3rd Quarter 2016 – Conference Call Note

Dr. Rudolf Staudigl (CEO), Dr. Tobias Ohler (CFO), October 27th, 2016
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Highlights Q3 2016
Good Performance in Chemicals and Strong Cash Flow

Efficiency Gains support EBITDA

**Financials**
- Sales of €1.35bn (-0.9% yoy)
- EBITDA excl. special income of €301m (+22% yoy)
- Net Cash Flow at €229m substantially higher than in Q2 and last year

**Operations**
- Chemical business with volume growth
- Technical ramp of new polysilicon plant in Charleston, Tennessee completed
- Very good cost and efficiency performance across all segments
Growth And Cash – Targets For The Next Years

1. Extend Leverage Phase

2. Continue to Grow Above Chemical Production

3. Focus on Sustainability

4. Sustain Attractive Margins Throughout the Cycle

5. Generate Cash
## Guidance Update FY 2016
### Targeting Upper End of EBITDA Guidance Range

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>Outlook 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales (€m)</td>
<td>5,296</td>
<td>Slight increase</td>
</tr>
<tr>
<td>EBITDA (€m)</td>
<td>1,049</td>
<td>Expecting FY 5-10% higher</td>
</tr>
<tr>
<td>EBITDA excl. special income (€m)</td>
<td>911</td>
<td>excl. special income</td>
</tr>
<tr>
<td>EBITDA margin (%)</td>
<td>19.8</td>
<td>Somewhat lower</td>
</tr>
<tr>
<td>Group net income (€m)</td>
<td>242</td>
<td>Below 2015</td>
</tr>
<tr>
<td>Net cash flow (€m)</td>
<td>22.5</td>
<td>Significantly positive</td>
</tr>
<tr>
<td>CapEx (€m)</td>
<td>834</td>
<td>About 425</td>
</tr>
<tr>
<td>Net financial debt (€m)</td>
<td>1,074</td>
<td>Slightly below prior-year level</td>
</tr>
<tr>
<td>Depreciation (€m)</td>
<td>575</td>
<td>About 720</td>
</tr>
<tr>
<td>ROCE (%)</td>
<td>8.1</td>
<td>Substantially lower</td>
</tr>
<tr>
<td>Tax Rate (%)</td>
<td>40.5</td>
<td>Close to 30%</td>
</tr>
</tbody>
</table>
## Profit & Loss Statement: No Special Income and Increased Depreciation

### WACKER P&L Q3 2016 (€m)

<table>
<thead>
<tr>
<th></th>
<th>Q3 2015</th>
<th>Q3 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>1,357.9</td>
<td>1,346.1</td>
</tr>
<tr>
<td><strong>Gross profit from sales</strong></td>
<td>298.6</td>
<td>283.4</td>
</tr>
<tr>
<td><strong>Gross profit margin (in %)</strong></td>
<td>22.0%</td>
<td>21.1%</td>
</tr>
<tr>
<td>S,G&amp;A and R&amp;D</td>
<td>-148.9</td>
<td>-160.9</td>
</tr>
<tr>
<td>Other operating income</td>
<td>46.9</td>
<td>22.4</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>-74.2</td>
<td>-28.8</td>
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<tr>
<td><strong>Operating result</strong></td>
<td>122.4</td>
<td>116.1</td>
</tr>
<tr>
<td>EBIT</td>
<td>125.5</td>
<td>115.2</td>
</tr>
<tr>
<td>Interest result</td>
<td>-5.9</td>
<td>-11.9</td>
</tr>
<tr>
<td>Other financial result</td>
<td>-17.6</td>
<td>-13.9</td>
</tr>
<tr>
<td><strong>Income before taxes</strong></td>
<td>102.0</td>
<td>89.4</td>
</tr>
<tr>
<td>Income taxes</td>
<td>-43.8</td>
<td>-21.9</td>
</tr>
<tr>
<td><strong>Net income for the period</strong></td>
<td>58.2</td>
<td>67.5</td>
</tr>
<tr>
<td>EBITDA</td>
<td>264.3</td>
<td>300.9</td>
</tr>
<tr>
<td>Depreciation/amortization</td>
<td>138.8</td>
<td>185.7</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>125.5</td>
<td>115.2</td>
</tr>
</tbody>
</table>

### Comments

- Sales -0.9% yoy: Volume/Mix +2%, Price -3.6%, FX +0.5%
- Gross profit decreased by 5.1% yoy following lower prices and higher depreciation, partially offset by efficiency gains
- Other operating income: No special income in Q3 2016 (2015: €17.8m)
- Financial result: beginning of operations in TN reduces capitalized interest
- Tax rate (9M2016) of 31%, lower due to special tax effects during the quarter
Balance Sheet Composition
Low Interest Rates Inflate Pension Liabilities

**Balance Sheet (%)**

**Assets**
- Fixed assets: €7.6bn (61.1%)
- Inventories: €7.3bn (38.5%)
- Receivables: 5.3%
- Cash/securities: 10.8%
- 30/09/16

**Liabilities**
- Equity: €7.6bn (62.6%)
- Provisions: €7.3bn (21.5%)
- Financial Liabilities: 4.2%
- Liabilities: 6.2%
- Advance payments received: 0.8%
- 30/09/16

**Characteristics 09/30/16**
- Non current assets: €5,273m
- Securities, cash and cash equivalents: €668m
- Provisions for pensions: €2,570m
- Discount rate for defined benefit plans in Germany reduced to 1.38%
- DTA* relating to pensions about €440m
- Net financial debt: €968m
- Equity: €2,074m
- Prepayments: €322m

* Deferred tax asset
SILICONES
High Utilization and Efficiency Gains Support Strong Result

**Highlights Q3**
- Sales on prior year level as volume growth is offset by price declines and FX
- EBITDA benefitted from high plant loading, cost performance and specialty sales

**Outlook FY 2016**
- Low-single digit sales growth, but significant EBITDA increase, targeting a 17% EBITDA margin in FY 2016
- Q4 expected with typical seasonal pattern
POLYMERS
Strong Performance in Dispersions

### Highlights Q3
- Sales slightly below prior year; strong volumes in dispersions offset by lower pricing and FX
- EBITDA yoy improved from high loading and good cost performance; qoq decrease from slightly lower sales and higher cost for raws

### Outlook FY 2016
- Low-single digit sales growth and material improvement in EBITDA, targeting an EBITDA margin of around 20%
- Strong growth in dispersions, construction materials with typical seasonality
BIOSOLUTIONS
Strong Volumes in Biopharmaceuticals

Highlights Q3
- Sales +7% yoy
- Higher volumes in biopharmaceuticals and nutrition overcompensate lower prices in some product segments

Outlook FY 2016
- Mid-single digit sales growth with EBITDA margin at the level of previous year
- Significant growth expected for biopharmaceuticals
POLYSILICON
Technical Ramp of Tennessee Plant Completed

### Highlights Q3

- Sales below prior year and quarter following weak September volumes
- EBITDA below previous year due to lower yoY prices, no special income (2015: €17.8m)
- Op. EBITDA margin ex specials/ramp at 33%, on same level as Q2

### Outlook FY 2016

- Some market recovery since mid-October
- Continued full production and focus on cost reduction
## POLYSILICON:
Global Installations Further Broaden And Grow

<table>
<thead>
<tr>
<th>Country</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016e</th>
<th>2017e</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>0.6</td>
<td>0.9</td>
<td>0.9</td>
<td>0.9 – 1.1</td>
<td>1.3 – 1.5</td>
</tr>
<tr>
<td>Germany</td>
<td>3.3</td>
<td>1.9</td>
<td>1.5</td>
<td>1.0 – 1.2</td>
<td>1.2 – 1.4</td>
</tr>
<tr>
<td>Italy</td>
<td>1.1</td>
<td>0.6</td>
<td>0.3</td>
<td>0.4 – 0.5</td>
<td>0.4 – 0.5</td>
</tr>
<tr>
<td>Europe other</td>
<td>5.8</td>
<td>4.0</td>
<td>5.9</td>
<td>4.5 – 5.0</td>
<td>4.6 – 5.6</td>
</tr>
<tr>
<td><strong>Europe total</strong></td>
<td><strong>10.8</strong></td>
<td><strong>7.4</strong></td>
<td><strong>8.6</strong></td>
<td><strong>6.8 – 7.8</strong></td>
<td><strong>7.5 – 9.0</strong></td>
</tr>
<tr>
<td>Australia</td>
<td>0.9</td>
<td>1.0</td>
<td>0.9</td>
<td>0.9 – 1.1</td>
<td>1.0 – 1.2</td>
</tr>
<tr>
<td>China</td>
<td>12.9</td>
<td>13.2*</td>
<td>16.5*</td>
<td>18.0 – 22.0</td>
<td>16.0 – 23.0</td>
</tr>
<tr>
<td>India</td>
<td>1.0</td>
<td>1.0</td>
<td>2.1</td>
<td>4.5 – 5.0</td>
<td>8.0 – 9.0</td>
</tr>
<tr>
<td>Japan</td>
<td>6.8</td>
<td>9.3</td>
<td>10.8</td>
<td>8.0 – 8.5</td>
<td>8.0 – 9.0</td>
</tr>
<tr>
<td>USA</td>
<td>4.8</td>
<td>6.2</td>
<td>7.3</td>
<td>11.0 – 13.5</td>
<td>10.0 – 13.0</td>
</tr>
<tr>
<td>Rest of World</td>
<td>2.8</td>
<td>6.0</td>
<td>10.0</td>
<td>11.0 – 12.5</td>
<td>14.0 – 16.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>40 GW</strong></td>
<td><strong>44 GW</strong></td>
<td><strong>~56 GW</strong></td>
<td><strong>~60 – 70 GW</strong></td>
<td><strong>~65 – 80 GW</strong></td>
</tr>
</tbody>
</table>

Sources: SPE, IHS, Industry announcements, WACKER estimates; *2.6 GW allocated from 2015 to 2014, ~4 GW from 2016 to 2015 (installed and not connected capacity)
Siltronic
Strong Volumes in a Firm Demand Environment

Highlights Q3
- Sales up +3% yoy and qoq mainly due to higher volumes and positive FX effects
- EBITDA benefitted yoy from high loading, good cost performance and lower FX hedging costs

Outlook FY 2016
- In Q4 only slight seasonal decline in demand expected, 200 and 300mm markets tight
- FY volumes expected slightly above prior year
- Free cash flow substantially positive, but below 2015
Net Financial Debt
Strong Cash Flow Generation in Q3

Net Financial Debt Bridge per Sept 30th, 2016 (€m)

-1,074.0

605.1

-391.8

-99.3

-7.8

-967.8

Net financial debt as of Dec. 31, 2015
Cash flow from operating activities (gross cash flow) *
Cash flow from long-term investing activities before securities **
Dividend paid, Wacker Chemie AG
Exchange-rate effects and other effects
Net financial debt as of September 30, 2016

*) includes change in prepayments of €132m, **) includes financial investments
3rd Quarter 2016 Conference Call: Q&A Session
Dr. Rudolf Staudigl (CEO), Dr. Tobias Ohler (CFO), October 27th, 2016
Appendix
Q3 Results 2016
Sales and EBITDA Breakdown

Q3 2016 Sales

- Total: €1,346m
  - WACKER SILICONES: 18%
  - WACKER POLYMERS: 23%
  - WACKER BIOSOLUTIONS: 37%
  - Others/Consolidation: 1%

Q3 2016 EBITDA

- Total: €301m
  - WACKER SILICONES: 17%
  - WACKER POLYMERS: 4%
  - WACKER BIOSOLUTIONS: 27%
  - Others/Consolidation: 12%

1 based on external sales
## Q3 Results 2016
### P&L

<table>
<thead>
<tr>
<th></th>
<th>Q3 2016</th>
<th>Q3 2015</th>
<th>% YoY</th>
<th>Q2 2016</th>
<th>% QoQ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>1,346.1</td>
<td>1,357.9</td>
<td>-0.9</td>
<td>1,386.2</td>
<td>-2.9</td>
</tr>
<tr>
<td>EBITDA</td>
<td>300.9</td>
<td>264.3</td>
<td>13.8</td>
<td>300.0</td>
<td>0.3</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>22.4%</td>
<td>19.5%</td>
<td>-</td>
<td>21.6%</td>
<td>-</td>
</tr>
<tr>
<td>EBIT</td>
<td>115.2</td>
<td>125.5</td>
<td>-8.2</td>
<td>110.9</td>
<td>3.9</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>8.6%</td>
<td>9.2%</td>
<td>-</td>
<td>8.0%</td>
<td>-</td>
</tr>
<tr>
<td>Result for the period</td>
<td>67.5</td>
<td>58.2</td>
<td>16.0</td>
<td>58.9</td>
<td>14.6</td>
</tr>
<tr>
<td>EPS in €</td>
<td>1.29</td>
<td>1.21</td>
<td>6.7</td>
<td>1.15</td>
<td>11.7</td>
</tr>
</tbody>
</table>
## Q3 Results 2016
### Sales Breakdown by Business

<table>
<thead>
<tr>
<th>Sales in €m</th>
<th>Q3 2016</th>
<th>Q3 2015</th>
<th>% YoY</th>
<th>Q2 2016</th>
<th>% QoQ</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHEMICALS</td>
<td>865.3</td>
<td>865.3</td>
<td>0.0</td>
<td>893.3</td>
<td>-3.1</td>
</tr>
<tr>
<td>WACKER SILICONES</td>
<td>503.1</td>
<td>501.9</td>
<td>0.2</td>
<td>514.4</td>
<td>-2.2</td>
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<td>WACKER POLYMERS</td>
<td>308.2</td>
<td>313.0</td>
<td>-1.5</td>
<td>325.7</td>
<td>-5.4</td>
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<tr>
<td>WACKER BIOSOLUTIONS</td>
<td>54.0</td>
<td>50.4</td>
<td>7.1</td>
<td>53.2</td>
<td>1.5</td>
</tr>
<tr>
<td>WACKER POLYSILICON</td>
<td>253.0</td>
<td>271.4</td>
<td>-6.8</td>
<td>272.2</td>
<td>-7.1</td>
</tr>
<tr>
<td>Siltronic</td>
<td>236.7</td>
<td>230.6</td>
<td>2.6</td>
<td>229.8</td>
<td>3.0</td>
</tr>
<tr>
<td>Others</td>
<td>38.9</td>
<td>46.7</td>
<td>-16.7</td>
<td>40.3</td>
<td>-3.5</td>
</tr>
<tr>
<td>Consolidation</td>
<td>-47.8</td>
<td>-56.1</td>
<td>-14.8</td>
<td>-49.4</td>
<td>-3.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,346.1</td>
<td>1,357.9</td>
<td>-0.9</td>
<td>1,386.2</td>
<td>-2.9</td>
</tr>
</tbody>
</table>
## Q3 Results 2016
### EBITDA Breakdown by Business

<table>
<thead>
<tr>
<th>EBITDA in €m</th>
<th>Q3 2016</th>
<th>Q3 2015</th>
<th>%YoY</th>
<th>Q2 2016</th>
<th>%QoQ</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHEMICALS</td>
<td>185.2</td>
<td>153.5</td>
<td>20.7</td>
<td>180.9</td>
<td>2.4</td>
</tr>
<tr>
<td>WACKER SILICONES</td>
<td>100.7</td>
<td>81.6</td>
<td>23.4</td>
<td>93.7</td>
<td>7.5</td>
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<td>WACKER POLYMERS</td>
<td>73.2</td>
<td>64.7</td>
<td>13.1</td>
<td>78.2</td>
<td>-6.4</td>
</tr>
<tr>
<td>WACKER BIOSOLUTIONS</td>
<td>11.3</td>
<td>7.2</td>
<td>56.9</td>
<td>9.0</td>
<td>25.6</td>
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<tr>
<td>WACKER POLYSILICON</td>
<td>82.3</td>
<td>91.8</td>
<td>-10.3</td>
<td>77.7</td>
<td>5.9</td>
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<tr>
<td>Siltronic</td>
<td>36.9</td>
<td>29.4</td>
<td>25.5</td>
<td>35.0</td>
<td>5.4</td>
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<td>-4.1</td>
<td>-9.4</td>
<td>-56.4</td>
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<td>-164.1</td>
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<td>n.a.</td>
<td>0.0</td>
<td>n.a.</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>300.9</td>
<td>264.3</td>
<td>13.8</td>
<td>300.0</td>
<td>0.3</td>
</tr>
</tbody>
</table>
**Special EBITDA Effects**  
**No Special Income in Q3**

Special income (in €m)  
<table>
<thead>
<tr>
<th>Special income (in €m)</th>
<th>2015</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th>2016</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>POLYSILICON: Retained prepayments &amp; damages from cancelled contracts</td>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
<td>Q4</td>
<td>FY</td>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
<td>Q4</td>
<td>FY</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4.7</td>
<td>86.7</td>
<td>17.8</td>
<td>28.4</td>
<td>137.6</td>
<td>-</td>
<td>7.0</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Raw Materials: Prices With Volatile Development – Current Trough Has Been Passed

**Si-Metal (€/MT)**

- **Six-Year-High**: 2,620 €
- **Six-Year-Low**: 1,535 €

**Ethylene (€/MT)**

- **Six-Year-High**: 1,345 €
- **Six-Year-Low**: 520 €

**Methanol (€/MT)**

- **Six-Year-High**: 445 €
- **Six-Year-Low**: 147 €

**VAM (€/MT)**

- **Six-Year-High**: 1,370 €
- **Six-Year-Low**: 600 €

Sources:
- CRU, Si-Metal Contract FD Europe
- ICIS, EN Contract FD NWE
- ICIS, MeOH Contract, FOB RDM
- ICIS, VAM Contract FD NWE
WACKER: Issuer, Contact and Additional Information

Issuer and Contact

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

Investor Relations contacts

Joerg Hoffmann, CFA
Tel. +49 89 6279 1633
joerg.hoffmann@wacker.com

Monika Stadler
Tel. +49 89 6279 2769
monika.stadler.ir@wacker.com

Financial Calendar

03/14/17 – FY Results 2016
04/27/17 – Q1 Results 2017
05/19/17 – Annual Shareholders’ Meeting
07/28/17 – Q2 Results 2017
10/26/17 – Q3 Results 2017

Additional Information

ISIN: DE000WCH8881
WKN: WCH888
Deutsche Börse: WCH
Ticker Bloomberg: CHM/WCH:GR
Ticker Reuters: CHE/WCHG.DE
Listing: Frankfurt Stock Exchange
Prime Standard