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PRESS RELEASE

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WACKER's Expanded Cyclodextrin Facility at Eddyville Site Now on Stream

Munich, May 26, 2009 – WACKER, the Munich-based chemical company, officially brought its expanded cyclodextrin facility in Eddyville (Iowa, USA) on stream. The new facility increases WACKER's capacity for alpha (α) and beta (β) cyclodextrins by 50 percent, respectively, and doubles its capacity for gamma (γ) cyclodextrins. Investment in the entire facility totaled over $21 million. The extra capacity is needed to meet the worldwide rise in cyclodextrin demand and will enable WACKER to consolidate its lead in this market. The Group is already the largest global producer of cyclodextrins and the world's only manufacturer of all three natural cyclodextrins – alpha, beta and gamma. The expanded facility will enable WACKER to produce up to 7,500 metric tons of cyclodextrins a year. These biotech sugar molecules are used as stabilizers and excipients in the pharma, life-science, cosmetics, food and agri sectors.

"Eddyville's expansion program is a further step toward strengthening our position as global market leader for cyclodextrins," said Dr. Gerhard Schmid, president of WACKER FINE CHEMICALS, the Group's biotechnology and fine chemicals division. He added that the investment aimed at ensuring sufficient future quantities of cyclodextrins for fast-growing application fields such as the food, food-supplement and agri sectors. "Thanks to the site's expansion,

we are now well positioned to not only reflect global market and demand trends, but also to meet growing customer needs."

WACKER's involvement in cyclodextrin-related R&D began in the early 1980s. WACKER is now a global market leader in cyclodextrins, which the Group has been producing at its Eddyville site since 1999. Aiming to boost capacity and streamline the production process, the investment program saw both the expansion of many existing parts of the facility, as well as the construction of entirely new buildings. A considerable part of WACKER's investment was spent, for example, on the new byproduct-processing plant, which reduces the entire facility's steam consumption by 35 percent.

Cyclodextrins are cyclic sugar molecules. The number of glucose units defines the size of the sugar ring – alpha-cyclodextrin has six, beta-cyclodextrin seven, and gamma-cyclodextrin eight glucose units. Cyclodextrins are natural degradation products of plant-based raw materials – for example, corn or potato starch. WACKER produces its cyclodextrins by bioengineering. They are able to enclose other substances in their interiors, much like a cone encloses a scoop of ice-cream. This enables cyclodextrins to bind ingredients, release active agents and stabilize sensitive substances such as vitamins and coenzymes. The ability to reversibly enclose other substances makes cyclodextrins invaluable in many products such as pharmaceuticals, cosmetics, textiles and food, not to mention in the household-care, personal-care and construction sectors. Cyclodextrins are non-toxic, non-allergenic and pose no known health risks based on today's scientific findings.

WACKER FINE CHEMICALS

WACKER FINE CHEMICALS – the Group's biotechnology and fine chemicals division – uses advanced chemical and biotech processes to manufacture innovative, tailored biotech and catalog products in the fine chemicals sector. These products include pharmaceutical proteins, cyclodextrins, cysteine, organic intermediates and acetylacetone. The division focuses on developing customized solutions for growth sectors such as pharmaceutical actives, cosmetics and food additives.

At its Eddyville site, WACKER has been producing cyclodextrins since 1999. The ring-shaped biotech sugar molecules made from starch are used as stabilizers and excipients in the pharma, life-science, cosmetics, food and agri sectors (photo: Wacker Chemie AG).

Note:
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http://www.wacker.com/pressreleases

For further information, please contact:
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The company in brief:
WACKER is a globally-active chemical company with some 15,900 employees and annual sales of around €4.3 billion (2008).
WACKER has 27 production sites and over 100 sales offices worldwide.

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 and solid resins used as binders for construction chemicals, coatings, adhesives, paints, plasters and nonwovens

WACKER FINE CHEMICALS
Fine chemicals, biologics and other biotech products, such as cyclodextrins and cysteine

WACKER POLYSILICON
Polysilicon for the semiconductor and photovoltaics industries; solar wafers

Siltronic
Hyperpure silicon wafers and monocrystals for semiconductor devices