

## Press release

Niederweningen, 2 February 2009

### Strong sales growth of 13%

**In 2008, Bucher Industries grew sales by 13% or currency-adjusted 20% to CHF 2 789 million. Organic growth reached 16%. Despite the sharp economic slowdown in the fourth quarter, order intake increased by 3% to CHF 2 792. The order book stood at CHF 843 million, just 3% below the high year-earlier level.**

The market environment was characterised by very good conditions during the first nine months of the year and an abrupt slowdown in the fourth quarter. Despite the negative impacts of the financial and economic crisis, Bucher Industries grew sales by 13.4% to CHF 2 788.9 million, an increase of 19.5% excluding currency effects. Acquisitions contributed 3.5%, while organic growth accounted for 16.0%. All the divisions were affected by the onset of the downturn, although the agricultural machinery sector proved to be encouragingly robust. Customers in Eastern Europe and some Asian countries were hardest hit by the credit crunch. Order intake rose by 3.2% to CHF 2 791.9 million, up 5.7% excluding the impact of currency movements and acquisitions. The order book stood at CHF 843.4 million, down 3.2% on last year's figure, but up 2.1% in local currencies. The backlog of orders at the beginning of the year represents about three and a half months' work.

**Kuhn Group** increased sales of specialised agricultural machinery by 19.0% or currency-adjusted 26.0% to CHF 1 105.6 million in a very good market environment. Blanchard SAS, the French sprayer manufacturer acquired last year, contributed 1.3% to the sales growth. At CHF 1 224.0 million, order intake was 17.1% or currency-adjusted 23.9% above the year-earlier figure. As a result, the order book expanded by 29.8% to CHF 432.2 million. All the regions, but especially the main markets of Western Europe and North America, contributed to the solid performance. The Brazilian market continued to recover at a fast pace.

**Bucher Municipal** grew sales of municipal vehicles and winter maintenance equipment by 4.1% or currency-adjusted 12.0% to CHF 579.1 million in 2008, benefiting from the strong order book at the beginning of the year and from some large orders. In Australia, Bucher Municipal was able to capitalise on the brisk demand for refuse collection vehicles and sweepers. Order intake was CHF 528.4 million, falling by 12.4% or currency-adjusted 5.7% from the record year-earlier level due to the sharp economic slowdown in the fourth quarter. Project delays and a few cancellations could not be prevented. The year-end order book was CHF 114.5 million, down 35.7%.

**Bucher Process** generated sales of CHF 195.2 million, up by another 12.3% or currency-adjusted 15.7% on the previous year's high figure. This growth was driven in particular by the excellent handling of the two major orders to supply fruit juice equipment to China and the UK. The absence of equivalent follow-up orders for fruit juice processing equipment and the weak market trend in winemaking equipment in the southern hemisphere led to a decline of 16.8% or currency-adjusted 13.8% in order intake to CHF 167.7 million. For the same reasons, the order book decreased by CHF 28.6 million to CHF 40.1 million.

**Bucher Hydraulics** increased sales of custom hydraulic system solutions by 28.6% to CHF 497.0 million, up 33.5% excluding currency effects. Organic growth remained high at 14.8%. The US companies acquired during the year, Monarch Hydraulics Inc. and Command Controls Corp., contributed CHF 65.2 million to sales. Order intake reached CHF 472.9 million, rising by 14.2% or 2.6% excluding the impact of currency movements and acquisitions. The order book remained at a very high level into the fourth quarter. Only the supply markets for materials handling, agricultural and power engineering equipment worldwide and for construction equipment in China were largely unaffected by the economic downturn during the latter months of the year.

**Emhart Glass** enjoyed constantly high capacity utilisation during 2008 and generated sales of CHF 418.3 million, almost reaching the previous all-time high posted the year before. Excluding currency movements, sales were up 3.4% year on year. By expanding the sales organisations in Eastern Europe, Latin America and India, the division further

reinforced its strong global market position. The Emhart Glass plants operated to full capacity throughout the year. In the last few months of 2008, market conditions in all regions slowed down noticeably. Order intake fell by 9.4% or currency-adjusted 6.1% year on year to CHF 398.9 million. The order book was 13.4% or currency-adjusted 10.2% down on the year-earlier figure.

**Group's 2008 results** The divisions have already responded to the slump in demand during the fourth quarter by cutting temporary jobs, instituting short-time working and laying off a few people. To improve capacity utilisation at their own facilities, they integrated outsourced manufacturing operations into in-house manufacturing where expedient and feasible. The massive currency fluctuations in the euro, US and Australian dollars, Swedish krona and the British pound weighed on operating profit and net finance income. In addition, we believe that impairment charges of up to CHF 40 million may be necessary for intangible assets. Including these impairment charges, Bucher Industries expects slightly better operating profit and lower net profit for 2008. During the year, the Group continued to invest in its long-term industrial future, spending CHF 130 million on plant and equipment and CHF 154 million on selective acquisitions. This high forward-looking capital expenditure together with the strong sales and stable customer advances, especially in Kuhn Group's agricultural machinery business, resulted in net debt of CHF 111 million. The Group's liquidity is ensured through a combination of short- and long-term bank loans as well as committed credit facilities of more than CHF 500 million. This assures the Group of a solid financing base even in these uncertain times of the financial crisis. Bucher Industries will publish the Group's 2008 results and annual report, containing the board's dividend proposal, at the annual press conference on 19 March 2009.

**Outlook for 2009** Forecasts for the year ahead are extremely uncertain in view of the financial crisis. Bucher Industries is watching the market developments very closely so as to take appropriate measures early. Customers' difficulties obtaining financing and further currency fluctuations could weigh on performance. The agricultural machinery sector, which is important for the Group, should prove to be robust. Lower government tax revenues and private contractors' problems raising financing are weakening the demand for municipal

vehicles. We expect fewer large projects for fruit juice equipment and anticipate that some wine producers will face financing problems. The supply operations of Bucher Hydraulics are likely to be affected by the reduction in customers' inventory levels in addition to a decline in demand. Emhart Glass expects considerable delays in project business for glass forming machines, but significantly more stability in spare parts business. The solid order book at the beginning of the year and the acquisitions should support this year's sales performance. Nevertheless, we expect the Group's sales to be down year on year, with lower operating and net profit for 2009.

**2009 annual general meeting** The annual general meeting will be held at 4.00 p.m. on 16 April 2009 at the Hotel Mövenpick in Regensdorf. Notice of the meeting will be mailed on 25 March 2009. Shareholders' requests for additions to the agenda must reach Bucher Industries AG in writing by 4 March 2009, together with the proposed motions and proof of ownership of the required shares representing a total par value of at least CHF 20 000. The dividend will be paid from 21 April 2009.

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### **Simply great machines**

In 2007, Bucher Industries celebrated its 200th anniversary commemorating its successful evolution from a blacksmith's shop to a global technology group with leading market positions in speciality areas of mechanical and vehicle engineering. The company's operations currently include specialised agricultural machinery, municipal vehicles, wine and fruit juice production equipment, hydraulic components, and manufacturing equipment for the glass container industry. Bucher Industries' shares are traded on the SIX Swiss Exchange (SIX: BUCN). More information can be found at [www.bucherind.com](http://www.bucherind.com).

**Group key figures**

CHF million	2008	2007	% Change		
				Adjusted for currencies	Adjusted for currencies and acquisitions
<b>Order intake</b>	<b>2 791.9</b>	<b>2 704.3</b>	<b>3.2</b>	<b>8.8</b>	<b>5.7</b>
Kuhn Group	1 224.0	1 045.3	17.1	23.9	22.5
Bucher Municipal	528.4	602.9	-12.4	-5.7	-5.7
Bucher Process	167.7	201.6	-16.8	-13.8	-14.9
Bucher Hydraulics	472.9	414.0	14.2	18.6	2.6
Emhart Glass	398.9	440.5	-9.4	-6.1	-6.1

<b>Net sales</b>	<b>2 788.9</b>	<b>2 458.8</b>	<b>13.4</b>	<b>19.5</b>	<b>16.0</b>
Kuhn Group	1 105.6	929.2	19.0	26.0	24.7
Bucher Municipal	579.1	556.5	4.1	12.0	12.0
Bucher Process	195.2	173.8	12.3	15.7	14.8
Bucher Hydraulics	497.0	386.6	28.6	33.5	14.8
Emhart Glass	418.3	419.6	-0.3	3.4	3.4

<b>Order book</b>	<b>843.4</b>	<b>871.3</b>	<b>-3.2</b>	<b>2.1</b>	<b>0.8</b>
Kuhn Group	432.2	333.1	29.8	37.5	36.7
Bucher Municipal	114.5	178.1	-35.7	-30.5	-30.5
Bucher Process	40.1	68.7	-41.6	-39.7	-40.8
Bucher Hydraulics	85.4	93.7	-8.9	-5.2	-13.7
Emhart Glass	171.2	197.7	-13.4	-10.2	-10.2

<b>Employee numbers</b>					
At 31 December	8 290	7 484	10.8		
Average during the year	8 176	7 261	12.6		
Excl. acquisitions, at 31 December	7 983	7 484	6.7		
Excl. acquisitions, average during the year	7 907	7 261	8.9		