
First Half of 2003: Results

Presentation

by

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First Half of 2003 - Rieter Group: Key Data



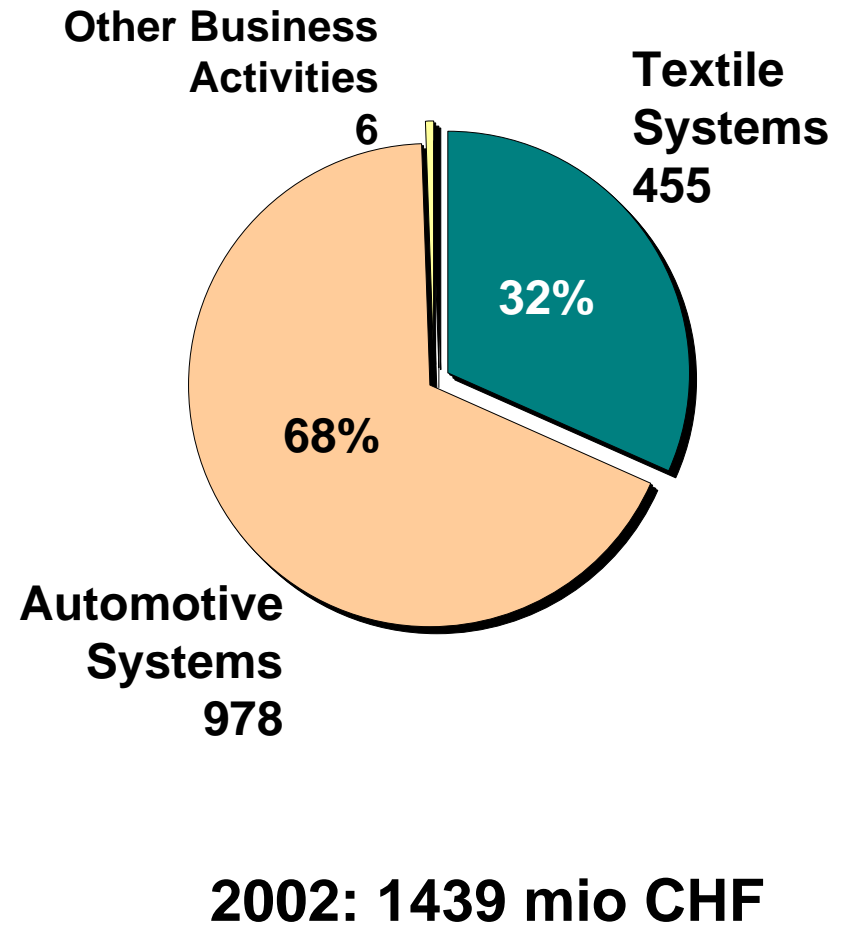
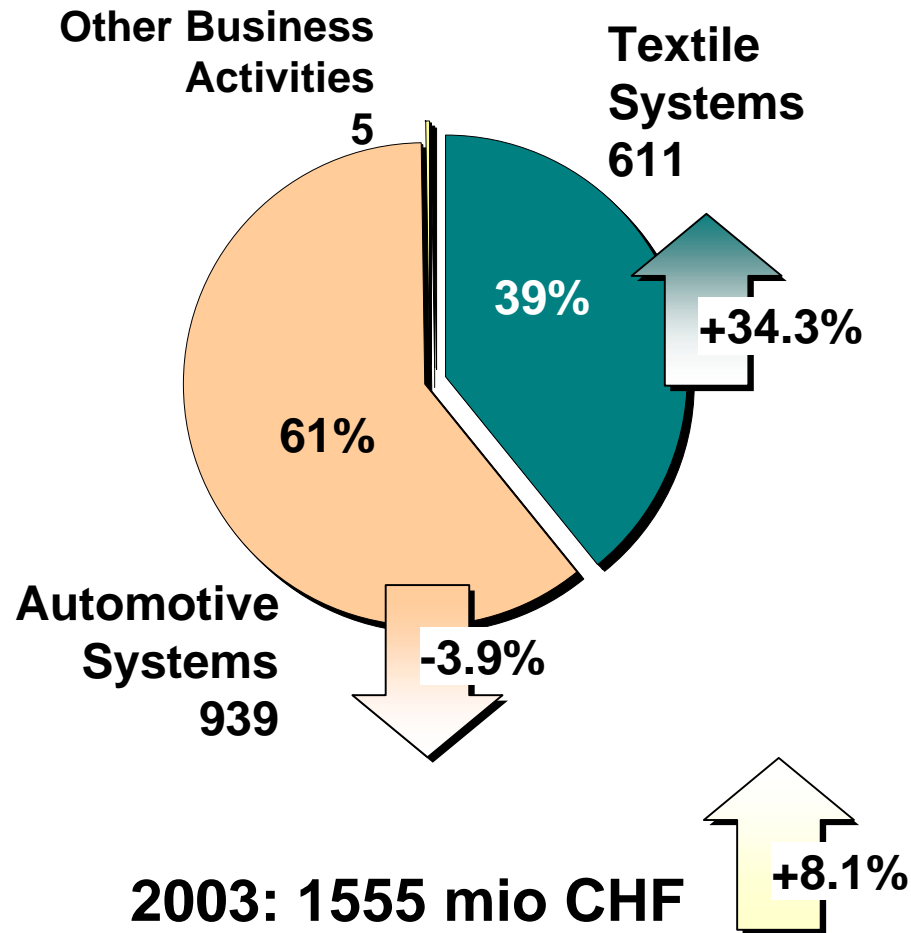
Continued strong operational performance

mio CHF	1-6 2003	Change vs. 1-6/2002 in %	
Orders	1488.3	-7	
Sales	1555.1	8.1	• 8.1% increase of sales driven by good Textile machinery business
EBITDA	162.3	8	
- in % of CO	10.7		
EBIT	100.9	15	• Continued strong operational performance with EBIT margin of 6.7% up from 6.3%
- in % of CO	6.7		
Net profit	53.3	32	• Net profit up 32% from 40.5 mio CHF
EPS (in CHF)	11.72	48	
Employees	13 355	4	• Employees mainly due to integration of JV Rieter Saifa (+ 305 employees)

Sales up by 8.1%



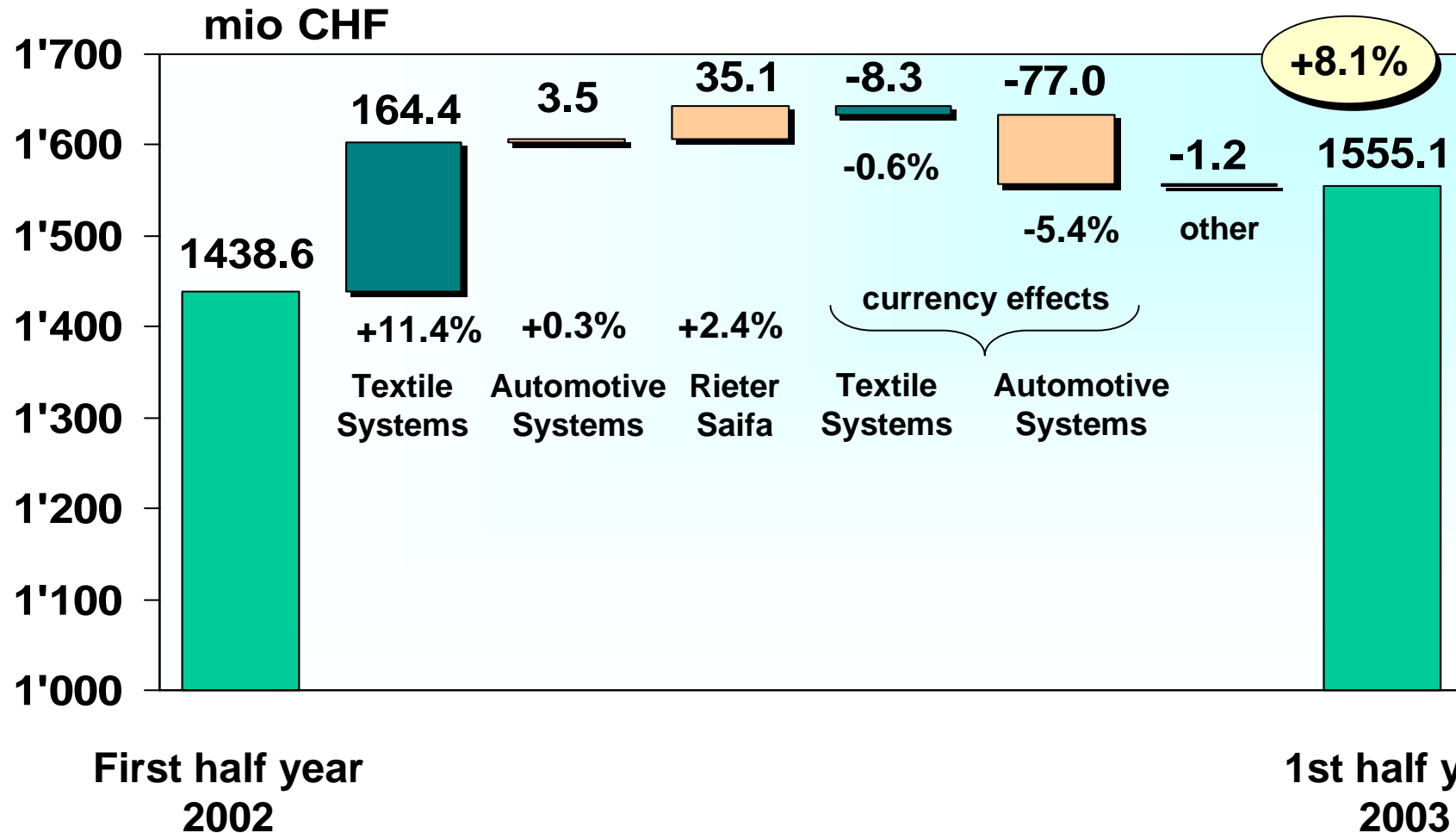
First half year sales



8.1% Sales Increase driven by ...



... strong sales of textile systems and despite considerable negative currency translation effects of 6%

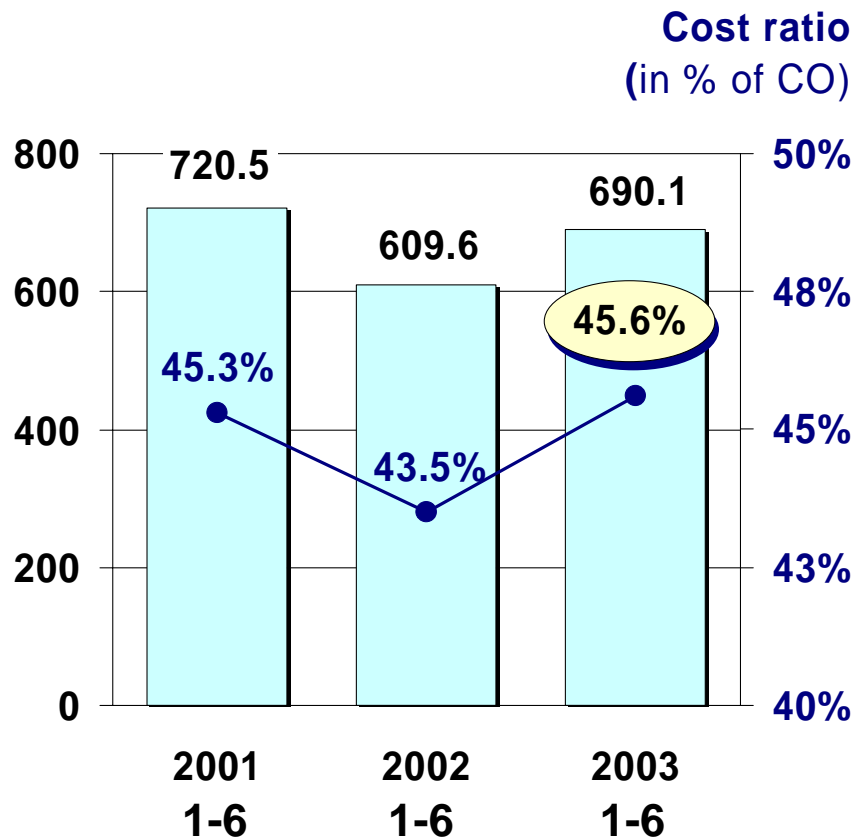


Favorable Development of Operating Costs...



... compensate material cost increases

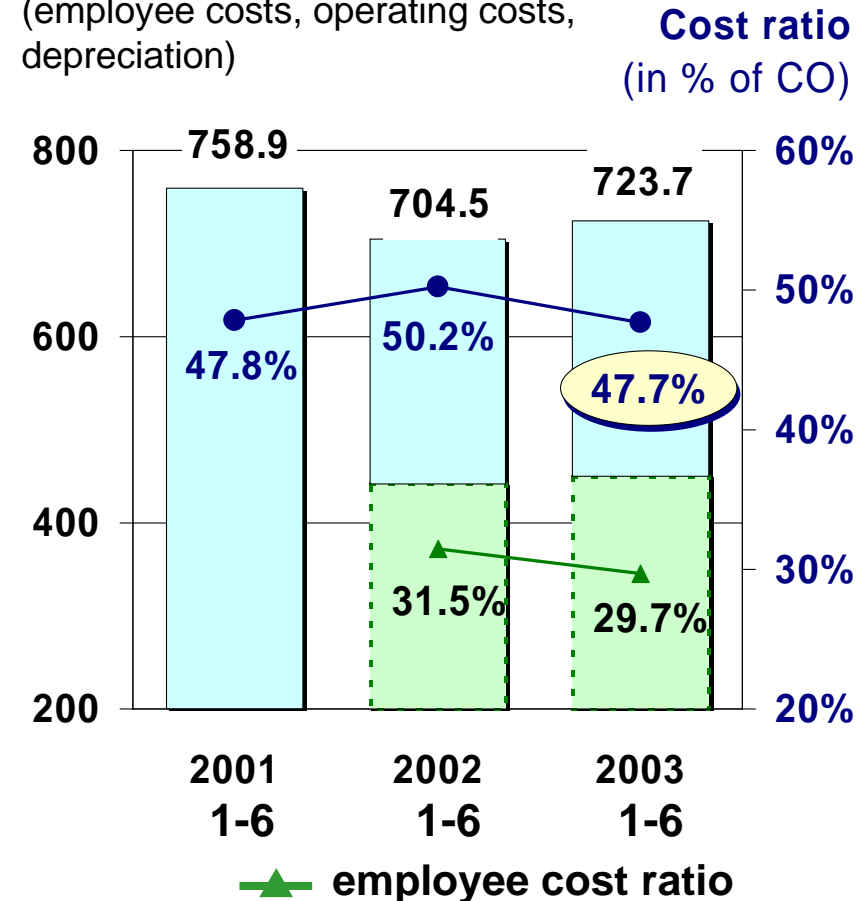
Material costs (in mio CHF)



Employee costs below 30% benchmark

Operating costs (in mio CHF)

(employee costs, operating costs, depreciation)



Sources of 0.4 % EBIT Improvement



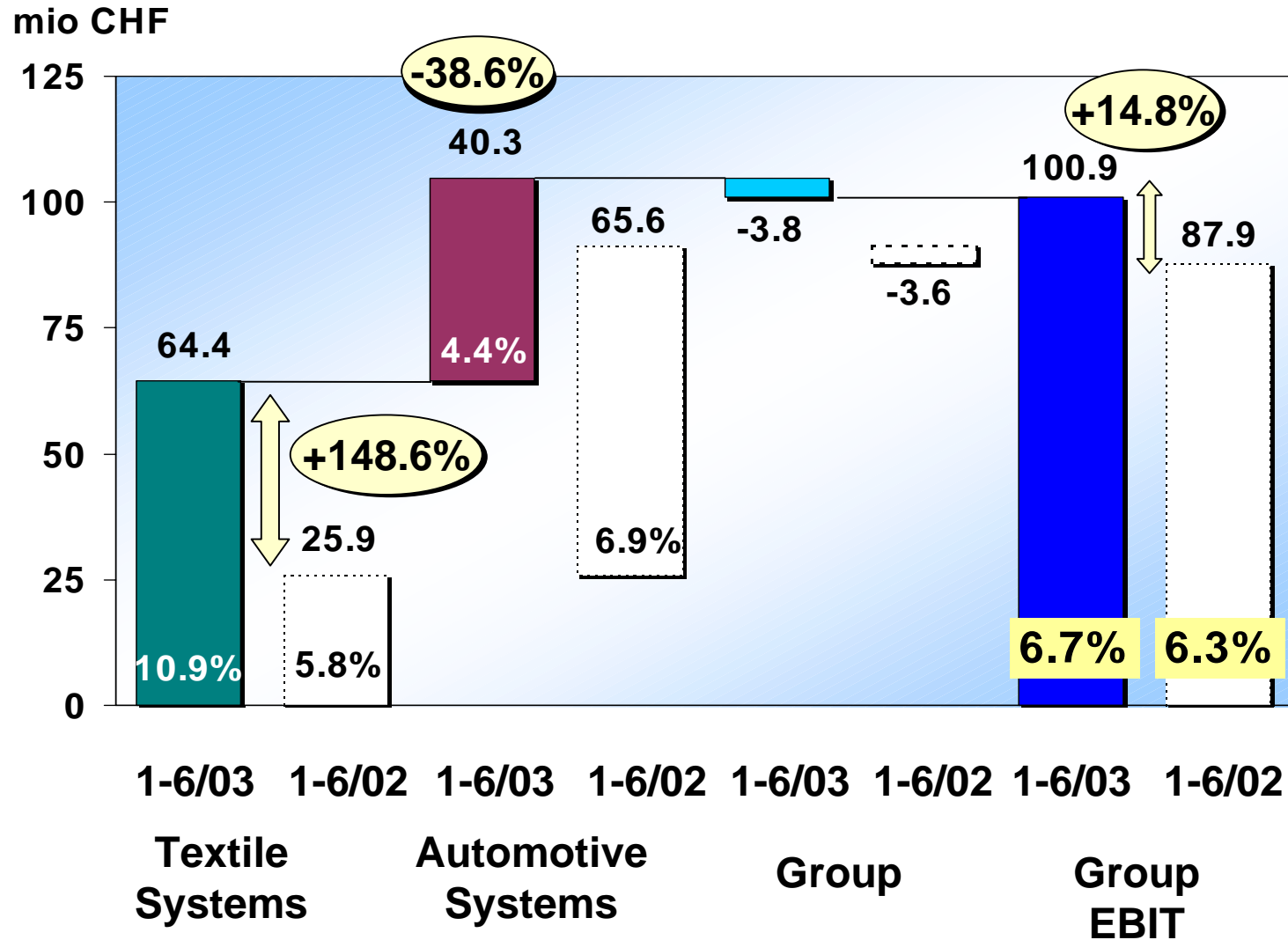
in %	1-6 2003	1-6 2002	Change
Corporate output (CO)	100	100	–
Material costs	45.6	43.5	–2.1
Operating costs	47.7	50.2	2.5
- of which employee costs	29.7	31.5	1.8
Operating profit (EBIT)	6.7	6.3%	0.4

- **Material cost ratio up due to shift of product mix in Textile machinery business**
- **Operating cost improvement mainly from better capacity use at Textile Systems (employee costs)**
- **Capex depreciation**

Substantial Ebit Growth at Textile Systems



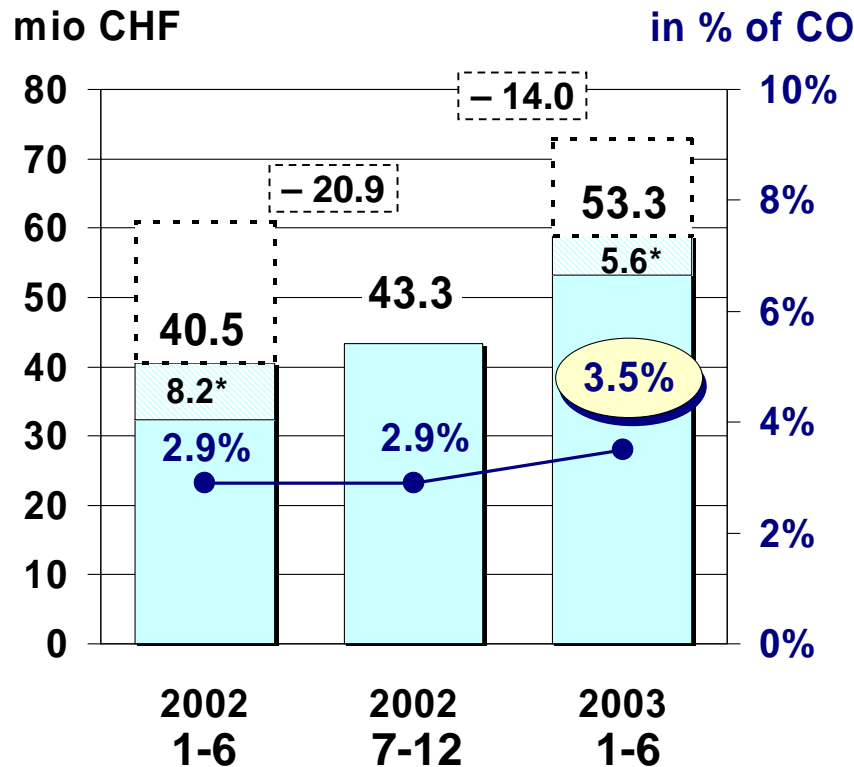
... more than compensates EBIT drop from Automotive



Net profit up by 32%

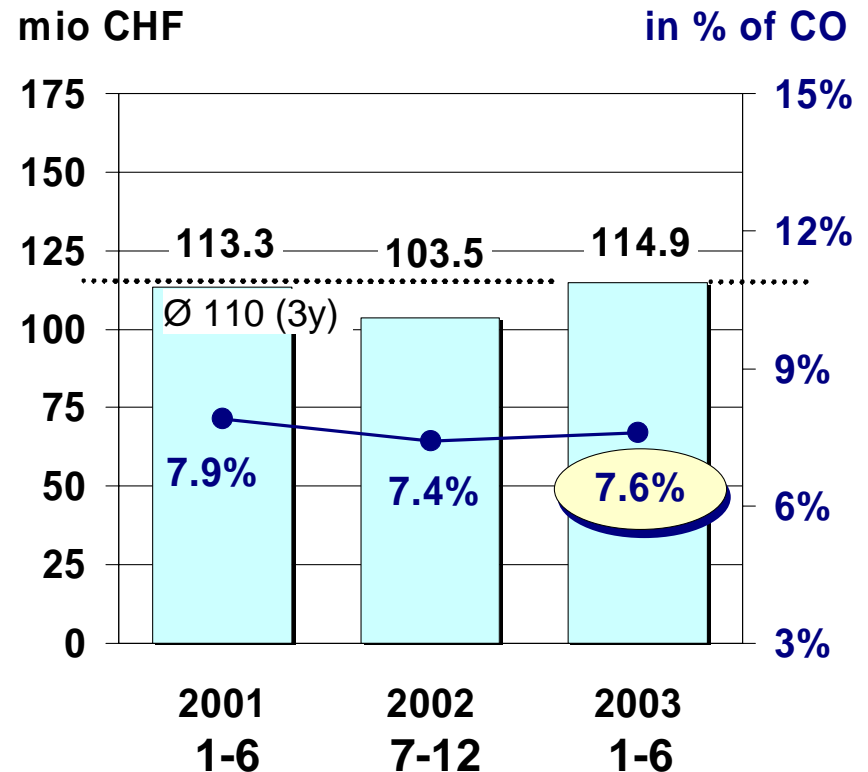
Increase also supported by improved financial results

Net profit



..... Financial result (income ./ cost) * minority interests

Cash flow¹ margin up by 0.2%



¹ Net profit + depreciation

Balance Sheet Ratios Solid and Stable



Rieter Group	mio CHF	Change vs. 1-6/2002	
		in mio CHF	in %
Total assets	2378.2	97.0	4.2
Equity w/o minorities	933.9	43.3	4.9
Equity ratio in %	39.3		0.3
Goodwill	162.2		
Net liquidity	-4.2	+ 9.2	-
Gearing in % (net debt / equity)	0.5	-	-
Capex¹	50.7	-4.9	-9.0

Comment

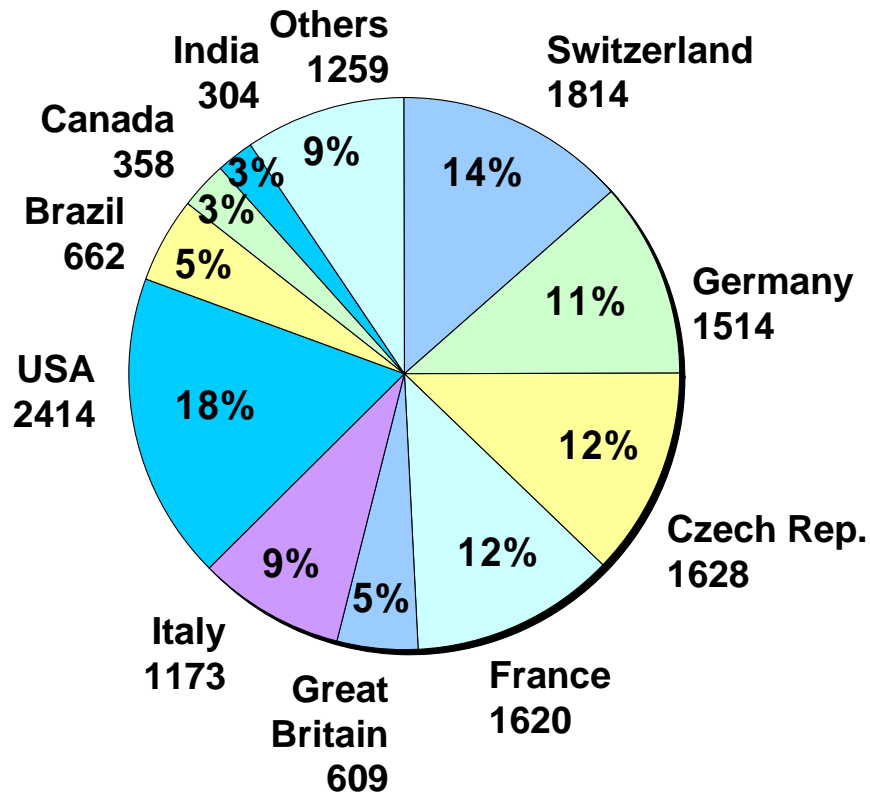
- **Asset increase mainly related to integration of Rieter Saifa**
- **Equity ratio even after deduction of goodwill: 32.3%**
- **Goodwill of 162.2 mio after period depreciation of 4.8 mio**
- **Capex of 50.6 mio 10% below depreciation of 56.6 mio**

¹ including goodwill acquired

Global Presence: Employees by Countries

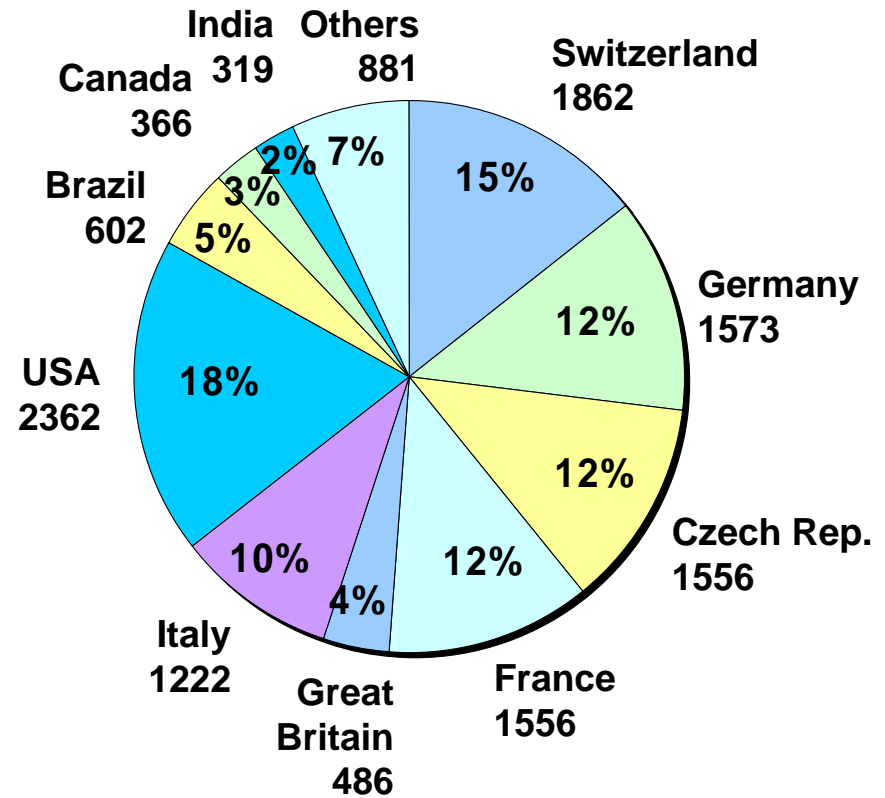


First Half Year



2003: 13 355
(as of June 30)

incl. JV Rieter Saifa: 306



2002: 12 785
(as of June 30)

Textile Systems



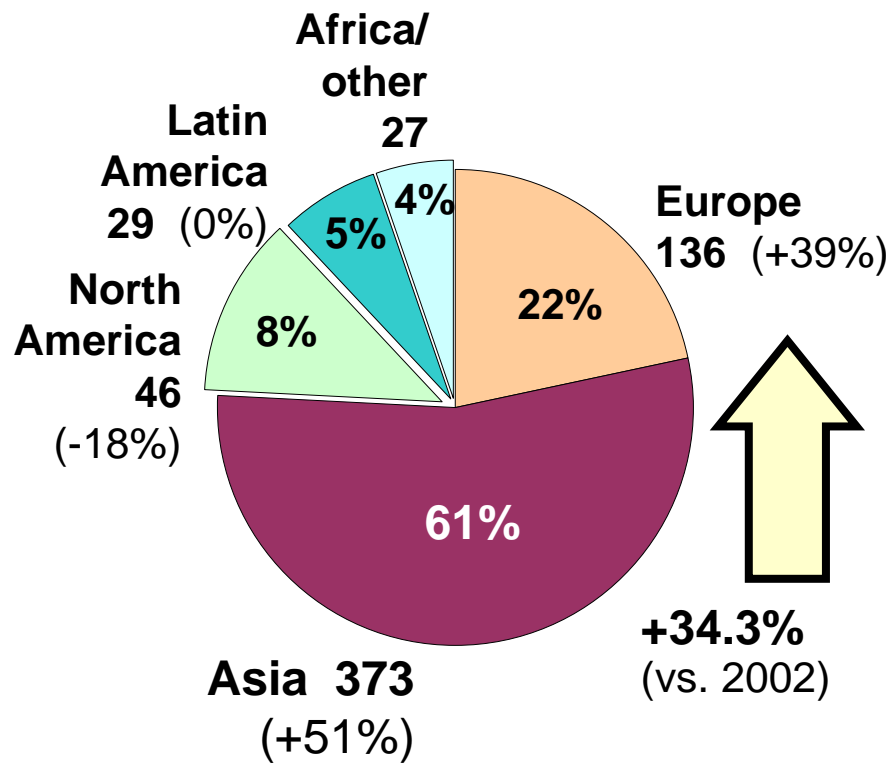
mio CHF	1-6 2003	Change vs. 1-6/2002 in %	
Orders	544.3	-11	<ul style="list-style-type: none"> • Orders down 11% with upward trend in 2nd quarter 2003
Sales	611.1	34.3	
EBITDA	80.3	84.2	
- in % of CO ¹	13.6		<ul style="list-style-type: none"> • Sales increase of 34.3% realized with almost same structure (employees)
EBIT	64.4	149	
- in % of CO ¹	10.9		<ul style="list-style-type: none"> • Continued strong operational performance
Capex	7.9	-21	
Depreciation	12.9	-9	
Employees	4 528	0	<ul style="list-style-type: none"> • Capex of 7.9 mio CHF only 10% of EBITDA
¹ Corporate Output:	591.0		

Textile Systems: Strong Sales Growth of 34.3%



First half year sales

Half year orders 1-6 2003 down by 11%

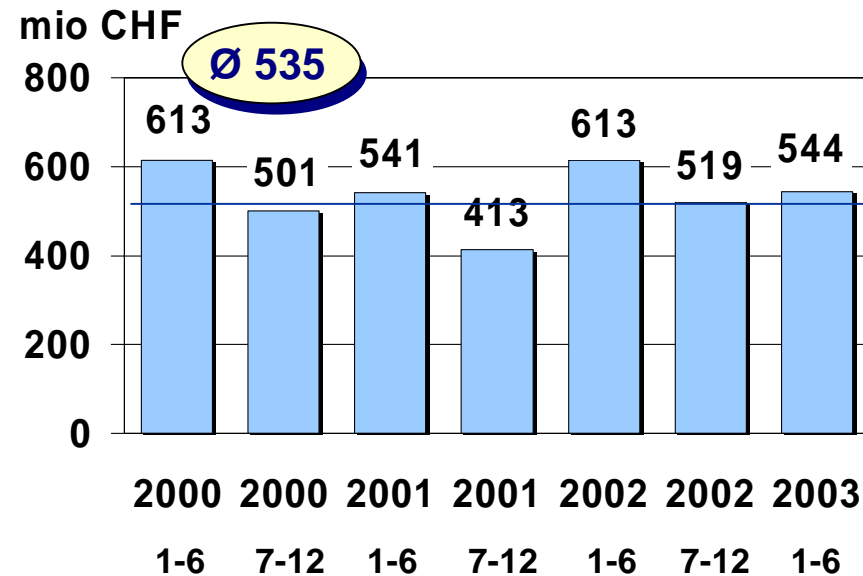


2003: 611 mio CHF

Regional importance of orders



- 1 Turkey
- 2 China
- 3 South/East Asia
- 4 Western Europe
- 5 North America



Automotive Systems



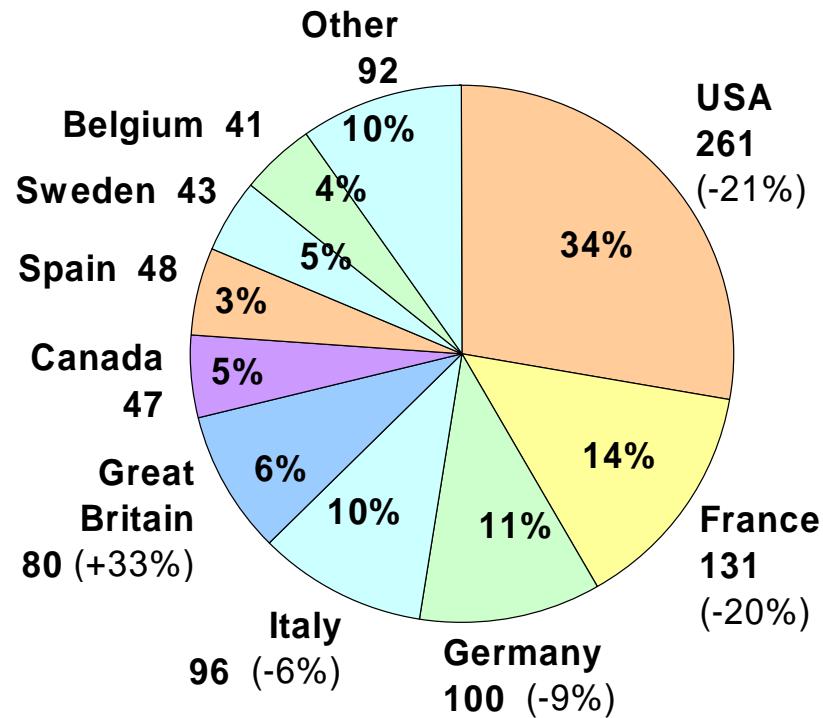
mio CHF	1-6 2003	Change vs. 1-6/2002 in %
Sales	939.2	-4
EBITDA	85.2	-22
- in % of CO ¹	9.2	
EBIT	40.3	-39
- in % of CO ¹	4.4	
Capex	42.4	-6
Depreciation	43.2	3
Employees	8701	7

- Sales in local currencies flat against a market drop of 3% in main markets
- JV Rieter Saifa adds 35.1 mio CHF to sales
- EBITDA margin down to 9.2%, but still above peer levels
- 2 new North American plants and lower capacity use in most markets cause lower margins
- 306 additional employees from Rieter Saifa

¹ Corporate Output:

925.8

First Half Year Sales



2003: 939 mio CHF ↓ **-4%**

(in local currencies) ↑ **(+4%)**

Car Production

First half year

in 1'000 units	1-6 2003	vs. 1-6 2002
Western Europe	7613	-2.0%
North America	8294	-3.9%

Forecast full year 2002

in mio units	2003 forecast	% change vs 2002
Western Europe	16.1	-2.4%
North America	15.8	-3.6%
Eastern Europe	3.1	7.0%
Latin America	1.9	0.0%

Key Data per Share



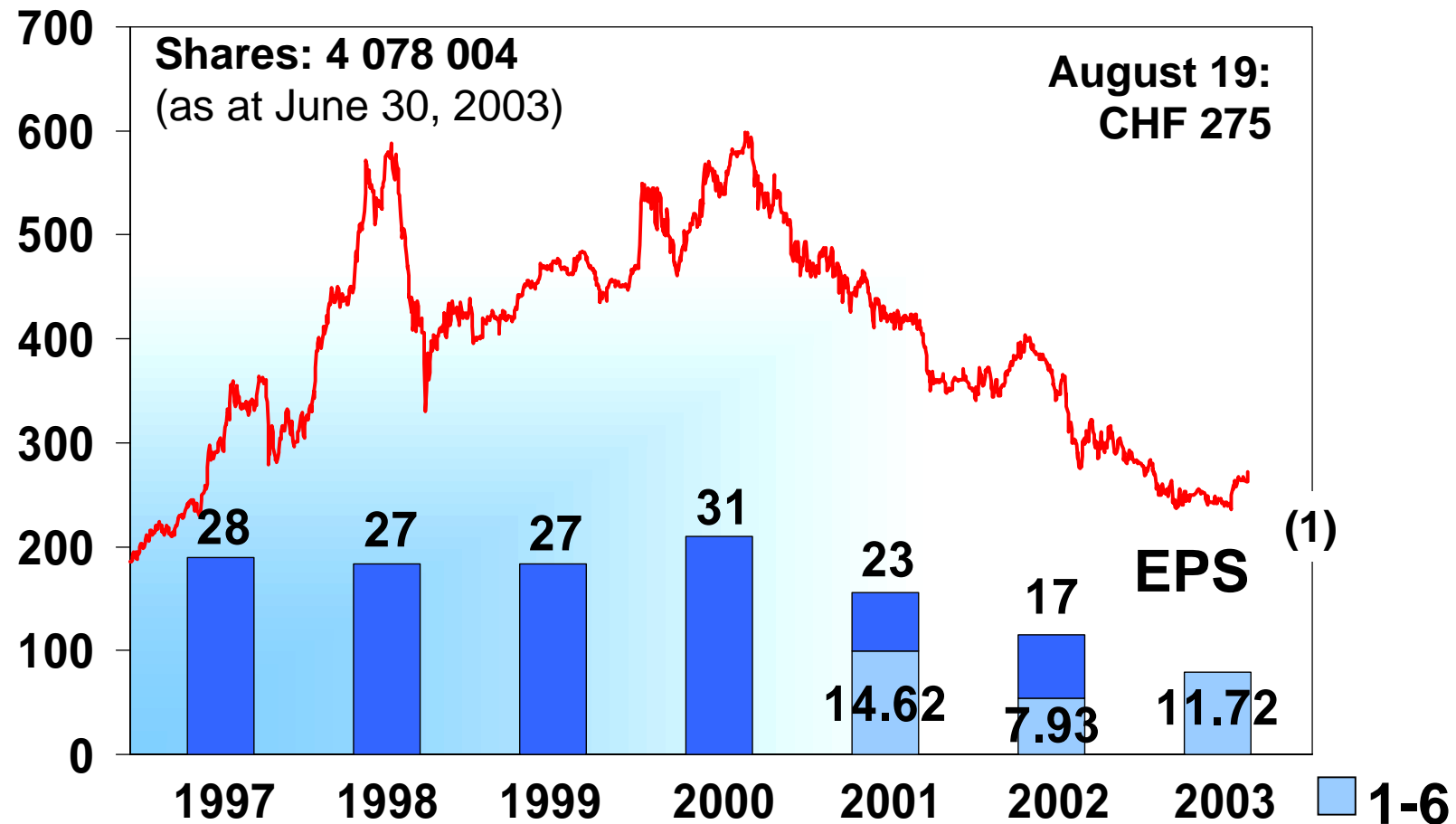
Rieter registered shares of 5 CHF nominal value Bloomberg: RIEN, Reuters: RITZn		30.6.2003	30.6.2002	Change in %
Shares outstanding with dividend rights (per June 30)		4 078 004 ¹	4 090 093	-0.3
Average shares (of period)		4 068 295	4 072 075	-0.1
Earnings per share after minorities	CHF	11.72	7.93	47.8
Cash flow per share after minorities	CHF	26.87	23.40	14.8
Share price (high/low)	CHF	284/237	406/333	

¹ Rieter Holding Ltd. acquired in July 2003 220 000 additional shares.

Price Rieter Registered Shares/ Earnings per Share



Rieter share price in CHF



(1) July 2003: Rieter has announced to buy back Rieter shares in the max amount of 50 mio CHF till annual shareholder meeting 2004.

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