

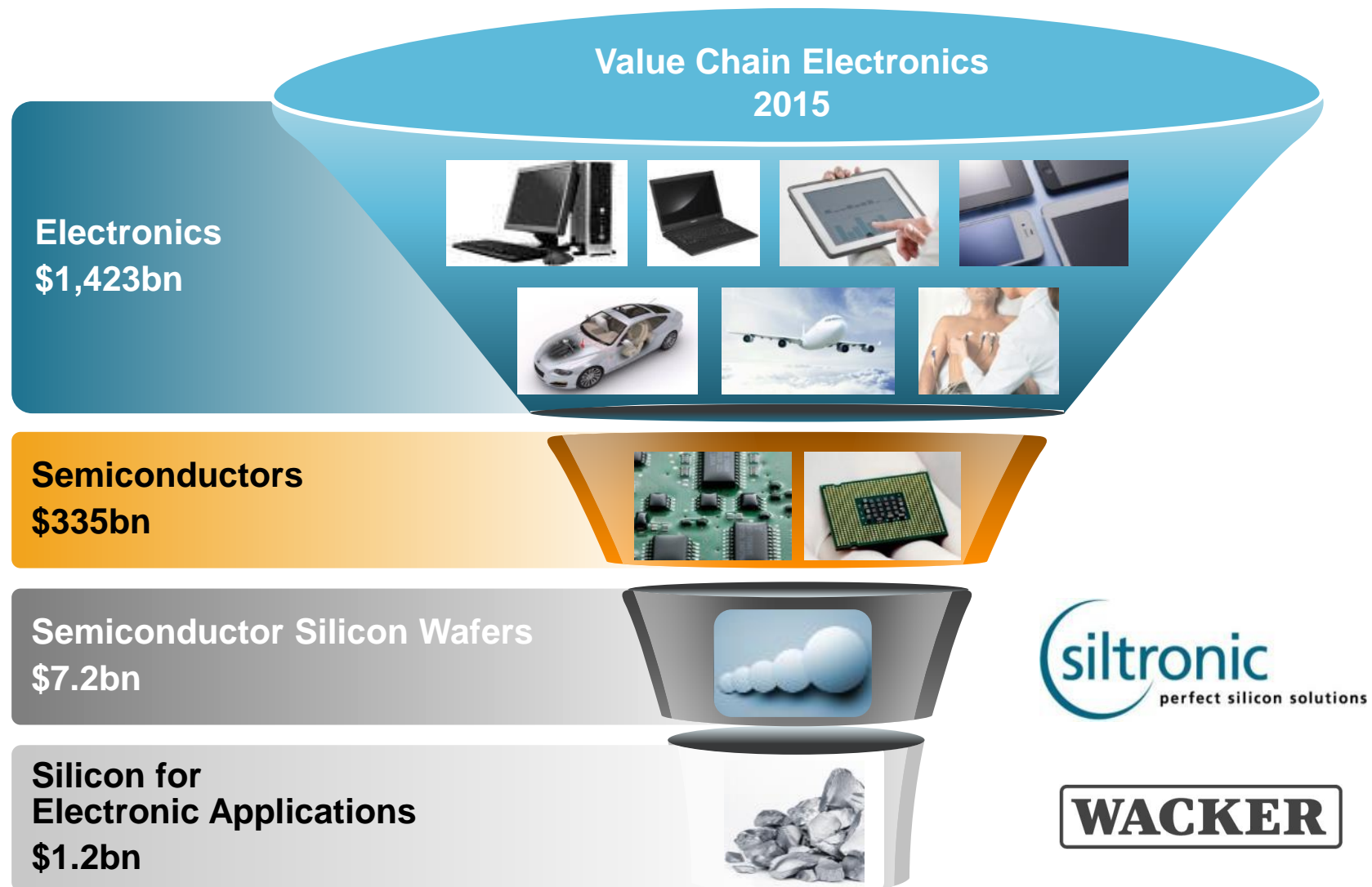


Siltronic – a leading producer of silicon wafers

Fact Book 2016

Investor Relations, June 30, 2016

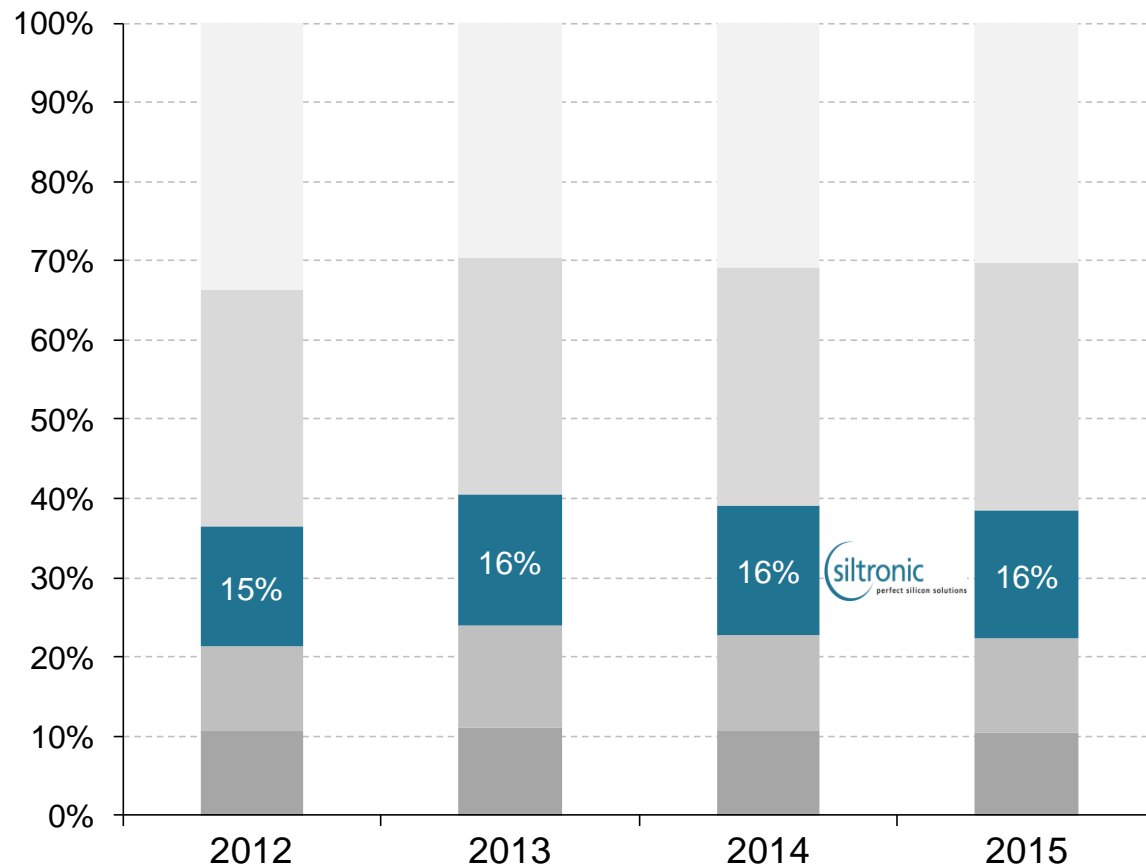
The whole electronic value chain is based on semiconductor silicon wafers.



Source: Electronics (IC Insights), Semiconductors (WSTS), Silicon Wafers (SEMI, Siltronic), Electronic Applications (WACKER estimate)

Strong #3 wafer supplier with stable market share

Top 5 wafer producers serve more than 90% of market



Strong #3 position

~16% stable market share

Sources: Companies' revenue reports until Q3 2015, converted to USD using annual foreign exchange rates

Siltronic is a leader in wafer technology and quality

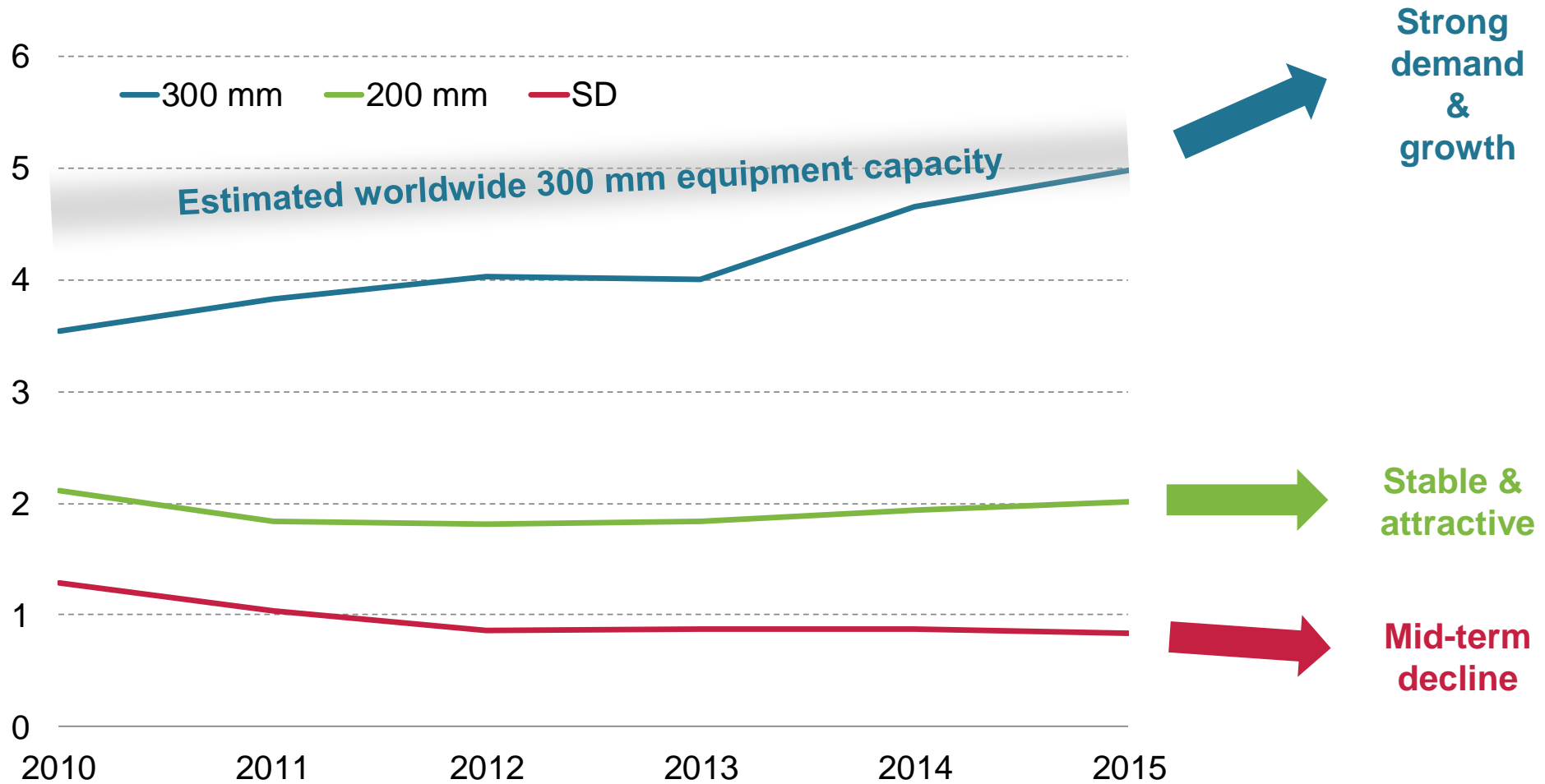
Technological capabilities and leadership are implemented with the highest level of quality expertise

- ▶ First supplier to ship 300 mm wafers
- ▶ Development of 8 nm design rule started in 2013 (commercialization 2017);
- ▶ Concurrently optimizing on 50+ wafer parameters of each design rule
- ▶ >400 engineers worldwide
- ▶ 1,700 patents issued and pending (as of Dec. 31, 2015)
- ▶ Single wafer traceability for 300 mm
- ▶ Standardized processes across sites enabling “copy exactly” at product level
- ▶ Quality awards from virtually all top semiconductor players



Focus on growing 300 mm and attractive 200 mm business

Development of total wafer demand per diameter, in mn 300 mm equivalents per month



Source: SEMI, Siltronic estimates

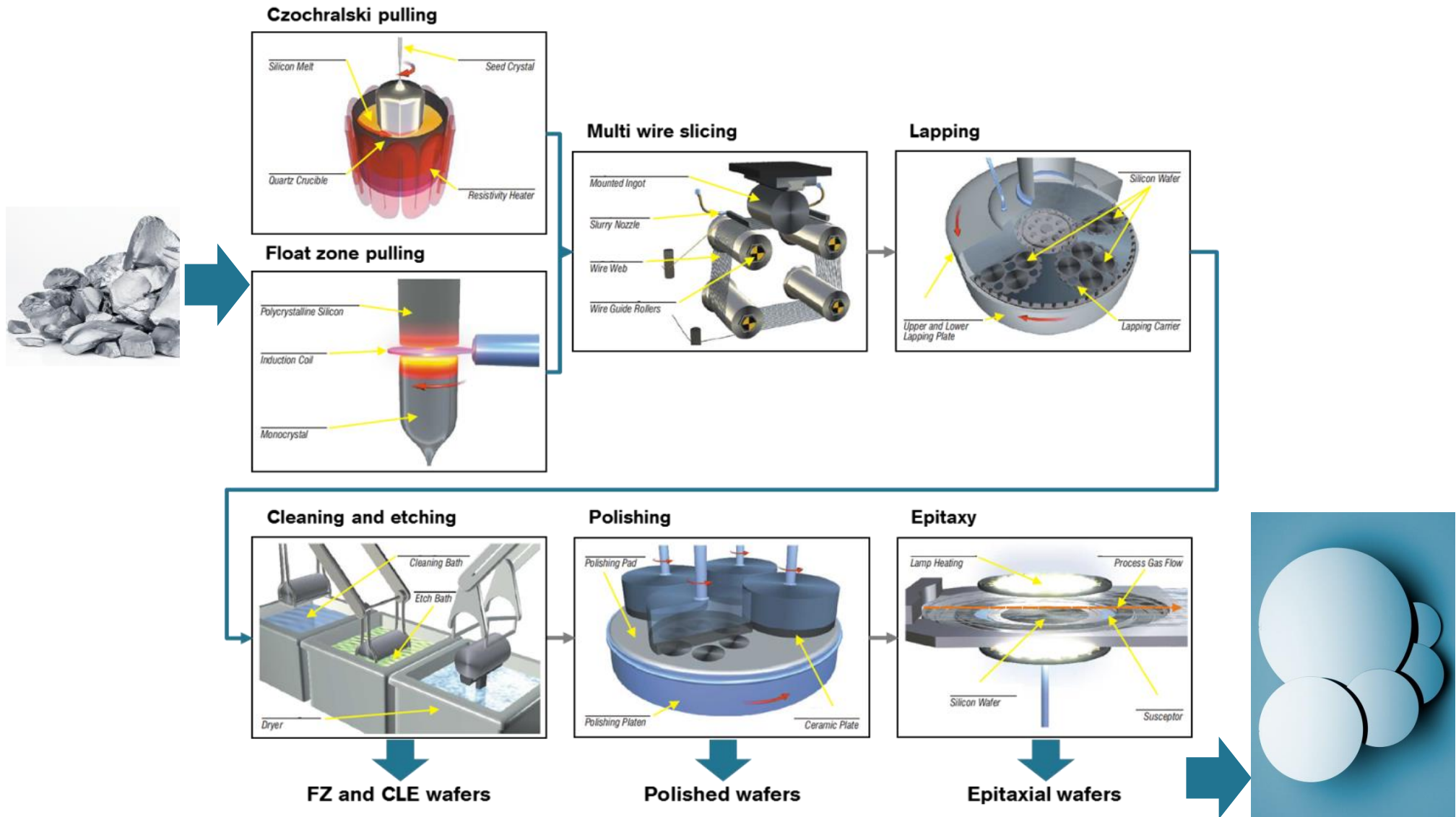
Broad product portfolio

Siltronic offers a broad product portfolio to address all high volume wafer types and to meet different application requirements

Diameter	Process	Share of portfolio	Product	Applications
300 mm	CZ	60%	Double side polished wafer Epitaxial wafer Argon annealed wafer Ultimate Silicon™	Memory, Logic, Analog
125 – 200 mm + SD	CZ + FZ	40%	Standard products: Polished wafer Epitaxial wafer Cut/lapped/etched wafer Special products: Lowly-doped and highly-doped wafer	Logic, Analog, Discretes, Microprocessors, Image sensors, Power and opto-electronics, IGBTs

Note: CZ: Czochralski crystal growing, FZ: Float zone technology

Value creation at Siltronic



International manufacturing network supports market leadership and business focus



US

Portland

200 mm

Wafer



Germany

Freiburg

300 mm

Crystal⁽¹⁾ + Wafer



Burghausen

150 200 300 mm

Crystal⁽¹⁾ + Wafer



Singapore

SSP

200 mm

Wafer



SSW

300 mm

Crystal⁽¹⁾ + Wafer



High volume facilities for 300 mm in Germany and Singapore

Among world's newest & largest fabs in Singapore

SSW majority strengthens fab network and market position

(1) crystal pulling

Customer base well diversified across all major semiconductor silicon wafer consumers

Siltronic is a supplier to all top 20 silicon wafer consumers



Siltronic well positioned at all major silicon consumers

Top 10 customers represent ~65% of 2015 revenues

Note: Top 20 consumers defined according to their fab capacities in the Fab Data Base from Gartner
Source: Company Information; Gartner Fab Data Base; Companies' web pages

Excellent customer service and support reflected in several of the industry's most important quality awards

Excellent customer service

50+ years track record

24 hour response time anytime and anywhere in the world

Local sales network

~100% on-time delivery

Meets demands of **highest international quality standards**

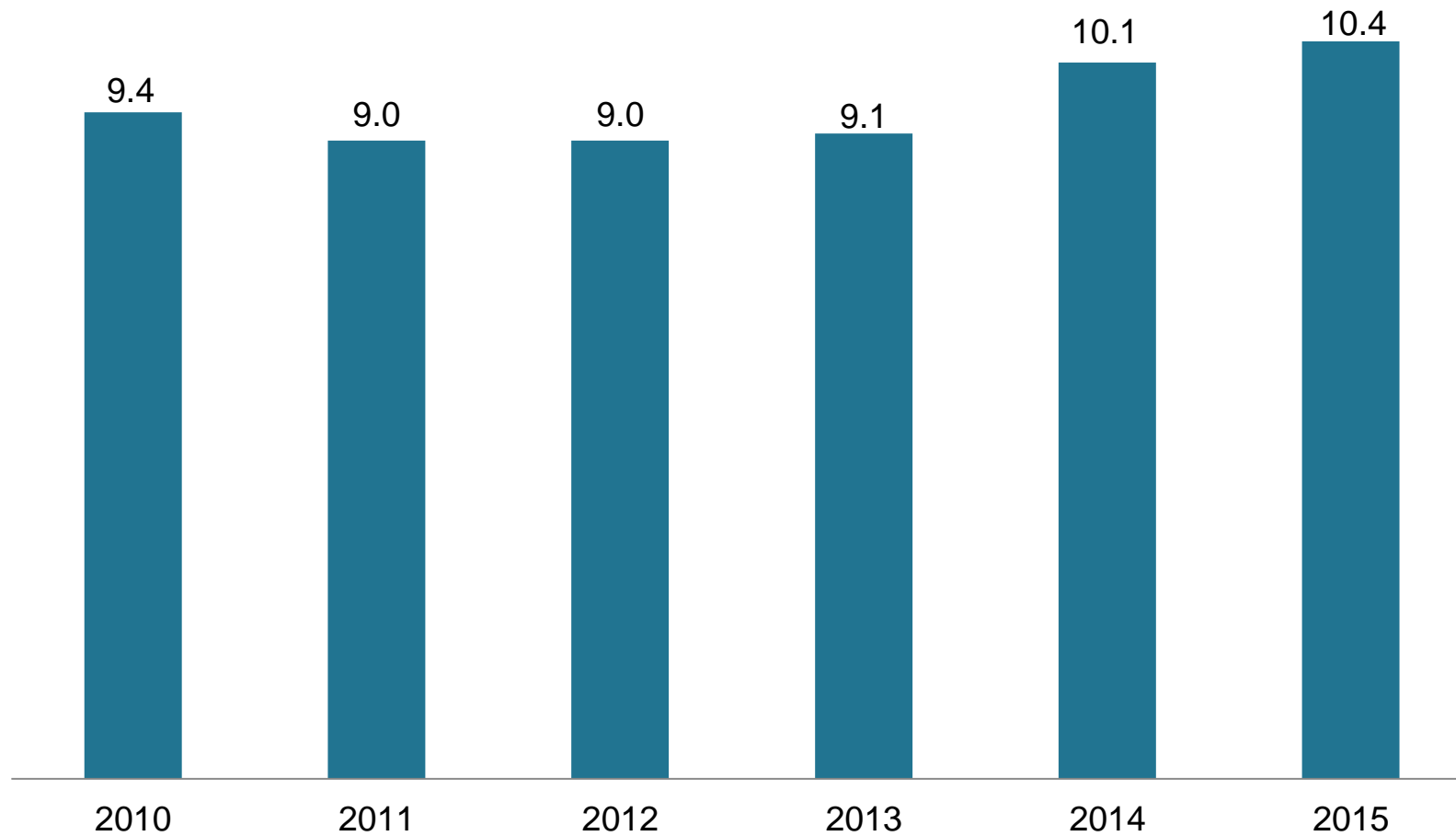
Industry quality awards

- ▶ **Supplier Continuous Quality Improvement Award 2011** by Intel
- ▶ **Preferred Quality Supplier Award** by Intel for the 6th time in a row in 2015
- ▶ **Supplier Awards from almost all Top 20 customers**



Silicon area demand continues to grow

Silicon wafer demand, in bn in²



Source: SEMI SMG Silicon Area until 2015, IHS Semiconductor Silicon Demand Forecast Tool Q1 2016 (growth rates from 2016 onwards)

Growth in silicon area demand driven by sustained diversification and new applications

New applications in micro-electronic

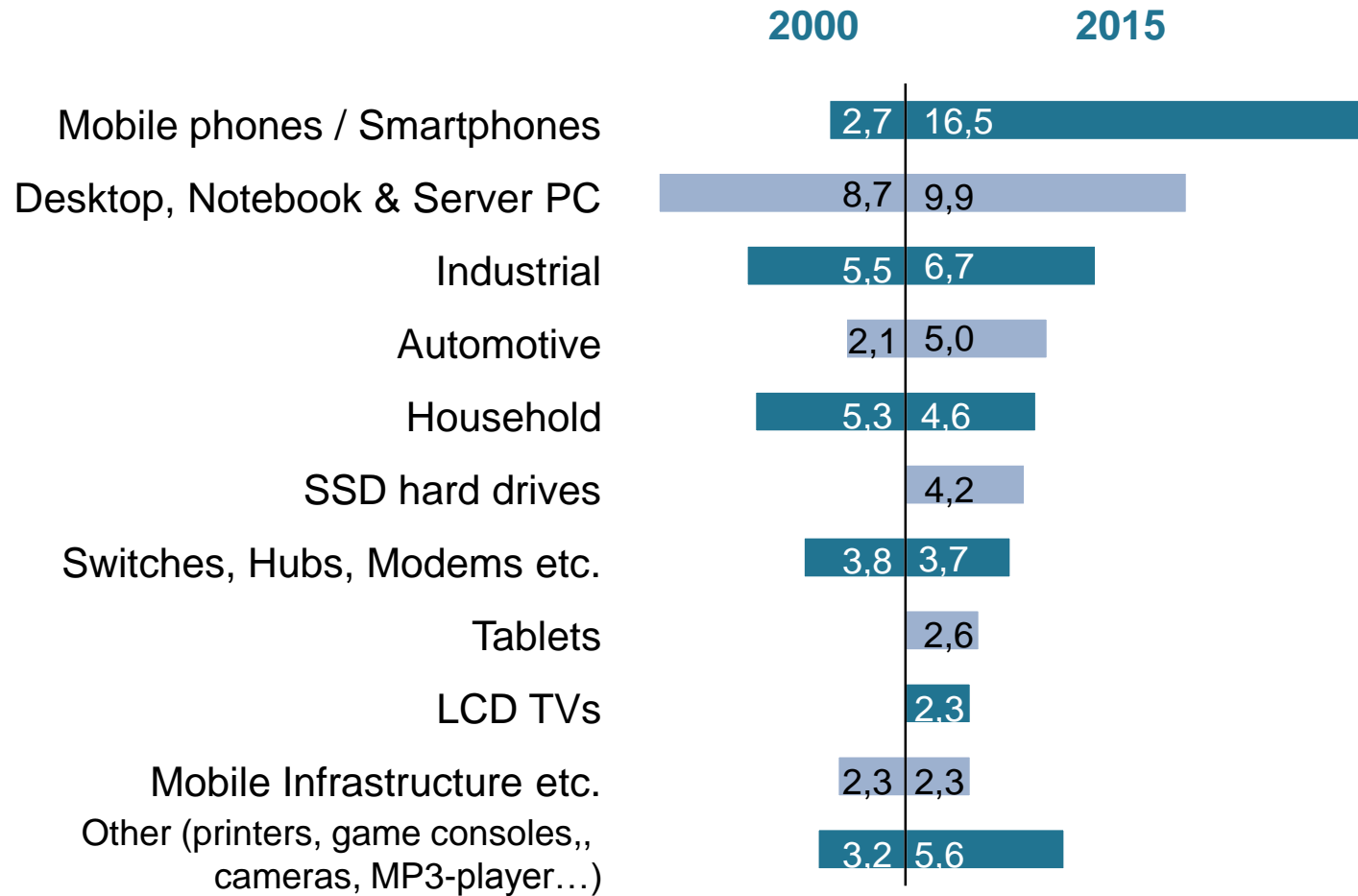


Applications

- ▶ Internet of Things (IoT)
- ▶ Industry 4.0
- ▶ Wearables
- ▶ Electronics in cars
- ▶ ...

Major applications with silicon demand

Demand 2000/2015, in bn. cm²



Source: IHS Semiconductor Silicon Demand Forecast Tool (Q2 2016 Update)

Cars are full of assistance systems

Safety & control

- ▶ Airbag
- ▶ Electronic parking assistant
- ▶ rearview camera
- ▶ Collision warning

Engine control

- ▶ Engine / emission control
- ▶ Electric drive
- ▶ Hybrid drive

Electronic

- ▶ Light
- ▶ Battery management
- ▶ Starter
- ▶ Diagnosis

Chassis

- ▶ Control
- ▶ Break (ABS)
- ▶ Traction control

Comfort

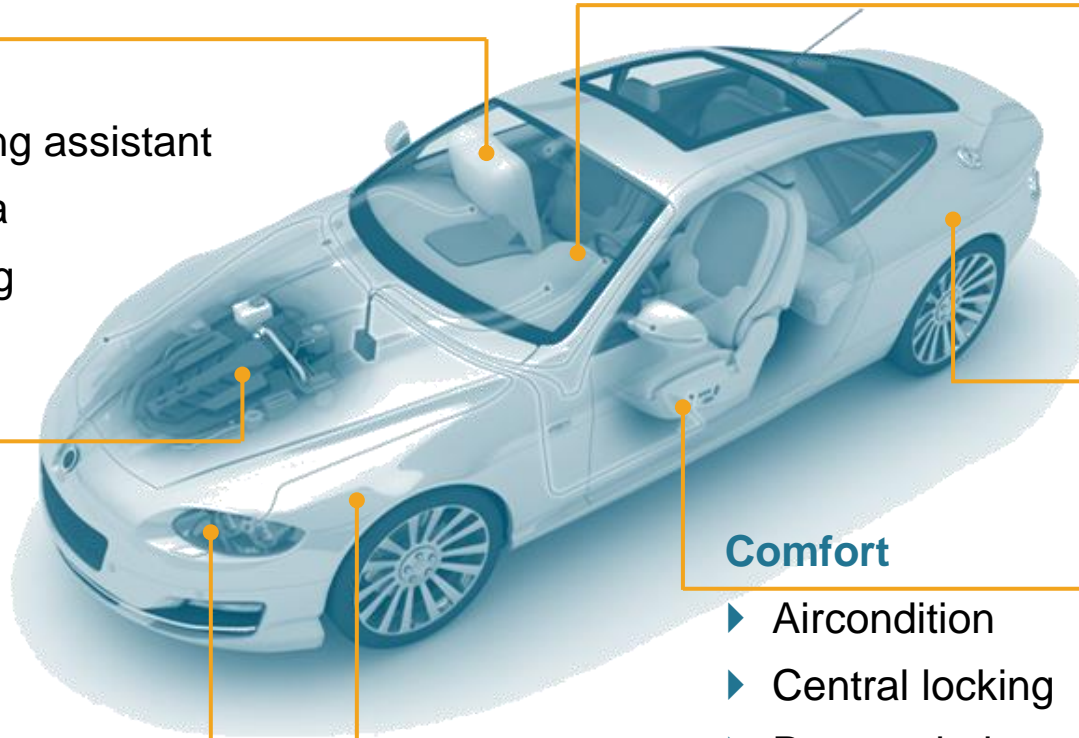
- ▶ Aircondition
- ▶ Central locking
- ▶ Power windows
- ▶ Seat adjustment

Infotainment

- ▶ Audio
- ▶ Navigation
- ▶ Instrument panel

Networking

- ▶ Intra-car (Bus-System)
- ▶ Car-2-X Communication



Source: McKinsey

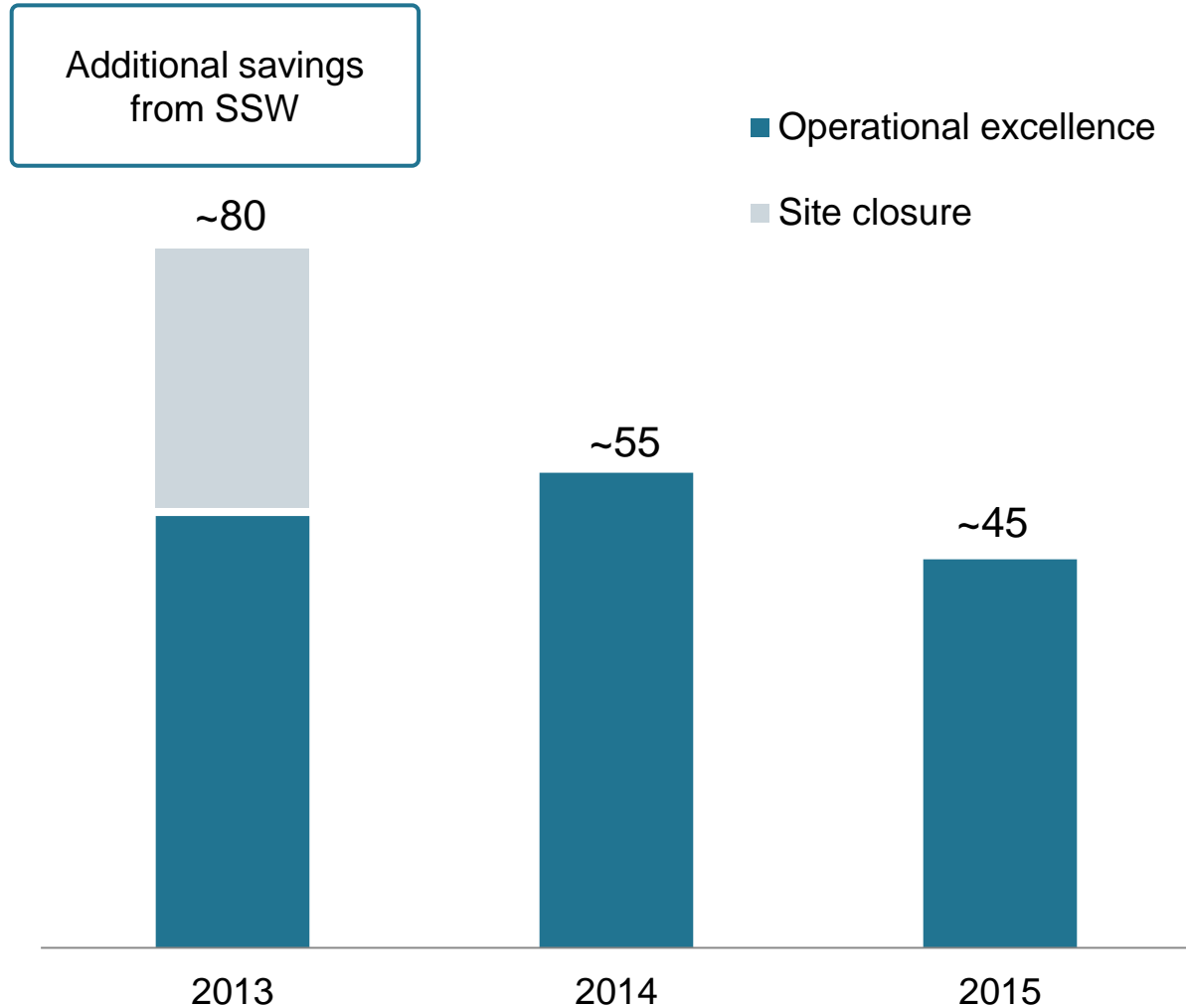
Financials improved strongly over the last years

Adjusted ¹ financial figures (EUR mn)	2015	2014	2013	2012
Sales	931.3	853.4	875.5	1030.0
EBIT	2.7	(31.6)	(87.3)	(75.5)
EBIT margin in %	0.3	(3.7)	(10.0)	(7.3)
EBITDA	124.0	117.7	112.6	122.5
EBITDA margin in %	13.3	13.8	12.9	11.9
CapEx	(75.0)	(40.7)	(39.7)	(144.3)
Free cash flow	37.4	86.3	64.7	(134.4)

¹ figures 2014 adjusted for consolidation effects resulting from acquisition of SSW and restructuring

Successful cost reduction program continues

Cost reduction, in EUR mn¹



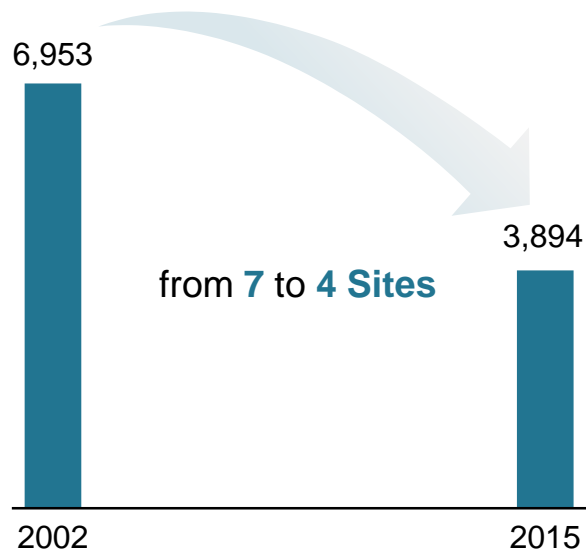
Additional savings levers:

- ▶ 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)

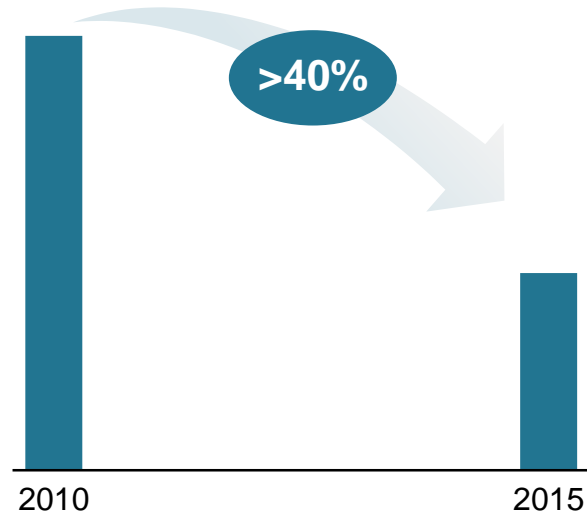
Major successes in cost reduction and efficiency improvements

Number of employees



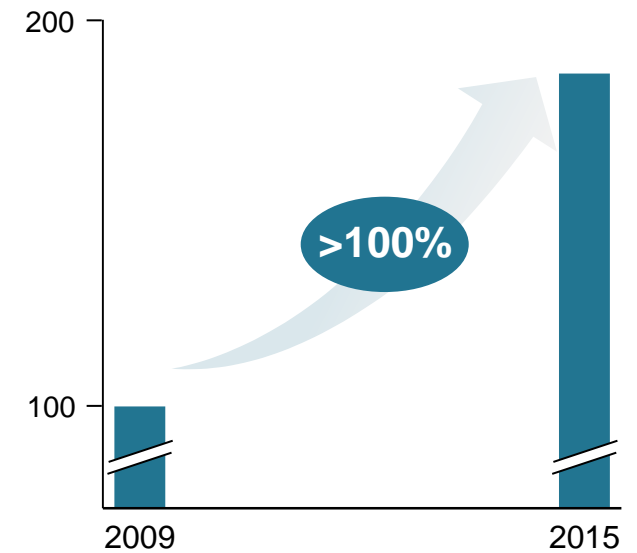
Successful restructuring including Germany

Variable costs of 300 mm wafer (Germany), in EUR / Wafer



More than 40% reduction of the variable unit costs in 300 mm wafer in 5 Years

300 mm Productivity¹ (Germany)



Almost 100% increase of employee productivity in 300 mm wafer in 5 years

¹ Delivered wafer / paid hours (2009 = 100)

Strategic focus

Benefit from market growth

- ▶ Drive 300 mm and 200 mm utilization
- ▶ Broaden market access
- ▶ Improve product mix

Cost reduction roadmap

- ▶ Drive automation and optimization of polysilicon supply & usage
- ▶ Selectively invest in technology and equipment & debottlenecking
- ▶ Continue reduction of direct and indirect staff

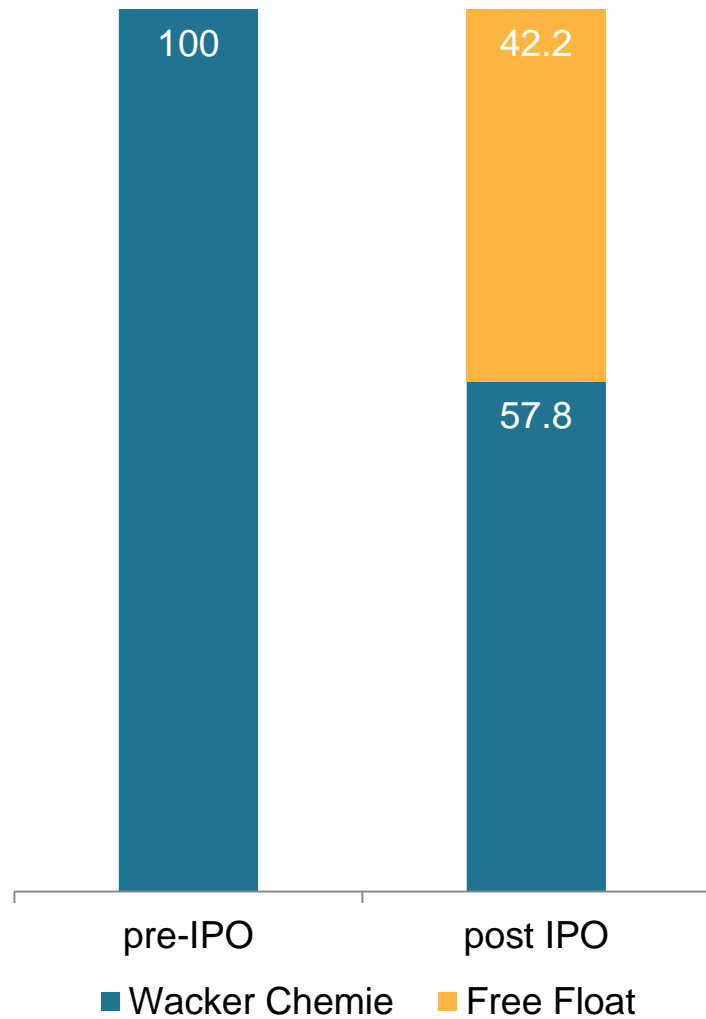
Technology & quality leadership

- ▶ Stay at least “one generation ahead”
- ▶ Support customers with innovation & intensify customer cooperation
- ▶ Continue highest quality and global customer service & support

Financial performance

- ▶ Capital discipline – focus on cash generation
- ▶ Continue operational excellence
- ▶ Capex below depreciation – drive debottlenecking

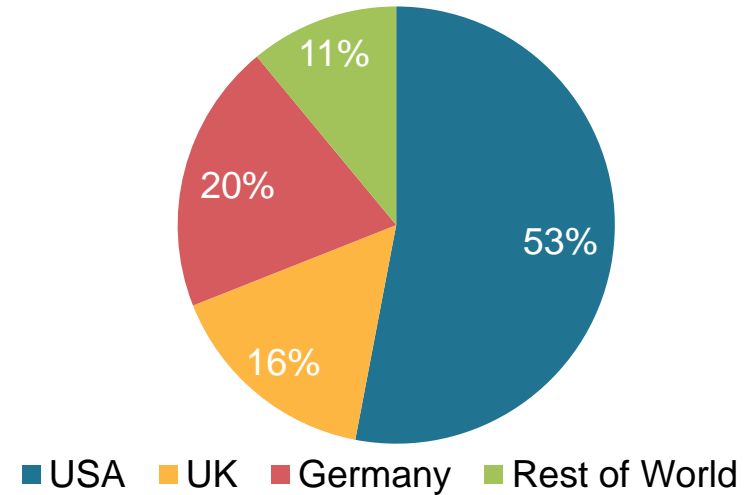
Shareholder structure



¹ as at January 2016

² as at June 2016

Freefloat by regions¹



Major shareholdings included in freefloat²

Baupost Securities Group	8.9%
MainFirst Sicav	5.1%
Wellington Management Co.	2.8%
Morgan Stanley	1.8%

Investment Highlights – Siltronic Strengths

- 1 Strong market position in semiconductor silicon wafer manufacturing**
- 2 Technology and quality leader**
- 3 Supplier to all top 20 silicon wafer consumers with well-established relationships**
- 4 Strong track record in efficiency improvement and cost reduction**
- 5 Strategic supply of high-quality polysilicon at competitive cost**
- 6 Experienced management team and highly skilled workforce**

Contact and additional Information

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Deutsche Börse:	WAF
Listing:	Frankfurt Stock Exchange Prime Standard

Financial calendar

Q2 2016 Results:	July 28, 2016
Q3 2016 Results	October 27, 2016



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