CREATING TOMORROW`S SOLUTIONS

2nd Quarter 2014 – Conference Call Note

Dr. Rudolf Staudigl (CEO), Dr. Joachim Rauhut (CFO),
August 1st, 2014

WACKER:
No Special Effects in Q2; Underlying EBITDA +34% QoQ

in €m	Q2 2014	Q1 2014	% QoQ	Q2 2013	% YoY
Sales	1,242.3	1,157.4	7.3	1,150.3	8.0
EBITDA	229.5	285.2*	-19.5	188.2	21.9
EBITDA margin	18.5%	24.6%	-	16.4%	-
EBIT	82.1	133.8	-38.6	52.5	56.4
EBIT margin	6.6%	11.6%	-	4.6%	-
Result for the period	29.4	64.2	-54.2	15.1	94.7
EPS in €	0.64	1.35	-52.6	0.27	>100

*incl. €114m retained prepayments and damages from a cancelled contract

New Guidance: FY EBITDA ’14e at least 1/3 higher than 2013

WACKER

Q2 2014 Comments

- Increasing sales in all divisions driven by higher volumes yoy
- Ongoing price pressure for some products and headwind from FX
- Capex €101m, mostly for Tennessee/POLYSILICON
- Net Cash Flow €50m
- Net debt €921m
- Net income of €29m

2014 Challenges and Opportunities

- Volume growth in all segments
- Sales above 2013 (single digit %)
- Further focus on cost roadmap
- Price increases for certain chemical products to offset higher raw material costs

WACKER SILICONES: Held back by FX and Maintenance Cost

€m	Q2 2014	Q1 2014	% QoQ	Q2 2013	% YoY
Sales	441.2	425.3	3.7	437.2	0.9
EBITDA	57.4	49.1	16.9	66.3	-13.4
EBITDA margin	13.0%	11.5%	-	15.2%	-
EBIT	37.5	29.5	27.1	46.4	-19.2
EBIT margin	8.5%	6.9%	-	10.6%	-
Capex	17.7	15.5	14.2	16.0	10.6

Volume Growth offset some Headwinds

WACKER SILICONES

Q2 2014 Comments

- Good demand in automotive, industrial applications and fumed silica
- Lower ASP's yoy for some product segments
- Full utilization at fumed silica plants
- Siloxane utilization at around 85% despite Nünchritz plant maintenance

2014 Challenges and Opportunities

- Volume growth, especially in specialties
- Looking for price increases in standard products
- EBITDA slightly below FY 2013, due to reversal of loss provision in 2013

WACKER POLYMERS: Volume Growth YoY and QoQ

€m	Q2 2014	Q1 2014	% QoQ	Q2 2013	% YoY
Sales	285.5	238.7	19.6	273.4	4.4
EBITDA	43.5	34.2	27.2	44.4	-2.0
EBITDA margin	15.2%	14.3%	-	16.2%	-
EBIT	35.7	26.7	33.7	35.2	1.4
EBIT margin	12.5%	11.2%	-	12.9%	-
Capex	10.2	6.9	47.8	5.3	92.5

Vinylacetate Monomer (VAM) Cost Escalation Weighs on Results

WACKER POLYMERS

Q2 2014 Comments

- Seasonal effect in constructions despite strong Q1
- Higher volumes qoq and yoy in dispersions and powders
- Slightly lower pricing yoy for powders and dispersions; qoq flattish, some price increases
- Higher VAM costs yoy / qoq
- Headwind from FX effects
- Utilization above 80%

2014 Challenges and Opportunities

- Sales growth above group average
- Volume growth driven by construction, adhesives and coating applications
- Execution of prices in progress
- Cost pressure from VAM expected to stay

Expanding Dispersible Powder Capacity

30-meter-high dispersion storage silos with a capacity of 330 cubic meters each

Facts: New Spray Dryer Burghausen

- Additional 50,000 t/p.a.
- Investment of around €20m
- Full capacity available in Q1 2015

Rationale:

- Meet fast growing demand for high-quality dispersible polymer powders
- Strengthen position as a global technology and market leader

WACKER BIOSOLUTIONS:
Positive Impact from Acquisition of SCIL Proteins

€m	Q2 2014	Q1 2014	% QoQ	Q2 2013	% YoY
Sales	46.6	40.7	14.5	40.5	15.1
EBITDA	8.2	5.4	51.9	5.9	39.0
EBITDA margin	17.6%	13.3%	-	14.6%	-
EBIT	6.0	2.9	>100	4.4	36.4
EBIT margin	12.9%	7.1%	-	10.9%	-
Capex	1.1	1.2	-8.3	1.5	-26.7

Higher VAM costs drive Polyvinyl Acetate Price increases

WACKER BIOSOLUTIONS

Q2 2014 Comments

- Good volume for gumbase and cyclodextrines
- Good utilization

2014 Challenges and Opportunities

- FY: sales growth, EBITDA on previous year level

WACKER POLYSILICON: ASP Increases and High Utilization

€m	Q2 2014	Q1 2014	% QoQ	Q2 2013	% YoY
Sales	273.2	262.0	4.3	203.3	34.4
EBITDA	87.9	180.0*	-51.2	64.0	37.3
EBITDA margin	32.2%	68.7%	-	31.5%	-
EBIT	29.6	121.7	-75.7	4.4	>100
EBIT margin	10.8%	46.5%	-	2.2%	-
Capex	57.2	53.0	7.9	89.9	-36.4

*incl. €114m retained prepayments and damages from a cancelled contract

Expecting 44 - 50 GW Global PV Installations in 2014

WACKER POLYSILICON

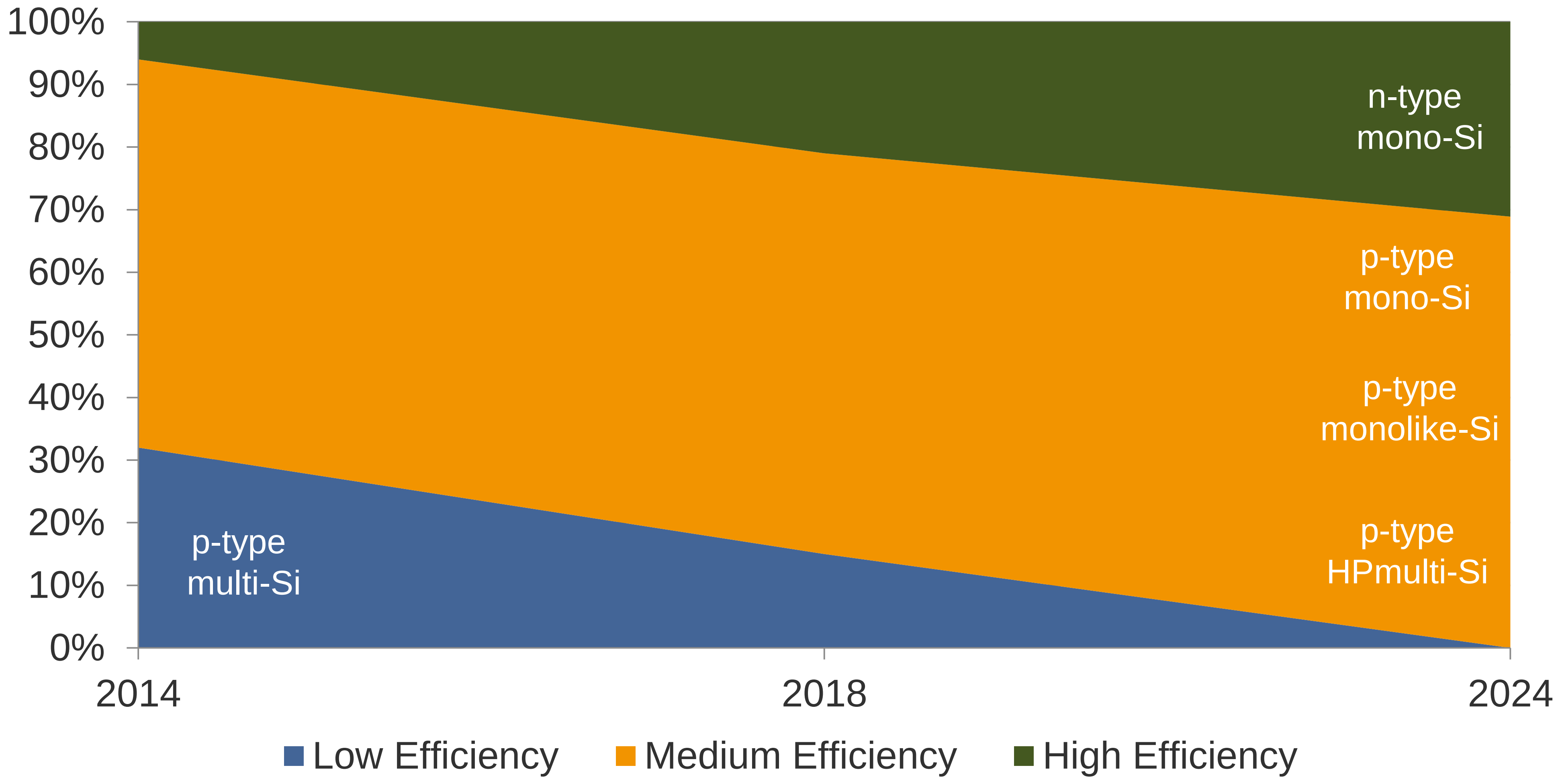
Q2 2014 Comments

- Higher volumes yoy
- Increased ASP’s yoy and qoq
- Utilization at full rate
- Cost road map well established
- €57m capex, mainly for Tennessee

2014 Challenges and Opportunities

- PV Market size expected to reach 44 - 50 GW (~250kt – 280kt polysilicon incl. semi)
- Full utilization expected
- Around €90m retained prepayments and damages from cancelled contracts in Q3
- Ongoing focus on cost roadmap
- Better operating EBITDA margin than 2013

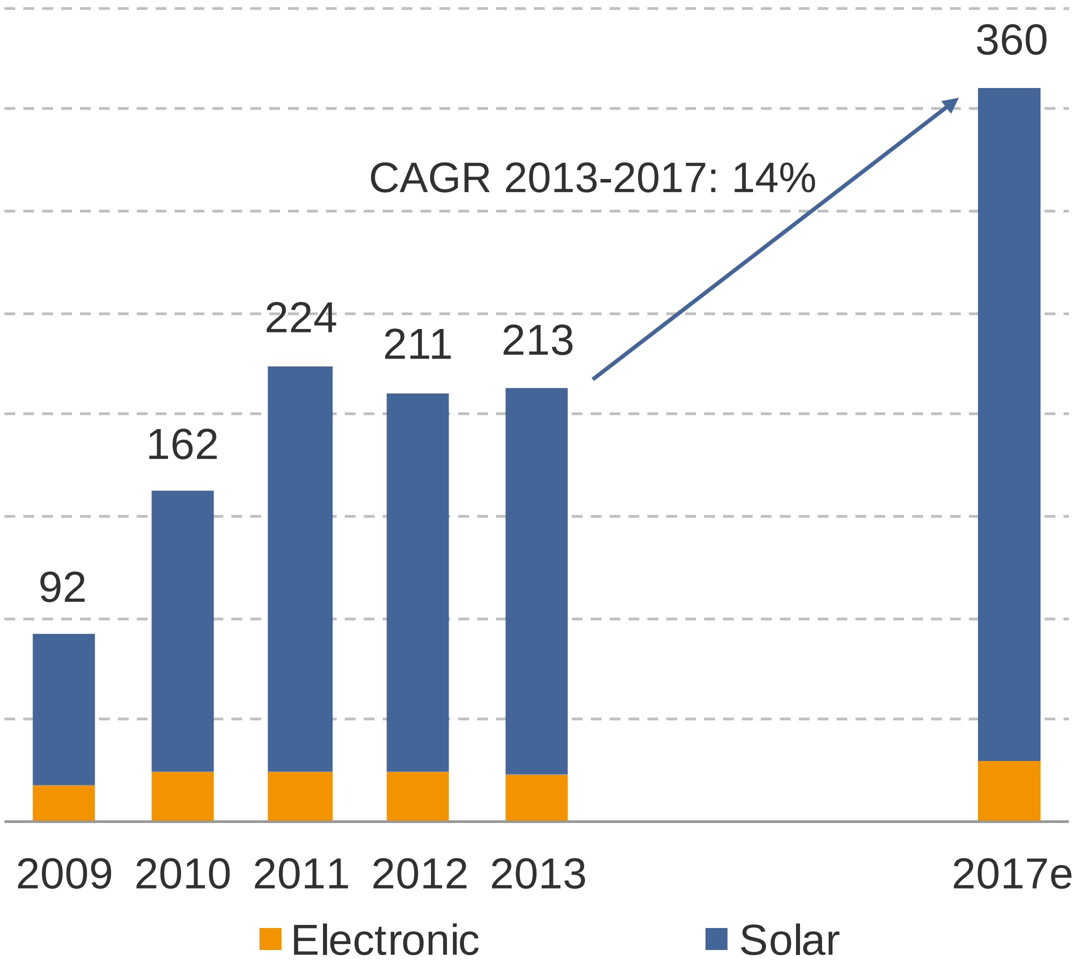
Competitive Forces Drive High-Efficiency Cell Gains



Source: ITRPV = International Technology Roadmap for PV Initiative of Semi, www.itrpv.net
HP = High Performance

Polysilicon Market: Strong Market Growth at 14% CAGR Expected

Global Polysilicon Shipments (kt)

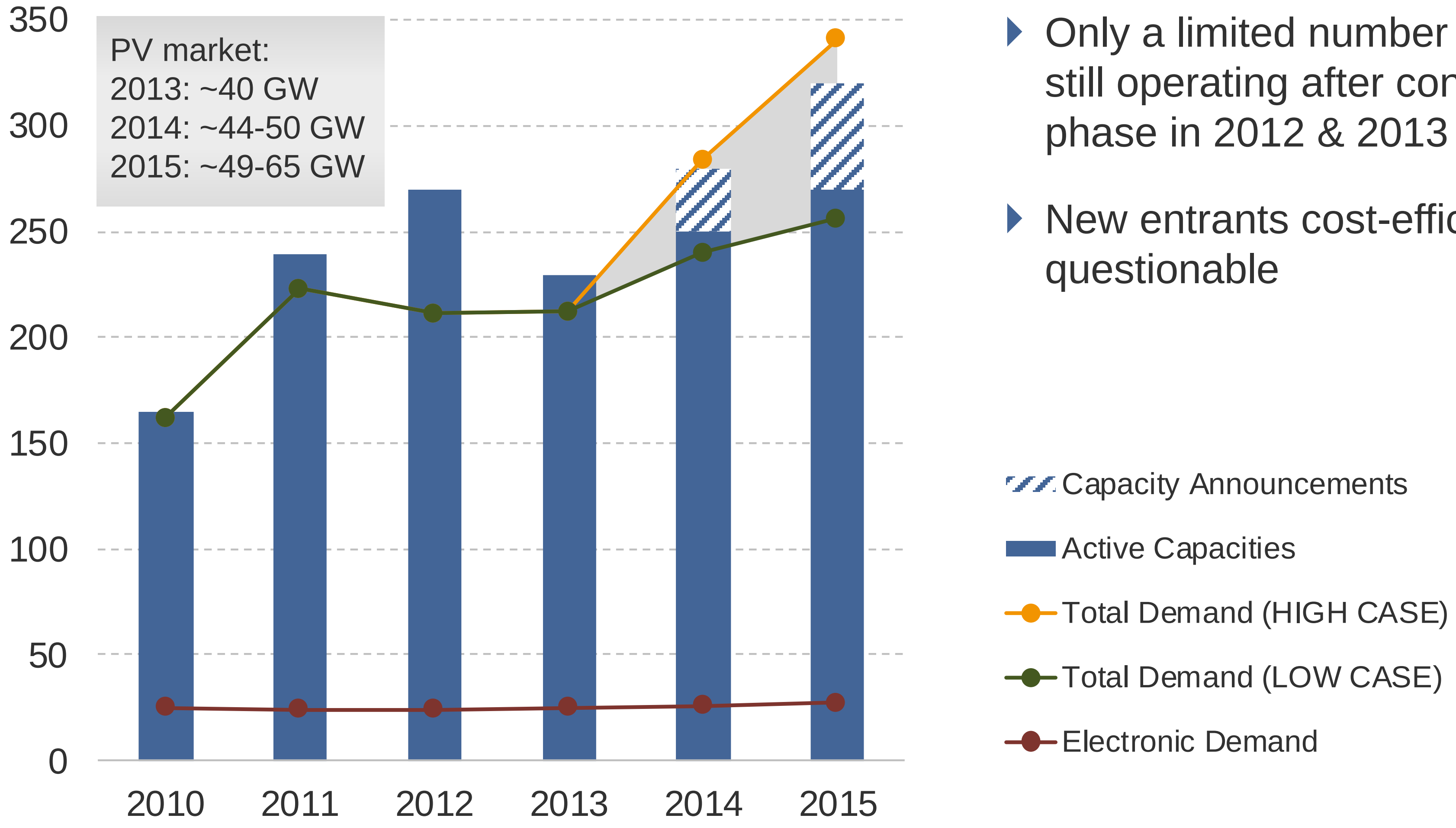


- 2013 shipments with stronger 2nd half, flat due to continued inventory correction and lower consumption per Watt
- Increasingly competitive C-Si PV drives polysilicon demand
- Silicon-based PV offers highest conversion efficiencies and proven long-term stability at lowest cost

Assumption: 2017: 80 GW (incl. 10% thin-film share); Silicon consumption < 5 g/Wp in 2017; Shipment figures incl. time-delay shipment/installation

Polysilicon Supply & Demand Balanced – High Quality Poly Supply Tightening

Global Polysilicon Demand (kt) versus Capacity of Still Active Manufacturers



- Only a limited number of producers still operating after consolidation phase in 2012 & 2013
- New entrants cost-efficiency questionable

Sources: market surveys, industry announcements, WACKER estimate

Decreasing Prices open up New Markets – USA and Asia with highest Growth Potential

Country	2010	2011	2012	2013	2014e
France	0.7	1.7	1.1	0.6	0.9 – 1.1
Germany	7.4	7.5	7.6	3.3	2.2 – 2.4
Italy	4.0	7.4	3.6	1.1	1.1 – 1.3
Europe other	2.6	3.3	4.9	5.8	5.2 – 6.3
Europe total	**14.7**	**19.9**	**17.2**	**10.8**	**9.4 – 11.1**
Australia	0.4	0.8	1.0	0.9	1.1 – 1.3
China	0.7	2.5	4.8	12.9	13.0 – 14.5
India	0.15	0.4	0.9	1.0	1.4 – 1.7
Japan	1.0	1.3	2.5	6.8	8.7 – 9.4
USA	0.9	1.9	3.3	4.8	6.0 – 6.8
Rest of World	0.5	1.3	2.1	2.8	4.5 – 5.6
Total	**18 GW**	**28 GW**	**32 GW**	**40 GW**	**~44 – 50 GW**

Sources: EPIA 05/2010, 02/2012, 05/2013 and 05/2014, Industry announcements, WACKER estimate

Siltronic: High Utilization and Cost Improvements

€m	Q2 2014	Q1 2014	% QoQ	Q2 2013	% YoY
Sales	210.4	203.8	3.2	200.1	5.1
EBITDA	28.1	15.0	87.3	9.1	>100
EBITDA margin	13.4%	7.4%	-	4.5%	-
EBIT	-9.5	-26.7	64.4	-14.7	-35.4
EBIT margin	-4.5%	-13.1%	-	-7.3%	-
Capex	6.4	6.6	-3.0	8.3	-22.9

300 mm Demand Strong – High Industry Utilization

Siltronic

Q2 2014 Comments

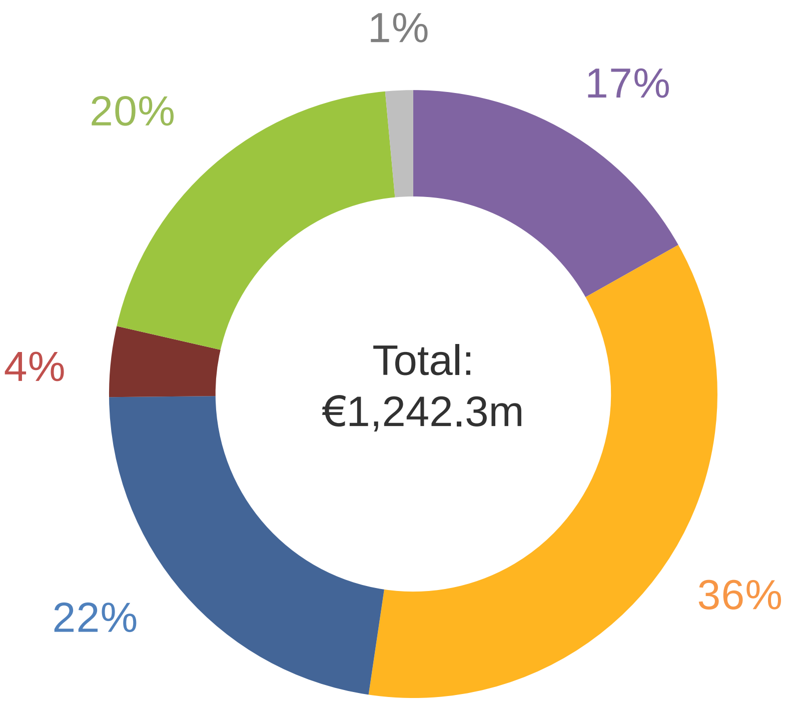
- Higher volumes yoy, due to Singapore integration, slightly higher qoq
- Prices declined
- Headwind from FX
- Plant utilization between 75% and over 90%
- Cost road map and integration of 300 mm fab in Singapore with positive effects on EBITDA

2014 Challenges and Opportunities

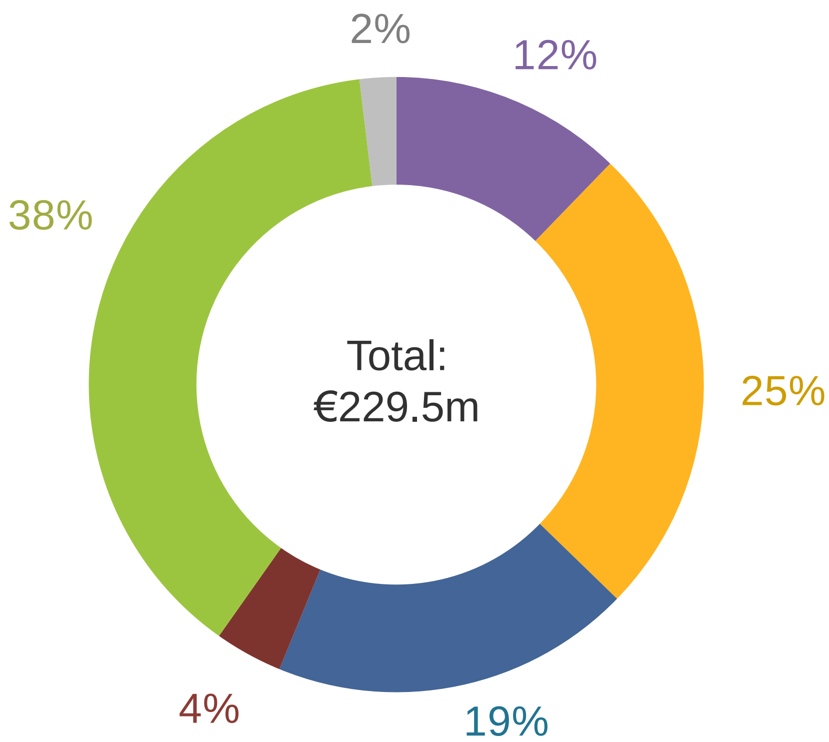
- High industry utilization for 300 mm and 200 mm
- Stable demand for 200 mm and SD
- Potential for price increases for selected products
- FY sales growth above group average
- Ongoing cost road map, focus on 300 mm

Polysilicon Largest EBITDA Contributor

Q2 2014 Sales[1)]



Q2 2014 EBITDA

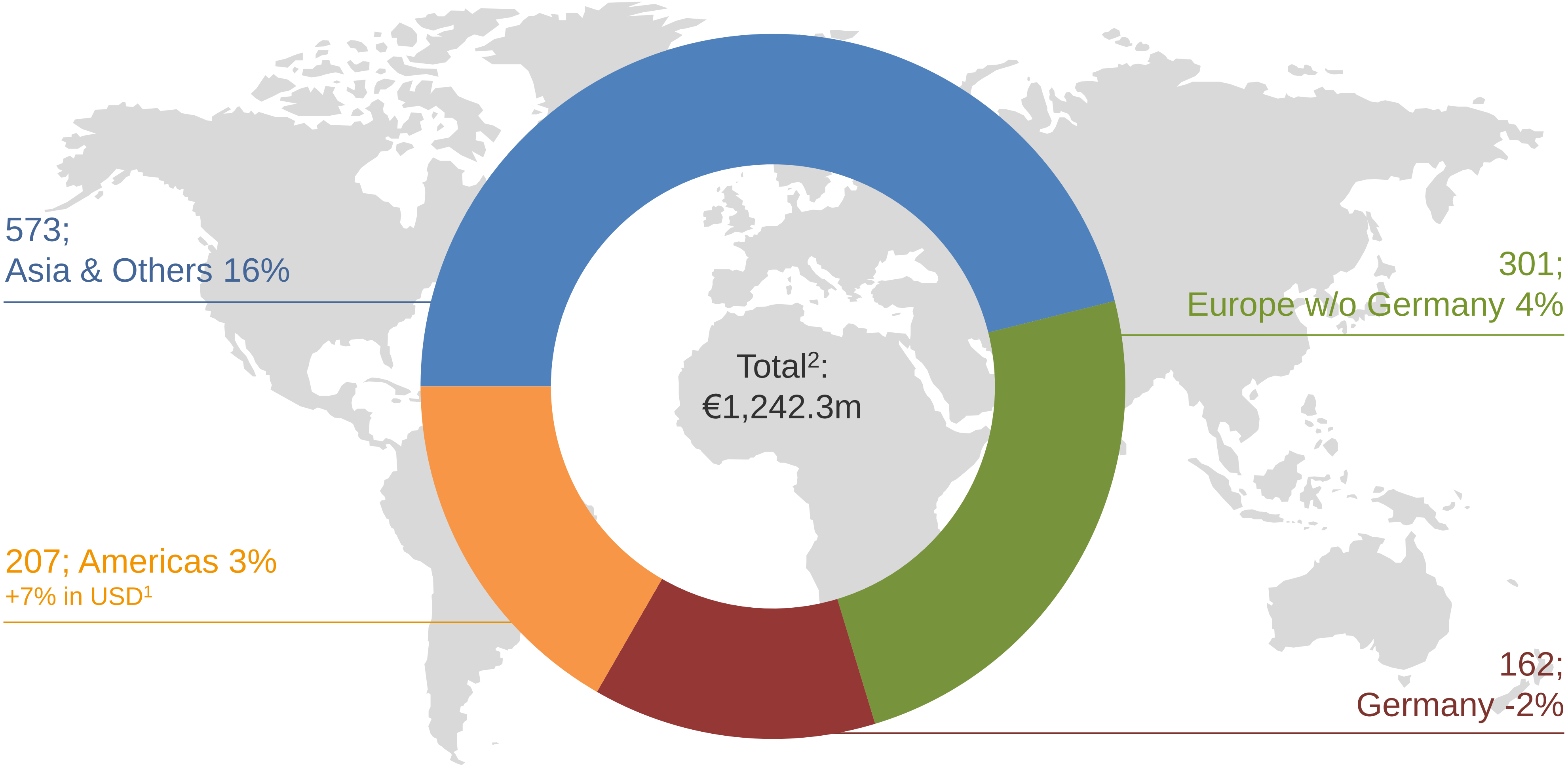


Siltronic | WACKER SILICONES | WACKER POLYMERS
WACKER BIOSOLUTIONS | WACKER POLYSILICON | Others

[1)] based on external sales

Successful Growth in Asia

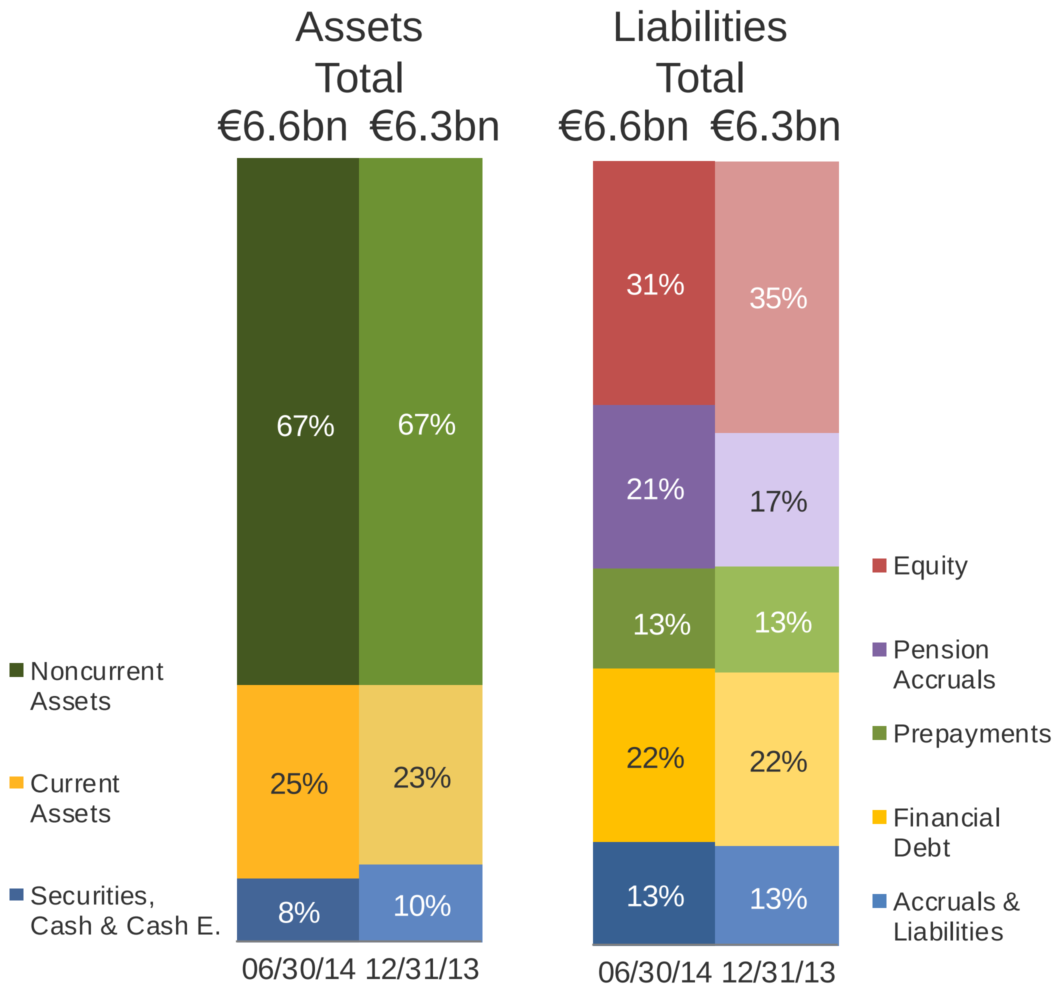
Q2 2014 Sales by Region, Changes YoY (%)



[1] Adjusted currency / [2] 2013 not reported for Siltronic Silicon Wafer Consolidation

Singapore Integration and Tennessee Expansion Drive FY 2014 Net Debt to increase by €300m YoY

Balance Sheet (%)



Characteristics 06/30/14

- Non current assets: €4,541m
- Securities, cash and cash equivalents: €537m
- Provisions for pensions: €1,378m
- Net financial debt: €921m
- Equity: €2,066m
- Prepayments received per 06/30/14: €843m
- Capex: €190m

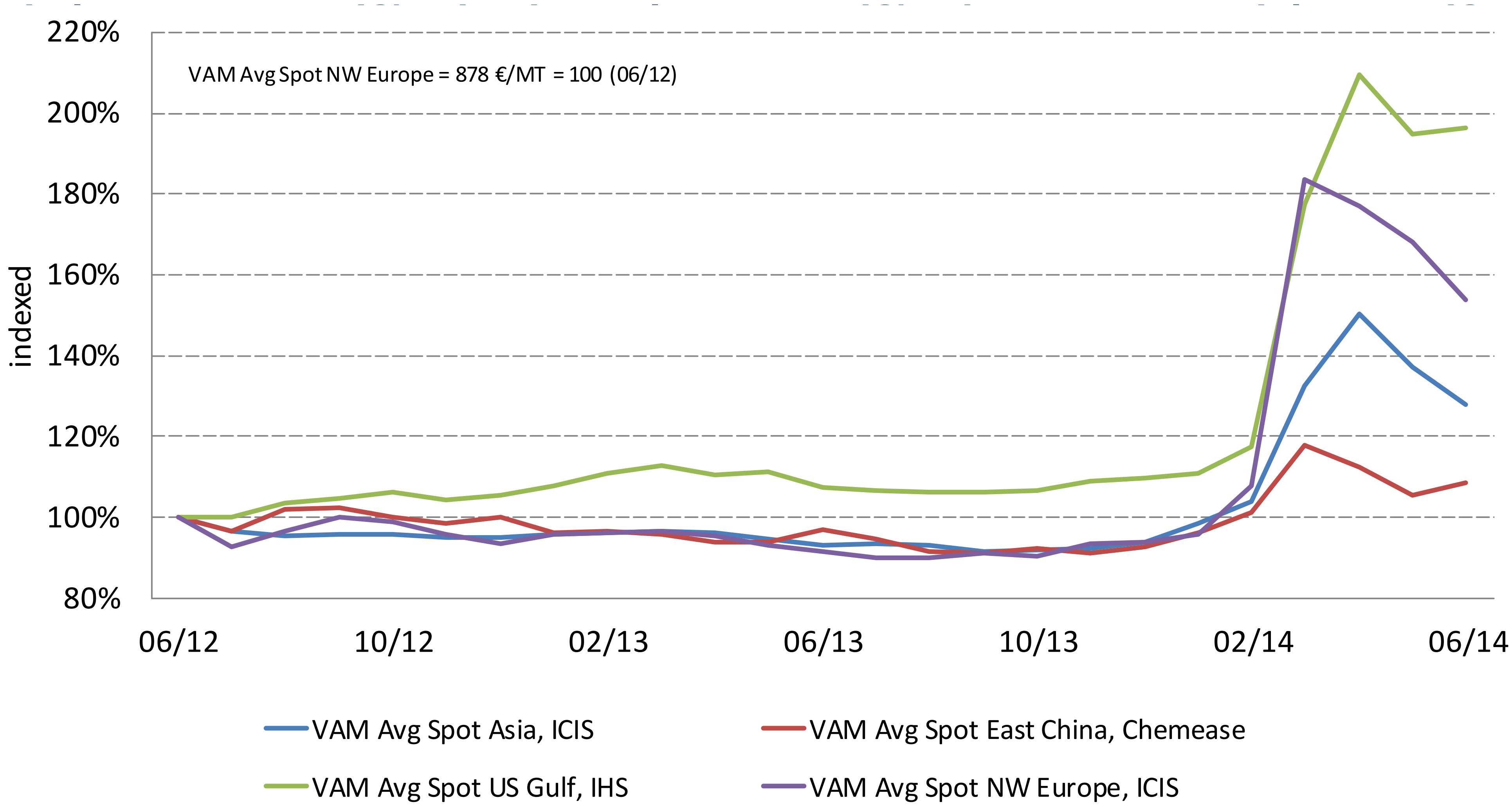
EBITDA and EBIT Impact of Special Effects - Overview

	2013					2014			
Special Effects	**Q1**	**Q2**	**Q3**	**Q4**	**FY**	**Q1**	**Q2**	**Q3e**	**Q4**
Silicones: Siloxane JV effects	-	-	-	13.7	**13.7**	-	-		
Polysilicon: Retained prepayments & damages from cancelled contracts	32.2	23.8	13.2	8.4	**77.6**	114.0	-	90.0	
EBITDA	32.2	23.8	13.2	22.1	**91.3**	114.0	0.0	90.0	
Siltronic: Special depreciation for disused assets	-	-	-	-31.1	**-31.1**	-	-	-	
EBIT	32.2	23.8	13.2	-9.0	**60.2**	114.0	0.0	90.0	

WACKER: Updated Guidance FY 2014

	2013	Outlook 2014
Sales (€m)	4,478.9	Mid-single-digit % increase
EBITDA (€m)	678.7	At least one third higher
EBITDA margin (%)	15.2	Substantial increase
Group net income (€m)	6.3	Improve
Net cash flow (€m)	109.7	Positive net cash flow
CapEx (€m)	503.7	Approx. 550
Net financial debt (€m)	792.2	Increase of around 300
Depreciation	564.4	Approx. 600
ROCE	2.2	Substantial increase

Raw Materials: VAM* Shortage drives up Costs



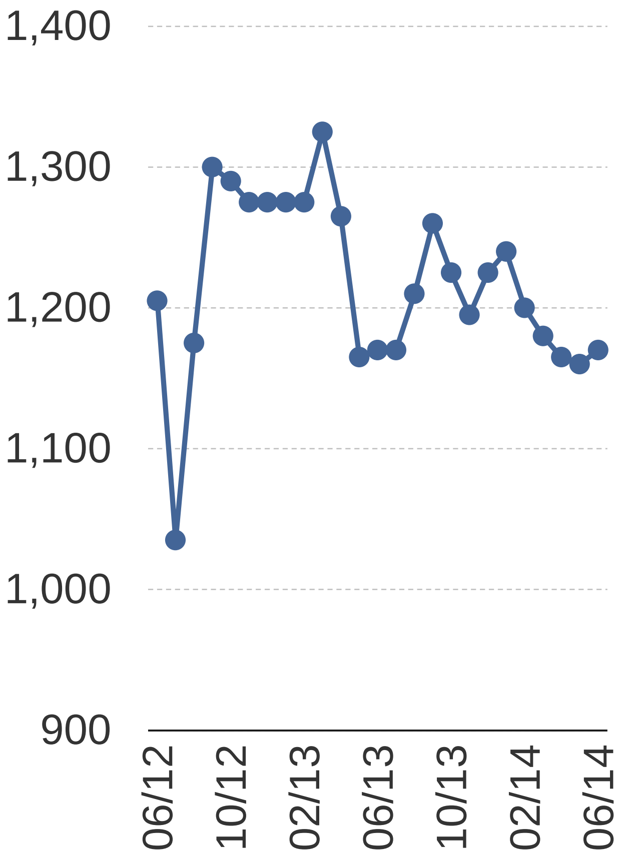
Europe, free delivered

Si-Metal Contract Price Europe free delivered

*VAM = Vinylacetate monomer

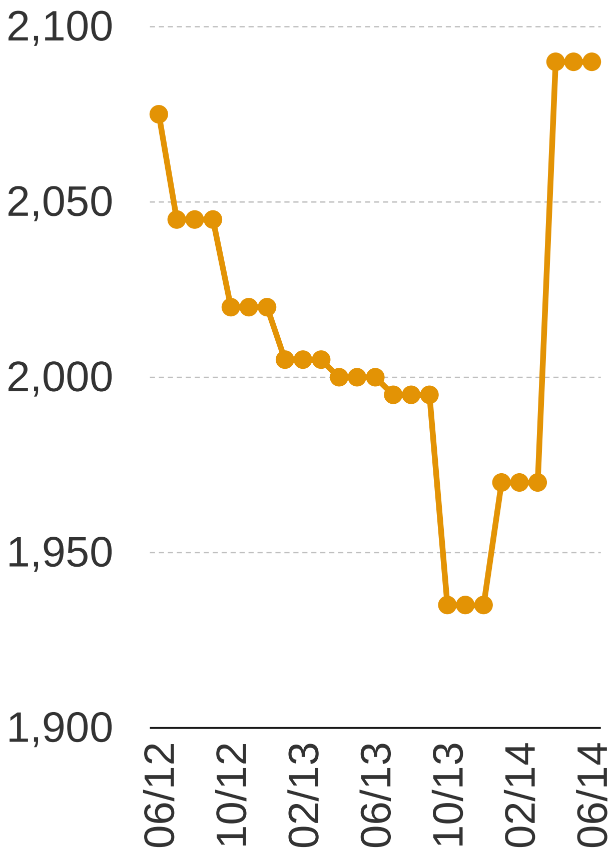
Raw Materials: Si-Metal Spot and VAM* up, but Methanol down

Ethylene Contract (€/MT)



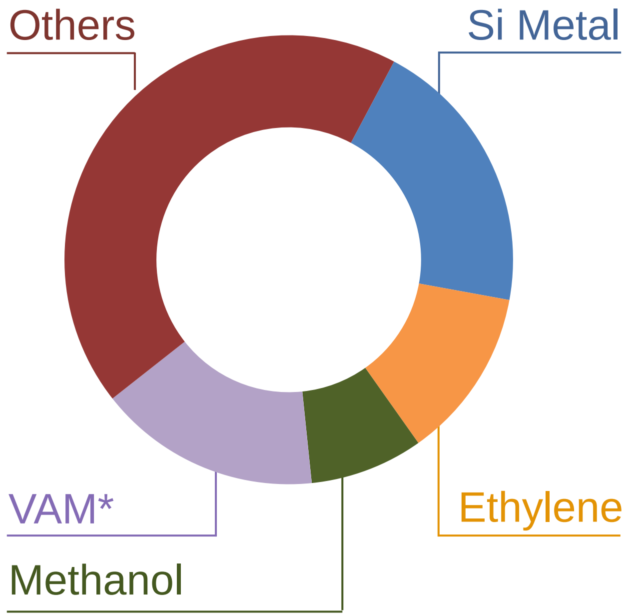
Source: ICIS, Ethylene Market Price Europe, free delivered

Si-Metal Contract (€/MT)



Source: Source: CRU-Provider, Si-Metal Contract Price Europe free delivered

Raw Materials 2013 (€m) Chemicals

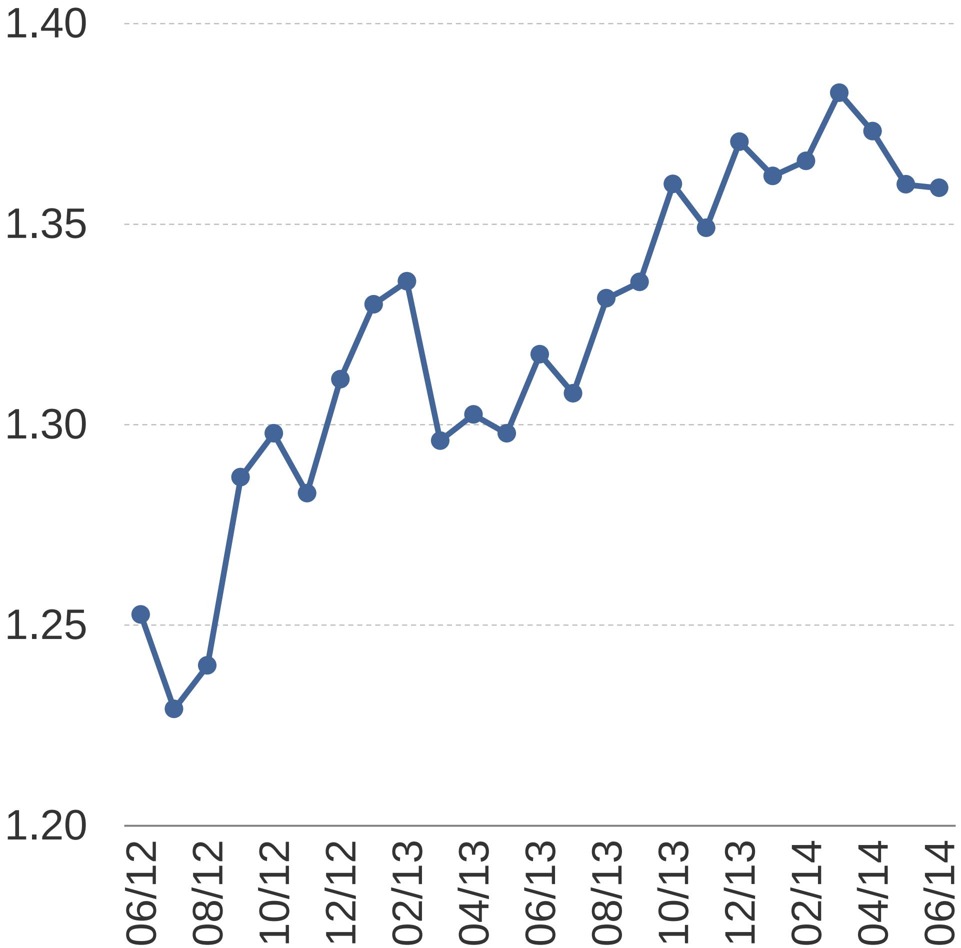


Costs of top 4 raw materials 21% of chemicals segment sales

*VAM = Vinylacetate monomer

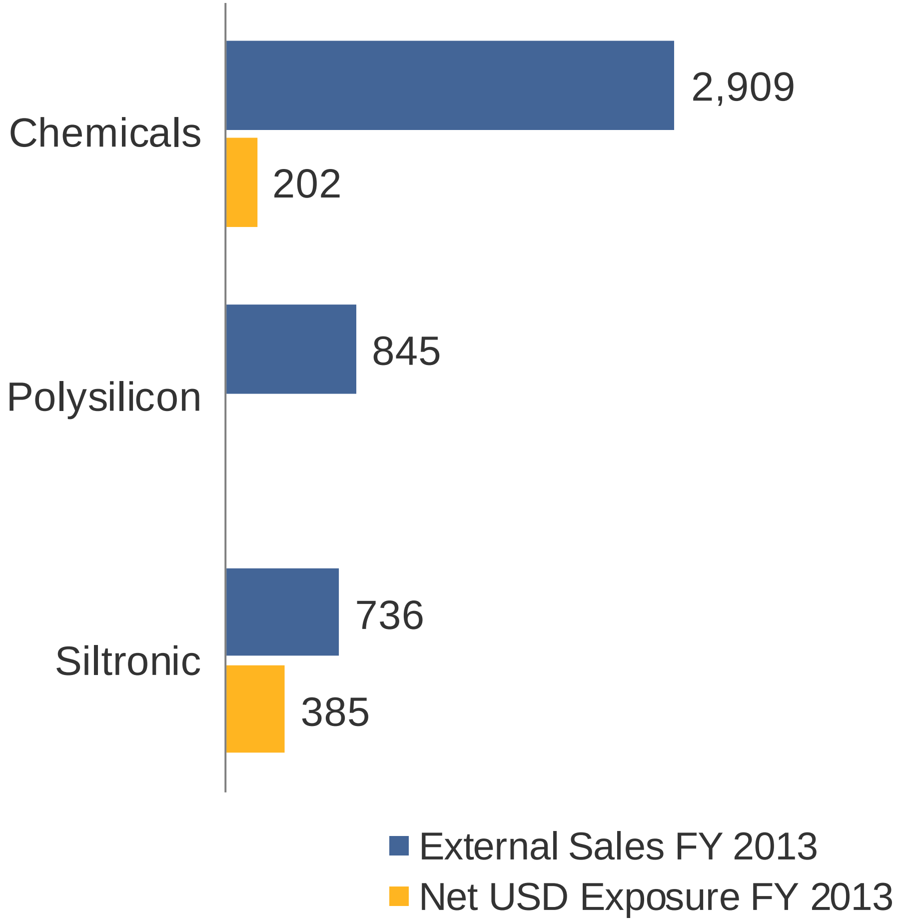
1 Cent Change in USD/€ Exchange Rate had an Impact of €4.4m on FY-EBITDA in 2013, unhedged*

USD/EURO Development



Source: www.x-rates.com/d/USD/EUR/hist2014.html

External Sales and Net USD Exposure



*Standard Hedging policy = 50% of net exposure, 12 months rolling forward

WACKER: Issuer, Contact and Additional Information

Issuer and Contact

- WACKER CHEMIE AG
  Hanns-Seidel-Platz 4
  D-81737 Munich
- Investor Relations contacts
  Mr. Joerg Hoffmann, CFA
  Tel. +49 89 6279 1633
  joerg.hoffmann@wacker.com
- Mrs. Judith Distelrath
  Tel. +49 89 6279 1560
  judith.distelrath@wacker.com
- Mrs. Manuela Ellmerer
  Tel. +49 89 6279 2769
  manuela.ellmerer@wacker.com

Financial Calendar

10/30/14 – Q3 Results 2014
11/25/14 – 11/26/14
Deutsches Eigenkapitalforum in Frankfurt

Additional Information

ISIN:	DE000WCH8881
WKN:	WCH888
Deutsche Börse:	WCH
Ticker Bloomberg:	CHM/WCH:GR
Ticker Reuters:	CHE/WCHG.DE
Listing:	Frankfurt Stock Exchange Prime Standard

WACKER: Strong Performance in H1 2014

Sales in €m	Q2 2014	Q1 2014	%QoQ	Q2 2013	%YoY
CHEMICALS	**773.3**	**704.7**	**9.7**	**751.1**	**3.0**
WACKER SILICONES	441.2	425.3	3.7	437.2	0.9
WACKER POLYMERS	285.5	238.7	19.6	273.4	4.4
WACKER BIOSOLUTIONS	46.6	40.7	14.5	40.5	15.1
WACKER POLYSILICON	**273.2**	**262.0**	**4.3**	**203.3**	**34.4**
Siltronic	**210.4**	**203.8**	**3.2**	**200.1**	**5.1**
Others	39.5	40.4	-2.2	46.1	-14.3
Consolidation	-54.1	-53.5	1.1	-50.3	7.6
	1,242.3	**1,157.4**	**7.3**	**1,150.3**	**8.0**

WACKER: Q2 ex Special Effects +34% QoQ

EBITDA in €m	Q2 2014	Q1 2014	%QoQ	Q2 2013	%YoY
CHEMICALS	**109.1**	**88.7**	**23.0**	**116.6**	**-6.4**
WACKER SILICONES	57.4	49.1	16.9	66.3	-13.4
WACKER POLYMERS	43.5	34.2	27.2	44.4	-2.0
WACKER BIOSOLUTIONS	8.2	5.4	51.9	5.9	39.0
WACKER POLYSILICON	**87.9**	**180.0***	**-51.2**	**64.0**	**37.3**
Siltronic	**28.1**	**15.0**	**87.3**	**9.1**	**>100**
Others	4.8	3.5	37.1	-3.0	n.a.
Consolidation	-0.4	-2.0	-80.0	1.5	n.a.
	229.5	**285.2**	**-19.5**	**188.2**	**21.9**

*incl. €114m retained prepayments and damages from a cancelled contract