

SOTHEBY'S HOLDINGS, INC. ANNOUNCES SECOND QUARTER AND FIRST HALF 2005 RESULTS

- Record Second Quarter Total Revenues of \$178 million
- Second Quarter Income from Continuing Operations of \$42.5 million

August 8, 2005, New York -- Sotheby's Holdings, Inc. (NYSE: BID), the parent company of Sotheby's worldwide auction, private sales and art-related financing activities, today announced results for the second quarter and first half ended June 30, 2005.

For the quarter ended June 30, 2005, the Company reported auction and related revenues of \$175.6 million, a 6%, or \$9.4 million, increase from the prior period, despite a 13% decrease in Auction Sales to approximately \$1.0 billion (aggregate hammer price of property sold at auction, including buyer's premium). This increase in auction and related revenues is a result of significant improvements in auction commission margins, primarily due to a lower level of major single owner sales in 2005 which traditionally have lower auction commission margins, as well as an increase in the buyer's premium rates in early 2005. The Company's income from continuing operations for the second quarter of 2005 was \$42.5 million, or \$0.67 per diluted share, compared to income from continuing operations of \$41.1 million, or \$0.66 per diluted share, in the prior-year period.

For the first half of 2005, auction and related revenues were \$247.7 million, a 10% or \$22.7 million improvement compared to the prior period. This rise is due to the increase in auction commission margins discussed above. Income from continuing operations for the first half 2005 was \$32.7 million, a \$21.8 million decrease from 2004 due to the \$45.0 million one-time license fee revenue received from Cendant in the first quarter of 2004. Excluding the one-time license fee revenue, the Company's first half 2004 income from continuing operations would have been \$26.3 million*, or \$0.42* per diluted share. Excluding the 2004 license fee revenue, first half 2005 results improved \$6.4 million, or 24%, a significant achievement considering the landmark events of first half 2004 which included the historic private sale of the Forbes Collection of Fabergé and \$213.1 million in Auction Sales from the Whitney Greentree Collection.

"These excellent second quarter 2005 results include our highest second quarter revenues ever and our best income from continuing operations since 1990 which is a result of strong auctions across our global selling locations, a high level of private sale activity, and significantly improved auction commission margins," said Bill Ruprecht, President and Chief Executive Officer of Sotheby's Holdings, Inc.

By region, auction and related revenues in North America were flat for the first half of 2005 compared to the prior period, primarily due to the absence of a comparable sale to the Whitney Greentree sale in 2005, which was offset by growth and higher auction commission margins in a range of collecting categories. European revenues were up 12% and Asian revenues were up an extraordinary 54%.

Sotheby's expects the current buoyancy in the international art market to continue and the Company is encouraged by the level of consignments thus far for the fall auction season. However, we cannot currently predict whether Auction Sales for the second half of 2005 will attain the same levels as the second half of 2004.

Second and Third Quarter Sales

Sotheby's Spring sale of American Paintings in New York brought a strong \$40.4 million, towards the high end of its pre-sale estimate of \$31.5 to \$45.2 million**. The highlight of the sale was Andrew Wyeth's Battle Ensign which sold for \$3.8 million, almost double its pre-sale estimate of \$1.5/2 million** and came from the Collection of Mr. & Mrs. Thomas J. Watson, Jr., son of Former IBM Chairman Thomas J. Watson, Sr.

Our June sales in London also achieved excellent results. The Impressionist and Modern Art Sales totaled \$108.6 million, well within its pre-sale estimate of \$97.8 to \$137.3 million** with 88% of lots selling at or above their high estimates. The star of the sales was Kees Van Dongen's Femme au grand chapeau which sold for \$9.2 million and set a new record at auction for Van Dongen, almost double the previous record. Other highlights were works by Paul Signac, Maurice de Vlaminck, Paul Gauguin and Pablo Picasso. The London Contemporary Sale garnered \$48.4 million, towards the high side of its pre-sale estimate of \$37.4 to \$53.3 million and the highest total to date for a

Sotheby's London Contemporary sale.

Also in London, our July summer sale of Old Masters Paintings was held to extraordinary results. It led the market with a total of \$87.7 million, close to its pre-sale high estimate of \$90.0 million**. The undisputed highlight of the sale was Canaletto's Venice, the Grand Canal, Looking North-East from Palazzo Balbi to the Rialto Bridge which sold for \$32.6 million, more than double its pre-sale estimate of \$11/\$14 million** and is the highest price achieved thus far this year at any auction.

Upcoming Single Owner Sales

Sotheby's has been chosen by the New York Public Library to sell sixteen works of art from its private collection. The consignment is primarily comprised of American paintings and sculptures and is expected to bring between \$22 and \$31 million** this fall in New York.

In New York this November, Sotheby's will be offering for sale more than 800 items from the collections of Lily and Edmond J. Safra, including magnificent French, Continental and English Furniture, Decorative Works of Art, Clocks, Porcelain, Paintings, Carpets, Fabergé and Russian Works of Art. The sale is estimated to achieve in excess of \$25 million**.

On October 11-12, also in New York, Sotheby's will be selling a range of decorative arts and Impressionist paintings from the Collection of Mr. Laurance S. Rockefeller, the pioneering venture capitalist and dedicated conservationist and philanthropist. The proceeds of the sale, estimated to bring in excess of \$12 million**, will benefit the Laurance S. Rockefeller Fund, a charitable entity.

In Germany from October 5th to 15th, Sotheby's will be holding a sale of heirlooms belonging to the Royal House of Hanover, which included five Kings of England. Approximately 4,000 lots, the sale is expected to achieve in excess of \$16 million** and will take place at the Marienburg Castle.

* Non-GAAP financial measure. See Appendix B. ** Estimates do not include buyer's premium

About Sotheby's Holdings, Inc.

Sotheby's Holdings, Inc. is the parent company of Sotheby's worldwide auction, private sales and art-related financing activities. The Company operates in 34 countries, with principal salesrooms located in New York and London. The Company also regularly conducts auctions in 13 other salesrooms around the world, including Australia, Hong Kong, France, Italy, the Netherlands, Switzerland and Singapore. Sotheby's Holdings, Inc. is listed on the New York Stock Exchange under the symbol BID.

Forward-looking Statements

This release contains certain "forward-looking statements" (as such term is defined in the Securities and Exchange Act of 1934, as amended) relating to future events and the financial performance of the Company. Such statements are only predictions and involve risks and uncertainties, resulting in the possibility that the actual events or performances will differ materially from such predictions. Major factors, which the Company believes could cause the actual results to differ materially from the predicted results in the "forward-looking statements" include, but are not limited to, the overall strength of the international economy and financial markets, political conditions in various nations, competition with other auctioneers and art dealers, the amount of quality property being consigned to art auction houses and the marketability at auction of such property.

SOTHEBY'S HOLDINGS, INC.
CONSOLIDATED INCOME STATEMENTS
(UNAUDITED)
(Thousands of dollars, except per share data)

	Three Months Ended		Six Months Ended	
	June 30, 2005	June 30, 2004	June 30, 2005	June 30, 2004
Revenues:				
Auction and related revenues	\$175,558	\$166,166	\$247,733	\$225,019
License fee revenues	448	-	624	45,000
Other revenues	2,250	2,599	3,926	4,172
Total revenues	<u>178,256</u>	<u>168,765</u>	<u>252,283</u>	<u>274,191</u>
Expenses:				
Direct costs of services	19,017	18,974	29,246	26,094
Salaries and related costs	53,296	49,568	92,815	88,528
General and administrative expenses	30,584	24,541	57,768	50,198
Depreciation and amortization expense	5,568	5,593	11,214	11,488
Retention costs	-	-	-	285
Net restructuring charges	-	27	-	146
Total expenses	<u>108,465</u>	<u>98,703</u>	<u>191,043</u>	<u>176,739</u>
Operating income	69,791	70,062	61,240	97,452
Interest income	1,630	532	3,239	1,101
Interest expense	(8,000)	(8,395)	(16,142)	(16,805)
Other (expense) income	(218)	(249)	(214)	391
Income from continuing operations before taxes	63,203	61,950	48,123	82,139
Equity in earnings of investees, net of taxes	130	111	480	273
Income tax expense	20,853	20,972	15,866	27,835
Income from continuing operations	<u>42,480</u>	<u>41,089</u>	<u>32,737</u>	<u>54,577</u>
Discontinued operations (Note 3):				
(Loss) income from discontinued operations before taxes	(715)	2,330	(671)	39,042
Income tax (benefit) expense	(212)	942	(190)	14,422
(Loss) income from discontinued operations	<u>(503)</u>	<u>1,388</u>	<u>(481)</u>	<u>24,620</u>
Net income	<u>\$41,977</u>	<u>\$42,477</u>	<u>\$32,256</u>	<u>\$79,197</u>
Basic earnings per share:				
Earnings from continuing operations	\$0.68	\$0.67	\$0.52	\$0.89
(Loss) earnings from discontinued operations	(0.01)	0.02	(0.01)	0.40
Basic earnings (loss) per share:	<u>\$0.67</u>	<u>\$0.69</u>	<u>\$0.51</u>	<u>\$1.29</u>
Diluted earnings per share:				
Earnings from continuing operations	\$0.67	\$0.66	\$0.51	\$0.88
(Loss) earnings from discontinued operations	(0.01)	0.02	(0.01)	0.40
Diluted earnings per share:	<u>\$0.66</u>	<u>\$0.68</u>	<u>\$0.50</u>	<u>\$1.27</u>
Weighted average shares outstanding:				
Basic	62,841	61,671	62,718	61,630
Diluted	63,783	62,308	63,884	62,188

SOTHEBY'S HOLDINGS, INC.
GAAP TO NON-GAAP RECONCILIATIONS

GAAP and non-GAAP Financial Measures:

GAAP refers to generally accepted accounting principles in the United States of America. In this release, financial measures are presented in accordance with GAAP and also on a non-GAAP basis. All references in this release denoted by * are to "adjusted" non-GAAP financial measures. Management believes that the use of these non-GAAP financial measures enable management and investors to evaluate, and compare from period to period, the Company's results from operations in a more meaningful and consistent manner. A reconciliation of GAAP to non-GAAP financial measures is included below:

	Six Months Ended June 30,	
	2005	2004
(Thousands of dollars, except per share data)		
GAAP Income from Continuing Operations	\$32,737	\$54,577
<i>Adjustments, net of tax effects (a):</i>		
One-time license fee revenue	-	(29,700)
One-time license fee expense	-	1,414
Adjusted Income from Continuing Operations	<u>\$32,737</u>	<u>\$26,291</u>
GAAP Diluted Earnings Per Share from Continuing Operations	\$0.51	\$0.88
<i>Adjustments, net of tax effects (a):</i>		
One-time license fee revenue	0.00	(0.48)
One-time license fee expense	0.00	0.02
Adjusted Diluted Earnings Per Share from Continuing Operations	<u>\$0.51</u>	<u>\$0.42</u>

(a) The effective tax rate related to continuing operations for the three and six months ended June 30, 2005 was approximately 33%. For the three and six months ended June 30, 2004, the effective tax rate related to continuing operations was approximately 34%.

All Sotheby's Press Releases and SEC filings are available on our web site at www.sothebys.com.

Sotheby's Holdings, Inc.'s earnings conference call will take place on Tuesday, August 9, 2005, at 9:00 AM EST. Domestic callers should dial: 800-257-3401 and international callers should dial: 303-262-2140. The call reservation number is 11036893.

To listen to the conference call via web cast, please go to www.actioncast.acttel.com and enter the passcode 29959 when prompted. You will need Windows Media Player or Real Player to access the call. Please download either of these programs before the call begins at 9:00 AM on August 9th. The web cast will be available for replay for two weeks after the call.

Fall 2005 Highlights – Upcoming Sales

On September 23, 2005, Sotheby's will present for sale The Collection of Geoffrey Beene, eminent American designer who died on September 28, 2004. Hundreds of items from Mr. Beene's apartment in New York and house on the north shore of Long Island will be offered in the single-owner sale. Echoing the celebration of Modern style that Mr. Beene championed in his designs, the offering will feature 20th Century furniture and design by Jean Prouvé, Ferdinand Parpan, Leon Jallot, Jan and Joël Martel and Jean Lambert-Rucki, among others. In addition, paintings and works on paper by such Modernists as Jean Arp, Alexander Archipenko, Salvador Dali, Man Ray, Keith Vaughan and the Russian artist Pavel Tchelitchew will also be included. In total, the collection is expected to bring more than \$2 million and the proceeds from the sale will ultimately go to the Geoffrey Beene Foundation for the benefit of various charities.

On September 27, 2005, Sotheby's and The Walt Disney Company will conclude the celebration of 75th anniversary of Mickey Mouse by auctioning 75 uniquely-designed statues of Mickey, an icon of American popular culture beloved

for more than three generations. The statues, which have toured the country since Mickey's 75th anniversary on November 18, 2003, are part of a special tribute entitled "Celebrate Mickey: 75 InspEARations." Each statue, individually-decorated by notable Disney legends, artists, actors, musicians or athletes, is 6-feet-tall and weighs more than 700 pounds. Among the artists are Ben Affleck, Ellen Degeneres, Annette Funicello, Tom Hanks, Sir Elton John, Shaquille O'Neal and John Travolta, among others. The proceeds of the sale of each Mickey statue will benefit 50 deserving charities, designated by the artist of each statue. The statues will be sold without reserve, and the sale is expected to bring in excess of \$1 million.

On October 5th Sotheby's London will celebrate the life of Admiral Horatio Nelson with The Trafalgar Sale. The centerpiece of the sale is The Matcham Collection -- a group of extraordinary, rare and intimate items which together rank as the most important private collection of Nelson relics to have come to the market in more than a century. The offering includes a wide range of letters, books, medals, tableware and furniture --all essential items from Nelson's daily life. The collection, which comes to sale directly through the descendants of Nelson's favorite sister -- Catherine (or "Kitty") Matcham, is estimated to bring in excess of £1.5 million. From a separate consignment is the pocket watch worn and treasured by Nelson for the last - and most glorious - years of his life, the watch was with him when he met his death at the Battle of Trafalgar on October 21, 1805. It is estimated to sell for £250/350,000. The entire sale is estimated to bring in excess of £3 million.

From October 5-15 (excluding October 9th), Sotheby's will hold an unprecedented sale of heirlooms belonging to the Royal House of Hanover. No comparable auction has been held in continental Europe since Sotheby's held the Thurn und Taxis and Baden Baden sales in the 1990s. The sale will include more than 20,000 items divided into some 4,000 lots, each with an incomparable royal provenance, and is estimated to bring €12 million. The auction, which will be held at the fairytale Schloss Marienburg, will include glass and porcelain, silver, arms and armor, paintings and furnishings which date from the 16th to the 19th centuries, including property which belonged to all five Kings of England, from King George I to King William IV. Among the highlights of the offering are outstanding Russian vases made at the Imperial factory in St. Petersburg in the 1840s, painted with copies of Old Master paintings by Rubens and Honthorst (estimate: €550/750,000, \$666,220/908,480), a large goblet and cover, engraved with the arms of William III of England (estimate: €30/40,000, \$36,340/48,450), an exceptional painting of Prince Edward Augustus, Duke of York, by Pompeo Batoni (estimate: €80/120,000, \$96,900/145,360), and a round table with a stunning flower mosaic table top (estimate: €60/80,000, \$72,680/96,900) given to the Hanoverian dynasty by Pope Pius IX.

On October 11-12, 2005, Sotheby's will offer a single-owner sale of Property from the Estate of Mr. Laurance S. Rockefeller, the pioneering venture capitalist, dedicated conservationist and a visionary philanthropist from one of America's most prominent families. The sale will include objects from his panoramic Fifth Avenue apartment, which overlooked Central Park, and his Rockefeller Center office in Manhattan, as well as his country home on the family estate in Pocantico Hills, New York, and other residences in Woodstock, Vermont, and Jackson, Wyoming. Comprised of over 800 items, the proceeds of the sale, estimated to bring in excess of \$12 million, will benefit the Laurance S. Rockefeller Fund, a charitable entity. Among the works from Mr. Rockefeller's collection to be offered in the November 2005 Impressionist and Modern evening sale is one of the most recognizable sculptures in Western Art, Auguste Rodin's *The Thinker*. Measuring 28 inches in height, the iconic bronze is estimated to sell for \$800,000/1.2 million.

On October 14, 2005, Sotheby's will offer for sale Property from the Estate of Richard Avedon, the acclaimed American photographer famous for his fashion and portrait photographs of models and prominent cultural figures. His personal collection of fine and decorative art comprises prints, paintings, drawings, antiquities and unique furniture and decorations. Mr. Avedon's eclectic collection is a juxtaposition of decorative objects and works of art such as Edward Ruscha's *Cheese Mold Standard with Olive*, 1969, a silkscreen printed in colors (est. \$12/16,000) and Édouard Vuillard's *Intérieur aux Tentures Roses I*, 1899, signed, a lithograph printed in colors (est. \$6/8,000).

In October, Sotheby's Paris will offer a number of tapestries, gouache and watercolour plans, sketches of tapestries, chair upholstery, rugs and furniture from Braquenié. The collection brings together examples of tapestries made or acquired by La Maison Braquenié (petit point, gros point, flat weave, canvas and tapestry) since the 17th century. Some, accompanied by the initial plans, illustrate the different stages in the creation of a design. Around 300 lots, to be sold without reserve, will illustrate the history of French décor and attest to the richness of taste and comfort in the late 19th century adopted by châteaux and large residences throughout the world.

On October 26th, Sotheby's New York will offer the Charles Lane Poor Collection of early English silver, ranging from 16th century examples of Elizabethan hollowware through the 17th century with the Charles II, William and Mary and

Queen Anne periods well represented. Additionally, the collection includes an exceptional selection of spoons dating from the mid-14th century that will be offered at Sotheby's in London this December.

On October 31 and November 1 Sotheby's Amsterdam will again offer a large selection of paintings and works of art from European Royal and Noble Families. The sale, entitled Crowns and Coronets, offers the perfect opportunity to acquire works of art which come from prominent European families that have often been hidden in castles for many centuries. It is estimated to bring in excess of \$4 million.

A highlight of the fall season in Paris is a sale of selected works by major 20th century artists from the collection of renowned dealers Liliane and Michel Durand-Dessert. Liliane and Michel Durand-Dessert were always guided by an innovative spirit, passion and a firm commitment to the richness and complexity of contemporary art. Their gallery, which was considered one of the best in Paris, was the first to be the subject of an exhibition organized by a French institution. In 2004, the Museum of Grenoble organised a retrospective of the gallery's twenty-nine years. A total of 145 lots including sculpture, paintings and photographs are estimated to fetch between €3 and 4 million.

On November 3rd and 4th in New York, Sotheby's will offer for sale works from one of the greatest private collections assembled in the 20th century, Property from the Collections of Lily and Edmond J. Safra. Comprising magnificent French, Continental and English Furniture, Decorative Works of Art, Clocks, Porcelain, Paintings, Carpets, Fabergé and Russian Works of Art, more than 800 items from the Safra residences in London, Geneva, Paris and New York will be offered in an auction which is expected to bring in excess of \$25 million. Highlighting the offering is a Louis XVI Ebony Bureau Plat and Cartonnier, circa 1770, attributed to Joseph Baumhauer. It's distinguished provenance includes the collection of The 1st Lord of Malmesbury and the iconic collection of Lady Baillie at Leeds Castle before being acquired by Mr. and Mrs. Safra at Sotheby's Monaco in 1981. It is estimated to sell for \$5/7 million.

Sotheby's sale of Contemporary Art on November 9th will feature a rare and important work by David Smith. This monumental stainless steel sculpture entitled Cubi XXVIII Gate 3 comes from the Sid W. Richardson Foundation in Fort Worth, Texas and is estimated to sell for \$8/12 million. Also included is Andy Warhol's Jackie Frieze. This 13-panel work from 1964 is estimated to bring \$8/12 million. The sale will also feature outstanding works by Jean-Michel Basquiat and Francis Bacon.

On November 30th, Sotheby's sale of American Paintings will feature a selection of works of art from the collection of The New York Public Library, including Gilbert Stuart's Portrait of George Washington (half-length) which is estimated to sell for \$10/15 million, as well as a full-length Portrait of George Washington (est. \$6/8 million). The Collection also includes two outstanding portraits by John Singleton Copley, one of Francis Deering Atkinson (est. \$3.5/4.5 million) and one of Hannah White Cowell Hooper (est. \$1/1.5 million). Among the other artists represented in the collection are Rembrandt Peale, James Peale and Samuel F.B. Morse.

Geneva's Magnificent Jewels Sale in November will include exquisite jewels and gemstones. Highlighting the sale is an 18th century diamond necklace of royal provenance which is estimated to sell for CHF1.5/2.5 million. Also featured are a pair of emerald bead and diamond fringe bracelets, which may be worn together as a necklace, designed for the international socialite Daisy Fellowes by Van Cleef & Arpels in the late 1920s (estimate: CHF800,000-1,000,000); a D colour brilliant-cut diamond weighing 17.44 carats, also by Van Cleef & Arpels (estimate: CHF700,000-1,100,000); a bangle "Manhattan" which was created especially by Harry Winston in conjunction with Walt Disney Productions (estimate: CHF100/150,000); and a Fancy Vivid Pink diamond weighing 10.31 carats (estimate: CHF4,000,000-5,000,000).

On July 13th, Sotheby's announced a partnership with The Steinmetz Diamond Group to create Sotheby's Diamonds – an important jewelry joint venture offering the rarest and most desirable diamonds in the world and exquisite diamond jewelry. Sotheby's Diamonds combines Steinmetz's expertise in diamond cutting and polishing along with Sotheby's connoisseurship and international client base. The first jewelry collection will be unveiled in New York and Hong Kong in December 2005.

In December Sotheby's New York will present a theme sale celebrating the sporting pursuits of the 18th, 19th and 20th centuries. The auction will feature works of art depicting equestrian scenes, wildlife, prized livestock, hunting, fishing and marine scenes. Highlighting the offering is perhaps the finest and most comprehensive collection of paintings by Sir Alfred J. Munnings to appear on the market in recent memory. The sale of more than 150 lots is expected to bring over \$12 million. Chief among the works by Munnings to be offered is Going Out at Epsom from 1931. Capturing the energy and excitement of the racecourse, the canvas is estimated to sell for \$3/4 million. An

example of the rare landscape and genre scenes by Munnings included in the sale is *My Garden in Summer*, which is estimated at \$800,000/1.2 million. The scene captures a charming scene of three women enjoying tea on a summer day with horses grazing in the background. Among the section of outstanding marine paintings to be offered is *An English Frigate off the Needles* by British artist Montague Dawson which is estimated to sell for \$200/300,000 from the esteemed collection of Mr. & Mrs. Thomas J. Watson, Jr.

The December 5th sale of Important Watches, Wristwatches and Clocks will feature numerous rare and outstanding examples. Among the highlights are a Patek Philippe platinum perpetual calendar split second chronograph with phases of the moon, Ref. 5004, (est. \$100/150,000), a Vacheron & Constantin 18K yellow gold minute repeating wristwatch with engine-turned dial (est. \$120/180,000), and a Rolex 18K yellow gold self-winding triple calendar wristwatch with phases of the moon and two-tone dial, Ref. 8171 (est. \$30/50,000).

In January 2006 in New York, Sotheby's will present an unprecedented sale of Old Master Paintings consigned entirely by many of the most renowned international dealers in the field. All of the paintings in the auction will be vetted for condition and attribution by a committee of museum curators, independent experts and conservators. Renowned dealers as Robert Noortman of Noortman Master Paintings, Johnny van Haften, Jonathan Green of the Richard Green Gallery, Roman Herzig of Galerie Sanct Lucas, Vienna, and Adam Williams of Adam Williams Fine Art have already committed, and some of the leading experts in the field – Martin Bijl (Independent Paintings Conservator and Former Chief Conservator, Rijksmuseum), Edgar Peters Bowron (The Audrey Jones Beck Curator of Paintings, Houston Museum of Fine Arts), Frits DuParc (Director of the Mauritshuis, The Hague), Simon Levie (Former Director of the Rijksmuseum, Amsterdam), Scott Schaefer (Curator of Paintings, J. Paul Getty Museum), Peter Sutton (Director of the Bruce Museum Greenwich Connecticut) – have agreed to serve on the vetting committee. Highlights of the auction will travel to London, Paris, Amsterdam and Boston prior to their exhibition and sale in New York. Information on specific highlights, the traveling exhibition schedule and a list of participating dealers will be provided later in the autumn.

On the evening of February 14 and on the day of February 15, 2006, Sotheby's will offer approximately 130 works in a sale of Important Photographs from the Metropolitan Museum of Art, including works from the Gilman Paper Company Collection. The single-owner sale will focus on turn-of-the-last century and 20th century photographs and includes the work of seminal artists such as Edward Steichen, Alfred Stieglitz, Dora Maar, Paul Outerbridge, Margaret Bourke-White, Edward Weston, Walker Evans, Robert Frank and others. Highlighting the sale is Edward Steichen's masterful multiple-process photograph *The Pond-Moonlight* (est. \$700,000/1 million) is one of only three known prints of this image and is the best of Steichen's early landscapes. It is estimated to sell for \$700,000/1 million and the sale is expected to bring approximately \$4/6 million.

Spring 2005 Highlights – Recent Sales

Fine Art

Sotheby's May 2005 sales of Impressionist and Modern Art in New York totaled \$118,624,000. The evening sale totaled \$91,294,400 and was highlighted by an historic work from Pablo Picasso's *Femmes d'Algers* series which sold for \$18,608,000. This sale also featured a powerful self-portrait by Max Beckmann from 1936 in which the artist renders himself as a prescient sooth-sayer, *Selbstbildnis mit Glaskugel* (Self-Portrait with Crystal Ball), which brought \$16,816,000 (est. \$10/15 million). Eighteen works sold for more than \$1 million, and buying was dominated by private collectors.

The spring sale of Contemporary Art in New York was highlighted by Andy Warhol's magnificent red *Liz* from 1963 that sold to Laurence Graff for \$12,616,000. This led to a total for the evening of \$68,036,800. The Contemporary Day sale on May 11th brought a strong total of \$25,987,601 with 60% of the lots selling for over their high estimates. The top lot, Joan Mitchell's splendid *Untitled* from 1960, was the subject of intense bidding, driving the price to \$828,000 (est. \$450/650,000). In total, the Contemporary Sales this spring brought \$94,024,401. The sale also featured several works from the Collection of Gianni Versace which brought over \$11 million, highlighted by Roy Lichtenstein's *Blue Nude* that sold for \$5,280,000, the top price for a late work by the artist. Later in the season, Sotheby's New York was honored to offer Mr. Versace's collection of furniture and decorations from his New York City townhouse. The sale surpassed the high estimate, bringing a total of \$5,935,459.

Sotheby's sale of American Paintings on May 18th brought a total of \$40,448,000 and saw records set for many important artists including Andrew Wyeth, whose deeply touching work entitled *Battle Ensign* sold for \$3,824,000

(est. \$1.5/2.0 million). On the following day, Sotheby's sale of American Folk Art, Furniture and Silver brought a total of \$6,414,241 and was highlighted by an extensive gold service that brought \$1,220,000, George Washington's dispatch case which sold for \$408,000, and the Coudon Family Queen Anne carved walnut desk-and-secretary that brought \$284,8000.

Sotheby's two-day sale of Latin American Art totaled \$12,756,200, the highest total achieved at Sotheby's in five years. The sale was highlighted by Diego Rivera's 1928 *La Ofrenda*, one of the finest Riveras to appear at auction since 1997, which brought \$1,584,000. From the same collection was the sale's cover lot, Rivera's vibrant *Lavanderas con Zopilotes* from 1932, which brought \$542,200 (est. \$500/700,000). Records were achieved for five other artists - Joaquín Torres-García, Alejandro Otero, Carlos Cruz Diez, Juan Pedro López and Fray Alonso Lopez de Herrera, as well as a record for a Matta sculpture and a work on paper by Armando Reverón.

The Contemporary Art Evening sale in London on June 22nd was a great success, totaling £19,325,200 (\$35,351,588) – the highest total to date for a Sotheby's London Contemporary sale. It saw auction records set for five artists: David Hockney, Paula Rego, Damien Hirst (for a painting), Sean Scully and Glenn Brown. Lucian Freud's *Man with a Feather (Self-Portrait)* was the top lot of the auction, selling for £3,704,000 (\$6,775,727). The second highest price of the night was for *Seated Woman Being Served Tea* by David Hockney which fetched £1,800,000 (\$3,292,740). Contemporary Art Day on June 23 realized £7,132,600 (\$12,977,052) – the second highest total ever for a Contemporary day sale in London – bringing the combined total of the Evening and Day sales to £26,457,800 (\$48,328,640).

The Impressionist & Modern Art Evening sale in London on June 20th raised £45,877,600 (\$83,772,498) – one of the highest totals in recent years. Twelve works sold for over £1 million and new auction records were established for Signac, Van Dongen, Cross and Le Corbusier. The most expensive lot of the sale was Kees van Dongen's *Femme au grand chapeau*, which sold for £5,048,000 (\$9,217,648) – almost doubling the previous auction record for van Dongen's work, and comfortably exceeding the pre-sale estimate of £3,000,000 - £4,000,000. A further highlight of the evening came when *Le Jardinier* by Maurice de Vlaminck realized £4,824,000 (\$8,808,624) against a pre-sale estimate of £2,500,000-£3,500,000. Works by Paul Gauguin, Juan Gris, Vincent van Gogh and Pablo Picasso also performed well. Picasso's monumental *Homme à la Pipe* sold for £3,032,000 (\$5,536,432) and Van Gogh's *Femme dans un jardin* fetched £2,920,000 (\$5,331,920). The Impressionist & Modern Art Day sale on June 21 realized £10,193,760 (\$18,578,128) and the Impressionist & Modern Works on Paper sale on June 21 made £3,268,400 (\$5,956,659). The combined total for all three sales was £59,339,760 (\$108,307,285).

On July 7th the Old Master Paintings sale in London fetched an outstanding total of £44,284,800 (\$77,542,685) – the second highest total for a Sotheby's sale of Old Master Paintings in any location. The highlight of the sale was Giovanni Antonio Canaletto's *Venice – the Grand Canal from Palazzo Balbi* which realized £18,600,000 (\$32,568,600) – the highest price achieved for a work of art sold this year – and a new record for the artist at auction. The sale set new auction records for 12 artists, including Jan van Ruisdael, Luca Carlevarijs, Giovanni Francesco Barbieri, Martin Schongauer and Nicolas Régnier. The second highest price of the evening was for a fine view of Bentheim Castle by Jacob van Ruisdael, which fetched £2,584,000 (\$4,524,584). The Wills Collection (Old Masters) made £1,987,200 (\$3,495,286), Old Master Paintings Part II totaled £3,405,800 (\$5,963,556), Old Master Paintings at Olympia realized £1,223,880 (\$2,145,462) bringing the combined total for the week's Old Master Paintings sales to £50,901,680 (\$89,146,989).

The April sale of 19th Century European Art in New York totaled \$20,494,000 (£10,682,304). In many cases, the paintings offered represented the very best examples of the work of the most important artists and Schools; most notably William Bouguereau and Giovanni Boldini, as well as one of the most comprehensive selections of Victorian paintings seen in a New York auction in many years. The sale was highlighted by William Bouguereau's iconic masterpiece, *Song of the Angels*, which sold for \$1,584,000.

On May 19th in London, the Russian sale brought a total of £12,330,680 (\$22,695,850) – the highest total ever for a London Russian sale. New auction records were achieved for artists K.A. Korovin, P.P. Konchalovsky, V.D. Polenov and A.M. Vasnetsov. The Russian Pictures, Works of Art and Icons sale at Olympia realized £1,934,660 (\$3,552,036) bringing the combined total for the two sales to £14,265,340 (\$26,247,886).

On April 21st, Sotheby's New York achieved the highest total for any sale of Russian Art which brought \$35,167,720, far surpassing the \$22 million high estimate. Numerous auction records were established and leading the highlights was a magnificent pair of Russian porcelain palace Vases from the period of Nicholas I that sold for \$3,936,000,

more than five times the estimate. Also notable was a rediscovered masterpiece by Konstantin Egorovich Makovsky, Judgment of Paris, which sold for a record-breaking \$2,088,000 (est. \$750,000/1.1 million).

A sale of Old Master Paintings in Amsterdam this spring totaled €2,218,000 (\$2,849,576) and was characterized by competitive bidding both on the telephone and in the room throughout. New auction records were set for Louis Finson, whose Allegory of the Four Elements brought €482,400 (\$619,763), and for Joannes Fijt, whose Spaniels Stalking Rabbits in the Dunes, a View of the Sea Beyond, brought €359,200 (\$461,482).

The Swiss Art sale held in May, which totalled CHF7,331,929 (\$5,919,529), far exceeding the pre-sale estimate of CHF4.9/6.8 million, featured a number of spectacular highlights. Among them was Ferdinand Hodler's Landschaft bei Château-d'Oex which sold for CHF2,065,000 (\$1,667,205), Giovanni Giacometti's Blick von Maloja auf den Silsersee which fetched CHF885,000 (\$714,516), against a pre-sale estimate of CHF140'000-180'000; and Gottardo Segantini's Herbsttag am Silsersee which achieved CHF472,000 (\$381,075), almost seven times the pre-sale high estimate, setting a new world record for a painting by the artist sold at auction. This was the best result for a Swiss Art sale since 2000.

The June sale of 19th Century European Paintings in London, which included the Scandinavian Sale, the Orientalist Sale, and the German, Austrian, Hungarian and Slavic Sale, realized £7,683,920 (\$13,871,012). Two new auction records were achieved for the artists Vilhelm Hammershoi and Paul Fischer.

The Old Master Paintings sale in Milan this June brought a total of €3,076,320 (\$3,786,335), well within estimate. The top selling lot was Ritratto di Carlo d'Asburgo by Francesco Solimena which sold for €283,950 (\$349,486), above a high estimate of €200,000. A record for Giuseppe Ruoppolo at auction was set when his Natura morta sold for €237,750 (\$292,623), above a high estimate of €100,000).

A sale of 19th European Art offered in Amsterdam in April brought a total of €4,037,000 (\$5,260,453). The sale was highlighted by Johan Barthold Jongkind's, Promenade au bord du canal, Hollande which sold for €162,000 (\$211,096). Auction records were established for Floris Arntzenius and Johan Antoni de Jonge.

The Irish sale on May 13 totaled £5,015,040 (\$9,349,038) and set new auction records for works by Roderic O'Connor, Louis Le Brocquy and F.E. McWilliam. The highest price achieved was for Roderic O'Connor's La Lisière du Bois, which realized £792,000 (\$1,476,446).

On May 12th the Greek sale raised £2,859,520 (\$5,348,732) and set auction records for the artists Nikiforos Lystras, Constantinos Volanakis and Syros Papaloukas.

Decorative Works of Art

The Easton Neston sale – one of the greatest English country house sales ever to have taken place – raised a total of £8,723,296 (\$16,032,546) over three days in May. It was the second highest total ever achieved for a UK country house sale. The star lot, Lord Wenlok's Tankard: an English Bronze jug, sold after some five minutes of intense bidding, for £568,000 (\$1,043,927), a sum far in excess of the pre-sale estimate of £60,000-£80,000. The second highest price paid was for a magnificent pair of gilt-bronze and cut-glass chandeliers which realized £187,200 (\$344,055). The painted oak model of Easton Neston designed by Nicholas Hawksmoor also performed well, fetching £176,000 (\$323,470), against a pre-sale estimate of £80,000-£120,000. It was purchased by Harris Lindsay, on behalf of the Royal Institute of British Architects Trust.

The India and the Far East Week sales (which included three single owner sales) in London brought a combined total of £4,319,940 (\$7,899,291). On May 25: The Tipu Sultan Collection realized £1,239,240 (\$2,267,437), Exotica: East meets West 1500-1900 totaled £1,720,200 (\$3,147,450) and Nineteenth-Century Photographs of India: The Ehrenfeld Collection made £294,540 (\$538,920). On May 26: The Library of Robert and Maria Travis: A pictorial record of India and the Far East realized £1,065,960 (\$1,945,484). Numerous auction records were achieved, in particular for the top lots – Prince Alexis Soltykoff's Voyage dans l'Inde pendant les années which fetched £45,600 (\$83,225) and James Baillie Fraser's Views in the Himala Mountains which made £36,000 (\$65,704).

Highlighting spring auctions in Paris was the collection of the Baron de Redé from the HTMtel Lambert which totaled €7,126,864 (\$9,501,820) (est. €3.5/5 million) with every lot finding a buyer and 72% of the lots exceeding their high estimate. Highlighting the sale was a monumental Louis XV chandelier with 32 lights in ormolu and rock crystal and

stamped with a crowned C, which sold for €1,300,000 (\$1,733,212); and a flat Louis XV desk stamped by Dubois, in rose and violet wood veneer, from the collections of Sir Richard Wallace and Arturo Lopez-Willshaw, which brought €684,000 (\$911,936).

A rare alabaster bust by Franz Xaver Messerschmidt provided the highlight of the European Sculpture and Works of Art 900-1900 sale on July 8th in London, which realized a total of £2,657,520 (\$4,628,603). The bust – offered for the first time ever at auction and unseen by the public since the 19th century – fetched £1,049,600 (\$1,828,088). The second highest price achieved in the sale was for a 15th century Austrian mother of pearl triptych which raised £136,800 (\$238,265) against a pre-sale estimate of £10,000-£15,000.

A highlight of Sotheby's spring season in Milan was the sale of Gio Ponti: A Collection, a single-owner sale of Furniture, Ceramics and Paintings by the famous Italian architect Gio Ponti. The sale exceeded the high estimate of €1.4 million to total €1,533,960 (\$1,887,998).

The June sale of 20th Century Design in New York brought \$8,368,920 and was dominated by the work of American designers including Tiffany Studios and California architects Charles Sumner Greene and Henry Mather Greene. Four of the five top selling lots were spectacular works by Tiffany Studios collected by the late Mr. Charles R. Wood of Glens Falls, New York. Chief among them was a Superb "Peony" Table Lamp, circa 1910, with a rare jeweled base, that brought an outstanding \$576,000, well above the high estimate of \$300,000 and a record for the Peony form at auction. Also featured was an Important and Rare Hall Chair from the Entry of the Dr. William T. Bolton House, circa 1907, which brought \$408,000, more than five times the high estimate of \$70,000 and a record for furniture by Greene & Greene at auction.

This April Sotheby's held two sales of Photographs, bringing a combined total of \$5,755,300. The top lot of the sale was Neil Selkirk's printing of Diane Arbus's Box of Ten Photographs, which realized \$553,600. Also offered in a sale of Moholy-Nagy Photograms from the Collection of Eugene and Dorothy Prakapas were nine extremely rare photograms. Photogram with Diagonal Shape led the single-owner sale, achieving \$240,000, one of the highest auction prices ever realized for a photographic work by Moholy-Nagy.

The May 12th auction of African, Oceanic and Pre-Columbian Art brought a total of \$3,197,940 (est. \$2.7/3.8 million). The top lot of the sale, a Mezcala Stone Figure, late Preclassic, ca. 300-100 B.C., from the Alexander Bing Collection, achieved \$222,000 (est. \$15/25,000). The Maya material performed particularly well, evidenced by the very impressive price achieved by the Maya Painted Bowl, Late Classic, ca. A.D. 550-950, which brought \$204,000 (est. \$55/65,000).

The June sale of African and Oceanic Art held in Paris featured the Paolo Morigi and Studer-Koch Collections and totaled €4,979,160 (\$6,109,230). A worldwide record was achieved for an outstanding headrest attributed to the Master of the Cascade Headdress from the Baluba Shankadi studio of Kinkondja which sold for €1,356,000 (\$1,663,758).

The May sale of American Indian Art totaled \$3,446,866, far over the high estimate of \$2.6 million. The Farquharson Collection, an incredibly rare and early group of artifacts, brought outstanding prices, and every lot of this extraordinary collection was ultimately purchased by one American Private Collector. Records were set for an example of Woodlands Indian material, as well as for two icons of American Indian Art -- moccasins and the pipe -- at auction.

Books and Manuscripts

In New York in June, the only known surviving autograph draft of the Balfour Declaration was sold for \$884,000. The document was sold as part of an extraordinary archive of 175 documents relating to the formation of the State of Israel and was included in a sale of Fine Books and Manuscripts including Americana. Also of note was a trove of Winslow Homer autograph letters, including pen-and-ink sketches by the artist, which brought \$204,000.

The London sale of English Literature, History, Children's Books and Illustrations in July raised £1,218,684 (\$2,154,390). The Flag of the Arab Revolt, one of only two known surviving examples of its kind, fetched £164,800 (\$291,333). The second highest price achieved was for J. Madlener's Der Berggeist – the hitherto lost painting that was the inspiration behind Tolkien's Gandalf – which more than doubled its pre-sale high estimate and raised £84,000 (\$148,495).

The sale of The Library of Irwin Silver, offered in New York in April, totaled \$2,276,060, exceeding the pre-sale high estimate of \$1.8 million. The collection featured English and American literature including the work of Clemens, Defoe, Dickens, Doyle, Melville, Poe, Shakespeare, Swift and Whitman, as well important works of science and social science, children's literature and fine and decorative bindings and was highlighted by a near-fine, entirely unsophisticated copy of the first edition of *On the Origin of Species* by Charles Darwin which sold for \$273,600 against a high estimate of \$100,000.

The sale of Western Manuscripts and Miniatures on July 5th in London included three important medieval manuscripts from the collection of the late Dr Martin Bodmer and realized a total of £4,891,900 (\$8,575,501). The highest price achieved in the sale was for the Bodmer Virgil which fetched £1,688,000 (\$2,959,064).

Wine

Sotheby's New York Wine department concluded the spring with a strong sales total of \$7,979,543 (£4,226,994), surpassing its high estimate of \$7.1 million. Sales included *Finest and Rarest Wines* on March 19 (\$3,200,318); *An Important Private Cellar* on April 16 (\$1,795,195); and *Finest and Rarest Wines* on May 21 (\$2,984,030). The top lot of the season was a case of 1999 Romanée-Conti, which fetched \$61,687, an auction record. Other notable records were set for a melchior (18 liters) of 2000 Château Cheval Blanc which sold for \$27,025, as well as a 1947 magnum of Cheval Blanc (\$22,325). Records were also set for cases of 1989 and 1990 Château Pétrus, which both brought \$24,675, and four bottles of 1990 Romanée-Conti achieved \$24,675.

Asian Works of Art

Sotheby's spring 2005 auctions in Hong Kong fetched a remarkable sum of HK\$634,633,162 (\$81,572,385), making it the highest sale total achieved for a series of auctions at Sotheby's in Hong Kong. Of the 1201 items offered, 910 were sold.

The sale of Fine Chinese Ceramics and Works of Art brought HK\$260,146,000 (\$33,322,986) and was highlighted by an important and rare celadon-glazed reticulated hexagonal vase which fetched HK\$44,920,000 (\$5,761,888), setting a new world record for porcelain from the Qing Dynasty. Imperial objects also fared strongly in the sale – an outstanding golden pheasant box and cover dating to the Kangxi period fetched HK\$19,720,000 (\$2,529,484), setting a new world record for Beijing enamel on copper.

In the sale of Chinese Paintings, all but eight of the 239 lots offered found buyers. Estimated to realize around HK\$50million, the sale totaled HK\$147,984,400 (\$18,981,959). The top lot was an ink and color painting *Luxuriant Pines* by Xie Zhiliu. It was sold for HK\$9,080,000 (\$1,164,692), against an estimate of HK\$600/800,000, setting a new record for Xie's work sold in Hong Kong.

The two-day sale of Fine Chinese Ceramics and Works of Art in New York brought \$13,367,240 over a high estimate of \$12.7, the highest sale total in over ten years. The top lot of the sale, an extremely rare copper-red pear-shaped vase, Ming Dynasty, Hongwu period, realized \$2,032,000 (est. \$300/500,000). Other top highlights were a superb large carved 'Ding' foliate dish, Northern Song dynasty, which sold for \$1,528,000 (est. \$400/600,000) and a set of ten Imperial Bannermen Paintings, which sold for \$1,024,000 (est. \$100/150,000) and over 23 lots sold for more than \$100,000.

This spring's sale of Indian and Southeast Asian Art totaled \$4,413,040 (est. \$4.2/6.1 million). The Prajnaparamita or Saraswati Copper Alloy with Silver and Copper Inlay Gilgit brought \$553,600 (est. \$400/600,000), a world auction record for a bronze from greater Kashmir, an indication of a continued interest in rare and important Himalayan material. The sale showed a rejuvenated Indian miniatures section with several lots selling many times over their top estimates and a continued aggressive market for modern Indian paintings, with two works selling in the top ten lots overall and nearly every lot finding a buyer.

The July sale of Fine Chinese Ceramics and Works of Art in London brought a total of £5,124,440 (\$9,089,732). The highest price achieved was for a rare Song dynasty 'Ge' mallow-shaped tripod brushwasher which fetched £1,128,000 (\$2,000,846). The sale of Chinese Ceramics and Works of Art raised £871,620 (\$1,546,080). A large Meiji period gilt bronze figure of a falconer by Miyao sold for £40,800 (\$71,926) in the Japanese and Korean Works of Art sale on July 14. The sale brought a total of £1,021,368 (\$1,800,570). New auction records were set for artists:

Akbar Padamsee, Ram Kumar and Anju Dodiya in the 20th Century Asian Art sale on July 14. The top lot of the sale was Untitled by Maqbool Fida Husain, which achieved £120,000 (\$211,548) and the sale totalled £1,556,520 (\$2,743,989).

Jewelry and Watches

Sotheby's strong sale of Magnificent Jewels on April 13th in New York brought a total of \$13,337,300, topping the high estimate. Highlighting the sale were exquisite jewelry and diamonds including a pear-shaped fancy intense blue diamond weighing 3.12 carats which sold for \$956,800 (est. \$450/550,000), and a beautiful diamond pendant weighing 20.05 carats that brought \$772,000 (est. \$600/700,000).

The sale of Important Watches and Clocks on April 15th brought a total of \$2,170,060 and bidding was active for many fine timepieces, as evidenced by the top price achieved for the 1925 Patek Philippe chronograph that brought \$242,800, well above the pre-sale estimate of \$100/150,000.

Important Wristwatches and Watches sale in Geneva last May was highlighted by various Patek Philippe wristwatches such as a gold perpetual calendar chronograph watch which sold for CHF150,000 (\$122,766) and an over-sized curved rectangular wristwatch with subsidiary seconds which fetched CHF138,000 (\$112,945)

The May sales of Magnificent Jewels in Geneva featured a number of notable highlights. Among them was a D Colour, Internally Flawless, brilliant-cut diamond weighing 30.05 carats which sold for CHF2,820,000 (\$2,307,662), a ruby and diamond brooch by Mouawad, the cushion-shape ruby weighing 42.98 carats, which fetched CHF2,204,000 (\$1,803,577) and a Fancy Intense Green diamond ring weighing 5.23 carats which achieved CHF1,588,000 (\$1,299,492).

The spring sale of Exceptional Jewels and Jadeite in Hong Kong fetched a total of HK\$164,060,123. The top lots were dominated by rare diamonds and gem stones, and a magnificent 18.04 carat Burmese ruby ring sold for HK\$19,384,000, setting a new auction record in Asia for a colored gem stone.

Important Watches in Hong Kong totaled HK\$21,357,438 and was 83.1% sold by lot and 88.6% sold by value. The highest price of the sale was a Richard Mille's wristwatch that sold for HK\$1,020,000. Many of the top lots exceeded their estimates.

Other

In June Sotheby's partnered with SportsCards Plus to hold an auction of Important Sports Memorabilia and Cards which spanned the history of baseball and included basketball, football, boxing, tennis and track & field as well. It realized \$5,527,200, with nine lots selling above \$100,000. The top lot of the sale was the contract selling Babe Ruth from the Red Sox to the Yankees, which went for \$996,000. Among the other top highlights of the sale was Babe Ruth's Signed Game Bat from 1920, used during his pivotal first season as a New York Yankee, arguably the most important of his storied career, which was bought for \$216,000 (est. \$200/250,000) and the first baseball pitched at the 1912 Grand Opening of Fenway Park, home to the Boston Red Sox and the country's oldest ballpark in operation, commanded \$132,000 (\$30/50,000).

The Sotheby's at Ferrari auction on June 28 in Maranello, Italy brought a total of €9,824,418 (\$11,918,492). The star lot was the Ferrari Formula One F2004, which fetched €2,650,000 (\$3,214,848) achieving a record for a Formula One car sold at auction. The second highest price paid was for the 1940 Maserati 8CL. It realized €1,825,000 (\$2,213,999) and achieved a record for an Indianapolis 500 car sold at auction. Auction records were also achieved for the 2005 Ferrari Enzo 400 and the 1966 Ferrari 365 California.

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