



# Investor Update 2019

- Media and Investor Presentation, October 29, 2019
- Dr. Norbert Klapper, Group CEO
- Kurt Ledermann, Group CFO

# Key Messages

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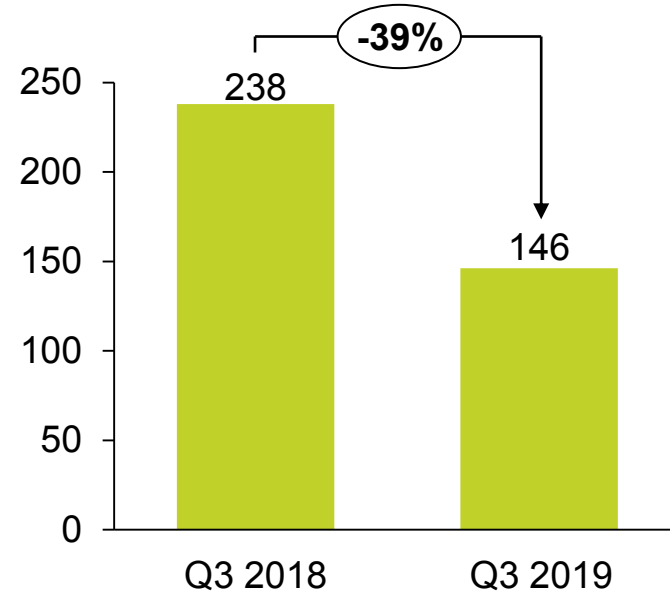
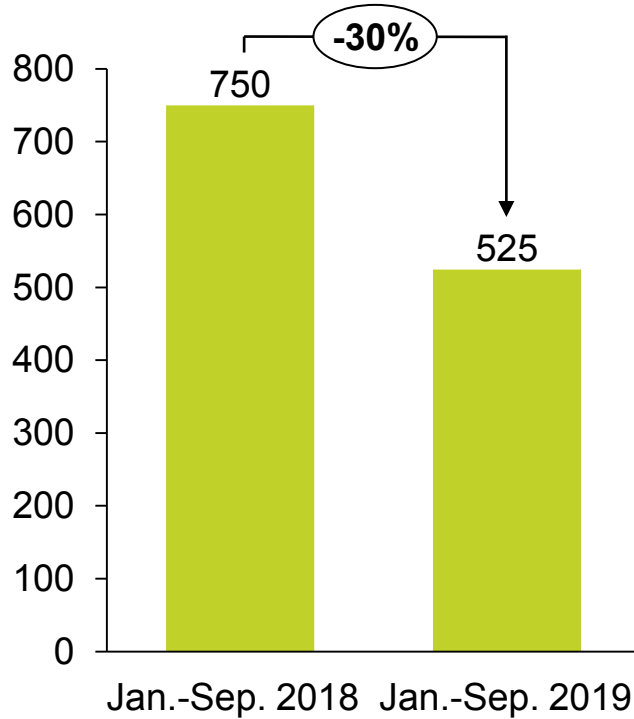


- Order intake of CHF 524.5 million after nine months
- Order intake for a major project from Egypt booked in October 2019
- Market situation remains challenging
- Real estate sale in Ingolstadt successfully completed
- Outlook 2019

# Order Intake Third



(CHF million)



# Order Intake for a Major Project from Egypt Booked

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- Order intake for the first six projects of around CHF 165 million was booked upon receipt of the down payment on October 7, 2019
- This amount is thus not included in the figures for the third quarter of 2019 and will positively affect the fourth quarter
- Sales anticipated to be realized in the 2020/2021 financial years
- Order includes deliveries of compact and ring spinning systems and it is part of a comprehensive modernization program for the Egyptian textile industry

# Market Situation Remains Challenging

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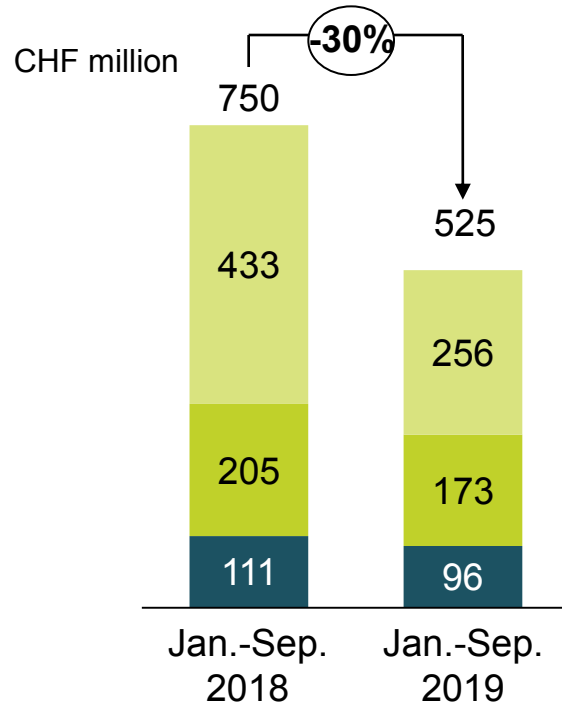
- In the third quarter of 2019, demand for new machinery remained at a low level
- Primary reasons for the customers' reluctance to invest were overcapacity in the spinning mills, the trade conflict between the USA and China, and political and economic uncertainties in other regions of importance to Rieter
- Rieter's market share continues to be at the level of around 30%

# Real Estate Sale in Ingolstadt Successfully Completed

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- Real estate sale in Ingolstadt (Germany) to GERCHGROUP AG of Düsseldorf (Germany) on September 13, 2019, completed
- Non-recurring profit contribution on a net profit level of around EUR 60 million from this transaction expected

# Order Intake by Business Group – Nine Months



- **Machines & Systems** with CHF 255.8 million order intake (-41%), all regions effected by this drop – except for Pakistan and Latin America
- **Components** with CHF 172.9 million order intake (-16%), all regions effected – except for Turkey. Challenging market situation has negative impact on business activities of SSM and Suessen; wear and tear parts business continues at a normal level
- **After Sales** with CHF 95.8 million order intake (-14%), all regions effected – except for Turkey, North and South America; due to lower volume in machinery business

■ Machines & Systems   ■ Components   ■ After Sales

# Outlook 2019

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Rieter estimates significantly lower sales for the year 2019 as a whole compared to 2018, and expects a significant drop in the result from the ongoing business.

EBIT and net profit are anticipated to be significantly above the levels of the previous year due to the non-recurring profit contribution from the sale of real estate in Ingolstadt (Germany).

The cost-cutting measures introduced have been implemented to a great extent.



# Financial Calendar

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Publication of sales 2019	January 29, 2020
Deadline for proposals regarding the agenda of the Annual General Meeting	February 22, 2020
Results press conference 2020	March 10, 2020
Annual General Meeting 2020	April 16, 2020

# Disclaimer

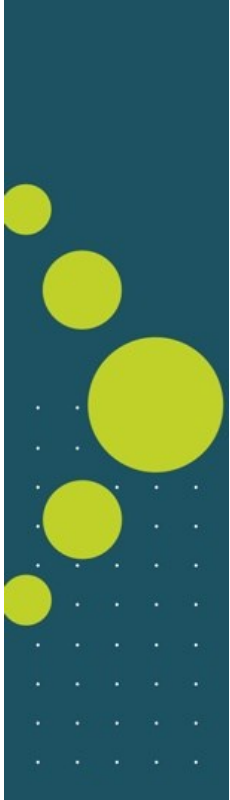
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# Order Intake by Business Group



CHF million	Jan.-Sep. 2019	Jan.-Sep. 2018	Change	Change in local currency
<b>Rieter</b>	<b>524.5</b>	749.8	-30%	-30%
Machines & Systems	<b>255.8</b>	433.4	-41%	-41%
Components	<b>172.9</b>	205.1	-16%	-15%
After Sales	<b>95.8</b>	111.3	-14%	-14%