

For immediate publication

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Sika surges ahead

Sika Group net sales in 2005 rose against the preceding year by 13.9% from CHF 2,559.8 mil. to 2,916.5 mil. The improvement was largely due to organic growth. Acquisitions contributed merely 0.3 percentage points to the expansion. In local currencies sales were 12.1% higher. For the first time in a long while currency effects added 1.8 percentage points to the growth expressed in Swiss francs. The Construction and Industry Divisions supported the advance equally. Regionally the company's growth was broad-based.

Operating profit (EBIT) were up 16.7% from CHF 209.6 mil. to CHF 244.7 mil.

At CHF 154.9 mil. (prior year: CHF 121.6 mil.) consolidated net profit was 27.4% higher than in the preceding year.

The operating free cash flow of CHF 128.7 mil. (prior year: CHF 152.6 mil.) was 15.7% lower than a year earlier. The sharp growth in sales, particularly in the last quarter, tied up more net working capital than usual at the balance sheet date.

The acquisition of Sarna Polymer Holding Inc. is consolidated in the balance sheet. The impact on the income statement 2005 was negligible.

The Board of Directors will propose to the Annual General Meeting on April 6, 2006 a repayment of the nominal share value amounting per bearer share to CHF 19.20 or CHF 3.20 per registered share.

See following page for compilation of key data.

The Annual Report and the presentations held at the media conference covering business in 2005 may be retrieved at www.sika.com, click on Investor Relations.



Key data on Group financial statements (in CHF mil.)	2004	2005	Growth
Net sales	2 559.8	2 916.5	13.9
Growth of net sales in local currencies			12.1
Net profit	121.6	154.9	27.4
Operating profit (EBIT)	209.6	244.7	16.7
Traditional cash flow	231.5	267.1	15.4
Operating free cash flow	152.6	128.7	-15.7
RONOA	16.0	18.1	
ROE	13.0	14.1	
Number of employees	9 218	9 702	

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Company profile

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 10'000 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 2.9 billion.

Visit the Sika website at www.sika.com.

