

Miele acquires majority interest in Steelco / Massive expansion in field of medical technology / Extraordinary portfolio of products and services

Miele and Steelco join forces

Gütersloh/Riese Pio X, June 9, 2017. – The family-owned Miele and Steelco Groups have agreed to join forces by combining their skills in medical technology. One result is that Miele is to acquire a controlling stake in the Steelco Group, whilst Steelco founders remain at the helm of the group. Thanks to this combination, the medical technology division within the Miele Group is set to grow by around one third to approximately € 250 m per annum. The overarching aim is to provide clients with an even broader and more sophisticated range of products – as well as the best possible service, both before and after the sale. This transaction is still subject to approval of the antitrust authorities.

Miele counts among the world's most reputable manufacturers of cleaning, disinfection and sterilisation products for medical and laboratory applications. This includes the project business covering the planning and furnishing of central sterile supply departments (CSSD) in hospitals. "Together with Steelco, Miele can combine its claim to quality and innovation leadership with a significantly broader product portfolio, and hence expand its market position", says Andreas Barduna, Commercial Director of Miele Professional business. Together with domestic appliances, the Miele Group achieved a turnover of € 3.71 bn in the last fiscal year and today has 19,400 employees worldwide. The company was founded in 1899 and is headquartered in Gütersloh, Germany.

Steelco, producer of CDS equipment mainly for the hospital and pharma sectors with an excellent reputation in the market, was founded in 1998 and is based in the town of Riese Pio X in the northern Italian province of Treviso. The company employs a workforce of around 400, achieved a turnover of € 71 m in 2016 and has been recording double-digit growth for many years. Like Miele, Steelco is a family-owned company based on values and quality,

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whose founders and proprietors are actively involved in running the company and will continue to do so.

Steelco founders remain at the helm

The founder and CEO Ottorino Casonato is to remain responsible for the management of Steelco, assisted by the co-founders Fabio Zardini and Ivone Capovilla as well as by his daughter Nicoletta Casonato. Miele, on the other hand, has a majority representation on the supervisory board of the Steelco Group. "For us, Miele is a strong and dependable partner for a joint and successful future and represents an excellent match", says Ottorino Casonato.

Considerable portfolio expansion

A glance at the strategic positioning of both companies reveals the potential of this new alliance. Miele has its own sales and service structures providing effective coverage in its core markets, whereas Steelco will be contributing its strong dealer network in over 100 countries. A further central Miele asset is represented by the numerous patented USPs on current models and on model generations under development in the medical field. The Steelco Group, for its part, brings with it an even broader and highly distinguished product portfolio in the area of disinfection and sterilisation. Furthermore, Steelco is highly successful in the specialised segment relating to the reprocessing of componentry used in pharmaceutical production – an area new to Miele.

Tailored solutions and marketing

In the interests of tailored product solutions and client-specific marketing, it is planned to consolidate the CSSD project business under the auspices of the Steelco company and brand. This will involve producing sterilisers and trolley washers for the Miele Group in their entirety at Steelco as the new member of the Miele Group. For Miele's plant in Bürmoos near Salzburg, this means that production of these product groups will gradually cease over the course of the coming year. Miele Bürmoos will continue as a componentry plant producing fascia panels, baskets and inserts and washer-disinfector chambers, maintaining its reputation for quality, innovation and high unit output.

Similarly, it is proposed to realign the marketing teams to better reflect specific sales channels. Customer segments covering general surgeries, dental

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practices and laboratories will, as previously, be overseen directly by Miele sales subsidiaries. On the other hand, tenders for CSSD projects will be the responsibility of Steelco. To this effect, it is planned to bring together the employees at Miele subsidiaries in Germany, Austria and Switzerland who are involved in CSSD marketing in a German Steelco subsidiary based in the Gütersloh area. Discussions on a division of labour in the sales teams in further important markets will soon take place to best serve clients, taking market conditions into consideration. Finally, both Miele and Steelco customers will benefit from an extraordinary product portfolio and a unique range of services throughout the world.

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