

# SILTRONIC: Announcement Joint Venture with Samsung July 2006

Joerg Hoffmann, Investor Relations

CREATING TOMORROW'S SOLUTIONS

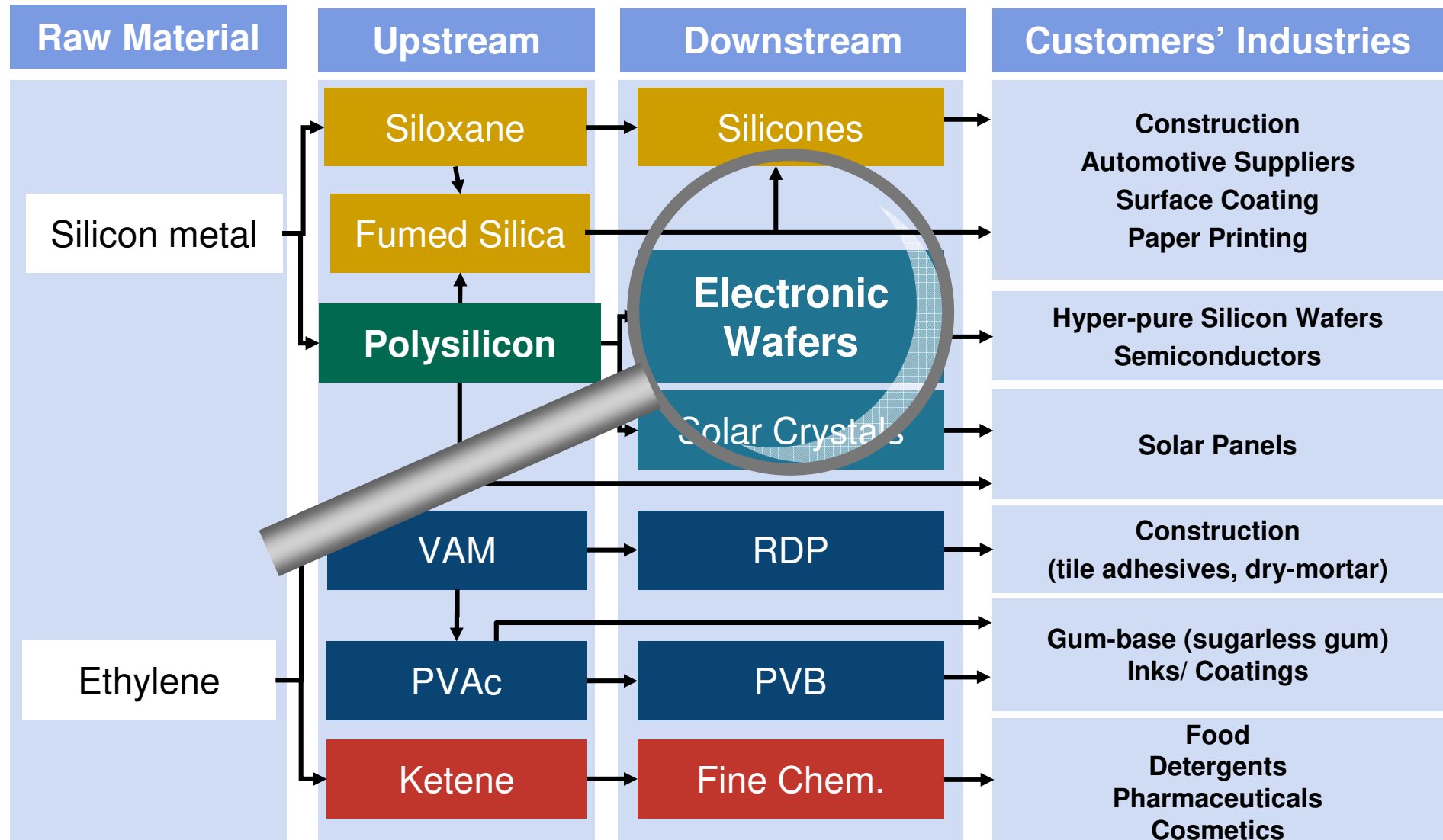
# DISCLAIMER

**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 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.**

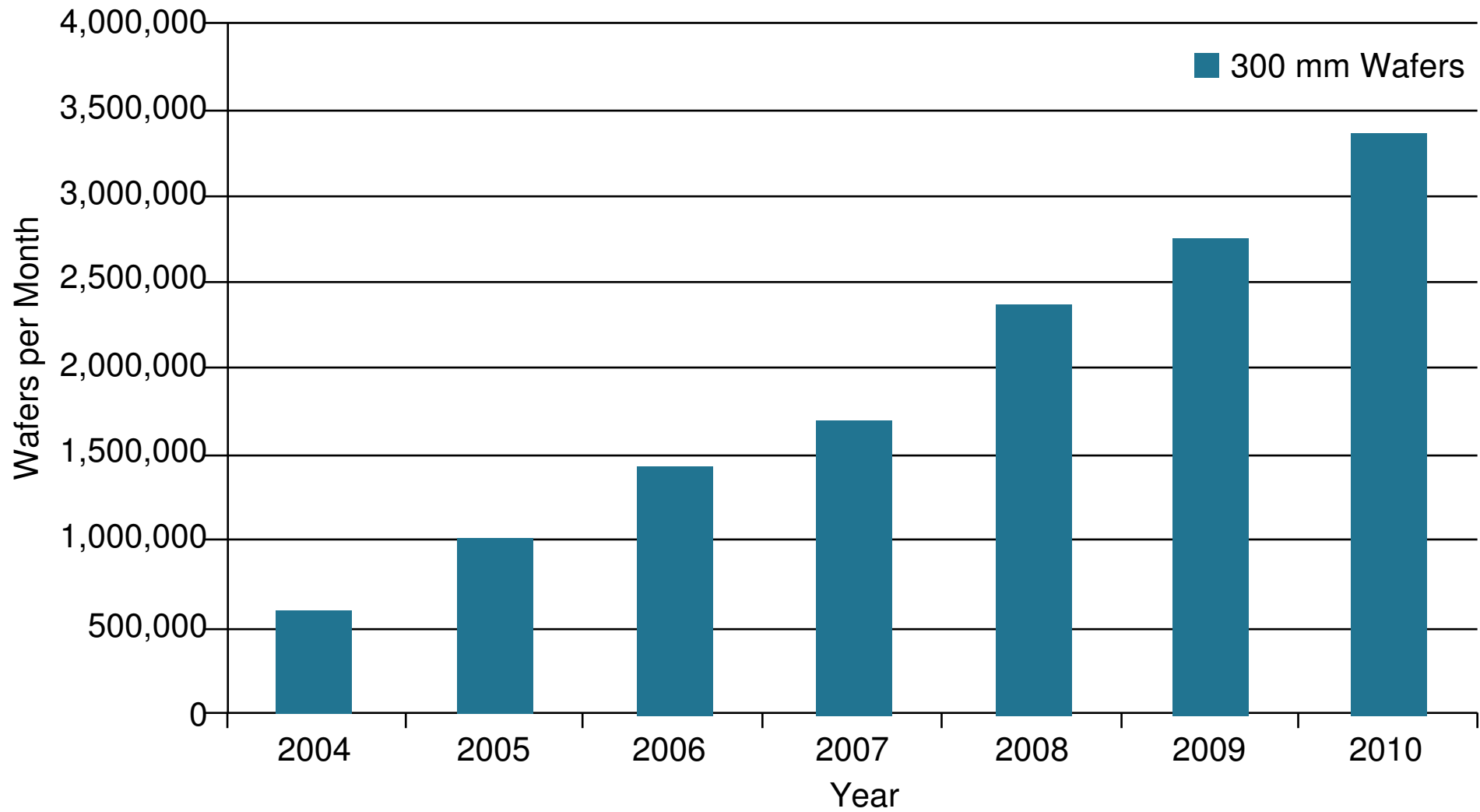
# WACKER CHEMIE: A STRAIGHTFORWARD STRATEGY



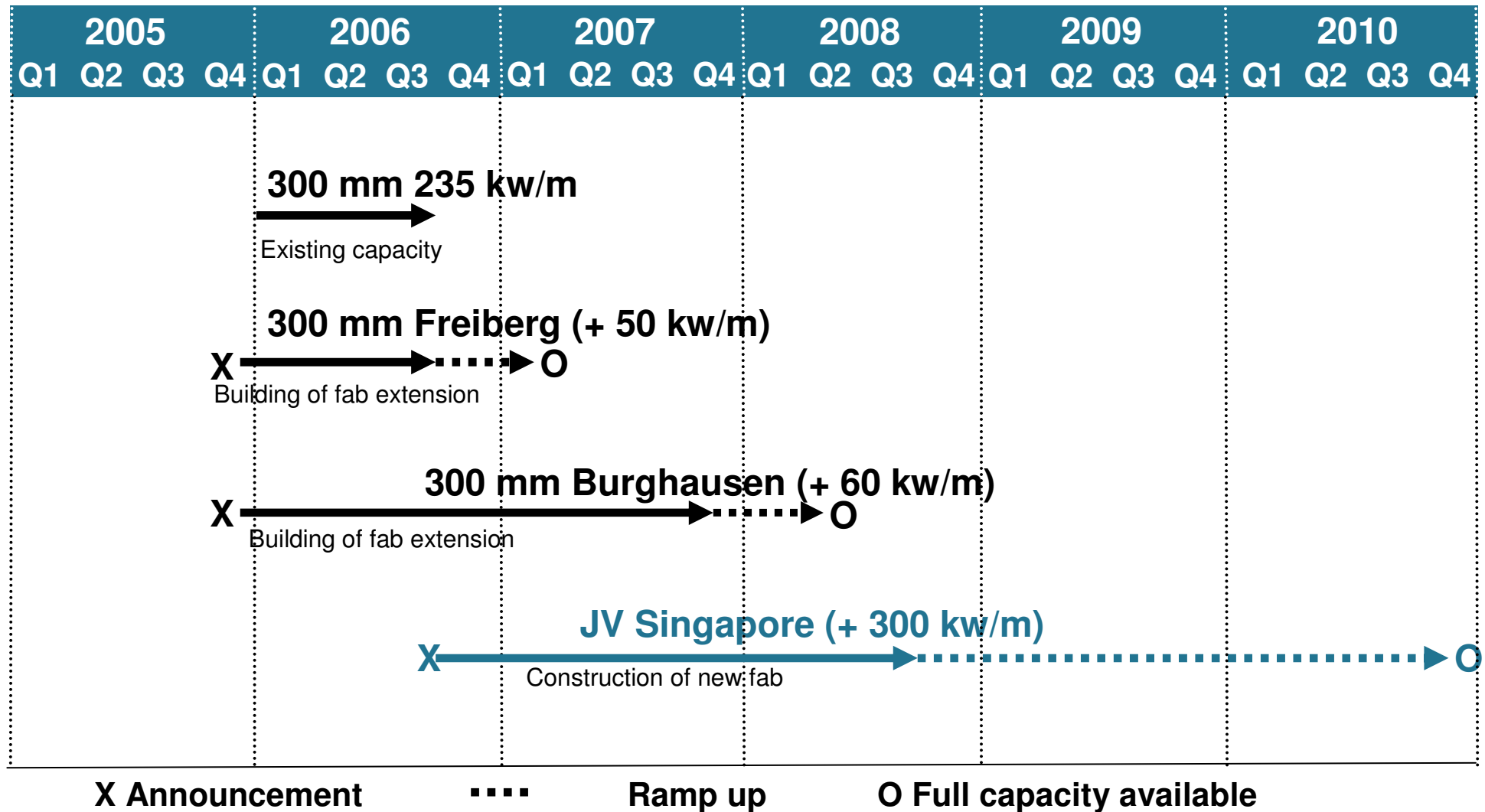
# WACKER CHEMIE: BASED ON SELECTED PRODUCT FAMILIES



# 300 MM DEMAND OUTLOOK



# SOURCES OF GROWTH – 300 MM : ANNOUNCED CAPACITY ADDITIONS AND RAMP-UP PLAN



# PARTNERING FOR FAB 300-NEXT REDUCES CASH OUTFLOW BY 75%

## Siltronic Samsung Wafer Pte. Ltd.: Key facts

- Joint Venture Agreement t.b. signed on July 19, 2006
- Large fab, twice the size of Freiberg
- Secures a sustainable sales account and supply for polysilicon
- Total investment about US\$ 1,000m (200 kW/m + 100 kW/m = 300 kW/m)
- Low cost environment
- First wafer mid-2008
- Location: Singapore; project supported by Singapore EDB (tax holiday, subsidies)
- **Capital structure**
  - 50/50 equity stakes
  - 50% debt leverage, non-recourse (project financing)
  - Only 25% cash outflow compared to stand-alone

# FINANCIAL IMPACT OF ANNOUNCED JV ON WACKER

- **Total Capex:** ~ \$ 1bn, financed by equity contributions, debt and internal cash flow
- Siltronic share of CAPEX ~ \$ 200m
- Consolidation: At Equity Scheduled completion of ramp up:
  - First wafers available for sale Q2 2008
  - Full capacity reached at the end of 2010
- **Impact on WACKER accounts**
  - Financial investment, valuation at equity (50% of JV profits = income from participation for WACKER)
  - Siltronic will act as exclusive distributor
  - WACKER is expected to get royalty income



# 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](mailto:joerg.hoffmann@wacker.com)

[www.wacker.com](http://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

