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PRESS RELEASE

Number 3

WACKER Expands Production Capacity for High-Quality Silicone Fluids at Its Burghausen Site

Munich, January 18, 2016 – The Munich-based WACKER Group has expanded its production capacity for functional silicone fluids at its Burghausen site. With the new expansion stage, which came on stream in early January, WACKER is meeting the rising global demand for specialty fluids and silicone emulsions in the coatings, paper, textile, cosmetics and personal care industries. Functional silicone fluids serve as important precursors here. Investments in the expansion amount to around €26 million.

The expansion measure is of particular importance for WACKER SILICONES. At the performance silicones plant in Burghausen, the precursor siloxane and other raw materials are used to make highly specialized functional silicone fluids. They are important starting materials for antifoam, impregnating and release agents and for additives for the construction, coatings, paper, cosmetics and personal care industries.

The expansion is increasing the plant's total production capacity by around 70 percent. "The completion of our polysilicon production site in Tennessee has essentially concluded our investment in full-scale plants for the manufacture of precursors. We are now focusing on plants for intermediates, sales products and specialty products," said

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WACKER President and CEO Dr. Rudolf Staudigl at the commissioning ceremony. According to him, the performance silicones plant is a good example of this. "Thanks to the expansion, we have sufficient production capacity in Burghausen to meet the rising global demand for versatile silicone fluids and emulsions."

As part of the capacity expansion, production processes were optimized further. Silicone fluids can now be produced even more efficiently with even higher purity. "This plant is a key facility for us. The most important intermediates for our product portfolio are manufactured here," said Dr. Christoph Kowitz, head of the Performance Silicones business unit. The majority of the plant's products are processed into high-quality specialty fluids or emulsions in Burghausen or at other sites. "The added value that we can achieve here is tremendous," emphasized Kowitz. "By expanding our production plant for functional high-performance fluids, we are laying another cornerstone for the sustainable growth of our business."

About WACKER SILICONES

WACKER SILICONES is one of the largest silicone manufacturers worldwide with over 3,000 highly specialized and innovative products. The division's portfolio ranges from silicone fluids, emulsions, resins, elastomers and sealants to silanes, silane-terminated polymers and pyrogenic silica. These stand out due to their significant value-adding potential, enhancing both the benefits and performance of customers' end products. WACKER SILICONES' products find application in such sectors as construction, chemicals, cosmetics, textiles, automotive, paper, electronics and medical engineering. In 2014, WACKER SILICONES generated around 36 percent of Group sales.

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The chemical company WACKER has considerably expanded its production capacity for functional silicone fluids at its Burghausen site. The investment measure was driven by the rising global demand for specialty fluids and silicone emulsions in the construction, coating, paper, cosmetics and personal care industries. (Photo: Wacker Chemie AG)

<u>Note:</u> You can download this photo at: <u>http://www.wacker.com/press releases</u>

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For further information, please contact: Wacker Chemie AG Media Relations & Information Florian Degenhart Tel. +49 89 6279 -1601 florian.degenhart@wacker.com www.wacker.com follow us on: The company in brief: WACKER is a globally-active chemical company with some 16,700 employees and annual sales of around €4.83 billion (2014). WACKER has a global network of 25 production sites, 21 technical competence centers and 48 sales offices. WACKER SILICONES Silicone fluids, emulsions, rubber and resins; silanes; pyrogenic silicas; thermoplastic silicone elastomers WACKER POLYMERS Polyvinyl acetates and vinyl acetate copolymers in the form of dispersible polymer powders, dispersions, solid resins and solutions used as binders for construction chemicals, paints and coatings, adhesives, plasters, textiles and nonwovens, as well as for polymeric materials based on renewable resources WACKER BIOSOLUTIONS Biotech products such as cyclodextrins, cysteine and biologics, as well as fine chemicals and PVAc solid resins WACKER POLYSILICON Polysilicon for the semiconductor and photovoltaic industries Siltronic Hyperpure silicon wafers and monocrystals for semiconductor components