WACKER CHEMIE AG

REPORT ON THE 1ST QUARTER OF 2008
JANUARY – MARCH 2008

WACKER

WACKER AT A GLANCE

- GROUP SALES INCREASED BY 8 PERCENT IN Q1 2008 TO €1.02 BILLION
- EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTIZATION (EBITDA) ROSE BY 10 PERCENT TO €291 MILLION; THE EBITDA MARGIN INCREASED TO 28.6 PERCENT
- EARNINGS PER SHARE FROM JANUARY TO MARCH 2008 AMOUNTED TO €2.63, AN INCREASE OF 14 PERCENT OVER PREVIOUS YEAR
- SALES GROWTH EXPECTED TO CLEARLY EXCEED 10 PERCENT IN 2008; EBITDA PROJECTED TO INCREASE

KEY FIGURES

€ million	Q1 2008	Q1 2007	Change in %
Sales	1,019.5	943.7	8
EBITDA[1]	291.1	265.5	10
EBITDA margin[2]	28.6 %	28.1 %	1
EBIT[3]	198.7	187.9	6
EBIT margin[2]	19.5 %	19.9 %	– 2
Financial result	– 0.8	– 5.4	– 85
Income before taxes	197.9	182.5	8
Net income attributable to Wacker Chemie AG shareholders	130.6	114.5	14
Earnings per share in €	2.63	2.30	14
Investments (incl. financial assets)	145.5	91.0	60
Investments in acquisitions	173.4	0.0	n.m.
Net cash flow	– 3.3	224.2	n.m.

€ million	31.03.2008	31.03.2007	31.12.2007
Equity	1,908.6	1,699.4	1,865.6
Financial liabilities	250.2	300.2	217.8
Provisions for pensions	374.4	359.2	369.2
Net financial debt	– 152.8	142.6	– 148.7
Total assets	4,226.8	3,457.8	3,918.1
Employees (number at end of period)	15,660	14,788	15,044

[1] EBITDA is EBIT before depreciation and amortization.
[2] Margins are calculated based on sales.
[3] EBIT is the result from continuing operations for the reporting period before interest and other financial result, limited partnership interests, and income taxes.

CUSTOMER FOCUS: SUBJECT: PARTNERSHIPS

WACKER SCHOTT Solar uses hyperpure polysilicon from WACKER to produce increasingly thinner and more efficient high-performance solar wafers (cover).

Crucible-filling under cleanroom conditions: layering the raw material is essential to crystal quality (this page).

CREATING CUSTOMER BENEFITS THROUGH PARTNERSHIPS

WACKER SCHOTT SOLAR – JENA, GERMANY

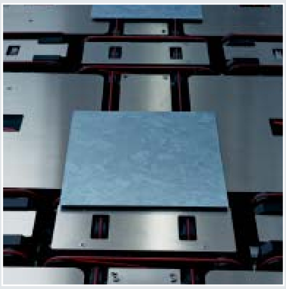
PHILOSOPHY: AN INNOVATIVE PRODUCT, LONGEVITY AND TRUSTFUL COOPERATION WITH CUSTOMERS ARE THE BEST LEVERS IN THE MARKET

The electricity market is changing. Renewable and clean energy sources such as photovoltaics are becoming ever more important. To profit from this trend, WACKER created two joint ventures with SCHOTT Solar to produce and market silicon wafers for the solar industry. Set up in July 2007, the joint ventures have enabled us to achieve forward integration in the solar industry and expand our supply chain. As a result, WACKER is no longer just a polysilicon supplier, but also a producer of solar wafers.

It only took WACKER SCHOTT Solar GmbH six months to set up a factory for solar-grade silicon wafers. Commissioned in mid-April 2008, the new plant is scheduled to reach an annual nominal capacity of 50 MW by fall 2008. This means WACKER SCHOTT Solar’s total annual capacity will increase to 120 MW by year’s end.

The company supplies customers with high-quality solar wafers at fixed, agreed upon prices. For Axel Schmidt, one of WACKER SCHOTT Solar’s two managing directors, it is very important that future customers benefit from this partnership. “WACKER and SCHOTT are combining their joint expertise and closing the value-creation chain. One delivers the basic material, the other refines it,” he says. Customers are thus assured of obtaining top quality solar wafers at all times. This commitment, when hyperpure polysilicon is in short supply, is worth its weight in gold. The solar industry’s production bottleneck will last some time.

Schmidt is already thinking one step ahead. “Our strategy is set for the long term,” he says. The world is standing on the threshold of a new energy age. Traditional resources such as



Closed value-creation chains: from raw material to solar wafers (above).

The new production facility was set up in a record time of just six months (right).

oil and gas are becoming increasingly more expensive. Coal pollutes the environment. The cleanest form of electricity production is photovoltaics. “We want to help this energy source reach maturity by building up a large, functioning market with stable, permanent growth, and characterized by long-lasting customer relationships.” The hurdle to achieving this is the cost of generating solar power. Photovoltaics are even subsidized by many governments, yet conventional energy sources still have a cost advantage, at least where the sun doesn’t shine long and intensively. In California, the cost per kilowatt hour of solar power is nearly competitive with other energy sources.

WACKER SCHOTT Solar can contribute substantially in this quest, and is focused on customer needs. Thinner wafers and improved surface structures are two goals that are being worked on intensively. “Our aim is to reduce production costs and increase solar-module efficiency through product innovations and process optimization.” Axel Schmidt is convinced that the so-called end users, i.e. homeowners, will also benefit from this. “Through higher performance, solar installations will become cheaper to buy.”

The conditions for WACKER SCHOTT Solar to be able to meet these customer expectations are good. WACKER has enormous expertise in the production of wafers. The company has been producing silicon wafers for the semiconductor industry for more than 40 years. Whether it involves production processes, logistics or product specifications, all this knowledge can be called upon and directed toward the production of solar wafers. Customers thus receive a qualitatively high-value product. By 2012, annual capacity should reach 1 gigawatt. This means the outlook is sunny for WACKER SCHOTT Solar and its customers.

WACKER HAD A GOOD START TO 2008, WITH STRONG FIRST-QUARTER SALES AND EARNINGS GAINS. IN THIS Q1 REPORT, YOU WILL FIND DETAILS ON WACKER CHEMIE AG'S BUSINESS PERFORMANCE AND EXPECTATIONS FOR THE REMAINDER OF THE YEAR.

REPORT ON THE 1ST QUARTER

REPORT ON THE 1ST QUARTER OF 2008

DEAR SHAREHOLDERS:

After another record year in 2007, in which the WACKER Group achieved new record levels in sales and earnings, WACKER also had a good start to 2008. In spite of a difficult economic environment, we have continued to increase sales and earnings in the first three months of this fiscal year compared to both the previous quarter and the first quarter of 2007. We are optimistic that we will continue to meet market challenges successfully and will remain on course to achieve further growth globally. We feel that we are well positioned to take advantage of the growth potential for our businesses, especially in Asia, Eastern Europe and South America. We will further strengthen our competitive position in the established markets of Europe and North America. Our product portfolio is designed to meet increasing demand fueled by important social and economic growth trends. This opens further opportunities for continued profitable growth.

GENERAL ECONOMIC ENVIRONMENT: ECONOMIC SLOWDOWN AND INCREASING CYCLICAL RISK

The global economic situation in the first three months of 2008 was shaped for the most part by the worldwide financial crisis, which was triggered by the subprime crisis in the United States. In addition, economic development was negatively impacted by the continuing high cost of energy and raw materials. The price of oil, for example, has risen about 50 percent since January 2007. Companies in the Euro zone face additional challenges due to the EUR/USD exchange rate, which reached new record levels during the reporting period. There are clear signs of an imminent recession in the United States and thus of the possibility that the financial crisis may spread to the real economy. For the other regions of the world's economy, current forecasts assume that there will be a cooling off but that the forces of growth will continue to remain intact – although in weakened form.

The International Monetary Fund (IMF), for example, reduced its 2008 growth forecast for the global economy to 3.7 percent (down from 4.2 percent). For the United States, IMF experts expect growth of only 0.5 percent in the same period, whereas growth was still 2.2 percent in 2007. IMF experts have also reduced their growth expectations for Asia to some degree. For Japan they are forecasting 1.4 percent growth of the adjusted gross domestic product. The Chinese economy is expected to continue its robust expansionary trend with a growth rate of 9.3 percent.[1]

The Organization for Economic Cooperation and Development (OECD) is counting on a 1.9 percent rise in the gross domestic product in Europe.[2] The EU Commission reduced its forecast for GDP in Europe to 1.8 percent (down from 2.1 percent) in its most recent interim projection.[3] For Germany the German government is predicting economic growth of 1.7 percent for the current year, a level somewhat above the IMF forecast of 1.5 percent.[3]

The German chemical industry association (VCI) are also adjusting to a slowdown in the rate of growth. After four years with above-average rates of increase, business already began to slow down at the end of last year. The German chemical industry association (VCI) predicts growth of around 2.5 percent in chemical production, down from 4.3 percent last year.[4]

[1] International Monetary Fund (IMF), World Economic Outlook, Washington, DC, April 9, 2008
[2] OECD, What is the economic outlook for OECD countries? An interim assessment, Paris, March 20, 2008
[3] German Federal Ministry of Industry and Technology, monthly report 04-2008, Berlin, March 20, 2008
[4] German chemcial industry association (VCI) in the 4th quarter of 2007, Frankfurt, March 5, 2008

The global market for silicon wafers grew in the first quarter of 2008 compared to the same period last year. Based on surface area sold, the increase amounted to 1.8 percent according to the most recent Gartner Group forecast.[1] According to Gartner, the 300 mm wafer sector is the major growth driver.

DEVELOPMENT OF BUSINESS AT WACKER CHEMIE AG: INCREASE IN SALES THROUGH ORGANIC GROWTH AND STRATEGIC INVESTMENTS

Wacker Chemie AG continued its expansion in the first quarter of 2008. The Group posted total sales of €1,019.5 million for the period from January 1 to March 31, 2008 (up from €943.7 million in first quarter 2007). This represents an 8 percent increase over the very strong first quarter last year and an increase of 11 percent over the fourth quarter of 2007. The growth in comparison to last year was fueled primarily by higher sales volumes from capacity increases and improved productivity but also by higher sales prices. Volume effects supported growth by about 9 percent, whereas price increases accounted for approximately 5 percent. Exchange rate effects had a negative impact in the first quarter of 2008, reducing sales by €57 million or 6 percent. From January to March 2008, WACKER invoiced about 40 percent of group sales in US dollars.

The vinyl acetate-ethylene activities of Air Products Polymers (APP), a former joint venture, have been fully consolidated since February 1, 2008, and are supporting our sales growth. On January 31, 2008, WACKER completed the purchase of the shares in the two joint ventures APP and Wacker Polymer Systems previously held by Air Products and Chemicals, Inc. The increase in external sales as a result of this acquisition amounted to approximately €44 million in the period under review and is included in the volume growth cited above.

WACKER POLYMERS AND WACKER POLYSILICON ACHIEVE ABOVE-AVERAGE GROWTH

The WACKER Group divisions with the strongest sales activity in the period from January 1 to March 31, 2008, were again WACKER SILICONES, with sales amounting to €360.3 million (up from €348.0 million in Q1 2007) and Siltronic, which posted sales of €346.1 million (Q1 2007: €377.3 million). Siltronic surpassed the fourth quarter 2007 sales (€343.2 million) and stayed just under the record high of the strong first quarter of 2007.

WACKER POLYMERS, which now includes the dispersion business of the previous joint venture APP, saw sales increase by 34 percent over the first quarter of 2007. It thus made a major contribution to growth in Group sales. Thanks to a high demand for dispersible polymer powders for the construction industry in the export markets of Eastern Europe and Asia, WACKER POLYMERS generated sales of €198.5 million in the first quarter of 2008 (Q1 2007: €148.7 million).

The polysilicon business again reported especially strong growth. Driven by the strong worldwide demand for hyper-pure polysilicon, WACKER POLYSILICON achieved a new quarterly sales record of €155.9 million (Q1 2007: €92.2 million). This represents a 69 percent increase over the same period last year.

WACKER FINE CHEMICALS, generated sales of €27.7 million. This was slightly below the prior-year figure (€35.0 million) but still surpassed the fourth quarter 2007 sales (€25.5 million).

[1] Gartner Dataquest, Forecast: Silicon Wafers, Worldwide, 2Q08 Update, Stamford, April 15, 2008

ASIA AND EUROPE REMAIN THE PRIMARY MARKETS

The WACKER Group today generates approximately 80 percent of its sales revenue outside Germany. Reflecting an increasing strategic focus on Asia, sales into the region accounted for 34 percent of global consolidated sales in the first quarter of 2008 (Q1 2007: 31 percent). Asia was followed by the European countries outside Germany, which accounted for 26 percent of sales (Q1 2007: 28 percent), and Germany, with a sales share of 21 percent (Q1 2007: 19 percent). The fastest-growing regions in the first quarter of 2008 were Germany and Asia, where sales grew by 19 and 18 percent, respectively.

Sales in the Americas grew by 10 percent in local currencies, including the APP acquisition, despite slower economic growth in the United States. The strong Euro had a definite impact on our business. When converted to Euros, sales revenue in the Americas in the first quarter of 2008 declined by 4 percent compared to the same period last year.

Regional distribution of sales revenue in the WACKER Group:

€ million	Q1 2008	Q1 2007	Change in %	Group Sales in %
Asia	345.6	291.7	18	34
Europe (excl. Germany)	260.8	265.8	– 2	26
Germany	215.3	180.2	19	21
Americas	169.2	176.5	– 4	17
Other Regions	28.6	29.5	– 3	3

EXCHANGE RATES AND HIGH RAW MATERIAL AND ENERGY PRICES IMPACT PERFORMANCE

As a consequence of the disproportionate increase in the cost of raw materials and energy and the adverse exchange rates, earnings growth in the WACKER Group has slowed. Nonetheless, WACKER saw an increase in earnings in the first quarter of 2008 compared to the same period last year.

With earnings before interest, taxes, depreciation and amortization (EBITDA) in the months from January through March 2008 reaching €291.1 million, the WACKER Group surpassed 2007 quarterly earnings (€265.5 million) by 10 percent. The EBITDA margin for the reporting period was 28.6 percent and thus slightly better than in the very strong first quarter of 2007 (28.1 percent). WACKER significantly exceeded the EBITDA for the fourth quarter of 2007 (22.3 percent).

Earnings before interest and taxes (EBIT) reached €198.7 million in the first quarter of 2008, which is almost 6 percent more than in the first three months of the previous year (€187.9 million). The EBIT margin is 19.5 percent (vs. 19.9 percent in Q1 2007). Higher depreciation and amortization than in the first quarter of 2007 weighed on EBIT reflecting the strong increase in capital expenditures in 2007.

SOLID EARNINGS GROWTH IN THE BUSINESS DIVISIONS. IMPRESSIVE PERFORMANCE OF WACKER POLYSILICON DUE TO JUMP IN EARNINGS AND MUCH IMPROVED EBITDA MARGIN

With an EBITDA of €114.0 million (Q1 2007: €130.4 million), Siltronic made the largest contribution to Group earnings. Absolute EBITDA and EBITDA margin remained below prior year level. Siltronic's EBITDA margin of 32.9 percent (Q1 2007: 34.6) continues at a high level. Sales of silicon monocrystals to the solar industry had a positive impact on Siltronic's earnings.

WACKER POLYSILICON saw the largest jump in earnings in the period from January through March 2008. EBITDA reached €71.3 million, more than double the figure for the same quarter last year (€33.5 million), helped by higher prices and a significant increase in production volumes. WACKER POLYSILICON improved its EBITDA margin significantly to 45.7 percent (up from 36.3 percent in Q1 2007).

WACKER SILICONES generated EBITDA of €64.8 million in the reporting period (compared to €64.3 million in Q1 2007). Significantly higher raw material costs and an unfavorable EUR/USD exchange rate curbed earnings growth. On the other hand, increased volumes and productivity improvements had a positive impact on earnings. The EBITDA margin for WACKER SILICONES reached 18.0 percent in the first quarter of 2008 (compared to 18.5 percent last year).

WACKER POLYMERS saw EBITDA rise in the first quarter of 2008 by 11 percent to €38.1 million (up from €34.2 million in Q1 2007). As a result of higher raw material costs and the decline of the USD, earnings growth could not quite keep pace with the high rate of sales growth. The EBITDA margin for WACKER POLYMERS in the period under review was 19.2 percent (vs. 23.0 percent in Q1 2007).

At WACKER FINE CHEMICALS, the ongoing consolidation had a positive impact on earnings power. Following a decline in sales due to reorganization, the division generated EBITDA of €3.2 million in the first quarter of 2008 (vs. €3.6 million in Q1 2007). As a result, the EBITDA margin in the reporting period increased to 11.6 percent (up from 10.3 percent last year).

EARNINGS PER SHARE FOR THE FIRST QUARTER €2.63

In the first quarter of 2008 the WACKER Group had consolidated income (net income attributable to WACKER shareholders) of €130.6 million (vs. €114.5 million in Q1 2007). This represents a 14 percent increase over the same period last year. Earnings per share rose to €2.63 (Q1 2007: €2.30).

NET CASH FLOW BALANCED, SIGNIFICANT INCREASE IN INVESTMENTS

Net cash flow for the WACKER Group was – €3.3 million in the reporting period (vs. €224.2 million in Q1 2007). This decline was driven by the Group's ongoing expansion projects and the payments for the acquisition of shares in the former joint ventures Air Products Polymers (APP) and Wacker Polymer Systems (WPS). The net payout for this transaction amounted to €173.4 million, offset by cash and cash equivalents of the acquired business. In addition, WACKER invested a total of €145.5 million in tangible, intangible and financial assets in this reporting period (vs. €91.0 in Q1 2007). This was offset by advance payments received from customers for future polysilicon deliveries amounting to approximately €78.1 million which had a positive impact on cash flow in the first quarter of 2008.

Investment activity in the first quarter of 2008 focused on WACKER POLYMERS, in which a total of €185.6 million was invested. In addition to the acquisitions of APP and WPS as already mentioned above, the division invested additional funds of €12.2 million (vs. €9.6 million in the previous year) in the ongoing expansion of production facilities, including its site in Nanjing, China. As one of the first steps towards the integration of the newly acquired businesses, WACKER POLYMERS will concentrate VAE dispersions capacity at the Calvert City, Kentucky site. This will involve closing a site in South Brunswick, New Jersey (USA) in 2009.

During this reporting period, WACKER POLYSILICON more than doubled its investments, reaching a total amount of €77.7 million (compared to €33.4 last year), primarily for the ongoing expansion of production capacities for hyper-pure polycrystalline silicon at Burghausen, Germany.

ADDITIONAL PRODUCTION CAPACITY CREATES NEW JOBS

Startup of new production facilities and integration of newly acquired divisions increased the number of employees in the WACKER Group to 15,660 as of March 31, 2008 (up from 15,044 on December 31, 2007). Of this, 11,935 employees were working at the Group's German locations (December 31, 2007: 11,624). Outside Germany, WACKER had 3,725 employees at the end of the first quarter 2008 (December 31, 2007: 3,420).

PROPOSAL FOR APPROPRIATION OF PROFIT FROM FISCAL YEAR 2007

As announced at the annual press conference on March 18, 2008, the Executive Board and the Supervisory Board of Wacker Chemie AG will propose a dividend of €2.25 per share for fiscal year 2007 (2006: €2.00) at the Annual Shareholders' Meeting, which will be held in Munich on May 8, 2008. This base dividend reflects a designated minimum payout ratio of 25 percent of net income. In addition, the Group intends for shareholders to benefit from the excellent financial performance of the past year by approving a special bonus of €0.75. Based on the number of shares entitled to dividends as per December 31, 2007, the base dividend represents a payout of €111.8 million. Another €37.3 million will be distributed in the form of a special bonus. Both dividend components together represent a dividend yield of 2.0 percent with respect to the average price of WACKER shares in 2007.

KEY PERSONNEL CHANGES FOR LONG-TERM CONTINUITY IN COMPANY MANAGEMENT

In its meeting on December 12, 2007, the Supervisory Board of Wacker Chemie AG made key personnel changes in company management in order to ensure long-term continuity of the company's leadership. Dr. Karl Heinz Weiss, Chairman of the Supervisory Board of Wacker Chemie AG, will no longer be a candidate for re-election to the Supervisory Board at this year's Annual Shareholders' Meeting of Wacker Chemie AG since he has reached the retirement age. At the same time, Dr. Peter-Alexander Wacker will step down as Chairman of the Executive Board of Wacker Chemie AG and will be a candidate for the position of the Chairman of the Supervisory Board.

Dr. Rudolf Staudigl will succeed Dr. Peter-Alexander Wacker as Chairman of the Executive Board. He has been a member of company management and/or the Executive Board since 1995. The Supervisory Board has extended Dr. Staudigl's contract for another five years. He will take over as Chairman of the Executive Board after the Annual Shareholders' Meeting.

Dr. Wilhelm Sittenthaler, CEO of Siltronic AG since May 2003, will become a new member of the Executive Board of Wacker Chemie AG on the same date. Dr. Sittenthaler will fill the last remaining position on our company's four-person Executive Board. Dr. Sittenthaler's contract runs until the year 2013. In his new position as member of the Executive Board of Wacker Chemie AG, Dr. Sittenthaler remains CEO of the WACKER subsidiary Siltronic AG.

In March 2008 the contract of Executive Board member Auguste Willems was also extended for another five years until 2013.

This completes personnel changes in the Executive Board and ensures long-term continuity of leadership for the WACKER Group.

CONDENSED INCOME STATEMENT
Q1 2008

€ milion	Q1 2008	Q1 2007	Change in %
Sales	1,019.5	943.7	8
Gross profit from sales	318.9	305.1	5
Selling, R&D and general administrative expenses	– 124.1	– 111.7	11
Other operating income and expenses	14.2	– 5.1	n.m.
Operating result	209.0	188.3	11
Income from investments	– 10.3	– 0.4	> 100
EBIT (Earnings before interest and taxes)	198.7	187.9	6
Financial result	– 0.8	– 5.4	– 85
Income before taxes	197.9	182.5	8
Income taxes	– 67.3	– 67.8	– 1
Net income before minority interests	130.6	114.7	14
Minority interests	0.0	– 0.2	– 100
Net income attributable to Wacker Chemie AG shareholders	130.6	114.5	14
Earnings per share in €	2.63	2.30	14
Average number of shares outstanding (weighted)	49,677,983	49,677,983	0
Reconciliation to EBITDA in € million			
EBIT	198.7	187.9	6
Depreciation and amortization	92.4	77.6	19
EBITDA	291.1	265.5	10

Earnings in the first quarter of 2008 have been affected by the first time consolidation of newly acquired businesses in the WACKER POLYMERS division. Excluding external sales of these companies and consolidated former sales to APP subsidiaries, sales for the WACKER Group would have been €43.6 million lower in Q1 2008. The effect on the cost of goods sold amounted to €35.6 million, and gross profit from sales was impacted by €8.0 million.

As the increase in sales in the first quarter of 2008 was somewhat less than the increase in cost of goods sold, gross profit from sales amounting to €318.9 million was only 5 percent higher than in the same quarter last year (€305.1 million). This reflects both the impact of changes in the USD exchange rate and the increased raw material costs already mentioned above.

Almost half of the 11 percent increase in SG&A costs can be attributed to companies integrated into the Group for the first time; without this effect, SG&A costs would have increased by only 7 percent.

Other operating income and expenses were affected by currency gains and by effects relating to the acquired companies.

While currency losses exceeded currency gains by €3.1 million in the first quarter of 2007, there was a positive currency result in the first quarter of 2008. Gains (€50.7 million) outstripped losses (€45.3 million) by €5.4 million.

The first-time consolidation of Wacker Polymers Holdings L.P., which combines both the U.S. and the European activities of the former APP companies, resulted in a negative difference of €9.7 million between the acquisition costs and the acquired net assets. This difference was reported under other operating income. In addition, impairments on fixed assets of €5.5 million were included in other operating expenses. These related to the decision to close one of the operating U.S. sites acquired by Wacker Polymers L.P.

Income from investments decreased by €9.9 million in the reporting period to –€10.3 million, down from –€0.4 million in the same quarter in 2007. This is primarily due to the pro rata share of ramp costs at Siltronic Samsung Wafer Pte. Ltd. in Singapore.

The financial result improved by €4.6 million to –€0.8 million, up from –€5.4 million a year earlier. The main reason for this was the increase in ownership in the WPS companies to 100 percent. In compliance with IFRS provisions, shares of minority shareholders in profit or loss had to be reported under the financial result. The reporting period was therefore negatively impacted only by the pro rata result from January.

The overall tax rate was 34 percent in the first quarter of 2008, declining by 3 percentage points when compared to the same period in 2007. This is primarily due to the lower rate of taxation on domestic profits.

CONDENSED BALANCE SHEET
Q1 2008

ASSETS

€ million	Mar. 31, 2008	Mar. 31, 2007	Change in %	Dec. 31, 2007	Change in %
Intangible assets, property, plant and equipment and investment property	2,275.3	1,943.1	17	2,135.0	7
Investments in associates	179.3	97.5	84	196.2	– 9
Other non-current assets	121.1	111.1	9	159.4	– 24
Non-current assets	2,575.7	2,151.7	20	2,490.6	3
Inventories	477.9	428.5	12	403.5	18
Trade receivables	540.5	550.4	– 2	460.6	17
Other current assets	632.7	327.2	93	563.4	12
Current assets	1,651.1	1,306.1	26	1,427.5	16
Total assets	4,226.8	3,457.8	22	3,918.1	8

LIABILITIES AND EQUITY

€ million	Mar. 31, 2008	Mar. 31, 2007	Change in %	Dec. 31, 2007	Change in %
Equity	1,908.6	1,699.4	12	1,865.6	2
Minority interests in limited partnership capital	0.0	36.2	– 100	32.6	– 100
Provisions	625.2	557.5	12	614.2	2
Financial liabilities	151.0	248.3	– 39	164.2	– 8
Other liabilities	771.6	359.2	> 100	649.9	19
thereof prepayments received	680.1	324.5	> 100	604.7	12
Non-current liabilities	1,547.8	1,201.2	29	1,460.9	6
Financial liabilities	99.2	51.9	91	53.6	85
Trade liabilities	276.9	198.4	40	241.8	15
Other current provisions and liabilities	394.3	306.9	28	296.2	33
Current liabilities	770.4	557.2	38	591.6	30
Liabilities	2,318.2	1,758.4	32	2,052.5	13
Total liabilities and equity	4,226.8	3,457.8	22	3,918.1	8

Net assets have also been significantly affected by the acquisition of majority stakes in former APP companies and by the increase in the share in WPS. The €308.7 million increase in total assets since December 31, 2007 includes €203.5 million in assets from the newly integrated APP companies.

Non-current assets have increased by €85.1 million since December 31, 2007. Intangible assets and plant, property and equipment – also significantly affected by the changes in basis of consolidation (€100.2 million) – increased by €140.3 million to €2.28 billion. By contrast, investments in joint ventures and associates declined by €16.9 million and other non-current assets decreased by €38.3 million.

In addition to consolidation effects explained above, property, plant and equipment increased after capital expenditures of €144.9 million and after adjustment for depreciation and other changes.

At-equity consolidated joint ventures and associated companies have declined primarily due to pro rata losses assumed, while other non-current assets have been affected by the disposal of previous shareholdings in former APP companies (€62.1 million). Other non-current assets increased due to value added tax on advance payments received from customers in Germany.

Current assets increased by €223.6 million since December 31, 2007, to €1.65 billion. The newly integrated companies accounted for €78.3 million. Inventories rose by €74.4 million or 18 percent to €477.9 million (including €25.3 million from the former APP companies). Trade receivables also rose substantially to €540.5 million, an increase of €79.9 million or 17 percent. The newly integrated companies accounted for €37.0 million of this increase. Without these one-time effects, inventories would have increased by 12 percent and trade receivables by 9 percent.

Other current assets rose by €69.3 million or 12 percent to €632.7 million, which includes €403.0 million in cash and cash equivalents. Assets of the newly consolidated companies accounted for €13.2 million of other current assets. The increase in other assets – aside from the change in cash and cash equivalents and the one-time effect of expanding the scope of consolidation – is primarily the result of increases in the market value of €15.1 million in derivatives and €12.4 million increase in deferred assets.

Equity has increased by €43.0 million since December 31, 2007, to €1.91 billion. This is essentially the result of two opposite effects: although net income for the year increased equity by €130.6 million, the increase in shares in WPS companies reduced equity by €83.1 million. Reduction of the difference resulting from currency translation and the equity-affecting changes in market value resulting from hedge accounting nearly offset one another, leaving a difference of –€4.3 million.

Non-current liabilities rose by €86.9 million or 6 percent to €1.55 billion and were largely unaffected by the newly integrated companies. The important changes are due in part to the €121.7 million increase in other non-current liabilities to €771.6 million. This was primarily the result of additional non-current advance payments received amounting to €75.4 million. In addition, there has been a decrease in minority interests in limited partnership capital due to the complete takeover of the WPS shares. Total non-current financial liabilities have decreased by €13.2 million to €151.0 million.

Current liabilities increased since December 31, 2007, by 30 percent or €178.8 million to a total amount of €770.4 million and include €45.4 million from the newly consolidated companies. Without these new companies, the increase would have been 23 percent. The increase was driven by changes in short term provisions and current liabilities, primarily by a €24.4 million increase in tax provisions to €125.5 million. In addition, current advance payments increased €11.4 million to €72.4 million. Trade payables rose by €35.1 million since the end of 2007 to €276.9 million, including €22.8 million from the newly integrated companies.

Current financial liabilities increased by €45.6 million to €99.2 million. Financial liabilities (current and non-current) amounted to €250.2 million, up by €32.4 million from December 31, 2007. Netting this total out against cash and cash equivalents results in a net surplus of €152.8 million over financial liabilities. This is €4.1 million more than at the end of fiscal year 2007 (€148.7 million).

CONDENSED STATEMENT OF CASH FLOWS Q1 2008

€ million	Q1 2008	Q1 2007	Change in %
Net income before minority interests / Net income after taxes	130.6	114.7	14
Depreciation and amortization	92.4	77.6	19
Changes in inventories	– 54.2	– 21.4	> 100
Changes in trade receivables	– 38.3	– 71.4	– 46
Changes in other assets	– 25.4	16.6	n.m.
Changes in prepayments received	86.8	104.8	– 17
Other non-cash expenses and income	127.1	103.2	23
Cash flow from operating activities (gross cash flow)	319.0	324.1	– 2
Investments in acquisitions	– 173.4	0.0	n.m.
Other payments for investments	– 148.9	– 99.9	49
Cash flow from investing activities	– 322.3	– 99.9	> 100
Net cash flow	– 3.3	224.2	n.m.
Capital contributions from minority interests	2.4	0.0	n.m.
Dividends paid on prior year's result	– 0.2	– 0.1	100
Changes in financial liabilities	38.6	– 109.3	n.m.
Cash flow from financing activities	40.8	– 109.4	n.m.
Changes in cash due to exchange rate fluctuations	– 1.0	– 0.1	> 100
Changes in cash and cash equivalents	36.5	114.7	– 68
At the beginning of the year	366.5	42.9	> 100
At the end of the period	403.0	157.6	> 100

Cash flow from operating activities (gross cash flow) amounting to €319.0 million is in line with last year (€324.1 million). Net income before minority interests and depreciation and amortization were both larger than in the previous year. However, the changes to balance sheet items, which were all adjusted for the effects of first-time consolidation of former APP companies, were balanced. Liabilities (not including advance payments received) showed a greater increase and trade receivables a smaller increase than in the prior-year period. This had a positive impact on cash flow, raising it by €53.4 million and €33.1 million, respectively. In contrast, other assets as well as inventories were up from the end of 2007, and this had a negative impact on cash flow, reducing it by €42.0 million and €32.8 million, respectively. Other non-cash gains and losses increased by €13.2 million, which resulted in a corresponding reduction in cash flow from operating activities compared with the prior year.

Cash flow from investing activities amounted to €322.3 million, which represented a significant increase of €222.4 million over the first quarter last year. The main reason for this was the net €173.4 million payment for the acquired joint venture shares, which was offset by incoming cash and cash equivalents from the newly consolidated companies. But investments in property, plant and equipment, in intangible assets and in financial assets of €154.1 million also represented an increase of €53.6 million over the first quarter of 2007.

Accordingly, the net cash flow in the first quarter of 2008 was –€3.3 million compared to €224.2 million in the same quarter last year.

Cash flow from financing activities was affected primarily by an increase in financial liabilities. Excluding currency-related changes, bank liabilities increased cash flow by €34.8 million.

Overall, cash flow increased by €36.5 million compared to December 31, 2007.

BUSINESS DIVISION RESULTS
Q1 2008

SALES REVENUE

€ million	Q1 2008	Q1 2007	Change in %
WACKER SILICONES	360.3	348.0	4
WACKER POLYMERS	198.5	148.7	34
WACKER FINE CHEMICALS	27.7	35.0	– 21
WACKER POLYSILICON	155.9	92.2	69
SILTRONIC	346.1	377.3	– 8
Other	68.4	62.0	10
Consolidation	– 137.4	–119.5	15
Group sales	1,019.5	943.7	8

EBIT

€ million	Q1 2008	Q1 2007	Change in %
WACKER SILICONES	45.1	43.8	3
WACKER POLYMERS	23.6	30.0	– 21
WACKER FINE CHEMICALS	2.4	2.4	0
WACKER POLYSILICON	57.2	24.5	> 100
SILTRONIC	80.2	96.3	– 17
Other	– 8.3	– 7.8	6
Consolidation	– 1.5	– 1.3	15
Group EBIT	198.7	187.9	6

EBITDA

€ million	Q1 2008	Q1 2007	Change in %
WACKER SILICONES	64.8	64.3	1
WACKER POLYMERS	38.1	34.2	11
WACKER FINE CHEMICALS	3.2	3.6	– 11
WACKER POLYSILICON	71.3	33.5	> 100
SILTRONIC	114.0	130.4	– 13
Other	1.2	0.8	50
Consolidation	– 1.5	– 1.3	15
Group EBITDA	291.1	265.5	10

WACKER SILICONES
Q1 2008

€ million	Q1 2008	Q1 2007	Change in %
Sales			
External sales	342.9	335.9	2
Internal sales	17.4	12.1	44
Total sales	**360.3**	**348.0**	**4**
EBIT	**45.1**	**43.8**	**3**
EBIT margin	12.5 %	12.6 %	– 1
Depreciation	19.7	20.5	– 4
EBITDA	**64.8**	**64.3**	**1**
EBITDA margin	18.0 %	18.5 %	– 3
Investments	16.7	17.4	– 4
	Mar. 31, 2008	Dec. 31, 2007	
Number of employees	3,934	3,871	2

WACKER SILICONES improved sales in the first quarter of 2008 by 4 percent to €360.3 million (Q1 2007: €348.0 million). This growth resulted primarily from a further increase in sales volumes, price increases announced in the fourth quarter of 2007 also had a positive impact. Currency effects dampened sales growth.

Sales growth in WACKER SILICONES was driven by Asia and Germany. The sales increase was 6 percent in each of these regions. The division also increased sales (by 3 percent) in the European countries. In the Americas sales were down 4 percent from the prior-year period due to exchange rates, but on a currency-adjusted basis the division posted significant growth. Capacity utilization at WACKER SILICONES production facilities continues to be very good.

The sharp increase in the cost of raw materials such as methanol and silicon metal and the impact of the strong Euro slowed earnings growth. On the other hand, increased volumes and higher sales prices had a positive impact on earnings. EBITDA for the period from January through March 2008 reached €64.8 million, an increase of 1 percent over the first quarter of 2007 (€64.3 million). This resulted in an EBITDA margin of 18.0 percent for the reporting period (compared to 18.5 percent in the prior-year quarter).

WACKER SILICONES invested €16.7 million in the first quarter of 2008 (compared to €17.4 million in Q1 2007). Mainly to debottleneck operations in Burghausen and Nünchritz, Germany. The buildup and expansion of production capacities in Zhangjiagang, China continues on schedule. The next phase involves the startup of a new plant for fumed silica which is being built and operated jointly with Dow Corning. In addition, work continues on the expansion of downstream silicone production in China. At the end of April, the production of silicone emulsions started.

As of March 31, 2008, WACKER SILICONES had a total of 3,934 employees (Dec. 31, 2007: 3,871).

WACKER POLYMERS
Q1 2008

€ million	Q1 2008	Q1 2007	Change in %
Sales revenue			
External sales	195.5	146.3	34
Internal sales	3.0	2.4	25
Total sales	**198.5**	**148.7**	**34**
EBIT	**23.6**	**30.0**	**– 21**
EBIT margin	11.9 %	20.2 %	– 41
Depreciation	14.5	4.2	> 100
EBITDA	**38.1**	**34.2**	**11**
EBITDA margin	19.2 %	23.0 %	– 17
Investments (asset additions)	12.2	9.6	27
Investments in acquisitions	173.4	0.0	n.m.
	Mar. 31, 2008	Dec. 31, 2007	
Number of employees	1,539	1,128	36

At WACKER POLYMERS sales rose by 34 percent in the first quarter to €198.5 million (Q1 2007: €148.7 million). Next to volume increases and higher prices, the completed takeover of the vinyl acetate-ethylene activities of Air Products Polymers (APP) drove this sharp increase. These operations have been fully consolidated since February 1, 2008, and contributed a total of about €44 million to external sales in the first quarter of 2008.

While in 2007 an unusually mild winter supported demand from the construction industry, the first quarter 2008 saw a return to a normal seasonal pattern with an impact on sales. Nonetheless, WACKER POLYMERS was still able to exceed the prior-year sales of construction products slightly. Sales of functional polymers were also higher than in the same quarter a year earlier. In order to meet the strong demand from the construction industry, which picked up again in the spring, production of dispersible powders was running at full capacity at all locations.

WACKER POLYMERS achieved significant rates of increase in most regions compared to the previous year. In Asia and Eastern Europe in particular, sales rose sharply. In the NAFTA countries, however, excluding sales resulting from the consolidation of APP, growth was somewhat weaker due to the economic situation in the United States.

WACKER POLYMERS reported EBITDA for the January to March 2008 period of €38.1 million (Q1 2007: €34.2 million), an increase of 11 percent over the same quarter last year. Increasing costs for raw materials and the weak U.S. dollar are the major reasons for a slower growth in earnings. Moreover, the ethylene supply situation at the Burghausen location, which as now has been stabilized, still had an impact on the earnings situation in January 2008. Price increases had a positive impact on results. The reversal of badwill resulting from the acquisition of shares in APP caused EBITDA to increase by €9.7 million at WACKER POLYMERS. The EBITDA margin in the period under review was 19.2 percent (Q1 2007: 23.0 percent).

Investment activity, which reached a volume of €185.6 million in the first quarter of 2008 (Q1 2007: €9.6 million), focused on completing the takeover of the two joint ventures APP and WPS. The division spent €173.4 million on these acquisitions. Additional funds were also invested partially in the ongoing development of the division's facilities in Nanjing, China.

WACKER POLYMERS intends to focus the production of dispersions and dispersible powders at the Calvert City, Kentucky site, resulting in improved capacity utilizations. This will involve closing the division's plant in South Brunswick, New Jersey (USA), in 2009. The related impairments on assets amounted to €5.5 million and are included in the results for the first quarter of 2008.

WACKER POLYMERS had a total of 1,539 employees on March 31, 2008 (Dec. 31, 2007: 1,128), including the APP employees taken into account for the first time.

WACKER FINE CHEMICALS
Q1 2008

€ million	Q1 2008	Q1 2007	Change in %
Sales			
External sales	25.9	32.0	– 19
Internal sales	1.8	3.0	– 40
Total sales	**27.7**	**35.0**	**– 21**
EBIT	**2.4**	**2.4**	**0**
EBIT margin	8.7 %	6.9 %	26
Depreciation	0.8	1.2	– 33
EBITDA	**3.2**	**3.6**	**– 11**
EBITDA margin	11.6 %	10.3 %	12
Investments	1.9	1.7	12
	Mar. 31, 2008	Dec. 31, 2007	
Number of employees	254	245	4

Sales at WACKER FINE CHEMICALS in the months from January through March 2008 amounted to €27.7 million, 21 percent below last year (Q1 2007: €35.0 million) following an extensive reorganization.

Sales of customized fine chemicals in the first quarter of 2008 were significantly below the figure for the same period last year as the result of completed reorganisational measures. The demand for biotech products such as cysteins and cyclodextrins continued to be strong. The business involving pharmaproteins, which are produced using biotech methods, also shows promising growth. However, it was not possible to match the high sales figures of the first quarter of 2007, during which a large customer project had been billed. Several new customer projects were successfully acquired in the period under review.

The reorganization measures of the past year led to significant improvements in earnings. In spite of significantly slower sales, EBITDA still totaled €3.2 million (Q1 2007: €3.6 million), almost reaching the first quarter 2007 level. The EBITDA margin reached 11.6 percent (up from 10.3 percent last year).

The division’s investments amounted to €1.9 million in the reporting period (Q1 2007: €1.7 million).

WACKER FINE CHEMICALS had a total of 254 employees on March 31, 2008 (Dec. 31, 2007: 245).

WACKER POLYSILICON
Q1 2008

€ million	Q1 2008	Q1 2007	Change in %
Sales			
External sales	95.2	39.2	> 100
Internal sales	60.7	53.0	15
Total sales	**155.9**	**92.2**	**69**
EBIT	**57.2**	**24.5**	**> 100**
EBIT margin	36.7 %	26.6 %	38
Depreciation	14.1	9.0	57
EBITDA	**71.3**	**33.5**	**> 100**
EBITDA margin	45.7 %	36.3 %	26
Investments	77.7	33.4	> 100
	Mar. 31, 2008	Dec. 31, 2007	
Number of employees	1,038	1,003	4

WACKER POLYSILICON reported continuing strong demand for polysilicon in the first quarter of 2008. The division set a new sales record, posting sales of €155.9 million, a 69 percent increase over the first quarter of 2007 (€92.2 million).

A significant increase in volumes resulted from the accelerated expansion of the 3,500 metric ton addition, Poly 6, during the fourth quarter 2007. In addition, higher prices from supply agreements with customers in the solar and semiconductor industries had a positive effect on sales and earnings. WACKER POLYSILICON saw significant growth in all regions. The biggest increases in sales were recorded in Germany and Asia.

Because of higher sales volumes and prices, WACKER POLYSILICON increased EBITDA in the first quarter to €71.3 million, more than doubling the first quarter 2007 result (€33.5 million). The EBITDA margin in first quarter of 2008 was 45.7 percent (Q1 2007: 36.3 percent).

WACKER POLYSILICON's investments in the first quarter of 2008 were €77.7 million (Q1 2007: €33.4 million). The primary focus was on the expansion of polysilicon production at Burghausen, Germany. Construction of new facilities is continuing on schedule. The division will increase its annual capacity for hyper-pure polycrystalline silicon to more than 22,000 metric tones by the end of 2010.

WACKER SCHOTT Solar GmbH, a new company formed in October 2007, focuses specifically on the photovoltaics growth market. The joint venture produces and sells silicon wafers for the solar industry. The construction of a new wafer plant at the location in Jena, Germany, proceeded on schedule during the reporting period and was completed by the end of March after a construction period of only six months. Together with the existing production facilities in Jena and Alzenau, Germany, this will increase the total capacity of WACKER SCHOTT Solar to 120 megawatts by the end of the year.

WACKER POLYSILICON had a total of 1,038 employees on March 31, 2008 (Dec. 31, 2007: 1,003).

SILTRONIC
Q1 2008

€ million	Q1 2008	Q1 2007	Change in %
Sales			
External sales	345.1	376.0	– 8
Internal sales	1.0	1.3	– 23
Total sales	**346.1**	**377.3**	**– 8**
EBIT	**80.2**	**96.3**	**– 17**
EBIT margin	23.2 %	25.5 %	– 9
Depreciation	33.8	34.1	– 1
EBITDA	**114.0**	**130.4**	**– 13**
EBITDA margin	32.9 %	34.6 %	– 5
Investments	19.6	16.3	20
	Mar. 31, 2008	Dec. 31, 2007	
Number of employees	5,651	5,634	0

Siltronic generated sales of €346.1 million in the reporting period, slightly less than the record level of the first quarter of 2007 (€377.3 million) but more than the prior quarter's sales (€343.2 million). The strong Euro was the major factor in slowing sales growth. On a currency-adjusted basis, Siltronic generated the highest sales of any quarter in the company's history.

While demand for 300 mm wafers grew steadily in the first quarter of 2008, the sales of 200 mm wafers and smaller diameters declined. On the other hand, sales of silicon monocrystals to the solar industry accelerated sales growth and had a positive impact on margins.

In the period from January through March 2008, Siltronic generated EBITDA of €114.0 million (Q1 2007: €130.4 million), resulting in an EBITDA margin of 32.9 percent (vs. 34.6 percent last year).

Siltronic invested €19.6 million during the first quarter of 2008 (Q1 2007: €16.3 million), partially to expand capacities for silicon monocrystals at the facility in Freiberg, Germany.

Siltronic already generates about two thirds of its sales in the Asian region, including Japan. The importance of Asia as Siltronic's most important regional market continues to grow as the new production facility for 300 mm wafers in Singapore, which Siltronic is constructing together with its partner Samsung Electronics, is beginning to operate. Production at the new wafer plant in Singapore will begin soon. Wafers were already produced for qualification purposes during the reporting period, and the official inauguration is planned for mid-June 2008.

On March 31, 2008, Siltronic had a total of 5,651 employees (Dec. 31, 2007: 5,634).

OTHER / OUTLOOK
Q1 2008

OTHER
Sales in Other came in at €68.4 million in the first quarter of 2008 (vs. €62.0 million into 2007). EBITDA for the period from January through March 2008 reached €1.2 million, up from €0.8 million last year.

OUTLOOK
In spite of the uncertainties regarding future global economic and industry trends, the WACKER Group has again set ambitious goals for the current fiscal year. We are optimistic that we will be able to increase Group sales in 2008, as in previous years, by clearly more than 10 percent. We also expect earnings before interest, taxes, depreciation and amortization (EBITDA) to further increase. The amount of increase in earnings will depend essentially on the further development of raw material and energy costs and on exchange rates.

In regard to our operations, the focus in the current fiscal year will be the startup of additional production facilities, including

- the new factory for production of 300 mm silicon wafers in Singapore,
- the plant for producing fumed silica in Zhangjiagang, China,
- and expansion stage 7 of polysilicon production at our location in Burghausen, Germany.

We expect to derive strategic competitive advantages and substantial growth potential for WACKER POLYMERS from the successful integration of the acquired activities and locations of the former joint ventures Air Products Polymers (APP) and Wacker Polymer Systems (WPS).

The joint venture with SCHOTT AG will enable us to increase our share of value added in the production of solar cells and systems. The joint venture WACKER SCHOTT Solar GmbH should become one of the largest manufacturers of solar wafers in the world.

Investments in the current fiscal year are expected to reach nearly €1 billion.

The Management Board

Munich, April 30, 2008

INTERIM FINANCIAL STATEMENTS
Q1 2008

INCOME STATEMENT

€ million	Q1 2008	Q1 2007	Change in %
Sales	**1,019.5**	943.7	8
Costs of goods sold	–700.6	–638.6	10
Gross profit from sales	**318.9**	305.1	5
Selling expenses	–59.8	–54.6	10
Research and development expenses	–38.3	–36.0	6
General administrative expenses	–26.0	–21.1	23
Other operating income	73.3	19.1	>100
Other operating expenses	–59.1	–24.2	>100
Operating result	**209.0**	188.3	11
Income from investments in joint ventures and associates	–10.3	–0.4	>100
EBIT (Earnings before interest and taxes)	**198.7**	187.9	6
Interest result	2.3	–0.6	n.m.
Other financial result	–2.2	–0.4	>100
Limited partnership interests	–0.9	–4.4	–80
Income before taxes	**197.9**	182.5	8
Income taxes	–67.3	–67.8	–1
Net income before minority interests	**130.6**	114.7	14
Minority interests	0.0	–0.2	–100
Net income attributable to Wacker Chemie AG shareholders	**130.6**	114.5	14
Earnings per share in €	**2.63**	2.30	14
Average number of shares outstanding (weighted)	49,677,983	49,677,983	0

BALANCE SHEET
Q1 2008

ASSETS

€ million	Mar. 31, 2008	Mar. 31, 2007	Change in %	Dec. 31, 2007	Change in %
Intangible assets, property, plant and equipment and investment property	2,275.3	1,943.1	17	2,135.0	7
Investments in associates	179.3	97.5	84	196.2	– 9
Financial assets	8.5	68.2	– 88	70.7	– 88
Other assets	95.7	36.0	> 100	75.7	26
Deferred taxes	16.9	6.9	> 100	13.0	30
Non-current assets	2,575.7	2,151.7	20	2,490.6	3
Inventories	477.9	428.5	12	403.5	18
Trade receivables	540.5	550.4	– 2	460.6	17
Other assets	229.7	169.6	35	196.9	17
Cash and cash equivalents	403.0	157.6	> 100	366.5	10
Current assets	1,651.1	1,306.1	26	1,427.5	16
Total assets	4,226.8	3,457.8	22	3,918.1	8

LIABILITIES AND EQUITY

€ million	Mar. 31, 2008	Mar. 31, 2007	Change in %	Dec. 31, 2007	Change in %
Subscribed capital	260.8	260.8	0	260.8	0
Capital reserves	157.4	157.4	0	157.4	0
Treasury shares	– 45.1	– 45.1	0	– 45.1	0
Other equity	1,520.5	1,310.3	16	1,477.2	3
Minority interests	15.0	16.0	– 6	15.3	– 2
Equity	1,908.6	1,699.4	12	1,865.6	2
Minority interests in limited partnership capital	0.0	36.2	– 100	32.6	– 100
Provisions for pensions	374.4	359.2	4	369.2	1
Other provisions	250.8	198.3	27	245.0	2
Deferred taxes	53.3	30.9	73	40.4	32
Financial liabilities	151.0	248.3	– 39	164.2	– 8
Other liabilities	718.3	328.3	> 100	609.5	18
Non-current liabilities	1,547.8	1,201.2	29	1,460.9	6
Other provisions	62.6	66.3	– 6	37.4	67
Financial liabilities	99.2	51.9	91	53.6	85
Trade liabilities	276.9	198.4	40	241.8	15
Other liabilities	331.7	240.6	38	258.8	28
Current liabilities	770.4	557.2	38	591.6	30
Liabilities	2,318.2	1,758.4	32	2,052.5	13
Total liabilities and equity	4,226.8	3,457.8	22	3,918.1	8

STATEMENT OF CASH FLOWS
Q1 2008

€ million	Q1 2008	Q1 2007	Change in %
Net income before minority interests / Net income after taxes	130.6	114.7	14
Depreciation and amortization	92.4	77.6	19
Changes in provisions	36.2	37.2	– 3
Changes in deferred taxes	– 2.6	17.2	n.m.
Changes in inventories	– 54.2	– 21.4	> 100
Changes in trade receivables	– 38.3	– 71.4	– 46
Changes in other assets	– 25.4	16.6	n.m.
Changes in prepayments received	86.8	104.8	– 17
Changes in other liabilities	97.1	43.7	> 100
Other non-cash expenses and income	– 3.6	5.1	n.m.
Cash flow from operating activities (gross cash flow)	319.0	324.1	– 2
Payments related to intangibles and property, plant and equipment	– 154.1	– 100.5	53
Proceeds from disposal of intangibles and property, plant and equipment	5.2	0.6	> 100
Investments in acquisitions	– 173.4	0.0	n.m.
Cash flow from investing activities	– 322.3	– 99.9	> 100
Net cash flow	– 3.3	224.2	n.m.
Capital contributions from minority interests	2.4	0.0	n.m.
Dividends paid on prior year's result	– 0.2	– 0.1	100
Changes in financial liabilities	38.6	– 109.3	n.m.
Cash flow from financing activities	40.8	– 109.4	n.m.
Changes in cash due to exchange rate fluctuations	– 1.0	– 0.1	> 100
Changes in cash and cash equivalents	36.5	114.7	– 68
At beginning of year	366.5	42.9	> 100
At end of period	403.0	157.6	> 100

STATEMENT OF CHANGES IN EQUITY
Q1 2008

€ million	Subscribed capital	Capital reserves	Treasury shares	Retained earnings/ Net Income	Translation adjustment	Direct changes	Minority interests	Total
As per 01.01.2007	260.8	157.4	– 45.1	1,243.5	– 58.5	11.8	15.9	**1,585.8**
Net income				114.5			0.2	**114.7**
Financial instruments						1.8		**1.8**
				114.5		1.8	0.2	**116.5**
Dividends paid							– 0.1	**– 0.1**
Currency translation effects					– 2.8			**– 2.8**
As per 31.03.2007	260.8	157.4	– 45.1	1,358.0	– 61.3	13.6	16.0	**1,699.4**
As per 01.01.2008	260.8	157.4	– 45.1	1,541.3	– 93.7	29.6	15.3	**1,865.6**
Net income				130.6				**130.6**
Financial instruments						18.6		**18.6**
				130.6		18.6		**149.2**
Dividends paid							– 0.2	**– 0.2**
Capital contribution							2.4	**2.4**
Currency translation effects					– 23.0		– 0.7	**– 23.7**
Change from increase in interests				– 82.9			– 1.8	**– 84.7**
As per 31.03.2008	260.8	157.4	– 45.1	1,598.0	– 116,7	48.2	15.0	**1,908.6**

NOTES
Q1 2008

ACCOUNTING AND VALUATION METHODS

The Group interim financial statements of Wacker Chemie AG have been prepared in accordance with the International Financial Reporting Standards (IFRS) applicable in the European Union on the reporting date cited above. The same standards were used for the Group's most recent annual financial statements.

CHANGES IN THE SCOPE OF CONSOLIDATION

The agreement signed in December 2007 regarding the acquisition of stakes previously held by Air Products and Chemicals, Inc. (Allentown, PA, USA) in several joint ventures became effective on January 31, 2008. In addition to acquiring the remaining 20 percent stake in the WPS Group companies in which WACKER already had a majority interest (Wacker Polymer Systems L.P., Wacker Polymer Systems General Partner Inc., and several Chinese WPS companies), WACKER increased its interest in Air Products Polymers Holdings, L.P., and in Air Products Korea, Inc. to acquire full ownership of each company. Air Products Polymers Holdings, L.P., is a sub-group holding company for the following APP companies: Air Products Polymers, L.P., Air Products Polymers GmbH & Co. KG, Air Products Polymers Verwaltungs GmbH and Air Products Polymers B.V. As such, Wacker attained full control of all APP companies as of the date of acquisition. Certain locations of Air Products Polymers, L.P., were not purchased along with the others but transferred by means of a non-proportional dividend to the previous majority shareholder. The APP companies were included in the scope of consolidation for the first time per February 1, 2008. The interim financial statements therefore include the full amount of the acquired assets and liabilities of these companies, while they include income and expenses for the months of February and March only. Including impairments, the acquisition had a negative effect of €4.1 million on net income.

The provisional purchase price, paid in cash, totals €213.4 million. Of this amount, €95.0 million is allotted to the former APP companies. Since the work involved in determining and evaluating the acquired assets, debts and contingent obligations of the APP companies is still ongoing as of the date of the release of the interim financial statements, first-time consolidation as of February 1 is shown in these interim financial statements on the basis of provisional values:

BALANCE SHEET VALUES OF FEBRUARY 1, 2008

€ million	
Intangible assets and property, plant and equipment	100.2
Inventories	26.0
Receivables and other assets	50.2
Cash and cash equivalents (net of financial liabilities)	37.2
Liabilities and provisions	– 47.9
Net assets	165.7
Cost of acquiring additional interests (including purchase price for remaining shares amounting to €95.0 million)	– 156.5
Difference	– 9.2
thereof positive difference for APP Korea	0.5
thereof negative difference for APP Holdings, L.P.	– 9.7

The cost of acquiring additional interests shown above includes acquisition cost now paid and previously shown under non-current financial assets. Treating the two tranches separately with regard to the resulting differences is not possible since information regarding market values of the assets and debts at that point in time is not available.

The payment for the acquisition, including first-time consolidation in the financial statements of cash and cash equivalents of APP Holdings amounting to €40.0 million, is shown as €173.4 million in the statement of cash flows.

Air Products Korea, Inc. was previously included at equity in the financial statements. With the transition to full consolidation, the equity adjustments of the past were eliminated with no effect to net income, and first-time consolidation of the two acquired stakes was carried out in accordance with the regulations on successive acquisition of stakes. The goodwill resulting from the stake purchased is also provisional and subject to purchase price allocation, which is not yet final. It may therefore change in subsequent interim financial statements.

The surplus resulting from the difference between the pro rata net assets and the acquisition cost of the interest in APP Holdings, L.P. is reported under other operating income. Carrying amounts as per the transaction date in accordance with applicable IFRS provisions are not available, since the information required could not be determined. Due to the withdrawal of assets and debts from the non-acquired locations of Air Products Polymers, L.P. a representation of consolidated sales and net income as of 1 January 2008 is not possible either because the figures required for this purpose cannot be determined without considerable effort and expense.

As a result of knowledge gained in the course of the integration regarding the associated production facilities at the U.S. locations, the Executive Board of Wacker Chemie AG decided to close the production facility in South Brunswick, New Jersey in 2009. This resulted in an asset impairment of €5.5 million and is reported in the interim financial statements, under other operating expenses.

SEGMENT REPORTING

Please refer to the interim management report for required information on segment reporting.

EXCHANGE RATES

During the reporting period and the previous year, the following exchange rates between the Euro and the USD were used for calculating foreign currency positions and for the financial statements of companies whose functional currency is the USD:

	Due date rate		Average rate	
	Mar. 31, 08	Mar. 31, 07	Q1 2008	Q1 2007
US dollar	1.58	1.33	1.50	1.31

MAJOR EVENTS DURING THE REPORTING PERIOD

The events during the reporting period that are considered significant in terms of impact, nature and frequency are described in the interim management report.

EVENTS AFTER THE BALANCE SHEET DATE

No significant events occurred during the period after the balance sheet date for these interim financial statements and before their release.

RESPONSIBILITY STATEMENT

We hereby affirm, to the best of our knowledge and in accordance with the applicable reporting principles for interim reporting, that the interim consolidated financial statements give a true and fair view of the group's assets, liabilities, financial position and profit or loss. We also affirm that the group's interim management report presents a true and fair view of the development and performance of the group's business and position and also describes the principal opportunities and risks associated with the group's expected performance in the remaining months of the fiscal year.

Munich, April 30, 2008

Wacker Chemie AG

Peter-Alexander Wacker Rudolf Staudigl

Joachim Rauhut Auguste Willems

UPCOMING DATES

UPCOMING DATES

Annual Shareholder Meeting
on May 8, 2008, ICM, Munich

Capital Market Day
on June 12, 2008, London

The 2nd Quarter Report 2008 is scheduled for publication
on July 31, 2008.

The 3rd Quarter Report 2008 is scheduled for publication
on November 4, 2008.

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