

## Press release

Niederweningen, 27 April 2021

# Strong increase in demand

The first quarter of 2021 was very dynamic for Bucher Industries overall and the Group saw demand for products and services increase in every division. Order intake grew by more than a third. The growth in sales was not as steep due to increasing challenges in production.

## Group

CHF million	January – March		Change in			Full year
	2021	2020	%	% <sup>1)</sup>	% <sup>2)</sup>	2020
Order intake	906	668	35.5	40.2	37.4	2'838
Net sales	733	702	4.5	5.9	5.3	2'741
Order book	1'263	955	32.2	36.3	33.5	1'081
Number of employees at closing date <sup>3)</sup>	13'388	12'276	9.1		7.9	12'598

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

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

<sup>3)</sup> 13'444 employees (FTEs), of whom 56 on short-time work (at closing date 2020: 13'163 employees (FTEs), of whom 887 on short-time work)

Overall, the markets of Bucher Industries developed very positively in the first quarter of 2021. Demand rose in all divisions. Kuhn Group and Bucher Hydraulics, where recovery had already set in by mid-2020, reported a substantial increase. Order intake at Bucher Industries grew by more than a third. While all sites were operational, certain restrictions still remained in effect, with the biggest impact seen on operational processes and international travel. In light of the economic recovery, the divisions also increasingly found themselves faced with difficulties in the supply chain and in logistics, which led to delivery bottlenecks and longer delivery times in general. Consequently, there was a delay in the sales increase, and the order book is currently at a very high level.

## Kuhn Group

CHF million	January – March		Change in			Full year
	2021	2020	%	% <sup>1)</sup>	% <sup>2)</sup>	2020
Order intake	362	237	52.9	66.6	64.1	1'290
Net sales	332	300	10.5	14.0	13.4	1'094
Order book	614	333	84.7	97.7	95.5	587
Number of employees at closing date <sup>3)</sup>	5'843	4'476	30.5		28.9	5'194

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

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

<sup>3)</sup> At closing date 2020: 5'262 employees (FTEs), of whom 786 on short-time work

**Challenging production conditions with a record-high order book** Kuhn Group experienced an extremely dynamic first quarter in 2021. This period saw an intensification of the positive development that had set in during the second half of 2020. The strong demand for agricultural machinery was largely attributable to the various government support programmes for farmers as well as high crop prices. Following several difficult years, this – combined with good weather conditions and high demand from China for agricultural produce – resulted in a strong upturn in North America. In Europe, market conditions remained at a good level in both the arable sector and in the dairy and livestock industry. In Brazil, record-high margins meant that agricultural producers remained extremely eager to invest. In this dynamic environment, the division saw order intake rise by more than half over the prior-year period. Nevertheless, production increasingly faced challenges: finding new qualified employees was difficult, especially in the USA, and the raw materials sector suffered shortages and price increases. As a result, Kuhn Group was only able to a limited extent to adapt its production volume to its record-high order book. Sales grew more slowly as a result.

## Bucher Municipal

CHF million	January – March		Change in			Full year
	2021	2020	%	% <sup>1)</sup>	% <sup>2)</sup>	2020
Order intake	144	132	9.2	7.7	5.0	460
Net sales	117	114	2.7	1.2	-1.1	462
Order book	188	174	8.3	6.4	3.2	157
Number of employees at closing date <sup>3)</sup>	2'333	2'399	-2.8		-5.2	2'327

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

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

<sup>3)</sup> 2'348 employees (FTEs), of whom 15 on short-time work (at closing date 2020: 2'431 employees (FTEs), of whom 32 on short-time work)

**Continued robust demand** Given the pandemic-related restrictions in place during the first quarter of 2021, demand for Bucher Municipal products was decent overall. The increase in order intake was due to orders for compact sweepers, truck-mounted sweepers and sewer cleaning vehicles. Demand for refuse collection vehicles was down from the very high prior-year period, which featured two major orders. Initial indications of a recovery were seen in the winter equipment segment in spare parts. Bucher Municipal's production continued to be hampered by COVID-19 measures and problems in the supply chain. Electronic component shortages resulted in even longer delivery times for chassis, in particular. Added to that were higher transport costs and more complex logistics as a result of Brexit, which came into effect at the end of 2020. Accordingly, sales exceeded the prior-year period just slightly.

## Bucher Hydraulics

CHF million	January – March		Change in		Full year
	2021	2020	%	% <sup>1)</sup>	2020
Order intake	215	158	36.2	37.8	561
Net sales	168	150	12.1	13.5	536
Order book	181	118	52.9	54.9	134
Number of employees at closing date <sup>2)</sup>	2'651	2'631	0.8		2'537

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

<sup>2)</sup> 2'654 employees (FTEs), of whom 3 on short-time work (at closing date 2020: 2'700 employees (FTEs), of whom 69 on short-time work)

**Record-high order intake** The dynamic momentum built up on the hydraulics markets during the second half of 2020 continued on into the first quarter of 2021. This trend was strengthened by the economic upturn and the general increase in delivery times in the industrial sector. Accordingly, demand for Bucher Hydraulics components and solutions rose substantially in all key regions and segments. In China, orders doubled over the prior-year period. The division as a whole reported an increase in order intake by a third, largely due to the important segments of materials handling, agricultural machinery and construction machines. The very high level of capacity utilisation as well as shortages in the supply chain made production activities increasingly challenging. The development of sales was similar to that of order intake with respect to the regions and segments, but was subject to a time lag.

## Bucher Emhart Glass

CHF million	January – March		Change in		Full year
	2021	2020	%	% <sup>1)</sup>	2020
Order intake	101	84	20.7	18.7	317
Net sales	69	91	-23.9	-25.1	421
Order book	190	253	-25.0	-26.1	155
Number of employees at closing date	1'592	1'738	-8.4		1'611

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

**Demand recovers further** The division had a decent start to the year. Uncertainties remain high due to the fact that many countries still have restrictions in place in the gastronomic sector and on alcohol consumption. Nevertheless, customers are increasingly approving investment projects that they had postponed in the previous year because of the pandemic. It was pleasing to note that there was a renewed increase in the number of orders for glass-forming machinery. Inspection machines were significantly less in demand, as customers are still more likely to repair their inspection machines than order new ones. Overall demand increased in particular in America from a low level, which resulted in a markedly higher order intake. Project postponements in the previous year and delays in deliveries prevented this recovery from being reflected in sales. Travel restrictions remained challenging. Higher transport prices and logistics bottlenecks also led to increasing difficulties.

## Bucher Specials

CHF million	January – March		Change in			Full year
	2021	2020	%	% <sup>1)</sup>	% <sup>2)</sup>	2020
Order intake	96	69	38.6	38.0	24.6	261
Net sales	64	61	5.6	5.1	4.6	273
Order book	107	91	18.3	17.7	2.1	70
Number of employees at closing date <sup>3)</sup>	906	968	-6.4		-8.0	868

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

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

<sup>3)</sup> 944 employees (FTEs), of whom 38 on short-time work

**Development positive overall** Following a very difficult 2020, demand at Bucher Vaslin picked up again in the northern hemisphere, particularly in the USA and Italy. Customers of Bucher Unipektin, particularly makers of beer and apple juice concentrate, remained extremely reluctant to invest. Thanks to acquisitions in the areas of processing equipment for citrus fruits and vacuum belt drying technology in 2020 and 2021, the number of

orders nevertheless increased. Despite COVID-19-related supply chain challenges and uncertainties in Swiss agricultural policy, the business trend at Bucher Landtechnik was consistently positive. At Jetter, the slight recovery continued at a low level. Overall, order intake at Bucher Specials rose markedly over the prior-year period and sales grew as well.

## Outlook for 2021

The Group expects the economic recovery to continue. However, the uncertainties related to the pandemic are likely to persist. In addition, there are difficulties in procurement and logistics as well as associated increases in both material and transport costs. **Kuhn Group** anticipates a positive development in its most important markets, in particular in the arable sector, owing to high crop prices. In the dairy and livestock industry, higher producer prices should offset the rising feed costs. Overall, the division expects a rise in sales for 2021. The operating profit margin is likely to be higher, despite rising costs for materials and transport. **Bucher Municipal** anticipates decent demand and expects a moderate rise in sales facilitated by the full-year consolidation of Spoutvac and the newly launched electrified sweepers and winter maintenance equipment. With improved production efficiency, the operating profit margin should increase. **Bucher Hydraulics** will continue to systematically pursue the optimisation measures it has launched and will invest in innovation. The division is likely to continue to benefit from the momentum in its markets. Accordingly, it anticipates marked sales growth and an improvement in the operating profit margin, despite the challenges it faces in production. **Bucher Emhart Glass** expects the next few months to bring stronger demand and improved utilisation of production capacities. Given the low level of capacity utilisation in the first quarter, however, for the year as a whole the division expects to see a year-on-year decline in both sales and the operating profit margin. **Bucher Specials** anticipates that the current uncertainties will persist, causing reluctance to invest in the project business. The division expects slightly higher sales and an operating profit margin in the mid-single-digit range thanks to the cost-savings measures put in place. Overall, the **Group** expects to see an increase in sales and in the operating profit margin as well as an improved profit for the year. However, it is unlikely that the good results of 2019 will be achieved.

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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 company's shares are traded on the SIX Swiss Exchange (SIX: BUCN). Further information is available at [bucherindustries.com](https://www.bucherindustries.com).

Additional performance measures: Internally and externally Bucher Industries uses key figures that are not defined by Swiss GAAP FER. The composition and calculation of the individual performance measures are set out here: [bucherindustries.com/en/additional-performance-measures](https://www.bucherindustries.com/en/additional-performance-measures).