

## Press release

Niederweningen, 16 August 2005

### **Bucher Industries delivers 21% growth in sales**

**During the first half of 2005, Bucher Industries increased sales by 21% to CHF 985 million, up 14% excluding the impact of acquisitions. Order intake rose by 3% to CHF 892 million. Excluding the effect of acquisitions, this was 4% below the very high level seen a year ago. Our operating result climbed by 57% to CHF 55 million and our net result improved by CHF 21 million to CHF 39 million.**

With all the divisions enjoying a high volume of business, the group's sales advanced by 20.9% to CHF 984.5 million, up 21.8% excluding the effect of currency movements and up 14.9% excluding the effect of currency and acquisitions. Compared to the strong prior year period, which was buoyed by major one-off orders, order intake rose by 2.5% to CHF 891.9 million. This represents an increase of 3.3% excluding the effect of currency movements, but a decrease of 3.6% excluding the effect of currency and acquisitions. Our operating result climbed by 57.4% to CHF 55.4 million, bolstered by the Johnston acquisition. The operating result was weighed down by costs in the upper single digit millions associated with an out-of-court settlement reached by Emhart Glass. Including the financial result of CHF 5.0 million and income tax expense of CHF 21.6 million, our net result more than doubled to CHF 38.8 million compared to the same period last year.

Since the beginning of the year, the share price has performed strongly, advancing from CHF 50.60 to CHF 95.00 at 11 August. On 5 August 2005 the UK competition commission provisionally cleared the Johnston acquisition. After expiry of the period for objections Bucher Industries expects definitive clearance by 20 September 2005 at the latest.

**Kuhn Group** generated first half sales of CHF 446.5 million with specialized agricultural machinery, outperforming the same period last year by 10.6%, or 12.1% excluding the effect

of currency movements and 9.0% excluding acquisitions. Order intake rose by 3.4% to reach CHF 319.7 million. The operating result improved by 18.9% to CHF 37.8 million. Kuhn Group anticipates slightly weaker markets in Central Europe but expects an overall improvement in sales and the operating result for 2005.

**Bucher Municipal** Demand for municipal vehicles slackened due to tight public finances, while prices remained under heavy pressure. During the period under review, the division generated total sales of CHF 189.0 million, an increase of 47.9%. Excluding the Johnston acquisition, sales grew by 9.1%. Order intake reached CHF 196.6 million, 34.3% ahead of the same period last year, but decreased by 0.6% excluding the acquisition. The operating result improved by CHF 4.9 million to CHF 6.6 million. This includes a badwill of CHF 2.0 million arising on the provisional purchase accounting of Johnston. For the full year 2005, Bucher Municipal anticipates significant growth in sales and a higher operating result.

**Bucher Process** continued its recovery during the first six months of 2005. Sales of fruit juice and wine production plant grew by 12.1% to CHF 57.2 million, with order intake up 1.6% to CHF 84.5 million. The division posted an operating result of CHF 1.2 million, making a profit despite the seasonally weaker first half of the year and outperforming the equivalent prior year period by CHF 4.1 million. Bucher Process expects the good trend to continue and anticipates a slight increase in sales and a further improvement in its operating result for the full year 2005.

**Bucher Hydraulics** recorded sales of CHF 139.3 million for the first half of 2005, 11.3% ahead of the figure for the same period last year. Order intake was up 5.5% at CHF 138.3 million. The operating result improved by 43.8% to CHF 15.1 million. After the strong first six months, Bucher Hydraulics anticipates a slight slowdown during the second half of 2005, with the full year showing growth in sales and a higher operating result than in 2004.

**Emhart Glass** Backed largely by a strong order book at the beginning of the year, sales increased by a substantial 42.0% to CHF 152.4 million. Order intake at Emhart Glass was

CHF 147.3 million down 24.8% compared to the prior year period showing exceptional large-scale orders. The operating result of CHF 2.5 million was adversely affected by costs in the upper single digit millions associated with an out-of-court settlement. For 2005 Emhart Glass expects a sharp increase in sales and an operating result level with last year.

**Outlook for 2005** The slowdown in economic activity that began during the second quarter is likely to continue in the latter half of the year. The group expects a slightly weakening demand for specialized agricultural machinery. Demand for municipal vehicles, wine and fruit juice production plant, hydraulic components, and production equipment for the container glass industry is anticipated to be stable. Assuming that exchange rates and raw material prices remain at their present levels, Bucher Industries expects high sales growth driven by acquisitions, coupled with an improved operating and net result for the year. The Bucher Industries mid-year report 2005 is available under [www.bucherind.com](http://www.bucherind.com).

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 container glass industry. Bucher Industries' shares are traded on SWX Swiss Exchange (SWX: BUCN).

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**see next page:** key figures of the group, consolidated balance sheet

**Key figures of the group**

CHF million	January- June 2005	January- June 2004	% change
Order intake	<b>891.9</b>	870.0	+2.5
Net sales	<b>984.5</b>	814.4	+20.9
Order book	<b>429.0</b>	386.3	+11.1
Operating result before depreciation and amortization (EBITDA)	<b>80.4</b>	63.5	+26.6
<i>as % of net sales</i>	<i>8.2%</i>	<i>7.8%</i>	
Operating result (EBIT)	<b>55.4</b>	35.2	+57.4
<i>as % of net sales</i>	<i>5.6%</i>	<i>4.3%</i>	
Financial result	<b>5.0</b>	-1.6	n.a.
Income taxes	<b>-21.6</b>	-15.3	-41.2
Net result	<b>38.8</b>	18.3	+112.0
<i>as % of net sales</i>	<i>3.9%</i>	<i>2.2%</i>	
Earnings per share in CHF	<b>3.96</b>	1.88	+110.6
Number of employees at 30 June	<b>7130</b>	5844	+22.0

**Consolidated balance sheet**

CHF million	30 June 2005	%	30 June 2004	%
<b>Assets</b>				
Cash, cash equivalents and securities	<b>304.3</b>	18.2	307.5	21.7
Receivables	<b>479.1</b>	28.6	366.4	25.8
Inventories	<b>490.6</b>	29.3	404.7	28.6
Non-current assets	<b>401.1</b>	23.9	338.8	23.9
<b>Total assets</b>	<b>1 675.1</b>	100.0	1 417.4	100.0
<b>Liabilities and equity</b>				
Current liabilities	<b>778.1</b>	46.5	621.3	43.9
Non-current liabilities	<b>318.3</b>	19.0	303.1	21.3
Equity	<b>578.7</b>	34.5	493.0	34.8
<b>Total liabilities and equity</b>	<b>1 675.1</b>	100.0	1 417.4	100.0