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Halbjahresbericht

21

KENNZAHLEN

Mio. CHF	Januar – Juni 2021	Januar – Juni 2020	Veränderung
Rieter			
Bestellungseingang	975.3	250.7	289%
Umsatz	400.5	254.9	57%
Betriebsergebnis vor Zinsen, Steuern, Abschreibungen und Amortisationen (EBITDA)	27.1	-36.1	
• in % des Umsatzes	6.8%	-14.2%	
EBIT vor Restrukturierungsaufwendungen	9.7	-46.9	
• in % des Umsatzes	2.4%	-18.4%	
EBIT	9.0	-55.0	
• in % des Umsatzes	2.2%	-21.6%	
Reingewinn	5.3	-54.4	
• in % des Umsatzes	1.3%	-21.3%	
Unverwässerter Gewinn pro Aktie (CHF)	1.19	-12.11	
Investitionen in Sachanlagen und immaterielle Anlagen	10.1	13.7	
Free Cashflow	53.2	-95.4	
Nettoliiquidität am Ende der Berichtsperiode	98.8	36.0	
Eigenkapital in % der Bilanzsumme am Ende der Berichtsperiode	35.3%	37.9%	
Personalbestand (ohne Temporäre) am Ende der Berichtsperiode	4 385	4 573	
Geschäftsbereich Machines & Systems			
Bestellungseingang	714.8	129.2	453%
Umsatz	218.9	119.9	83%
EBIT vor Restrukturierungsaufwendungen	-12.2	-39.9	
• in % des Umsatzes	-5.6%	-33.3%	
EBIT	-12.2	-40.8	
• in % des Umsatzes	-5.6%	-34.0%	
Geschäftsbereich Components			
Bestellungseingang	154.9	76.7	102%
Umsatz	112.4	87.7	28%
Total Segmentumsatz	154.1	113.1	36%
EBIT vor Restrukturierungsaufwendungen	13.4	-1.6	
• in % des Segmentumsatzes	8.7%	-1.4%	
EBIT	13.4	-8.7	
• in % des Segmentumsatzes	8.7%	-7.7%	
Geschäftsbereich After Sales			
Bestellungseingang	105.6	44.8	136%
Umsatz	69.2	47.3	46%
EBIT vor Restrukturierungsaufwendungen	9.8	-5.2	
• in % des Umsatzes	14.2%	-11.0%	
EBIT	9.1	-5.1	
• in % des Umsatzes	13.2%	-10.8%	

Alternative Performancekennzahlen (APM)

Die Definitionen zu den verwendeten APM sind im Geschäftsbericht 2020 enthalten.

Halbjahresbericht 2021

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Bernhard Jucker
Präsident des Verwaltungsrats

Dr. Norbert Klapper
Chief Executive Officer

ERSTES HALBJAHR 2021

- Bestellungseingang von 975.3 Mio. CHF
- Umsatz von 400.5 Mio. CHF
- EBIT von 9.0 Mio. CHF und Reingewinn von 5.3 Mio. CHF
- Strategieumsetzung und Krisenmanagement
- Ausblick

SEHR GEEHRTE AKTIONÄRIN, SEHR GEEHRTER AKTIONÄR

Rieter verbuchte einen Bestellungseingang von 975.3 Mio. CHF, was einem Zuwachs von 289% gegenüber der Vorjahresperiode entspricht (1. Halbjahr 2020: 250.7 Mio. CHF). Der Aufschwung ist global breit abgestützt und beruht einerseits auf einem Nachhol-effekt in Bezug auf die Jahre 2019 und 2020 und andererseits auf einer regionalen Verschiebung der Nachfrage. Rieter profitiert dabei vom innovativen Produktportfolio und der globalen Aufstellung des Unternehmens. Der höchste Bestellungseingang konnte in der Türkei verzeichnet werden.

Das Unternehmen verfügte per 30. Juni 2021 über einen Bestellungenbestand von rund 1 135 Mio. CHF (30. Juni 2020: rund 490 Mio. CHF).

BESTELLUNGEINGANG GESCHÄFTSBEREICHE

Der Bestellungseingang im Geschäftsbereich **Ma-chines & Systems** lag bei 714.8 Mio. CHF (1. Halbjahr 2020: 129.2 Mio. CHF). Im Geschäftsbereich **Compo-nents** stieg er auf 154.9 Mio. CHF (1. Halbjahr 2020: 76.7 Mio. CHF) und im Geschäftsbereich **After Sales** auf 105.6 Mio. CHF (1. Halbjahr 2020: 44.8 Mio. CHF).

Wachstumstreiber im Maschinengeschäft war die Nachfrage nach innovativen Gesamtsystemen im Be-reich Ring- und Kompaktspinnen. Zu den Zuwächsen bei Components und After Sales trug die erfolgreiche Vermarktung der 2019 in den Markt eingeführten Kompaktiereinheiten und des Anspinnroboters ROBOspin bei.

Bestellungseingang Mio. CHF	Januar – Juni 2021	Januar – Juni 2020	Veränderung	Veränderung in Lokalwährung
Rieter	975.3	250.7	289%	290%
Machines & Systems	714.8	129.2	453%	454%
Components	154.9	76.7	102%	101%
After Sales	105.6	44.8	136%	140%
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Umsatz Mio. CHF				
Rieter	400.5	254.9	57%	58%
Machines & Systems	218.9	119.9	83%	83%
Components	112.4	87.7	28%	28%
After Sales	69.2	47.3	46%	50%

UMSATZ GESCHÄFTSBEREICHE

Der Rieter-Konzern verzeichnete einen Umsatz von 400.5 Mio. CHF (1. Halbjahr 2020: 254.9 Mio. CHF). Der Umsatz lag damit deutlich über der Vorjahresperiode, war aber erwartungsgemäss noch vom niedrigen Auftragseingang des Geschäftsjahres 2020 geprägt.

Im ersten Halbjahr 2021 realisierte der Geschäftsbereich **Machines & Systems** einen Umsatz von 218.9 Mio. CHF, was einer Steigerung von rund 83% gegenüber der Vorjahresperiode entspricht.

Der erhöhte Bedarf der gut ausgelasteten Spinnereien an Komponenten sowie Ersatz- und Verschleissteilen ist der Grund für die positive Entwicklung in den Geschäftsbereichen After Sales und Components. Im Geschäftsbereich **Components** stieg der Umsatz auf 112.4 Mio. CHF (+28%) und bei **After Sales** auf 69.2 Mio. CHF (+46%).

UMSATZ NACH REGIONEN

In den asiatischen Ländern verzeichnete Rieter in den

ersten sechs Monaten des Geschäftsjahres 2021 einen Umsatz von 137.0 Mio. CHF (+57%). In China stiegen die Umsätze um 85% auf 68.5 Mio. CHF aufgrund von Investitionen der Spinnereien in die Verbesserung ihrer Wettbewerbsfähigkeit. Die Markterholung in Indien führte zu einem deutlichen Zuwachs von 188% auf 51.0 Mio. CHF. Die Türkei verbesserte sich leicht auf 59.8 Mio. CHF (+17%). In der Region Nord- und Südamerika stiegen die Umsätze um 94% auf 59.8 Mio. CHF, getrieben von einer deutlich verstärkten Nachfrage in Lateinamerika.

EBIT, REINGEWINN UND FREE CASHFLOW

Rieter verbuchte im ersten Halbjahr 2021 auf Stufe EBIT einen Gewinn von 9.0 Mio. CHF und einen Reingewinn von 5.3 Mio. CHF. Dazu trug ein Einmaleffekt aus der Auflösung von Wertberichtigungen für im ersten Halbjahr 2021 ausgelieferte Maschinen bei. Der Free Cashflow lag bei 53.2 Mio. CHF, wesentlich beeinflusst durch den Zufluss von Kundenanzahlungen in Zusammenhang mit dem stark angestiegenen Bestellungseingang.

Umsatz nach Regionen Mio. CHF	Januar – Juni 2021	Januar – Juni 2020	Veränderung	Veränderung in Lokalwährung
Rieter	400.5	254.9	57%	58%
Asiatische Länder ¹	137.0	87.4	57%	57%
China	68.5	37.0	85%	81%
Indien	51.0	17.7	188%	197%
Türkei	59.8	51.1	17%	17%
Nord- und Südamerika	59.8	30.9	94%	99%
Europa	18.0	23.6	-24%	-25%
Afrika	6.4	7.2	-11%	-10%

¹ Ohne China, Indien und Türkei

STRATEGIEUMSETZUNG UND KRISENMANAGEMENT

Rieter hat in den letzten Jahren die Strategie mit den Eckpunkten Innovationsführerschaft, Stärkung des Geschäfts mit Komponenten, Ersatzteilen und Dienstleistungen sowie Anpassung der Kostenstrukturen konsequent umgesetzt.

Das Krisenmanagement im Pandemiejahr 2020 hatte neben dem Schutz der Mitarbeitenden, der Einhaltung der Zusagen gegenüber den Kunden sowie der Sicherstellung der Liquidität zum Ziel, die Marktposition für die Zeit nach der Pandemie zu stärken und die Fähigkeit zu erhalten, von der einsetzenden Markterholung zu profitieren.

Die Umsetzung der Strategie bleibt auch im Jahr 2021 im Fokus. Die Massnahmen des Krisenmanagements bezüglich des Schutzes der Mitarbeitenden und der Einhaltung von Zusagen gegenüber Kunden bleiben in den Ländern, die weiter von der Pandemie betroffen sind, in Kraft.

Der Rieter-Verwaltungsrat hat die Umsetzung des Projektes CAMPUS freigegeben. Der Rieter CAMPUS umfasst ein Kunden- und Technologiezentrum sowie ein Verwaltungsgebäude am Standort Winterthur. Er wird einen wichtigen Beitrag zur Umsetzung der Innovationsstrategie und zum Ausbau der Technologieführerschaft von Rieter leisten.

AUSBLICK

Wie bereits kommuniziert, war das erste Halbjahr 2021 von einer starken Markterholung in Kombination mit einer regionalen Verschiebung der Nachfrage nach neuen Maschinen und Anlagen geprägt. Für die kommenden Monate erwartet Rieter eine Normalisierung der Nachfrage nach neuen Anlagen. Das Unternehmen geht davon aus, dass die Auslastung der Spinnereien auf hohem Niveau verbleiben wird.

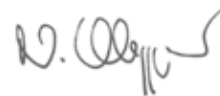
Für das Gesamtjahr rechnet Rieter mit einem Umsatz über 900 Mio. CHF.

Die Umsatzrealisierung aus dem Bestellsbestand bleibt in Zusammenhang mit Engpässen bei Materialzulieferungen und Frachtkapazitäten sowie der anhaltenden Pandemie in für Rieter wichtigen Ländern mit Risiken behaftet.

Winterthur, 15. Juli 2021



Bernhard Jucker
Präsident des
Verwaltungsrats



Dr. Norbert Klapper
Chief Executive Officer

FINANZKALENDER

Trading Update 2021	22. Oktober 2021
Publikation Umsätze 2021	26. Januar 2022
Frist für die Einreichung von Traktandierungsbegehren	18. Februar 2022
Bilanzmedienkonferenz 2022	9. März 2022
Generalversammlung 2022	7. April 2022

CONSOLIDATED INCOME STATEMENT

CHF million	Notes	January – June 2021	January – June 2020
Sales	(3, 4)	400.5	254.9
Cost of sales		-275.8	-190.9
Gross profit		124.7	64.0
Research and development expenses		-28.2	-27.8
Selling, general and administrative expenses		-97.5	-88.3
Other income ¹	(5)	13.9	6.7
Other expenses ¹	(5)	-3.9	-9.6
Operating result before interest and taxes (EBIT)	(2.2, 3)	9.0	-55.0
Financial result		0.4	-1.0
Profit before taxes		9.4	-56.0
Income taxes		-4.1	1.6
Net profit		5.3	-54.4
Attributable to shareholders of Rieter Holding Ltd.		5.3	-54.4
Attributable to non-controlling interests		0.0	0.0
Basic earnings per share (CHF)		1.19	-12.11
Diluted earnings per share (CHF)		1.19	-12.11

1. The comparative period (January – June 2020) has been adjusted due to the separate presentation of other income and other expenses as of July 1, 2020.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

CHF million	January – June 2021	January – June 2020
Net profit	5.3	-54.4
Remeasurement of defined benefit plans	1.4	0.5
Income taxes on remeasurement of defined benefit plans	0.2	-0.1
Changes in fair values of financial assets	0.0	-0.1
Items that will not be reclassified to the income statement, net of taxes	1.6	0.3
Currency translation differences	11.7	-13.0
Income taxes on currency translation differences	-0.2	0.1
Cash flow hedges	5.2	-0.9
Income taxes on cash flow hedges	-1.0	0.2
Items that may be reclassified to the income statement, net of taxes	15.7	-13.6
Total other comprehensive income	17.3	-13.3
Total comprehensive income	22.6	-67.7
Attributable to shareholders of Rieter Holding Ltd.	22.6	-67.7
Attributable to non-controlling interests	0.0	0.0

CONSOLIDATED BALANCE SHEET

CHF million	June 30, 2021	December 31, 2020
Assets		
Cash and cash equivalents	279.3	282.3
Marketable securities and time deposits	0.7	0.9
Trade receivables	109.2	50.4
Other current receivables	42.6	26.1
Current income tax receivables	3.8	3.5
Inventories	231.3	192.5
Current assets	666.9	555.7
Property, plant and equipment	210.0	210.6
Intangible assets and goodwill	87.5	89.5
Investments in associated companies	16.8	15.8
Defined benefit plan assets	59.7	62.7
Deferred income tax assets	22.1	22.1
Other non-current assets	6.9	7.1
Non-current assets	403.0	407.8
Assets	1 069.9	963.5
Liabilities and shareholders' equity		
Current financial debt	95.3	151.4
Trade payables	81.4	47.7
Advance payments from customers	165.9	95.5
Other current liabilities	119.2	78.8
Current income tax liabilities	27.1	24.9
Current provisions	24.1	30.0
Current liabilities	513.0	428.3
Non-current financial debt	85.9	90.5
Defined benefit plan liabilities	32.0	32.3
Other non-current liabilities	0.0	0.1
Deferred income tax liabilities	30.7	31.1
Non-current provisions	31.0	30.3
Non-current liabilities	179.6	184.3
Liabilities	692.6	612.6
Equity attributable to shareholders of Rieter Holding Ltd.	377.0	350.6
Equity attributable to non-controlling interests	0.3	0.3
Shareholders' equity	377.3	350.9
Liabilities and shareholders' equity	1 069.9	963.5

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

CHF million	January – June 2021	January – June 2020
Total shareholders' equity at January 1	350.9	469.6
Total comprehensive income	22.6	-67.7
Distribution of a dividend	0.0	-20.1
Changes in non-controlling interests	0.0	-0.6
Changes in treasury shares (including share-based compensation)	3.8	-4.2
Total shareholders' equity at June 30	377.3	377.0

CONSOLIDATED CASH FLOW STATEMENT

CHF million	January – June 2021	January – June 2020
Net profit	5.3	-54.4
Depreciation of property, plant and equipment and amortization of intangible assets	18.1	18.9
Interest income/expenses	1.1	1.7
Income taxes	4.1	-1.6
Other non-cash expenses and income	10.8	3.2
Change in net working capital, other	28.5	-39.1
Interest paid/received	-1.0	-0.5
Income taxes paid	-4.0	-11.7
Cash flow from operating activities	62.9	-83.5
Purchase of property, plant and equipment, and intangible assets	-10.1	-13.7
Proceeds from disposals of property, plant and equipment	0.3	0.4
Proceeds from disposals/purchase of other non-current assets	0.0	1.4
Sale/purchase of marketable securities and time deposits	0.1	0.0
Cash flow from investing activities	-9.7	-11.9
Dividend paid to shareholders of Rieter Holding Ltd.	0.0	-20.1
Sale/purchase of treasury shares	3.4	-5.8
Proceeds from financial debt	12.2	112.4
Repayments of financial debt	-75.6	-18.5
Cash flow from financing activities	-60.0	68.0
Currency effects on cash and cash equivalents	3.8	-4.0
Change in cash and cash equivalents	-3.0	-31.4
Cash and cash equivalents at January 1	282.3	284.1
Cash and cash equivalents at June 30	279.3	252.7

NOTES TO THE CONSOLIDATED SEMI-ANNUAL FINANCIAL STATEMENTS

1 BASIS FOR PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

The consolidated semi-annual financial statements of Rieter Holding Ltd. and its subsidiaries (“Rieter” or “Rieter Group”) have been prepared in accordance with “IAS 34 Interim Financial Reporting”. They are based on the financial statements of the individual group companies prepared in accordance with Rieter’s uniform accounting policies as of June 30, 2021. The significant accounting policies summarized in the 2020 annual report have been amended in the first half year of 2021 in accordance with the new and revised IFRS Standards and Interpretations. The

implementation of these changes in IFRS had no significant impact on the consolidated semi-annual financial statements.

The consolidated semi-annual financial statements have not been audited by the statutory auditor. The consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement are presented in condensed form.

The following foreign exchange rates of importance for Rieter were used in the preparation of the consolidated semi-annual financial statements as well as for the financial statements of group companies:

Country/region	Currency (unit)	Average period CHF rates		Period-end CHF rates	
		January – June 2021	January – June 2020	June 30, 2021	December 31, 2020
China	CNY 100	14.04	13.73	14.31	13.46
Czech Republic	CZK 100	4.23	4.04	4.31	4.12
Euro countries	EUR 1	1.09	1.06	1.10	1.08
India	INR 100	1.24	1.30	1.24	1.20
USA	USD 1	0.91	0.97	0.92	0.88

Change in the designation of the hedging relationship

Rieter designates selected foreign currency forward and swap contracts as hedges for firm sale and purchase commitments in non-functional currencies. For unrecognized firm commitments entered into on or before December 31, 2020, fair values of derivative financial instruments are split into an element related to the foreign currency basis spread (spot element) and a forward element related to changes in the interest rate differential. The spot element of the fair value is deferred and recognized in other comprehensive income (hedge reserve) until the hedged transaction has been accounted for in the consolidated income statement. The forward element is recognized in the income statement in other income/expenses at all times.

For unrecognized firm commitments entered into on or after January 1, 2021, Rieter designates the hedged risk as changes in the forward rate. Changes in the full fair value of the forward or swap contracts are deferred and recognized in other comprehensive income (hedge reserve) until the hedged transaction has been accounted for in the consolidated income statement. Had Rieter applied the former designation principle to the respective unrecognized firm commitments, the change in net profit or the hedge reserve in equity would have been insignificant in the period January – June 2021.

2 SIGNIFICANT EVENTS

2.1 COVID-19

In the first half of 2021, governments around the globe have been adjusting lockdown and other restrictions depending on the development of the COVID-19 related key figures (e.g. number of in-

fectured people or deaths) in their respective countries. Against this background, Rieter is holding on to the priorities set in the prior year: protecting employees, fulfilling customer commitments and ensuring liquidity. The recovery of Rieter’s business that began in the second half of 2020 continued in the first half of 2021.

Rieter has reviewed the areas involving significant accounting estimates and key judgments to assess the continuous impact of the COVID-19 pandemic (see note 1.3 in the 2020 consolidated financial statements). The assumptions and the financial plan underlying the impairment test for the goodwill and the intangible assets allocated to SSM (see note 4.5 in the 2020 consolidated financial statements) have been reviewed as of June 30, 2021. The substantial increase in order intake in the first half of 2021 had a positive impact on the cash flows in the underlying financial plan. There was no impairment loss as a result of the review. The pan-

demic also had no material impact on either the remaining significant accounting estimates and key judgments or any other balance sheet line items at June 30, 2021.

2.2 RESTRUCTURING

In the first half of 2021, Rieter continued to execute restructuring measures as announced previously. In the prior year period, restructuring charges related to severance payments and other expenses in connection with capacity adjustments were recognized.

The following table presents the operating result before interest and taxes (EBIT) of Rieter Group before and after restructuring charges:

CHF million	January – June 2021	January – June 2020
Operating result before restructuring charges, interest and taxes (EBIT before restructuring charges)	9.7	- 46.9
Restructuring charges (net)	-0.7	-8.1
Operating result before interest and taxes (EBIT)	9.0	- 55.0

The breakdown of EBIT before restructuring charges by reportable segments is as follows:

CHF million	January – June 2021	January – June 2020
Machines & Systems	- 12.2	- 39.9
Components	13.4	- 1.6
After Sales	9.8	- 5.2
Others ¹	- 1.3	- 0.2
EBIT before restructuring charges	9.7	- 46.9

1. Includes the result which cannot be allocated to reportable segments (see note 3).

Restructuring charges as presented in the table above consist of the following line items:

CHF million	January – June 2021	January – June 2020
Machines & Systems		
Restructuring costs	-	- 0.9
Impairment losses on property, plant and equipment	-	- 0.1
Reversal of restructuring provisions	-	0.1
Components		
Restructuring costs	-	- 7.1
After Sales		
Restructuring costs	- 0.7	-
Reversal of restructuring provisions	-	0.1
Corporate		
Restructuring costs	-	- 0.2
Group		
Total restructuring charges (net)	- 0.7	- 8.1

3 SEGMENT INFORMATION

Segment information is based on the Group's organization and management structure and internal financial reporting to the Chief Operating Decision Maker up to the level of EBIT. The Chief Operating Decision Maker at Rieter is the Chief Executive Officer. Segment reporting is based on the same accounting policies as those used for the preparation of the consolidated financial statements. The Group consists of three reportable segments: Machines & Systems, Components and After Sales. There is no

aggregation of operating segments. Rieter Machines & Systems develops and manufactures machinery and systems for processing natural and man-made fibers and their blends into yarns. Rieter Components supplies technology components to spinning mills and to textile machinery manufacturers as well as precision winding machines. Rieter After Sales serves Rieter customers with spare parts, value-adding after sales services and solutions over the entire product life cycle.

Segment information January – June 2021

CHF million	Machines & Systems	Components	After Sales	Total reportable segments
Total segment sales	218.9	154.1	69.2	442.2
Inter-segment sales ¹	0.0	41.7	0.0	41.7
Sales to third parties ²	218.9	112.4	69.2	400.5
EBIT before restructuring charges	-12.2	13.4	9.8	11.0
Operating result before interest and taxes (EBIT)	-12.2	13.4	9.1	10.3
Purchase of property, plant and equipment, and intangible assets	0.9	1.9	0.2	3.0
Depreciation of property, plant and equipment and amortization of intangible assets	4.9	9.5	0.5	14.9

Segment information January – June 2020

CHF million	Machines & Systems	Components	After Sales	Total reportable segments
Total segment sales	119.9	113.1	47.3	280.3
Inter-segment sales ¹	0.0	25.4	0.0	25.4
Sales to third parties ²	119.9	87.7	47.3	254.9
EBIT before restructuring charges	-39.9	-1.6	-5.2	-46.7
Operating result before interest and taxes (EBIT)	-40.8	-8.7	-5.1	-54.6
Purchase of property, plant and equipment, and intangible assets	3.3	5.8	0.2	9.3
Depreciation of property, plant and equipment and amortization of intangible assets	5.3	9.8	0.4	15.5

1. Inter-segment sales conducted at arm's length.

2. Equal to sales in the consolidated income statement.

The allowance for finished goods on stock at year-end was reversed by an amount of CHF 8.4 million in the first of half of 2021

as the respective goods were delivered during this period. The reversal was recognized in the Machines & Systems segment.

Reconciliation of segment results

CHF million	January – June 2021	January – June 2020
Operating result before interest and taxes (EBIT) of reportable segments	10.3	-54.6
Result which cannot be allocated to reportable segments	-1.3	-0.4
Operating result before interest and taxes (EBIT)	9.0	-55.0
Financial result	0.4	-1.0
Profit before taxes	9.4	-56.0

The result which cannot be allocated to reportable segments includes all those elements of income and expenses which cannot be allocated on a reasonable basis to the segments, such as certain costs of central functions and infrastructure (internally reported as “Corporate”) as well as the elimination of unrealized profits on inter-segment deliveries.

In the first half of 2021, the result which cannot be allocated to the reportable segments contains the reversal of provisions due to court rulings in favor of Rieter amounting to CHF 4.1 million. In the first half of 2020, restructuring costs amounting to CHF 0.2 million were included in the respective result.

4 SALES

Sales are divided into the following categories:

CHF million	January – June 2021	January – June 2020
Sales of products	382.6	241.5
Sales of services	17.9	13.4
Total	400.5	254.9

Sales of services are mainly incurred at Rieter After Sales.

5 OTHER INCOME AND EXPENSES

CHF million	January – June 2021	January – June 2020
Rental income	1.5	1.5
Gain on disposals of property, plant and equipment	0.5	0.2
Reversal of restructuring provisions ¹	0.0	0.2
Foreign exchange differences (net)	2.3	0.8
Miscellaneous other income	9.6	4.0
Total other income	13.9	6.7
Restructuring costs ¹	-0.7	-8.2
Impairment losses on property, plant and equipment ¹	0.0	-0.1
Miscellaneous other expenses	-3.2	-1.3
Total other expenses	-3.9	-9.6
Total other income and expenses (net)²	10.0	-2.9

1. The impact of restructuring measures is presented in note 2.2.

2. Other income and other expenses are presented separately in the consolidated income statement as of July 1, 2020.

Miscellaneous other income includes income which is not presented as sales, such as proceeds from the disposal of materials for recycling purposes, income from export incentive schemes

and income from government grants. In addition, the income from the reversal of provisions due to court rulings in favor of Rieter amounting to CHF 4.1 million is included in the first half of 2021.

6 CHANGES IN GROUP STRUCTURE

In the first half of 2021, the subsidiary Graf Máquinas Têxteis Indústria e Comércio Ltda. (São Paulo, Brazil) absorbed the subsidiary Rieter South America Ltda. (São Paulo, Brazil) and changed its company name to Rieter Brasil Comércio e Representação de

Máquinas e Sistemas Têxteis Ltda. The impact of this merger on the consolidated semi-annual financial statements was insignificant. In the first half of 2020, there was no change in the Group's structure.

7 FINANCIAL INSTRUMENTS

The following table shows the financial instruments which are measured at fair value, grouped according to the categories defined in the accounting policies:

CHF million		June 30, 2021	December 31, 2020
Marketable securities	Assets, level 1	0.4	0.4
Other financial assets	Assets, level 2	0.5	0.6
Other financial assets	Assets, level 3	0.6	0.6
Derivative financial instruments (positive fair values)	Assets, level 2	11.0	7.2
Derivative financial instruments (negative fair values)	Liabilities, level 2	7.1	2.8

There were no transfers among the categories and the valuation techniques have been applied consistently. Financial instruments measured at level 2 consist mainly of derivatives held for hedging purposes entered into with reputable financial institutions. The fair value of these instruments is determined with the help of valuation techniques which use foreign exchange rates and interest rates as observable input parameters.

On June 30, 2021, financial debt measured at amortized cost includes a fixed-rate bond with a carrying amount of CHF 74.7

million (December 31, 2020: CHF 74.7 million) and a fair value of CHF 76.2 million (December 31, 2020: CHF 75.1 million). The bond is listed on the SIX Swiss Exchange and is included in the balance sheet line item "Non-current financial debt".

The carrying amounts of the financial instruments measured at amortized cost approximate fair values due to their mainly short-term nature (except for non-current lease liabilities).

8 EVENTS AFTER BALANCE SHEET DATE

The 2021 semi-annual report was approved for publication by the Board of Directors on July 14, 2021. No events have occurred up to July 14, 2021, which would necessitate adjustments to the carry-

ing amounts of the Group's assets or liabilities, or which would require disclosure.

Alle Aussagen dieses Berichts, die sich nicht auf historische Fakten beziehen, sind Zukunftsaussagen, die keinerlei Garantie bezüglich der zukünftigen Leistung gewähren; sie beinhalten Risiken und Unsicherheiten einschliesslich, aber nicht beschränkt auf zukünftige globale Wirtschaftsbedingungen, Devisenkurse, gesetzliche Vorschriften, Marktbedingungen, Aktivitäten der Mitbewerber sowie andere Faktoren, die ausserhalb der Kontrolle des Unternehmens liegen.

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