

Press release

Niederweningen, 16 September 2009

Bucher Municipal to concentrate activities

Bucher Municipal, a division of Bucher Industries, is strengthening its competence centre for Bucher Schörling municipal vehicles at its main plant in Niederweningen, Switzerland, and continuing to expand component manufacturing in Ventspils, Latvia.

Bucher Municipal is planning to concentrate the core competencies of application engineering, purchasing, assembly, quality assurance and marketing for the Bucher Schörling brand at its main plant in Niederweningen, Switzerland. Until now, these activities have been split between the Niederweningen and Hanover facilities. Sales and customer service for the German market will remain in Hanover and be significantly strengthened by the sharpened focus. It is intended to transfer the other activities, including assembly of Bucher Schörling truck mounted sweepers, from the Hanover facility to Niederweningen. Vertical integration of important key components will be increased at Bucher Schörling's Latvian plant in Ventspils.

Bucher Municipal is responding to the ongoing weakness in demand and lower capacity utilisation by putting in place a competitive structure also geared to the future. The planned measures will enhance operating efficiency, sweeper quality and service, while cutting costs. At the same time, the standardised processes will reduce the lead times and streamline the entire production flow.

While the expansion of manufacturing in Latvia will create about 40 new jobs, some 70 jobs will be lost due to the discontinuation of truck mounted sweeper assembly in Hanover. The concentration at Bucher Schörling's main facility in Niederweningen will help sustain the existing workforce and create 20 new jobs, which will primarily be offered to employees from Hanover. The transfer costs cannot be determined until after the negotiations with the works

council. About CHF 6 million is being spent on expanding production in Latvia.

Today, Bucher Schörling's management in Hanover will inform the works council and work force about the transfer project.

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Simply great machines

Bucher Schörling is part of Bucher Municipal, a division of Bucher Industries.

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.