RECORD SALES AND PROFIT IN THE FIRST NINE MONTHS 2017 – SUCCESSFUL STRATEGY EXECUTION

SIKA INVESTOR PRESENTATION
DECEMBER 2017
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1. HIGHLIGHTS AND RESULTS FIRST NINE MONTHS 2017

2. SUCCESSFUL STRATEGY EXECUTION

3. TARGETS 2020

4. OUTLOOK
1. HIGHLIGHTS AND RESULTS FIRST NINE MONTHS 2017
1. Record results
   - +7.9% sales growth in local currencies, CHF 4,627.5 million in sales
   - CHF 669.0 million EBIT (+13.2%)
   - CHF 477.4 million net profit (+14.9%)

2. Key investments
   - 4 new factories in Mexico, Kazakhstan, Russia and Tanzania
   - 2 new national subsidiaries in Senegal and El Salvador
   - 4 acquisitions: Rmax, USA, Bitbau Dörr, Austria, ABC Sealants, Turkey and KVK Holding in the Czech Republic

3. Outlook and Strategy
   - Confirmation of annual targets of 6-8% sales growth and disproportionately high growth in profitability with EBIT between CHF 880 and 900 million
   - Growth strategy with targets 2020 confirmed
## KEY FIGURES NINE MONTHS 2017

### RECORD RESULTS – STRONG MOMENTUM CONTINUES

<table>
<thead>
<tr>
<th>in CHF mn</th>
<th>2016</th>
<th>2017</th>
<th>Δ %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>4,331.8</td>
<td>4,627.5</td>
<td>+6.8%</td>
</tr>
<tr>
<td>Gross results as % of net sales</td>
<td>55.3</td>
<td>54.7</td>
<td></td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>719.5</td>
<td>797.9</td>
<td>+10.9%</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>591.2</td>
<td>669.0</td>
<td>+13.2%</td>
</tr>
<tr>
<td><strong>Net profit</strong></td>
<td>415.5</td>
<td>477.4</td>
<td>+14.9%</td>
</tr>
</tbody>
</table>
SIKA WELL ON TRACK
7.9% SALES GROWTH IN THE FIRST NINE MONTHS 2017

<table>
<thead>
<tr>
<th></th>
<th>9M 2015</th>
<th>9M 2016</th>
<th>9M 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>4,095.0</td>
<td>4,331.8</td>
<td>4,627.5</td>
</tr>
</tbody>
</table>

in CHF mn

acquisition
organic

in LC
### SALES NINE MONTHS 2017

**GROWTH IN ALL REGIONS**

<table>
<thead>
<tr>
<th>Region</th>
<th>Growth (in LC)</th>
<th>FX impact</th>
<th>Acquisition</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMEA</td>
<td>+6.5%</td>
<td>-2.6%</td>
<td>-2.6%</td>
</tr>
<tr>
<td>North America</td>
<td>+16.7%</td>
<td>+0.5%</td>
<td>+0.5%</td>
</tr>
<tr>
<td>Asia/Pacific</td>
<td>+4.8%</td>
<td>-0.3%</td>
<td>-0.3%</td>
</tr>
<tr>
<td>Latin America</td>
<td>+1.7%</td>
<td>+1.7%</td>
<td>+1.7%</td>
</tr>
</tbody>
</table>

**Industry** 22%

**Construction** 78%

<table>
<thead>
<tr>
<th>Region</th>
<th>Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMEA</td>
<td>2,137</td>
</tr>
<tr>
<td>North America</td>
<td>826</td>
</tr>
<tr>
<td>Asia/Pacific</td>
<td>821</td>
</tr>
<tr>
<td>Latin America</td>
<td>435</td>
</tr>
</tbody>
</table>
GROWTH MOMENTUM CONTINUES IN FIRST NINE MONTHS 2017
7.9% SALES GROWTH (6.8% IN CHF)

North America
- 9M 2016: 435
- 9M 2017: 826
+ 16.7%

Latin America
- 9M 2016: 435
- 9M 2017: 826
+ 1.7%

EMEA
- 9M 2016: 2,137
- 9M 2017: 2,137
+ 6.5%

Asia/Pacific
- 9M 2016: 821
- 9M 2017: 821
+ 4.8%

(in CHF mn, growth in LC)
DEVELOPMENT OF SALES FIRST NINE MONTHS
STRONG GROWTH IN MATURE AND EMERGING MARKETS

in CHF mn


4'332  127  109  104  -44  4,628
SIX YEAR OVERVIEW – NINE MONTHS FIGURES
CONTINUOUSLY IMPROVING MARGINS

**EBIT IN CHF**

**NET PROFIT IN CHF**
SIKA’S GROWTH MODEL DELIVERS
23 CONSECUTIVE QUARTERS OF MARGIN IMPROVEMENT

PERIODIC EBIT MARGINS

Q3 2017
CONTINUING HIGH OPERATING SPEED IN 2017
ACQUISITIONS

<table>
<thead>
<tr>
<th>Company</th>
<th>Country</th>
<th>Target Market</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rmax</td>
<td>USA</td>
<td>Roofing</td>
</tr>
<tr>
<td>Bitbau Dörr</td>
<td>Austria</td>
<td>Waterproofing</td>
</tr>
<tr>
<td>ABC Sealants</td>
<td>Turkey</td>
<td>Sealing &amp; Bonding</td>
</tr>
<tr>
<td>KVK</td>
<td>Czech Republic</td>
<td>Roofing, Waterproofing, Refurbishment</td>
</tr>
<tr>
<td>Butterfield</td>
<td>USA</td>
<td>Concrete</td>
</tr>
<tr>
<td>Faist ChemTec</td>
<td>Global</td>
<td>Industry, Automotive</td>
</tr>
</tbody>
</table>

Total annual sales: CHF 387 million
KEY INVESTMENTS IN 2017
EXPANSION IN EMERGING MARKETS

New subsidiaries:

- Senegal (April 2017)
- El Salvador (September 2017)

Now present in 99 countries with own national subsidiaries
KEY INVESTMENTS IN 2017
EXPANSION IN EMERGING MARKETS

Opening of Sika plants:
- 5th plant in Mexico (Coatzacoalcos, March 2017)
- New and expanded site in Kazakhstan (Almaty, May 2017)
- 1st plant in Tanzania (Dar es Salaam, June 2017)
- 5th plant in Russia (Lobnya, July 2017)
- New and expanded site in Pakistan (Lahore, October 2017)
- 2nd plant in Angola (Luanda, October 2017)
- New fiber plant for EMEA (Troisdorf, November 2017)
- 1st plant in Cameroon (Douala, December 2017)

New production line for PVC membranes in Russia
New fiber plant in Troisdorf, Germany.
2. SUCCESSFUL STRATEGY EXECUTION
STRATEGIC TARGETS CONFIRMED FOR 2020
SIKA’S GROWTH MODEL WILL DELIVER

1) Performance
2) Market Penetration
3) Innovation
4) Accelerated build-up of Emerging Markets
5) Acquisitions
6) Values
1) PERFORMANCE
## Sika’s Growth Model Delivers Key Investments in the Last Five Years

### Pillars of the Growth Model

<table>
<thead>
<tr>
<th>Pillar</th>
<th>Achievements</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Market Penetration</strong></td>
<td>• Successful Target Market concept</td>
</tr>
<tr>
<td></td>
<td>• Megatrends driving growth</td>
</tr>
<tr>
<td><strong>Innovation</strong></td>
<td>• 420 new patents filed</td>
</tr>
<tr>
<td></td>
<td>• 20 Global Technology Centers</td>
</tr>
<tr>
<td><strong>Emerging Markets</strong></td>
<td>• 54 new plants opened</td>
</tr>
<tr>
<td></td>
<td>• 22 new national subsidiaries</td>
</tr>
<tr>
<td><strong>Acquisitions</strong></td>
<td>• 26 acquisitions in all regions</td>
</tr>
<tr>
<td></td>
<td>• CHF 962 million sales added</td>
</tr>
<tr>
<td><strong>Values</strong></td>
<td>• Strong corporate culture</td>
</tr>
<tr>
<td></td>
<td>• High employee loyalty</td>
</tr>
</tbody>
</table>
SIKA’S GROWTH MODEL DELIVERS CONTINUED GROWTH IN SALES AND PROFIT (FULL YEAR)

NET SALES (consolidated)
in CHF mn % growth in local currencies

<table>
<thead>
<tr>
<th>Year</th>
<th>CHF mn</th>
<th>+5.3%</th>
<th>+9.4%</th>
<th>+13.0%</th>
<th>+6.2%</th>
<th>+5.5%</th>
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<tbody>
<tr>
<td>11</td>
<td>4,750</td>
<td></td>
<td></td>
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<tr>
<td>12</td>
<td>5,000</td>
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<tr>
<td>13</td>
<td>5,250</td>
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<tr>
<td>14</td>
<td>5,500</td>
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<tr>
<td>16</td>
<td>6,000</td>
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</table>

EBIT in CHF mn as% of net sales

<table>
<thead>
<tr>
<th>Year</th>
<th>CHF mn</th>
<th>7.6%</th>
<th>9.0%</th>
<th>10.2%</th>
<th>11.4%</th>
<th>12.3%</th>
<th>13.8%</th>
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</thead>
<tbody>
<tr>
<td>11</td>
<td>400</td>
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<td></td>
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<td>12</td>
<td>450</td>
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<td>16</td>
<td>650</td>
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</tbody>
</table>
2) MARKET PENETRATION
SIKA’S MARKET POTENTIAL
LARGE AND GROWING MARKET SEGMENTS

TOTAL MARKET SIZE

2016
> CHF 70 BILLION

2020
CHF 80 BILLION

INDUSTRY
CONCRETE
FLOORING
WATER-PROOFING
SEALING & BONDING
ROOFING
REFURBISHMENT

INDUSTRY
CONCRETE
FLOORING
WATER-PROOFING
SEALING & BONDING
ROOFING
REFURBISHMENT
MEGATRENDS DRIVE OUR GROWTH
URBANIZATION, NEW VEHICLE DESIGN AND SUSTAINABILITY

New modular vehicle manufacturing concepts need fast, high strength bonding systems

Increasing world population with urbanization and megacities

Increased safety, fire, water, earthquake and quality requirements

Sustainability: Increasing demand for safe-to-use and low-emission products

New vehicle design with material mix requires bonding solutions

Higher demand for infrastructure and refurbishment solutions

Rising demand for high performance concrete, sealing and waterproofing
MARKET PENETRATION - FOCUS ON ATTRACTIVE MARKETS:
CROSS-SELLING, LIFE-CYCLE MANAGEMENT, A STRONG BRAND

Concrete  |  Waterproofing  |  Roofing  |  Flooring & Coating

Sealing & Bonding  |  Refurbishment  |  Industry
Sika is ideally positioned to profit from all phases of the construction lifecycle.

Sika’s long-term market potential

Infrastructure

Bridges, tunnels, air and sea ports, water treatment, hospitals, power plants

Market Education & Building Standards

Increase of building standards, faster and more efficient systems

Concrete repair, mortars, roofing, flooring, waterproofing, sealing

Repair & Refurbishment

Maturity of the Construction Market

EMERGING

DEVELOPING

MATURE
3) INNOVATION
INNOVATION
STRONG TRACK RECORD

More than 420 patents were filed in the last five years

More than 890 employees are dedicated to Research and Development

More than 470 invention disclosures in the last five years

Established 20 Technology Centers worldwide
FROM PATENTS TO WORLD CLASS PRODUCTS
INNOVATION INCREASES SALES AND PROFIT

NEW PATENTS IN THE LAST 5 YEARS
420

NEW PRODUCTS LAUNCHED IN THE LAST 5 YEARS
1,500

+20%
ANNUAL ORGANIC SALES GROWTH INCREASE

30%
ANNUAL EBIT CONTRIBUTION
FROM PATENTS TO WORLD CLASS PRODUCTS
3 MAJOR TRENDS IN THE MARKET

Higher building standards
- Urbanization and megacities require intelligent and safe building designs
- Addressable market for fire protective coating products CHF 1 billion by 2024

3-D Concrete Printing
- Paradigm shift in construction industry with 3-D concrete printing
- Additional market potential of CHF 1 billion by 2025

New opportunities in electric vehicles
- Electric vehicles will be a game changer for automotive industry
- 20% more Sika solutions in electric vehicles
SIKA AUTOMOTIVE
E.G. INNOVATIONS DRIVE INCREASE IN VEHICLE CONTENT

AVERAGE VEHICLE CONTENT

- VW GOLF 7, E-GOLF CONTENT: > CHF 40
- VW PASSAT CONTENT: > CHF 80
- PSA 3008, 308, 5008 CONTENT: > CHF 70
- AUDI A3, A4, A5 CONTENT: > CHF 40
- JAGUAR XF CONTENT: > CHF 100
- MERCEDES S-CLASS CONTENT: > CHF 60
- TATA RANGE ROVER CONTENT: > CHF 100
- TESLA MODELS X, S CONTENT: > CHF 70
SIKA INNOVATIONS DRIVE GROWTH
E.G. INCREASED WORKABILITY FOR CONCRETE

MEETING THE CHALLENGES OF CONSTRUCTION IN URBAN ENVIRONMENTS

ALLOWING LONG TRANSPORTABILITY COUPLED WITH SHORT SETTING TIMES

Sika® ViscoFlow®
IN-HOUSE DEVELOPED HIGH-PERFORMANCE POLYMER PERMITS
> 8 HOURS WORKABILITY OF CONCRETE

+ 30% SALES GROWTH IN 2016
Tons sold

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tons</td>
<td>0</td>
<td>20'000</td>
<td>40'000</td>
<td>40'000</td>
</tr>
</tbody>
</table>
4) ACCELERATED BUILD-UP OF EMERGING MARKETS
EMERGING MARKETS BUILD-UP IN THE LAST FIVE YEARS
CAPTURING GROWTH POTENTIAL IN NEW MARKETS

54
new plants opened

11.0%
average annual sales growth

22
new national subsidiaries

36%
of sales in Emerging Markets
5) ACQUISITIONS
SIKA’S MARKET POTENTIAL
FRAGMENTATION OFFERS ACQUISITION OPPORTUNITIES

CONSTRUCTION CHEMICAL MARKET 2016
> CHF 60 BILLION

Top 10 companies with a combined market share of 40%
ACQUISITIONS IN THE LAST FIVE YEARS
GROWTH PLATFORMS FOR THE FUTURE

26 acquisitions
962 million CHF additional turnover
7 Target Markets
4 regions
6) VALUES AND PRINCIPLES
SIKA’S VALUES AND PRINCIPLES

STONG CORPORATE CULTURE

- Customer first
- Courage for innovation
- Sustainability & integrity
- Empowerment and respect
- Manage for results
3. TARGETS 2020
SIKA’S GROWTH MODEL WILL DELIVER
STRATEGIC TARGETS 2020

MARKET PENETRATION

- 6 - 8% ANNUAL GROWTH

INNOVATION

- 30 NEW PLANTS

EMERGING MARKETS

- 105 NATIONAL SUBSIDIARIES

ACQUISITIONS

- 14 - 16% EBIT MARGIN PER YEAR

VALUES

- > 10% OPERATING FREE CASH FLOW PER YEAR

- > 25% ROCE PER YEAR
SIKA’S GROWTH MODEL WILL DELIVER MORE THAN CHF 1 BILLION EBIT IN 2020

- Megatrends Urbanization, New Vehicle Design and Sustainability drive growth
- Fragmented market of CHF 80 billion with huge growth opportunities
- Sika is ideally positioned to profit from all phases of the construction life-cycle
- Sika GROWTH MODEL confirmed – key investments defined
- Strategic targets confirmed for 2020 – confident that GROWTH MODEL continues to deliver growth and margin improvement
- More than CHF 1 billion EBIT in 2020
4. OUTLOOK
CONFIRMATION OF OUTLOOK
SALES TO EXCEED CHF 6 BILLION IN 2017

- 6-8% sales growth in local currencies
- Sales to exceed CHF 6 billion for the first time
- Disproportionately higher rise in margins with operating profit (EBIT) between CHF 880 and 900 million
- Opening of 8 new plants
- Foundation of 3 new national subsidiaries
FORWARD-LOOKING STATEMENT

This presentation contains certain forward-looking statements. These forward-looking statements may be identified by words such as ‘expects’, ‘believes’, ‘estimates’, ‘anticipates’, ‘projects’, ‘intends’, ‘should’, ‘seeks’, ‘future’ or similar expressions or by discussion of, among other things, strategy, goals, plans or intentions. Various factors may cause actual results to differ materially in the future from those reflected in forward-looking statements contained in this presentation, among others:

- Fluctuations in currency exchange rates and general financial market conditions
- Interruptions in production
- Legislative and regulatory developments and economic conditions
- Delay or inability in obtaining regulatory approvals or bringing products to market
- Pricing and product initiatives of competitors
- Uncertainties in the discovery, development or marketing of new products or new uses of existing products, including without limitation negative results of research projects, unexpected side-effects of pipeline or marketed products
- Increased government pricing pressures
- Loss of inability to obtain adequate protection for intellectual property rights
- Litigation
- Loss of key executives or other employees
- Adverse publicity and news coverage.

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