



Gehl Company
143 Water Street
P.O. Box 179
West Bend, WI 53095-0179
USA

Tel: 262/334-9461
Fax: 262/334-6603
<http://www.gehl.com>

Contact:
Thomas M. Rettler
Chief Financial Officer
262-334-6632

News Release

GEHL TO DISCONTINUE AGRICULTURAL IMPLEMENT LINES; UPDATES FULL YEAR OUTLOOK

WEST BEND, WI, April 3, 2006 – Gehl Company (NASDAQ NM: GEHL), today announced plans to discontinue the manufacturing and distribution of its agricultural implement product lines. The Company's West Bend, WI agricultural implement manufacturing operations will permanently close following the wind down of operations over the next 60 days.

The product line discontinuation is expected to result in an after-tax charge to the Company's 2006 earnings of approximately \$9.5 million, or \$.76 per fully diluted share. The after-tax charge is comprised of an \$8.1 million non-cash asset impairment charge, related to inventory and fixed assets, and a \$1.4 million cash charge related to severance and other employee costs.

The Company anticipates a reduction in employee headcount of approximately 140 individuals to match the decline in manufacturing and administrative activities associated with its agricultural implement product lines. The location of the Company's corporate headquarters in West Bend will not be impacted by this action.

"Over the last twenty years, there has been a continuous consolidation occurring in the U.S. dairy industry. Many of our small dairy farmer customers have either retired or sold their operations to larger producers. Consequently, the customer base for our

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agricultural implement lines has declined dramatically,” said William D. Gehl, Gehl Company Chairman and CEO. “The decision to discontinue the agricultural implement product lines is a response to the ongoing reduction of the Company’s traditional dairy farmer customer base and the resultant decline in the Company’s sales and earnings of its implement product lines.” Mr. Gehl went on to say, “Although we are eliminating our agricultural implement product lines, we remain fully committed to our agricultural equipment dealers and customers through our continuing supply of compact equipment and ongoing parts and service support for the ag implement product lines.”

“During the past decade, Gehl Company has developed its compact equipment product lines to adapt to the changes in the agricultural marketplace,” commented Mr. Gehl. “We have been proactive by introducing a new expanded line of skid loaders, including the largest in the industry, along with track loaders, compact excavators, all-wheel steer loaders and the CT Series telescopic handlers, which are all well suited for the agricultural customer of today and tomorrow. The evolution of our business focus on the growing market for compact equipment is evidenced by the fact that over 90% of our 2005 sales were compact equipment related.”

Mr. Gehl concluded by saying, “While our product line focus has changed, our ongoing commitment to serve and grow the agricultural market is as strong today as it has ever been in the 147 year history of the Company.”

2006 Full Year Outlook

As a result of discontinuing the agricultural implement product lines, the Company is updating its revenue and earnings outlook for 2006. Gehl now expects 2006 net sales from continuing operations to range from \$485 million to \$495 million and earnings per fully diluted share from continuing operations of \$2.20 to \$2.30. Expected earnings per fully diluted share include an estimated \$.06 per share of

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compensation expense related to the Company's adoption, in the first quarter of 2006, of Statement of Financial Accounting Standards No.123R, which requires companies to recognize compensation expense for all stock-based awards.

Beginning in the first quarter of 2006, the results of operations relating to the agricultural implement product lines will be accounted for as discontinued operations. The Company anticipates incurring an approximate \$1.0 million after-tax loss, or \$.08 per fully diluted share, from results of discontinued operations in 2006. In addition, the discontinued operations will include the after-tax charge of \$9.5 million, or \$.76 per fully diluted share, related to asset impairment, severance and other employee costs.

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. 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).

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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 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 anticipated as of the date of this press release. Factors that could cause such a variance include, but are not limited to, those risk factors cited in the Company’s filings with the Securities and Exchange Commission, any adverse change in general economic conditions, unanticipated changes in capital market conditions, unanticipated costs or events related to the Company’s decision to discontinue the manufacture and distribution of agricultural implements, the Company’s ability to implement successfully its strategic initiatives (including cost reduction initiatives), market acceptance of newly introduced products, unexpected issues related to the pricing and availability of raw materials (including steel) and component parts, unanticipated difficulties in securing product from third party manufacturing sources, the ability of the Company to increase its prices to reflect higher prices for raw materials and component parts, 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 or interest rates, the Company’s ability to secure sources of liquidity necessary to fund its operations, changes in environmental laws, the impact of any strategic transactions 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 2006, including those listed in the “2006 Full Year Outlook” above, 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.