



Half-year Report 2001

Bucher Industries AG

Increased turnover and earnings at Bucher Industries in the first half

In the first half of 2001, Bucher Industries increased turnover by 5.9% (8.0% adjusted for changes in exchange rates) to 784.5 million CHF and operating result by 22.2% to 45.1 million CHF. As expected, incoming orders were below the figure for the previous year so that the very tight delivery situation at the beginning of the year normalised. The economic situation has calmed down in the majority of divisions and indications are that business development will be somewhat weaker in the second half. Our efforts remain focused on further growth by the group and a above-average improvement in profits.

Marked growth in turnover and normalisation of the delivery situation

The marked rise in turnover in the first half is attributable to the good order book at the beginning of the year and the ongoing innovation of and additions to our product range. It is above the slight level of growth expected for the financial year as a whole. By contrast, incoming orders fell by 11.8%. This led to a reduction in the high order book at the beginning of the year and consequently to a normalisation of the delivery situation in most divisions. When adjusted for changes in exchange rates because of the weakness in the Euro in particular, growth in turnover was some 2% higher at 8.0% and incoming orders were also some 2% better. The change in the scope of consolidation contributed 0.3% to growth in turnover.

Half-yearly accounts as at 30 June 2001

Operating profits before interest and taxes (EBIT) of 45.1 million CHF equate to an EBIT margin of 5.8% compared with 5.0% in the comparable period in the previous year. Operating profits before interest, taxes, depreciation and amortisation (EBITDA) rose by 13.4% to 71.0 million CHF (62.6 million CHF). Consolidated half-yearly results reached 26.7 million CHF (23.5 million CHF). This gives a rise of half-yearly earnings per share of 14.2% to 65 CHF (57 CHF).

Key figures of the Group and the Divisions

in million CHF	Incoming orders		Net sales		Operating result (EBIT)		Number of employees	
	1 st half-year		1 st half-year		1 st half-year		30 June	
	2001	2000	2001	2000	2001	2000	2001	2000
Bucher Industries	650.6	737.5	784.5	740.6	45.1	36.9	5 780	5 385
Kuhn Group	175.6	203.9	317.8	330.1	35.0	32.4	2 091	2 024
Bucher Automotive	126.6	126.7	135.9	125.9	4.6	6.8	807	761
Bucher Foodtech	93.5	82.0	56.3	38.5	2.6	0.9	549	469
Bucher Hydraulics	103.7	131.4	125.9	119.4	7.3	8.3	1 073	941
Laeis-Bucher	20.0	38.6	28.8	25.7	-2.1	-4.3	337	327
Emhart Glass	131.2	154.9	126.8	104.9	4.0	0.2	923	863

Performance by division

All divisions increased turnover with the exception of the Kuhn Group, which fell slightly at a high level. Increased operating results by the majority of divisions including, in particular, those divisions where earnings were weak in the previous year contributed significantly to the improvement in consolidated results. Market positions in our core businesses were further improved in accordance with the strategy of strengthening the divisions.

Kuhn Group

Market growth in the main European sales areas was harmed by the consequences of the occurred animal diseases. The fact that turnover only fell by 3.7% (1.1% adjusted for changes in exchange rates) while the market as a whole suffered more severely is an indicator of the Kuhn Group's strong market position. Thanks to continuing good capacity utilisation in the case of the main products, the operating result rose above the previous year's level.

Bucher Automotive

In the first half, business development of municipal vehicles in the main market of Europe was below the high level of the previous year, which was marked by some large orders. Sales of all-terrain vehicles to the Swiss army as well as to foreign clients in Venezuela, Singapore and South Africa proceeded according to plan and the prospects for further orders are intact. Together with increased deliveries by Bucher-Landtechnik AG and Bucher Promec the half-yearly turnover was 7.9% (9.3% adjusted for changes in exchange rates) up on the figure for the previous year. Earnings were down primarily because of one-off expenditure on IT.

Bucher Foodtech

Divisional turnover increased by 46% (50% adjusted for changes in exchange rates). The sharp rise is attributable, in particular, to the increase in fruit juice plants compared with the seasonal delay in sales in the previous year. Turnover in the case of wine production plants was at the level of the previous year. Incoming orders in the division continued to enjoy pleasing growth. The operating result is up on the figure for the previous year but is not yet representative because the main seasonal sales occur in the second half of the year.

Bucher Hydraulics

Sales of hydraulics components continued to grow well. Half-yearly sales rose by 5.4% (7.2% adjusted for changes in exchange rates). Roughly half of the increase is attributable to the inclusion of additional business activity related to internal gear pumps. The operating result remained below the previous year's level because of higher start-up costs at the internal gear pump production activities taken over.

Laeis-Bucher

Turnover in technology for the ceramics industry and for new applications rose by 12.1% as expected, by contrast incoming orders remained well down on the figure for the previous year, which was marked by major orders. The operating result was further improved but remained negative.

Emhart Glass

Turnover rose strongly by 20.9% in the first half. Incoming orders remained 15.3% below the figure for the previous year and consequently failed to meet expectations. As a result, the excessive order book and the tight delivery situation at the beginning of the year were normalised. Although the economic situation in the container glass industry has improved worldwide, the market is still characterised by a continuing need to consolidate and relatively little inclination to invest. Thanks to the rise in turnover, the operating result increased markedly compared with the previous year.

Outlook

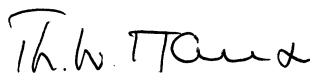
The economic situation in our customer sectors has calmed down somewhat in the first half following a tight situation at the beginning of the year. Slower growth can therefore be expected on the whole in the second half of the year. However, the current order situation and the good market positioning of our divisions provide good preconditions for continuing the group's growth. Kuhn Group and Bucher Automotive are operating in slightly declining markets and are endeavouring to maintain their strong position. Bucher Foodtech and Bucher Hydraulics remain on an expansionary path. Laeis-Bucher and Emhart Glass are continuing their turnaround. Bucher Industries therefore continues to expect a slight increase in turnover and a over-average increase in results for the year 2001 as a whole.

Niederweningen, 30 August 2001

On behalf of the Board of Directors



Rudolf Hauser
Chairman



Thomas W. Hauser
Vice-Chairman

Consolidated balance sheet

in million CHF	30 June 2001	%	31 December 2000	%
Intangible fixed assets	58.4		64.4	
Tangible fixed assets	228.3		219.0	
Financial assets	155.4		141.0	
Deferred tax assets	14.3		19.0	
Long-term accounts receivable	19.9		20.2	
Fixed assets	476.3	30.8	463.6	30.6
Inventories	402.7		359.9	
Accounts receivable	457.0		430.8	
Liquid funds	212.6		261.5	
Current assets	1 072.3	69.2	1 052.2	69.4
Assets	1 548.6	100.0	1 515.8	100.0
Shareholders' equity	541.8	35.0	498.0	32.9
Minority shareholders' equity interest	1.3	0.1	1.1	0.1
Long-term financial liabilities	221.5		222.6	
Other long-term liabilities	83.5		80.7	
Long-term liabilities	305.0	19.7	303.3	20.0
Short-term financial liabilities	171.9		130.5	
Advance payments from customers	93.0		158.5	
Trade creditors	197.1		161.9	
Other short-term liabilities	238.5		262.5	
Short-term liabilities	700.5	45.2	713.4	47.0
Liabilities and shareholders' equity	1 548.6	100.0	1 515.8	100.0

Consolidated income statement

in million CHF	1 st half-year 2001	%	1 st half-year 2000	%
Net sales	784.5	100.0	740.6	100.0
Other operating income	31.2		41.8	
Materials expense	-397.7		-393.2	
Personnel expense	-211.5		-203.6	
Other operating expense	-135.5		-123.0	
Operating result (EBITDA)	71.0	9.1	62.6	8.5
Depreciation	-18.5		-18.2	
Amortisation	-7.4		-7.5	
Operating result (EBIT)	45.1	5.8	36.9	5.0
Net result of financial items	0.1		4.9	
Income taxes	-18.5		-18.3	
Net income for the first half-year incl. minority interest	26.7	3.3	23.5	3.2
Minority shareholders' interest in net income	-0.1		-0.2	
Net income for the first half-year excl. minority interest	26.6	3.3	23.3	3.2
Earnings per bearer share in CHF	65		57	
Diluted earnings per bearer share in CHF	65		57	

Consolidated cash flow statement

in million CHF	1 st half-year 2001	1 st half-year 2000
Cash flow from operating activities	- 55.9	- 26.0
Cash flow from investing activities	- 17.3	- 18.9
Cash flow from financing activities	21.4	- 4.0
Exchange rate differences	2.9	- 7.4
Net decrease in liquid funds	- 48.9	- 56.3

Consolidated equity statement

in million CHF	Share-capital	Share premium reserves	Currency translation reserves	Retained earnings	Total shareholders equity	Minority interests
Position at 31.12.1999	26.8	66.6	21.7	349.9	465.0	1.1
Dividend				- 9.3	- 9.3	
Net income for the first half-year				23.3	23.3	0.2
Change in minority interests						- 0.3
Change in currency translation reserves			- 13.7		- 13.7	
Position at 30.6.2000	26.8	66.6	8.0	363.9	465.3	1.0
Position at 31.12.2000	20.6	66.6	- 9.4	420.2	498.0	1.1
Effect of first application of IAS 39				39.1	39.1	
Dividend				- 19.0	- 19.0	
Net income for the first half-year				26.6	26.6	0.1
Change in minority interests						0.1
Change in currency translation reserves			5.2		5.2	
Change in fair value of financial instruments				- 8.1	- 8.1	
Position at 30.6.2001	20.6	66.6	- 4.2	458.8	541.8	1.3

Notes to the consolidated accounts

Principles of consolidated accounting

The unaudited half-year report 2001 was prepared in accordance with the principles of consolidated accounting explained in detail in the 2000 Annual Report and International Accounting Standard 34 "Interim Financial Reporting". Bucher Industries introduced IAS 39 "Financial Instruments" with effect from 1.1.2001. Unrealised gains on available-for-sale marketable securities and derivatives must be recognised in the balance sheet. Therefore an amount of 39.1 million CHF after tax was credited to retained earnings as at 1.1.2001. The fluctuations in the fair value of these financial instruments will in future be recorded in retained earnings and will be shown in the consolidated equity statement separately.

Changes in the scope of consolidation

As at 1.1.2001, Mercier Sanchez SA (2.2 million CHF pro rata net sales) and Vaslin-Bucher Vendée SA (0.7 million CHF) were consolidated for the first time.

The impact of changes in exchange rates

The weakening of the Euro compared with the Swiss Franc had a negative impact on turnover and results, which was only partly made up by the stronger US Dollar. The following principal exchange rates were used:

		Income statement Average rate for the 1 st half-year		Balance sheet Rate of 30 June	
		2001	2000	2001	2000
Euro	EUR	1.5276	1.5875	1.5210	1.5575
USA	USD	1.7144	1.6590	1.7980	1.6365

Balance sheet

Inventories rose by some 40 million CHF compared with the year end. This is mainly attributable to seasonal effects and the increase in turnover while the operating measures introduced to shorten throughput time have only had a partial impact so far. The seasonal reduction in advance payments from customers and the increase in investments caused a greater demand for financial needs, which was covered by realising short-term investments and taking up short-term financial liabilities. The valuation reserves on financial instruments contained under shareholders' equity amounted to 31.0 million CHF at the middle of the year. Holdings of own bearer shares remained unchanged.

Income statement

Despite an increase in financial liabilities compared with the same period in the previous year net interest expenditure was cut by some 3 million CHF. By contrast, some 3 million CHF fewer valuation reserves were realised from the sale of securities and some 5 million CHF higher exchange losses were posted compared with the previous year.

in million CHF	1 st half-year 2001	1 st half-year 2000
Interest income	4.4	2.1
Other financial income	21.2	25.7
Total financial income	25.6	27.8
Interest expense	-6.9	-7.5
Other financial expense	-18.6	-15.4
Total financial expense	-25.5	-22.9
Net result of financial items	0.1	4.9

Agenda 2002

Press release on Corporate net sales 2001	5 February 2002
Press release on Corporate results 2001	15 March 2002
Financial press conference	17 April 2002, 8.30 am
Presentation for financial analysts	17 April 2002, 2.30 pm
Mailing of Annual Report 2001	17 April 2002
Annual General Meeting (Hotel Mövenpick, Regensdorf)	15 May 2002, 4.00 pm
Half-year Report 2002	22 August 2002

Contacts for investors

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