

PRESS RELEASE

Number 5

WACKER POSTS SALES AND EARNINGS INCREASE FOR FISCAL 2008

- ◆ SALES CLIMB 14 PERCENT TO €4.3 BILLION
- ◆ EBITDA UP 5 PERCENT TO €1.05 BILLION
- ◆ INVESTMENTS OF €1.1 BILLION FINANCED FROM CASH FLOW

Munich, January 28, 2009 – Wacker Chemie AG's preliminary 2008 figures show that sales and operating results (EBITDA) both surpassed prior-year levels. Although the global economic downturn impacted WACKER's fourth-quarter business, the Munich-based chemical company increased its full-year sales by 14 percent to €4.3bn (2007: €3.78 bn). The chief growth driver was stronger sales volumes. Earnings before interest, taxes, depreciation and amortization (EBITDA) also rose once again, reaching €1.05bn (2007: €1.00bn) and resulting in a full-year EBITDA margin of 24.5 percent (2007: 26.5 percent).

According to WACKER's preliminary figures, investments amounted to some €1.1bn in 2008 (2007: €699.3m). Capital expenditures focused on strategic growth projects, including production capacity increases for polysilicon, the ongoing expansion of the Zhangjiagang silicone production site in China, and the acquisition of full ownership of Air Products Polymers and Wacker Polymer Systems (two former joint ventures). WACKER fully financed these investments through cash from operating activities. After offsetting bank liabilities,

WACKER's balance of cash and cash equivalents was almost €100m at year-end 2008.

As expected, Q4 figures not only reflected the normal seasonal slowdown, but also the substantial impact of the global economic crisis. Preliminary fourth-quarter sales amounted to €1.01bn (Q4 2007: €920.1m), up 9 percent year on year despite economic headwinds. The company's chemical divisions faced falling demand, especially for construction and automotive products. As for semiconductor wafers, Q4 saw a further drop in both sales volumes and prices. In contrast, hyperpure polycrystalline silicon operations remained very stable. Currently, these trends are continuing to influence WACKER's business activities. To lower production costs, WACKER has decided to introduce shorter working hours at its German sites and adopt similar measures at its locations outside Germany.

WACKER's fourth-quarter EBITDA was €120m, down from €205.3m in Q4 2007. This drop stemmed chiefly from lower volumes at the Group's chemical divisions, as well as at Siltronic, where weaker prices additionally weighed on profits. At WACKER POLYSILICON, fourth-quarter earnings remained stable and strong. Group earnings were additionally affected by €55m paid to German and foreign pension plans, with most of this one-off payment impacting profits.

"We managed to meet our sales and earnings targets for 2008 despite the tough fourth quarter," said CEO Rudolf Staudigl. "Our balance-sheet figures are completely sound. So, we see ourselves well equipped to meet the challenges of the current fiscal year."

The Q4 and fiscal 2008 figures and forecasts in this press release are preliminary. Wacker Chemie AG will publish its Q4 Report and 2008 Annual Report on March 18, 2009.

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 15,000 employees and annual sales of around €3.78 billion (2007).
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