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Extraordinary factors influence the 2001 fiscal year

In the year 2001 the Sika Group recorded net sales of CHF 2'103 m (previous year CHF 1'998 m). In Swiss franc terms, this corresponds to a rise of + 5.3 %, while in local currencies the increase was + 10.7 %. Excluding the influence of acquisitions from the year 2000, the increase in local currencies amounted to + 5.7 %. In local currencies, fourth quarter sales growth reached + 4.9 %; in Swiss francs this corresponds to a decline of – 2.0 %.

Both the Construction and the Industry Division increased their net sales by + 11.1 % and + 9.5 % respectively. Sales volume increased about + 13%, reflecting the companies' strong market position. As a result, both business divisions were able to gain additional market share.

Strong competitive pressures which reduced margins, increases in raw material costs and negative year-on-year currency effects affected the result adversely. The companies acquired in the year 2000 have not yet reached the profitability of the other Group companies. The operating results (EBITDA and EBIT) lie within our forecast issued in autumn. Net profit was also impacted by extraordinary events such as the incident of fraud in the Far East and securities write offs.

The net profit of the Group will be significantly below the figure recorded in the previous year.

Outlook for the year 2002

In the year 2002, the comprehensive revision of the product range and the subdued economic environment will lead to a moderate rise in sales. The market presence is being expanded in South-Eastern Europe and Central America. In addition, the launch of new products and process improvements on the production side and in the fields of distribution and sales are planned. This should lead to an improvement in operating results. Raw material prices are expected to remain stable.

