

Press Release / Internet News

Winterthur, June 18, 2012 . Page 1/2

Rieter Holding Ltd.
Klosterstrasse 32
P.O. Box
CH-8406 Winterthur
T +41 52 208 71 71
F +41 52 208 71 00
www.rieter.com**Rieter inaugurates first part of new production plant in China**

On June 18, 2012 the first part of the new Rieter production plant in Changzhou, Jiangsu province, was officially opened at an inauguration ceremony attended by high-ranking politicians and representatives of the textile industry in China and Switzerland. The commissioning of this plant is a decisive step in corporate development for Rieter, who will now be able to serve customers in the key market of China even better than before.

Rieter's long tradition of trading relations with China dates back to 1940, when Chinese spinning mill customers purchased their first Rieter machines. In the 1990s Rieter established presence in China with a joint-venture assembly plant, and in 2000 opened its own production plant in Changzhou. Since then Rieter has successively expanded in China with substantially investments in market-specific product development, sales and distribution, local customer services and local manufacturing.

The factory building now opened at this new Rieter plant, the second in Changzhou, is already fully operative. It will enable Rieter to meet customer needs in China significantly more comprehensively. After the successive commissioning of further production buildings, completion of the entire plant is scheduled for the end of 2013. By expanding activities in China, Rieter is following up the strategic goal of stronger growth particularly in local markets. Today Rieter has already established a localized product offering in China that includes a semi-automatic rotor spinning machine, draw frame and combing machines, carding and blowroom machines. To this purpose Rieter is not only expanding production capacities, but also planning production of additional ring spinning machines. By the end of 2013 Rieter aims to offer two localized final spinning processes in China including all preparation stages.

Changzhou will therefore play a key role in Rieter's global production network.

In his speech at the inauguration ceremony, Erwin Stoller, Chairman of the Rieter Board, said "We are very proud to present this new production plant to you today. It not only follows up our principles of operational excellence, but also sets us new benchmarks. I have got to know our Chinese colleagues here in Changzhou as highly innovative and future-oriented, and I heartily thank them for their enormous commitment."

About Spun Yarn Systems

Rieter is the leading supplier of installations for manufacturing yarns from short staple fibers.

Rieter is a competent partner, dedicated to making customers' lives easier by offering care and support from the initial investment discussions to the successful operation of a spinning mill.

Rieter's comprehensive know-how from fiber through yarn to the finished textiles provides the basis for innovative machines and consistent yarn quality. Rieter is the only leading system supplier, which offers a comprehensive, independent and objective advice covering all 4 spinning systems.

About Rieter

Rieter is a leading supplier on the world market for textile machinery and components used in short staple fiber spinning. Based in Winterthur (Switzerland), the company develops and manufactures systems, machinery and technology components used to convert natural and manmade fibers and their blends into yarns. Rieter is the only supplier worldwide to cover spinning preparation processes as well as all four final spinning processes currently established on the market. With 18 manufacturing locations in 9 countries, the company employs a global workforce of some 4 700, about 28 % of whom are based in Switzerland. Rieter is listed on the SIX Swiss Exchange with ticker symbol RIEN. (www.rieter.com)

Number of words: 620

For further information please contact:

Rieter Holding Ltd.

Investor Relations

Joris Gröflin

Chief Financial Officer

Phone: +41 52 208 70 15

Fax: +41 52 208 70 60

Rieter Management Ltd.

Media Relations

Barbara Rösch

Corporate Communications

Phone: +41 52 208 70 32

Fax: +41 52 208 70 60

Pictures



Rieter Changzhou Plant 2 – Overview

<https://go.picturepark.com/m.cfm/54/10029/d3e906cd-0528-4bfd-a109-77ddaf8a5dba/14520>



Rieter Changzhou Plant 2 - North Entrance

<https://go.picturepark.com/m.cfm/54/10025/d52bef7d-3788-49c7-956b-58ac800709dd/14516>



Rieter Changzhou Plant 2 - Offices and Canteen

<https://go.picturepark.com/m.cfm/54/10026/f9023834-c496-4d82-aa05-13dbb9bc3f6e/14517>



Rieter Changzhou Plant 2 - Draw Frame Assembly Line

<https://go.picturepark.com/m.cfm/54/10027/42323477-52a1-4420-aea9-c0958d0cc31f/14518>



Rieter Changzhou Plant 2 - Rotor Spinning Machine Assembly Line

<https://go.picturepark.com/m.cfm/54/10028/54a2b13f-baff-4bb9-9648-ef5f0d693416/14519>