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IFA-PK 2016 statement

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Ladies and Gentlemen, dear guests,

A hearty welcome on my part, too.

We at Miele have very much been looking forward to this trade show – and would now like to invite you to what we believe will be an exciting triad, bringing together innovation, rounding off the model range and introducing new feature set concepts for even greater value for money.

But please allow me a brief outlook on the situation in which the Miele Group finds itself.

6.4% more turnover than in the previous year was our headline news two weeks ago when reporting on our 2015/16 business year which came to a close on June 30. I would particularly like to emphasise that we in Germany grew above average at what is already a high level - in terms of both turnover and market shares. Miele is still the strongest domestic appliance brand in terms of sales through German electrical goods specialists and now – for the first time – in kitchen studios as well.

I would like to grasp this opportunity to thank Frank Jüttner and his team at Miele Germany along with our partners in the trade. This success could not have been achieved without the expertise and dedicated commitment of value-added resellers.

Looking to the new fiscal year, we are banking on further growth in sales and market shares, despite the increasing number of imponderables associated with the political and economic flash points around the world. To this end, we are for example placing our trust in the top new products and features which were on show at last year's IFA which, as a reminder, are listed on the screen behind me.

And we have added to this two model series which were presented in April at the Eurocucina in Milan and are being unveiled for the first time in Germany here at this year's IFA:

- The handleless and completely flush built-in appliances from our ArtLine designer range which open at the mere touch of a sensor represent the ultimate in timeless elegance for high-end living kitchens.
- And then there are the new dishwashers from the G 6000 EcoFlex series with their peerless combination of maximum energy efficiency, short cycles and superior loading convenience.

EcoFlex has been selling through retailers since April; ArtLine will follow in October. And I am looking forward to that as well – and am very excited to hear the feedback from our specialists in the retail trade.

In the case of our WORLD premieres being showcased at this IFA, the focus, unlike in the previous year, will be on the more traditional topics of interest to electrical goods specialists, namely laundry and floor care. But, of course, connoisseurs of stylish pleasure will naturally not miss out either. In this respect, I would like to mention our TwoInOne, an induction hob unit and an extractor in one and the same unit, by way of an example.

It features the best from our competence centres for these two disciplines: our Miele production plants in Bünde and Arnsberg. More news on the kitchen can be found in our press pack.

As we move on, I would like to concentrate on laundry care whilst still sticking with the subject of 'two-in-one'.

You are undoubtedly all familiar with the principle of operation of a washer-dryer: Washing and drying in one and the same unit saves space and is extremely practical – provided a washer-dryer is able to compete on performance and convenience with its two individual counterparts.

In this respect, Miele is sending out a powerful signal with its WT1 washer-dryer: the only machine on the market which ...

- ... firstly, washes and dries 4 kg of laundry without interruption in less than 3 hours, in other words without reloading or any other manual intervention on the part of the user. It does the same job on 5 kg of laundry in less than 3.5 hours. With this in mind, I'm looking forward to the first product tests and comparisons.
- Secondly, the WT1 is available with Miele's TwinDos liquid dispensing system, the only system of its kind which is suitable for both whites and heavily soiled laundry, thanks to its two-phase principle. And, of course, TwinDos in the WT1 is web-enabled: If the detergent level in one of the cartridges is low, TwinDos, permission permitting, will automatically contact a smartphone or tablet, including convenient online ordering and prompt delivery from Miele's webshop.

- And, thirdly, the WT1 sports virtually all the features which consumers have come to know and love on washing machines and tumble dryers from the W1/T1 series. Just by way of an example, I would like to mention the Programme Manager for the customisation of programmes, SteamCare to reduce the need for ironing by up to 50% or quickly freshen up briefly worn garments, and CapDosing facilitating the use of special detergents and additives in sealed capsules.

All in all, dear guests, I dare at this point to maintain that there is no faster or more convenient washer-dryer on the market than the WT1 from Miele. At the same time, we at Miele have not raised the starting price for washer-dryers to reflect the considerable improvement in features – in fact, we have actually reduced it by € 100.

Please allow me a few brief comments at this point on the wash process: The fact that Miele customers do not pay for high energy efficiency with annoyingly long programme cycles or other trade-offs in terms of convenience or performance is above all due to PowerWash 2.0, which has also been deployed on the WT1.

Using this technology, laundry is sprayed and then spun briefly, and precise load-dependent controls wet and drench the laundry at the outset. This reduces the energy consumption needed for heating, in particular when washing less-than-full loads. A recent survey published by the leading Öko-Institut in Freiburg has confirmed with respect to our front-loading washing machines that washing with PowerWash 2.0 saves up to 25% energy and up to 40% time on typical everyday loads – in comparison to conventional wash processes on other manufacturers'

models with comparable label values. Miele attaches such great importance to load-dependent controls, above all because studies have revealed that average load sizes in households in this country weigh in at around 4 kg.

This is something else Miele stands for, ladies and gentlemen: No superlatives in isolation at the expense of bothersome side-effects. Instead we strive to offer the best solution in a bid to meet all the relevant needs of our customers and offer all the associated user benefits.

In closing, I would like to present our new entry-line washing machine and tumble dryer models which we expect will induce significant growth in the marketplace: Punctually, to mark IFA, Miele has converted its entry-line models to the current W1 and T1 platform. This makes the W1 Classic and the T1 Classic considerably more elegant, convenient, faster and more versatile than their predecessors – at prices which will remain unchanged. Like its higher-priced sister models, the W1 Classic achieves an A+++ rating for energy efficiency in a cycle lasting less than 3 hours; depending on the model, the borderline value for an A+++ is even overshoot by up to 10%. And for the very first time, an entry-line washing machine will even have the previously described CapDosing feature on board. Similar applies to the T1 and FragranceDos, a scent dispenser which releases fragrance during drying.

The fascia panel, designed from scratch and with a rotary selector for all washing and drying programmes as well as On/Off, stands in a very special way for intuitive user interaction and uncluttered design. As separate On/Off and Door buttons and an electrically operated door are a thing of the past, there is now far greater space

for a larger typeset. The large display to the left of the rotary selector shows temperatures, spin speeds and additional programmable options which can be selected directly from the display.

On heat-pump dryers, dear guest, - and this brings me to my last point -, the energy efficiency rating is of central importance to prospective purchasers. That's why we have given the T1 Classic an A++ rating for energy efficiency. Besides that, we are now bringing our A+++ models down to price points around € 1000. This corresponds to a reduction in the entry-line price for A+++ drying at Miele by around € 500 or almost one third.

And, as for washing machines, the same applies here:

Important to consumers is not only the value touted on the energy label; it is above all real consumption in everyday use. That is why all T1 dryers feature a maintenance-free heat exchanger, combined with a highly effective, easy-to-clean filtration system. With this process which we refer to as EcoDry technology, Miele ensures that lint does not find its way into the heat exchanger in the first place – thereby ensuring consistently short cycles and low energy consumption over a product's entire life cycle.

True consumer benefits instead of top marks on paper – that is what Miele stands for.

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