



## **WACKER – Silicon Competence**

Morgan Stanley Chem Tech Day, London, May 23, 2018

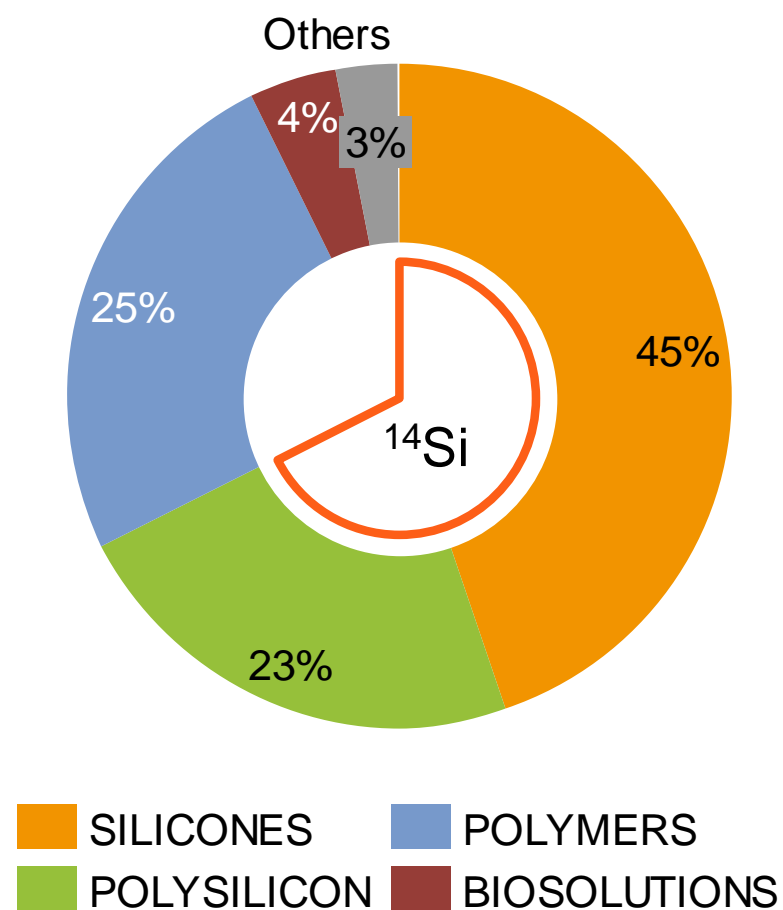
Dr. Fridolin Stary, Senior Vice President Research & Development, Wacker Chemie AG

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# WACKER – Our Growth Portfolio

Sales FY 2017 €4.9bn



## Our Targets: Growth and Cash

- 1 Extend Leverage Phase
- 2 Continue to Grow Above Chemical Production
- 3 Focus on Sustainability
- 4 Sustain Attractive Margins Through Economic Cycle
- 5 Generate Cash

# **SILICONES**

## **Key Trends and World Class Efficiency Drive Growth**

**Full portfolio  
provider with  
benchmark costs**



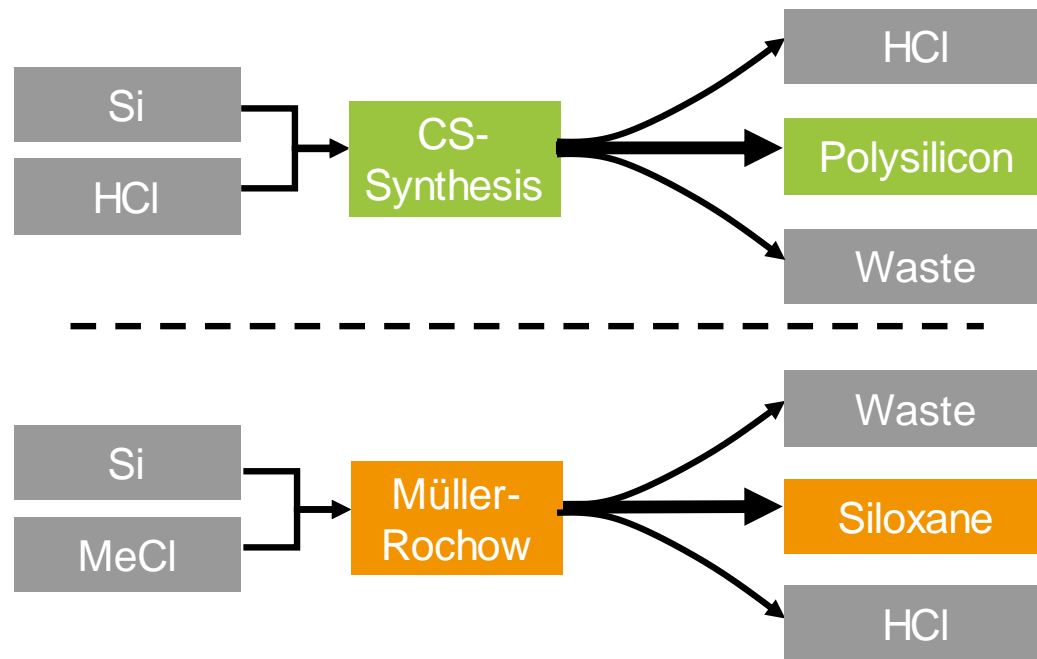
**Growth  
with focus on  
specialties**

# SILICONES

## Highest Level of Integration in the Industry

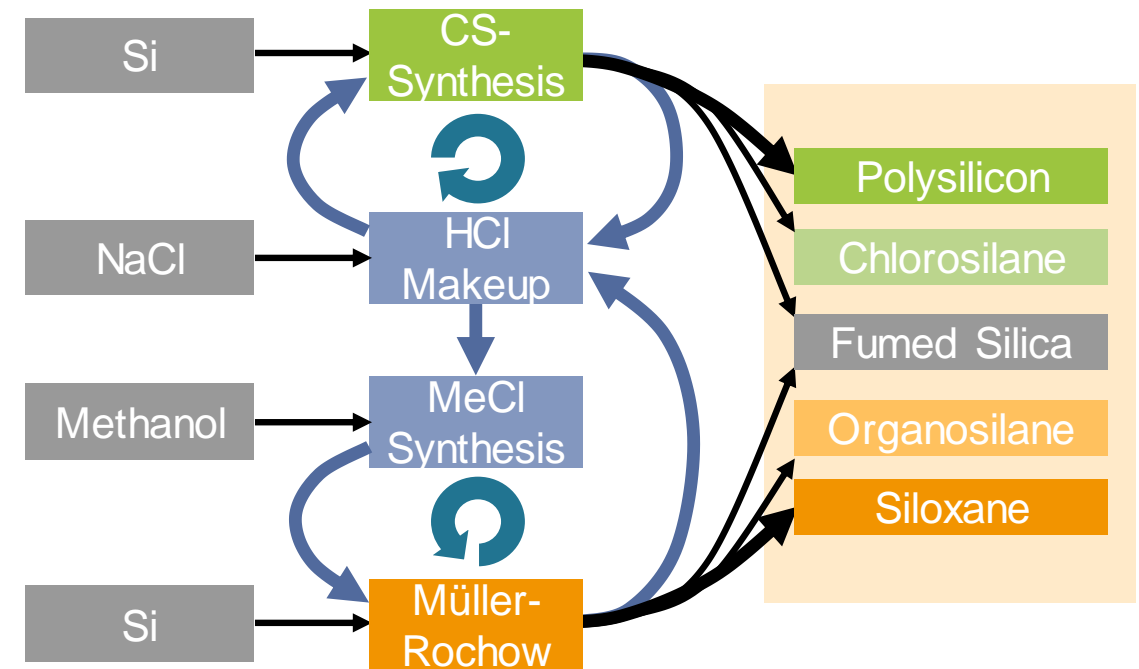
### Open Loop Silicones & Poly Production

#### Standard Processes



### Unique Silane-Silicone-Silica Loop

#### WACKER

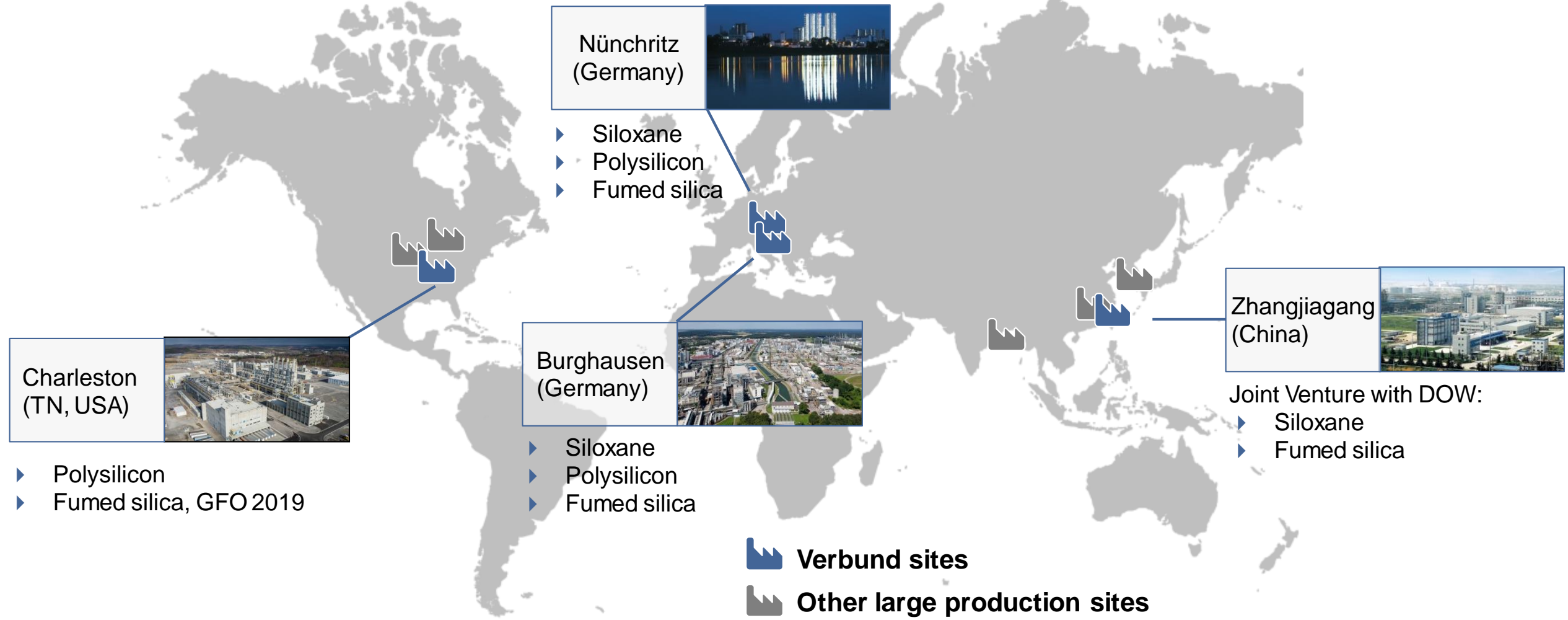


► WACKER Silicon Verbund: Perfectly closed production loops

# SILICONES

## “Verbund” Enables Highly Competitive Cost Position

### “WACKER Silicon Verbund”

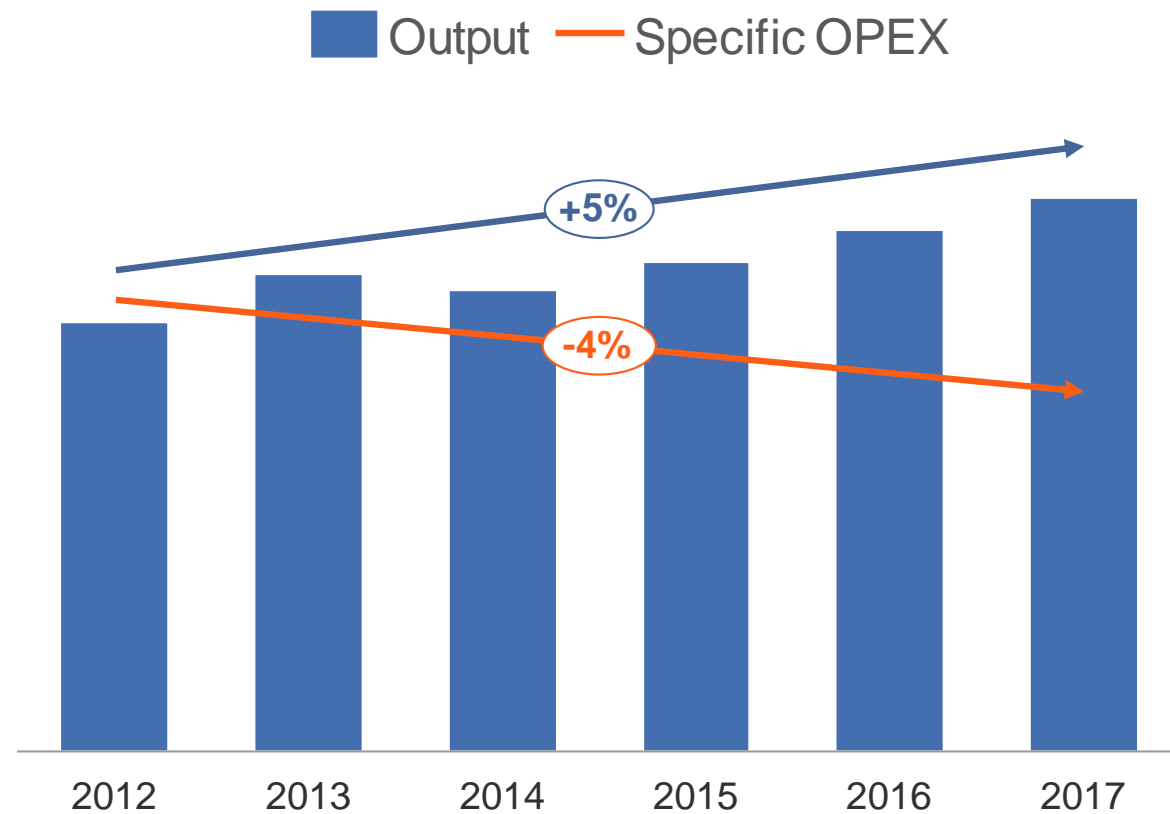


# SILICONES

## Operational Excellence is Key

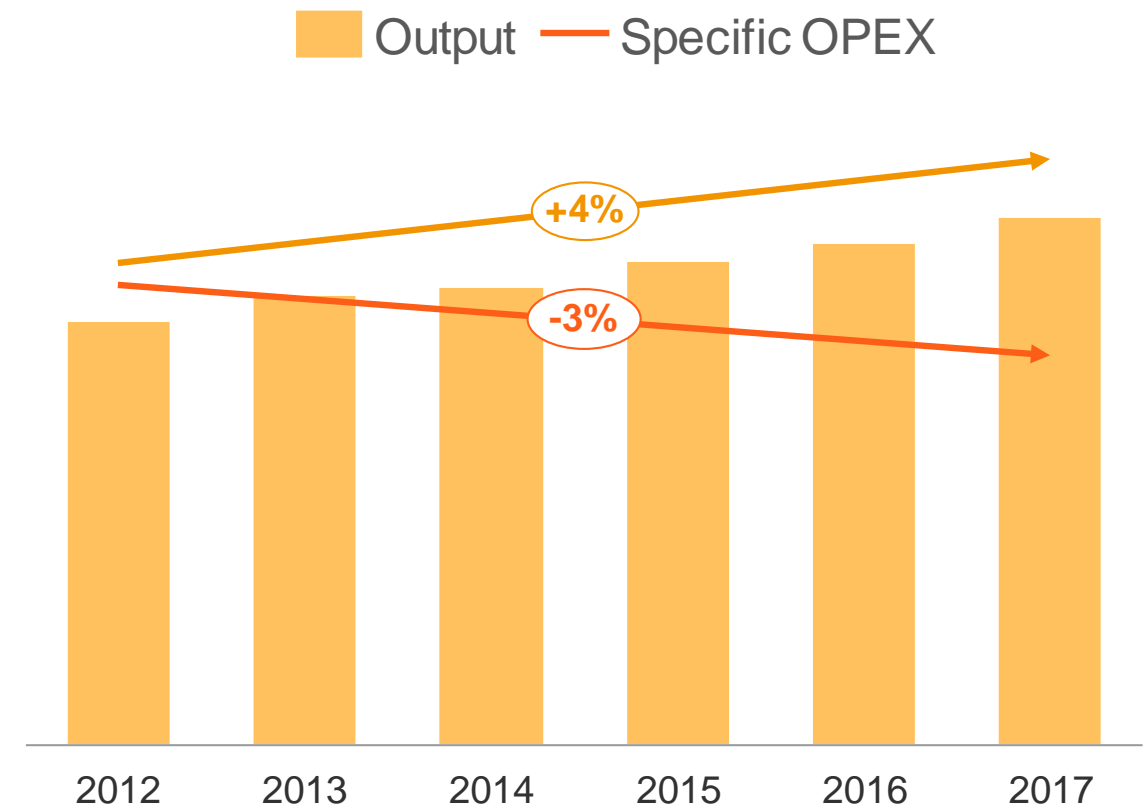
### Siloxane

Index 2012 = 100%



### Fumed silica

Index 2012 = 100%





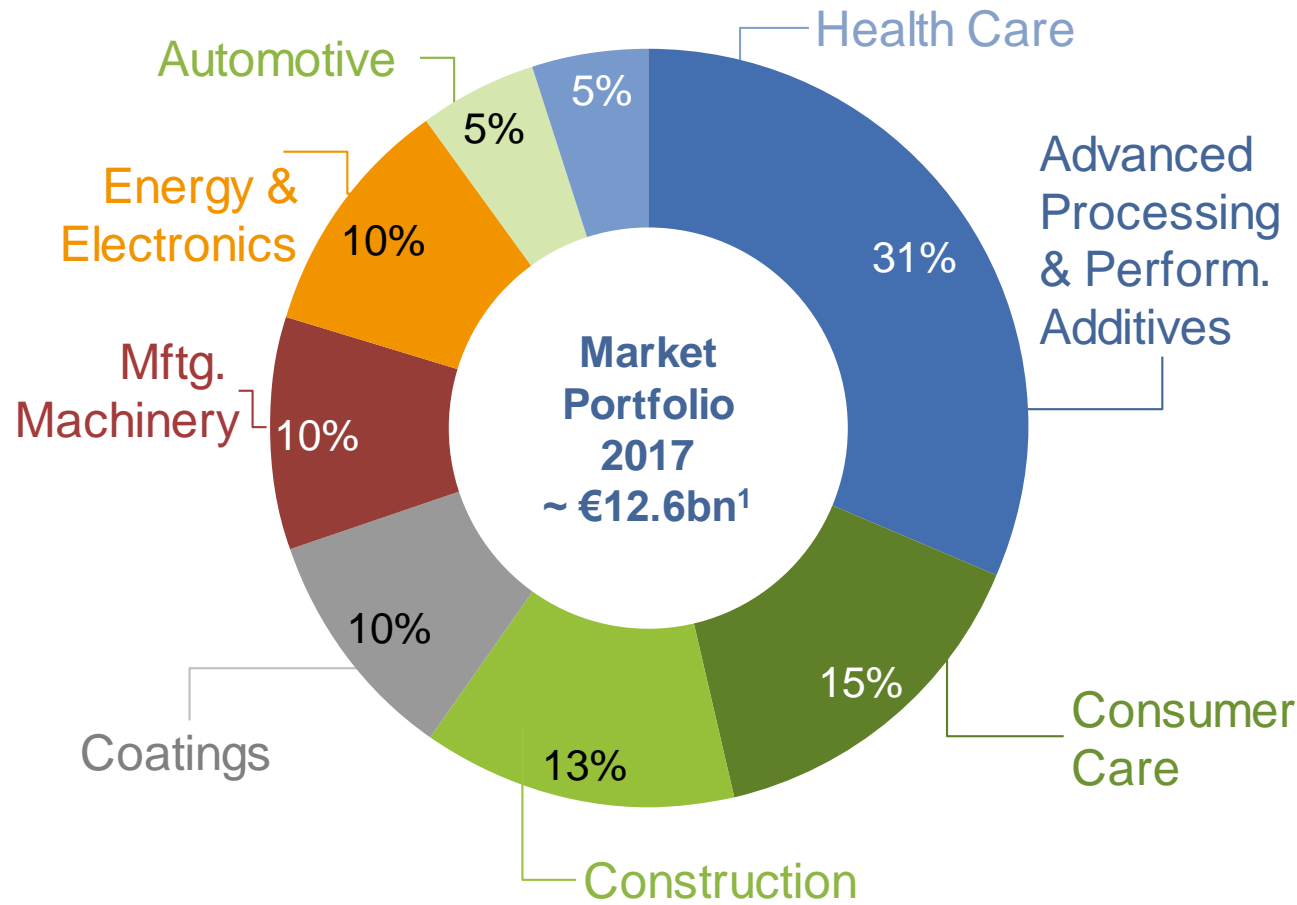




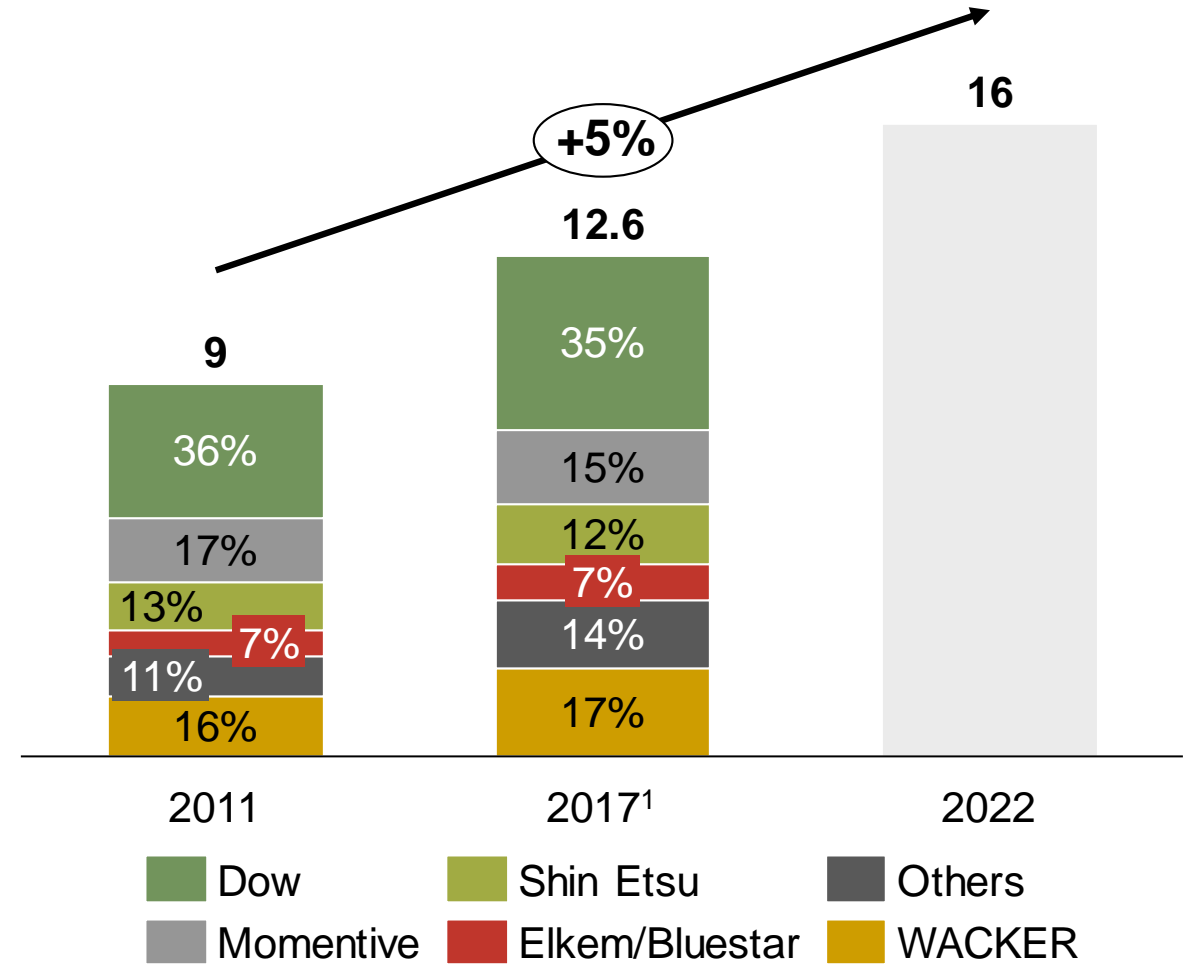
# SILICONES

## Silicones Create Value in Many Industries

Market structure by application



Market volume/shares (€bn, %)



<sup>1</sup> preliminary figures, Source: Freedonia 2017, Company Reports, WACKER Estimate

# SILICONES

## Key Trends Drive SILICONES' Growth



Renewable Energy / E-mobility



Communication



Urbanization



Standard of Living

## Innovation Power Determines Our Market Position

### Product innovation

#### Substitution Drivers

Process efficiency &  
unique material properties



WACKER SiGel®  
for optical bonding

#### New Markets

High performance products  
for future growth markets



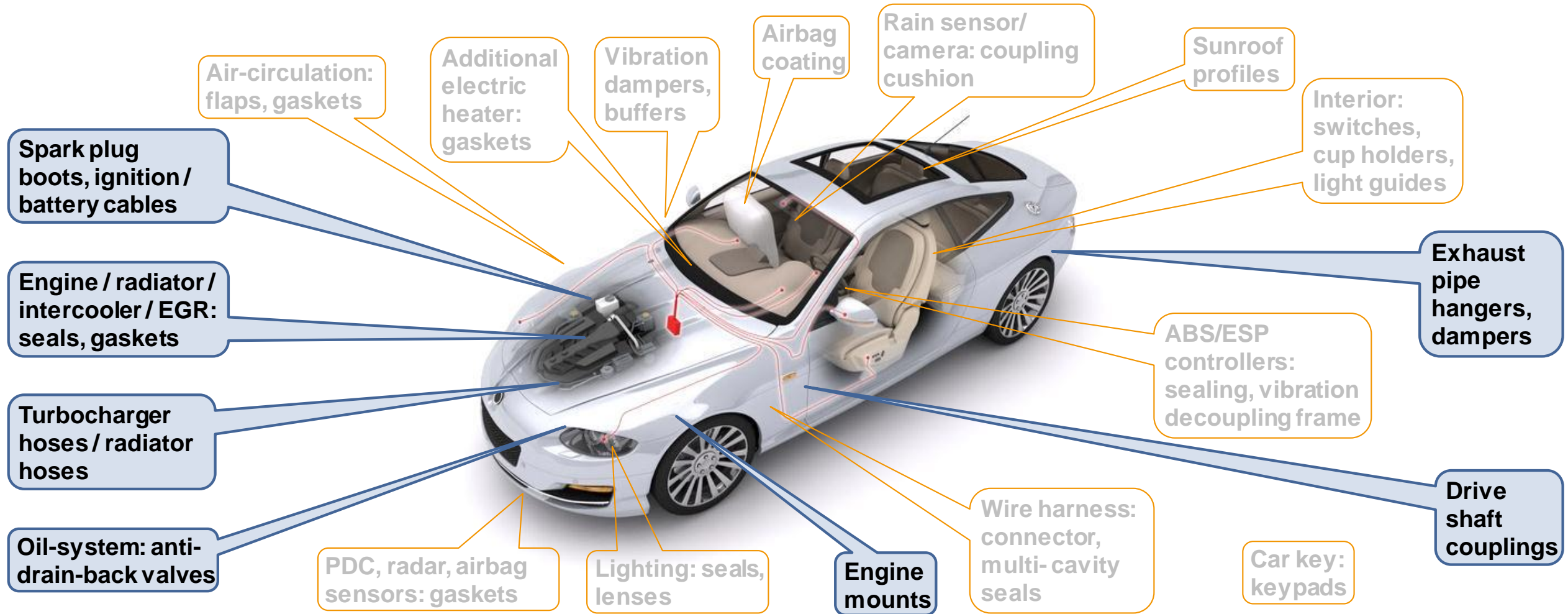
ELASTOSIL® R  
for EVs



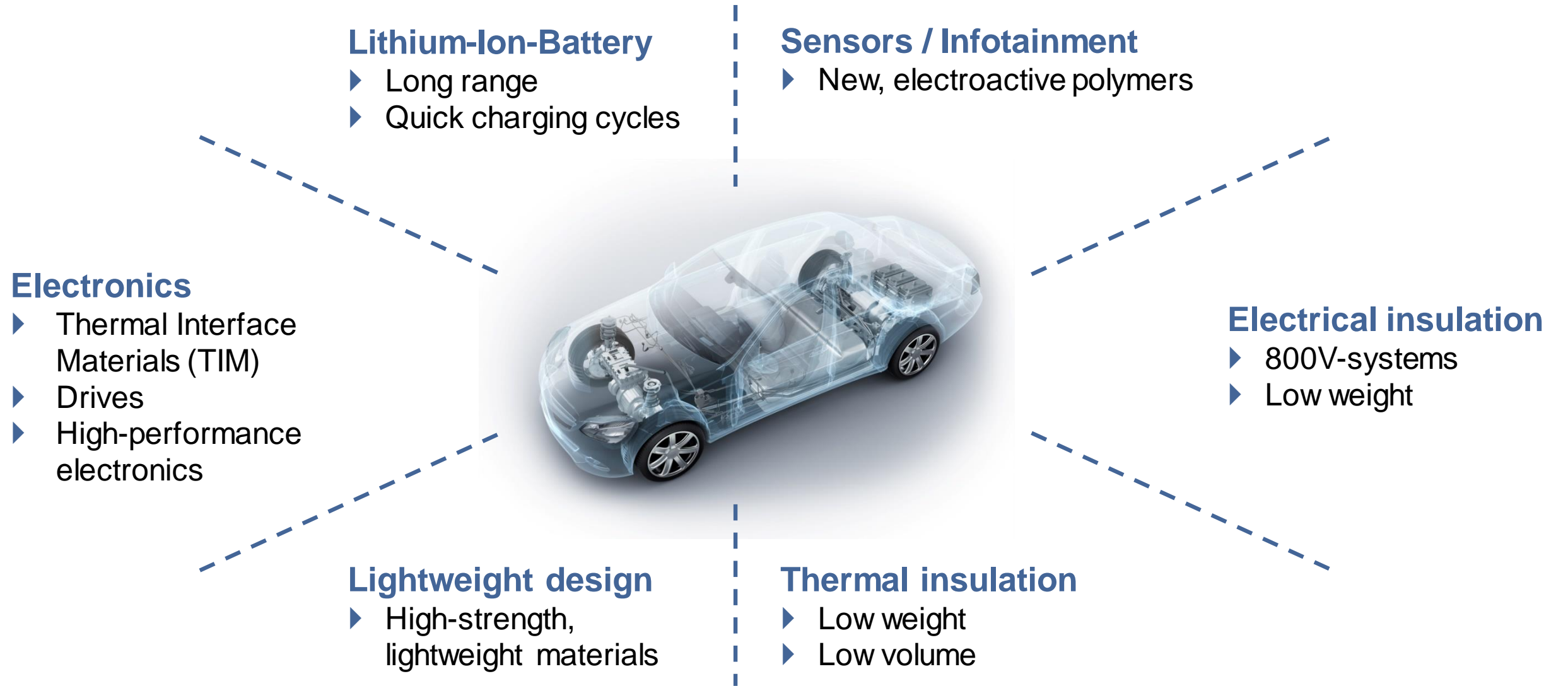
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## Transformation Need for Automotive Applications

Silicones in automotive: €600m market value in 2017



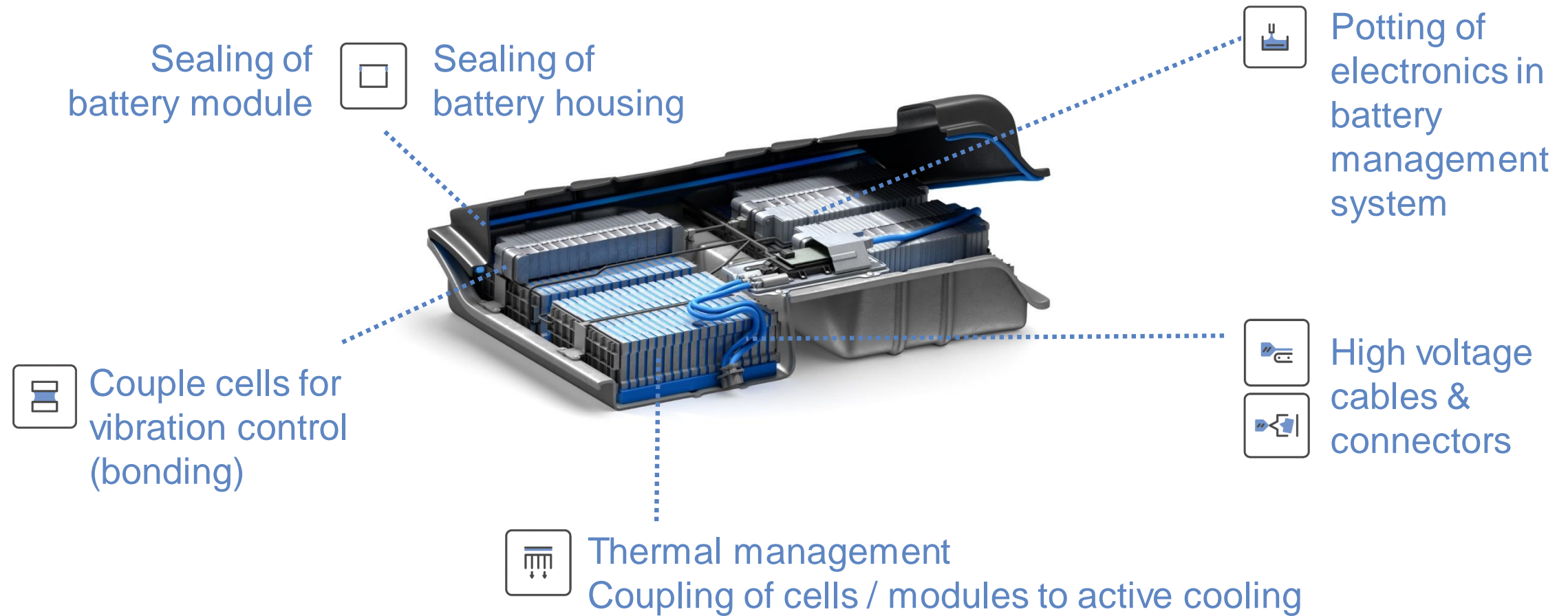
## EVs: Need for New Materials with New Profile of Requirements



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## Thermal Management of EV-Cell Packs Through Silicone TIMs

### Example: Thermal interface materials (TIMs)





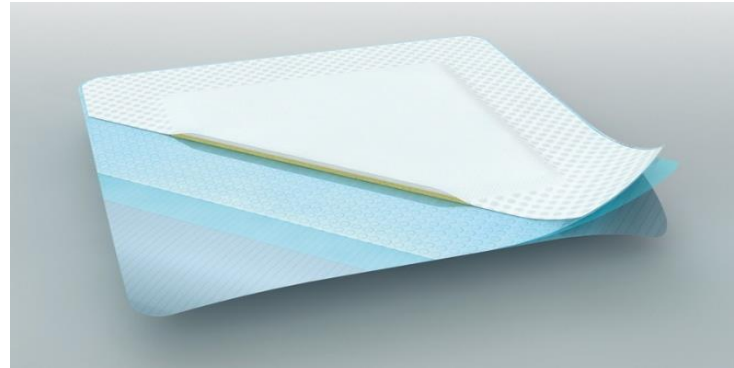
# SILICONES

## Specialties Meet Increasing Performance Requirements

### Coatings



### Healthcare



### Energy Transmission



# SILICONES

## A Business with High Profitable Growth Potential



### WACKER SILICONES

- ▶ Global presence
- ▶ Full portfolio provider
- ▶ Leading technology, cost and environmental position
- ▶ Innovation power for emerging new technological needs



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