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## PRESS RELEASE

**De' Longhi and Procter & Gamble have reached an agreement for the perpetual licensing of the Braun brand for use in household small appliances.**

De' Longhi S.p.A. ("**De' Longhi**") ([www.delonghi.com](http://www.delonghi.com)) and The Procter & Gamble Company ("**P&G**") ([www.pg.com](http://www.pg.com)) have reached an agreement for the perpetual licensing of the **Braun** brand, owned by P&G, for use within the small kitchen appliance, ironing and selected household appliance categories.

In addition to a perpetual right to use the Braun brand and connected patents (in the above categories), the transaction includes the acquisition of certain production assets and the inventory related to the above categories. It is anticipated that certain P&G employees, predominantly located in Germany, will become De'Longhi employees upon the closing of the deal. Ownership of the Braun brand will remain with P&G.

The Braun business associated with the transaction has revenues of approximately 200 million Euro, mainly concentrated in European markets.

Closing of the transaction is subject to approval from antitrust authorities.

The purchase price (excluding inventory) is split into three components:

- 50 million Euro to be paid at completion,
- 90 million Euro (at present value), deferred in equal annual payments over a fifteen year period, and
- a variable amount (ranging from 0 to 74 million Euro, at present value) linked to sales performance of the acquired business over a five year period from completion.



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*"We are particularly proud to have reached an agreement with P&G in relation to the licensing of the Household Small Appliances business of Braun," said Fabio De' Longhi, CEO of De' Longhi. "This prestigious brand will allow us to enhance our equity story in the high-end segment of the small domestic appliances market, characterized by a high degree of quality, innovation and design".*

*"This is an excellent transaction for Braun and Procter & Gamble," said Dimitri Panayotopoulos, Vice Chairman of The Procter & Gamble Company. "De' Longhi has a strong track record in developing premium Household Small Appliances and is the perfect partner to accelerate growth of the Braun equity in these key categories. This will allow us to focus our in-house capabilities against driving and expanding our presence in the rapidly developing Beauty & Grooming appliance space."*

Bank of America Merrill Lynch, Bain & Company, White & Case, Price Waterhouse Coopers and Studio Biscozzi Nobili have acted, respectively, as financial advisor, strategic consultant, legal advisors, accounting advisors and tax advisors to De' Longhi.

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