

Free for immediate publication

Sika AG
Zugerstrasse 50
CH-6341 Baar, Switzerland
www.sika.com

Contact: Alfred Spieser
Corporate Communications & Investor Relations
Tel.: +41 41 768 68 00
Fax: +41 41 768 68 50
spieser.alfred@ch.sika.com

Report on the third quarter of 2005

Sustained growth

In the first nine months of 2005 Sika's net sales totaled CHF 2,173 mil., an increase of 12.1% compared to the corresponding period a year earlier. Currency-adjusted, sales were up 11.3%. Expressed in Swiss francs, third-quarter sales were 14.6% higher or, denominated in local currencies, 11.5%.

The competitive environment continued to keep pressures on margins. On the other hand tensions in raw material markets have eased somewhat. Prices, however, remain at a high level. Initiatives launched to boost efficiency continued to yield improvements. Personnel expenses and other operating expenses were down by 1.8 percentage points.

Development of earnings

Operating profit (EBIT) advanced 10.9% over the corresponding period last year and reached CHF 209.8 mil. The EBIT margin decreased slightly from 9.8% to 9.7%. Consolidated net profit developed gratifyingly in the first nine months; at CHF 134.5 mil. it surpassed year-ago results by 21.0%. Sika's operating free cash flow totaled CHF 47.7 mil.

New Head of Research & Development of the Sika Group

The Board of Directors of Sika AG has appointed Dr. Urs Mäder as new Head of Research & Development and Member of Group Management. He succeeds Dr. Robert Petrisko, who opted for a sabbatical for the next two years.

Urs Mäder has a doctorate in Chemistry from the University Fribourg, Switzerland. He joined Sika in 1989. Since 2000 he has been PTD (Product Technology Director) for Construction Chemicals and Mortars. Under his guidance various developments were made, especially in the field of the Sika[®] ViscoCrete[®]-technology, which substantially contributed to the success of the Sika Group.

-END-

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.



Sika AG / Zugerstrasse 50 / CH-6341 Baar / Switzerland
Tel.: +41 41 768 68 00 / Fax: +41 41 768 68 50 / www.sika.com