WELCOME TO THE ANNUAL GENERAL MEETING OF SIKA AG
APRIL 17, 2018
CONSTITUTION

ANNUAL GENERAL MEETING APRIL 17, 2018
VOTE COUNTERS

- Caroline Inauen (Lead)
- Eveline Ulmann
- Margrit Zweifel
- Julia Bachmann
- Christa Blättler
- Deborah Blatter
- Gabi Rebsamen
- Naemi Stühlinger
- Sarah Schütz
- Beatrice Jenni
- Catherine Bedö
- Corinne Lenggenhager
- Céline Volles
AGENDA

Strategy and Current Situation
Dr. Paul Hälg, Chairman of the Board of Directors

Statutory Items
Dr. Paul Hälg, Chairman of the Board of Directors

Under Agenda Item 1:
2017 Business Year,
First Quarter 2018 and Outlook
Paul Schuler, Chief Executive Officer
STRATEGY AND CURRENT SITUATION

DR. PAUL HÄLG
CHAIRMAN OF THE BOARD
50TH SIKA ANNUAL GENERAL MEETING
THANK YOU FOR YOUR LOYALTY

1968
SALES: CHF 210 MILLION
NATIONAL SUBSIDIARIES: 25

2017
SALES: CHF 6.25 BILLION
NATIONAL SUBSIDIARIES: 100
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.

Rising demand for high performance concrete, sealing and waterproofing.

New vehicle design with material mix requires bonding solutions.

Higher demand for infrastructure and refurbishment solutions.
MARKET PENETRATION - FOCUS ON ATTRACTIVE MARKETS: CROSS-SELLING, LIFE-CYCLE MANAGEMENT, A STRONG BRAND

Concrete  Waterproofing  Roofing  Flooring & Coating

Sealing & Bonding  Refurbishment  Industry
SIKA’S TOTAL SHAREHOLDER RETURN OUTPERFORMING ITS PEERS

Total Shareholder Return (last 5 years)

- **Sika**: 272%
- **Peers 1 to 10**: Various returns

**Average**: 90.4%

Sika created 3x the average shareholder return of the peer group.
GLOBAL BUT LOCAL
THE SIKA STRATEGY AND ITS DECENTRALIZED IMPLEMENTATION

TARGET MARKETS  ×  NATIONAL SUBSIDIARIES  =  STRATEGIC OPPORTUNITIES

WHAT  HOW  WHO/WHEN
GLOBAL BUT LOCAL
SUBSIDIARITY IN SUPPLY CHAIN AND TECHNOLOGY
THE SIKA SPIRIT
STRONG CORPORATE CULTURE

WE ARE SIKA STRONG – WE ARE SIKA PROUD
SIKA’S GROWTH MODEL DELIVERS CONTINUED GROWTH IN SALES AND PROFIT (FULL YEAR)

NET SALES

% growth in local currencies
5.3%  9.4%  13.0%  6.2%  5.5%  9.0%


EBIT
as % of net sales
7.6%  9.0%  10.2%  11.4%  12.3%  13.8%  14.3%

TRUST IN THE CAPITAL MARKET
SIKA ENTERED THE SWISS MARKET INDEX (SMI) ON MAY 15, 2017

- Since December 2011 the market capitalization has increased by around 380%
- Current market capitalization of CHF 18 billion
- Sika as a Blue Chip among the 20 largest Swiss companies
“In view of the above considerations the restriction of [SWH]'s voting rights to 5% with respect to the elections in question was justified. Hence, these resolutions were made in conformity with the law and with the articles of association.”
4.1. Votings on the re-election of the independent board members Frits van Dijk, Paul J. Hälg, Monika Ribar, Daniel J. Sauter, Ulrich W. Suter and Christoph Tobler, but not in respect of the re-election of Urs Burkard, Willi K. Leimer and Jürgen Tinggren

4.2. Voting on the election of Jacques Bischoff to the Board of Directors

4.3. Voting on the election of the Chairman of the Board of Directors

4.4. Voting on the re-election of the members of the Nomination and Compensation Committee, with the exception of Urs F. Burkard
2017 BUSINESS YEAR

PAUL SCHULER
CHIEF EXECUTIVE OFFICER
HIGHLIGHTS 2017

1. Continued growth
   - +9.0% sales growth in local currencies to CHF 6,248.3 million
   - CHF 896.3 million EBIT (+12.7%)
   - CHF 649.0 million net profit (+14.5%)
   - CHF 496.8 million operating free cash flow (-15.3%)
   - 29.8% ROCE (+1.1 percentage points)

2. Key investments
   - 3 new national subsidiaries
   - 9 new plants
   - 7 acquisitions

3. Strategy 2018
   - Reviewed with Senior Managers worldwide
   - Growth strategy confirmed with raised targets 2020
GROWTH MOMENTUM CONTINUES IN 2017
9.0% SALES GROWTH (8.7% IN CHF)

<table>
<thead>
<tr>
<th>Region</th>
<th>12M 2016</th>
<th>12M 2017</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>1,094</td>
<td>1,133</td>
<td>+5.2%</td>
</tr>
<tr>
<td>Latin America</td>
<td>590</td>
<td>694</td>
<td>+18.4%</td>
</tr>
<tr>
<td>EMEA</td>
<td>2,875</td>
<td>3,000</td>
<td>+7.5%</td>
</tr>
<tr>
<td>Asia/Pacific</td>
<td>1,133</td>
<td>1,183</td>
<td>+3.3%</td>
</tr>
</tbody>
</table>

(in CHF mn, growth in LC)
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, Germany, November 2017)
- 1st plant in Cameroon (Douala, December 2017)
- 22nd plant in the USA (Houston, December 2017)

New production for PVC membranes in Russia
New fiber plant in Troisdorf, Germany
New plant for admixtures and mortars in Houston
KEY INVESTMENTS IN 2017
EXPANSION IN EMERGING MARKETS

New subsidiaries:

- Senegal (April 2017)
- El Salvador (September 2017)
- Bangladesh (December 2017)
FIRST QUARTER 2018 AND OUTLOOK
HIGHLIGHTS Q1 2018

1. Strong start to 2018
   ▪ +11.0% sales growth in local currencies to CHF 1,554.0 million
   ▪ Strong outlook 2018 for Sika confirmed

2. Key investments
   ▪ New national subsidiary in Honduras
   ▪ New plant in Vietnam
   ▪ Acquisition of Index in Italy

3. Strategy
   ▪ Strategic targets for 2020 unchanged
GROWTH MOMENTUM CONTINUES IN 2018
11.0% SALES GROWTH (11.9% IN CHF)

<table>
<thead>
<tr>
<th>Region</th>
<th>3M 2017</th>
<th>3M 2018</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americas</td>
<td>389</td>
<td>435</td>
<td>+12.2%</td>
</tr>
<tr>
<td>EMEA</td>
<td>692</td>
<td>761</td>
<td>+10.2%</td>
</tr>
<tr>
<td>Asia/Pacific</td>
<td>258</td>
<td>286</td>
<td>+3.9%</td>
</tr>
<tr>
<td>Global Business</td>
<td>216</td>
<td>260</td>
<td>+20.9%</td>
</tr>
</tbody>
</table>

(in CHF mn, growth in LC)
STRONG OUTLOOK FOR 2018
CONTINUATION OF SUCCESSFUL GROWTH STRATEGY

- Sales increase of more than 10% expected with a sales target of CHF 7 billion in 2018
- Volatile and rising raw material prices will continue to be a challenge
- Disproportionately high growth in profit expected for the year 2018 as a whole