

Wacker Chemie AG Hanns-Seidel-Platz 4 81737 Munich, Germany www.wacker.com

PRESS RELEASE

Number 40

WACKER Strengthens Portfolio of Specialties by Expanding its Production Capacities for Silicone Rubber Worldwide

Munich, December 18, 2018 – The Munich-based chemical group WACKER is increasing its global production capacities for silicone rubber. With expansion measures at several sites, WACKER plans to gradually raise its capacities by a total of 40,000 metric tons per year by 2021. Approximately €100 million has been earmarked for this capacity expansion. With these measures, WACKER is responding to the high demand for silicone rubber in key sectors such as the automotive, electronics and medical industries. These investments are part of the WACKER SILICONES division's strategy of further expanding its portfolio of specialties.

Silicone rubber is among the most sought-after elastomers in the industry. "Silicones are high-performance materials. They are essential for novel product solutions and belong to the innovation drivers in key industry sectors such as automotive, medical, and electronics," says Robert Gnann, head of the WACKER SILICONES business division. "Above-average growth is being driven by the trends toward hybrid cars, electromobility and digitalization, as well as decentralized alternative electricity generation using wind and solar power. So, we are making a major contribution to increased sustainability while pursuing our strategy of clearly focusing on boosting specialties in our portfolio.

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With capacity expansions in the midstream production steps and downstream production, WACKER will significantly improve the silicone-rubber availability and related service for its customers in the near future. All solid silicone rubber product groups will benefit from these expansion measures. In April of this year, WACKER already brought a new production site for silicone sealants and thermally conductive silicone compounds on stream in Jincheon, South Korea. The production of room-temperature-vulcanizing silicone elastomers and liquid silicone rubbers has also started in Amtala, India, where WACKER manufactures silicones in a joint venture with Metroark.

For 2019, the chemical group is planning further capacity enhancements for liquid silicone rubber, high- and room-temperaturevulcanizing silicones and thermally conductive silicone compounds at its production sites in Burghausen (Germany), Adrian (Michigan, USA) and Zhangjiagang (China). WACKER is currently also evaluating the option of building a plant for solid silicone rubber at its US-based site in Charleston, Tennessee. WACKER has been producing polysilicon there since 2016. A plant for manufacturing pyrogenic silica, an important filler for high consistency silicone rubber (HCR), will come on stream at this site next year.

Silicone Rubber

Silicone rubber consists essentially of silicone polymers and fillers. They are crosslinked with suitable reactants to produce threedimensional structures that convert the fluid or ductile rubber compound into an elastic rubber. Silicone rubber is flexible at low temperatures and resistant to heat and aging (UV, ozone and

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radiation), is easy to process and has good mechanical properties that remain unchanged over a wide temperature range. Silicone elastomers are used in areas such as automotive and mechanical engineering, electronics and electrics, textiles, baby articles, toys, household appliances and sports articles, as well as in the construction industry. The WACKER silicone rubber portfolio comprises around 1,000 products.

WACKER SILICONES

WACKER SILICONES is one of the largest silicone manufacturers worldwide with some 3,000 highly specialized and innovative products. The division's portfolio ranges from silicone fluids, emulsions, resins, elastomers and sealants to silanes, silaneterminated 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 automotive engineering, construction, chemicals, cosmetics, medical technology, energy and electronics, and paper and textiles. In 2017, WACKER SILICONES generated around 45 percent of Group sales.

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The company in brief:

WACKER is a globally-active chemical company with some 13,800 employees and annual sales of around €4.9 billion (2017). WACKER has a global network of 23 production sites, 21 technical competence centers and 50 sales offices.

WACKER SILICONES

Silicone fluids, emulsions, rubber grades and resins; silanes; pyrogenic silicas; thermoplastic silicone elastomers

WACKER POLYMERS

Polyvinyl acetates and vinyl acetate copolymers and terpolymers in the form of dispersible polymer powders, dispersions, solid resins and solutions

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