

**Annual press conference and
annual analyst conference**
16 March 2010

Annual press conference and annual analyst conference

BUCHER

We asked. What were the internal repercussions of the financial crisis? How did it affect product development? Is necessity the mother of invention? Is a talent for improvisation a key to success? What role does each individual play in times of crisis? Is it helpful to adhere to a high personal standard? How do executives feel emotionally when they have to announce a spate of redundancies? How heavily did each of the industry sectors slump? Did facilities need to be closed down unexpectedly? Did the situation require a culture change within the companies? How important were commitment and solidarity? What typified relationships with customers? Does the crisis also present an opportunity? When must one afford not to save? How important is the time factor in decision-making? Were there any positive developments? What were the most effective measures? Is there a secret recipe? What does communication mean? How important is a mutual understanding of the situation? Has the crisis brought new insights? What can we do better? What are the expectations for the year ahead?

Annual report 2009

Group at a glance

- 2009 dominated by the economic crisis
 - Sales down by 23%, organically by 25%
 - From coping with growth to coping with the crisis
 - Exceptional operational challenges
- Economic slump necessitated goodwill impairment charges of CHF 86 million
- All divisions posted an operating profit before impairment charges, and the Group an operating profit of CHF 26 million after impairment charges
- Profit for the year of CHF 62 million before impairment charges, loss of CHF 24 million after impairment
- High operating free cash flow of CHF 183 million

Group at a glance (continued)

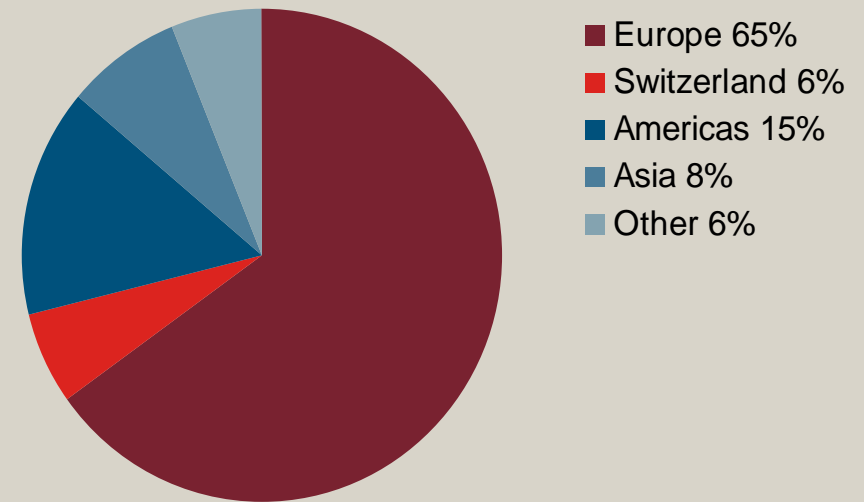
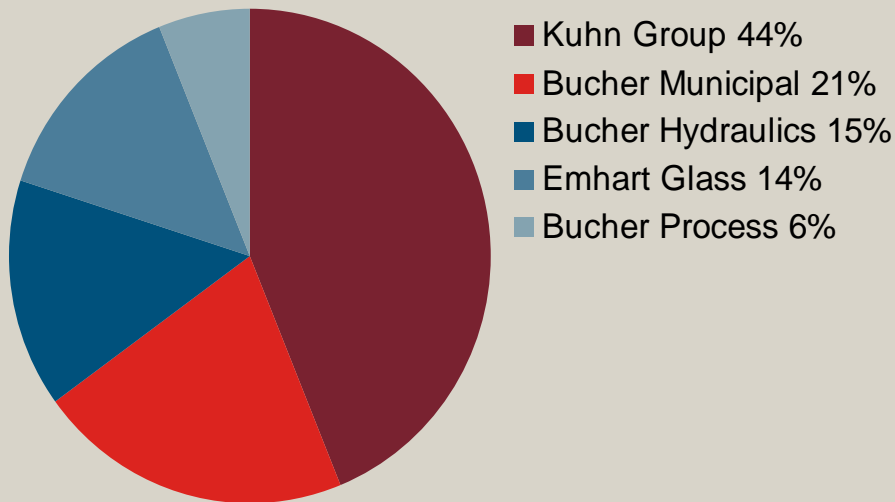
- Crisis seen as an opportunity, strengthening the Group
 - Improved cost structure: employment costs reduced by CHF 88 million and other operating expenses by CHF 75 million
 - Expenditure of CHF 76 million on R&D with no cuts
 - Acquisition of balers, bale wrappers and drum mowers
- Solid balance sheet and high liquidity despite the crisis year and acquisitions
 - Low increase in net debt
 - Equity ratio of 37% despite the extended balance sheet

Key figures

CHF million	2009	2008	% change
Order intake	1 797	2 792	-35.6
Net sales	2 142	2 789	-23.2
Order book	507	843	-39.9
Operating profit (EBITDA) as % of net sales	190 8.9%	342 12.2%	-44.5
Operating profit (EBIT) before impairment as % of net sales	112 5.2%	276 9.9%	-59.5
Operating profit (EBIT) as % of net sales	26 1.2%	246 8.8%	-89.5
Profit for the year as % of net sales	-24 -1.2%	145 5.2%	n.a.

Net sales by division and region in 2009

CHF 2 142 million



Employee numbers

	2009	2008	% change
At 31 December	7 183	8 373	-14.2
Average during year	7 618	8 176	-6.8
Excluding acquisitions:			
At 31 December	6 929	8 373	-17.2
Average during year	7 311	8 176	-10.6

Investing in the future

CHF million	2009	2008	% change
Development costs	76	78	-2.8
Capital expenditure on property, plant and equipment	59	131	-55.3
Acquisitions	173	150	15.3

Our businesses



Kuhn Group

World's leading manufacturer of specialised agricultural machinery for tillage, seeding, fertilisation, spraying, landscape maintenance, hay and forage harvesting, livestock bedding and feeding.

Sales CHF 950 m
Employees 3 200

Bucher Municipal

World leading supplier of municipal vehicles for cleaning and removing snow from public and private areas. Its range of products encompasses compact and truck mounted sweepers, winter maintenance equipment and refuse collection vehicles.

Sales CHF 400 m
Employees 1 300

Bucher Hydraulics

International leader in the design and manufacture of custom mobile and industrial hydraulic system solutions. Its wide array of products encompasses pumps, motors, valves, power units, elevator drives and control systems with integrated electronics.

Sales CHF 320 m
Employees 1 300

Emhart Glass

World's leading supplier of advanced technologies for manufacturing and inspecting glass containers. Its portfolio encompasses glass forming and inspection machinery, systems and components for the glass container industry.

Sales CHF 300 m
Employees 900

Bucher Specials

Independent businesses: winemaking equipment; fruit juice processing equipment; drying systems for the food industry and sludge dewatering systems; Swiss distributorship for tractors and agricultural machinery.

Sales CHF 200 m
Employees 500

Kuhn Group

Specialised agricultural machinery



Ploughing



Tillage



Seeding



Fertilisation



Manure spreaders



Spraying

Hay & forage
harvesting

Feed storage



Bedding & feeding

Landscape
maintenance

Kuhn Group

Key figures

CHF million	2009	2008	% change
Order intake	735	1 224	-39.9
Net sales	948	1 106	-14.2
Order book	246	432	-43.1
Operating profit (EBITDA) as % of net sales	109 11.5%	157 14.2%	-30.3
Operating profit (EBIT) before impairment as % of net sales	71 7.5%	137 12.4%	-48.1
Operating profit (EBIT) as % of net sales	7 0.8%	137 12.4%	-94.6
Number of employees at 31 December excluding acquisitions	3 152 2 898	3 563 3 563	-11.5 -18.7

Kuhn Group

2009 highlights

- Massive slump in business activity
 - Falling prices for milk, meat and other agricultural produce
 - Farmers' lower income caused uncertainty
 - All regions affected, with Eastern Europe coming to a virtual standstill
 - Goodwill impairment charges of CHF 64 million
- Manpower adjusted by 19% (excluding acquisitions) and insourcing
- Professional, rapid alignment of inventory levels at the plant and in the distribution channels
- Opportunity in the crisis, targeted reinforcement of the product portfolio
 - Blanchard: sprayers at the end of 2008
 - Geldrop: balers and bale wrappers at the beginning of 2009

Kuhn Group Outlook for 2010

- No rapid market recovery expected
 - Continued pressure on farmers' income
 - Destocking heightening the pricing pressure
 - Reluctance in lending expected to continue
- North America should have bottomed out; the main European markets only likely to reach this point in the second half of the year
- Impetus provided by expansion of new product distribution, entailing market launch costs
- Sales and operating profit, excluding prior year impairment charges, in the region of 2009

Bucher Municipal Sweepers and winter maintenance equipment



Compact sweepers



Truck mounted sweepers



Spreaders



Snow blowers



Refuse collection vehicles

Bucher Municipal

Key figures

CHF million	2009	2008	% change
Order intake	437	528	-17.4
Net sales	452	579	-21.9
Order book	91	115	-20.5
Operating profit (EBITDA) before restructuring as % of net sales	39 8.5%	51 8.8%	-24.4
Operating profit (EBIT) before restructuring ¹⁾ as % of net sales	30 6.7%	38 6.6%	-19.9
Operating profit (EBIT) as % of net sales	20 4.5%	38 6.6%	-46.3
Number of employees at 31 December	1 365	1 543	-11.5

¹⁾ 2008 including impairment charge of CHF 4.7 million

Bucher Municipal 2009 highlights

- Rapid adjustment to lower volume
- Continued product development:
 - Launch of a new 1m³ compact sweeper on the market in early 2010
 - Prototype test for new generation of truck mounted sweepers
 - Prototype of a hydrogen fuel cell powered compact sweeper
- Snowy winter giving impetus to winter maintenance business
- Restructuring costs of CHF 10 million
 - Truck mounted sweeper assembly concentrated in Niederweningen, Switzerland
 - Closure of Hanover manufacturing facility in Germany
 - Expansion of Latvian production, with capex of CHF 6 million in 2010
- EBIT margin of 6.7% (2008: 6.6%) before restructuring costs

Bucher Municipal Outlook for 2010

- Bucher Landtechnik AG (2009: sales of CHF 66 million) transferred to Bucher Specials
- Demand situation remaining tense
 - Great uncertainty surrounding effects of high national debt and anticipated lower tax revenues
 - Possible impetus from economic stimulus packages
 - Emission reductions and modernisation programmes as driving forces
- Competitiveness increased by optimised structures
- Excluding Bucher Landtechnik, sales in the region of 2009 with slightly improved profitability

Bucher Process

Wine and fruit juice production equipment



Destemmers



Pneumatic tank presses



CF filtration systems



Reverse osmosis systems



Mills



Hydraulic presses



Ultrafiltration systems



Evaporators

Bucher Process

Key figures

CHF million	2009	2008	% change
Order intake	116	168	-30.6
Net sales	122	195	-37.5
Order book	33	40	-17.3
Operating profit (EBITDA) as % of net sales	7 5.6%	26 13.4%	-73.9
Operating profit (EBIT) as % of net sales	5 3.9%	24 12.3%	-80.5
Number of employees at 31 December	459	520	-11.7

Bucher Process

2009 highlights

- Slump in demand in the wake of the economic slump
 - Wine producers waiting for the EU subsidy programme to be released
 - Fruit juice producers suffering from high inventories and low prices
 - No large-scale projects at all
- Closure of manufacturing facilities in Italy and France
- Moderate job cuts for winemaking equipment in view of order intake picking up towards the end of 2009
- Sales of sewage and industrial sludge dewatering equipment reached CHF 6 million
- From 2010, independent businesses for winemaking, fruit juice processing and drying technology transferred to Bucher Specials; Bucher Process dissolved

Bucher Hydraulics

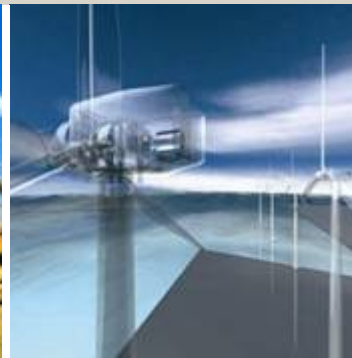
Custom drive solutions



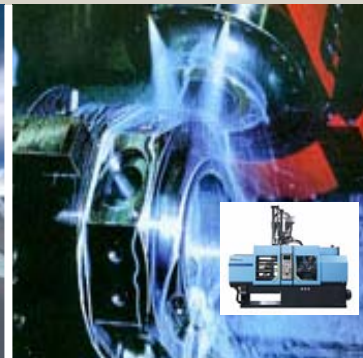
Agricultural machinery



Mining / tunnelling



Wind energy



Mechanical engineering



Municipal equipment



Construction equipment



Materials handling



Elevator hydraulics



Marine / offshore



Power engineering

Bucher Hydraulics

Key figures

CHF million	2009	2008	% change
Order intake	277	473	-41.5
Net sales	320	497	-35.7
Order book	46	85	-46.6
Operating profit (EBITDA) as % of net sales	34 10.6%	76 15.4%	-55.6
Operating profit (EBIT) before impairment as % of net sales	14 4.3%	56 11.3%	-75.7
Operating profit (EBIT) as % of net sales	-9 -2.7%	31 6.3%	n.a.
Number of employees at 31 December	1 317	1 664	-20.9

Bucher Hydraulics

2009 highlights

- Adjustment to a substantially lower volume
 - Rapid slump in demand in all segments
 - Reduction of manpower by 20%; closure of the French manufacturing facility
 - Supply capability maintained by the introduction of short-time working
- Integration and expansion of the North American platform
- Anti-cyclical approach by building a 4000 m² production unit at Bucher Hydraulics Neuheim, Switzerland
- Lower sales and slow recovery necessitated impairment charges of CHF 22 million in the USA

Bucher Hydraulics Outlook for 2010

- The low expected to have bottomed out at the end of 2009
 - North America: increase in demand in late 2009
 - Western Europe: positive signs in early 2010
 - Orders with short delivery times due to customers' low inventory levels
 - Demand rising in the energy sector and construction equipment in China
- Closure of the Langendorf manufacturing facility in Switzerland
- Short-time working should be able to be stopped at the beginning of the second quarter of 2010 except in Italy
- Better utilisation of the reduced capacities expected
- Sales expected to increase slightly with an improvement in pre-impairment operating profit

Emhart Glass

Glass container manufacturing equipment



Gob forming



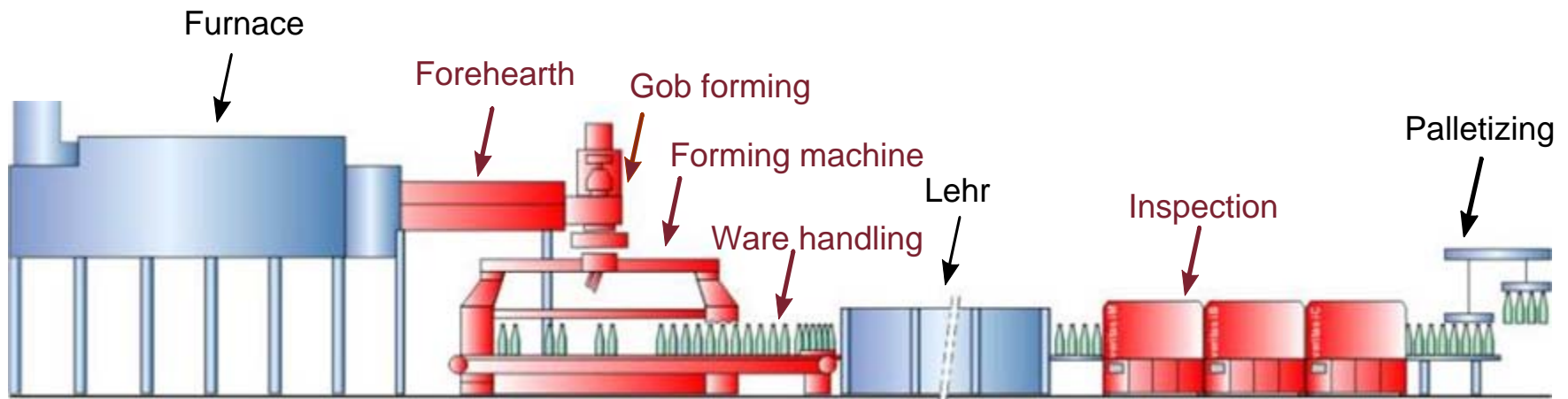
Glas forming machine



Ware handling



Inspection



Glass container manufacturing process

Emhart Glass

Key figures

CHF million	2009	2008	% change
Order intake	232	399	-41.7
Net sales	304	418	-27.4
Order book	92	171	-46.6
Operating profit (EBITDA) as % of net sales	21 7.0%	44 10.6%	-52.0
Operating profit (EBIT) as % of net sales	12 4.0%	35 8.4%	-65.1
Number of employees at 31 December	871	1 064	-18.1

Emhart Glass

2009 highlights

- Abrupt decline in capital spending
 - Economic slump slowed down sales of glass containers
 - Insufficient capacity utilisation in the glass container industry
 - Projects scaled back, deferred and cancelled
- Excess capacities of glass container manufacturers reduced sales of spare parts in the second half of the year
- Costs reduced to the 2006 level
- R&D Centre proved its effectiveness
 - Industrial viability of tempered glass manufacturing demonstrated; first industrial system with pilot customers targeted for the end of 2010
 - Market launch of new products tested in real-world conditions

Emhart Glass Outlook for 2010

- Limited visibility in the glass container industry
 - Glass container manufacturers' capacity utilisation remaining unsatisfactory
 - Few capital investment projects in the first half of the year, better outlook for the second half
 - Financing of capital-intensive projects remaining difficult
- Demand recovering faster in Asia than in other regions
- In difficult times, the product mix shifts towards simpler, standard machines
- Expansion of the Malaysian assembly and component plant
- Sales expected to be lower, with improved operating profit

Bucher Specials

Independent businesses

Winemaking equipments



Horizontal grape presses

Fruit juice processing systems and drying equipments



Hydraulic presses

Agricultural distributorship for Switzerland



New Holland tractor



Micro-filtration systems



Filtration systems



Round balers

Bucher Specials

Key figures

CHF Mio.	2009 pro forma
Order intake	182.1
Net sales	187.7
Order book	42.9
Operating profit (EBITDA) as % of net sales	12.4 6.6%
Operating profit (EBIT) as % of net sales	10.0 5.4%
Number of employees at 31 December	506
Average number of employees during year	537

Bucher Specials Outlook for 2010

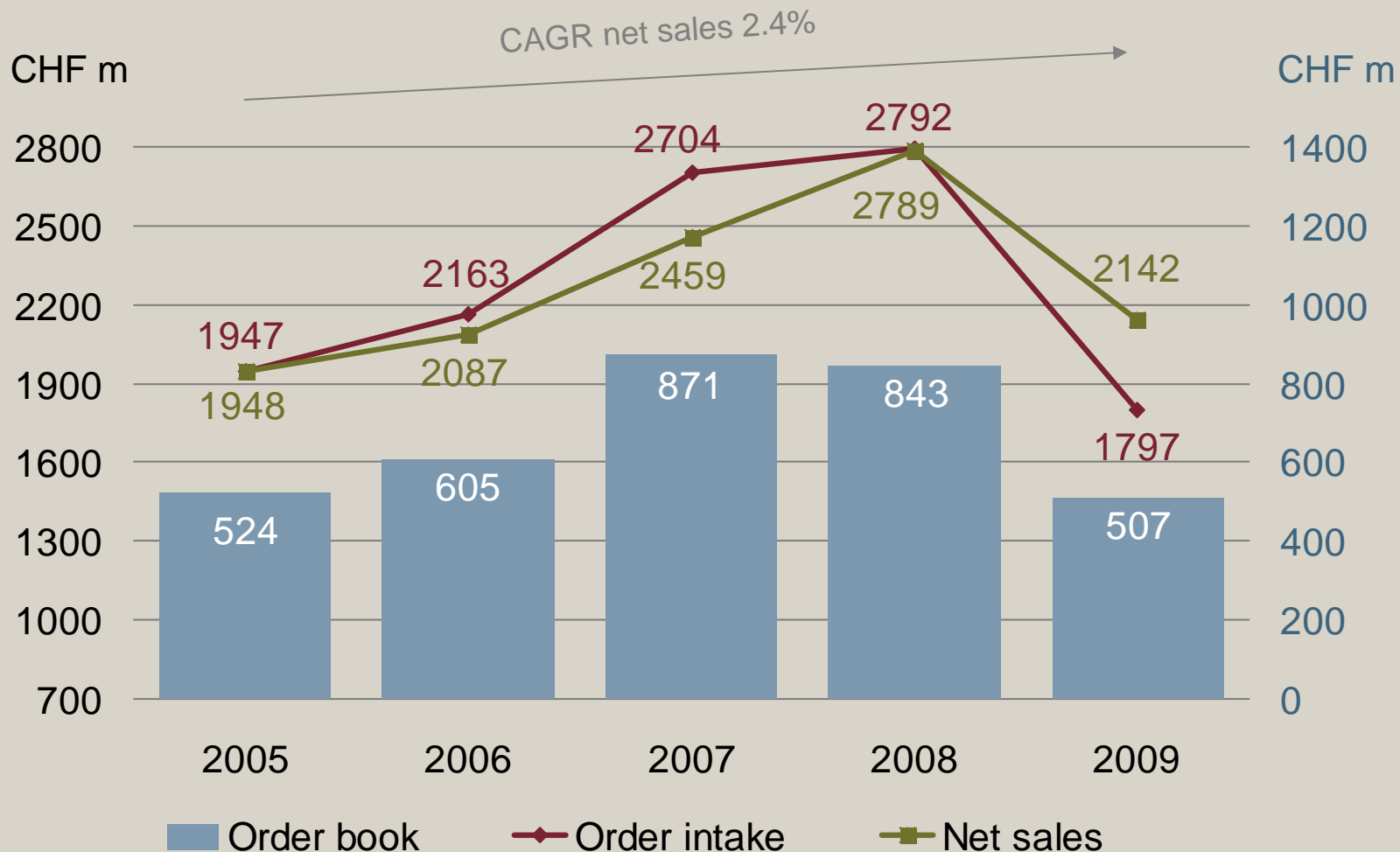
- Winemaking equipment
 - Marked increase in sales fuelled by EU subsidies
 - Main markets of France and Italy should see brisk demand
 - Modernisation of customers' facilities with product innovations
- Fruit juice equipment expects a difficult year without large-scale projects
- Systems for dewatering sewage and industrial sludge should continue to generate increasing sales
- Bucher Landtechnik strengthening its position by taking over the Kuhn distributorship for Switzerland
- Overall, Bucher Specials expects sales on a par with last year and improved operating profit

Group outlook for 2010

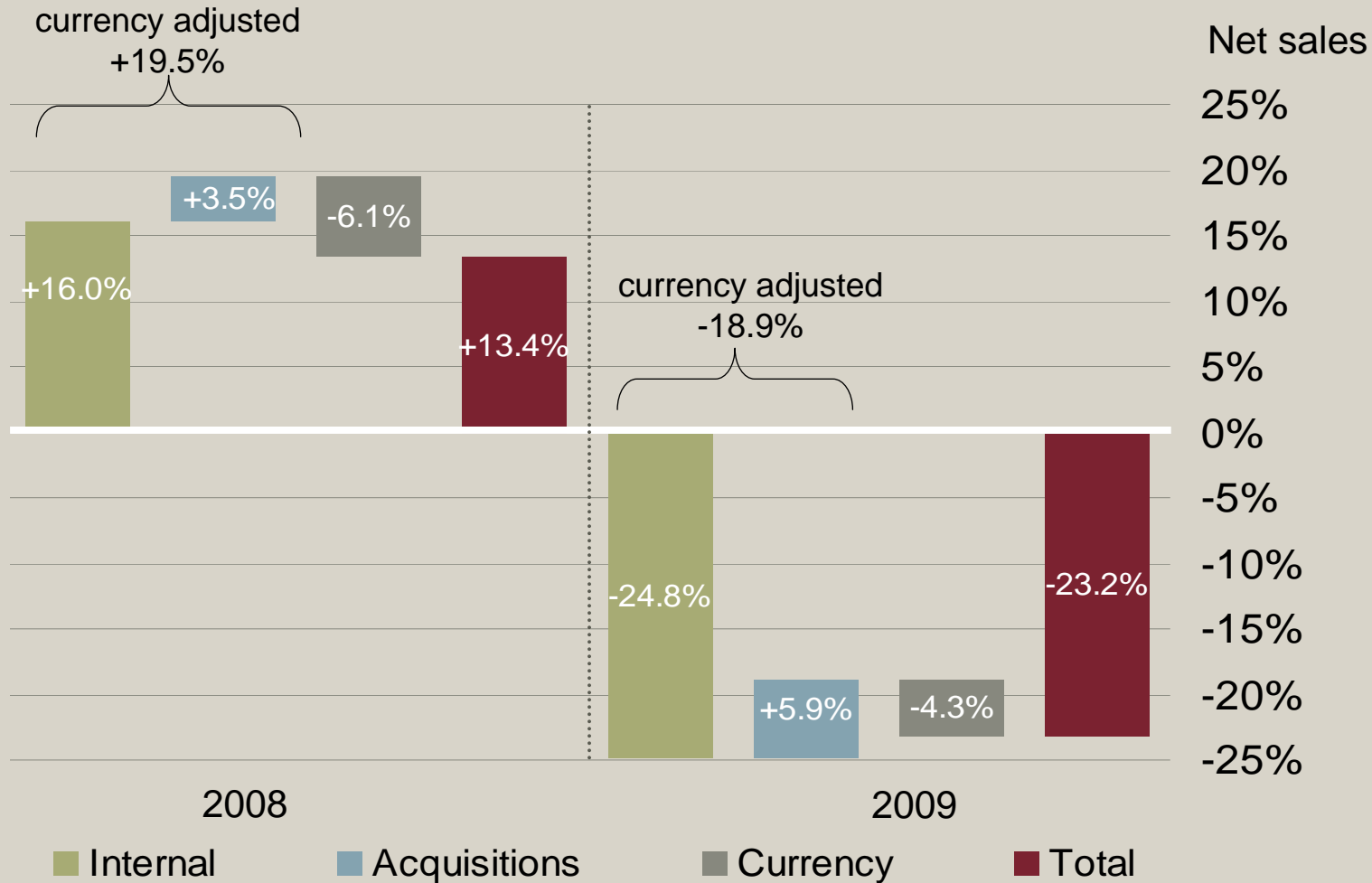
- Demand not expected to recover fast
 - A subdued year anticipated for agricultural machinery in Europe
 - Municipal vehicles facing great uncertainty surrounding effects of national debt and low tax revenues
 - Hydraulic components expect increased demand
 - Glass forming machines affected by lower capital spending
 - Trends in the independent businesses of Bucher Specials to balance out
- The customers' financing problems are unlikely to be resolved quickly
- Low order book at the beginning of 2010
- Excluding 2009 impairment charges: Sales, operating profit and net profit expected to be on a par with last year

Financial report 2009

Order book, order intake and net sales

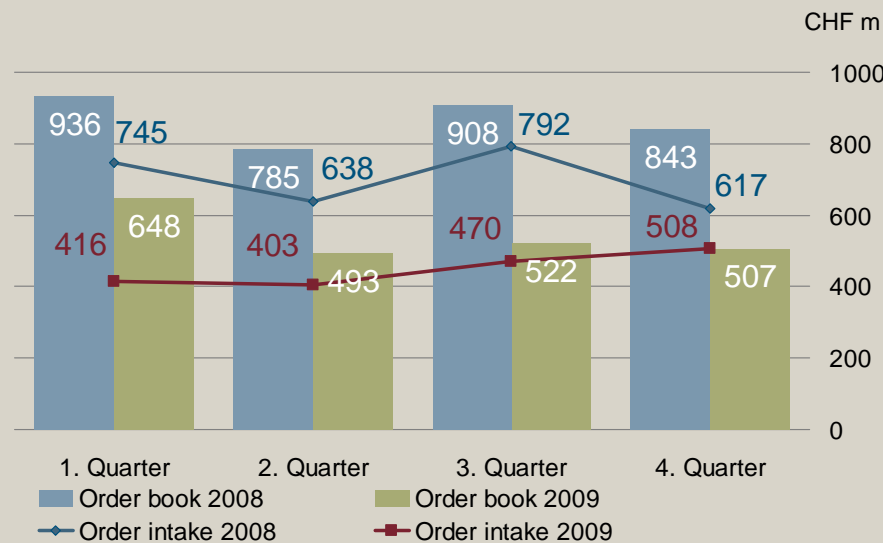


From coping with growth to coping with the crisis

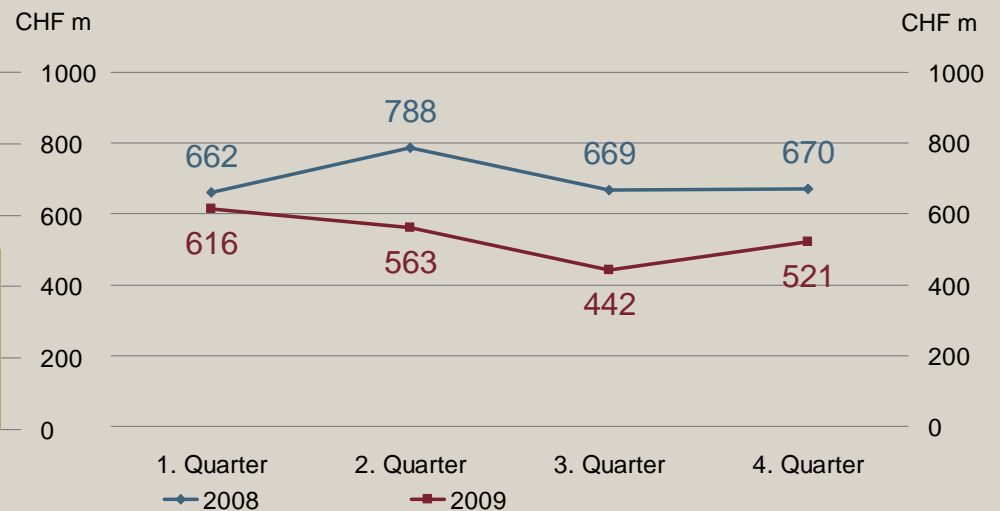


Order intake, order book and net sales

Order intake and order book

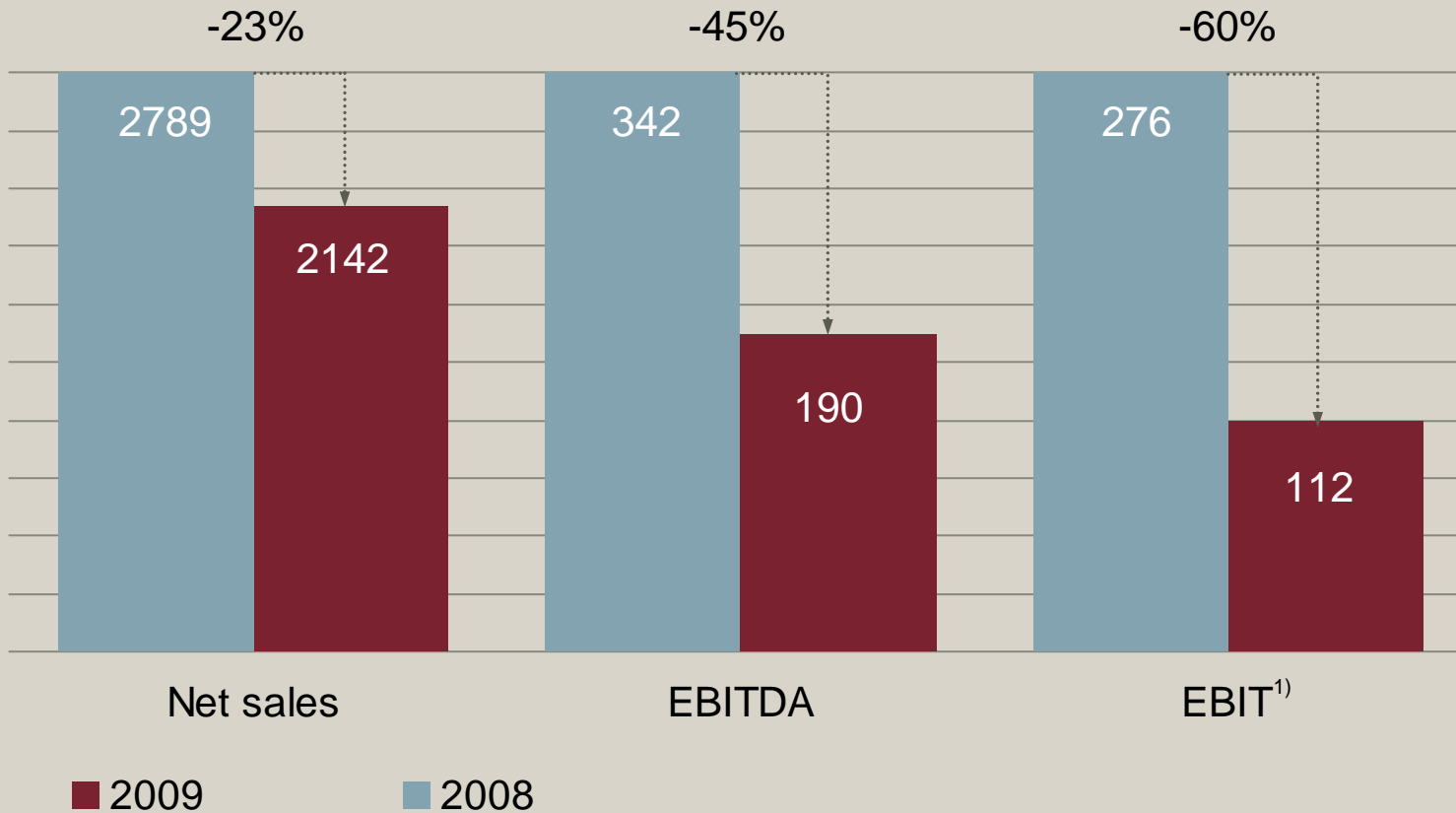


Net sales



Impact on net sales, EBITDA and EBIT

CHF m



¹⁾ before impairment

Consolidated income statement (1)

CHF million	2009		2008		Change in %-points
Net sales	2 142	100.0%	2 789	100.0%	
Changes in inventories of finished goods and work in progress	-121	-5.6%	78	2.8%	
Raw materials and consumables	-1 038	-48.4%	-1 574	-56.5%	+8.1
Employment costs	-536	-25.0%	-624	-22.4%	-2.6
Other operating income	26	1.1%	30	1.1%	-
Other operating expenses	-283	-13.2%	-357	-12.8%	-0.4
Operating profit (EBITDA)	190	8.9%	342	12.2%	-3.3

Consolidated income statement (2)

CHF million	2009	2008	Change in %
Operating profit (EBITDA)	190	342	-44.5
Depreciation	-61	-55	
Amortisation	-17	-11	
Operating profit (EBIT) before impairment	112	276	-59.5
Impairment	-86	-30	
Operating profit (EBIT)	26	246	-89.5
Net financial items	-19	-29	
Income tax expense	-31	-72	
Profit for the year	-24	145	n.a.
Earnings per share in CHF	-2.60	14.39	

Net financial items

CHF million	2009	2008	+/-
Net interest expense	-16	-9	-7
Net gain on short-term investments	7	11	-4
Foreign exchange gains and losses	-7	-23	16
Impairment on associates	-	-9	9
Other financial items	-3	1	-4
Net financial items	-19	-29	10

Foreign exchange result

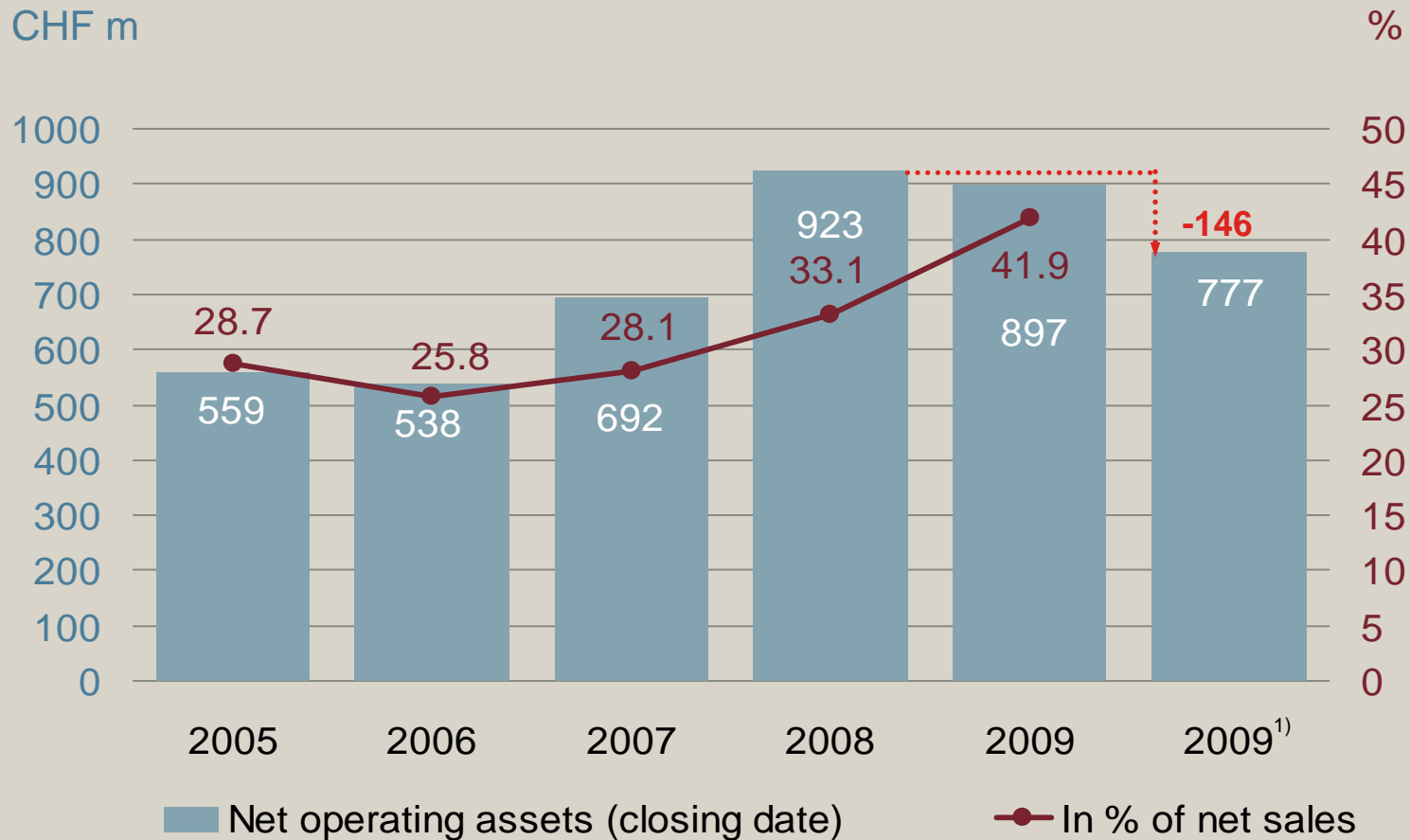
CHF million	2009	2008	+/-
Foreign currency hedges in EBIT	8	-	8
Foreign exchange gains/losses in net financial items	-7	-23	16
Total foreign exchange gains and losses	1	-23	24



Income tax

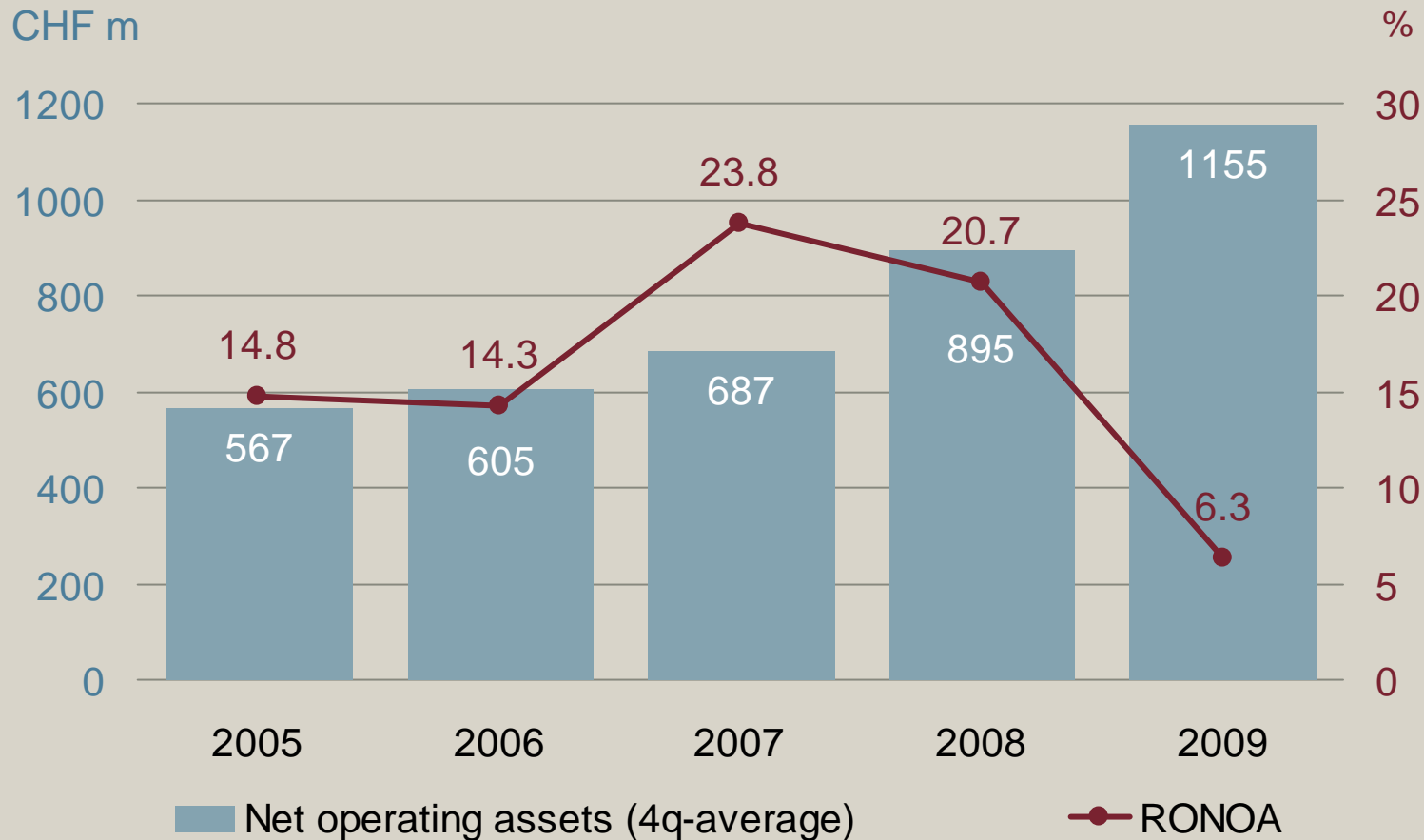
CHF million	2009	2008	+/-
Result before tax	7	217	-210
Income tax	-31	-72	-41
Tax rate before impairment	33.8%	33.0%	

Net operating assets (NOA) and NOA in % of net sales



¹⁾ acquisition adjusted

NOA and RONOA before impairment



Cash flow statement

CHF million	2009	2008	+/-
Profit for the year	-24	145	-169
Depreciation and amortisation	78	66	12
Change in provisions	-4	-7	3
Change in working capital	105	-110	215
Other monetary positions	-2	-30	28
Impairment	86	39	47
Net cash from operating activities	239	103	136

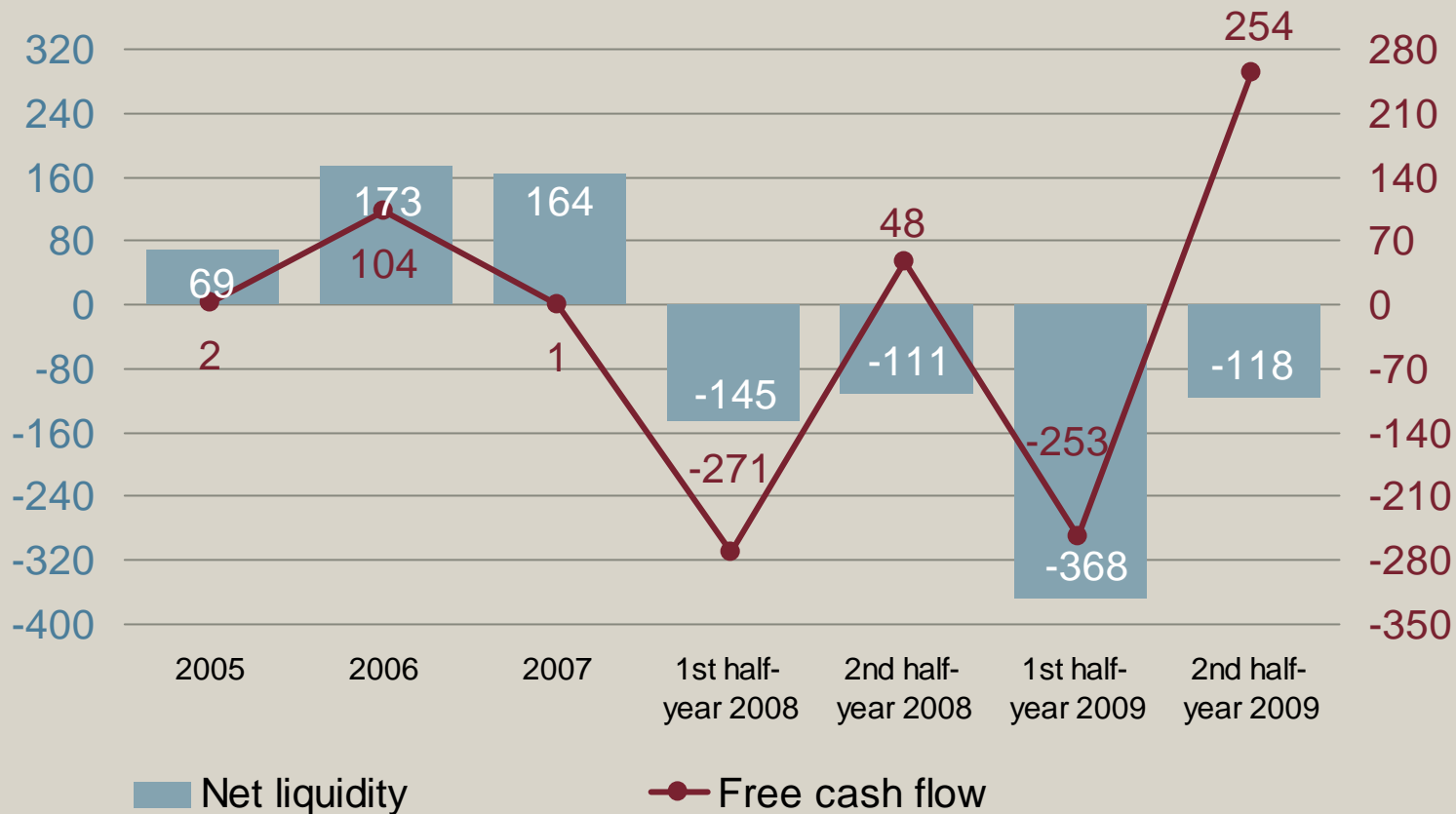
Operating free cash flow / Free cash flow

CHF million	2009	2008	+/-
Net cash flow from operating activities	239	103	136
Purchases of property, plant and equipment (net)	-55	-116	61
Purchases of intangible assets (net)	-1	-2	1
Operating free cash flow	183	-15	198
Changes in financial assets and short-term investments	36	-6	42
Dividend	-45	-50	5
Acquisitions	-173	-152	-21
Free cash flow	1	-223	224

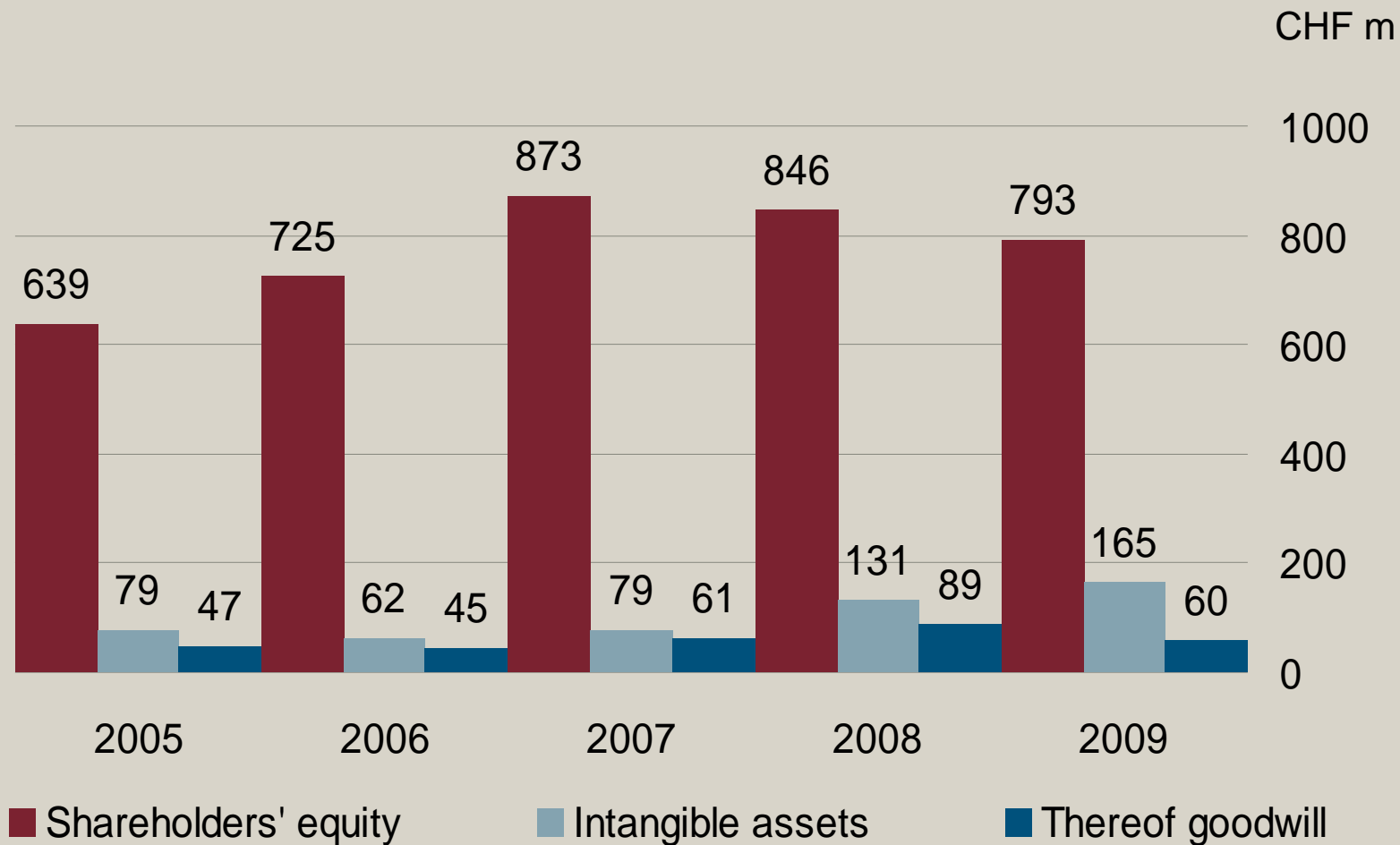
Net liquidity and free cash flow

Net liquidity
CHF m

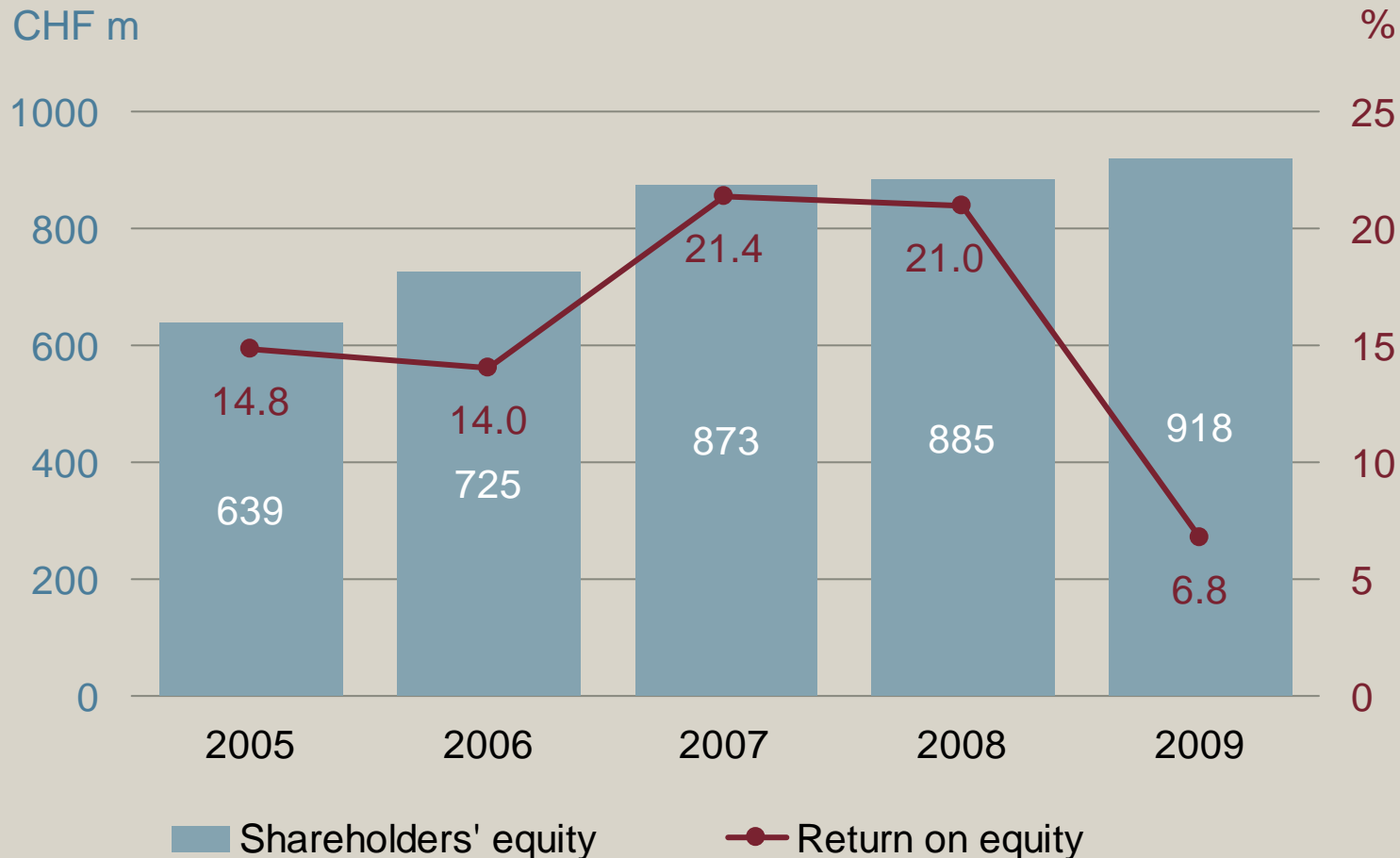
Free cash flow
CHF m



Shareholders' equity / Intangible assets



Shareholders' equity and return on equity (ROE) before impairment



Selected financial key figures

		2009	2008
Equity margin		37.3%	40.9%
Equity margin (excl. excess liquidity of CHF 300 million)		43.4%	
Net tangible worth (equity – goodwill)	CHF million	732	757
Fixed-assets-to-net-worth ratio		212%	181%
Net liquidity	CHF million	-118	-111
Debt payback period (net debt/EBITDA)		0.6	0.3
Interest coverage ratio (EBITDA/net interest expense)		12x	40x

Summary of financial review

- High liquidity and solid balance sheet despite the crisis year
 - CHF 505 million in liquid assets and CHF 440 million in available committed credit facilities
 - Equity ratio of 37%; a reduction of CHF 300 million in surplus liquid assets would result in an equity ratio of 43%
- Increase of only CHF 7 million in net debt to CHF 118 million
- Free cash flow of CHF 1 million
 - Despite the acquisition of CHF 173 million
 - Working capital reduced by CHF 105 million
 - Capital expenditure reduced to a necessary minimum of CHF 59 million
- Ratio of goodwill to equity reduced to 8% by goodwill impairment charges of CHF 86 million
 - Kuhn Group: CHF 44 million for Brazil and the Netherlands
 - Bucher Hydraulics: CHF 22 million for North America

**Remuneration report
2010 annual general meeting**

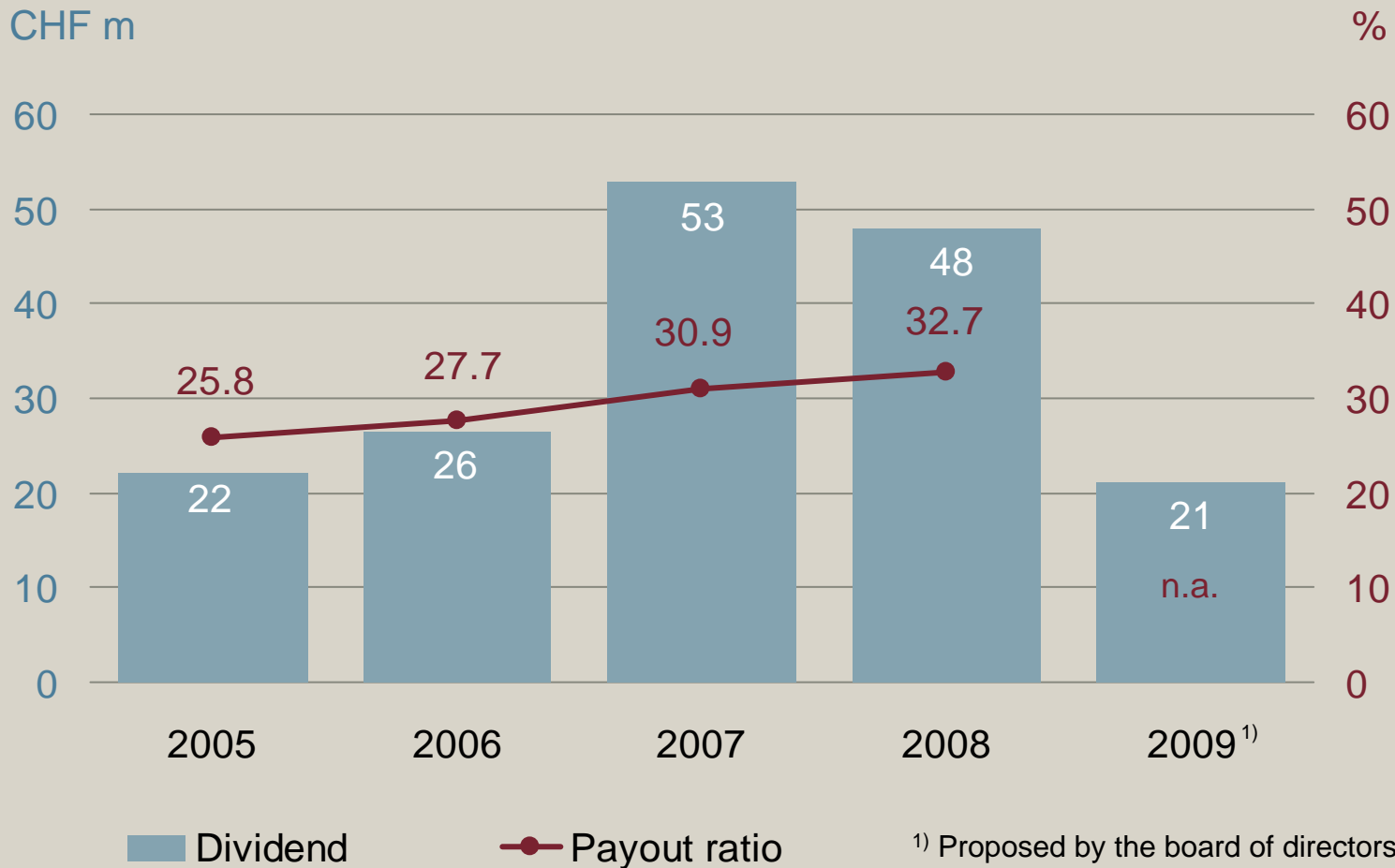
2009 remuneration report

- **Board of directors: non-performance-related remuneration**
 - Board reduced to 7 members
 - In view of the difficult financial year, the directors forwent payment of one third of their remuneration
 - Fixed base fee now paid half in cash and half in shares
 - Total remuneration per director (based on 7 directors) of about CHF 140 000
- **Group management: fixed and variable remuneration components**
 - Remuneration system with a ceiling
 - Total remuneration about 30% down within two years
 - Total remuneration per group management member of about CHF 920 000
- **Bucher practices moderation even in remuneration matters**

Board of directors' proposals

- Dividend policy
 - Steady payout ratio of between 30% and 35%
 - Assessment criteria for determining the dividend: reporting year, outlook for the current year and the Group's financial position
- 2010 dividend proposed for the 2009 financial year
 - CHF 2.00 per share
 - Previous year: CHF 4.50
- Elections to the board
 - Thomas Bechtler, Rolf Broglie and Anita Hauser
 - Nominated for another 3 years

Dividend / payout ratio



Financial calendar for 2010/2011

Annual general meeting	15 April 2010
Dividend payment	22 April 2010
Release of first quarter 2010 group sales	27 April 2010
Interim report 2010	10 August 2010
Release of third quarter 2010 group sales	27 October 2010
Release of 2009 group sales	2 February 2011
Annual press & analyst conferences	16 March 2011