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SIKA AG Zugerstrasse 50
6341 Baar, Switzerland
www.sika.com

CONTACT Dominik Slappnig
Corporate Communications and
Investor Relations
TELEPHONE +41 58 436 68 21
E-MAIL slappnig.dominik@ch.sika.com

SIKA LAUNCHES NEW MORTAR PRODUCTION IN VIETNAM

Sika is pushing ahead with the significant expansion of its plant in Bac Ninh in northern Vietnam, underscoring its commitment to dynamic growth in the country's booming construction market. A state-of-the-art facility for mortar production has come on stream alongside the existing production of concrete admixtures. This most recent investment enables Sika to extend its portfolio of locally manufactured products in the north of the country, and thus reinforce the company's cost structure and competitiveness.

More stringent building regulations in Vietnam require the use of ready-mixed mortar, which is one of Sika's strongest product lines. As a result ready-mixed mortar is gaining market share, unlike mortar products that are mixed on the building site. In addition to more stringent regulatory requirements in the construction sector, Vietnam is experiencing a massive construction boom, where rising education and prosperity levels fuel demand for high-quality, high-performance building materials.

Mike Campion, Regional Manager Asia/Pacific: "The new mortar facility in Bac Ninh is a targeted investment in the expansion of our production capacity around the Hanoi metropolitan region. It enables us to deliver significantly faster growth in northern Vietnam and optimize our cost structure, with the elimination of long transport distances. Our customers benefit from an enhanced, high-performance portfolio of products that is aligned with building standards, as well as from shorter lead times."

CONTINUOUS STRONG MOMENTUM IN CONSTRUCTION INDUSTRY

Vietnam's construction sector is expected to grow by 9.6% this year, with annual growth then averaging 7.2% through to 2026. This is being driven by several factors: upcoming infrastructure projects, rapid industrialization, continued urbanization, and a growing tourism sector. A partial relaxation of restrictions on property ownership is also making the construction sector attractive to foreign investors.

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SIKA CORPORATE PROFILE

Sika is a specialty chemicals company with a leading position in the development and production of systems and products for bonding, sealing, damping, reinforcing and protection in the building sector and automotive industry. Sika has subsidiaries in 101 countries around the world and manufactures in over 200 factories. Its more than 18,000 employees generated annual sales of CHF 6.25 billion in 2017.