

Media Release

Rieter Holding Ltd.
 Klosterstrasse 32
 P.O. Box
 CH-8406 Winterthur
 T +41 52 208 71 71
 F +41 52 208 70 60
 www.rieter.com

Winterthur – January 31, 2018

Financial Year 2017

- **Order intake grows by 16% to CHF 1 051 million**
- **Sales increases by 2% to CHF 966 million**
- **Order backlog rises by CHF 100 million to CHF 540 million**
- **EBIT margin before restructuring charges between 5% and 5.5% and net profit between 1% and 1.5% of sales expected for 2017**

The Rieter Group achieved an order intake of CHF 1 051.5 million in the 2017 financial year. This represents an increase of 16% compared to the previous year (+ CHF 146.3 million). Thus, the upturn seen in the first half of 2017 continued. Sales totaled CHF 965.6 million, up 2% on the previous year (2016: CHF 945.0 million). The full annual financial statements and the 2017 Annual Report will be published by Rieter on March 13, 2018.

Order Intake by Business Group

CHF million (unaudited)	2017	2016	Difference	Difference in local currency	Difference without acquisition
Rieter	1 051.5	905.2	16%	16%	11%
Machines & Systems	668.2	591.6	13%	13%	13%
After Sales	154.8	135.2	14%	14%	14%
Components	228.5	178.4	28%	27%	3%

In the Business Group Machines & Systems, order intake rose by 13% to CHF 668.2 million (2016: CHF 591.6 million). The growth in order intake in the Asian countries (excluding China, India and Turkey) was pleasing. Uzbekistan, Bangladesh and Indonesia in particular contributed to this growth. Classic ring spinning systems were especially popular in these countries. Order intake in China was up on the previous year, thanks also to initial orders for the J 26 air-jet spinning machine. In India, investment restraint due to the introduction of a harmonized sales tax (GST) led to a

decline in order intake compared to the previous year, even though demand picked up again slightly towards the end of the year. After a hesitant first half of the year, demand from the key market Turkey gained increasingly in momentum in the second half of the year. The business group realized some major projects in the US and in Brazil, resulting in a higher order volume in the North and South America region compared to the previous year.

Order intake in the Business Group After Sales in the year under review improved by 14% to CHF 154.8 million (2016: CHF 135.2 million). Both the spare parts and after sales services businesses contributed to this growth. The increased order volume in the new machines business resulted in higher demand for installation services in the Business Group After Sales. Focused sales efforts and service offerings allowed After Sales to continue the positive growth that began in 2015.

In the Business Group Components, order intake was CHF 228.5 million, around 28% above the previous year (2016: CHF 178.4 million). The acquisition of SSM Textile Machinery (SSM) contributed CHF 42.5 million to this positive growth from the second half of the year. The order intake in the business group was broadly supported regionally and across the entire portfolio. Only the technology components business for compact spinning systems was below the previous year.

At the end of 2017, Rieter's order backlog of around CHF 540 million was CHF 100 million higher than at the end of the previous year (December 31, 2016: around CHF 440 million).

Sales by Business Group

Group sales in 2017 amounted to CHF 965.6 million (2016: CHF 945.0 million), an increase of 2% over the previous year.

Rieter posted strong growth in the second half of 2017 with CHF 550.4 million compared with CHF 415.2 million in the first half of 2017. The acquisition of SSM in the Business Group Components and a strong increase in deliveries in the Business Group Machines & Systems led to this growth in sales. In the Business Group Components, sales (without acquisition) was 11% down on the previous year, mainly due to lower sales of technology components in India. The Business Group After Sales posted positive growth, increasing sales by 3% compared to 2016.

CHF million (unaudited)	2017	2016	Difference	Difference in local currency	Difference without acquisition
Rieter	965.6	945.0	2%	2%	-3%
Machines & Systems	589.5	603.4	-2%	-2%	-2%
After Sales	146.3	141.6	3%	3%	3%
Components	229.8	200.0	15%	14%	-11%

Sales by Region

In the Asian countries (excluding China, India and Turkey), Rieter increased sales in the reporting year by 11% to CHF 319.1 million. At CHF 184.0 million, a good level of sales was achieved in China, despite a slight decline of 1%. In India, sales fell by 5% to CHF 173.8 million, a development attributable in particular to lower sales of technology components. Sales in Turkey fell by 16% to CHF 100.1 million in 2017, mainly due to the sluggish order intake for new machines in the first half of the year. Orders in the USA and in Brazil led to sales of CHF 114.7 million in the North and South America region, an increase of 32%.

CHF million (unaudited)	2017	2016	Difference	Difference in local currency	Difference without acquisition
Rieter	965.6	945.0	2%	2%	-3%
Asian countries ¹	319.1	286.3	11%	12%	6%
China	184.0	186.5	-1%	0%	-3%
India	173.8	182.1	-5%	-7%	-9%
Turkey	100.1	119.4	-16%	-16%	-22%
North and South America	114.7	86.6	32%	32%	25%
Europe	46.2	40.9	13%	12%	-10%
Africa	27.7	43.2	-36%	-36%	-39%

¹ Not including China, India, Turkey

Annual General Meeting of April 5, 2018

The 2018 Annual General Meeting of Rieter Holding Ltd. will take place on April 5 at the Eulach-Hallen in Winterthur, Switzerland. Any proposals regarding the agenda are to be submitted in writing to Rieter Holding Ltd., Office of the Company Secretary, Klosterstrasse 32, CH-8406 Winterthur, Switzerland by February 22, 2018 at the latest, accompanied by information concerning the relevant motions and evidence of the necessary shareholdings (with a par value of CHF 0.5 million as stipulated by Article 699 of the Swiss Code of Obligations and §9 of the Articles of Association).

Telephone Conference for Investors and Analysts

The telephone conference for investors and analysts will take place **today, January 31, 2018, at 9.00 am (CET)**.

Dial-in details:

Europe	+41 58 310 50 00
UK	+44 207 107 06 13
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/investor-relations/presentations/>

<http://www.rieter.com/en/rieter/media/press-releases/>.

Forthcoming Dates

- Deadline for proposals regarding the agenda of the Annual General Meeting: February 22, 2018
- Results press conference 2018: March 13, 2018
- Annual General Meeting 2018: April 5, 2018
- Semi-annual report 2018: July 19, 2018

For further information please contact:

Rieter Holding Ltd.

Investor Relations

Joris Gröflin

Chief Financial Officer

T +41 52 208 70 15

F +41 52 208 70 60

investor@rieter.com

www.rieter.com

Rieter Management Ltd.

Media Relations

Relindis Wieser

Head Group Communication

T +41 52 208 70 45

F +41 52 208 70 60

media@rieter.com

www.rieter.com

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 end spinning processes currently established on the market. Furthermore, Rieter is a leader in the field of precision winding machines. With 18 manufacturing locations in ten countries, the company employs a global workforce of some 5 250, about 20% of whom are based in Switzerland. Rieter is listed on the SIX Swiss Exchange under ticker symbol RIEN. <http://www.rieter.com>

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.