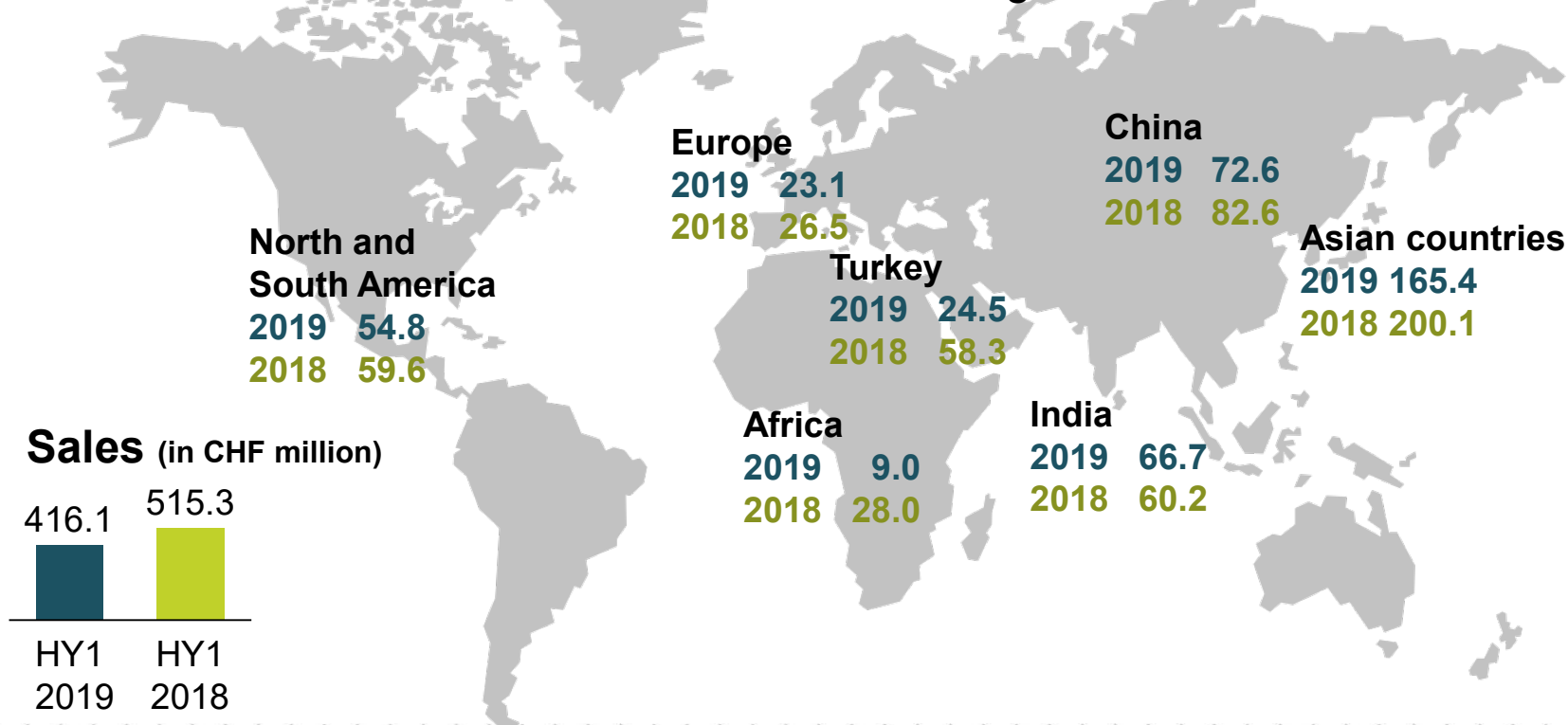


First half of 2019 characterized by low demand in the new machinery business

- Order Intake in the first half of 2019 amounted to CHF 378.3 million, 26% below the previous year period
- At CHF 416.1 million, sales were 19% down on the previous year period
- EBIT of CHF -1.2 million and net profit of CHF -3.8 million
- Implementation of cost-cutting measures proceeding according to plan
- Innovations successfully launched at ITMA 2019 in Barcelona
- Major order from Egypt signed – worth around CHF 180 million
- Completion of real estate sale in Ingolstadt (Germany) expected in the third quarter 2019
- Outlook unchanged compared to spring 2019

Sales by Regions Half-Year 2019

Growth in Vietnam, Pakistan and India, all other regions with lower sales



Financial Highlights Half-Year 2019

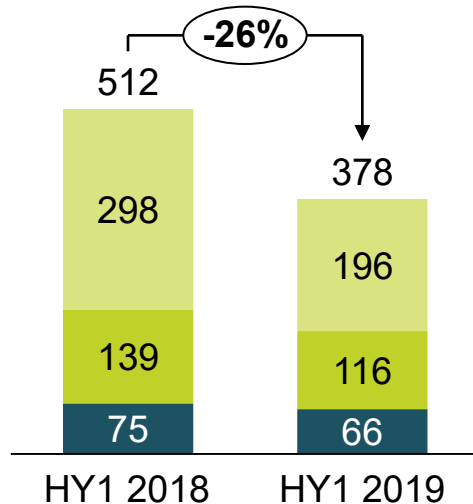


CHF million

Order intake	378.3	-26%	Weak order intake in the new machinery business
Sales	416.1	-19%	Consequence of low order intake since Q4 2018
EBITDA	18.3	4.4% margin	Lower sales in new machinery business
EBIT	-1.2	-0.3% margin	Components delivered lower volumes to Machines & Systems
Net profit	-3.8	-0.9% margin	Capacity adjustment and cost reduction measures
Free cash flow	-23.4	+60.8%	Seasonal increase in net working capital
Net liquidity	97.6	107%	Strong cash position

Order Intake by Business Group

CHF million



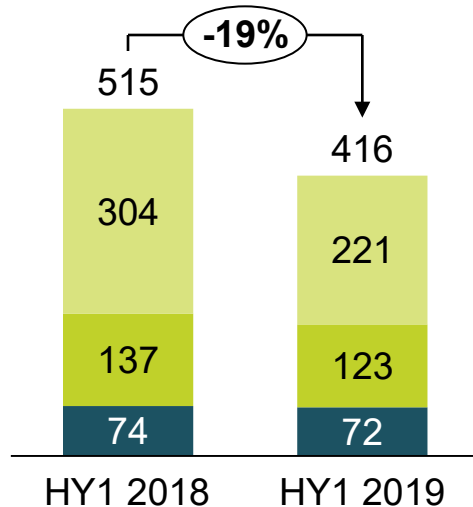
Machines & Systems Components After Sales

- **Machines & Systems:** Overcapacity in spinning mills, trade conflict US/China, political and economic uncertainties in major markets
- **Components:** Decline in business activities of SSM and Suessen, lower volumes supplied to Machines & Systems, business for wear and tear parts for spinning mills is running at a good level
- **After Sales:** Order intake lower mainly attributable to lack of installation volume, spare parts business for spinning mills at a good level

Sales by Business Group



CHF million



- **Machines & Systems:** Low order intake since Q4 2018
- **Components:** Decline related, in particular, to the business activities of SSM and Suessen, wear and tear parts business for spinning mills at a good level
- **After Sales:** Installation volume and spare parts business at a good level

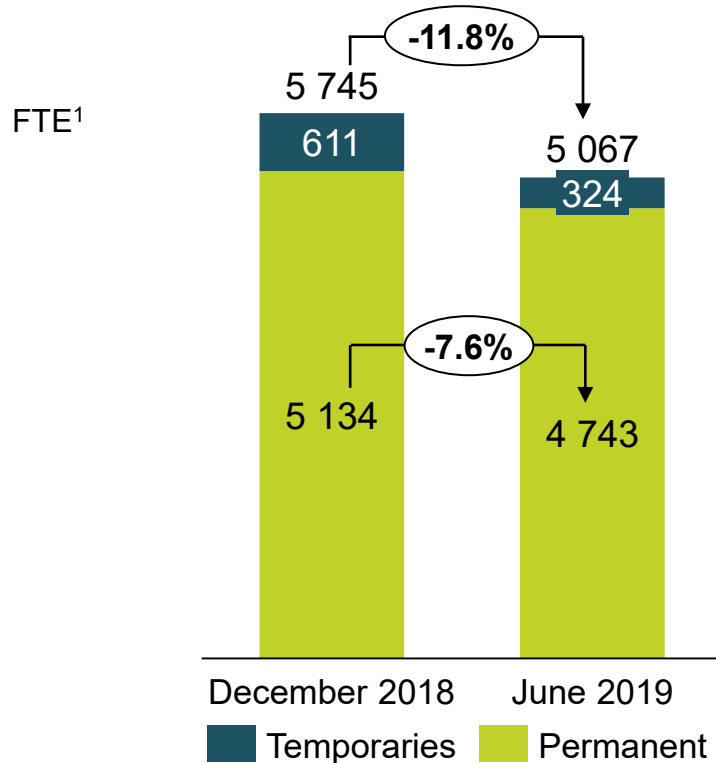
■ Machines & Systems ■ Components ■ After Sales

Operating Result (EBIT)



CHF million	HY1 2019	HY1 2018	Comments
Machines & Systems	-23.8	-14.8	Lower sales third, cost cutting measures
Components	6.4	19.2	Lower sales third and lower volumes delivered to Machines & Systems
After Sales	12.3	11.2	Despite lower sales third
Corporate/Others	3.9	-1.5	One-off effects
Rieter Group	-1.2	14.1	
In % of sales	-0.3%	2.7%	

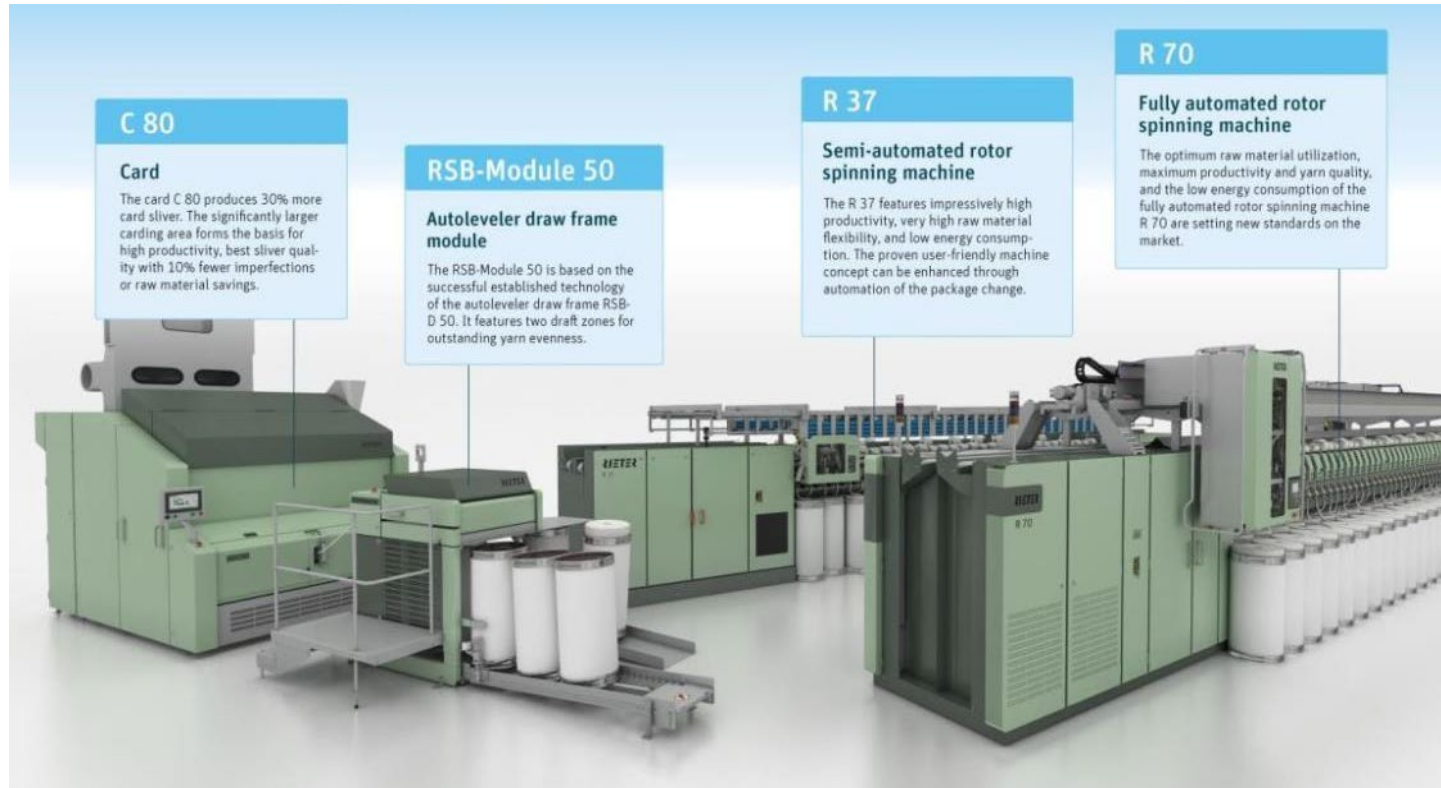
Capacity Adjustments and Cost Reduction on Track



- Stable gross margin at 27% despite significant lower volume (-19%)
- Reduction of selling, general and administrative expenses >10% (CHF 12.1 million)
- R&D at previous year's level

¹ FTE = Full time equivalent, excluding apprentices, including temporary employees

Innovations at ITMA (1)



Innovations at ITMA (2)

E 90
Comber
The latest machine from the market leader of combers offers a wider range of applications and maximum yarn quality with 10% greater sliver production.

F 40
Fully automated roving frame
The F 40 is equipped with the fastest doffer on the market – ensuring a high level of productivity. The unique doffing system enables short downtimes and thus high efficiency. The roving frame with up to 252 spinning positions reduces production costs.

**COMPACTdrum
COMPACTapron
COMPACTeasy**
Compacting devices
The new compacting device family offers compacting solutions that are easy to install and remove. Conventional ring yarns and compact yarns can be spun on the same machine. The variety of devices offers the ideal solution for every requirement.

G 38
Ring spinning machine
The ring spinning machine G 38 flexibly produces high-quality standard and special yarns with high performance. Thanks to the low energy consumption and savings in personnel costs, it makes spinning highly profitable.

ROBOspin
Piecing robot
The piecing robot in ring spinning enables a highly automated spinning process. The personnel requirements can be significantly reduced.

Rieter Awarded Large Contract from Egypt



- Large contract signed with Cotton & Textile Industries Holding Company, Cairo (Egypt)
- Total volume of approximately CHF 180 million
- Order intake expected in 2019, sales in 2020/2021



Rieter Property in Ingolstadt/Germany

- Closing of Ingolstadt real estate transaction expected in Q3 2019
- Extraordinary net profit contribution of EUR 60 million



Demand for new machinery remained at a low level in the first half of 2019. Rieter does not anticipate a significant upturn in the market in the second half year period.

For the full financial year 2019, compared to the previous year Rieter expects a significant decline in sales, EBIT and net profit (before extraordinary income from the sale of the real estate in Ingolstadt).

The cost-cutting measures introduced will continue to be implemented as planned.

Rieter is focusing on the successful market launch of the innovations which were presented and received positively by the customers at ITMA 2019 in Barcelona.

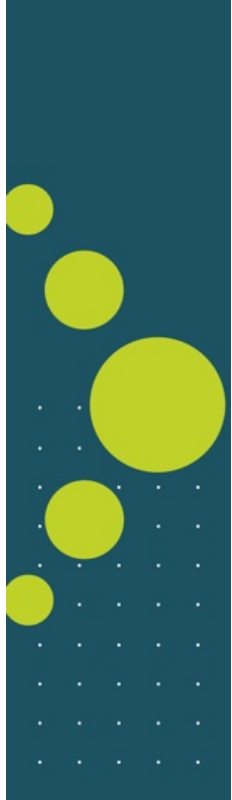
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Member of the BoD

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Chairman of the BoD
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Member of the NC/RC

Hans-Peter Schwald
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Carl Illi
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Member of the AC/SC

Peter Spuhler
Member of the BoD
Member of the SC

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Chairman of the NC/RC

Roger Bailod
Member of the BoD
Chairman of the AC

Luc Tack
Member of the BoD
Member of the SC

Board of Directors (BoD), Audit Committee (AC), Nomination Committee (NC), Remuneration Committee (RC), Strategy Committee (SC)

Group Executive Committee



Dr. Norbert Klapper
Chief Executive Officer



Carsten Liske
Head Business Group Machines & Systems



Serge Entleitner
Head Business Group Components



Rico Randegger
Head Business Group After Sales



Kurt Ledermann
Chief Financial Officer



Thomas Anwander
General Counsel and Company Secretary

Key Data per Share



Rieter registered shares of CHF 5 nominal value Bloomberg: RIEN SW; Thompson Reuters: RIEN.S	30/06/2019	31/12/2018	30/06/2018
Shares outstanding excl. own shares (end of period)	4 496 338	4 480 956	4 526 037
Average shares (of period)	4 489 378	4 514 846	4 526 055
Share price (end of period) CHF	148.6	128.8	171.5
Market capitalization (end of period) CHF million	668	577	776