

2008 Orders Received & Sales

January 30, 2009

Urs Leinhäuser, Chief Financial Officer

- **Orders received dropped by 37% to 2'561.6 million CHF mainly because of the sharp decline at Textile Systems**
- **Sales declined by 20% to 3'142.5 million CHF**
- **Both divisions succeeded in defending their leading market position**
- **Rieter has responded early and quickly to the market-related volume declines and has launched a comprehensive set of measures**

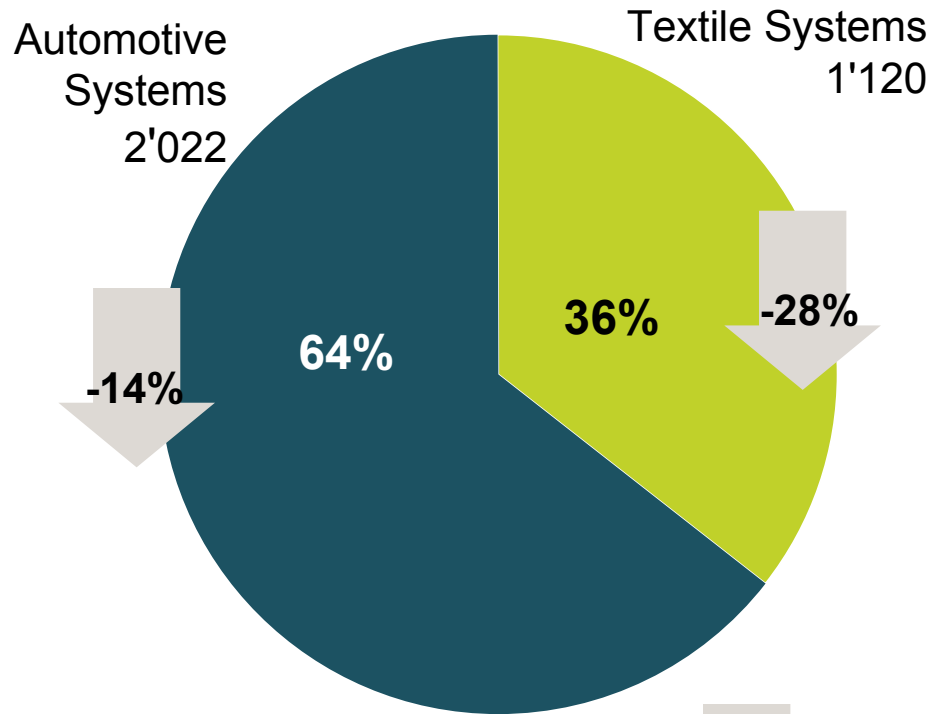
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Rieter Group: Sales by Division

in million CHF



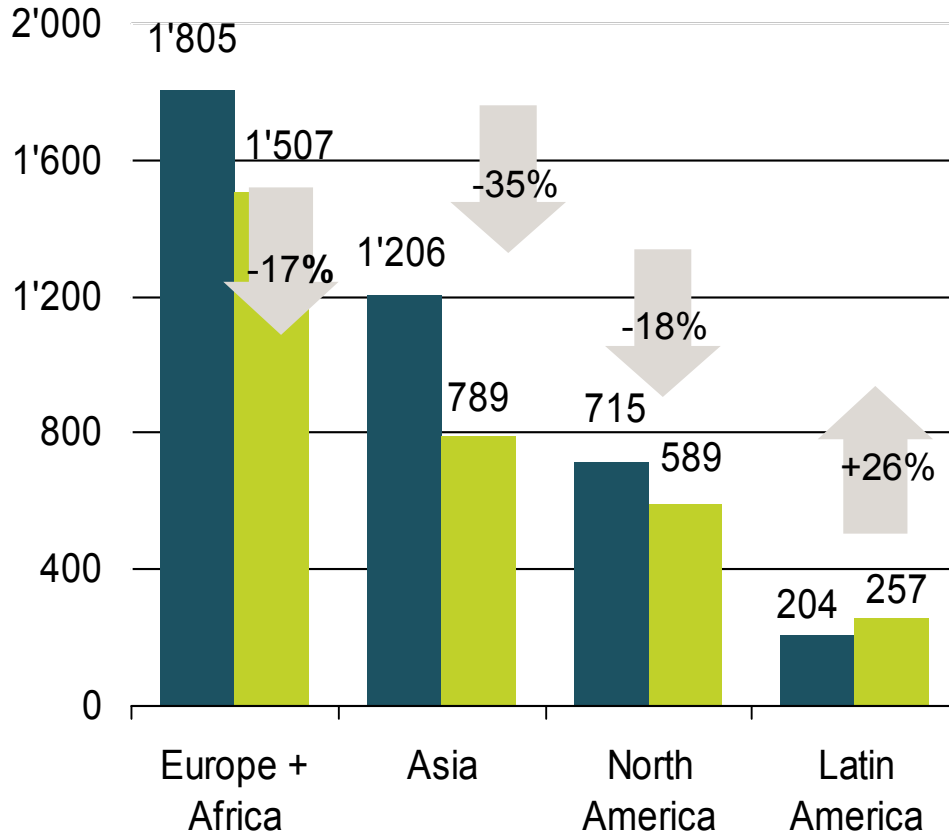
2008: 3'142.5 million CHF -20%

- Rieter succeeded in maintaining its market position
- Textile sales declined due to low order intake and delayed projects
- After years of constant growth Automotive sales in HY2 hit by economic crisis

Rieter Group: Sales by Geographical Region



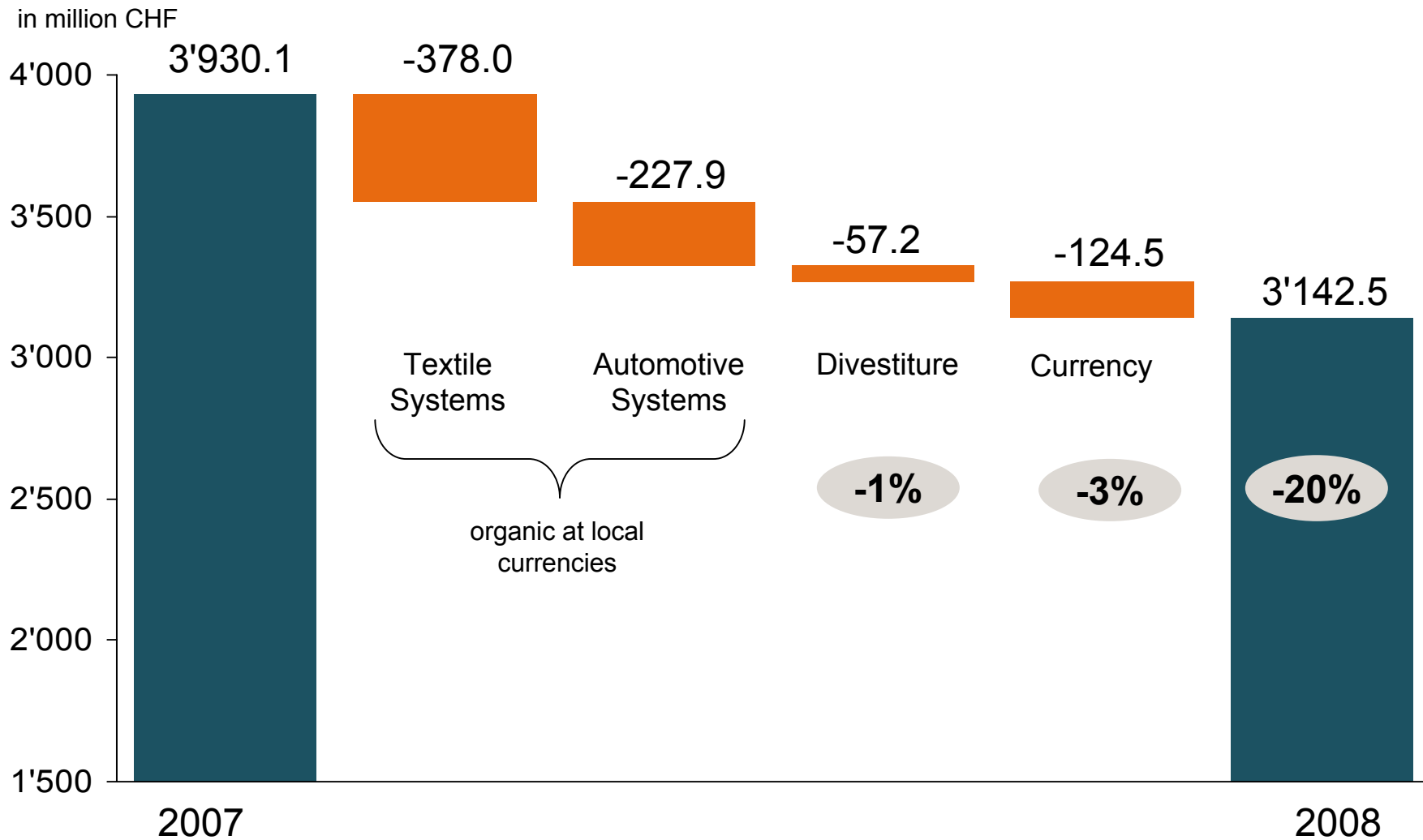
in million CHF



- Strong worldwide presence
- Steep growth in Latin America mainly due to Textile Systems sales in Brazil
- All other regions suffered from worldwide recession
- Rieter maintained market position in all regions

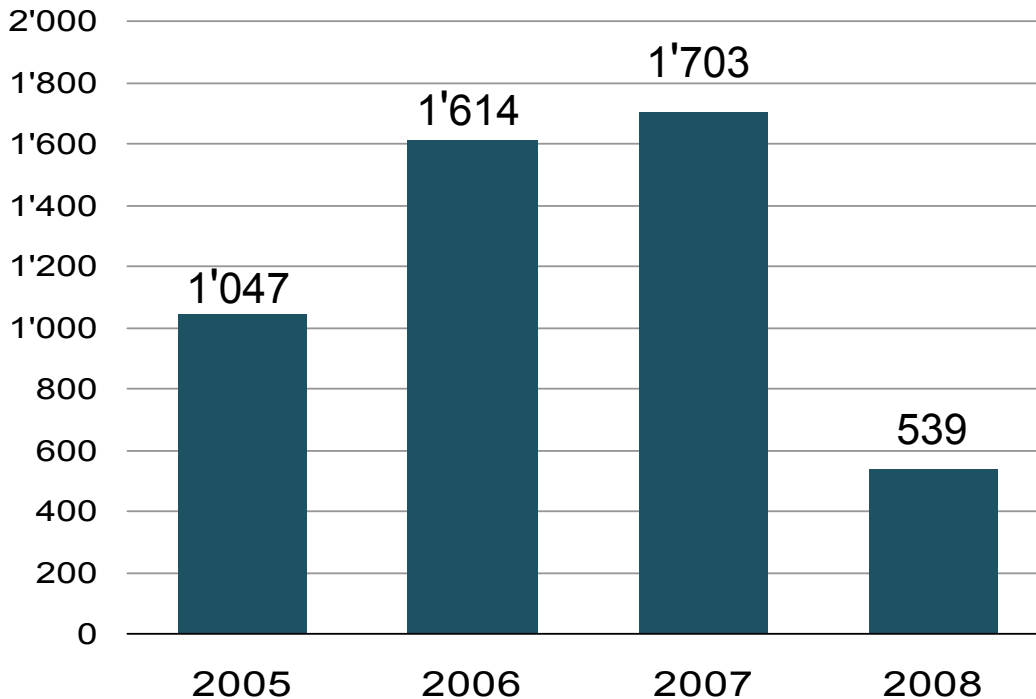
2008: 3'142.5 million CHF -20%

Rieter Group: Sales Development



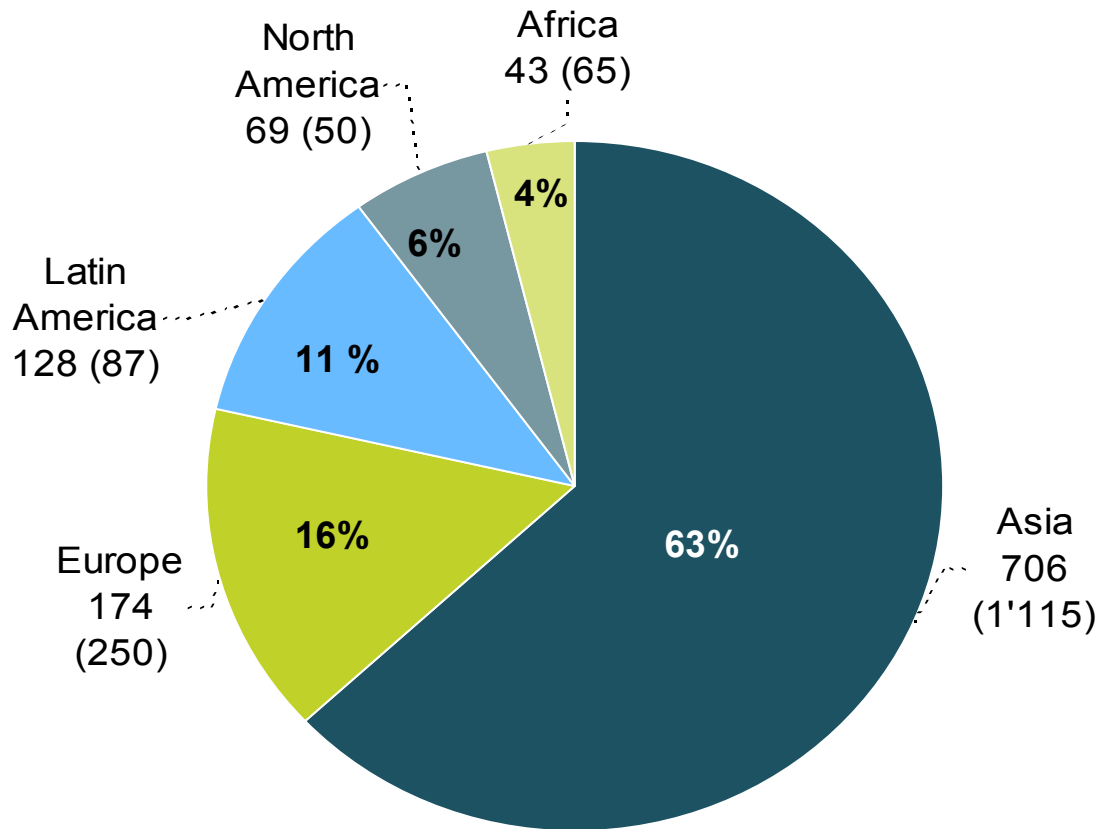
Textile Systems: Orders Received

in million CHF



- Downsizing due to structural and cyclical reasons
- Orders for staple fiber machines substantially lower since March 2008
- Less pronounced decline in the technology components sector
- Highest demand from China and some smaller markets like Kazaksthan, Bangladesh, Mexiko

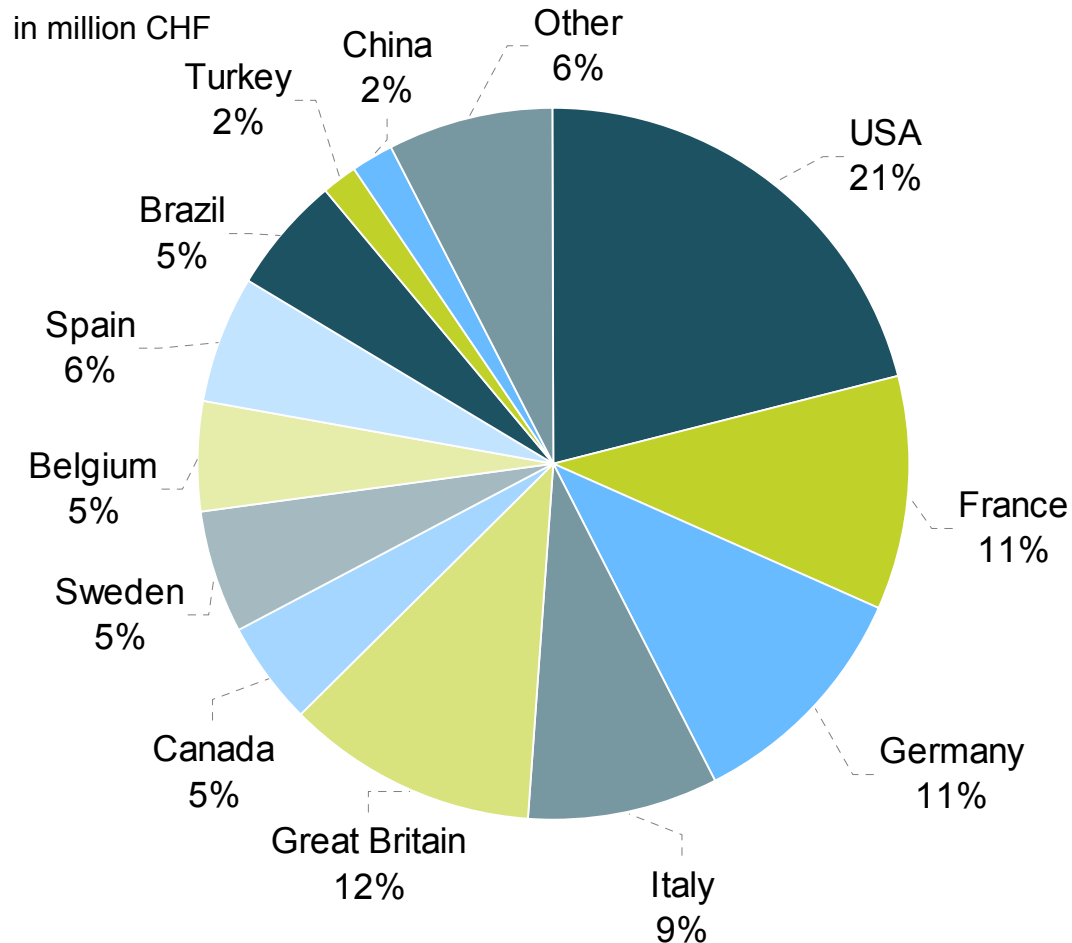
Textile Systems: Sales by Geographical Region



- Asia (incl. Turkey) generated 63% of sales (71% in 2007). Sales in Asia declined by 37%.
- Strongest sales to India, China and Brazil
- Sales growth in Latin and North America due to large rotor and nonwoven deliveries
- Air-jet spinning successful with first customers
- Market position maintained

2008: 1'120.4 million CHF -28%

Automotive Systems: Sales by Country



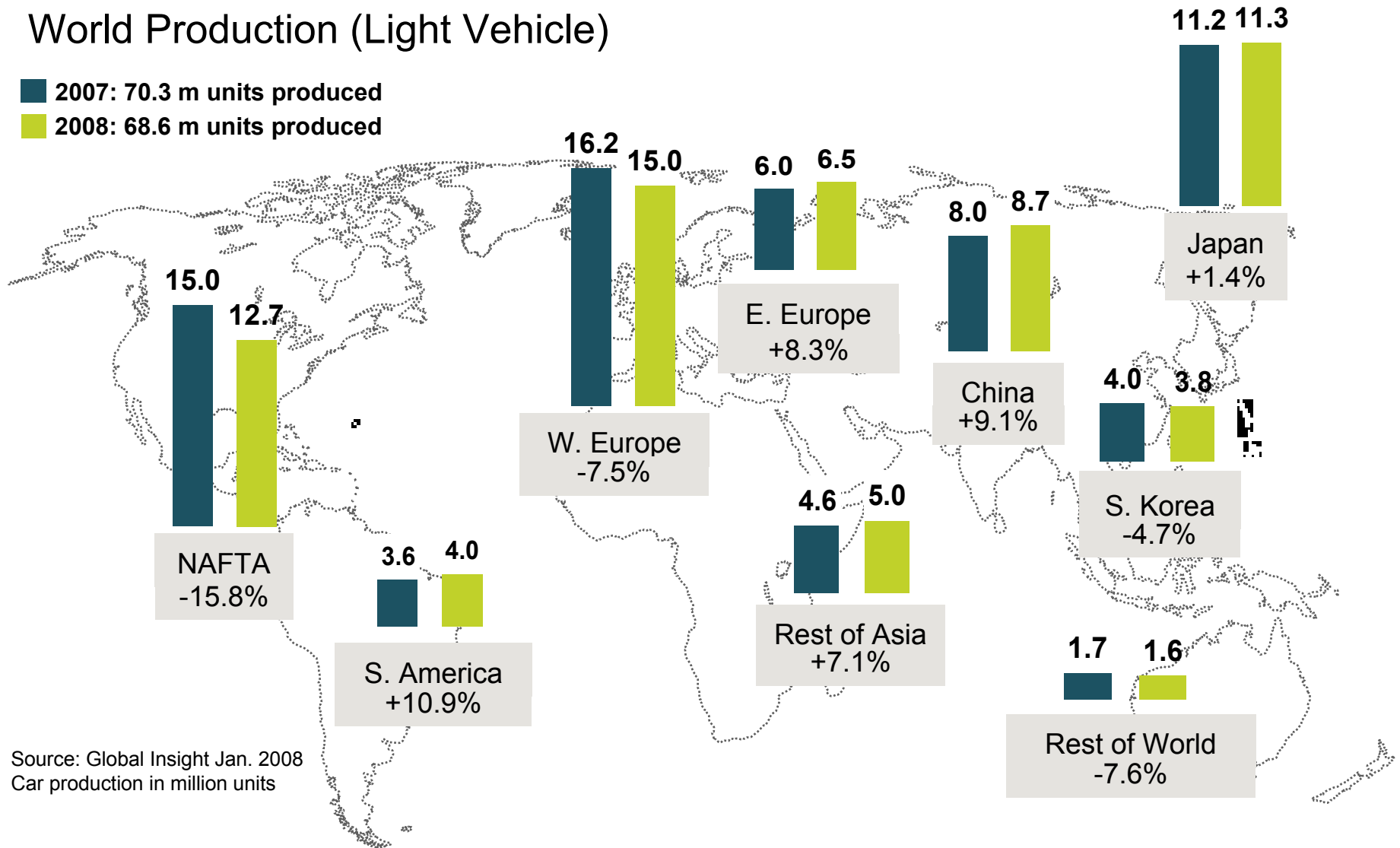
2008: 2'022.1 million CHF -14%

- Growth development of past five years stopped. Lower sales in all regions, except Latin America
- In local currencies sales are 10% lower than in the previous year
- Supply of first components based on the newly developed Rieter Ultra Silent technology
- Rieter maintained market position in all regions

Global Light Vehicle Production (2008 vs. 2007)

World Production (Light Vehicle)

■ 2007: 70.3 m units produced
■ 2008: 68.6 m units produced



Source: Global Insight Jan. 2008
Car production in million units

Measures Implemented and Outlook for 08 results (1/2)



Early and quick response to the looming economic crisis and the market-related decline in volume

- Launch of restructuring and cost-adjustment program (announced in Aug. 08)
- Workforce reductions by 15% in 2008; short-time work at many locations
- Almost all expansion projects in both divisions stopped or postponed
- Reduction of CAPEX budgets and net working capital

Measures implemented and outlook for 08 results (2/2)



Outlook for 2008 results

- Slightly positive operating result before special charges, interest and taxes in 2008
- Restructuring program launched in August 2008 will lead to special charges of some 250 million CHF
- Impairment charges on goodwill amounting to some 100 million CHF
- Disruption to the financial markets will have a marked impact on financial results and thus also on group results

The Rieter Group's final results for 2008 will be published at the annual results conference scheduled for March 24, 2009, in Winterthur.

Key Data per Share



| Rieter registered shares of 5 CHF nominal value Bloomberg: RIEN; Reuters: RITZn | 31.12.2008 | 30.6.2008 | 31.12.2007 |
|---|-------------------|-----------|------------|
| Shares outstanding excl. own shares (end of period) | 3'806'313 | 3'827'766 | 3'931'432 |
| Average shares (of period) | 3'822'929 | 3'836'889 | 4'092'265 |
| Share price (high/low) CHF | 505/151 | 505/325 | 717/478 |
| Market capitalization (end of period) million CHF | 651 | 1'276 | 1'966 |

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