

1st Half Year 2000: Results

Presentation

by

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**COMFORT
THANKS
TO RIETER
SINCE 1795**

Rieter Group

mio CHF	1-6 2000	Change in %
Sales	1'416	20
Net profit	82.6	57
EPS (in CHF)	17.33	56

- **Net profit up 57% and EPS up 56% driven by extraordinary textile machinery market recovery and by strong operating performance and cash flow**
- **Voting right limitations abolished**
- **Both core activities strengthened through acquisitions**

Rieter Textile Systems

mio CHF	1-6 2000	Change in %
Orders	613	106
Sales	469	31
EBIT	41.2	497
- in % co	8.9	

- **Period orders doubled due to explosive recovery of textile machinery markets and competitive machinery product portfolio**
- **EBIT margin of 8.9% based on rigorous cost improvement and price discipline in 1999**
- **ICBT acquisition strengthens product portfolio as system supplier and opens entry into non-woven**

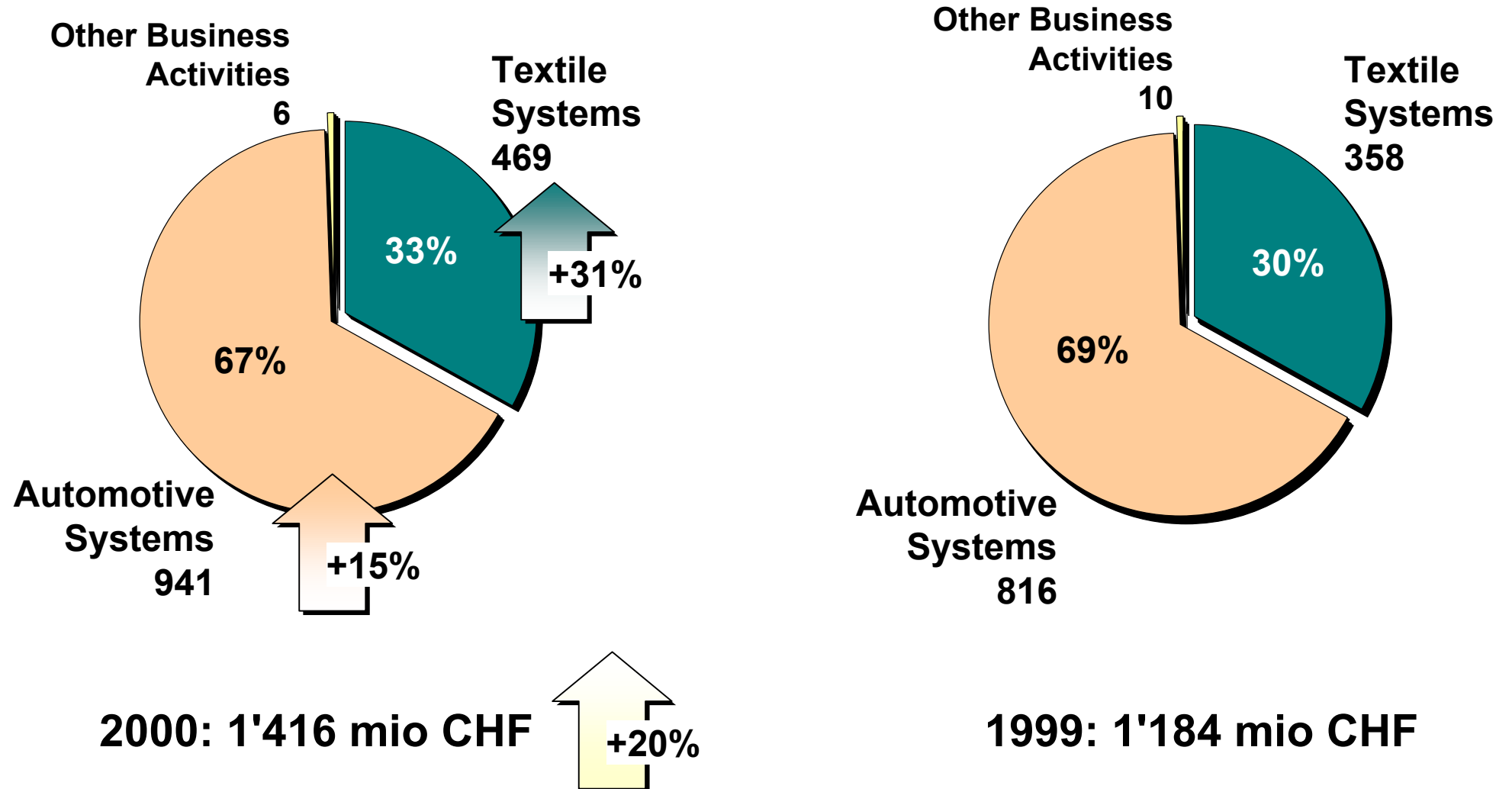
Rieter Automotive Systems

mio CHF	1-6 2000	Change in %
Sales	941	15
EBIT	68.5	23
- in % co	7.4	

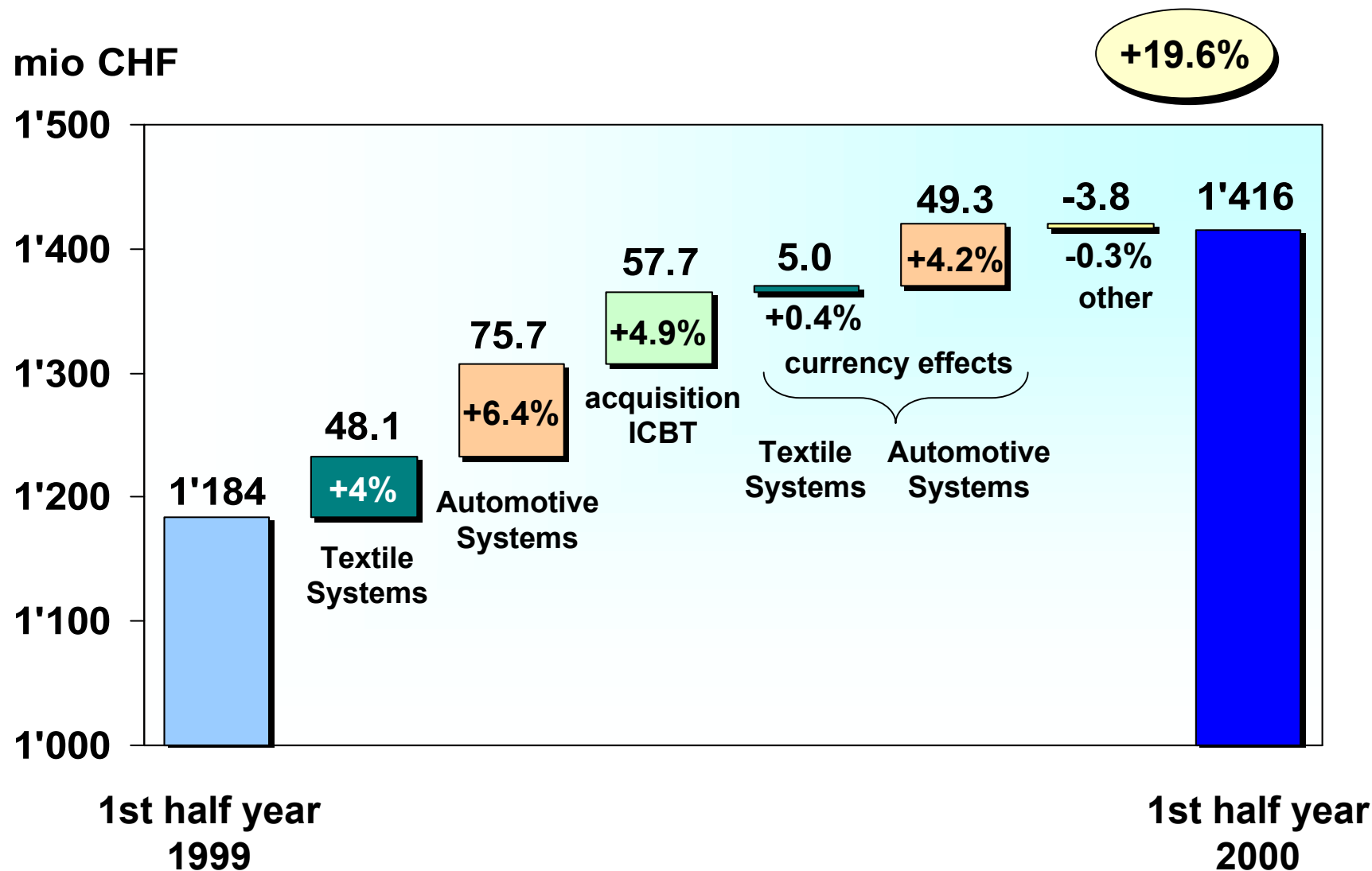
- Above market growth sales increase of 15% driven by growing US and European markets and by Latin American recovery
- EBIT of 7.4% benefiting from volume effects and productivity gains
- Pioneering Rieter Ultra Light[®], winner of the Pace Award, continues to drive North American and European order flow for years 2002 onwards
- Position as full service supplier strengthened by acquisition of majority stake in Idea, a well known Italian car engineering and designing company with sales of 50 mio CHF

Sales by Division

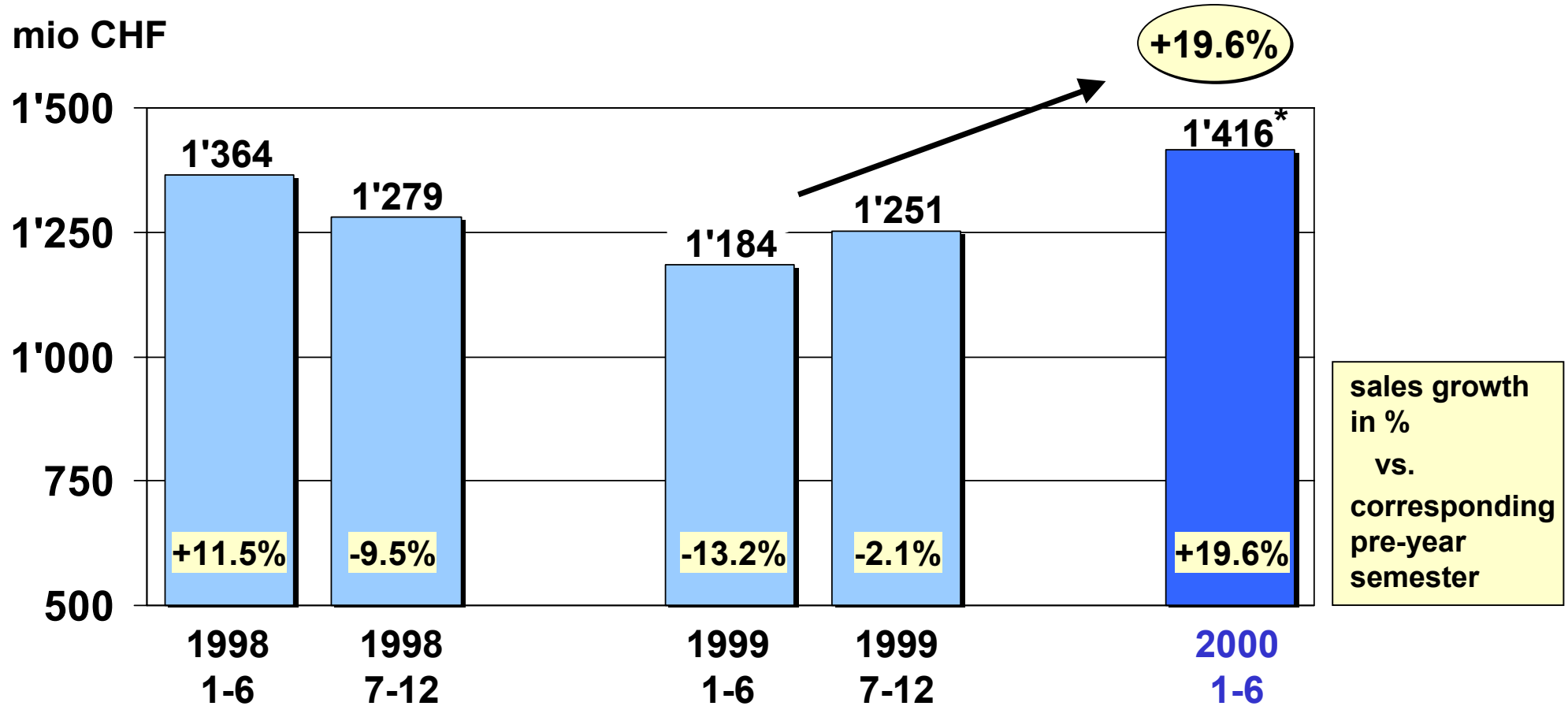
1st Half Year Sales



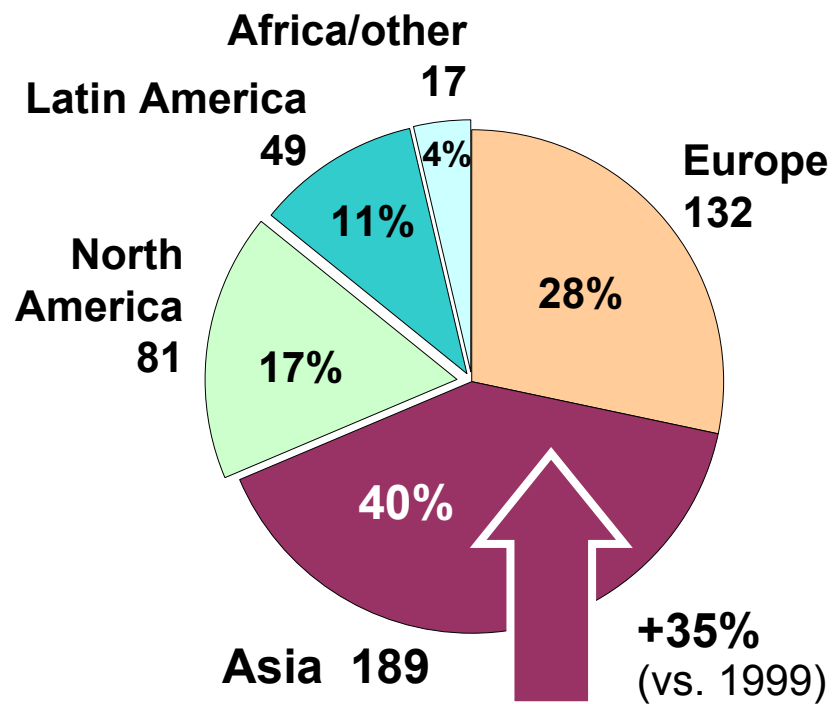
1st Half Year 2000: 19.6% Sales Increase Supported by Both Core Activities



Sales Trending Upwards Since Mid-Year 1999



1st Half Year Sales



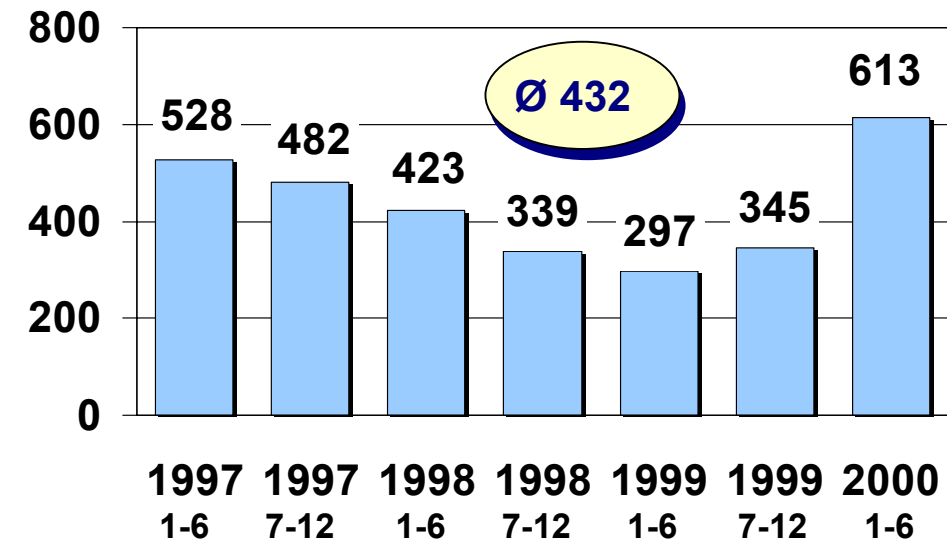
2000: 469 mio CHF

Half Year Orders

1-6/2000:
Regional
Importance
of Orders

-
- 1 Turkey
 - 2 Western Europe
 - 3 China
 - 4 South East Asia
 - 5 Nafta

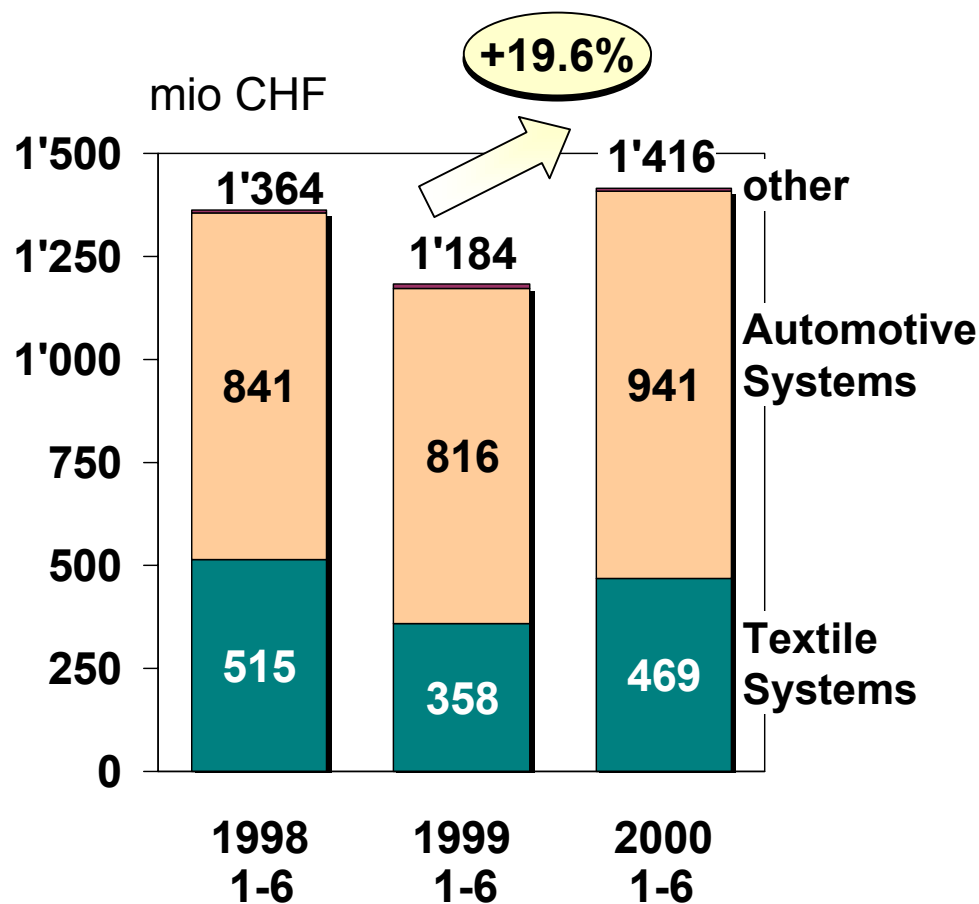
mio CHF



1st Half Year 2000: Strong Sales Growth and Efficient Cost Management

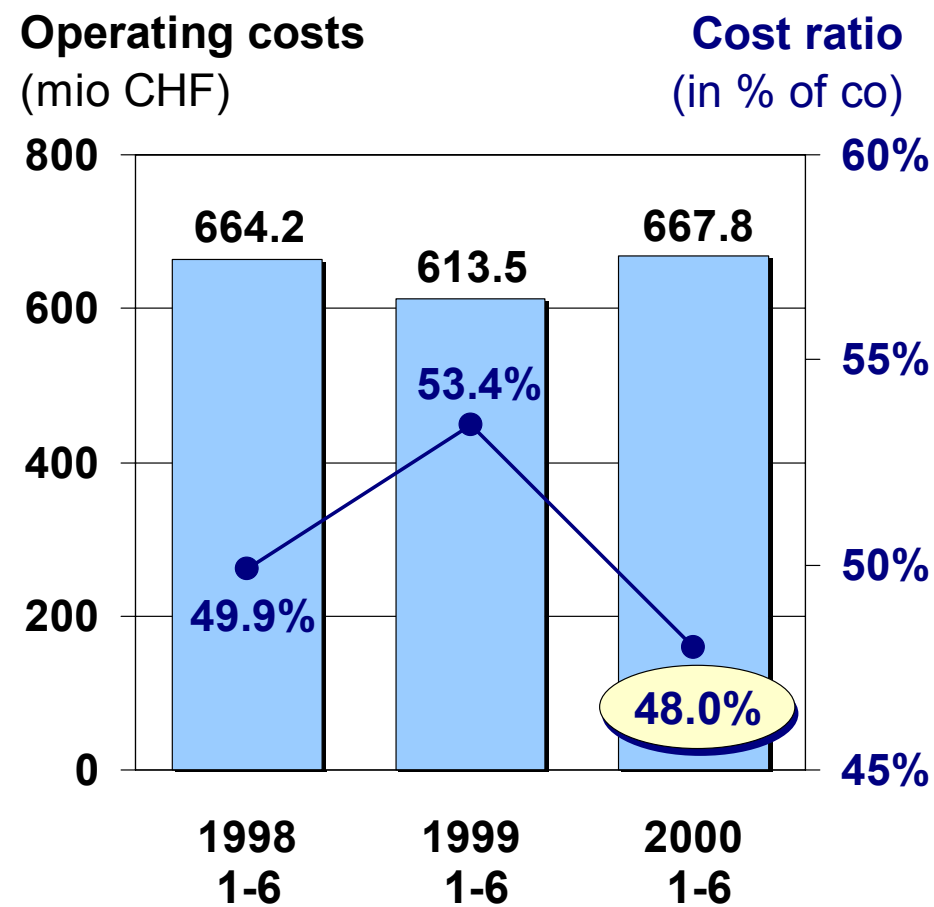


Sales

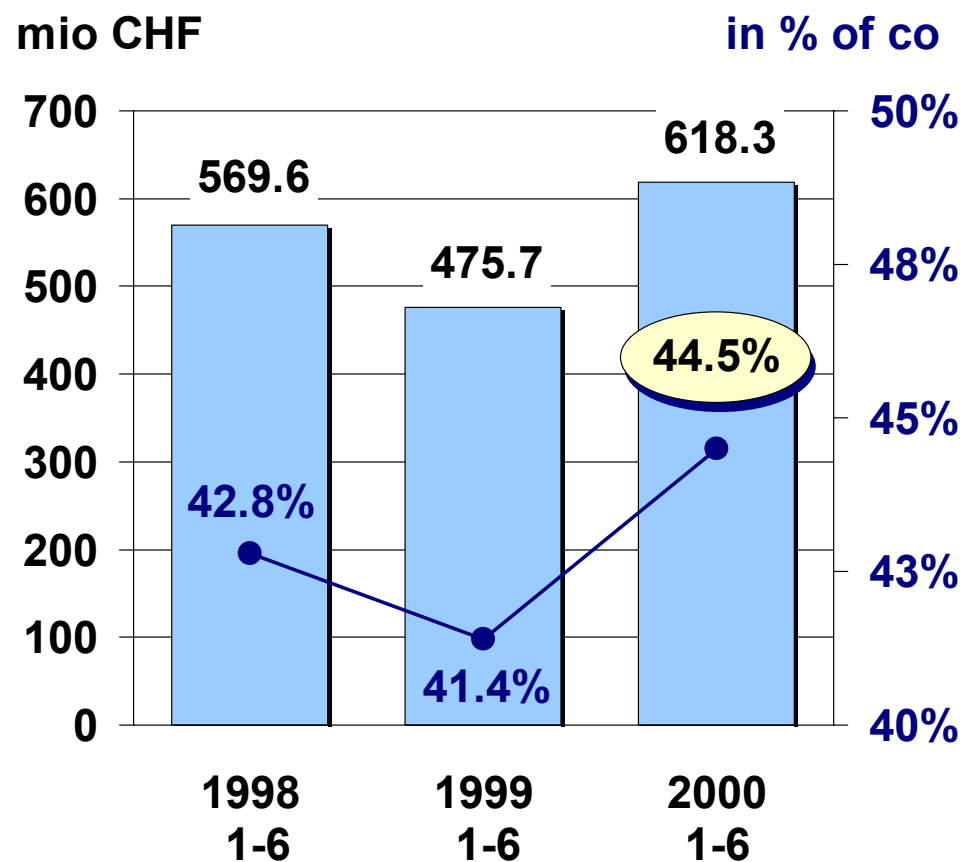


Operating Costs

(employee costs, operating costs, depreciation)



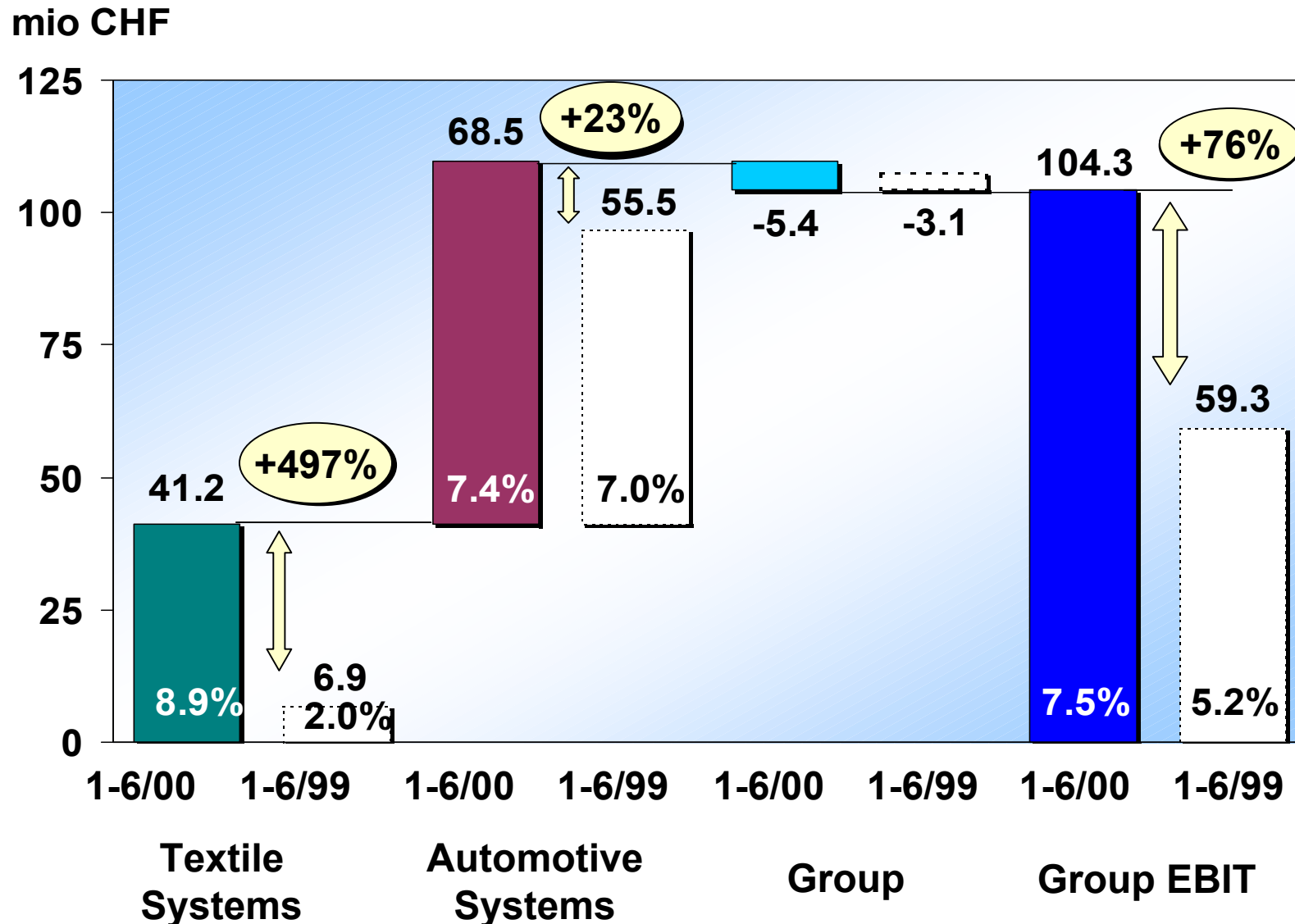
Material Costs



Source of EBIT Growth

	in %	1-6 2000	1-6 1999	Change in Basis Points
Corporate output		100	100	–
Material costs		–44.5	–41.4	–310
Operating costs		–48.0	–53.4	+540
Operating profit (EBIT)		7.5%	5.2%	+230

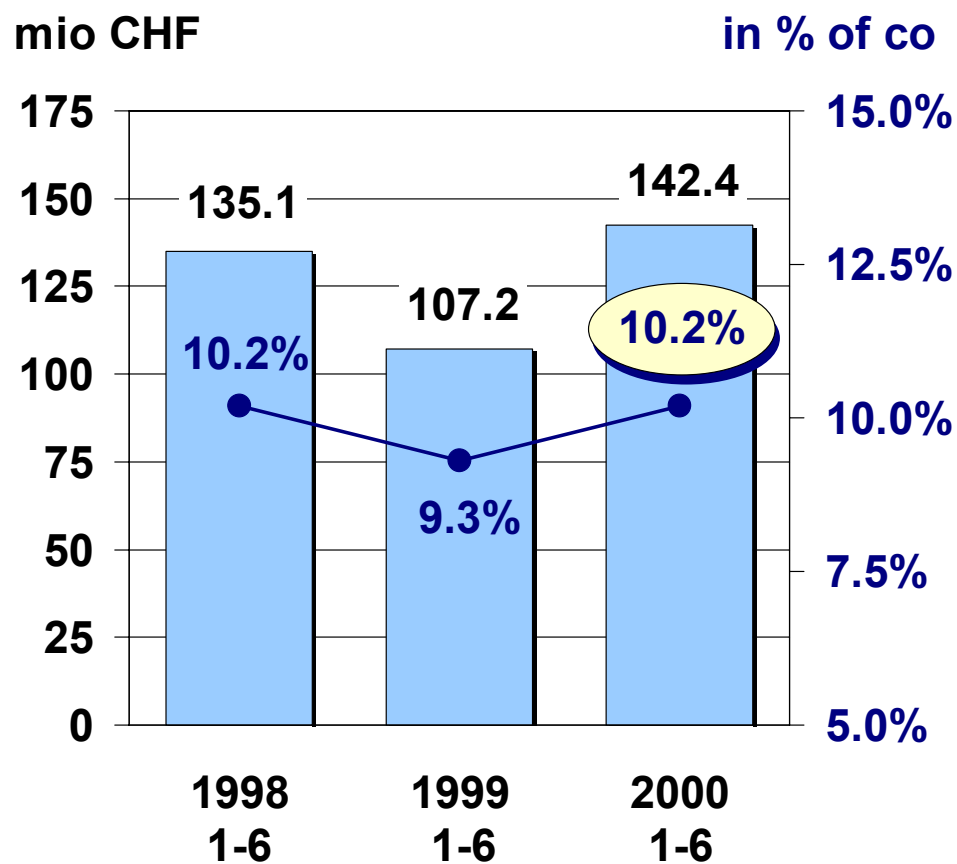
1st Half Year 2000: Group EBIT Up 76% Supported by Strong Textile Division EBIT Performance



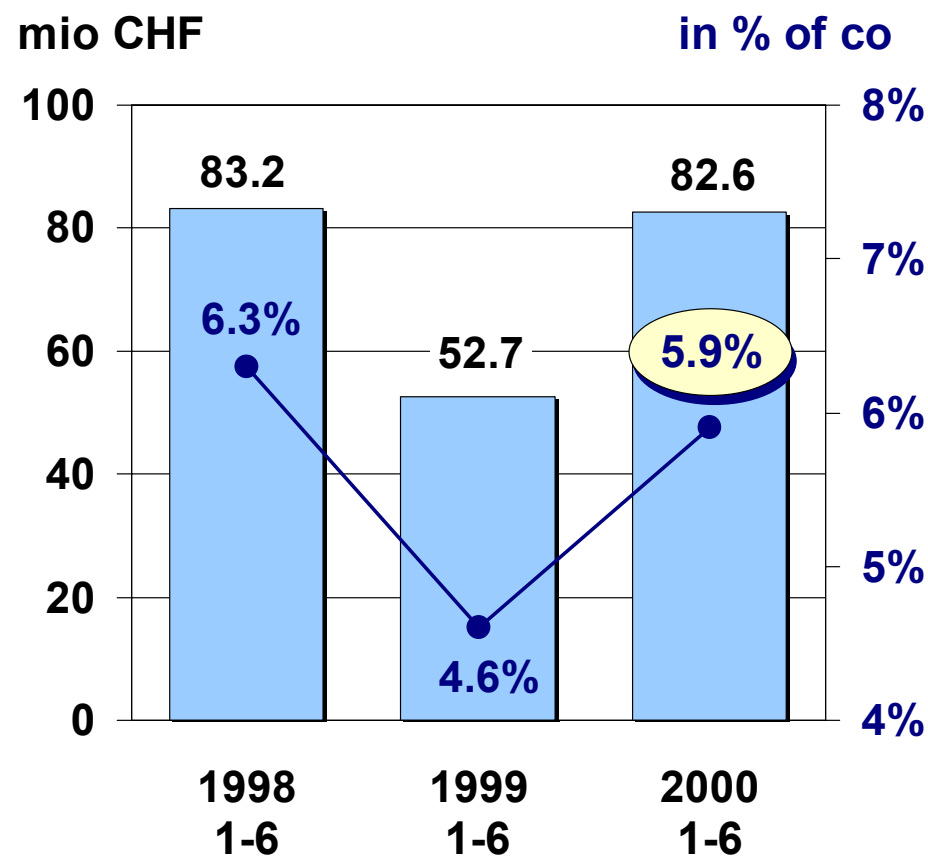
1st Half Year 2000: Cash Flow and Net Profit Rebound to 1998 Levels



Cash flow



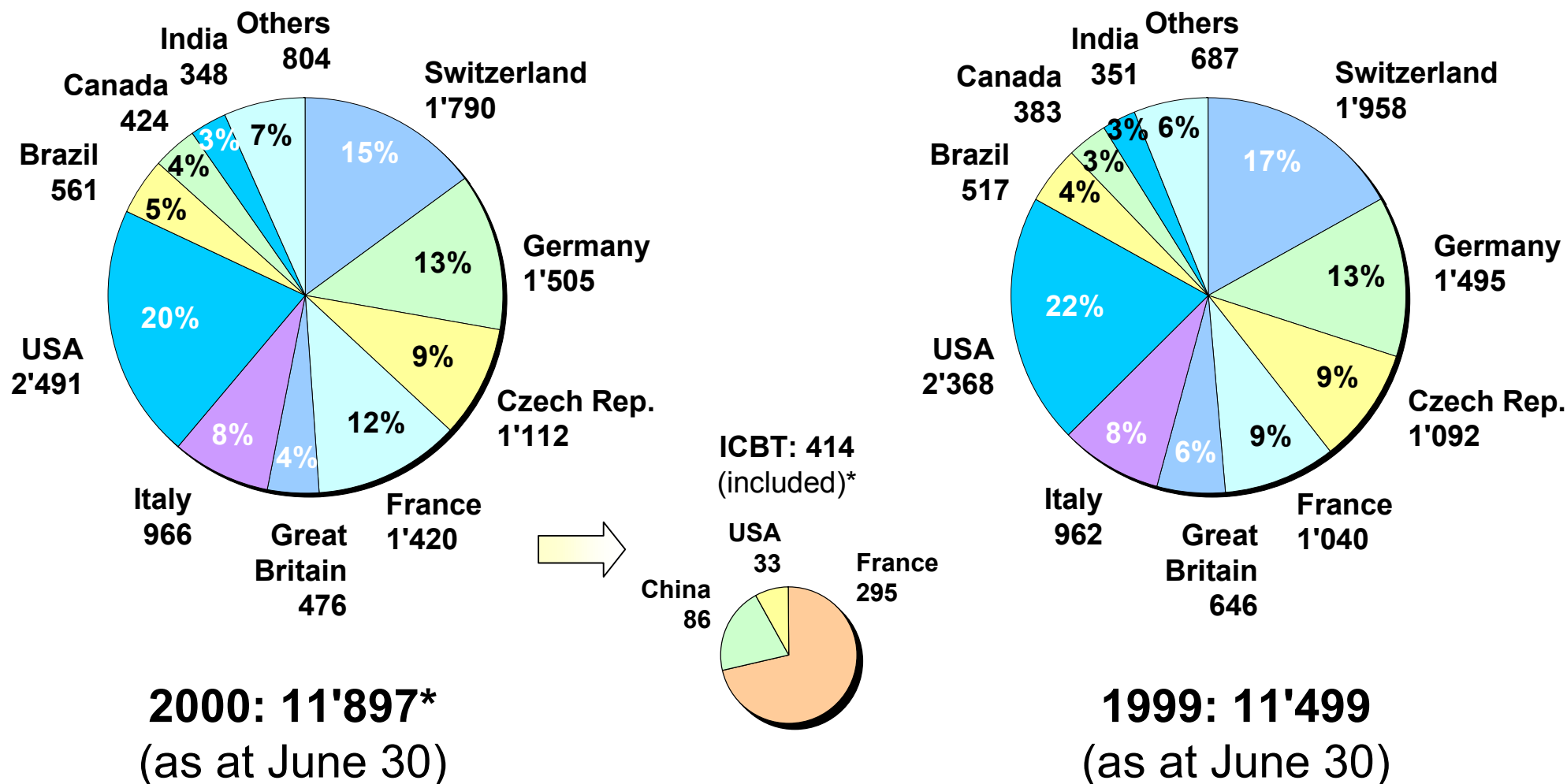
Net Profit



Global Presence Employees by Countries



1st Half Year



Key Performance Data: Healthy Growth of 1st Half Year Results



mio CHF	January-June 2000	January-June 1999	Change in %
Sales	1'416¹	1'184	20
EBIT	104.3	59.3	76
Net profit	82.6	52.7	57
Minorities	-9.7	-5.4	80
Total assets	2'381.9	2'156.2	11²
Equity	878.8	825.7	6
Number of employees	11'897	11'499	3

¹ 2000: includes 2 months of ICBT acquisition

² Approx. 200 mio assets from ICBT

Key Data Per Share are up also

Rieter registered shares of 10 CHF nominal value Bloomberg: RIEN, Reuters: RITZn		2000	1999	Change in %
Shares issued with dividend rights (per June 30)		4'205'526	4'205'526¹	
Average shares (of period)		4'205'526¹	4'258'238¹	-1.2
Earnings per share²	CHF	17.33	11.11	56
Cash flow per share	CHF	31.55	23.90	32
Share price (high/low)	CHF	571/461	472/395	

¹ Adjusted for share split 2 for 1 in June, 2000.

² Not included 348'900¹ potential shares ex convertible bond issue, due October 2002.

Price Chart; Rieter Registered Shares

