



GROWTH OF 13.9% - NEW RECORDS IN SALES AND PROFIT FIRST HALF 2018

SIKA INVESTOR PRESENTATION
JULY 26, 2018

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HIGHLIGHTS FIRST HALF 2018

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GROWTH OF 13.9% - NEW RECORDS IN SALES AND PROFIT

1. New records in sales and profit

- +13.9% sales growth in local currencies (15.9% in CHF) to CHF 3,470.1 million
- +10.6% higher EBIT to CHF 444.6 million
- Without one-off costs (related to resolution of dispute with SGO) over-proportional EBIT increase of more than 16%

2. Key investments

- New national subsidiary in Honduras
- New plants in Senegal, Saudi Arabia, Vietnam
- Closing of 2 acquisitions: Faist ChemTec and Index

3. Outlook and Strategy

- Strategic targets for 2020 unchanged
- Strong outlook 2018 confirmed

SIKA ENDS DISPUTE WITH SGO AND SECURES INDEPENDENCE

- Approval of all proposals at EGM of June 11
- Transfer of control premium to all shareholders
- Transaction EPS accretive to all shareholders
- Implementation of efficient capital structure
- Modern governance model
- Acceleration of Sika's growth strategy, review of targets 2020 and beyond

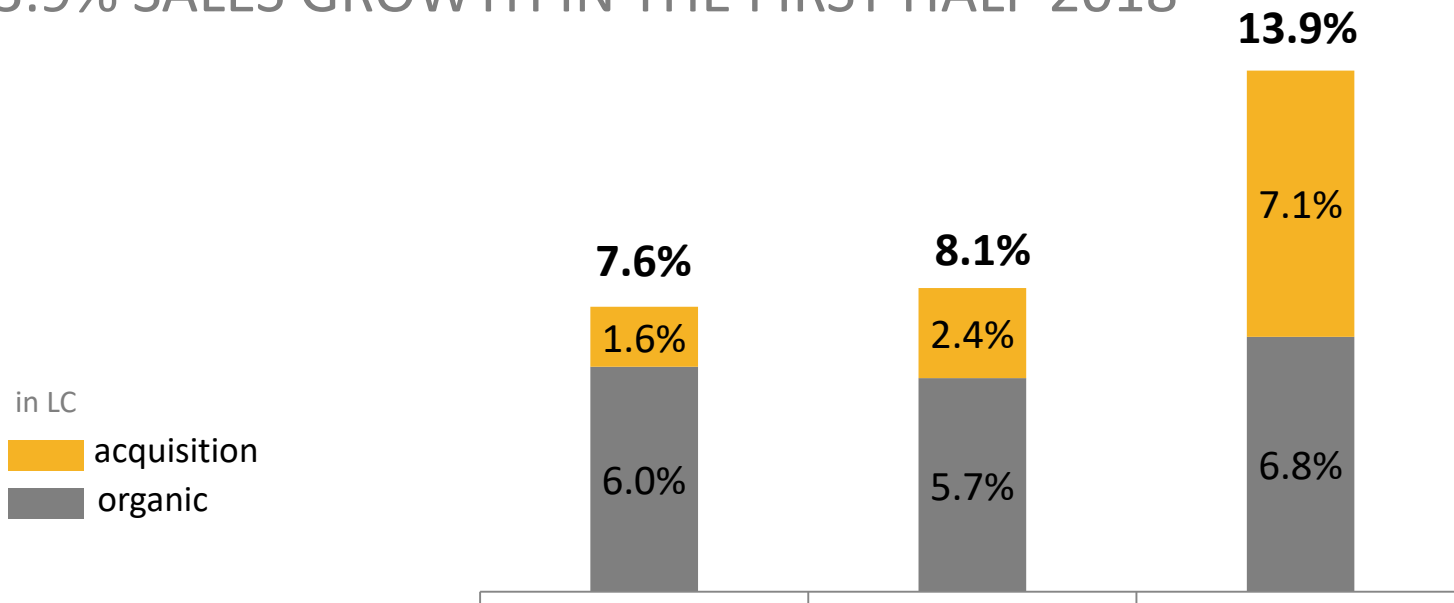
KEY FIGURES FIRST HALF 2018

RECORD RESULTS – STRONG MOMENTUM CONTINUES

in CHF mn	2017	2018	Δ %
Net sales	2,994.9	3,470.1	+15.9%
Gross results as % of net sales	55.1	53.6	
EBITDA	488.2	544.8	+11.6%
EBIT	402.1	444.6	+10.6%
Net profit	285.7	318.2	+11.4%
Operating free cash flow	63.0	11.5	
ROCE in %	28.0	26.2	

FIRST HALF SALES GROWTH

13.9% SALES GROWTH IN THE FIRST HALF 2018



in CHF mn

	1HY 2016	1HY 2017	1HY 2018
Net sales	2,806.2	2,994.9	3,470.1

SALES FIRST HALF 2018

GROWTH IN ALL REGIONS

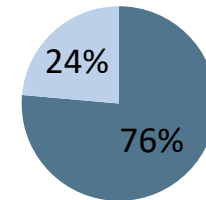
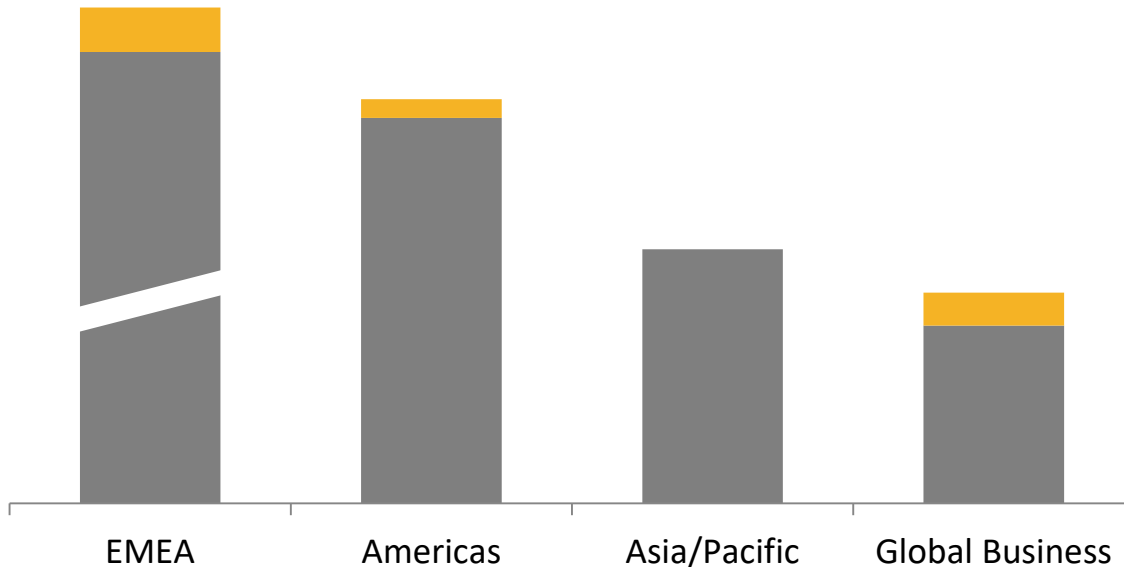
+19.7%	+9.5%	+5.7%	+32.0%
+13.6%	+13.6%	+5.0%	+28.5%
6.1%	-4.1%	+0.7%	+3.5%
+7.5%	+5.1%	+0.0%	+20.7%

Growth in CHF

Growth in LC

FX impact

Acquisition 

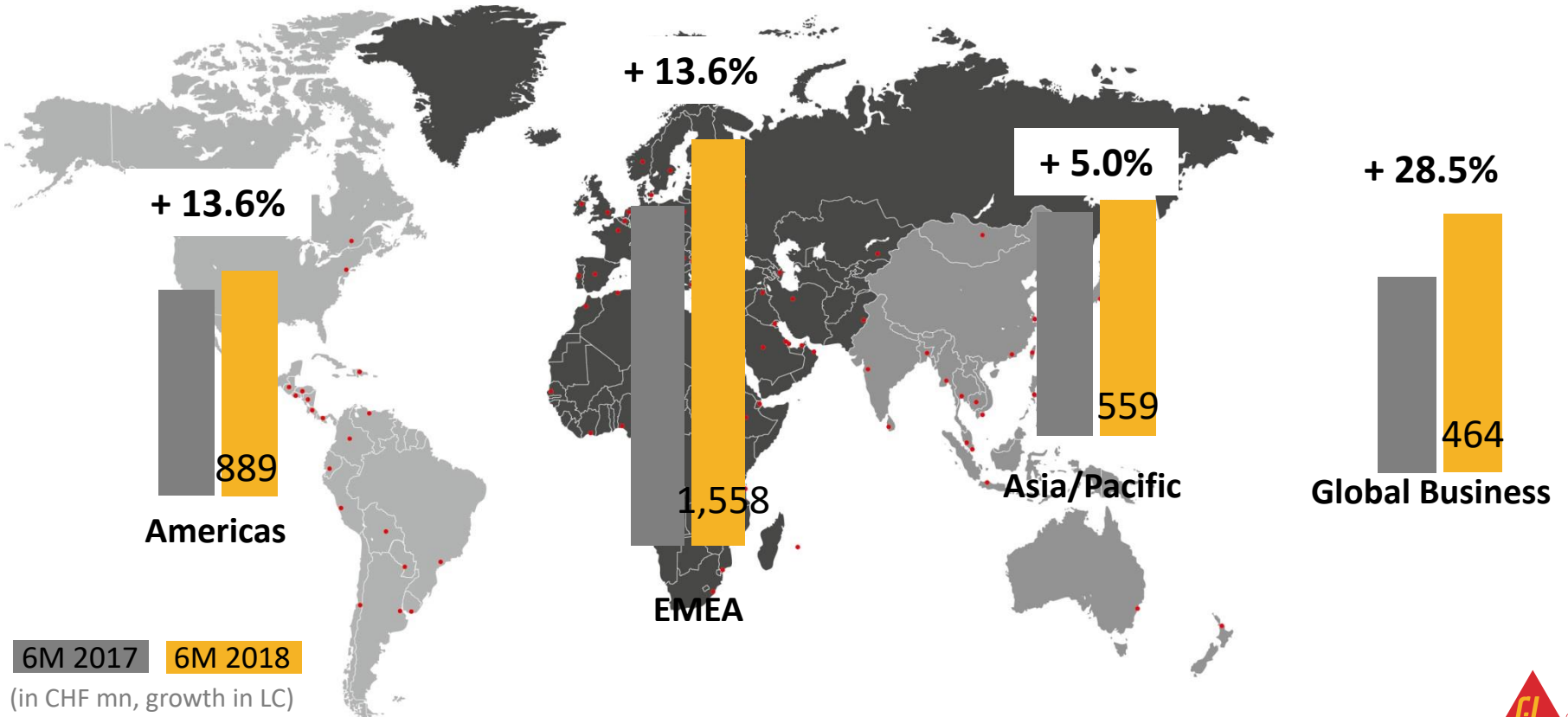


■ Construction

■ Industry

STRONG GROWTH MOMENTUM CONTINUES IN 2018

13.9% SALES GROWTH (15.9% IN CHF)



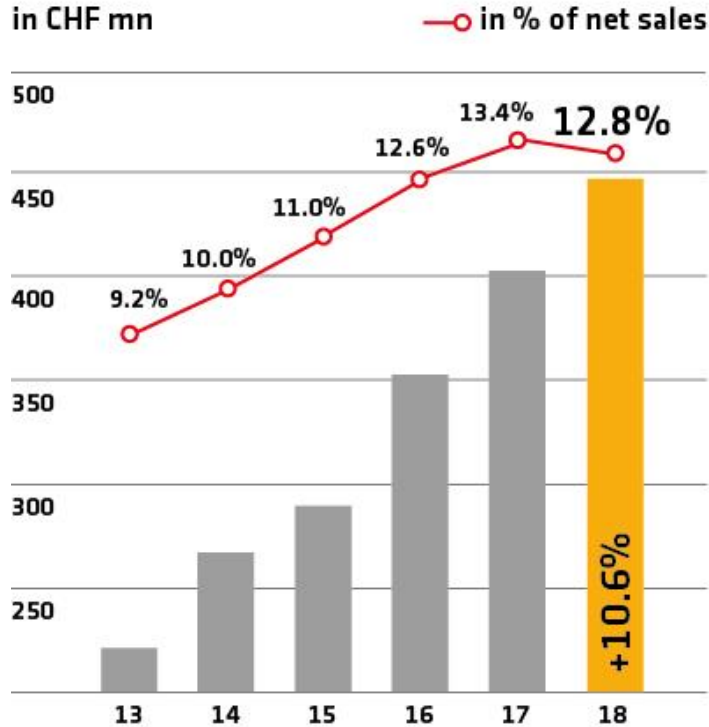
6M 2017 6M 2018

(in CHF mn, growth in LC)

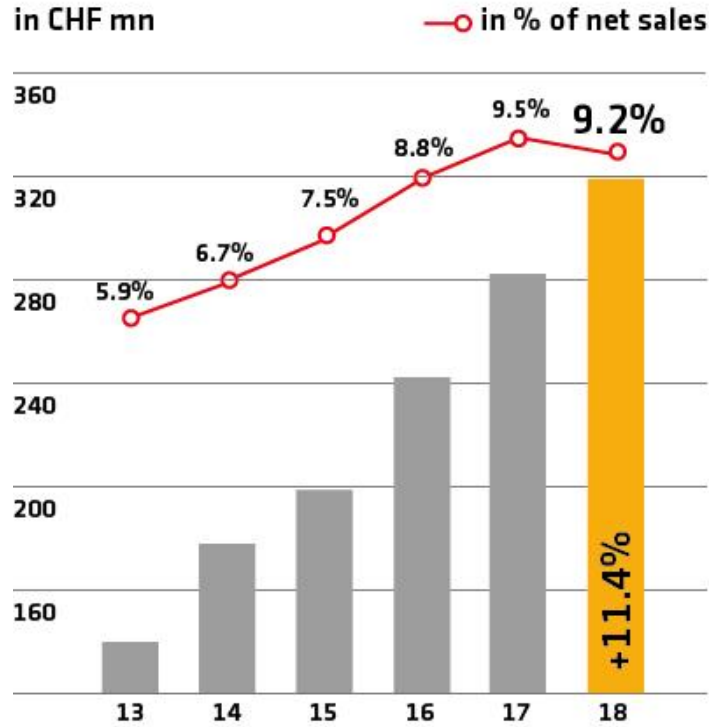
SIX-YEAR OVERVIEW – HALF-YEAR FIGURES

CONTINUOUSLY IMPROVING PROFIT

EBIT
in CHF mn



NET PROFIT
in CHF mn



SUCCESSFUL STRATEGY EXECUTION

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SIKA'S GROWTH MODEL DELIVERS KEY INVESTMENTS SINCE 2015

Market Penetration



- Successful Target Market concept
- Megatrends driving growth

Innovation



- 217 new patents filed
- 20 Global Technology Centers

Emerging Markets



- 28 new plants opened
- 11 new national subsidiaries

Acquisitions



- 17 acquisitions in all regions
- CHF 705 million sales added

Values

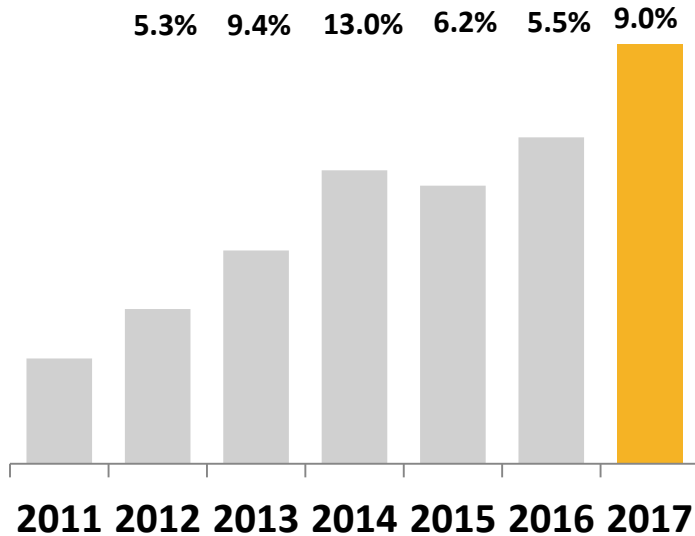


- Strong corporate culture
- High employee loyalty

SIKA'S GROWTH MODEL DELIVERS CONTINUED GROWTH IN SALES AND PROFIT (FULL YEAR)

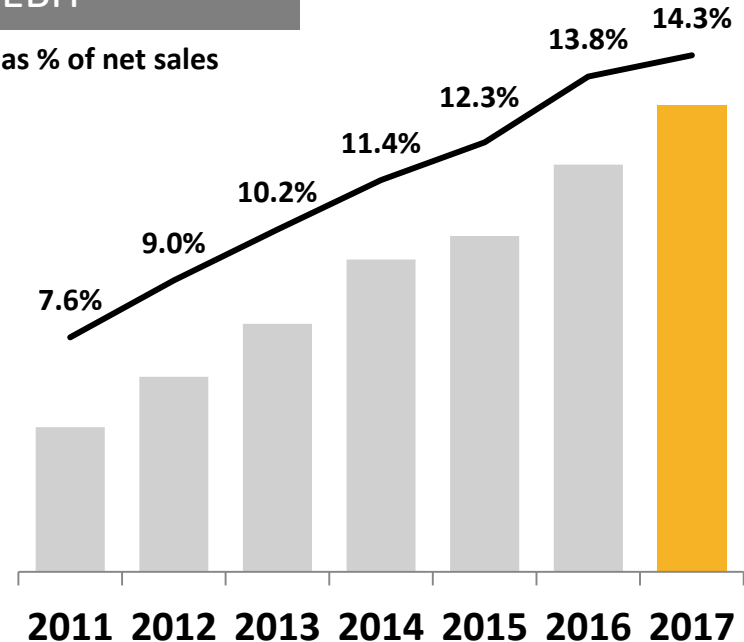
NET SALES

% growth in local currencies



EBIT

as % of net sales



MARKET PENETRATION

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SIKA'S 101 SUBSIDIARIES

SWITZERLAND - 1910	GERMANY - 1921	CANADA - 1926	UK - 1926	FRANCE - 1928	ITALY - 1928	SPAIN - 1931	JAPAN - 1932	CZECH REPUBLIC - 1933	POLAND - 1933
AUSTRIA - 1934	BRAZIL - 1934	USA - 1936	ARGENTINA - 1938	CHILE - 1942	ALGERIA - 1947	BELGIUM - 1949	SWEDEN - 1950	COLOMBIA - 1951	TUNISIA - 1958
URUGUAY - 1958	NEW ZEALAND - 1959	DENMARK - 1960	MEXICO - 1963	NORWAY - 1968	AUSTRALIA - 1976	IRAN - 1977	HONG KONG - 1978	MOROCCO - 1979	NETHERLANDS - 1980
SAUDI-ARABIA - 1980	MAURITIUS - 1981	SOUTH AFRICA - 1984	EGYPT - 1985	FINLAND - 1985	ECUADOR - 1986	INDIA - 1986	INDONESIA - 1987	MALAYSIA - 1988	THAILAND - 1988
KOREA - 1990	PORTUGAL - 1990	SINGAPORE - 1990	TURKEY - 1990	TAIWAN - 1991	HUNGARY - 1993	PHILIPPINES - 1993	SLOVAKIA - 1993	VIETNAM - 1993	BAHRAIN - 1994
BOLIVIA - 1994	CHINA - 1994	IRELAND - 1994	PERU - 1994	GREECE - 1995	SLOVENIA - 1995	VENEZUELA - 1997	COSTA RICA - 1998	CROATIA - 1998	LEBANON - 1998
GUATEMALA - 2001	PANAMA - 2001	BULGARIA - 2002	CAMBODIA - 2002	ROMANIA - 2002	SERBIA - 2002	RUSSIA - 2003	DOMINICAN REPUBLIC - 2004	AZERBAIJAN - 2005	KAZAKHSTAN - 2005
UKRAINE - 2005	LATVIA - 2007	UNITED ARAB EMIRATES - 2008	PAKISTAN - 2010	JORDAN - 2011	IRAQ - 2012	KENYA - 2012	MONGOLIA - 2012	QATAR - 2012	ANGOLA - 2013
BELARUS - 2013	OMAN - 2013	PARAGUAY - 2013	ALBANIA - 2014	BOSNIA-HERZEGOVINA - 2014	IVORY COAST - 2014	MOZAMBIQUE - 2014	NIGERIA - 2014	SRI LANKA - 2014	ETHIOPIA - 2015
MYANMAR - 2015	TANZANIA - 2015	CAMEROON - 2016	DJIBOUTI - 2016	ESTONIA - 2016	KUWAIT - 2016	NICARAGUA - 2016	SENEGAL - 2017	EL SALVADOR - 2017	BANGLADESH - 2017

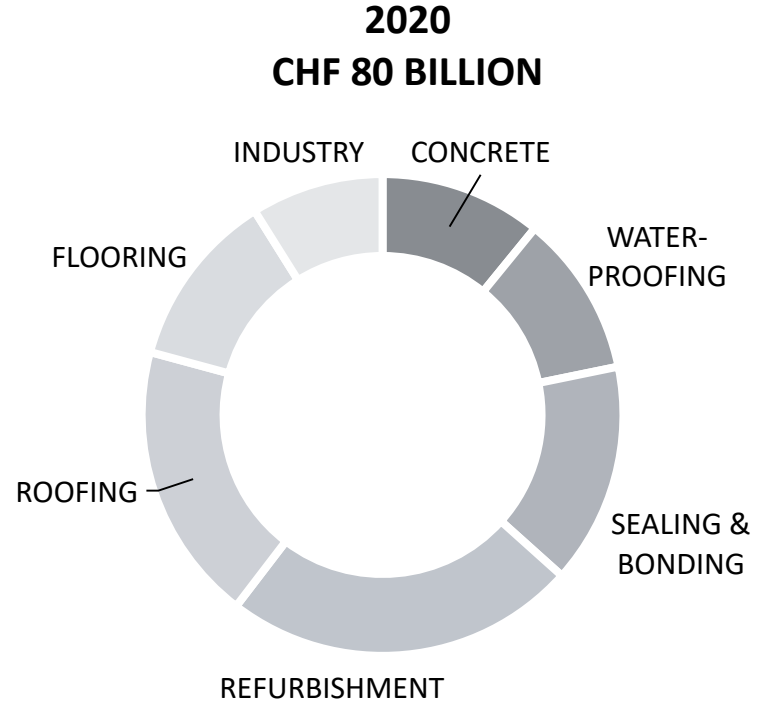
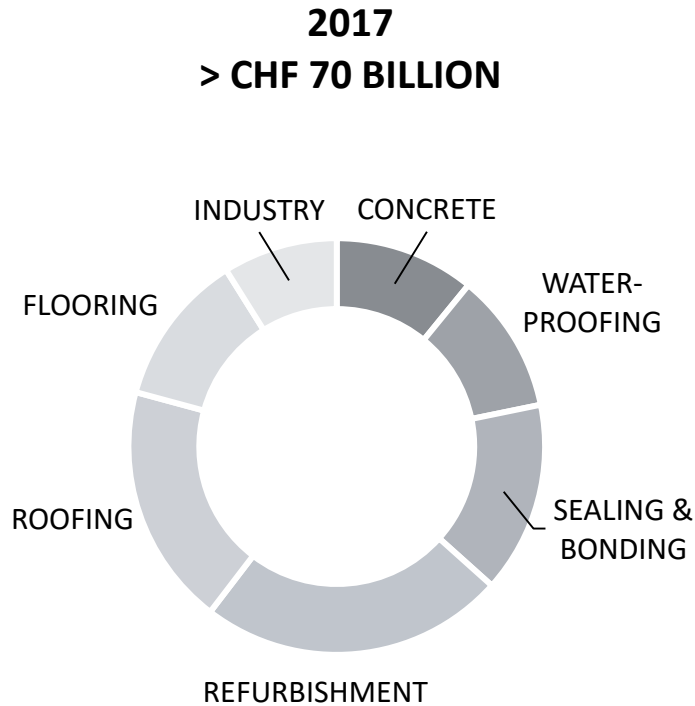
HONDURAS - 2018



SIKA'S MARKET POTENTIAL

LARGE AND GROWING MARKET SEGMENTS

TOTAL MARKET SIZE



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

Rising demand for high performance concrete, sealing and waterproofing

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

MARKET PENETRATION - FOCUS ON ATTRACTIVE MARKETS: CROSS-SELLING, LIFE-CYCLE MANAGEMENT, A STRONG BRAND



Concrete



Waterproofing



Roofing



Flooring & Coating



Sealing & Bonding

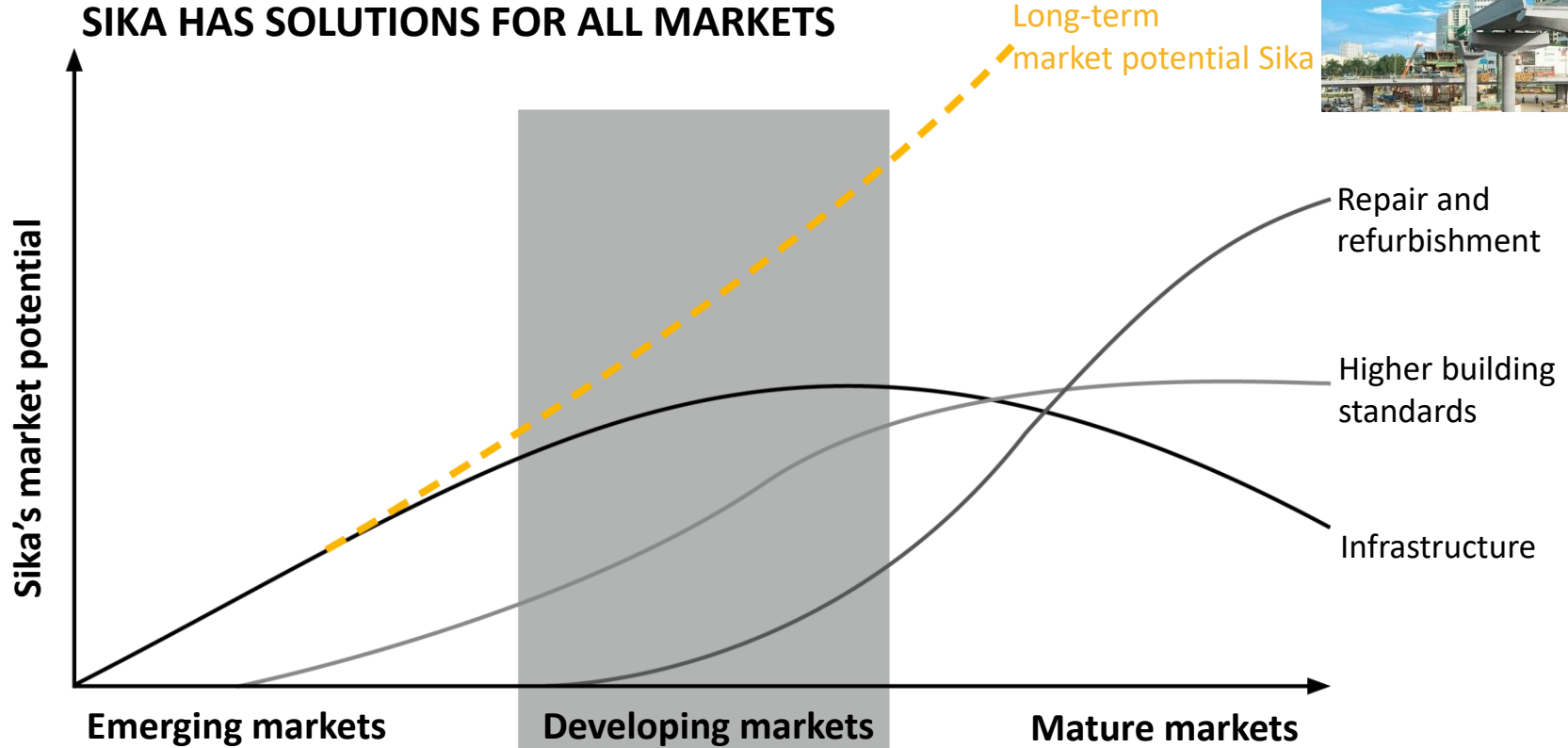


Refurbishment



Industry

GROWTH MODEL WITH EARLY MARKET PENETRATION FROM NEW BUILD TO REFURBISHMENT



INNOVATION

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INNOVATION

STRONG TRACK RECORD

217

patents were
filed since
2015

More than

900

employees are
dedicated to
Research and
Development

283

invention
disclosures
Since 2015

20

Technology
Centers
worldwide

FROM PATENTS TO WORLD CLASS PRODUCTS INNOVATION INCREASES SALES AND PROFIT



NEW PATENTS
SINCE 2015



NEW PRODUCTS
LAUNCHED SINCE
2015



+20%

ANNUAL ORGANIC
SALES GROWTH
INCREASE

30%

ANNUAL EBIT
CONTRIBUTION

ACCELERATED BUILD-UP OF EMERGING MARKETS

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EMERGING MARKETS BUILD-UP SINCE 2015

CAPTURING GROWTH POTENTIAL IN NEW MARKETS

28

new
plants
opened

5

acquisitions

11

new
national
subsidiaries

36%

of sales in
emerging markets

ACQUISITIONS

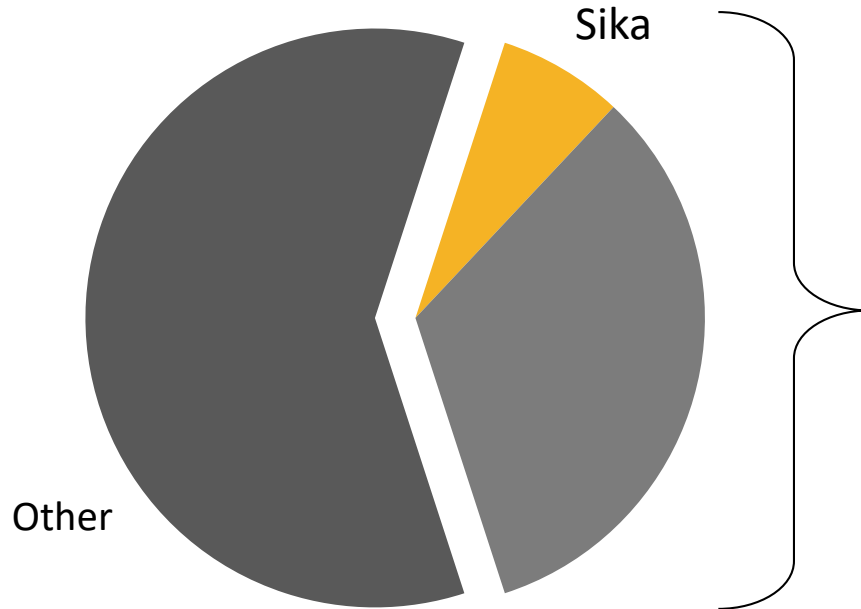
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SIKA WILL ACT AS MARKET CONSOLIDATOR

FRAGMENTATION OFFERS ACQUISITION OPPORTUNITIES

CONSTRUCTION CHEMICAL MARKET 2017
> CHF 60 BILLION



**Top 10 companies with a
combined market share of 40%**

ACQUISITIONS SINCE 2015

GROWTH PLATFORMS FOR THE FUTURE

17

acquisitions

705

million CHF
additional
turnover

In all

7

Target
Markets

In all

4

regions

VALUES AND PRINCIPLES

SIKA'S VALUES AND PRINCIPLES

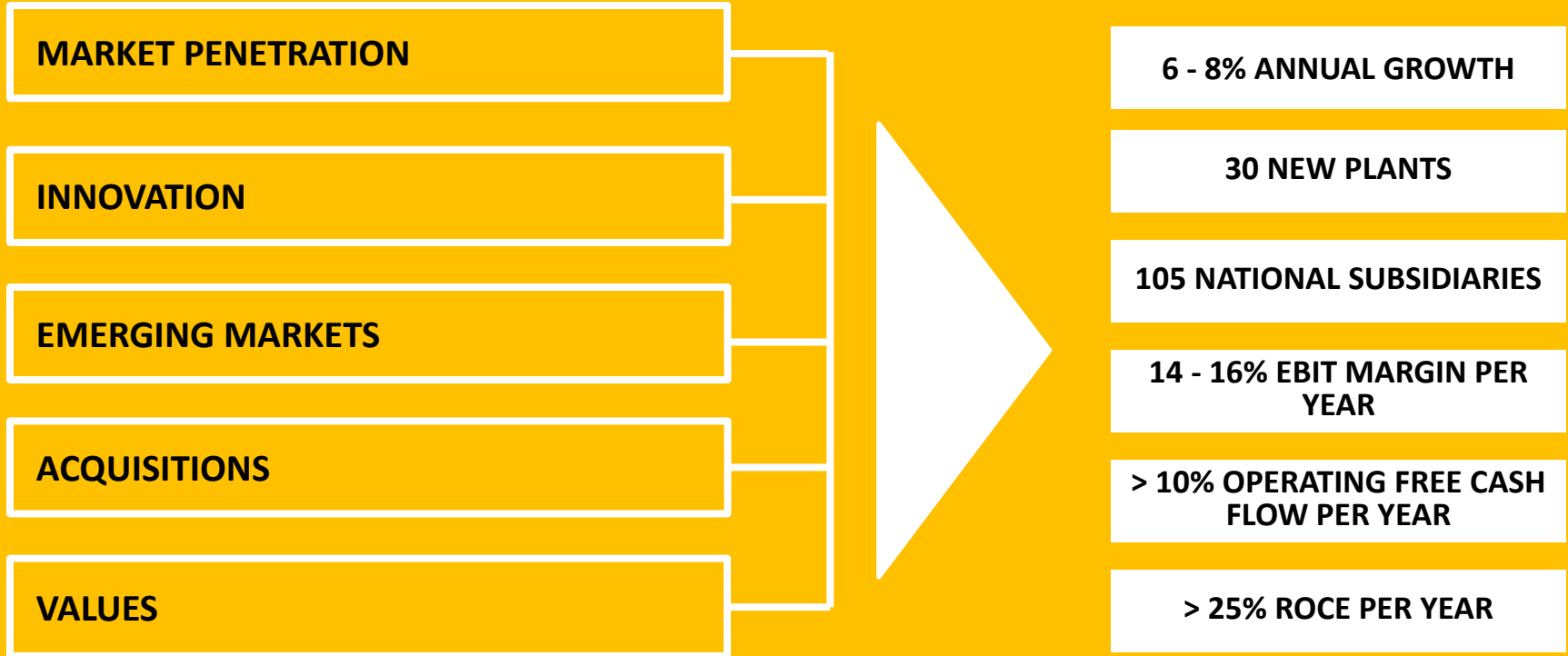
STRONG CORPORATE CULTURE

- Customer first
- Courage for innovation
- Sustainability & integrity
- Empowerment and respect
- Manage for results



TARGETS 2020

SIKA'S GROWTH STRATEGY 2020 CONFIRMED TO BE REVIEWED AND UPDATED IN 2019



OUTLOOK 2018

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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
- Overproportional growth in profit expected for the year 2018 as a whole



THANK YOU FOR YOUR ATTENTION

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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 ability 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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