

GEHL COMPANY
CORPORATE GOVERNANCE GUIDELINES

The Board of Directors of Gehl Company (the “Company”), acting on the recommendation of its Nominating and Corporate Governance Committee, has developed and adopted certain corporate governance guidelines (these “Guidelines”) establishing a common set of expectations to assist the Board and its committees in fulfilling their responsibilities to the Company’s shareholders to oversee the work of management and the Company’s results. These Guidelines are intended to ensure that the Board will have the necessary authority and practices in place to review and evaluate the Company’s business operations as needed and to make decisions independent of the Company’s management. In recognition of the continuing discussions about corporate governance, the Board will review and, if appropriate, revise these Guidelines from time to time.

Role of the Board of Directors and Management

The Company’s business is conducted by its employees, managers and officers, under the direction of the Company’s Chairman of the Board of Directors and Chief Executive Officer (“CEO”) and the oversight of the Board of Directors, to enhance the long-term value of the Company for its shareholders. The Board of Directors is elected by the Company’s shareholders to oversee management and to assure that the long-term interests of the shareholders are being served.

Duties of the Board of Directors

The Board of Directors reviews and discusses reports by management on the performance of the Company, its plans and prospects, as well as immediate issues facing the Company. Directors are expected to attend all scheduled meetings of the Board and the committees on which they serve. In addition to its general oversight of management, the Board (either directly or through its committees) also performs a number of specific functions, including:

1. Representing the interests of the Company’s shareholders in maintaining and enhancing the success of the Company’s business, including optimizing long-term returns to increase shareholder value;
2. Selecting, evaluating and compensating a well-qualified CEO of high integrity, and overseeing CEO succession planning;
3. Providing counsel and oversight on the selection, evaluation, development and compensation of senior management;
4. Reviewing, approving and interacting with senior management with respect to the Company’s fundamental financial and business strategies and major corporate actions, including strategic planning, management development and succession, operating performance and shareholder returns;

5. Assessing major risks facing the Company and reviewing options for their mitigation;
6. Ensuring processes are in place for maintaining the integrity of the Company, the integrity of its financial statements, the integrity of its compliance with law and ethics, the integrity of its relationships with customers and suppliers and the integrity of its relationships with other shareholders; and
7. Providing general advice and counsel to the Chairman of the Board/CEO and other senior management personnel.

Board Composition and Selection; Director Independence

Board Size

Board size and composition will be set so that the Board will possess, in the aggregate, the strategic, managerial and financial skills and experience necessary to fulfill its duties and to achieve its objectives. The Board shall consist of no less than eight and no more than eleven members. The Company's By-laws currently provide that the Board of Directors shall consist of eight directors. The Board of Directors believes that eight is an appropriate number of directors based on the Company's present circumstances. The specific number of Board members will be reviewed from time to time and adjusted as necessary and appropriate to promote the best overall interests of the Company and its shareholders.

Board Leadership

The Board of Directors shall elect a Chairman who shall have primary responsibility for scheduling Board meetings, calling special meetings when necessary, setting or proposing the agenda for each meeting, and leading the conduct of Board meetings, as well as for carrying out such other duties as are specified for such office in the Company's Bylaws. This responsibility does not, however, diminish the responsibilities of each Board member to raise appropriate agenda items, or to propose meetings.

Communication with Directors

Shareholders and other interested parties may communicate with the full Board of Directors, non-management directors as a group or individual directors, by delivering a writing in care of the Secretary of the Company, 143 Water Street, West Bend, Wisconsin 53095-0179. The written communication should be addressed to the specific director or directors whom the shareholder or interested party wishes to contact. Such communication will be delivered directly to the director or directors to whom it is addressed by the Secretary of the Company.

Selection of Board Members

The Nominating and Corporate Governance Committee of the Board of Directors shall be responsible for applying such general and specific criteria for Board membership as shall have been approved by the Board of Directors. Also, the Nominating and Corporate Governance Committee shall be responsible for evaluating on an ongoing basis all directors and director

candidates based on such general and specific criteria and for seeking to assure that specific talents, skills and other characteristics that are needed to increase the Board's effectiveness are possessed by an appropriate combination of directors.

The Nominating and Corporate Governance Committee shall be responsible for identifying individuals qualified to become members of the Board, consistent with criteria approved by the Board, and shall recommend to the Board nominees to be members of the Board. The Nominating and Corporate Governance Committee, with the input of the Chairman of the Board and CEO, will recommend to the Board of Directors (i) nominees for Board membership to fill vacancies or newly created directorships, (ii) the persons to be nominated by the Board for election by the Company's shareholders at annual or special meetings of shareholders, and (iii) committee assignments and rotation of committee members. The Board shall be responsible for selecting nominees to be members of the Board and for recommending them for election by the shareholders at annual or special meetings of shareholders.

The Nominating and Corporate Governance Committee will consider persons recommended by shareholders to become nominees for election as directors in accordance with the criteria set forth in these Guidelines and the Nominating and Corporate Governance Committee Charter. Recommendations for consideration by the Nominating and Corporate Governance Committee should be sent to the Secretary of the Company in writing together with appropriate biographical information concerning each proposed nominee. The Company's By-laws also set forth certain requirements for shareholders wishing to nominate director candidates directly for consideration by shareholders.

In addition to other criteria that may be developed from time to time pursuant to these Guidelines and the Nominating and Corporate Governance Committee Charter, the Board has established certain criteria for director candidates that are set forth in Appendix A.

Independence of Directors

A majority of the directors shall be independent directors under the rules of the NASDAQ Stock Market ("NASDAQ")

Directors who do not meet the NASDAQ's independence standards also make valuable contributions to the Board and to the Company by reason of their experience and wisdom.

Retirement Policy

The Board of Directors believes it is generally appropriate to require directors to retire from Board service no later than reaching the age of 70.

As a general policy, the CEO and other senior executives of the Company who are Board members will resign from the Board upon the termination of their employment with the Company. However, the Board may ask the former CEO to remain on the Board if it believed that an exception to this policy is in the best interests of the Company and its shareholders. A director who experiences a significant change in status (including retirement or a significant decrease in job responsibilities) from that when that director was most recently elected to the

Board shall inform the Board of such change in status and offer his or her resignation as a member of the Board.

Executive Sessions of the Board

Normally, members of senior executive management who are not members of the Board of Directors will participate in Board and committee meetings to present information, make recommendations, and be available for direct interaction with Board members.

However, the Board of Directors will periodically meet in executive session without members of the Company's management being present.

Board Committees

The Board of Directors shall at all times have an Audit Committee, Nominating and Corporate Governance Committee and a Compensation Committee, each comprised solely of independent directors. The Board shall evaluate and determine the circumstances under which it will form or disband other committees.

In addition to the requirement that a majority of the Board satisfy the independence standards discussed above, members of the Audit Committee must also satisfy any additional independence requirements imposed by the NASDAQ or the SEC. Specifically, directors serving on the Audit Committee may not directly or indirectly receive any compensation from the Company other than the fees they receive for serving as directors.

Committee chairs shall be recommended by the Nominating and Corporate Governance Committee in consultation with the Chairman, and approved by the Board. Committee chairs will be responsible, in consultation with the Chairman of the Board, for scheduling committee meetings, setting meeting agendas, leading the conduct of each meeting, reporting the committee's findings and making recommendations to the full Board, and presenting resolutions requiring Board action. Committee chairs will confer with the Chairman of the Board/CEO in performing these duties.

Committee Assignment and Rotation

The Nominating and Corporate Governance Committee, in consultation with the Chairman of the Board, will recommend committee assignments and committee rotation to the entire Board for final approval. Board members will rotate between committees from time to time as the Board deems appropriate.

Number and Scope of Board and Committee Meetings

The Board of Directors will meet at least five times per year, including concurrently with the annual shareholders meeting. Committees of the Board will meet as needed. Each director is expected to attend all meetings of the Board of Directors and any committee(s) of which he or she is a member and to review all meeting materials circulated prior to each meeting. Board members are also expected to attend the Company's annual meeting of shareholders each year.

Director Compensation

Non-employee directors and committee chairs shall receive reasonable compensation for their services, as may be determined from time to time by the Board of Directors upon recommendation of the Compensation Committee. Compensation for non-employee directors and committee chairs shall be consistent with the market practices of other similarly situated companies but shall not be at a level or in a form that would call into question the Board's objectivity. The Compensation Committee of the Board shall annually review and report to the Board with respect to director compensation and benefits.

Directors who are employees shall receive no additional compensation for serving as directors.

Directors who are members of the Audit Committee may receive no compensation from the Company other than the fees they receive for serving as directors.

Director Access to Management and Independent Advisors

The Board of Directors is expected to be highly interactive with members of the Company's senior management, and the Board and its individual members have access to individual senior executives of the Company. The Company also maintains an environment that permits senior managers to contact Board members directly.

It is policy of the Board that executive officers and other members of senior management who report directly to the CEO be present at Board and/or committee meetings at the invitation of the Board or committee members. The Board encourages such executive officers and senior management to make presentations or to include in discussions at Board meetings managers and other employees who (i) can provide insight into the matters being discussed because of their functional expertise and/or personal involvement in such matters and/or (ii) are individuals with high potential whom such executive officers and senior management believe the directors should have the opportunity to meet and evaluate.

Directors are authorized to consult with independent advisors, as is necessary and appropriate, without consulting management.

Ethics

The Board of Directors expects the Company's directors, as well as its officers and employees, to act ethically at all times and to acknowledge their adherence to the policies comprising the Company's code of conduct set forth in the Company's *Code of Business Conduct and Ethics*.

Director Orientation and Continuing Education

The Board of Directors shall ensure that an orientation program for newly elected directors is maintained. The Nominating and Corporate Governance Committee shall oversee and maintain the orientation program implemented by the Board.

Management Succession and CEO Compensation

The Board of Directors shall develop and maintain an appropriate succession plan with respect to the position of CEO. The Nominating and Corporate Governance Committee is responsible for making recommendations to the Board about succession planning. The Nominating and Corporate Governance Committee also shall recommend to the Board succession plans in the event of an emergency or the retirement of the CEO.

The Compensation Committee is responsible for making recommendations to the Board concerning annual and long-term performance goals for the CEO and for evaluating his or her performance against such goals.

Limitation

Nothing in these guidelines is intended to expand the fiduciary obligations of Board members beyond those provided for under applicable law.

APPENDIX A

CRITERIA FOR DIRECTOR NOMINEES

In making recommendations to the Company's Board of Directors of nominees to serve as directors, the Nominating and Corporate Governance Committee will examine each director nominee on a case-by-case basis regardless of who recommended the nominee and take into account all factors it considers appropriate, which may include strength of character, mature judgment, career specialization, relevant technical skills or financial acumen, diversity of viewpoint and industry knowledge. However, the Board of Directors believes the following minimum qualifications must be met by a director nominee to be recommended by the Nominating and Corporate Governance Committee:

1. Each director must display high personal and professional ethics, integrity and values.
2. Each director must have the ability to exercise sound business judgment.
3. Each director must be accomplished in his or her respective field, with broad experience at the administrative and/or policy-making level in business, government, education, technology or public interest.
4. Each director must have relevant expertise and experience, and be able to offer advice and guidance based on that expertise and experience.
5. Each director must be independent of any particular constituency, be able to represent all shareholders of the Company and be committed to enhancing long-term shareholder value.
6. Each director must have sufficient time available to devote to activities of the Board of Directors and to enhance his or her knowledge of the Company's business.

The Board of Directors also believes the following qualities or skills are necessary for one or more directors to possess:

1. One or more of the directors generally should be active or former chief executive officers of public or private companies or leaders of major complex organizations, including commercial, scientific, government, educational and other similar institutions.
2. Directors should be selected so that the Board of Directors is a diverse body.