

## Ad hoc announcement

Niederweningen, 25 July 2024 | Ad hoc announcement pursuant to article 53 listing rules

# Solid result in a volatile environment

Demand for the products and services of Bucher Industries declined in the first half of 2024 compared to the very strong prior-year period as expected. The order intake fell, with agriculture being particularly hard hit by the downturn. Sales were below the previous year's levels. The operating profit margin was maintained in the double-digit range. The Group's profit for the period declined significantly.

## Group

CHF million	January – June		Change			Full year
	2024	2023	%	% <sup>1)</sup>	% <sup>2)</sup>	2023
Order intake	1'236	1'587	-22.1	-19.8	-19.9	3'170
Net sales	1'724	1'939	-11.1	-8.6	-8.7	3'575
Order book	1'096	1'681	-34.8	-32.9	-32.9	1'600
Operating profit (EBIT)	178	246	-27.9			424
% of net sales	10.3%	12.7%				11.9%
Profit for the period	145	199	-27.2			356
% of net sales	8.4%	10.3%				9.9%
Earnings per share in CHF	14.07	19.35	-27.3			34.38
Operating free cash flow	-51	-77	34.6			123
Net cash/debt	186	226	-17.6			396
Total assets	2'995	2'944	1.7			2'958
Equity	1'854	1'742	6.5			1'816
Equity ratio	61.9%	59.2%				61.4%
Return on equity (ROE)	16.8%	22.9%				20.2%
Net operating assets (NOA) average	1'479	1'287	14.9			1'398
Return on net operating assets (RONOA) after tax	19.1%	30.2%				24.7%
Average number of FTEs	14'501	14'920	-2.8		-2.9	14'795

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

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

As expected, demand for Bucher Industries' products and services declined overall compared to the very strong prior-year period. The order intake fell in all divisions, with agriculture being particularly hard hit by the downturn. Sales at Kuhn Group, Bucher Hydraulics, Bucher Emhart Glass and Bucher Specials were below the previous year's levels, while sales at Bucher Municipal increased. The order book remained slightly above the historical average, with a reach of four months. The cost-saving measures initiated were consistently continued. The operating profit margin was maintained in the double-digit range and remained above the target of 10%. Profitability developed positively at Bucher Municipal, where the efficiency measures introduced in previous years had an impact. The Group's profit for the period declined significantly.

**Financial position remains very solid** In the first half of 2024, the return on net operating assets (RONOA) after tax was 19.1%, slightly below the target of 20% over a business cycle but still well above the cost of capital of 8%. The main factors were on the one hand the lower operating profit and on the other hand the higher average net operating assets due to lower advances from customers at Kuhn Group and higher investments in various construction projects. The seasonal increase in net working capital, the purchase of the remaining shares in Giletta by Bucher Municipal in Italy and the dividend payment impacted the free cash flow. The financial position remains very solid, with net liquidity of CHF 186 million at the end of June 2024 and an equity ratio of 62%.

## Kuhn Group

CHF million	January – June		Change		Full year
	2024	2023	%	% <sup>1)</sup>	2023
Order intake	326	467	-30.3	-28.2	1'121
Net sales	704	852	-17.4	-15.1	1'422
Order book	285	604	-52.8	-51.2	670
Operating profit (EBIT)	71	114	-38.2		163
% of net sales	10.0%	13.4%			11.4%
Average number of FTEs	5'728	6'185	-7.4		5'991

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

**Significant drop in demand** Lower prices for agricultural products, high interest rates and fewer subsidies continued to make farmers cautious in terms of investment. In addition, the inventories of agricultural machinery in the dealer network remain high, which led to lower demand on the part of the dealers in all regions and was reflected in a significant decline in order intake, especially in Brazil and Europe. Europe's uncertain political climate, together with its wet weather conditions, had an additional negative impact. The slowdown also continued in North America. The division's order intake fell by 30%. Kuhn Group sales

fell significantly by 17% compared to the strong performance in the prior-year period, with Brazil being a major contributing factor here. North America continued to benefit from a solid order book. The division's order book had a reach of three months at the end of June, in line with the historical average. The operating profit margin was significantly below the high level of the previous year, but at 10.0%, it remained in the double-digits. Capacity adjustments have been made in Brazil as well as in Europe, and the division is continuing to work on optimising its costs.

## Bucher Municipal

CHF million	January – June		Change			Full year
	2024	2023	%	% <sup>1)</sup>	% <sup>2)</sup>	2023
Order intake	273	301	-9.2	-6.7	-7.1	576
Net sales	288	267	7.8	10.5	10.1	573
Order book	295	343	-14.1	-11.6	-11.6	311
Operating profit (EBIT)	24	14	68.1			36
% of net sales	8.2%	5.3%				6.3%
Average number of FTEs	2'506	2'524	-0.7		-1.1	2'545

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

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

**Pleasant increase in margin** Demand at Bucher Municipal was stable overall in the first half of 2024. The truck-mounted sweepers and sewer cleaning vehicles segments benefitted from the improved capacity to deliver chassis units. Business in the compact sweepers segment declined compared to the high level recorded in the prior-year period, impacted by the lower subsidies for electrified vehicles in Europe, among other things. Orders in the refuse collection vehicles segment in Australia decreased, while orders for winter maintenance equipment increased. Overall, order intake fell by 9% compared to the high level recorded in the prior-year period. Sales increased by 8%. The order book continued to have a reach of six months. The operating profit margin improved significantly to 8.2% due to the higher capacity utilisation and efficiency measures.

## Bucher Hydraulics

CHF million	January – June		Change		Full year
	2024	2023	%	% <sup>1)</sup>	2023
Order intake	304	361	-15.6	-13.2	670
Net sales	356	400	-11.1	-8.7	744
Order book	176	268	-34.4	-32.6	230
Operating profit (EBIT)	41	60	-30.9		104
% of net sales	11.6%	14.9%			13.9%
Average number of FTEs	3'035	3'007	0.9		3'042

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

**Diverging end-market dynamics** In a weakening market, Bucher Hydraulics' order intake was down 16% compared to the high level recorded in the prior-year period, with the decline in the agricultural machinery segment being a major factor here too. However, demand is stabilising, particularly in North America and to some extent also in China. The division's sales declined by 11% overall. The order book was reduced to a reach of three months. The operating profit margin amounted to 11.6%, remaining well in the double digits. The division continued to rigorously follow through with the cost-saving measures initiated in the previous year.

## Bucher Emhart Glass

CHF million	January – June		Change		Full year
	2024	2023	%	% <sup>1)</sup>	2023
Order intake	195	314	-37.7	-35.7	520
Net sales	249	270	-8.0	-5.1	524
Order book	245	355	-30.9	-28.9	302
Operating profit (EBIT)	46	54	-14.5		102
% of net sales	18.5%	20.0%			19.5%
Average number of FTEs	1'654	1'647	0.4		1'655

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

**Solid result in a weakening market** Demand for glass forming machinery and inspection machinery weakened, falling in the first half of the year compared to the very high level recorded in the prior-year period. Europe and North America were particularly affected by the downturn. Overall, order intake at Bucher Emhart Glass returned to normal, but fell significantly by 38% compared to the high level recorded in the

prior-year period. Capacity utilisation remained good thanks to the high order book. Overall, the division recorded a decline in sales of 8%. The order book was reduced but still had a reach of six months. The operating profit margin fell slightly to 18.5% but still attained a very good level.

## Bucher Specials

CHF million	January – June		Change		Full year
	2024	2023	%	% <sup>1)</sup>	2023
Order intake	169	182	-7.2	-4.3	369
Net sales	171	195	-12.4	-9.7	398
Order book	120	140	-14.5	-13.2	122
Operating profit (EBIT)	3	16	-79.9		33
% of net sales	2.0%	8.4%			8.3%
Average number of FTEs	1'513	1'497	1.1		1'500

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

**Disappointing business development** Bucher Specials' markets presented a mixed picture in the first half of 2024. The division's order intake was 7% below the prior-year period. The division's sales impacted by seasonal factors declined by 12%, with Bucher Vaslin in particular unable to match the high level of the prior-year period. The order book had a reach of four months. The lower sales level put pressure on the operating profit margin, which reached 2.0%.

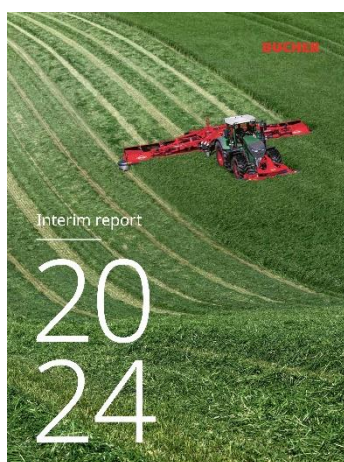
## Outlook for 2024

Bucher Industries expects demand to continue to be affected by the volatile environment in the second half of the year. While it is unlikely that the agricultural machinery market will recover, the stabilisation that has begun in other markets is expected to continue. **Kuhn Group** expects sales to decrease and the operating profit margin to be lower. **Bucher Municipal** forecasts sales in line with prior-year figures. The operating profit margin is likely to increase, it will probably not yet reach the margin target of 9% due to the expected product mix in the year 2024. Due to the weakening market momentum, **Bucher Hydraulics** expects both sales and the operating profit margin to decline. **Bucher Emhart Glass** anticipates only slightly weaker sales compared with the very high sales of the previous year. Accordingly, the operating profit margin is expected to be somewhat lower than in 2023. **Bucher Specials** expects a slight decline in sales and a lower operating profit margin compared to the prior-year period. The **Group** expects lower sales in 2024. Due to the decreased capacity utilisation, the operating profit margin is also expected to decline compared to the prior year, but still remaining in the double digits. Accordingly, the Group's profit for the year is expected to be lower than the

high level recorded in the previous year. The optimisation measures already initiated are being continued. The Group maintains its long-term focus and consistent investment in innovations.

The interim report as well as the investor relations handout and the presentation on the results for the first half of 2024 are available on [bucherindustries.com](https://www.bucherindustries.com) under “Media dossiers”.

The conference on the interim results will be held at 2 p.m. via MS Teams ([link to registration](#)). The recording (without Q&A) will subsequently be published on [bucherindustries.com](https://www.bucherindustries.com).



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Understand Bucher 100% – self-irony and wink included:



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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 agricultural machinery, municipal vehicles, hydraulic and electronic components as well as electrohydraulic systems, manufacturing equipment for the glass container industry, equipment for processing beverages and automation solutions. 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)

In cases of doubt, the German version of this press release is authoritative.