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PRESS RELEASE

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WACKER INCREASES SALES AND EARNINGS IN Q2 2011

- WACKER GROUP SALES UP 10 PERCENT TO €1.33 BILLION IN Q2 2011
- EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION GROW BY 5 PERCENT TO €325 MILLION
- NET INCOME FOR Q2 2011 REACHES €143 MILLION
- INVESTMENTS FOCUS ON POLYSILICON EXPANSION AND CLIMB TO €208 MILLION, ALMOST 50 PERCENT HIGHER THAN Q2 2010
- FULL-YEAR SALES AND EARNINGS FORECAST FOR 2011 REAFFIRMED

Munich, August 2, 2011 – Wacker Chemie AG increased its sales and earnings in Q2 2011 compared with the same period last year and is well on track to achieve its full-year targets. Q2 2011 sales at the Munich-based chemical company climbed 10 percent to €1.33 billion (Q2 2010: €1.20 billion), mainly due to the higher sales volumes generated by sustained customer demand. In the silicones and polymers segments, WACKER was able to negotiate higher prices in the market in some cases. By contrast, the sales trend was held back by currency exchange-rate effects, primarily due to the weaker US dollar.

WACKER also enhanced its profitability over the previous year. Earnings before interest, taxes, depreciation and amortization (EBITDA) rose by over 5 percent to €324.8 million in Q2 2011 compared to a year ago (Q2 2010: €308.6 million). The second-quarter EBITDA

margin was 24.5 percent, after 25.7 percent in Q2 2010. Group earnings before interest and taxes (EBIT) rose by 5 percent to €215.1 million in Q2 2011, up from €204.7 million in the prior-year period. The EBIT margin for the period April through June 2011 was 16.2 percent (Q2 2010: 17.0 percent). Net income for the period reached €142.7 million (Q2 2010: €135.4 million), resulting in earnings per share of €2.87 (Q2 2010: €2.71).

Substantially higher raw-material costs dampened earnings performance in Q2 2011. At the start of 2011, WACKER was still able to use some raw-material inventory from 2010 procured on more favorable terms. Compared to Q2 2010 prices, silicon metal increased by over 30 percent, ethylene by about 25 percent and methanol by just under 20 percent. WACKER's second-quarter profitability was also impacted by the up-front costs for an accelerated production start-up at the new polysilicon plant at Nünchritz.

WACKER expects full-year sales and earnings to rise in 2011 and has reaffirmed its previous outlook. Group sales are forecast to top €5 billion. EBITDA for fiscal 2011 is expected to exceed the previous year's figure of €1.19 billion.

"Half-way through 2011, we are well on track to achieve the sales and earnings targets we set for the full year," said CEO Rudolf Staudigl in Munich on Tuesday. "We profited in all markets and segments from the global economy's enduring strength. Even though economic growth is likely to slow somewhat in the second half of the year, we remain well placed to achieve profitable growth – particularly thanks to our strong polysilicon business."

Regions

In Q2 2011, WACKER posted double-digit sales growth in all key markets, apart from the Americas. From April through June 2011, the

Group generated the largest share of its total sales in Asia – some 38 percent. At €499.8 million, second-quarter Asian sales rose 16 percent (Q2 2010: €430.9 million). WACKER also posted double-digit sales growth in Germany and in the other European countries during Q2 2011. In Germany, second-quarter sales grew 11 percent to €242.8 million (Q2 2010: €217.8 million). Sales in the other European countries reached €329.5 million (Q2 2010: €296.1 million). In the Americas region, sales were significantly held back by exchange-rate effects due to the weaker US dollar. As a result, although sales were higher in US dollar terms, they were slightly below the prior-year figure when converted into euros. From April through June 2011, WACKER generated total sales of €211.8 million in the Americas (Q2 2010: €213.3 million). In the other regions, WACKER posted total sales of €41.9 million in Q2 2011 (Q2 2010: €43.9 million). Overall, WACKER generated about 82 percent of its second-quarter sales with customers outside Germany (Q2 2010: 82 percent).

Investments and Net Cash Flow

In Q2 2011, WACKER continued its dynamic investment strategy. At €208.3 million, capital expenditures were significantly higher than in both Q2 2010 (€140.9 million) and Q1 2011 (€136.6 million). The focus was on expanding polysilicon-production capacities at Nünchritz and Charleston. Almost two-thirds of April-through-June investments were for these two key projects. Further funds were spent on increasing silicon-wafer output and on eliminating bottlenecks at the plants of other divisions. The polysilicon facility at Nünchritz is nearing completion and will come on stream, as planned, in the next few months. At Charleston in the US State of Tennessee, construction work on WACKER’s new integrated polysilicon site is also in full swing after the groundbreaking ceremony in early April. The site, with a nominal

capacity of 15,000 metric tons per year, is expected to be completed by the end of 2013.

WACKER's net cash flow from April through June 2011 amounted to €-53.1 million (Q2 2010: €55.5 million). Two factors were mainly responsible for this decline. Capital expenditures in the second quarter were about 50 percent higher than in the previous year. At the same time, the payment of variable salary components to employees for a highly successful fiscal 2010 decreased gross cash flow in the period under review. Gross cash flow amounted to €138.4 million, thus down 23 percent over the Q2 2010 figure of €180.4 million.

Employees

As of June 30, 2011, WACKER had 16,834 employees worldwide (March 31, 2011: 16,602). The groupwide increase of 232 enables WACKER to maintain the quality of production, customer service and administrative processes amid growing customer demand and high plant utilization. On June 30, 2011, WACKER had 12,572 employees in Germany (March 31, 2011: 12,414) and 4,262 at its international sites (March 31, 2011: 4,188).

Business Divisions

In the second quarter of 2011, **WACKER SILICONES** generated total sales of €421.1 million – a rise of some 4 percent year on year (Q2 2010: €406.5 million). Customer demand remained robust in every major business field in Q2. Toward the end of the quarter, though, orders from some sectors – especially construction – edged down slightly. Particularly strong Q2 growth was achieved by organo-functional silanes for the formulation of construction foams and by silicones for electronic, solar and medical applications. The steep rise in raw-material costs weighed more heavily on the division's profitability in Q2 than at the beginning of the year. WACKER SILICONES

was able to offset the cost rise only in part through greater volumes and higher sales prices in some sectors. Second-quarter earnings before interest, taxes, depreciation and amortization (EBITDA) came in at €50.1 million (Q2 2010: €73.3 million). The division thus missed the prior-year level by some 32 percent. The EBITDA margin for the second quarter of 2011 was 11.9 percent (Q2 2010: 18.0 percent).

In Q2 2011, **WACKER POLYMERS** increased its total sales to €249.7 million, up 11 percent year on year (Q2 2010: €224.6 million). This growth was primarily due to continuing high demand for dispersible polymer powders and dispersions. From April through June 2011, WACKER POLYMERS posted EBITDA of €32.0 million (Q2 2010: €37.8 million), a 15-percent decline year on year. Higher raw-material costs, for example for ethylene, had an appreciable impact on divisional earnings. The division's EBITDA margin for Q2 2011 was 12.8 percent (Q2 2010: 16.8 percent). WACKER POLYMERS raised its prices for dispersions and dispersible polymer powders several times in recent months to at least partially offset higher raw-material costs.

From April through June 2011, **WACKER BIOSOLUTIONS** generated total sales of €39.0 million, up slightly year on year (Q2 2010: €38.3 million). Business was particularly strong for pharmaceutical proteins and other products for the pharmaceutical and agrochemical sectors. Acetylacetone and gumbase also experienced brisk demand. Second-quarter EBITDA at WACKER BIOSOLUTIONS amounted to €8.6 million (Q2 2010: €7.8 million), yielding an EBITDA margin of 22.0 percent (Q2 2010: 20.4 percent) The positive factors here included higher prices.

In Q2 2011, **WACKER POLYSILICON** continued to benefit from the high volumes of hyperpure polycrystalline silicon that could be placed on the market. At €399.2 million, total second-quarter sales were 24

percent higher than a year earlier (Q2 2010: €321.5 million). The amounts of polysilicon sold were significantly higher than a year ago and all of WACKER POLYSILICON's production facilities are currently running at full capacity. In Q2 2011, the average prices achieved for polysilicon remained broadly stable at about the level seen in both the comparable prior-year quarter and Q1 2011. WACKER POLYSILICON generated second-quarter EBITDA of €188.2 million (Q2 2010: €174.6 million). That is a rise of 8 percent and equates to an EBITDA margin of 47.1 percent (Q2 2010: 54.3 percent). Start-up costs, chiefly for Nünchritz's new polysilicon plant, served to constrain earnings.

In the second quarter of 2011, **Siltronic** generated total sales of €276.9 million (Q2 2010: €255.8 million), an increase of 8 percent. Second-quarter sales volumes were higher than in either Q2 2010 or Q1 2011. Volume growth was driven mainly by 300 mm wafers, where Siltronic was able to boost its output substantially to meet the demand surge caused by production shortfalls in earthquake-damaged Japan. As for EBITDA, Siltronic more than doubled its Q2 2010 figure. EBITDA reached €37.3 million from April through June 2011 (Q2 2010: €18.0 million). Earnings growth was due not only to higher volumes, but also to better average prices compared with a year ago, especially for 200 mm and smaller-diameter wafers. The EBITDA margin in Q2 2011 was 13.5 percent (Q2 2010: 7.0 percent).

Outlook

According to the latest economic estimates and forecasts, the global expansion is set to continue, even though the overall pace of economic growth is likely to slow slightly in the coming months. WACKER expects its divisions will benefit from the positive outlook for sales markets and the economy as a whole.

At its WACKER SILICONES and WACKER POLYMERS chemical divisions, vibrant economic growth – especially in the emerging markets of Asia and Latin America – will keep demand for their products and services high in the months ahead. At WACKER POLYSILICON, the Group has contractually secured virtually its entire output until the end of 2015. This ensures high capacity utilization, but also limits opportunities for generating extra business in the short term. At Siltronic, the order-book situation will depend, in the medium term, on how well global silicon-wafer production keeps pace with demand. Japan's wafer manufacturers, for instance, have resumed production sooner than originally expected, which means Siltronic's sales-volume growth will be less dynamic in the second half of 2011 than in the first half.

The future price trends for raw materials and energy will greatly influence the Group's business profitability. WACKER will keep its focus firmly on countering the heavier cost burden with improved efficiency. Wherever market conditions and customer contracts allow, it aims to cushion the impact of higher raw-material costs, at least to some extent, by raising product prices. The Group expects that the costs of starting up its new polysilicon plant at Nünchritz and building the polysilicon site at Charleston (Tennessee, USA) will constrain earnings somewhat in the second half of 2011.

Overall, WACKER reaffirms its full-year guidance that 2011's sales will exceed €5 billion. It currently anticipates that EBITDA will be above last year's figure of €1.19 billion.

Note to editors: ***The Q2 2011 report is available for download on the WACKER website (www.wacker.com) under Investor Relations.***

Key Figures of the WACKER Group

€ million	Q2 2011	Q2 2010	Change in %	6M 2011	6M 2010	Change in %
Sales	1,325.8	1,202.0	10.3	2,617.5	2,269.0	15.4
EBITDA[1]	324.8	308.6	5.2	675.8	562.3	20.2
EBITDA margin[2]	24.5%	25.7%	-4.6	25.8%	24.8%	4.0
EBIT[3]	215.1	204.7	5.1	461.0	358.4	28.6
EBIT margin[2]	16.2%	17.0%	-4.7	17.6%	15.8%	11.4
Financial result	-9.7	-9.0	7.8	-17.6	-12.3	43.1
Income before taxes	205.4	195.7	5.0	443.4	346.1	28.1
Net income for the period	142.7	135.4	5.4	310.7	241.3	28.8
Earnings per share (€)	2.87	2.71	6.0	6.26	4.85	29.0
Investments (incl. financial assets)	208.3	140.9	47.8	344.9	239.2	44.2
Net cash flow[4]	-53.1	55.5	n.a.	233.2	110.1	>100

€ million	June 30, 2011	June 30, 2010	Dec. 31, 2010
Equity	2,599.7	2,169.0	2,446.8
Financial liabilities	547.4	499.1	533.4
Net financial receivables/ liabilities[5]	348.3	-58.1	264.0
Total assets	5,843.0	4,962.6	5,501.2
Employees (number at end of period)	16,834	15,901	16,314

[1] EBITDA is EBIT before depreciation and amortization
[2] Margins are calculated based on sales
[3] EBIT is the result from continuing operations for the period before interest and other financial results, and income taxes
[4] Sum of cash flow from operating activities and noncurrent investment activities before securities, including additions from finance leases
[5] Sum of cash and cash equivalents, noncurrent and current securities, and noncurrent and current financial liabilities

This press release contains forward-looking statements based on assumptions and estimates of WACKER's Executive Board. Although we assume the expectations in these forward-looking statements are realistic, we cannot guarantee they will prove to be correct. The assumptions may harbor risks and uncertainties that may cause the actual figures to differ considerably from the forward-looking statements. Factors that may cause such discrepancies include, among other things, changes in the economic and business environment, variations in exchange and interest rates, the introduction of competing products, lack of acceptance for new products or services, and changes in corporate strategy. WACKER does not plan to update the forward-looking statements, nor does it assume the obligation to do so.

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The company in brief:
WACKER is a globally-active chemical company with some 16,300 employees and annual sales of around €4.75 billion (2010).
WACKER has a global network of 26 production sites, 20 technical competence centers and 50 sales offices.

WACKER SILICONES
Silicone fluids, emulsions, rubber and resins; silanes; pyrogenic silicas; thermoplastic silicone elastomers

WACKER POLYMERS
Polyvinyl acetate and vinyl acetate copolymers in the form of dispersible polymer powders, dispersions, solid resins and solutions used as binders for construction chemicals, paints and coatings, adhesives, plasters, textiles and nonwovens, as well as for polymeric materials based on renewable resources

WACKER BIOSOLUTIONS
Biotech products such as cyclodextrins, cysteine and biologics, as well as fine chemicals and PVAc solid resins

WACKER POLYSILICON
Polysilicon for the semiconductor and photovoltaics industries

Siltronic
Hyperpure silicon wafers and monocrystals for semiconductor components