For immediate publication

Sika AG

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Sika readying for future

Baar (Switzerland) – The Board of Directors of Sika AG gave the go-ahead to expand Sikaflex[®] production capacity in Düdingen, Switzerland. Sikaflex[®] product groups are composed of one-component polyurethane sealants and adhesives. The expansion is intended to enable Sika to meet the ever-growing demand for its Sikaflex[®] products.

A new, more efficient production process developed by Sika Technology AG will be implemented in Düdingen, making even higher quality standards achievable. The additional capacity will be used to manufacture large-volume products primarily for customers in the vehicle construction, curtain wall and fenestration businesses.

This expansion project entails investments of roughly CHF 100 mil. and will create 100 new jobs. Expanded production is scheduled to begin by early 2008.

Sika is the leading manufacturer worldwide of one-component polyurethane sealants and adhesives. Its existing plants in Europe, the USA and Japan currently manufacture some 70,000 tons of Sikaflex® per year. –*END*-

Sika AG – a corporate profile

Sika AG, located in Baar, Switzerland, is a globally integrated company supplying the specialty chemicals markets. It is a leader in processing materials used in sealing, bonding, damping, reinforcing and protecting load-bearing structures in construction (buildings and infrastructure construction) and in industry (vehicle, building component and equipment production).

Sika's product lines feature high-quality concrete admixtures, specialty mortars, sealants and adhesives, damping and reinforcing materials, structural strengthening systems, industrial flooring and membranes. Subsidiaries in 70 countries worldwide and 10,000 employees link customers directly to Sika and guarantee the success of all of its business relationships. With this business structure Sika generates annual sales of approximately CHF 2.9 billion.

Visit our website at www.sika.com.

