



DATE January 22, 2019
PAGE 1 / 3
SIKA AG Zugerstrasse 50
6341 Baar, Switzerland
www.sika.com

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

NOT FOR DISTRIBUTION IN OR INTO THE UNITED STATES, CANADA, AUSTRALIA, SOUTH AFRICA OR JAPAN, OR IN OR INTO ANY OTHER JURISDICTION IN WHICH SUCH DISTRIBUTION WOULD BE PROHIBITED BY APPLICABLE LAW.

SIKA AG LAUNCHES OFFERING OF UP TO CHF 1,300 MILLION SUBORDINATED MANDATORY CONVERTIBLE NOTES DUE 2022

Sika AG ("Sika") announces the launch of an offering (the "Offering") of up to CHF 1,300 million subordinated mandatory convertible notes due 2022 (the "Notes"). Sika intends to use the net proceeds from the Offering to fund the recently announced acquisition of Parex and for general corporate purposes.

The Notes will be mandatorily converted into new or existing registered shares of Sika at maturity, subject to the early conversion rights of Sika and noteholders in accordance with the terms and conditions of the Notes.

The Notes will be issued at 100% of their principal amount in denominations of CHF 200,000. The Notes are expected to carry interest of between 3.75% and 4.00% per annum payable annually in arrears. The Notes are expected to have a minimum conversion price equal to the reference share price and a maximum conversion price set at a premium of between 12.5% and 15.0% over the reference share price. The reference share price is expected to be equal to the share price determined in a concurrent placement of existing shares from hedging transactions of individual mandatory convertible notes investors. The Notes will be subordinated obligations of Sika, as described in the terms and conditions of the Notes.

Sika may, at its sole discretion, elect to defer (in whole or in part) any payment of interest on the Notes. Arrears of interest may be satisfied at the option of Sika, in whole or in part, at any time, or mandatorily upon the occurrence of certain events, as described in the terms and conditions of the Notes.

MEDIA RELEASE

DATE January 22, 2019
PAGE 2 / 3

Sika will announce the final terms of the Offering, including the coupon, maximum conversion price, reference share price and issue size after completion of an accelerated bookbuilding process, which is expected to be finalized before opening of business on January 23, 2019.

The Offering consists of a public offering in Switzerland and private placements of Notes to professional investors only in other jurisdictions. The Notes will be offered to investors outside the United States in compliance with Regulation S under the US Securities Act of 1933, and otherwise in accordance with applicable securities laws, rules and regulations.

The Settlement of the Offering is expected to take place on January 30, 2019. An application will be made for the listing and trading of the Notes on SIX Swiss Exchange Ltd. Sika intends to apply for the Notes to be rated by S&P.

Sika has agreed to a lock-up period expiring 90 days after the date on which the pricing terms of the Notes are finalized.

UBS is acting as Global Coordinator and Joint Bookrunner. Citigroup is acting as Joint Bookrunner alongside UBS.

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 protecting in the building sector and motor vehicle industry. Sika has subsidiaries in 101 countries around the world and manufactures in over 200 factories. Its more than 19,500 employees generated annual sales of CHF 7.09 billion in 2018.

IMPORTANT NOTICE

NO ACTION HAS BEEN TAKEN BY SIKA, THE JOINT BOOKRUNNERS OR ANY OF THEIR RESPECTIVE AFFILIATES THAT WOULD PERMIT AN OFFERING OF THE NOTES OR POSSESSION OR DISTRIBUTION OF THIS PRESS RELEASE OR ANY OFFERING OR PUBLICITY MATERIAL RELATING TO THE NOTES IN ANY JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED. PERSONS INTO WHOSE POSSESSION THIS PRESS RELEASE COMES ARE REQUIRED BY SIKA AND THE JOINT BOOKRUNNERS TO INFORM THEMSELVES ABOUT, AND TO OBSERVE, ANY SUCH RESTRICTIONS.

THIS PRESS RELEASE IS NOT FOR DISTRIBUTION, DIRECTLY OR INDIRECTLY IN OR INTO THE UNITED STATES. THIS PRESS RELEASE IS NOT AN OFFER TO SELL SECURITIES OR THE SOLICITATION OF ANY OFFER TO BUY SECURITIES, NOR SHALL THERE BE ANY OFFER OF SECURITIES IN ANY JURISDICTION IN WHICH SUCH OFFER OR SALE WOULD BE UNLAWFUL.

MEDIA RELEASE

DATE January 22, 2019
PAGE 3 / 3

THIS PRESS RELEASE AND THE OFFERING WHEN MADE ARE ONLY ADDRESSED TO, AND DIRECTED IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA (THE "EEA") AT PERSONS WHO ARE "QUALIFIED INVESTORS" WITHIN THE MEANING OF ARTICLE 2(1)(E) OF THE PROSPECTUS DIRECTIVE ("QUALIFIED INVESTORS"). FOR THESE PURPOSES, THE EXPRESSION "PROSPECTUS DIRECTIVE" MEANS DIRECTIVE 2003/71/EC, AS AMENDED.

SOLELY FOR THE PURPOSES OF THE PRODUCT GOVERNANCE REQUIREMENTS CONTAINED WITHIN: (A) EU DIRECTIVE 2014/65/EU ON MARKETS IN FINANCIAL INSTRUMENTS, AS AMENDED ("MIFID II"); (B) ARTICLES 9 AND 10 OF COMMISSION DELEGATED DIRECTIVE (EU) 2017/593 SUPPLEMENTING MIFID II; AND (C) LOCAL IMPLEMENTING MEASURES (TOGETHER, THE "MIFID II PRODUCT GOVERNANCE REQUIREMENTS"), AND DISCLAIMING ALL AND ANY LIABILITY, WHETHER ARISING IN TORT, CONTRACT OR OTHERWISE, WHICH ANY "MANUFACTURER" (FOR THE PURPOSES OF THE MIFID II PRODUCT GOVERNANCE REQUIREMENTS) MAY OTHERWISE HAVE WITH RESPECT THERETO, THE NOTES HAVE BEEN SUBJECT TO A PRODUCT APPROVAL PROCESS, WHICH HAS DETERMINED THAT: (I) THE TARGET MARKET FOR THE NOTES IS ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ONLY, EACH AS DEFINED IN MIFID II (EXCEPT FOR IN SWITZERLAND, WHERE THE NOTES ARE THE SUBJECT OF A PUBLIC OFFERING, WHICH MAY INCLUDE OFFERINGS TO NON-PROFESSIONAL INVESTORS); AND (II) ALL CHANNELS FOR DISTRIBUTION OF THE NOTES TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE. ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE NOTES (A "DISTRIBUTOR") SHOULD TAKE INTO CONSIDERATION THE MANUFACTURERS' TARGET MARKET ASSESSMENT; HOWEVER, A DISTRIBUTOR SUBJECT TO MIFID II IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE NOTES (BY EITHER ADOPTING OR REFINING THE MANUFACTURERS' TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.

THE TARGET MARKET ASSESSMENT IS WITHOUT PREJUDICE TO THE REQUIREMENTS OF ANY CONTRACTUAL OR LEGAL SELLING RESTRICTIONS IN RELATION TO ANY OFFERING OF THE NOTES.

FOR THE AVOIDANCE OF DOUBT, THE TARGET MARKET ASSESSMENT DOES NOT CONSTITUTE: (A) AN ASSESSMENT OF SUITABILITY OR APPROPRIATENESS FOR THE PURPOSES OF MIFID II; OR (B) A RECOMMENDATION TO ANY INVESTOR OR GROUP OF INVESTORS TO INVEST IN, OR PURCHASE, OR TAKE ANY OTHER ACTION WHATSOEVER WITH RESPECT TO THE NOTES.

THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA. FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF MIFID II; OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2002/92/EC, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II. CONSEQUENTLY, NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014, AS AMENDED (THE "PRIIPS REGULATION") FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.

IN ADDITION, IN THE UNITED KINGDOM THIS PRESS RELEASE IS BEING DISTRIBUTED ONLY TO, AND IS DIRECTED ONLY AT, QUALIFIED INVESTORS (I) WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE "ORDER") AND QUALIFIED INVESTORS FALLING WITHIN ARTICLE 49(2)(A) TO (D) OF THE ORDER, AND (II) TO WHOM IT MAY OTHERWISE LAWFULLY BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "RELEVANT PERSONS"). THIS PRESS RELEASE MUST NOT BE ACTED ON OR RELIED ON (I) IN THE UNITED KINGDOM, BY PERSONS WHO ARE NOT RELEVANT PERSONS, AND (II) IN ANY MEMBER STATE OF THE EEA OTHER THAN THE UNITED KINGDOM, BY PERSONS WHO ARE NOT QUALIFIED INVESTORS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS PRESS RELEASE RELATES IS AVAILABLE ONLY TO (A) RELEVANT PERSONS IN THE UNITED KINGDOM AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS IN THE UNITED KINGDOM AND (B) QUALIFIED INVESTORS IN MEMBER STATES OF THE EEA (OTHER THAN THE UNITED KINGDOM).

THIS DOCUMENT DOES NOT CONSTITUTE AN OFFER OR INVITATION TO SUBSCRIBE FOR OR PURCHASE ANY SECURITIES NOR DOES IT CONSTITUTE A PROSPECTUS WITHIN THE MEANING OF ARTICLES 652A OR 1156 OF THE SWISS CODE OF OBLIGATIONS OR A LISTING PROSPECTUS PURSUANT TO THE LISTING RULES OF THE SIX SWISS EXCHANGE. ANY DECISION TO PURCHASE ANY SECURITIES REFERRED TO HEREIN SHOULD BE SOLELY BASED ON THE RELEVANT PROSPECTUS, WHICH IS EXPECTED TO BE PUBLISHED ON OR AROUND THE DATE HEREOF BY SIKAG AG AND IS AVAILABLE FREE OF CHARGE AT UBS AG, PROSPECTUS LIBRARY, P.O. BOX, CH-8098 ZURICH, SWITZERLAND (TELEPHONE: +41 44 239 47 03, FAX: +41 44 239 69 14 OR E-MAIL: SWISS-PROSPECTUS@UBS.COM).

ANY DECISION TO PURCHASE ANY OF THE NOTES SHOULD ONLY BE MADE ON THE BASIS OF AN INDEPENDENT REVIEW BY A PROSPECTIVE INVESTOR OF SIKAG'S PUBLICLY AVAILABLE INFORMATION. NEITHER THE JOINT BOOKRUNNERS NOR ANY OF THEIR RESPECTIVE AFFILIATES ACCEPT ANY LIABILITY ARISING FROM THE USE OF, OR MAKE ANY REPRESENTATION AS TO THE ACCURACY OR COMPLETENESS OF, THIS PRESS RELEASE OR SIKAG'S PUBLICLY AVAILABLE INFORMATION. THE INFORMATION CONTAINED IN THIS PRESS RELEASE IS SUBJECT TO CHANGE IN ITS ENTIRETY WITHOUT NOTICE UP TO THE SETTLEMENT DATE.

EACH PROSPECTIVE INVESTOR SHOULD PROCEED ON THE ASSUMPTION THAT IT MUST BEAR THE ECONOMIC RISK OF AN INVESTMENT IN THE NOTES OR THE SHARES TO BE ISSUED OR TRANSFERRED AND DELIVERED UPON CONVERSION OF THE NOTES AND NOTIONALLY UNDERLYING THE NOTES (TOGETHER WITH THE NOTES, THE "SECURITIES"). NEITHER SIKAG NOR THE JOINT BOOKRUNNERS MAKE ANY REPRESENTATION AS TO (I) THE SUITABILITY OF THE SECURITIES FOR ANY PARTICULAR INVESTOR, (II) THE APPROPRIATE ACCOUNTING TREATMENT AND POTENTIAL TAX CONSEQUENCES OF INVESTING IN THE SECURITIES OR (III) THE FUTURE PERFORMANCE OF THE SECURITIES EITHER IN ABSOLUTE TERMS OR RELATIVE TO COMPETING INVESTMENTS.

THE JOINT BOOKRUNNERS ARE ACTING ON BEHALF OF SIKAG AND NO ONE ELSE IN CONNECTION WITH THE NOTES AND WILL NOT BE RESPONSIBLE TO ANY OTHER PERSON FOR PROVIDING THE PROTECTIONS AFFORDED TO CLIENTS OF THE JOINT BOOKRUNNERS OR FOR PROVIDING ADVICE IN RELATION TO THE SECURITIES.

EACH OF SIKAG, THE JOINT BOOKRUNNERS AND THEIR RESPECTIVE AFFILIATES EXPRESSLY DISCLAIMS ANY OBLIGATION OR UNDERTAKING TO UPDATE, REVIEW OR REVISE ANY STATEMENT CONTAINED IN THIS PRESS RELEASE WHETHER AS A RESULT OF NEW INFORMATION, FUTURE DEVELOPMENTS OR OTHERWISE.