

WACKER



Concrete technology



Soil and asphalt compaction



Demolition



Utility



Compact equipment

Wacker Construction Equipment AG

Analyst conference – results for the first half of 2007

August 16, 2007



Wacker Group business development

Dr Georg Sick, CEO and President

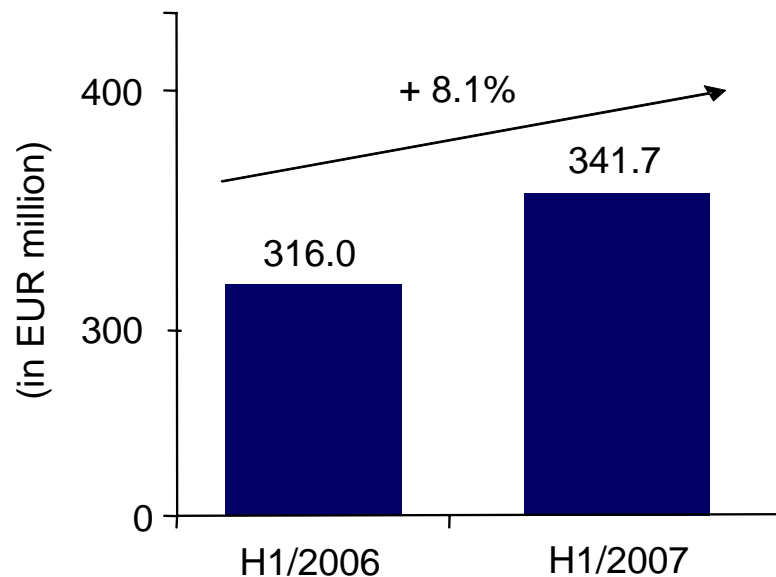
Growth by the Wacker Group in the 1st half of 2007

- 1 Revenue and earnings growth in line with our expectations
- 2 Positive development in all divisions
- 3 Substantial revenue increase in Europe
- 4 Almost stable revenue development in America
- 5 Satisfactory revenue development in Asia
- 6 Negotiations for merger with Neuson Kramer according to plan
- 7 Wacker aims to achieve further revenue and earnings growth

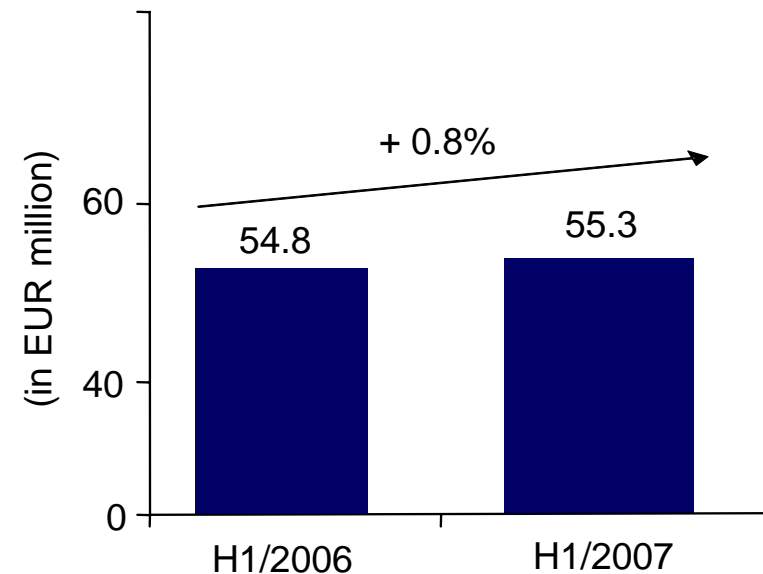
1 Revenue and earnings growth in line with our expectations

Increase in revenue (adjusted to eliminate exchange rate movements) 11.5 per cent, EBITDA (excluding special factors) 15.1 per cent higher

Revenue¹



EBITDA¹

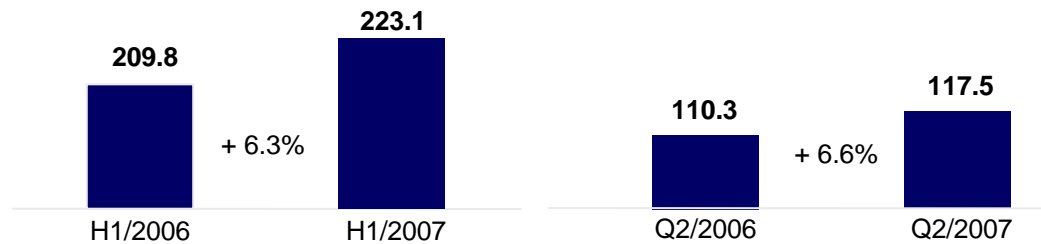


Notes:

1 All figures on Group basis according to IFRS

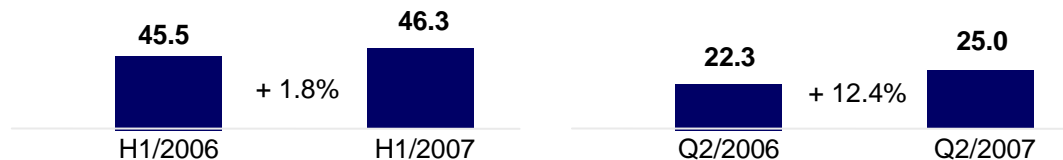
2 Positive development in all business segments *High demand for products and services*

Light Equipment - 65.3 per cent of total revenue (previous year: 66.4 per cent)



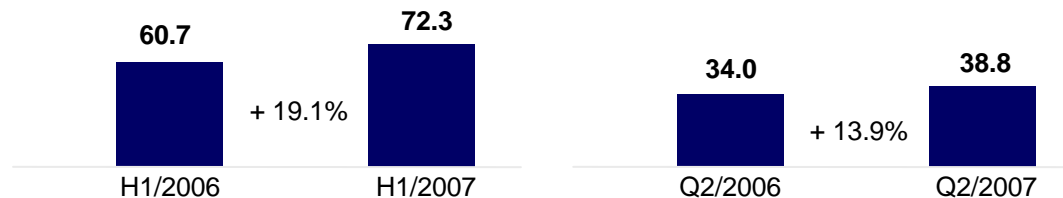
- Positive development in all business fields
- Great interest in buying new products
- Preparations for introducing products from Ground Heaters, Inc. in Scandinavia and Russia

Compact Equipment - 13.5 per cent of total revenue (previous year: 14.4 per cent)



- Considerable improvement in business development in the 2nd quarter of 2007
- Positive response to Wacker wheel loaders in Germany and Austria
- Preparations for launching Wacker wheel loaders in the USA in the first half of 2008

Services - 21.2 per cent of total revenue (previous year: 19.2 per cent)

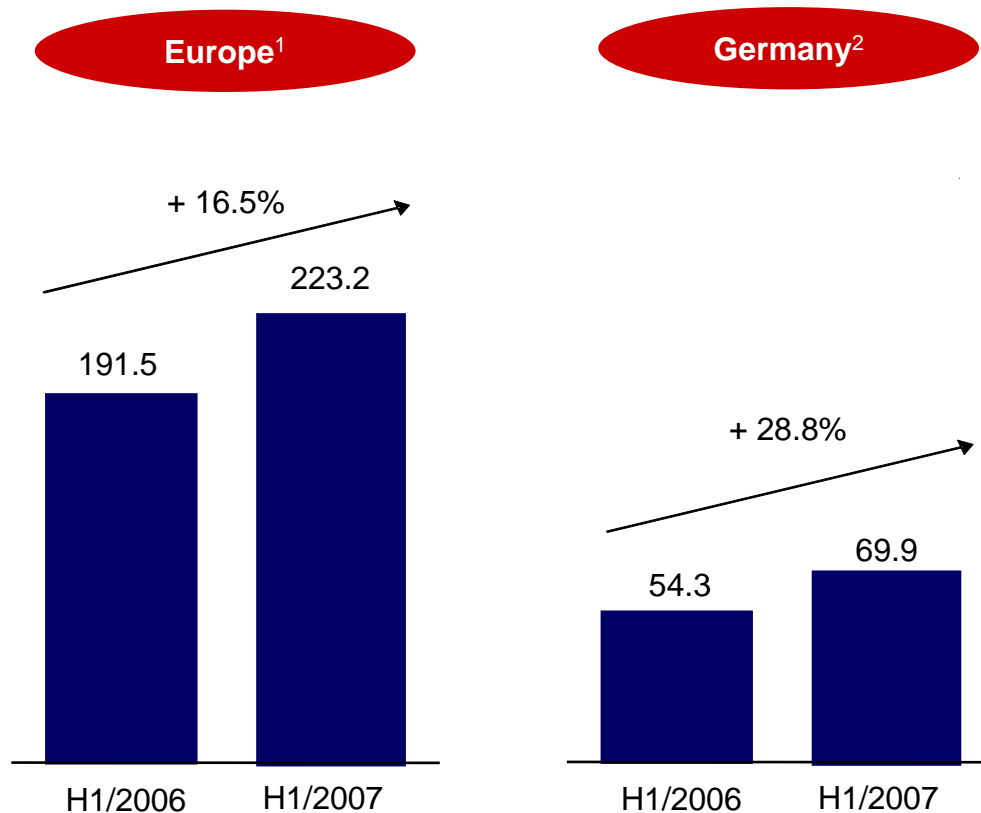


- Substantial increase in revenue
- Growing demand for services
- 40.7 per cent increase in rental business revenue in Central and Eastern Europe

Note: Figures after discounts

3 Substantial revenue increase in Europe

Very good business development in this region, primarily in Germany



- High demand for products and services
- Subsidiaries in Eastern Europe benefit from infrastructure projects
- Approx. 150 per cent revenue growth at our subsidiary in Russia
- High investment by building companies in Germany
- Successful trade fair presentation at bauma 2007
- New Building of production plant for Weidemann GmbH is going according to plan

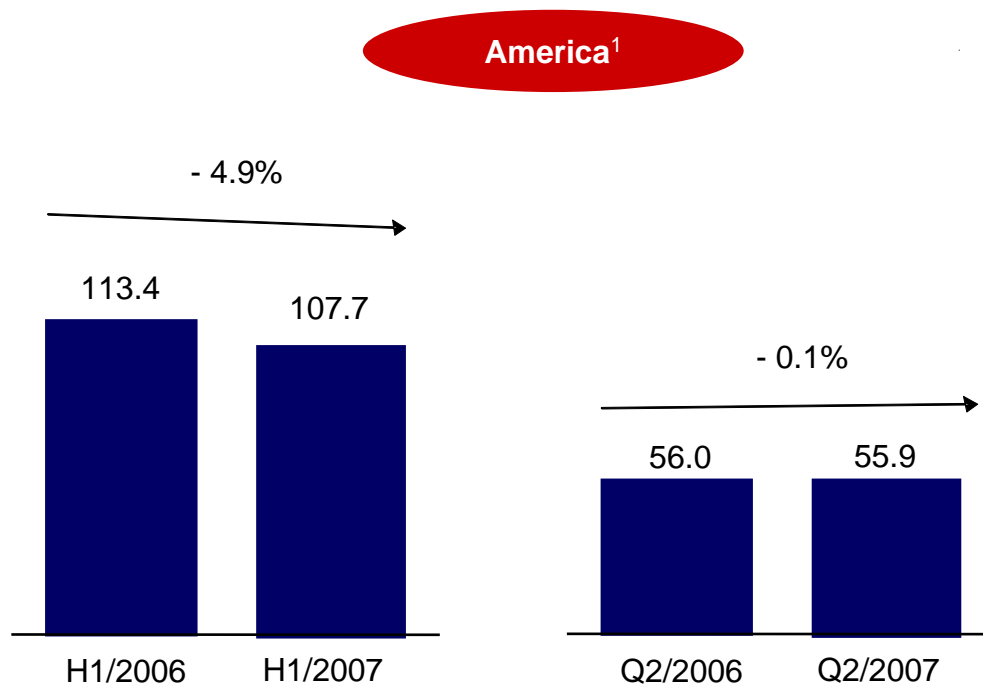
Note:

1 Consolidated revenue after discounts in EUR million

2 Revenue Wacker without Weidemann GmbH, Consolidated revenue before discounts in EUR million

4 Almost stable revenue development in America

Revenue in the 2nd quarter at almost exactly the same level as in the previous year



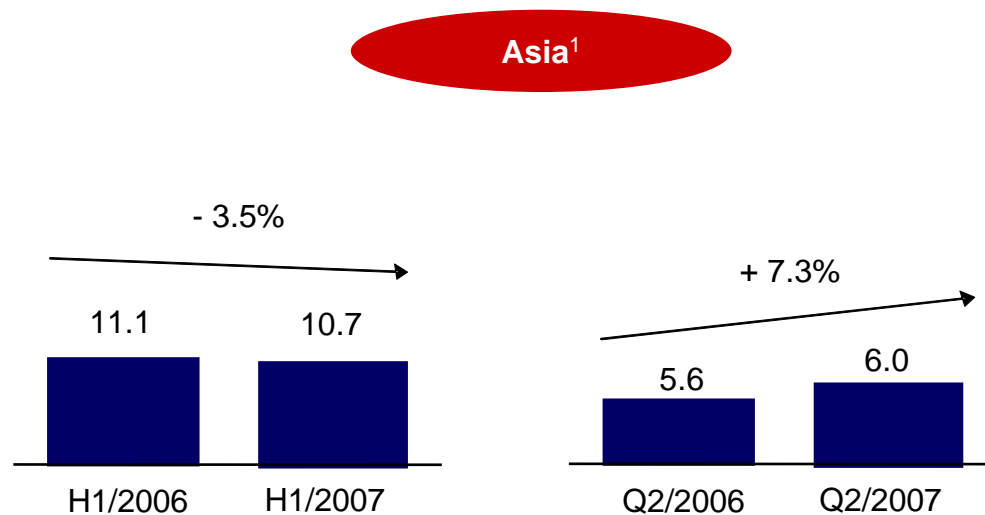
- Revenue in American region influenced by increase in the EUR/USD exchange rate
- Adjusted to eliminate exchange rate movements, revenue was up 2.3 per cent in the 1st half of the year
- Uncertain situation on the property market influences business development in the USA
- Ground Heaters, Inc. with positive contribution to revenue in the post-season
- Decision taken to construct production plant for Ground Heaters, Inc. in Norton Shores (Michigan, USA)
- Development of EQUIPRO, Inc. is going according to plan

Note:

1 Consolidated revenue after discounts in EUR million

5 Satisfactory revenue development in Asia

Increase in revenue in the 2nd quarter higher than in the previous year



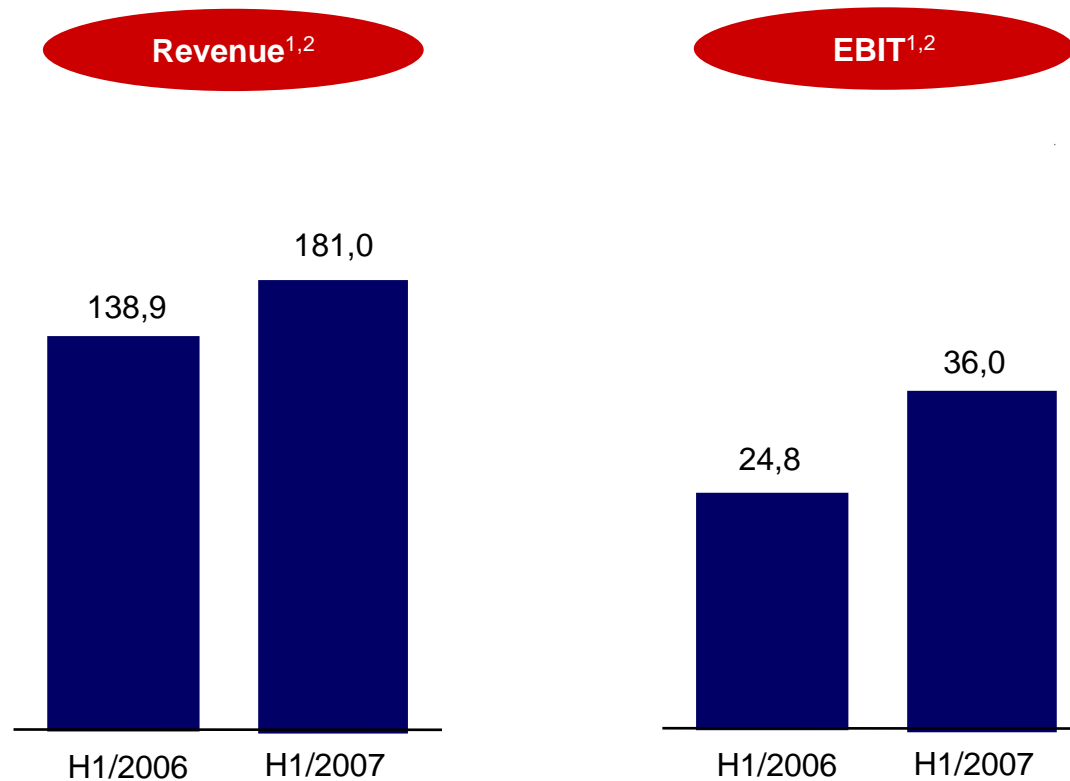
- Revenue in Asian region affected by exchange rate movements
- Adjusted to eliminate exchange rate movements, revenue decreased by 0.6 per cent in the 1st half of the year
- Without the impact of large orders in China in H1/2006, sales operations in China led to revenue growth of 65 per cent
- Positive business development in Australia and New Zealand
- Project to construct a new production plant in Manila is going according to plan

Note:

1 Consolidated sales after discounts in EUR million

5 Negotiations for merger with Neuson Kramer according to plan

Cartel authorities in Germany and Austria have issued their approval



Notes:

1 All figures on Group basis according to IFRS

2 Preliminary figures 1st half fiscal year 2007/2008 (1.2.-31.7.) – Neuson Kramer Baumaschinen AG

7 Wacker aims to achieve revenue and earnings growth in 2007

Assumption: stable business development in Europe and the USA

- Good prospects for the international construction business in all regions
- Expansion in the product range in the Light Equipment division and expansion of the Compact Equipment division in the construction and agricultural industries
- Expansion of the rental business in Central and Eastern Europe
- Regional growth by expanding the sales and service network, e.g. in Russia, Eastern Europe, India and China
- First forecast for fiscal 2007:
 - Revenue: EUR 655 - 670 million
 - EBITDA: EUR 110 - 115 million

Financial performance in the 1st half of 2007

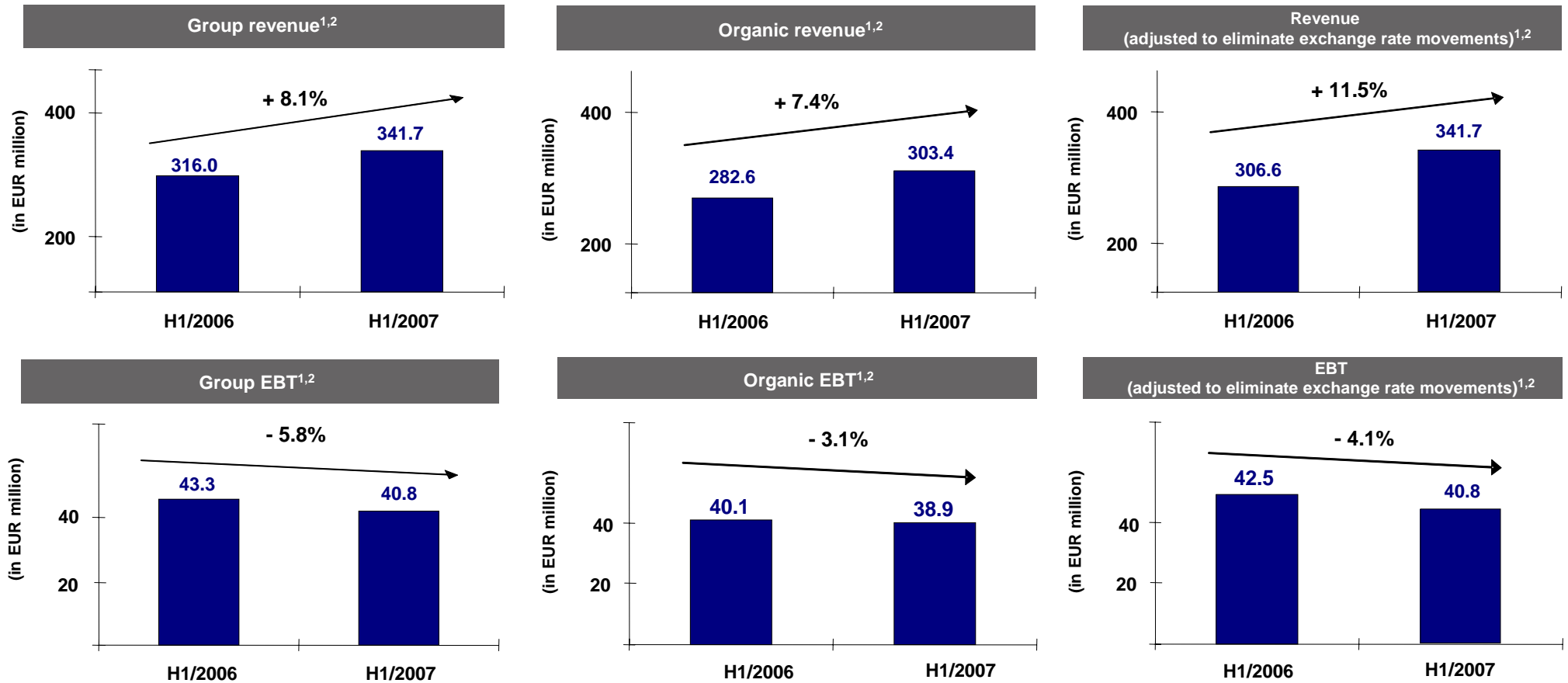
Richard Mayer, CFO

Growth by the Wacker Group in the 1st half of 2007

- 8 Revenue and earnings growth substantially enhanced
- 9 Earnings influenced by planned special factors
- 10 EBIT margin more than 12% in spite of special factors
- 11 Positive margin development in 2nd quarter 2007
- 12 Personnel and non-personnel costs at almost the same level as in the previous year in spite of the recruitment of new staff
- 13 Substantial increase in working capital
- 14 Funding of further investments guaranteed

8 Revenue and earnings substantially enhanced

Stronger influence of exchange rates movements on business development than in the previous year



Note: 1 All figures on Group basis according to IFRS
 2 No consideration of Weidemann GmbH, Drillfix AG and Ground Heaters, Inc.

9 Earnings influenced by planned special factors

Substantial EBIT increase excluding special factors of EUR 9.7 million

Special factors

Costs of EUR 1.9 million for construction trade fair bauma, which takes place every three years

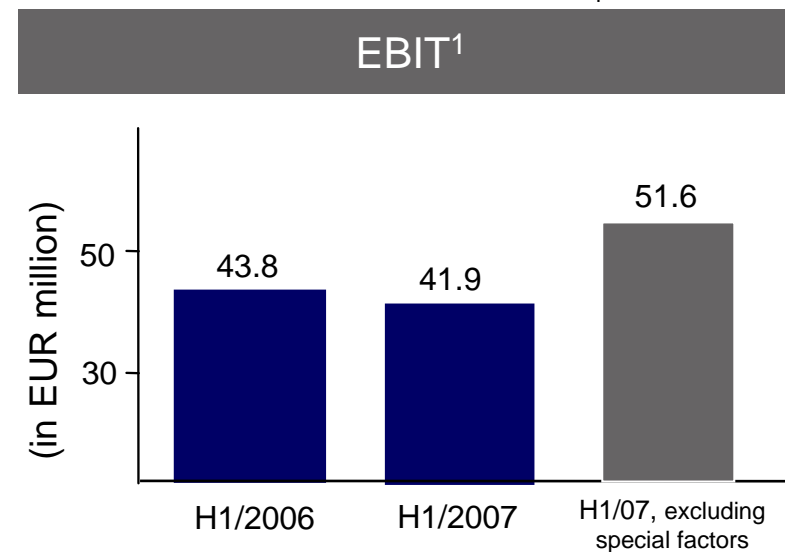
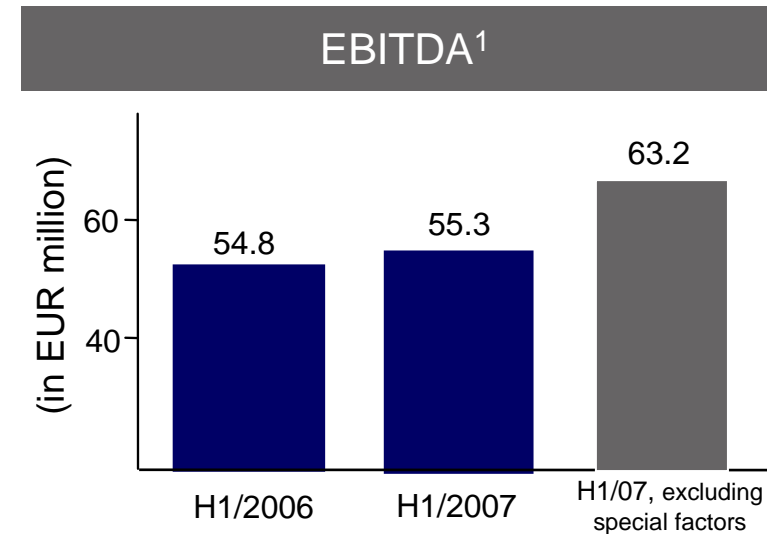
Elimination of intermediate profits of EUR 3.2 million because of stock increase on balance sheet date

Increase in the EUR:USD exchange rate

Cost for preferential allotment of shares to employees in the course of the IPO

Note:

1 All figures on Group basis according to IFRS



10 EBIT margin more than 12% in spite of special factors

Gross profit margin slightly lower because of stock increase on balance sheet date

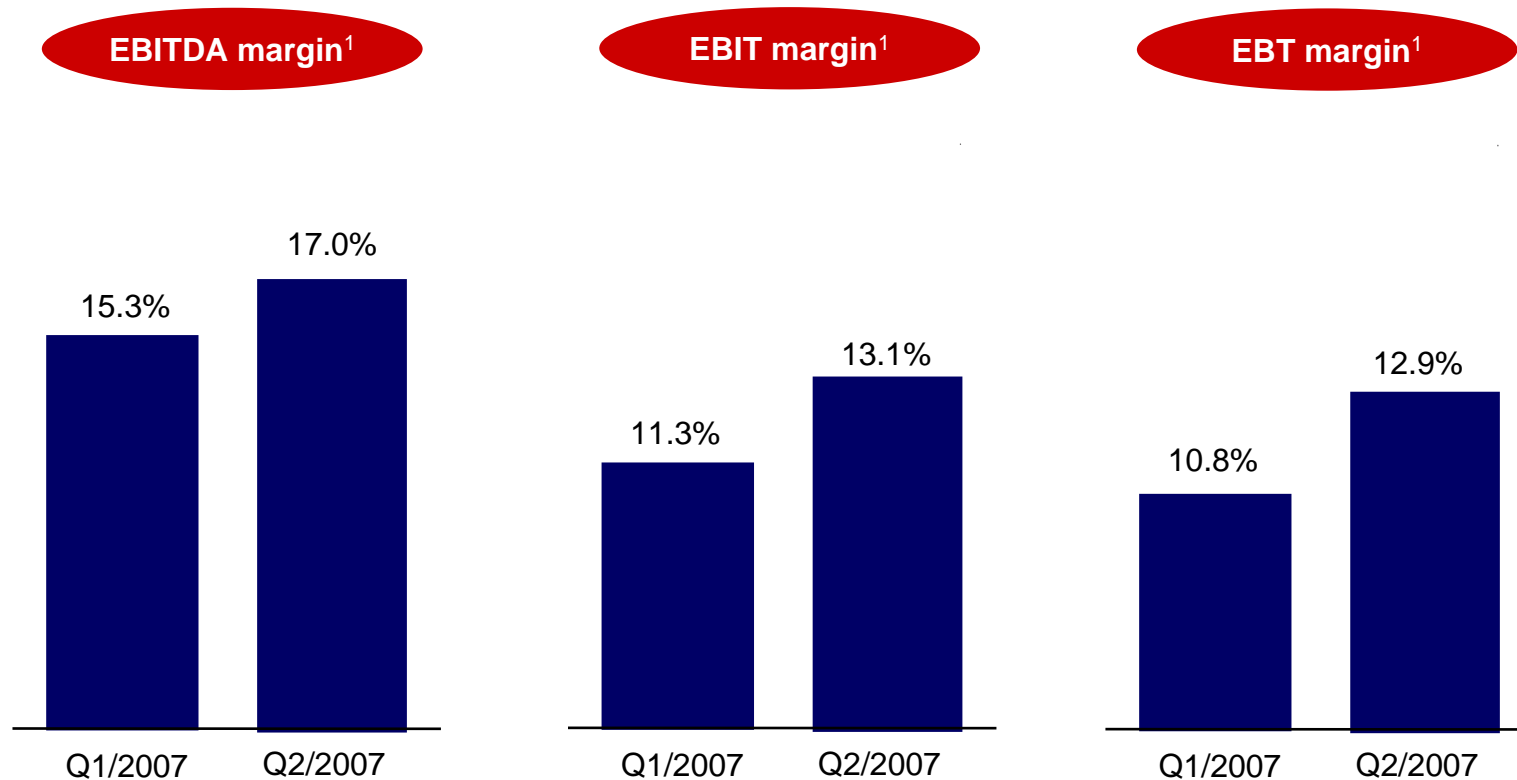
Income statement (in EUR million) ¹	H1/2006	H1/2007	Special factors
Revenue	316.0	341.7	
Production costs	(183.7)	(201.1)	EUR 3.2 million Elimination of interim profit
Gross profit	132.3	140.6	EUR 0.6 million Elimination of rental business
<i>Gross profit margin</i>	<i>41.9%</i>	<i>41.2%</i>	
<i>Sales costs</i>	<i>(60.9)</i>	<i>(68.8)</i>	EUR 1.9 million Depreciation rental business
Research and development costs	(7.8)	(9.7)	EUR 1.9 million costs bauma 2007
Administration costs	(21.6)	(21.7)	EUR 0.75 million Employee shares IPO
Other income/expenses	1.9	1.4	EUR 0.6 million Miscellaneous
EBIT	43.8	41.9	EUR 0.75 million Exchange rate effects
<i>EBIT margin</i>	<i>13.9%</i>	<i>12.3%</i>	
Financial result	(0.6)	(1.1)	
Earnings before tax (EBT)	43.3	40.8	
<i>EBT margin</i>	<i>13.7%</i>	<i>12.0%</i>	EUR 1.1 million Tax effects dividend
Taxes on income	(15.7)	(16.0)	Wacker Corporation
Net Group earnings	27.6	24.8	

Note:

1 All figures on Group basis according to IFRS

11 Positive margin development in 2nd quarter 2007

Despite high special factors earnings margins increase compared to the 1st quarter 2007

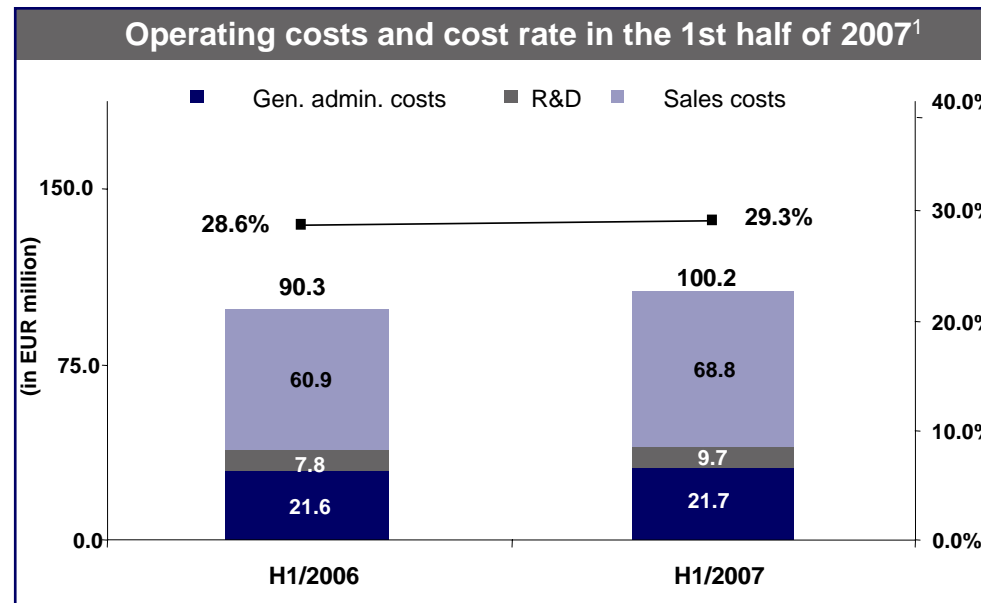


Note:

1 according to IFRS

12 Personnel and non-personnel costs at almost the same level as in the previous year in spite of the recruitment of new staff

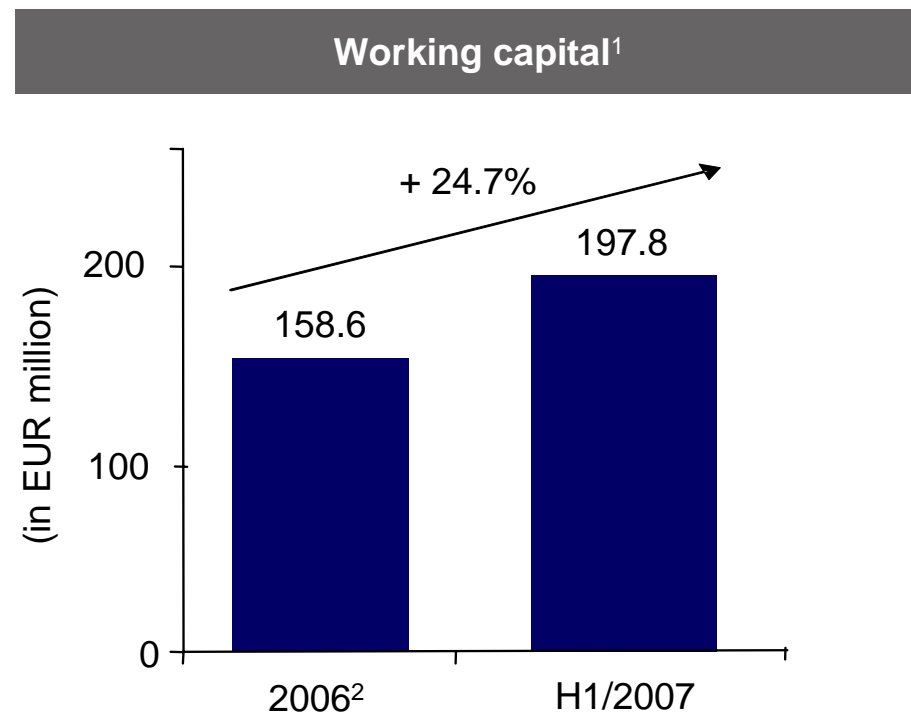
Increase in sales costs attributable to expansion of sales operations and bauma



Note:

¹ All figures on Group basis according to IFRS

13 Substantial increase in working capital *Increase in stocks and trade receivables*



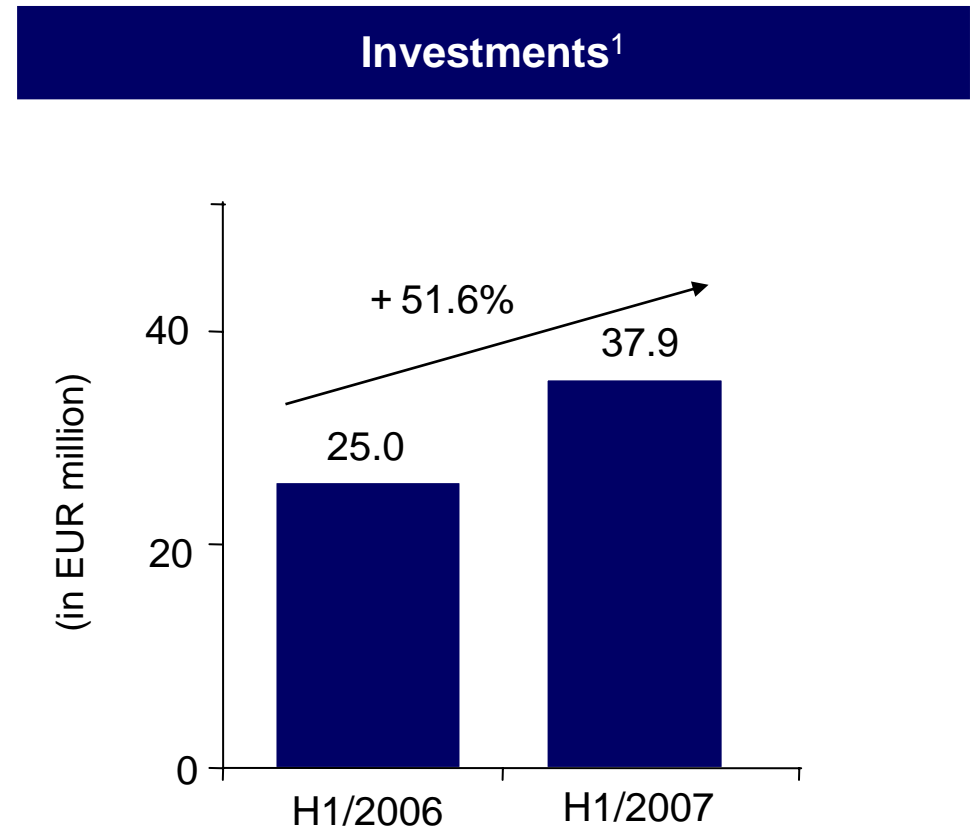
Notes:

- 1 All figures on Group basis according to IFRS
- 2 Qualifying date: 31. December 2006

14 Funding of further investments guaranteed

Use of proceeds of the IPO

Investment
New building of production plant Weidemann GmbH in Korbach (Germany)
Expansion of the rental business in Central and Eastern Europe
Construction of a new production plant in Manila
New building of a training centre in Reichertshofen



Note:

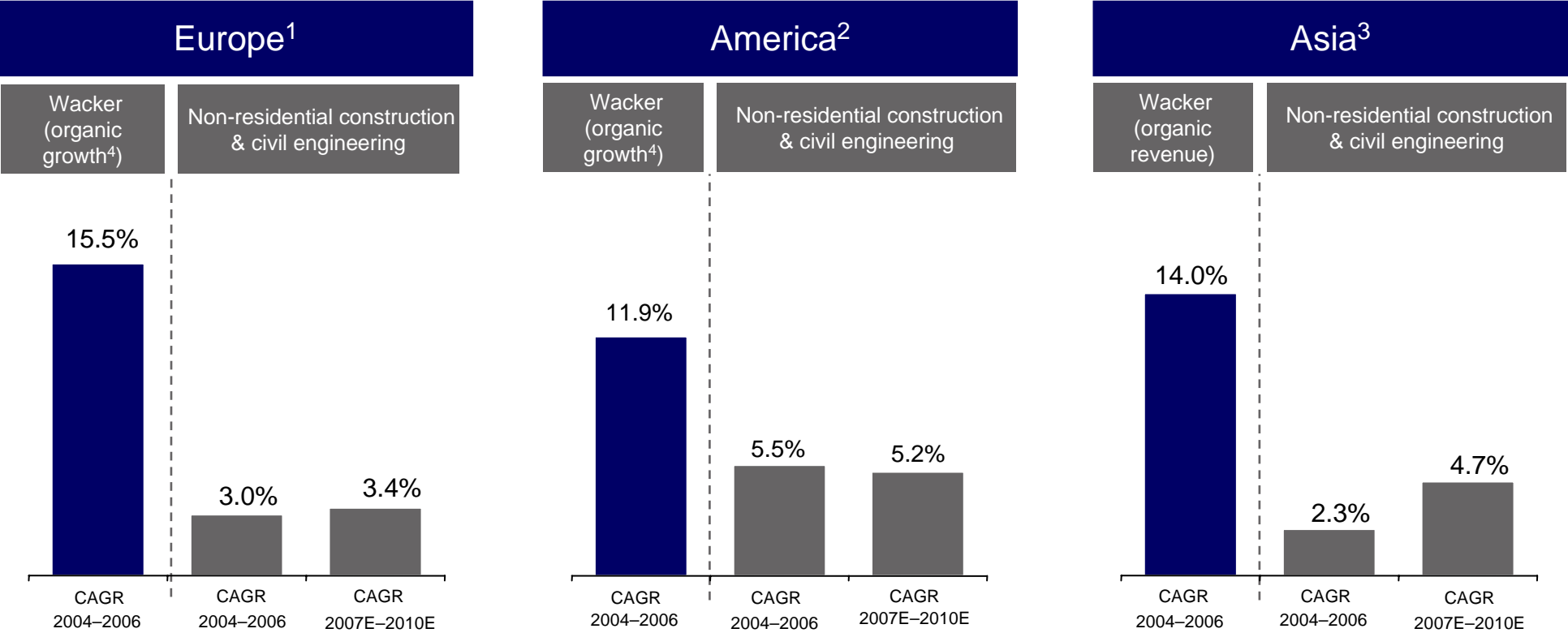
1 All figures on Group basis according to IFRS

Appendix



Positive medium-term prospects for the construction industry

Stable growth expected in the coming years



Source: Datamonitor (Global Construction & Engineering—2006), company data

Notes:

- 1 Europe defined as France, Germany, Great Britain, Italy, Belgium, Netherlands, Spain, Russia, Sweden, Norway, Denmark, Poland, Czech Republic and Hungary
- 2 America defined as USA, Canada, Mexico, Brazil and Chile
- 3 Asia defined as Japan, China, India, South Korea, Australia and Taiwan
- 4 No consideration of Weidemann GmbH, Drillfix AG, and Ground Heater, Inc.

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