

# Group presentation

**BUCHER**

October 2020



# Bucher Industries



**Systems engineering  
for beverage industry**

**Mobile  
mechanisation**

# The five divisions of Bucher Industries

**Bucher Specials**  
Individual businesses

**Bucher Emhart Glass**  
Glass container industry

**Kuhn Group**  
Agricultural machinery

**Bucher Municipal**  
Municipal vehicles

**Bucher Hydraulics**  
Hydraulic systems



# CHF 3.1 billion sales, 13'100 employees, 9.2% EBIT margin

Bucher Industries 2019



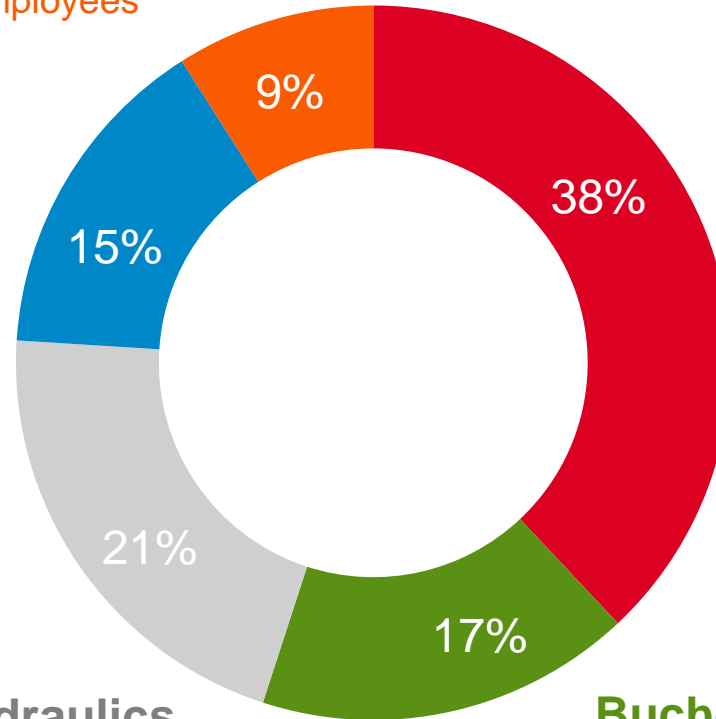
**Bucher Specials**  
CHF 320 million sales  
900 employees



**Kuhn Group**  
CHF 1'180 million sales  
5'200 employees



**Bucher Emhart Glass**  
CHF 490 million sales  
1'800 employees



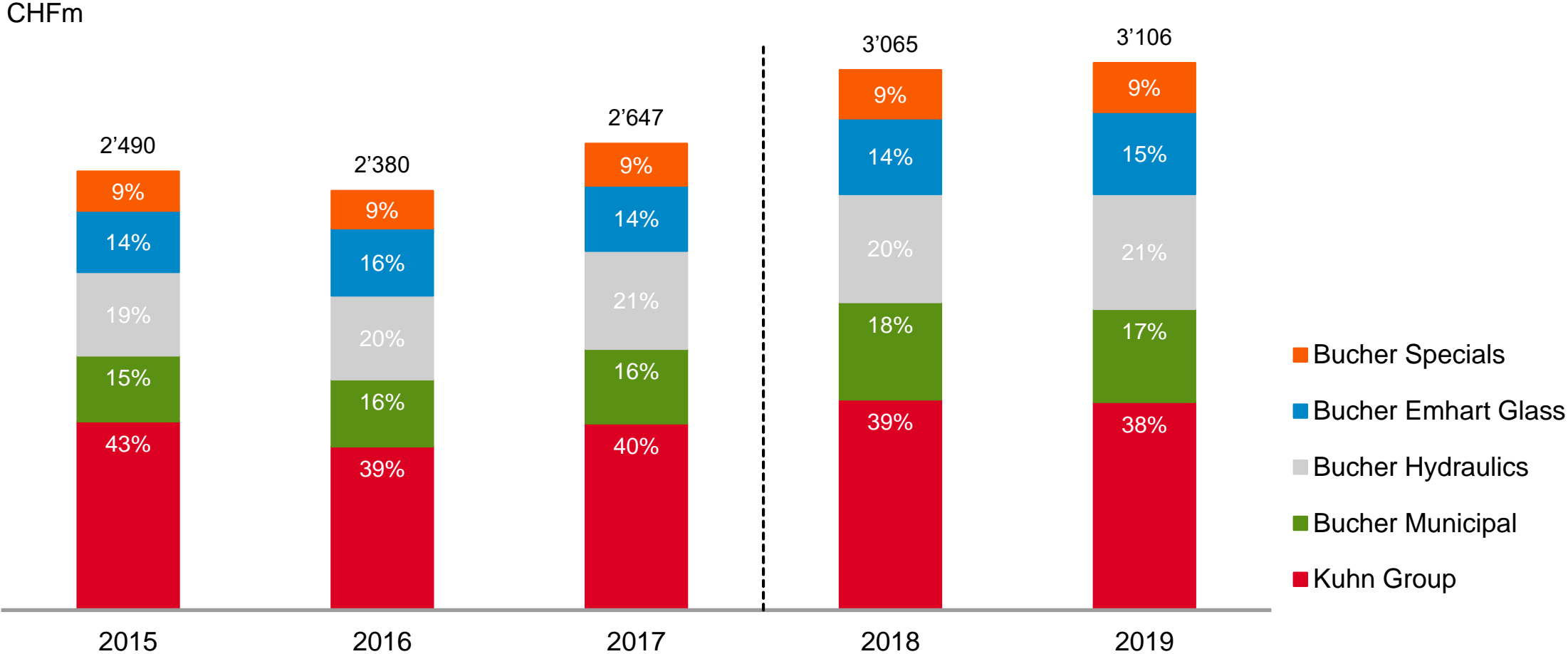
**Bucher Hydraulics**  
CHF 650 million sales  
2'800 employees

**Bucher Municipal**  
CHF 540 million sales  
2'400 employees



# Net sales by division

Bucher Industries 2019



# Number 1 in selected markets



## **Kuhn Group**

World market leader  
in forage harvesting machinery  
and feed mixers



## **Bucher Municipal**

European market leader  
in sweepers



## **Bucher Hydraulics**

World market leader  
in hydraulic power packs



## **Bucher Emhart Glass**

World market leader in glass container  
manufacturing equipment



## **Bucher Specials**

World market leader  
in fruit juice and  
winemaking equipment

# International Group

More than 40 manufacturing locations and development sites on five continents



# International Group

**62%** Europe (of which Switzerland)  
**CHF 1'940 million sales (CHF 120 m)**  
8'500 employees (1'000)

**18%**  
North America  
**CHF 560 million sales**  
1'600 employees

Central and South America  
**CHF 140 million sales**  
900 employees

**5%**

**9%**  
Asia  
**CHF 290 million sales**  
1'700 employees

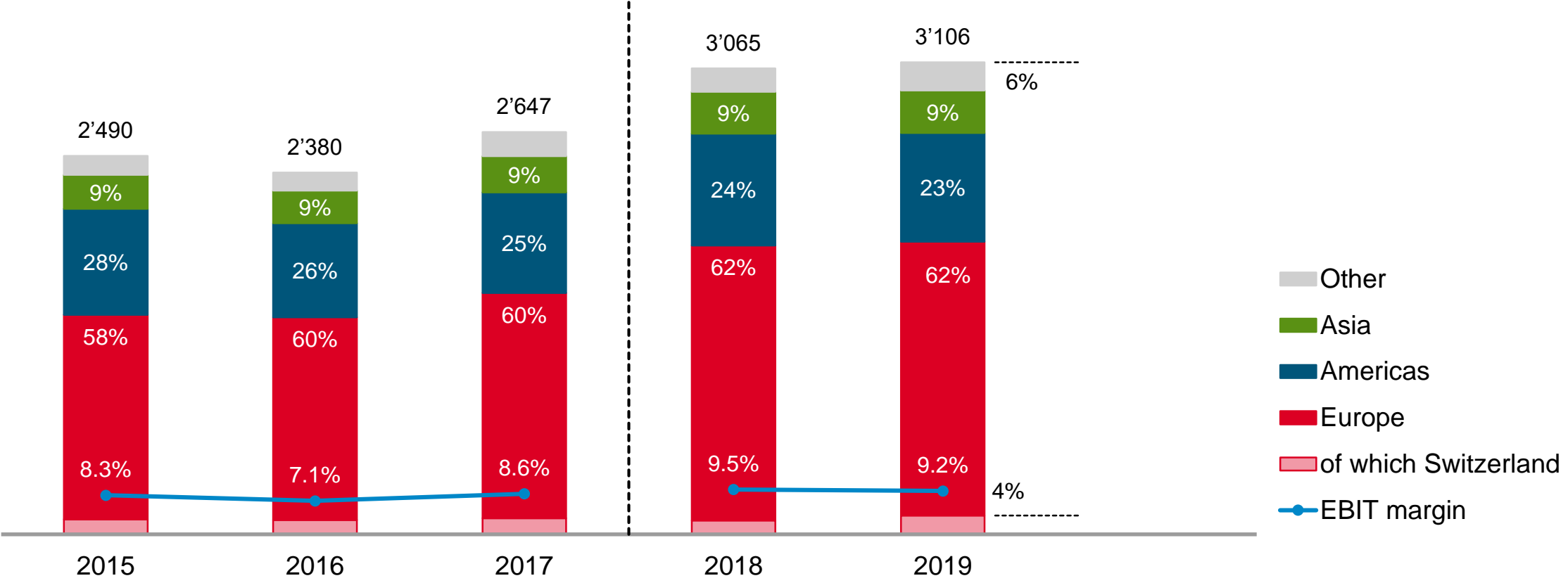
**6%**  
Other  
**CHF 180 million sales**  
400 employees





# Net sales by region

CHFm



# Aspirations

## Diversified group

in mechanical and vehicle engineering

## Technological leadership

for a strong market position

## Solid balance sheet

for long-term, industrial independence

## Decentralised responsibility

for products, markets and results  
in the divisions; centrally co-ordinated

## Strengthening

of divisions

## Increase in enterprise value

(RONOA > WACC)

# Principles

## High level of independence for divisions

- No competition for resources and responsibilities
- Exchange of experiences on specialist topics

## Leadership by

- Strategic planning
- Key financial figures
- Standardised values and prescribed governance requirements
- Division management appointments
- Selected, operational projects

## Lean corporate centre structure

- With approx. 30 employees

# Good result despite lower demand

Group: 2019 at a glance

Slight 1% increase in sales over the excellent previous year, operating profit margin of 9.2% fell slightly short of the 2018 level

- **Kuhn Group:** Difficult situation in the North American market, sales and operating profit margin slightly lower than in the previous year
- **Bucher Municipal:** Sales at the same high level as previous year despite weaker demand
- **Bucher Hydraulics:** Sharp drop in demand after exceptionally dynamic previous year, slight increase in sales
- **Bucher Emhart Glass:** Trend toward increased use of glass containers, sales and operating profit reached record high
- **Bucher Specials:** Challenges for Bucher Unipektin, positive development in the other business units

# Key figures

| CHFm   | Change in    |              |       |                 |                 |
|--|--------------|--------------|-------|-----------------|-----------------|
|  | 2019         | 2018         | %     | % <sup>1)</sup> | % <sup>2)</sup> |
| Order intake                                   | 3'008        | 3'206        | -6.2  | -3.6            | -5.6            |
| Net sales                                      | 3'106        | 3'065        | 1.4   | 4.0             | 1.8             |
| Order book                                     | 1'019        | 1'137        | -10.4 | -7.8            | -7.9            |
| Operating profit (EBITDA)<br>as % of net sales | 368<br>11.9% | 374<br>12.2% | -1.6  |                 |                 |
| Operating profit (EBIT)<br>as % of net sales   | 285<br>9.2%  | 292<br>9.5%  | -2.6  |                 |                 |
| Employees at 31 December                       | 13'107       | 13'054       | 0.4   |                 | -0.6            |
| Average employees                              | 13'280       | 12'636       | 5.1   |                 | 2.6             |

<sup>1)</sup> Adjusted for currency effects

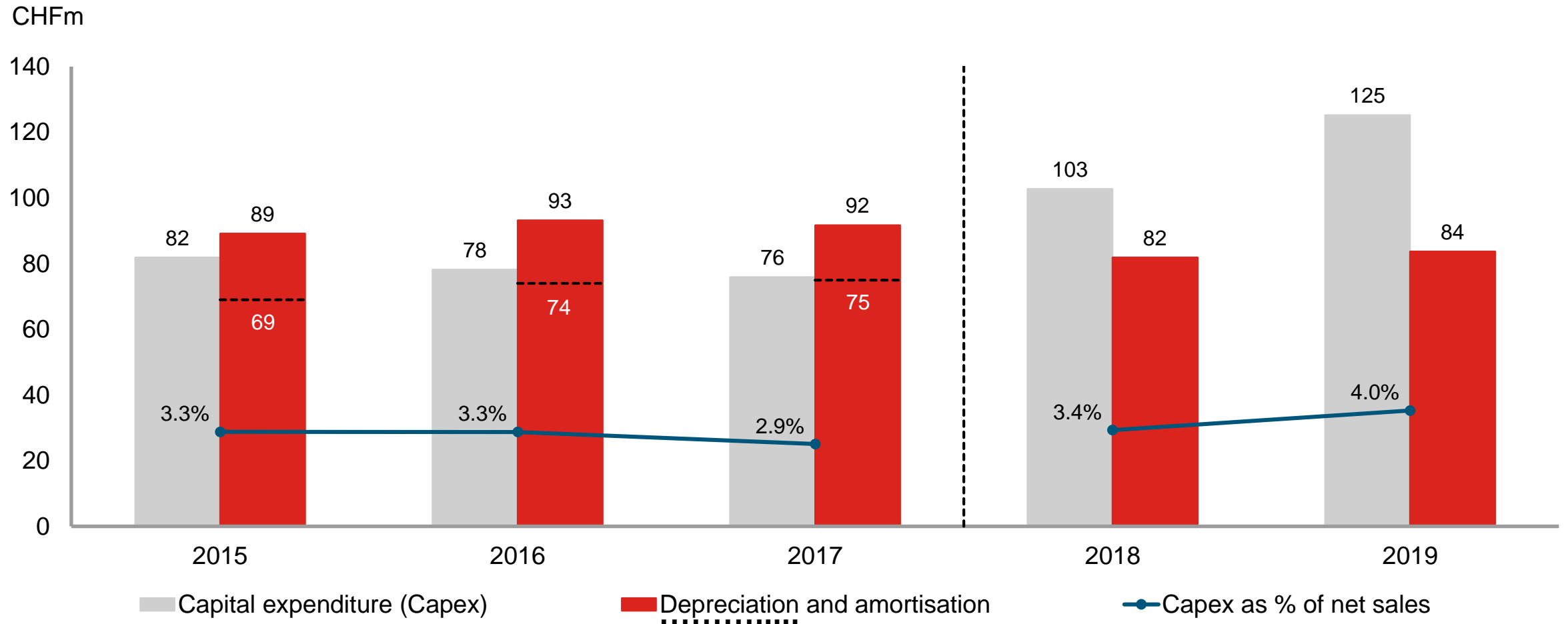
<sup>2)</sup> Adjusted for currency, acquisition and divestment effects

# Key figures

| CHFm  |                |                | Change in |
|---|----------------|----------------|-----------|
|   | 2019           | 2018           | %         |
| Profit for the year<br>as % of net sales                            | 228<br>7.3%    | 226<br>7.4%    | 0.9       |
| Earnings per share in CHF   | 21.92          | 21.80          | 0.6       |
| Capital expenditure   | 125            | 103            | 21.9      |
| Operating free cash flow  | 163            | 101            | 61.6      |
| Net cash/debt   | 215            | 159            | 34.7      |
| Equity<br>as % of total assets (equity ratio)                       | 1'393<br>54.7% | 1'296<br>51.0% | 7.5       |
| Net operating assets (NOA) average<br>return (RONOA) after tax in % | 1'214<br>19.0% | 1'156<br>19.6% | 5.1       |

# Capital expenditure

Invested capital: Fixed and intangible assets



# Key investment projects

Fixed and intangible assets

## **Kuhn Group**

“MGM Monswiller” extension near Saverne, France

Doubling of production halls in response to growing need for large agricultural machinery. Expected to be operational in early 2021.



## **Bucher Municipal**

Production extension in Ventspils, Latvia

Assembly line built specifically for the serial production of the new “CityCat V20e” at the compact sweeper production site.



## **Bucher Hydraulics**

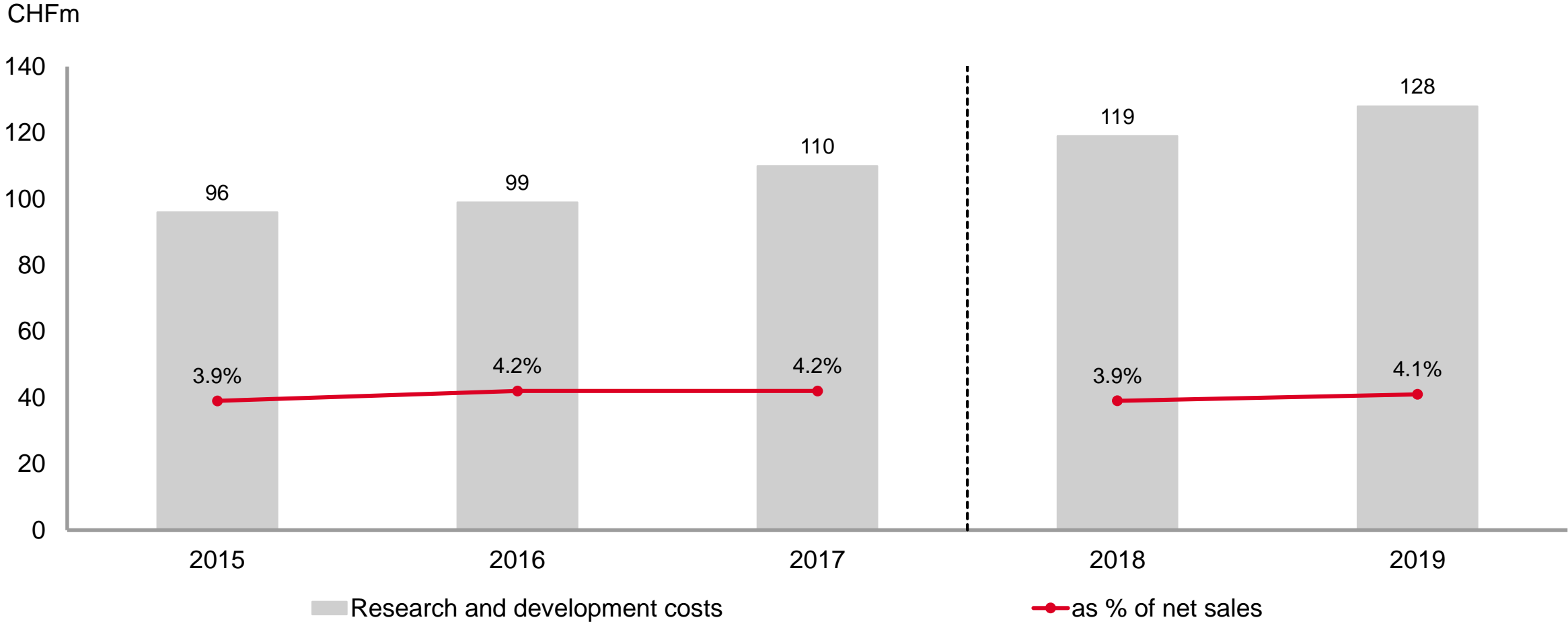
Expansion of production capacity in Gurgaon, India

Further development of a new product line for less demanding applications in the lower price segment.





# Research and development costs



# Selected development projects

## Bucher Municipal

Electrification of all product groups

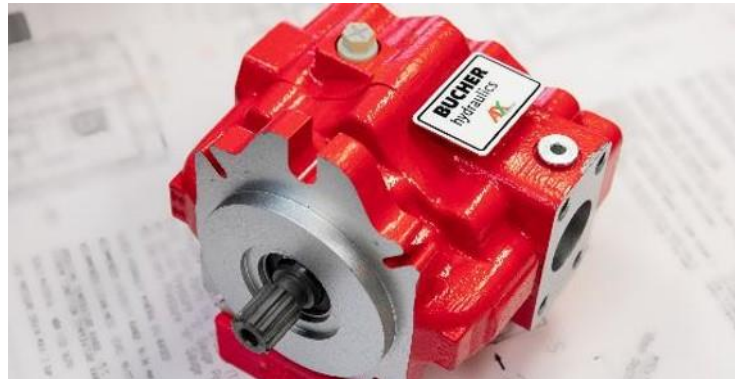
“CityCat V20e”: Battery is based on the latest technology and has been specially developed for use in this compact sweeper.



## Bucher Hydraulics

Innovative axial piston line  
AX pumps and AX motors

The AX series offers an exceptionally high efficiency rate in a wide range of rotational speeds as well as low-speed, smooth, accurate movements.



## Bucher Vaslin

“Maestro”: Add-on to the  
“Bucher XPert” grape press

“Maestro” controls all four phases of a complete cycle, improves productivity and delivers extensive information about the pressing process.



# M&A transactions 2018

## Bucher Emhart Glass

Sanjin,  
China



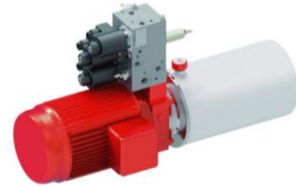
Purchase of  
remaining shares  
(37%)

Net sales<sup>1)</sup>  
CHF 55 million

Employees  
800

## Bucher Hydraulics

Wuxi Deli,  
China



Joint Venture  
(70%)

Nettoumsatz<sup>1)</sup>  
CHF 40 Mio.

Mitarbeitende  
300

## Kuhn Group

Artec,  
France



Purchase of  
remaining shares  
(62%)

Net sales<sup>1)</sup>  
CHF 20 million

Employees  
60

## Bucher Specials

Import business  
of Grunderco,  
Switzerland



Asset Deal

Net sales<sup>1)</sup>  
CHF 20 million

Employees  
30

<sup>1)</sup> before acquisition

# M&A transactions 2019 – 2020

## 2019

### Bucher Municipal

Zynkon,  
China



### Bucher Emhart Glass

Refractory  
business, USA



Asset Deal,  
sold to  
Rath Group

### Bucher Specials

Elan Systems,  
Hungary



### Bucher Emhart Glass

Symplex,  
Germany



## 2020

### Bucher Municipal

Eurovoirie,  
France



### Bucher Specials

Luzzysa,  
Spain



### Bucher Municipal

Spoutvac,  
Australia



Net sales<sup>1)</sup>  
CHF 14 million

Employees  
110

Net sales<sup>1)</sup>  
CHF 9 million

Employees  
50

Net sales<sup>1)</sup>  
CHF 3 million

Employees  
20

Net sales<sup>1)</sup>  
CHF 8 million

Employees  
35

Net sales<sup>1)</sup>  
CHF 34 million<sup>2)</sup>

Employees  
75

Net sales<sup>1)</sup>  
CHF 4 million

Employees  
20

Net sales<sup>1)</sup>  
CHF 16 million

Employees  
35

<sup>1)</sup> before acquisition/divestment

<sup>2)</sup> of which more than half with Bucher Municipal equipment

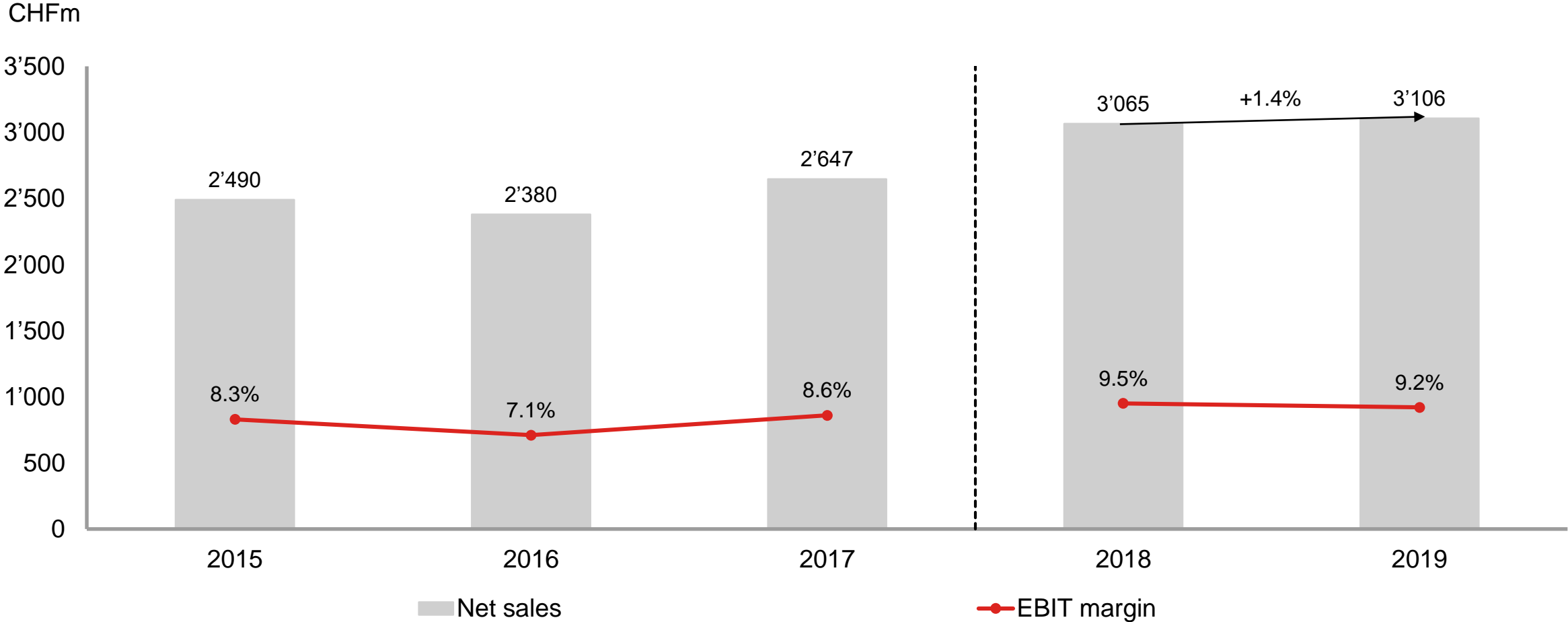
Colour coding:

Acquisition

Divestment

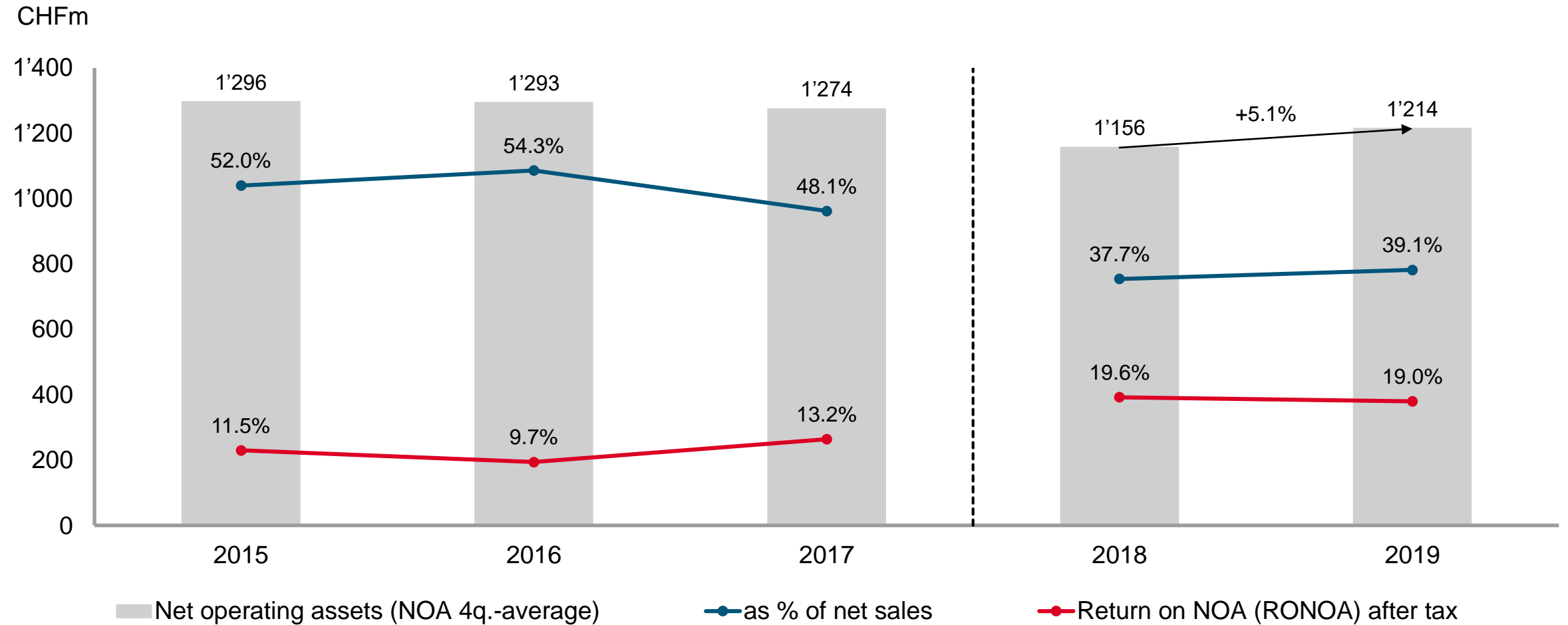
# Record sales despite weaker demand

Performance: Net sales and EBIT margin



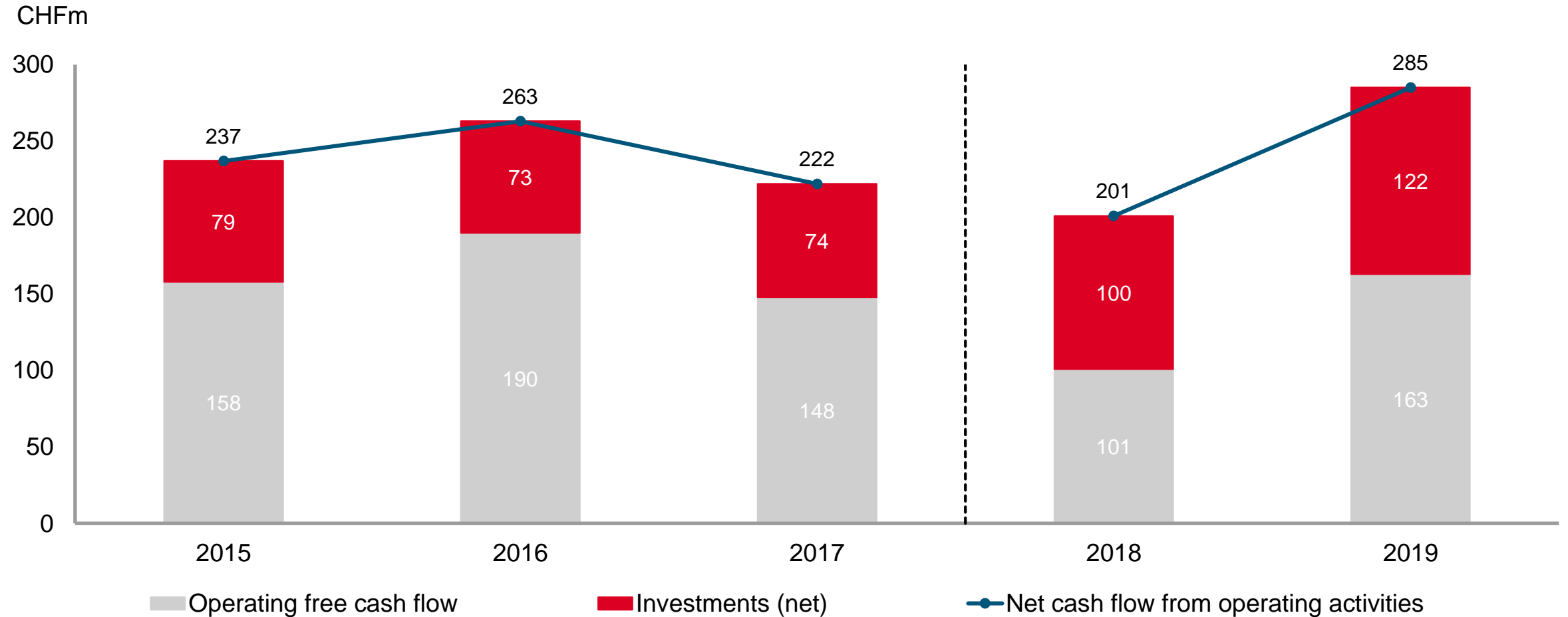
# Increase in NOA in percentage of sales

Invested capital: Net operating assets (NOA)



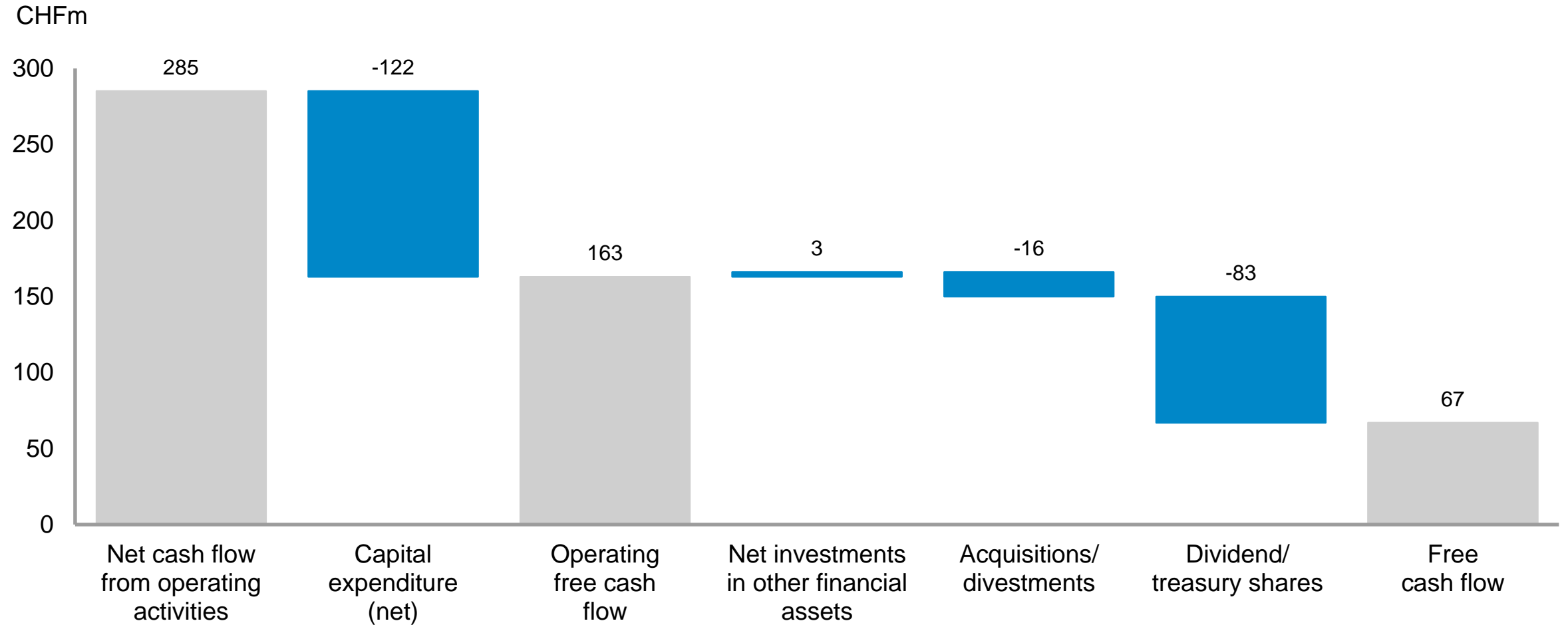
# Cash flow and investments

## Financing and risk management



# Positive free cash flow with brisk investment activity

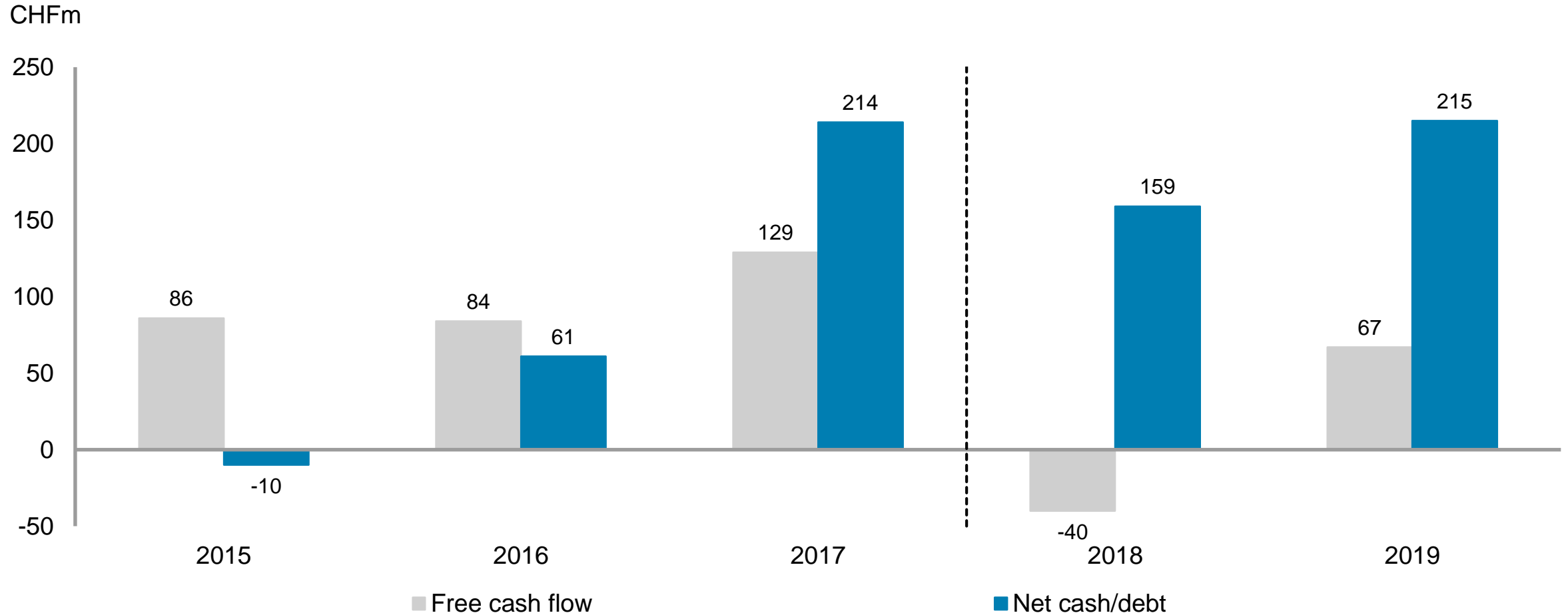
## Financing and risk management





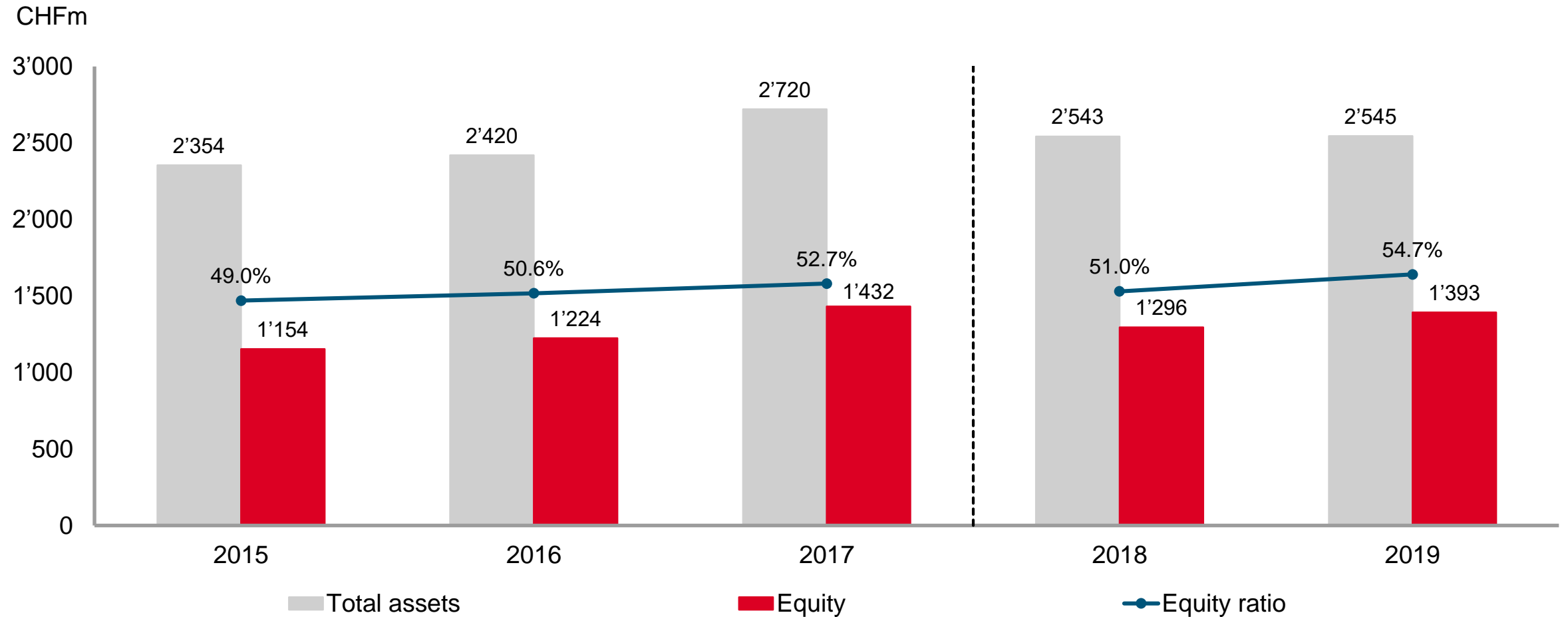
# High net cash thanks to positive free cash flow

## Financing and risk management



# Solid balance sheet with an equity ratio of 55%

## Financing and risk management



# Operating profit by division

| CHFm                     | EBIT       | EBIT margin | EBIT       | EBIT margin |
|--------------------------|------------|-------------|------------|-------------|
|                          | 2019       | 2019        | 2018       | 2018        |
| Kuhn Group               | 98         | 8.3%        | 104        | 8.7%        |
| Bucher Municipal         | 46         | 8.4%        | 51         | 9.5%        |
| Bucher Hydraulics        | 81         | 12.5%       | 84         | 13.4%       |
| Bucher Emhart Glass      | 66         | 13.5%       | 47         | 10.4%       |
| Bucher Specials          | 20         | 6.2%        | 26         | 8.3%        |
| Other/consolidation      | -26        |             | -20        |             |
| <b>Bucher Industries</b> | <b>285</b> | <b>9.2%</b> | <b>292</b> | <b>9.5%</b> |

# Divisions

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# Kuhn Group

Specialised agricultural machinery

## Arable farming



Ploughing



Tillage



Seeding



Fertilisation



Spraying

## Dairy and livestock farming



Hay and forage harvesting



Feed storage



Bedding and feeding



Manure spreaders



Hedge cutters

# Difficult situation in the North American market

Kuhn Group: 2019 at a glance

## Markets heterogeneous but increasingly challenging overall

- USA: Further deterioration in the situation for agricultural producers, farms undergoing consolidation at an increased pace
- Europe: Demand for machinery for the dairy and livestock sector satisfactory
- Brazil: Good performance

## Order intake down by 6% and sales by 2%

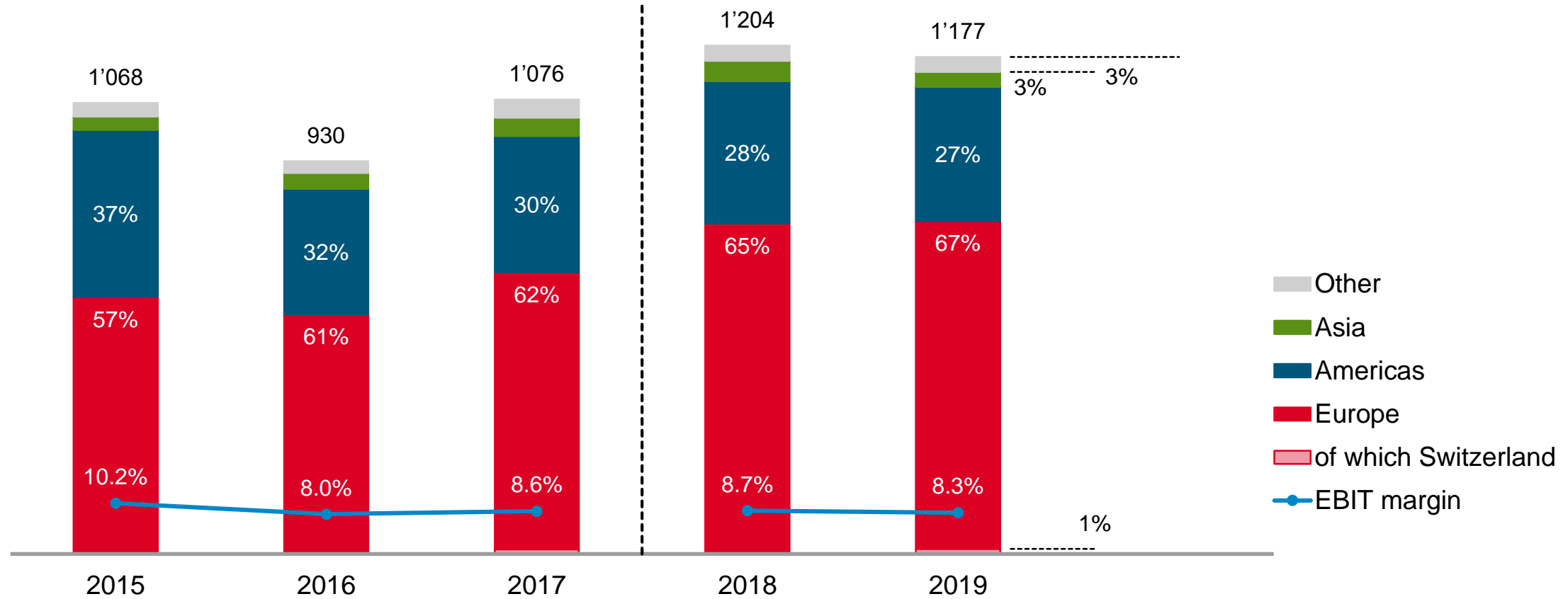
## Operating profit margin slightly below previous year at 8.3%

- Difficult situation in the North American market
- Efficiency gains in Europe and Brazil and higher prices in Europe

# Net sales by region

Kuhn Group

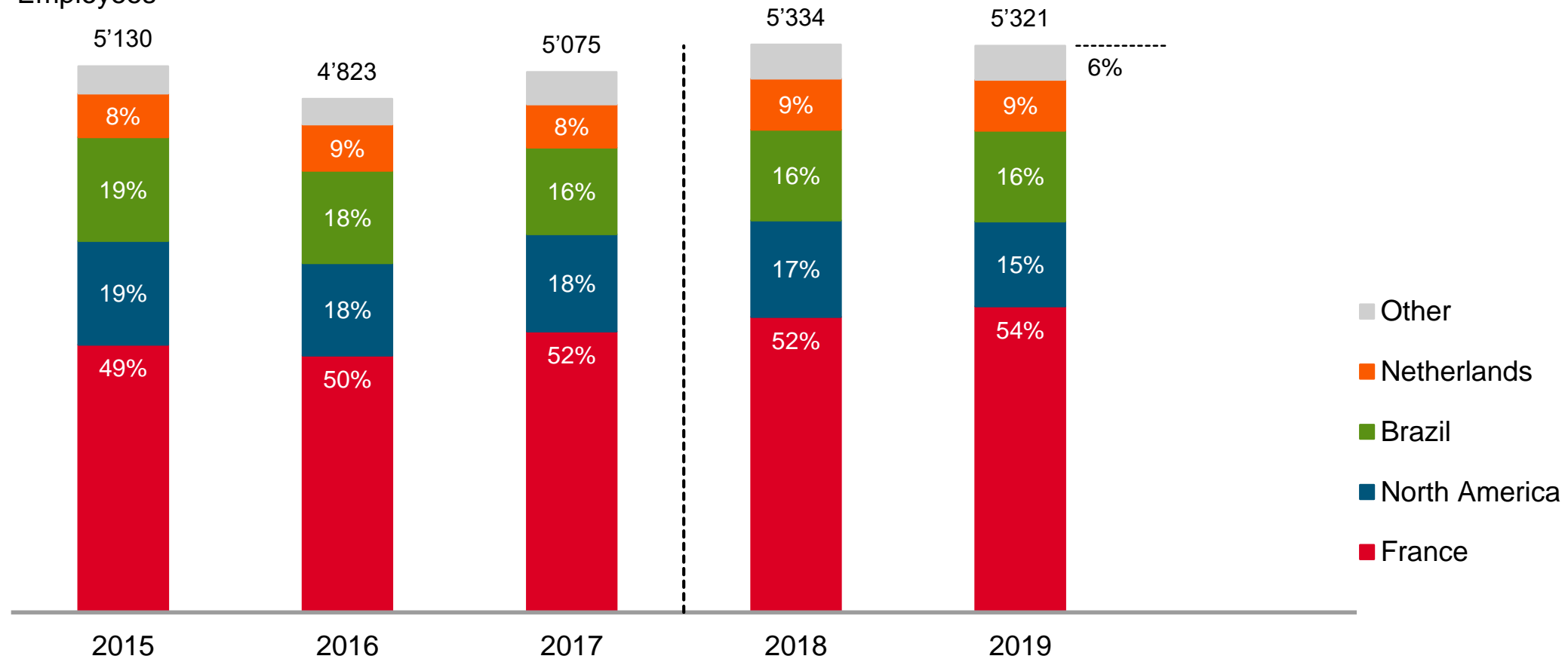
CHFm



# Number of employees by region

Kuhn Group

Employees<sup>1)</sup>








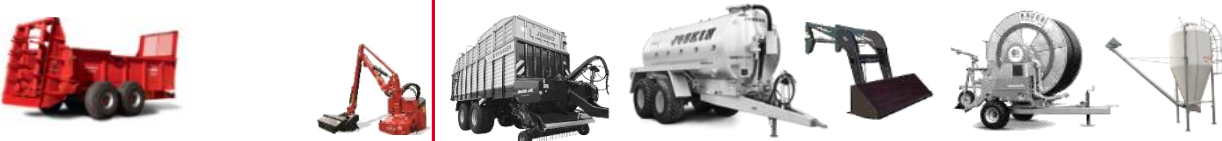
<sup>1)</sup> Expressed in full-time equivalents; average



# World market for agricultural machinery

Kuhn Group

**Market served by Kuhn Group**

|   |  |  |     |    |
|---|--|--|-----|----|
| World agricultural machinery market volume:<br>Around EUR 107 billion (VDMA estimate) |     | Farm tractors  | 44% | 28 |
|   |     | Harvesting machinery                                   |     | 16 |
|   |    | Hay and silage making machinery                        | 56% | 7  |
|   |    | Tillage  |     | 8  |
|   |   | Seeding, planting, fertilising and spraying machinery  |     | 11 |
|   |  | Other agricultural machinery and attachments and parts | 30  |    |

Source: Freedonia – VDMA 2018/2019

# Complete product range under the Kuhn brand

Kuhn Group

|                             | Mowers | Hay and forage<br>Tedders | Rakes | Balers | Hedge cutters | Feed mixers | Tillage equipment<br>driven | non-driven | Seeders<br>drilling | precision | Spreaders | Sprayers | Tractors | Harvesters<br>self-propelled |
|-----------------------------|--------|---------------------------|-------|--------|---------------|-------------|-----------------------------|------------|---------------------|-----------|-----------|----------|----------|------------------------------|
| <b>Kuhn Group</b>           |        |                           |       |        |               |             |                             |            |                     |           |           |          |          |                              |
| John Deere                  |        |                           |       |        |               |             |                             |            |                     |           |           |          |          |                              |
| CNH                         |        |                           |       |        |               |             |                             |            |                     |           |           |          |          |                              |
| AGCO                        |        |                           |       |        |               |             |                             |            |                     |           |           |          |          |                              |
| Claas                       |        |                           |       |        |               |             |                             |            |                     |           |           |          |          |                              |
| Krone                       |        |                           |       |        |               |             |                             |            |                     |           |           |          |          |                              |
| Amazone                     |        |                           |       |        |               |             |                             |            |                     |           |           |          |          |                              |
| Pöttinger                   |        |                           |       |        |               |             |                             |            |                     |           |           |          |          |                              |
| Kubota/KVE/<br>Great Plains |        |                           |       |        |               |             |                             |            |                     |           |           |          |          |                              |
| Exel / Hardi                |        |                           |       |        |               |             |                             |            |                     |           |           |          |          |                              |
| Lemken                      |        |                           |       |        |               |             |                             |            |                     |           |           |          |          |                              |
| Horsch                      |        |                           |       |        |               |             |                             |            |                     |           |           |          |          |                              |
| Väderstad                   |        |                           |       |        |               |             |                             |            |                     |           |           |          |          |                              |
| SDF                         |        |                           |       |        |               |             |                             |            |                     |           |           |          |          |                              |
| Maschio                     |        |                           |       |        |               |             |                             |            |                     |           |           |          |          |                              |

# Market position

Kuhn Group



World's leading manufacturer of specialised and tractor-related agricultural equipment

- Comprehensive range of agricultural machinery
- World market leader in hay and forage harvesting machinery and feed mixers
- Leader in tillage, fertilisation and planting and seeding equipment
- Strong market positions in Europe and in North and South America
- Extensive network of independent dealers and distributors
- Products and services marketed worldwide under the Kuhn brand



# Bucher Municipal

Municipal vehicles and winter maintenance equipment

## Compact sweepers



## Truck mounted sweepers



## Winter equipment



## Sewer cleaning



## Refuse collection



# Good capacity utilisation despite weaker demand

Bucher Municipal: 2019 at a glance

Order intake down by 6% compared to very strong previous year

Decline in all product groups except winter maintenance equipment

Sales maintained exceptionally high level of previous year

- Strong order book at start of the reporting period
- Good capacity utilisation and ability to deliver

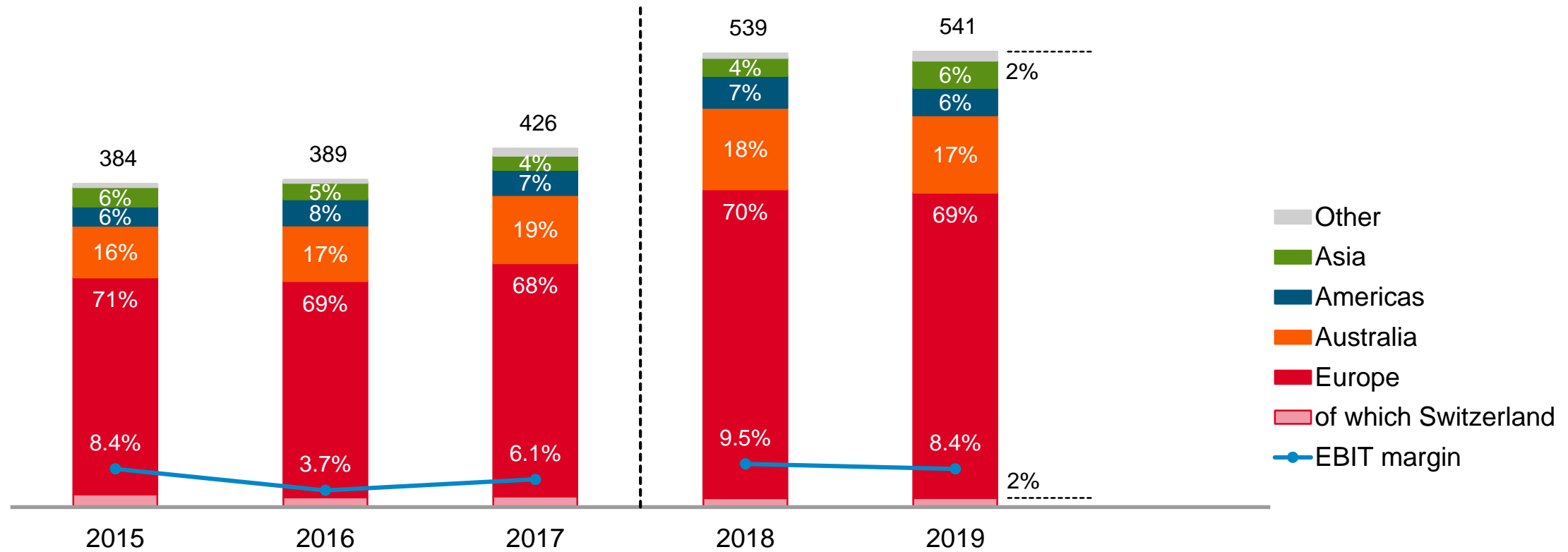
Operating profit margin fell short of previous year at 8.4%

- Consolidation of Zynkon
- Integration costs
- Higher expenditure for research and development

# Net sales by region

Bucher Municipal

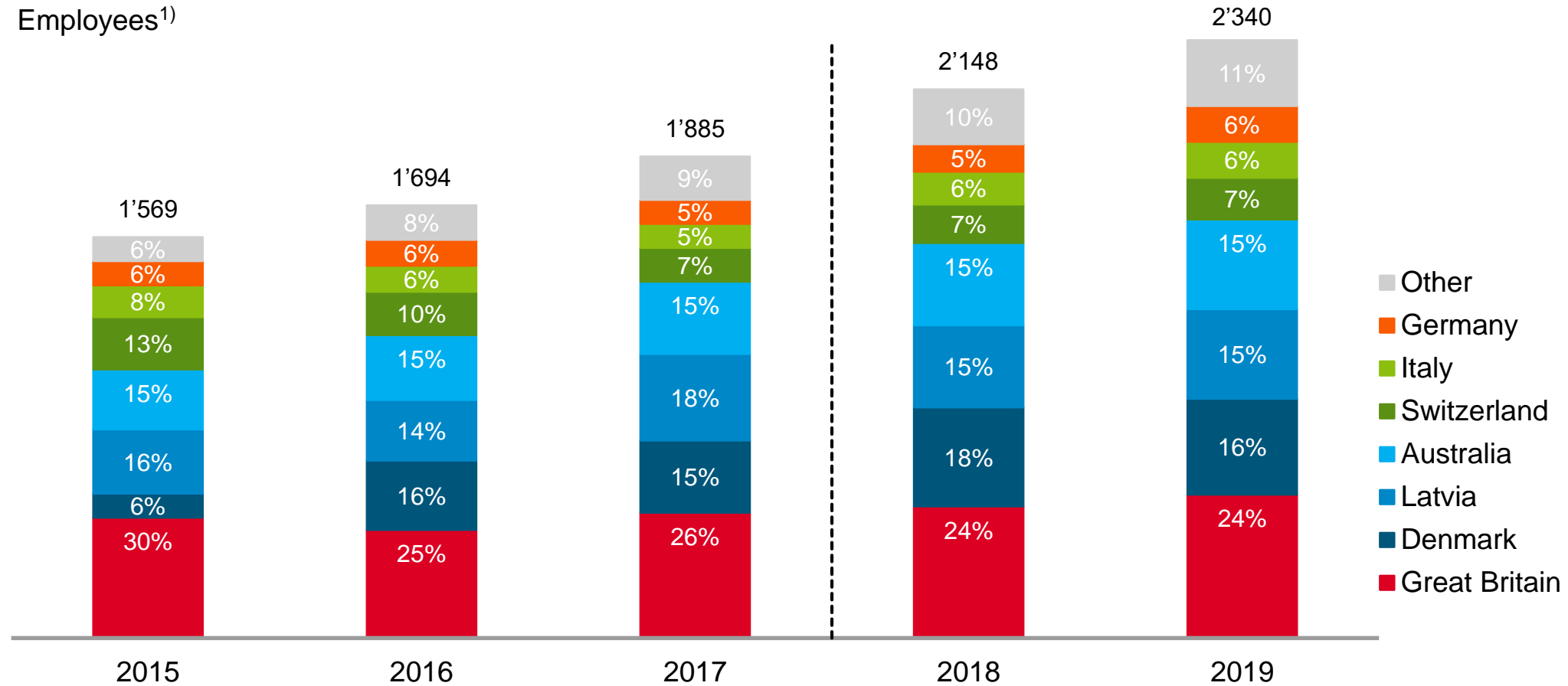
CHFm



# Number of employees by region

Bucher Municipal

Employees<sup>1)</sup>



<sup>1)</sup> Expressed in full-time equivalents; average

# Complete product range under one brand

Bucher Municipal

| Competitors             | Sweepers |               |            |               | Refuse vehicles |      |      | Winter maintenance |         |              | Vacuum tankers |          |
|-------------------------|----------|---------------|------------|---------------|-----------------|------|------|--------------------|---------|--------------|----------------|----------|
|                         | Vacuum   |               | Mechanical |               | Front           | Rear | Side | Spreaders          | Ploughs | Snow blowers | Municipal      | Industry |
|                         | Compact  | Truck mounted | Compact    | Truck mounted |                 |      |      |                    |         |              |                |          |
| <b>Bucher Municipal</b> |          |               |            |               |                 |      |      |                    |         |              |                |          |
| Federal Signal          |          |               |            |               |                 |      |      |                    |         |              |                |          |
| Alamo                   |          |               |            |               |                 |      |      |                    |         |              |                |          |
| Douglas Dynamics        |          |               |            |               |                 |      |      |                    |         |              |                |          |
| Terberg-RosRoca         |          |               |            |               |                 |      |      |                    |         |              |                |          |
| Aebi-Schmidt            |          |               |            |               |                 |      |      |                    |         |              |                |          |
| Faun                    |          |               |            |               |                 |      |      |                    |         |              |                |          |
| Fayat                   |          |               |            |               |                 |      |      |                    |         |              |                |          |
| Hako                    |          |               |            |               |                 |      |      |                    |         |              |                |          |
| Boschung                |          |               |            |               |                 |      |      |                    |         |              |                |          |
| Cappellotto             |          |               |            |               |                 |      |      |                    |         |              |                |          |
| Kaiser                  |          |               |            |               |                 |      |      |                    |         |              |                |          |
| Zoomlion                |          |               |            |               |                 |      |      |                    |         |              |                |          |



# Market position

Bucher Municipal



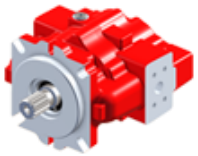
Leading supplier of municipal vehicles for use in cleaning and clearance work in public and private traffic areas

- Comprehensive product range for the municipal vehicles market
- European market leader in sweepers and winter maintenance
- Market leader in sweepers in Great Britain
- Market leader in refuse collection vehicles and sweepers in Australia
- Market leader in sewer cleaning in Scandinavia and Great Britain



# Bucher Hydraulics

Customised drive systems



Pumps



Valves



Subsystems



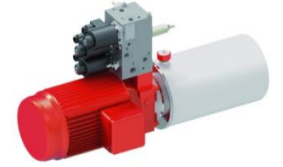
Tailor-made  
customer solutions



Motors



Cylinders



Power packs

## Agricultural machinery



## Construction equipment



## Materials handling



## Industry



Other segments: Mining/tunnelling, energy technology, municipal vehicles, elevator technology, high-voltage switch gear

# Slight increase in sales despite strongly declining demand

## Bucher Hydraulics: 2019 at a glance

### Order intake down by 20%

- Decline in most markets and segments
- Very dynamic previous year influenced by early orders placed to avoid bottlenecks
- Corresponds overall to the trend in the hydraulics market

### Sales up by 4%

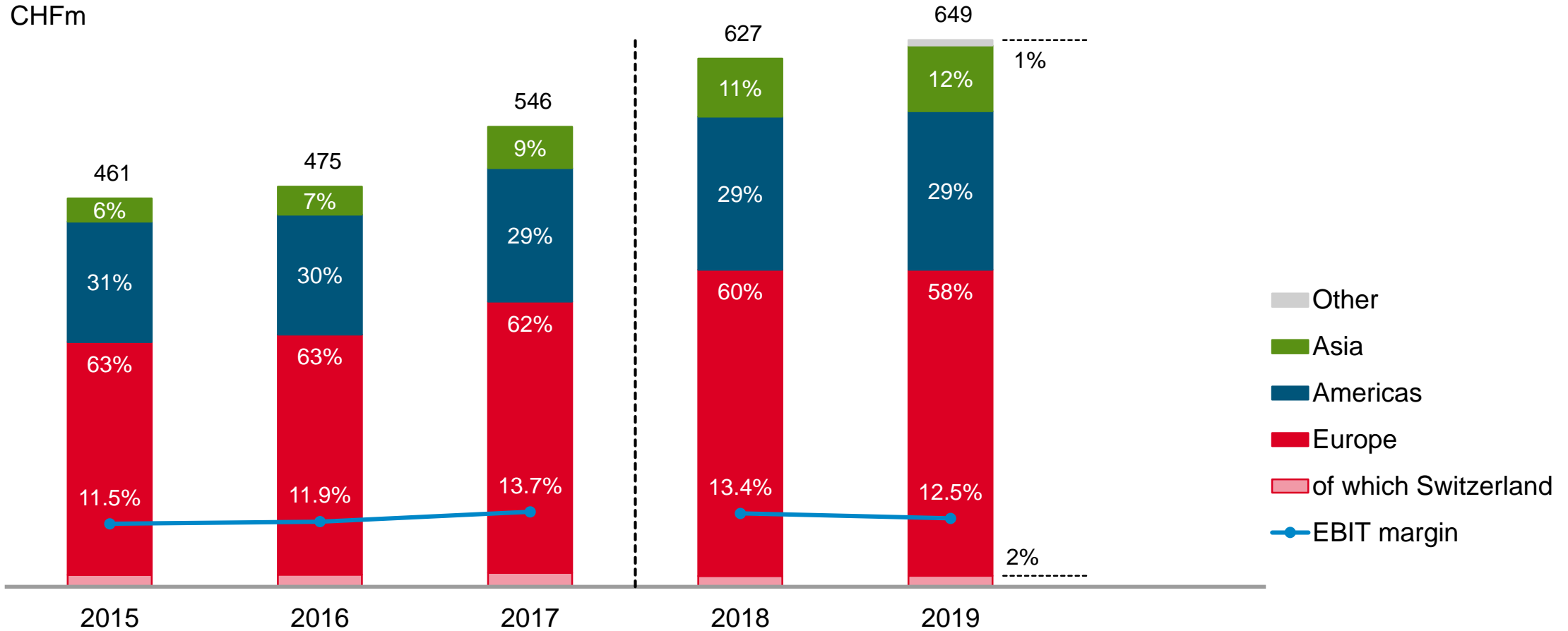
- Strong order book at start of the reporting period
- Full-year consolidation of Bucher Hydraulics Wuxi

### Operating profit margin of 12.5% down from the previous year

- Expenditure related to product development and capacity expansion
- Integration of Bucher Hydraulics Wuxi
- Higher material prices

# Net sales by region

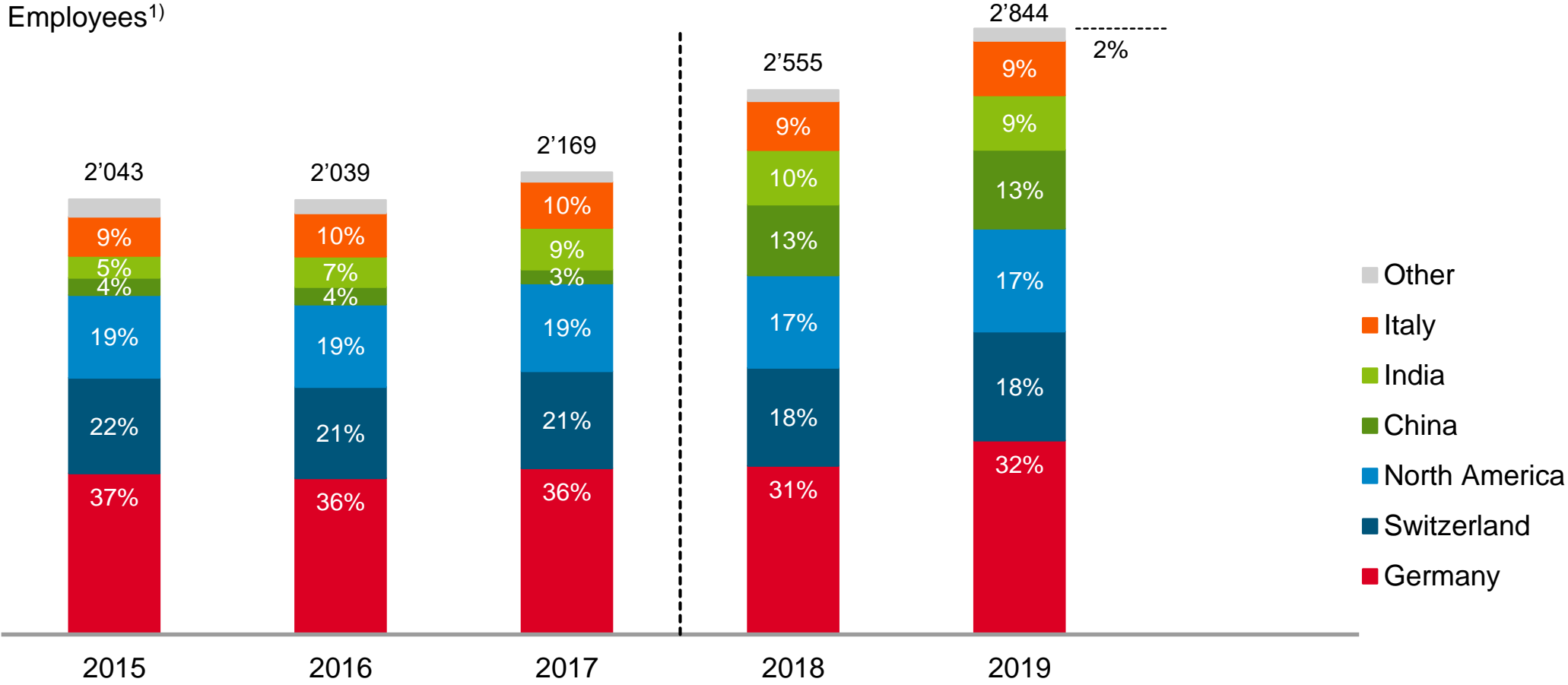
Bucher Hydraulics



# Number of employees by region

Bucher Hydraulics

Employees<sup>1)</sup>

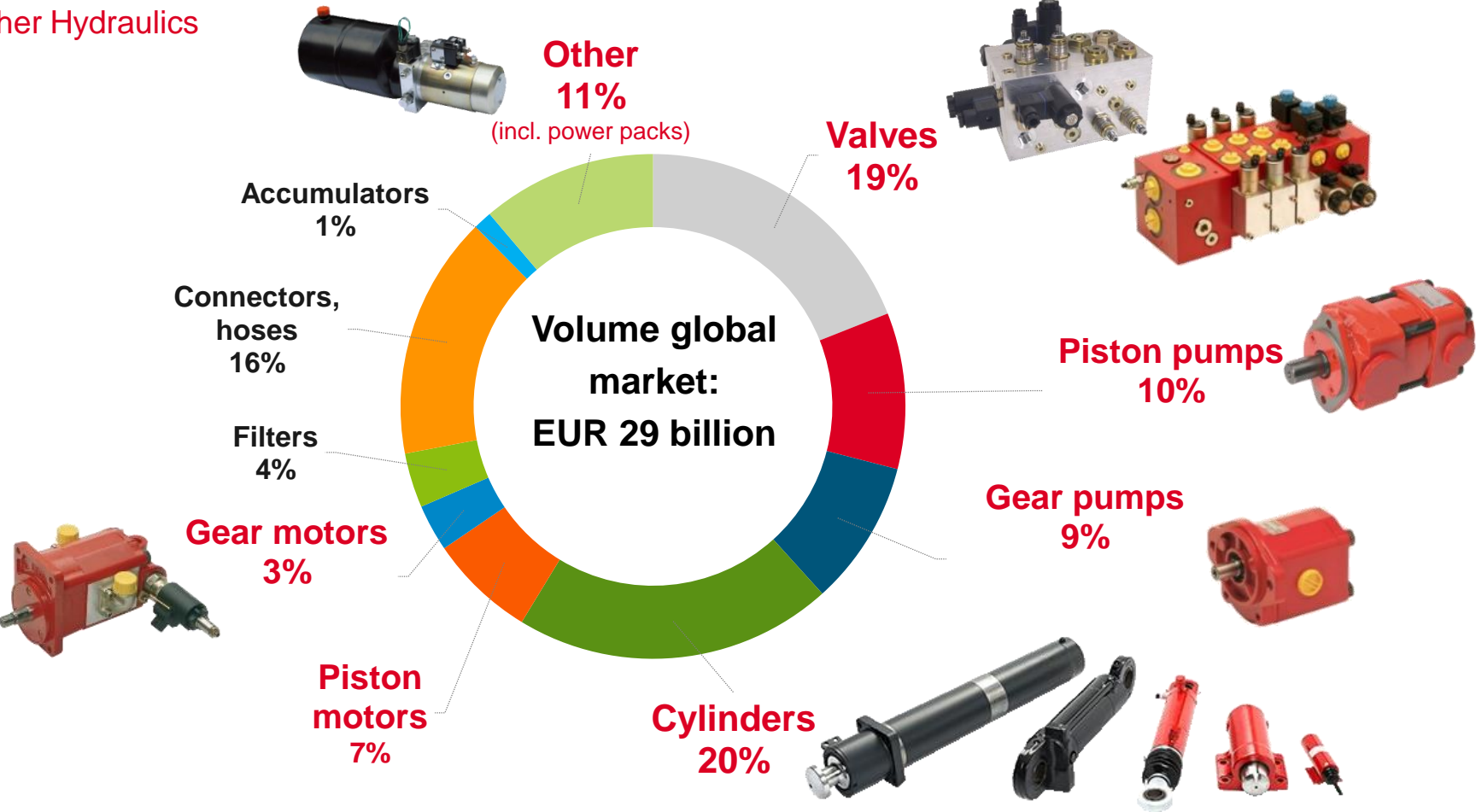


<sup>1)</sup> Expressed in full-time equivalents; average

# World hydraulics component market

Bucher Hydraulics

Market served by Bucher Hydraulics



Source: CETOP Statistics, 2016

# Leading manufacturer with wide range of products

Bucher Hydraulics

| Competitors              | Pumps  |      |      | Valves             |       |                   |           |     |         | Motors & cylinders |        |           | Accessories |              |         |       | Power packs |             |
|--------------------------|--------|------|------|--------------------|-------|-------------------|-----------|-----|---------|--------------------|--------|-----------|-------------|--------------|---------|-------|-------------|-------------|
|                          | Piston | Vane | Gear | Industrial (Cetop) | Servo | Directional spool | Cartridge | HIC | Special | Gear               | Piston | Cylinders | Electronics | Accumulators | Filters | Other | Compact     | Contracting |
| <b>Bucher Hydraulics</b> |        |      |      |                    |       |                   |           |     |         |                    |        |           |             |              |         |       |             |             |
| Parker (USA)             |        |      |      |                    |       |                   |           |     |         |                    |        |           |             |              |         |       |             |             |
| Eaton (USA)              |        |      |      |                    |       |                   |           |     |         |                    |        |           |             |              |         |       |             |             |
| Rexroth (DE)             |        |      |      |                    |       |                   |           |     |         |                    |        |           |             |              |         |       |             |             |
| Danfoss (DK)             |        |      |      |                    |       |                   |           |     |         |                    |        |           |             |              |         |       |             |             |
| Hydac (DE)               |        |      |      |                    |       |                   |           |     |         |                    |        |           |             |              |         |       |             |             |
| HAWE (DE)                |        |      |      |                    |       |                   |           |     |         |                    |        |           |             |              |         |       |             |             |
| Dana (IT)                |        |      |      |                    |       |                   |           |     |         |                    |        |           |             |              |         |       |             |             |
| Interpump (IT)           |        |      |      |                    |       |                   |           |     |         |                    |        |           |             |              |         |       |             |             |
| Argo-Hytos (DE)          |        |      |      |                    |       |                   |           |     |         |                    |        |           |             |              |         |       |             |             |
| Moog (USA)               |        |      |      |                    |       |                   |           |     |         |                    |        |           |             |              |         |       |             |             |
| Concentric (SE)          |        |      |      |                    |       |                   |           |     |         |                    |        |           |             |              |         |       |             |             |
| Husco (USA)              |        |      |      |                    |       |                   |           |     |         |                    |        |           |             |              |         |       |             |             |
| Sun Hydraulics (USA)     |        |      |      |                    |       |                   |           |     |         |                    |        |           |             |              |         |       |             |             |
| Hydraforce (USA)         |        |      |      |                    |       |                   |           |     |         |                    |        |           |             |              |         |       |             |             |

# Market position

Bucher Hydraulics



Leading international manufacturer of modern hydraulic systems

- European market leader in mobile and elevator hydraulics
- World leader in manufacturing hydraulic power packs
- Strong presence in the USA
- Expansion in India and China
- Concentration on customer-specific drive solutions

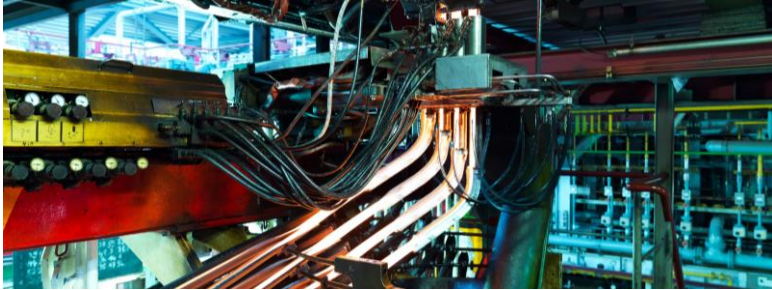




# Bucher Emhart Glass

## Glass container manufacturing equipment

### Hot End



Gob forming

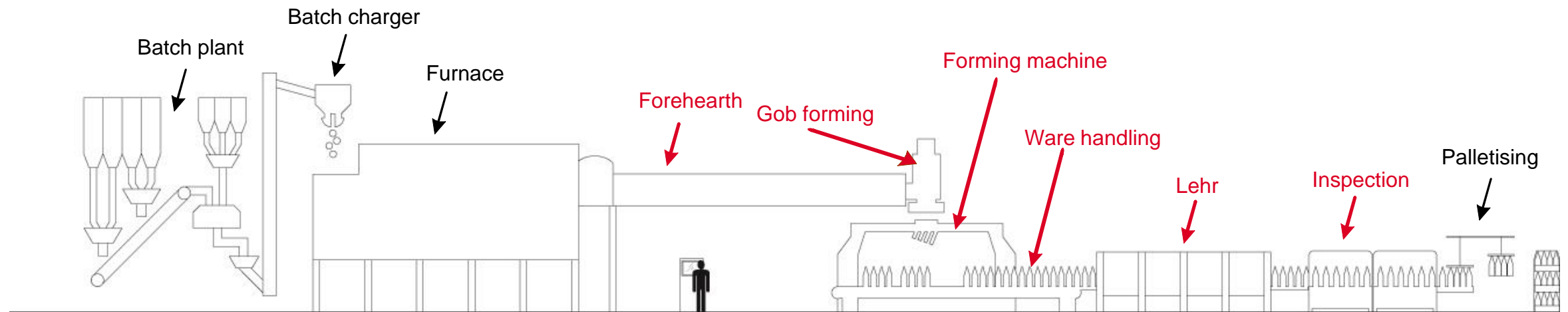


Glass-forming machine

### Cold End



Inspection



Glass container manufacturing process

# Record business volumes and operating profit

Bucher Emhart Glass: 2019 at a glance

Continuing trend toward use of glass instead of plastic containers

Momentum eased at a very high level towards the end of 2019

Order intake up by 5% and sales by 9%

Order book still well above the already high level of the previous year

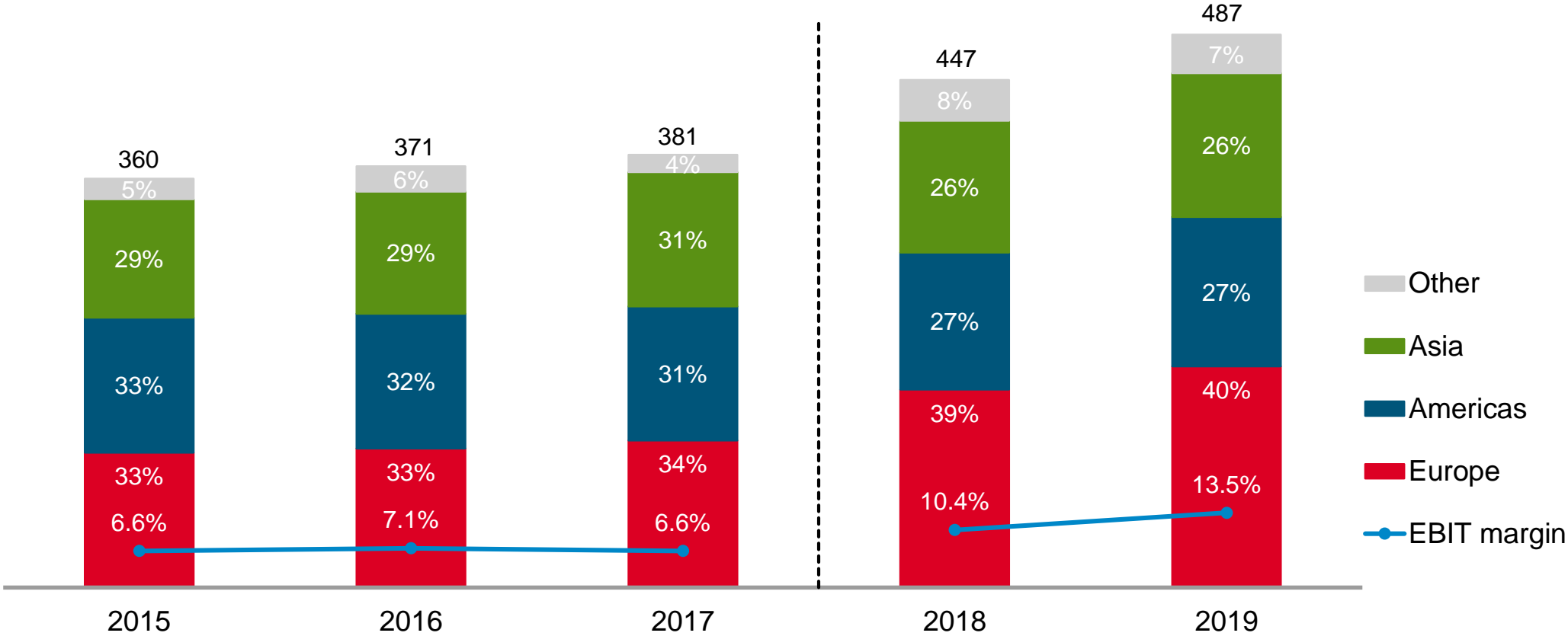
Operating profit margin at record high of 13.5%

- Production capacity fully utilised
- Technologically sophisticated project business
- Efficiency gains in China
- Positive one-time effects

# Net sales by region

Bucher Emhart Glass

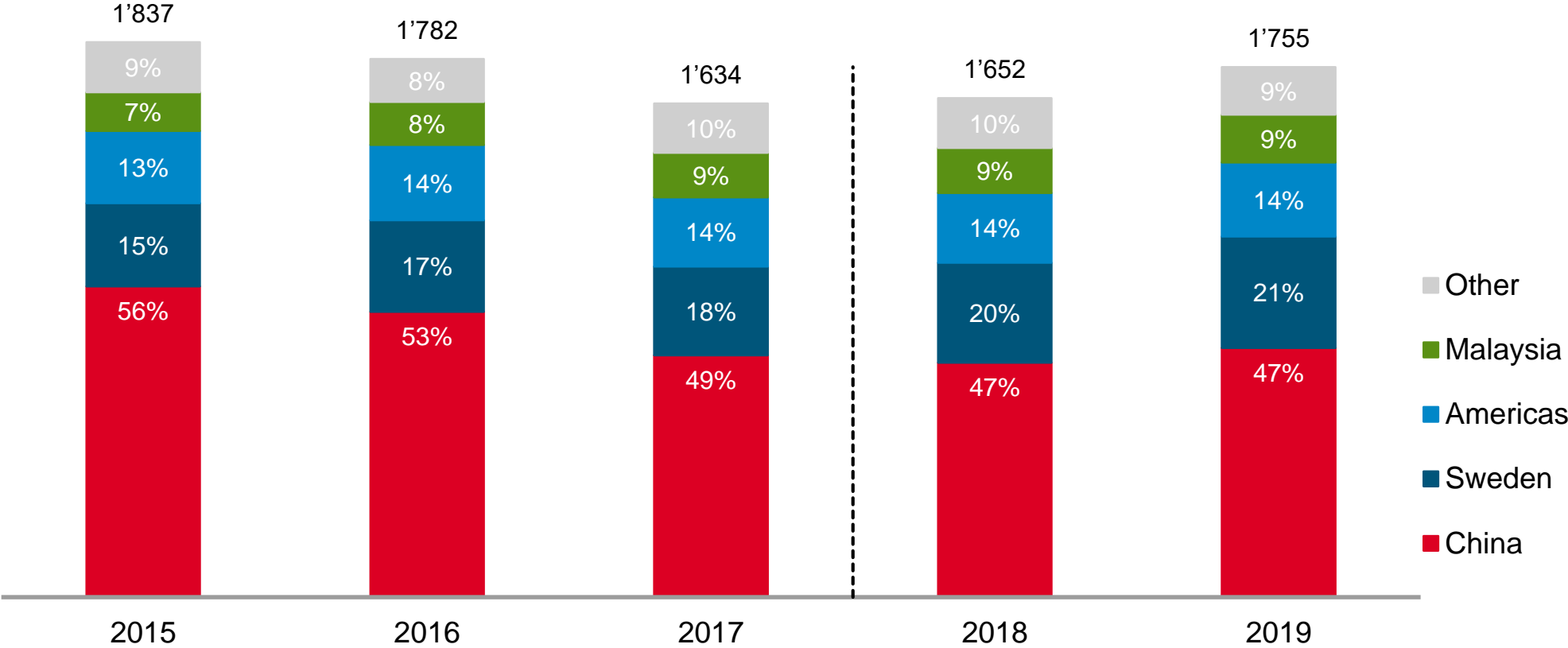
CHFm



# Number of employees by region

Bucher Emhart Glass

Employees<sup>1)</sup>

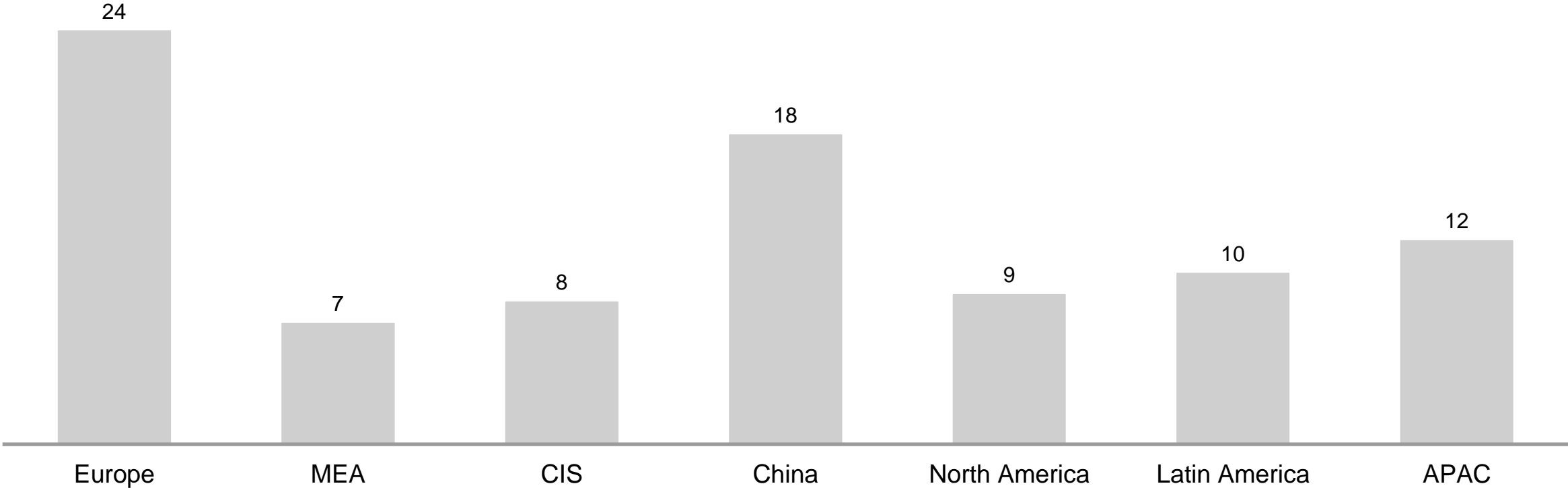


<sup>1)</sup> Expressed in full-time equivalents; average

# Capacity for production of glass containers

Bucher Emhart Glass

Global capacity 2019: 88 million tons



# World's leading machinery manufacturer

Bucher Emhart Glass

| Competitors                | Hot end    |            |                |                    |     |     |    |               | Cold end |            |             |          |
|----------------------------|------------|------------|----------------|--------------------|-----|-----|----|---------------|----------|------------|-------------|----------|
|                            | Refractory | Forehearth | Feeder & shear | IS forming machine |     |     |    | Ware handling | Lehr     | Inspection | Palletising | Wrapping |
|                            |            |            |                | NIS                | BIS | AIS | IS |               |          |            |             |          |
| <b>Bucher Emhart Glass</b> |            |            |                |                    |     |     |    |               |          |            |             |          |
| Bottero (IT)               |            |            |                |                    |     |     |    |               |          |            |             |          |
| Heye (DE)                  |            |            |                |                    |     |     |    |               |          |            |             |          |
| Sklostroj (CZ)             |            |            |                |                    |     |     |    |               |          |            |             |          |
| BDF (IT)                   |            |            |                |                    |     |     |    |               |          |            |             |          |
| Competitors (CN)           |            |            |                |                    |     |     |    |               |          |            |             |          |
| Tiama (FR)                 |            |            |                |                    |     |     |    |               |          |            |             |          |
| PSR (UK)                   |            |            |                |                    |     |     |    |               |          |            |             |          |

# Market position

Bucher Emhart Glass



World's leading supplier of machinery, equipment and services for glass container manufacturing

- World market leader for glass-forming machinery and services
- Solid market position in inspection machines



# Bucher Specials

Individual businesses

## Bucher Vaslin



Winemaking equipment



## Bucher Unipektin



Equipment for fruit juice processing, beer filtration and drying



## Bucher Landtechnik



Agricultural distributorship in Switzerland



## Jetter



Automation solutions





# Acquisition-driven sales growth

Bucher Specials: 2019 at a glance

## Order intake up by 8% and sales by 2%

- Bucher Vaslin: Momentum slowed over the course of the year, good sales trend overall
- Bucher Unipektin: Challenging business environment, renewed rise in demand during second half-year
- Bucher Landtechnik: Growth in a stagnating market, supported by newly acquired products
- Jetter: Sales growth, high demand from glass container industry

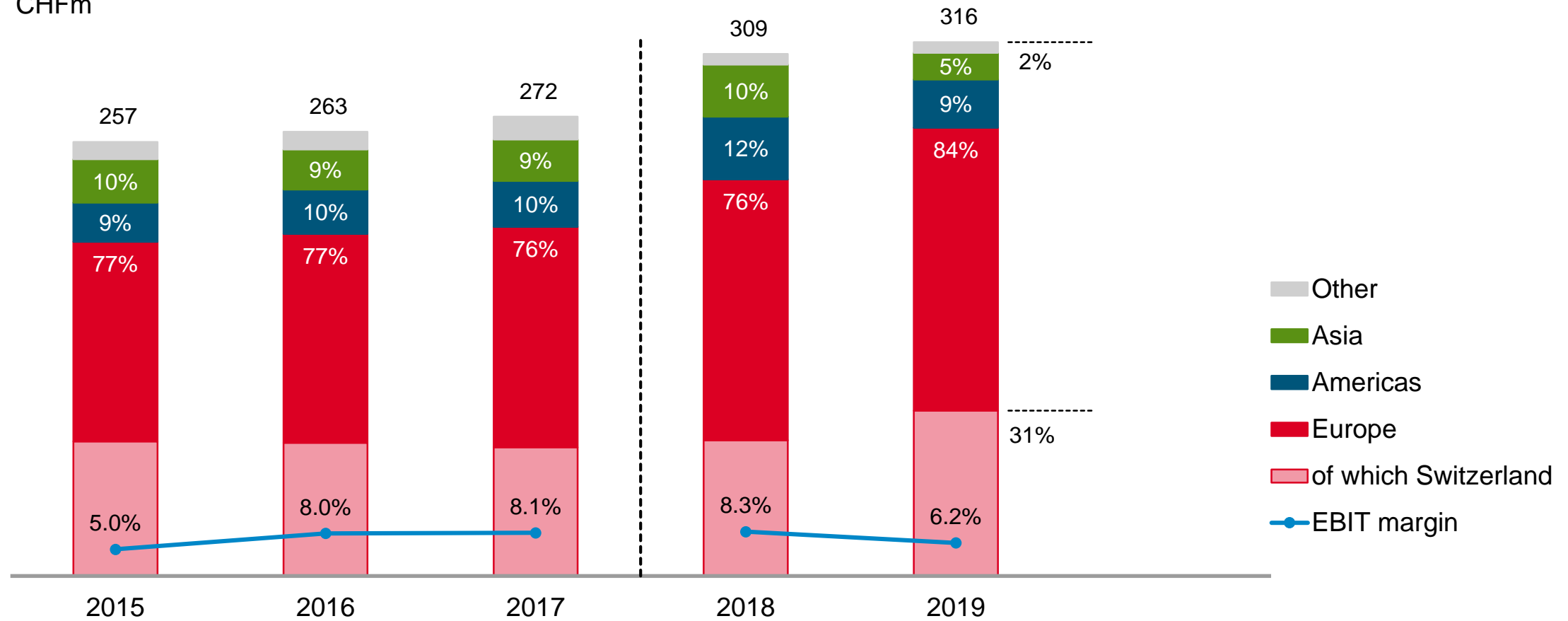
## Operating profit margin of 6.2% significantly below the previous year's level

- Challenging environment for Bucher Unipektin
- Acquisition-related integration costs
- Higher expenditure for development of new products and solutions

# Net sales by region

Bucher Specials

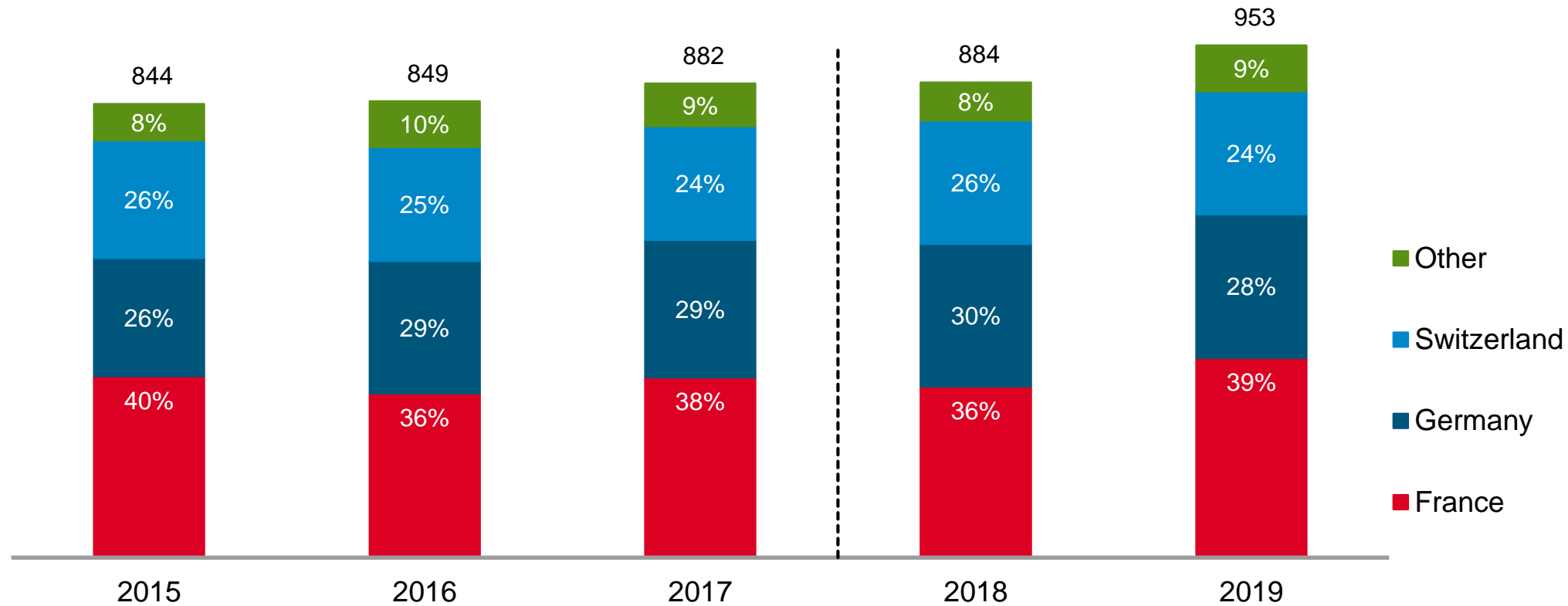
CHFm



# Number of employees by region

## Bucher Specials

Employees<sup>1)</sup>



<sup>1)</sup> Expressed in full-time equivalents; average

# Bucher Vaslin

World market leader in wine production

| Competitors          | Reception | Crushing | Pressing | Fermentation | Filtration | Filling |
|----------------------|-----------|----------|----------|--------------|------------|---------|
| <b>Bucher Vaslin</b> |           |          |          |              |            |         |
| Diemme (IT)          |           |          |          |              |            |         |
| Della/Toffola (IT)   |           |          |          |              |            |         |
| Pellenc/Pera (FR)    |           |          |          |              |            |         |
| Willmes (DE)         |           |          |          |              |            |         |
| Gai (IT)             |           |          |          |              |            |         |

# Bucher Unipektin

World market leader in fruit juice production

| Competitors             | Reception | Milling | Mash heating | Dejuicing | Pasteurisation | Filtration | Adsorption | Evaporation |
|-------------------------|-----------|---------|--------------|-----------|----------------|------------|------------|-------------|
| <b>Bucher Unipektin</b> |           |         |              |           |                |            |            |             |
| Flottweg (DE)           |           |         |              |           |                |            |            |             |
| Bauer & Partners (PL)   |           |         |              |           |                |            |            |             |
| GEA Group (DE)          |           |         |              |           |                |            |            |             |
| Alfa Laval (SE)         |           |         |              |           |                |            |            |             |
| Schmidt-Bretten (DE)    |           |         |              |           |                |            |            |             |
| Bellmer (DE)            |           |         |              |           |                |            |            |             |
| Kaimi (CN)              |           |         |              |           |                |            |            |             |

# Bucher Landtechnik

Market leader in Switzerland

| Competitors               | Hay and forage |             | Balers      | Hedge cutters | Feed mixers | Tillage equipment |             | Seeders     |             | Spreaders  | Sprayers           | Tractors            | Harvesters self-propelled | Wheel-loaders            |
|---------------------------|----------------|-------------|-------------|---------------|-------------|-------------------|-------------|-------------|-------------|------------|--------------------|---------------------|---------------------------|--------------------------|
|                           | Mowers         | Tedders     |             |               |             | Rakes             | driven      | non-driven  | drilling    |            |                    |                     |                           |                          |
| <b>Bucher Landtechnik</b> | <b>Kuhn</b>    | <b>Kuhn</b> | <b>Kuhn</b> | <b>Kuhn</b>   | <b>Kuhn</b> | <b>Kuhn</b>       | <b>Kuhn</b> | <b>Kuhn</b> | <b>Kuhn</b> |            | <b>Kuhn</b>        | <b>CNH</b>          | <b>CNH</b>                | <b>Weide-mann, Merlo</b> |
| Matra (John Deere)        |                |             |             |               |             |                   |             |             |             |            |                    |                     |                           |                          |
| GVS (AGCO)                | Krone          | Krone       | Krone       | Krone         |             | Rabe              | Rabe        | Rabe        | Rabe        |            |                    | Fendt / MF / Valtra | Fendt / MF / Krone        | Bichon                   |
| Serco (Claas)             |                |             |             |               |             |                   |             |             |             |            |                    |                     |                           | InTrac                   |
| Ott Landmaschinen         | Kv             | Kv          | Kv          | Kv            |             | Kv                | Amazone Kv  | Amazone Kv  | Amazone Kv  | Amazone Kv | Amazone Rauch / Kv | Amazone Kv          |                           |                          |
| Pöttinger CH              |                |             |             |               |             |                   |             |             |             |            |                    |                     |                           |                          |

Kv: Kverneland  
 CNH: Case New Holland  
 MF: Massey Ferguson

# Jetter

## Market position in Europe

| Competitors                  | Field level |   | Control level   | Diagnostic level        | Enterprise level                           |
|------------------------------|-------------|---|-----------------|-------------------------|--|
| <b>Industrial automation</b> | Sensors     | Actuators (amplifiers, motors, field devices) | Control systems | HMI's and Visualisation | Enterprise and manufacturing control (MES) |
| <b>Jetter</b>                |             |   |                 |                         |  |
| Siemens (DE)                 |             |   |                 |                         |  |
| Schneider (FR)               |             |   |                 |                         |  |
| Beckhoff (DE)                |             |   |                 |                         |  |
| B&R (AT)                     |             |   |                 |                         |  |
| <b>Mobile automation</b>     | Sensors     | Actuators (amplifiers, motors, field devices) | Control systems | HMI's and Visualisation | Enterprise and manufacturing control (MES) |
| <b>Jetter</b>                |             | Cooperation with Bucher Hydraulics            |                 |                         |  |
| ifm (DE)                     |             |   |                 |                         |  |
| Müller Elektronik (DE)       |             |   |                 |                         |  |
| Moba (DE)                    |             |   |                 |                         |  |

# Market position

Bucher Specials



World market leader in fruit juice and wine production equipment

- **Bucher Vaslin:** world market leader in wine production equipment
- **Bucher Unipektin:** world market leader in fruit juice processing equipment





# Outlook

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# Regionally divergent trends

require a geographically adapted strategy

## Trends



### Developed countries

Efficiency / sustainability

### Emerging markets

Mechanisation / urbanisation

## Topics



- Stricter environmental regulations
- Innovation
- Sensors, data, networking
- Electrification

- Market access
- Localisation
- Compliance

## Selected projects



- Precision farming
- Electrification municipal equipment
- AX hydraulic pumps and motors
- “End to End” glass forming

- Kuhn Group in the east
- Expansion of Bucher Municipal Asia
- Selected acquisitions

# Resilient agricultural market

Kuhn Group: Outlook for 2020

## Low dealer inventories and government support measures for farmers strengthen demand for agricultural machinery

- North America: Volatile market environment, agricultural producers temporarily supported by massively increased government payments
- Europe: Good demand in dairy and livestock sector, uncertainties in the arable sector due to persistent drought in certain regions and regarding future agricultural policies
- Brazil: Very good market situation thanks to the favourable conditions for agricultural producers

## Strategic focus

- Large machines for large farms
- Digital solutions for precision farming and customer retention
- Close to customers: Distribution centres in Brazil and Russia

**For 2020:** Decline in sales somewhat less than in the first nine months; operating profit margin lower than in the previous year

# Further stabilisation in the remaining months

Bucher Municipal: Outlook for 2020

## Slight recovery of business performance

- Demand overall satisfactory
- Further improvement in production conditions and supply chain

## Strategic projects

- “One company – one brand”
- Launch of new electric compact sweeper “CityCat V20e”
- Integration of Eurovoirie and Spoutvac
- Greater efficiency due to modularisation

**For 2020:** Sales to recover in the remaining months; operating profit margin in the mid-single-digit range

# Further stabilisation of hydraulics market

## Bucher Hydraulics: Outlook for 2020

### Signs of recovery in certain markets

- Upturn in key segments agricultural machinery and materials handling, construction equipment remains weak
- Regional differences in development
- Early measures and flexible cost structure help to adapt to lower capacity utilisation

### Investments in the future

- Development of innovative AX axial piston line, particularly suitable for electrified machines
- Increasing focus on electrohydraulics
- Ongoing expansion of the product line in the lower price segment

**For 2020:** Decline in sales slightly less than in the first nine months; operating profit margin around the double-digit mark despite substantial decline in sales

# Further improvement in demand

Bucher Emhart Glass: Outlook for 2020

## Slow improvement in demand at a low level

- Slight upturn in project activities with some customers
- Negotiation of major projects and installation of equipment resumed
- China seems to have bottomed out

## Further strengthening of market position

- Construction of first complete “End to End” production lines
- Expansion of services, e.g. “Training on glass”

**For 2020:** Further recovery of sales for the remainder of the year, but significantly lower year on year; operating profit margin around the double-digit mark

# Ongoing challenges in beverage industry

## Bucher Specials: Outlook for 2020

### Fourth quarter dominated by project postponements and a low order book

- Bucher Vaslin: Stabilising demand on low level in main markets
- Bucher Unipektin: Project postponements by customers
- Bucher Landtechnik: Continuously solid development despite the uncertainties regarding agricultural policy
- Jetter: Demand on low level, impacted by the development at Bucher Emhart Glass

**For 2020:** Marked decline in sales compared to 2019; operating profit margin positive, thanks to various cost-savings initiatives

# Slight recovery of business performance

Group: Outlook for 2020

Outlook based on the assumption that all production sites remain operational

- **Kuhn Group:** Decline in sales somewhat less than in the first nine months; operating profit margin lower than in the previous year
- **Bucher Municipal:** Sales to recover in the remaining months; operating profit margin in the mid-single-digit range
- **Bucher Hydraulics:** Decline in sales slightly less than in the first nine months; operating profit margin around the double-digit mark despite substantial decline in sales
- **Bucher Emhart Glass:** Further recovery of sales for the remainder of the year, but significantly lower year on year; operating profit margin around the double-digit mark
- **Bucher Specials:** Marked decline in sales compared to 2019; operating profit margin positive, thanks to various cost-savings initiatives

**For 2020:** Decline in sales slightly less than in first nine months; operating profit margin around that for first half-year



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