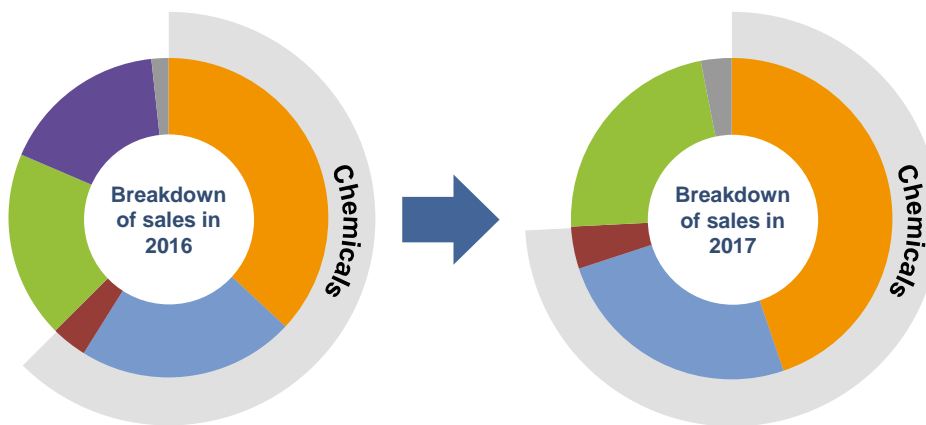


### ANNUAL PRESS CONFERENCE FOR 2017

Dr. Rudolf Staudigl, President & CEO, March 13, 2018

### Chemicals Account for Much Larger Share of Total Sales Due to Deconsolidation of Siltronic



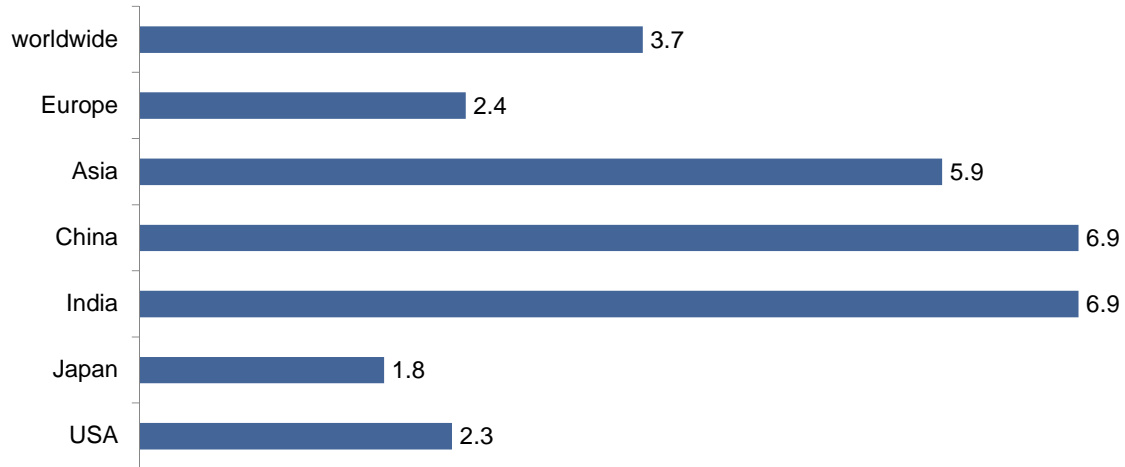
▶ Chemicals < 2/3 of sales

▶ Chemicals with some 3/4 of sales

SILICONES POLYMERS BIOSOLUTIONS POLYSILICON Siltronic Other / consolidation

## Economic Growth Accelerates in Every Region in 2017

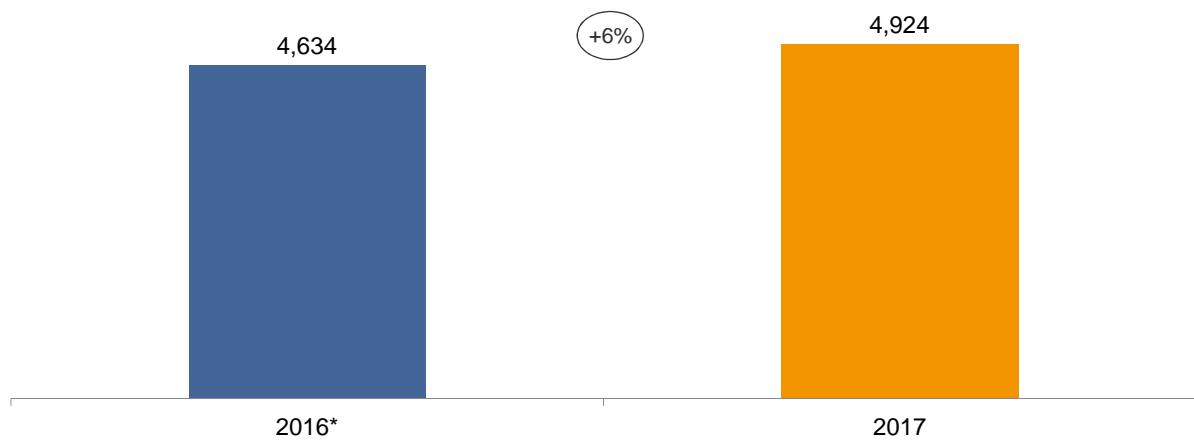
### Worldwide GDP Trend by Region – Actual Year-over-Year Change in %



Sources – worldwide: IMF; Asia: ADB; China: National Bureau of Statistics; India: NCAER; Japan: IMF; USA: IMF; Europe: OECD

## Group Sales Grow to €4.9 Billion in 2017

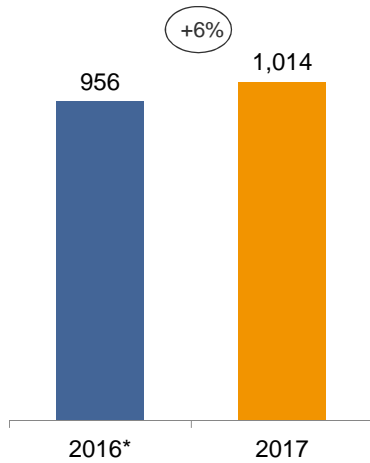
### Group sales in € million



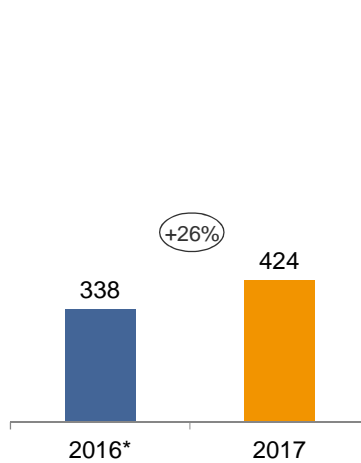
\* Adjusted in accordance with IFRS 5

## EBITDA of €1.01 Billion Is 6 Percent Above Prior Year, with EBIT and Net Income Exceeding EBITDA Growth

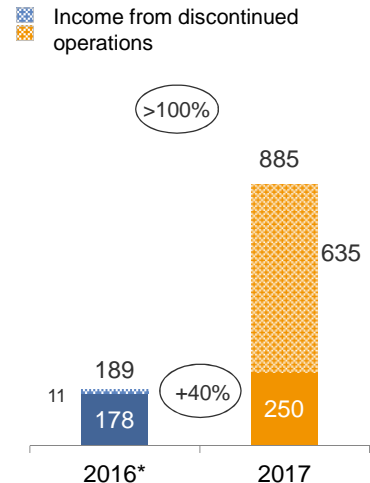
EBITDA in € million



EBIT in € million



Net income in € million



\* Adjusted in accordance with IFRS 5

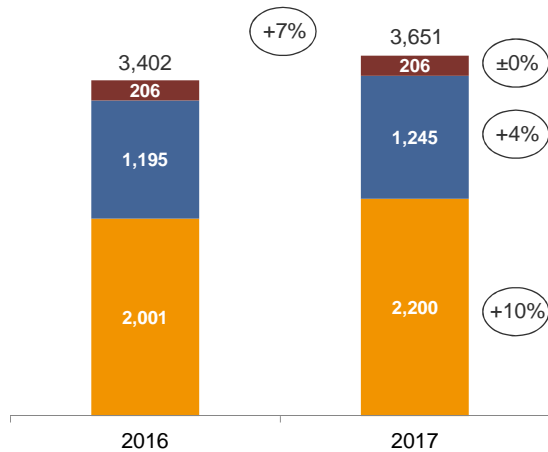


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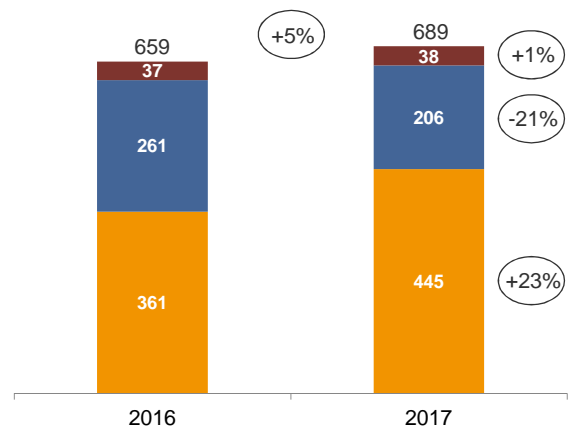
4

## Chemical Divisions Lift Sales and Generate EBITDA Growth Despite Much Higher Raw-Material Prices

Sales in € million



EBITDA in € million



■ WACKER BIOSOLUTIONS ■ WACKER POLYMERS ■ WACKER SILICONES

Sales figures are total sales, including internal sales

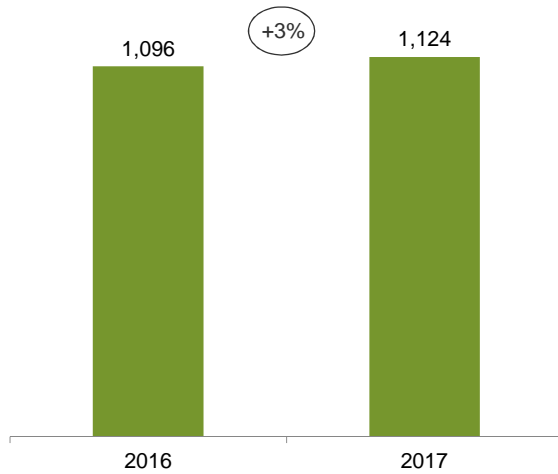


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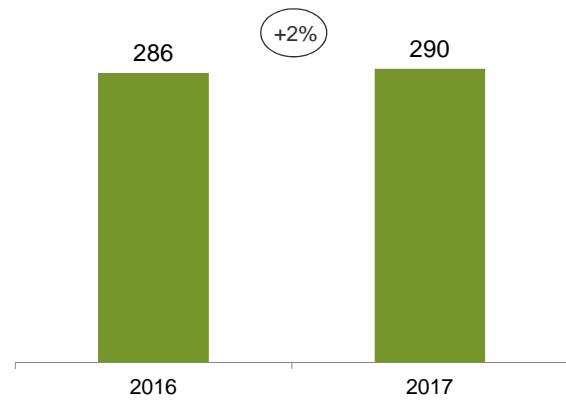
5

## WACKER POLYSILICON Lifts Sales and EBITDA Slightly

Sales in € million



EBITDA in € million



Sales figures are total sales, including internal sales

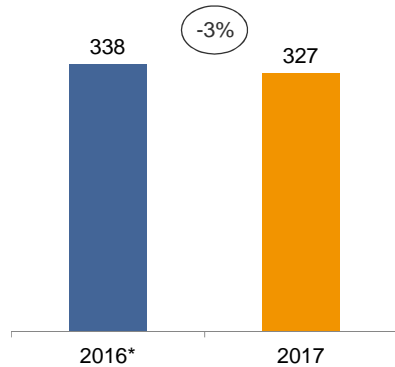


Annual Press Conference for 2017  
March 13, 2018

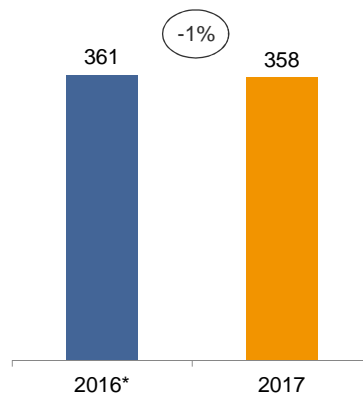
6

## Net Financial Debt Drops by Half, with Net Cash Flow Remaining High

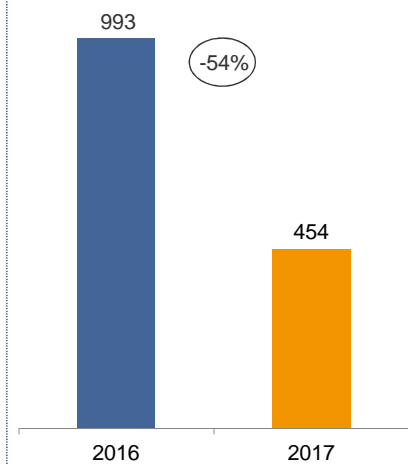
Capital expenditures in € million  
(continuing operations)



Net cash flow in € million  
(continuing operations)



Net financial debt in € million



\* Adjusted in accordance with IFRS 5



Annual Press Conference for 2017  
March 13, 2018

7

## WACKER Expands Downstream Capacities for Supplying Growth Markets

Production plant for specialty silicones in Jincheon (South Korea)

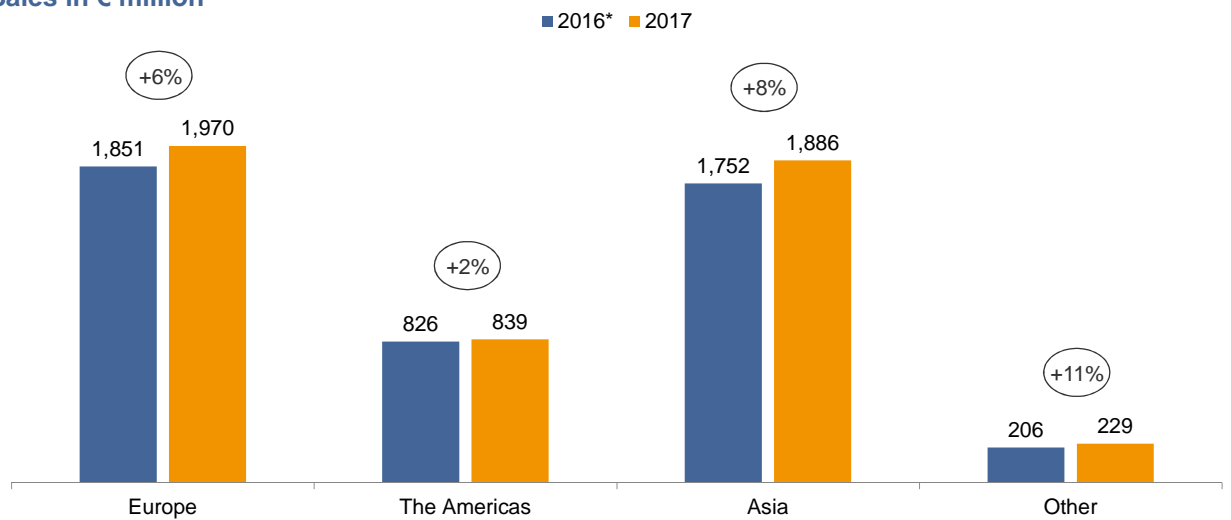


Reactor for producing dispersions in Burghausen (Germany)



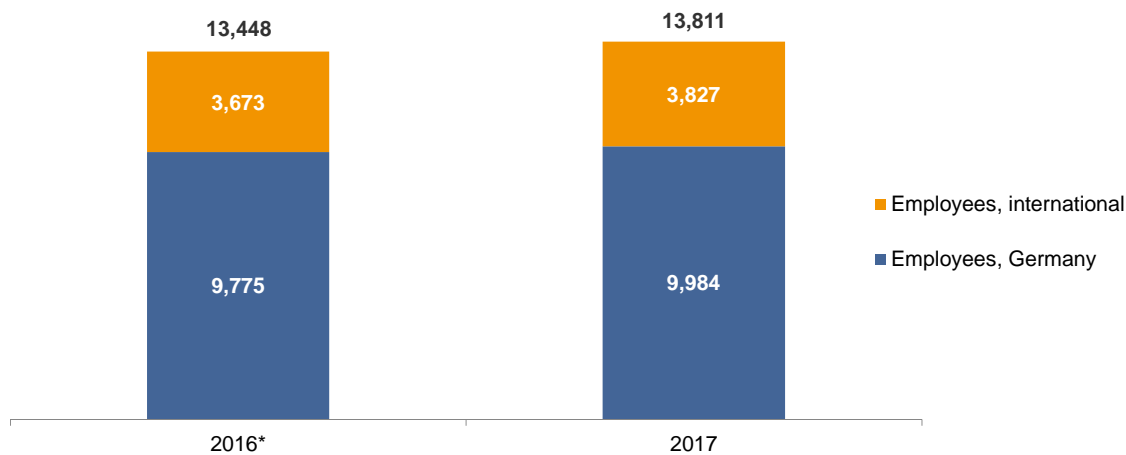
## WACKER Continues to Expand Sales in Every Region

Sales in € million



## Employee Numbers Increase by Some 360 in 2017

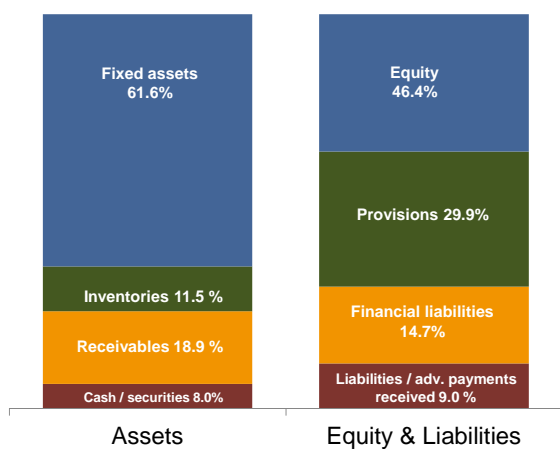
Number of employees, as of December 31 for each year



\* Excluding Siltronic AG

## Group Net Assets and Financial Position Are Very Sound

Total assets, as of Dec. 31, 2017: €6.84 billion

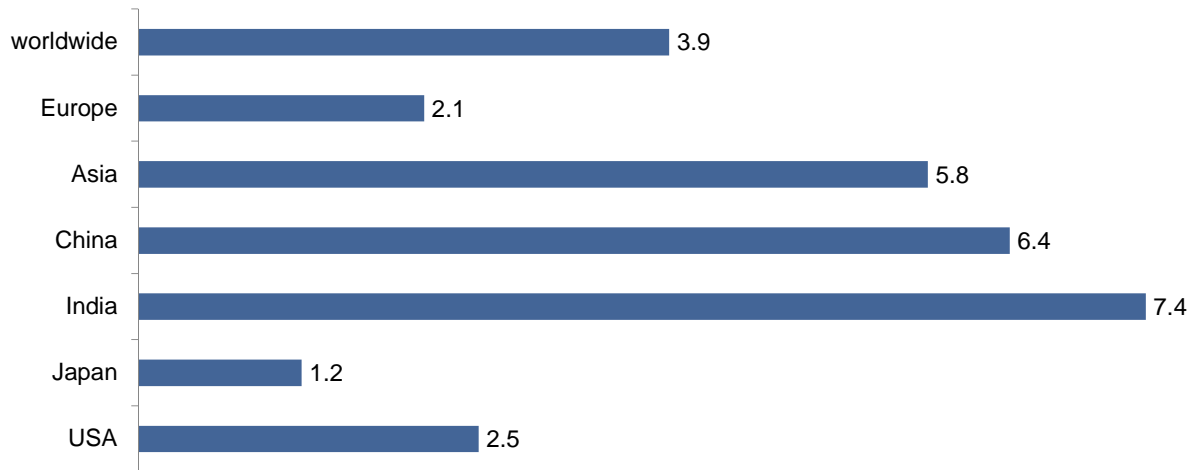


### Highlights

- ▶ Liquidity of €547 million
- ▶ Unused lines of credit of around €900 million
- ▶ Equity ratio at 46 percent

## Economic Experts Forecast Stronger Growth for 2018

### Worldwide GDP Trend by Region – Actual Year-over-Year Change in %



Sources – worldwide: IMF; Asia: ADB; China: ADB; India: ADB; Japan: OECD; USA: OECD; Europe: OECD

## WACKER SILICONES Anticipates a Slight Sales Increase and Higher EBITDA in 2018

### Silicones protect sensitive electronics against heat, moisture and vibrations



### Strategic Focus

- ▶ Adding value: increasing the proportion of high-margin specialty products
- ▶ Innovation: tapping new markets and applications
- ▶ Costs: continuous improvements with capacity utilization held at high level

## WACKER POLYMERS Expects Sales Growth in 2018 and EBITDA at Prior-Year Level

### Production of polymer dispersions in Ulsan (South Korea)



### Strategic Focus

- ▶ Expansion: increasing market penetration
- ▶ Substitution: replacing conventional products in existing applications
- ▶ Innovation: developing new products and harnessing additional application fields

## WACKER BIOSOLUTIONS Forecasts Sales Growth in 2018, with EBITDA Below Prior Year Due to Integration Costs for New Site in Spain

### Cleanroom facility for biologics in Halle (Germany)



### Strategic Focus

- ▶ Market share: spurring growth at biotechnology business
- ▶ Innovation: advancing the commercialization of newly developed products
- ▶ Costs: enhancing productivity and efficiency along supply chains



## Photovoltaic Market to Grow Further in 2018

### Installation of new PV capacity in megawatts

	2017	2018
Germany	1,800	2,000 – 2,400
Rest of Europe	5,300	6,000 – 6,700
USA	11,500	8,000 – 10,000
Japan	7,500	7,000 – 8,000
China	54,000	59,000 – 65,000
India	9,500	9,000 – 11,000
Other regions	14,400	19,000 – 21,900
<b>Total</b>	<b>104,000</b>	<b>110,000 – 125,000</b>

Sources: Germany's Federal Network Agency, Commissariat Générale au Développement Durable, IHS, SEIA, RTS, Bridge to India, China National Energy Agency, Apricum, India's Ministry of New and Renewable Energy, market studies, and own market surveys

## WACKER POLYSILICON Expects a Price-Related Sales Decline, with EBITDA Likely to Rise Slightly Year over Year

### Polysilicon production plant in Nünchritz (Germany)



### Strategic Focus

- ▶ Efficiency: increasing the output of existing plants through process improvements
- ▶ Costs: further reducing energy and raw-material use and cutting production costs
- ▶ Quality: retaining our quality leadership in producing polysilicon

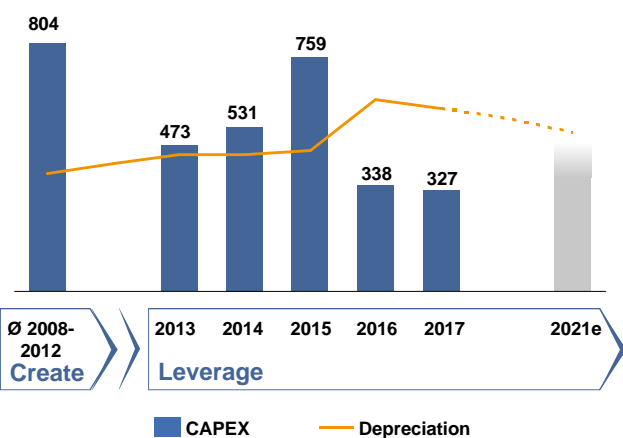
## Group Sales Are Projected to Grow Slightly in 2018, with Income from Continuing Operations Rising Markedly versus Last Year

### Outlook for 2018

	Reported for 2017	Outlook for 2018
Sales (€ million)	4,924	Low-single-digit percentage increase
EBITDA (€ million)	1,014	Mid-single-digit percentage increase
EBITDA margin (%)	20.6	Slightly higher than a year ago
Capital expenditures (€ million)	327	Around 470
Depreciation (€ million)	590	Around 550
Net cash flow (€ million)	358	Clearly positive, substantially below last year's figure
Net financial debt (€ million)	454	On par with last year
Income from continuing operations (€ million)	250	Substantially above the prior-year level

## WACKER's Focus for Next Few Years Will Be on Above-Average Growth, on Attractive Margins and on High Cash Inflow from Operating Activities

### CAPEX vs. depreciation in € million (excl. Siltronic)



### Strategic Pillars

- ▶ Investing below depreciation level
- ▶ Growing faster than the chemical-sector average
- ▶ Focusing on sustainability in every business process
- ▶ Maintaining attractive margins in the business cycle
- ▶ Generating high cash inflows

## Profitability of Chemical Business Is Well Above Target Margin of 16 Percent

Chemical divisions: EBITDA (€ million) and EBITDA margin (%)

