PRESS RELEASE

SICO Achieves Net Earnings of $1.2 Million or $0.17 per Share in the First Quarter of Fiscal 2004

Longueuil, April 28, 2004 — For the three-month period ended March 26, 2004, SICO INC. (SIC/TSX), Canada's leading paint company, achieved sales of $63.6 million compared to sales of $59.4 million for the same quarter of the previous year, an increase of 7.0%. SICO posted quarterly net earnings of $1.2 million, as compared with net earnings of $2.0 million last year. Earnings per common share amounted to $0.17 ($0.17 diluted) on a weighted average number of 6.8 million shares in 2004 versus $0.33 ($0.32 diluted) on 6.1 million shares in 2003. It should be pointed out that the Company's sales and net earnings are generally lower in the first and fourth quarters than in the second and third quarters on account of the seasonal cycle in the Canadian architectural paint industry.

Consolidated EBITDA (1) amounted to $3.3 million versus $3.6 million in the same quarter of 2003, mainly due to an increase in head office administrative expenses, including certain non-recurring costs associated with the integration of PARA.

SICO posted financial expenses of $0.1 million, as opposed to financial income of $0.8 million in last year's first quarter, when the Company recorded an exchange gain of $0.8 million on the conversion of debt and cash denominated in foreign currency. In addition, depreciation and amortization expenses grew by $0.3 million, due primarily to the acquisition of PARA.

"Our operational infrastructure optimization program has started to yield the projected savings in both the Architectural and Industrial Sectors. In addition, the integration of PARA is in line with our key objectives of brand positioning and quality of customer service," indicated Pierre Dufresne, President and Chief Executive Officer.

Segmented Performance

The **ARCHITECTURAL SECTOR**'s sales rose by $5.3 million or 10.9% to $54.1 million. PARA's solid contribution was partially offset by a decrease in private-label paint sales resulting from inventory adjustments by some major retail customers. Management believes this reduction is temporary and should reverse in the upcoming quarters. It should also be noted that the industry experienced a general decline in architectural paint sales in January because of exceptionally cold weather. The Architectural Sector's EBITDA posted a solid growth of 16.0% to reach $7.8 million, driven mainly by PARA's contribution and the initial impact of the operational infrastructure optimization program implemented in the second half of 2003. The segmented EBITDA margin in relation to sales grew from 13.8% in 2003 to 14.4% in 2004. It also reflects the larger proportion of national brand products in the sales mix.

"The Architectural Sector progressed significantly towards achieving its two main objectives for 2004: to fully support the SICO and PARA brand development and to improve profitability. During the first months of 2004, we completed the integration and consolidation of sales and customer service in the Architectural Sector, whereas our operational optimization program has already translated into higher profit margins," added Pierre Dufresne.

The **INDUSTRIAL SECTOR**'s sales of $9.5 million were down by $1.1 million or 10.8%. Aside from the fact that the Sector posted exceptional sales growth in last year's first quarter, the decline is partly attributable to the weaker U.S. dollar in relation to the Canadian dollar. This Sector recorded EBITDA of $0.7 million, down from $0.9 million last year, this decrease is mostly due to lower sales. As expected, however, the various streamlining and optimization measures taken last year contributed to the Industrial Sector's improvement in productivity and significant cost reductions.

Outlook

"Our Architectural Sector will keep on building the SICO and PARA brands and their distribution networks nationwide, fuelled by a generally favourable Canadian economy, expansion projects undertaken by certain customers and a more flexible and efficient operational infrastructure. As for the Industrial Sector, it will further improve its profitability and fine-tune its business plan in keeping with its main growth avenues in spite of a difficult business environment. Moreover, we remain focused on achieving recurring annual savings of $3 million as the last elements of our infrastructure optimization program are being put in place. We believe these synergies will intensify as we enter the second quarter," concluded the President.

Dividends

SICO's Board of Directors has declared a quarterly dividend of $0.12 per common share and a dividend of $0.02795 per Class B preferred share. These dividends will be paid on June 18, 2004 to shareholders of record of the Company as at June 4, 2004.

(1) EBITDA represents operating earnings before depreciation, amortization, financial expenses (revenues) and income taxes. This measure is a widely accepted financial indicator of a company's ability to reimburse and incur debt. EBITDA should not be considered by an investor as an alternative to operating income or net earnings, an indicator of operating performance or of cash flows, nor as a measure of liquidity. As EBITDA is not a measurement established in accordance with the Canadian generally accepted accounting principles, it may not be comparable to the EBITDA of other companies. In SICO's statement of earnings, EBITDA corresponds to *"Operating earnings before the following items".*

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Periods ended March 26, 2004 and March 28, 2003
(in thousands of dollars except per-share data) (unaudited)

	Three-month periods	
	2004	2003
	$	$
Sales	**63,563**	59,386
Cost of sales and operating expenses (Note 7)	**60,215**	55,784
Operating earnings before:	**3,348**	3,602
Depreciation and amortization (Note 5)	**1,466**	1,184
Financial expenses (income) (Note 6)	**123**	(785)
	1,589	399
Earnings before income taxes	**1,759**	3,203
Income taxes	**584**	1,199
Net earnings	**1,175**	2,004
Weighted average number of outstanding common shares	**6,783,007**	6,110,033
Basic earnings per share	**0.17**	0.33
Diluted earnings per share	**0.17**	0.32

Consolidated Statements of Retained Earnings
Periods ended March 26, 2004 and March 28, 2003
(in thousands of dollars) (unaudited)

	2004	2003
	$	$
Balance at beginning, previously reported	**62,243**	55,277
Restatement for stock-based compensation cost (Note 2)	**(120)**	--
Balance at beginning, restated	**62,123**	55,277
Net earnings	**1,175**	2,004
Dividends on common shares	**(818)**	(740)
Balance at end	**62,480**	56,541

Consolidated Balance Sheets
As at March 26, 2004 and December 26, 2003
(in thousands of dollars)

	March 26, 2004	December 26, 2003
	$ (unaudited)	$
Assets		
Current assets		
Cash and cash equivalents	**4,005**	1,404
Accounts receivable	**45,270**	36,152
Income taxes	**2,211**	527
Inventories	**51,754**	45,542
Prepaid expenses	**7,892**	7,929
	111,132	91,554
Long-term receivables	**759**	1,281
Fixed assets	**33,676**	33,815
Deferred charges	**6,579**	5,874
Intangible assets	**15,781**	15,875
Goodwill	**37,054**	37,128
Future income taxes	**1,791**	3,296
	206,772	188,823
Liabilities		
Current liabilities		
Bank loan	**15,718**	2,769
Accounts payable and accrued liabilities	**33,280**	28,590
Current portion of long-term debt	**11,325**	11,875
	60,323	43,234
Long-term debt	**24,500**	23,993
Future income taxes	**8,787**	9,854
Accrued benefit liability	**2,385**	2,009
Deferred credits	**463**	472
Preferred Class B shares (Note 4)	**3,800**	3,800
	100,258	83,362
Shareholders' equity		
Capital stock (Note 4)	**43,306**	42,577
Contributed surplus	**160**	120
Retained earnings	**62,480**	62,123
Foreign currency translation adjustment	**568**	641
	106,514	105,461
	206,772	188,823

Consolidated Statements of Cash Flows
Periods ended March 26, 2004 and March 28, 2003
(in thousands of dollars) (unaudited)

	Three-month periods	
	2004	2003
	$	$
Operating activities		
Net earnings	**1,175**	2,004
Adjustments for:		
Depreciation and amortization	**1,573**	1,269
Future income taxes	**432**	(104)
Exchange loss (gain)	**23**	(748)
(Gain) loss on disposal of assets	**(16)**	11
Excess of pension plans expense over amounts paid	**376**	367
Stock-based compensation cost	**40**	--
Other	**--**	22
Net change in non-cash working capital items (Note 8)	**(12,305)**	(18,002)
Cash flow applied to operating activities	**(8,702)**	(15,181)
Investing activities		
Acquisitions of fixed assets	**(824)**	(805)
Disposal of Hancock Paint Inc. assets	**--**	1,963
Deferred charges	**(1,231)**	(1,232)
Proceeds from disposal of fixed assets	**18**	464
Long-term receivables	**510**	--
Cash flow (applied to) from investing activities	**(1,527)**	390
Financing activities		
Bank loan	**12,949**	(1,517)
Reduction in long-term debt	**--**	(1,400)
Issue of common shares (Note 4)	**729**	20,401
Common share issue costs	**--**	(1,472)
Dividends on common shares	**(818)**	(740)
Cash flow from financing activities	**12,860**	15,272
Exchange (loss) gain on foreign currency denominated cash and cash equivalents	**(30)**	144
Increase in cash and cash equivalents	**2,601**	625
Cash and cash equivalents at beginning	**1,404**	9,140
Cash and cash equivalents at end	**4,005**	9,765
Supplementary information		
Interest paid	**415**	356
Dividends paid on preferred shares	**41**	43
Income taxes paid	**1,914**	2,638

Notes to the Consolidated Financial Statements
Periods ended March 26, 2004 and March 28, 2003
(tabular amounts are in thousands of dollars, except per-share data) (unaudited)

1. Basis of Presentation

The consolidated financial statements for the three-month periods ended March 26, 2004 and March 28, 2003, included in this report are unaudited and reflect normal and recurring adjustments, which are, in the opinion of the Company, considered necessary for a fair presentation. These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles. However, they do not include all disclosures required under Canadian generally accepted accounting principles for annual financial statements, and should be read in conjunction with the consolidated financial statements and the notes thereto included in the Company's latest Annual Report. The results of operations for the interim periods should not be considered indicative of full year results due to the seasonality of the business. These financial statements follow the same accounting policies as in the most recent annual financial statements, with the exception of the accounting changes described in Note 2.

2. Accounting Changes

Impairment of Long-lived Assets
The CICA issued Section 3063, *Impairment of Long-lived Assets*, which is effective for fiscal years beginning on April 1, 2003. This Section provides guidance on the recognition, measurement and disclosure of the impairment of long-lived assets. It replaces the write-down provisions in Section 3061, *Property, Plant and Equipment*. The provisions of the new Section require an impairment loss for a long-lived asset to be held and used to be recognized when its carrying amount exceeds the sum of the undiscounted cash flows expected from its use and eventual disposition. Impairment loss is measured as the amount by which the carrying amount exceeds the fair value. The adoption of this new Section did not have any impact on the consolidated net earnings of the Company.

Asset Retirement Obligations
The CICA issued Handbook Section 3110, *Asset Retirement Obligations*. The new standard focuses on the recognition and measurement of liabilities for obligations associated with the retirement of property, plant and equipment when those obligations result from the acquisition, construction, development or normal operation of the assets. The standard is effective for fiscal years beginning on or after January 1, 2004. The adoption of this new Section did not have any impact on the consolidated financial statements.

Stock-based Compensation and Other Stock-based Payments
The CICA re-issued Handbook Section 3870, *Stock-based Compensation and Other Stock-based Payments*. The revised standard requires the adoption of the fair value based method for all stock-based awards effective for fiscal years beginning on or after January 1, 2004. The Company has adopted this new standard for the current fiscal year and has restated the December 26, 2003 results to account for the impact of the awards granted after January 1, 2002.

The restatement relates to the calculation of the stock-based compensation cost which is based on the Black and Scholes pricing model using the assumptions described in note 4c). The impact of this restatement is to recognized a cost for stock-based compensation of $40,000 per quarter starting second quarter of the year ended December 26, 2003. The counterpart of this cost is accounted for in contributed surplus.

Notes to the Consolidated Financial Statements
Periods ended March 26, 2004 and March 28, 2003
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3. Continuity of the Provision for Restructuring Expenses

As at December 26, 2003, the provision for restructuring expenses amounted to $937,000, representing workforce reduction and other restructuring expenses. Out of this amount, the Company has paid an amount of $535,000 during the three-month period ended March 26, 2004. The following table sets forth the changes in the provision for restructuring expenses:

	Workforce reduction	Other restructuring expenses	Total
	$	$	$
Balance as at December 26, 2003	659	278	937
Amounts paid for the three-month period ended March 26, 2004	(358)	(177)	(535)
Balance as at March 26, 2004	**301**	**101**	**402**

4. Capital Stock

a) Issued

	As at March 26, 2004	As at December 26, 2003
	$	$
6,819,079 common shares (6,754,634 as at December 26, 2003)	**43,306**	42,577
1,381,819 Class B preferred shares, classified as liabilities	**3,800**	3,800

b) Summary of Common Share Transactions:

	Number	Amount
		$
Shares issued, December 27, 2002	5,725,379	21,622
Issued for cash from the public offering	1,000,000	20,400
Exercise of stock options	29,989	331
Stock purchase plan for employees, executives and directors	12,266	306
Redemption of shares	(13,000)	(82)
Shares issued, December 26, 2003	6,754,634	42,577
Exercise of stock options	64,445	729
Shares issued, March 26, 2004	6,819,079	43,306

Notes to the Consolidated Financial Statements
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4. Capital Stock (continued)

c) Stock Option Plan

Under the stock option plan for senior management of the Company, the Board of Directors may, at its discretion, grant options to purchase common shares of the Company to certain officers and designated executives. The exercise price is established by the Board of Directors but may not be lower than the closing price of a regular lot of the Company's common shares on the Toronto Stock Exchange on the last trading day preceding the grant date. Options vest over a four-year period from the date of grant at a rate of 20% per year and must be exercised within a ten-year period, except in the event of retirement, termination of employment or death. As at March 26, 2004 and December 26, 2003, 349,082 common shares were reserved for issuance under this plan.

The following table presents information concerning all stock options granted by the Company:

	For the three-month period ended March 26, 2004		Year ended December 26, 2003	
	Number of options	**Weighted average exercise price per share**	Number of options	Weighted average exercise price per share
		$		$
Outstanding at beginning	**349,082**	**15.15**	247,896	11.03
Granted	**--**	**--**	131,175	21.99
Exercised	**(64,445)**	**11.32**	(29,989)	11.01
Outstanding at end	**284,637**	**16.02**	349,082	15.15

The outstanding stock options granted to certain members of senior management of the Company at March 26, 2004 are as follows:

Options issued	Options exercisable	Weighted average exercise price per share	Weighted average remaining contractual life (years)
		$	
17,000	17,000	10.00	1
18,601	18,601	8.88	2
25,900	25,900	6.55	3
48,000	48,000	10.50	3
20,042	20,042	13.25	4
10,812	10,812	16.00	5
13,512	13,512	17.50	6
130,770	25,830	21.99	9
284,637	179,697	16.02	6

Notes to the Consolidated Financial Statements
Periods ended March 26, 2004 and March 28, 2003
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4. Capital Stock (continued)

c) Stock Option Plan (continued)

The stock-based compensation cost charged to earnings reflect only the impact of the awards granted to employees after January 1, 2002. The stock-based compensation cost has been calculated using the Black and Scholes pricing model using the following assumptions:

Weighted-average fair value of options at the date of the grant	**$6.14**
Risk-free interest rate	**3.85%**
Dividend yield	**2.01%**
Expected volatility	**32%**
Expected life	**5 years**

The stock-based compensation cost charged to earnings for the awards granted to employees is $40,000 for the three-month period ended March 26, 2004. The counterpart has been accounted for in the contributed surplus. There was no award granted for the three-month period ended March 28, 2003.

d) Stock Purchase Plan for Employees, Executives and Directors

This stock purchase plan was set up to allow employees, executives and directors of the Company to purchase shares of the Company's capital stock. The subscription price of the common shares is equal to the average market closing price during the last five days of trading prior to the issue date of the common shares offered. Under the plan, the maximum number of shares offered annually is 25,000 shares, and the remaining number of shares offered as at March 26, 2004 and December 26, 2003 is 96,374 shares.

e) Earnings per share

The following table sets forth the computation of basic and diluted earnings per share:

	Three-month period ended March 26, 2004	Three-month period ended March 28, 2003
	$	$
Numerator:		
Net earnings	**1,175**	2,004
Denominator:		
Denominator for basic earnings per share – weighted average number of shares	**6,783,007**	6,110,033
Dilutive effect of stock options	**118,018**	108,358
Denominator for diluted earnings per share – weighted average number of shares and assumed conversions	**6,901,025**	6,218,391
Basic earnings per share	**0.17**	0.33
Diluted earnings per share	**0.17**	0.32

Notes to the Consolidated Financial Statements
Periods ended March 26, 2004 and March 28, 2003
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5. Depreciation and Amortization

	Three-month periods	
	2004	2003
	$	$
Fixed assets	**962**	962
Deferred charges [(1)]	**526**	317
Customer relationships	**94**	--
Deferred credits	**(9)**	(10)
	1,573	1,269

[(1)] *During the three-month period ended March 26, 2004, an amount of $107,000 ($85,000 for the three-month period ended March 28, 2003), representing amortization related to deferred charges was applied as a reduction of sales.*

6. Financial Expenses (income)

	Three-month periods	
	2004	2003
	$	$
Interests	**405**	258
Dividends on preferred Class B shares	**41**	43
Cash discounts	**(335)**	(317)
Loss (gain) on foreign currency translation	**12**	(769)
	123	(785)

7. Research

Research expenses amount to $949,000 for the three-month period ended March 26, 2004 ($997,000 for the three-month period ended March 28, 2003) and are shown under *Cost of sales and operating expenses.* Some of these expenses qualify for tax credits of $88,000 for the three-month period ended March 26, 2004 ($88,000 for the three-month period ended March 28, 2003), which are applied against these expenses.

8. Net Change in Non-cash Working Capital Items

	Three-month periods	
	2004	2003
	$	$
Accounts receivable	**(9,138)**	(15,614)
Inventories	**(6,207)**	(7,488)
Prepaid expenses	**38**	250
Accounts payable and accrued liabilities	**4,686**	6,153
Income taxes	**(1,684)**	(1,303)
	(12,305)	(18,002)

Notes to the Consolidated Financial Statements
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9. Segmented Information

The Company has two business units organized according to products. The Company assesses the performance of the business units based on the following items: sales, operating earnings before depreciation and amortization, financial expenses (income) and income taxes and operating earnings before financial expenses (income) and income taxes. Each business unit, except for the Head Office segment, includes activities related to manufacturing, sales and distribution of paint and coatings. Management of cash and cash equivalents, as well as other activities related to the corporate strategies with regard to manufacturing and market development, are part of the Head Office segment. The allocation of the expenses for this segment would not assist in the evaluation of the contribution of the other segments.

	Architectural	Industrial	Head Office	Total
	$	**$**	**$**	**$**
As at and for the three-month period ended March 26, 2004				
Sales	**54,103**	**9,460**	**--**	**63,563**
Operating earnings before depreciation and amortization, financial expenses (income) and income taxes	**7,804**	**732**	**(5,188)**	**3,348**
Depreciation and amortization	**1,051**	**163**	**252**	**1,466**
Operating earnings before financial expenses (income) and income taxes	**6,753**	**569**	**(5,440)**	**1,882**
Total assets	**155,380**	**36,194**	**15,198**	**206,772**
Acquisitions of fixed assets	**524**	**90**	**210**	**824**
As at and for the three-month period ended March 28, 2003				
Sales	48,783	10,603	--	59,386
Operating earnings before depreciation and amortization, financial expenses (income) and income taxes	6,730	862	(3,990)	3,602
Depreciation and amortization	789	214	181	1,184
Operating earnings before financial expenses (income) and income taxes	5,941	648	(4,171)	2,418
Total assets	117,071	43,573	16,651	177,295
Acquisitions of fixed assets	283	166	356	805

Notes to the Consolidated Financial Statements
Periods ended March 26, 2004 and March 28, 2003
(tabular amounts are in thousands of dollars, except per-share data)

9. Segmented Information (continued)

Geographical Information

	Three-month periods ended	
	2004	2003
	$	$
Sales		
Canada	**60,000**	55,036
Other countries	**3,563**	4,350
	63,563	59,386

	As at March 26, 2004			As at March 28, 2003		
	Total assets	**Fixed assets**	**Goodwill**	Total assets	Fixed Assets	Goodwill
	$	**$**	**$**	$	$	$
Canada	**190,367**	**32,763**	**27,749**	160,283	37,538	10,128
United States	**8,539**	**694**	**5,943**	9,176	830	5,921
France	**6,351**	**70**	**3,334**	6,304	12	3,302
Other countries	**1,515**	**149**	**28**	1,532	169	28
	206,772	**33,676**	**37,054**	177,295	38,549	19,379

10. Weather and Seasonality

Exterior paint products are subject to specific application requirements related to weather conditions. The sales volume of such products, which account for approximately 23% of the paint sales of the Company's architectural sector, is dependent upon weather conditions and may be materially adversely affected by unfavorable weather conditions persisting for several days or weeks.

Furthermore, the sale of exterior products is seasonal in nature. Sales of such products in the second and third quarters are historically significantly higher than sales in the first and fourth quarters and, consequently, net earnings are significantly higher in those quarters. Variable costs may be managed according to the seasonal pattern. However, a significant portion of the Company's costs may not be adjusted for seasonality.

11. Comparative Figures

Certain comparative figures have been reclassified in order to conform to the presentation adopted in 2004.