTRINS

## Cyclodextrin Effects and Selected Applications

WACKER is the only manufacturer of Cyclodextrins with a world-scale plant able to produce all types: Alpha-, Beta- and Gamma-Cyclodextrins.



Cyclodextrins enables the following effect (examples):

- Masking
- Stabilizing
- Making bioavailable



### Beverages

Vitamin & Catechin water,  
Catechin-rich green tea

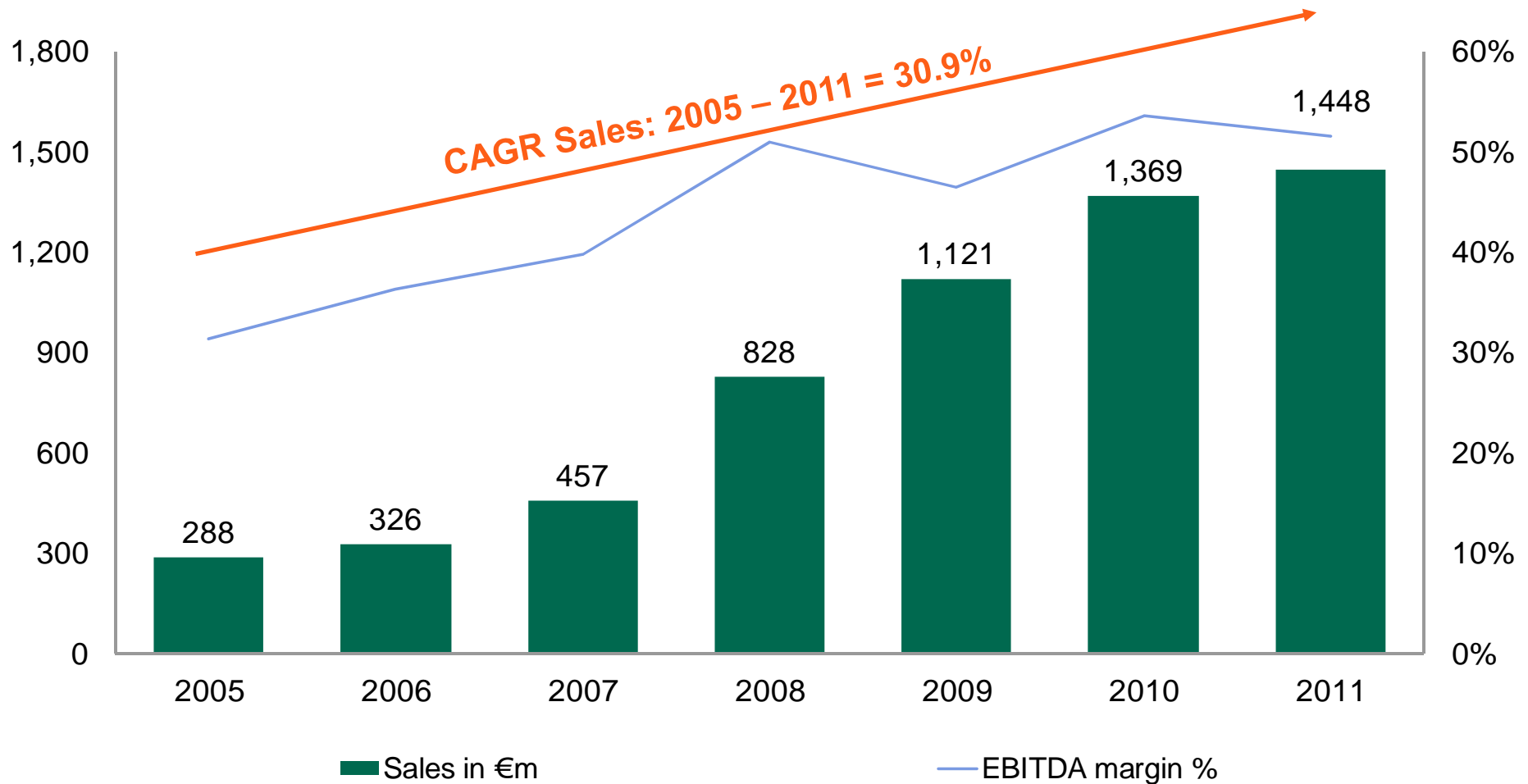


### Dietary Supplements

CoQ10-γ-CD complex

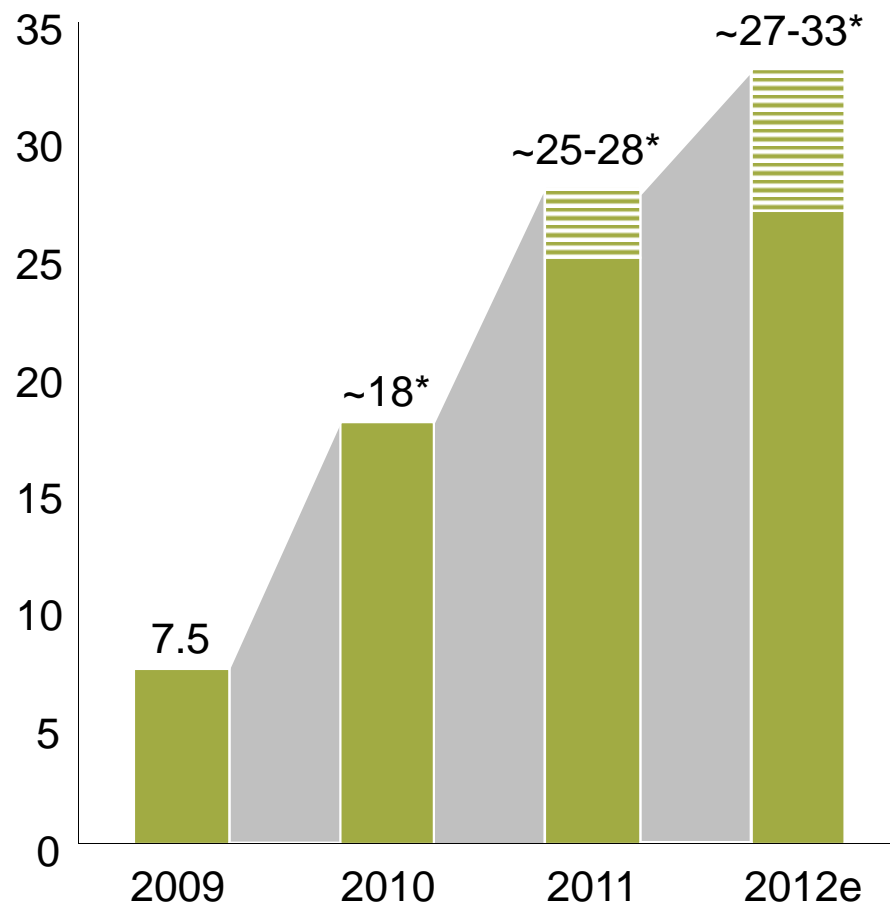
# SUPPLYING THE LEADING SUBSTRATE FOR FAST GROWING INDUSTRIES: SOLAR AND SEMI

## WACKER POLYSILICON



# PV MARKET 2011: ANOTHER YEAR OF STRONG GROWTH

## Photovoltaic-Volume (GW)



\*WACKER estimate, based on published reports

## Market Dynamics 2012e

- Further growth of global PV markets in 2012 expected
- Overcapacities at all steps of the PV value chain
- Players with competitive advantage continue to outperform their peers

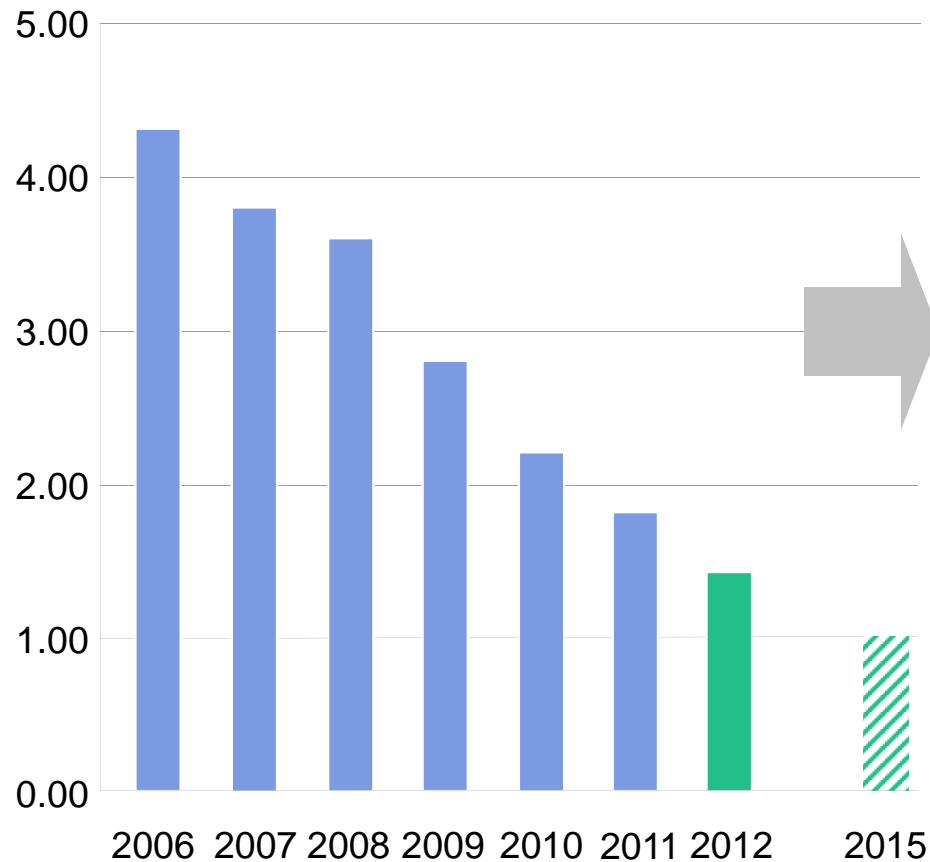
## Current & Future Growth Drivers

- Fast-decreasing PV system prices
- Improving relative competitiveness versus other Renewables (e.g. wind) and also with conventional power plants (e.g. gas)
- More countries adding support schemes

# LEVELIZED COST OF PV ELECTRICITY IMPROVING – SOON COMPETITIVE TO WIND AND GAS

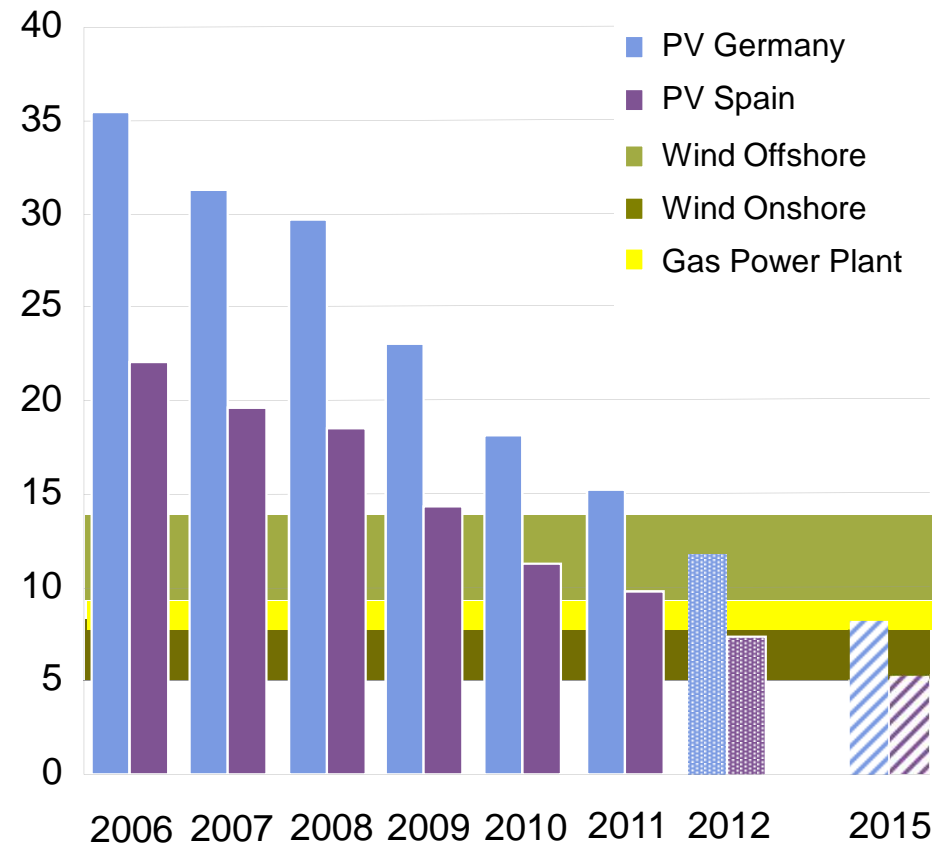
## PV System Price (€/Wp)

(Germany, ground-mounted)



## LCOE\* (€Cent/kWh), 30 years

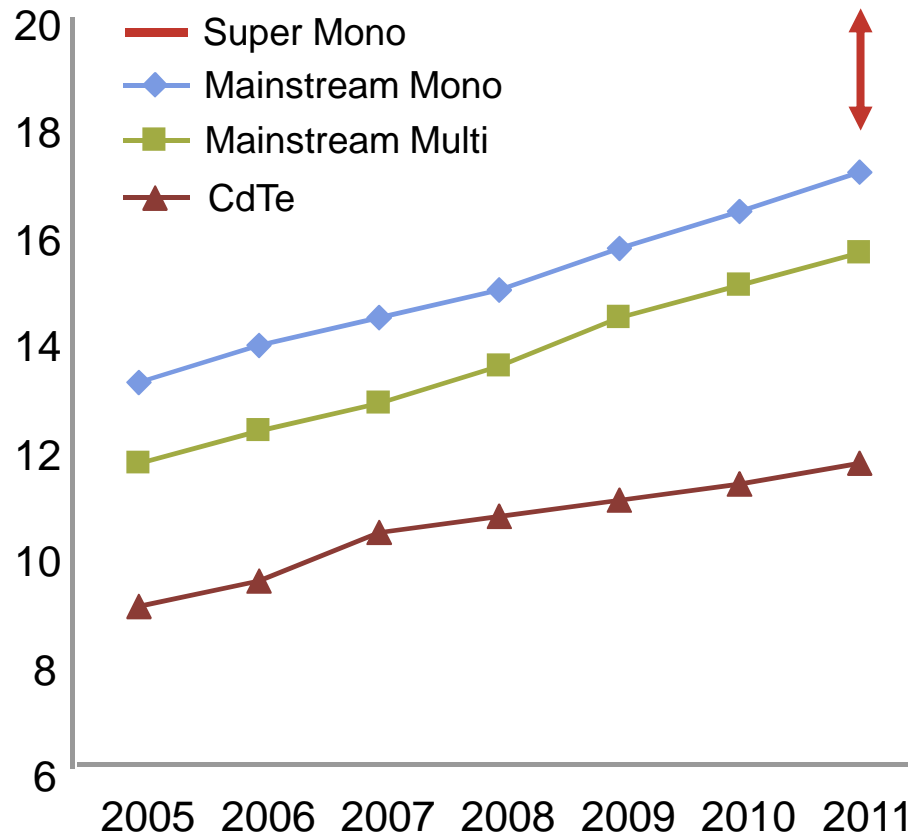
(Germany, ground-mounted)



Source: LBBW 02/2009, Industry announcements, WACKER Analysis

# CONTINUOUS TREND TOWARDS INCREASING MODULE EFFICIENCIES FAVORS ADVANCED C-SI TECHNOLOGY

## Development of Module Efficiencies (%)



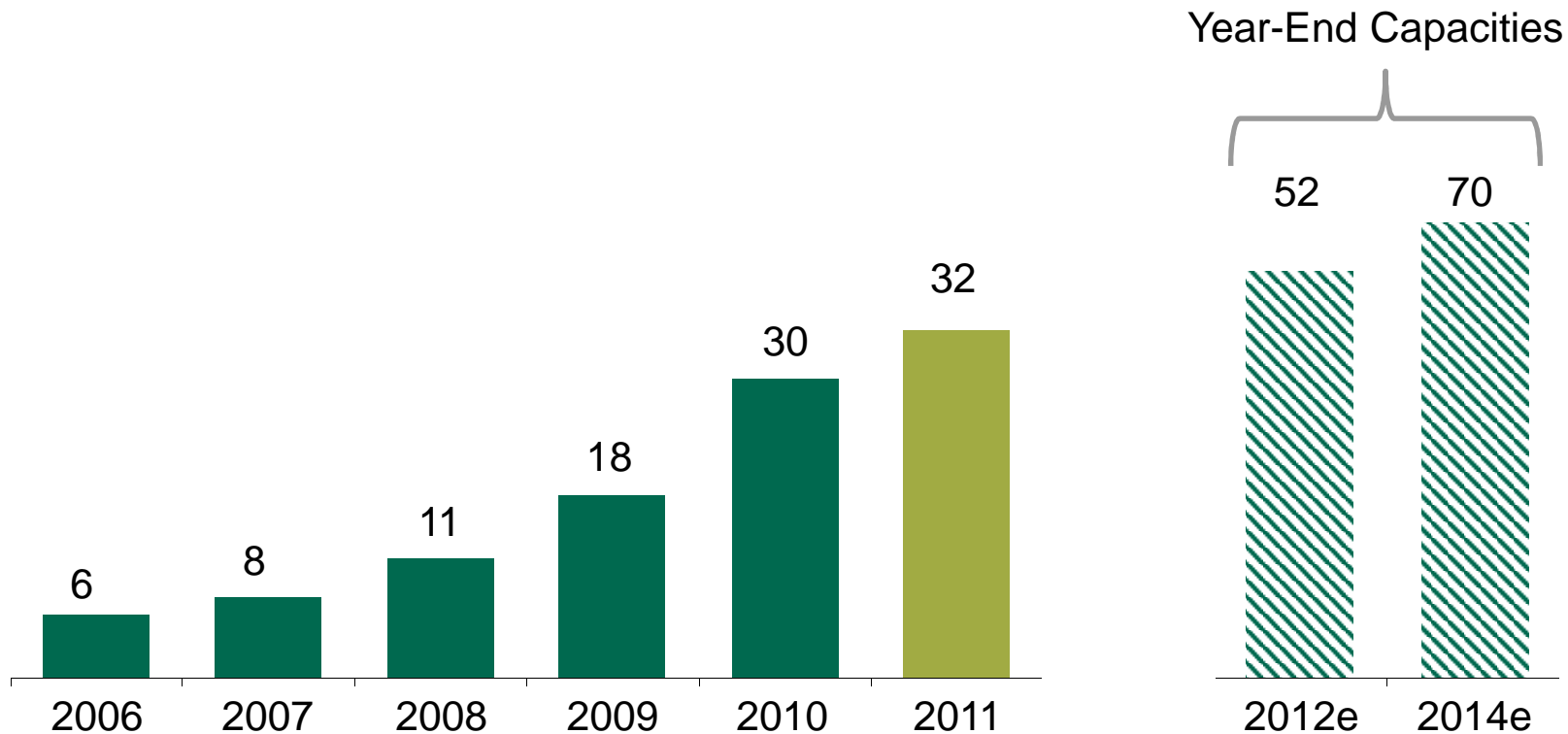
Source: market surveys, industry announcements, WACKER estimates

## Comments

- Module efficiencies are continuously increasing – highest efficiencies with monocrystalline solar cells
- CdTe based modules are losing ground compared to c-Si technology
- Module efficiencies with high impact on overall module manufacturing costs
- High quality polysilicon supports highest solar cell efficiencies and best practice processes, yields & cost structures

# GROWING WITH THE MARKET – FULL PRODUCTION POTENTIAL AT ALL PLATFORMS UP TO 150KT

## Actual Polysilicon Shipments and Planned Year-End Capacities (kt)



The ramp of Poly 11 plant in Tennessee will start in late 2013



# THREE PLATFORMS FOR POLYSILICON GROWTH



Burghausen  
→ 32kt established



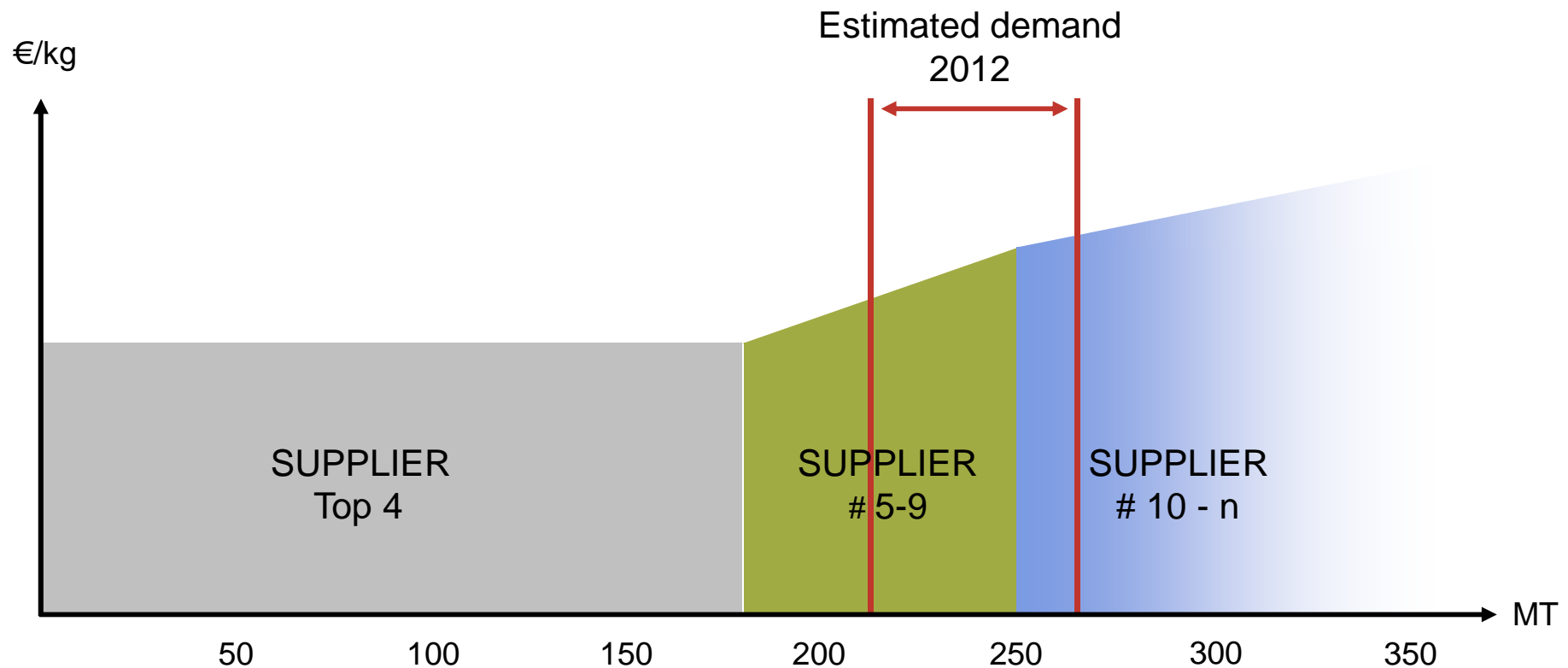
Nünchritz  
→ 15kt (Q2 2012)

Tennessee  
→ 18kt (2014)

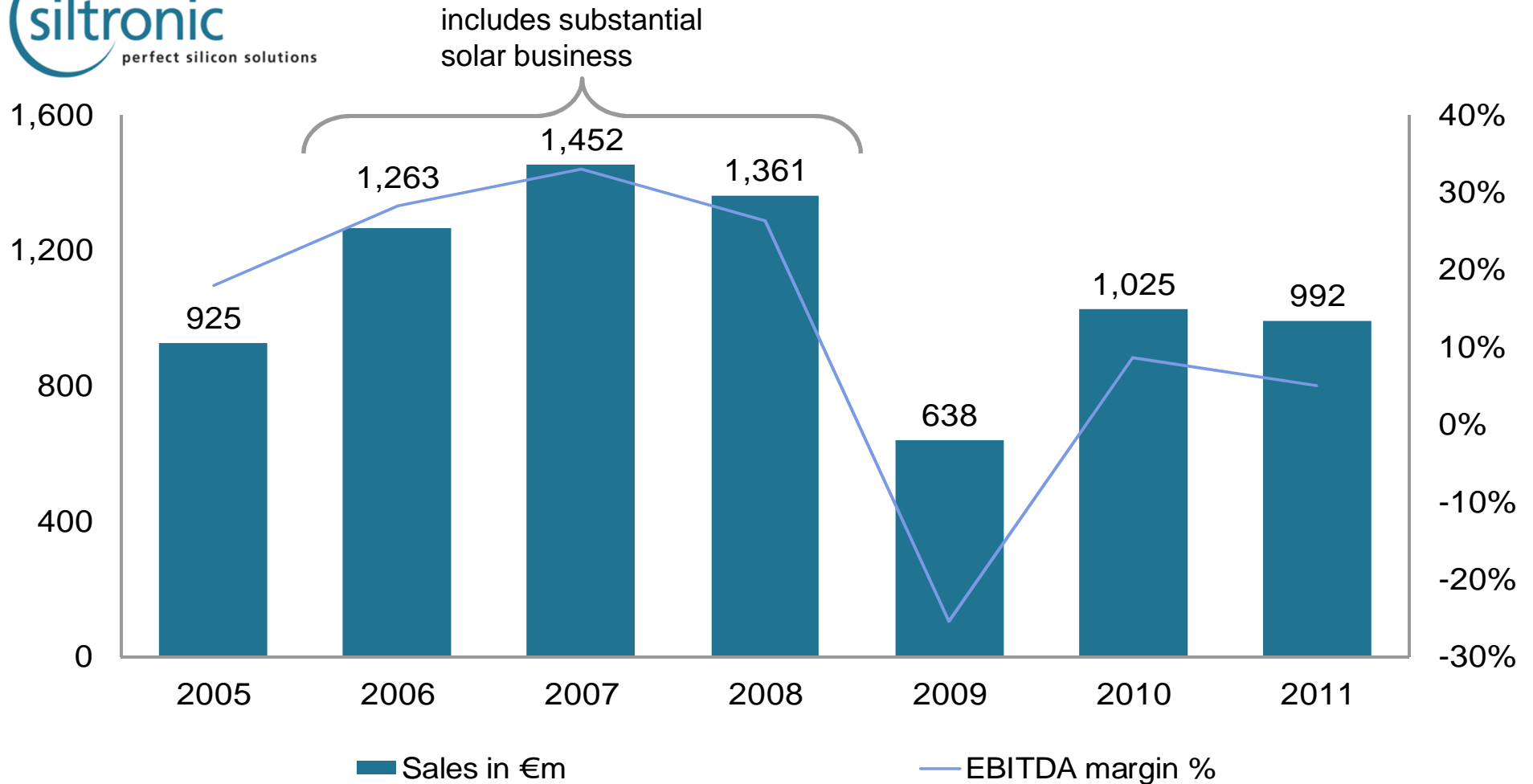


# FOUR LEADING POLYSILICON PRODUCERS WITH COMPETITIVE ADVANTAGE

## Relative Cost Position of Polysilicon Competitors



# FOCUS ON SEMICONDUCTORS WITH EXPANSION IN JV SAMSUNG



→ does not include sales volumes at-equity from Singapore JV on 300mm (since 2008)



# 2011: DEMAND FOR SMALL DIAMETERS CONSIDERABLY REDUCED – 300 MM MARKET LESS AFFECTED

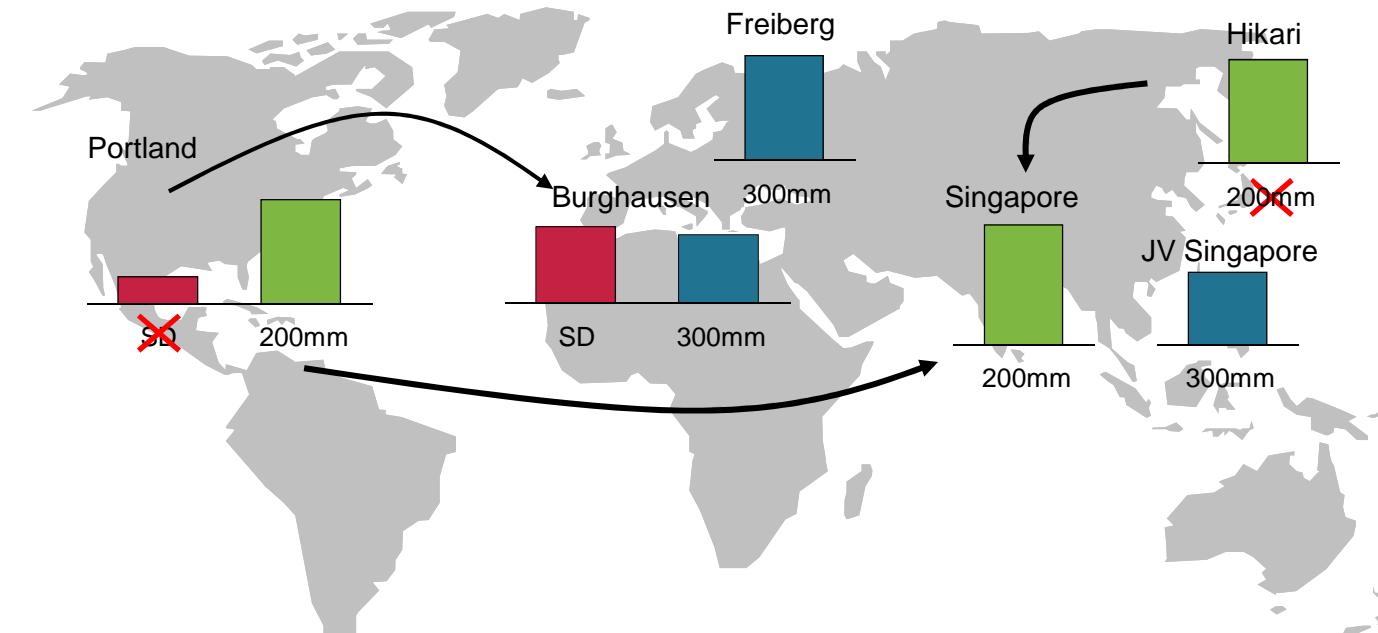
**Market Consumption by Diameter**  
Monthly Average by Quarter



# DECISION TO CLOSE HIKARI (200 MM) AND PORTLAND (150 MM) IN LINE WITH LEAD SITE STRATEGY

## 2009: Lead Site Strategy

Target: Have foundation in place to consolidate production into most cost effective sites (Scale, Technology, Qualifications)



Decision to close Hikari and transfer production volumes to Singapore (mainly) and Portland (Ad-hoc Release: December 2011)  
Decision to close Portland's SD line and reduce SD workforce in Burghausen (Press Release: March 2012)

# SILTRONIC FOCUSES ON INVESTMENT IN SSW (PARTNERSHIP WITH SAMSUNG)



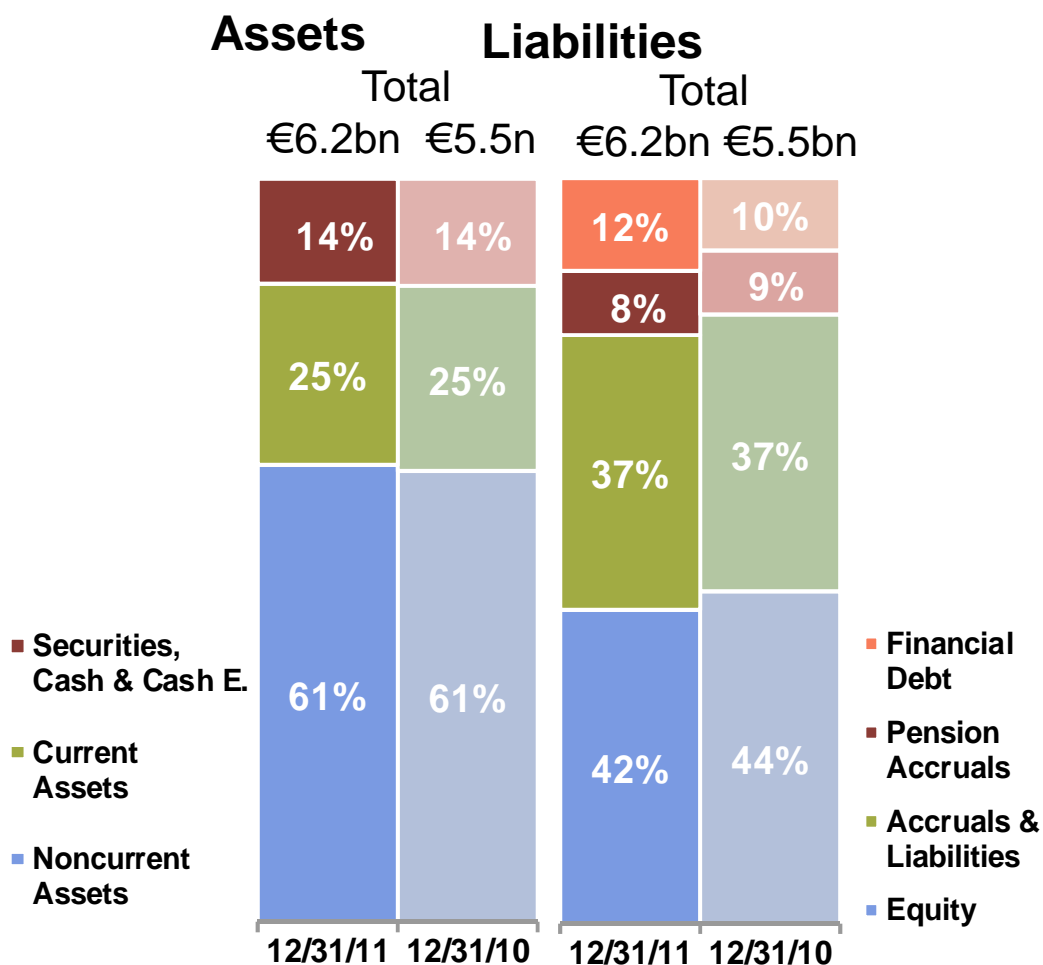
- Fab in operations since mid 2008
- Attractive cost position
- Further capacity increase from debottlenecking

# WACKER: GOOD PERFORMANCE IN A DIFFICULT ENVIRONMENT

in €m	FY 2011	FY 2010	Change in %
<b>Sales</b>	<b>4,910</b>	<b>4,748</b>	<b>3</b>
<b>EBITDA</b>	<b>1,104</b>	<b>1,195</b>	<b>-8</b>
<i>EBITDA margin</i>	<i>22%</i>	<i>25%</i>	<i>-</i>
<b>EBIT</b>	<b>603</b>	<b>765</b>	<b>-21</b>
<i>EBIT margin</i>	<i>12%</i>	<i>16%</i>	<i>-</i>
<b>Result for the period</b>	<b>356</b>	<b>497</b>	<b>-28</b>
<i>EPS in €</i>	<i>7.10</i>	<i>9.88</i>	<i>-28</i>

# WACKER MAINTAINS SOLID FINANCIAL STRUCTURE

## Balance Sheet (%)



## Characteristics 12/31/11

- Noncurrent assets: €3,996m
- Securities, cash and cash equivalents: €874m
- Provisions for pensions: €527m
- Net financial receivables: €96m
- Equity: €2,630m
- Total advance payments received (12/31/11): €1,203m
- Capex: €981m
- Schuldscheindarlehen (promissory notes) for €300m issued in Feb, 2012



# OUTLOOK 2012: MACROECONOMIC UNCERTAINTIES PREVAILING

- **Macroeconomic environment**
  - Prevailing macro uncertainties, impacting corporate financing / project financing
  - Germany expected flat
  - Growth in the U.S. and emerging countries (e.g., China, India)
  - Potential revaluation of Euro vs. other leading currencies
- **WACKER industries**
  - Chemicals:
    - market expected to grow in 2012
    - less impact from raw material inflation
  - Solar industry:
    - world market with further growth in 2012
    - still overcapacities throughout value chain
  - Semiconductors:
    - overall, no significant growth in 2012 expected
    - split development: 300 mm wafers growing, smaller diameters declining

# THANK YOU FOR YOUR INTEREST

Q1 2012 RESULTS WILL BE PUBLISHED ON  
MAY 4<sup>th</sup>, 2012