



Siltronic – a leading producer of silicon wafers

Q1/2016 Results

Highlights Q1/2016: Financials

Sales

Sales of 220.6 EUR (Q4/2015:215.3 mn EUR)
Growth of 2.5%

EBITDA

23.6 mn EUR (Q4/2015: 23.2 mn EUR),
Without negative FX effects* EBITDA would have been 33.3 mn EUR

Margin

EBITDA margin of 10.7% (Q4/2015: 10.8%)
Without negative FX effects* EBITDA margin would have been 15.1%

EBIT

-5.6 mn EUR (Q4/2015: -6.1 mn EUR)

CapEx

20.4 mn EUR (Q4/2015: 34.4 mn EUR)

Free Cash Flow

-6.7 mn EUR (Q4/2015: -10.5 mn EUR)
payments for CapEx 33.5 mn EUR in Q1/2016

Net Cash

149.2 mn EUR (December 31, 2015: 155.9 mn EUR)

* other operating income and expenses influenced by FX effects, mainly due to hedging

Market Update

GDP

- ▶ GDP growth in China declined to 6.7% in Q1/2016.
- ▶ Eurozone and U.S. continued growth at ~2% in Q4/2015.

Silicon market

- ▶ Wafer market in Q1/2016 was ~5.5 bn cm²/month, 1.3% up q-o-q and 3.8% down y-o-y.
- ▶ 300 mm market was ~4.9 mn wafers/month in Q1/2016, 1.1% down from Q4/2015 and 2.4% down y-o-y

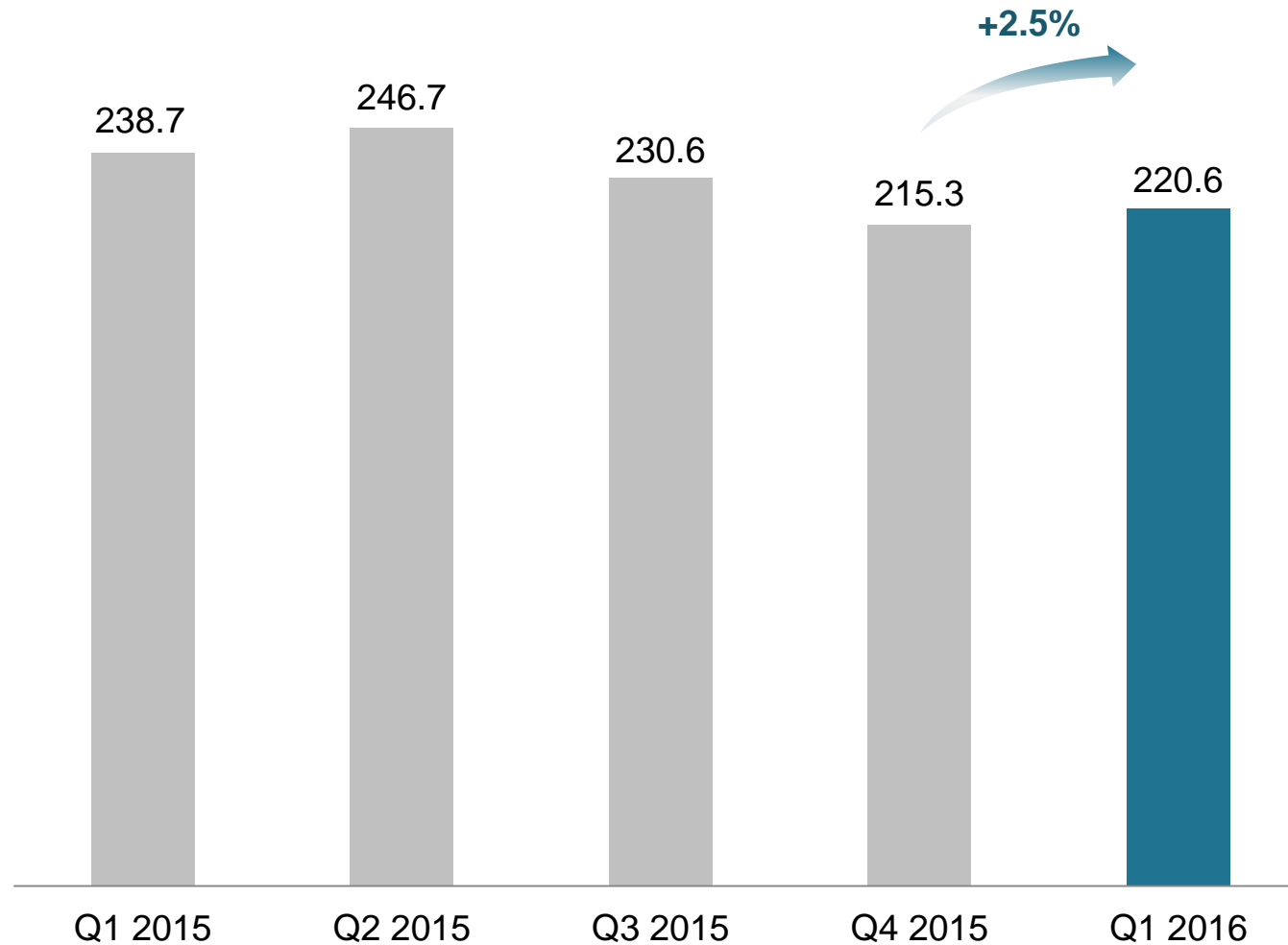
Source: Moody's Economy.com (Apr 2016); SEMI up to Mar 2016

Sales development driven by sequentially higher wafer volumes

Sales, in EUR mn

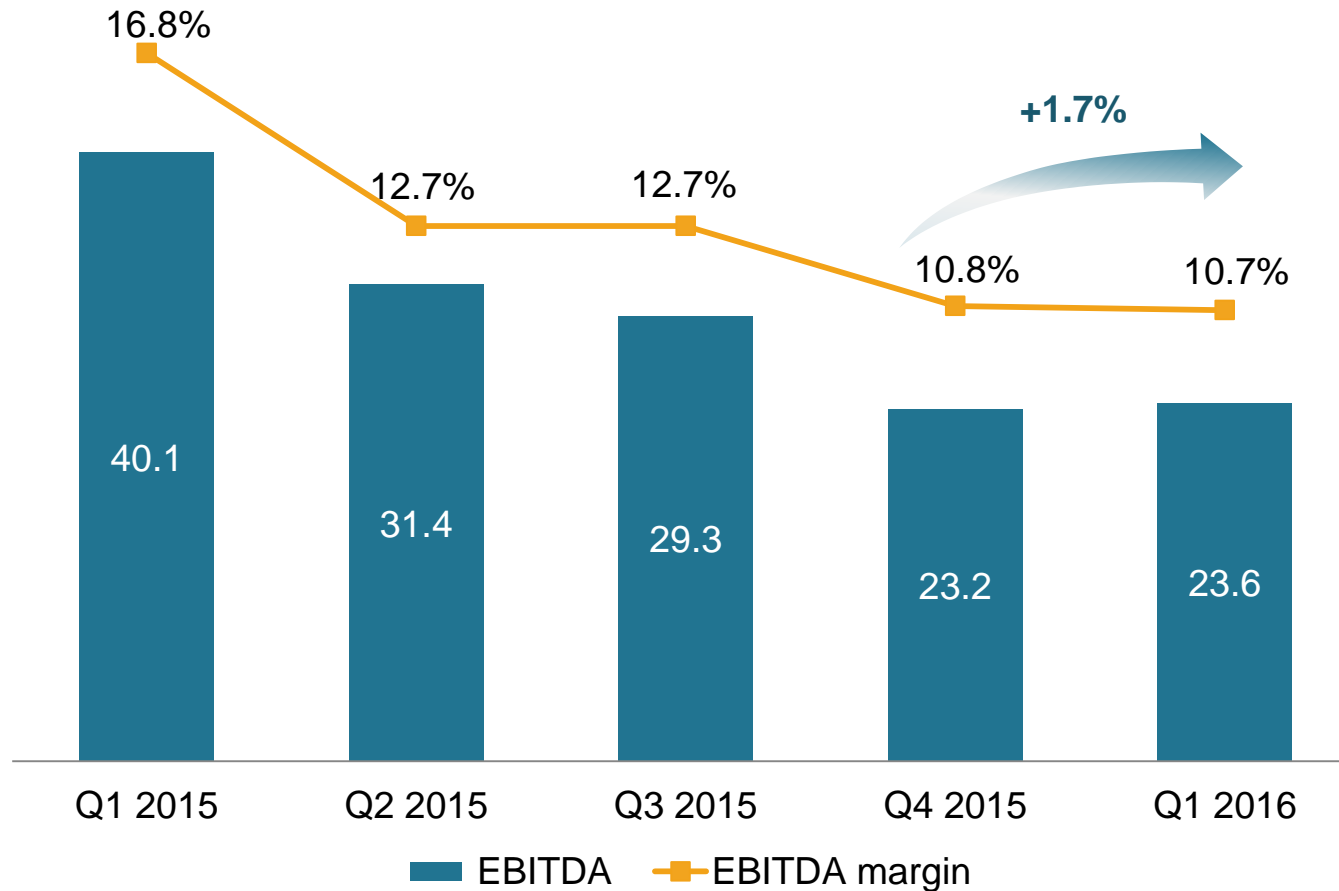
Comments

- ▶ Volumes Q1/2016 increased q-o-q
- ▶ Prices down for products with lower utilisation rates
- ▶ Volumes Q1/2016 decreased y-o-y
- ▶ ASP y-o-y down



EBITDA stable q-o-q

EBITDA, in EUR mn



Comments

► Positive

- volume growth q-o-q
- ASP flat q-o-q
- cost reduction on track

► Negative

- prices down for products with lower utilisation rates
- higher hedging losses y-o-y*

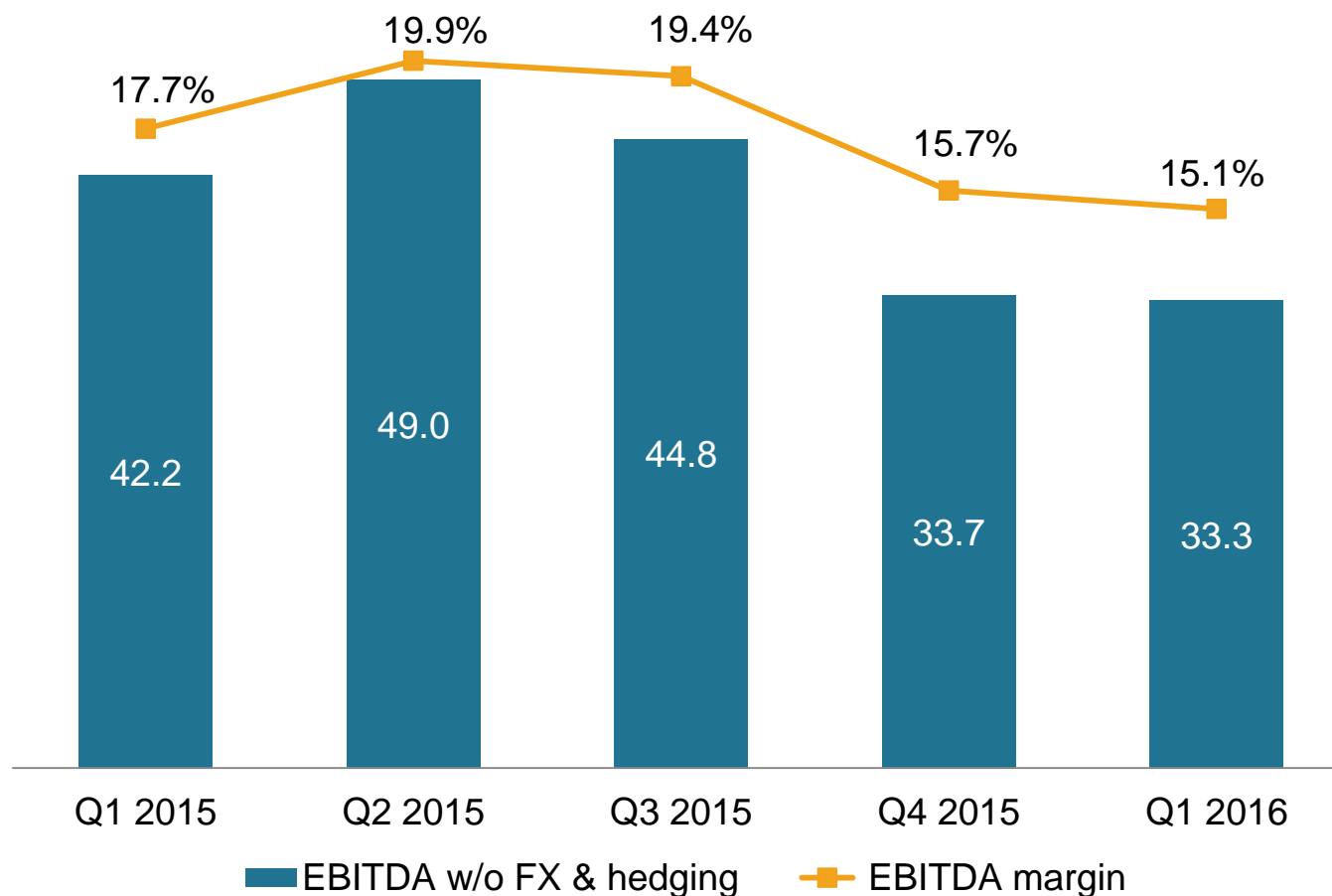
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EBITDA excluding FX effects 15% in Q1/2016

EBITDA excl. FX effects*, in EUR mn

Comments

- ▶ FX effects due to hedging
 - negative EUR 2.1 mn in Q1/2015
 - negative EUR 10.5 mn in Q4/2015
 - negative EUR 9.7 mn in Q1/2016



*other operating income and expenses influenced by FX effects, mainly due to hedging

Equity ratio of 41% and strong net cash position of EUR 149 mn

Balance sheet, in EUR mn

Assets	Mar 31, 2016	Comments
Non-current	573.6	
PP&E	536.7	
Other fixed	36.9	<i>29 intangible (related to SSW)</i>
Current	457.1	
Inventories	146.6	
Trade receivables	97.8	
Other current	24.3	<i>7 hedging</i>
Cash and fixed term deposit	188.4	
Total	1,030.7	

Equity and liabilities	Mar 31, 2016	Comments
Equity	418.2	
Siltronic	422.8	
Other shareholders	-4.6	<i>Samsung's 22% in SSW</i>
Liabilities	612.5	
Pension provision	379.0	<i>Germany and US</i>
Other provisions	37.2	<i>36 personnel related (e.g. early retirement)</i>
Financial debt	39.2	<i>Samsung</i>
Trade liabilities	66.8	
Other	90.3	<i>42 prepayments 27 employee related 8 hedging</i>
Total	1,030.7	

Payments for CapEx above average in Q1/2016

Cash flow, in EUR mn

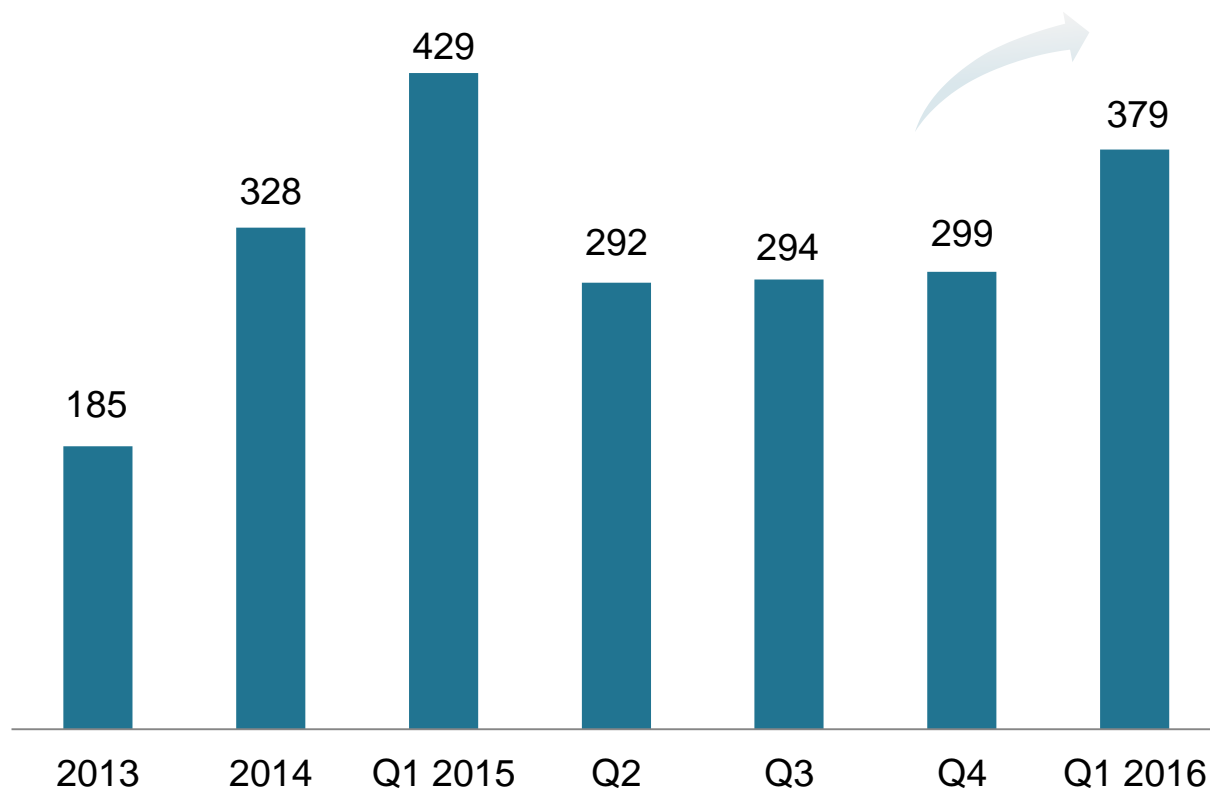
	Q1/2016	Q4/2015	Q1/2015
Cash flow from operating activities	26.8	8.0	47.7
Payments for CapEx	(33.5)	(18.5)	(8.1)
Free cash flow	-6.7	-10.5	39.6

Comments

- ▶ CapEx for investments in state-of-the-art crystal pullers and further automation of production sites

Pension provision increased due to lower interest rates

Pension provision, in EUR mn



Comments

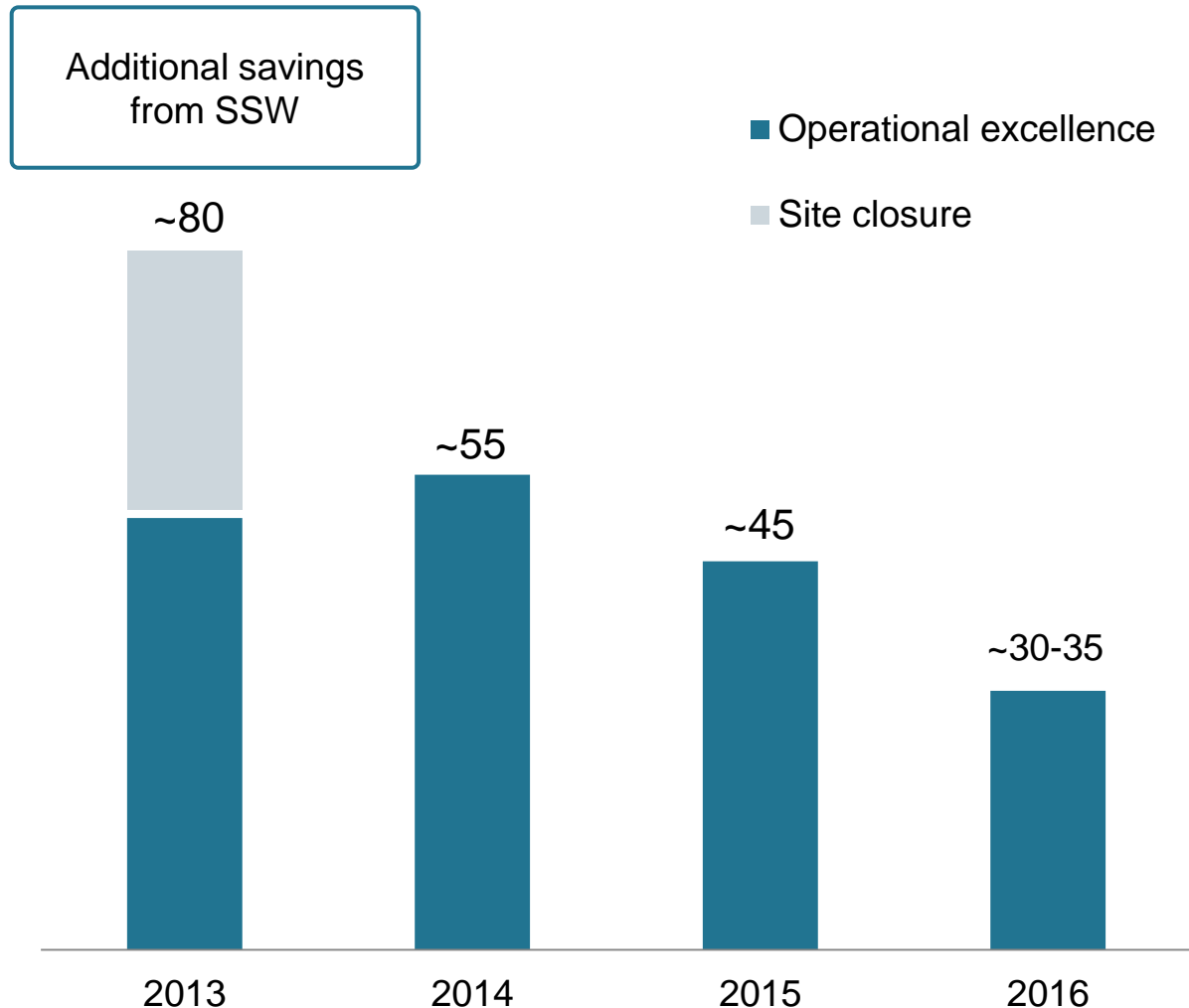
- ▶ changes in interest rates influence evaluation of pension provision
- ▶ change in interest rates directly reflected in equity (OCI)

interest rates IFRS

▶ USA	4.8%	3.8%	3.6%	4.3%	4.2%	4.2%	3.78%
▶ Germany	3.8%	2.3%	1.65%	2.7%	2.8%	2.75%	2.15%

Successful cost reduction program continues

Cost reduction, in EUR mn¹



Additional Savings Levers:

- ▶ Cost reduction roadmap defined for 2016 and beyond
- ▶ up to 500 employees to be transferred to WACKER between 2014 and 2019 (~200 already transferred by the end of 2015)
- ▶ Investing in automation in Germany
- ▶ Investing in new crystal pullers to improve yields and capabilities
- ▶ Poly cost optimization ongoing
- ▶ Further productivity increases through various initiatives

¹ Based on the prior year cost basis to current year volumes and adjustments to certain current year costs to reflect prior year contractual and economic parameters (e.g. prior year unit labor cost)

Siltronic Outlook 2016 as per April

EBITDA margin	slight improvement
ROCE	in the mid single-digit percentage range
Free Cash Flow	clearly positive, but below 2015
Sales	year-on-year decrease in the low to medium single-digit percentage range
R&D	unchanged at approx. 7% of sales
Cost Position	potential savings of around EUR 30-35 mn
Hedging Losses	substantially lower at around EUR 10-15 mn
Depreciation	slight reduction
Tax	roughly EUR 10 mn
Financial Result	roughly EUR 10 mn
Earnings per Share	presumably slightly positive
CapEx	around EUR 80 mn

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ISIN:	DE000WAF3001
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Deutsche Börse:	WAF
Listing:	Frankfurt Stock Exchange Prime Standard

Financial Calendar

Annual Shareholder Meeting:	May 12, 2016
Q2 2016 Results:	July 28, 2016
Q3 2016 Results	October 27, 2016



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