

Free for immediate publication

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Sika sales gain in all regions

Sika Group

In the first quarter of 2005 net sales of Sika, a specialty chemicals company, totaled CHF 598 mil. compared to CHF 553 mil. in the corresponding year-ago period. The increase amounts to 8.1%. Expressed in local currencies net sales were 10.0% higher. The foreign exchange impact amounted to – 1.9 %.

Divisions and regions

Against the corresponding period a year-ago net sales of both the Construction and the Industry Division were higher. Denominated in Swiss francs, Construction did better by 6.6 %, Industry by 12.1%.

Sika's sales improved in all regions against the first three months last year. At 33.3 % the Asia/Pacific region led the sales gains expressed in local currencies. At 17.4 % and 13.3 % two-digit increases were also registered in the Latin American and North American regions respectively. Although sales in the European regions were slowed to some extent compared to the first quarter last year, they still grew, denominated in local currencies, 6.9 % in Europe South and 2.4 % in Europe North.

Outlook 2005: Sika increases prices

Sika anticipates sales to advance about 8 % for the entire fiscal year. Margins continue to come under pressure from high raw material costs. Prices of a number of raw materials required by Sika continued to increase in the first quarter. Sika has to adjust to this situation and will therefore boost selling prices for some of its products by 5 to 10 % in May.



Segment Information Sika Group

	1/1-3/31, 2004	1/1-3/31, 2005	Changes against prior year in %		
	in CHF mil.	in CHF mil.	in CHF	in local currency	Currency impact
By region					
Europe North	164	169	3.0	2.4	0.6
Europe South, incl. Africa & Near East	219	229	4.6	6.9	-2.3
North America	69	75	8.7	13.3	-4.6
Latin America	41	47	14.6	17.4	-2.8
Asia/Pacific	60	78	30.0	33.3	-3.3
Consolidated net sales	553	598	8.1	10.0	-1.9
By division					
Construction	396	422	6.6	8.1	-1.5
Industry	157	176	12.1	14.8	-2.7
Consolidated net sales	553	598	8.1	10.0	-1.9

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Company Profile Sika AG

Sika AG, based in Baar, Switzerland, is a leading global supplier of specialty chemicals. Sika offers process materials for sealing, bonding, damping, reinforcing and protecting of load-bearing structures in construction (buildings and infrastructure) and in industry (transportation, automotive, marine and appliances & building components).

Sika's product line includes concrete admixtures, specialty mortars, sealants, adhesives, specialty acoustic and reinforcing materials, structural strengthening systems, industrial flooring and membranes.

Locally based operations in 68 countries with over 9'200 employees connect customers directly with Sika and guarantee for the success of all our partners. With this concept Sika achieves annual sales of approximately CHF 2.6 billion.

Visit the Sika website at www.sika.com.

