

Group presentation

July 2018

The five divisions of Bucher Industries

BUCHER



Kuhn Group

Agricultural machinery

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

2017
Sales CHF 1 080 million
Employees 5 200

Bucher Municipal

Municipal vehicles

- Compact and truck-mounted sweepers
- Refuse collection vehicles
- Sewer cleaning vehicles
- Salt spreaders
- Snow plough

2017
Sales CHF 430 million
Employees 2 000

Bucher Hydraulics

Hydraulic systems

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

2017
Sales CHF 550 million
Employees 2 300

Bucher Emhart Glass

Glass container industry

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

2017
Sales CHF 380 million
Employees 1 600

Bucher Specials

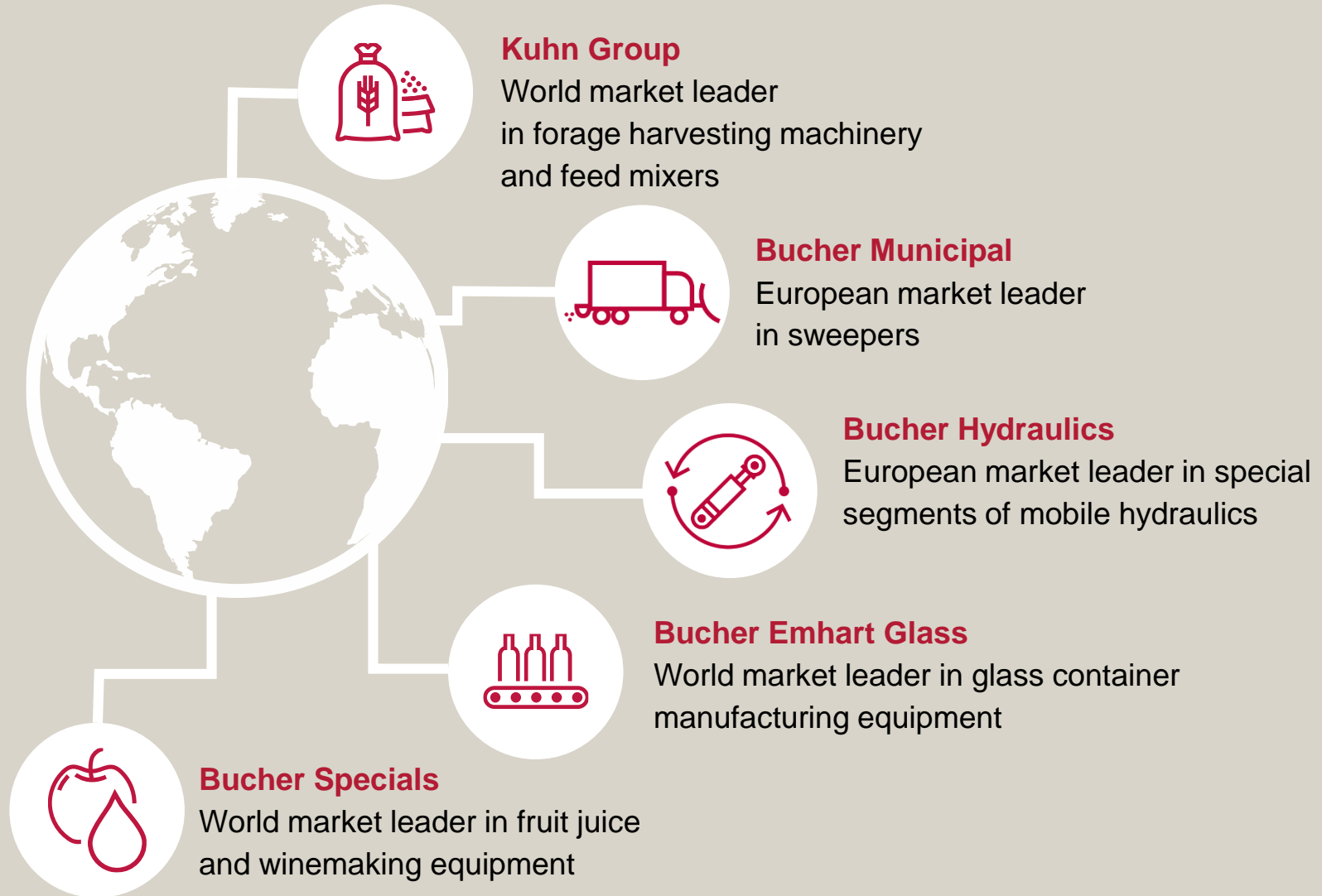
Individual businesses

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

2017
Sales CHF 270 million
Employees 850

Number 1 in selected markets

BUCHER



38 production sites on 5 continents

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Net sales in 2017 in CHF million

Annual average number of employees in full-time equivalents in 2017



Diversified group

in mechanical and vehicle engineering

Decentralised responsibility

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

Technological leadership

for a strong market position

Strengthening

of divisions

Solid balance sheet

for long-term, industrial independence

Increase in enterprise value

(RONOA > WACC)

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

Pleasing business performance in divisions

- **Kuhn Group:** The agricultural equipment market started to recover thanks to rising prices for dairy and livestock farming in Europe. Strong sales growth.
- **Bucher Municipal:** Encouraging demand for municipal vehicles in Europe and Australia. Sales higher than previous year.
- **Bucher Hydraulics:** Increased demand in the industrial hydraulics, construction machinery, agriculture engineering and materials handling segments. Strong sales growth.
- **Bucher Emhart Glass:** Increasing investments by producers of glass bottles in almost all markets, even in China. Stable sales.
- **Bucher Specials:** Volatile market for beverage technology. Positive development in automation solutions. Stable sales.

Group sales up 11% on previous year's figure.

Key figures

| CHF million | | | Change in | | |
|--|--------------|--------------|-----------|-----------------------|-----------------------|
| | 2017 | 2016 | % | %¹⁾ | %²⁾ |
| Order intake | 2 871 | 2 386 | 20.3 | 18.9 | 18.3 |
| Net sales | 2 647 | 2 380 | 11.2 | 9.9 | 9.4 |
| Order book | 960 | 728 | 32.0 | 30.4 | 30.4 |
| Operating profit (EBITDA) as % of net sales | 318 12.0% | 263 11.0% | 21.1 | | |
| Operating profit (EBIT) as % of net sales | 226 8.6% | 169 7.1% | 33.7 | | |
| Employees at 31 December | 12 108 | 11 175 | 8.3 | | 8.3 |
| Average employees during year | 11 707 | 11 251 | 4.1 | | 3.7 |

¹⁾ Adjusted for currency effects

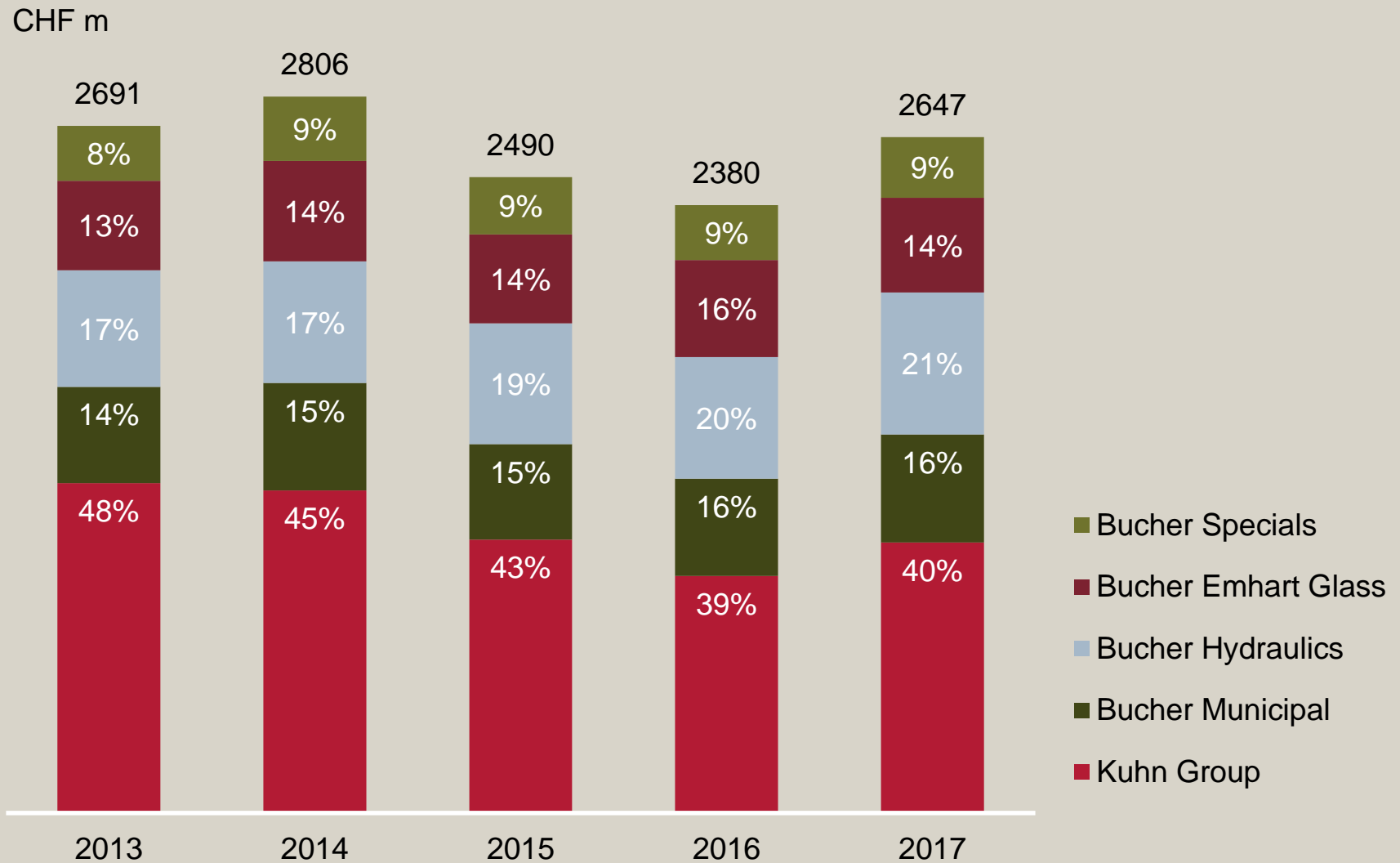
²⁾ Adjusted for currency and acquisition effects

Key figures

| CHF million | | | Change in |
|--|----------------|----------------|-----------|
| | 2017 | 2016 | % |
| Profit/(loss) for the year as % of net sales | 168 6.3% | 118 5.0% | 41.6 |
| Earnings per share in CHF | 16.81 | 11.73 | 43.3 |
| Capital expenditure | 76 | 78 | -2.6 |
| Operating free cash flow | 148 | 190 | -21.8 |
| Net cash/debt | 214 | 61 | 248.9 |
| Equity as % of total assets (equity ratio) | 1 432 52.7% | 1 224 50.6% | 17.0 |
| Net operating assets (NOA) average as % of return after tax (RONOA) | 1 274 13.2% | 1 293 9.7% | -1.5 |

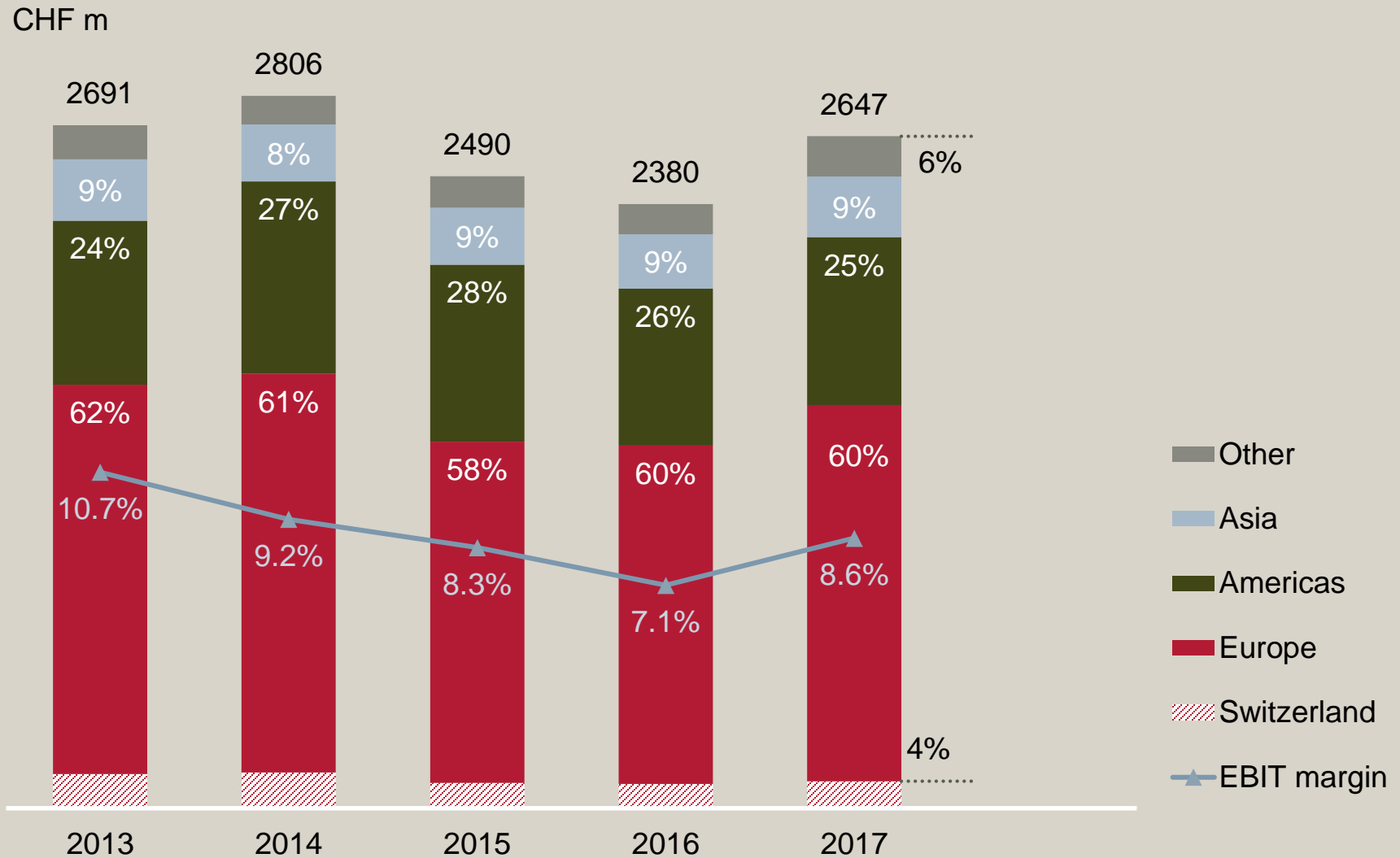
Net sales by division

BUCHER



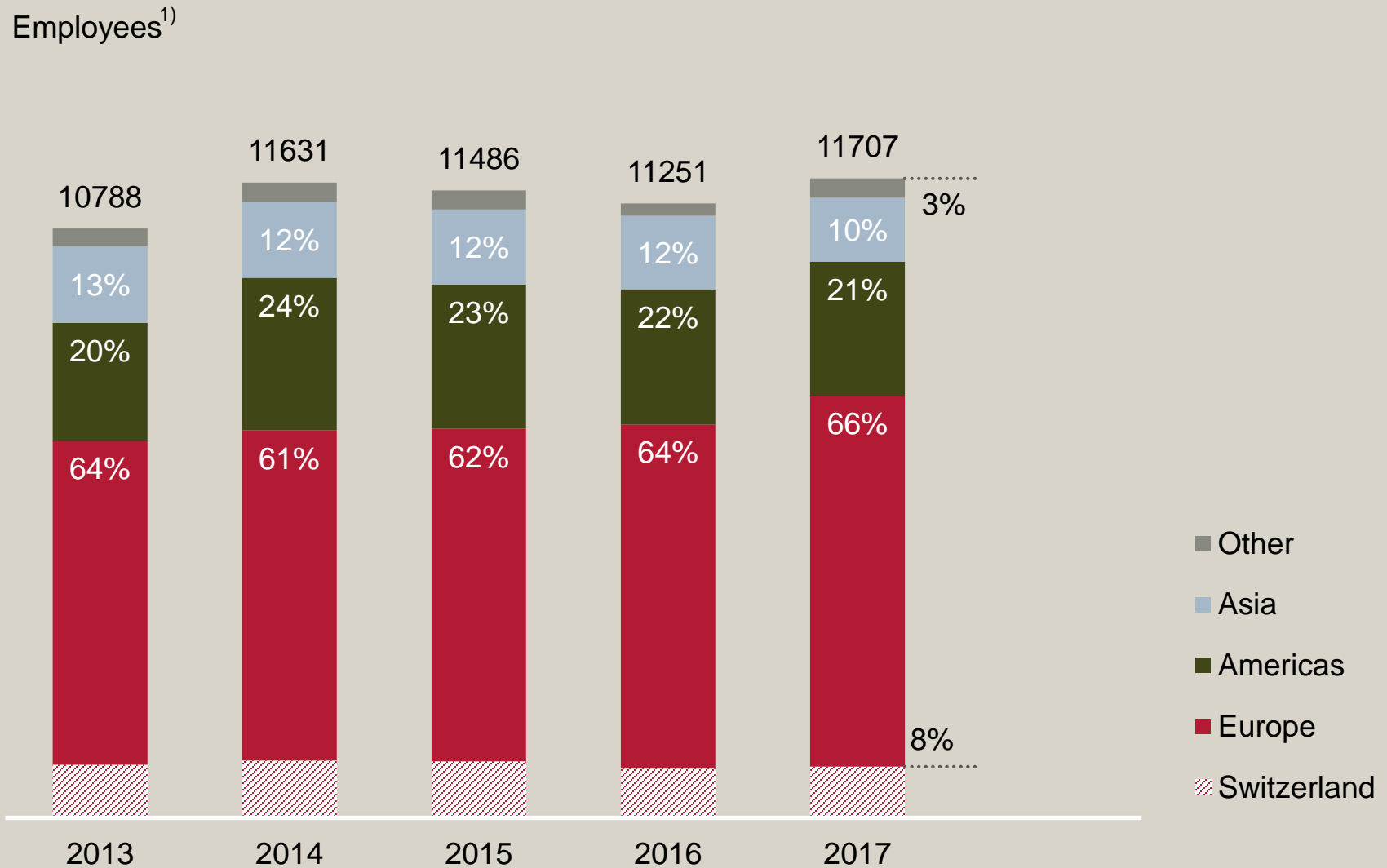
Net sales by region

BUCHER



Number of employees by region

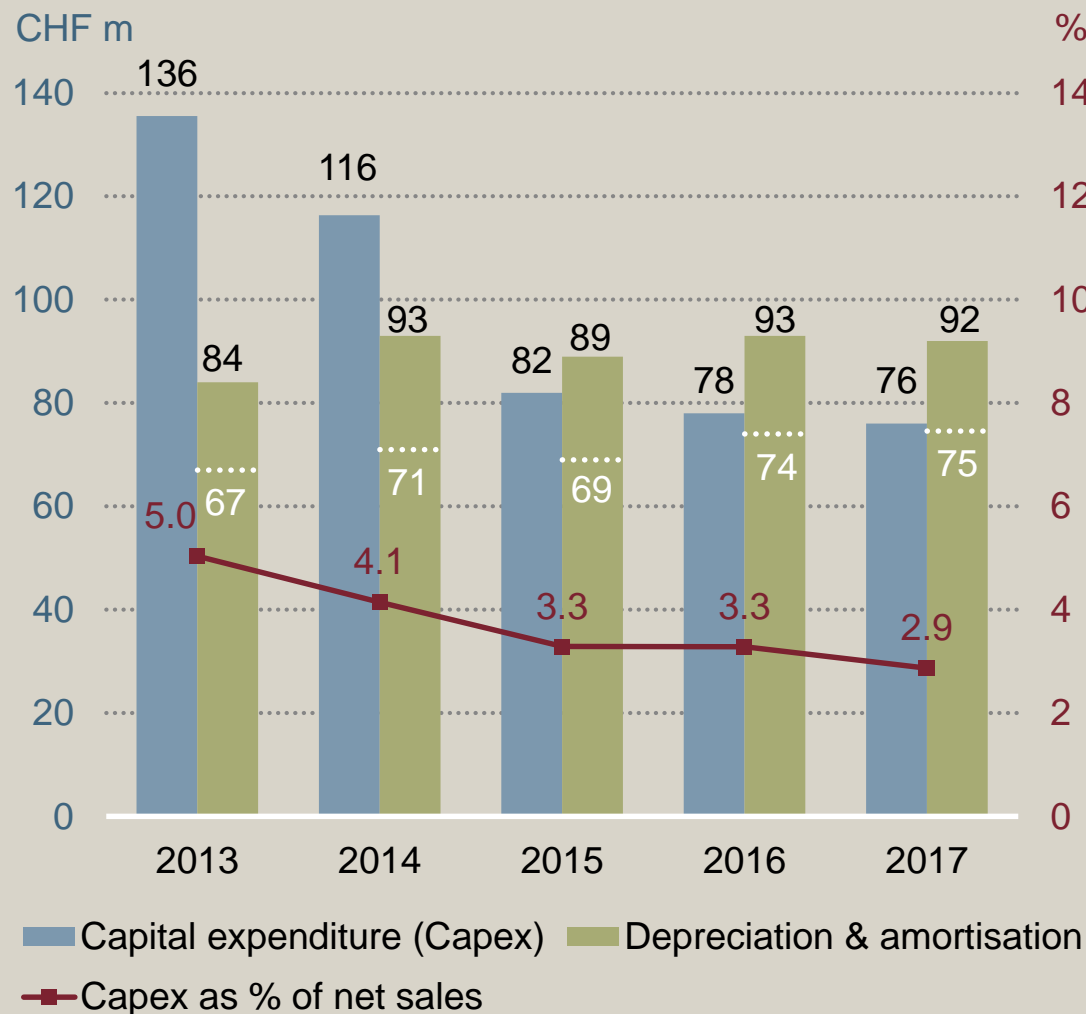
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¹⁾ Expressed in full-time equivalents; average during year

Investments in the future

Fixed and intangible assets



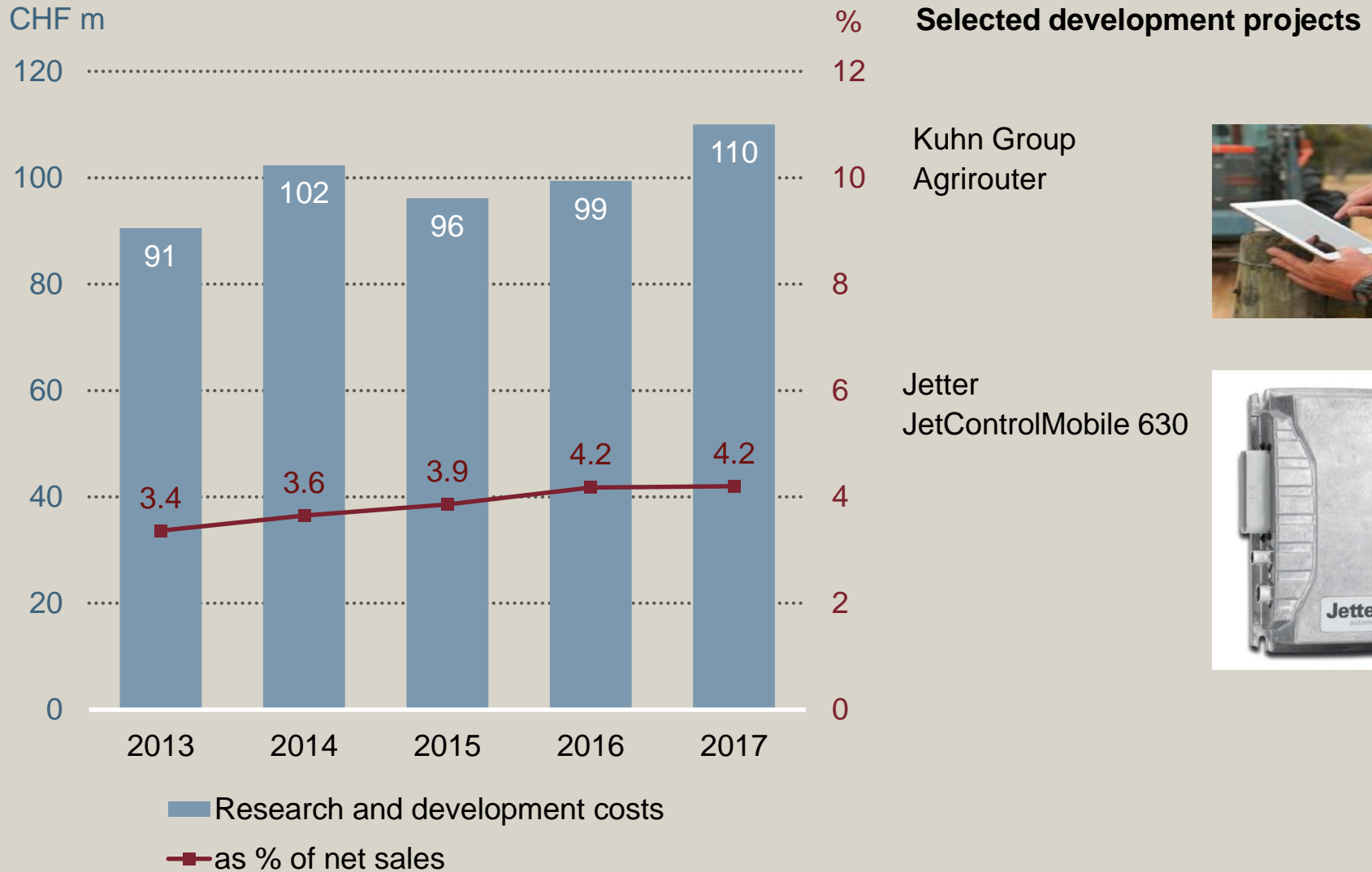
Key investment projects

- Kuhn Group – Construction of new logistics centre Saverne, France
- Kuhn Group – Purchase of land Voronezh, Russia
- Bucher Municipal – Expansion of production facility Ventspils, Latvia

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

Investments in the future

Research and development costs



Acquisitions 2013 – 2017

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2013

**Bucher
Hydraulics**

Eco
Systemas,
Brazil



Net sales¹⁾
CHF 10 Mio.

Employees
60

**Bucher
Hydraulics**

Ölhydraulik
Altenerding,
Germany



Net sales¹⁾
CHF 40 Mio.

Employees
250

**Bucher
Specials**

Filtrox
Engineering,
Switzerland



Net sales¹⁾
CHF 30 Mio.

Employees
35

**Bucher
Specials**

Jetter AG,
Germany



Net sales¹⁾
CHF 50 Mio.

Employees
230

2014

**Kuhn
Group**

Montana
Indústria de
Máquinas,
Brazil



Net sales¹⁾
CHF 60 Mio.

Employees
600

2016

**Bucher
Municipal**

J. Hvidtved
Larsen
(JHL),
Denmark



Net sales¹⁾
CHF 60 Mio.

Employees
200

**Bucher
Municipal**

PakMor
Australia



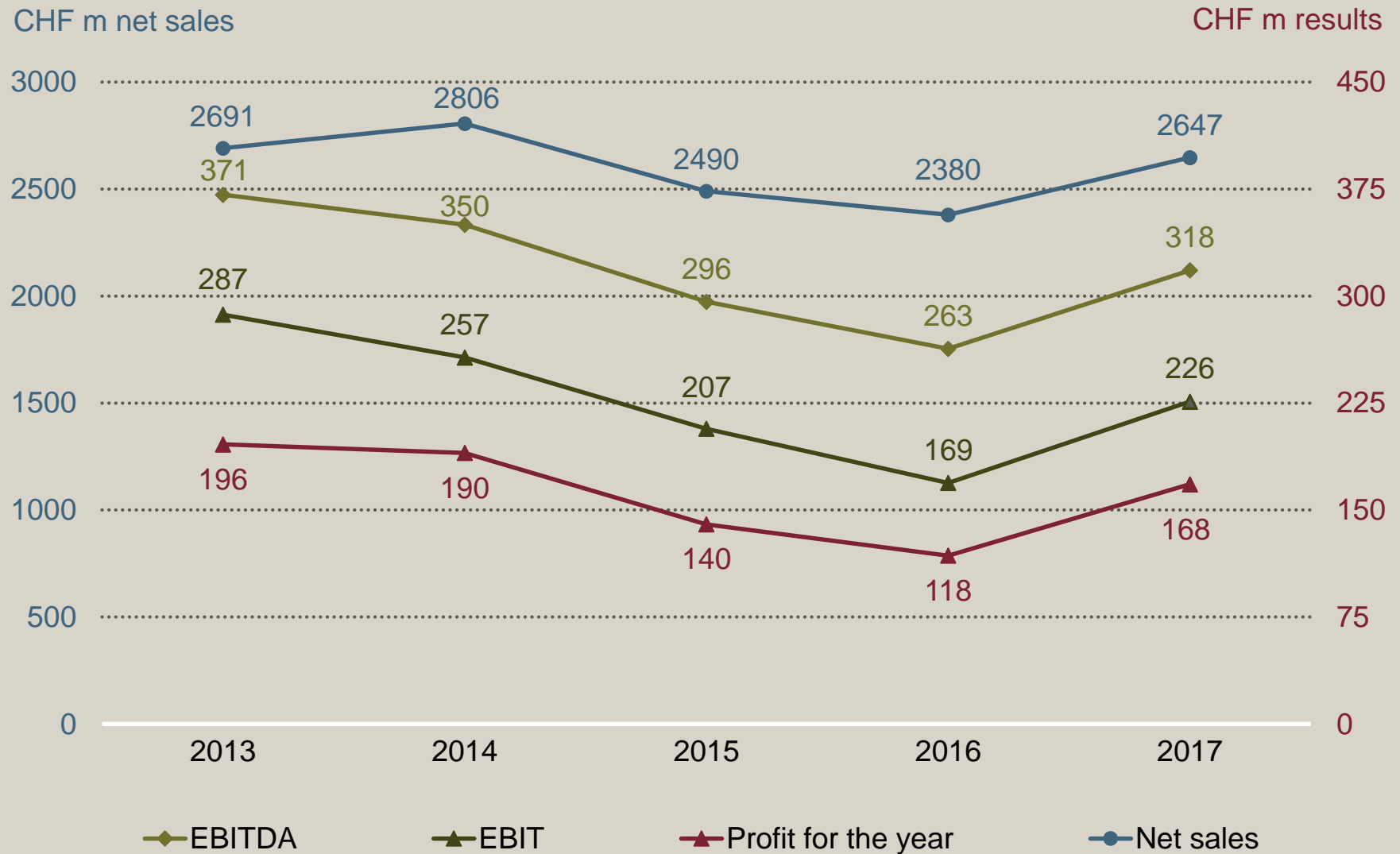
Net sales¹⁾
CHF 10 Mio.

Employees
50

¹⁾ Prior acquisition

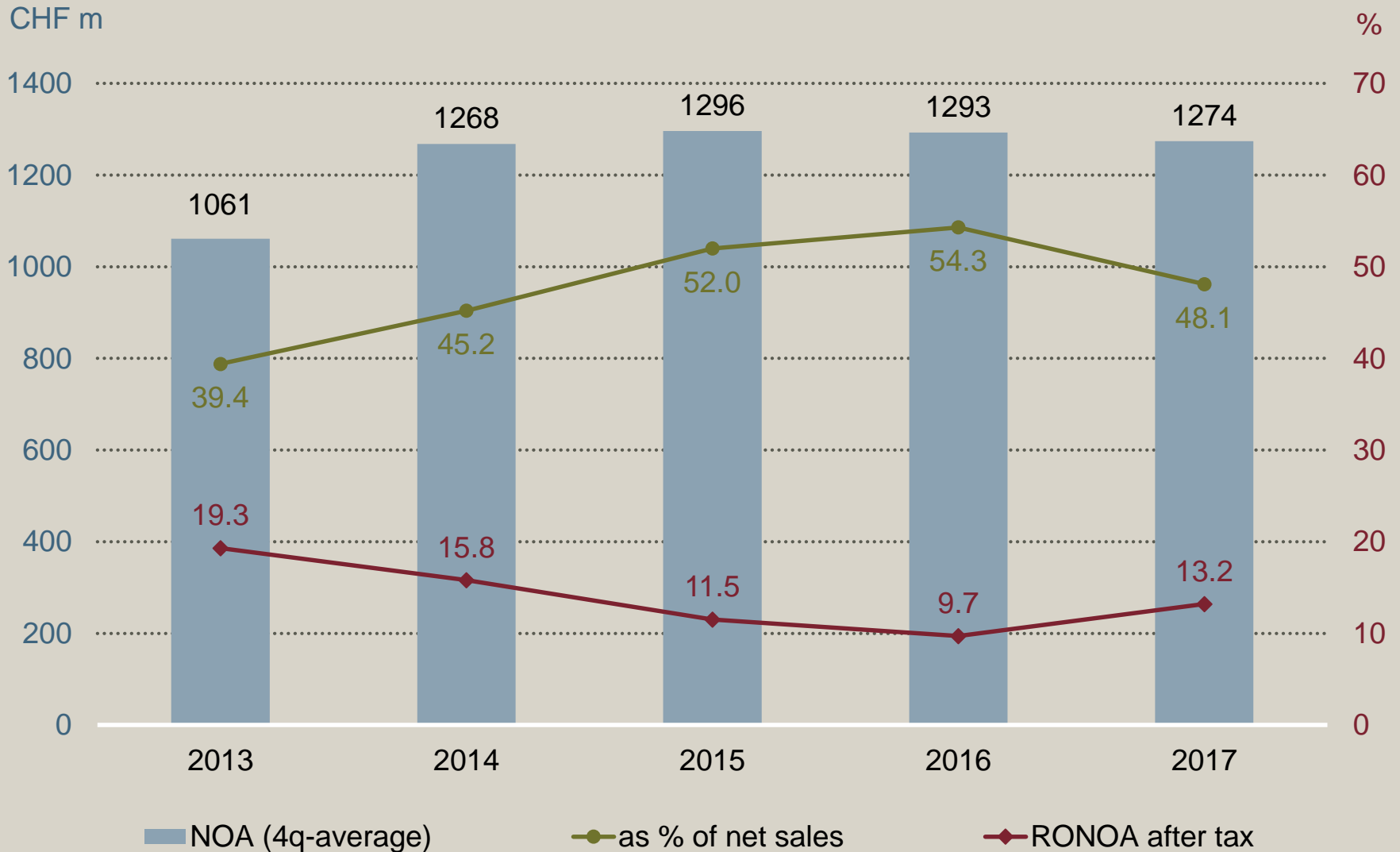
Net sales and results

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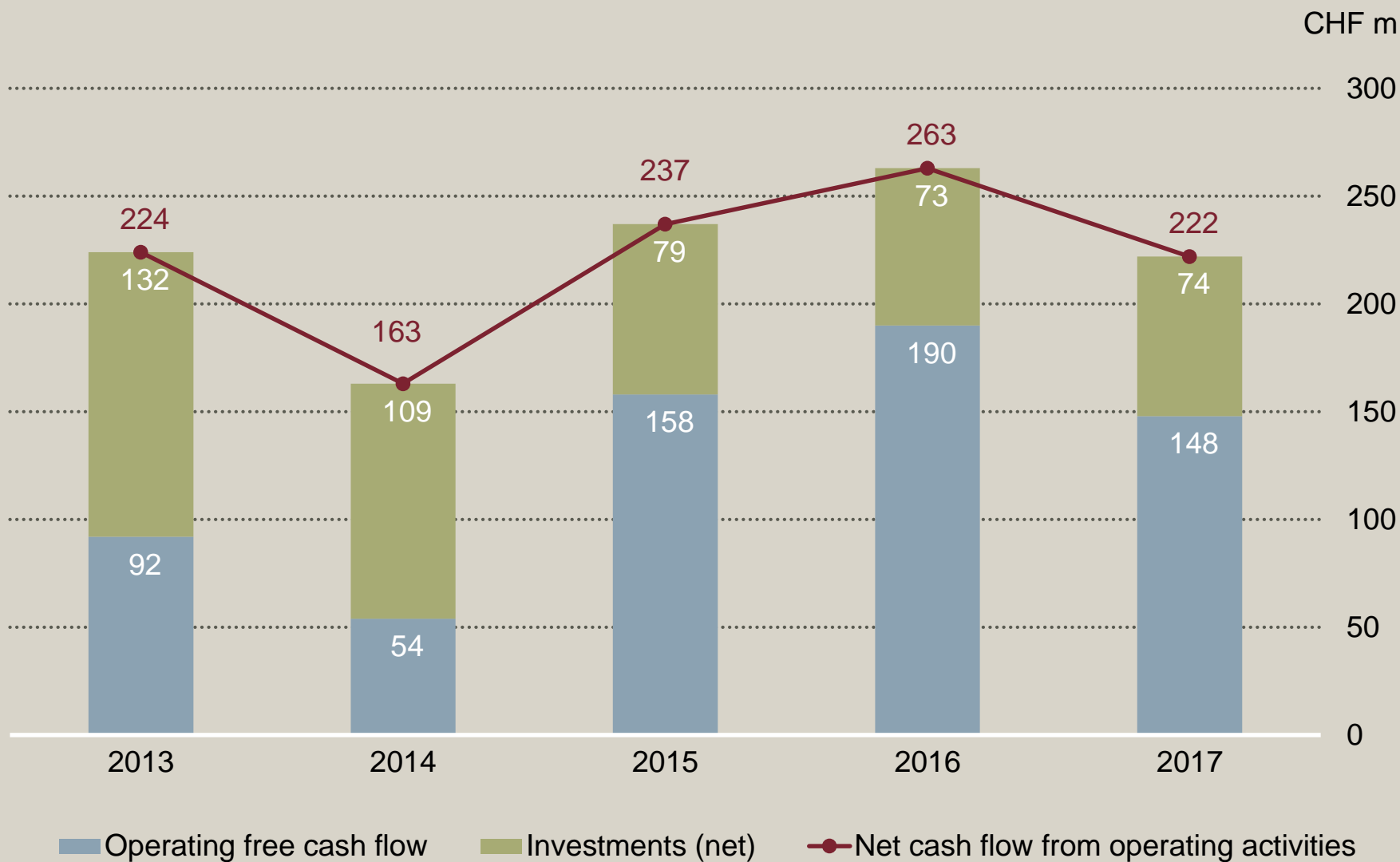
Net operating assets (NOA) and RONOA after tax

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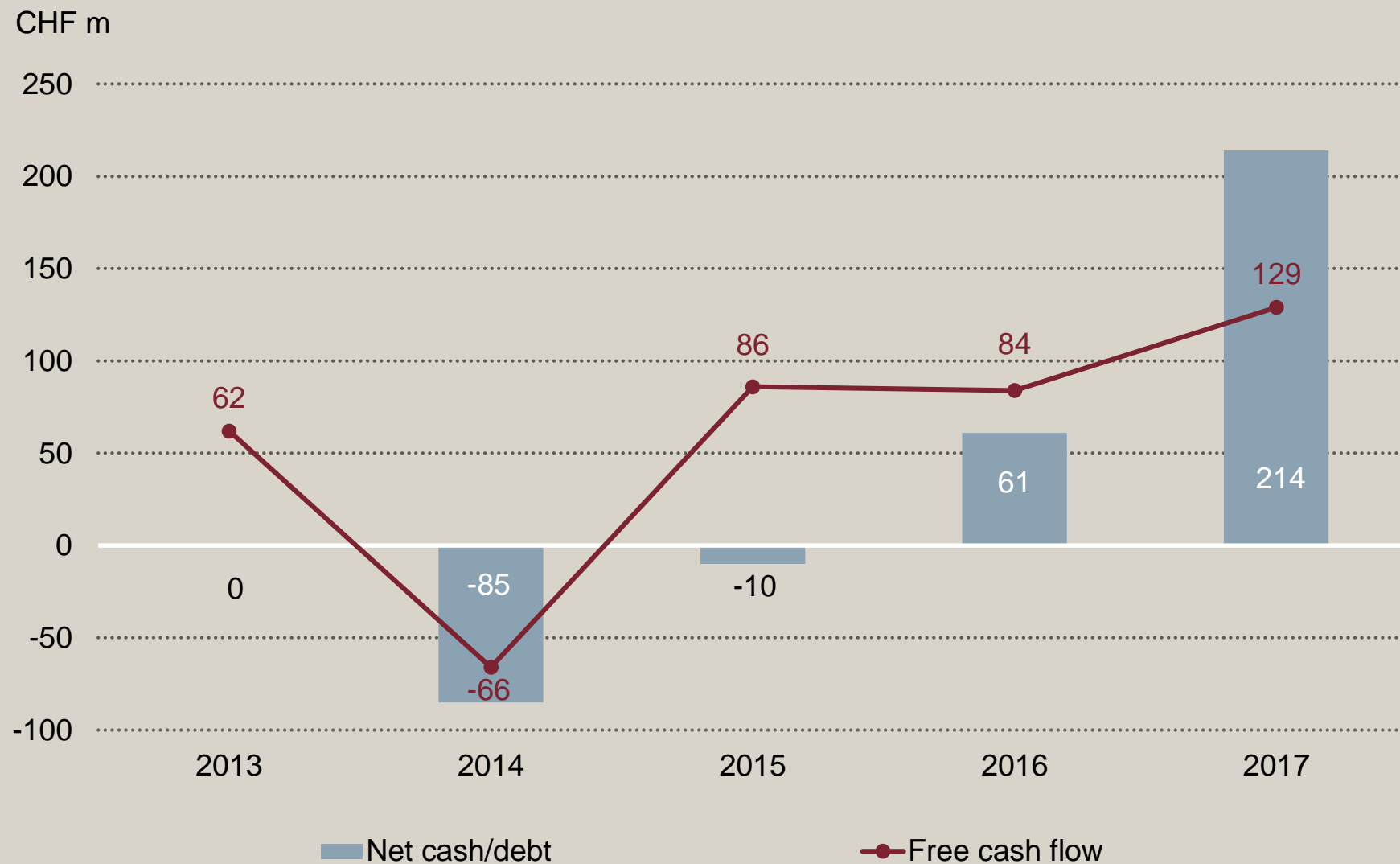
Cash flow and investments

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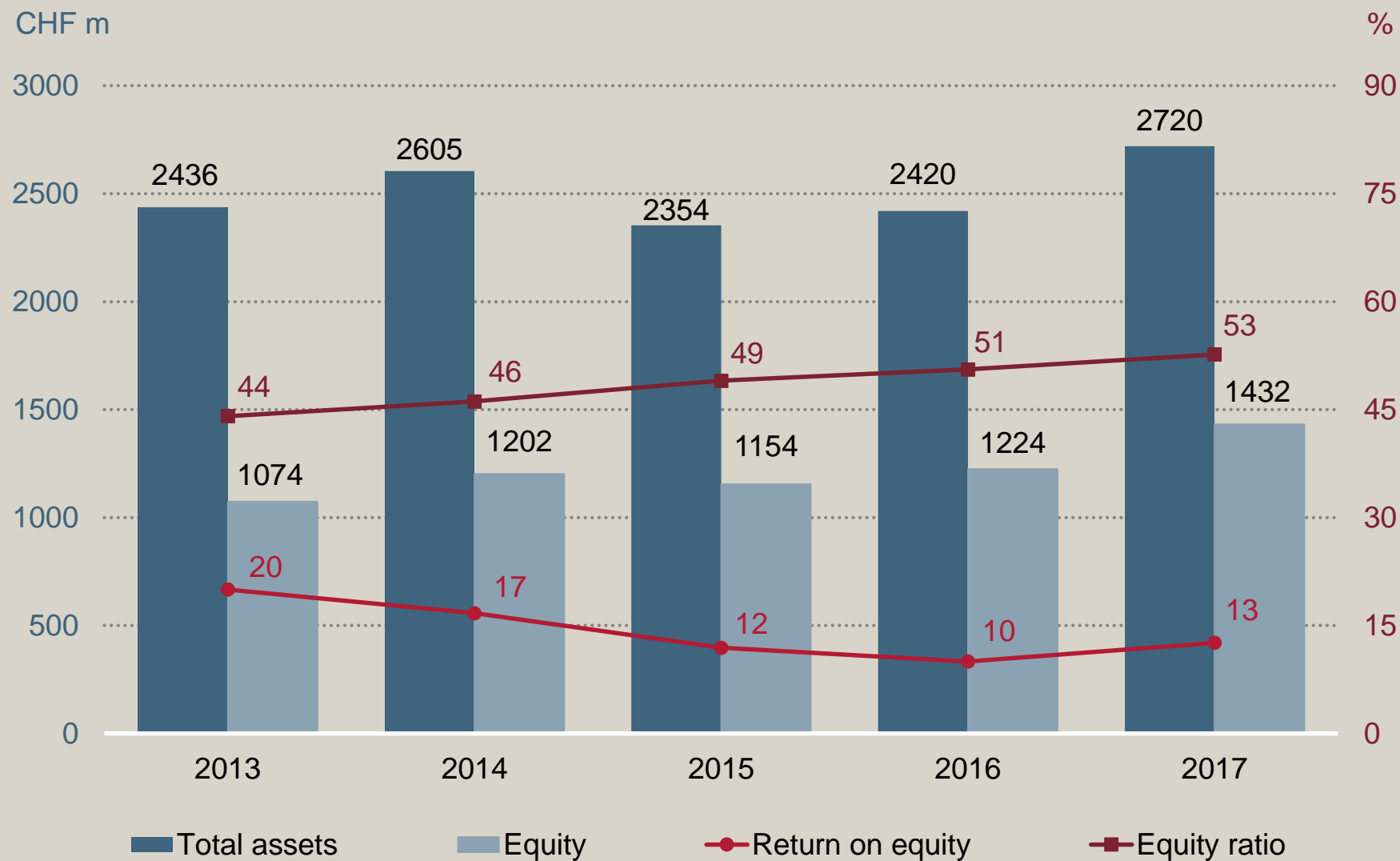
Net cash/debt and free cash flow

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Total assets and equity

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Results by division

| CHF million | EBIT | EBIT margin | EBIT | EBIT margin |
|--------------------------|-------------|-------------|-------------|-------------|
| | 2017 | 2017 | 2016 | 2016 |
| Kuhn Group | 93 | 8.6% | 74 | 8.0% |
| Bucher Municipal | 26 | 6.1% | 15 | 3.7% |
| Bucher Hydraulics | 75 | 13.7% | 57 | 11.9% |
| Bucher Emhart Glass | 25 | 6.6% | 26 | 7.1% |
| Bucher Specials | 22 | 8.1% | 21 | 8.0% |
| Other/consolidation | -15 | | -24 | |
| Bucher Industries | 226 | 8.6% | 169 | 7.1% |

Divisions

Kuhn Group

Specialised agricultural machinery

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Arable farming



Ploughing



Tillage



Seeding



Fertilisation



Spraying

Dairy and livestock farming



Hay and forage harvesting



Feed storage



Bedding and feeding



Manure spreaders



Hedge cutters

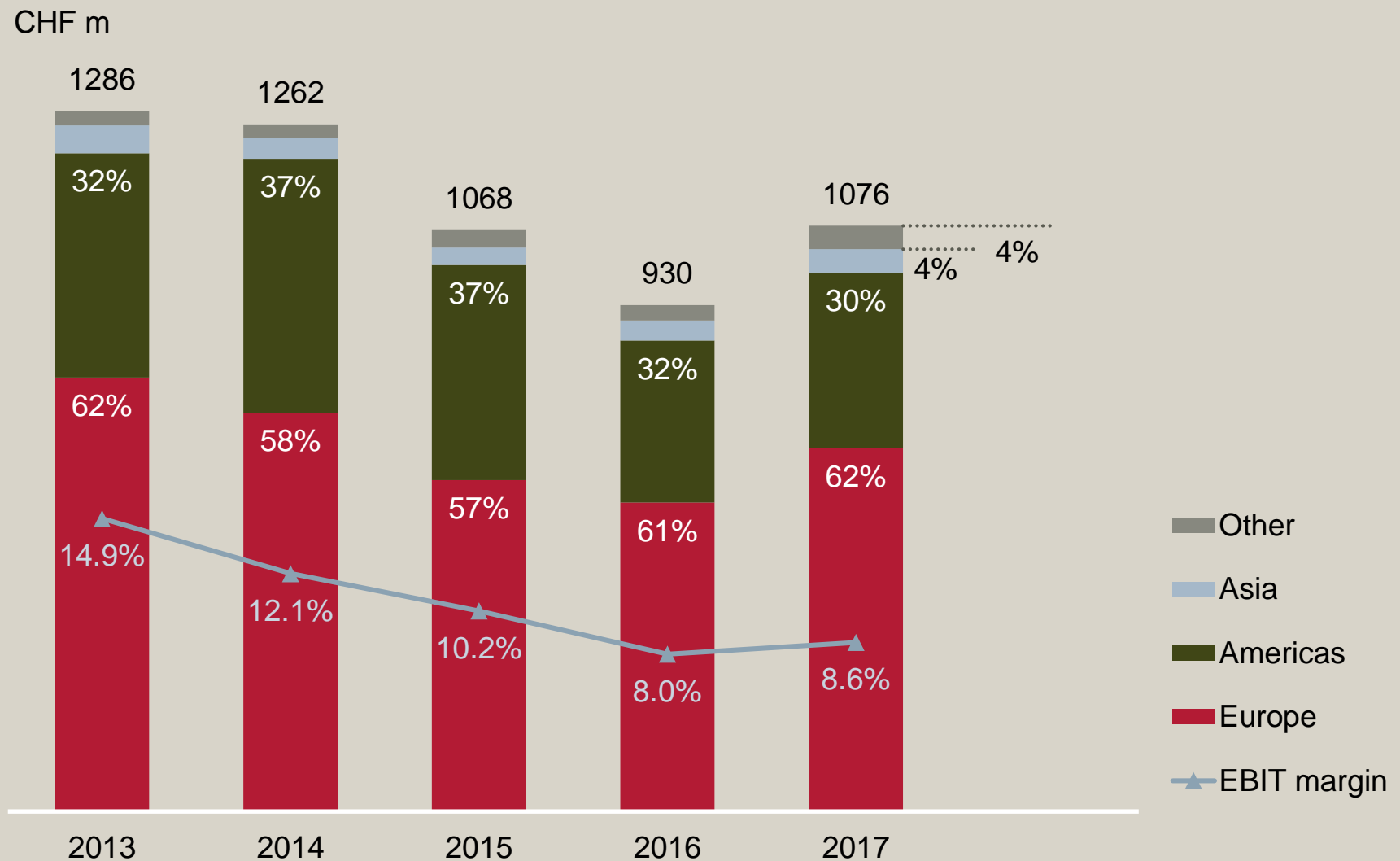
Landscape maintenance

- The agricultural equipment market started to recover after three difficult years.
- Dairy product and meat prices in Europe went up.
- Western European agricultural technology markets recorded positive growth, but not in France, which was still suffering from the poor harvest in 2016 and the low incomes of local farmers.
- Overproduction and stagnating demand led to high inventories of cereals, volatile prices and lower incomes for farmers in North America.
- Satisfying increase in order intake of 22% and sales of 16%.
- In light of rising material costs, the EBIT margin was modestly higher: from 8.0% to 8.6%.

Kuhn Group

Net sales by region

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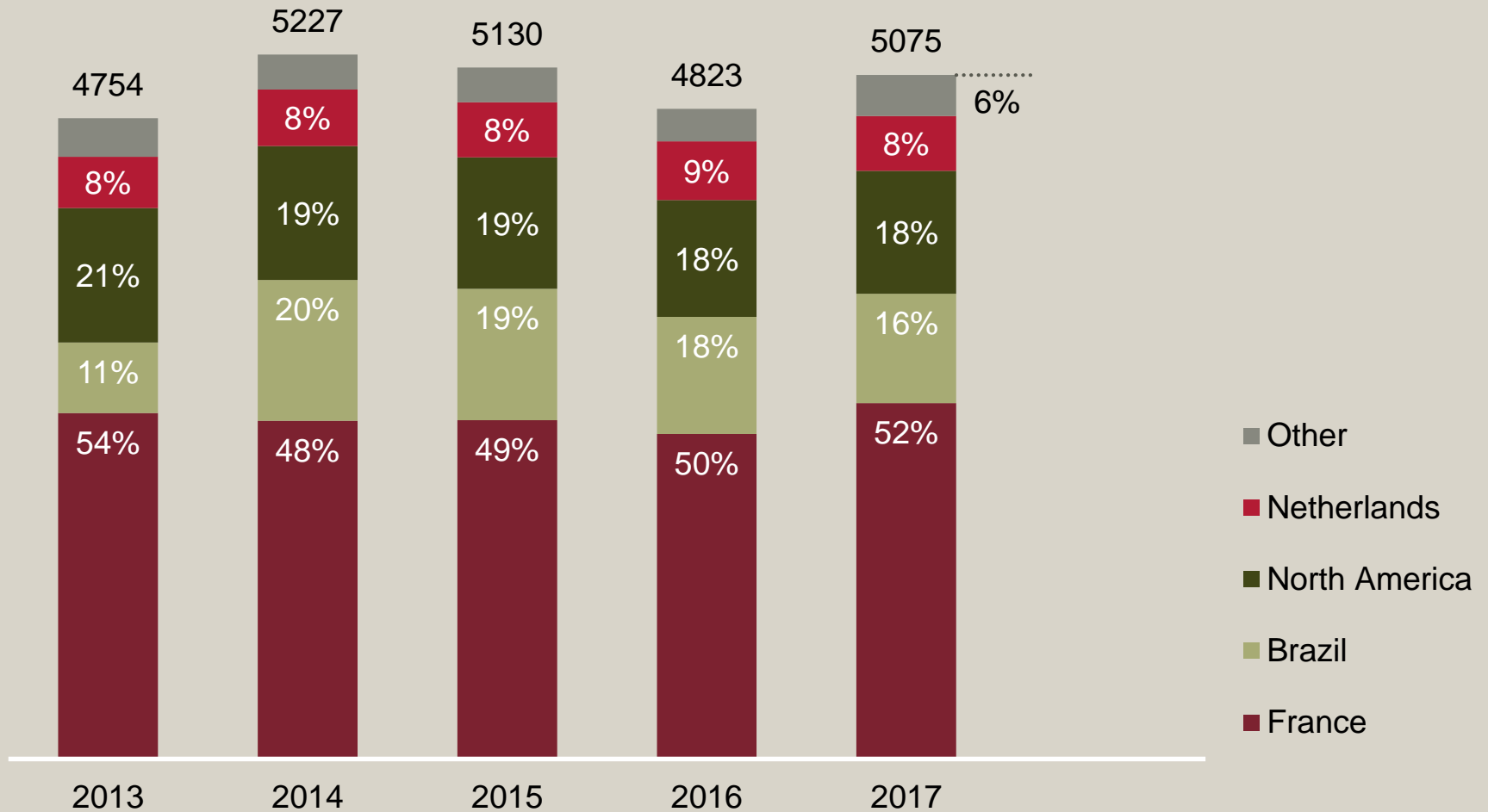


Kuhn Group

Number of employees by region

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Employees¹⁾



¹⁾ Expressed in full-time equivalents; average during year

Kuhn Group

World farm equipment market

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Equipment market
(in value)

%

Farm tractors

29

Harvesting machinery

16

Hay & silage making
machinery

7

Tillage

7

Seeding, planting,
fertilizing and spraying
machinery

10

Other ag. machinery +
attachments & parts

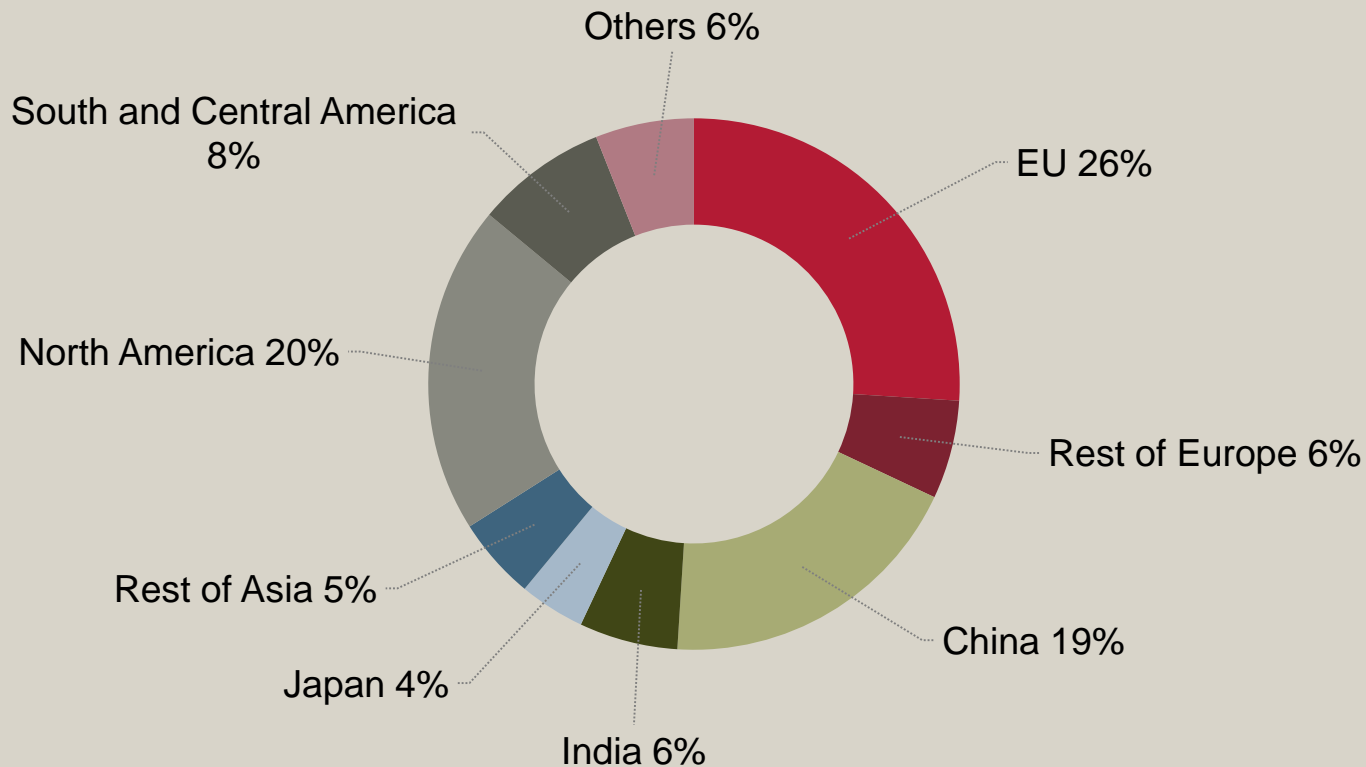
31

Source: Freedonia

Kuhn Group

World farm equipment market

By region 2017 (VDMA estimate in value)



Source: VDMA

Kuhn Group

Complete product range under one brand

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| Competitors | Hay and forage | | Balers | Hedge cutters | Feed mixers | Tillage equipment | | Seeders | | Spreaders | Sprayers | Tractors | Harvesters self-propelled |
|-------------------|----------------|---------|--------|---------------|-------------|-------------------|------------|----------|-----------|-----------|----------|----------|---------------------------|
| | Mowers | Tedders | | | | driven | non-driven | drilling | precision | | | | |
| Kuhn Group | | | | | | | | | | | | | |
| John Deere | | | | | | | | | | | | | |
| CNH | | | | | | | | | | | | | |
| AGCO | | | | | | | | | | | | | |
| Claas | | | | | | | | | | | | | |
| Krone | | | | | | | | | | | | | |
| Amazone | | | | | | | | | | | | | |
| Pöttinger | | | | | | | | | | | | | |
| Kubota/KVE | | | | | | | | | | | | | |
| Exel / Hardi | | | | | | | | | | | | | |
| Lemken | | | | | | | | | | | | | |
| Horsch | | | | | | | | | | | | | |
| Väderstad | | | | | | | | | | | | | |
| Sulky | | | | | | | | | | | | | |

Kuhn Group

Market position

Kuhn Group

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



- Market share of 30% or more depending on product family and region.
- Comprehensive range of agricultural machinery.
- World market leader in hay and forage harvesting machinery and feed mixers.
- Leader in tillage equipment, fertilisation and feeding technology.
- Strong position in Europe and in North and South America.
- Extensive and independent network of dealers.
- Sold throughout the world under the Kuhn brand.

Kuhn Group

Outlook for 2018

- Stable development in dairy and livestock farming, especially in Europe.
 - Robust demand for hay and forage harvesting machinery as well as feeding equipment.
- Arable farming in North America still volatile:
 - Cereals prices low and high inventories.
 - Chinese punitive tariffs on US agricultural products such as soya beans.
 - Low farm incomes in North America.
- Rising prices for material, especially for steel.
- For 2018: Higher sales with an operating profit margin at the same level as last year expected.

Bucher Municipal Municipal vehicles and winter maintenance equipment

BUCHER

Sweeper equipment



Compact sweepers



Truck-mounted sweepers

Winter equipment



Spreaders

Ploughs

Special vehicles



Sewer cleaning

Refuse collection

Bucher Municipal

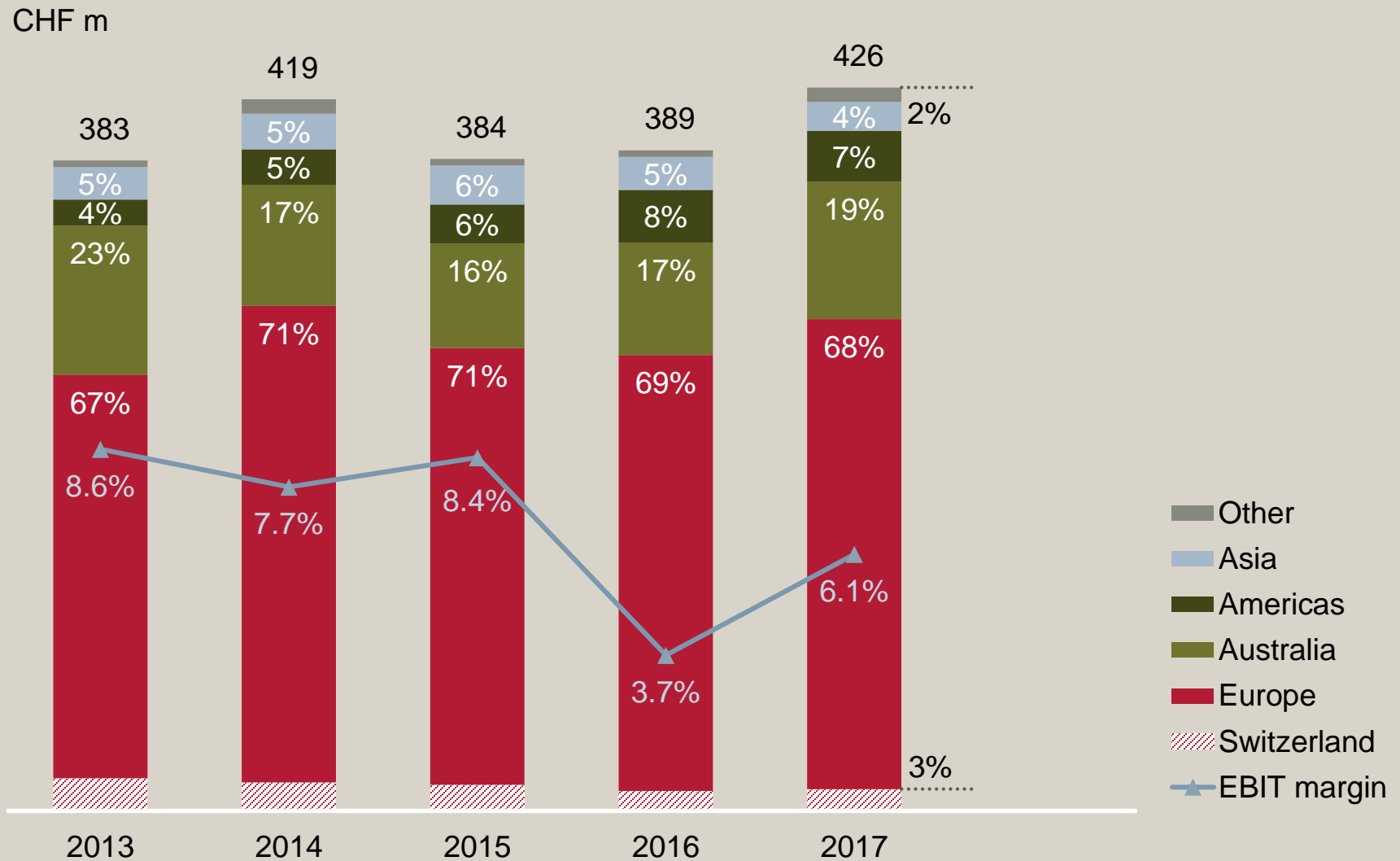
2017 in brief

- Increased demand for municipal vehicles in Europe.
- Improved economic situation in Australia increased demand for refuse collection vehicles and refuse compactors.
- Sewer cleaning vehicles business in Europe stable.
- Winter maintenance equipment business positively impacted by early onset of winter.
- Concentration of sweeper vehicle production in Great Britain and Latvia completed.
- Significant increase in order intake of 28%.
- Sales up 9%.
- EBIT margin of 6.1%.

Bucher Municipal

Net sales by region

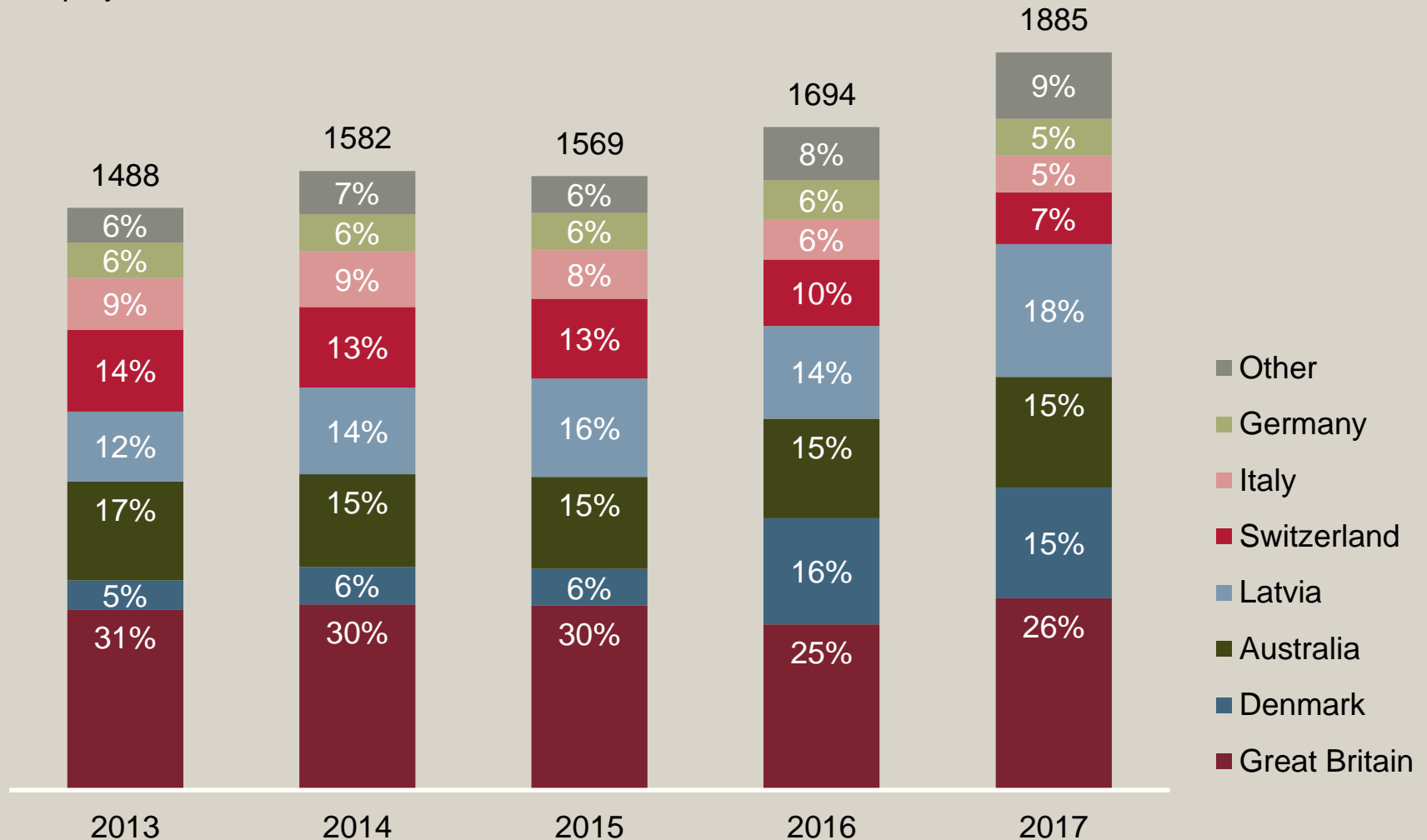
BUCHER



Bucher Municipal

Number of employees by region

Employees¹⁾



¹⁾ Expressed in full-time equivalents; average during year

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 | | | | | | | | |
| Bucher Municipal | | | | | | | | | | | | |
| Federal Signal | | | | | | | | | | | | |
| Alamo | | | | | | | | | | | | |
| Douglas Dynamics | | | | | | | | | | | | |
| Terberg-RosRoca | | | | | | | | | | | | |
| Aebi-Schmidt | | | | | | | | | | | | |
| Faun | | | | | | | | | | | | |
| Fayat | | | | | | | | | | | | |
| Hako | | | | | | | | | | | | |
| Boschung | | | | | | | | | | | | |
| Cappellotto | | | | | | | | | | | | |
| Kaiser | | | | | | | | | | | | |
| Zoomlion | | | | | | | | | | | | |

Bucher Municipal Market position

Bucher Municipal

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



- Comprehensive offering for the municipal vehicles market.
- Market leader in Europe.
Some market shares higher than 30%.
- European market leader in sweepers.
Strong presence in Great Britain.
- Market leader in refuse collection vehicles in Australia.
Market shares well over 30%.

Bucher Municipal Outlook for 2018

- Positive trend in the European sweeper market, especially in the UK, Germany, France and Russia.
- High demand for sewer cleaning vehicles.
- High demand for refuse collection vehicles in Australia.
- Positive development in the winter maintenance equipment business due to the long and snowy winter 2017/2018.
- For 2018: Sharp increase in sales and in the operating profit margin expected.
 - Concentration of sweeper production has positive impact on EBIT.

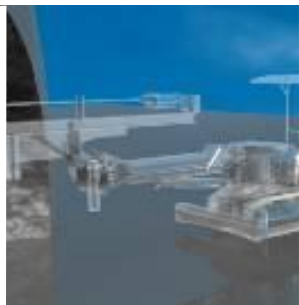
Bucher Hydraulics

Customised drive systems

BUCHER



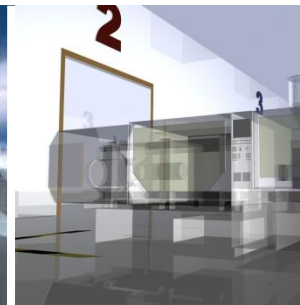
Agricultural
machinery



Mining /
tunnelling



Energy
technology



Industry



Municipal
vehicles



Lift gates



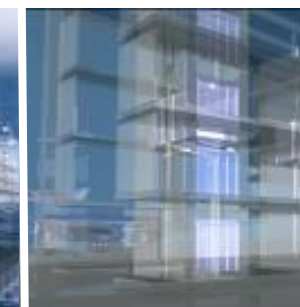
Construction
equipment



Materials
handling



Marine/offshore



Elevator
technology



High-voltage
switch gear



Dyna-Lift

Bucher Hydraulics

2017 in brief

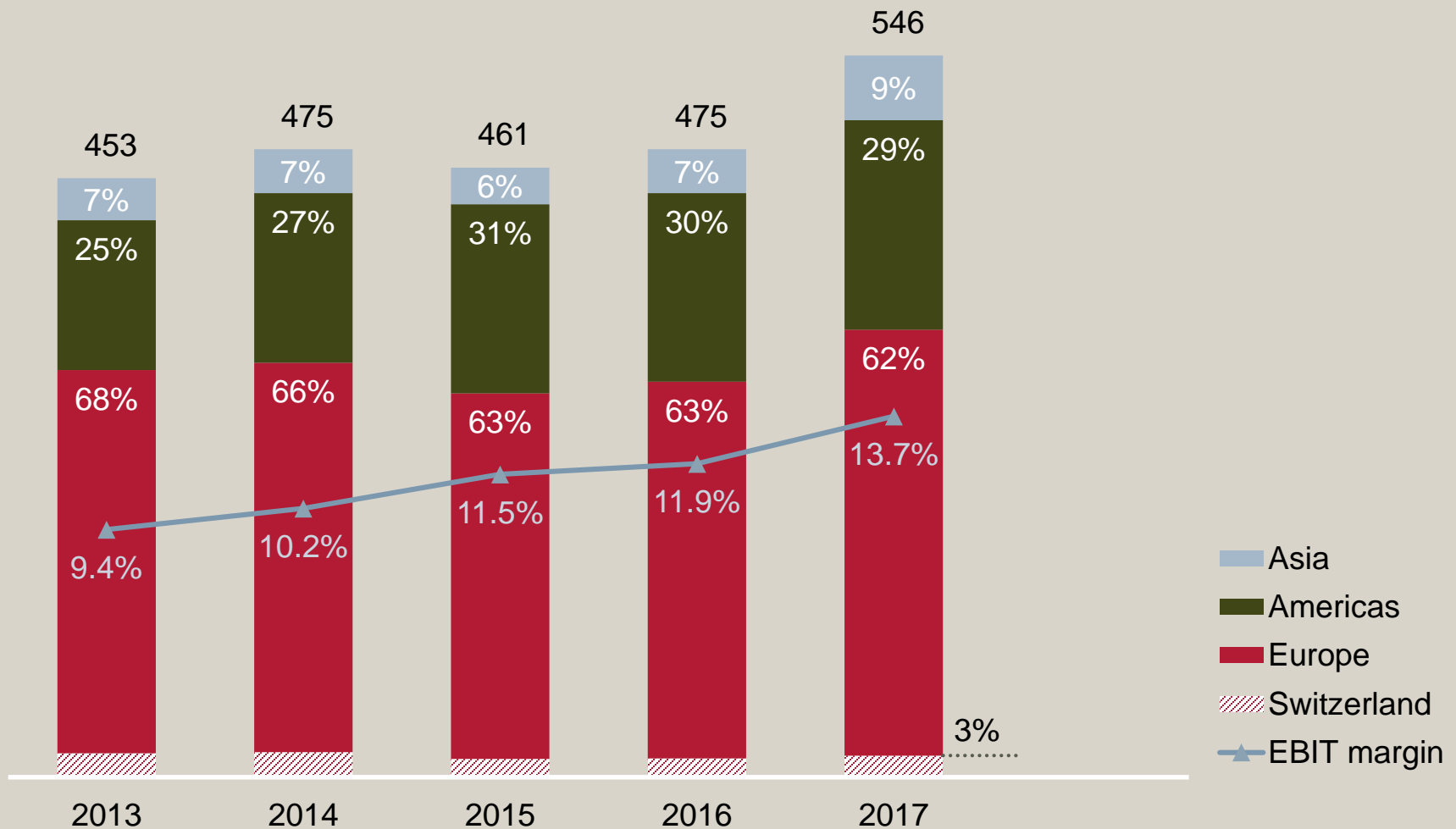
- Increasing demand in construction machinery, industrial hydraulics, agricultural engineering and materials handling segments.
- Germany has recovered after five years of stagnation.
- Positive development in North America, India and China.
- Outstanding operational performance with sales growth of 15%.
- Order intake up by 21%.
- EBIT margin increased by 1.8 percentage points to 13.7%.

Bucher Hydraulics

Net sales by region

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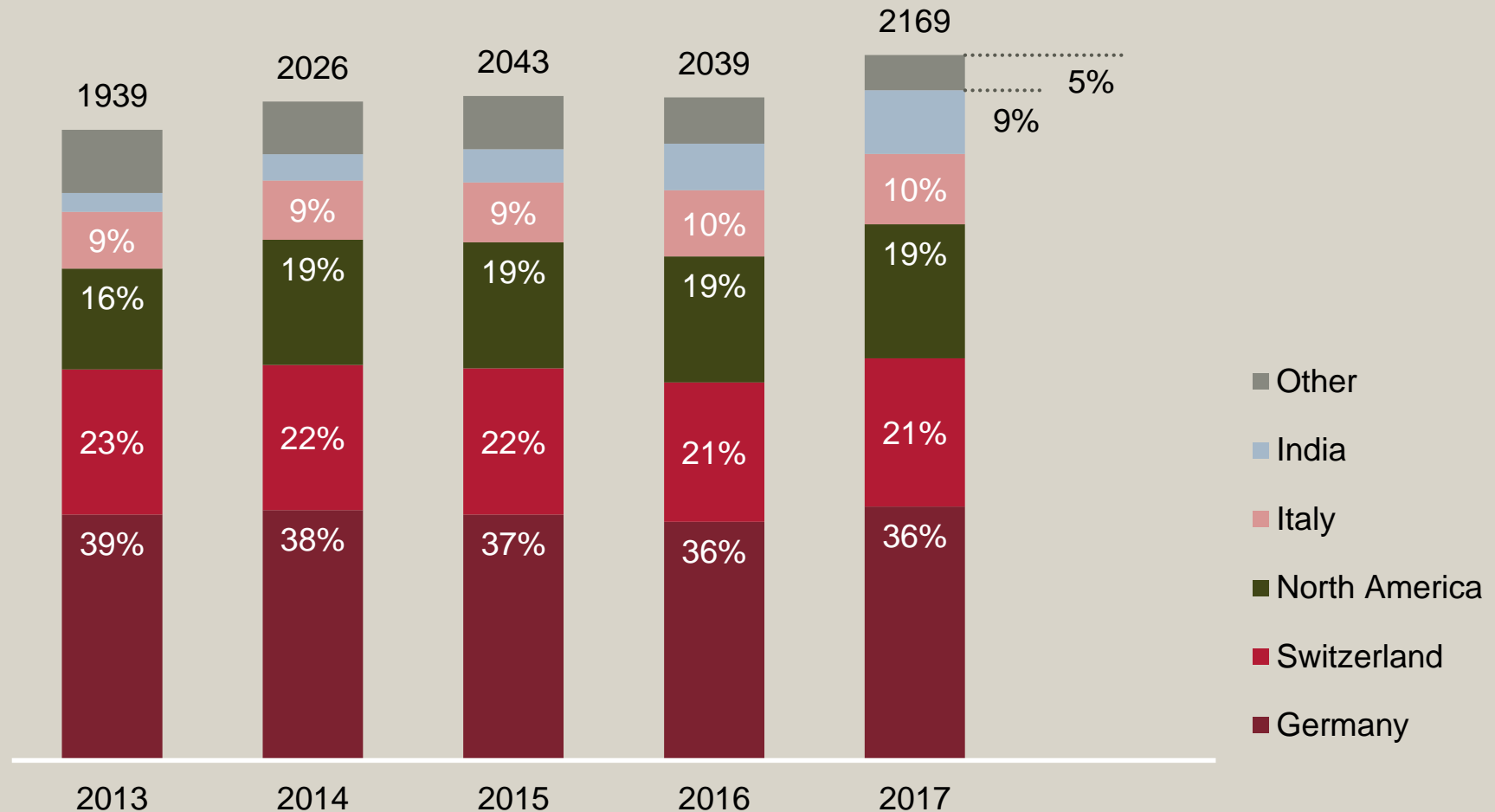
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Bucher Hydraulics

Number of employees by region

Employees¹⁾



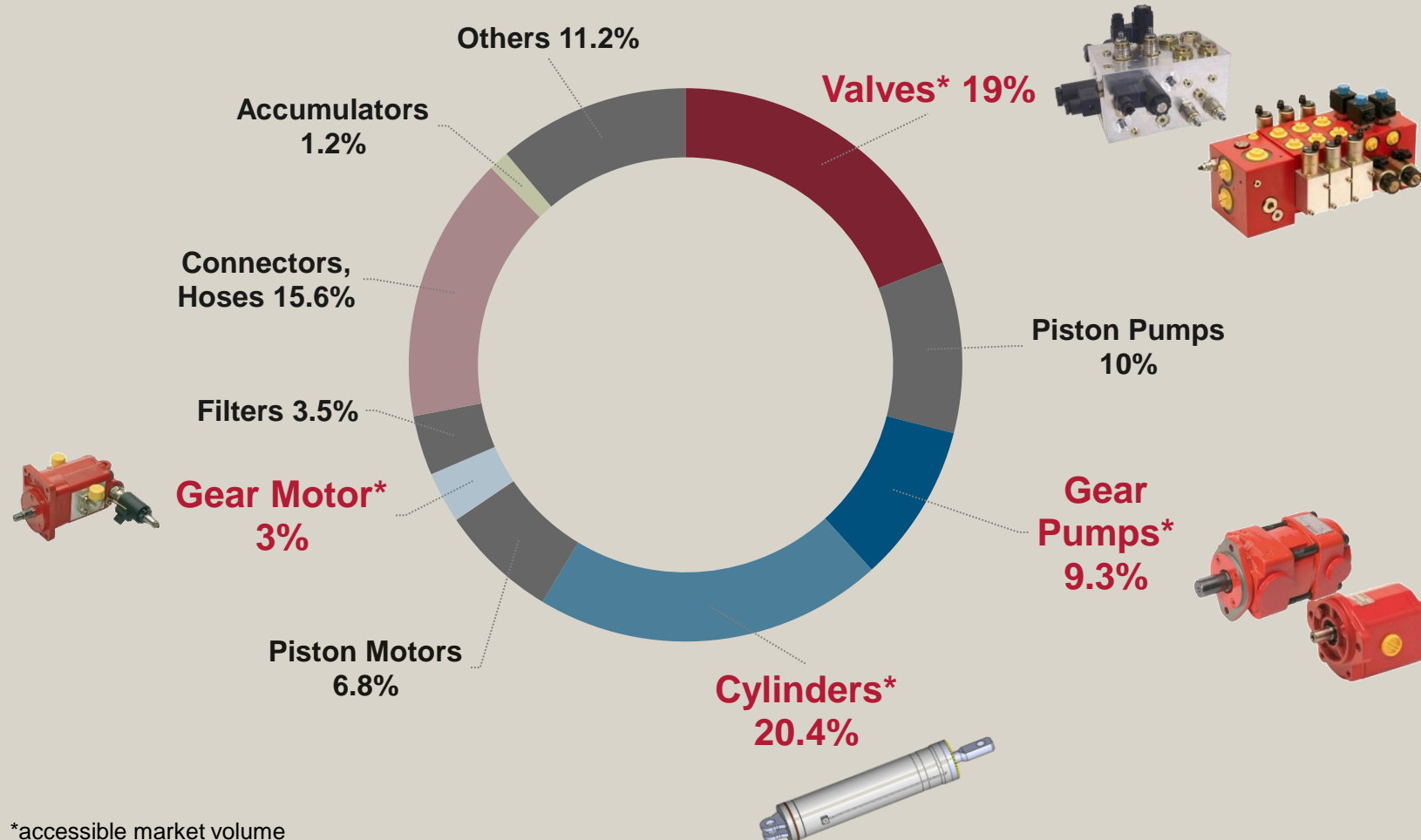
¹⁾ Expressed in full-time equivalents; average during year

Bucher Hydraulics

World hydraulics component market

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Total EUR 29 billion



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 |
| Bucher Hydraulics | | | | | | | | | | | | | | | | | | |
| 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) | | | | | | | | | | | | | | | | | | |

Bucher Hydraulics

Market position

Bucher Hydraulics

Leading international manufacturer of modern hydraulic systems.



- European market leader in mobile and elevator hydraulics. 10% to 20% market share across Europe in specialised areas of hydraulic engineering.
- Strong presence in the USA.
- Growth in Brazil, India and China.
- Concentration on customer-specific drive solutions.

Bucher Hydraulics

Outlook for 2018

- Sustained high demand, above all in Germany and North America.
- Investments in research and development and expanding capacities at several locations.
- For 2018: Significant increase in sales expected. The operating profit margin is likely to be high, but due to seasonal characteristics and the expected consolidation of the joint venture Wuxi Deli Fluid Technology Co., Ltd. it is estimated to come in slightly lower than in the first half of 2018.

Bucher Emhart Glass

Glass container manufacturing equipment

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Hot End



Gob forming



Glass-forming machine

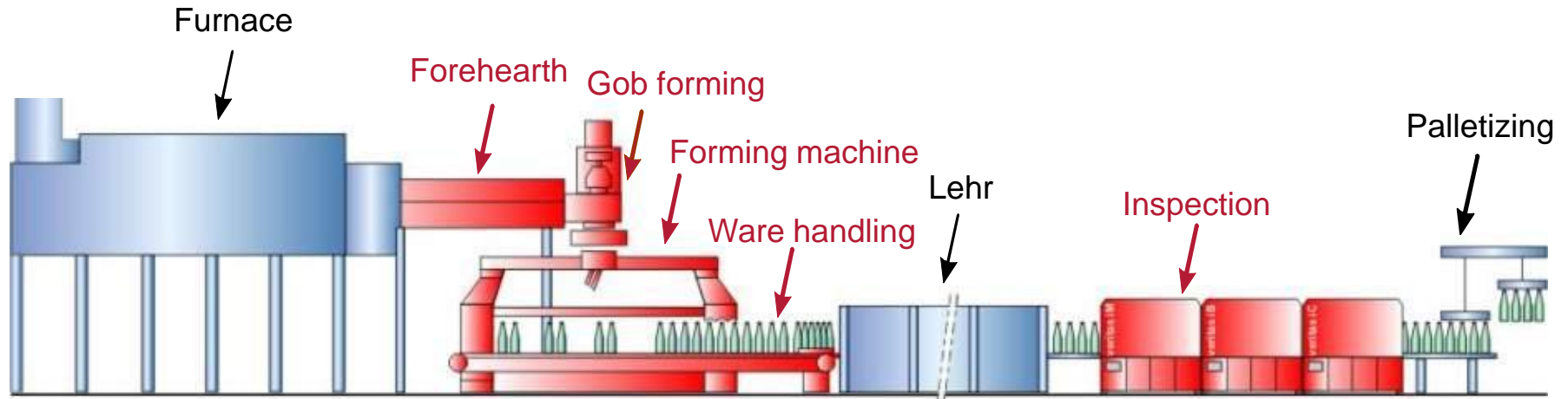


Ware handling

Cold End



Inspection



Glass container manufacturing process

Bucher Emhart Glass

2017 in brief

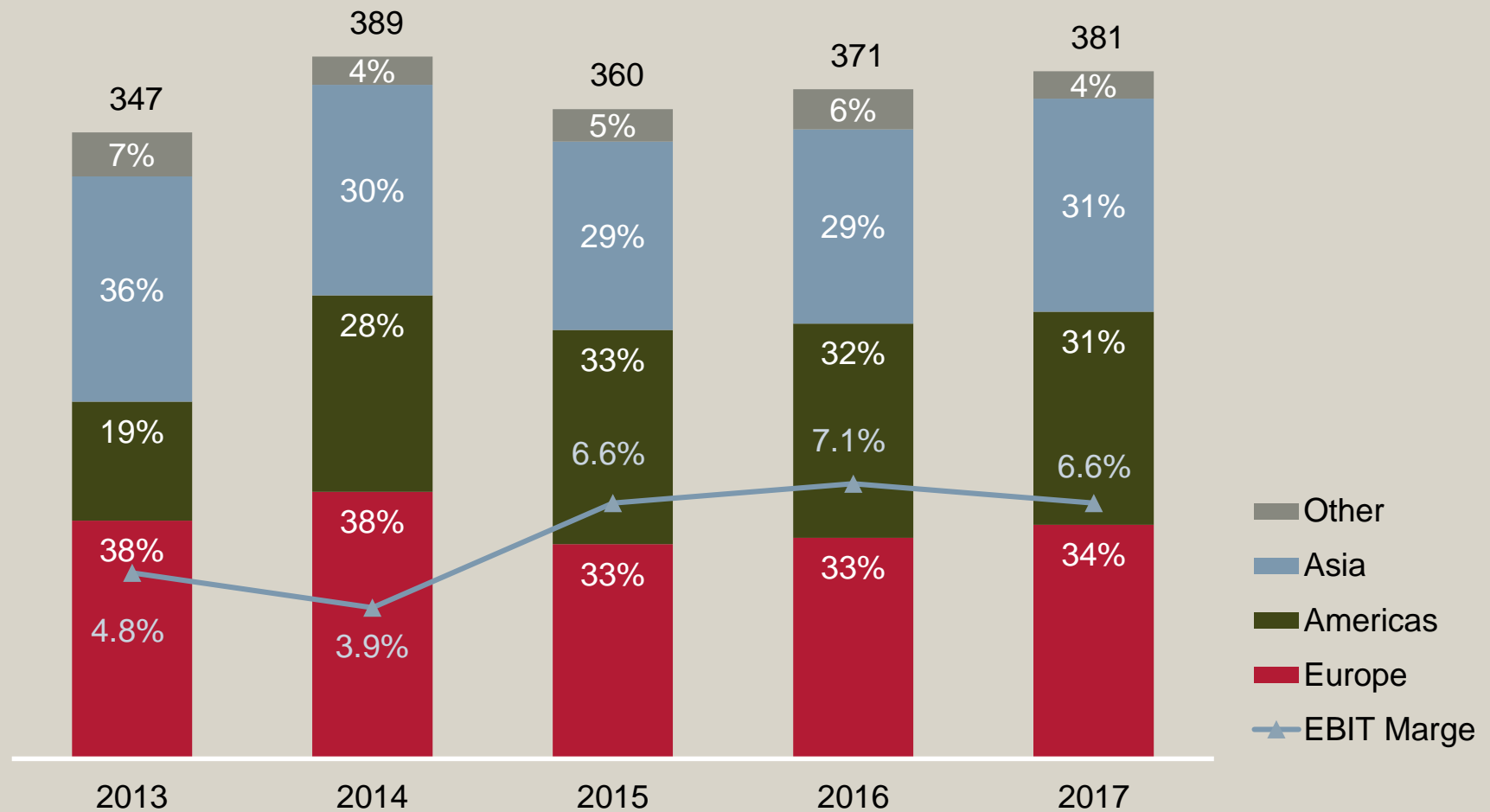
- Overall, demand for glass-forming and inspection machinery rose in nearly all markets.
- Good business performance, partly attributable to cooperation with O-I.
- Significant increase in order intake of 28%.
- Modest increase in sales of 3% due to long lead times in project business.
- EBIT margin kept down to 6.6% by inventory adjustments at the joint venture Sanjin.

Bucher Emhart Glass

Net sales by region

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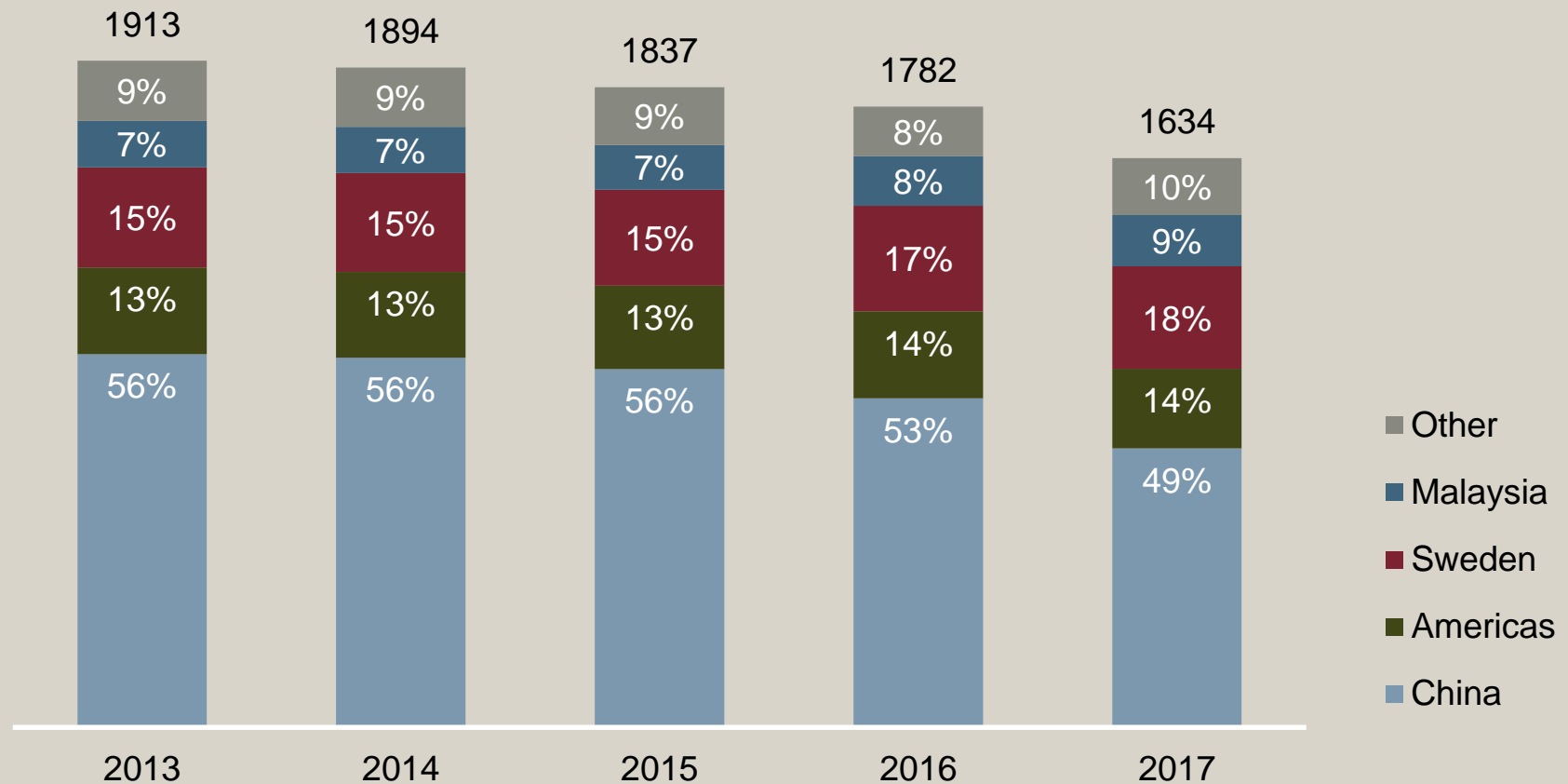
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Bucher Emhart Glass

Number of employees by region

Employees¹⁾



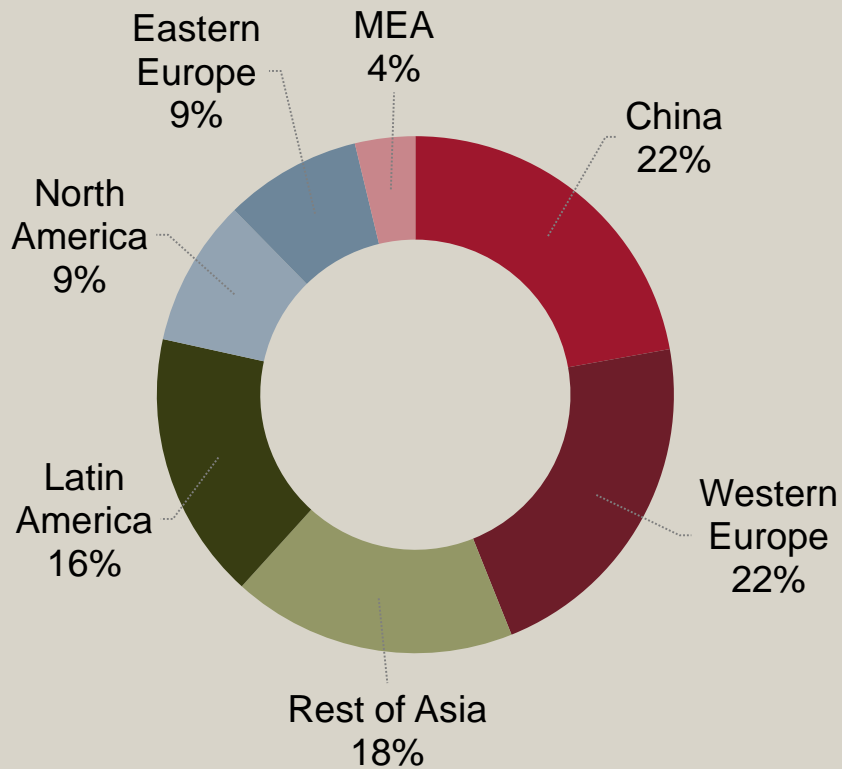
¹⁾ Expressed in full-time equivalents; average during year

Bucher Emhart Glass

Glass consumption per capita

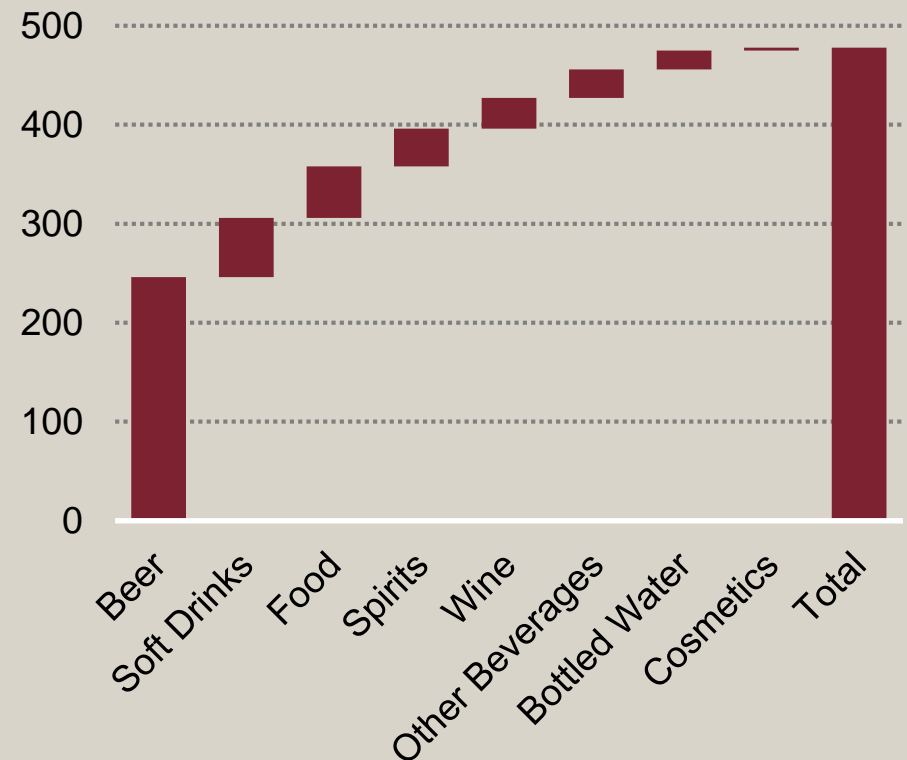
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Glass consumption per regions



Glass consumption

Billion units



Source: Euromonitor International (2015)

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-tising | Wrap-ping |
| Bucher Emhart Glass | | | | | | | | | | | | |
| Bottero (IT) | | | | | | | | | | | | |
| Heye (DE) | | | | | | | | | | | | |
| Sklostroj (CZ) | | | | | | | | | | | | |
| GPS (DE) | | | | | | | | | | | | |
| BDF (IT) | | | | | | | | | | | | |
| Mitbewerber (CN) | | | | | | | | | | | | |
| Tiama (FR) | | | | | | | | | | | | |
| PSR (UK) | | | | | | | | | | | | |

Bucher Emhart Glass

Market position

Bucher Emhart Glass

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



- 50% market share worldwide for glass-forming machinery and servicing.
- Solid market position in inspection machines.
- Global partnership with O-I (USA), the world's biggest manufacturer of glass containers.

Bucher Emhart Glass

Outlook for 2018

- High order book at the start of the year.
- Stable demand for glass container production machinery.
- Further development of subsidiary Sanjin, China.
- End-to-end vision to be promoted.
- For 2018: Significant increase in sales and attainment of the long-term goal of an operating profit margin of 9% expected.

Bucher Vaslin



Winemaking equipment

Bucher Unipektin



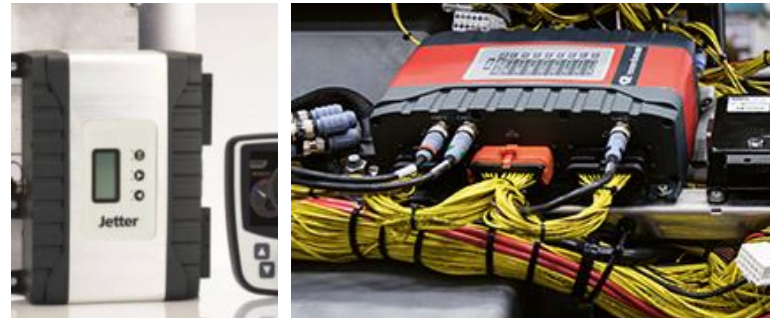
Fruit juice processing systems,
beer filtration, drying equipment

Bucher Landtechnik



Agricultural distributorship in Switzerland

Jetter



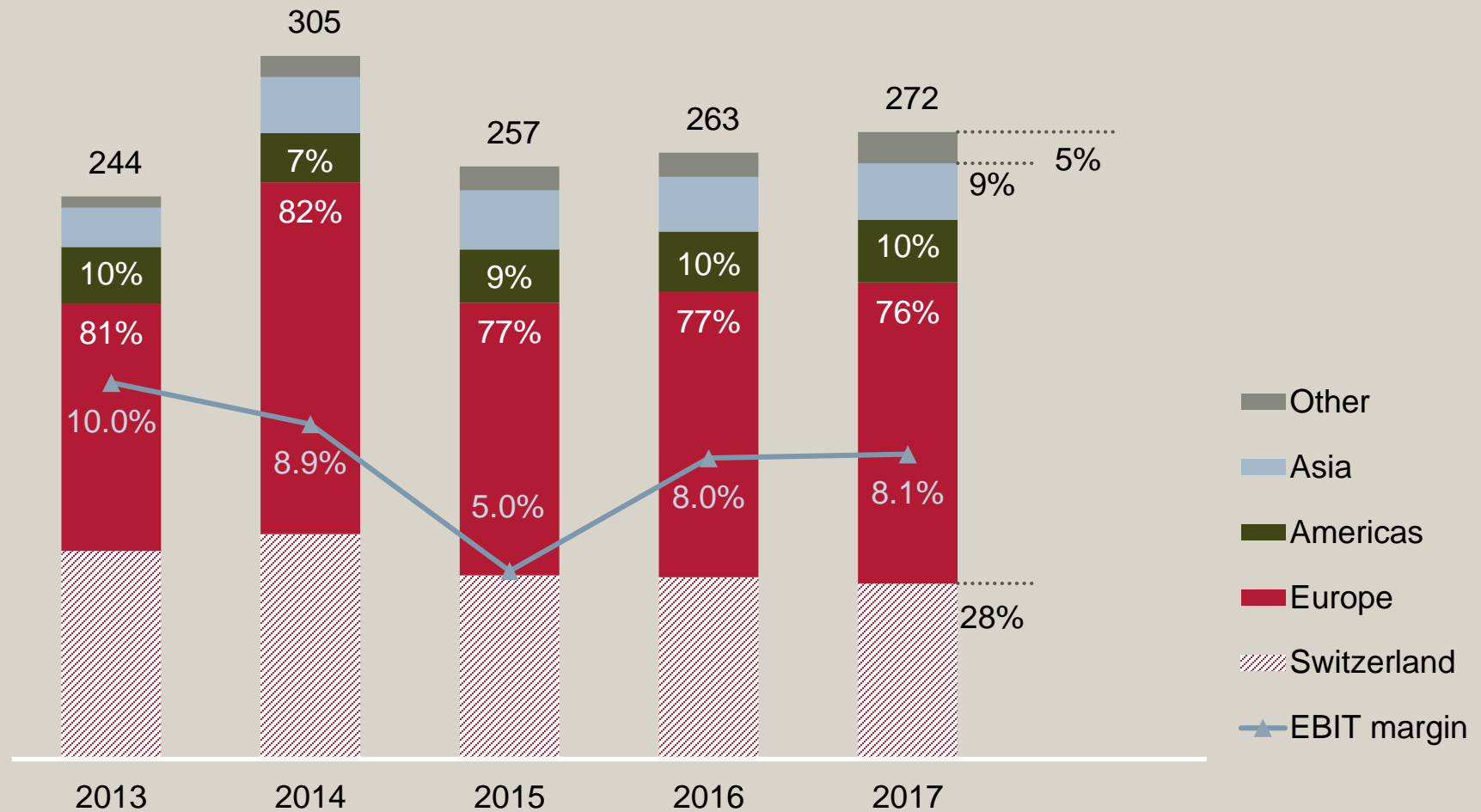
Automation solutions

Bucher Specials

Net sales by region

BUCHER

CHF m

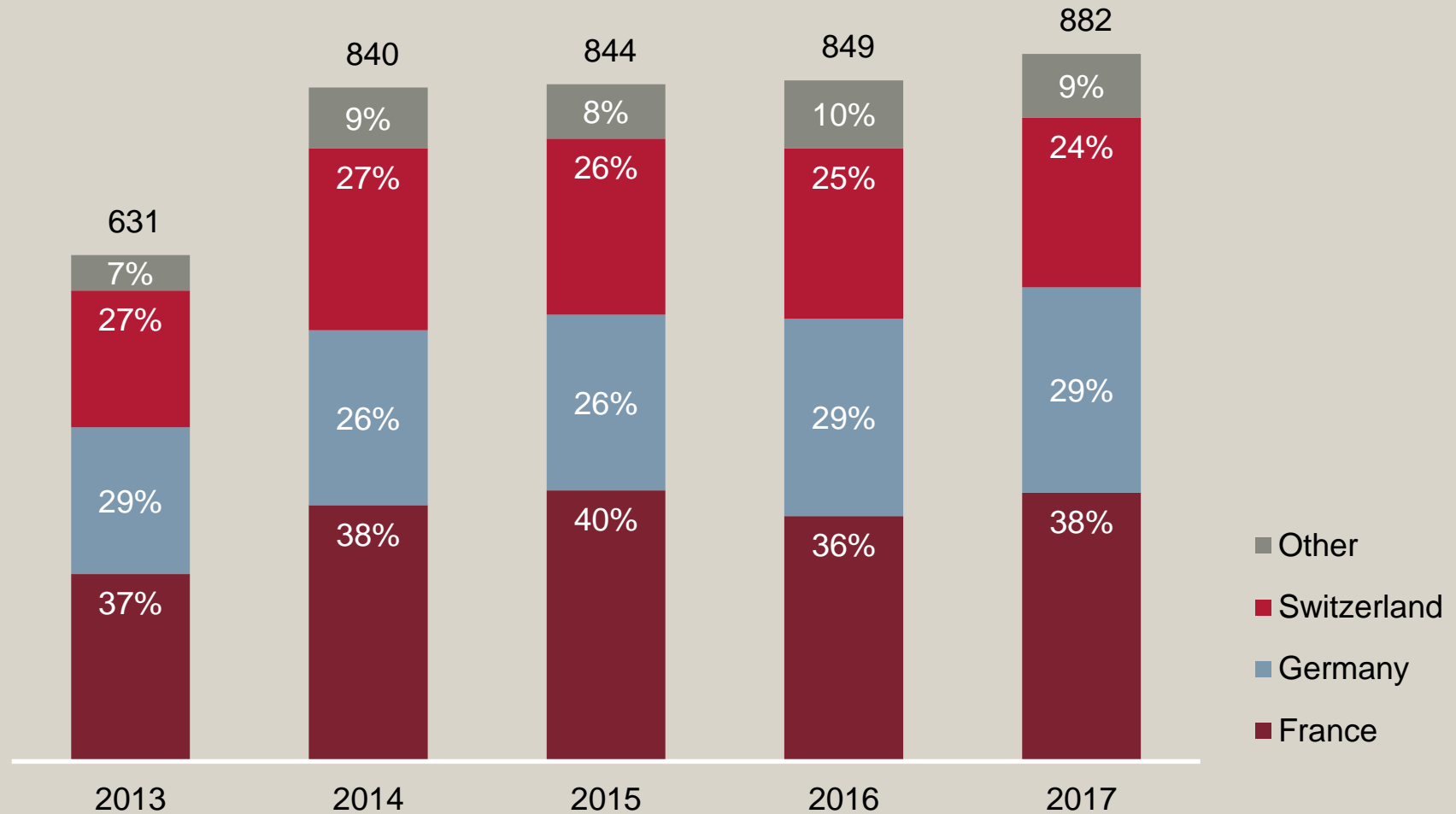


Bucher Specials

Number of employees by region

BUCHER

Employees¹⁾



¹⁾ Expressed in full-time equivalents; average during year

Bucher Specials

2017 in brief

- Varied market trends
 - Winemaking equipment: stable order intake; main markets suffering from adverse weather conditions.
 - Project business in beverage technologies: solid demand, but some financing-related customer delays.
 - Agricultural machinery business in Switzerland: subdued trend at a high level.
 - Automation solutions: good performance and pleasing sales progress.
- Sales up 3%.
- 8.1% EBIT margin slightly up on previous year, but kept down by high material costs.

Bucher Vaslin

World market leader in wine production

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

Bucher Unipektin

World market leader in juice production

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

Bucher Landtechnik

Market leader in Switzerland

BUCHER

| 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 | | | | |
| Bucher Landtechnik | Kuhn | Kuhn | Kuhn | Kuhn | Kuhn | Kuhn | Kuhn | Kuhn | Kuhn | Kuhn | | Kuhn | CNH | Weide-Mann, Merlo |
| 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

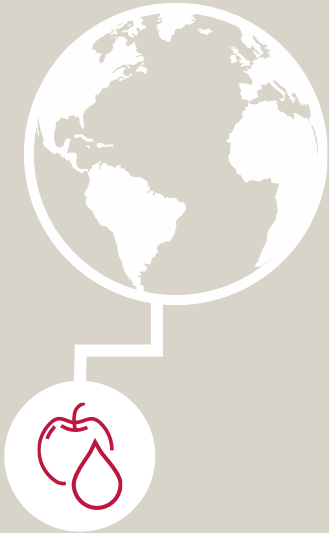
| Competitors | Field level | | Control level | Diagnostic level | Enterprise level |
|------------------------------|-------------|---|-----------------|-------------------------|---|
| | Sensors | Actuators (amplifiers, motors, field devices) | Control systems | HMI's and Visualization | Enterprise-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

Bucher Specials

Market position

Bucher Specials

World market leader in fruit juice and wine production equipment.



- **Bucher Vaslin** World market leader in wine production equipment.
Market share ranges from 35% to 45% worldwide.
- **Bucher Unipektin** World market leader in fruit and vegetable juice processing equipment.
Market share ranges from 35% to 45% worldwide.
- **Bucher Landtechnik** Swiss distributorship for tractors, agricultural attachments and farm loaders.
Domestic market shares range from 20% to 30%.
- **Jetter** Industrial and mobile automation technology.
Market shares around 3% in specific segments.

Bucher Specials

Outlook for 2018

- Stable demand for wine production equipment despite poor harvests in 2017 in Italy, France and Spain.
- Positive development of the market for beverage technology.
- Swiss agricultural machinery business suffering from political uncertainties.
 - Bucher is still endeavouring to assist the Swiss Competition Commission (COMCO) with its investigations into Bucher Landtechnik AG and to help fully resolve the issues.
- Positive trend in industrial and mobile automation.
- For 2018: Higher sales and an improvement of the operating profit margin expected.

Outlook

- **Kuhn Group:** Positive development in dairy and livestock farming to persist. Delayed recovery of agriculture in North America. Higher sales with an operating profit margin at the same level as last year expected.
- **Bucher Municipal:** Good market conditions to continue and high order book. Sharp increase in sales and in the operating profit margin expected.
- **Bucher Hydraulics:** Demand to remain encouraging. Significant increase in sales and a high, but compared to the first six months slightly lower, operating profit margin expected.
- **Bucher Emhart Glass:** Optimism on the markets and robust order book. Significant increase in sales and attainment of the long-term goal of an operating profit margin of 9% expected.
- **Bucher Specials:** Varied market trends. Higher sales and an improvement of the operating profit margin expected.

Overall, the Group expects increases in both sales and net profit for the year.

Medium-term earnings targets

| EBIT margin in % | 2013 | 2014 | 2015 | 2016 | 2017 | targets |
|--------------------------|-------------|-------------|-------------|-------------|-------------|----------------|
| Kuhn Group | 14.9 | 12.1 | 10.2 | 8.0 | 8.6 | 12 |
| Bucher Municipal | 8.6 | 7.7 | 8.4 | 3.7 | 6.1 | 8 |
| Bucher Hydraulics | 9.4 | 10.2 | 11.5 | 11.9 | 13.7 | 11 |
| Bucher Emhart Glass | 4.8 | 3.9 | 6.6 | 7.1 | 6.6 | 9 |
| Bucher Specials | 10.0 | 8.9 | 5.0 | 8.0 | 8.1 | 10 |
| Bucher Industries | 10.7 | 9.2 | 8.3 | 7.1 | 8.6 | 10 |

Group and divisions

| | | | | | | |
|-----------------|------|------|------|-----|------|---------------|
| RONOA after tax | 19.3 | 15.8 | 11.5 | 9.7 | 13.2 | >16 |
|-----------------|------|------|------|-----|------|---------------|

Regionally varying trends demand a geographically adapted strategy

Trends



Developed countries

Efficiency / sustainability

Emerging markets

Mechanisation /
urbanisation

Topics



- Innovation
- Sensors, data, functionalities

- Market access
- Localisation
- Compliance

Selected projects



- Precision farming
- CityCat 2020ev
- End-to-end glass forming

- Kuhn Group in CIS
- Expansion of Bucher Hydraulics in India
- Selected acquisitions

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