

# Rieter Group

## Presentation

by

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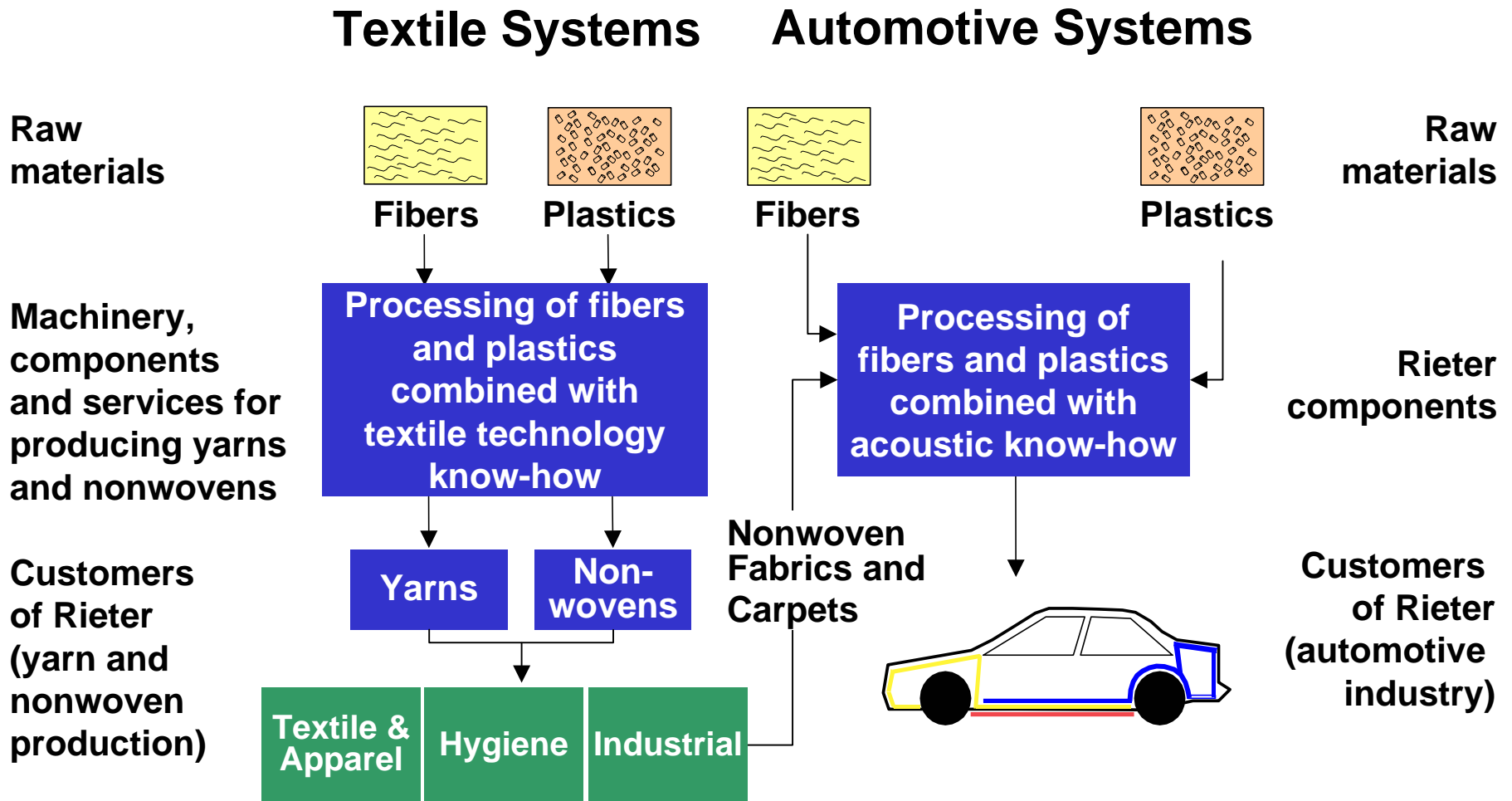
# Highlights in the First Half of 2004

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- **Orders +12%**
  - good growth momentum in both divisions
- **Sales +5%**
  - sales increase at Automotive Systems
  - lower volume at Textile Systems in 1st semester
- **EBIT +3%**
  - improvements at Automotive Systems
  - very good EBIT margin at Textile Systems
- **Net profit +27%**
  - improved financial result
- **Cash flow +17%**
  - strong Free Cash flow
- **EPS +29%**
  - share buy-back completed

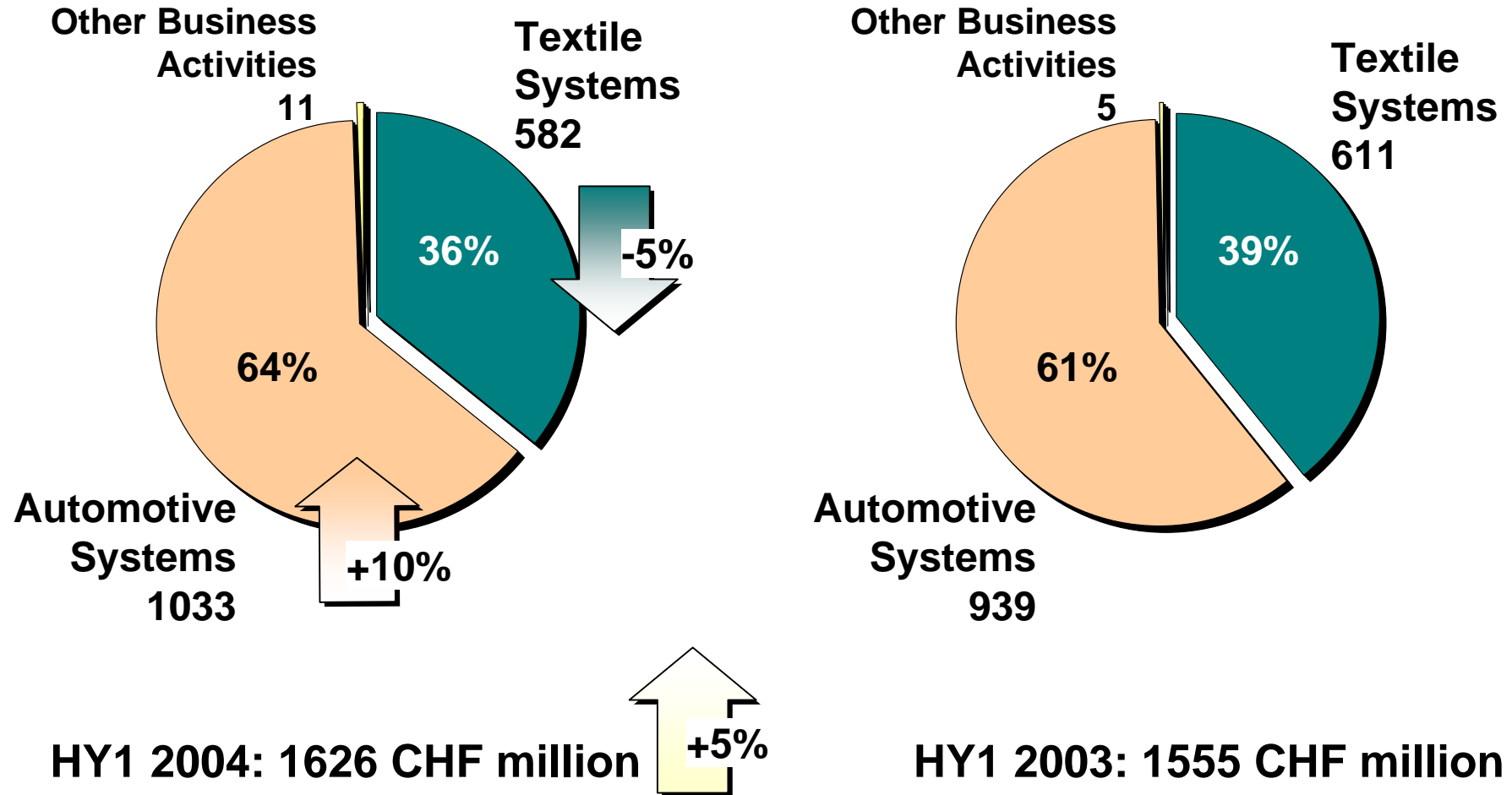
# Manufacturing and Processing of Fibers and Plastics



# 5% Sales Growth Driven by Automotive Systems



## First half year Sales



# Countries with highest Sales in 2003 / HY1 2004



(in CHF million) **2003**      **HY1 (Ranking HY1)**

<b>1. USA</b>	<b>578</b>	<b>252</b>	<b>(1)</b>
<b>2. Turkey</b>	<b>300</b>	<b>126</b>	<b>(5)</b>
<b>3. France</b>	<b>270*</b>	<b>164</b>	<b>(2)</b>
<b>4. China</b>	<b>253</b>	<b>154</b>	<b>(3)</b>
<b>5. Germany</b>	<b>247</b>	<b>127</b>	<b>(4)</b>
<b>6. Italy</b>	<b>238</b>	<b>117</b>	<b>(6)</b>
<b>7. UK</b>	<b>164</b>	<b>102</b>	<b>(7)</b>
<b>8. Spain</b>	<b>126</b>	<b>52</b>	<b>(11)</b>
<b>9. Canada</b>	<b>118</b>	<b>83</b>	<b>(8)</b>
<b>10. Sweden</b>	<b>91</b>	<b>61</b>	<b>(9)</b>
<b>Total</b>	<b>2385</b>	<b>1626</b>	

**Sales Europe: 47%**  
**Sales EU: 42%**  
**Sales Nafta: 22%**

**90% of sales are reached  
in 20 countries, thereof**

- **13 industrial countries**
- **7 newly industrialized countries**

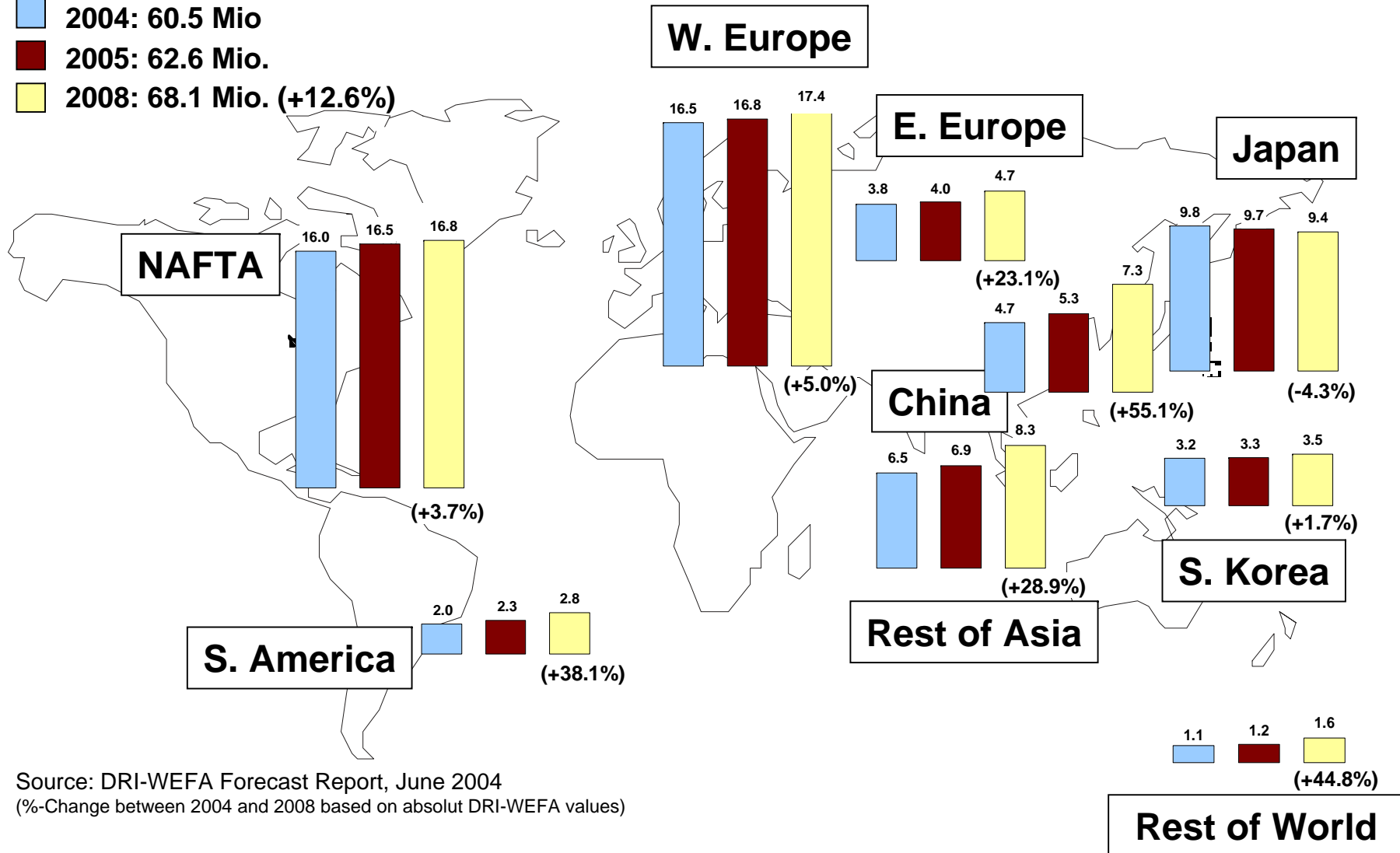
\* CHF 260 Mio Automotive, 10 Mio Textile

# Global Light Vehicle Production (2004-208)



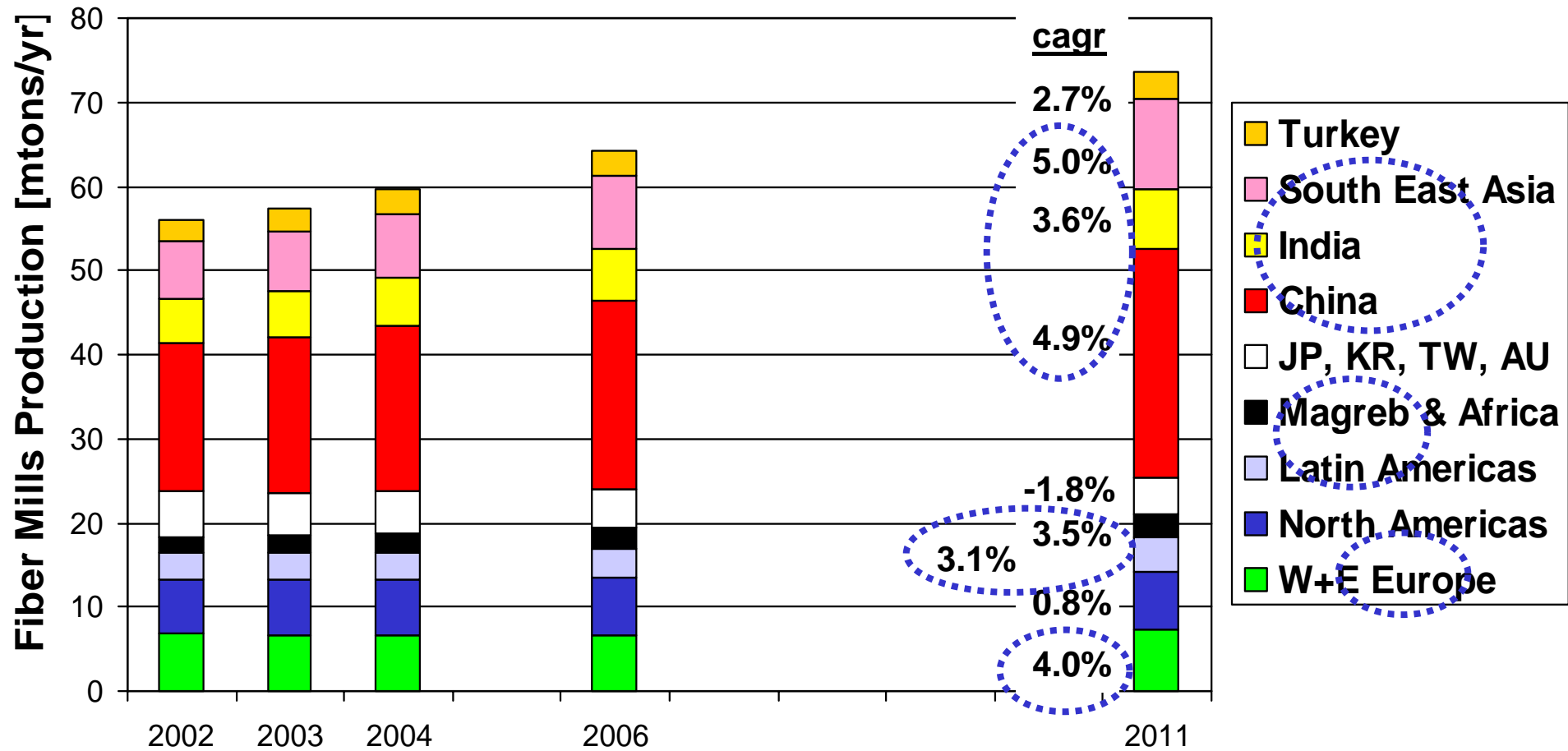
## World Production

- 2004: 60.5 Mio
- 2005: 62.6 Mio.
- 2008: 68.1 Mio. (+12.6%)



Source: DRI-WEFA Forecast Report, June 2004  
 (%-Change between 2004 and 2008 based on absolut DRI-WEFA values)

# Fibers Market – World growth 2003 - 2011 >3.2% p.a.



Source: PCI

**Expansion of the automotive business with the following priorities:**

- **Organic growth through innovative products**

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- **Good cost position through permanent productivity enhancement and exploitation of low-cost locations**

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- **External growth only in order to close strategic gaps (regional, product, know-how)**



**Highly profitable, highly flexible textile machinery business with the following priorities:**

- **Expansion of the component business**

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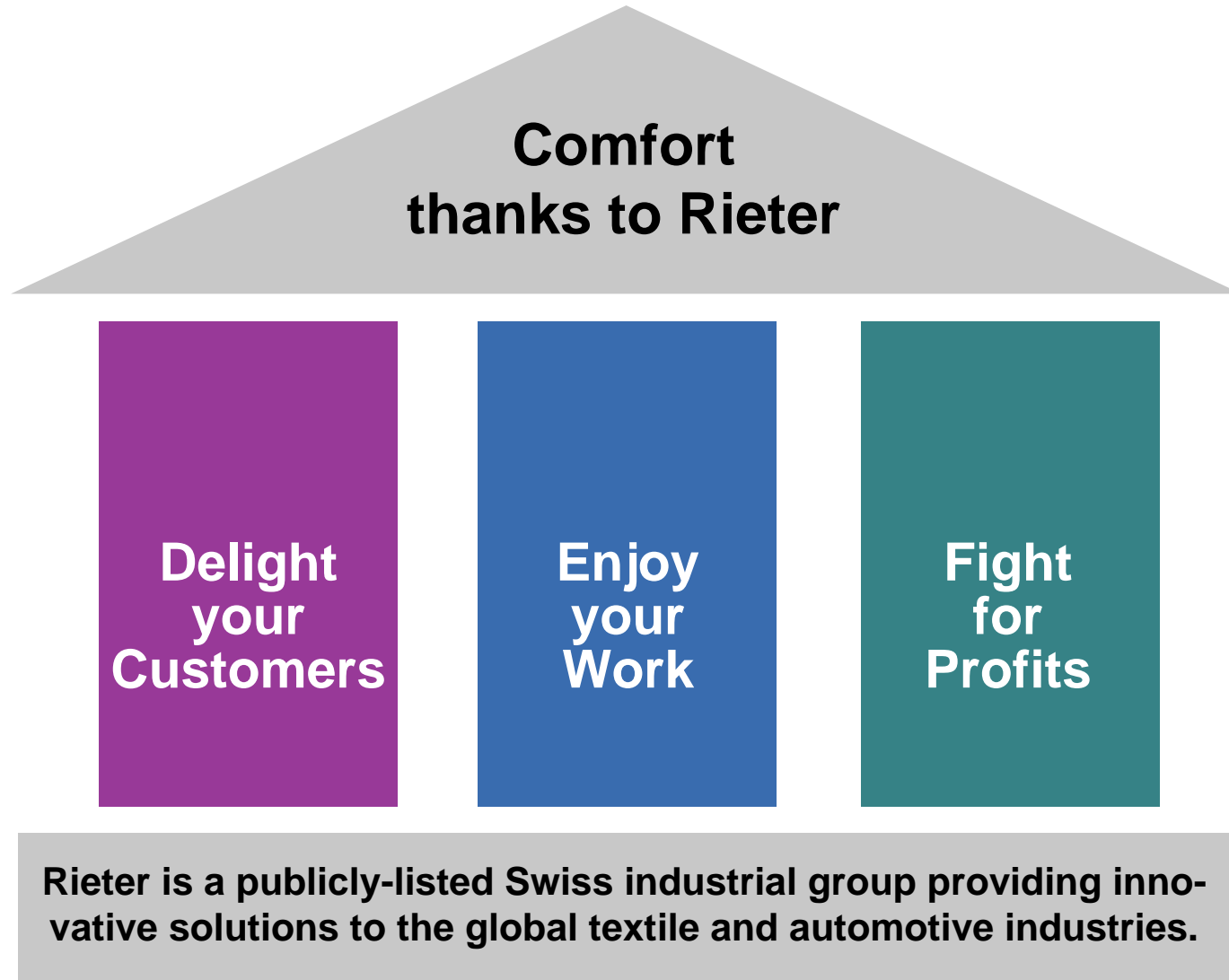
- **Reinforcement of the nonwovens business**

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- **Improvement in the man-made fiber business**

- **2004 sales above 2003 levels**
  - maintained sales momentum at Automotive Systems
  - Textile Systems with strong order intake but some delays in deliveries
- **Further EBIT increase**
  - operational improvement at Automotive Systems
  - continued good margins at Textile Systems despite higher raw material prices and delayed deliveries
- **Higher Net profit and strong Cash flows**

- **Further profitable growth**
  - dual strategy
  - innovative products and services
  - global presence with good customer relations
  - motivated workforce and management teams



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