

# Group presentation

# Bucher at a glance

**BUCHER**



## **Kuhn Group** Agricultural machinery

## **Bucher Municipal** Municipal vehicles

## **Bucher Hydraulics** Hydraulic systems

## **Bucher Emhart Glass** Glass container industry

## **Bucher Specials** Individual businesses

- Tillage
- Seeding
- Fertilisation
- Spraying
- Landscape maintenance
- Hay and forage harvesting

- Compact and truck-mounted sweepers
- Refuse collection vehicles
- Vacuum tankers
- Salt spreaders
- Snow plough

- Mobile and industrial hydraulics
- Pumps
- Motors
- Valves
- Cylinders
- Elevator drives

- Glass-forming machinery
- Inspection machinery
- Transport and handling systems
- Integrated systems

- Equipment for processing wine, fruit juice, beer and instant products
- Swiss distributorship for agricultural machinery
- Control and automation technology

2016  
Sales: CHF 930 million  
Employees: 4 700

2016  
Sales: CHF 390 million  
Employees: 1 700

2016  
Sales: CHF 480 million  
Employees: 2 100

2016  
Sales: CHF 370 million  
Employees: 1 800

2016  
Sales: CHF 260 million  
Employees: 800

# Number 1 in selected markets

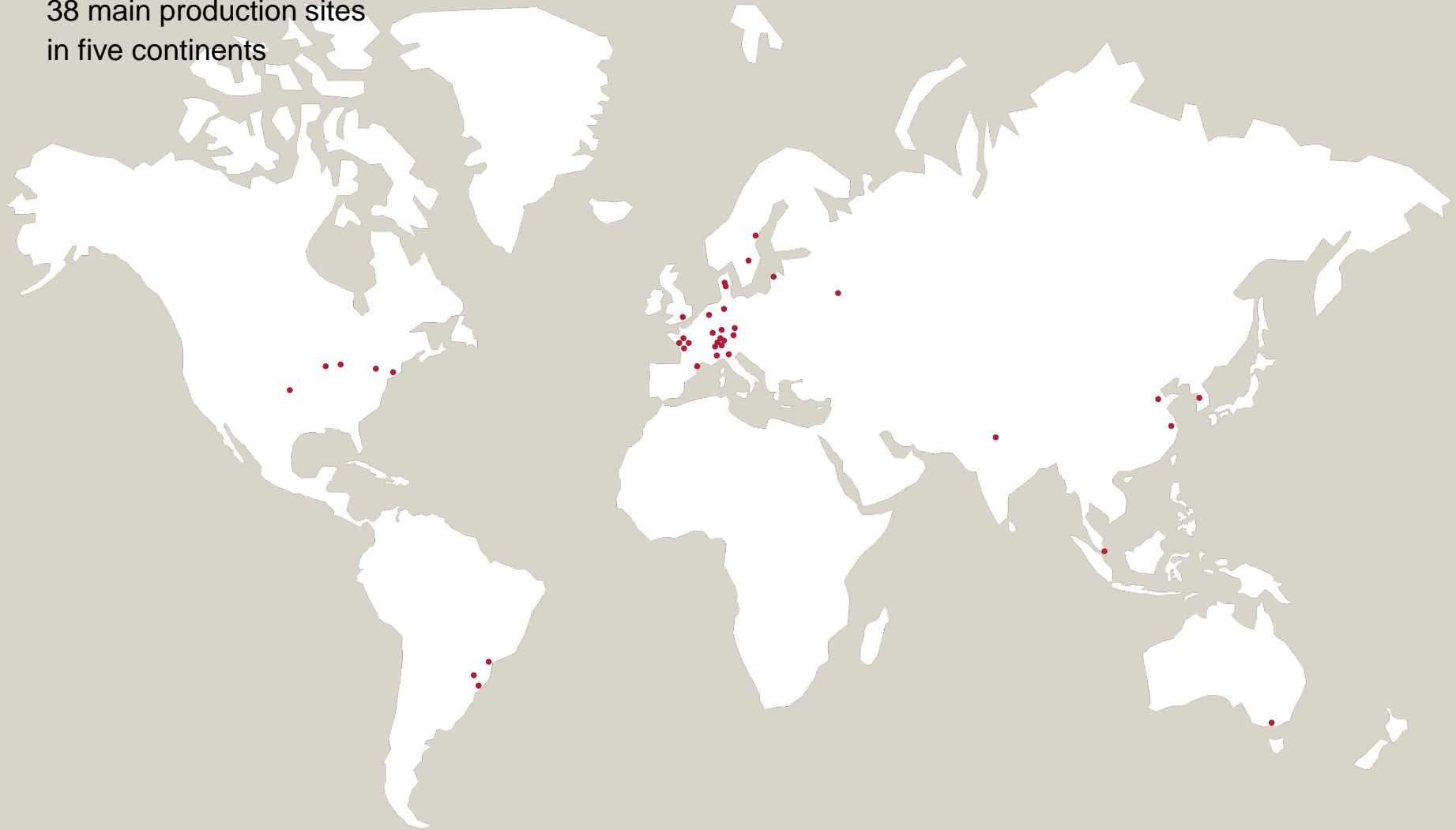
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Kuhn Group	worldwide in forage harvesting machinery and feed mixers
Bucher Municipal	in Europe in sweepers
Bucher Hydraulics	in Europe in special segments of mobile hydraulics
Bucher Emhart Glass	worldwide in glass container manufacturing equipment
Bucher Specials	worldwide in fruit juice and wine production equipment

# Manufacturing sites

**BUCHER**

38 main production sites  
in five continents



- Diversified group focused on mechanical and vehicle engineering
- Strengthening of existing divisions
  - Continuous product innovation
  - Operational efficiency with flexible structures
  - Internal growth and targeted acquisitions
- Decentralised responsibility for products, markets and results: delegated to divisions
- Central functions
  - Strategy and operations reviews
  - Treasury, Controlling, Tax, Legal, Compliance, M&A, Communication, Cyber Security
  - Management and remuneration systems
  - Bucher Management Training
- Solid balance sheet for long-term industrial independence
- Increase in company value ( $RONOA > WACC$ )

# Medium-term earnings targets

<b>EBIT margin</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>targets</b>
Kuhn Group	12.5	14.9	12.1	10.2	8.0	<b>12</b>
Bucher Municipal	9.3	8.6	7.7	8.4	3.7	<b>8</b>
Bucher Hydraulics	9.0	9.4	10.2	11.5	11.9	<b>11</b>
Bucher Emhart Glass	0.3 <sup>1)</sup>	4.8	3.9	6.6	7.1	<b>9</b>
Bucher Specials	8.1	10.0	8.9	5.0	8.0	<b>10</b>
<b>Bucher Industries</b>	<b>8.9</b>	<b>10.7</b>	<b>9.2</b>	<b>8.3</b>	<b>7.1</b>	<b>10</b>

## Group and divisions

RONOA after tax	17.0	19.3	15.8	11.5	9.7	<b>&gt;16</b>
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<sup>1)</sup> After restructuring costs of CHF 9 million in 2012

## Business performance in the divisions ranged from pleasing progress to market slowdown

- **Kuhn Group:** Record harvests and overproduction resulted in price slump and cautious investment behaviour; division with marked decline in sales
- **Bucher Municipal:** Major contracts were largely missing in the European market for municipal vehicles; sales slightly higher than previous year thanks to acquisitions
- **Bucher Hydraulics:** Modest growth in stable market environment
- **Bucher Emhart Glass:** Robust demand in Central America, slowdown in China; brisk business with spare parts; positive co-operation with O-I
- **Bucher Specials:** Marked recovery in beverage technologies; positive development in automation solutions

**Group sales were only 4% lower year on year, partly thanks to acquisitions**

# Group

## Key figures – first half

CHF million	January – June		Change in			Full year
	2017	2016	%	% <sup>1)</sup>	% <sup>2)</sup>	2016
Order intake	1 267	1 088	16.4	17.5	16.3	2 386
Net sales	1 313	1 245	5.4	6.4	5.6	2 380
Order book	677	564	19.9	21.4	20.6	728
Operating profit (EBITDA) as % of net sales	160 12.2%	154 12.4%	3.8			263 11.0%
Operating profit (EBIT) as % of net sales	115 8.7%	107 8.6%	6.7			169 7.1%
Profit for the period as % of net sales	87 6.6%	73 5.9%	18.9			118 5.0%
Employees at closing date	11 615	11 277	3.0		2.7	11 175

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

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



# Group

## Key figures – first half

CHF million	January – June		Change in	Full year
	2017	2016	%	2016
Profit/(loss) for the period as % of net sales	87 6.6%	73 5.9%	18.9	118 5.0%
Earnings per share in CHF	8.74	7.33	19.2	11.73
Capital expenditure	25	27	-7	78
Operating free cash flow	-30	-31	2.6	190
Net cash/debt	-16	-149	89.4	61
Equity as % of total assets (equity ratio)	1 251 52.0%	1 157 48.8%	8.1	1 224 50.6%
Net operating assets (NOA) average Return on NOA average (RONOA) after tax	1 285 13.6%	1 277 12.1%	0.6	1 293 9.7%

# Group

## Key figures – third quarter

CHF million	January – September		Change in			Full year
	2017	2016	%	% <sup>1)</sup>	% <sup>2)</sup>	2016
Order intake	2 040	1 693	20.5	20.4	19.5	2 386
Net sales	1 939	1 800	7.7	7.5	6.9	2 380
Order book	831	616	34.9	35.1	35.1	728
Employees at closing date	11 955	11 068	8.0		8.0	11 175

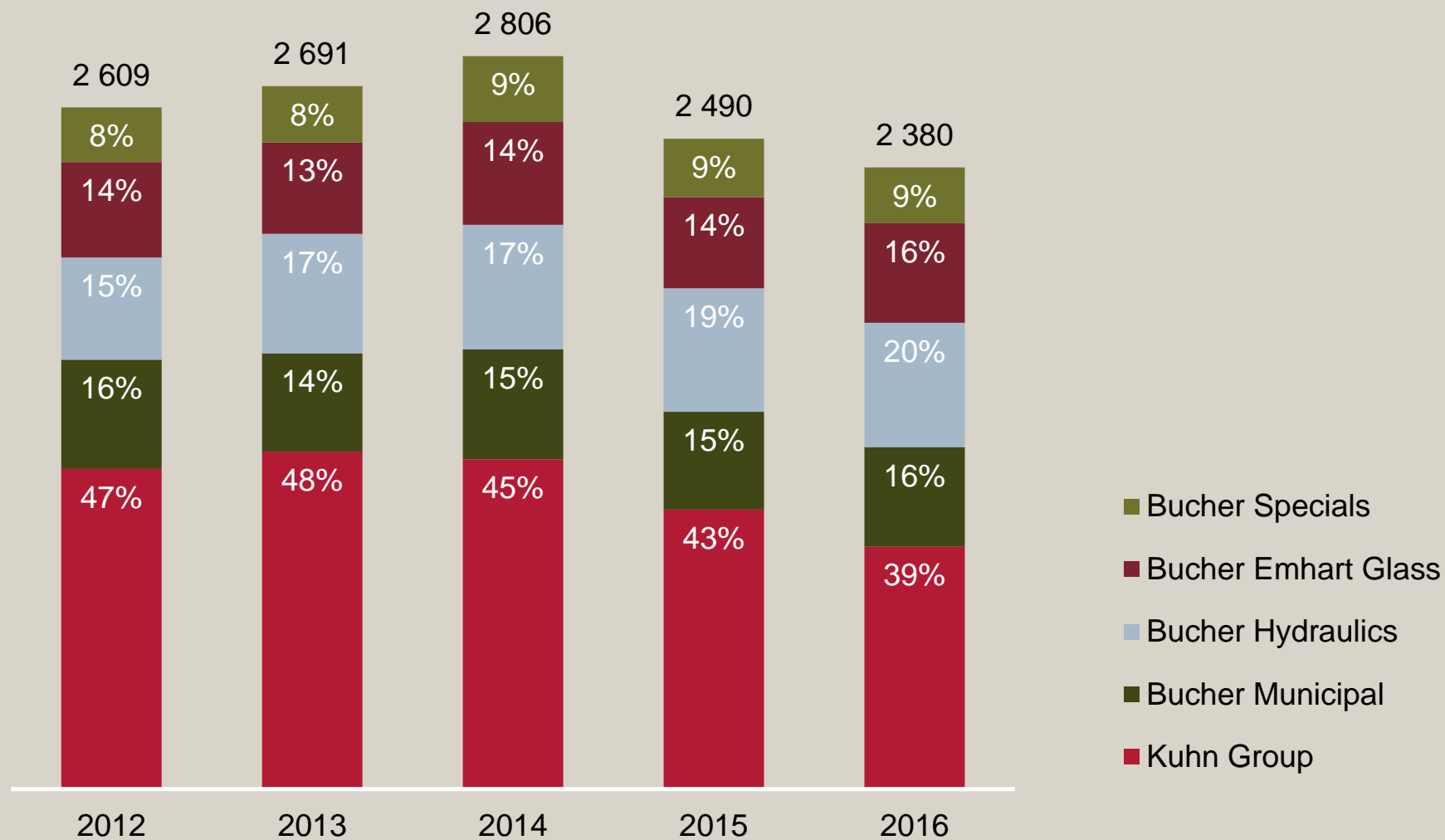
<sup>1)</sup> Adjusted for currency effects

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

# Net sales by division

**BUCHER**

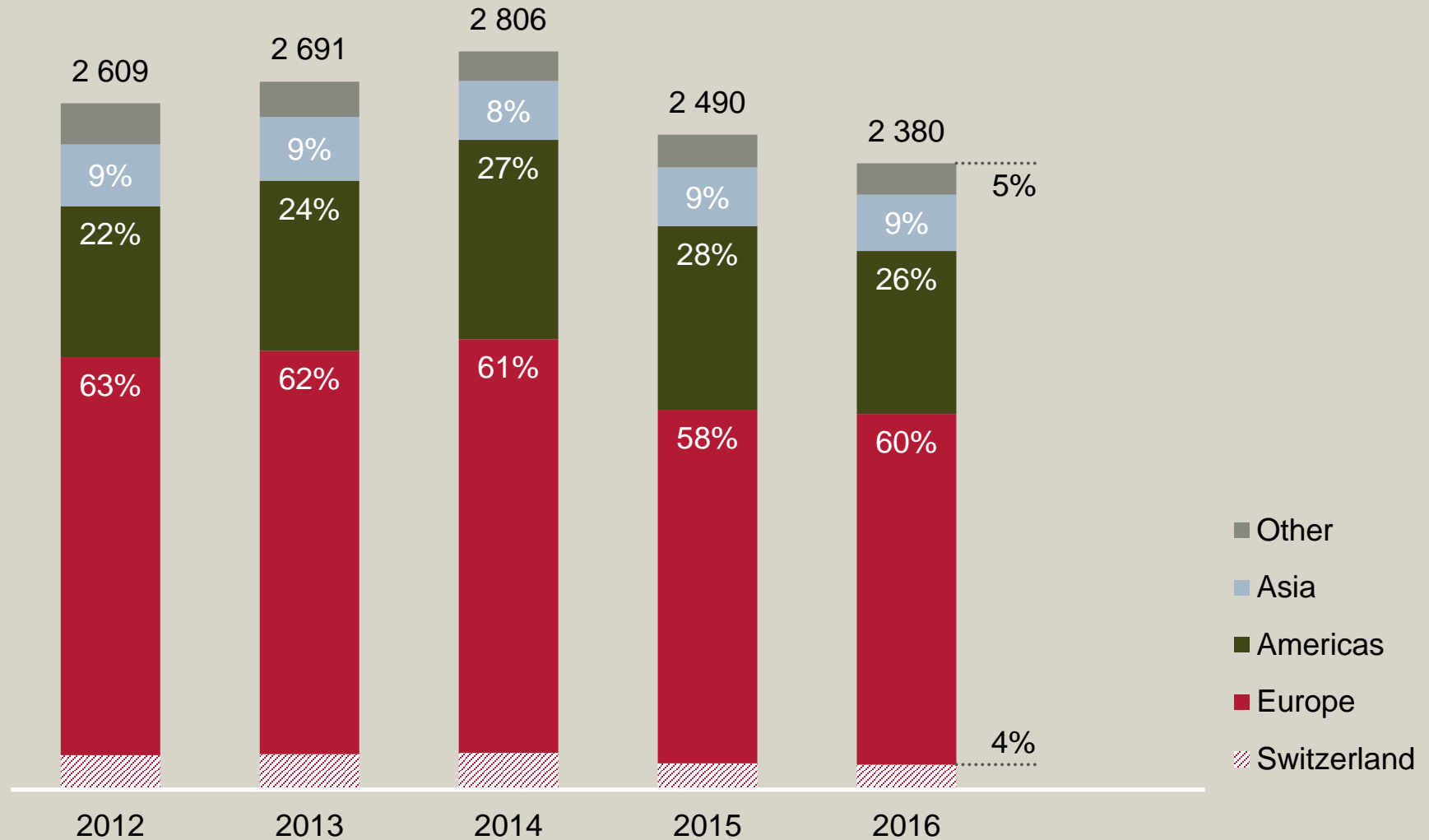
CHF m



# Net sales by region

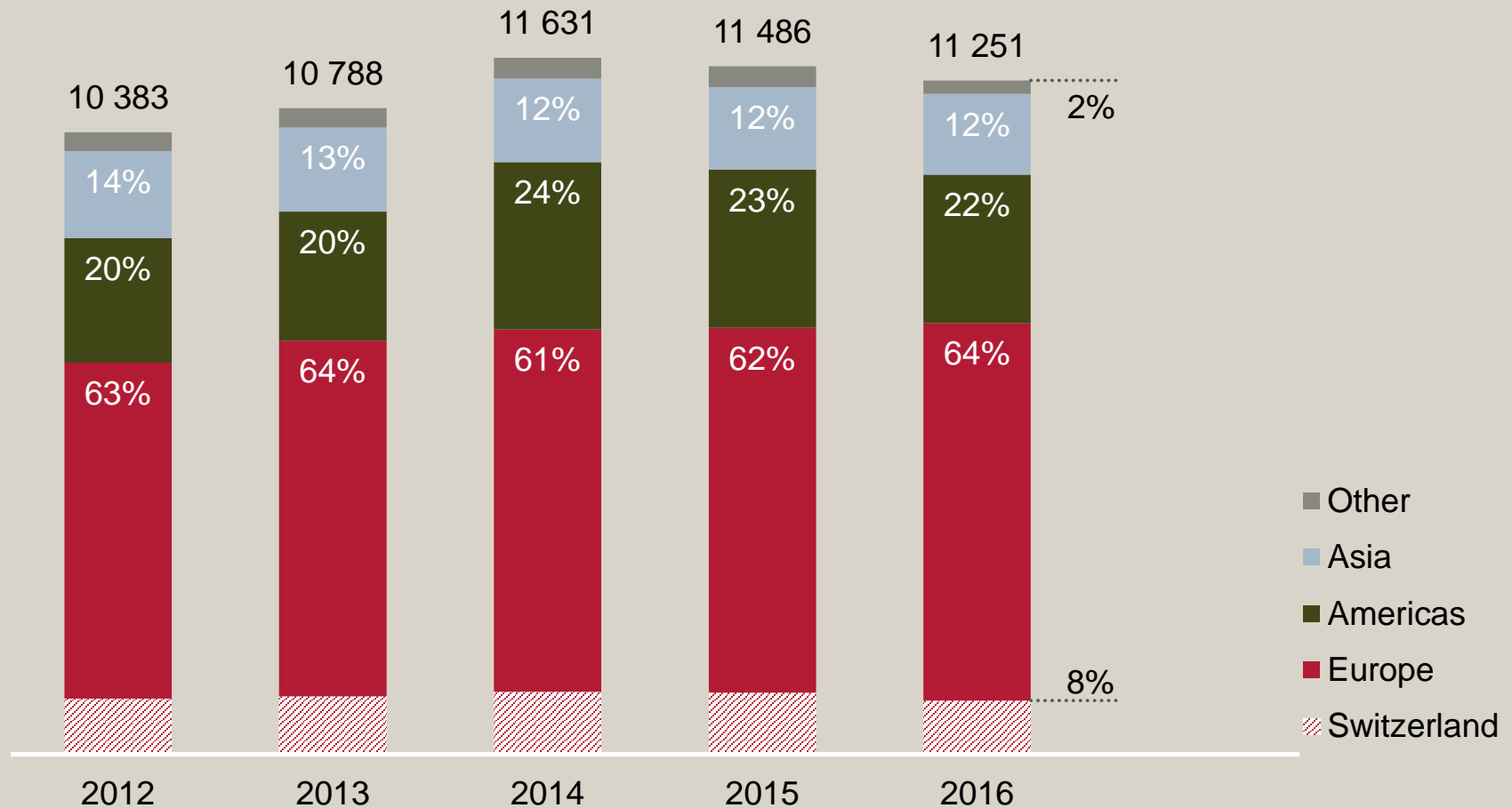
**BUCHER**

CHF m



# Number of employees by region

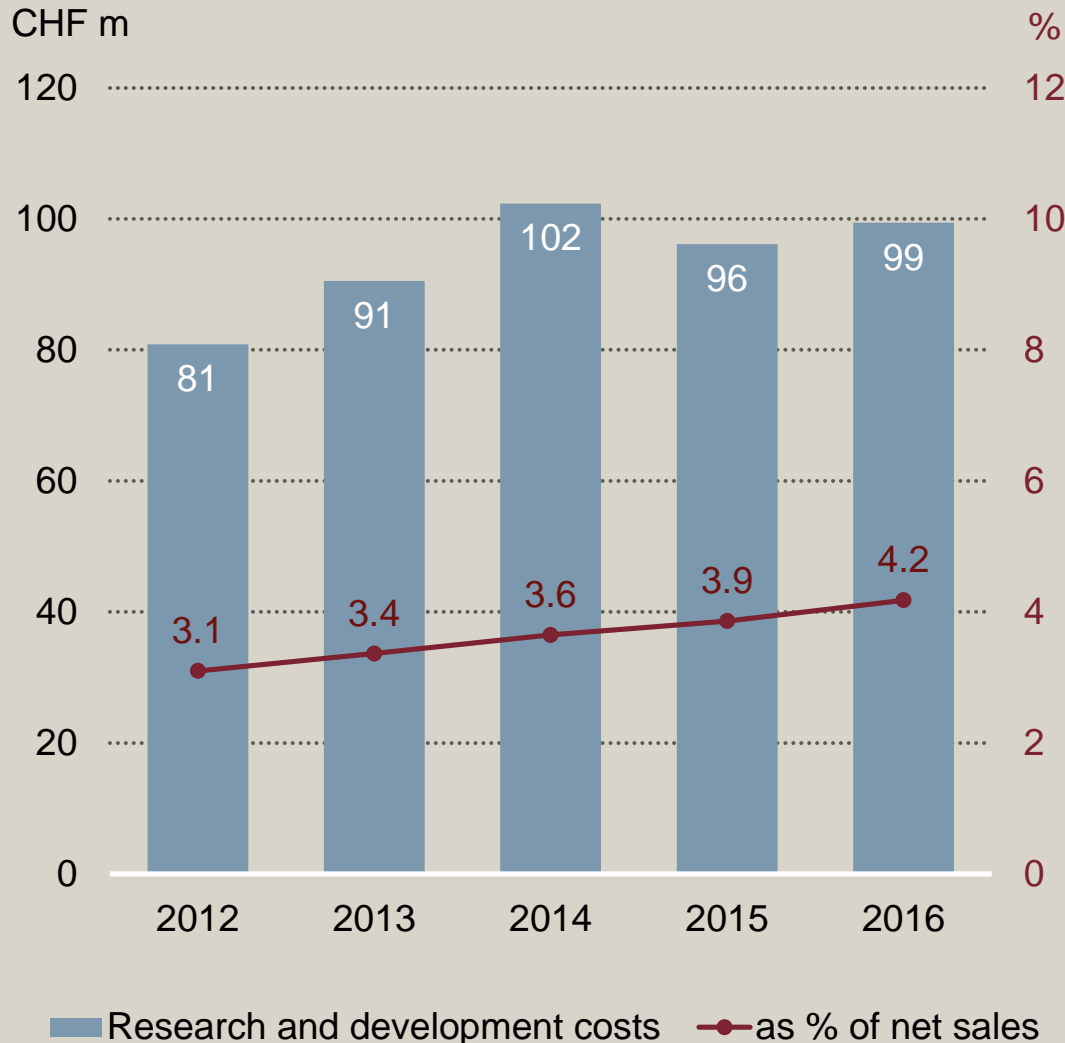
Employees <sup>1)</sup>



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

# Investments in the future

## Research and development costs



### Selected development projects

Kuhn Group  
DKE Data-Hub



Bucher Municipal  
CityCat 2020ev

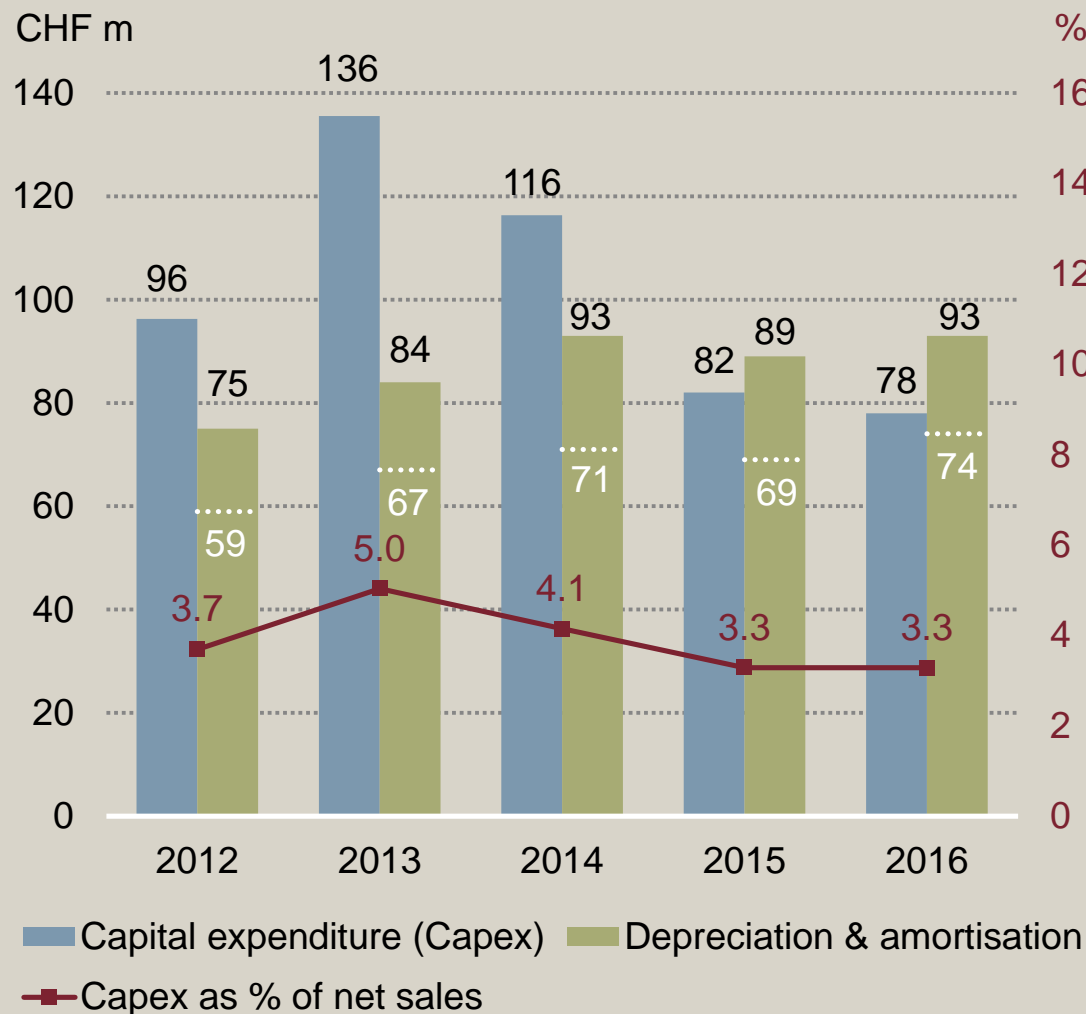


Bucher Hydraulics  
iValve



# Investments in the future

## Fixed and intangible assets



### Key investment projects

- Kuhn Group – logistics centre in Saverne, France
- Bucher Hydraulics – new building for product development in Klettgau, Germany
- Bucher Hydraulics – purchase of adjacent land in Gurgaon, India
- Bucher Emhart Glass – new location for inspection machinery in Horseheads, USA

Comment: Investments in property, plant and equipment and intangible assets

# Acquisitions 2013 – 2016

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2013

**Bucher  
Hydraulics**

Eco  
Systemas,  
Brazil



Net sales<sup>1)</sup>  
CHF 10 Mio.

Employees  
60

**Bucher  
Hydraulics**

Ölhydraulik  
Altenerding,  
Germany



Net sales<sup>1)</sup>  
CHF 40 Mio.

Employees  
250

**Bucher  
Specials**

Filtrox  
Engineering,  
Switzerland



Net sales<sup>1)</sup>  
CHF 30 Mio.

Employees  
35

**Bucher  
Specials**

Jetter AG,  
Germany



Net sales<sup>1)</sup>  
CHF 50 Mio.

Employees  
230

2014

**Kuhn  
Group**

Montana  
Indústria de  
Máquinas,  
Brazil



Net sales<sup>1)</sup>  
CHF 60 Mio.

Employees  
600

2016

**Bucher  
Municipal**

J. Hvidtved  
Larsen  
(JHL),  
Denmark



Net sales<sup>1)</sup>  
CHF 60 Mio.

Employees  
200

**Bucher  
Municipal**

PakMor  
Australia



Net sales<sup>1)</sup>  
CHF 10 Mio.

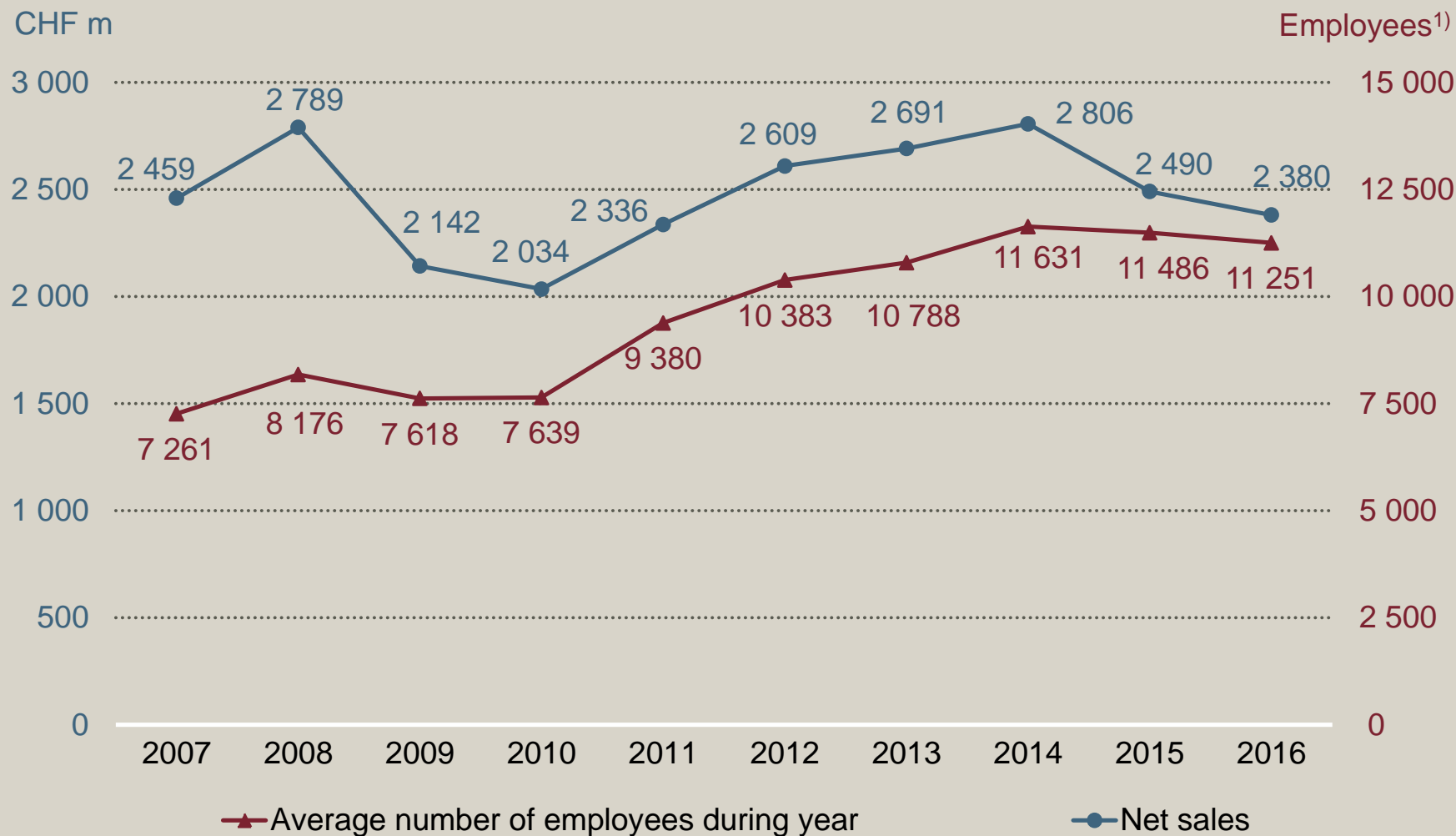
Employees  
50

<sup>1)</sup> Prior acquisition



# Net sales and number of employees

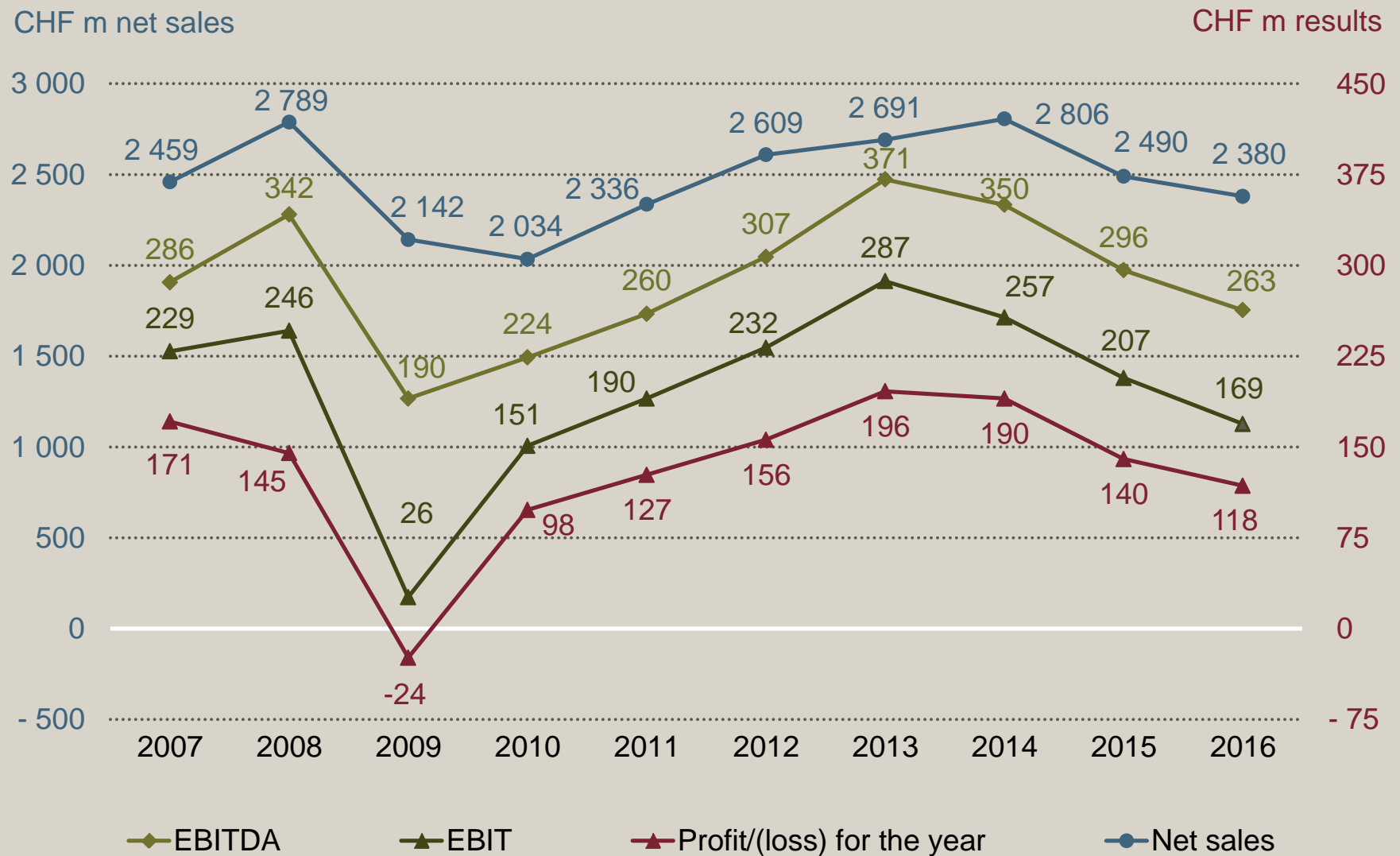
**BUCHER**



<sup>1)</sup> Expressed in full time equivalents

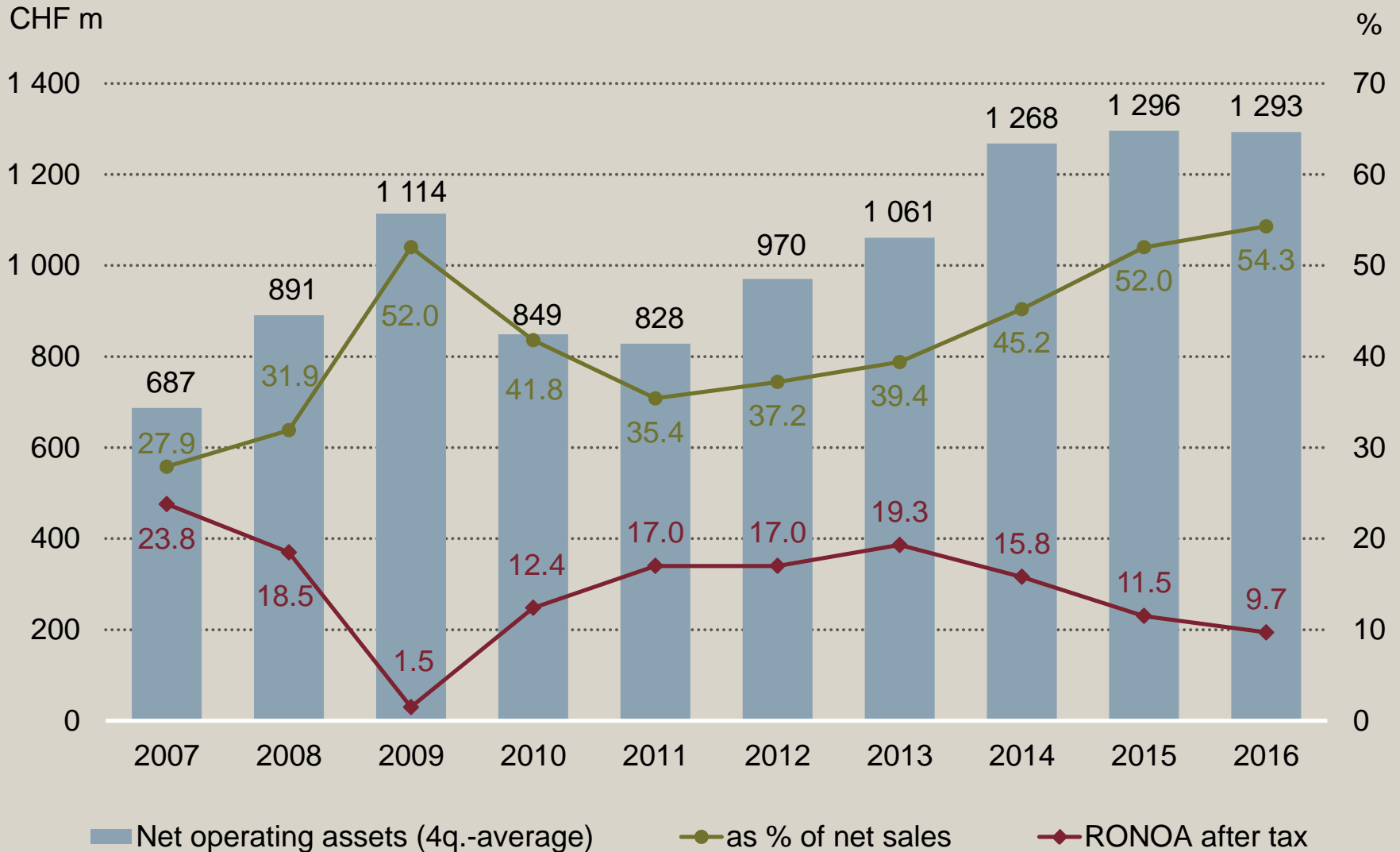
# Net sales and results

**BUCHER**



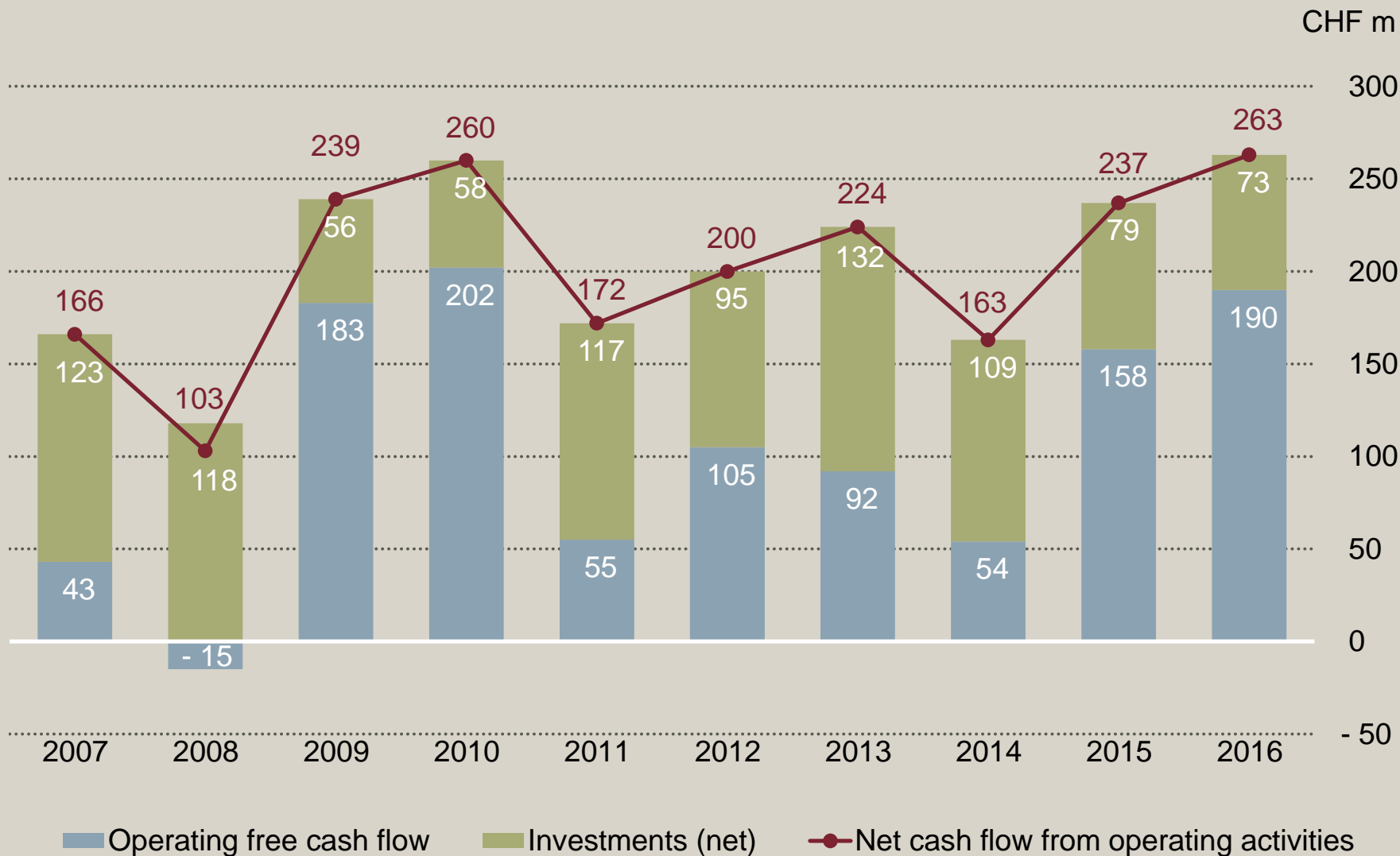
# Net operating assets (NOA) and RONOA after tax

**BUCHER**



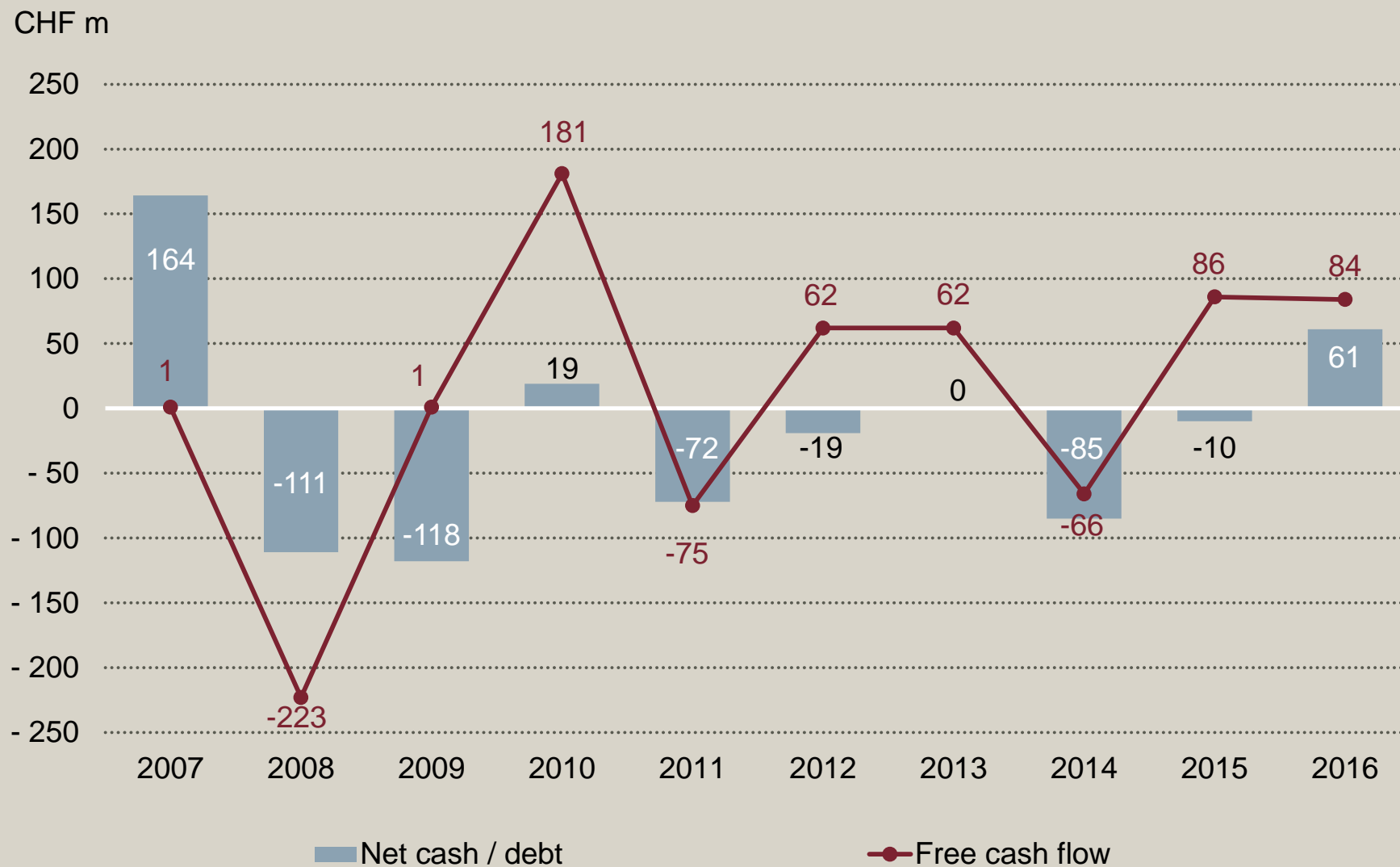
# Operating free cash flow, investments and net cash flow from operating activities

**BUCHER**



# Net cash / debt and free cash flow

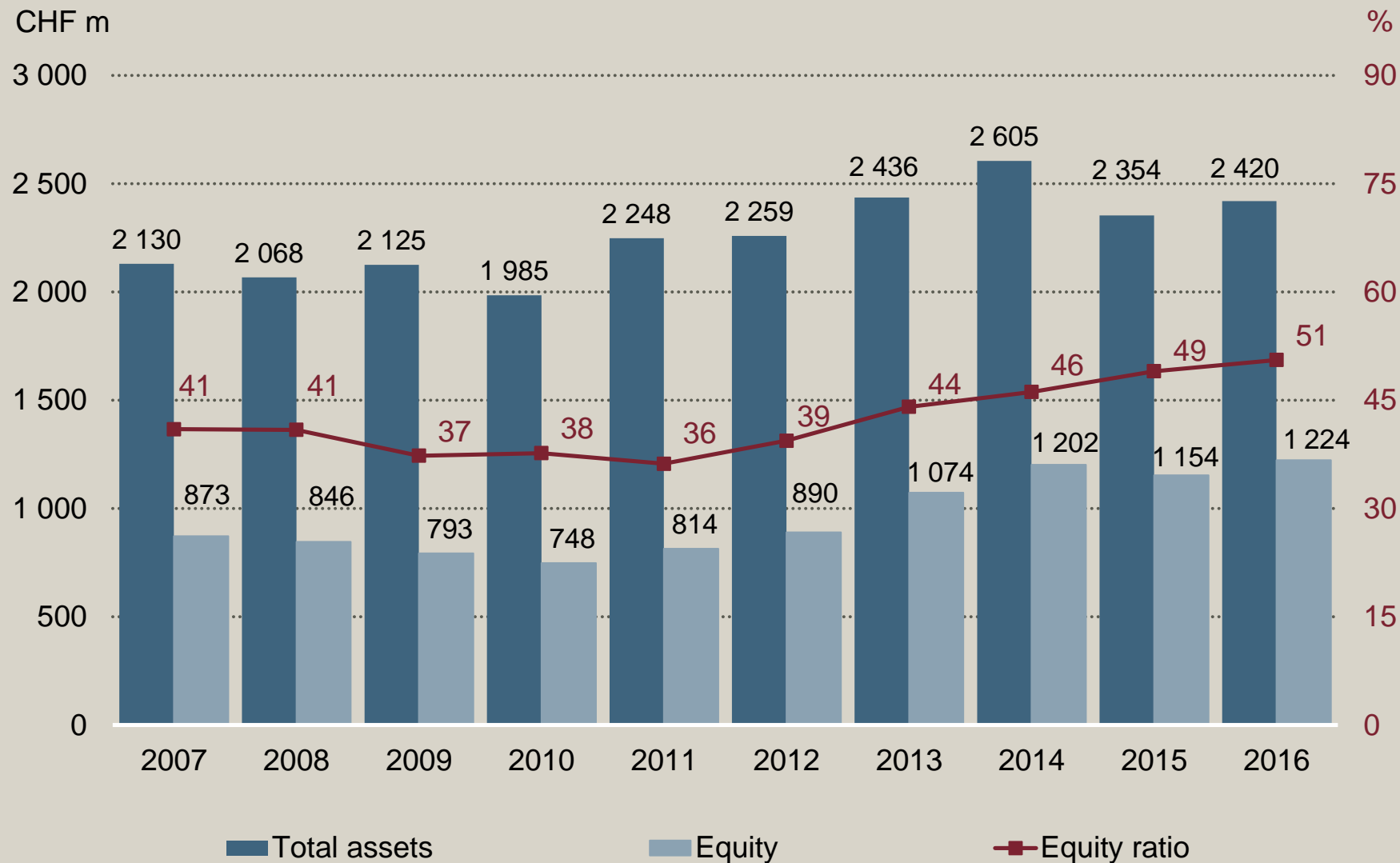
**BUCHER**



# Total assets and equity

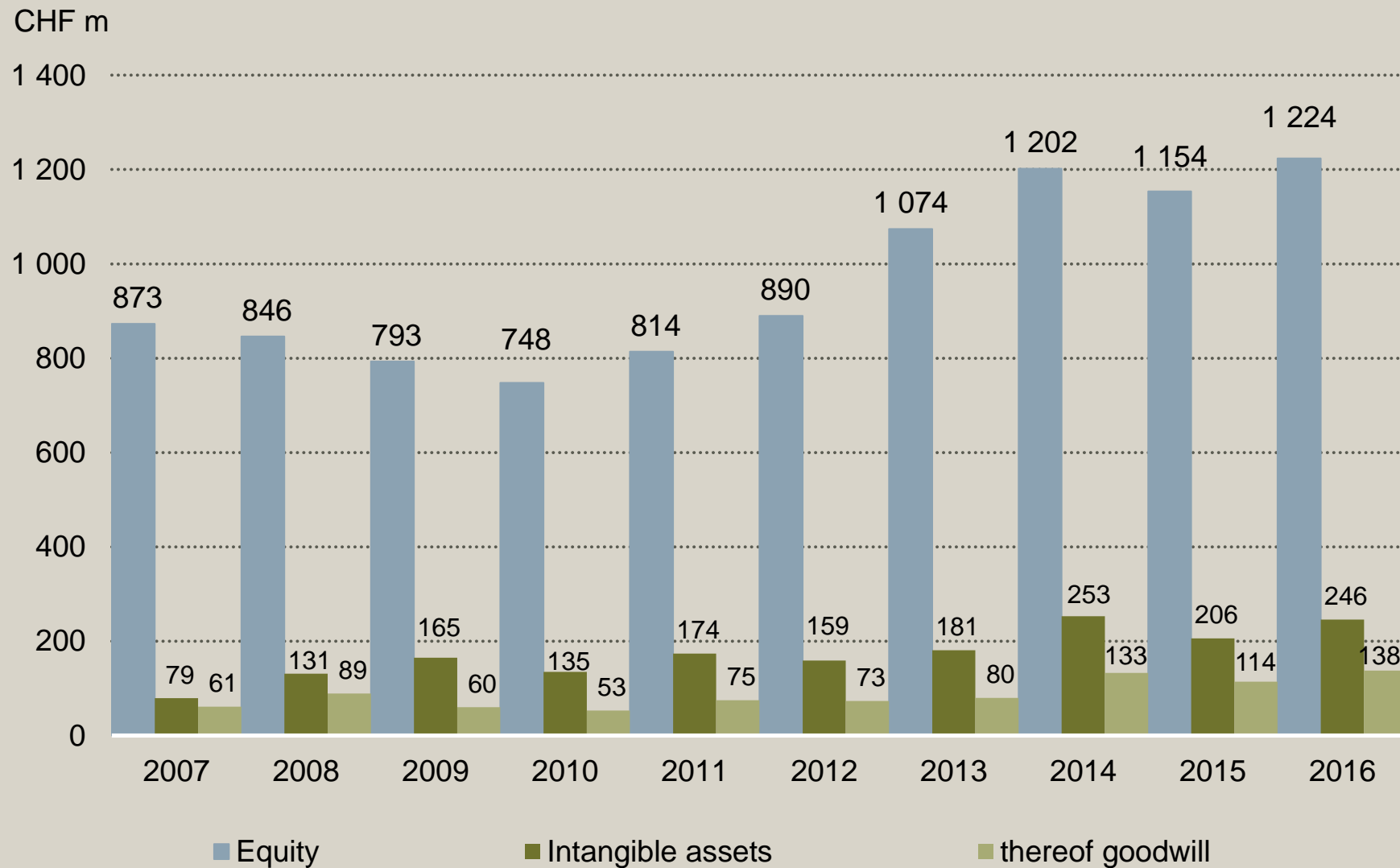
## Equity ratio

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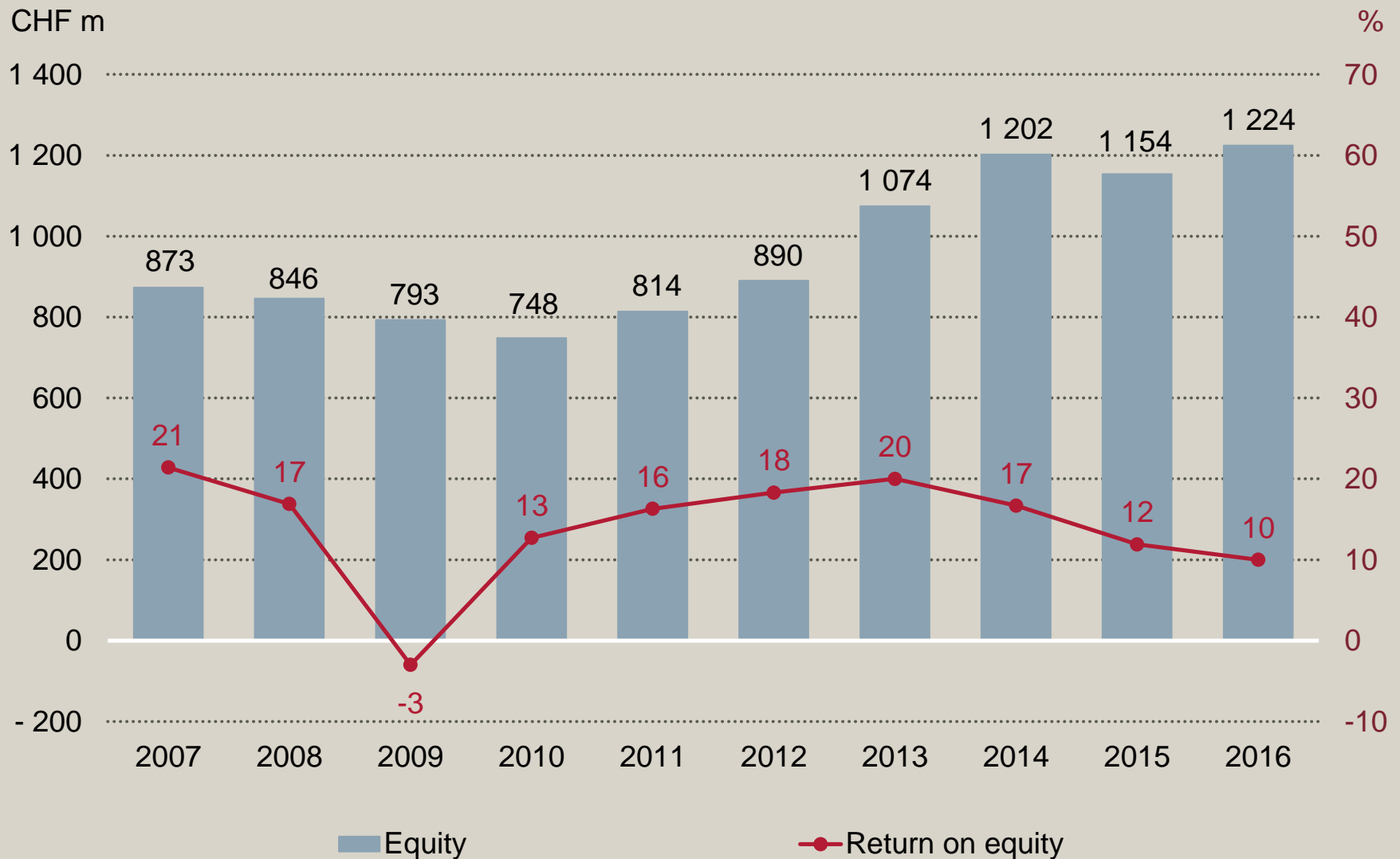
# Equity / Intangible assets

**BUCHER**



# Equity and return on equity

**BUCHER**





# Results by division

CHF million	EBIT	EBIT margin	EBIT	EBIT margin	EBIT	EBIT margin
	January – June		January – June		Full year	
	<b>2017</b>	<b>2017</b>	<b>2016</b>	<b>2016</b>	<b>2016</b>	<b>2016</b>
Kuhn Group	62	10.5%	63	11.2%	74	8.0%
Bucher Municipal	4	2.4%	4	2.4%	15	3.7%
Bucher Hydraulics	39	14.3%	33	13.0%	57	11.9%
Bucher Emhart Glass	8	4.8%	10	6.3%	26	7.1%
Bucher Specials	7	5.5%	10	7.6%	21	8.0%
Other/consolidation	-5	-	-13	-	-24	
<b>Bucher Industries</b>	<b>115</b>	<b>8.7%</b>	<b>107</b>	<b>8.6%</b>	<b>169</b>	<b>7.1%</b>

# Kuhn Group

## Specialised agricultural machinery

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Ploughing



Tillage



Seeding



Fertilisation



Spraying



Hay and forage  
harvesting



Feed storage



Bedding and  
feeding



Manure spreaders



Landscape  
maintenance

# Kuhn Group

## Key figures – first half

CHF million	January – June		Change in		Full year
	<b>2017</b>	<b>2016</b>	<b>%</b>	<b>%<sup>1)</sup></b>	<b>2016</b>
Order intake	417	349	19.5	18.9	935
Net sales	592	559	5.9	6.0	930
Order book	195	157	24.1	23.6	371
Operating profit (EBITDA) as % of net sales	81 13.7%	85 15.1%	-3.7		116 12.4%
Operating profit (EBIT) as % of net sales	62 10.5%	63 11.2%	-1.3		74 8.0%
Employees at closing date	5 029	4 742	6.1		4 731

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

# Kuhn Group

## Key figures – third quarter

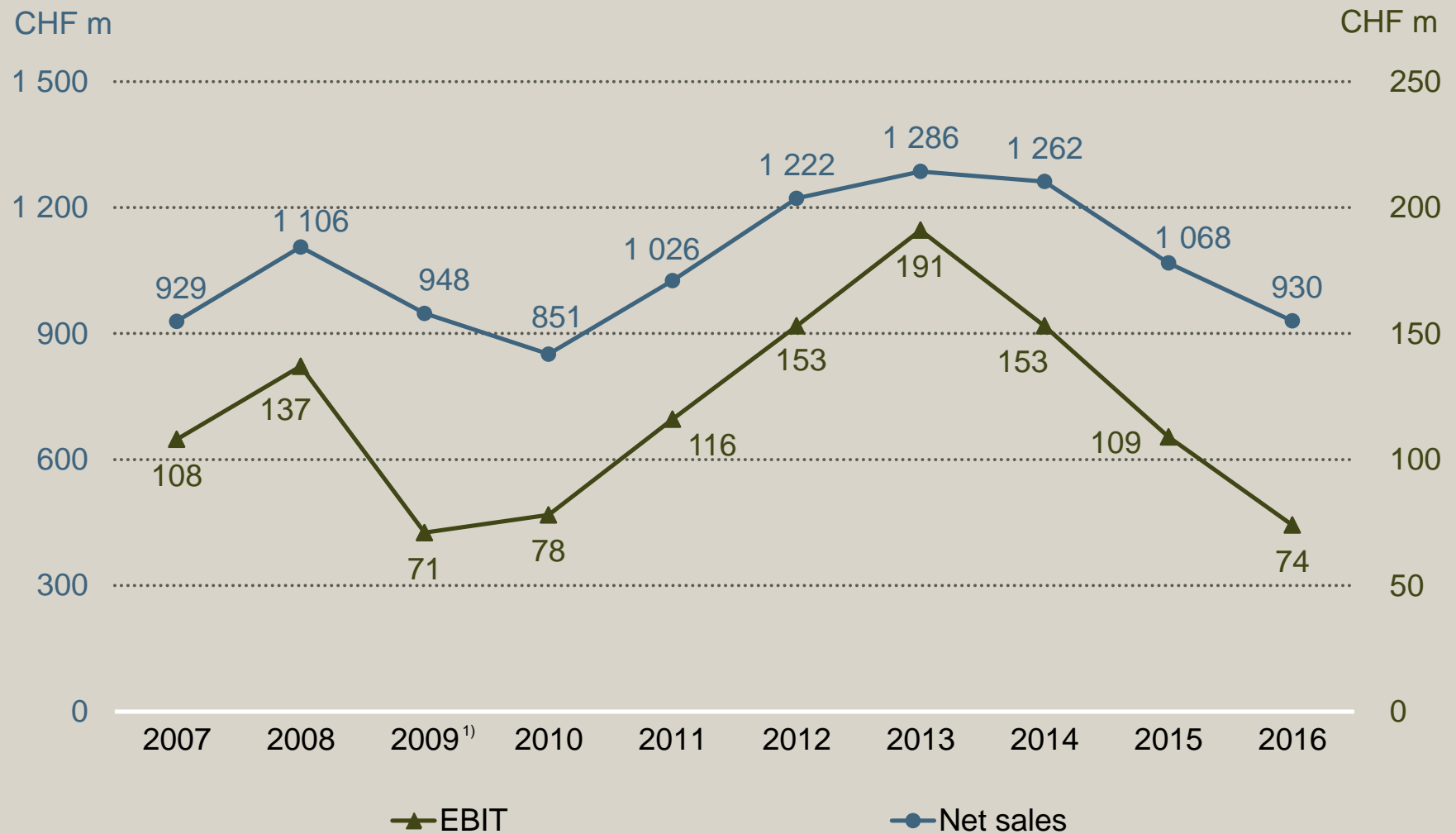
CHF million	January – September		Change in		Full year
	2017	2016	%	% <sup>1)</sup>	2016
Order intake	793	629	26.0	25.0	935
Net sales	807	735	9.7	8.6	930
Order book	360	261	38.1	37.8	371
Employees at closing date	5 156	4 583	12.5		4 731

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

# Kuhn Group

## Net sales and EBIT

**BUCHER**

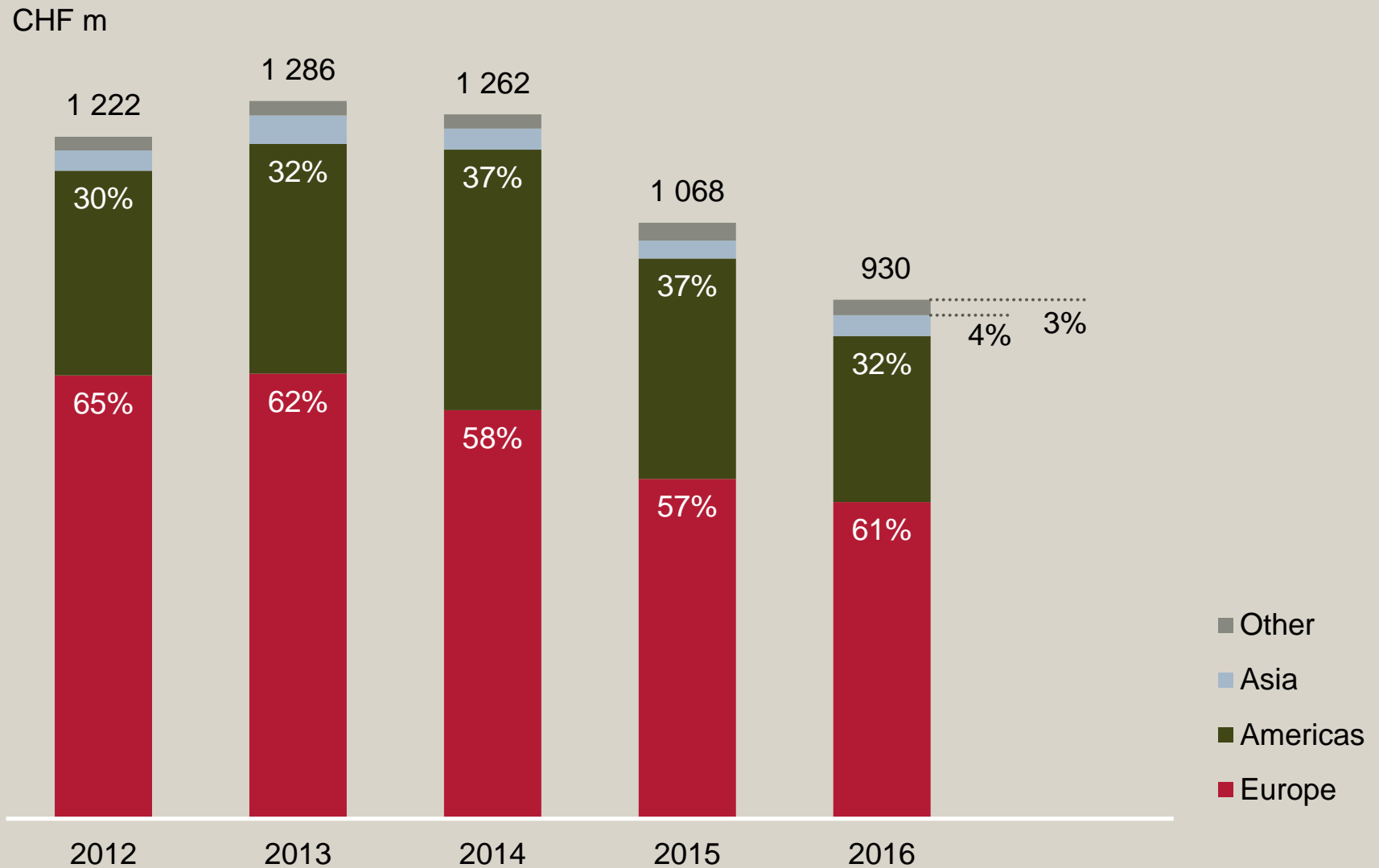


<sup>1)</sup> Before impairment charges

# Kuhn Group

## Net sales by region

**BUCHER**

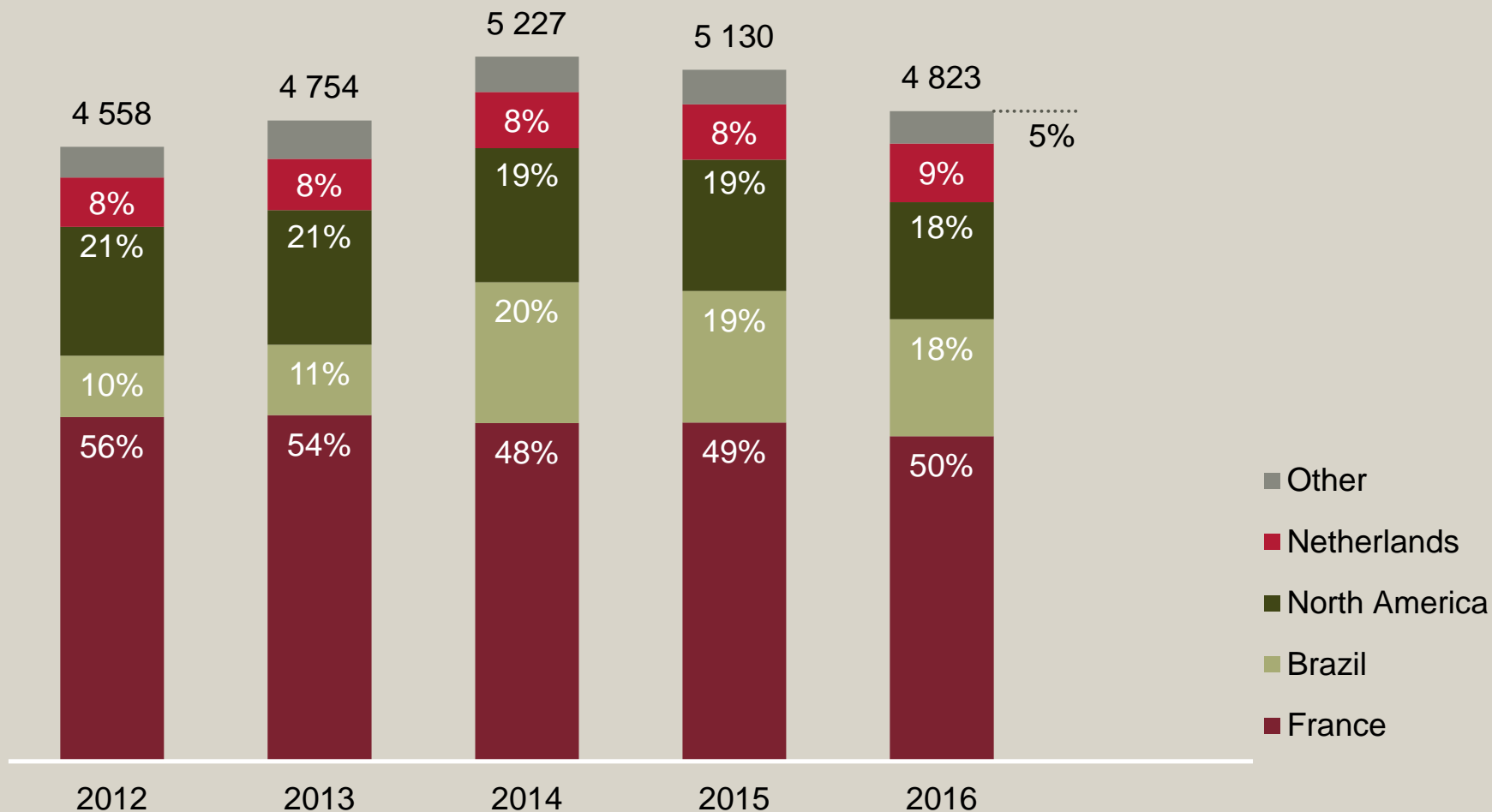


# Kuhn Group

## Number of employees by region

**BUCHER**

Employees <sup>1)</sup>



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

# Kuhn Group

## Market position

- World's leading manufacturer of specialised tractor-related agricultural machinery with an up to 30% or more market share depending on product family and region
- Comprehensive range of agricultural machinery, with leading position in tillage, fertilisation and livestock bedding and feeding technology
- Products are sold worldwide through a diverse and independent distribution network under the Kuhn brand
- Strong position in Europe and the Americas premised on a broad customer base




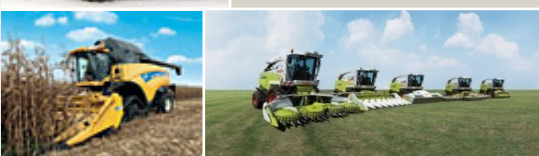

## Complete product range under one brand

Competitors	Hay and Forage				Hedge cutters	Feed Mixers	Tillage equipment		Seeders		Spreaders	Sprayers	Tractors	Harvesters selfpropelled
	Mowers	Tedders	Rakes	Balers			driven	non-driven	drilling	precision				
<b>Kuhn Group</b>														
John Deere														
CNH														
AGCO														
Claas													Renault	
Krone														
Amazone														
Pöttinger														
Kubota/KVE				Gallignani									Kubota	
Exel / Hardi														
Lemken														
Horsch														
Väderstad														
Kongsilde														
Lely/Welder														
Sulky														
Monosem														

# Kuhn Group

## World farm equipment market

**BUCHER**

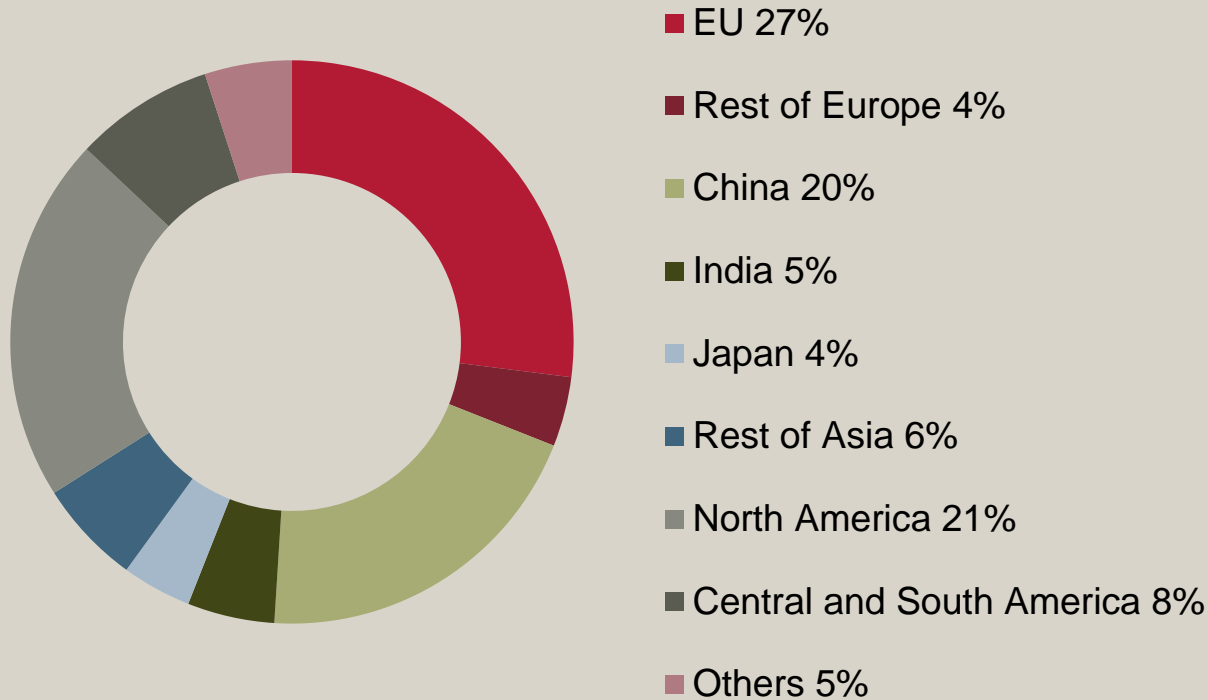
Equipment market in value		%
	Farm tractors	29
	Harvesting machinery	16
	Planting and seeding, crop protection, fertilizing machinery	10
	Tillage	7
	Hay and forage machinery	7
	Other farm equipment machinery, attachments and parts	31

Source: Freedonia

# Kuhn Group

## World farm equipment market

By region 2016 (VDMA estimate in value)



Source: VDMA

- Worldwide decline in agricultural machinery market ongoing since 2014
- Overproduction and stagnating demand led to high inventories of agricultural commodities, a decline in the prices and falling income for farmers
  - Record harvests overall in the arable sector, with continued decline in grain prices; poor harvests in France and parts of Germany
  - Overproduction of milk, also due to abolition of milk quotas in the EU in April 2015; slight recovery in prices in the second half of 2016
  - Prices in meat industry partially lower
- Above all in North America, particular reluctance to invest, resulting in a marked drop in sales
- Division held up well in difficult environment
- EBIT margin falls from 10.2% to 8.0%, mainly due to slowdown in North America

# Kuhn Group

## Outlook for 2017

- Situation of farmers improves:
  - Higher and more stable prices in dairy sector stimulate demand in the market for hay and forage harvesting as well as feeding technology
  - Prices for field crops likely to remain volatile
- Revival of demand in North America. The situation in western Europe, with the exception of France, developing positively
- Margin pressure due to increased steel prices
- For 2017: Sales growth and an increase in operating profit margin expected



# Bucher Municipal

## Municipal vehicles and winter maintenance equipment

**BUCHER**



Compact sweepers

Truck-mounted sweepers



Spreaders

Ploughs

Vacuum tankers

Refuse collection vehicles

# Bucher Municipal

## Key figures – first half

CHF million	January – June		Change in			Full year
	<b>2017</b>	<b>2016</b>	<b>%</b>	<b>%<sup>1)</sup></b>	<b>%<sup>2)</sup></b>	<b>2016</b>
Order intake	220	172	28.0	31.0	23.5	381
Net sales	181	175	3.5	6.1	0.3	389
Order book	141	107	32.3	35.6	31.5	104
Operating profit (EBITDA) as % of net sales	10 5.4%	9 5.2%	6.5			25 6.4%
Operating profit (EBIT) as % of net sales	4 2.4%	4 2.4%	4.8			15 3.7%
Employees at closing date	1 840	1 740	5.7		3.6	1 746

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

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

# Bucher Municipal

## Key figures – third quarter

**BUCHER**

CHF million	January – September		Change in			Full year
	2017	2016	%	% <sup>1)</sup>	% <sup>2)</sup>	2016
Order intake	342	261	31.1	32.1	26.4	381
Net sales	284	266	6.5	7.5	3.0	389
Order book	162	106	51.8	52.7	52.7	104
Employees at closing date	1 965	1 769	11.1		11.1	1 746

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

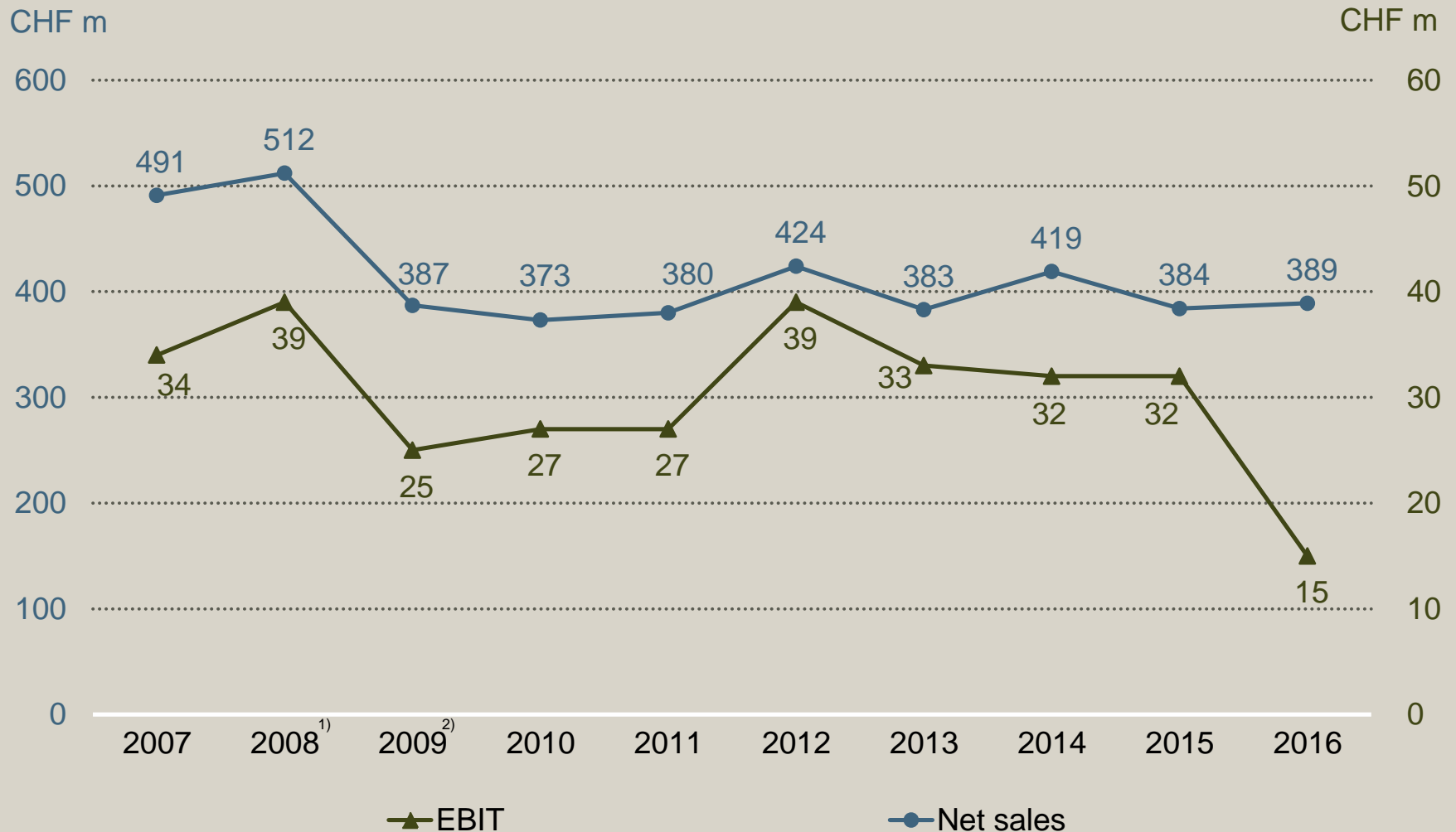
<sup>2)</sup> Adjusted for currency and acquisition effects



# Bucher Municipal

## Net sales and EBIT

**BUCHER**



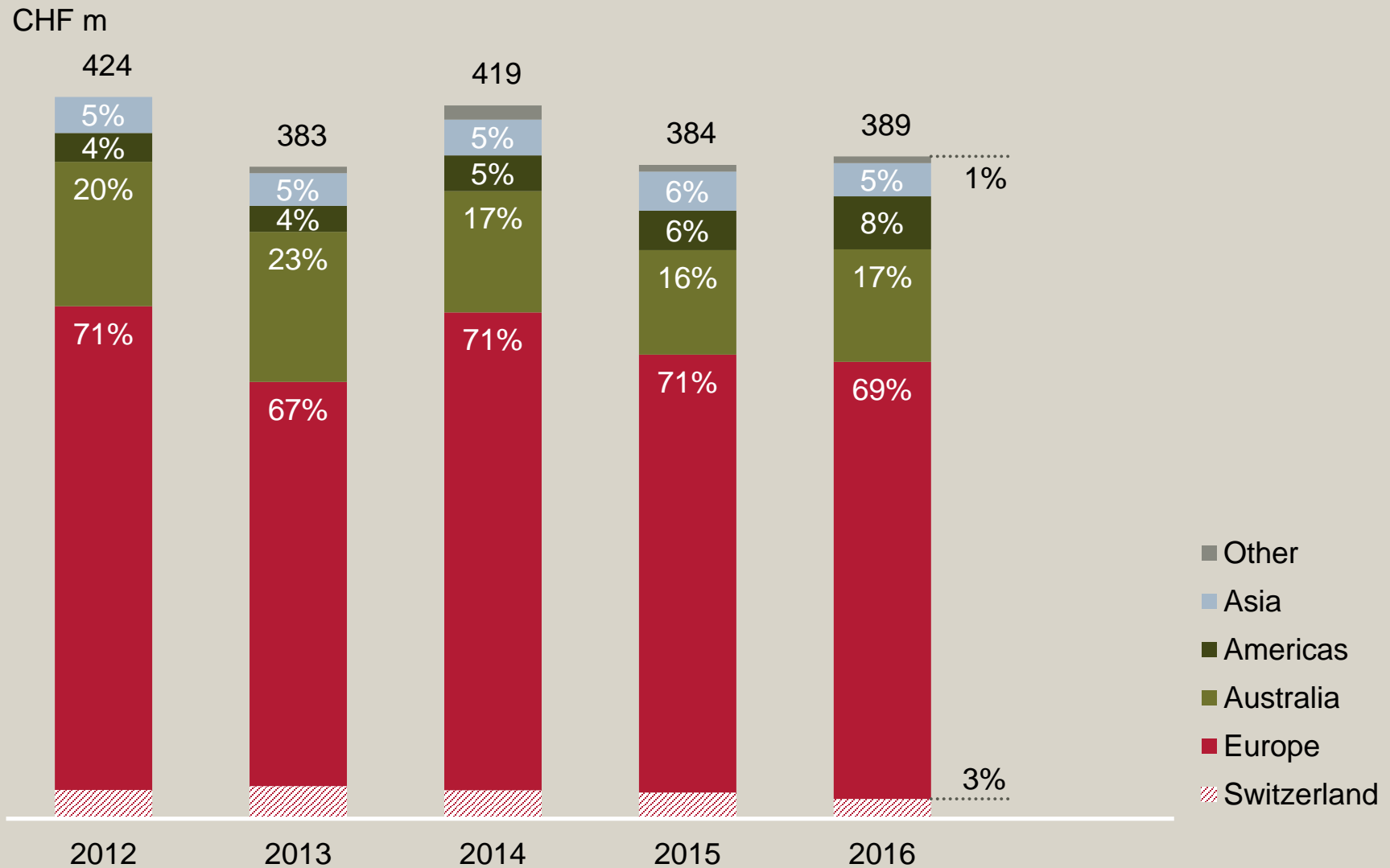
<sup>1)</sup> Before impairment charges

<sup>2)</sup> Before restructuring costs

# Bucher Municipal

## Net sales by region

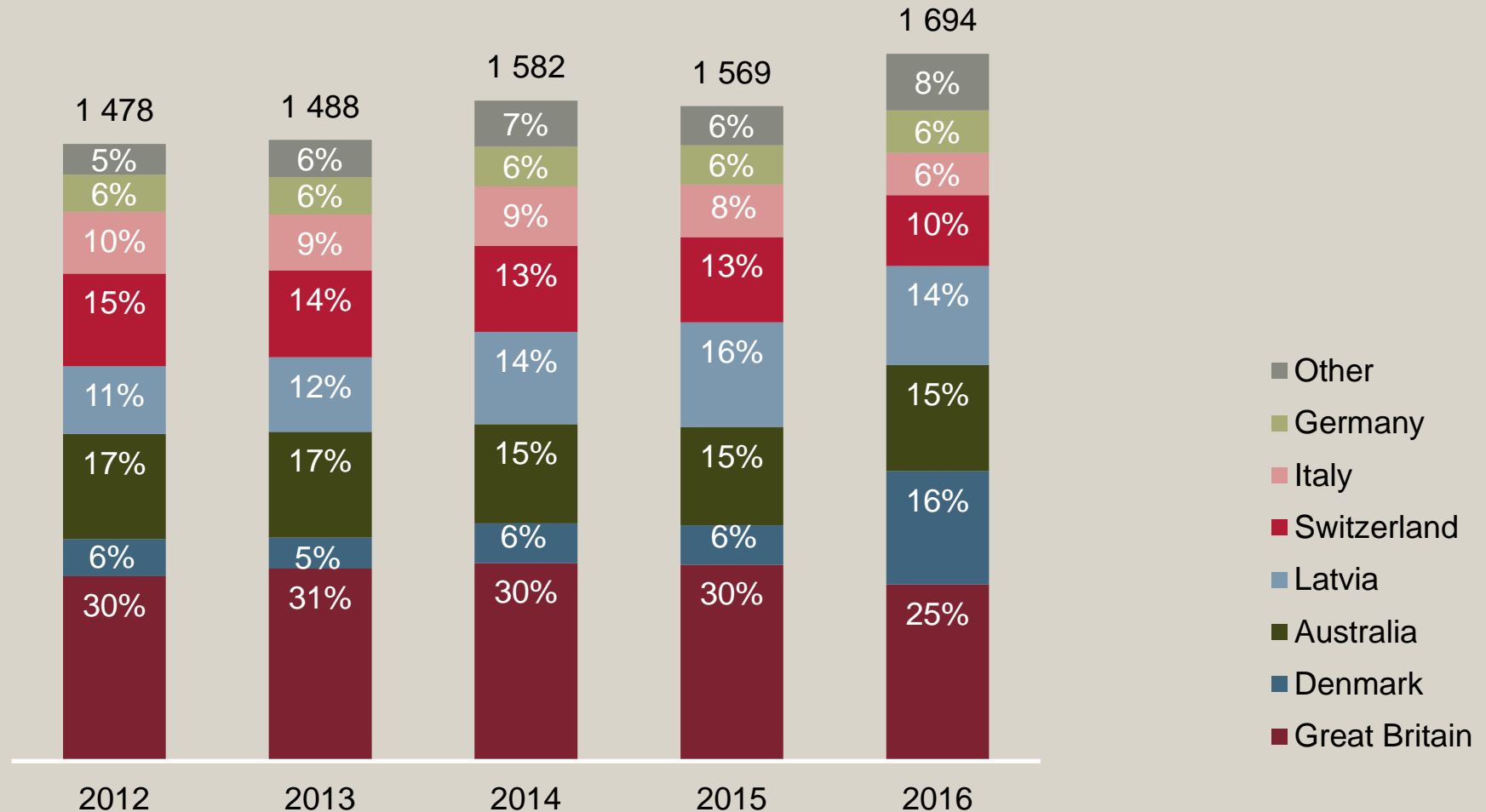
**BUCHER**



# Bucher Municipal

## Number of employees by region

Employees <sup>1)</sup>



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

# Bucher Municipal

## Market position

- Market leader in Europe with over 30% market share in places and a strong presence in Great Britain
- Market leader in refuse collection vehicles in Australia with well over 30% market share
- Comprehensive offering for the municipal vehicles market

# Bucher Municipal

## Complete product range

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

\* Ravo, Scarab, Mathieu

# Bucher Municipal

## 2016 in brief

- Absence of major projects in main market, Europe
  - Investments in Great Britain inhibited due to Brexit and weak pound
  - Demand for winter maintenance equipment weakened by further mild winter
  - Cyclical weakening of demand for refuse collection vehicles in Australia
- Moderate sales growth
  - Acquisitions of sewer cleaning vehicles and refuse compactors contribute CHF 52 million to sales trend
  - Previous year's major order worth CHF 30 million from the city of Moscow lacking
- EBIT margin of 3.7% was affected by one-off costs of CHF 7 million
  - Ongoing concentration of sweeper production in UK and Latvia
  - Acquisition and integration of businesses purchased
  - Initiatives to improve quality
- Aurelio Lemos, head of Bucher Hydraulics Switzerland took over as division president on 1 March 2016

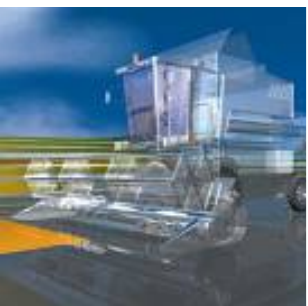
# Bucher Municipal Outlook for 2017

- Improved development in the European market for municipal vehicles
- Increase in demand for refuse collection vehicles in Australia
- Growth potential in North America with new sweepers and sewer cleaning vehicles
- Subdued trend in the business with winter maintenance equipment
- Completion of concentration process in sweeper production in Great Britain and Latvia, absence of one-off costs, employment cost savings and good capacity utilisation should have a favourable impact on profitability
- For 2017: Sales growth and a positive trend in EBIT margin expected

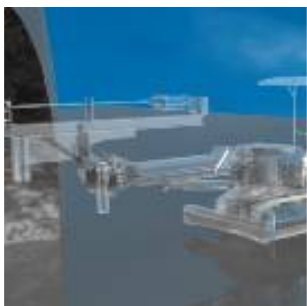
# Bucher Hydraulics

## Customised drive systems

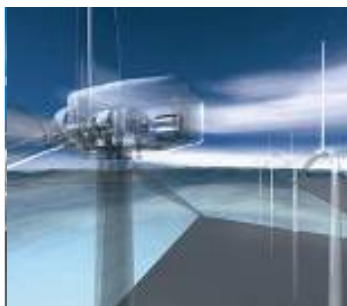
**BUCHER**



Agricultural  
machinery



Mining /  
tunnelling



Energy  
technology



Industry



Municipal  
vehicles



Lift gates



Construction  
equipment



Materials  
handling



Marine/offshore



Elevator  
technology



High-voltage  
switch gear



Dyna-Lift



# Bucher Hydraulics

## Key figures – first half

CHF million	January – June		Change in		Full year
	<b>2017</b>	<b>2016</b>	<b>%</b>	<b>%<sup>1)</sup></b>	<b>2016</b>
Order intake	289	255	13.5	14.6	482
Net sales	273	254	7.4	8.4	475
Order book	98	76	27.9	29.2	82
Operating profit (EBITDA) as % of net sales	49 17.9%	43 16.7%	15.1		76 16.0%
Operating profit (EBIT) as % of net sales	39 14.3%	33 13.0%	18.8		57 11.9%
Employees at closing date	2 159	2 053	5.2		2 061

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

# Bucher Hydraulics

## Key figures – third quarter

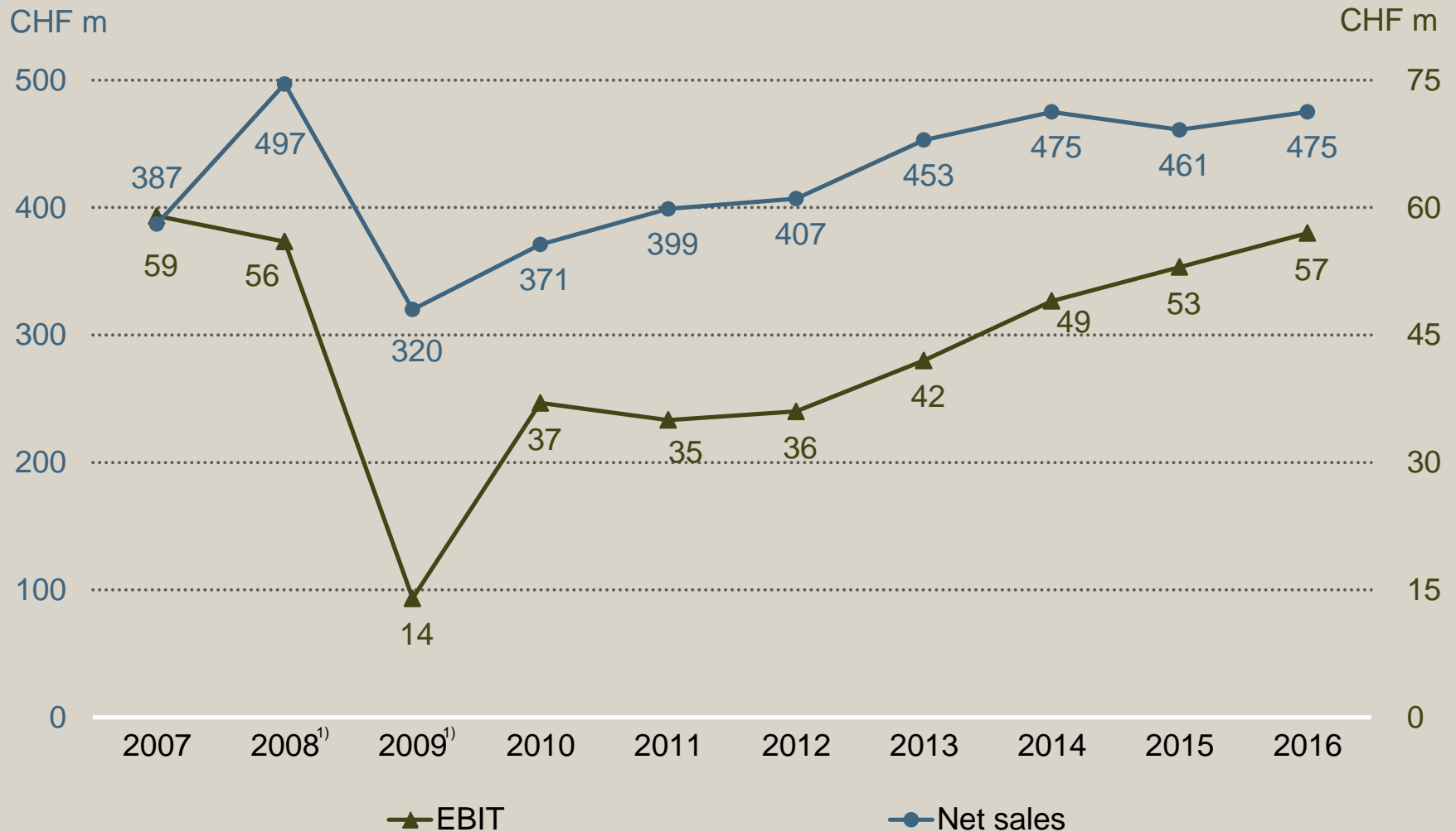
CHF million	January – September		Change in		Full year
	2017	2016	%	% <sup>1)</sup>	2016
Order intake	428	362	18.3	18.5	482
Net sales	409	366	11.7	11.9	475
Order book	101	72	41.4	41.8	82
Employees at closing date	2 262	2 053	10.2		2 061

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

# Bucher Hydraulics

## Net sales and EBIT

**BUCHER**

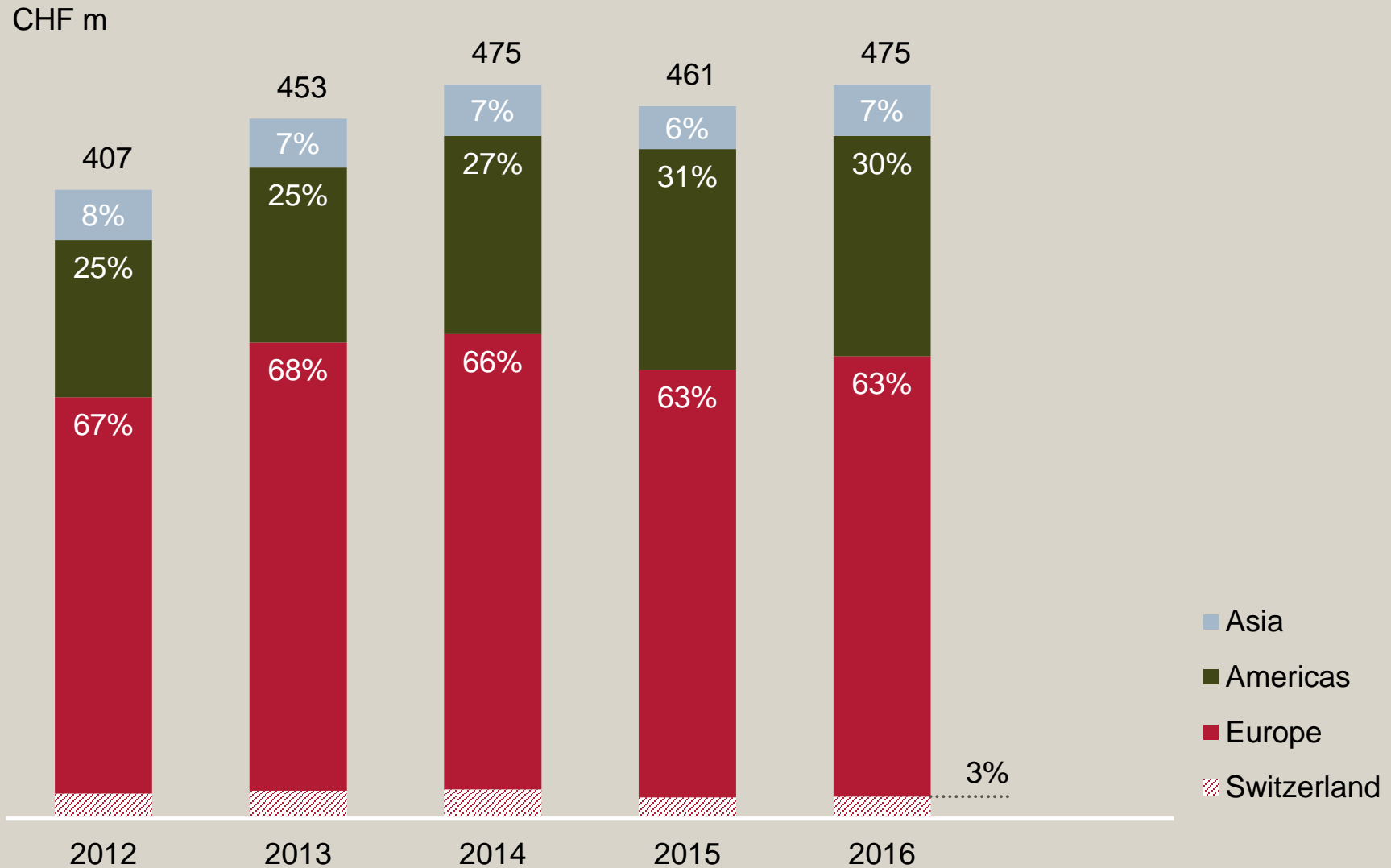


<sup>1)</sup> Before impairment charges

# Bucher Hydraulics

## Net sales by region

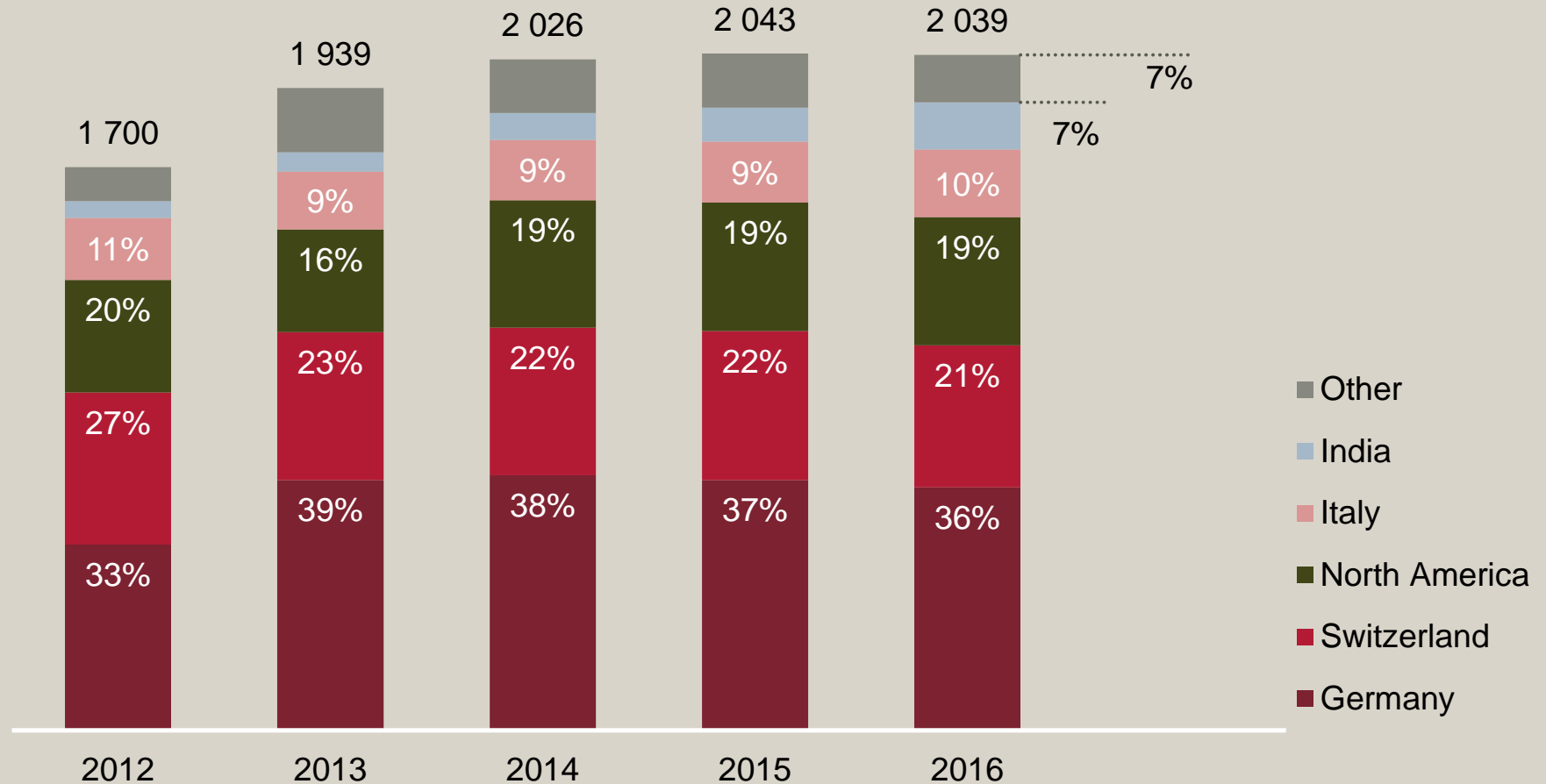
**BUCHER**



# Bucher Hydraulics

## Number of employees by region

Employees <sup>1)</sup>



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

# Bucher Hydraulics

## Market position

- Leading specialist in mobile and elevator hydraulics across Europe
- Presence strong in the USA and build up in Brazil, India and China
- Market share: 10% to 20% across Europe in specialised areas of hydraulic engineering
- Focus on customised drive solutions

# Bucher Hydraulics

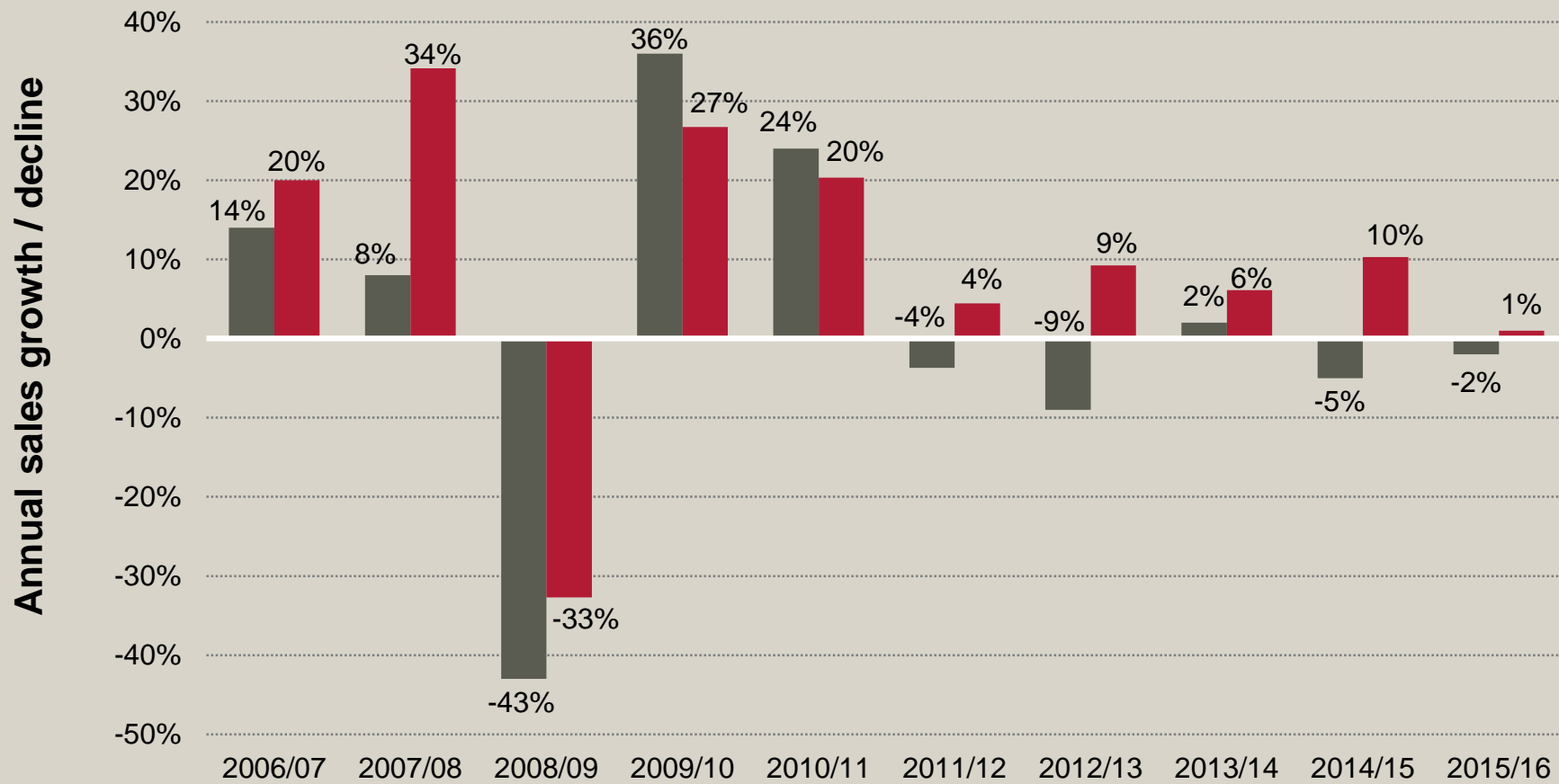
## Complete product range

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)																		
Brevini Group (IT)																		
Interpump (IT)																		
Argo-Hytos (DE)																		
Moog (USA)																		
Concentric (SE)																		
Husco (USA)																		
Sun Hydraulics (USA)																		
Hydraforce (USA)																		

# Bucher Hydraulics

## Market situation Hydraulics

### Comparison of Bucher Hydraulics with VDMA Ölhydraulik\* companies



\*approx. 40 competitors

■ VDMA Ölhydraulik ■ Bucher Hydraulics in EUR



- Stagnating markets
  - Market segments in Europe at same low level as previous year, particularly in Germany
  - Absence of positive impetus in North America
  - Increasing price pressure
- Outperforms market
  - Outstanding operational performance with sales growth of 3%
  - Successful collaboration with customers in material handling as well as industrial and lift hydraulics
  - Agricultural machinery segment profits from serial orders in first half; second half marked by market decline
- EBIT margin increased by 0.4 of a percentage point to 11.9%.

# Bucher Hydraulics

## Outlook for 2017

- Favourable market environment in various segments: positive momentum in construction machinery, industrial hydraulics, materials handling and agricultural equipment
- Growth in the European market
- Opportunities in materials handling in North America
- Growth impetus in China and India regions
- For 2017: Sales growth and increased EBIT margin expected

# Bucher Emhart Glass

## Glass container manufacturing equipment

**BUCHER**



Gob forming



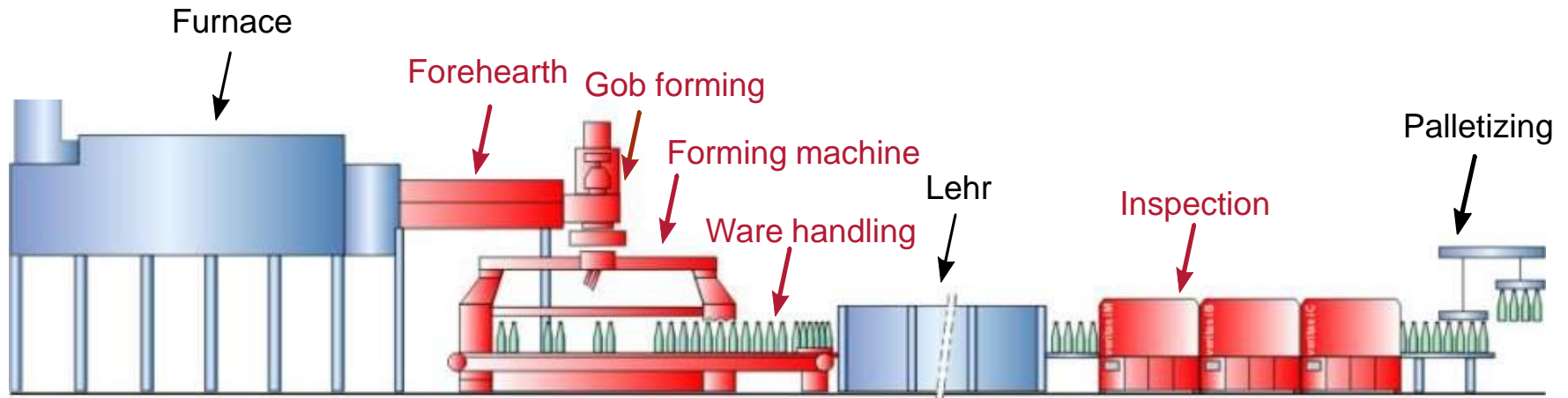
Glass-forming machine



Ware handling



Inspection



Glass container manufacturing process

# Bucher Emhart Glass

## Key figures – first half

CHF million	January – June		Change in		Full year
	<b>2017</b>	<b>2016</b>	<b>%</b>	<b>%<sup>1)</sup></b>	<b>2016</b>
Order intake	235	183	28.6	31.4	351
Net sales	166	158	4.8	7.0	371
Order book	176	153	14.8	17.3	108
Operating profit (EBITDA) as % of net sales	14 8.2%	16 10.1%	-15.0		39 10.5%
Operating profit (EBIT) as % of net sales	8 4.8%	10 6.3%	-20.0		26 7.1%
Employees at closing date	1 625	1 794	-9.4		1 757

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

# Bucher Emhart Glass

## Key figures – third quarter

**BUCHER**

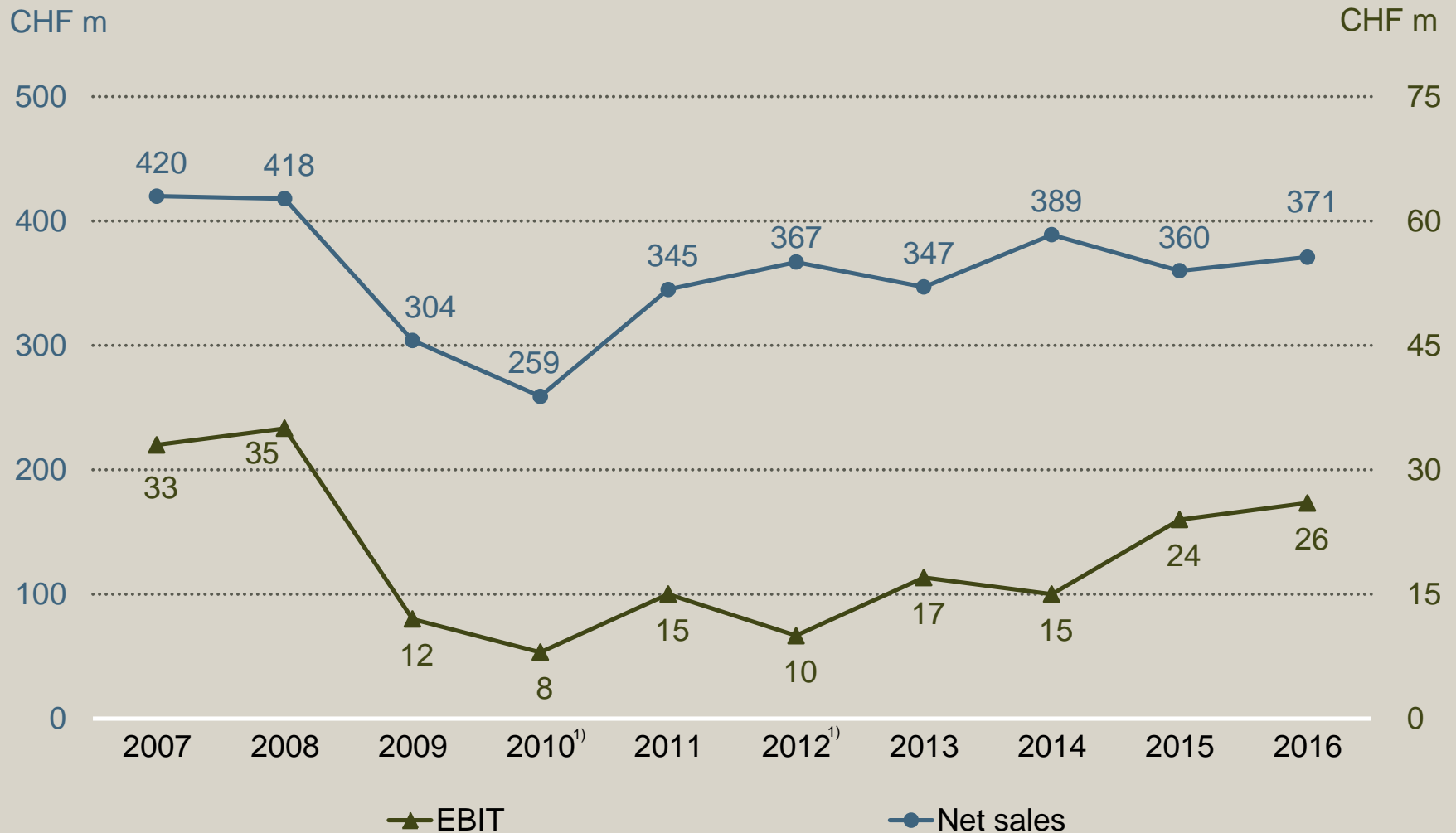
CHF million	January – September		Change in		Full year
	2017	2016	%	% <sup>1)</sup>	2016
Order intake	324	272	19.1	19.6	351
Net sales	269	263	2.2	2.5	371
Order book	163	137	19.1	19.6	108
Employees at closing date	1 623	1 754	-7.5		1 757

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

# Bucher Emhart Glass

## Net sales and EBIT

**BUCHER**



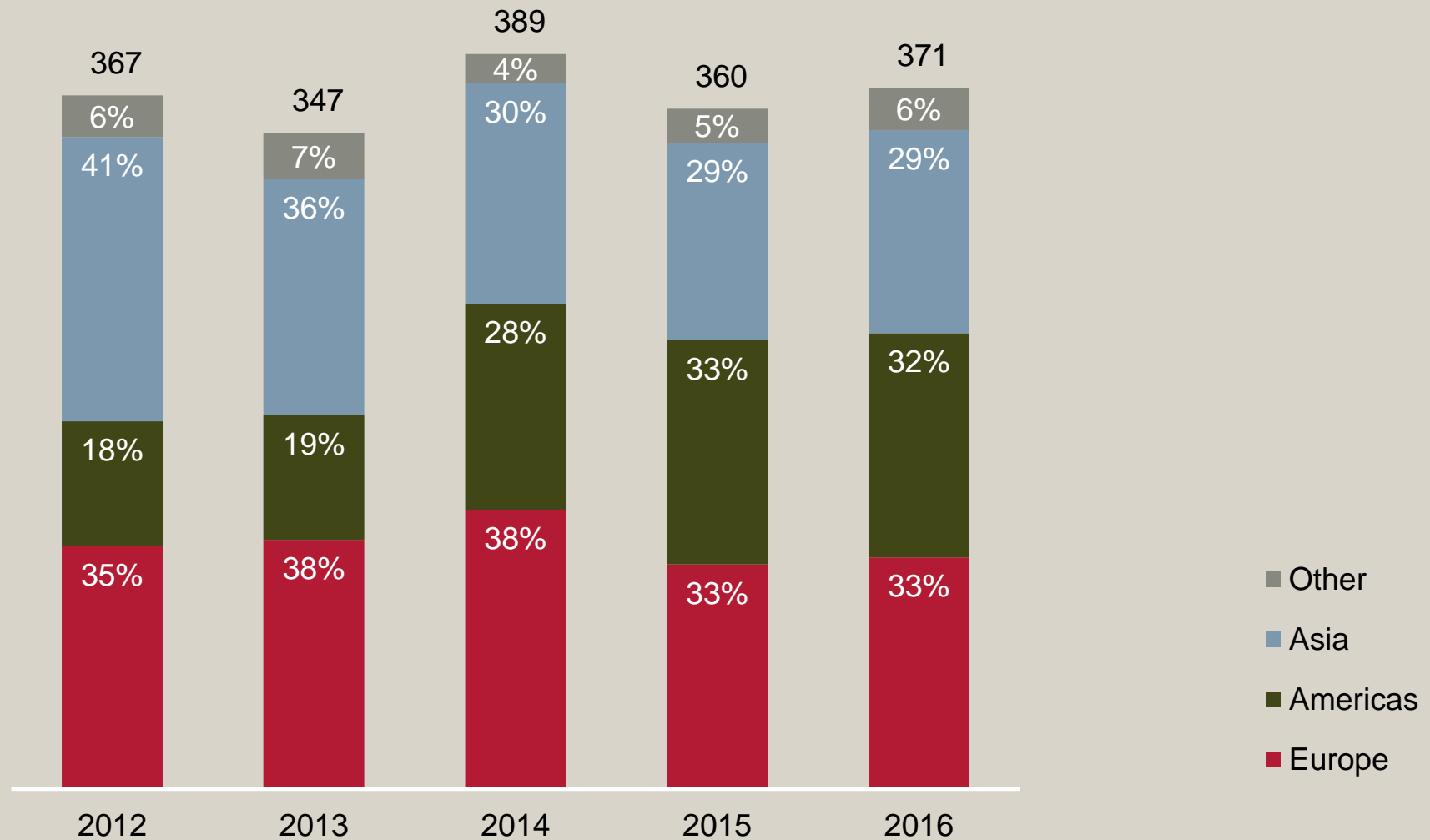
<sup>1)</sup> Before restructuring costs

# Bucher Emhart Glass

## Net sales by region

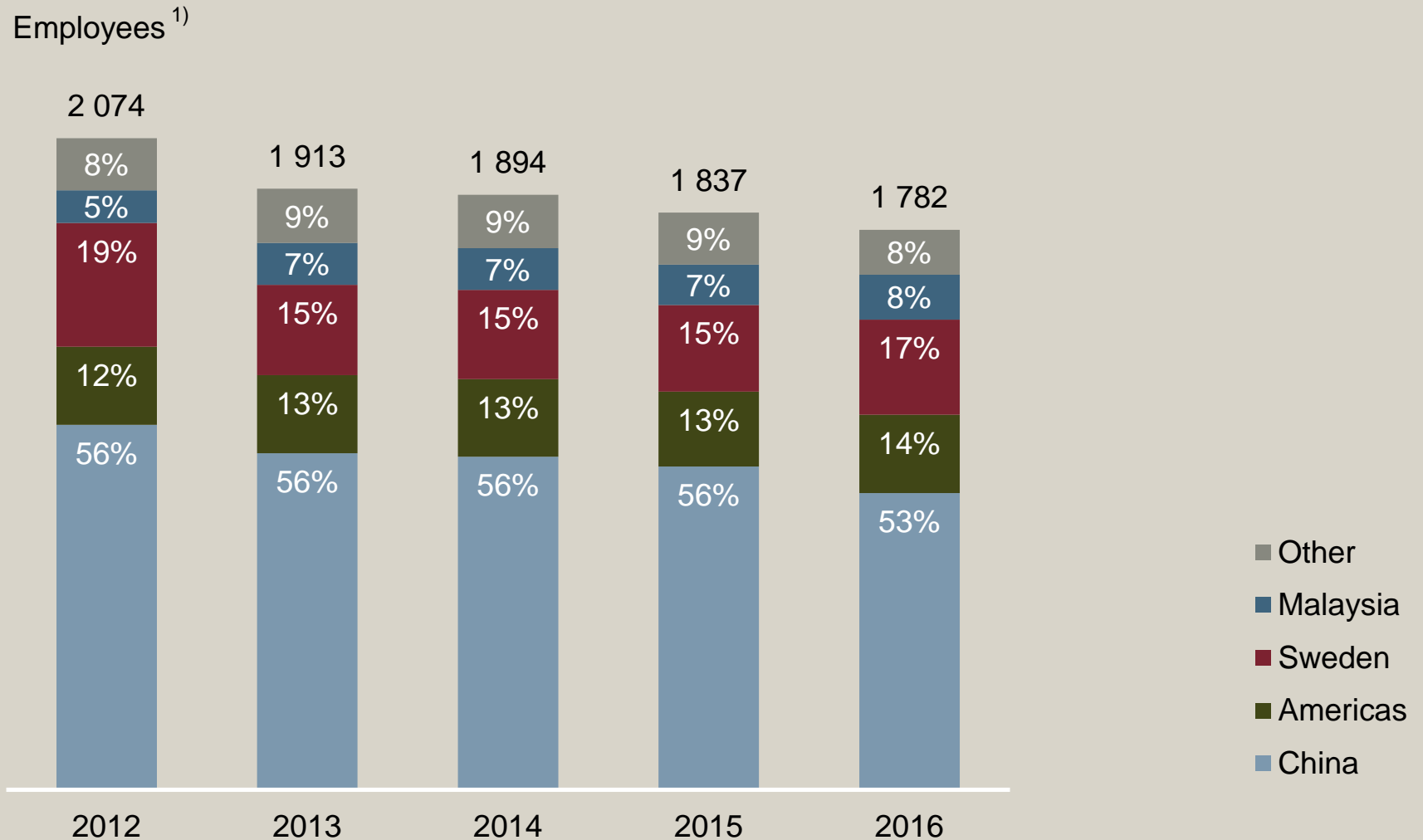
**BUCHER**

CHF m



# Bucher Emhart Glass

## Number of employees by region



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



# Bucher Emhart Glass

## Market position

- World's leading supplier of machinery, equipment and services for glass container manufacturers
- Market share: 50% worldwide for glass forming machines and services; solid market position in inspection machines
- Global partnership with O-I (USA), the world's biggest manufacturer of glass containers

# Bucher Emhart Glass

## World's leading machinery manufacturer

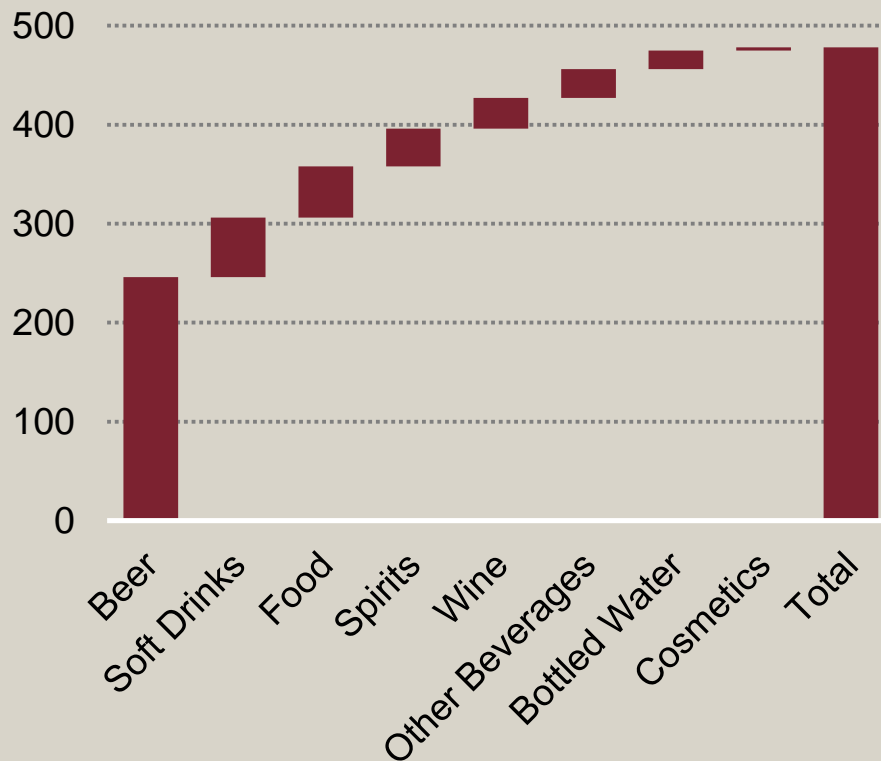
Competitors	Hot End								Cold End			
	IS forming machine											
	Refrac- tory	Fore- hearth	Feeder & shear	NIS	BIS	AIS	IS	Ware handling	Lehr	Inspec- tion	Palle- tizing	Wrap- ping
<b>Bucher Emhart Glass</b>												
Bottero (IT)												
Heye (DE)												
Sklostroj (CZ)												
GPS (DE)												
BDF (IT)												
Mitbewerber (CN)												
Tiama (FR)												
PSR (UK)												

# Bucher Emhart Glass

## Glass consumption per capita

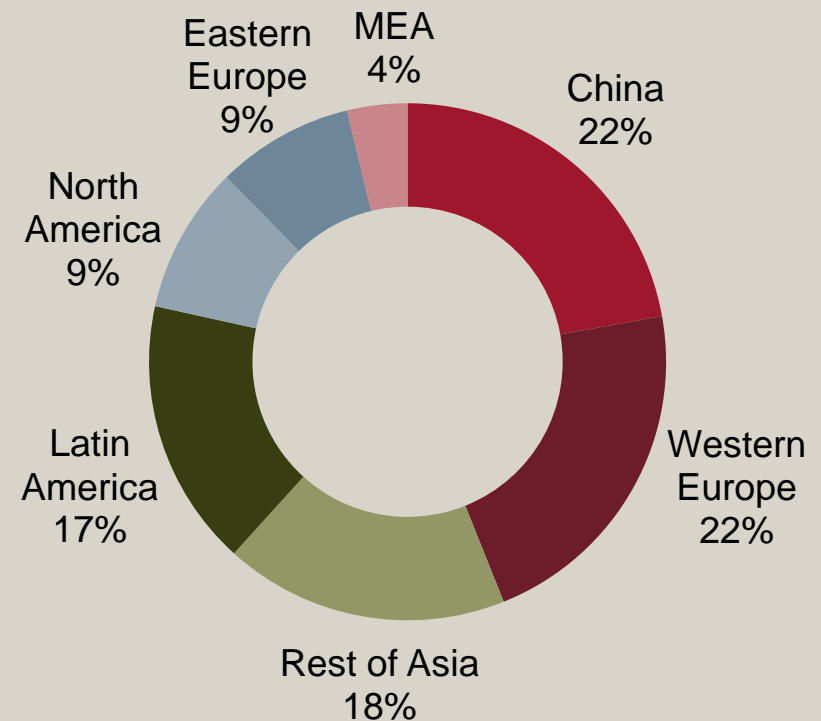
### Glass consumption

Billion units



### Glass consumption per regions

Billion units



Source: Euromonitor International (2014)

# Bucher Emhart Glass

## 2016 in brief

- Market for glass-forming and inspection machinery stable overall, with regional differences:
  - Brisk project activity in Central America, above all Mexico
  - Western Europe remained stable, but practically no demand in Eastern Europe
  - Market decline of 40% overall in China since 2011
- Positive business performance
  - Lively demand for technologically advanced machinery
  - Positive development in spare parts business
  - Pleasing co-operation with O-I
- EBIT margin increased to 7.1% thanks to improved and sustainable cost efficiency
- Without taking into account the joint venture in China, the division achieved an operating profit margin of 9.0%; provision of CHF 2 million set aside for restructuring in Sanjin

# Bucher Emhart Glass

## Outlook for 2017

- Good demand for machinery for the glass container industry
- Continued implementation of projects to improve profitability
- Additional measures initiated at the Joint Venture Sanjin in China are weighing on the EBIT margin
- For 2017: Sales expected to increase and EBIT margin to be down on the previous year



Winemaking equipment



Fruit juice processing systems, beer filtration and drying equipment



Agricultural distributorship in Switzerland



Automation solutions

# Bucher Specials

## Key figures – first half

CHF million	January – June		Change in		Full year
	<b>2017</b>	<b>2016</b>	<b>%</b>	<b>%<sup>1)</sup></b>	<b>2016</b>
Order intake	128	153	-16.6	-16.0	289
Net sales	129	125	3.2	3.9	263
Order book	75	80	-6.0	-5.2	76
Operating profit (EBITDA) as % of net sales	10 7.7%	13 10.0%	-20.8		27 10.2%
Operating profit (EBIT) as % of net sales	7 5.5%	10 7.6%	-25.3		21 8.0%
Employees at closing date	900	886	1.6		817

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

# Bucher Specials

## Key figures – third quarter

CHF million	January – September		Change in		Full year
	2017	2016	%	% <sup>1)</sup>	2016
Order intake	192	206	-6.9	-6.9	289
Net sales	211	207	1.7	1.6	263
Order book	58	50	14.8	14.9	76
Employees at closing date	887	849	4.5		817

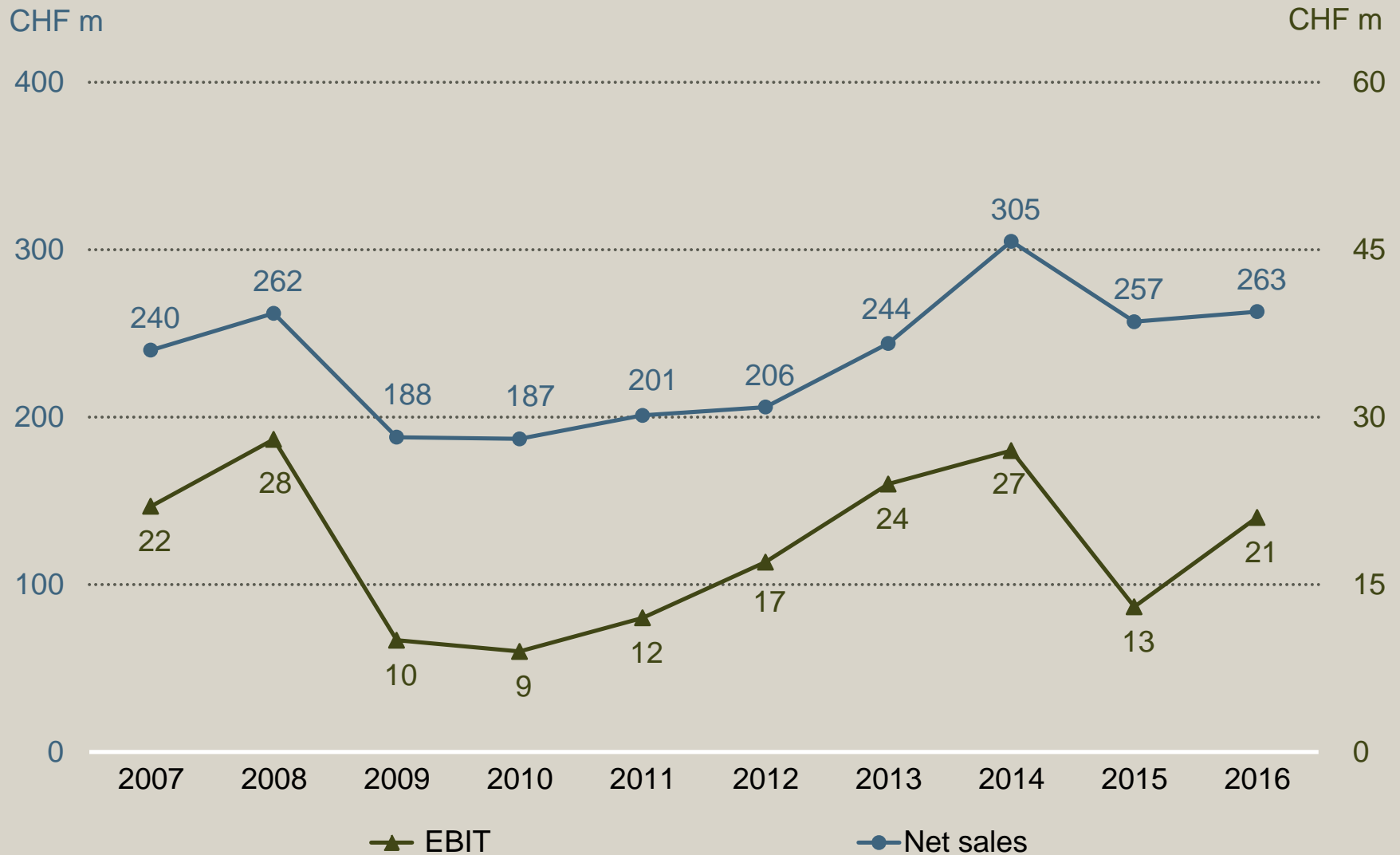
<sup>1)</sup> Adjusted for currency effects



# Bucher Specials

## Net sales and EBIT

**BUCHER**

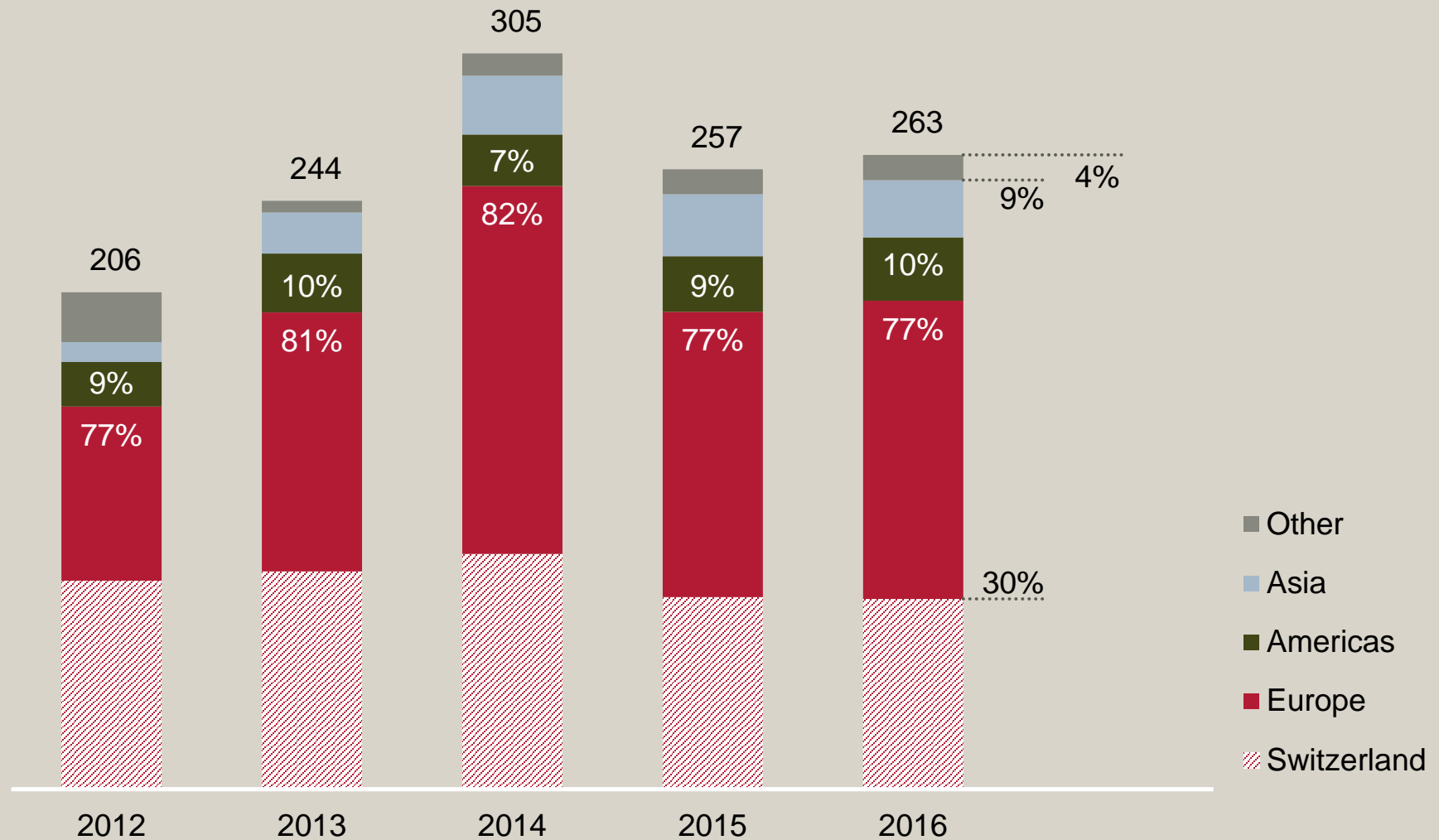


# Bucher Specials

## Net sales by region

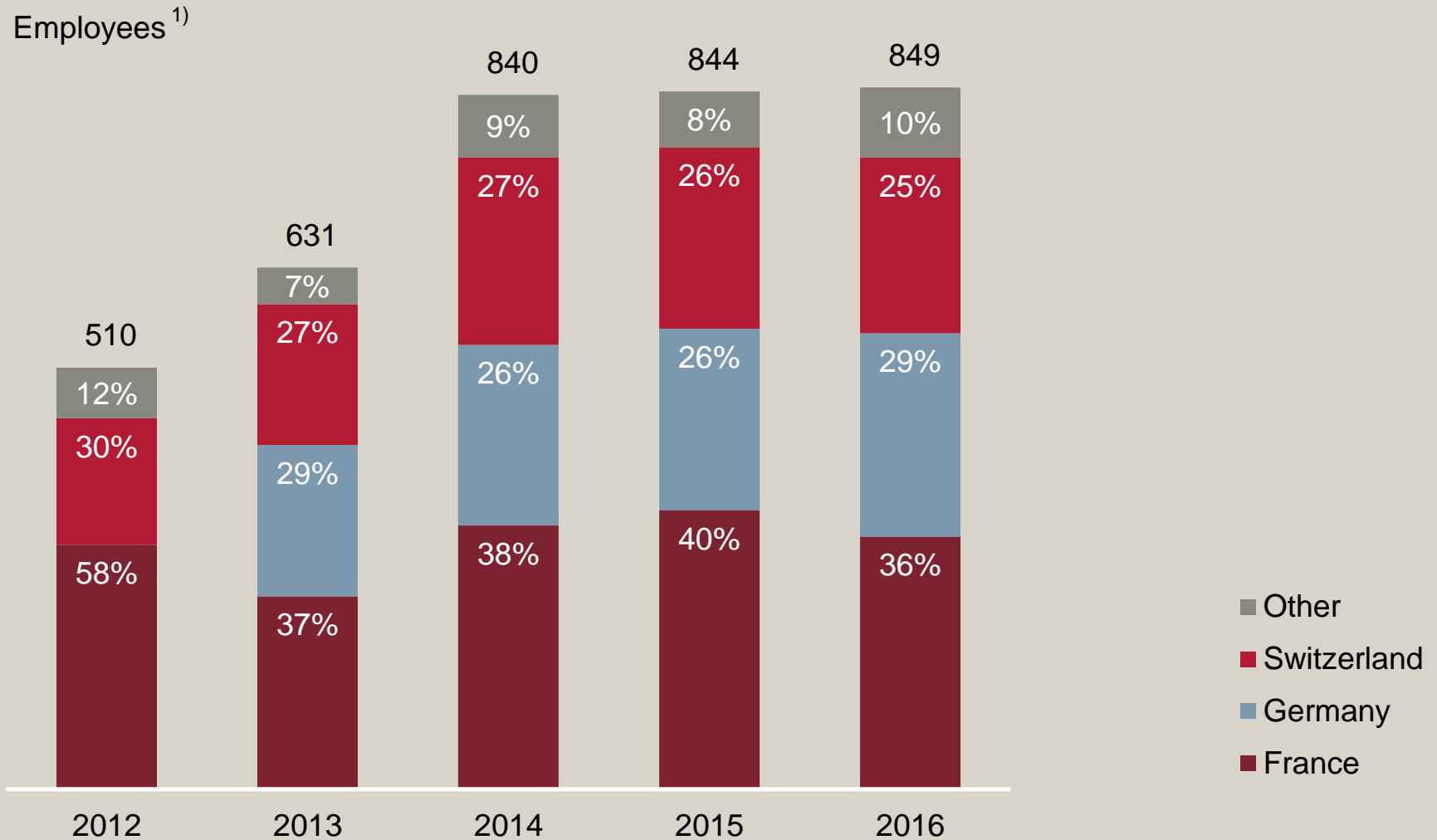
**BUCHER**

CHF m



# Bucher Specials

## Number of employees by region



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

# Bucher Specials

## 2016 in brief

- Individual business segments with contrasting trends
  - Winemaking equipment slight improvement in business performance despite softening market
  - Project business in beverage technologies: Significant recovery in demand for systems for fruit juice processing and beer filtration
  - Dealership in agricultural machinery in Switzerland: Market position remains good despite decline in agriculture
  - Automation technology: Good performance and gratifying sales progress
- High order intake and modest sales growth as some of the projects will not be delivered until 2017
- With measures to increase sales and efficiency, the division increased the EBIT margin by three percentage points to 8.0%

# Bucher Specials

## Outlook for 2017

- Stable demand in winemaking equipment
- Project business with beverage technologies expected to grow thanks to solid order book at the end of 2016, but remaining volatile
- Stable development in Swiss distributorship for agricultural machinery
- Bucher Industries is cooperating with the investigations of the Swiss Competition Commission, which have been ongoing at Bucher Landtechnik AG since March 2017, and is assisting in clearing the matter up. The results include one-off legal costs
- Positive development in automation solutions
- For 2017: Overall, expected slight increase in sales and slightly lower EBIT margin

# Bucher Vaslin

## World market leader in wine production

- World market leader in winemaking equipment
- Strong global distributor network
- Specialised production facilities in France and Chile
- Market share: 35% to 45% worldwide

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 juice production

- World market leader in fruit, berry and vegetable juice processing equipment
- Market share: 35% to 50% worldwide
- Established product range in beer filtration and drying technologies for food

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

- Distributorship for tractors (New Holland, Case, Styr), attachments (Kuhn) and farm loaders (Weidemann)
- Well-established with farmers and dealers thanks to professional dealer network and high service quality
- Market share: 20% to 30%

Competitors	Mowers	Hay and forage		Balers	Hedge cutters	Feed mixers	Tillage equipment		Seeders	Spreaders	Sprayers	Tractors	Harvesters self-propelled	Wheel-loaders
		Tedders	Rakes				driven	non-driven	drilling	precision				
<b>Bucher Landtechnik</b>	Kuhn	Kuhn	Kuhn	Kuhn	Kuhn	Kuhn	Kuhn	Kuhn	Kuhn	Kuhn		Kuhn	CNH	Weidemann
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



# Jetter

## Market position in Europe

- High level of systems expertise in industrial and mobile automation technology
- Core competence in motion control, industry 4.0
- Market share: Around 3% in the specific market segments

Competitors	Field level		Control level	Diagnostic level	Enterprise level
	Sensors	Actuators (amplifiers, motors, field devices)	Control systems	HMI's and Visualization <sup>1)</sup>	Enterprise- and manufacturing control (MES)
<b>Industrial automation</b>					
<b>Jetter</b>					
Siemens (DT)					
Schneider (FR)					
Beckhoff (DT)					
B&R (AT)					
<b>Mobile automation</b>					
<b>Jetter</b>		Cooperation with Bucher Hydraulics			
ifm (DT)					
Moba (DT)					
Hischmann (DT)					

- **Kuhn Group:** Recovery in market for agricultural equipment. Improved capacity utilisation increases EBIT margin
- **Bucher Municipal:** Improved demand. Concentration of sweeper production and absence of one-off costs increase EBIT margin
- **Bucher Hydraulics:** Market environment remains favourable. Positive momentum from markets for construction machinery, industrial hydraulics, materials handling and agricultural equipment increases EBIT margin
- **Bucher Emhart Glass:** Good demand for machinery for the glass container industry. Lower EBIT margin owing to additional measures at Sanjin
- **Bucher Specials:** Solid order book in beverage technologies and automation solutions having positive effect on sales. EBIT margin slightly lower

**Overall, the Group expects increased sales and an improved EBIT margin**

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