

Press release
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Miele Group achieves 7.5% turnover growth

- ▶ Domestic appliance company reports sales of € 4.84 bn in 2021 business year
- ▶ Strong growth despite continuing semiconductor bottlenecks / Staffing levels also at all-time high
- ▶ Shipment of appliances to Russia stopped

Gütersloh, March 16, 2022. – Results published by the world's leading premium manufacturer of domestic appliances and commercial machines point to sustainable growth: The Miele Group recorded sales of € 4.84 bn worldwide in the 2021 business year, 7.5% up on the previous year. With its particularly long-lasting and energy-efficient products, its recent first step towards the use of green steel and CO₂ neutrality at its locations, Miele is further stepping up its efforts towards achieving the goals of the Paris accord on climate change. The growth and efficiency programme Design2Excellence (D2E), with which Miele has completely realigned itself, was brought to a successful close. At the end of the year, a total of 21,921 persons were in the employment of the family-run company, 977 more than in the previous year. In Germany, too, the workforce has grown.

Business in the Miele Group was characterised by two strong but contrasting developments during the past year: On the one hand, the much publicised historical boom in the domestic sector triggered by Covid-19 provided (and provides) for strong tailwind. On the other, Miele has felt the impact of disruption in worldwide supply chains, in particular with respect to semiconductors. Nevertheless, more products were built and sold on aggregate in 2021 than ever before in the German premium manufacturer's 123-year history. Orders in hand at the start of the new year are also higher than ever before. In order to cut delivery times which are presently in part far longer than usual, Miele is producing at all production plants with the highest capacity possible.

The outlook for the rest of the year, however, is dominated by the political and economic repercussions of the war in Ukraine, where Miele is represented by its own sales company, as is also the case in Russia. The Executive Board and staff of the Miele Group are deeply shocked by the suffering of the people in the war zone and on escape routes. There is a great wave of willingness to help throughout the group, starting with the protection of the 54 Miele employees in Ukraine and their families, but also going far beyond this. Due to the geopolitical situation and resulting uncertainties, the Miele Group has suspended the supply of appliances to Russia above and beyond EU sanctions. This applies with immediate effect

and until further notice. Products for the healthcare sector remain exempt insofar as they are not covered by sanctions. The company's own shops (Miele Experience Centers) and the webshop were already closed last week. Similarly, investments in the market were frozen. The employment of the more than 230 staff members and their salaries are guaranteed for the next six months at least.

Positive developments in all regions and product categories

With sales growth at these levels, the Miele Group has grown considerably faster than the long-term average. This is an accomplishment to which, above all, Eastern Europe, China and the USA made a particularly strong contribution. In Germany, Miele sales hit € 1.39 bn, increasing by 5.1% at an already very high level. The 25 newly inaugurated Miele brand stores, for instance in Doncaster (near Melbourne), Düsseldorf, Edinburgh, Beijing, Tallinn and Warsaw, provide further impetus to Miele's worldwide brand presence and serve as an inspiration to customers, dealers and architects alike. In August, the Miele Lounge at the Munich Allianz Arena – centrepiece of Miele's cooperation as the exclusive domestic appliance partner of FC Bayern München in Germany and China – got off the ground.

Despite the bottlenecks in the supply of semiconductors previously described, sales have developed positively in all product groups, in particular refrigeration, cooking and dishwashing. But also in laundry and floor care and in coffee making, unit sales and turnover are in part significantly higher than in the previous year. This can be ascribed to the above-mentioned boom but also to the attractiveness of the current model ranges and their alignment with the principles of resource conservation and climate protection.

Added impetus through innovative and sustainable product features

Business with refrigerators and freezers, for instance, profited in a major way from the greater demand for reliable and convenient food storage. An additional bonus on top of this was provided by innovative product features such as the PerfectFresh Active freshness system which releases a fine water mist to keep fruit and vegetables fresh for up to five times longer, thereby helping curb food spoilage.

The new Generation 7000 built-in appliances, having very successfully completed their worldwide market launch during the reporting period, excel with their intelligent assistance systems for creative cooking and top-notch results which are only available in this form from Miele. In the floor care sector, too, Miele is convincingly positioned in the canister vacuum cleaner (bagless and with dustbag), cordless handstick and robovac sectors.

Miele scores points with product longevity, energy efficiency and CO₂ neutrality

Furthermore, only Miele tests its washing machines, tumble dryers, dishwashers, ovens, vacuum cleaners (with a power cord) and further products to a life expectancy of 20 years. Almost all washing machines meet the very strict requirements for the new 'A' energy efficiency rating, and, thanks to the patented PowerWash process, users can wash loads as small as 1 kg energy-efficiently.

Since last autumn, Miele dishwashers are also represented in the highest achievable 'A' energy efficiency class. More than half of all Miele appliances brought into circulation are connectivity-enabled. This enables remote updates, for example to simply and conveniently make attractive new functions available to models which have been in service for years. It also affords the prospect of reducing service call-outs.

Since 2021, Miele has been CO₂ neutral on balance across all its locations with reference to its own emissions (Scope 1) and those of its energy suppliers (Scope 2). Additionally, a concrete goal has been communicated for the CO₂ footprint from the usage phase of Miele appliances, which accounts for the bulk of so-called Scope 3 emissions: By 2030, these emissions are to be reduced by 15% compared to 2019 levels, based on total consumption over the life cycles of all products brought into circulation in 2019 and 2030 respectively. As Miele's sustainability goals demonstrably count towards achieving the 1.5°C target set by the Paris climate accord which Miele joined in 2021, confirmation was obtained from the highly accepted Science Based Targets initiative (SBTi).

Also since 2021, Miele has been processing so-called green steel in the framework of a pilot involving its ovens. The CO₂ balance of green steel is 66% more favourable than conventional production methods thanks to its use of scrap steel and climate-friendly sources of energy. The increasing use of recycled plastics further enshrines the principles of a circular economy and aims to increase the volume of recyclate to 7500 tonnes per annum by 2025. Details on all sustainability topics are collated in the [Miele Sustainability Report 2021](#) published last October.

Growth too in Professional and with new business fields

The Professional business unit increased its turnover by 6.2% year-on-year – and, with its laundry technology, commercial dishwashers and medical and laboratory technology product areas, contributed 14% to overall sales. In the commercial sector, there was no question of a Covid-induced boom, but after a prolonged lean spell there are now clear signs of recovery, for example in hotels, restaurants and care homes.

Impetus came above all from the new Miele AirControl mobile air purifier, from the laboratory sector and from laundry technology – where small commercial machines (Little Giants) and the latest model series 'The new Benchmark Machines' set strong accents. The MOVE connectivity platform, launched last year, with which commercial washing machines and dryers can be closely monitored and documented, promises a further boost to convenience. It also allows a machine's software to be updated.

Promoting growth outside Miele's core business with domestic appliances and commercial machines is the objective of the newly established 'New Growth Factory' business unit. Here, too, the direction was set during 2021 in two highly promising regards:

- With the takeover of the Düsseldorf start-up Otto Wilde Grillers, Miele is getting in on the seminal outdoor cooking business field – with a broad portfolio of innovative premium solutions and high-quality accessories for grilling with gas and electricity.
- The most recent newcomer is the family-owned Eurofilters company headquartered in the Belgian town of Pelt and known for its highly effective solutions based on non-wovens, used for example in dust bags, face masks and in blood filtration. Eurofilters already produces a large proportion of the dust bags available from Miele.

Design2Excellence successfully completed

At the end of 2021, the Design2Excellence (D2E) programme, first launched in the autumn of 2018, was successfully concluded. The goal of readying the Miele Group for growth and also reducing costs permanently by € 193 m per annum was achieved almost on schedule, despite the difficulties thrown up by the pandemic. This equally applies to setting up 8 new business units and to a realignment of sales regions and a further strengthening of cross-border collaboration, for instance in Sales, Logistics, Service and other fields. The savings target has so far been met to an extent of more than 95%, whereby a few D2E projects still have to be completely finished.

Another positive piece of news is that the job reductions necessary to achieve these targets fell far short of the figure of around 1070 jobs worldwide announced in 2019. In the final analysis, only around 800 jobs were shed in connection with D2E. In addition to this, the necessary reductions in the job count were in very many cases facilitated by employees reaching pensionable age and through early retirement, natural fluctuation and internal redeployment. On the other side of the equation, additional staff was employed on a considerable scale, for example to access new business fields, to strengthen Miele's digital competence and to set up new locations.

As per the end of 2021, a total of 21,921 people worldwide were in the employment of the Miele Group, equating to 977 or around 4.7% more than a year ago and more than ever before. In Germany, Miele currently has 11,397 employees, 331 or 3.0% more than at the end of 2020.

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Company profile: Miele is the world's leading manufacturer of premium domestic appliances including cooking, baking and steam-cooking appliances, refrigeration products, coffee makers, dishwashers and laundry and floor care products. Their product portfolio also includes dishwashers, air purifiers, washing machines and tumble dryers for commercial use as well as washer-disinfectors and sterilisers for use in medical and laboratory applications. Founded in 1899, the company has eight production plants in Germany, one each in Austria, the Czech Republic, China, Romania and Poland as well as two production plants belonging to its Italian medical technology subsidiary Steelco. Sales in the 2021 business year amounted to around € 4.84 bn. Miele is represented with its own sales subsidiaries and via importers in almost 100 countries/regions. Throughout the world, the family-run enterprise, now in its fourth generation, employs a workforce of around 21,900, of which approx. 11,400 employees work in Germany. The company has its headquarters in Gütersloh in Westphalia.

There are two photographs with this text



Photo 1: Strong growth despite lack of semiconductors, CO2 neutrality at locations: The numbers are good at the family-owned Miele company – with sustainability and climate protection heading in the right direction. (Photo: Miele)



Photo 2: Generation 7000 built-in kitchen appliances: Like no other company in its branch, Miele stands not only for durability and convenience – but also for stylish pleasure. (Photo: Miele)

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