

Group presentation

Bucher Industries

Technology group founded 1807

- Industrial group in engineering and vehicle construction
 - Machines for the production of healthy fodder and food products
 - Municipal vehicles for safe roads and clean cities
 - Machines and plants for glass container production
 - Hydraulic components and solutions
- Strategy of technology and market leadership with opportunities of industry consolidation
- Mature user markets offer considerable growth and earnings potential at steady high cashflows
- Clear divisional structures with decentralized profit responsibility
- Group wide strategic and financial leadership

Group portfolio

- Consists of industrially related divisions
- Has growth potential in sales and profits
- Generates continuously a positive free cashflow which we re-invest in our industrial activities
- We strive for worldwide market leadership by
 - product innovation
 - sales network and high service levels
 - good price/performance ratios for customers
 - taking advantage of industry consolidation
- Bucher Industries is a long term oriented industrial group

Five market segments – five divisions

**Specialized agricultural
machinery:**

Kuhn Group

Municipal vehicles:

Bucher Municipal

**Wine and fruit juice
production plants:**

Bucher Process

Hydraulic components:

Bucher Hydraulics

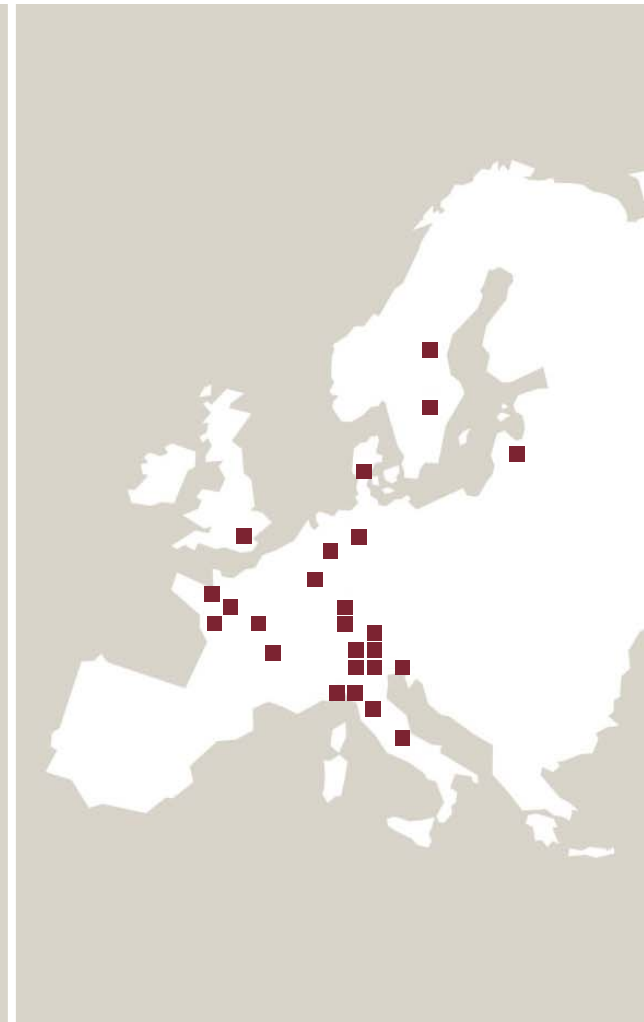
**Glass container
production equipment:**

Emhart Glass

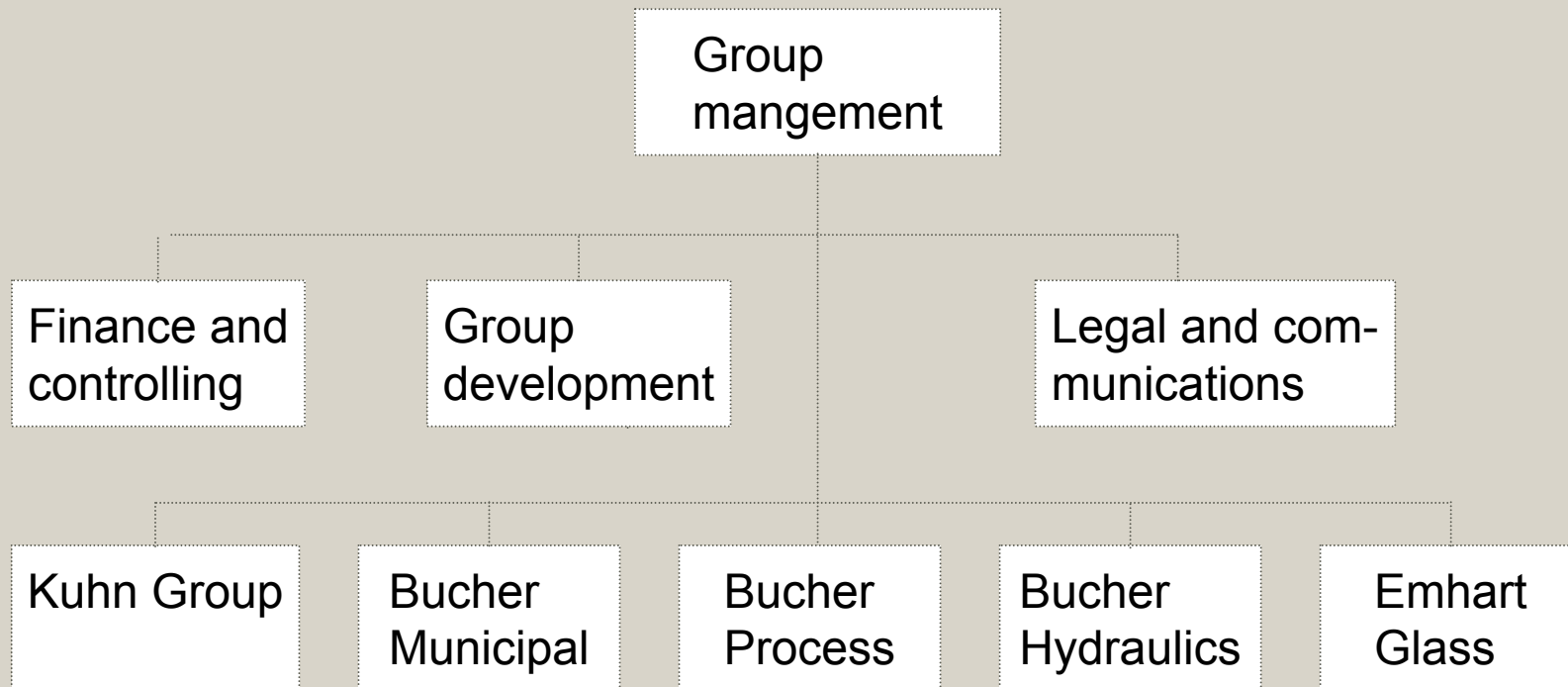
No. 1 market positions

- Kuhn Group worldwide in fodder harvesting machinery
- Bucher Municipal in Europe in street sweepers
- Bucher Process worldwide in fruit juice and
wine production plants
- Bucher Hydraulics in Europe in special segments of hydraulics
- Emhart Glass worldwide in glass container production
equipment

Manufacturing sites worldwide



Group structure

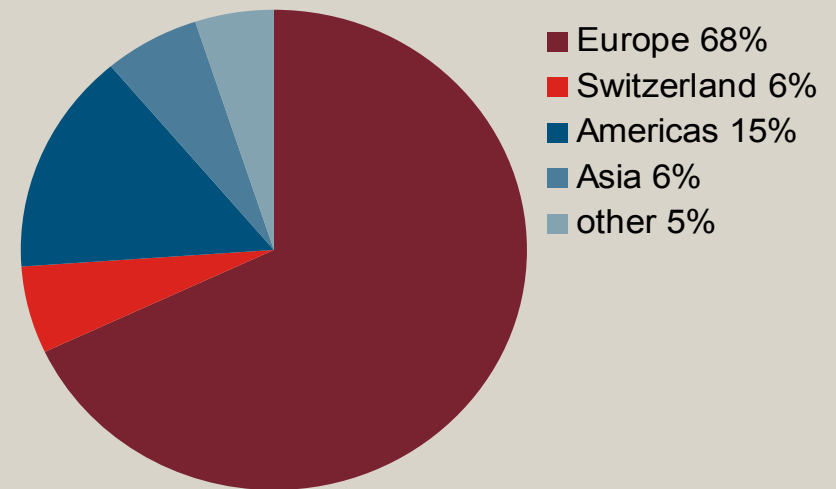
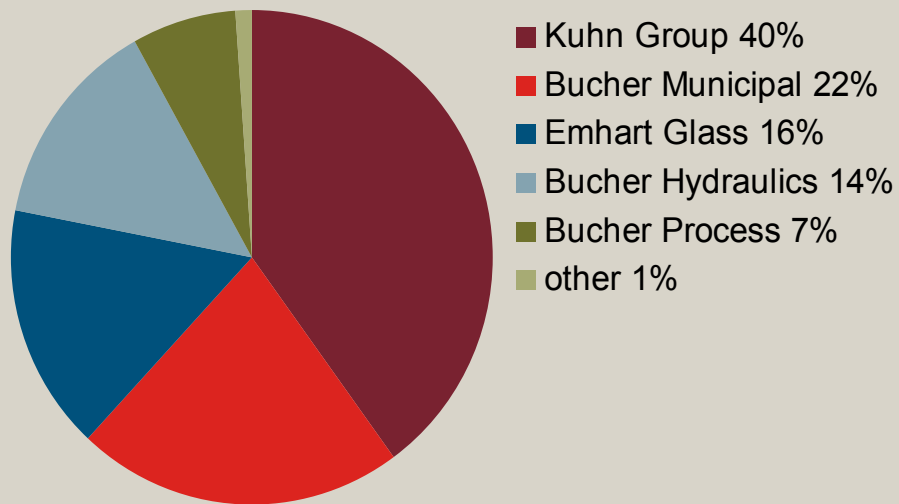


Goals of the group

Group mid term goals	goals	2005	2004	2003	2002	2001
Operating result (EBITDA) – margin	12%	8.5	9.0	8.1	7.4	8.3
Operating result (EBIT) – margin	8%	6.0	5.6	3.8	2.3	4.7
Return on net operating assets after tax (RONOA)	>14%	14.8	12.1	6.9	4.5	8.7

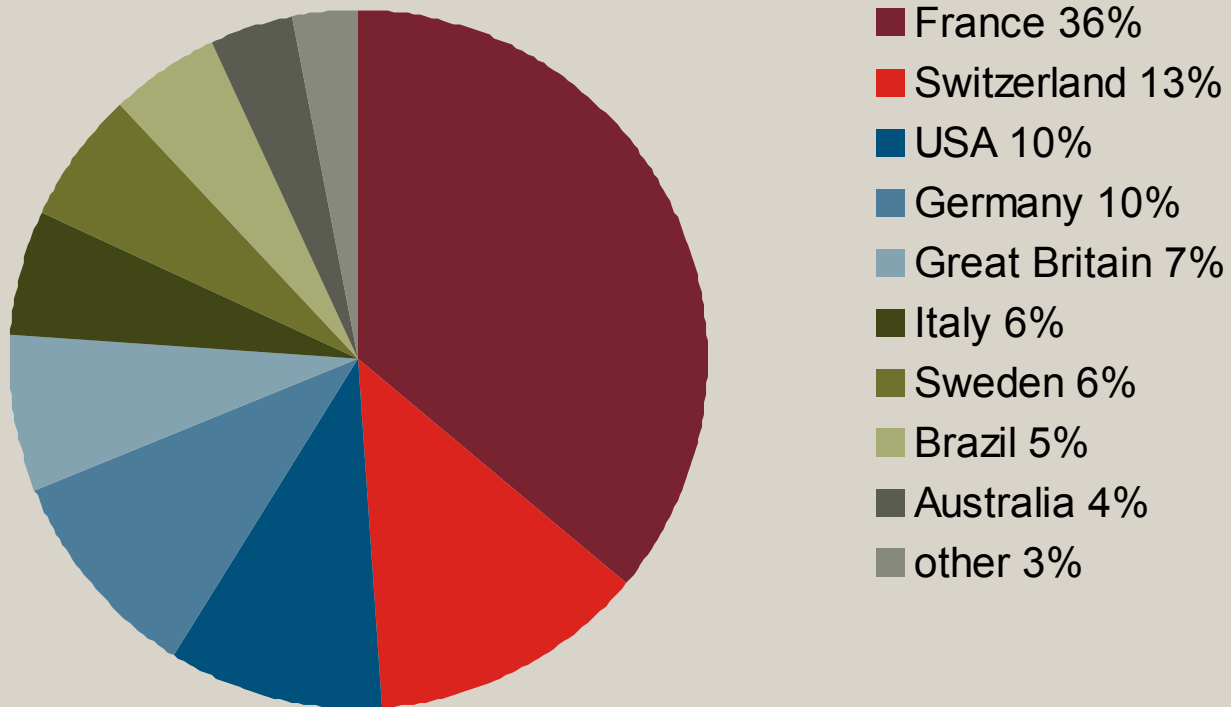
Net sales by divisions and regions 2005

CHF 1948 m



Number of employees by regions 2005

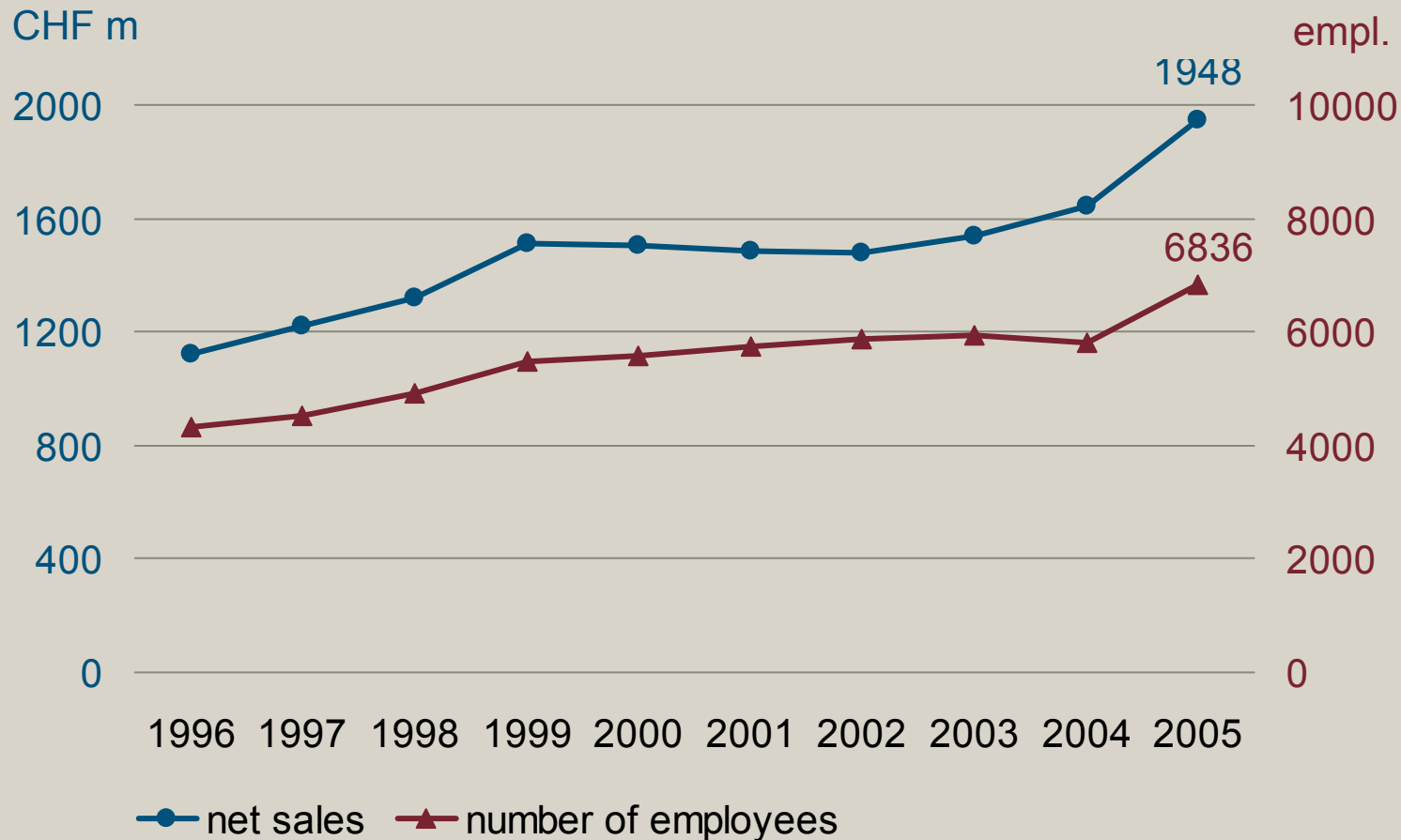
6836 persons



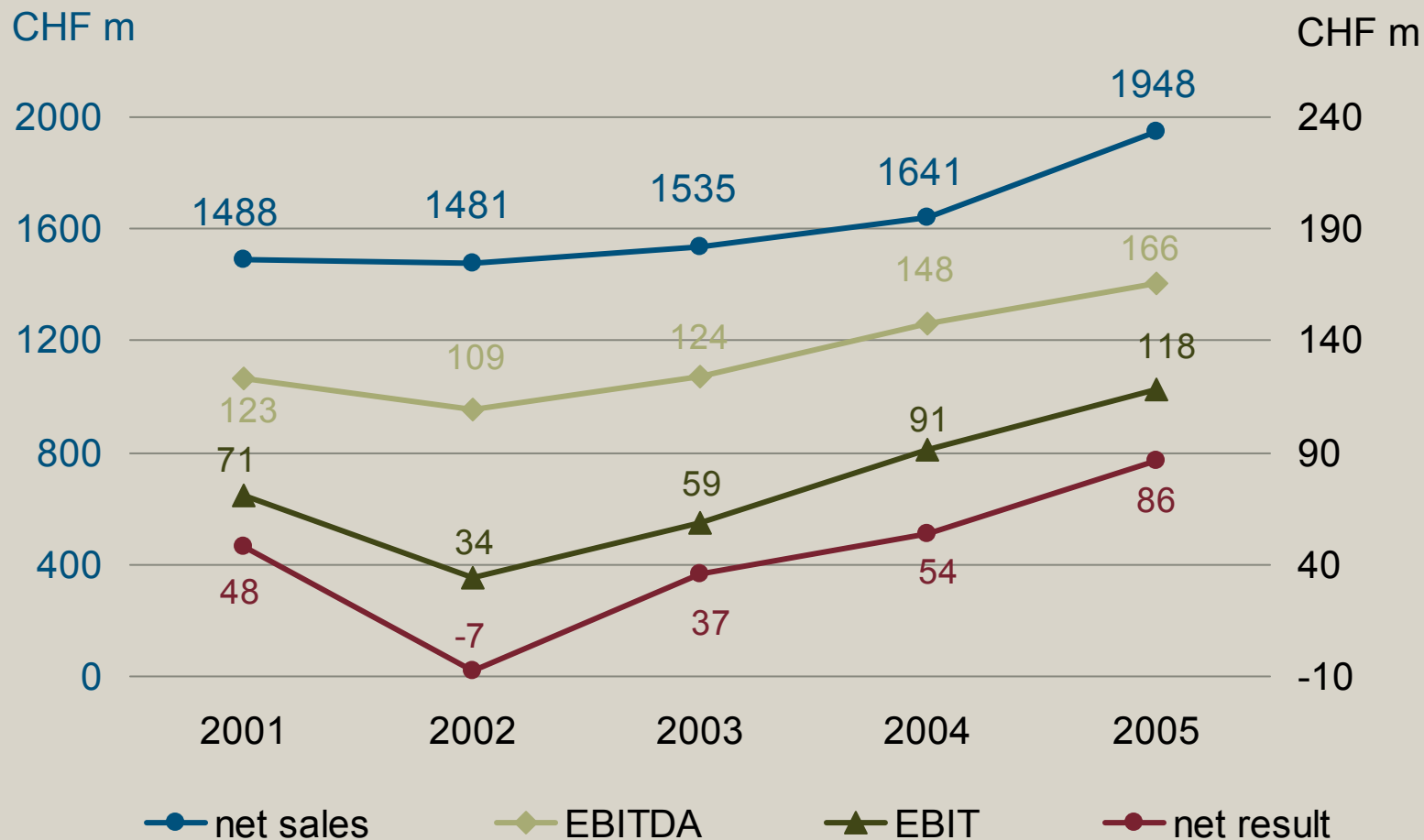
Number of employees

	2005	2004	% change
At year end	6 874	5 782	+18.9
Without acquisitions	5 810		+0.5
Average during year	6 836	5 795	+18.0
Without acquisitions	5 897		+1.8

Net sales and number of employees



Net sales and results



Spotlights 2005

- New milestone in turnover and result
- Group turnover rose by 19% to CHF 1 948 million; increase due equally to internal growth and acquisitions
- Four out of five divisions increased their operating result
- Excluding the effect of acquisitions, order intake practically at the very high level seen a year ago (-1%)
- Strategic strengthening of the Kuhn Group and Bucher Municipal divisions through acquisitions (Kuhn Metasa and Johnston)
- Positive financial results influenced by effect of currency
- Net result 58% over preceding year at CHF 86 million

Spotlights 2005 (continued)

- Increase of operating results
 - EBITDA by 13% to CHF 166 million
 - EBIT by 29% to CHF 118 million
 - EBIT margin improved from 5.6% to 6.0%
- RONOA of 14.8% despite increase in net assets
- Earnings per share increased from CHF 5.51 to CHF 8.70
- Solid balance sheet
 - Net cash position of CHF 69 million despite acquisitions in 2005
 - Goodwill amounts to only 7% of shareholders' equity
 - Equity ratio of 38%

Key figures

CHF million	2005	2004	Change %
Incoming orders	1 946.6	1 793.2	+8.6
Net sales	1 948.2	1 640.9	+18.7
Order book	523.7	480.3	+9.0
Operating result (EBITDA)	166.4	147.8	+12.6
in % of net sales	8.5%	9.0%	
Operating result (EBIT)	117.8	91.2	+29.2
in % of net sales	6.0%	5.6%	
Net result	86.1	54.4	+58.3
in % of net sales	4.4%	3.3%	

Investment for the future

CHF million	2005	2004	2003	2002	2001
Development expenses	63.4	54.1	50.5	56.7	56.8
Capital expenditure	51.7	36.6	38.8	39.0	51.2

Results by divisions

CHF million	2005		2004	
	EBIT	EBIT-margin	EBIT	EBIT-margin
Kuhn Group	65.0	8.4%	58.8	8.3%
Bucher Municipal	18.2	4.2%	6.1	2.2%
Bucher Process	8.4	5.9%	5.4	4.1%
Bucher Hydraulics	26.7	9.9%	20.9	8.6%
Emhart Glass	16.6	5.2%	18.4	6.9%
others/consolidation	-17.1		-18.4	
Bucher Industries	117.8	6.0%	91.2	5.6%

Kuhn Group Mower conditioner

BUCHER



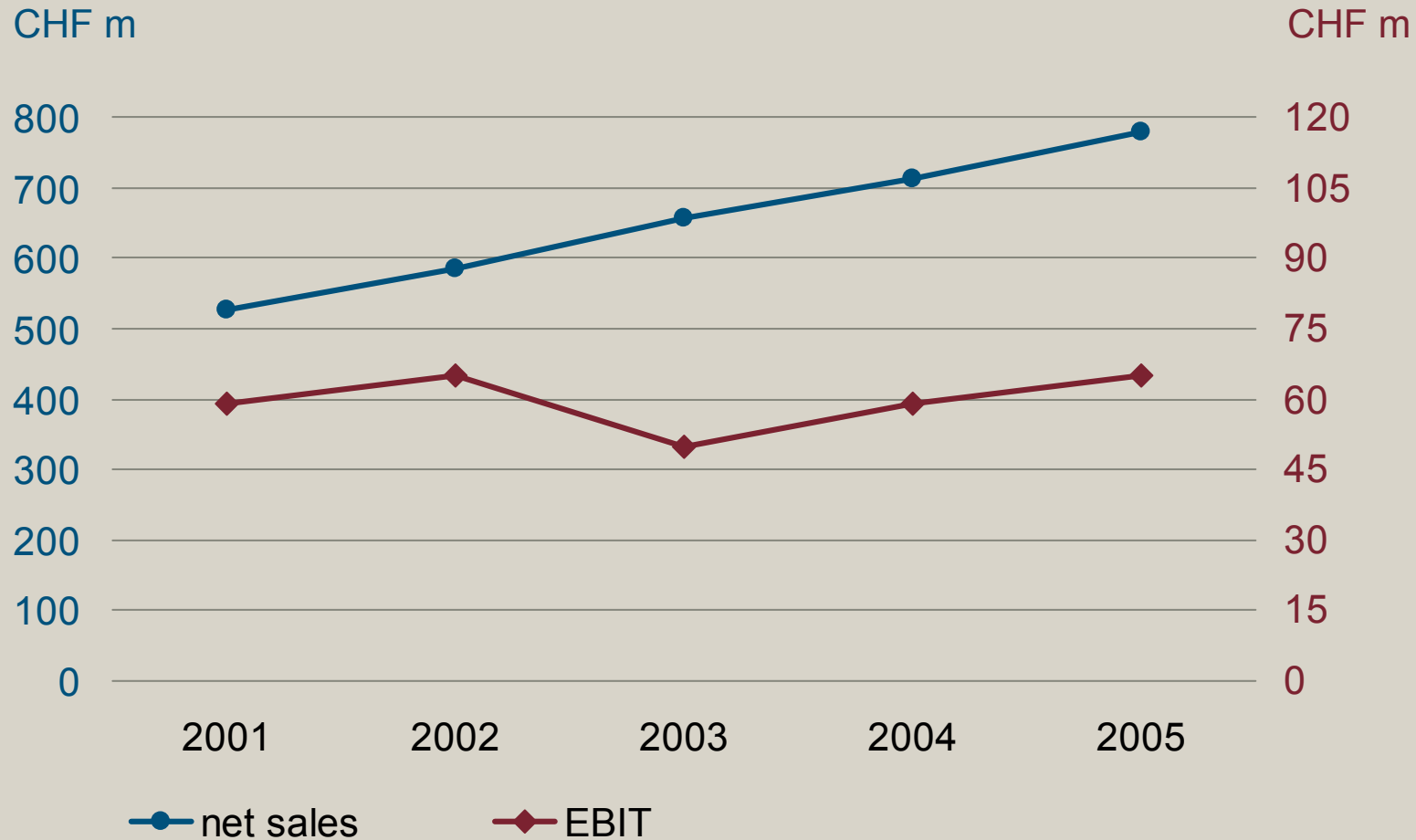
Kuhn Group Precision seed drills

BUCHER



Kuhn Group

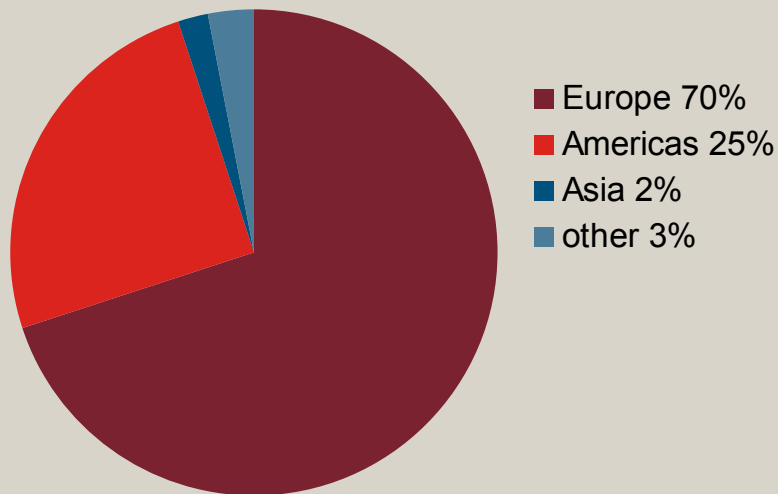
Net sales and EBIT



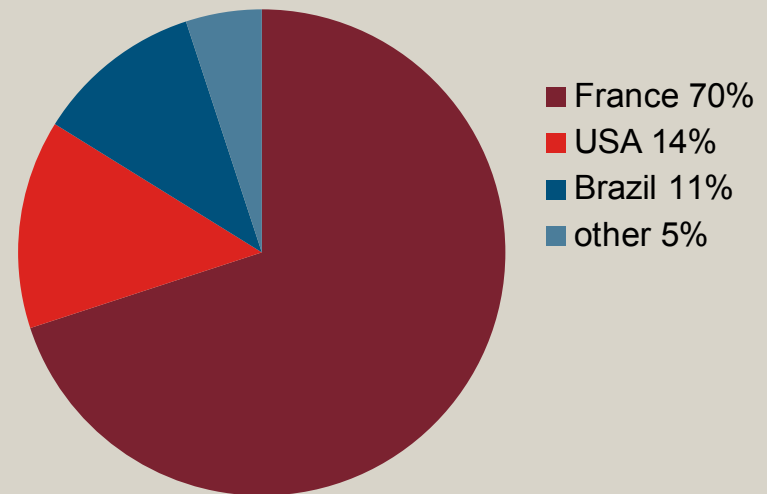
Kuhn Group

Net sales and number of employees 2005

Net sales
CHF 778 m



Number of employees
2964 persons



Kuhn Group Market position

- worldwide leading manufacturer of specialized agricultural machinery under one single brand name
- specialist in fodder harvesting, soil preparation machinery, drills, sprayers and feed-mixers
- market shares: 5 to 40% worldwide
- main competitors: Kverneland (NO), Krone (DE), Claas (DE), Pöttinger (AT), Amazone (DE), and other German, French and Italian manufacturers

Kuhn Group

Complete product range under one brand

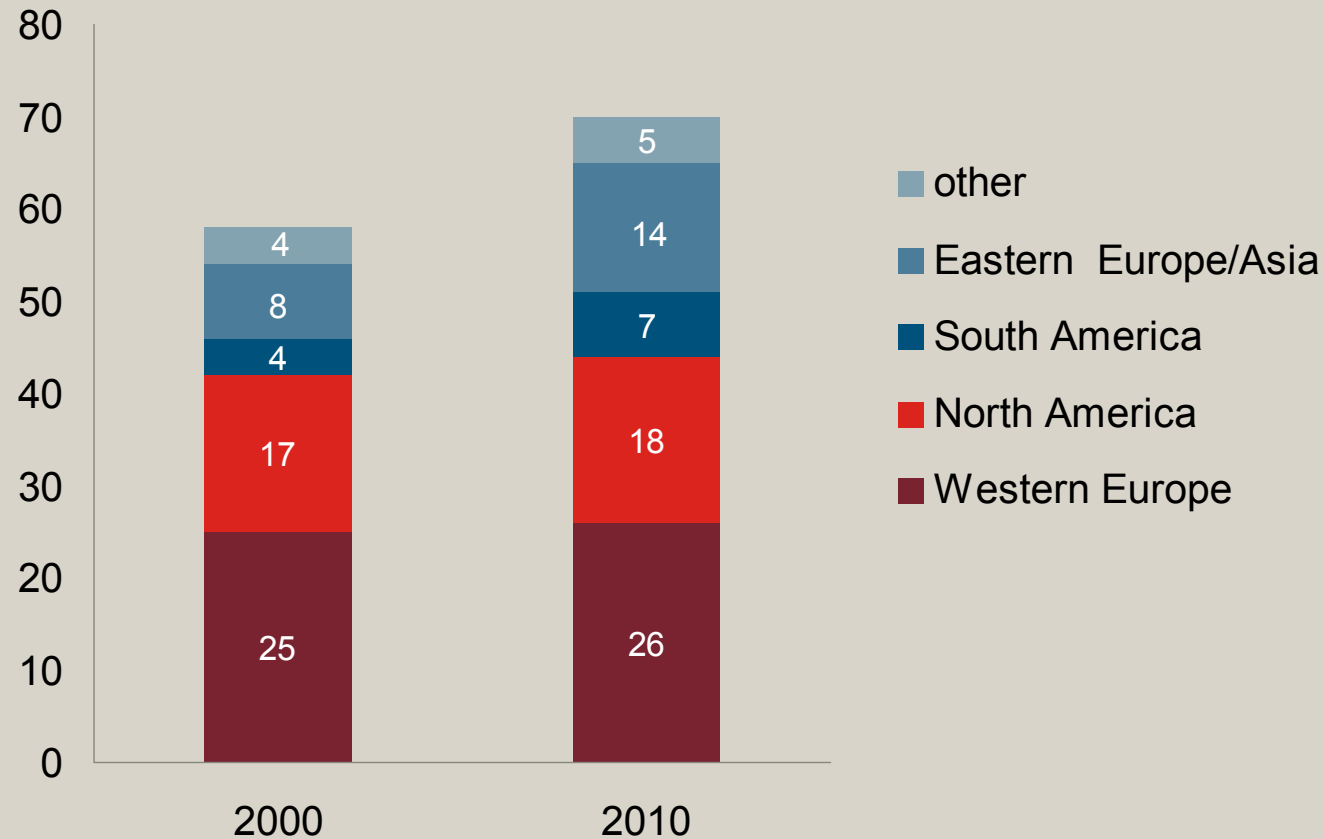
Competitors	fodder harvesting				hedge cutters	feed mixers	soil equipment		seeders		sprea- ders	spray- ers	trac- tors	harvesters selfpropelled
	mowers	tedders	rakes	balers			animated	non-animated	drilling	precision				
Kuhn Group														
John Deere														
CNH														
AGCO														
Claas													Renault	
Krone														
Amazone														
Pöttinger														
Kverneland														
Hardi														
Exel														
Lemken														
Horsch														
Väderstad														
Kongskilde														
Lely														
Sulky														
Monosem														

Kuhn Group

Long-term market growth

agricultural machinery and tractor markets worldwide

CHF Mia.



Kuhn Group Spotlights 2005

- Sales increase of 9% above the market again
- Continuation of the strong growth in North America and Eastern Europe
- Difficult climatic conditions due to drought and storms in the South of the USA, Brazil and Western/Southern Europe
- Rise in agricultural production costs and uncertainties in agricultural policy
- EBITDA operating result practically at the previous year's value despite charges due to Kuhn Metasa and Kuhn Nodet
- Entry with Kuhn Metasa into the important growth market of Latin America; temporarily weak demand situation in Brazil

Kuhn Group Outlook 2006

- Variable trend of demand expected
 - North America stabilized at a high level
 - Continuing growth in Eastern Europe
 - Weakening in Western Europe
 - Slow recovery in South America
- Uncertainty of farmers caused by EU agricultural policy remains noticeable
- Product and sales initiatives as well as exploitation of the low-cost supply by Kuhn Metasa
- Restructuring costs Kuhn Nodet of CHF 12 m
- Turnover in the region of the previous year and lower operating result expected

Bucher Municipal Truck mounted sweepers



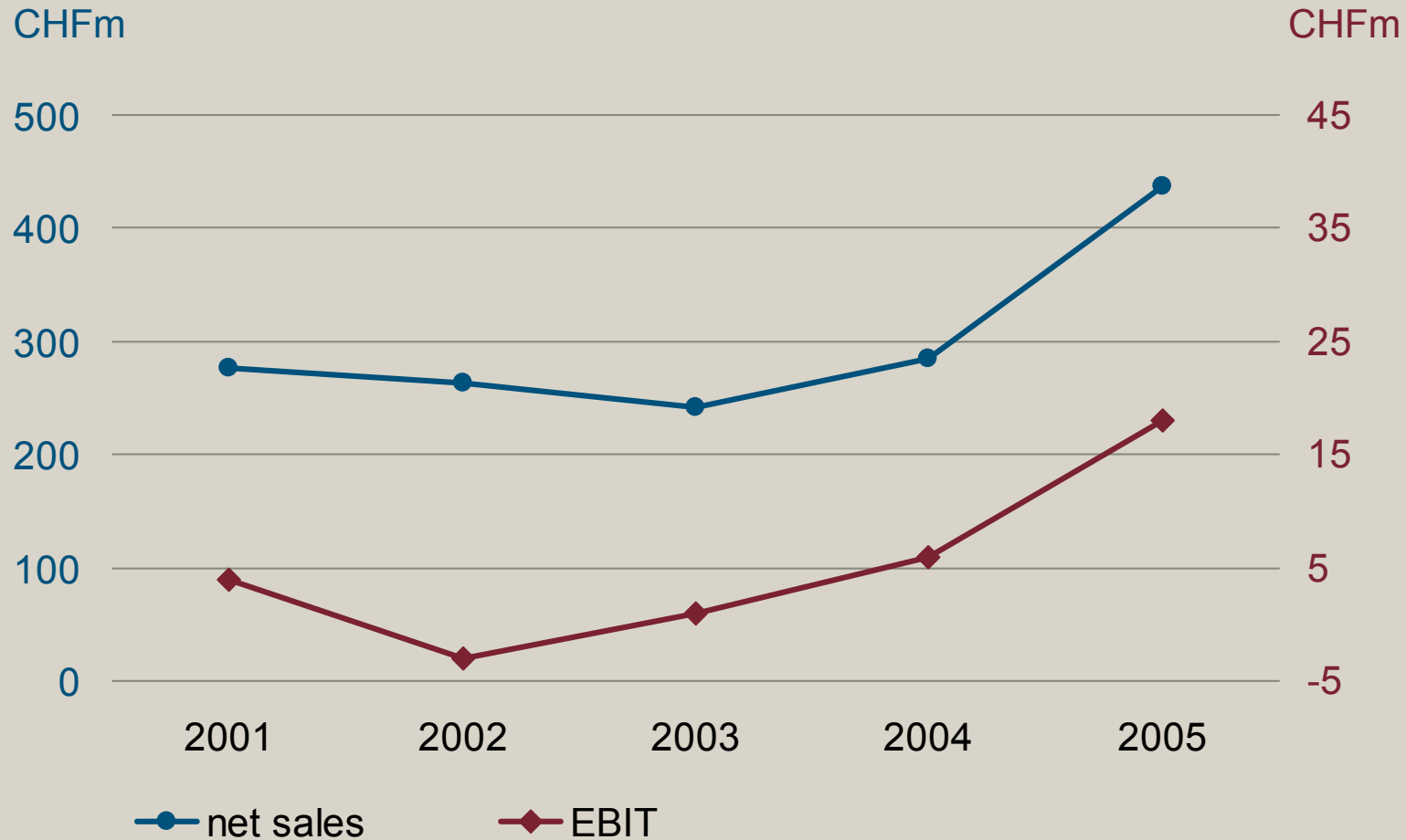
Bucher Municipal Truck mounted sweepers



Bucher Municipal Refuse collection vehicle



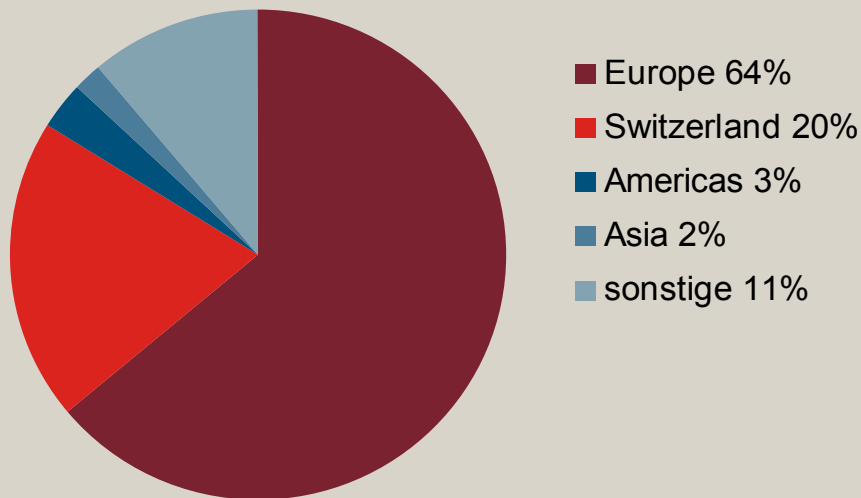
Bucher Municipal Net sales and EBIT



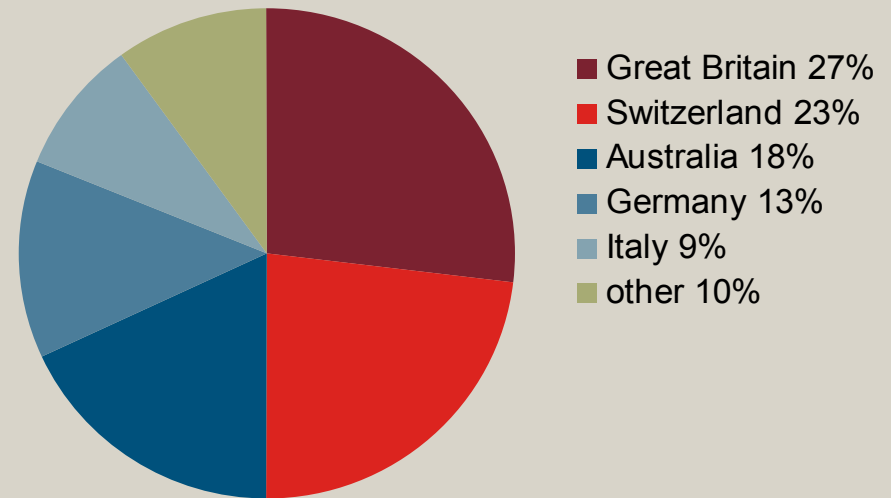
Bucher Municipal

Net sales and number of employees 2005

Net sales
CHF 437 Mio.



Number of employees
1335 persons



Bucher Municipal Market position

- leading manufacturer for compact and truck mounted sweepers, large snow clearing equipment for roads and airports in Europe
- market shares in municipal vehicles and spreaders: 10 to 30%
- complete product line for municipalities
- main competitors: Schmidt (DE), Ravo (NL), Elgin (USA), Scarab (UK), Hako (DE), Boschung (CH) and Faun (DE)

Bucher Municipal Complete product range

competitors	sweepers						airport			spreaders		vehicles		
	1m ³	2m ³	4m ³	5m ³	6m ³	8m ³	SB	SS	RWS	mounted	towed	3.5t	5t	6t
Bucher (CH)														
Johnston (UK)														
Schmidt (D)														
Boschung (CH)														
Hako (D)														
Aebi MFH (CH)														
Faun (D)														
Elgin (USA)														
Scarab (UK)														
Epoke (DK)														
Acomctis (F)														

SB = snow blowers
 SS = snow sweepers
 RWS = runway sweepers

Bucher Municipal Spotlights 2005

- Competitive market environment continued
 - Cost-saving pressure in public spending
 - Hard-fought large tenders with challenging conditions
 - Industry not running at full capacity
- Upturn in the winter service business; large tenders nevertheless lower than last year as expected
- Pleasing internal growth of 4%
- Market share gained in municipal vehicles and airport equipment
- Assembly plant in Latvia with around 50 truck-mounted sweepers
- Relocation of components from Switzerland and Germany to Eastern Europe

Bucher Municipal Spotlights 2005 (continued)

- Successful acquisition of Johnston
 - Turnover of CHF 142 million from 1 April 2005 (whole year CHF 189 million)
 - Badwill of CHF 4 million after deduction of the costs of acquisition and adjustments to Bucher standard
 - Very pleasing operating result
- Main Johnston markets in Europe are complementary
- Market entry in Australia and North America
- Strategy and integration
 - Dual brand management of Bucher Schörling and Johnston
 - Use of economies of scale at the cost leader in sweepers
 - Creation of highly efficient centres of excellence
 - Implementation costs of around CHF 8 million

Bucher Municipal Outlook 2006

- Overall unchanged market environment expected
 - Stable demand in the major markets
 - High pricing pressure due to intense competition
 - Large tenders in line with last year
 - Backlog in winter service may lead to overcapacities and increased pricing pressure
- Phased implementation of the Bucher Schörling and Johnston integration plan
- Forced expansion of the assembly plant in Latvia
- Strong increase in sales and operating result

Bucher Process Wine production equipment



reception of vintage



pressing



concentration



filtration

Bucher Process Fruit juice production plant



reception lines



mills



hydraulic presses



filtration units



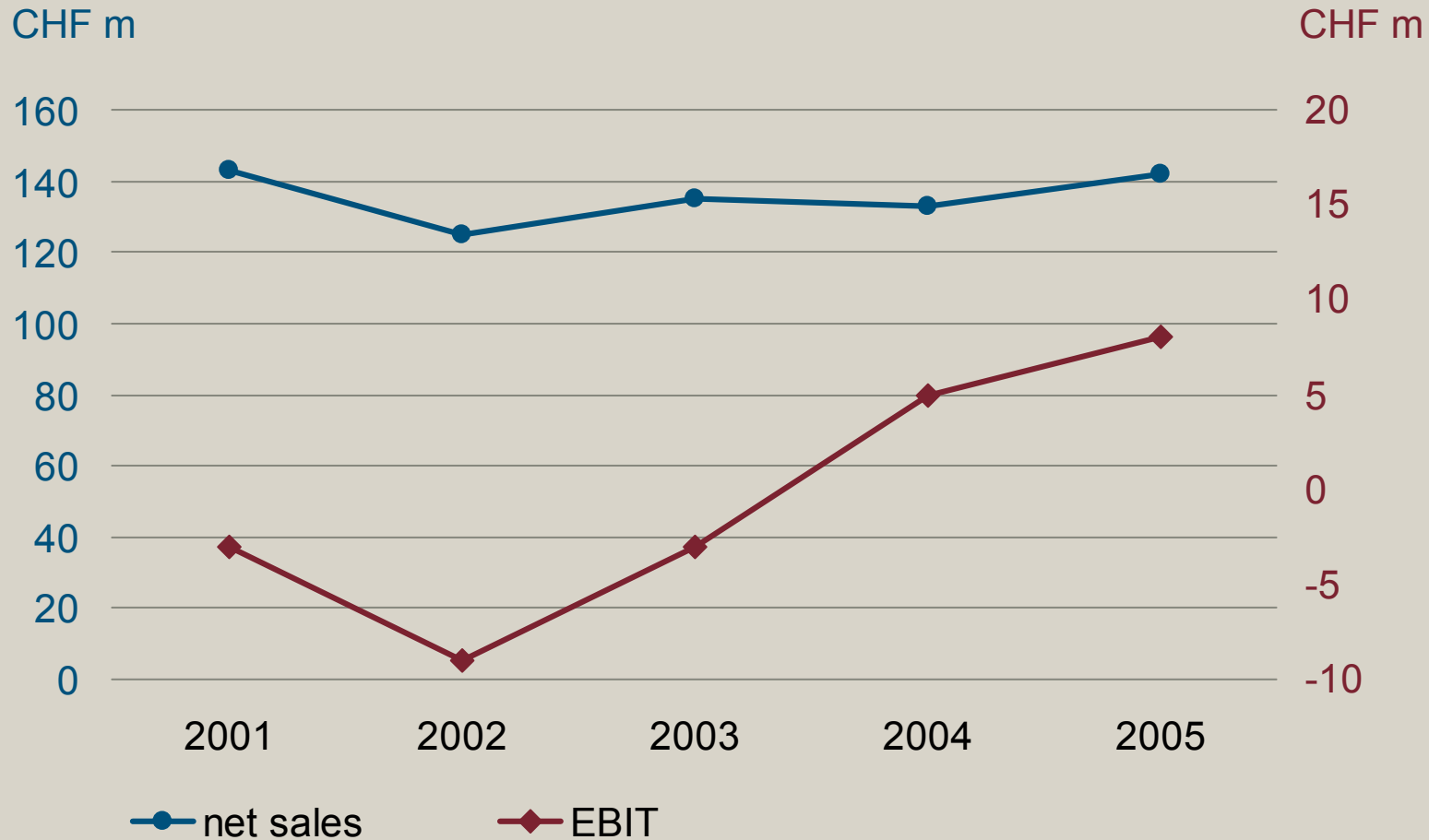
adsorber systems



evaporators

Bucher Process

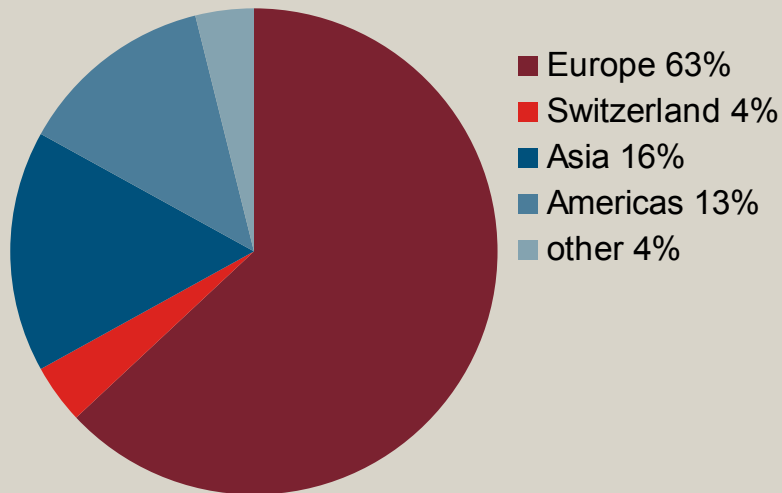
Net sales and EBIT



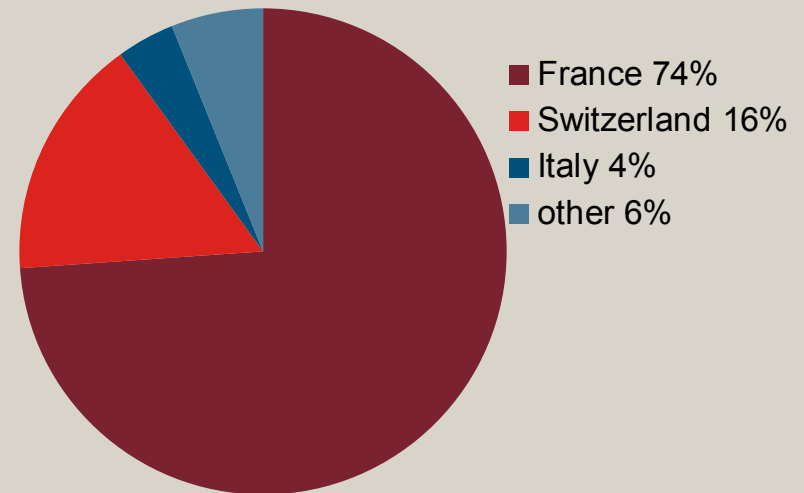
Bucher Process

Net sales and number of employees 2005

Net sales
CHF 142 m



Number of employees
560 persons



Bucher Process

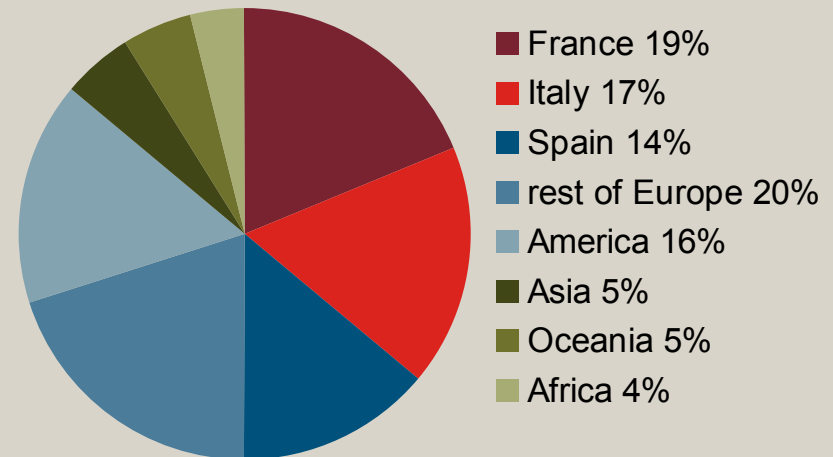
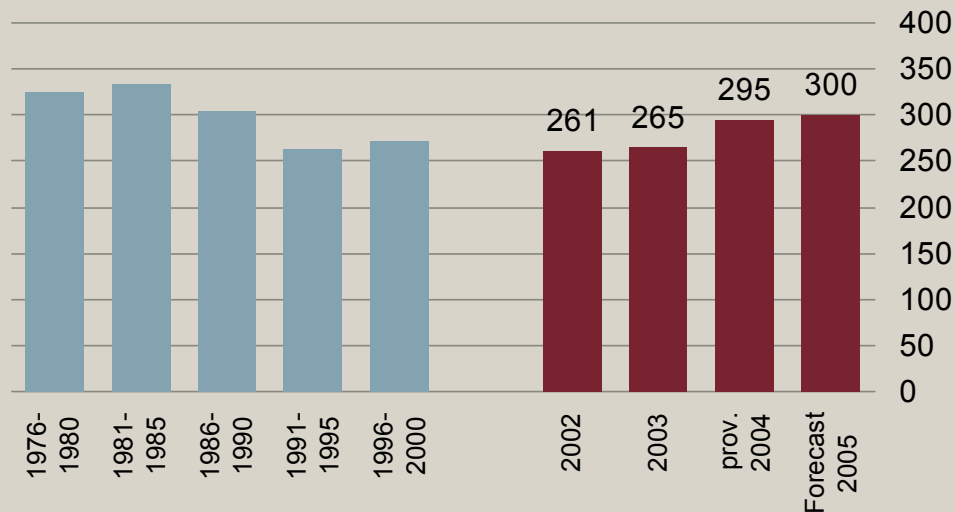
Market position

- worldwide market leader in fruit juice production plants for apples, berries and vegetables
- worldwide market leader in wine production plants from grape reception to fermentation
- market shares: 35 to 50% worldwide
- application of process technologies for production of vegetable and pharmaceutical ingredients
- main competitors: Flottweg (DE), GEA (DE), Unipectin (CH) and Filtrox (CH) for fruit juice plants; Pera (FR), Della Toffola (IT), Diemme (IT), Velo (IT) and other Italian and German manufacturers for wine production plants

Bucher Process

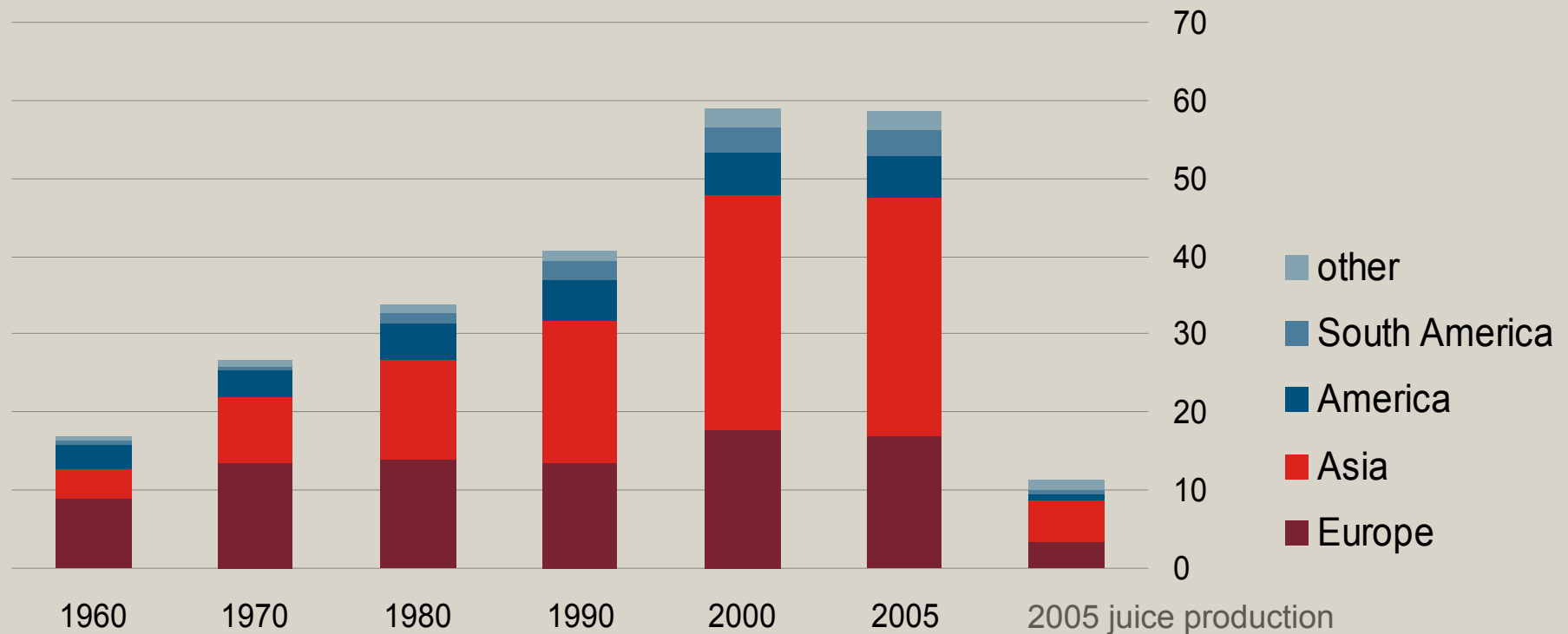
World production of wine

million hl



Bucher Process

World apple production 1960 - 2005



Juice production: approx. 70% concentrate, 20% fresh juice, 10% cider

Bucher Process Spotlights 2005

- Variable market trend
 - Worldwide decrease of demand in wine production equipment with massive competitive pressure particularly in large wine production plants
 - Brisk demand at high level in fruit juice production plants in China, upturn in Europe and USA
- Breakthrough with new applications of drying plants (meat processing, sewage sludge dewatering)
- High level of product innovation in grape and fruit presses strengthen market position
- Improvement of operational efficiency
- Turnaround completed

Bucher Process Outlook 2006

- Continuation of variable market development
 - Persistent downward trend in wine production equipment with high competitive pressure
 - Higher fruit juice concentrate prices stimulate backup investment and in some cases new investments
- Pressing ahead with market entry in sewage sludge dewatering and freeze-drying
- New products provide positive impulses
- Stable sales and further improvement of the operating result is expected

Bucher Hydraulics Customer markets



construction machines



material handling



agricultural equipment



municipal vehicles

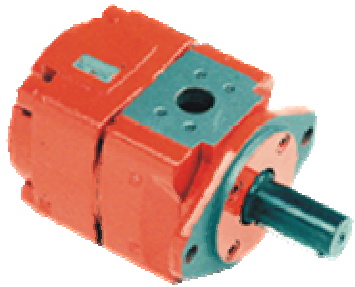


waste disposal

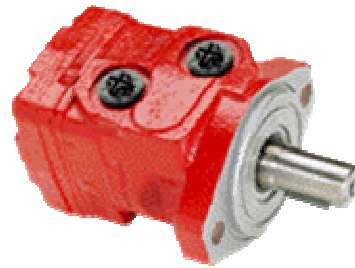


industrial applications

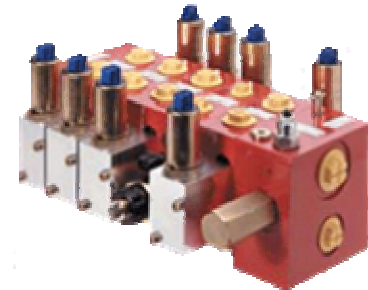
Bucher Hydraulics Hydraulic components



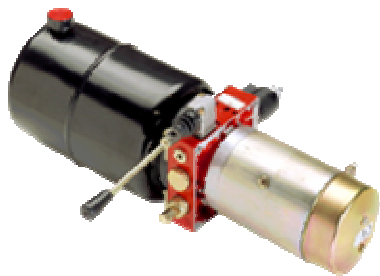
pumps



motors



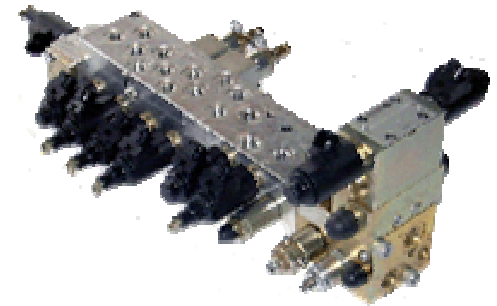
valves



power units

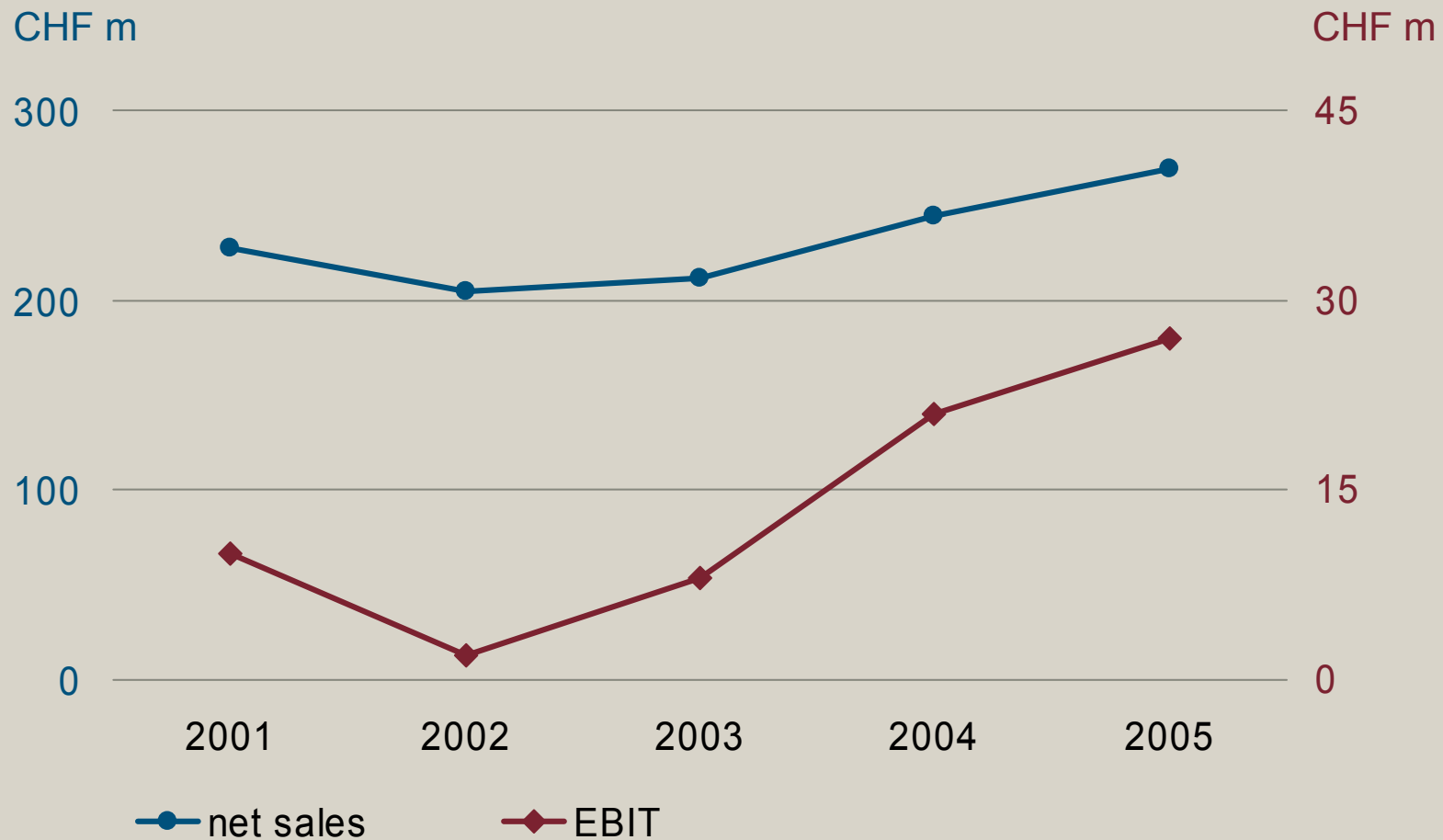


electronics



system solutions

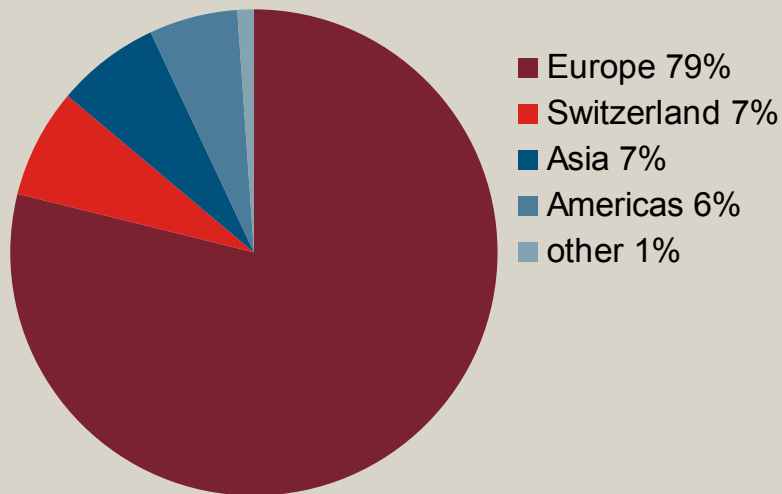
Bucher Hydraulics Net sales and EBIT



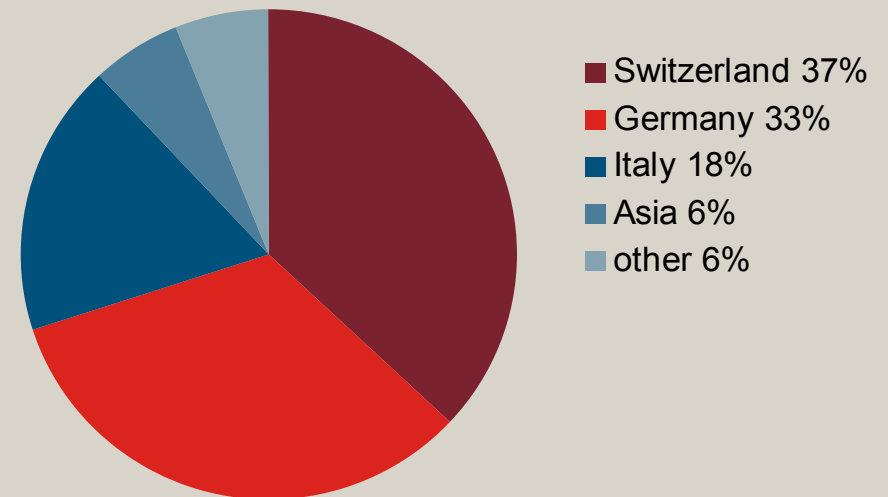
Bucher Hydraulics

Net sales and number of employees 2005

Net sales
CHF 269 m



Number of employees
1041 persons



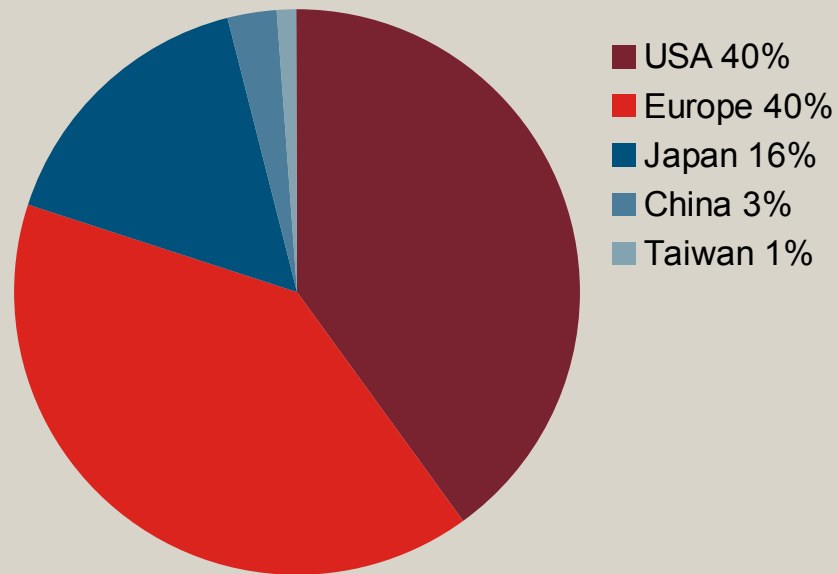
Bucher Hydraulics Market position

- market leader in selected segments of mobile, industrial and elevator hydraulics in Europe
- market shares: 10 to 20% in these selected segments
- focused on customer specific solutions
- main competitors: Bosch-Rexroth (DE), Sauer Danfoss (USA), Parker Hannifin (USA), Eaton Vickers (USA), Hydac (DE), Husco (USA), Denison (USA) and a large number of small German and Italian manufacturers

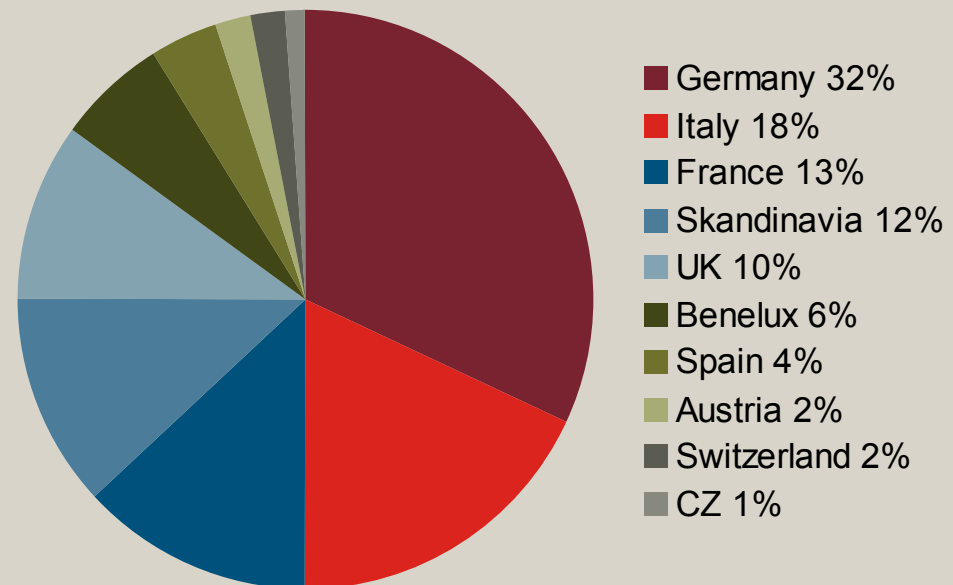
Bucher Hydraulics

Hydraulic market 2005

World EUR 16 bn

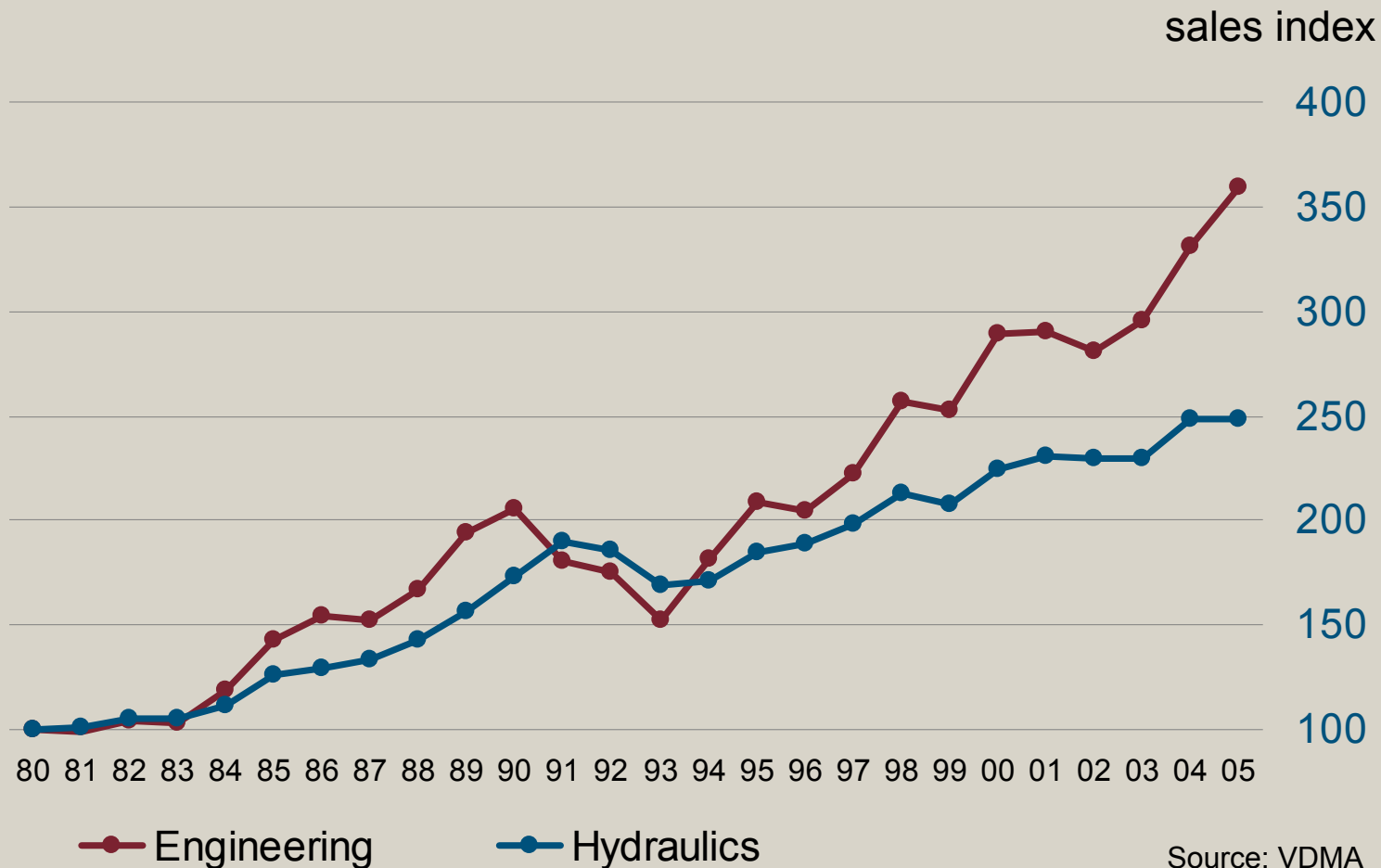


Europe EUR 6 bn



Bucher Hydraulics

Growth hydraulics and engineering



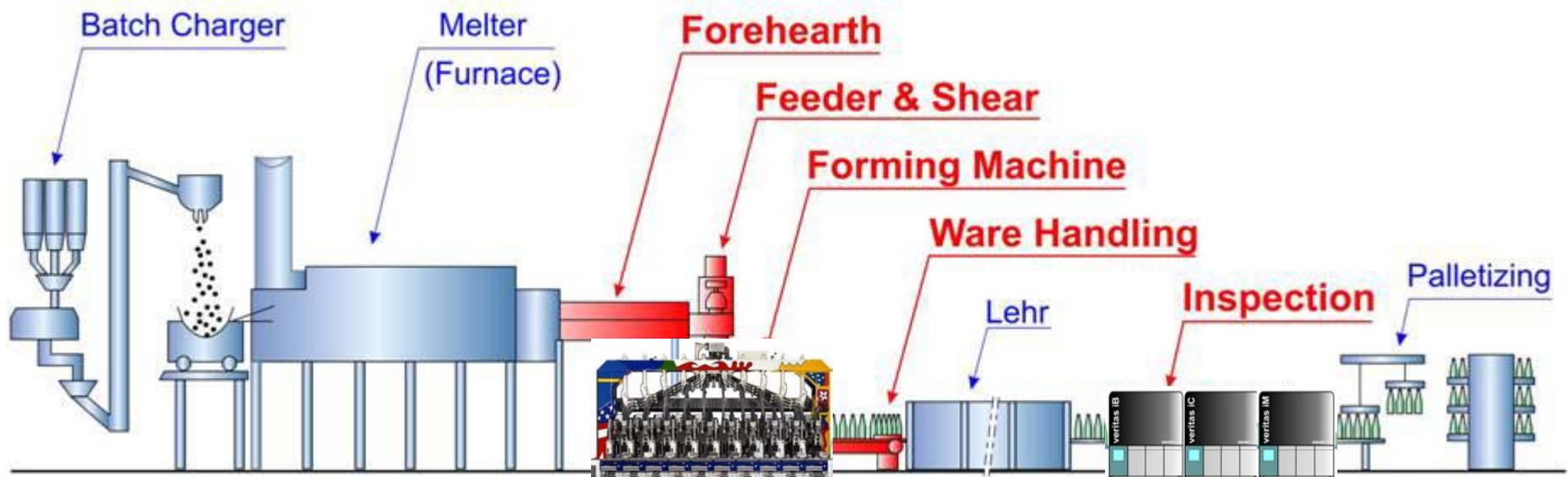
Bucher Hydraulics Spotlights 2005

- New milestone in turnover, result and profitability
- Economically favourable market environment
 - Stabilization in the second half of the year after strong first half
 - High demand in mobile hydraulics from Europe and USA
 - Increase in demand for wind energy plants
 - Strong second half in hydraulic elevators
- Successful implementation of serial production of new valve systems in agricultural machinery
- Extension of the system technology, modernization of standard components and new generation of load control valves
- High year-round capacity usage
- Expansion of the presence in Spain, Portugal, USA, China

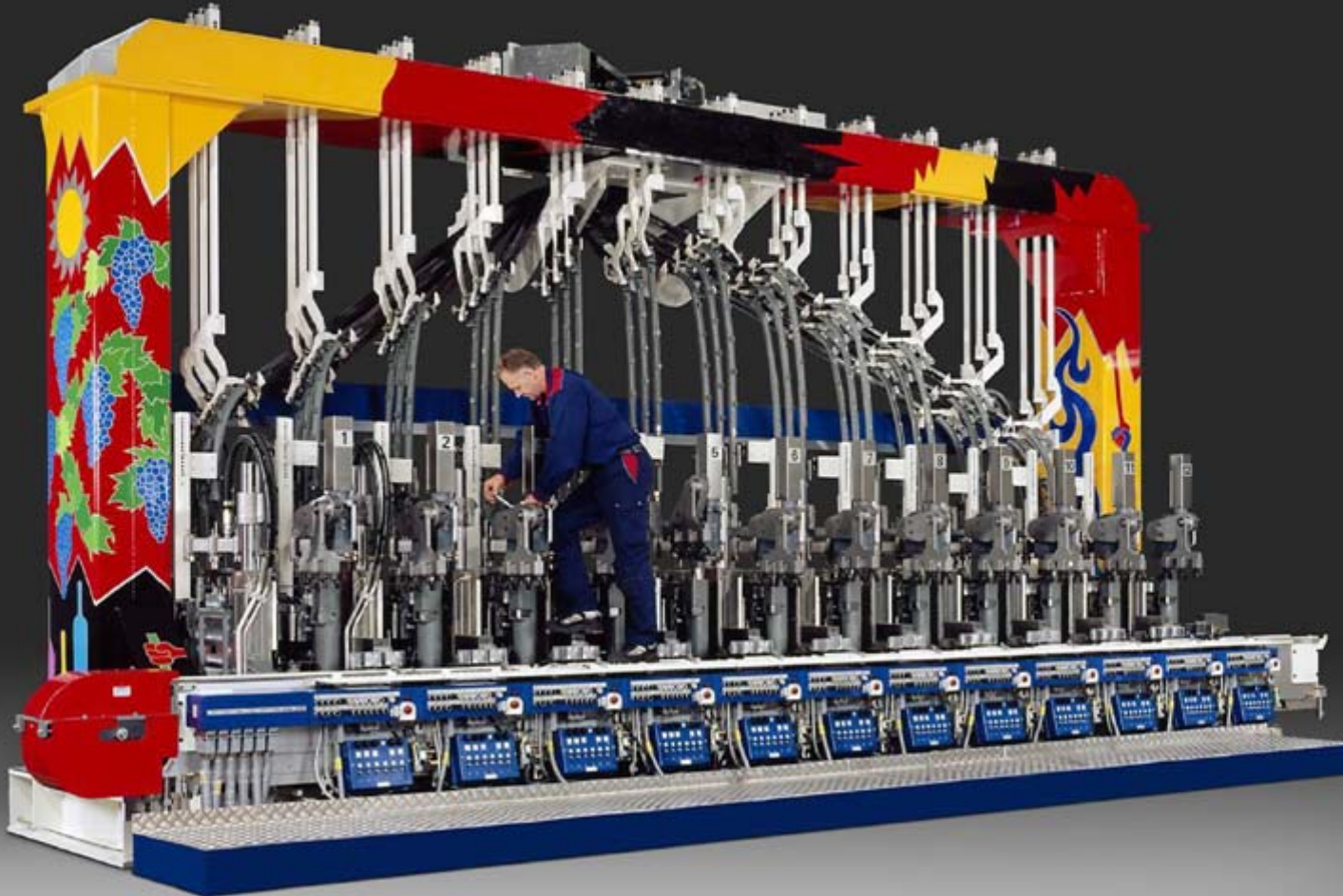
Bucher Hydraulics Outlook 2006

- Stabilization of demand at high level
 - In Germany
 - Increase in other countries of Europe, the USA and in China
 - Expansion in India through acquisition of Sterling Fluids Ltd, New Dehli for distribution and local production
- Implementation of serial production of the new generation of directional control valves in the second half of the year
- Development and expansion of ultra-modern, automated production and assembly cells suitable for high-wage countries
- Further increase in sales and operating result minimum at last year's level

Emhart Glass Glass container production plant

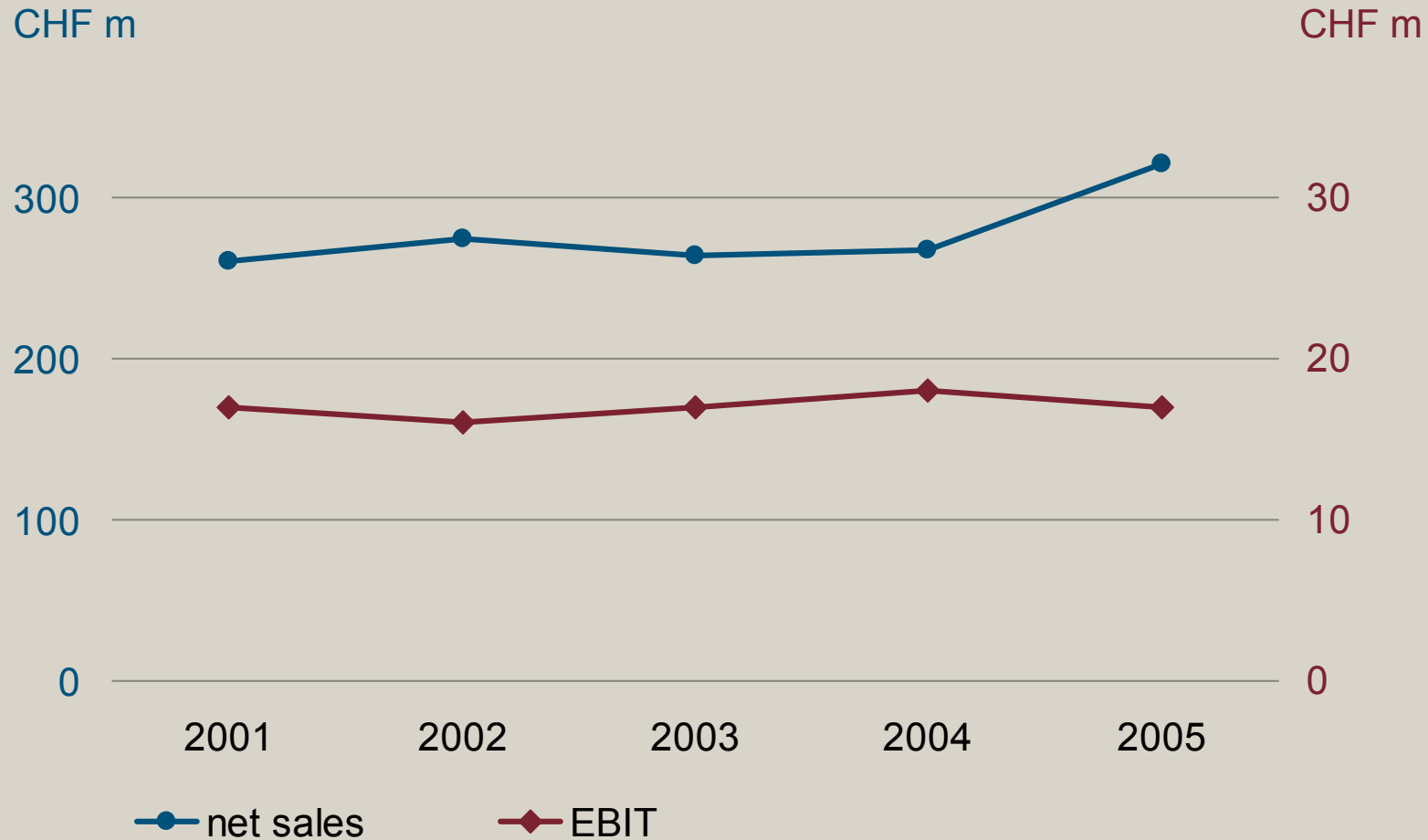


Emhart Glass Technology- and innovation leader



Emhart Glass

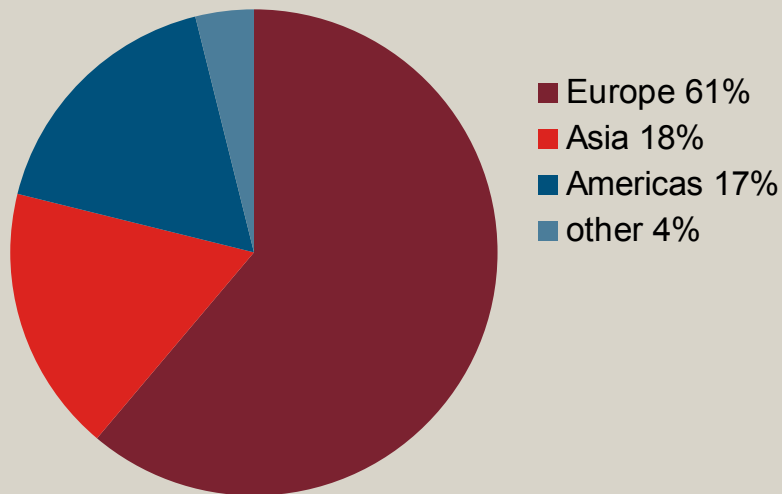
Net sales and EBIT



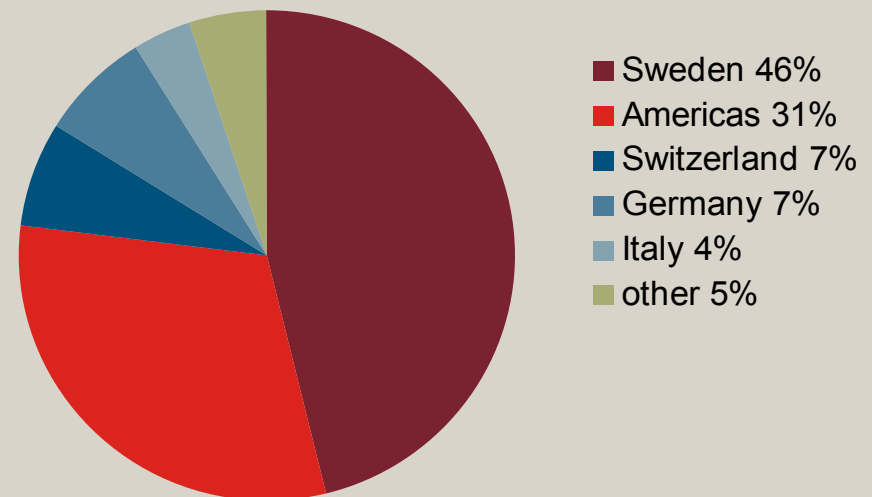
Emhart Glass

Net sales by and number of employees 2005

Net sales
CHF 321 m



Number of employees
851 persons



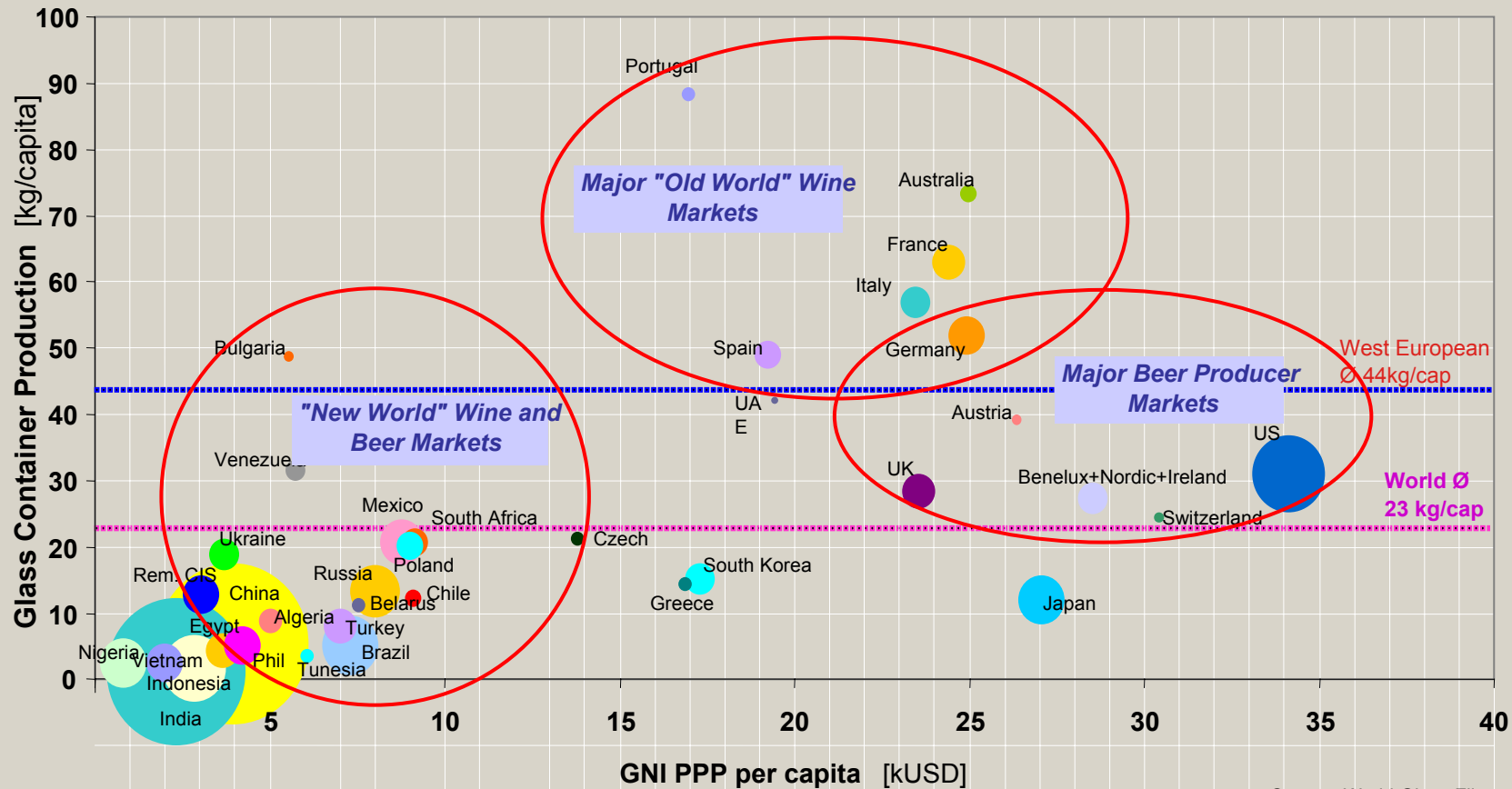
Emhart Glass Market position

- worldwide largest supplier of machinery, parts and services for container glass production plants
- market shares: 45% worldwide for forming machines and services; 25% worldwide for inspection equipment
- main competitors: Owens-Illinois (USA), Heye International (DE), Bottero (IT), BDF (IT), Sklostroj (CZ) for glass forming machinery; Saint Gobain Cinematique (FR), MSC (FR) for inspection machinery

Emhart Glass

Glass consumption per capita

The high correlation between GNI and glass consumption fosters growth in Eastern Europe & Asia.



Source: World Glass File, various

Emhart Glass Spotlights 2005

- Strong sales increase after record level of order intake in 2004
- Regional variation in market trend
 - Weakening in Europe, the USA and Japan
 - Bankruptcy of a major customer in the USA (Chapter 11)
 - Rise in demand in Eastern Europe, the Middle East and South America
- Order intake 12% over last year not taking into account the extraordinary major orders of CHF 80 million
- Course of business with components and spare parts above the good value from last year
- Operating result weighed down by the settlement of a legal dispute from the year 1999 and higher R&D expenses

Emhart Glass Innovation project

- Thermally strengthened glass containers innovation project
 - 2004: Feasibility proven at German glass works
 - 2005: Production of 100 000 thermally strengthened glass containers with development costs of CHF 4.6 million
 - 2006: Production of an NIS prototype machine, R&D expenses CHF 6 m.
 - 2006/7: Intensive test phase of the forming and inspection process
 - 2008/9: Start of marketing
- Analyses of the 100 000 glass containers are promising
- Methods for the inspection of the thermally strengthened glass containers with new technologies
- Approx. 20 patents issued or applied to date for this project

Emhart Glass Outlook 2006

- Stabilization of market trend
 - Continued weakening in Western Europe, the USA and Japan
 - Positive demand continues in Eastern Europe incl. Russia, the Middle East and South America
 - Stable business with components and spare parts
- Major orders could stimulate the business
- Price war in inspection machines cannot be ruled out
- Development of prototype machine for thermally strengthened glass containers by end of 2006 with increased R&D expenses
- Turnover below the very high value of last year, affected by major orders
- Improvement of operating result expected

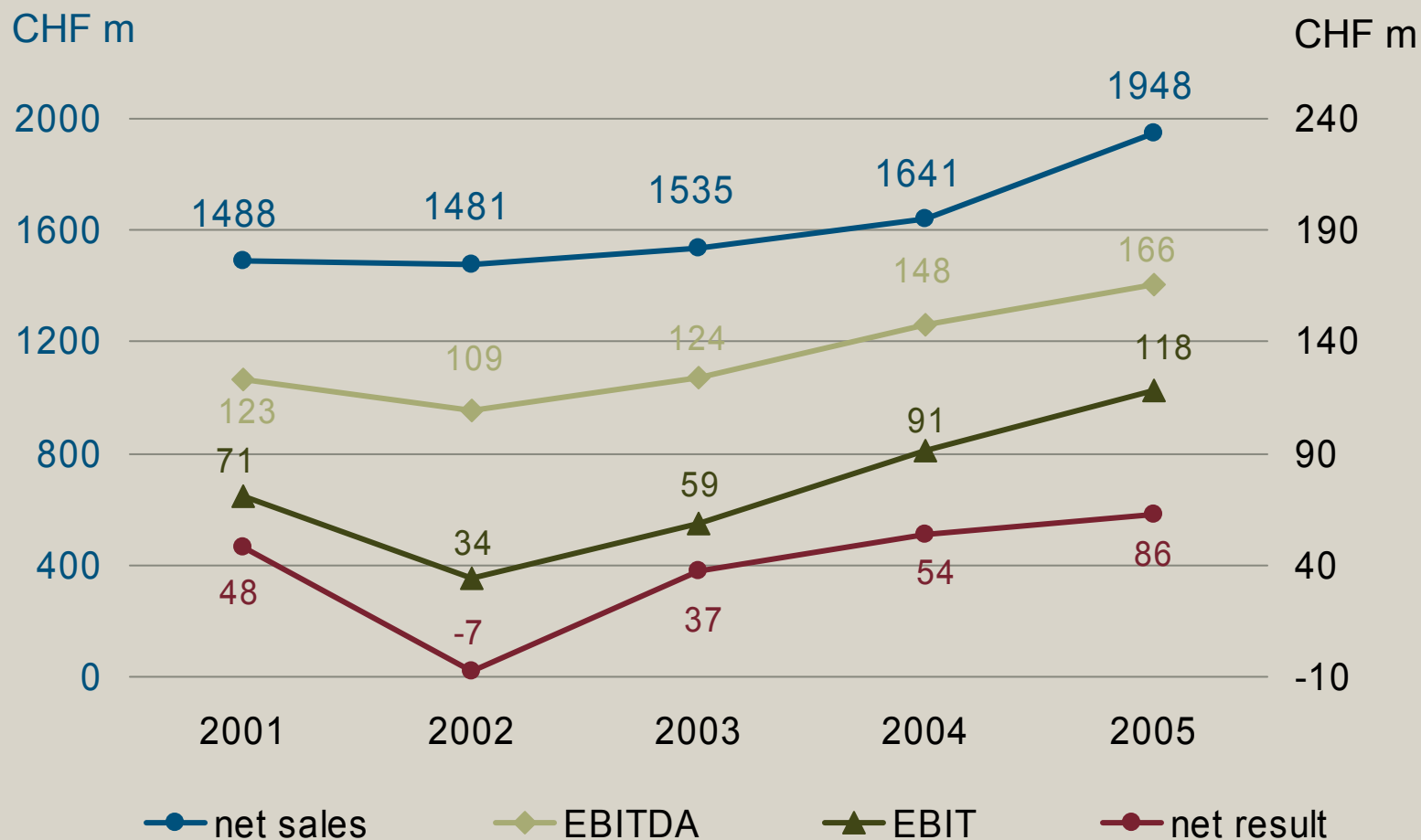
Short and medium-term group strategy

- Strengthening of the existing five divisions by adjustment of the measures towards the achievement of the group goals
- Continued concentration on increasing the profitability in all divisions and business units
- Integration of the acquisitions at Kuhn Group and Bucher Municipal
- Implementation of the innovation strategy at Emhart Glass
- Expansion of Bucher Hydraulics and Bucher Process by extension of the product range and the examination of targeted acquisitions
- Maintenance of a solid balance sheet and liquidity to allow rapid action and ensure autonomy

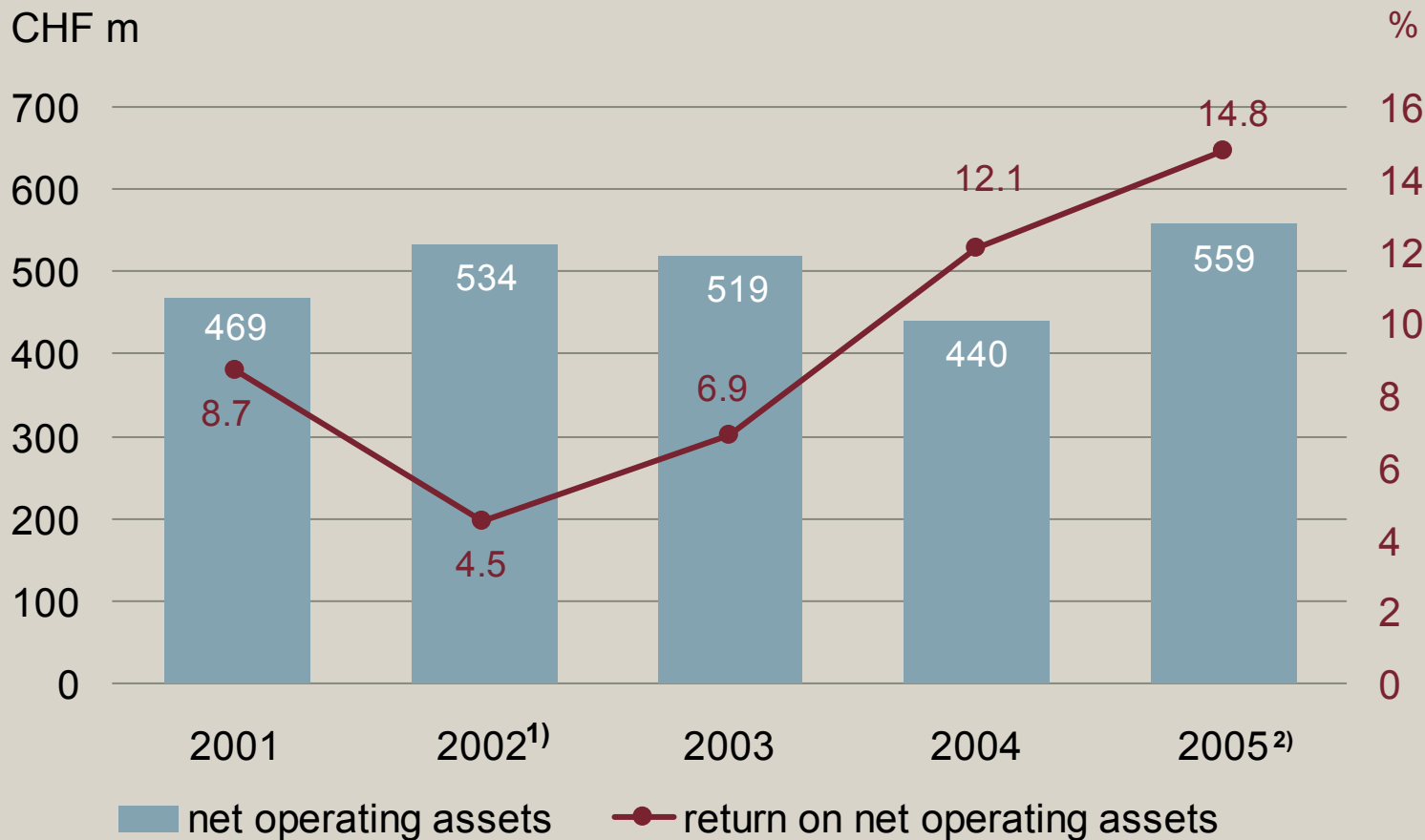
Group outlook 2006

- Overall favourable market environment with the exception of the agricultural machinery sector and wine production equipment
- No recovery of the agricultural sector in South America; positive effect of the full-year consolidation of Johnston
- Increased effect of currency fluctuations due to the growth outside continental Europe
- Operating result affected by closing Kuhn Nodet of CHF 12 m
- Bucher Industries expects higher turnover and operating result / net result in the region of last year's figures despite closing Kuhn Nodet

Net sales and results



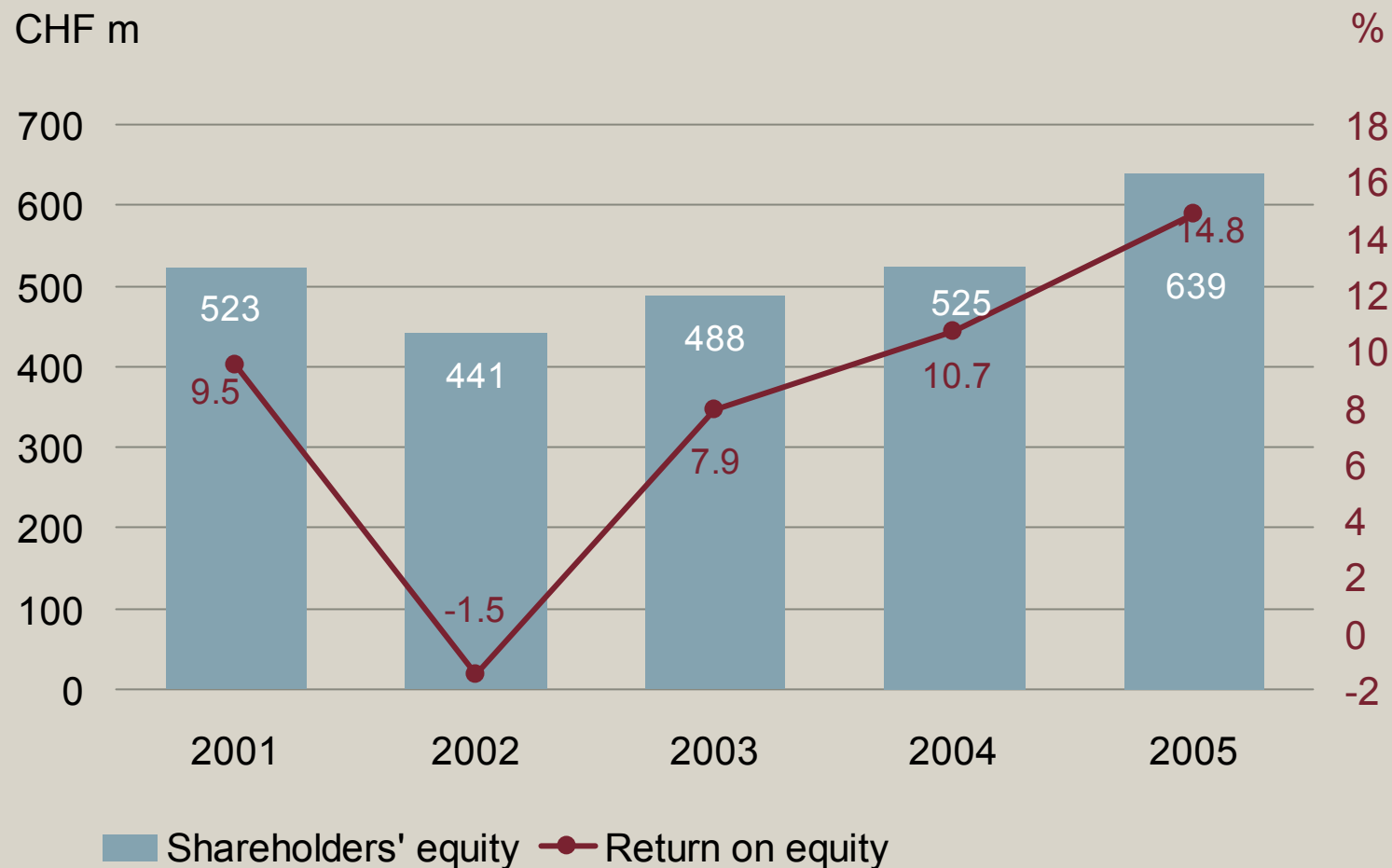
Net operating assets (NOA) and return on net operating assets (RONOA)



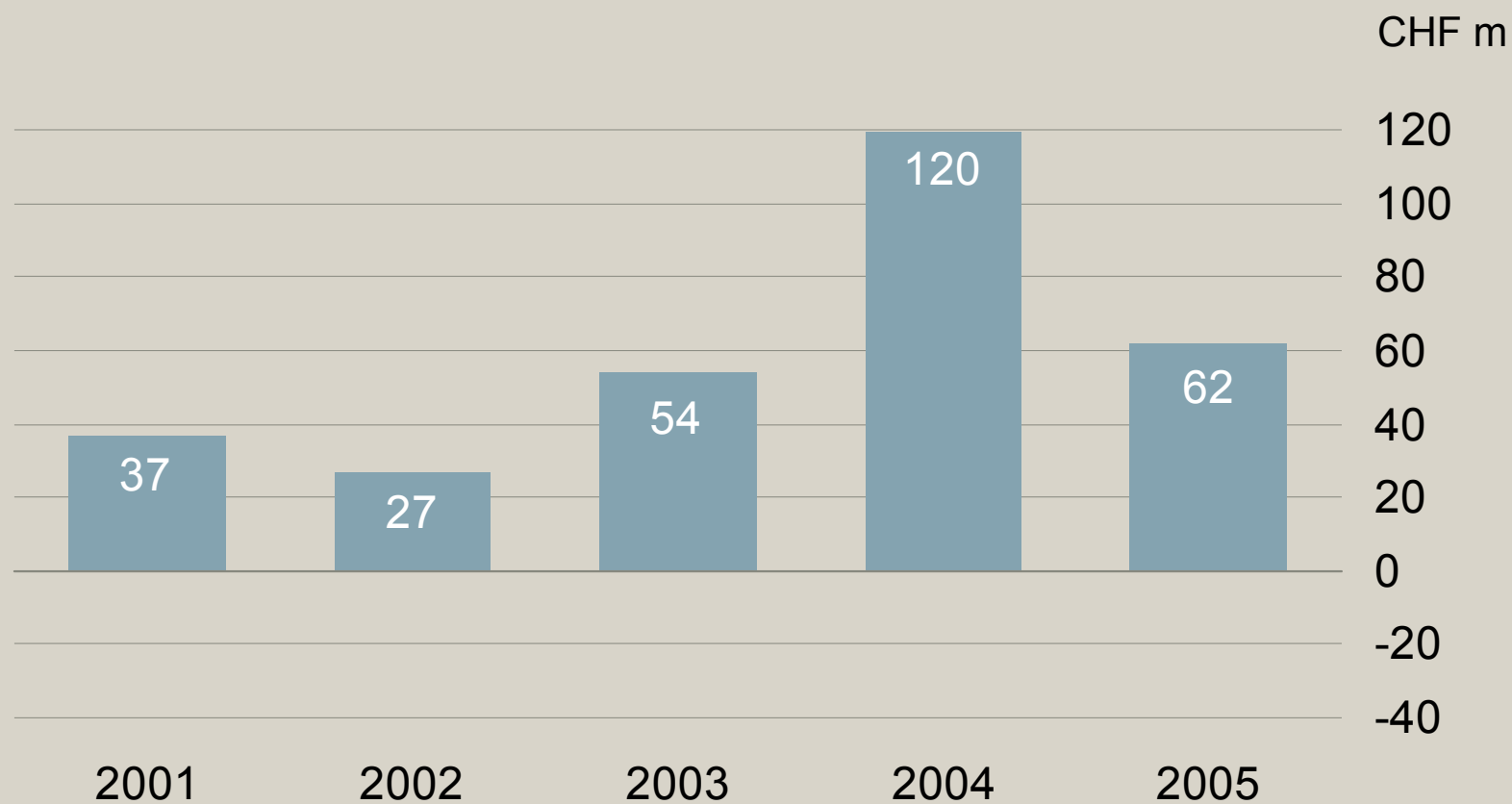
1) with standard tax rate 35%

2) thereof acquisitions CHF 83 million

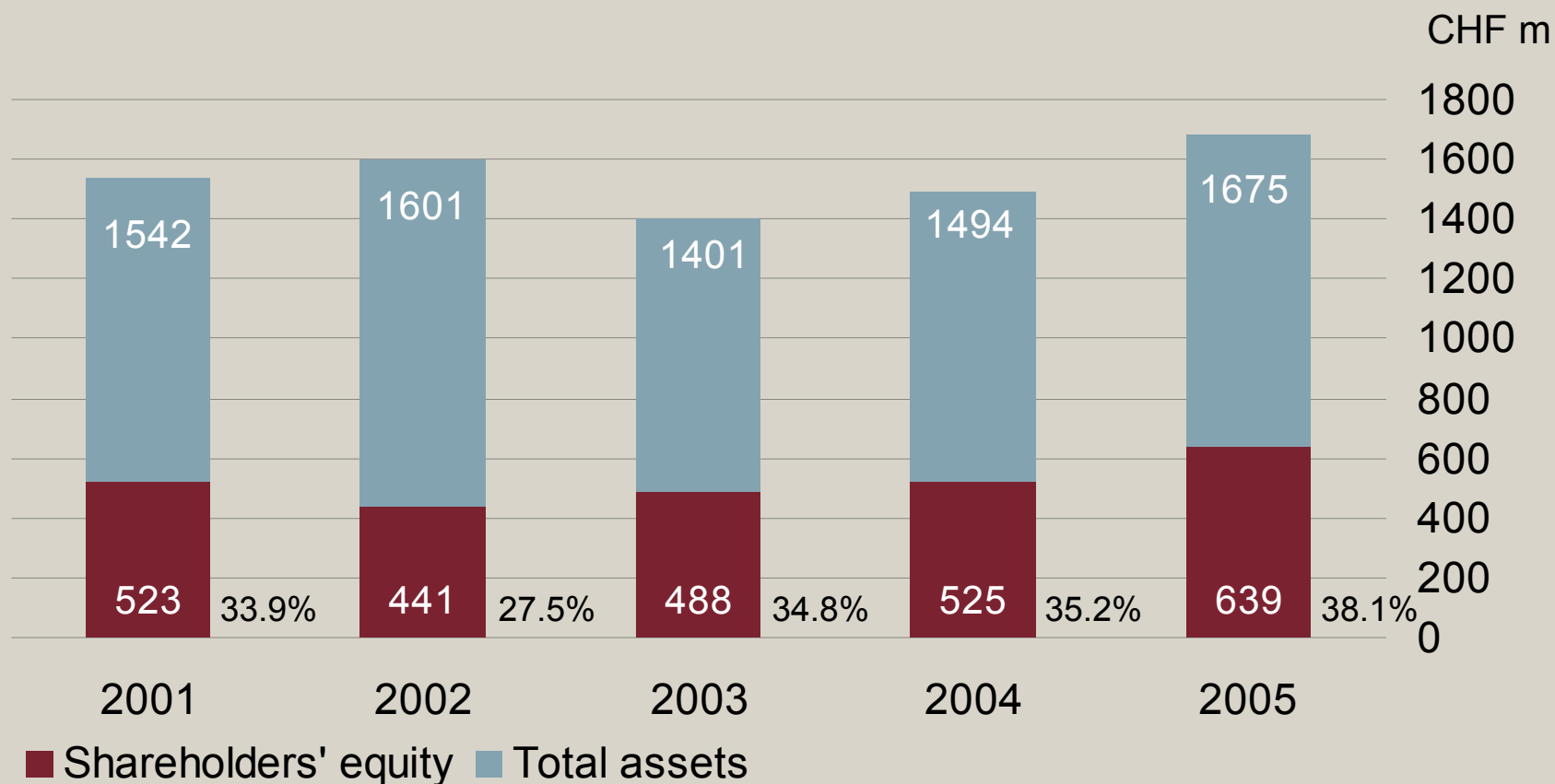
Shareholders' equity and return on equity (ROE)



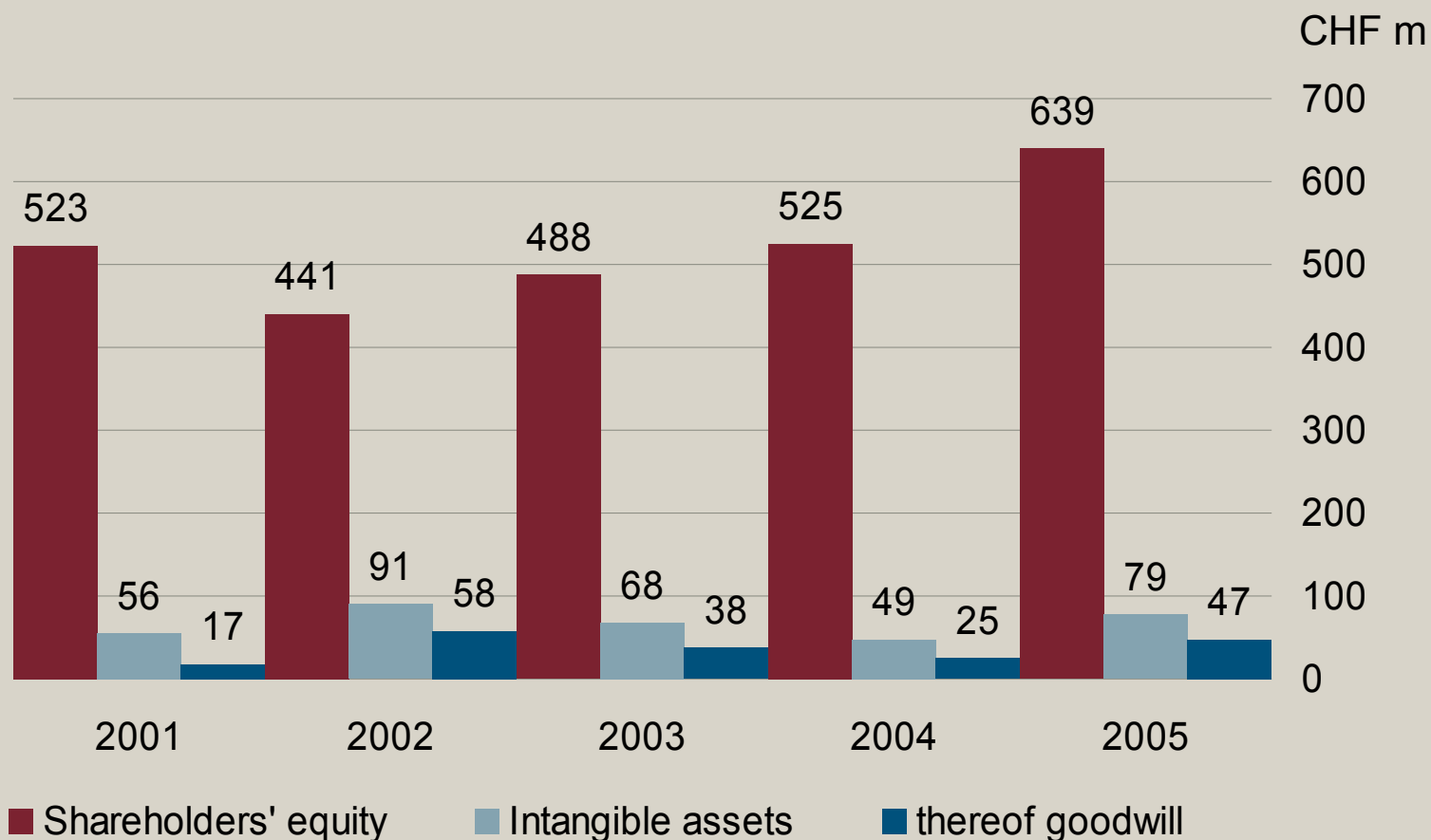
Operating free cash flow



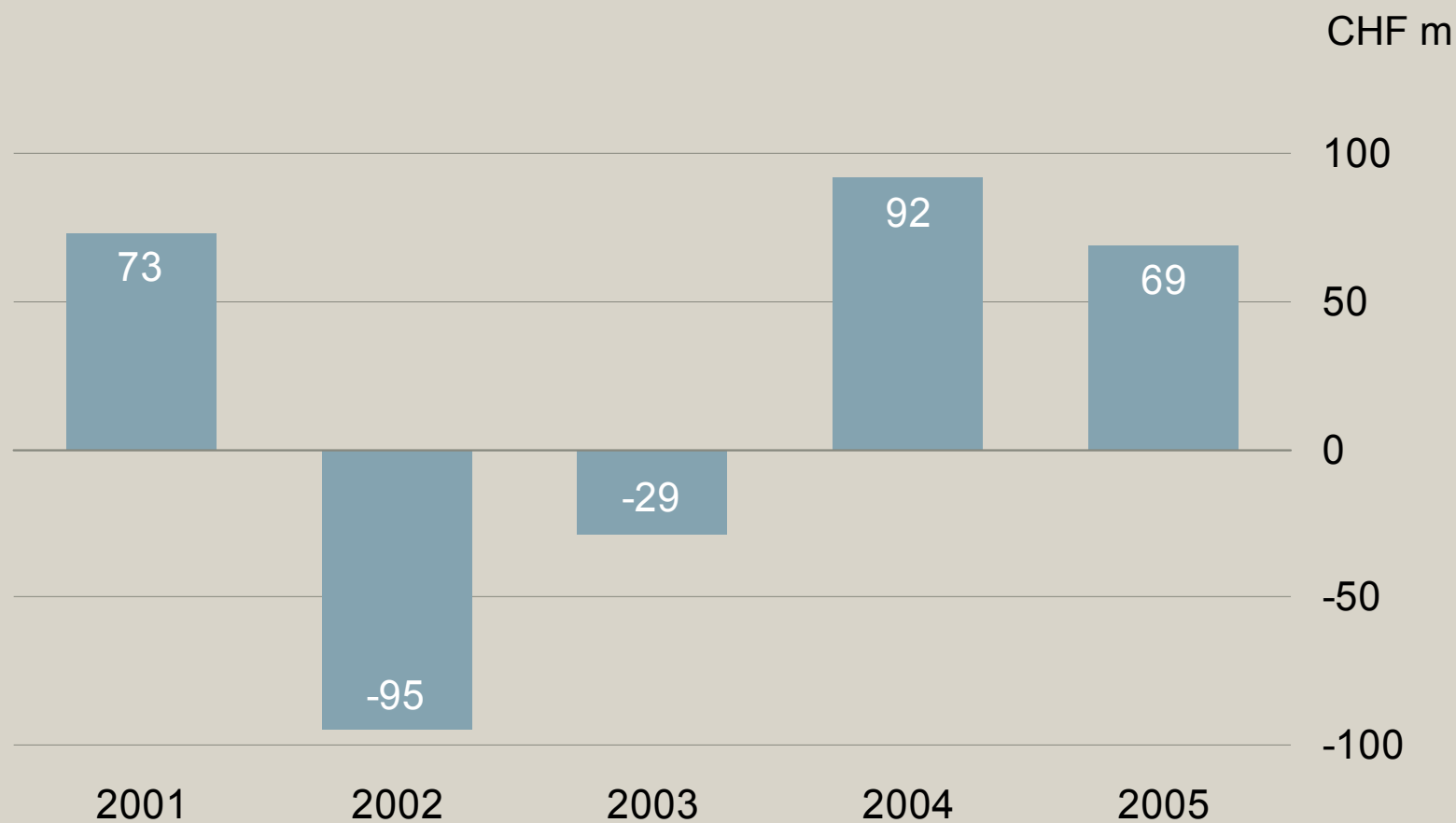
Shareholders' equity and total assets



Shareholders' equity / Intangible assets



Net liquidity / net debt



Shareholders' equity and market capitalization

