

Press release

Niederweningen, 29 April 2014

Further increases in sales and order intake

With market conditions generally favourable, Bucher Industries increased sales by 8% to CHF 713 million in the first quarter of 2014. All divisions contributed to the increase. At CHF 706 million, order intake was 5% up on the same period last year.

Group

CHF million	2014	2013	Change in		
			%	% ¹⁾	% ²⁾
January – March					
Order intake	705.8	672.0	5.0	7.5	5.3
Net sales	712.5	657.5	8.4	10.6	9.7
Order book	831.9	837.5	-0.7	1.4	0.4
Number of employees at 31 March	11 244	10 882	3.3		0.8

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency, acquisition and disposal effects

Favourable market environment During the first quarter of 2014 the overall market environment remained favourable for Bucher Industries. Investment activity remained brisk, particularly in North America, as well as in certain market segments in western Europe. In line with expectations, demand for specialised agricultural machinery showed a decline after the record year of 2013, while still remaining at a high level. Currency influences on the consolidation in Swiss francs were slightly negative.

Encouraging performance Bucher Industries entered the current year with a solid order book and increased its order intake during the first quarter of 2014. The falling demand for agricultural machinery was more than offset by the excellent performance of municipal

vehicles, hydraulic components and Bucher Specials. All divisions contributed to the encouraging increase in sales, which once again rose substantially compared with the same period in 2013. At the same time, acquisition effects were marginal. The end of the reporting period saw the completion of the takeover of Montana, a leading manufacturer of self-propelled crop sprayers and fertiliser spreaders in Brazil. In addition, Bucher Municipal received another major order worth CHF 53 million from the city of Moscow.

Kuhn Group

CHF million January – March	2014	2013	Change in	
			%	% ¹⁾
Order intake	274.5	313.5	-12.4	-9.1
Net sales	370.2	364.7	1.5	3.9
Order book	386.2	449.5	-14.1	-11.6
Number of employees at 31 March	4 965	4 941	0.5	

¹⁾ Adjusted for currency effects

Stabilisation at a high level Good harvests and the increase in farmland of recent years resulted in high cereal stocks worldwide in 2013. As to be expected, cereal prices fell, but as a medium- to long-term comparison shows, remained at an acceptable level. After the record levels of 2013, the situation led to a period of normalisation in demand for cereal production machinery. Despite its solid position in the dairy and meat industries, Kuhn Group was unable to escape the effects of this trend. In contrast to the record order intake at the beginning of 2013, the first quarter of 2014 saw a decrease. Year-on-year sales were slightly up. At the end of March 2014, the Kuhn Group completed its acquisition of Montana, Brazil. The specialists in large, self-propelled crop sprayers and fertilizer spreaders have a workforce of 600 employees and achieved sales of around BRL 225 million in 2013.

Bucher Municipal

CHF million January – March	2014	2013	Change in		
			%	% ¹⁾	% ²⁾
Order intake	135.7	88.0	54.2	58.0	60.7
Net sales	83.9	78.4	7.0	10.8	14.3
Order book	154.4	105.4	46.5	50.0	50.1
Number of employees at 31 March	1 555	1 436	8.3		9.4

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency and disposal effects

Very high order intake In a highly competitive market environment the division won another major order worth CHF 53 million from the city of Moscow in the first quarter of 2014, which was reflected in the 54% increase in order intake. Divisional sales were also up significantly on the same period in 2013. The overall demand for municipal vehicles and winter maintenance equipment remained low because of the public sector austerity measures that have been in force since 2008. Furthermore, the mild winter in Europe also had a negative impact on the market for winter maintenance equipment. The major order will be reflected in sales and income for the current year and will ensure that the division's production capacity in Switzerland, Great Britain, Latvia and Italy is well utilised.

Bucher Hydraulics

CHF million January – March	2014	2013	Change in		
			%	% ¹⁾	% ²⁾
Order intake	129.8	120.1	8.1	10.1	8.2
Net sales	125.3	115.3	8.7	10.6	8.3
Order book	73.3	71.2	3.0	4.8	3.7
Number of employees at 31 March	1 979	1 892	4.6		1.3

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency and acquisition effects

Principal markets lively Against a backdrop of favourable market conditions, Bucher Hydraulics posted a pleasing increase in order intake and sales for the first quarter. Ongoing serial orders for key account customers together with burgeoning demand in Europe and North America contributed significantly to the positive performance. Demand in China, however, remained at a low level. Compared with the same period in 2013, the construction machinery segment performed well, and the demand for the hydraulic drive systems used in mobile machinery and industrial hydraulics continued to rise.

Bucher Emhart Glass

CHF million January – March	2014	2013	Change in	
			%	% ¹⁾
Order intake	85.7	87.9	-2.5	-1.9
Net sales	83.7	57.9	44.6	45.4
Order book	119.9	141.0	-15.0	-14.5
Number of employees at 31 March	1 836	1 970	-6.8	

¹⁾ Adjusted for currency effects

Strong sales growth Bucher Emhart Glass entered the new year with a solid order book and posted a massive increase in sales during the first quarter. The spare parts and service business also performed well. Order intake fell slightly compared with the same period in 2013. In certain regions of Europe there were signs of an upturn in project activity, while America remained stable at an encouraging level. Cost-cutting measures linked with the division's realignment continue to be implemented.

Bucher Specials

CHF million January – March	2014	2013	Change in		
			%	% ¹⁾	% ²⁾
Order intake	88.9	62.6	42.0	42.6	20.3
Net sales	61.4	47.3	29.8	30.2	4.3
Order book	105.7	70.4	50.1	50.7	40.0
Number of employees at 31 March	848	582	45.7		5.8

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency and acquisition effects

Dynamic market development With generally favourable market conditions, Bucher Specials significantly increased order intake and year-on-year sales. Bucher Vaslin winemaking equipment posted an encouraging recovery in its main market in Europe during the first quarter of 2014. Demand for machinery and equipment for processing fruit juice was also very brisk. Sales of beer filtration systems likewise profited from greater optimism in the markets. Demand for tractors and agricultural machinery fell slightly from its previously high level owing to uncertainties regarding the restructuring of direct subsidies to Swiss farmers. Demand for control equipment for industrial and mobile automation systems was stable.

Outlook for 2014 The Group does not anticipate any fundamental change in the macroeconomic environment during the current year. However, this could change quickly as a result of events in Ukraine and the extent of the developing crisis there. Kuhn Group predicts slower growth in demand for agricultural machinery. Performance will be bolstered by the takeover of the Brazilian company, Montana. Bucher Municipal anticipates a significant increase in sales and operating profit for 2014 thanks to the large order from the city of Moscow. Bucher Hydraulics is expecting a positive performance and there is no anticipation of any major change in the market environment for machinery for manufacturing and inspecting glass containers. Measures adopted by Bucher Emhart Glass to make more efficient use of its global presence should have a positive influence on operating profit. Bucher Specials expects the positive mood in its markets to continue, with the acquisition of Jetter having a positive effect on sales, though no significant impact on the division's operating profit. The Group therefore confirms the overall outlook for 2014 and expects a slight increase in sales and a moderate decrease in profitability compared with the record level of 2013.

Contact

Philip Mosimann, CEO

Roger Baillod, CFO

Phone +41 43 815 80 88

E-mail: media@bucherindustries.com

www.bucherindustries.com

Simply great machines

Bucher Industries is a global technology group with leading market positions in speciality areas of mechanical and vehicle engineering. The company's operations include specialised agricultural machinery, municipal vehicles, hydraulic components, manufacturing equipment for the glass container industry and for wine and fruit juice production, as well as automation technology. The group's shares are traded on the SIX Swiss Exchange (SIX: BUCN). For further information, please visit www.bucherindustries.com.