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News Release

GEHL COMPANY REPORTS IMPROVED FIRST QUARTER EARNINGS

WEST BEND, WI, April 24, 2003 – Gehl Company (NASDAQ NM: GEHL), a manufacturer of light construction and agricultural equipment, today reported higher net income for the first quarter ended March 29, 2003, of \$508,000, or \$.09 per diluted share, compared to net income of \$229,000, or \$.04 per diluted share, in the first quarter of 2002. The net income amounts for the first quarters of 2003 and 2002 include after-tax charges of \$104,000, or \$.02 per diluted share, and \$60,000, or \$.01 per diluted share, respectively, relating to previously announced restructuring and plant rationalization projects. Net sales were \$58.5 million in the quarter ended March 29, 2003, compared to net sales of \$60.1 million for the first quarter of 2002.

William D. Gehl, Chairman, President & CEO, stated “Despite markets which have not improved since the beginning of the year, we were able to improve our results for the first quarter of 2003 and to continue the improvement realized in the last quarter of 2002. Aggressive cost control throughout all areas of the Company, the closure last year of two of our five manufacturing facilities, reduced costs associated with selling retail finance contracts and an 18% increase in construction equipment sales due in part to the success of new product introductions all contributed to our improved results.”

“We continue,” Mr. Gehl said, “to innovate our product lines, improve our manufacturing and distribution processes and to seek every opportunity to reduce our costs - all to better position the Company to benefit from the long awaited economic upturn.”

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Construction Equipment Sales

Gehl construction equipment segment sales in the first quarter of 2003 were \$35.8 million, an 18% increase from first quarter 2002 net sales of \$30.4 million. Demand for compact track loaders and all-wheel-steer loaders, new products which were introduced in the second and third quarters of 2002, respectively, was strong during the first quarter of 2003 and accounted for the majority of the construction equipment segment sales increase.

Agricultural Equipment Sales

Gehl agricultural equipment segment sales in the first quarter of 2003 were \$22.7 million, down from \$29.7 million in the year-ago period. Agricultural equipment net sales were adversely impacted by significantly lower milk prices as well as drought conditions in certain regions of the United States. Shipments of compact track loaders, introduced in the second quarter of 2002, partially offset reduced agricultural implement and skid loader shipments in the quarter.

Gross Margins and Expenses

For the first quarter of 2003, Gehl's gross margin was 21.0%, versus 22.2% during the same period in 2002. Gross margin for construction equipment was 22.8% for the first quarter, compared with 22.3% for the first quarter of 2002. The increase in the gross margin for the construction equipment segment was primarily the result of improved manufacturing efficiencies and the favorable effects of the Company's recently completed plant rationalization project. Gross margin for the agricultural equipment segment was 18.0%, compared with the 22.1% realized for the comparable period in 2002. The decrease in agricultural equipment gross margin was due to significant competitive pressure resulting in higher sales discounts and sales incentives, reduced production levels, as well as a less favorable mix of product shipments.

Selling, general and administrative expense levels in the first quarter of 2003 were

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\$11.0 million, or 18.9% of net sales, a 7.4% decrease from \$11.9 million, or 19.8% of net sales, in the first quarter of 2002. The decrease is primarily due to the aggressive steps taken to control costs. Favorable foreign exchange transaction impacts and lower interest and interest related costs, such as costs of selling retail finance contracts receivable, due to the overall lower interest rate environment, compared to the first quarter of 2002, contributed to the improved earnings.

Full Year Outlook

Based on the current market outlook, the Company's net sales are expected to range between being flat to up approximately 4% in 2003. Any growth in net sales is expected to result primarily from the sales of recently introduced products and new products to be introduced in 2003. Growth in net sales is more likely to occur in the construction equipment segment as compared with the agricultural equipment segment. Overall, any anticipated sales growth would likely occur in the latter portion of 2003 based on the Company's expectation of a gradually improving economy. Though it remains difficult to predict results in these unsettled economic times, if the economy experiences some gradual improvement and the Company's sales levels meet projected forecasts, the Company continues to expect to earn in the range of \$.60 to \$.75 per diluted share in 2003.

Forward Looking Statements

Certain statements included in this press release are "forward-looking statements" intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact, including statements regarding the Company's future financial position, business strategy, targets and projected sales and earnings, and the plans and objectives of management for future operations, are forward-looking statements. When used in this press release, words such as the Company "believes," "anticipates," "expects", "estimates" or "projects" or words of similar meaning are generally intended to identify forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to certain risks, uncertainties, assumptions and other factors, some of which are beyond the Company's control, that could cause actual results to differ materially from those

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anticipated as of the date of this press release. Factors that could cause such a variance include, but are not limited to, a delay in the expected general economic recovery, unanticipated changes in capital market conditions, the Company's ability to implement successfully its strategic initiatives, market acceptance of newly introduced products, the cyclical nature of the Company's business, the Company's and its customers' access to credit, competitive pricing, product initiatives and other actions taken by competitors, disruptions in production capacity, excess inventory levels, the effect of changes in laws and regulations (including government subsidies and international trade regulations), technological difficulties, changes in currency exchange rates, the Company's ability to secure sources of liquidity necessary to fund its operations, changes in environmental laws, the impact of any acquisition effected by the Company, and employee and labor relations. Shareholders, potential investors, and other readers are urged to consider these factors in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements included in this release are only made as of the date of this release, and the Company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances. In addition, the Company's expectations for fiscal year 2003 are based in part on certain assumptions made by the Company, including those relating to commodities prices, which are strongly affected by weather and other factors and can fluctuate significantly, housing starts and other construction activities, which are sensitive to, among other things, interest rates and government spending, and the performance of the U.S. economy generally. The accuracy of these or other assumptions could have a material effect on the Company's ability to achieve its expectations.

About Gehl Company

Gehl Company (Nasdaq NM: GEHL) is a manufacturer of compact equipment used worldwide in construction and agricultural markets. Founded in 1859, the Company is headquartered in West Bend, WI, with manufacturing facilities in West Bend, WI; and Madison and Yankton, SD. The Company markets its products under the Gehl® and Mustang® brand names. Mustang product information is available on the Mustang Manufacturing website (www.mustangmfg.com). CE Attachments, Inc. information is available at (www.ceattach.com). Gehl Company information is available at (www.gehl.com) or contact: Gehl Company, 143 Water Street, West Bend, WI 53095 (telephone: 262-334-9461).

(TABLES TO FOLLOW)

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GEHL COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except per share data)

	For the First Quarter Ended (unaudited)	
	March 29, 2003	March 30, 2002
NET SALES	\$ 58,531	\$ 60,068
Cost of goods sold	46,268	46,709
GROSS PROFIT	12,263	13,359
Selling, general and administrative expenses	11,034	11,921
Restructuring and other charges	160	92
Total operating expenses	11,194	12,013
INCOME FROM OPERATIONS	1,069	1,346
Interest expense	(899)	(963)
Interest income	503	482
Other income (expense), net	109	(513)
INCOME BEFORE INCOME TAXES	782	352
Income tax provision	274	123
NET INCOME	\$ 508	\$ 229
 EARNINGS PER SHARE		
Diluted	\$ 0.09	\$ 0.04
Weighted average number of common shares and common stock equivalents	5,393	5,519
Basic	\$ 0.09	\$ 0.04
Weighted average number of common shares	5,374	5,374

GEHL COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands)

	<u>March 29, 2003</u> (unaudited)	<u>December 31, 2002</u> (audited)	<u>March 30, 2002</u> (unaudited)
ASSETS			
Cash	\$ 2,642	\$ 2,243	\$ 1,200
Accounts receivable - net	113,730	97,627	106,515
Finance contracts receivable - net	5,164	4,701	5,820
Inventories	35,731	36,771	54,088
Deferred income taxes	8,469	8,469	10,171
Prepaid expenses and other current assets	2,182	3,203	1,646
Total current assets	<u>167,918</u>	<u>153,014</u>	<u>179,440</u>
Property, plant and equipment - net	45,761	46,697	44,686
Goodwill	11,696	11,696	12,556
Other assets	14,398	14,662	17,824
Total assets	<u>\$ 239,773</u>	<u>\$ 226,069</u>	<u>\$ 254,506</u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
Total current liabilities	\$ 56,290	\$ 49,634	\$ 59,801
Long-term debt obligations	62,698	56,135	77,422
Other long-term obligations	22,533	22,518	14,478
Deferred income taxes	1,644	1,644	2,460
Total shareholders' equity	<u>96,608</u>	<u>96,138</u>	<u>100,345</u>
Total liabilities and shareholders' equity	<u>\$ 239,773</u>	<u>\$ 226,069</u>	<u>\$ 254,506</u>

GEHL COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	For the First Quarter Ended (unaudited)	
	March 29, 2003	March 30, 2002
CASH FLOW FROM OPERATING ACTIVITIES:		
Net income	\$ 508	\$ 229
Adjustments to reconcile net income to net cash used for operating activities:		
Depreciation	1,287	1,063
Amortization	6	61
Cost of sales of finance contracts	43	523
Proceeds from the sales of finance contracts	18,121	18,357
Increase in finance contracts receivable	(18,800)	(17,570)
Net change in remaining working capital items	(6,401)	(10,599)
Net cash used for operating activities	(5,236)	(7,936)
CASH FLOW FROM INVESTING ACTIVITIES:		
Property, plant and equipment additions - net	(319)	(2,259)
Other	(108)	69
Net cash used for investing activities	(427)	(2,190)
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from revolving credit loans	6,597	8,864
Repayments of other borrowings - net	(390)	(203)
Proceeds from issuance of common stock	31	164
Treasury stock purchases	(176)	-
Other	-	253
Net cash provided by financing activities	6,062	9,078
Net increase (decrease) in cash	399	(1,048)
Cash, beginning of period	2,243	2,248
Cash, end of period	\$ 2,642	\$ 1,200