



Preliminary Release FY 2014e – Additional Information

Investor Relations, January 29th 2015

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WACKER: FY Performance Better than Expected

in €m	FY 2014e	FY 2013	% YoY
Sales	4.826	4.479	7,7
EBITDA	1.042	679	53,4
EBITDA margin	21,6%	15,2%	-
EBIT	443	114	>100
EBIT margin	9,2%	2,5%	-
Group net income	195	6	>100
Capital expenditures	572	504	13,4

WACKER FY2014e: Strong Volumes, Price Recovery and Cost Reductions

Net Cash Flow at €216m (2013: €110m) as Capex stays below Depreciation

2014 Comments YoY

- ▶ Strong volume increases from improved shipments and consolidation effects drive sales
- ▶ Overall price increases supported by **POLYSILICON**, but declining prices at **Siltronic**
- ▶ Gross profit margin increased to 17.5% (2013: 14.8%): cost reduction efforts yield about €200m in 2014, supported by volume growth and EEG-Reduction (German electricity surcharges)
- ▶ EBITDA supported by overall business improvement and special effects (€206m)
- ▶ Positive effects from full consolidation of Singapore 300mm activities
- ▶ Net financial debt at €1,08bn (2013: €792m) as expected
- ▶ Prepayment level at year-end €689m (2013: €847m)

Siltronic: With Volume Increases and Price Declines, EBIT Loss Cut by 2/3 in 2014

Consolidation Effects Singapore 300mm (fully consolidated since 01/2014)

€m	FY 2013 reported	FY 2013 pro forma	FY 2014e
Sales	743	876	853
EBITDA	26	110	114*
EBITDA margin	3,5%	12,6%	13,4%
EBIT	-96	-124**	-43
EBIT margin	-12,9%	-14,2%	-5,0%
Capex	31	39	41

* Includes first time consolidation effects of €-6m

**Includes special depreciation of €35m

WACKER: Strong Q4 Performance Overall

€m	Q4 2014e	Q4 2013	% YoY
Sales	1.194	1.087	9,8
EBITDA	180	158*	13,9
EBITDA margin	15,1%	14,5%	-

Q4 2014 Comments on WACKER Group

- ▶ Sales over 2013, but under Q3'14 (€1,232m) due to seasonality in **Chemicals**
- ▶ **POLYSILICON** and **Siltronic** with volume gains yoy and qoq
- ▶ Positive FX effect yoy and qoq (USD, YEN) from weakening Euro, but hedging strategy curbs earnings benefits
- ▶ Positive pricing effects yoy overall: reductions in **Siltronic** compensated by price increases in **POLYSILICON** and **POLYMERS**

* Q4'13 includes a positive special effect of €22.1m

Chemicals: Weaker Q4 Earnings in SILICONES

€m	Q4 2014e	Q4 2013	% YoY
Sales	716	656	9,1
EBITDA	62	79*	-21,5
EBITDA margin	8,7%	12,0%	-

Q4 2014 Comments on Chemicals

- ▶ Higher volumes in **POLYMERS'** powders (+17%); VAM plant turnaround finalized, raw material costs decreasing
- ▶ **SILICONES**: weak sales/mix effect due to demand and seasonality
- ▶ EBITDA below prior year (-22%) and below Q3'14 (-50%) due to 2013 special effects (+€14m) and VAM plant turnaround

* Q4'13 includes a positive special effect of €13.7m

POLYSILICON: Strong Shipments in Q4

€m	Q4 2014e	Q4 2013	% YoY
Sales	262	250	4,8
EBITDA	89	71*	25,4
EBITDA margin	34,0%	28,4%	-

Q4 2014 Comments on POLYSILICON

- ▶ Prices stable in Q4
- ▶ Strong shipments in Q4, no inventory build
- ▶ FY shipments ~ 51kt (2013: 49kt)
- ▶ Cost reductions continue
- ▶ US plant construction on track, FY 2014 pre-operational costs (EBITDA) at €40m

*Q4'13 includes a positive special effect of €8.4m

Siltronic: Good Cost Performance and Improving Volumes

€m	Q4 2014e	Q4 2013	% YoY
Sales	223	175	27,4
EBITDA	38	12	>100
EBITDA margin	17,0%	6,9%	-

Q4 2014 Comments on Siltronic

- ▶ Overall about 9% volume growth, price declines in 300mm slowing qoq
- ▶ Good cost performance following strong productivity improvements across all plants
- ▶ Cost roadmap continues: targeting variable and fixed cost reductions (personnel transfer to WACKER Group ongoing)
- ▶ 300mm utilization at capacity limit

EBITDA Impact of Special Effects on FY 2014e

Special Effects (in €m)	2013				2014			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4e
Silicones: Siloxane JV effects	-	-	-	13.7	-	-	-	-
Polysilicon: Retained prepayments & damages from cancelled contracts	32.2	23.8	13.2	8.4	114.0	0.0	92.3	-
EBITDA	32.2	23.8	13.2	22.1	114.0	0.0	92.3	-

► Full Year 2014 Effect on EBITDA amounts to €206m (2013: €91m)

WACKER: Issuer, Contact and Additional Information

Issuer and Contact

- ▶ WACKER CHEMIE AG
Hanns-Seidel-Platz 4
D-81737 Munich
- ▶ Investor Relations contacts

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

Mrs. Judith Distelrath
Tel. +49 89 6279 1560
judith.distelrath@wacker.com

Financial Calendar

03/17/15 – FY Results 2014

04/30/15 – Q1 Results 2015

05/08/15 – Annual Shareholders' Meeting

08/03/15 – Q2 Results 2015

10/29/15 – Q3 Results 2015

Additional Information

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Ticker Reuters:	CHE/WCHG.DE
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