Dr. Reinhard C. Zinkann

Member of ZVEI Board of Directors
Chairman ZVEI Large Domestic Electrical Appliances Division
Major Domestic Appliances: growth rates Jan – June 2019 PY

Sales value local currency, GfK panel markets

Jan - June 2019: + 2.7 %

All GfK countries excl. North America

Built-In:
- Freestanding: + 3.9 %
- - 1.8 %

Europe: + 3.8 %

Asia/Pacific: + 13.5 %

Latin America: - 1.3 %

Middle East/Africa: + 11.1 %
Global MDA market – impact of China
Sales value local currency, Jan - June 2019

- 6.5 %
Jan - June 2019
CHINA

+ 2.7 %
Jan - June 2019
All GfK countries
excl. North America

Built-In: - 1.8 %
Freestanding: + 3.9 %
Global MDA market – impact of China
Sales value local currency, Jan - June 2019

January - June 2019
CHINA
-6.5%

January - June 2019
All GfK countries excl. North America
+2.7%

January - June 2019
All countries excl. China
+6.2%
Key Themes of Major Domestic Appliances

Rich Experiences
delivered through

Performance
- Growth in capacity, but flattening in cooling
- Innovations in cooking

Simplification
- Smart Appliances
- Multifunctional appliances

Premium
- Built-in appliances
- Low noise appliances, hobs w. int. hoods,
  3+Door refrigerators

Sustainability
- MDA specific
- Energy and resources efficiency
Ongoing: Multifunction in MDA – key driving segments

Panelmarket global (wo North America), %, value

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<th>Wash &amp; Dry Combi</th>
<th>Ovens combi</th>
<th>3+ Door fridge &amp; freezer</th>
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Multifunction key segment: Hobs with integrated hoods, strong growth in Western Europe
Sales value, growth rate %, Jan - June 2019

- **WE + 18 %**
  - + 25 % (8 %)
  - + 38 % (3 %)
  - + 100 % (5 %)

- + 44 % (13 %)
- + 5 % (share 66%)
- + 44 % (2 %)
- + 100 % (3 %)

Source: AMK
Small Domestic Appliances: **Key themes**

**Rich Experiences**

delivered through

**SDA specific**

- **Simplification**
  - Simplify regular tasks
  - Smart
  - Voice assistants

- **Well-being**
  - Compensating [urban] pollution
  - Air and water quality
  - Sleep

- **Premium**
  - Aspirational products express identity
  - Pamper the “Me”

- **Performance**
  - Rich experiences
  - High-end features
SMALL Domestic Appliances – Growth rates
Jan - June 2019 % PY

value local currency, GfK Panel markets, comparable product groups

Jan - June 2019
All GfK countries excl. North America

+ 8.8 %

Europe: 6.3 %
Asia / Pacific: 11.1 %
Latin America: 10.4 %
Middle East / Africa: 9.7 %
China: Small Domestic Appliances market sustains growth

Growth rates % (sales units!)

Q4 17 Q1 18 Q2 18 Q3 18 Q4 18 Q1 19 Q2 19
SDA: 23.1 16.3 25.0 29.7 21.8 25.3 20.6
MDA: 13.6 14.3 5.6 -7.0 -6.6 -7.8 -5.6
Small Domestic Appliances segments: shares and growth

Sales Values Share

- Personal Care: 12%
- Well-being: 20%
- Rest of SDA: 68%

Growth Rates

- SDA Total: +9.4%
- Personal Care: +15%
- Well-being: +12%
- All other SDA: +8%

All other SDA Total include all GFK tracking countries and all comparable SDA Products
Personal Care category: Hair Dryer, Hair Styler, Hair Clipper, Dental Care
Well-being: Food Preparation, Juicers/Presses, El. Cooking Pots, Hot Air Fryers, Air Treatment

(growth mainly due to VC and Espresso)
Handstick Rechargeable is now the dominant vacuum cleaner segment. Robotic Vacuum cleaner segment is growing strongly.

Convenience seems to be the driving factor

Key Vacuum Cleaner Segments

- Handstick: 877 (+18%)
- Robotic: 1,496 (-10%)
- Razer: 2,266 (+27%)

73% of Robots are Smart of which nearly 80% App-controlled.
Espresso Full Automatic continues to be the dominant segment. Comeback of Pump Traditional

- **Espresso FA**: +26% (particularly strong in FR, ES, DE, PL, CZ)
- **Pump Trad.**: -1% (Key Convenience features)
- **Portioned Coffee**: +18% (One touch, Integrated Coffee Grinder)

Sales Values Mio Euro fix:
- Espresso FA: 758
- Portioned Coffee: 426
- Pump Trad.: 158