

Press release

Niederweningen, 16 August 2006

Bucher Industries on track

In the first six months of 2006 Bucher Industries achieved an increase in sales of 6% amounting to CHF 1 040 million. Order intake rose by 10% to a total of CHF 983 million. The operating result of CHF 56 million was at the level of previous year, despite the charge resulting from the CHF 12 million provisions for restructuring Kuhn Group in France. The net result came to CHF 38 million, which is CHF 1 million lower than in the comparable period last year.

Bucher Industries managed to increase sales in the first half of 2006 by 5.6% to CHF 1 039.5 million in a generally positive market environment. Adjusted for currency effects, the increase came to 3.7%, adjusted for currency, acquisition and disposal impacts sales declined by 0.7%. Order intake came to CHF 983.1 million and surpassed the prior year period by 10.2%, adjusted for currency, acquisition and disposals by 2.8%. The operating result of CHF 56.2 million was practically at the level of the same period of last year, despite the high costs for restructuring Kuhn Group in France. Besides from moving the production of seed drills to two other Kuhn Group factories in France the closure of the French manufacturing facilities of Kuhn Nodet involves a social plan. The group sold LB Produktion in Trier and the component manufacturing operations in Niederweningen. The group's net result dropped by CHF 0.7 million to CHF 38.1 million.

Kuhn Group generated first half sales of CHF 450.8 million with specialized agricultural machinery and was thus 1.0% above, adjusted for currency effects 1.6% below the figure from the same period last year. Order intake came to CHF 334.4 million exceeding the same period of 2005 by 4.6%, or by 2.0% adjusted for currency effects. The operating result amounted to CHF 24.6 million compared with CHF 37.8 million for the same period last year. It was impacted by the CHF 12.0 million in provisions for the closure of the French Kuhn

Nodet factory and moving its production of seed drills to two other Kuhn Group factories in France. Highly respectable growth rates were booked in North America and Eastern Europe while Brazil showed no signs of recovery and Kuhn Metasa adjusted its capacities accordingly.

Bucher Municipal took advantage of the upswing in the market for municipal vehicles after several years of limited demand. Sales, at CHF 254.8 million, surpassed the first half of the previous year by 34.8%, currency adjusted by 33.4% and adjusted for currency and acquisition effects, the figure was 7.7%. Order intake rose by 39.1%, adjusted for acquisitions by 10.6%, to CHF 273.4 million. The operating result more than doubled and was at CHF 14.6 million. The good demand in Europe and Australia as well as successful tenders for large contracts contributed to this success. The integration of Johnston Sweepers was implemented and the component manufacturing facility in Niederweningen was sold.

Bucher Process was faced with a difficult market environment for wine production plants. At CHF 56.9 million, sales of wine and fruit juice production plants were 0.6%, currency adjusted 1.7%, below the comparable figure of the same period last year. Order intake of CHF 77.4 million was 8.4%, currency adjusted 9.5%, lower than the comparable figure for the first half of 2005. The operating result of CHF 2.0 million improved by CHF 0.8 million due to effective cost reduction measures. Brisk demand in Europe for fruit juice production machinery compensated for the drop in China, the primary market. On the other hand, the weak demand for wine production plants in the important French market could not be entirely offset, despite good sales outside of France.

Bucher Hydraulics achieved sales of CHF 151.7 million with its hydraulic components and systems, thus exceeding the figure for the same period last year by 8.9%, or 7.7% adjusted for currency effects. Order intake rose by 11.9% to CHF 154.7 million, or 10.7% adjusted for currency effects. The operating result amounted to CHF 16.2 million. Bucher Hydraulics was not only able to benefit from the good economic circumstances, but especially from its own sales success, particularly in the market segments for construction machinery, materials

handling and wind energy. The division bought Sterling Fluids Pty, a small company in New Delhi, to strengthen its sales and production activities in India.

Emhart Glass generated sales of CHF 130.3 million during the period under review. The drop came to 14.5%, or 15.8% adjusted for currency effects and was related to postponed deliveries. Order intake of CHF 143.1 million was 2.9% below the comparable period last year. The division increased its operating result from CHF 2.5 million to CHF 6.5 million. The solid demand for machinery and plants for the production of glass containers continued in the first half of 2006. For that reason, Emhart Glass will thus be running at full capacity until the end of the year.

Prospects 2006 The favourable business environment is likely to continue until the end of the year. Kuhn Group is predicting sales at approximately the same level as the previous year, but with a lower operating result, primarily due to the costs of closing Kuhn Nodet. Bucher Municipal is anticipating a considerable increase in both sales and operating result, while Bucher Process is assuming sales within the range of its 2005 figures and a continued improvement in the operating result. Bucher Hydraulics expects higher sales and an operating result that at least equals the 2005 figure, while Emhart Glass forecasts sales slightly below the previous year and an improved operating result. All in all, Bucher Industries is thus expecting continued growth in sales and an operating and net result at that of the previous year despite the high restructuring costs of Kuhn Group.

Bucher Industries is a global technology group with leading market positions in specialty areas of mechanical and vehicle engineering. The company's operations include specialized agricultural machinery, municipal vehicles, wine and fruit juice production plants, hydraulic components, and production equipment for the glass container industry. Bucher Industries' shares are traded on SWX Swiss Exchange (SWX: BUCN).

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Key figures of the group

CHF million	January-June 2006	January-June 2005	% change
Order intake	983.1	891.9	+10.2
Net sales	1 039.5	984.5	+5.6
Order book	471.9	429.0	+10.0
Operating result before depreciation and amortization (EBITDA)	81.5	80.4	+1.4
<i>as % of net sales</i>	<i>7.8%</i>	<i>8.2%</i>	
Operating result (EBIT)	56.2	55.4	+1.4
<i>as % of net sales</i>	<i>5.4%</i>	<i>5.6%</i>	
Financial result	3.0	5.0	-40.0
Income tax	-21.1	-21.6	-2.3
Net result	38.1	38.8	-1.8
<i>as % of net sales</i>	<i>3.7%</i>	<i>3.9%</i>	
Earnings per share in CHF	3.84	3.96	-3.0
Average number of employees	6 906	7 095	-2.7

Consolidated financial statements

CHF million	30 June 2006	%	30 June 2005	%
Assets				
Cash, cash equivalents and securities	322.8	19.2	304.3	18.2
Receivables	467.0	27.8	483.2	28.9
Inventories	480.8	28.6	486.5	29.0
Non-current assets	409.7	24.4	401.1	23.9
Total assets	1 680.3	100.0	1 675.1	100.0
Liabilities and equity				
Current liabilities	716.3	42.6	778.1	46.5
Non-current liabilities	312.3	18.6	318.3	19.0
Equity	651.7	38.8	578.7	34.5
Total liabilities and equity	1 680.3	100.0	1 675.1	100.0