

Press release

Niederweningen, 27 October 2014

Business continues to develop well

In a business environment influenced by diverse trends, Bucher Industries increased its sales in the first nine months of 2014 by 5.7% to CHF 2.1 billion compared with the same period a year ago. The order intake rose by 2.1% to CHF 2 billion. The outlook for the year as a whole remains unchanged. The Group anticipates sales growth and a moderate fall in profitability from the record high in 2013.

Group

CHF million January – September	2014	2013	Change in		
			%	% ¹⁾	% ²⁾
Order intake	2 002.2	1 960.7	2.1	4.3	0.5
Net sales	2 115.9	2 001.2	5.7	7.9	4.5
Order book	736.5	781.9	-5.8	-4.0	-6.7
Number of employees at 30 September	11 767	10 711	9.9		2.9

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency, acquisition and divestment effects

Developments in the markets served by Bucher Industries showed regional variations. Western Europe saw a cooling of economic activity due in part to the political unrest in Eastern Europe and the Middle East. This did not have a significant influence on the Group, however, thanks to its broad-based global presence. The climate in the USA continued to be friendly, whereas Asia remained at a low level. In this environment, order intake and sales grew further, although demand in the key agricultural machinery market declined. Kuhn Group outperformed the market thanks to its strong position in milk and meat production.

Kuhn Group

CHF million January – September	2014	2013	Change in		
			%	% ¹⁾	% ²⁾
Order intake	870.1	887.0	-1.9	1.3	-5.0
Net sales	986.7	989.2	-0.3	2.7	-2.4
Order book	376.3	403.2	-6.7	-4.2	-8.6
Number of employees at 30 September	5 290	4 693	12.7		1.4

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency and acquisition effects

Weakening of demand Overall, Kuhn Group's markets showed a downward trend. The European market slackened, with France particularly affected. North America, on the other hand, continued to benefit from positive momentum. Arable farmers' incomes fell due to the worldwide decline in prices for soya, maize and wheat. Prices in the dairy sector remained attractive and business in livestock farming developed well thanks to buoyant demand. However, these two market segments were unable to offset the decline in arable farming. In line with expectations, Kuhn Group's order intake and sales showed a slight downward trend. Inventories at dealers were at a normal level. Integration of the acquisition in Brazil, Kuhn-Montana, advanced according to plan.

Bucher Municipal

CHF million January – September	2014	2013	Change in		
			%	% ¹⁾	% ²⁾
Order intake	311.3	278.6	11.8	13.3	13.9
Net sales	296.0	258.5	14.5	16.2	17.3
Order book	118.9	114.4	4.0	4.8	4.9
Number of employees at 30 September	1 601	1 516	5.6		5.6

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency and divestment effects

Positive business development Bucher Municipal achieved a marked increase in order intake and sales in the reporting period, although the demand for municipal vehicles in the key markets of Europe and Australia was affected by austerity measures in the public sector. The major new order from the city of Moscow, received in March 2014 and worth CHF 53 million, was a decisive factor in the division's good business performance. Up to the end of September, vehicles and equipment worth CHF 46 million were delivered and paid for

in connection with the major order. Demand for winter maintenance equipment was down on the same period a year ago, owing to the mild weather of the last two winters.

Bucher Hydraulics

CHF million January – September	2014	2013	Change in		
			%	% ¹⁾	% ²⁾
Order intake	370.2	336.8	9.9	11.8	10.5
Net sales	364.9	345.7	5.5	7.3	6.2
Order book	74.2	60.8	22.0	24.5	24.5
Number of employees at 30 September	2 080	1 978	5.2		5.2

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency and acquisition effects

Buoyant demand In the first nine months of 2014, Bucher Hydraulics generated a marked increase in sales and order intake compared with the same period a year ago. The positive development of hydraulic systems solutions in the principal markets of Europe and North America, particularly in the construction machinery and industrial hydraulics segments characterised the division's business performance. Demand for applications in the agricultural sector held up better than the market as a whole thanks to the division's strong position and new projects.

Bucher Emhart Glass

CHF million January – September	2014	2013	Change in	
			%	% ¹⁾
Order intake	265.3	276.4	-4.0	-2.8
Net sales	263.6	236.4	11.5	12.9
Order book	119.1	151.4	-21.3	-20.4
Number of employees at 30 September	1 891	1 872	1.0	

¹⁾ Adjusted for currency effects

Sales growth despite subdued glass market The markets served by Bucher Emhart Glass remained stable overall in the third quarter. In Europe, the modernisation of production facilities continued, with a positive effect on demand. Rising exports of beer to the USA led to investments in several new plants in Mexico. By contrast, there was no forward momentum in Eastern Europe and the Middle East, and the Asian market remained at a low level. On the

whole, the market for glass-forming and inspection machinery was influenced by overcapacity at producers of glass containers. Despite the difficult conditions, Bucher Emhart Glass generated an increase in sales, partly thanks to the good cooperation with Owens-Illinois. As already announced in mid-year, individual sub-projects relating to the realignment of the division will be delayed by about twelve months. This is because of the excessive workload resulting from simultaneous implementation of the cooperation with Owens-Illinois.

Bucher Specials

CHF million January – September	2014	2013	Change in		
			%	% ¹⁾	% ²⁾
Order intake	219.1	181.9	20.4	21.3	-0.7
Net sales	238.9	184.9	29.2	30.0	9.1
Order book	58.2	52.2	11.7	12.7	-1.0
Number of employees at 30 September	842	590	42.7		5.9

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency and acquisition effects

Satisfactory business performance Demand for winemaking equipment recovered significantly, particularly in the Southern Hemisphere. The business with processing equipment for fruit juice made pleasing progress, with high prices for apple-juice concentrate. The non-cyclical beer filtration business also profited from lively demand. The Swiss distributorship for tractors and agricultural machinery was unable to escape from the effects of the downtrend in agriculture. The market for industrial automation remained stable for the most part. The cost-reduction measures implemented by Jetter AG in the first half of 2014 will take effect in the second half.

Outlook for 2014 The Group is not anticipating any fundamental change in the macroeconomic environment. The Group therefore reaffirms the previous guidance and anticipates sales growth and a moderate fall in profitability from the record high in 2013.

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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.