

Media Release

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Winterthur – October 27, 2017

Rieter's Investor Update 2017

- Order intake up on previous year
- Increased order intake in all three business groups in the third quarter
- Details on outlook for 2017

The amount of orders received by the Rieter Group in the first nine months of 2017 was higher than for the same period of the previous year. Cumulative order intake amounted to CHF 765.0 million and was thus up by 6% on the said prior year period. Order intake in the third quarter was CHF 269.7 million.

Order intake per business group

CHF million	January – September 2017	January – September 2016	Difference	Difference in local currency	Difference without acquisitions
Rieter	765.0	718.4	6%	7%	4%
Machines & Systems	490.1	477.6	3%	3%	3%
After Sales	115.8	103.3	12%	12%	12%
Components	159.1	137.5	16%	15%	1%

The market environment in the third quarter of 2017 was characterized by differing dynamics in the individual countries as well as with regard to the product categories. While Rieter achieved a high order intake in Asia (excluding China, India and Turkey), demand in China, and particularly India, was restrained. In Turkey, demand for new machines revived in the third quarter.

Business groups

Rieter recorded cumulative order intake of CHF 765.0 million in the first nine months of 2017 (2016: CHF 718.4 million). All three business groups contributed to this positive growth compared to the previous year.

The Machines & Systems Business Group posted an order intake of CHF 490.1 million, a slight increase (+3%) compared to the first nine months of the previous year (2016: CHF 477.6 million). Machines & Systems received orders worth CHF 164.9 million in the third quarter (Q3 2016: CHF 134.2 million). In Asia (excluding China, India and Turkey), order intake in the third quarter was significantly above the previous year's level. In Uzbekistan, in particular, there was strong demand for classic ring spinning systems.

The After Sales Business Group increased order intake from CHF 103.3 million to CHF 115.8 million, an improvement of 12% compared to the previous year. Order volumes in the third quarter, which totaled CHF 38.0 million, were higher than in the corresponding period of the prior year (Q3 2016: CHF 32.0 million). The rising demand for after-sales services in Asia, China and India contributed to the growth. The spare parts business continued to develop well. The increase in orders in the machines business resulted in higher demand for installation services in the After Sales Business Group.

In the Components Business Group, order intake of CHF 159.1 million was recorded, this being around 16% above the corresponding period of the previous year (2016: CHF 137.5 million). In the third quarter, order intake amounted to CHF 66.8 million (Q3 2016: CHF 41.5 million). SSM Textile Machinery (SSM) contributed CHF 19.2 million to this significant increase of CHF 25.3 million, supported by generally improved growth in demand in the business group. In China and other Asian countries, order intake was higher overall. The integration of SSM is proceeding according to plan. Rieter focuses on the active use of synergy potential in the field of precision winding machines.

Renewal of bilateral committed credit lines

The Rieter Group has arranged early renewal of the unutilized bilateral committed credit lines prior to maturity in 2018. As a result, Rieter now disposes of bilateral committed credit lines of CHF 175 million until October 31, 2022. The Group therefore continues to enjoy long-term, flexible financing.

Details on the outlook for 2017

As communicated in July, in 2017 Rieter expects slightly higher sales than in the previous year and an EBIT slightly below the prior year level (before restructuring charges), due to the product and country mix. For the whole of 2017, Rieter anticipates sales in the region of CHF 980 million and operating profitability (EBIT margin) of 4.5% to 5.5% before restructuring charges. The restructuring charges amount to CHF 36 million. As a result, Rieter expects a net profit of around 1% to 2% of sales for the 2017 financial year.

Rieter anticipates that demand will continue at the good level of recent months.

Telephone conference for investors and analysts

In the context of the publication of the Investor Update, a telephone conference for investors and analysts will take place **today, October 27, 2017**, at 9.00 am (CEST).

Dial-in details:

Europe	+41 58 310 50 00
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USA	+1 631 570 56 13
China	+86 400 120 23 19
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Presentation material

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

<http://www.rieter.com/en/rieter/investor-relations/presentations/2017/>

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

Forthcoming dates

- Publication of sales 2017: January 31, 2018
- 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

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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 end spinning processes currently established on the market. With 18 manufacturing locations in ten countries, the company employs a global workforce of some 5 230, about 20% of whom are based in Switzerland. Rieter is listed on the SIX Swiss Exchange under ticker symbol RIEN. www.rieter.com

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