

Winterthur, March 18, 2014 Page 1/8

2013 financial year: Significant increase in new orders and sales – higher profitability and free cash flow – dividend increased to 3.50 CHF

Rieter recorded a pleasing trend in business in the 2013 financial year. The improvement in its market position enabled the company to post significant growth in all key figures – order intake, sales, EBIT and net profit – compared with the previous year. New orders of 1 259.4 million CHF were 50% higher. Sales totaled 1 035.3 million CHF, equivalent to an increase of 17%. The operating result before interest and taxes (EBIT) rose more steeply than sales – by 84% to 60.2 million CHF, corresponding to 5.8% of sales (3.7% in 2012). Rieter generated net profits of 37.4 million CHF in 2013, equivalent to 3.6% of sales. This figure is 46% higher than the previous year's outcome (25.7 million CHF or 2.9% in 2012). Rieter's balance sheet also developed favorably: while capital expenditure remained high, the company recorded free cash flows of 61.1 million CHF (-32.3 million CHF in 2012). The Board of Directors will propose that a dividend of 3.50 CHF be paid for the 2013 financial year out of the reserve from capital contributions. The investment program initiated for the years 2012 and 2013 in order to generate further growth was largely completed at year-end. It was already having a positive impact on the trend of business.

After a subdued start to the year, the market for short-staple fiber machinery and components gained momentum in the course of 2013. Spinning mills' margins continued to develop favorably, and this stimulated customers' willingness to invest. This positive trend was broad-based in regional terms and apparent in a large number of national markets. Following a strong initial six months, demand stabilized in the second half of the year, but remained at a pleasingly high level.

The positive trend in order intake and sales in 2013 underlines that Rieter is on the right track with the innovation and expansion strategy it has been implementing since 2012. Demand for the company's offering, expanded by major product launches, has been very strong in both traditional and new markets. Rieter has further developed its already strong market position with the implementation of the large-scale 2012/2013 investment program aimed at further growth and focusing on the three priorities of expansion in Asia, innovation and process improvements. With its product range centering on specific markets and its new plants, the company is ideally positioned with a worldwide operating network. Spinning mills in all major markets are increasingly placing their confidence in machinery and components which enable a high degree of automation to be achieved in conjunction with higher productivity and yarn quality with lower energy consumption. As the sole global supplier of integrated systems for all four spinning processes, Rieter can optimize the entire spinning operation in line with customers' specific needs. This is a crucial and lasting competitive advantage.

Orders received and sales

In the year under review, new orders received by Rieter increased by 50% to 1 259.4 million CHF. After developing especially vigorously in the first half of 2013, order intake slowed slightly in the second six months, but still remained above the long-term average. This trend was especially evident in Turkey, where demand had been particularly strong with the support of government development schemes. Rieter booked substantial new orders in China, especially in the first six months, due to the further expansion of its local presence. However,

investments by Chinese spinning mills waned toward year-end due to large raw material inventories and growing difficulties with financing investment projects. Healthy demand for Rieter products nevertheless continued throughout the year in a number of Asian countries, such as Pakistan, Uzbekistan, South Korea, Bangladesh, Indonesia and Vietnam. Spinning mills in the US are renewing capacity as the industry benefits from a competitive cost structure. Business here developed briskly in the second half in particular, and Rieter secured substantial orders for rotor spinning machines. Orders received in India rose in the second half, albeit still at a modest level. Rieter posted an increase in order intake at both Business Groups, with the striking momentum in the first six months being attributable especially to orders for integrated systems from Spun Yarn Systems. Rieter had a backlog of orders in hand of some 765 million CHF at the end of 2013, which will ensure high capacity utilization until well into 2014 (compared to some 550 million CHF on December 31, 2012). The sales trend at Rieter in 2013 was also very good. The figure of 1 035.3 million CHF was 17% higher than a year earlier. All regions recorded increases, with only Europe posting slightly lower sales. Expanded and modernized manufacturing capacity enabled Rieter to process orders promptly and post a 17% increase in sales in the second half of the year compared with the first six months.

Rieter employed a total workforce of 4 793 as of December 31, 2013, compared with 4 720 a year earlier. Rieter coped with the large volume of incoming orders mainly through higher productivity and with larger numbers of temporary employees; amounting per year-end to 1 210 employees or 20% of the total workforce (2012: 985 temporaries or 17%). The increase in the number of permanent employees was due entirely to the new facilities in Asia. The structurally related reduction in administrative staff announced in early 2013 was implemented as planned despite the high order volumes.

Operating result and net profit

EBITDA at Rieter at the end of 2013 amounted to 95.2 million CHF (9.2% of sales). The operating result before interest and taxes (EBIT) in the year under review rose by 84% to 60.2 million CHF, equivalent to 5.8% of sales. Rieter's EBIT increased faster than sales in the second half in particular, due to improved capacity utilization, a more favorable product mix with higher margins in the machinery business, together with the momentum in the components business. The reduction in head count with a view to achieving a sustained increase in profitability supported the positive profit trend in the second half of the year to the tune of some 6 million CHF.

The EBIT figure includes costs of 23.7 million CHF relating to the strategic investment program for 2012/2013. EBIT before strategic projects thus amounted to 83.9 million CHF or 8.1% of sales.

Rieter's capital expenditure in 2013 totaled 55.0 million CHF (5.3% of sales). This figure was, as planned, 33% lower than in the previous year. The strategic investment program accounted for 35.7 million CHF of this total, while operating investments accounted for 19.3 million CHF or 1.9% of sales (30.0 million CHF or 3.4% of sales in 2012).

Rieter's investments in research and development of 45.0 million CHF or 4.3% of sales were slightly higher than a year earlier (42.7 million CHF or 4.8% of sales in 2012).

Rieter's net profit for 2013 was 46% higher at 37.4 million CHF, equivalent to 3.6% of sales (25.7 million CHF or 2.9% of sales in 2012). This figure includes a capital gain of 0.3 million CHF from the sale of equity investments. The previous year's profit had been boosted by 17.6 million CHF from the sale of equity interests. The tax rate in 2013 was 28.8% due to an imbalance in distribution between different countries. Financial results include a non-recurring gain of 5.2 million CHF in connection with the revaluation of a put option by minority shareholders and currency gains of 1.1 million CHF (currency losses of 2.9 million CHF in 2012). Earnings per share rose to 8.56 CHF (6.24 CHF in 2012). Return on net assets increased to 8.5% in 2013 (6.7% in 2012).

Dividend

Rieter Holding posted a net profit of 13.2 million CHF for the 2013 financial year (12.0 million CHF in 2012). The Board of Directors will propose to the Annual General Meeting on April 9, 2014, that a dividend of 3.50 CHF per share be paid for the 2013 financial year out of the reserve from capital contributions (2.50 CHF in 2012). This corresponds to a payout ratio of 41% of earnings per share (39% in 2012). Rieter aims for an average pay-out

ratio of about 30% over the years, taking into consideration various factors such as the trend of business, liquidity needs and market prospects.

Spun Yarn Systems Business Group

The Spun Yarn Systems Business Group (machinery business) posted order intake of 1 084.3 million CHF, an increase of 56% compared to 2012. The strongest growth was recorded in Turkey and the US, followed by other Asian countries such as Pakistan, Uzbekistan, South Korea, Vietnam and Bangladesh, where demand was sustained at a high level. Orders received in India revived in the second half of the year, but still remained below the previous year's level overall. Following an encouraging start in the first six months, demand declined in China in the second half. Customers were unsettled by large inventories of cotton fiber, lower demand for yarns produced from viscose fibers and financing problems.

Spun Yarn Systems reported sales of 857.8 million CHF in 2013, an increase of 18% compared with the previous year. All regions contributed to this; only in Europe were sales slightly lower. In this context Spun Yarn Systems posted an 19% increase in sales in the second half compared with the first six months, and output increased considerably, especially toward year-end.

EBIT increased to 45.3 million CHF, equivalent to 5.3% of sales. Spun Yarn Systems therefore achieved a striking 49% increase in EBIT compared to 2012 (30.5 million CHF or 4.2% of sales in 2012). This positive trend resulted mainly from higher volumes in the second half, a more favorable product mix with margins above the average of current orders in hand and improved market penetration in the spare parts business. The savings achieved as a result of the reduced head count also had its greatest impact at Spun Yarn Systems.

Premium Textile Components Business Group

Orders received by the Premium Textile Components Business Group (components business) in 2013 increased by 21% to 175.1 million CHF. The highest growth rate was recorded in China, where Premium Textile Components had reinforced its local presence. The business group did good business both with spinning mills and with local textile machinery manufacturers. Orders placed in Turkey continued their positive trend. In India, Premium Textile Components maintained the level of order intake compared with the previous year despite the steep devaluation of the Indian rupee. Demand from other Asian countries was slightly higher. Demand was strong in the year under review for all four Premium Textile Components' brands: Bräcker, Graf, Novibra and Suessen.

Premium Textile Components' sales to third parties of 177.5 million CHF in the year under review were 10% higher (160.9 million CHF in 2012). The business group recorded a substantial increase in China, and sales also revived in India; increasing numbers of EliTe conversion kits were delivered by Suessen, especially in the second half. Intercompany sales rose even more strongly than those to third parties, which in turn reflects the good trend of business at Spun Yarn Systems. As a result segment sales of 259.1 million CHF were 12% higher than a year earlier. Flexible manufacturing at all four units of Premium Textile Components contributed to sales momentum.

EBIT at Premium Textile Components rose by 62% to 25.9 million CHF in 2013 as a result of higher capacity utilization and a favorable product mix. This amounts to 10.0% of segment sales (16.0 million CHF or 6.9% of segment sales in 2012).

Balance sheet and finances

Despite the significant increase in sales, net working capital at Rieter declined to 14.7 million CHF (62.0 million CHF in 2012), due mainly to higher advance payments by customers and a disproportionately small increase in inventories. Rieter therefore recorded free cash flows of 61.1 million CHF (-32.3 million CHF in 2012) while maintaining a high level of capital expenditure, and posted an increase in net liquidity to 141.3 million CHF at the end of 2013 (95.6 million CHF at the end of 2012), despite paying a dividend of 11.6 million CHF in April of the year under review. Rieter's financial health remains sound with an equity ratio of 35%.

Rieter concluded committed credit lines with a five-year term in the amount of 125 million CHF in 2013. Rieter's financial stability is also assured by a 250 million CHF bond issue maturing in 2015. Rieter has authorized capital in the form of 500 000 shares at its disposal. This will assure Rieter of strategic flexibility and long-term finance for corporate development.

2012/2013 investment program for further growth

In the year under review Rieter continued to work intensively on the projects in the large-scale 2012/2013 investment program. This program was largely completed at the end of 2013.

Expansion in Asia: The planned expansion of facilities in China and India has been completed. This means that Rieter is considerably better positioned in these large markets and at the same time has made state-of-the-art capacity available which assumes a core function in the company's global manufacturing network.

Innovation: Rieter has expanded its offerings with important products for new markets. The new version of the J 20 airjet spinning machine was released for serial production at the end of 2013. Rieter can thus proceed with the selective market launch of this product. The airjet spinning process enables high productivity and fiber utilization to be achieved with good yarn quality.

Process improvements: The goal of operational excellence is being pursued in all Rieter facilities. Process improvements have resulted in a perceptible increase in competitiveness in manufacturing operations in particular. As already announced earlier, new IT-assisted global business processes will be introduced with a six-month delay, as of January 2014.

The 2012/2013 investment program generated costs of 23.7 million CHF (2.3% of sales) with an impact on EBIT and capital expenditure of 35.7 million CHF in the year under review. These investments were additional to regular maintenance capital expenditures. The program generated total costs of 49.0 million CHF with an impact on EBIT and capital expenditure of 87.3 million CHF. Further costs of some 10 million CHF with an impact on EBIT are planned in 2014 for the completion of the project to introduce new IT-assisted global business processes. Funds invested therefore total some 146 million CHF. Rieter had planned investments of 140 million CHF at the start of the program.

Through this investment program Rieter has laid the foundations for achieving further sustained, profitable growth.

Changes in the Group Executive Committee

Dr. Norbert Klapper assumed the post of CEO with effect from January 1, 2014. On the same date he also replaced Peter Gnägi as Head of the Spun Yarn Systems Business Group. After four years heading both the Board of Directors and the Group Executive Committee, Erwin Stoller is concentrating on the board chairmanship.

Board of Directors and Annual General Meeting

At the Annual General Meeting held on April 18, 2013, shareholders elected Dr. Dieter Spälti to the Board of Directors for a further term of office.

In addition to the amendments to the articles of association necessary to implement the requirements of the "Minder Initiative", the Board of Directors will propose a two-year extension of approval for the authorized capital of up to 2.5 million CHF or 500 000 shares created in 2012 at the Annual General Meeting to be held on April 9, 2014.

Outlook

With broadly based business worldwide, Rieter has seen a good demand for textile machinery and components in the first two months of 2014. Demand depends among other factors on the development of yarn and raw materials prices, currency exchange rates, financing costs, and global consumer sentiment.

Based on the current order backlog – already reaching into 2015 – full year sales for 2014 are expected to show high single-digit growth compared to 2013 with a stronger second semester. Operational profitability (EBIT) in 2014 will be positively impacted by volume growth, whereas additional costs of 10 million CHF for conclusions of the IT-supported processes project, low airjet capacity utilization and lower order backlog margins than in the second semester 2013 are expected to have an adverse impact. Rieter expects for the year 2014 a higher operating result (EBIT) than in 2013.

Rieter will put additional focus in 2014 on its customers to ensure on-time delivery of order backlog and a profitable future order intake. Further priorities will be the completion of the final investment program activities and leveraging the new assets from the investment program 2012/2013.

Thanks

Rieter's employees and management faced challenges imposed by various special circumstances in 2013. On the one hand they coped with high order volumes, while on the other hand the 2012/2013 investment program's projects were driven forward and the reduction in administrative staff numbers put into effect, principally in Switzerland. The Board of Directors and the Executive Committee wish to thank the workforce and employee representatives for their efforts and their flexibility. Rieter thanks customers, suppliers and other business partners for their loyalty, and shareholders for their continued confidence.

Page 6/8

Further information about the year-end results as well as the Annual Report 2013 and photos for the media can be found at www.rieter.com (<http://www.rieter.com/en/rieter/media/press-releases/>).
At www.rieter.com you can also subscribe to the mailing list for our press releases.

2013 Annual Results Media Conference

Today, March 18, 2014, 10.15 h

Location: Maschinenfabrik Rieter, Training Center, Klosterstrasse 32, 8406 Winterthur

2013 Annual Results Financial Analysts' Conference

Today, March 18, 2014, 14.00 h

Location: Maschinenfabrik Rieter, Training Center, Klosterstrasse 32, 8406 Winterthur

Conference Call, dial-in:

+41 (0)58 310 50 00 (Europe)

+44 (0)203 059 58 62 (UK)

+1 (1)866 291 41 66 (USA - Toll-Free)

Important dates 2014

Annual General Meeting 2014

April 9, 2014

Semi-annual report 2014

July 23, 2014

About Rieter

Rieter is a leading supplier on the world market for textile machinery and components used in short staple fiber spinning. Based in Winterthur (Switzerland), the company develops and manufactures systems, machinery and technology 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 18 manufacturing locations in ten countries, the company employs a global workforce of some 4 800, about 25 % of whom are based in Switzerland. Rieter is listed on the SIX Swiss Exchange under ticker symbol RIEN. (www.rieter.com)

For further information please contact:

Rieter Holding AG

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 AG

Media Relations

Cornelia Schreier

Head Corporate Communications

T +41 52 208 70 32

F +41 52 208 70 60

media@rieter.com

www.rieter.com

Financial highlights

CHF million	2013	2012	2013/2012 Change in %
Rieter			
Orders received	1 259.4	839.7	50
Sales	1 035.3	888.5	17
Operating result before strategic projects, interest and taxes	83.9	58.0	45
• in % of sales	8.1	6.5	
Operating result before interest and taxes (EBIT)	60.2	32.7	84
• in % of sales	5.8	3.7	
Net profit	37.4	25.7	46
• in % of sales	3.6	2.9	
Investments in tangible fixed assets and intangible assets	55.0	81.6	- 33
Total assets	1 114.0	1 070.1	4
Shareholders' equity before appropriation of profit	389.7	375.9	4
Number of employees at year-end ²	4 793	4 720	2
Business Group Spun Yarn Systems			
Orders received	1 084.3	695.0	56
Sales	857.8	727.6	18
Operating result before interest and taxes (EBIT)	45.3	30.5	49
• in % of sales	5.3	4.2	
Business Group Premium Textile Components			
Orders received	175.1	144.7	21
Sales	177.5	160.9	10
Total segment sales	259.1	232.3	12
Operating result before interest and taxes (EBIT)	25.9	16.0	62
• in % of total segment sales	10.0	6.9	

CHF million	2013	2012	2013/2012 Change in %
Rieter Holding Ltd.			
Share capital	23.4	23.4	
Net profit	13.2	12.0	10
Dividend	16.4 ¹	11.6	41
Number of registered shares, paid-in	4 672 363	4 672 363	
Average number of registered shares outstanding	4 602 652	4 609 778	
Price share (high/low) ⁴	CHF 210/142	198/123	
Market capitalization on December 31	963.7	736.7	31

Data per registered share

Earnings per share	CHF	8.56	6.24	37
Equity (group) ²	CHF	84.85	80.26	6
Dividend (Rieter Holding Ltd.)	CHF	3.50 ¹	2.50	40

1. According to proposal of the Board of Directors.
2. Shareholders' equity attributable to shareholders of Rieter Holding Ltd. per share outstanding at December 31.

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.

This is a translation of the original German text.