Dr. Reinhard Chr. Zinkann

Miele@IFA2011: Shaping the future

Berlin, 31.08.11

SPOKEN TEXT APPLIES

Ladies and gentlemen, dear guests,

A hearty welcome to Miele at the IFA 2011!

When we met almost a year ago at this very spot, our motto was 'Miele@IFA: The future begins here'.

Today, it gives me great pleasure to announce that the future is progressing in seven-league boots, with Miele@IFA 2011 presenting products and technologies which are peerless in terms of quality, innovation, performance and convenience. This time round, we will be presenting for example ultra-fast hob units and dishwashers, the first active steam ironing system from Miele and an exciting new development on the subject of our CM 5 countertop coffee makers, which we first launched successfully just a year ago.

But more on that later.

Besides that, two of the most successful Miele features of all times are about to celebrate big round-number birthdays: 25 years ago, Miele launched its cutlery tray and the Miele honeycomb drum was introduced 10 years ago. There will be attractive special models on show at this IFA to mark those two events. Further information on this and all other new products and features on show at this exhibition is contained in the PR folder available at the exit.

Ladies and Gentlemen: several days ago, we reported that Miele grew sales by 4% over the past business year, reaching yet another all-time high in the history of the company, despite a challenging market environment. This achievement can be ascribed to strong products and to consistent and high-

end branding worldwide. This includes Miele's clear focus on a partnership with specialist retailers providing expert pre-sales advice as well as carefully planned and exciting exhibitions like this one here in Berlin.

I am sure that you are all aware that Miele and other domestic appliance manufacturers are only attending this tradition-rich exhibition at the foot of Berlin's famous radio transmitter for the fourth time in succession - a show that by the way was staged for the 50th time last year. I am all the more pleased, also as spokesman of the German domestic appliance industry and member of the ZVEI board, that domestic appliances have now become an integral part of the IFA show. There is no need today to give a detailed explanation on why modern washing machines from top-class brands can easily compete with, say, flat-screen TVs in terms of high tech and microelectronics. The same can be said of the pleasure, lifestyle and design appeal of high-end cooking appliances.

Please allow me to address three issues which are close to our heart at this year's IFA in greater detail. Firstly: The strategic priority given to intelligent energy cost savings. Secondly: The world premieres I mentioned earlier which are to be unveiled at this year's IFA show. And, thirdly: The Miele IFA stand offering indulgence and appealing to all the senses.

Ladies and Gentlemen!

Maximum power and water efficiencies combined with top-notch results is what Miele stands for like no other brand in our branch of industry. As the world's first and only company to date, Miele offers washing machines which indicate current electricity and water consumption, a feature called EcoFeedback, and automatically dispense both liquid AND powder detergents (AutoDos) which save up to 30% on detergent and also further reduce power and water consumption. Miele's T 8827 WP EcoComfort heat-pump dryer is not only the fastest of its kind: According to a recent study conducted by the Öko-Institut, it is also the most cost-effective from the point of total cost of ownership covering the initial outlay, electricity costs and product life expectancy. Furthermore, Miele is the forerunner when it comes to hooking up washing machines and dishwashers to a hot water

supply.

It is Miele's declared objective to continually increase this lead, not only at this year's fair!

Just to prompt your memories: At the last IFA, we announced the world's first domestic appliances able to determine when electricity is at its cheapest and to use this information to automatically launch a programme within a pre-defined time window. The buzzword is Smart Grid.

Depending on electricity tariffs, this can result in net savings of EUR 60 per appliance and year in the not-too-distant future. Moreover, users can enjoy the feel-good factor of contributing towards the efficient use of renewable energies as electricity in a Smart Grid environment is cheapest when solar and wind power is in abundant supply.

This presumes, though, that utilities comply with the will of legislators by offering time- and load-dependent tariffs across a broad front from early 2011 onwards. And: In the interests of rapid blanket adoption of the Smart Grid principle, Miele announced a development venture with RWE at the last IFA show. The objective is to promote the most convenient and comprehensive use of Smart Grid technology:

And now it gives me great pleasure to provide you with an exciting update on this topic.

Firstly: SG-enabled washing machines and tumble dryers have already hit the market; the first dishwashers will be on view at this IFA. The RWE field trial in the city of Essen and in Wesel using Miele appliances is already underway.

Secondly: Utilities have already launched the requisite tariffs. According to the Freiburg-based EnCT research group, more than 100 out of a total of more than 900 utilities are already offering 'smart' electricity rates and the number is growing. The installation of so-called Smart Meters, heavily promoted by politicians, is progressing nicely; key players such as the Essen-based giant RWE and the Cologne RheinEnergie company have

announced ambitious conversion plans for the current year. The nuclear catastrophe in Fukushima which sparked off an about-turn in Germany's national energy policy is likely to further fuel the move towards renewables and the concept of a Smart Grid.

Thirdly: Miele now also offers Smart Grid users the option of running their domestic appliances on home-generated solar electricity and at the same time of benefiting from state subsidies promoting the on-site use of home-generated power. On balance, it often makes more sense to use 'home-grown' electricity on site than feeding it into the national grid.

The thrust of another project, albeit independent of the Smart Grid, is similar, namely a Miele tumble dryer whose process air is heated using two water circuits and solar-thermal collectors. The energy-saving potential compared with a current, conventional heat-pump dryer amounts to a further 50%, or even 80% in comparison with a condenser dryer. Depending on the response from the market, this product will be ready for series production in about eighteen months time. The first pilot study will be on view here at IFA. Our partner in this project is the Brunswick-based Solvis solar technology company, whose Managing Director Helmut Jäger is our guest here today. Mr Jäger – welcome to Miele at IFA! We look forward to further fruitful cooperation.

Ladies and gentlemen, that should suffice on the subject of our key theme of intelligent energy cost savings and our sneak preview of what the future holds in store.

'Greater speed, more convenience, greater indulgence' – this is an apt motto with which to summarise the new market-ready products and features which Miele will be presenting at this year's show with great pride – and which I now would like to present in brief in view of the limited time available.

Miele's IFA world premiere, a closely guarded secret until now, is called ExtraSpeed. It is nothing less than the fastest electric hob unit of all times with a radiant heater element.

Forgetting the doomed pilot project of a US company, Imperial, now a Miele subsidiary, launched the world's first ceramic hob 40 years ago. This sparked off a veritable revolution in the kitchen. Fascinating background reading on the history of this product from the early years through to the present day is contained in your PR folder.

Miele's new ExtraSpeed hob units on show here at IFA are the legitimate successors to those first ceramic hobs. An ExtraSpeed hob needs over 3 minutes less time to bring 3 litres of water to a rolling boil than a conventional ring, with energy consumption roughly on a par. Compared with a 15-year old unit, the time advantage can be up to 6 minutes, equating to a time saving of over one third. This speed, beaten only by induction, is achieved by through a more powerful heater element, a more precise temperature sensor and intelligent cycling.

Like the world's first ceramic hobs, the current ExtraSpeed units orginate from the Imperial production plant in Bünde, now home to the Miele Competence Centre for hob units and steam ovens. And then as now, the supplier for the glass screen was Schott, the ceramic glass specialist from Mainz.

I would like to take this opportunity to express my thanks for the fantastic cooperation with Schott, now moving into its 5th decade and am very pleased that Dr. Ulrich Ackermann, member of senior management at Schott and responsible there, among other things, for the Flat Glass and Home Tech sectors, is with us today. I would also like to extend a warm welcome to Mr Jörg Wingefeld, Sales Director, and our long-standing contact at Schott.
Dr. Ackermann, Mr Wingefeld – welcome to Miele at IFA!

ExtraSpeed gives a new lease of life to a technology which was thought for many years to have been maxxed out. Miele is even going as far as to equip all self-contained electric hob units from the KM 62 series with at least one ExtraSpeed ring. With the launch of this new technology, Miele is anticipating a major push for its own HiLight technology. Although the market for induction hobs has been growing steadily for years, conventional

heating systems will still account for a larger part of European markets for many years to come. Their faithful followers are attracted above all by the lower price compared with induction. And, what's more, consumers can generally continue to use their old pots and pans with ExtraSpeed.

Our second IFA world premiere is the fastest fully integrated dishwasher on the market.

Current market figures show fully integrated dishwashers to be enjoying increasing popularity. And wherever customers are faced with huge amounts of crockery, short programme cycles are of the essence. These two benefits are most certainly combined by the new ProfiLine machines from Miele's Professional range. They are based on the G 5000 series of domestic dishwashers first launched in 2010 which not only set standards in terms of user convenience but which has also received numerous design awards, including the coveted 'red dot'. Thanks to Professional technology, these machines are not only robust but also unbeatably fast. Presuming a connection to hot water and a 3-phase supply, it is possible to achieve cycle times of as little as 17 minutes. With sound emissions in operation of only 48 dB, these machines are perfectly suited for use in open-plan kitchens. They sport an A+ energy rating.

And, if you would bear with me while I digress a little, Miele domestic dishwashers are not only the fastest on the market, they also stand for the ultimate in hygiene. And this is not only the result of 50 years of Miele experience in the field of cleaning and disinfection of medical instruments. It is also the product of adopting the freshwater principle and the use of three full-size spray arms made from high-quality stainless steel. And I can assure you that Miele will never entertain compromises when it comes to hygiene. This applies to dishwashing and all other product groups.

This brings me back to my main topics.

Our third IFA world premiere is the FashionMaster.

Ladies and gentlemen, this brings us to the most recent offspring of the Miele product family: the first steam ironing system with an active ironing

table in the history of the company.

But what does this machine have to offer? What can this product do that conventional ironing systems can't?

The answer is: The FashionMaster is characterised by a whole host of intelligent details which all mount up to ironing excellence and superb user convenience in proverbial Miele quality and - also typical of Miele - in a highly attractive design.

In principle, this new appliance brings together a hand iron, ironing table and a steam generator into a single unit. A fan ensures that the steam produced by the iron is effectively extracted, keeping condensate to a minimum. Furthermore, textiles are fixed in place so that they cannot slip during ironing. The fan serves to inflate a cushion below the ironing board cover, allowing both fine textiles and fabrics with body and bounce to be gently ironed without shiny patches. A patented scissor-type hinge system makes for unparallelled convenience when setting up the appliance and folding it away for storage. And, last but not least, Miele has adopted the honeycomb pattern familiar from its washing machine drums to improve steam distribution by applying it to the iron soleplate. The automatic rinse and descaling functions on the Miele FashionMaster represent world USPs.

All in all, it is no secret that Miele's FashionMaster seriously reduces ironing effort. Ironing is simpler and faster – and produces better results to boot. Let me invite you to a personal presentation of the FashionMaster by our staff during the course of the show. And, I promise, you will be impressed.

And, finally, our fourth IFA highlight: The new CM 5200 flagship model in Miele's CM 5 range of countertop coffee makers first presented last year.

The CM 5 features tried-and-tested componentry from Miele's built-in coffee machines, but comes in the guise of a compact and appealing countertop unit. At IFA 2010, we presented the CM 5 series with the two models, the CM 5000 and the feature-richer CM 5100.

The CM 5200 now being presented offers connoisseurs cappuccino and

latte macchiato at the touch of a single button. Further options include caffè latte (milk coffee), hot milk, milk froth and hot water. Tapping the button twice delivers two of the same specialities. Another particularly convenient feature is the automatic rinsing of the milk lines.

Dear guests, that brings me to the end of my presentation of the key new products and features. Let me devote a few words in closing to HOW Miele will be presenting itself to guests in Berlin over the coming days.

I do not for one moment doubt that Miele will set standards once again at the IFA 2011, not just in terms of product innovation and quality but also with respect to pleasure, presentations with event character and hospitality. A 'Walk of Taste' on the 3000 m² stand with 4 small restaurants will treat visitors to culinary specialities from France, Italy, the USA and Asia, prepared by Miele Table Artists whose remit is to conjure up creations using no more than 5 ingredients.

The lounge and event area is dominated by the large catwalk, where TV compere Annabelle Mandeng will accompany guests through an appealing programme consisting of fashion shows, inspiring product presentations, live music and dance.

At the Miele Fashion Shows, to take place 6 times a day between September 2 - 7, three designers will be presenting their new collections for the 2012 spring/summer season. To be more precise, these include: Katja Will, who runs two flagship stores in Berlin alone under her C’est tout label, the internationally acclaimed designer Frida Weyer and Marcel Ostertag, who visitors will remember from the IFA 2010 show. This year, once again, there will be another gorgeous Miele dress, designed exclusively by C'est tout for Miele's IFA 2011 fashion shows.

The premiere will be on September 2, 2011 at 11.15 h, followed by a 'Fashion at Miele' press conference.

The café bar in which we find ourselves provides the ambiance for negotations with dealers and discussions with journalists and provides the ideal setting for bringing an eventful day at the trade show to a laid-back

end, with live music, fine food and good conversation.

With all this in mind, I would like to invite you to look around at your leisure and perhaps to be our guests during the evenings from September 2 onwards. Perhaps there will even be an opportunity to visit our new Miele Gallery at the heart of Berlin at the intersection of the Unter den Linden boulevard and Friedrichstraße which was ceremoniously inaugurated on July 1.

Whenever you come to us, the Miele PR team will always extend a warm welcome.

And I, for my part, would like to thank you for your attention!