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Statement IFA-PC 2015

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Ladies and Gentlemen, dear guests,

A hearty welcome to Miele at the IFA 2015 trade show on my part, too!

'Inspired by life' is the motto of Miele's 2015 presence at IFA.

To put it more precisely, what we mean are the everyday lives of our customers which have provided inspiration to our designers, developers and product engineers. In one case, it might be that ounce of added pleasure which makes life that bit more beautiful; in another it might just be that incremental gain in convenience which relieves some of life's burden. Sometimes, the solution will be complex and high-tech; in other cases it could be something stupefyingly simple yet nevertheless incredibly clever. One time it's about laid-back and creative cooking; the other it's about the greater convenience provided by the smart house.

Let me provide you with just three examples:

'Inspired by life' for greater pleasure and convenience: I am pleased to be able to present our new CM 7 coffee machine which is able to do everything just that little bit better than our current flagship model, the CM6:

- It offers 16 international coffee specialities ranging from a straight coffee or espresso through to Caffè Americano, Espresso Macchiato and a Long Black or Flat White;
- It also offers hot water at two different temperatures, for making for example black or green tea;
- It also boasts 'One Touch for Two', the parallel delivery of water for two beverages, automatic adjustment of the height of the spout unit and a colour 'C Touch' TFT display reminiscent of the 'M Touch' controls on our built-in appliances;

- And significantly larger tanks for water, coffee beans and coffee grounds;
- It has a coffee or tea pot function for up to eight cups one after the other when visitors drop by.
- And – also only available from Miele – is the fully automatic descaling feature which can be run overnight or whenever it's suitable. If activated, the system uses tiny quantities of gentle malic acid to ensure freedom from limescale. All you need to do is to fit this cartridge once a year – the rest is done by the machine. Never again will you need to dissolve descaling tablet. Never again will you have to do without your machine for an hour or so and await display commands, and never again will you have to go without freshly ground coffee or a wonderful cappuccino – or any other beverage you may have taken a fancy to. Fully automatic descaling, daily and gentle, without having to do a single thing. 'Inspired by life', exclusive to Miele.

Ladies and gentlemen, if we add to that exemplary hygiene as evidenced by a removable brew unit and automatic rinsing of milk lines, we must arrive at the conclusion that we are offering our customers a truly exceptional piece of equipment in the form of our new CM7. I would like to invite you to take me by my word and compare for yourselves!

Which leads us to our second example: 'Inspired by life' through a simple but clever detail:

Our new freestanding refrigeration units are not just well-specced, energy-efficient and elegant. They offer users greater diversity and individuality through particularly high-quality and/or practical door surfaces. Never before have freestanding refrigerators blended in so harmoniously into a modern, contemporary kitchen environment. By way of an example I would just like to pick out the 'Blackboard Edition' which allows young families to use the door of their refrigerator, already an important communication centre for shopping lists, school timetables and appointments, like a blackboard. As I said: Inspired by life!

And now to example No. 3: 'Inspired by life' for added suction power on our vacuum cleaners with an A rating for energy efficiency, including a campaign model with a booster as an intensive setting. And our Scout RX1 robovac now cleans even more efficiently. The particulars of these and all other new products and features on display at IFA are contained in the press packs which are available at the exit and can also be downloaded from the Internet.

Before I hand over to my colleagues Markus Miele and Axel Kniehl for a presentation of the key highlights I would like to brief you on a second strategic focus of our portfolio at this year's IFA:

Ladies and gentlemen, following the biggest innovation offensive in the history of our company, Miele is now consistently offering its customers better value for money across all product groups. However, it must be stressed that we have achieved this by offering more and better features and not, unlike what you no doubt have been seeing elsewhere, by becoming caught up in discount wars which can ultimately only damage a brand.

Let me give you a few examples to underline my point:

- From now on, all Miele washing machines will boast an A+++ for energy efficiency or even overshoot the mark by up to 40%. The W1 models with PowerWash technology are equipped from now on with the enhanced PowerWash 2.0 version. This even makes label programmes possible in less than three hours. And, thanks to load-dependent controls, it guarantees the energy-efficient washing of reduced loads. At an increased price? Definitely not!
- The successful CulinArt oven campaign model with its 25 automatic programmes and 'Moisture Plus', the key to perfect baking, now comes with a Gourmet casserole dish with a retail value of over € 200 as standard. All at unchanged prices!
- And, particularly for young families for which Miele dishwashers often have a legendary reputation, our previous G 4000 entry-line range will live on for a further year as a the 'Active' campaign model. In all shapes and sizes and at an

entry-line price of only € 599. No matter whether customers go for the cutlery basket or the cutlery tray, this represents a 3-digit discount. We are confident that this is a very convincing offer which will tempt many first-time buyers to buy the dishwasher they really want.

Improved performance, convenience and energy-efficiency for your money and campaign models tailored to the finances of a younger audience: That, too, is what I call being close to customers and being 'Inspired by life'.

In closing, please allow me a few comments on the state of our company. As one or the other of you may already have noticed, Miele didn't fare too badly last financial year, to put it in the Westphalian vernacular, with turnover growth of 8.3%. And I can reveal that the 2015/16 has already got off to a good start.

In Germany, sales grew by 5.4% and Miele was able to cross the € 1 bn threshold whilst at the same time gaining market shares. For this great achievement, I would like to thank Frank Jüttner and his team at Miele Germany along with our partners in the retail trade. This feat could not have been accomplished without the expertise and dedicated commitment of value-added resellers.

And there is no better platform to point this out in all directness than the IFA show in Berlin.

I would like to thank you for your attention and hand over to Dr Markus Miele.