

**ARTICLES OF ASSOCIATION
OF
BUCHER INDUSTRIES AG**

as approved in 26 April 2005

ARTICLES OF ASSOCIATION

of

Bucher Industries AG
Bucher Industries SA
Bucher Industries Ltd.
Bucher Industries S.p.A.

incorporated in Niederweningen (Switzerland)

I. CORPORATE NAME, SEAT, DURATION, PURPOSE

Art. 1

Corporate Name, Seat, Duration

There exists a stock corporation of indefinite duration under the firm of

Bucher Industries AG
Bucher Industries SA
Bucher Industries Ltd.
Bucher Industries S.p.A.

The Corporation's seat is located in Niederweningen (Switzerland). By resolution of the Board of Directors, the Corporation may establish offices and branches both in Switzerland and abroad.

Art. 2

Purpose

The purpose of the Corporation is the acquisition and the permanent management of shareholdings in corporations of any kind, particularly in the engineering industry, and the financing of affiliated corporations in both Switzerland and abroad.

Moreover, the Corporation may do any kind of business that is suitable for promoting or facilitating the Corporation's growth and the attainment of the corporate purpose.

The Corporation may issue bonds and raise loans; it may also buy and sell real estate.

II. SHARE CAPITAL AND SHARES

Art. 3

Share Capital

The Corporation's share capital is CHF 2,113,180.00 (two million one hundred and thirteen thousand one hundred and eighty Swiss francs) composed of 10,565,900 registered shares at a par value of CHF 0.20.

All shares have been fully paid up.

In case of a share capital increase, shareholders will be entitled to pro-rata subscription rights for the newly issued shares based on their previous shareholdings, provided the General Meeting of Shareholders, in its resolution to increase the share capital, does not preclude such subscription rights on cogent ground.

Art. 3a

Creation of Conditional Capital

The Corporation's share capital is increased through the issue of not more than 1,184,100 registered shares at a par value of CHF 0.20 each for a total amount of not more than CHF 236,820.00 by exercising option or conversion rights granted in connection with bonds issued by the Corporation or a subsidiary of the Corporation or by exercising option rights granted to shareholders. Shareholders' subscription rights are excluded. The holders of option or conversion rights are entitled to subscribe to the new shares. The acquisition of registered shares by exercising option or conversion rights and the subsequent transfer of such registered shares are subject to the transfer restrictions stipulated by Article 5 of the Articles of Association.

Option or conversion conditions are laid down by the Board of Directors. When issuing bonds or convertible bonds, the Board of Directors may suspend shareholders' anticipated subscription rights on cogent ground as stipulated by article 653c subclause 2 of the Swiss Law of Contract. In this case, the Board of Directors will lay down the structure, the term and the amount of the bond as well as the option or conversion conditions in accordance with market conditions at the time of the issue.

Art. 4

Share Instruments and Certificates

The shareholder has no right to have shares printed and delivered in the form of securities or single-use certificates. However, the shareholder may request a written confirmation for the shares held by the shareholder at any time.

The Corporation may at any time print share in the form of securities or single-use certificates and issue certificates for multiple shares. The instruments will bear the facsimile signature of the Chairman of the Board. The Corporation may cancel or destroy without replacement shares instruments issued and returned to the Corporation.

Non-recorded shares and resulting non-recorded rights may be transferred by assignment only and with the participation of the bank where the shares are managed for the shareholder for accounting purposes and by notifying the Corporation. Also, such shares may be mortgaged only for the benefit of such bank. In this case, notification of the Corporation is not required.

Art. 5
Share Register and Registration Restrictions

The Corporation keeps a share register in which the holders and beneficiaries of registered shares are entered by name and address. In relation to the Corporation, holders and beneficiaries of shares must be entered in the share register to be recognized. The Corporation recognizes only one representative per share.

In order to be entered in the share register, holders and beneficiaries of shares must prove the acquisition of the shares or the creation of the beneficial interest in the shares. The Corporation may deny recognition and entry of an applicant in the share register as a shareholder with voting rights, unless the applicant expressly states that the shares were acquired and will be held in the applicant's own name and for the account of the applicant. Such applicant is authorized solely to exercise the rights that are not associated with the voting rights.

The Board of Directors establishes principles for the registration of trustees/nominees and issues the required regulations.

Art. 5a
Opting-up

A purchaser of the Corporation's shares is bound to make a public offer as provided in Section 32 of the Federal Act on Stock Exchanges and Securities Trading when a threshold of 40% of the voting rights is exceeded.

III. ORGANIZATION OF THE CORPORATION

Art. 6
Executive Bodies

The Corporation's executive bodies are:

- A. the General Meeting of Shareholders**
- B. the Board of Directors**
- C. the Auditors**

A. General Meeting of Shareholders

Art. 7

Competences

The General Meeting of Shareholders is the Corporation's governing body. It has the following inalienable powers (cf. article 698 of the Swiss Law of Contract):

- a) stipulation and amendment of the Articles of Association;
- b) election and removal of Members of the Board of Directors;
- c) appointment of the Auditors and the Group Auditors;
- d) approval of the annual report and the consolidated accounts;
- e) approval of the annual accounts and resolution on the appropriation of disposable profits, especially the declaration of dividend;
- f) ratification of the Board of Directors' acts;
- g) resolution on motions filed by the Board of Directors, or the Auditors, or the shareholders, and on issues reserved for the General Meeting of Shareholders by law or by the Articles of Association.

Art. 8

Voting Rights

In the General Meeting of Shareholders, each share entitles to one vote.

Art. 9

Convocation

The General Meeting of Shareholders is convoked by the Board of Directors or, should the occasion arise, by the Auditors or the Liquidators.

Pursuant to Article 27 of the Articles of Association, invitations to the General Meeting of Shareholders are made no later than 20 days before the day of the General Meeting. The convocation will inform shareholders of the General Meeting's agenda and of the motions made by the Board of Directors and by any shareholders who demanded that a General Meeting be held or that a certain item be added to the agenda. At the same time, the Board of Directors will prescribe the regulations regarding proof of share ownership.

Motions to the General Meeting of Shareholders must be submitted to the Board of Directors in writing and no later than six weeks before the General Meeting.

Art. 10

Implementation

The ordinary General Meeting of Shareholders takes place annually within 6 months of the close of the business year.

Extraordinary General Meetings of Shareholders will be called as needed, particularly in the cases

stipulated by law. Shareholders representing at least one tenth of the share capital are entitled to call an extraordinary General Meeting at any time, provided that in doing so, they indicate the agenda and the motions filed. Shareholders representing 20,000.00 Swiss francs in share par value are entitled to demand that a certain item be added to the agenda. Calling a meeting and adding items to the agenda must be made in writing by indicating such item and motions.

The Corporation's annual report (annual accounts, financial report and consolidated accounts) and the Auditors' reports must be opened for inspection by the shareholders at the corporate head office no later than 20 days before the ordinary General Meeting of Shareholders. Every shareholder is entitled to demand that a copy of these documents be delivered to him or her immediately. Shareholders will be informed about this possibility in the invitation to the General Meeting of Shareholders.

Moreover, after being approved by the General Meeting of Shareholders, the Corporation's annual accounts and consolidated accounts and the Auditors' reports will either be published in the Swiss Official Gazette of Commerce or be delivered to any person demanding a copy within one year of the approval at that person's cost.

Art. 11

Chairmanship

The General Meeting of Shareholders will be chaired by the Chairman or the Vice-Chairman of the Board of Directors or, if they are both prevented from doing so, by an interim chairman elected by the Board of Directors.

The chairman designates the minute keeper and the vote counters, who need not be shareholders of the Corporation.

The minute keeper and the chairman will both sign the General Meeting's minutes, thus stating them in a binding manner.

Art. 12

Votes and Elections

Votes and elections will be taken by open ballot, unless the General Meeting resolves to have a written ballot or unless the Chairman of the Board requests another procedure.

Art. 13

Quorum

The General Meeting of Shareholders constitutes a quorum, regardless of the number of shareholders present and the number of shares represented.

Unless a peremptory provision stipulated by law or the Articles of Association provides otherwise, the General Meeting of Shareholders will pass its resolutions and hold its elections by an absolute majority of all share votes represented. If a second ballot needs to be held, it will be passed by a relative majority. In case of a parity of votes, resolutions will be passed by the chairman's casting vote, while elections will be settled by lot.

Art. 14

Key Resolutions

Unless a mandatory provision stipulated by law provides otherwise, resolutions of the General Meeting require at least two thirds of all represented votes to be passed whenever they regard:

- a) the modification of the corporate purpose;
- b) the introduction of voting shares;
- c) the introduction and the suspension of the limited transferability of registered shares;
- d) an approved or a conditional increase of capital;
- e) the increase in capital from shareholders' equity, by contribution in kind, or for the purpose of acquisitions in kind, and the granting of special benefits;
- f) the limitation or the suspension of subscription rights;
- g) the relocation of the corporate domicile;
- h) the dissolution of the Corporation and the dissolution of the Corporation without liquidation (merger).
- i) any introduction, amendment or suspension of statutory opting-up and/or opting-out clauses in accordance with the Federal Act on Stock Exchanges and Securities Trading.

B. Board of Directors

Art. 15

Number of Members, Term of Office

The Board of Directors consists of between five and nine Members who are elected by the General Meeting of Shareholders for a term of three years. Members can be reelected for an unlimited number of times.

Members of the Board must be shareholders, unless they have been elected in their capacity as representatives of a shareholding legal entity.

A term of office ends on the day of that year's ordinary General Meeting of Shareholders. If a Member of the Board has been elected as a substitute, he or she will complete the term of office of his or her predecessor.

Art. 16

Constitution

The Board of Directors constitutes itself. Furthermore, it appoints a secretary who need not be a Member of the Board.

Art. 17

Invitation

The Board of Directors meets as often as corporate business requires it, upon invitation by the

Chairman of the Board.

Every Member may demand the convocation of a meeting by writing to the Chairman of the Board.

Art. 18
Resolutions

The Board of Directors constitutes a quorum whenever the majority of its Members is present. Board votes will be taken by open ballot. Resolutions require an absolute majority to be passed. In case of a parity of votes, resolutions will be passed by the Chairman's casting vote, while elections will be settled by lot.

Unless a Member demands that the Board meet to discuss a matter, resolutions may also be passed by written approval; in such a case, a resolution requires an absolute majority of all Members of the Board to be passed.

Discussions and resolutions are recorded by means of minutes which will be signed by the Chairman and the secretary of the Board.

Art. 19
Conduct of Business

The Board of Directors decides on all matters which are not reserved for another of the Corporation's executive bodies by law or by the Articles of Association.

The Board of Directors jointly conducts the Corporation's business.

In consideration of the duties imperatively incumbent upon it by law, the Board of Directors, in accordance with an organizational regulation, is empowered to assign the conduct of business in part or in its entirety to individual Members or a third party.

The Board of Directors designates those Members who will have the legally binding authority to sign on behalf of the Corporation, and determines the kind of signature.

For the purpose of conducting regular business or specific sectors of such regular business, the Board of Directors is further authorized to appoint directors, managers, signing clerks or proxies who need not be shareholders. The Board determines the duties and the kind of authority to sign such a person will hold.

C. Auditors

Art. 20
Appointment

Each year, the ordinary General Meeting of Shareholders will appoint one or several auditing experts

or an auditing company to be the Corporation's Auditors. The General Meeting may also appoint substitutes. The Auditors must be members of the Swiss Chamber of Accounting, Taxation and Fiduciary Experts.

Art. 21
Independence

The Auditors must be independent both of the Board of Directors and of any shareholder holding the majority of votes. In particular, the Auditors are not allowed to be employees of the Corporation they have been appointed to audit, or to perform tasks that are inconsistent with the duty to audit the Corporation.

Art. 22
Duties, Powers

The Auditors have the duties and powers stipulated by law.

Specifically, the Auditors will verify whether the Corporation's accounting and its annual accounts as well as the motion regarding the appropriation of disposable profits comply both with the law and the Articles of Association.

The Auditors participate in the ordinary General Meeting of Shareholders.

IV. ANNUAL BALANCE AND APPROPRIATION OF PROFITS

Art. 23
Business Year

The Corporation's business year is scheduled by decision of the Board of Directors.

Art. 24
Annual Balance

For every business year, the Board of Directors will establish an annual report which consists of the annual accounts, the financial report and the consolidated accounts.

The establishment of the annual accounts (profit account, balance sheet, and annex) is subject to generally accepted accounting principles. The financial report reflects the course of business as well as the financial and economic situation of the Corporation.

The consolidated accounts are subject to generally accepted accounting principles and all other legal requirements.

Art. 25

Appropriation of Profits

Annual profits will be appropriated as resolved by the General Meeting of Shareholders within the scope of legal conditions.

Dividends which have not been collected five years after due date will be attributed to the available reserve.

V. DISSOLUTION OF THE CORPORATION

Art. 26

Dissolution

The General Meeting of Shareholders, in accordance with the provisions stipulated by law and the Articles of Association, may pass the resolution to dissolve and liquidate the Corporation at any time.

If the General Meeting of Shareholders decides to dissolve the Corporation, the liquidation will be implemented by the Board of Directors, unless the General Meeting appoints other liquidators.

VI. PUBLICATIONS

Art. 27

Gazette

The Corporation's gazette is the Swiss Official Gazette of Commerce. The Board of Directors is authorized to designate additional gazettes.

Communications and invitations to shareholders may be made by regular letter to the addresses recorded in the share register.

The present Articles of Association have been approved by the ordinary General Meeting of Shareholders on 26 April 2005.

The Chairman



R. Hauser

The Vice-Chairman



T. W. Hauser