



WACKER

EXECUTIVE BOARD'S REPORT ON FISCAL 2010

Dr. Rudolf Staudigl, President & CEO

CREATING TOMORROW'S SOLUTIONS

WACKER'S SALES AND EARNINGS SOAR IN 2010

€ million	2010	2009	Change
Sales	4,748	3,719	28%
EBITDA	1,195	607	97%
EBIT	765	27	> 100%
Net income	497	-75	-
Earnings per share in €	9.88	-1.43	-

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HIGH CAPITAL EXPENDITURES, ROBUST BALANCE SHEET

€ million	2010	2009	Change
Investments	695	740	-6%
Net financial receivables	264	-76	-
Equity	2,447	1,942	26%
Equity ratio	45%	43%	4%

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WACKER IS BUILDING A NEW POLYSILICON SITE IN CHARLESTON (TN), USA



Aerial view of construction site



Plant layout

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NEW CHARLESTON SITE BENEFITS WACKER IN MANY DIFFERENT WAYS

- Stable, attractively priced energy supply
- Improved natural hedge
- Reduced risks for WACKER's ability to supply
- Project broadens WACKER's pool of expertise

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PROPOSED DIVIDEND TAKES GROWTH AND PROFIT-SHARING INTO CONSIDERATION

- Dividend of €3.20 to be paid out for fiscal 2010
- Resultant distribution ratio is 32.4 percent

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HOLLA COVERS JUST UNDER A THIRD OF WACKER'S SILICON NEEDS



Production of silicon metal
in Holla

- Backward integration strengthens supply security
- Capacity: some 50,000 metric tons of silicon metal a year
- Purchase price: €66.5m
- Employees: about 140

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SILOXANE PRODUCTION IN CHINA SUCCESSFULLY LAUNCHED



Zhangjiagang is the largest integrated silicone site in the world

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SILTRONIC BOOSTS SALES BY OVER 60 PERCENT

€ million	2010	2009	Change
Sales*	1,025	638	61%
EBITDA	88	-162	-

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* Total sales, including internal sales

WACKER SILICONES EXPANDS BUSINESS ACROSS EVERY SECTOR AND REGION

€ million	2010	2009	Change
Sales*	1,581	1,239	28%
EBITDA	230	158	46%

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* Total sales, including internal sales

WACKER POLYMERS GROWS THANKS TO VOLUME GAINS

€ million	2010	2009	Change
Sales*	810	744	9%
EBITDA	123	117	5%

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* Total sales, including internal sales

WACKER BIOSOLUTIONS PROFITS FROM DEMAND AND GUMBASE BUSINESS

€ million	2010	2009	Change
Sales*	142	105	36%
EBITDA	25	10	152%

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* Total sales, including internal sales

WACKER POLYSILICON SEES MARKED RISE IN SALES AND EARNINGS

€ million	2010	2009	Change
Sales*	1,369	1,121	22%
EBITDA	733	521	41%

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* Total sales, including internal sales

INTERNATIONAL SALES RISE TO OVER €3.8 BILLION IN 2010

Sales in € million	2010	2009	Change
Asia	1,717	1,253	37%
Europe (w/o Ger.)	1,175	944	24%
The Americas	818	636	29%
Germany	887	775	15%
Other regions	150	111	35%

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REPUTATION ANALYSIS: WACKER GIVEN TOP GRADES BY ITS EMPLOYEES

- 60 percent of employees are convinced of WACKER's expertise and performance
- On a scale of 1 to 5, the trust placed in WACKER by employees is rated 4.4

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700 NEW EMPLOYEES JOINED WACKER IN 2010

Employees as per December 31	2010	2009	Change
WACKER Group	16,314	15,618	5%
<i>of whom in Germany</i>	12,235	11,925	3%
<i>of whom elsewhere</i>	4,079	3,693	11%

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VOCATIONAL TRAINING: ESSENTIAL FOR GOOD QUALIFICATIONS AND QUALITY



Chemical technician at Burghausen Vocational Training Center

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ENERGY STORAGE: ONE FOCUS OF OUR BASIC RESEARCH ACTIVITIES

- WACKER is a member of Germany's National Platform for Electromobility
- Objective: to participate in the development of next-generation batteries
- Technical starting points for WACKER:
 - Construction of silicon anodes
 - Development of electrolytes

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SILICONES FROM WACKER ARE USED IN HYBRID DRIVETRAINS



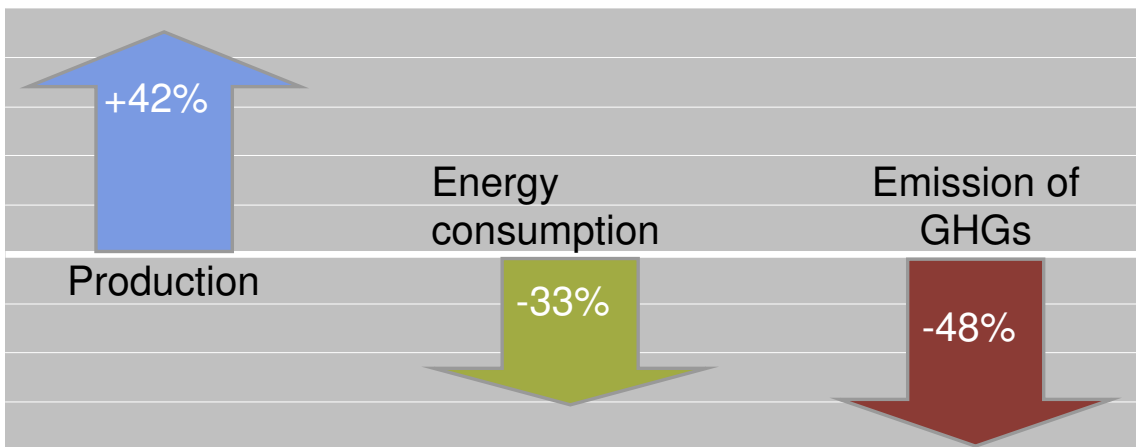
Robot manufacturing a hybrid module for a car

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Photo: ZF Friedrichshafen AG

GERMAN CHEMICAL COMPANIES ARE AMONG THE SUSTAINABILITY LEADERS

German chemical industry, 1990 - 2009



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Source: VCI

WACKER CONTINUES TO PRESS AHEAD WITH SUSTAINABLE BUSINESS

- WACKER has standardized its sustainability management across the Group
- Social and ecological standards continue to be harmonized at every site
- Compliance Management has been intensified

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SALES, EARNINGS AND CASH FLOW ROSE SUBSTANTIALLY IN Q1 2011

€ million	Q1/11	Q1/10	Change
Sales	1,292	1,067	21%
EBITDA	351	254	38%
Net income	168	106	59%
Earnings per share in €	3.39	2.15	58%
Net cash flow	286	55	> 100%

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WACKER POISED FOR FURTHER GROWTH IN 2011

- Group sales for full-year 2011 are expected to pass the €5 billion mark
- Earnings before interest, taxes, depreciation and amortization are forecast to be above the prior-year figure of €1.19 billion
- Investments are expected to total about €950 million in 2011
- Rising raw-material and energy costs pose a key challenge

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WACKER CHEMIE AG'S TAX BURDEN REDUCED BY PROFIT-AND-LOSS TRANSFER AGREEMENT

- Our subsidiary Wacker-Chemie Achte Venture GmbH is the sole stakeholder in Wacker Polysilicon North America LLC
- During the Tennessee site's construction phase, Wacker-Chemie Achte Venture GmbH is expected to incur interest-related losses
- The profit-and-loss transfer agreement can be used to offset, for taxation purposes, Wacker-Chemie Achte Venture GmbH profits and losses at the level of Wacker Chemie AG

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WACKER IS OPTIMISTIC ABOUT THE FUTURE

- Our business with customers is growing
- The amount of chemical ingredients used in many products is on the rise
- Demand for WACKER products in emerging markets will continue to rise along with income
- The chemical industry plays a major role in developing solutions for tomorrow's key challenges

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The Wacker logo is a white rectangular box with the word "WACKER" in black, bold, uppercase letters. It is positioned on the left side of a white horizontal bar that spans the width of the page. Above this bar is a large orange graphic featuring a complex, geometric, lattice-like pattern that resembles a molecular structure or a crystalline lattice, with a gradient from light orange to dark orange.

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