WACKER POLYMERS

WACKER POLYMERS - SUSTAINABILITY DRIVES OUR BUSINESS

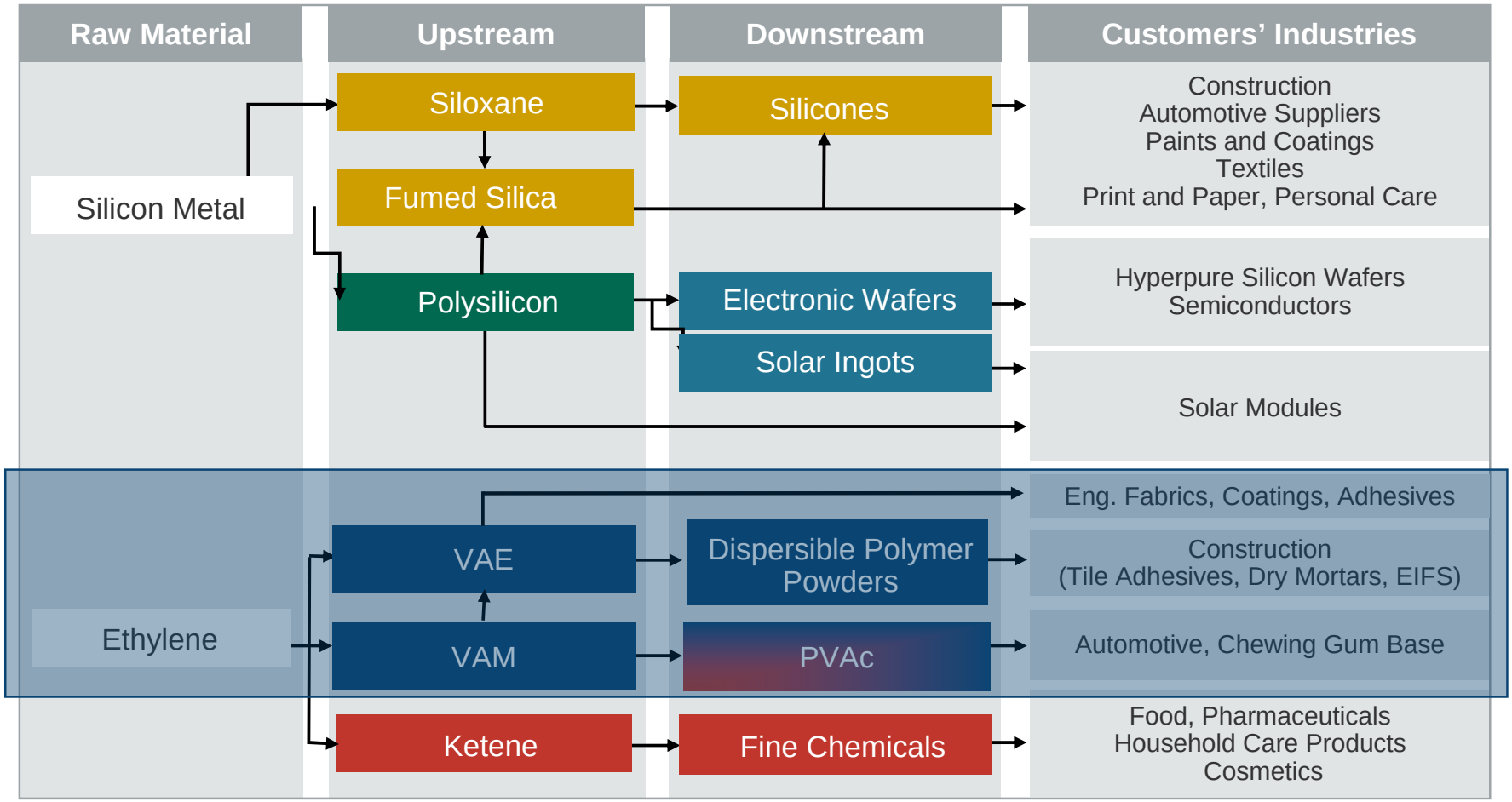
Arno von der Eltz, President WACKER POLYMERS, February 3, 2010

CREATING TOMORROW'S SOLUTIONS

DISCLAIMER

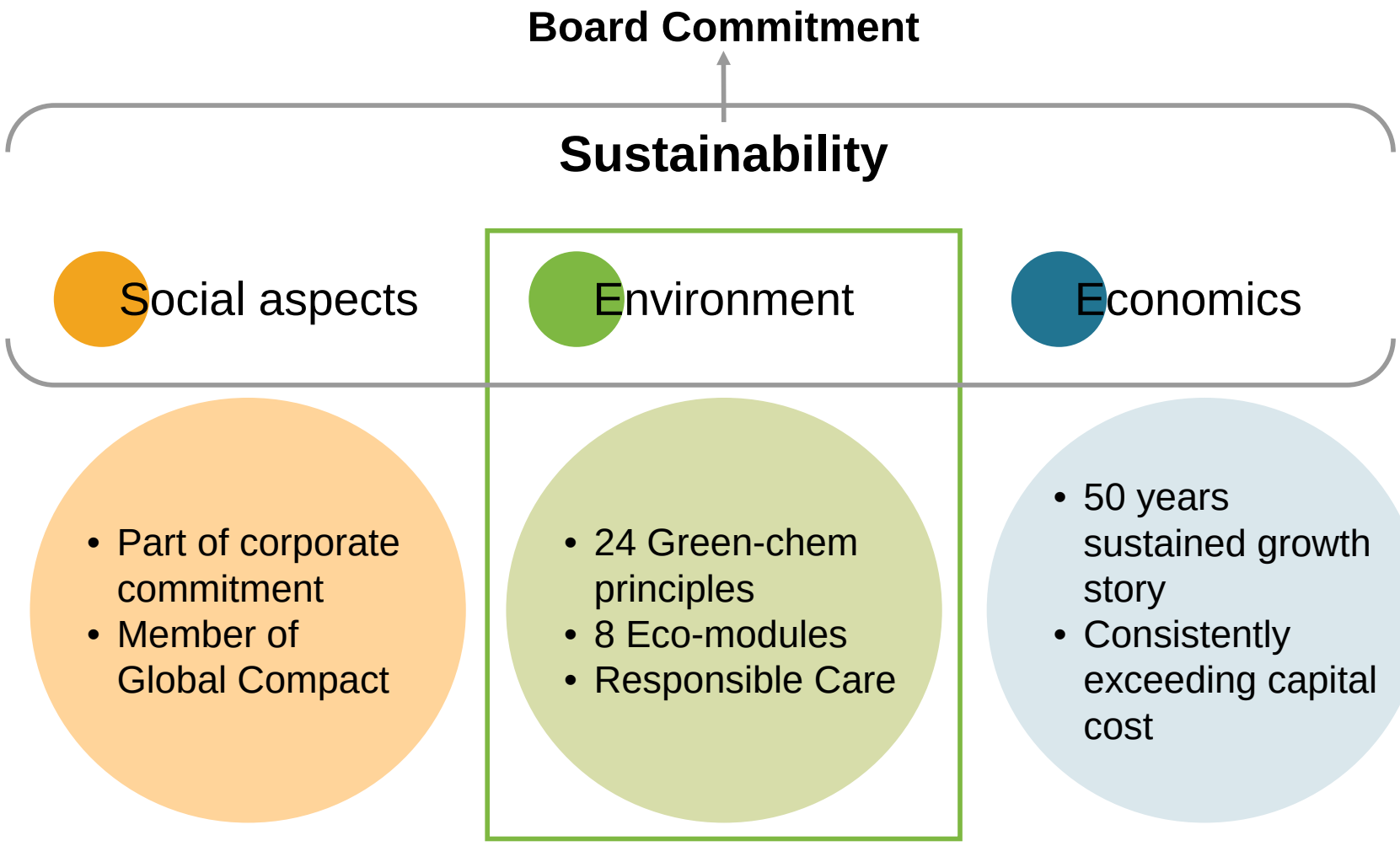
The information contained in this presentation is for background purposes only and is subject to amendment, revision and updating. Certain statements contained in this presentation may be statements of future expectations and other forward-looking statements that are based on management's current views 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 Wacker Chemie AG'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. Wacker Chemie AG 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.

POLYMERS IS THE ACETYLS-BRANCH OF WACKER - COMBINING LEADING MARKET SHARES WITH STRONG GROWTH



VAE = Vinyl acetate ethylene, VAM = Vinyl acetate monomer. PVAc = Polyvinyl acetate, EIFS = Exterior Insulation Finishing System

POLYMER'S SUSTAINABILITY IS EMBEDDED INTO A COMMITTED WACKER CORPORATE STRUCTURE



VAE – A LEADING ENABLER FOR SUSTAINABILITY

WACKER POLYSILICON

Sustainable Energy Generation

- Solar cells/ Photo voltaic

WACKER POLYMERS

Low CF & toxicity throughout life cycle	Enabling new low CF applications	Empowering active energy saving

• in feed stock
• in production
  • closed loop
  • waterborne
  • ‚Verbund‘
	• thick bed → thin bed
	• Bio polymer binder
	• solvent based → water based
	• Etonis …
	• low clinker cement
		• EIFS
		• water conservation
		• roof coating
		• …

Production phase	**Application phase**	**Use phase**

VAE =Vinylacetate-Ethylene, our monomer base
CF = Carbon foot print. CO_2 emissions during life cycle
EIFS = Exterior insulation finishing system

VAE – A LEADING ENABLER FOR SUSTAINABILITY

WACKER POLYSILICON

Sustainable Energy Generation

- Solar cells/ Photo voltaic

WACKER POLYMERS

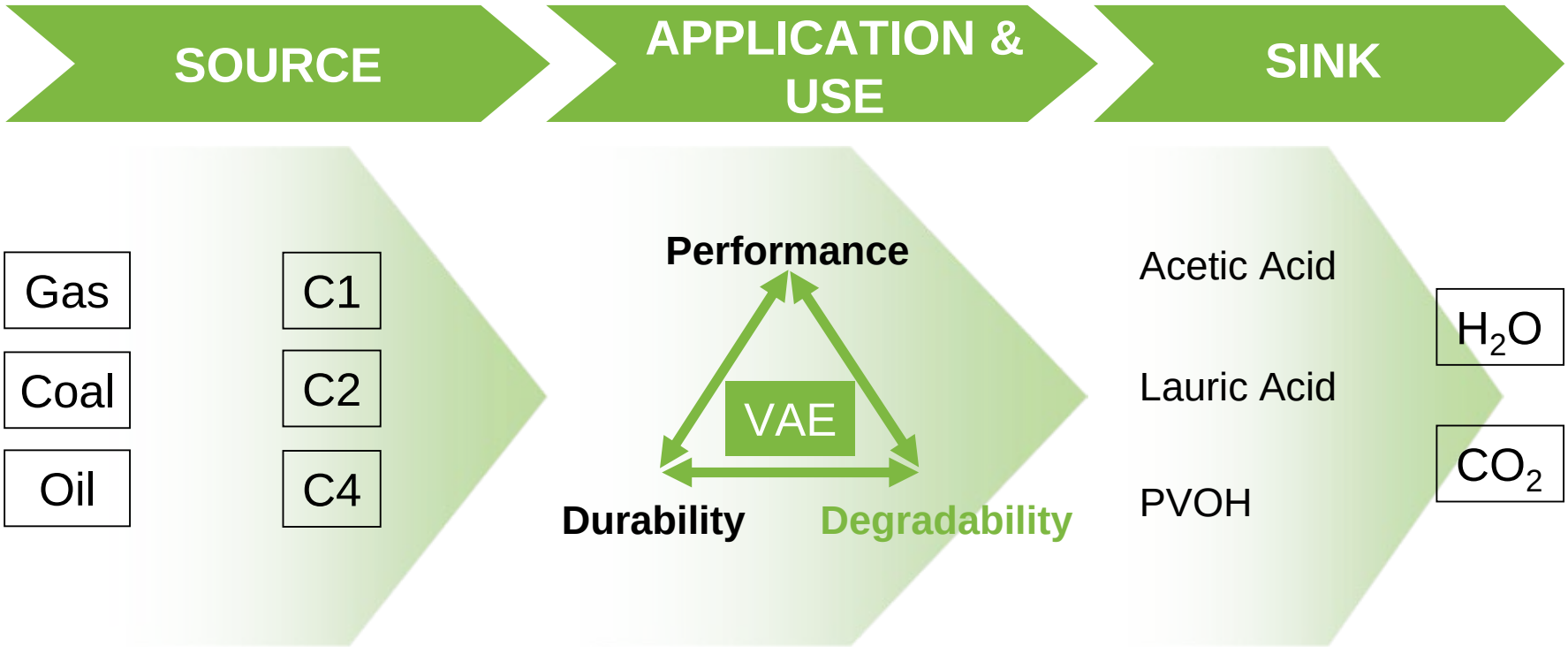
Low CF & toxicity throughout life cycle	Enabling new low CF applications	Empowering active energy saving

• in feed stock
• in production
  • closed loop
  • waterborne
  • ‚Verbund‘
	• thick bed → thin bed
	• Bio polymer binder
	• solvent based → water based
	• Etonis …
	• low clinker cement
		• EIFS
		• water conservation
		• roof coating
		• …

Production phase	**Application phase**	**Use phase**

VAE =Vinylacetate-Ethylene, our monomer base
CF = Carbon foot print. CO_2 emissions during life cycle
EIFS = Exterior insulation finishing system

LIFE CYCLE OF VAE IS VERY FLEXIBLE AND ADVANTAGEOUS



- Flexible sourcing
- Low CF on fossil feeds
- Low CF of processes

- Nontoxic
- Low odor
- High performance

- Nontoxic degradation
- Biocompatible routes

VAE – A LEADING ENABLER FOR SUSTAINABILITY

WACKER POLYSILICON

Sustainable Energy Generation

- Solar cells/ Photo voltaic

WACKER POLYMERS

Low CF & toxicity throughout life cycle	Enabling new low CF applications	Empowering active energy saving

• in feed stock
• in production
  • closed loop
  • waterborne
  • ‚Verbund‘
	• thick bed → thin bed
	• Bio polymer binder
	• solvent based → water based
	• Etonis …
	• low clinker cement
		• EIFS
		• water conservation
		• roof coating
		• …

Production phase	**Application phase**	**Use phase**

VAE =Vinylacetate-Ethylene, our monomer base
CF = Carbon foot print. CO_2 emissions during life cycle
EIFS = Exterior insulation finishing system

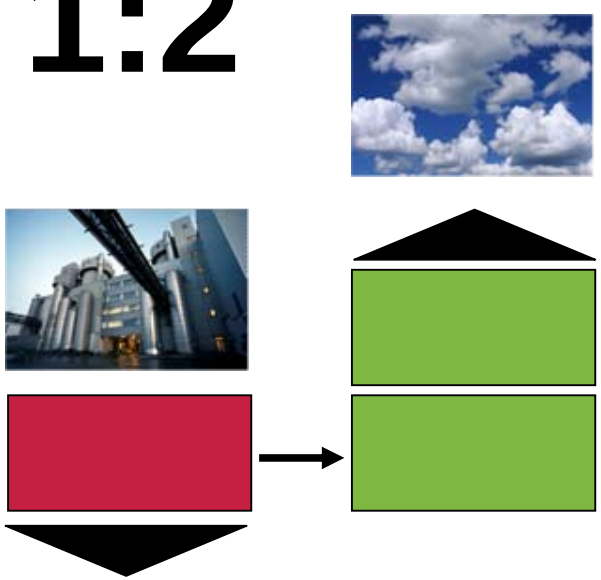
CHEMICAL TECHNOLOGY SAVES GREENHOUSE GASES

Greenhouse-gas emissions

Greenhouse-gas savings

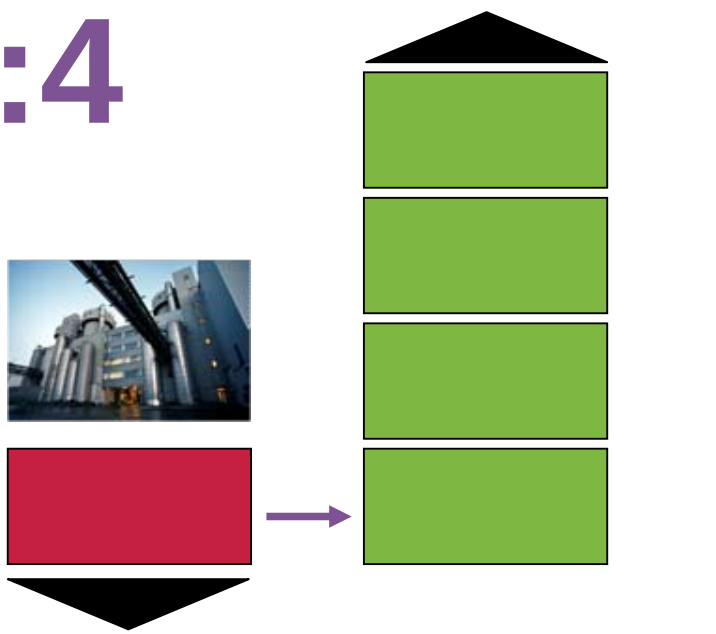
2009

1:2



2030

1:4

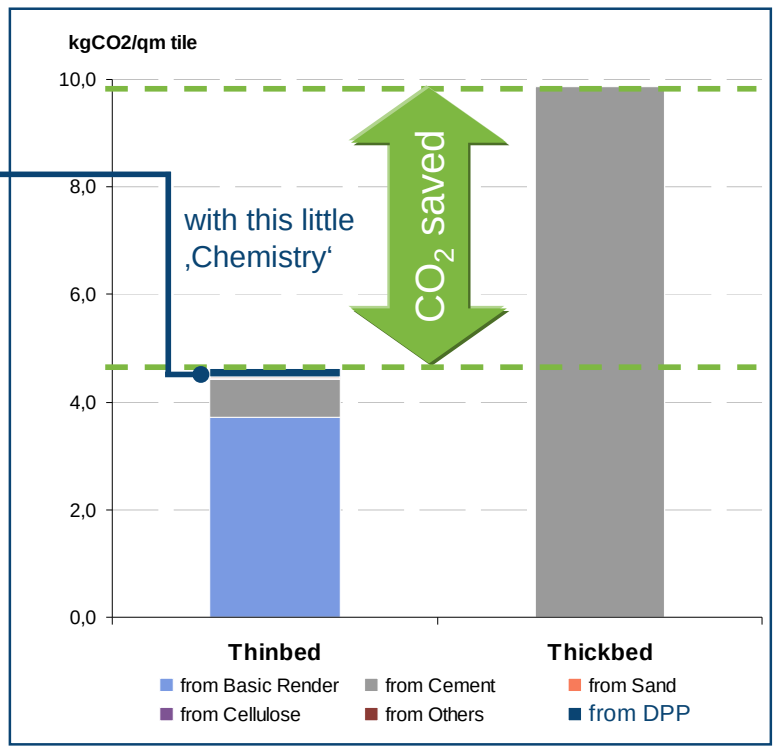


Source: “Innovations for greenhouse gas reductions: a life cycle quantification of carbon abatement solutions enabled by the chemical industry,” July 2009

DPP ENABLES THINBED TILE TECHNOLOGY - SAVING 50% CARBON DIOXIDE EMISSIONS VS. TRADITIONAL METHODS

CO_2 Emissions from system in life-cycle from a qm of tiles

Thickness:	2 mm
Cement:	300 g/kg
Density	1.1 g/cm^3
Polymer:	**1.5%**



Thickness:	15 mm
Cement:	500 g/kg
Density	2.2 g/cm^3
Polymer:	0%

- At rising oil prices, a low CF is not just ‚green' – but a striking cost argument too…
- …and 70% of world's tiles are still applied 'thickbed' in developing regions

WACKER POLYMERS' PRODUCTS DRIVE REDUCTION OF CONSTRUCTION MATERIAL EMISSIONS

WACKER POLYMERS

GREEN BUILDING

Emission reduction

- Reduction of Volatile Organic Compounds (VOC)
- Low odor/dust free materials

VINNAPAS® dispersions and powders empower:

- Reduction of VOC emissions to meet environmental standards like EMICODE
- New requirements focus on the environmental impacts of construction materials
- VAE based architectural coatings and adhesives are an alternative to other technologies

VAE POLYMERS ARE ENABLERS FOR RAPIDLY GROWING USES OF BIO-POLYMERS AND SECONDARY MATERIALS

SUSTAINABLE MATERIALS

CARBON FOOTPRINT REDUCTION

- Enables the use of biopolymers and side stream raw materials in fast growing markets

VINNEX® DISPERSIONS AND POWDERS ARE KEY ENABLING MATERIALS

- To improve Biopolymer properties
- To improve the cost situation of Biopolymers
- To enable the use of natural fiber materials
- Two project groups offer new solutions for the
  - Packaging, Agro, Automotive and Construction markets

VAE BINDERS EMPOWER ACTIVE ENERGY SAVINGS

WACKER POLYSILICON

Sustainable Energy Generation

- Solar cells/ Photo voltaic

WACKER POLYMERS

Low CF & toxicity throughout life cycle	Enabling new low CF applications	Empowering active energy saving

• in feed stock
• in production
  • closed loop
  • waterborne
  • ‚Verbund‘
	• thick bed → thin bed
	• Bio polymer binder
	• solvent based → water based
	• Etonis …
	• low clinker cement
		• EIFS
		• water conservation
		• roof coating
		• …

Production phase	**Application phase**	**Use phase**

VAE =Vinylacetate-Ethylene, our monomer base
CF = Carbon foot print. CO_2 emissions during life cycle
EIFS = Exterior insulation finishing system

EXTERIOR INSULATION AND FINISH SYSTEMS REDUCE ENERGY LOSS IN BUILDINGS

Global Trend: Saving Energy

- Increasing heating costs
- Lack of energy
- Climate change ➔ insulation against heat also necessary
- VINNAPAS® polymer powders: essential component of adhesive mortars

Heat Loss

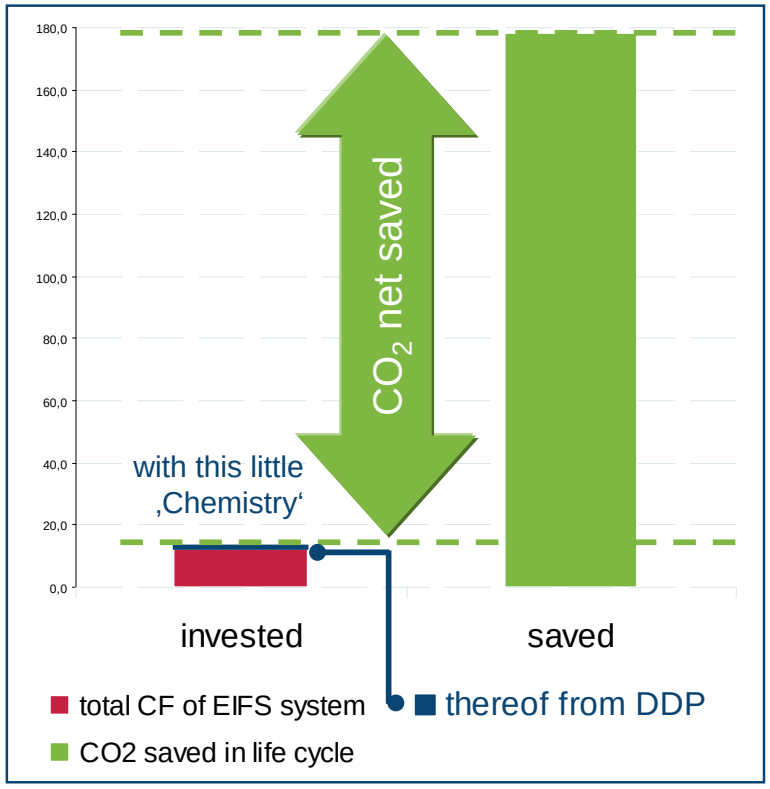
Potential for CO_2 Savings

- Germany: only 10 million of 34 million building units are insulated properly
- Thermal insulation of the remaining 24 million building units:
  - ⬇ Heating energy by 60%
  - ⬇ 80 million metric tons CO_2

Sources: Market study "Quo Vadis EIFS 2007 – 2012," WACKER
Heat image: Sto AG

DPP HAS AN INCREDIBLE SUSTAINABILITY LEVERAGE - 1KG CO_2 SAVES AT LEAST 10KG CO_2

CO_2 saved and CO_2 invested in an EIFS life cycle*



- EIFS system leverage: 14 fold
- EIFS DPP leverage: 160 fold
- Thinbed system leverage: 20 fold
- Thinbed DPP leverage: 25 fold

Projektträger

Projektpartner

*System figures from BASF – Project with above mentioned partners

WACKER POLYMERS: CONSERVING ENERGY WITH EIFS

WACKER POLYMERS

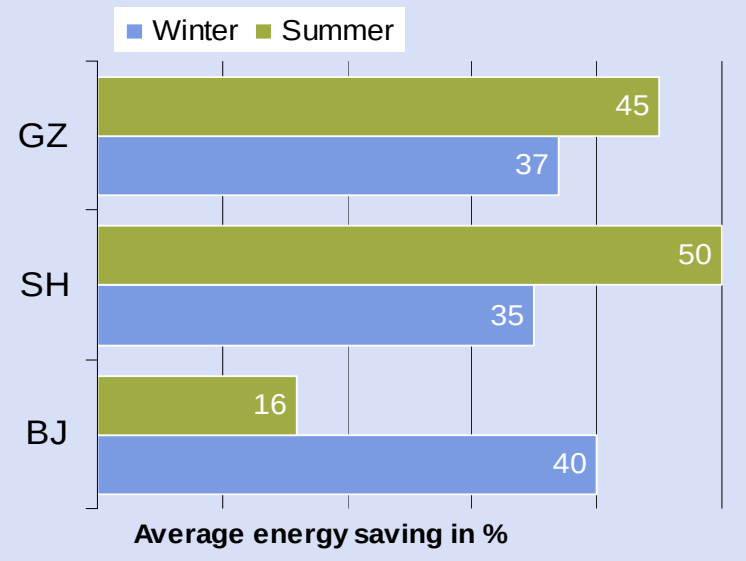
ENERGY SAVINGS

Energy conservation

- Exterior insulation and finishing systems
- Roof coating
- VINNAPAS® Powders are key enabling material

We demonstrate and promote the advantages of Thermal Insulation Systems

Sample: Houses in China



BEYOND FOSSIL:
EXPLORING RENEWABLE FEEDSTOCKS FOR VAE

WACKER POLYSILICON

Sustainable Energy Generation

- Solar cells/ Photo voltaic

WACKER POLYMERS

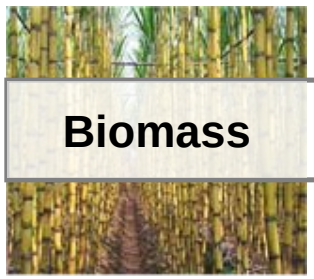
Low CF & toxicity throughout life cycle	Enabling new low CF applications	Empowering active energy saving

• in feed stock
• in production
  • closed loop
  • waterborne
  • ‚Verbund‘
	• thick bed → thin bed
	• Bio polymer binder
	• solvent based → water based
	• Etonis …
	• low clinker cement
		• EIFS
		• water conservation
		• roof coating
		• …

Production phase	Application phase	Use phase

VAE =Vinylacetate-Ethylene, our monomer base
CF = Carbon foot print. CO_2 emissions during life cycle
EIFS = Exterior insulation finishing system

LEVERAGING THE OLDEST BIO-CHEMICAL KNOW TO MAN: ALCOHOL



Biomass

Pivot molecule

Downstream processing

cellu-lose

cane

corn

...

- Water

Ethylene

Ethanol

+ Oxygen

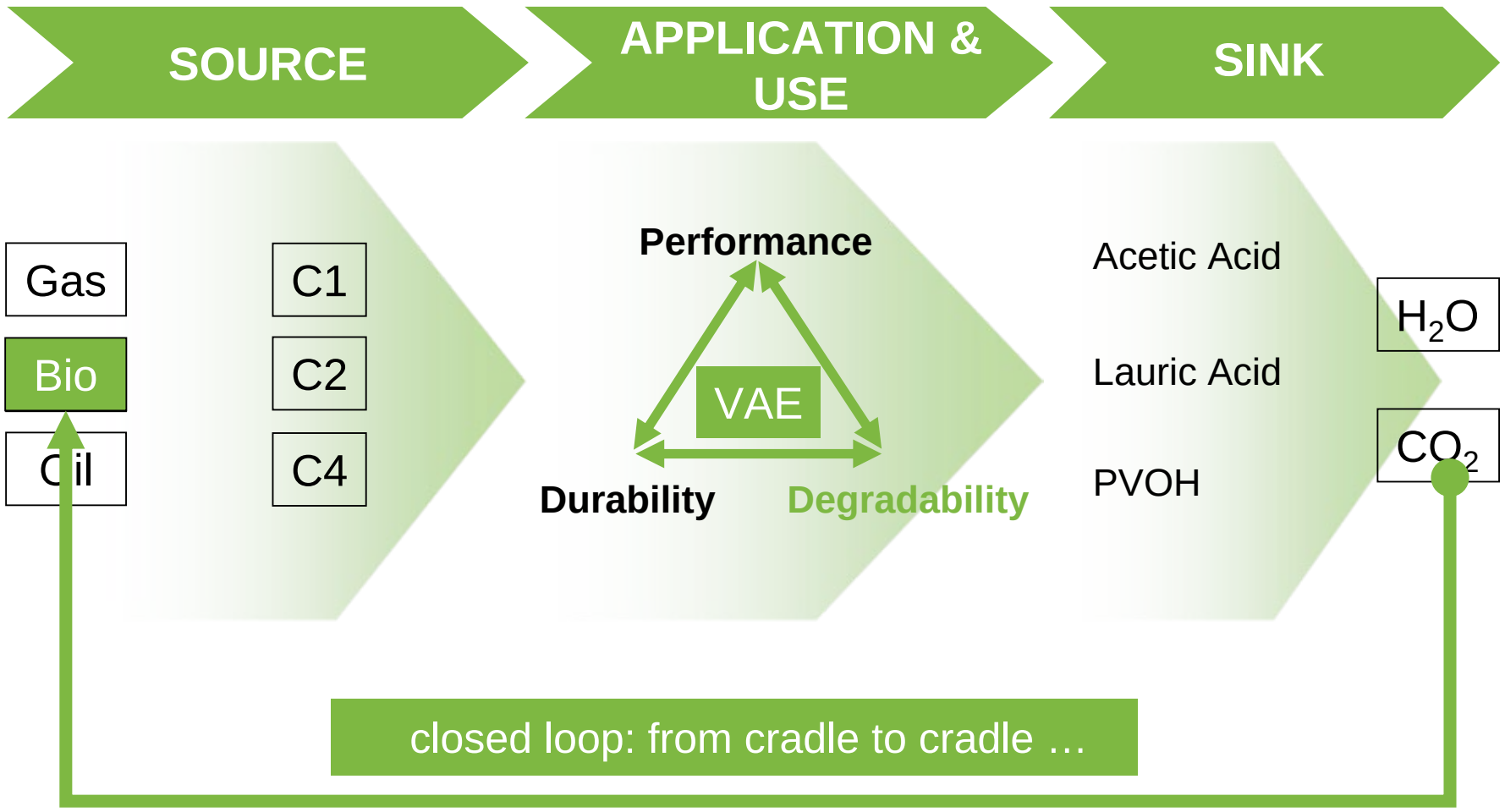
Vinegar

VAM

VAE

end use

CLOSING THE LOOP: CARBON IS RECYCLED AFTER DEGRADATION VIA A NON FOOD COMPETITIVE ROUTE (I.E. CELLULOSE OR BIO GAS)



WACKER POLYMERS

WACKER POLYMERS - SUSTAINABILITY DRIVES OUR BUSINESS

Arno von der Eltz, President WACKER POLYMERS, February 3, 2010

CREATING TOMORROW'S SOLUTIONS