

A MESSAGE FROM OUR PRESIDENT AND CEO

In 2003, JohnsonDiversey made very significant progress in realizing the initial benefits that the formation of our new company promised, notwithstanding formidable external challenges that included the war in Iraq, softness in the global economy and SARS.

Indeed, significant progress was achieved against the most challenging aspects of the integration of our legacy companies. By the end of fiscal 2003, we had effectively met the synergy target of \$150 million in benefits called for in our acquisition model. Due to effective restructuring and integration programs, treasury initiatives, and systems improvements, we reached that milestone more than a year ahead of schedule.

Likewise, our management team successfully focused the organization on maximizing the cash flow of the business. As a result, we were able to pay down \$141 million in term debt, which was \$82 million more than our lenders required.

Our earnings before interest, taxes, depreciation, and amortization (EBITDA) grew 37 percent in 2003 compared to the year before, due primarily to the acquisition of DiverseyLever and related synergy benefits and favorable foreign currency impacts. On a comparable, constant currency basis, adjusting for acquisitions and disposals, net sales grew 1.5 percent during the same period. Our top-line growth was impeded by the slow recovery of travel and tourism resulting, in part, from the ongoing threat of terrorism, the war in Iraq and SARS.

Last year, we also posted major customer wins in every region and in each of our strategic sectors. At the same time, we retained our key existing accounts.

We also launched our new employee benefits program in the U.S., continued our efforts to strengthen our global internal control systems, implemented a new treasury management system, and successfully implemented an employee health and safety initiative, reducing workplace injuries 25 percent.

In sum, 2003 was an excellent year for JohnsonDiversey. We managed our cash well and we listened to our customers closely. The combination produced solid results. Our future remains bright. None of this would have been possible without the extraordinary dedication of all of our employees worldwide, whom I want to thank for their contributions.



A blue ink handwritten signature that reads "Gregory E. Lawton". The signature is written in a cursive, flowing style.

Gregory E. Lawton
President & CEO