REPORT ON THE 3RD QUARTER 2007

JULY – SEPTEMBER 2007

CREATING TOMORROW'S SOLUTIONS

WACKER AT A GLANCE

€ million	Q3 2007	Q3 2006	Change in %	9M 2007	9M 2006	Change in %
Sales	958.5	857.3	12	2,861.2	2,486.2	15
EBITDA[1]	269.9	217.9	24	796.2	597.2	33
EBITDA margin[2]	28.2 %	25.4 %	11	27.8 %	24.0 %	16
EBIT[3]	186.8	139.5	34	552.9	357.0	55
EBIT margin[2]	19.5 %	16.3 %	20	19.3 %	14.4 %	35
Financial result	– 6.1	– 7.4	– 18	– 17.7	– 36.3	– 51
Income before taxes	180.7	132.1	37	535.2	320.7	67
Net income attributable to Wacker Chemie AG shareholders	120.6	95.1	27	365.1	227.8	60
Earnings per share in €	2.43	1.91	27	7.35	4.77	54
Investments (incl. financial assets)	144.5	108.1	34	416.2	280.5	48
Net cash flow	257.0	134.8	91	603.3	172.5	> 100

€ million	Sep. 30 2007	Sep. 30 2006	Dec. 31 2006
Equity	1,815.4	1,503.0	1,585.8
Financial liabilities	293.8	437.0	409.9
Provisions for pensions	363.8	362.6	354.8
Net financial debt	– 100.6	382.4	367.0
Total assets	3,852.3	3,110.4	3,258.2
Employees (number at end of period)	14,969	14,654	14,668

[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 period before interest and other financial result, limited partnership interests, and income taxes.

REPORT ON THE 3RD QUARTER 2007

- **Group sales increased in Q3 2007 by 12 per cent to €958 million compared with the previous year**
- **Earnings before interest, tax, depreciation and amortization (EBITDA) rose by 24 per cent to €270 million in the same period; EBITDA margin reached 28 per cent**
- **Earnings per share from July to September 2007 totaled €2.43**
- **2007 group sales are expected to be 14 per cent higher than in the previous year; EBITDA margin around 26 per cent**

Dear Shareholders:

During the third quarter the WACKER Group performed at the same high level as in previous quarters. Sales once again increased markedly (12 per cent) compared with the third quarter a year earlier, and earnings before interest, depreciation and amortization (EBITDA) also rose by 24 per cent. Demand remains strong for many of the Group's products such as polysilicon and dispersible polymer powders for the construction industry. Our production facilities have a correspondingly high capacity utilization rate. The current strategic investment projects and the new WACKER SCHOTT Solar joint venture, which will manufacture silicon wafers, are opening up additional attractive development prospects for WACKER that promise a profitable future.

The Global Economic Situation: Robust and Dynamic Growth at a High Level

The global economy in the second half of 2007 remains in a strong growth phase, which so far has been affected to only a limited extent by the US sub-prime mortgage crisis and the resulting increase in financial market volatility. However, the overall economic risks have certainly increased due to such factors as the current strength of the euro and the high price of oil. Nevertheless, economic research institutes are still forecasting that global economic expansion will be weakened only slightly.
In their current autumn report, German experts are predicting that production will increase worldwide by 2.9 per cent and 2.7 per cent in 2007 and 2008, respectively.[1]

Germany's leading economic institutes estimate that GDP in the euro zone will grow throughout 2007 by 2.6 per cent compared with the previous year's figure. Although turbulence in the financial markets has dampened the optimism of companies and households, the experts still expect that real GDP in the euro zone will also continue to rise in 2008 by as much as 2.1 per cent.[1]

The leading German economic research institutes believe that domestic demand will pick up in the course of the year and that foreign demand will also increase somewhat.[1] Real GDP is predicted to rise by 2.6 per cent in 2007. Next year's growth rate is expected to be a more moderate 2.2 per cent. However, it is believed that expansionary forces will remain intact in spite of the economic slowdown.

The German chemical industry association (VCI) reports that its member companies in Germany have seen sales increase by 9 per cent year-on-year in the third quarter of 2007, and VCI does not expect the upswing to end anytime soon.[2] On the basis of the price and volume growth, VCI expects another strong rise in sales in the chemical industry in the last three months of the current year.

[1] Projektgruppe Gemeinschaftsdiagnose, Gemeinschaftsdiagnose Herbst 2007, Essen, 16. Oktober 2007
[2] Verband der Chemischen Industrie e.V. (VCI), Quarterly Report: The business situation of the German chemical industry in the 3rd quarter 2007, Frankfurt, November 1, 2007

According to the latest forecast by the Gartner Group, the global market for silicon wafers will continue to grow vigorously in 2007, driven primarily by the 300 mm wafer market segment. In terms of surface area sold, the market grew by 7.6 per cent in the third quarter compared with the previous year, according to experts' estimates.[3] Based on the figures for semiconductors, growth in surface area is running at 4.8 per cent compared with last year.[4]

Trends in Sales and Earnings of the WACKER Group: Growth at a High Level

Thanks to significant increases in sales volumes and, in some cases, higher prices for important product groups, the WACKER Group was able to boost both sales and earnings during the third quarter of the current fiscal year. Consolidated sales revenue rose during the reporting period (July 1 to September 30, 2007) to a total of € 958.5 million (Q3 2006: € 857.3 million), representing a year-on-year increase of about 12 per cent. Volume increases accounted for 10 per cent of this growth, while higher prices contributed 6 per cent. However, exchange rate effects reduced sales by 4 per cent. Cumulative group sales for the first nine months of 2007 total € 2.86 billion (previous year: € 2.49 billion). This represents an increase of about 15 per cent compared with the same period in 2006.

The main impetus for growth in the third quarter of 2007 came from WACKER POLYSILICON. This division succeeded in boosting its sales to € 126.0 million, an increase of about 57 per cent over the prior-year figure of € 80.4 million and a new record level. The main driver behind this leap in sales was the accelerated startup of new production capacity in expansion phase 6 at the Burghausen site. The resultant surplus, which was not covered by contracts, was sold on the spot market.

WACKER POLYSILICON posted sales of € 316.1 million (previous year: € 243.8 million) during the first nine months of fiscal year 2007, an increase of around 30 per cent.

WACKER POLYMERS also continued its dynamic growth during the reporting period, principally because of sustained high demand from the construction industry. In the third quarter of 2007, WACKER POLYMERS generated sales of € 166.5 million (previous year: € 152.8 million). Compared with the comparable prior-year quarter, this represents an increase of 9 per cent. From January to September 2007 the division posted total sales of € 482.9 million (previous year: € 421.6 million), thereby exceeding last year's figure by about 15 per cent.

As in the past, the largest divisional contributions to group sales came from Siltronic and WACKER SILICONES. Siltronic generated sales of € 360.2 million in the third quarter of 2007 (Q3 2006: € 330.7 million). During the nine-month period from January 1 to September 30, 2007, sales in each of these two divisions exceeded the 1 billion mark for the first time. With cumulative sales of € 1.11 billion (previous year: € 917.4 million) in the three completed quarters of 2007, Siltronic exceeded the prior-year figure by about 21 per cent. WACKER SILICONES improved by a good 7 per cent compared with the previous year's level, reaching € 1.04 billion in sales (previous year: € 971.5 million).

WACKER FINE CHEMICALS was not able to equal the sales of the prior-year quarter following the reorganization of its custom fine chemicals business. At € 24.3 million (previous year € 26.3 million), sales lagged behind the comparable value for 2006 by about 8 per cent. WACKER FINE CHEMICALS generated total sales of € 86.9 million (previous year: € 87.8 million) from January to September 2007, thereby approaching the level of the previous year.

[3] Gartner Dataquest, Silicon Quarterly Demand Forecast, October 2007
[4] SEMI Silicon Manufacturers Group (SMG), Press Release, San Jose, November 6, 2007

Asia still the Front-Runner for Sales and Growth Rate

With sales of €318.2 million (previous year: €252.7 million), Asia once again accounted for the lion's share of the WACKER Group's total sales in the third quarter of 2007. Sales from customers in this region grew by almost 26 per cent compared with the prior-year quarter. The Siltronic division benefited in particular from a dynamic demand trend in Asian markets. WACKER's sales in Europe – excluding Germany – rose by 6 per cent to €255.2 million (Q3 2006: €240.7 million). Business growth in Germany was also encouraging. Sales there increased by about 12 per cent to €193.8 million (previous year: €173.3 million). Business in the Americas, on the other hand, was slightly weaker. There the WACKER Group posted sales of €162.6 million in Q3 2007, about the same level as the prior-year period (€163.5 million). This was due primarily to the significant weakening of the US dollar compared to the previous year. When adjusted for the currency effect, growth would have reached ca. 7 per cent. In the other regions, the Group increased its sales by about 6 per cent to €28.7 million (Q3 2006: €27.1 million).

WACKER Group sales show the following regional distribution for the third quarter and the first nine months of 2007:

€ million	Q3 2007	Q3 2006	Change in %	9M 2007	9M 2006	Change in %
Asia	318.2	252.7	26	938.6	696.0	35
Europe (excl. Germany)	255.2	240.7	6	792.5	721.7	10
Germany	193.8	173.3	12	542.4	489.8	11
Americas	162.6	163.5	–1	500.0	503.1	–1
Other regions	28.7	27.1	6	87.7	75.6	16

EBITDA Margin Reaches Approximately 28 Per Cent

Significant volume increases, strong earnings growth in the WACKER POLYSILICON division as well as higher prices for some important product groups have once again helped WACKER achieve a major boost in earnings power. Higher charges resulting from exchange rate effects and from higher raw material and energy costs were more than compensated. In the third quarter of 2007, the Group reported earnings before interest, tax, depreciation and amortization (EBITDA) of €269.9 million (previous year: €217.9 million). This represents an increase of about 24 per cent compared with the third quarter of 2006. The Group's EBITDA margin reached 28.2 per cent in Q3 2007 (previous year: 25.4 per cent). Over the nine-month period from January to September 2007, EBITDA totaled €796.2 million (previous year: €597.2 million), with an EBITDA margin of 27.8 per cent (previous year: 24.0 per cent).

The WACKER Group's earnings before interest and tax (EBIT) in the third quarter of 2007 reached €186.8 million (Q3 2006: €139.5 million), a year-on-year gain of 34 per cent. This represents an EBIT margin of 19.5 per cent (Q3 2006: 16.3 per cent). Cumulative earnings (EBIT) for the WACKER Group in the period from January to September 2007 totaled €552.9 million (previous year: €357.0 million), yielding an EBIT margin of 19.3 per cent (previous year: 14.4 per cent).

The strongest growth in earnings – both as a percentage and in absolute figures – was recorded by WACKER POLYSILICON in the third quarter of 2007. The division reported EBITDA totaling €49.4 million, thereby exceeding the prior-year level by 53 per cent (Q3 2006: €32.2 million). In the third quarter of 2007 WACKER SILICONES generated EBITDA of €68.3 million (previous year: €63.2 million), up 8 per cent from a year ago. Siltronic posted EBITDA of €115.0 million (previous year: €98.2 million) for the reporting period from July to September 2007, an increase of 17 per cent. On the other hand, WACKER POLYMERS and WACKER FINE CHEMICALS exceeded their respective prior-year figures only slightly.

Earnings per Share for the Third Quarter Total €2.43

Group earnings (net income attributable to Wacker Chemie AG shareholders) in the third quarter of 2007 totaled €120.6 million, up 27 per cent (Q3 2006: €95.1 million). Earnings per share increased to €2.43 (Q3 2006: €1.91) for the reporting period. During the nine months from January to September 2007, group net income reached €365.1 million (previous year: €227.8 million), an increase of 60 per cent.

Net Cash Flow

Net cash flow for the WACKER Group grew by 91 per cent during the reporting period to €257.0 million (previous year: €134.8 million). The decisive factors behind this increase were strong business performance and, in particular, prepayments received from customers for future polysilicon deliveries. These prepayments contributed €102.5 million (previous year: €35.7 million) to the net cash flow for the quarter. Total prepayments received from customers, primarily for future polysilicon deliveries, amounted to €597.6 million at the end of the quarter (previous year: €137.0 million).

Strategic Investment Projects Continue as Planned

Between July and September 2007, the WACKER Group invested €144.5 million (previous year: €108.1 million) in tangible fixed assets, intangible assets and financial assets. This is equivalent to an increase of 34 per cent. Investment activity in the third quarter of 2007 remained focused on ongoing strategic growth projects in the business divisions:

– WACKER SILICONES: construction of a production complex for siloxane and fumed silica as a joint project with Dow Corning and expansion of downstream silicone production at Zhangjiagang (China)

– WACKER POLYMERS: expansion of dispersible polymer powder production at the Burghausen site and construction of a new integrated site for dispersions and dispersible polymer powders in Nanjing (China)

– WACKER POLYSILICON: expansion of Burghausen's polysilicon production capacity to more than 22,000 metric tons per year

– Siltronic: expansion of 300 mm silicon wafer capacities at Burghausen and construction of a new 300 mm wafer production facility in Singapore in partnership with Samsung Electronics Co., Ltd.

Sustained Growth Means Increased Workforce

As of September 30, 2007, WACKER employed a global workforce of 14,969 people (June 30, 2007: 14,892). The number of employees in the group has therefore increased by about 1 per cent compared with the end of the second quarter. The workforce additions are closely linked to the ongoing expansion projects in Germany and Asia. WACKER's German sites had a total of 11,559 employees as of September 30, 2007 (June 30, 2007: 11,513), and its international locations had 3,410 (June 30, 2007: 3,379).

Setting the Strategic Course for Further Growth: Joint Ventures with SCHOTT AG

On August 2, 2007 Wacker Chemie AG and SCHOTT Solar GmbH, a wholly owned subsidiary of SCHOTT AG, signed an agreement establishing two joint ventures for the manufacture and sale of silicon wafers to the solar industry. WACKER will supply the new company, WACKER SCHOTT Solar GmbH, with hyperpure polycrystalline silicon for wafers, the majority of which will be processed into solar cells by SCHOTT. Plans are to expand silicon wafer production capacity to about 1 gigawatt per annum by 2012. Accordingly, both partners are intending to invest a total of €370 million jointly over the coming years at sites in Jena (Thuringia) and Alzenau (Bavaria), creating at least 700 new jobs. WACKER SCHOTT Solar GmbH will be starting up production of multicrystalline silicon ingots and wafers in 2007. For WACKER, this forward integration into solar wafer production represents another important step in expanding its value-added activity in the strategically important growth segment of photovoltaics. On October 12, WACKER and SCHOTT completed the establishment of WACKER SCHOTT Solar GmbH, and the cornerstone for the new wafer production facility in Jena was laid on October 29.

Wacker Chemie AG had already announced on July 16, 2007, that it was going to build a new plant for manufacturing granular polysilicon for the solar industry at its Burghausen site. The new facility will have a nominal production capacity of 650 metric tons per year and is scheduled to go into production at the end of 2008.

New Motivation for Cooperation Between Industry and Science

To strengthen basic silicon-chemistry research and guarantee a rapid transfer of knowledge from research to industry, the WACKER Group has provided €6 million to fund a silicon-chemistry institute and a WACKER chair of macromolecular chemistry at the Technical University of Munich. The insignia for the two new academic endowments were presented in a ceremony held at the end of July.

The WACKER Silicone Award is now in its 12th year, and its winner receives €10,000. At the end of July 2007, the WACKER Group gave this year's award to Prof. Dr. Yitzak Apeloig, President of the Israel Institute of Technology in Haifa. The WACKER Silicone Award is one of the most prestigious prizes in the field of silicon chemistry.

Joint Ventures with Air Products

In the spring of 2006, joint venture partner Air Products and Chemicals Inc. informed WACKER of its intention to withdraw from their joint ventures (Air Products Polymers and Wacker Polymer Systems), and then started the divestiture process. WACKER and Air Products are now engaged in detailed contract negotiations regarding WACKER's takeover of the shares held by Air Products both in Air Products Polymers (together with the vinyl acetate-ethylene business) and in Wacker Polymer Systems.

OVERVIEW OF FINANCIAL POSITION

Condensed income statement						
€ million	Q3 2007	Q3 2006	Change in %	9M 2007	9M 2006	Change in %
Sales	**958.5**	**857.3**	**12**	**2,861.2**	**2,486.2**	**15**
Gross profit from sales	**310.4**	**251.2**	**24**	**922.5**	**711.9**	**30**
Selling, research and develop. and general administrative expenses	−121.8	−113.0	8	−353.8	−342.1	3
Other operating income and expenses	1.4	5.0	−72	−17.0	−18.1	−6
Operating result	**190.0**	**143.2**	**33**	**551.7**	**351.7**	**57**
Income from investments	−3.2	−3.7	−14	1.2	5.3	−77
EBIT	**186.8**	**139.5**	**34**	**552.9**	**357.0**	**55**
Financial result	−6.1	−7.4	−18	−17.7	−36.3	−51
Income before taxes	**180.7**	**132.1**	**37**	**535.2**	**320.7**	**67**
Income taxes	−60.3	−36.7	64	−169.6	−92.3	84
Net income before minority interests	**120.4**	**95.4**	**26**	**365.6**	**228.4**	**60**
Minority interests	0.2	−0.3	n.m.	−0.5	−0.6	−17
Net income attributable to Wacker Chemie AG shareholders	**120.6**	**95.1**	**27**	**365.1**	**227.8**	**60**

Earnings per share in €	**Q3 2007**	**Q3 2006**	**Change in %**	**9M 2007**	**9M 2006**	**Change in %**
Earnings per share	2.43	1.91	27	7.35	4.77	54
Average number of shares outstanding (weighted)	49,677,983	49,677,983	0	49,677,983	47,716,909	4

Reconciliation to EBITDA in € million	**Q3 2007**	**Q3 2006**	**Change in %**	**9M 2007**	**9M 2006**	**Change in %**
EBIT	186.8	139.5	34	552.9	357.0	55
Depreciation and amortization	83.1	78.4	6	243.3	240.2	1
EBITDA	269.9	217.9	24	796.2	597.2	33

Notes to the Results of Operations

The continuing very high level of production capacity utilization and price increases have meant that the 15 per cent rise in sales revenue to €2.86 billion during the first nine months of 2007 (previous year: €2.49 billion), as presented above, more than offset the 9 per cent increase in manufacturing costs to €1.94 billion (previous year: €1.77 billion). Gross profit therefore jumped by 30 per cent to €922.5 million (previous year: €711.9 million). WACKER was able to absorb negative effects on sales arising from exchange rate fluctuations, as well as adverse effects on manufacturing costs resulting from price increases for raw materials.

Although selling, research and development, and general administrative expenses did not increase by a significant amount, other operating income and expenses grew substantially due to higher exchange rate income and expenses. This resulted in a positive balance, although in absolute terms it declined by €1.1 million to €-17.0 million. This was due to the fact that exchange rate gains outstripped losses, primarily as the result of exchange rate hedging.

Income from investments fell by 77 per cent during the first nine months to €1.2 million (previous year: €5.3 million), reflecting startup losses from the joint ventures with Samsung and Dow Corning.

The financial results, on the other hand, improved by 51 per cent to €-17.7 million, up from €-36.3 million the previous year. The high inflow of liquidity from operations and from the increase in prepayments received helped to reduce financial liabilities significantly and to transfer significant funds to a temporary cash investment. Thus the interest result (balance of interest expense and interest income) during the first nine months of the current fiscal year improved by 90 per cent to €-2.2 million (previous year: €-22.1 million). The two other components that make up the financial results displayed a negative trend, although the absolute changes were minimal.

Tax expenses increased from €92.3 million to €169.6 million. The low tax expenses of the previous year were due to tax losses carried forward. The overall tax rate for the first nine months of 2007 was 32 per cent compared with 29 per cent in the previous year. The rate for the third quarter totaled 33 per cent (previous year: 28 per cent).

Condensed balance sheet

€ million	Sep. 30 2007	Sep. 30 2006	Change in %	Dec. 31 2006	Change in %
ASSETS					
Intangible assets, property, plant and equipment	2,038.9	1,880.2	8	1,935.4	5
Investments in associates	126.4	15.3	> 100	98.3	29
Other non-current assets	159.8	106.3	50	112.5	42
Non-current assets	**2,325.1**	**2,001.8**	**16**	**2,146.2**	**8**
Inventories	427.2	386.6	11	407.9	5
Trade receivables	537.3	509.7	5	475.7	13
Other current assets	562.7	212.3	> 100	228.4	> 100
Current assets	**1,527.2**	**1,108.6**	**38**	**1,112.0**	**37**
Total assets	**3,852.3**	**3,110.4**	**24**	**3,258.2**	**18**
LIABILITIES AND EQUITY					
Equity	**1,815.4**	**1,503.0**	**21**	**1,585.8**	**14**
Minority interests in limited partnership capital	31.4	28.8	9	31.8	–1
Provisions	599.4	561.0	7	543.8	10
Financial liabilities	236.2	377.8	–37	321.9	–27
Other liabilities	586.8	135.1	> 100	235.0	> 100
of which prepayments received	550.5	113.6	> 100	217.8	> 100
Non-current liabilities	**1,453.8**	**1,102.7**	**32**	**1,132.5**	**28**
Financial liabilities	57.6	59.2	–3	88.0	–35
Trade liabilities	211.3	206.4	2	205.9	3
Other provisions and liabilities	314.2	239.1	31	246.0	28
Current liabilities	**583.1**	**504.7**	**16**	**539.9**	**8**
Liabilities	**2,036.9**	**1,607.4**	**27**	**1,672.4**	**22**
Total liabilities and equity	**3,852.3**	**3,110.4**	**24**	**3,258.2**	**18**

Notes to Net Assets

Total assets increased by 18 per cent compared with the value on December 31, 2006, to €3.85 billion (previous year: €3.26 billion). The investment-related increase in property, plant and equipment and financial assets helped boost non-current assets. As for current assets, the expansion of operations resulted in increases in inventories, trade receivables and liquid funds.

Investments are running at a significantly higher level than depreciation and amortization, which has resulted in an increase of €103.5 million in book values in the areas of property, plant and equipment as well as intangible assets. At the same time, investments have been made in the Siltronic AG joint venture with Samsung; this is the primary reason why the book value of shares in associated companies valued at equity rose by 29 per cent to €126.4 million (previous year: €98.3 million).

The rise in other non-current assets was triggered primarily by higher accrued VAT due to prepayments received. Deferred tax assets increased as a result of the expected tax write-down of losses relating to a Siltronic company in Asia.

Equity increased by 14 per cent to €1.8 billion (previous year: €1.6 billion), chiefly due to the balance of net income (€365.1 million compared with €227.8 million in the previous year) and the profit distribution in the second quarter (€124.5 million, up from €71.0 million in the previous year). Conversion of quarterly financial statements of Group companies outside Germany reduced equity by €26.7 million in the first nine months of the fiscal year but did not affect net income.

The most significant change in non-current liabilities concerns the 27 per cent reduction in financial liabilities to €236.2 million (previous year: €321.9 million). This amount includes liabilities from finance leasing. The other non-current liabilities include prepayments received amounting to €550.5 million, representing an increase of €332.7 million from the balance sheet date of the previous year.

Overall, current liabilities have increased slightly. This is the result of a rather marked 86 per cent increase in current provisions – particularly tax provisions – to €80.7 million (previous year: €43.4 million) as well as a 35 per cent decline in financial liabilities to €57.6 million (previous year: €88.0 million).

Condensed statement of cash flows			
€ million	**9M 2007**	**9M 2006**	**Change in %**
Net income before minority interests	365.6	228.4	60
Depreciation and amortization	243.3	240.2	1
Changes in inventories	–25.0	–12.3	>100
Changes in trade receivables	–62.6	–101.4	–38
Changes in other assets	12.4	–22.7	n.m.
Changes in prepayments received	345.1	115.9	>100
Other non-cash expenses and income	127.7	44.5	>100
Cash flow from operating activities (gross cash flow)	**1,006.5**	**492.6**	**>100**
Cash flow from investing activities	**–403.2**	**–320.1**	**26**
Net cash flow	**603.3**	**172.5**	**>100**
Increase in partners' shares	0.0	12.6	–100
Dividends paid on prior year's result	–124.5	–71.0	75
Sale of own shares	0.0	408.7	–100
Limited partnership capital drawdown	–13.9	–11.6	20
Changes in financial liabilities	–112.5	–490.3	–77
Cash flow from financing activities	**–250.9**	**–151.6**	**66**
Changes in cash due to exchange rate fluctuations and changes in the scope of consolidation	–0.9	–1.0	–10
Changes in cash and cash equivalents	**351.5**	**19.9**	**>100**
At beginning of year	42.9	34.7	24
At end of period	394.4	54.6	>100

Notes to the Financial Position

The cash flow from operating activities (gross cash flow) more than doubled during the first nine months of the fiscal year, rising by €513.9 million to €1,006.5 million (previous year: €492.6 million). One of the main drivers of this increase was net income before minority interests which, together with the adjustment resulting from setting up provisions, increased cash flow by €216.8 million over the prior-year period. In addition, further prepayments received boosted cash flow by €345.1 million; in the previous year this had resulted in an increase of €115.9 million.

Although inventories and trade receivables increased – as presented above – the related liquidity outflow was €26.1 million lower than in the previous year.

Cash flow from investment activities increased by 26 per cent during the period under review to €403.2 million (previous year: €320.1 million), primarily as the result of the investment projects.

Net cash flow, which is the sum of the cash flow from operating activities (gross cash flow) and the cash flow from investment activities, increased accordingly by almost 250 per cent to €603.3 million (previous year: €172.5 million). This amount was used for profit distributions totaling €124.5 million – the vast majority to the shareholders of Wacker Chemie AG. Furthermore, distributions were made to minority shareholders in WPS GmbH & Co. KG, financial liabilities were reduced, as shown above, and short-term financial investments were increased.

BUSINESS DIVISION RESULTS

Sales

€ million	Q3 2007	Q3 2006	Change in %	9M 2007	9M 2006	Change in %
WACKER SILICONES	341.1	321.2	6	1,042.7	971.5	7
WACKER POLYMERS	166.5	152.8	9	482.9	421.6	15
WACKER FINE CHEMICALS	24.3	26.3	−8	86.9	87.8	−1
WACKER POLYSILICON	126.0	80.4	57	316.1	243.8	30
Siltronic	360.2	330.7	9	1,108.4	917.4	21
Corporate Functions/Other	61.5	49.7	24	183.5	154.7	19
Consolidation	−121.1	−103.8	17	−359.3	−310.6	16
Group sales	**958.5**	**857.3**	**12**	**2,861.2**	**2,486.2**	**15**

EBIT

€ million	Q3 2007	Q3 2006	Change in %	9M 2007	9M 2006	Change in %
WACKER SILICONES	47.9	42.1	14	139.1	132.0	5
WACKER POLYMERS	27.7	26.7	4	88.0	70.7	24
WACKER FINE CHEMICALS	−0.2	−1.8	−89	3.6	1.3	>100
WACKER POLYSILICON	37.4	24.4	53	86.3	65.4	32
Siltronic	78.8	63.1	25	262.7	134.0	96
Corporate Functions/Other	−5.6	−15.5	−64	−27.2	−45.5	−40
Consolidation	0.8	0.5	60	0.4	−0.9	n.m.
Group EBIT	**186.8**	**139.5**	**34**	**552.9**	**357.0**	**55**

EBITDA

€ million	Q3 2007	Q3 2006	Change in %	9M 2007	9M 2006	Change in %
WACKER SILICONES	68.3	63.2	8	200.6	195.0	3
WACKER POLYMERS	32.2	31.0	4	100.9	84.1	20
WACKER FINE CHEMICALS	0.8	−0.2	n.m.	8.2	8.7	−6
WACKER POLYSILICON	49.4	32.2	53	117.7	86.1	37
Siltronic	115.0	98.2	17	368.2	240.5	53
Corporate Functions/Other	3.4	−7.0	n.m.	0.1	−16.3	n.m.
Consolidation	0.8	0.5	60	0.5	−0.9	n.m.
Group EBITDA	**269.9**	**217.9**	**24**	**796.2**	**597.2**	**33**

WACKER SILICONES

€ million	Q3 2007	Q3 2006	Change in %	9M 2007	9M 2006	Change in %
Sales						
External sales	329.6	311.5	6	1,007.4	940.2	7
Internal sales	11.5	9.7	19	35.3	31.3	13
Total sales	**341.1**	**321.2**	**6**	**1,042.7**	**971.5**	**7**
EBIT	**47.9**	**42.1**	**14**	**139.1**	**132.0**	**5**
EBIT margin	14.0 %	13.1 %	7	13.3 %	13.6 %	–2
Depreciation	20.4	21.1	–3	61.5	63.0	–2
EBITDA	**68.3**	**63.2**	**8**	**200.6**	**195.0**	**3**
EBITDA margin	20.0 %	19.7 %	2	19.2 %	20.1 %	–4
Investments	26.0	19.9	31	73.5	70.2	5
	Sep. 30 2007	Jun. 30 2007		Sep. 30 2007	Dec. 31 2006	
Number of employees	3,848	3,809	1	3,848	3,767	2

In the third quarter of 2007, WACKER SILICONES boosted total sales to €341.1 million (previous year: €321.2 million), a 6 per cent increase year-on-year.

The growth in sales resulted primarily from a further rise in sales volumes, with price increases also playing a role. Currency effects, though, had an adverse impact on sales. Business in Asia and Europe experienced especially strong growth. Sales in the Americas were at about the same level as a year earlier.

WACKER SILICONES expanded EBITDA during the third quarter of 2007 to €68.3 million, up 8 per cent (Q3 2006: €63.2 million). The EBITDA margin for the reporting period improved to 20.0 per cent (Q3 2006: 19.7 per cent). In view of the fact that the cost of raw materials, energy and transport will continue to rise in the next few quarters, the division announced price increases on October 17.

Investments, including those for constructing and expanding production facilities at Zhangjiagang (China), totaled €26.0 million (previous year: €19.9 million), 31 per cent higher than the total for the third quarter of 2006.

The number of employees at WACKER SILICONES rose to 3,848 by September 30, 2007 (June 30, 2007: 3,809).

WACKER POLYMERS

€ million	Q3 2007	Q3 2006	Change in %	9M 2007	9M 2006	Change in %
Sales						
External sales	164.1	150.0	9	476.2	413.7	15
Internal sales	2.4	2.8	–14	6.7	7.9	–15
Total sales	**166.5**	**152.8**	**9**	**482.9**	**421.6**	**15**
EBIT	**27.7**	**26.7**	**4**	**88.0**	**70.7**	**24**
EBIT margin	16.6 %	17.5 %	–5	18.2 %	16.8 %	9
Depreciation	4.5	4.3	5	12.9	13.4	–4
EBITDA	**32.2**	**31.0**	**4**	**100.9**	**84.1**	**20**
EBITDA margin	19.3 %	20.3 %	–5	20.9 %	19.9 %	5
Investments	10.4	4.5	>100	30.3	11.5	>100
	Sep. 30 2007	Jun. 30 2007		Sep. 30 2007	Dec. 31 2006	
Number of employees	1.099	1.084	1	1.099	1.050	5

Total sales at WACKER POLYMERS rose by 9 per cent year-on-year in the third quarter of 2007, reaching €166.5 million (previous year: €152.8 million).

The continuing strength of construction-sector demand explains the very dynamic growth of dispersible polymer powders. The division posted new sales records in this sector during the third quarter. Burghausen's new dryer, which was completed and successfully started up during the reporting period, played a key role. Production facilities at all sites were running at full capacity. Business development for functional polymers was less pronounced. The weak US dollar meant that sales by WACKER POLYMERS in the Americas lagged somewhat behind the prior-year figure. On the other hand, sales in Asia grew by more than 50 per cent compared with the previous year. The sales figures for Europe and other regions were also above the prior-year levels.

On the income side, WACKER POLYMERS improved EBITDA by 4 per cent to €32.2 million (Q3 2006: €31.0 million). Income growth did not keep in step with sales growth, principally because of major hikes in raw material costs as well as exchange rate effects. The EBITDA margin of 19.3 per cent (previous year: 20.3 per cent) was lower than in the prior-year quarter. In view of rising raw material costs, WACKER POLYMERS announced price increases for all product areas in October. The division invested €10.4 million (previous year: €4.5 million) in the third quarter of 2007. The focus was on expanding capacity for dispersible polymer powders at Burghausen, while additional funds were invested in constructing the new production complex for dispersible polymer powders in Nanjing (China).

As of September 30, 2007, WACKER POLYMERS employed 1,099 people (June 30, 2007: 1,084).

WACKER FINE CHEMICALS

€ million	Q3 2007	Q3 2006	Change in %	9M 2007	9M 2006	Change in %
Sales						
External sales	21.7	23.3	−7	78.1	79.1	−1
internal sales	2.6	3.0	−13	8.8	8.7	1
Total sales	**24.3**	**26.3**	**−8**	**86.9**	**87.8**	**−1**
EBIT	**−0.2**	**−1.8**	**−89**	**3.6**	**1.3**	**>100**
EBIT margin	−0.8 %	−6.8 %	−88	4.1 %	1.5 %	>100
Depreciation	1.0	1.6	−38	4.6	7.4	−38
EBITDA	**0.8**	**−0.2**	**n.m.**	**8.2**	**8.7**	**−6**
EBITDA margin	3.3 %	−0.8 %	n.a.	9.4 %	9.9 %	−5
Investments	2.2	1.5	47	6.4	3.5	83
	Sep. 30 2007	Jun. 30 2007		Sep. 30 2007	Dec. 31 2006	
Number of employees	277	298	−7	277	300	−8

In the third quarter of 2007, WACKER FINE CHEMICALS posted total sales of €24.3 million (previous year: €26.3 million), representing an 8 per cent drop against the prior-year figure.

The consolidation of business activities in custom fine chemicals and catalog products resulted in a decline in sales in this product segment. On the positive side, however, WACKER FINE CHEMICALS profited from the high demand for biotech products, particularly cyclodextrins and cysteine. New business involving customer projects for biotech pharmaceutical products was successfully acquired during the third quarter. Whereas the division's business volume declined in Europe, sales grew in the Americas and especially in Asia.

WACKER FINE CHEMICALS generated EBITDA of €0.8 million (previous year: €−0.2 million) from July to September 2007.

Investments by the division during the period under review totaled €2.2 million (previous year: €1.5 million).

As of September 30, 2007, WACKER FINE CHEMICALS employed 277 people (June 30, 2007: 298).

WACKER POLYSILICON

€ million	Q3 2007	Q3 2006	Change in %	9M 2007	9M 2006	Change in %
Sales						
External sales	72.8	31.0	>100	156.3	102.5	52
Internal sales	53.2	49.4	8	159.8	141.3	13
Total sales	**126.0**	**80.4**	**57**	**316.1**	**243.8**	**30**
EBIT	**37.4**	**24.4**	**53**	**86.3**	**65.4**	**32**
EBIT margin	29.7%	30.3%	−2	27.3%	26.8%	2
Depreciation	12.0	7.8	54	31.4	20.7	52
EBITDA	**49.4**	**32.2**	**53**	**117.7**	**86.1**	**37**
EBITDA margin	39.2%	40.0%	−2	37.2%	35.3%	5
Investments	61.0	44.4	37	138.4	100.0	38
	Sep. 30 2007	Jun. 30 2007		Sep. 30 2007	Dec. 31 2006	
Number of employees	954	939	2	954	875	9

WACKER POLYSILICON generated record sales revenue in Q3 2007. Total sales rose by 57 per cent year-on-year, reaching €126.0 million (previous year: €80.4 million).

Sales growth was fueled by higher prices and increased volumes in the polysilicon business. The Poly 6 expansion phase was completed ahead of schedule in the third quarter. The resultant surplus, which was not covered by contracts, was sold on the spot market. From a regional perspective, the division experienced its greatest growth in Asia. Sales there more than tripled compared with the prior-year period. The region is now contributing about 30 per cent to the division's sales. Sales volumes also increased significantly in Europe and the Americas.

WACKER POLYSILICON boosted EBITDA in the third quarter of 2007 by 53 per cent to €49.4 million (previous year: €32.2 million). This reflects an EBITDA margin of 39.2 per cent (previous year: 40.0 per cent), in spite of the fact that energy costs increased significantly year-on-year.

Investments in the third quarter totaling €61.0 million (previous year: €44.4 million) were channeled primarily into the ongoing expansion of production capacities for polysilicon (expansion phases 7 and 8) at the Burghausen site. As previously announced, a new plant is being built there for the production of granular polysilicon for the solar industry.

The number of employees at WACKER POLYSILICON had risen to 954 by September 30, 2007 (June 30, 2007: 939), due to the expansion of production capacities.

SILTRONIC

€ million	Q3 2007	Q3 2006	Change in %	9M 2007	9M 2006	Change in %
Sales						
External sales	358.2	329.5	9	1,103.4	913.0	21
Internal sales	2.0	1.2	67	5.0	4.4	14
Total sales	**360.2**	**330.7**	**9**	**1,108.4**	**917.4**	**21**
EBIT	**78.8**	**63.1**	**25**	**262.7**	**134.0**	**96**
EBIT margin	21.9 %	19.1 %	15	23.7 %	14.6 %	62
Depreciation	36.2	35.1	3	105.5	106.5	– 1
EBITDA	**115.0**	**98.2**	**17**	**368.2**	**240.5**	**53**
EBITDA margin	31.9 %	29.7 %	8	33.2 %	26.2 %	27
Investments	19.7	22.6	– 13	111.8	62.9	78
	Sep. 30 2007	Jun. 30 2007		Sep. 30 2007	Dec. 31 2006	
Number of employees	5,642	5,626	0	5,642	5,585	1

Siltronic generated sales revenue of € 360.2 million (previous year: 330.7 million) during the third quarter of 2007, an increase of 9 per cent over the prior-year level.

Sales growth was principally due to higher production volumes. Price and currency effects virtually offset each other. Sales declined slightly compared with the second quarter of 2007. The scheduled production “warm-down” of 300 mm wafer production at the Burghausen site had a major impact on sales. Following the expansion Siltronic increases its 300 mm wafer capacity at the site by 60,000 units per month. Siltronic was able to partially compensate for the planned decline in 300 mm wafer sales by increasing silicon-monocrystal sales to the solar industry. Generating nearly 60 per cent of Siltronic’s sales, the Asian market – including Japan – once again accounted for the lion’s share of the division’s sales total.

Siltronic boosted its Q3 EBITDA to € 115.0 million (previous year: €98.2 million), a 17 per cent rise over the comparable period a year earlier. This represents an EBITDA margin of 31.9 per cent (previous year: 29.7 per cent). Shifts in the product mix towards the 300 mm wafer, as well as sales to the solar industry and greater efficiency, had a positive effect on income overall, despite significant currency exchange losses.

Siltronic invested € 19.7 million (previous year: € 22.6 million) during the reporting period. The funds were invested mainly in the ongoing expansion of production capacity for 300 mm wafers at the Burghausen facility.

As of September 30, 2007, Siltronic employed 5,642 people (June 30, 2007: 5,626).

CORPORATE FUNCTIONS / OTHER OPPORTUNITIES AND RISKS, OUTLOOK

Corporate Functions / Other

Corporate Functions / Other posted total July to September sales in 2007 of €61.5 million (previous year: €49.7 million). This represents a year-on-year increase of 24 per cent, attributable to increased procurement of corporate services and to the higher energy costs that the Group passed on to its subsidiaries. EBITDA from Corporate Functions / Other in the third quarter of 2007 amounted to €3.4 million (previous year: €–7.0 million).

Opportunities and Risks

As one of the leading companies in the chemical and semiconductor sectors, WACKER is active in all the global markets. As a consequence, the Group has a number of specific entrepreneurial opportunities and risks. The main opportunities and risks are related to market dynamics, particularly in the semiconductor market and photovoltaics. Furthermore, changes in the EUR / USD exchange rate and price fluctuations of raw materials (silicon metal, methanol and ethylene) can have a significant impact.

For a detailed presentation of general risks, please refer to pages 60 to 62 of our 2006 Annual Report.

For the remainder of the year, management does not expect the aforementioned factors to have any major effect on projected earnings.

Outlook

The first three quarters of 2007 proved successful for WACKER. As a result of this positive business development, the Group expects to post new full-year sales and earnings records.

On the basis of the figures presented here, WACKER can confirm its positive full-year forecast with further precision. The Group now expects year-on-year sales growth of 14 per cent to nearly €3.8 billion (2006: €3.3 billion). The previous guidance specified sales growth of over 10 per cent. The full-year EBITDA margin will probably reach some 26 per cent (2006: 23.6 per cent).

Munich, November 8, 2007

INTERIM FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2007

Income statement

€ million	Q3 2007	Q3 2006	Change in %	9M 2007	9M 2006	Change in %
Sales	**958.5**	**857.3**	**12**	**2,861.2**	**2,486.2**	**15**
Costs of goods sold	−648.1	−606.1	7	−1,938.7	−1,774.3	9
Gross profit from sales	**310.4**	**251.2**	**24**	**922.5**	**711.9**	**30**
Selling expenses	−58.4	−55.1	6	−171.6	−165.5	4
Research and development expenses	−39.6	−35.9	10	−114.7	−109.4	5
General administrative expenses	−23.8	−22.0	8	−67.5	−67.2	0
Other operating income	29.1	18.2	60	69.9	54.6	28
Other operating expenses	−27.7	−13.2	>100	−86.9	−72.7	20
Operating result	**190.0**	**143.2**	**33**	**551.7**	**351.7**	**57**
Income from investments in joint ventures and associates	−3.4	−3.7	8	−7.1	−2.3	>100
Other income from investments	0.2	−0.0	n.m.	8.3	7.6	9
EBIT	**186.8**	**139.5**	**34**	**552.9**	**357.0**	**55**
Interest result	−0.1	−3.4	−97	−2.2	−22.1	−90
Other financial result	−1.2	0.3	n.m.	−1.6	−3.4	−53
Limited partnership interests	−4.8	−4.3	12	−13.9	−10.8	29
Income before taxes	**180.7**	**132.1**	**37**	**535.2**	**320.7**	**67**
Income taxes	−60.3	−36.7	64	−169.6	−92.3	84
Net income before minority interests	**120.4**	**95.4**	**26**	**365.6**	**228.4**	**60**
Minority interests	0.2	−0.3	n.m.	−0.5	−0.6	−17
Net income attributable to Wacker Chemie AG shareholders	**120.6**	**95.1**	**27**	**365.1**	**227.8**	**60**

Earnings per share in €	Q3 2007	Q3 2006	Change in %	9M 2007	9M 2006	Change in %
Earnings per share	2.43	1.91	27	7.35	4.77	54
Average number of shares outstanding (weighted)	49,677,983	49,677,983	0	49,677,983	47,716,909	4

Balance sheet

ASSETS in € million	Sep. 30 2007	Sep. 30 2006	Change in %	Dec. 31 2006	Change in %
Intangible assets, property, plant and equipment	2,038.9	1,880.2	8	1,935.4	5
Investments in associates	126.4	15.3	> 100	98.3	29
Financial assets	72.0	66.0	9	65.2	10
Other assets	55.1	13.8	> 100	39.5	39
Deferred taxes	32.7	26.5	23	7.8	> 100
Non-current assets	**2,325.1**	**2,001.8**	**16**	**2,146.2**	**8**
Inventories	427.2	386.6	11	407.9	5
Trade reveivables	537.3	509.7	5	475.7	13
Other assets	168.3	157.7	7	185.5	–9
Cash and cash equivalents	394.4	54.6	> 100	42.9	> 100
Current assets	**1,527.2**	**1,108.6**	**38**	**1,112.0**	**37**
Total assets	**3,852.3**	**3,110.4**	**24**	**3,258.2**	**18**

LIABILITIES AND EQUITY in € million	Sep. 30 2007	Sep. 30 2006	Change in %	Dec. 31 2006	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	1,426.4	1,113.6	28	1,196.8	19
Minority interests	15.9	16.3	–2	15.9	0
Equity	**1,815.4**	**1,503.0**	**21**	**1,585.8**	**14**
Minority interests in limited partnership capital	31.4	28.8	9	31.8	–1
Provisions for pensions	363.8	362.6	0	354.8	3
Other provisions	235.6	198.4	19	189.0	25
Deferred taxes	30.6	19.6	56	13.6	> 100
Financial liabilities	236.2	377.8	–37	321.9	–27
Trade liabilities	0.0	1.7	–100	0.0	n.m.
Other liabilities	556.2	113.8	> 100	221.4	> 100
Non-current liabilities	**1,453.8**	**1,102.7**	**32**	**1,132.5**	**28**
Other provisions	80.7	50.8	59	43.4	86
Financial liabilities	57.6	59.2	–3	88.0	–35
Trade liabilities	211.3	206.4	2	205.9	3
Other liabilities	233.5	188.3	24	202.6	15
Current liabilities	**583.1**	**504.7**	**16**	**539.9**	**8**
Liabilities	**2,036.9**	**1,607.4**	**27**	**1,672.4**	**22**
Total liabilities and equity	**3,852.3**	**3,110.4**	**24**	**3,258.2**	**18**

Statement of cash flows			
€ million	9M 2007	9M 2006	Change in %
Net income before minority interests	365.6	228.4	60
Depreciation and amortization	243.3	240.2	1
Changes in provisions	96.2	16.6	> 100
Changes in deferred taxes	– 11.6	– 7.1	63
Changes in inventories	– 25.0	– 12.3	> 100
Changes in trade receivables	– 62.6	– 101.4	– 38
Changes in other assets	12.4	– 22.7	n.m.
Changes in prepayments received	345.1	115.9	> 100
Changes in other liabilities	21.9	18.4	19
Other non-cash expenses and income	21.2	16.6	28
Cash flow from operating activities (gross cash flow)	**1,006.5**	**492.6**	**> 100**
Payments related to intangibles and property, plant and equipment	– 406.9	– 317.2	28
Payments related to loans in joint ventures	0.0	– 7.6	– 100
Proceeds from disposal of intangibles and property, plant and equipment	3.7	4.7	– 21
Cash flow from investing activities	**– 403.2**	**– 320.1**	**26**
Net cash flow	**603.3**	**172.5**	**> 100**
Increase in partners' shares	0.0	12.6	– 100
Dividends paid on prior year's result	– 124.5	– 71.0	75
Sale of own shares	0.0	408.7	– 100
Limited partnership capital drawdown	– 13.9	– 11.6	20
Changes in financial liabilities	– 112.5	– 490.3	– 77
Cash flow from financing activities	**– 250.9**	**– 151.6**	**66**
Changes in cash due to exchange rate fluctuations and changes in the scope of consolidation	– 0.9	– 1.0	– 10
Changes in cash and cash equivalents	**351.5**	**19.9**	**> 100**
At beginning of year	42.9	34.7	24
At end of period	394.4	54.6	> 100

Statement of changes in equity

€ million	Subscribed capital	Capital reserves	Treasury Shares	Revenue reserves/ consoli-dated result	Translation adjustment	Direct changes	Minority interests	Total
As per Dec. 31, 2005	**260.8**	**59.9**	**–142.6**	**791.2**	**–35.1**	**–1.3**	**3.3**	**936.2**
Effect of implementation of new accounting standards				–1.8				–1.8
Jan. 01, 2006	**260.8**	**59.9**	**–142.6**	**789.4**	**–35.1**	**–1.3**	**3.3**	**934.4**
Net income				227.8			0.6	228.4
Financial instruments						4.4		4.4
				227.8		**4.4**	**0.6**	**232.8**
Dividends paid				–70.9			–0.1	–71.0
Capital contribution							12.6	12.6
Sale of own shares		97.5	97.5	213.7				408.7
Translation differences					–14.4		–0.1	–14.5
Sep. 30, 2006	**260.8**	**157.4**	**–45.1**	**1,160.0**	**–49.5**	**3.1**	**16.3**	**1,503.0**
As per Dec. 31, 2006	**260.8**	**157.4**	**–45.1**	**1,243.5**	**–58.5**	**11.8**	**15.9**	**1,585.8**
Net income				365.1			0.5	365.6
Financial instruments						15.4		15.4
				365.1		**15.4**	**0.5**	**381.0**
Dividends paid				–124.2			–0.3	–124.5
Translation differences					–26.7		–0.2	–26.9
Sep. 30, 2007	**260.8**	**157.4**	**–45.1**	**1,484.4**	**–85.2**	**27.2**	**15.9**	**1,815.4**

NOTES TO THE INTERIM FINANCIAL STATEMENTS PER SEPTEMBER 30, 2007

Accounting and Valuation Methods

The interim financial statements of Wacker Chemie AG have been prepared in accordance with the International Financial Reporting Standards (IFRS) valid in the European Union on the reporting day mentioned above. The same standards were used for the Group's most recent annual financial statements, with the following exception:

Since January 1, 2007, WACKER has applied IFRS 7 "Financial Instruments: Disclosures." The change has had no effect on the current quarterly report; additional disclosures relating to financial instruments will be published in the annual financial statements as per December 31, 2007.

Changes in the Scope of Consolidation

No changes were made in the scope of consolidation during the past quarter. We refer to the previous quarterly report as regards Wacker Polymer Systems (Nanjing) Co. Ltd., since this company was already consolidated for the first time in the interim financial statements as per June 30, 2007.

Segment Reporting

Please refer to the management report for information on segment reporting as required in accordance with IAS 14.

Exchange Rates

The following USD / EUR exchange rates were used in the reporting period and in the previous year's period to convert foreign currency positions and for the accounts of Group companies where the US dollar is the functional currency:

Exchange rates (1 €)	Sep. 30, 2007[1]	Sep. 30, 2006[1]	Q3 2007[2]	Q3 2006[2]
US dollar	1.42	1.27	1.37	1.27

[1] Due date rate
[2] Average rate

Effect of the Tax Reform Passed in July

The 2008 corporate tax reform was passed by the German Bundesrat (Federal Council or Upper House of Parliament) on July 6, 2007. Since the German Bundestag (Federal Parliament or Lower House) had previously ratified the legislation in May 2007, it will take effect as of 2008. This will result in a change in the valuation of deferred taxes. The change stems from temporary differences that will be reversed as of 2008. This has led to a reduction in tax expenses of €6.5 million.

Major Events During the Reporting Period

The main events in terms of nature, size and frequency during the reporting period are described in the management report.

Changes in Other Financial Obligations

During the reporting period, WACKER secured financing for the joint venture with Samsung by concluding a loan agreement. As a result, the Group's contractual commitment to guarantee financing for this joint venture was reduced to hedging the default risk arising from this financing. Thus other financial obligations have been reduced even further compared with the status described in the last annual report – over and above the reduction discussed in the last quarterly report that was achieved by investing capital in the joint venture with Samsung.

Events After the Balance Sheet Date

The joint venture with SCHOTT Solar GmbH began business operations in October 2007, once all contractual conditions had been met. WACKER has made an initial capital contribution to WACKER SCHOTT Solar GmbH amounting to €22.0 million.

RESPONSIBILITY STATEMENT

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

Munich, November 9, 2007

Wacker Chemie AG

Peter-Alexander Wacker	Rudolf Staudigl
Joachim Rauhut	Auguste Willems

UPCOMING DATES
AND INVESTOR RELATIONS

Upcoming Dates

The 2007 Annual Report is scheduled for publication on March 18, 2008.

Investor Relations

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