

Media release

Rieter Holding AG
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Winterthur – July 3, 2017

Rieter acquires the SSM Textile Machinery Division from Schweiter

- **Investment in adjacent fields of the textile value chain**
- **SSM is a global technology leader with a strong brand**
- **Strengthening of the Business Group Components**
- **Transaction completed on June 30, 2017**

On June 30, 2017, Rieter acquired the SSM Textile Machinery Division (SSM) from Schweiter Technologies AG, Horgen (Switzerland).

SSM is the world's leading supplier of precision winding machines in the fields of dyeing, weaving and sewing thread preparation and enjoys success in individual segments of filament yarn production. In the fiscal year 2016, SSM generated net sales of CHF 85.9 million with 246 employees and achieved an EBITDA margin of 14.8%.

The purchase price amounts to CHF 124.2 million, consisting of an enterprise value of CHF 100.0 million and liquid funds. Rieter is financing the purchase price from existing funds. The acquisition will have a positive impact on earnings per share.

SSM comprises the companies SSM Schärer Schweiter Mettler AG in Horgen and subsidiaries in Italy and China. SSM is also represented worldwide with twelve of its own service stations and 80 agents in all major markets.

With this acquisition, Rieter is investing in adjacent fields of the textile value chain. SSM has a strong brand and generates stable cash flows with an attractive EBITDA margin. SSM's expertise in the field of precision winding offers opportunities for Rieter in the business with short-staple spinning machines. Rieter will continue to operate SSM in its current form and with the existing management. The business will be attached to the Business Group Components as an independent unit.

The Rieter Group will today make a statement on the acquisition during a telephone conference at 1 pm (CEST) and will be available for questions (dial-in details: page 2).

Rieter will provide information on the current business situation in the semi-annual report on July 20, 2017.

Telephone conference

It will take place today at 1:00 pm (CEST).

Dial-in details:

Europe	+41 58 310 50 00
UK	+44 203 059 58 62
USA	+1 631 570 56 13
China	+86 400 120 23 19
India	+91 446 688 60 46

Presentation material

The full presentation material and the media release can be found at:

<http://www.rieter.com/en/rieter/media/press-releases/archive-2017/>
<http://www.rieter.com/en/rieter/investor-relations/presentations/2017/>

Forthcoming dates

Semi-annual report for 2017: July 20, 2017
Trading update 2017: October 27, 2017

For further information please contact:

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About Rieter

Rieter is the world's leading supplier of systems for short-staple fiber spinning. Based in Winterthur (Switzerland), the company develops and manufactures machinery, systems and components used to convert natural and manmade fibers and their blends into yarns. Rieter is the only supplier worldwide to cover spinning preparation processes as well as all four final spinning processes currently established on the market. With 15 manufacturing locations in nine countries, the company employs a global workforce of some 5 020, about 20% of whom are based in Switzerland. Rieter is listed on the SIX Swiss Exchange under ticker symbol RIEN. www.rieter.com

Corporate Finance Consultant

Alantra AG, Zurich (Switzerland), acted as Rieter's exclusive corporate finance consultant in this transaction.

Disclaimer

All statements in this report which do not refer to historical facts are forecasts for the future which offer no guarantee whatsoever with respect to future performance; they embody risks and uncertainties which include – but are not confined to – future global economic conditions, exchange rates, legal provisions, market conditions, activities by competitors and other factors which are outside the company's control.