



WACKER

WACKER CHEMIE AG – 2nd Quarter 2006 Update – Call Note Progress on Strategic Projects

Dr. Peter-Alexander Wacker (CEO), Dr. Joachim Rauhut (CFO)

DISCLAIMER

The information contained in this presentation is for background purposes only and is subject to amendment, revision and updating. Certain statements contained in this presentation may be statements of 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, as well as the words "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.

DELIVERING ON GROWTH AND MARGINS: 2nd QUARTER 2006 HIGHLIGHTS

WACKER	(€m)	Q2 2006	Change vs. Q2 2005
Sales		830.4	Up 128.9
EBITDA		195.7	Up 13.0
EBIT		111.8	Up 24.8
Net Profit		66.5	Up 35.6
Net Profit per share in €		1.35	Up 0.76
<i>EBITDA margin (unadjusted)</i>		23.6%	Down 2.4%
<i>EBIT margin</i>		13.5%	Up 1.1%

IMPROVEMENT YEAR ON YEAR Q2 2006 OVER Q2 2005

- Strong sales growth in all segments compared to previous year
- EBITDA margin, adjusted for special items, increased by 4% to 23.6% yoy
- Improved outlook for 2006 at Siltronic
- Yield and average sales price improvements at Polysilicon
- Favorable product mix and volume driven growth in Chemicals
- Progress on roadmap for growth

ROADMAP FOR GROWTH

JV Silicone Complex Zhangjiagang



- Government approval for Siloxane plant received
- Fumed silica plant already under construction
- Capex ~ €250m (06-09)

Business License received

Burghausen: Polysilicon additions



- Ongoing expansion of existing site by 3,500 kt (end of 07) and 4,500 kt (end of 09)
- Capex ~ €500m (06-09)

Expanding to 14,500t

Burghausen/Zhangjiagang: Powder Dryers



- Capacity increase 60 kt
- New dryers Burghausen and China
- Capex ~ €55m (06-09)

30Kt dryer announced

Singapore: 300 mm Wafers

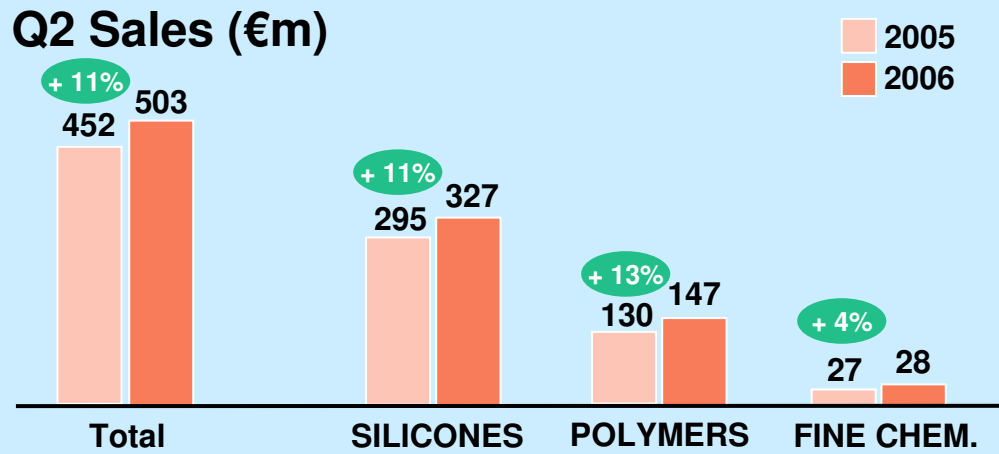


- High volume Fab (200 to 300 kWafer/m)
- Construction already started
- Capex as financial investment (€150m in 06-08)

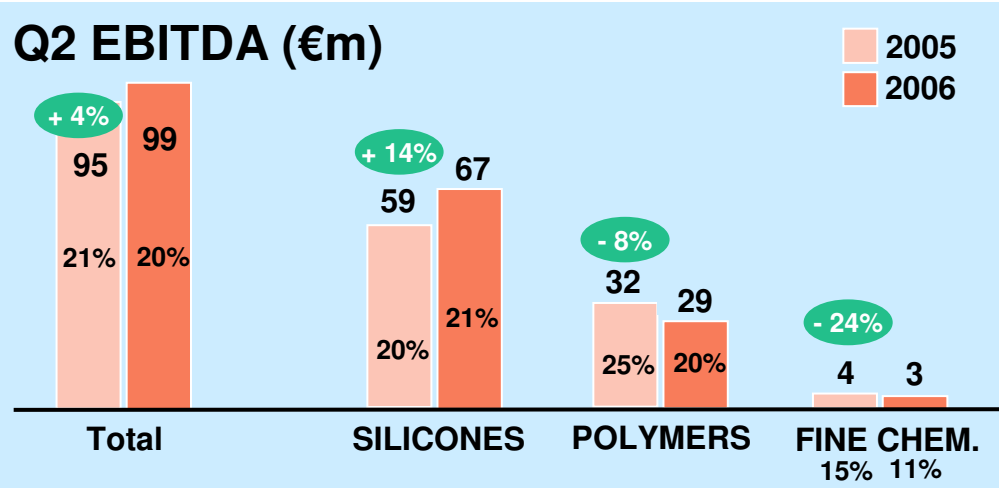
Joint Venture signed

Q2 CHEMICAL BUSINESSES: CAPACITY AND MIX CONTINUE TO DRIVE RESULTS

Q2 Sales (€m)



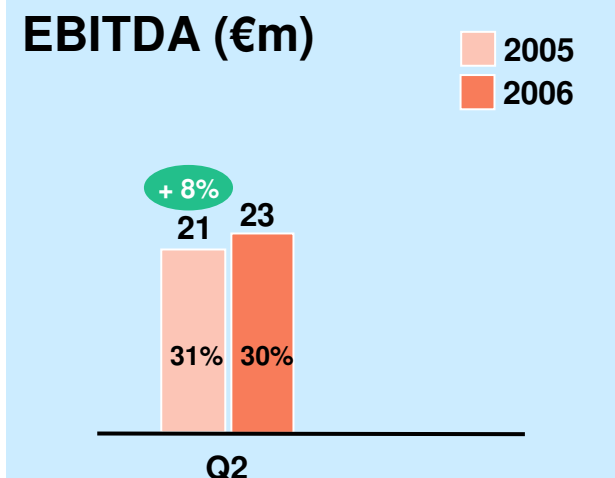
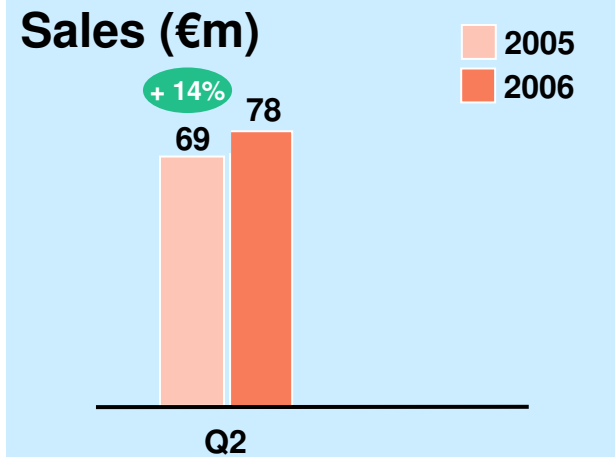
Q2 EBITDA (€m)



Q2/2006 YoY

- New capacities drove elastomers, resins and silanes (SILICONES) and dispersible polymer powders (POLYMERS)
- Highest growth rates in Asia, Eastern Europe and Middle East
- Improved product mix towards higher value added products
- Improved capacity utilizations
- Raw material and energy cost increases

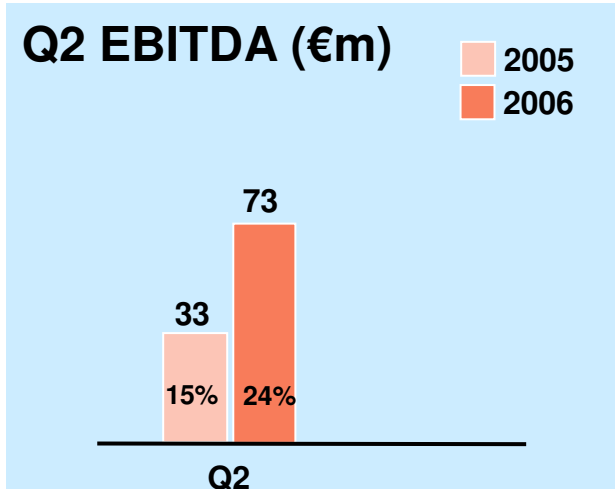
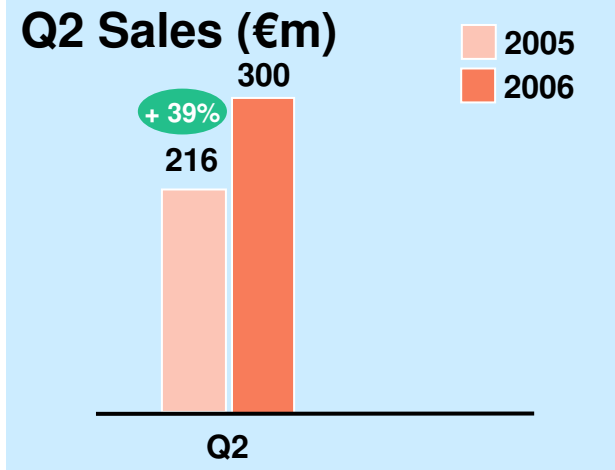
Q2 POLYSILICON: YIELD IMPROVEMENTS VERSUS RAMP-UP COSTS



Q2/2006 YoY

- Capacity constraints limit sales volumes
- Price increases and yield improvements
- Ramp-up costs and planning expenses for new capacities weigh on margins

Q2 SILTRONIC: HIGH UTILIZATION AND ONGOING STRONG DEMAND



WACKER

Q2/2006 YoY

- EBITDA up from € 20.1 million, adjusting for special items in 2005
- Over half of sales generated in Asia
- Overall market share 15%*
- High utilization in all diameters
- Price increases in Q2 up to mid single digits versus Q1

*Source: SEMI SMG, Q1-2006

REGIONAL FOCUS: STRONGEST GROWTH IN ASIA

Major Sites

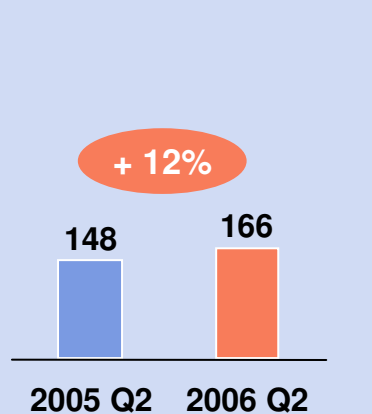


Americas (20%)

Adrian, MI
Portland, OR

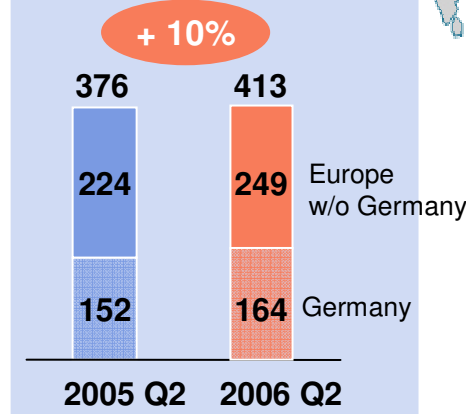


Sales by Region (€ m)



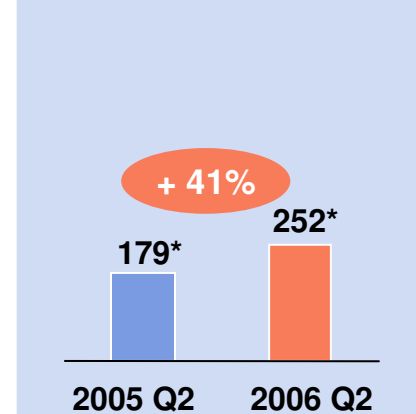
Europe (50%)

Burghausen
Freiberg
Nünchritz

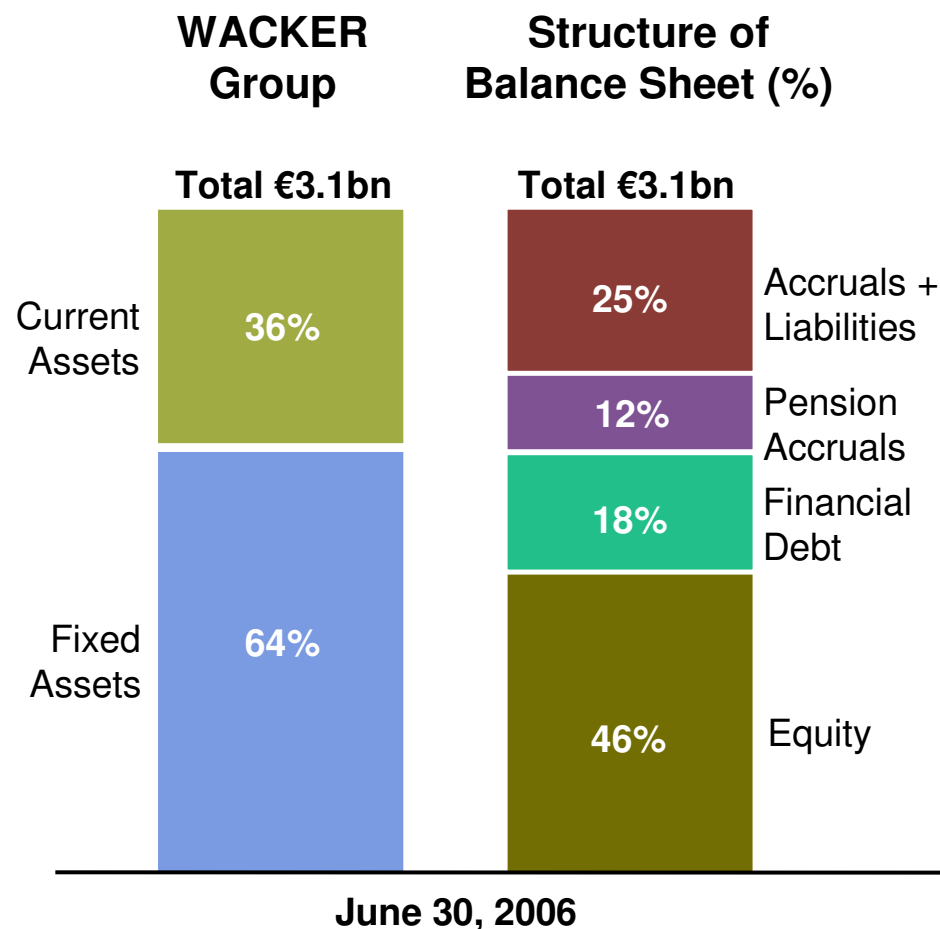


Asia* (30%)

Zhangjiagang, China
Singapore
Hikari, Japan
Akeno, Japan
Calcutta, India



STRONG BALANCE SHEET: IPO PROCEEDS RAISE EQUITY RATIO TO 46%



Characteristics

- Fixed assets: €1,971 m
 - Insignificant goodwill
- Pension accruals: € 359m
- Net debt: € 514m
 - *Cash Inflows from IPO used to pay off debt*
- Equity: € 1,409m

GUIDANCE: EBITDA INCREASES MORE THAN SALES

	FY 2005	Q2 Guidance Update
Chemicals Sales	€ 1,704m	<i>Up 12% to € 1,900m</i>
EBITDA margin	<i>19%</i>	<i>About 18%</i>
Polysilicon Sales	€ 288m	<i>Up 10% to € 320m</i>
EBITDA margin	<i>31%</i>	<i>Mid-thirties</i>
Siltronic Sales	€ 925m	<i>Up 35% to € 1,250m</i>
EBITDA margin	<i>18%</i>	<i>About 26%</i>
Group Total Sales	€ 2,756m	<i>Up 20% to € ~3,300m</i>
EBITDA	€ 567m (adjusted)*	<i>Up 30% / € 730 to 750m**</i>

GUIDANCE: MODELING HINTS

	FY 2005	Q2 Guidance Update
Depreciation and Amortization	€ 347.6	About € 340m
Financial result (incl. Limited Partnership Interests)	€ – 53.9m	About € – 48m
Cash Tax Rate (excl. Deferred Taxes)	50%	About 30%
Net Cash Flow	€ 158.7m	About € 100m
Net Financial Debt (at Year End)	€ 911.5m	Less than € 500m

ISSUER, CONTACT AND ADDITIONAL INFORMATION

Issuer and contact:

Wacker Chemie AG
Hanns-Seidel-Platz 4
D-81737 Munich

Investor Relations
Mr. Joerg Hoffmann

Tel. +49 89 6279 1633
Fax +49 89 6279 2933

joerg.hoffmann@wacker.com
www.wacker.com

Additional information:

ISIN: DE000WCH8881

WKN: WCH888

Deutsche Börse: WCH

Ticker Bloomberg: CHM/WCK.GR

Ticker Reuters: CHE/WCHG.DE

Listing: Frankfurt Stock Exchange
Prime Standard



MDAX