

Press Release

Niederweningen, 27 April 2017

First quarter sees improved order intake and stable sales

In the first quarter of 2017 order intake at Bucher Industries increased year on year by 14% and Group sales grew by 2%. Kuhn Group reported a pleasing rise in order intake, while the division's sales remained stable. Bucher Municipal, Bucher Hydraulics and Bucher Emhart Glass also performed well.

Group

CHF million January – March	2017	2016	Change in		
			%	% ¹⁾	% ²⁾
Order intake	635	555	14.4	15.4	12.6
Net sales	616	603	2.2	3.2	0.8
Order book	741	647	14.5	15.6	12.2
Number of employees at 31 March	11 511	11 308	1.8		-0.6

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency and acquisition effects

In the first quarter of 2017 the Group benefited in general from improved market conditions, though these continued to be volatile. In the market for agricultural machinery the trend toward stabilisation continued, albeit with regional variations. The investment climate improved overall in comparison with the low level seen in the first quarter of last year. In Europe the market for municipal vehicles and hydraulic components experienced a recovery. In this environment Bucher Industries saw a pleasing increase in order intake of 14% over the same period in the previous year, with broad support from four of the five divisions. Group sales grew by 2% compared with the same period of last year, partly thanks to acquisitions. Currency effects had only a marginal impact on consolidation in Swiss francs.

Kuhn Group

CHF million January – March	2017	2016	Change in	
			%	% ¹⁾
Order intake	224	180	24.6	23.8
Net sales	286	292	-2.0	-1.7
Order book	308	255	20.7	20.2
Number of employees at 31 March	5 063	5 086	-0.5	

¹⁾ Adjusted for currency effects

Stabilisation of sales In the first quarter of 2017 Kuhn Group recorded a pleasing increase in order intake of 25%, while divisional sales came in only slightly lower than the previous year. The market for hay and forage harvesting and livestock bedding and feeding technologies benefited overall from the more stable milk prices. This segment of the North American market was dynamic and demand in Europe showed a positive trend. In the arable sector, however, the worldwide market environment continued to be characterised by pressure on prices.

Bucher Municipal

CHF million January – March	2017	2016	Change in		
			%	% ¹⁾	% ²⁾
Order intake	109	79	37.9	41.2	21.3
Net sales	87	73	20.0	23.0	3.3
Order book	125	90	37.6	41.1	16.7
Number of employees at 31 March	1 794	1 478	21.4		3.2

¹⁾ Adjusted for currency effects

²⁾ Adjusted for currency and acquisition effects

Increased demand for sweepers In the first quarter of 2017 order intake at Bucher Municipal showed very positive growth, rising by 38%, or 21% adjusted for currency and acquisition effects. Divisional sales exceeded those of the previous year by 20%. In Europe the market for municipal vehicles recovered to some extent and in Australia there was a cyclical increase in demand for refuse collection vehicles. In the business with winter maintenance equipment the market remained at a low level. The ongoing concentration of sweeper production progressed according to plan.

Bucher Hydraulics

CHF million January – March	2017	2016	Change in	
			%	% ¹⁾
Order intake	148	132	11.8	13.1
Net sales	135	127	6.1	7.1
Order book	94	81	16.9	18.3
Number of employees at 31 March	2 069	2 027	2.1	

¹⁾ Adjusted for currency effects

Positive performance Order intake at Bucher Hydraulics was up by 12% on the previous year and sales increased by 6%. Market development overall was very pleasing in the first quarter of 2017 and was reflected in the positive performance of the division. In particular, the construction machinery and industrial hydraulics segments picked up well, and even agricultural machinery showed renewed signs of some positive impetus. There was a decline in the high-voltage switches segment, while material handling continued to perform at the same high level as previously. Above all in Western Europe and China, Bucher Hydraulics benefited from lively demand for customised hydraulic systems.

Bucher Emhart Glass

CHF million January – March	2017	2016	Change in	
			%	% ¹⁾
Order intake	102	91	11.5	14.2
Net sales	69	71	-2.6	-0.3
Order book	139	149	-6.7	-4.4
Number of employees at 31 March	1 640	1 805	-9.1	

¹⁾ Adjusted for currency effects

Increased order intake Project-related order intake at Bucher Emhart Glass increased by 12% in the first quarter. Sales were down by 3% on the same period of the previous year. Overall in Europe and North and South America brisk demand for glass forming machinery and spare parts contributed to a healthy business trend; in China, however, the market remained at a low level. The improved order intake will have a positive impact on sales growth in the

second half of the year. The restructuring of the Chinese joint venture with Sanjin progressed according to plan.

Bucher Specials

CHF million			Change in	
January – March	2017	2016	%	% ¹⁾
Order intake	62	82	-23.9	-23.2
Net sales	53	53	-1.6	-0.9
Order book	86	80	7.4	8.3
Number of employees at 31 March	883	849	4.0	

¹⁾ Adjusted for currency effects

Varied market development Order intake at Bucher Specials decreased by 24% and sales by 2% compared with the same period of 2016. The beverage technologies of Bucher Unipektin were particularly exposed to the volatility of the project-related business. The business with winemaking equipment at Bucher Vaslin also fell to a lower level in this period, as wine producers in France ceased to benefit from the tax incentives of the Macron subsidisation programme in the first quarter of 2017. Bucher Landtechnik, the Swiss distributorship for agricultural machinery, maintained its solid performance. The Group remains committed to cooperating with the Swiss Competition Commission (COMCO) concerning the investigations in progress since March 2017 at Bucher Landtechnik and is seeking to fully clarify the facts of the matter. The mobile and industrial automation sector of Jetter performed very pleasingly.

Outlook for 2017 For the year in progress, the Group is reckoning with continuing economic uncertainties. Kuhn Group is expecting prices for arable crops to remain stable at a low level. Rising milk prices could provide a stimulus in demand for livestock bedding and feeding technology. The measures introduced in 2016 to improve profitability should have a positive impact on Kuhn Group in the current year, although the division is currently having to contend with higher steel prices. Bucher Municipal is expecting demand for municipal vehicles to remain stable. The absence of the one-off costs arising in 2016 and the concentration of sweeper production in Great Britain and Latvia should have a positive effect on profitability.

Bucher Hydraulics is expecting a continuation of the sound market development, while Bucher Emhart Glass is anticipating demand in the project business to remain lively. Bucher Specials anticipates an improvement in business performance thanks to its automation solutions and beverage technologies. Overall, the Group continues to expect the current year to show a slight increase in sales and an improved operating profit margin.

Contact

Jacques Sanche, CEO

Christina Johansson, CFO

Phone +41 43 815 80 40

E-Mail: media@bucherindustries.com

www.bucherindustries.com

Simply great machines

Bucher Industries is a global technology group with leading market positions in speciality areas of mechanical and vehicle engineering. The company's operations include specialised agricultural machinery, municipal vehicles, hydraulic components, manufacturing equipment for the glass container industry and for wine and fruit juice production, as well as automation technology. The group's shares are traded on the SIX Swiss Exchange (SIX: BUCN). Please see www.bucherindustries.com for further information.