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Press Release

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Sika expands activities in Automotive OEM business

Sika acquires the business unit for acoustic baffles and reinforcing materials from the Magna Group.

With this acquisition, Sika demonstrates its clear dedication to the global automotive OEM business for acoustic baffles and reinforcing materials. In 1999, Sika opened a state-of-the-art acoustic test facility near Detroit. In the same year, a Joint Venture was established with Hayashi Telempu Ltd., a leading interior integrator in Japan. Including sales of the newly acquired business of the Magna Group, Sika's turnover in the Automotive OEM business will reach a total of more than CHF 100 m.

This business brings new, OEM approved materials to Sika, as well as established customer relationships with major automotive manufacturers in Europe. Both acquired technologies are backed up by a series of patents, further strengthening Sika's position in this growing market.

Baffles and reinforcers are process materials applied in selected hollow areas of the automotive body shell: Acoustic baffles are sound damping expandable foam elements. Reinforcing materials are used to locally strengthen a car body structure by reducing the overall weight of the vehicle. Both technologies are in increasing demand in future automobiles.

Sika Industry is one of the two divisions of Sika Finanz AG, a publicly traded Speciality Chemicals Company based in Baar, Switzerland. Sika has subsidiaries in 58 countries and reached a turnover of CHF 1 689 m in 1999. Sika Industry is specialised in process material for bonding, sealing, sound damping, reinforcing and protecting in the transportation and manufacturing industries.

