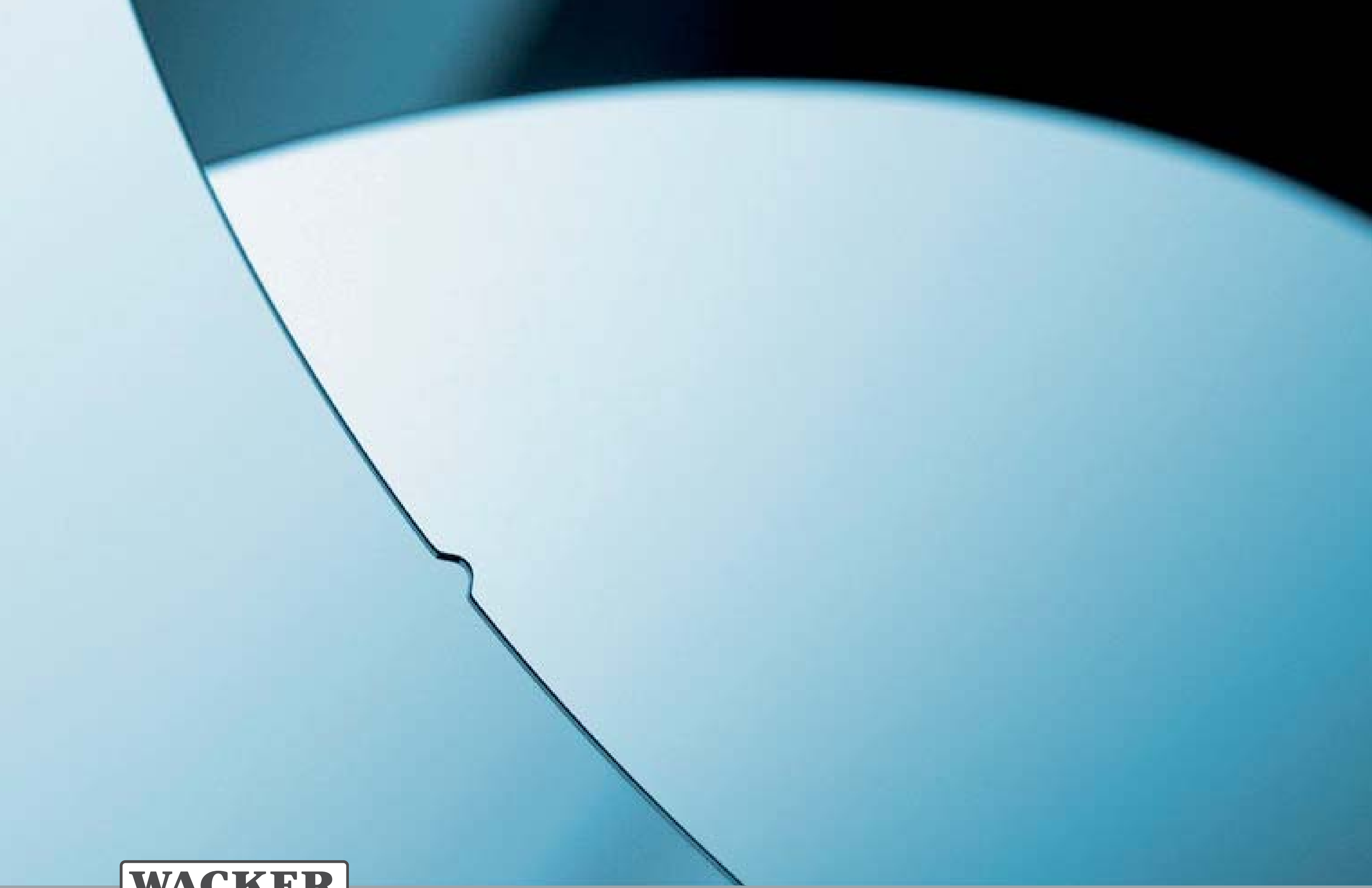

WACKER

REPORT ON THE 1ST QUARTER 2007

JANUARY – MARCH 2007

CREATING TOMORROW'S SOLUTIONS

WACKER AT A GLANCE

€ million	Q1 2007	Q1 2006	Change in %
Sales	943.7	798.5	18
EBITDA[1]	265.5	183.6	45
EBITDA margin[2]	28.1 %	23.0 %	22
EBIT[3]	187.9	105.7	78
EBIT margin[2]	19.9 %	13.2 %	51
Financial result	–5.4	–11.0	–51
Income before taxes	182.5	94.7	93
Net income attributable to Wacker Chemie AG shareholders	114.5	66.2	73
Earnings per share in €	2.30	1.49	54
Investments (incl. financial assets)	91.0	76.3	19
Net cash flow	224.2	22.7	>100

€ million	Mar. 31, 2007	Mar. 31, 2006	Dec. 31, 2006
Equity	1,699.4	930.7	1,585.8
Financial liabilities	300.2	990.6	409.9
Provisions for pensions	359.2	355.3	354.8
Net financial debt	142.6	954.1	367.0
Total assets	3,457.8	3,019.8	3,258.2
Employees (number at end of period)	14,788	14,520	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 1ST QUARTER 2007

- **In Q1 2007, Group sales jumped 18 % to € 944 million**
- **EBITDA rose 45 % to € 266 million and the EBITDA margin rose to 28 %**
- **Customer prepayments raised net cash flow to € 224 million**
- **First-quarter earnings per share reached € 2.30**
- **Strong results 2007 expected**

Dear Shareholders,

Following 2006 the company's best year so far, the WACKER Group got off to a very good start in 2007, with a dynamic increase in sales and earnings. With our focused portfolio of products and services, we are well-positioned to continue profiting from the economic upswing with above-average gains – in both our German and foreign markets.

Economic Growth Continues

Last year's economic strength continued in the first three months of 2007. In Germany, the economy remained vibrant despite negative impulses, such as higher VAT. All the most recent German and international growth indicators show that the world's economy is still buoyant and that the rate of expansion should continue almost unabated over the coming months.[1] Leading economic institutes expect 2.4 % German GDP growth in 2007.[2]

For the G7 countries, the OECD forecasts 0.5 % GDP growth in Q1 and 0.6 % in Q2 2007.[3] Full-year growth in Germany's chemical sector is expected to be more moderate in 2007, according to the VCI (German chemical industry association). It envisages a 2.5 % gain in sales, with production output rising 2 % and prices up 0.5 %.[4] At the beginning of 2007, the Gartner Group forecast a 6.2 % jump in silicon wafer surface area sold worldwide in Q1 compared to the year-earlier quarter.[5]

Double-Digit Sales Growth

In Q1 2007, sales again grew substantially, rising 18 % year on year to € 943.7 million (Q1 2006: € 798.5 million) amid operational strength at all five business divisions. This increase was mainly driven by production and sales volume gains. Capacity utilization levels remained high at both existing and new facilities. Product-mix effects and price changes improved sales by 15 % and 9 % respectively, while negative exchange-rate movements weighed on sales by 6 %.

Divisional Sales Strongest at Siltronic

Siltronic's first-quarter sales performance was very strong, with revenues jumping 32 % to €377.3 million (Q1 2006: €286.4m). Of WACKER's five divisions, Siltronic made the largest contribution to consolidated sales growth, both as a percentage and in absolute terms. WACKER SILICONES saw sales climb 8 % to €348.0 million (Q1 2006: €323.0m). WACKER POLYMERS expanded its business volume significantly, with sales up 22 % at €148.7 million (Q1 2006: €121.4m). WACKER FINE CHEMICALS logged first-quarter sales of €35.0 million (€33.5m), up 4 % on the year-earlier period, while WACKER POLYSILICON posted an 8 % gain with sales reaching €92.2 million (Q1 2006: €85.5m).

Asia Generates Biggest Share of Group Sales

WACKER's Q1 sales in Asia reached €291.7 million (Q1 2006: €217.8m), a jump of 34 %. Asia thus accounts for the largest regional share of total Group sales. Once again, business in China proved to be especially dynamic. Turning to the Americas, WACKER's Q1 sales in this region amounted to €176.5 million (Q1 2006: €173.9m), up one percentage point. Dollar weakness and the generally more hesitant U.S. economy had an impact there. Europe (excluding Germany) accounted for €265.8 million of consolidated sales (Q1 2006: €232.5m) – a year-on-year rise of 14 %. Central and Eastern Europe experienced well-above-average growth. In Germany, WACKER's Q1 sales climbed 18 %, from the prior-year figure of €152.7 million to €180.2 million. In the rest of the world, WACKER posted January-to-March sales of €29.5 million (Q1 2006: €21.6m), up 37 % year on year, with Mideast business performance being especially strong.

Above-Average Earnings Growth

In Q1 2007, earnings again clearly outpaced sales, despite the fact that energy and raw-material costs climbed significantly. As a result, EBITDA shot up 45 %, from €183.6 million to €265.5 million. This yielded an EBITDA margin of 28.1 % (23.0 %). WACKER was thus able to increase its EBIT by 78 % to €187.9 million (Q1 2006: €105.7m) in the first three months of the year.

As with Group sales, this highly positive earnings trend was fueled in large part by Siltronic's semiconductor business. EBITDA at Siltronic soared to €130.4 million (Q1 2006: €69.3m), a year-on-year rise of 88 %. Building on last year's success, Siltronic again posted the highest earnings percentage rise of all the Group's divisions. At WACKER SILICONES, EBIDTA amounted to €64.3 million at prior-year level (€64.8m), weighed down by much higher raw-material costs – especially for methanol. WACKER POLYMERS increased its EBITDA by 44 % to €34.2 million (Q1 2006: €23.7m). The division's earnings benefited from higher construction-chemical sales (boosted by the mild winter) and from price increases. At WACKER FINE CHEMICALS, EBIDTA came in at €3.6 million, 38 % below the year-earlier period's €5.8 million. The decline stemmed primarily from lower sales (as expected) for custom synthesis. WACKER POLYSILICON's EBITDA increased 8 % to €33.5 million (Q1 2006: €30.9m). Sales of hyperpure polycrystalline silicon (polysilicon) rose 35 %. Productivity gains contributed to polysilicon volume growth – the key contributor, however, was a new facility that came on stream in late 2006 with an annual capacity of 1,000 metric tons.

Net Cash Flow at Record Level

Net cash flow (i.e. the difference between cash inflow from operating activities and outflow due to investment activities) soared to a new Group record of €224.2 million (Q1 2006: €22.7m) in Q1 2007 – a year-on-year rise of over €200 million. The main impulses fueling this strong performance were the success of WACKER's operations, the receipt of €104.8 million in prepayments from customers for future polysilicon deliveries, and the first quarter's typically low investment level.

Capital Expenditures Stable

Together with financial assets, capital expenditures for property, plant, equipment and intangibles totaled €91.0 million in Q1 2007, surpassing the year-earlier €76.3 million by 19%. The Group's Q1 investment activities focused on several major projects: hyperpure polycrystalline silicon capacity is being expanded at our Burghausen site. Expansion at the silicone production site in Zhangjiagang (China) continued apace during the quarter. The 300 mm wafer fab being built in Singapore as a joint venture between Siltronic and its customer Samsung Electronics made very good progress, too. And, last but not least, a new polymer powder production facility is under construction in Burghausen. It is scheduled to come on stream before the year is out.

Employee Structures Becoming More International

On March 31, 2007, WACKER had 14,788 employees worldwide – an about 1 percentage rise compared to the preceding quarter (December 31, 2006: 14,668). Of the total number, 11,447 work in Germany and 3,341 at the Group's non-domestic locations.

Joint Ventures with Air Products

In spring 2006, our joint-venture partner Air Products Chemicals Inc. informed WACKER of its intention to withdraw from the joint ventures (Air Products Polymers and Wacker Polymer Systems), and has now embarked upon the divestiture process. Due to existing contracts, WACKER does not expect this change to significantly affect WACKER POLYMERS' business.

Earnings Per Share Further Improved

The profitability and earnings power of WACKER's operations continued to gain strength. As a result, Q1 net income climbed to €114.5 million (Q1 2006: €66.2m) – an increase of 73% compared to the year-earlier period. First-quarter earnings per share reached €2.30 (Q1 2006: €1.49).

[1] Federal German Ministry of Economics and Technology, 03/2007 monthly report, and press release: "Die wirtschaftliche Lage in der Bundesrepublik Deutschland im April 2007", Berlin, April 16, 2007

[2] Arbeitsgemeinschaft deutscher wirtschaftswissenschaftlicher Forschungsinstitute e.V.: "Die Lage der Weltwirtschaft und der deutschen Wirtschaft im Frühjahr 2007", Halle (Saale), April 17, 2007

[3] OECD: What is the economic outlook for OECD countries? An interim assessment, Paris, March 13, 2007.

[4] VCI: Bericht zur wirtschaftlichen Lage der chemischen Industrie im 4. Quartal 2006 [Report on the economic status of the chemical industry in Q4 2006]. Frankfurt, February 13, 2007

[5] Gartner Dataquest Silicon Forecast, January 2007

CONSOLIDATED INCOME STATEMENT

€ million	Q1 2007	Q1 2006	Change in %
Sales	**943.7**	**798.5**	**18**
Costs of goods sold	–638.6	–572.4	12
Gross profit from sales	**305.1**	**226.1**	**35**
Selling expenses	–54.6	–54.4	0
Research and development expenses	–36.0	–36.5	–1
General administrative expenses	–21.1	–22.2	–5
Other operating income	19.1	15.8	21
Other operating expenses	–24.2	–23.7	2
Operating result	**188.3**	**105.1**	**79**
Income from investments in joint ventures and associates	–0.4	0.6	n.a.
EBIT	**187.9**	**105.7**	**78**
Interest result	–0.6	–8.1	–93
Other financial result	–0.4	–0.4	0
Limited partnership interests	–4.4	–2.5	76
Income before taxes	**182.5**	**94.7**	**93**
Income taxes	–67.8	–28.4	>100
Net income before minority interests	**114.7**	**66.3**	**73**
Minority Interests	–0.2	–0.1	100
Net income attributable to Wacker Chemie AG shareholders	**114.5**	**66.2**	**73**

Earnings per share in €	Q1 2007	Q1 2006	Change in %
Earnings per share	2.30	1.49	54
Average number of shares outstanding (weighted)	49,677,983	44,329,600	12

Reconciliation to EBITDA in € million	Q1 2007	Q1 2006	Change in %
EBIT	187.9	105.7	78
Depreciation and amortization	77.6	77.9	0
EBITDA	265.5	183.6	45

Sales growth was strong compared to costs of goods sold, thanks to the high capacity-utilization rates at production plants. As a result, gross profit from sales notched up substantial gains, rising 35 % from € 226.1 million to € 305.1 million. This corresponds to a gross-margin increase of 4 percentage points – from 28 to 32 %.

Selling, R & D and general administrative expenses totaled € 111.7 million, practically remaining at last year's level of € 113.1 million. The balance of other operating income and other operating expenses was € – 5.1 million, up € 2.8 million year on year.

The investment result slipped € 1.0 million to € – 0.4 million, weighed down by minor start-up losses at the company's two joint ventures in China and Singapore.

Thanks to a robust net cash flow, the interest result improved significantly, climbing € 7.5 million to today's € – 0.6 million. This interest result – and the balance sheet – reflected the positive impact of lower net financial liabilities, which decreased further thanks to the business uptrend and prepayments received from customers in Q1 for future polysilicon deliveries.

The Group's EBIT soared 78 %, from € 105.7 million to € 187.9 million. And the EBIT margin, in turn, gained 6.7 percentage points, climbing from 13.2 to 19.9 %.

Whereas "other financial result" remained constant, the limited partnership result reflected higher income at Wacker Polymer Systems GmbH & Co. The minority shareholders' share of the result increased 76 % to € 4.4 million. In compliance with the IFRS, limited partnership shares must be shown as a liability. Consequently, the aforementioned share of the result must be presented as an expense.

In Q1 2007, the Group's tax rate was 37.2 %, compared to the year-earlier period's 30.0 %. In Q1 2006, it had been possible to reduce regular tax by using existing tax loss carryforwards. This effect was much smaller in Q1 2007.

Overall, WACKER's net income after minority interests amounted to € 114.5 million – up 73 % year on year (Q1 2006: € 66.2m). Q1 earnings per share rose by € 0.81, from € 1.49 to € 2.30. The number of shares outstanding increased by 5,348,383, due to the sale of shares previously held as treasury shares during last year's initial public offering.

CONSOLIDATED BALANCE SHEET

Assets					
€ million	Mar. 31, 2007	Mar. 31, 2006	Change in %	Dec. 31, 2006	Change in %
Intangible assets, property, plant, and equipment	1,943.1	1,864.7	4	1,935.4	0
Investments in associates	97.5	14.4	>100	98.3	–1
Financial assets	68.2	66.1	3	65.2	5
Other assets	36.0	4.3	>100	39.5	–9
Deferred taxes	6.9	22.1	–69	7.8	–12
Non-current assets	**2,151.7**	**1,971.6**	**9**	**2,146.2**	**0**
Inventories	428.5	397.7	8	407.9	5
Trade receivables	550.4	464.2	19	475.7	16
Other assets	169.6	149.8	13	185.5	–9
Cash and cash equivalents	157.6	36.5	>100	42.9	>100
Current assets	**1,306.1**	**1,048.2**	**25**	**1,112.0**	**17**
Total assets	**3,457.8**	**3,019.8**	**15**	**3,258.2**	**6**

With Q1 total assets at €3,457.8 million, WACKER reported a €438 million gain compared to the year-earlier quarter's closing day. Current assets grew a little more strongly than non-current assets. Of particular note was the increase of €121.1 million in cash and cash equivalents, which jumped from €36.5 million in Q1 2006 to €157.6 million in the quarter under review – reflecting a significantly improved financial situation of the Group.

Business-volume growth fueled current assets, where inventories and, above all, trade receivables posted gains. The combined year-on-year increase of these two items was €117 million.

As for other assets, both current and non-current assets increased. Current "other assets" benefited especially from increases in the fair value of derivative financial instruments used for hedging against interest-rate and foreign-exchange risks. Additionally, they benefited from a €27 million year-on-year increase in receivables due to investment grants. As for non-current "other assets," they rose €17.5 million, partly because of additional VAT allocations relating to prepayments received. Tax receivables stayed almost on prior year level.

The most significant changes to fixed assets relate to shares in associated companies that are reported at equity. Contributions to the joint ventures with Dow Corning (China) and Samsung (Singapore) caused the value of entities consolidated at equity to increase to €97.5 million, a rise of €83.1 million compared to the year-earlier quarter. The increases in intangible assets and property, plant and equipment chiefly relate to assets under construction, which were influenced by investments in several capacity-expansion projects, particularly at Siltronic, WACKER POLYSILICON and WACKER SILICONES.

Total equity and liabilities					
€ million	Mar. 31, 2007	Mar. 31, 2006	Change in %	Dec. 31, 2006	Change in %
Subscribed capital	260.8	260.8	0	260.8	0
Capital reserves	157.4	59.9	> 100	157.4	0
Treasury shares	–45.1	–142.6	–68	–45.1	0
Other equity	1,310.3	748.6	75	1,196.8	9
Minority interests	16.0	4.0	> 100	15.9	1
Equity	**1,699.4**	**930.7**	**83**	**1,585.8**	**7**
Minority interests in limited partnership capital	36.2	32.1	13	31.8	14
Provisions for pensions	359.2	355.3	1	354.8	1
Other provisions	198.3	182.3	9	189.0	5
Deferred taxes	30.9	17.0	82	13.6	> 100
Financial liabilities	248.3	883.9	–72	321.9	–23
Trade liabilities	0.0	3.1	–100	0.0	n. m.
Other liabilities	328.3	62.7	> 100	221.4	48
Non-current liabilities	**1,201.2**	**1,536.4**	**–22**	**1,132.5**	**6**
Other provisions	66.3	75.6	–12	43.4	53
Financial liabilities	51.9	106.7	–51	88.0	–41
Trade liabilities	198.4	171.6	16	205.9	–4
Other liabilities	240.6	198.8	21	202.6	19
Current liabilities	**557.2**	**552.7**	**1**	**539.9**	**3**
Liabilities	**1,758.4**	**2,089.1**	**–16**	**1,672.4**	**5**
Total liabilities and equity	**3,457.8**	**3,019.8**	**15**	**3,258.2**	**6**

The substantial first-quarter equity gain compared to Q1 2006 was attributable to the sale of treasury shares during the IPO and to the Group's positive business performance over the previous twelve months. In Q1 2007, equity rose by € 113.6 million. In contrast to 2006, when dividends were paid in the first quarter, 2007's Q1 equity was not impacted by dividend payments, which are scheduled for late May (after the annual shareholder meeting).

The key changes on the liabilities side involved, firstly, a substantial reduction in financial liabilities, which fell by € 690.4 million and mainly affected non-current liabilities. A second key development was the continued rise in prepayments from customers. Compared to the end of Q1 2006, prepayments received rose by € 279.2 million to € 357.3 million. During Q1 2007 itself, € 104.8 million were received.

CONSOLIDATED STATEMENT OF CASH FLOWS

€ million	Q1 2007	Q1 2006	Change in %
Net income before minority interests	114.7	66.3	73
Depreciation and amortization	77.6	77.9	0
Changes in provisions	37.2	14.7	> 100
Changes in deferred taxes	17.2	– 3.1	n. m.
Changes in inventories	– 21.4	– 17.4	23
Changes in trade reveivables	– 71.4	– 45.1	58
Changes in other assets	16.6	– 40.1	n. m.
Changes in prepayments received	104.8	57.0	84
Changes in other liabilities	43.7	17.7	> 100
Other non-cash expense and income	5.1	2.2	> 100
Cash flow from operating activities (gross cash flow)	**324.1**	**130.1**	**> 100**
Payments related to intangibles and property, plant, and equipment	– 100.5	– 110.9	– 9
Proceeds from disposal of intangibles and property, plant, and equipment	0.6	3.5	– 83
Cash flow from investment activities	**– 99.9**	**– 107.4**	**– 7**
Net cash flow	**224.2**	**22.7**	**> 100**
Increase in partner's shares	0.0	0.6	– 100
Dividends paid on prior year's result	– 0.1	– 70.9	– 100
Change in financial liabilities	– 109.3	49.5	n. m.
Cash flow from financing activities	**– 109.4**	**– 20.8**	**> 100**
Changes in cash flow due to exchange rate fluctuations and changes in the scope of consolidation	– 0.1	– 0.1	0
Change in cash and cash equivalents	**114.7**	**1.8**	**> 100**
At beginning of year	42.9	34.7	24
At end of period	157.6	36.5	> 100

First-quarter cash flow from operating activities (gross cash flow) rose € 194.0 million year on year to € 324.1 million. A major factor here was net income before minority interests, which increased by € 48.4 million. Adjusted for exchange-rate fluctuations when necessary, the change in balance-sheet items against the respective last fiscal year closing days boosted year-on-year cash flow, especially in the case of prepayments received and other assets. There was a first-quarter jump of € 47.8 million in prepayments received.

Other factors boosting gross cash flow were higher provisions (especially for tax liabilities) and increases in other liabilities and in the liability balance for deferred taxes. In contrast, the jump in inventories and trade receivables had the opposite effect.

Cash flow from investment activities was € 7.5 million down on the year-earlier quarter.

Net cash flow (the sum of cash flow from operating and investment activities) rose by € 201.5 million up from € 22.7 million last year to € 224.2 million.

Cash flow from financing activities changed significantly compared to last year's first quarter – at that time, financial liabilities had been driven up by a major decline in net cash flow and the dividend payment in March 2006. In contrast, this year's first-quarter financial liabilities experienced an exchange rate-adjusted outflow of € 109.3 million.

Overall, cash and cash equivalents rose by € 114.7 million during Q1 2007, compared to an increase of only € 1.8 million in the year-earlier quarter.

CONSOLIDATED 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	0.0	0.0	0.0	−1.8	0.0	0.0	0.0	−1.8
Jan. 1, 2006	**260.8**	**59.9**	**−142.6**	**789.4**	**−35.1**	**−1.3**	**3.3**	**−934.4**
Net income	0.0	0.0	0.0	66.2	0.0	0.0	0.1	66.3
Financial instruments	0.0	0.0	0.0	0.0	0.0	1.5	0.0	1.5
	0.0	**0.0**	**0.0**	**66.2**	**0.0**	**1.5**	**0.1**	**67.8**
Dividends paid	0.0	0.0	0.0	−70.9	0.0	0.0	0.0	−70.9
Capital contribution	0.0	0.0	0.0	0.0	0.0	0.0	0.6	0.6
Translation differences	0.0	0.0	0.0	0.0	−1.2	0.0	0.0	−1.2
Mar. 31, 2006	**260.8**	**59.9**	**−142.6**	**784.7**	**−36.3**	**0.2**	**4.0**	**930.7**
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	0.0	0.0	0.0	114.5	0.0	0.0	0.2	114.7
Financial instruments	0.0	0.0	0.0	0.0	0.0	1.8	0.0	1.8
	0.0	**0.0**	**0.0**	**114.5**	**0.0**	**1.8**	**0.2**	**116.5**
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0	−0.1	−0.1
Capital contribution	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Translation differences	0.0	0.0	0.0	0.0	−2.8	0.0	0.0	−2.8
Mar. 31, 2007	**260.8**	**157.4**	**−45.1**	**1,358.0**	**−61.3**	**13.6**	**16.0**	**1,699.4**

Q1's equity changes were largely caused by WACKER's strong net income of € 114.5 million. Some minor differences (which partly cancelled each other out) concerned foreign-currency translation, the fair value of financial instruments, and dividends paid to minority interests with no shareholding in Wacker Chemie AG.

Wacker Chemie AG's treasury shares remained at 4.75 %, unchanged since December 31, 2006.

BUSINESS DIVISION RESULTS

Sales

€ million	Q1 2007	Q1 2006	Change in %
WACKER SILICONES	348.0	323.0	8
WACKER POLYMERS	148.7	121.4	22
WACKER FINE CHEMICALS	35.0	33.5	4
WACKER POLYSILICON	92.2	85.5	8
Siltronic	377.3	286.4	32
Corporate Functions/Other	62.0	52.3	19
Consolidation	–119.5	–103.6	15
Group sales	**943.7**	**798.5**	**18**

EBIT

€ million	Q1 2007	Q1 2006	Change in %
WACKER SILICONES	43.8	44.2	–1
WACKER POLYMERS	30.0	19.2	56
WACKER FINE CHEMICALS	2.4	4.0	–40
WACKER POLYSILICON	24.5	24.6	0
Siltronic	96.3	33.3	>100
Corporate Functions/Other	–7.8	–18.0	–57
Consolidation	–1.3	–1.6	–19
Group EBIT	**187.9**	**105.7**	**78**

EBITDA

€ million	Q1 2007	Q1 2006	Change in %
WACKER SILICONES	64.3	64.8	–1
WACKER POLYMERS	34.2	23.7	44
WACKER FINE CHEMICALS	3.6	5.8	–38
WACKER POLYSILICON	33.5	30.9	8
Siltronic	130.4	69.3	88
Corporate Functions/Other	0.8	–9.3	n. m.
Consolidation	–1.3	–1.6	–19
Group EBITDA	**265.5**	**183.6**	**45**

WACKER SILICONES

€ million	Q1 2007	Q1 2006	Change in %
Sales			
External sales	335.9	312.1	8
Internal sales	12.1	10.9	11
Total sales	**348.0**	**323.0**	**8**
EBIT	**43.8**	**44.2**	**–1**
EBIT margin	12.6 %	13.7 %	–8
Depreciation	20.5	20.6	0
EBITDA	**64.3**	**64.8**	**–1**
EBITDA margin	18.5 %	20.1 %	–8
Capital expenditures	17.4	23.1	–25
	Mar. 31, 2007	Dec. 31, 2006	
Number of employees	3,781	3,767	0

In Q1 2007, WACKER SILICONES boosted its total sales by 8 % to € 348.0 million (Q1 2006: € 323.0m), profiting from the general economic upturn both in Germany and abroad.

Sales growth was mainly fueled by volume gains, especially via the new siloxane facility in Nünchritz (Saxony, Germany), which went on stream in late 2006. The division's sales enjoyed especially high growth rates in the Middle East, and Central and Eastern Europe. Asian and domestic sales, too, recorded double-digit growth. In comparison, business in Western Europe was somewhat weaker, as it was in the Americas, where exchange-rate effects, in particular, came into play.

WACKER SILICONES posted a Q1 2007 EBITDA of € 64.3 million (Q1 2006: € 64.8m), at prior-year level. Positive effects from volume gains were countered by substantial price rises for raw materials (e.g. methanol and silicon) and by the impact of the weak U.S. dollar.

During the period under review, WACKER SILICONES invested € 17.4 million (Q1 2006: € 23.1m), a year-on-year project-related decline of 25 %. Investment focused mainly on ongoing expansion at Zhangjiagang (China), where a new facility for pyrogenic silica is under construction – it's a joint venture between WACKER and Dow Corning. Scheduled for completion in the second half of 2007, the facility is expected to begin contributing initial revenues in early 2008. Plant construction for downstream silicone products in China is also progressing. With projects in China and capacity expansion at its Nünchritz site in Germany, WACKER SILICONES is strengthening its position as the world's third-largest silicones producer.

On March 31, 2007, WACKER SILICONES had 3,781 employees (December 31, 2006: 3,767).

WACKER POLYMERS

€ million	Q1 2007	Q1 2006	Change in %
Sales			
External sales	146.3	118.7	23
Internal sales	2.4	2.7	– 11
Total sales	**148.7**	**121.4**	**22**
EBIT	**30.0**	**19.2**	**56**
EBIT margin	20.2 %	15.8 %	28
Depreciation	4.2	4.5	– 7
EBITDA	**34.2**	**23.7**	**44**
EBITDA margin	23.0 %	19.5 %	18
Capital expenditures	9.6	3.2	> 100
Stichtag	Mar. 31, 2007	Dec. 31, 2006	
Number of employees	1,071	1,050	2

Business at WACKER POLYMERS performed very well during the first quarter of 2007.

Production of dispersible powders ran at full capacity; demand for these products in Europe remained very high, due to the continuing construction boom and not least because of an unusually mild winter. Sales grew above average in the Middle East, Asia as well as Central and Eastern Europe. In absolute terms, the key sales markets are Germany and Europe.

WACKER POLYMERS posted total Q1 sales of € 148.7 million, beating the prior-year (€ 121.4m) by 22 percent. Although higher raw-material costs and exchange-rate effects increased outgoings, this was more than offset by volume gains and higher prices that took effect in early 2007. WACKER POLYMERS boosted EBITDA by 44 % to € 34.2 million (Q1 2006: € 23.7m).

In Burghausen, construction of a new dryer for dispersible powders has continued to proceed rapidly, with start-up anticipated for this year's Q3. A further production facility for dispersible powders is planned at WACKER's new Nanjing site in China. In total, WACKER POLYMERS is expanding its annual dispersible powder capacity by 60,000 metric tons, affirming its position as the undisputed world-leading manufacturer of these products. In Q1 2007, the division's capital expenditures amounted to € 9.6 million, compared with € 3.2 million in the prior-year period.

WACKER POLYMERS had 1,071 employees on March 31, 2007 (December 31, 2006: 1,050).

WACKER FINE CHEMICALS

€ million	Q1 2007	Q1 2006	Change in %
Sales			
External sales	32.0	30.6	5
Internal sales	3.0	2.9	3
Total sales	**35.0**	**33.5**	**4**
EBIT	**2.4**	**4.0**	**–40**
EBIT margin	6.9 %	11.9 %	–43
Depreciation	1.2	1.8	–33
EBITDA	**3.6**	**5.8**	**–38**
EBITDA margin	10.3 %	17.3 %	–41
Capital expenditures	1.7	0.0	n. m.
	Mar. 31, 2007	Dec. 31, 2006	
Number of employees	299	300	0

Sales at WACKER FINE CHEMICALS were up 4 %, rising from the prior year's €33.5 million to €35.0 million in the first three months of 2007.

Growing sales of bioengineered products more than compensated the decline in fine chemicals revenues, with particularly sharp percentage gains in Asia and Europe (excluding Germany).

In the period under review, EBITDA was €3.6 million – down 38 percent on the prior-year figure (€5.8m). Dollar weakness, greater pricing pressure by Asian competitors and a less favorable product mix in the organic fine chemicals segment all left their mark. To counter this situation, WACKER FINE CHEMICALS is focusing its portfolio and consolidating its custom synthesis activities. In contrast, the division's biotech segment continued to perform well.

WACKER FINE CHEMICALS had 299 employees on March 31, 2007 (December 31, 2006: 300).

WACKER POLYSILICON

€ million	Q1 2007	Q1 2006	Change in %
Sales			
External sales	39.2	40.0	–2
Internal sales	53.0	45.5	16
Total sales	**92.2**	**85.5**	**8**
EBIT	**24.5**	**24.6**	**0**
EBIT margin	26.6 %	28.8 %	–8
Depreciation	9.0	6.3	43
EBITDA	**33.5**	**30.9**	**8**
EBITDA margin	36.3 %	36.1 %	1
Capital expenditures	33.4	22.9	46
	Mar. 31, 2007	Dec. 31, 2006	
Number of employees	917	875	5

Business at WACKER POLYSILICON remains very strong. Sales of hyperpure polysilicon grew 35 %.

Production of hyperpure polycrystalline silicon is running at full capacity. The division's total sales, including internal sales to Siltronic, rose by 8 % to €92.2 million (Q1 2006: €85.5m), somewhat dampened by weaker sales of road salt. The increase was mainly due to higher prices as well as volume gains enabled by productivity improvements and the "Poly 4" polysilicon production plant (commissioned in late 2006 with an annual capacity of 1,000 metric tons). In terms of regional growth, most of the division's sales were made in Asia and, above all, China.

The division's EBITDA in the first quarter of 2007 was €33.5 million, up 8 % against the prior-year period (€30.9m). Price increases were countered by rising energy costs.

The expansion of polysilicon capacity at Burghausen (Germany) remains a priority. Work has begun to bring the "Poly 6" expansion phase on stream, which will boost annual capacity by 3,500 metric tons. Full plant production capacity is scheduled to be available at year-end 2007. Preparation of the construction site for the "Poly 7" expansion phase (increasing annual capacity by another 4,500 metric tons) is nearly complete, with production start-up scheduled for the beginning of 2009. WACKER POLYSILICON's Q1 2007 capital expenditures amounted to €33.4 million, up 46 % on the year-earlier quarter's €22.9 million.

On March 31, 2007, WACKER POLYSILICON had 917 employees (December 31, 2006: 875).

SILTRONIC

€ million	Q1 2007	Q1 2006	Change in %
Sales			
External sales	376.0	284.8	32
Internal sales	1.3	1.6	– 19
Total sales	**377.3**	**286.4**	**32**
EBIT	**96.3**	**33.3**	**> 100**
EBIT margin	25.5 %	11.6 %	> 100
Depreciation	34.1	36.0	– 5
EBITDA	**130.4**	**69.3**	**88**
EBITDA margin	34.6 %	24.2 %	43
Capital expenditures	16.3	18.9	– 14
	Mar. 31, 2007	Dec. 31, 2006	
Number of employees	5,609	5,585	0

Once again, Siltronic boosted its sales substantially in Q1 2007.

At € 377.3 million (Q1 2006: € 286.4m), total first-quarter sales shot up 32 % year on year. Both higher 300 mm wafer capacities and price increases across all diameters contributed to this increase. Over half of Siltronic's sales were generated in Asia (including Japan), with the highest regional percentage gains in Q1 being made in Asia and Europe.

Siltronic boosted its first-quarter EBITDA by 88 % to € 130.4 million (Q1 2006: € 69.3m), yielding an EBITDA margin of 34.6 %. This margin was mainly fueled by productivity gains, an enhanced product mix, with its focus on the 300 mm wafer segment, and particularly price effects.

The expansion of 300 mm wafer capacity at Burghausen (Germany) continued on schedule in the reporting period, as did construction of a new 300 mm facility in Singapore, which Siltronic is establishing as a joint venture ("Siltronic Samsung Wafer") with its customer Samsung Electronics. Production is scheduled to start in mid-2008. By 2010, the new plant is expected to reach a monthly capacity of 300,000 wafers. Siltronic's capital expenditures for the first three months of 2007 totaled € 16.3 million (Q1 2006: € 18.9m).

Siltronic had 5,609 employees on March 31, 2007 (December 31, 2006: 5,585).

CORPORATE FUNCTIONS/OTHER AND OUTLOOK

Corporate Functions/Other

The Corporate Functions / Other segment posted total January-March sales of € 62.0 million (Q1 2006: € 52.3m) – a 19 % year-on-year gain, primarily due to increased procurement of in-house corporate services and the passing on of higher energy costs to Group subsidiaries. EBITDA amounted to € 0.8 million (Q1: 2006: € – 9.3m).

Outlook

In view of the global economy's upbeat perspectives and the Group's own appraisal of demand trends, WACKER expects its sales and earnings performance to remain positive during the rest of 2007, providing that exchange-rate fluctuations and energy and raw-material costs do not produce heavy additional burdens.

WACKER's current efforts to expand production capacity are positioning us well to meet increasing demand for our products – especially at WACKER SILICONES, WACKER POLYMERS, WACKER POLYSILICON and Siltronic.

Based on current exchange rates we expect sales for the full year to grow over 10 % with a higher EBITDA margin than last year.

The Executive Board

Munich, May 8, 2007

NOTES TO THE QUARTERLY FINANCIAL STATEMENTS PER MARCH 31, 2007

Accounting and Valuation Methods

The consolidated 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 exceptions:

Since January 1, 2007, WACKER has adopted 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 of December 31, 2007.

The IASB issued a revised IAS 23 "Borrowing Costs" on March 29, 2007. This version eliminates the option of immediately recognizing as an expense borrowing costs that finance a "qualifying asset," and requires that said costs are capitalized.

The revised Standard applies when the commencement date for capitalization is on or after January 1, 2009. Earlier application is permitted. The amendment to borrowing costs is expected to have a certain impact on WACKER's financial position. As yet, the revised Standard has not been officially "endorsed" by the European Union. Consequently, the actual date for first-time application is still open.

Exchange Rates

The following EUR/USD exchange rates were used in the reporting period and in the earlier-year quarter to convert foreign currency positions, as well as for the translation of the financial statements of those Group companies having the US dollar as the functional currency:

Exchange rates (1 €)	Mar. 31, 2007[1]	Mar. 31, 2006[1]	Q1 2007[2]	Q1 2006[2]
US dollar	1.33	1.21	1.31	1.20

[1] Due date rate
[2] Average rate

UPCOMING DATES AND INVESTOR RELATIONS

Upcoming Dates

Wacker Chemie AG's annual shareholder meeting for fiscal 2006 takes place on May 29, 2007.

The report on the first-half of 2007 is scheduled for publication on August 2, 2007.

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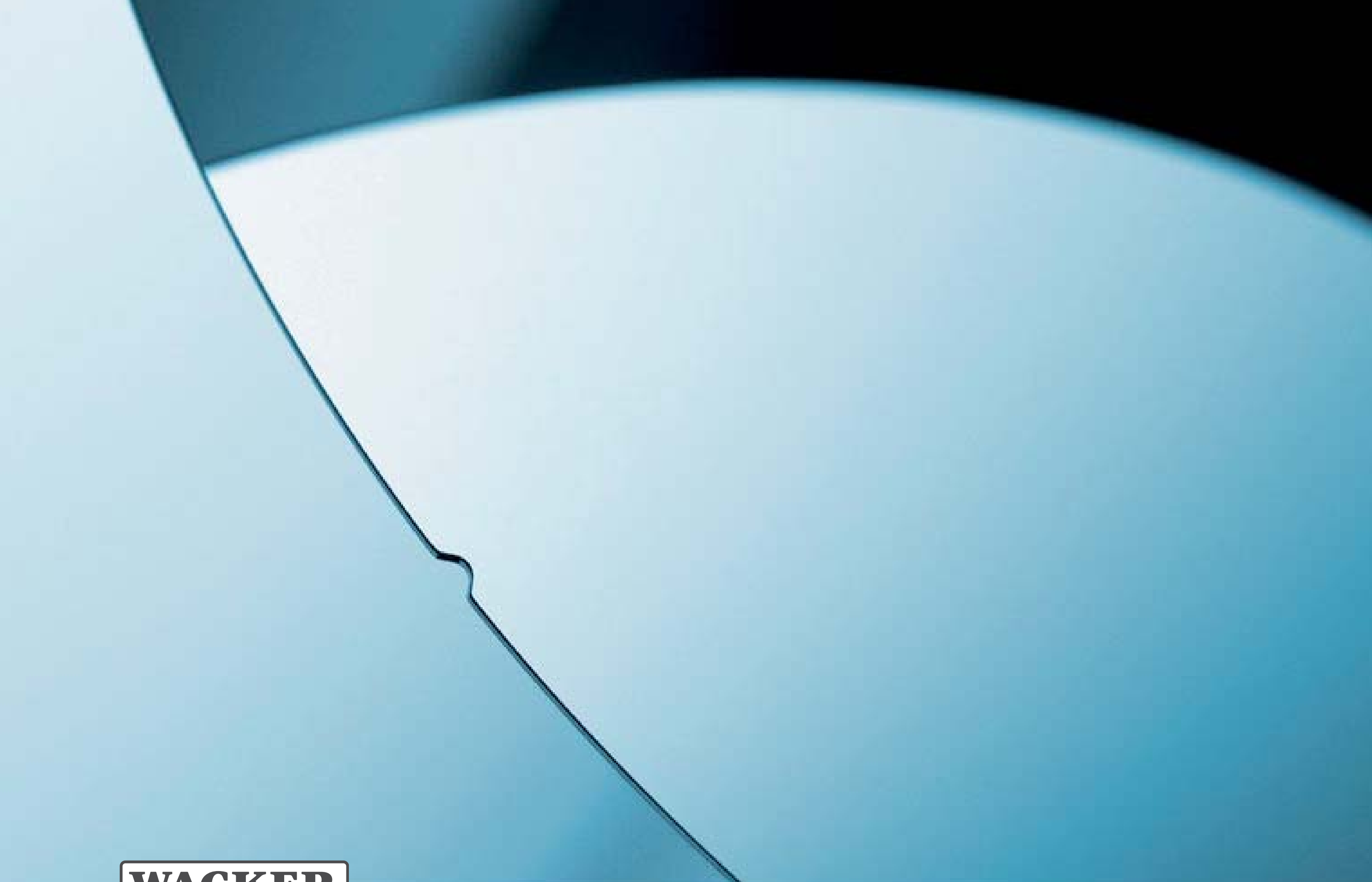
Forward-Looking Statements



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