

The Electrolux share

Dividend

The Board of Directors proposes a dividend for 2010 of SEK 6.50 per share, equivalent to a total dividend payment of approximately SEK 1,850m. The proposed dividend corresponds to approximately 40% of income for the period, excluding items affecting comparability.

The Group's goal is for the dividend to correspond to at least 30% of income for the period, excluding items affecting comparability. For a number of years, the dividend level has been considerably higher than 30%.

Development of the Electrolux share

Following very strong income and share-price development in 2009, the market had very high expectations for the performance of Electrolux at the beginning of 2010. Despite noting strong income in the fourth quarter of 2009, the share price dropped on presentation of the year-end report. The share subsequently recovered and outperformed the Affärsvärlden General Index during the first half of 2010.

The income reported by Electrolux in the third quarter of 2010 was relatively strong and the Group also reconfirmed it could reach its goal of an operating margin of 6%, excluding items affecting comparability. However, the Electrolux share displayed slightly weaker development than the Affärsvärlden General Index, primarily due to market concerns surrounding sales prices and the cost of raw materials. The share price recovered towards the end of the year and reached its all-time high, partly due to the strong upswing in the Swedish stock market.

Yield

The opening price for the Electrolux B-share in 2010 was SEK 167.50. The highest closing price was SEK 194.70 on December 29. The lowest closing price was SEK 142.50 on August 31. The closing price for the B-share at year-end 2010 was SEK 191.00, which was 14% higher than at year-end 2009. Total return during the year was 17%. The market capitalization of Electrolux at year-end 2010 was approximately SEK 60 billion (48), which corresponded to 1.4% (1.4) of the total value of Nasdaq OMX Stockholm.

Over the past ten years, the average total return on an investment in Electrolux shares was 25.5%. The corresponding figure for SIX Return Index was 10.6%.

Share volatility

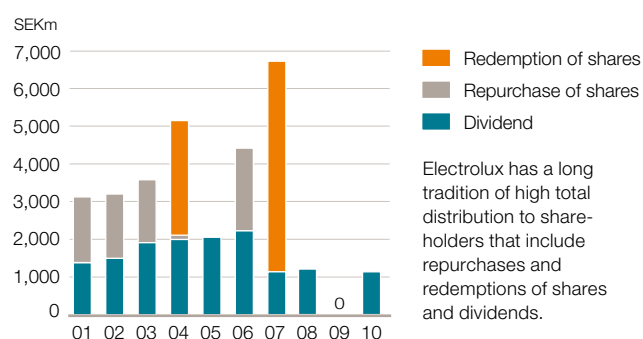
Over the past three years, the Electrolux share has shown a volatility of 48% (daily values), compared with an average volatility of 31% for a large cap company on Nasdaq OMX Stockholm. The beta value of the Electrolux share over the past five years is 1.25*. A beta value of more than 1 indicates that the share's sensitivity to market fluctuations is above average.

*) Compared with OMX Stockholm All-Share (OMXSPI).

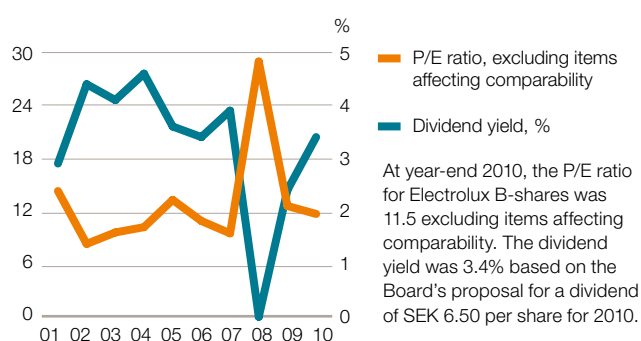
Conversion of shares

In accordance with the Articles of Association of Electrolux, owners of A-shares have the right to have such shares converted to B-shares. Conversion reduces the total number of votes in the company. In January 2010, at the request of shareholders, 439,150 A-shares were converted to B-shares.

Total distribution to shareholders



P/E ratio and dividend yield



Trading volume

The Electrolux share is listed on Nasdaq OMX Stockholm. Due to the deregulation of international capital markets and the increased foreign ownership of shares on Nasdaq OMX Stockholm, the listing on the London Stock Exchange (LSE) was no longer deemed necessary. After being listed on the LSE since 1928, the Electrolux B-share was delisted from the LSE on March 11.

There has recently been a clear trend towards new trading venues for shares. During 2010, 41% of Electrolux B-shares were traded outside Nasdaq OMX Stockholm, compared with 28% during 2009. In 2010, the Electrolux share accounted for 3.0% (2.7) of the shares traded on Nasdaq OMX Stockholm, of a total trading volume of SEK 3,627 billion (3,393).

Trade in Electrolux B-shares	2010	2009
Number of traded shares, million	656.9	805.9
Value of traded shares, SEKbn	110.5	90.2
Average daily trading volume, million	2.6	3.2
Average daily trading volume (value), SEKm	436	359
Number of issued/cancelled ADRs	1,565,380	1,149,300
Number of ADRs outstanding	646,363	1,349,731
Market share		
Nasdaq OMX Stockholm, %	59.3	72.1
London Stock Exchange, %	0.3	1.0
BOAT, %	17.6	13.3
Chi-X, %	12.9	9.5
Turquoise, %	2.2	2.4
BATS Europe, %	4.3	0.5
Other	3.4	1.2
Total	100.0	100.0

Average daily trading value of Electrolux shares on Nasdaq OMX Stockholm

SEK thousand	2010	2009	2008	2007	2006
A-shares	148	228	425	47	248
B-shares	435,958	358,962	364,400	523,817	407,104

In 2010, on average 2.6 million Electrolux shares were traded daily on Nasdaq OMX Stockholm.

DJSI World Index

The Group's sustainability performance and strategy helps attract and strengthen relations with investors. In 2010 and for the fourth consecutive year, Electrolux was recognized as leader in the consumer durables industry sector in the prestigious Dow Jones Sustainability Index (DJSI). Electrolux thereby ranks among the top 10% of the world's 2,500 largest companies for social and environmental performance. With 70 DJSI licenses in 19 countries, assets managers with DJSI portfolios valued at USD 8 billion are recommended to invest in Electrolux.



Share data

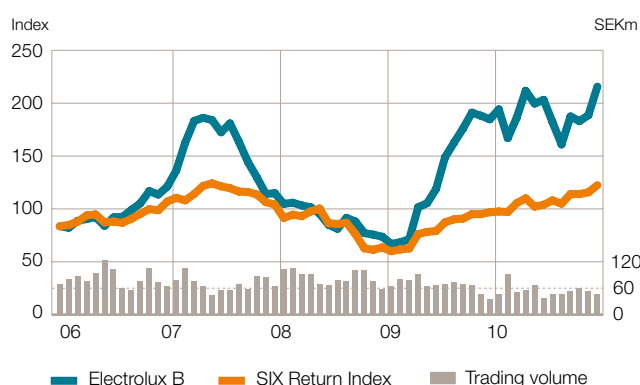
Share listing ¹⁾	Stockholm
Number of shares	308,920,308
of which A-shares ²⁾	9,063,125
of which B-shares ²⁾	299,857,183
Number of shares after repurchase	284,665,223
Quota value	SEK 5
Market capitalization at December 31, 2010	SEK 60 billion
GLCS code ³⁾	25201040
Ticker codes	Reuters ELUXB.ST Bloomberg ELUXB SS

1) Trading in Electrolux ADRs was transferred from Nasdaq to the US Over-the-Counter market as of March 31, 2005. One ADR corresponds to two B-shares.

2) In January 2010, at the request of shareholders, A-shares were converted into B-shares. See page 64.

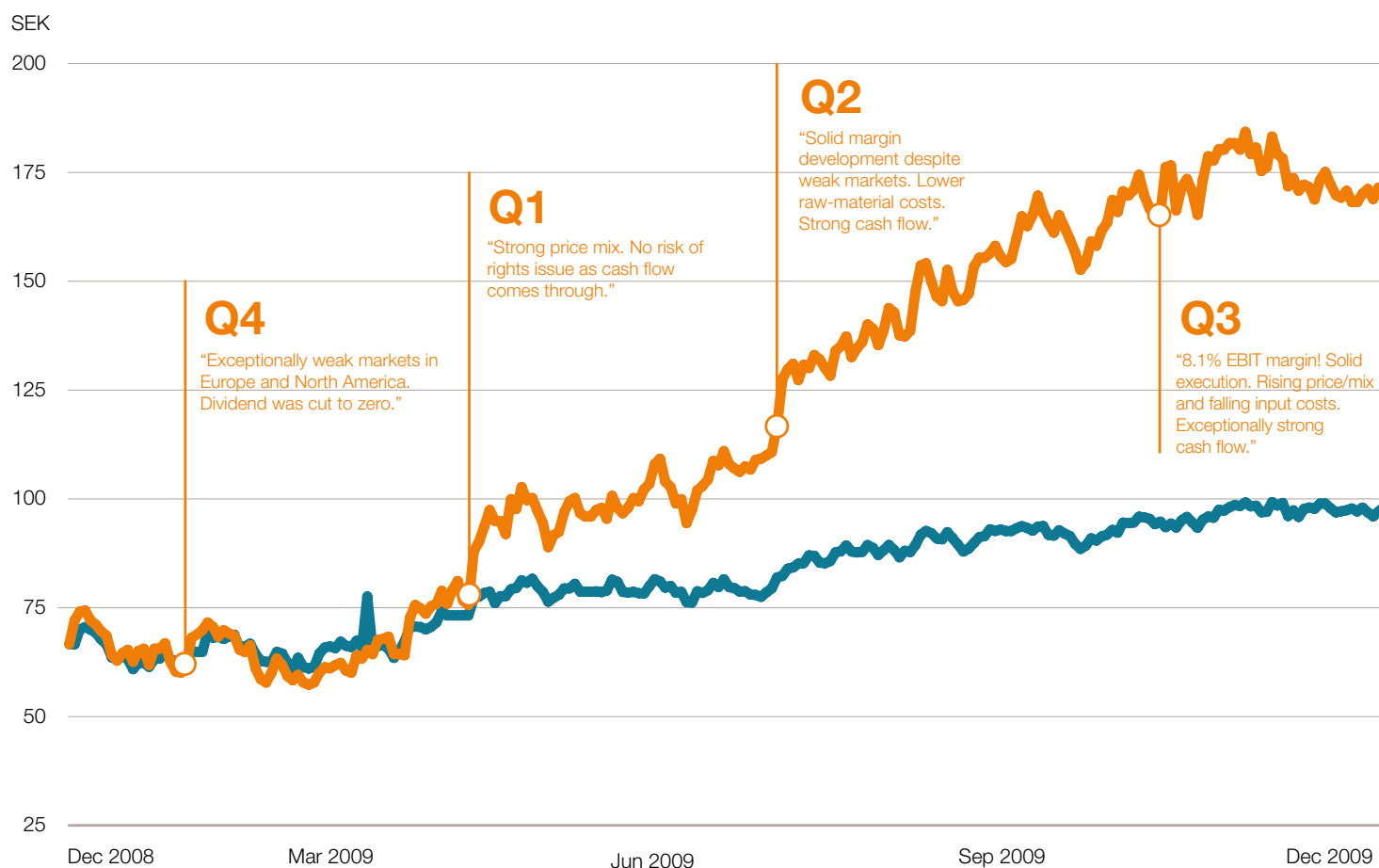
3) MSCI's Global Industry Classification Standard (used for securities).

Total return of Electrolux B-shares and trading volume on Nasdaq OMX Stockholm, 2006–2010



Electrolux B vs Swedish index

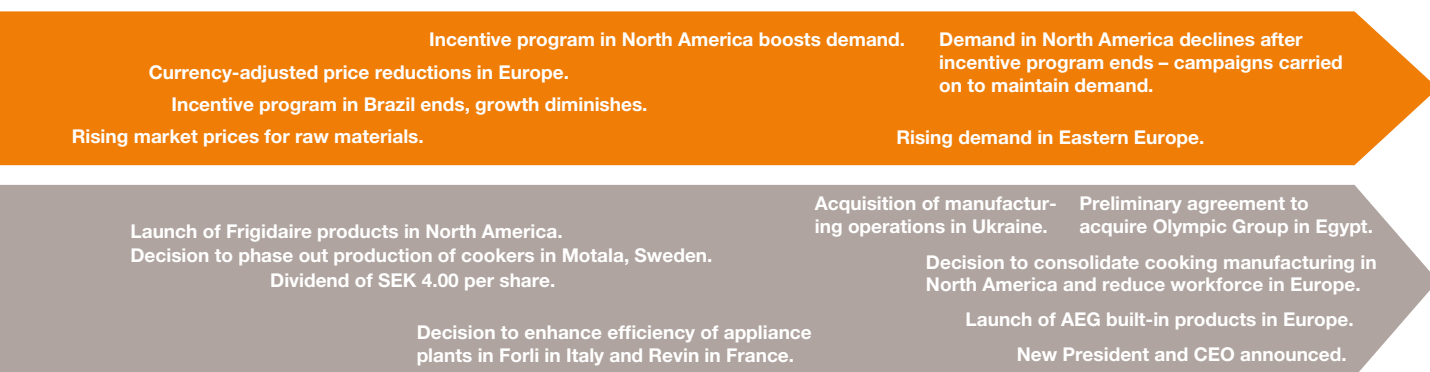
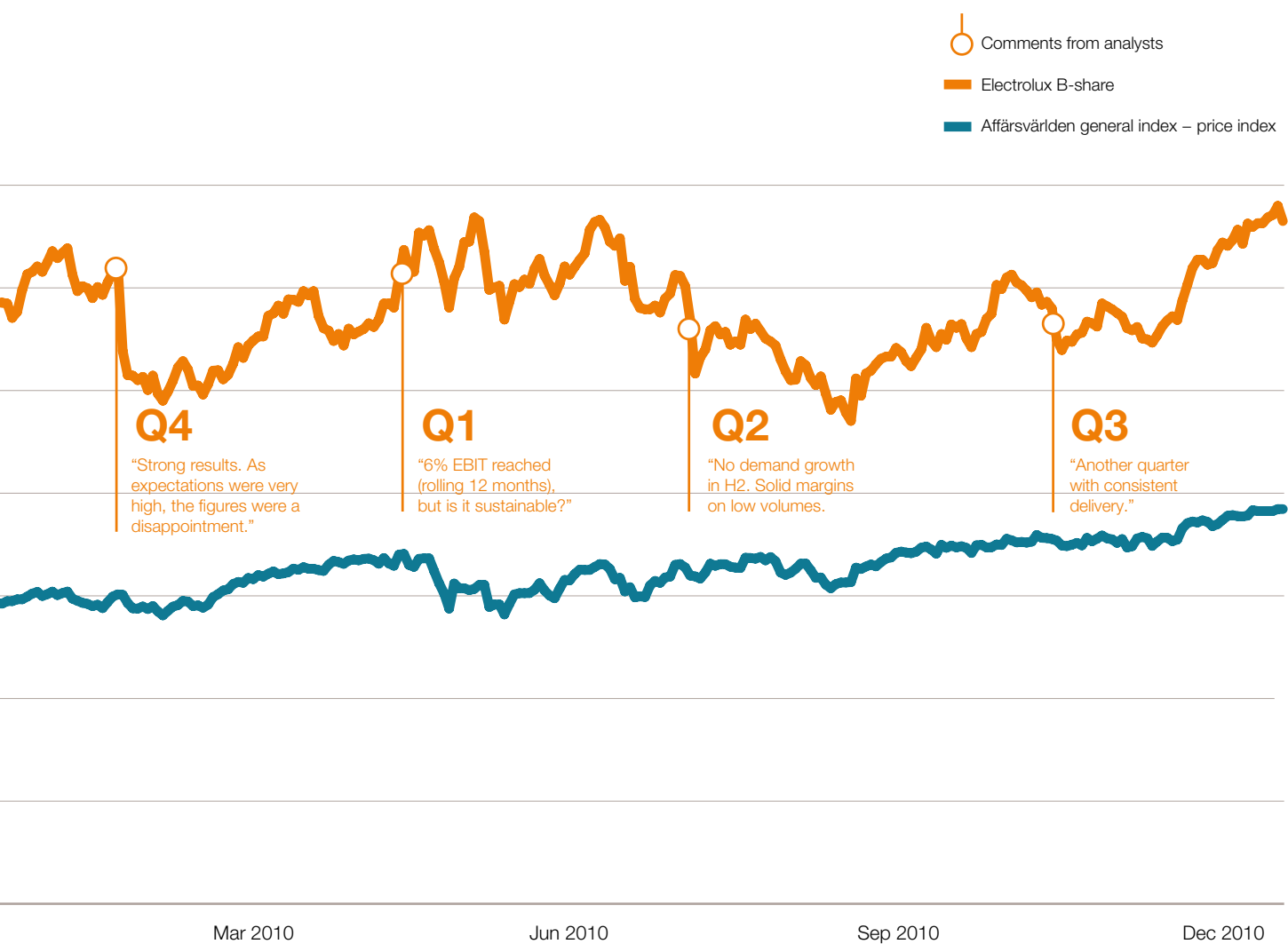
The Electrolux share-price development was strong in 2009. In 2010, expectations were high. The share price increased, however, and reached all-time high by the end of the year. Solid results and a strong stock market development were the main reasons.



EXTERNAL FACTORS	Q4 2008			Q1 2009		Q2 2009		Q3 2009	
	Declining market prices for raw materials. Deep recession in Europe and North America.			Demand in North America stabilizes. Robust growth in Brazil.				Leading retailer in Europe goes bankrupt.	

ELECTROLUX INITIATIVES	Q4 2008			Q1 2009		Q2 2009		Q3 2009	
	Price increases in Europe at beginning of 2009. Structural improvements in working capital. Decision not to pay a dividend. Global savings program – >3,000 people given notice. Production stop – adjustment of inventory levels. Decision to close the Changsha plant in China.			Decision to shut the plants in Webster City in the US and Alcalá in Spain. Utilize the global presence through a new organization. Decision to close the Saint Petersburg plant in Russia and improve efficiency at the Porcia plant in Italy. Pension liability reduced. Reduced exposure to unprofitable product categories in North America.					

Recommendations from analysts	After Q4 2008	After Q1 2009	After Q2 2009	After Q3 2009
Buy	20%	33%	53%	47%
Hold	27%	33%	40%	33%
Sell	53%	33%	7%	20%



After Q4 2009	After Q1 2010	After Q2 2010	After Q3 2010
38%	45%	70%	70%
33%	35%	25%	20%
29%	20%	5%	10%

Ownership structure

The majority of the total share capital as of December 31, 2010, was owned by Swedish institutions and mutual funds (approximately 66%). At year-end, approximately 9% of the shares were owned by Swedish private investors.

During the year, the proportion held by foreign owners decreased and amounted to approximately 25% at the end of the year. The volume of shares traded by foreign owners has a significant effect on share liquidity. Foreign investors are not always recorded in the share register. Foreign banks and other custodians may be registered for one or several customers' shares, and the actual owners are then usually not displayed in the register.

Incentive programs

Electrolux maintains a number of long-term incentive programs for senior management. Since 2004, the Group has performance-based share programs.

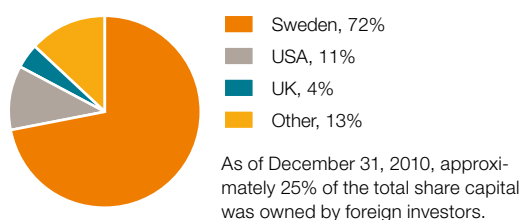
During 2010, senior managers in Electrolux purchased 243,756 B-shares under the terms of the employee stock option programs. No B-shares were allotted under the 2007 performance-based share program. At year-end 2010, the incentive programs corresponded to a maximum dilution of 0.96% of the total number of shares, or 2,766,934 B-shares.

Major shareholders

	Number of A-shares	Number of B-shares	Total number of shares	Share capital, %	Voting rights, %
Investor	8,270,771	33,895,362	42,166,133	13.6	29.9
Alecta Pension Insurance	500,000	25,405,000	25,905,000	8.4	7.8
BlackRock Funds		16,951,158	16,951,158	5.5	4.3
AMF Insurance & Funds		14,275,000	14,275,000	4.6	3.7
Swedbank Robur Funds		11,578,980	11,578,980	3.7	3.0
First Swedish National Pension Fund		6,944,272	6,944,272	2.2	1.8
Nordea Funds		5,763,303	5,763,303	1.9	1.5
SEB Funds		5,625,159	5,625,159	1.8	1.4
Second Swedish National Pension Fund		4,478,690	4,478,690	1.4	1.1
SHB Funds		4,284,066	4,284,066	1.4	1.1
Third Swedish National Pension Fund		3,893,901	3,893,901	1.3	1.0
Other shareholders	292,354	142,507,207	142,799,561	46.3	43.4
External shareholders	9,063,125	275,602,098	284,665,223	92.1	100.0
AB Electrolux		24,255,085	24,255,085	7.9	0.0
Total	9,063,125	299,857,183	308,920,308	100.0	100.0

Source: SIS Ägarservice and Electrolux as of December 31, 2010. The figures are rounded off. Information regarding ownership structure is updated quarterly on www.electrolux.com/ownership-structure

Shareholders by country



Source: SIS Ägarservice as of December 31, 2010.

Distribution of shareholdings

Shareholding	Ownership, %	Number of shareholders	As % of shareholders
1–1,000	4.3%	50,046	87.6%
1,001–10,000	5.4%	6,190	10.8%
10,001–20,000	1.4%	303	0.5%
20,001–	88.9%	621	1.1%
Total	100.0%	57,160	100%

Source: SIS Ägarservice as of December 31, 2010.

Data per share

	2010	2009	2008	2007 ⁹⁾	2006 ⁹⁾	2005	2004	2003	2002	2001
Year-end trading price, B-shares, SEK ¹⁾	191.00	167.50	66.75	108.50	116.90	89.50	65.90	67.60	58.80	66.90
Year-end trading price, B-shares, SEK	191.00	167.50	66.75	108.50	137.00	206.50	152.00	158.00	137.50	156.50
Highest trading price, B-shares, SEK	194.70	184.10	106.00	190.00	119.00	90.50	174.50	191.00	197.00	171.00
Lowest trading price, B-shares, SEK	142.50	57.50	53.50	102.00	78.50	62.00	125.50	125.50	119.50	92.00
Change in price during the year, %	14	151	-38	-7	31 ⁹⁾	36	-4	15	-12	28
Equity per share, SEK	72	66	58	57	47	88	81	89	87	88
Trading price/equity, %	264	253	116	191	247 ¹⁾	234	187	178	158	178
Dividend, SEK	6.50 ²⁾	4.00	0	4.25	4.00	7.50	7.00	6.50	6.00	4.50
Dividend as % of net income ^{3) 4)}	39	29	0	36	37	47	46	39	36	41
Dividend yield, % ⁵⁾	3.4	2.4	0	3.9	3.4 ¹⁾	3.6	4.6	4.1	4.4	2.9
Earnings per share, SEK	14.04	9.18	1.29	10.41	9.17	6.05	10.92	15.25	15.58	11.35
Earnings per share, SEK ⁴⁾	16.65	13.56	2.32	11.66	10.89	15.82	15.24	16.73	16.90	11.10
Cash flow, SEK ⁶⁾	26.98	29.16	4.22	4.54	7.53	2.45	10.81	9.15	23.14	15.55
EBIT multiple ⁷⁾	10.8	12.8	19.8	7.9	8.0 ¹⁾	16.1	9.5	6.8	5.9	10.0
EBIT multiple ^{4) 7)}	9.1	9.1	15.2	7.3	7.1 ¹⁾	9.1	6.7	6.3	5.6	9.8
P/E ratio ^{4) 8)}	11.5	12.4	28.8	9.3	10.7 ¹⁾	13.1	10.0	9.4	8.1	14.1
P/E ratio ⁸⁾	13.6	18.2	51.7	10.4	12.7 ¹⁾	34.1	13.9	10.4	8.8	13.8
Number of shareholders	57,200	52,000	52,600	52,700	59,500	60,900	63,800	60,400	59,300	58,600

1) Adjusted for distribution of Husqvarna in June 2006, and for redemption in January 2007.

2) Proposed by the Board.

3) Dividend as percent of income for the period.

4) Excluding items affecting comparability.

5) Dividend per share divided by trading price at year-end.

6) Cash flow from operations less capital expenditures, divided by the average number of shares after buy-backs.

7) Market capitalization excluding buy-backs, plus net borrowings and non-controlling interests, divided by operating income.

8) Trading price in relation to earnings per share.

9) Continuing operations.

Analysts who cover Electrolux

Company	Analyst
ABG Sundal Collier	Christer Fredriksson
Bank of America Merrill Lynch	Ben Maslen
Carnegie	Kenneth Toll Johansson
Cheuvreux	Johan Eliason
Citigroup	Natalia Mamaeva
Credit Suisse First Boston	Andre Kukhnin
Danske Bank	Carl Holmquist, Jan Bjerkeheim
Deutsche Bank	Stefan Lycke
DnB NOR Markets	Ole-Andreas Krohn
Equita	Dino Catena
Erik Penser	Johan Dahl
Execution Limited	Nick Paton, Rob Virdee
Goldman Sachs International	Samson Edmunds

Company	Analyst
Handelsbanken Capital Markets	Rasmus Engberg
HSBC	Colin Gibson
JP Morgan	Andreas Willi
Nomura	Lisa Randall
Nordea	Johan Trocmé, Ann-Sofie Nordh
Redburn Partners	James Moore
SEB Enskilda	Anders Trapp, Stefan Cederberg
Standard & Poor's	Jawahar Hingorani
Swedbank	Claes Rasmuson
UBS Warburg	Olof Cederholm
Unicredit Group	James Stettler
Ålandsbanken	Fredrik Nilhov
Öhman Fondkommission	Björn Enarson

Press releases 2010

Jan 29 Conversion of shares

Feb 3 Consolidated results 2009 and CEO Hans Stråberg's comments

Feb 10 Electrolux delists from the London Stock Exchange

Feb 22 Notice convening the Annual General Meeting of AB Electrolux

Mar 2 Lorna Davis proposed new Board member of Electrolux

Mar 5 Annual Report 2009

Mar 11 Electrolux delisted from the London Stock Exchange

Mar 31 Bulletin from AB Electrolux Annual General Meeting 2010

Apr 27 Interim report January – March and CEO Hans Stråberg's comments

May 12 Electrolux is named "global superstar" by Forbes Magazine

Jul 19 Interim report January – June and CEO Hans Stråberg's comments

Aug 9 Electrolux acquires manufacturing operations in Ukraine

Aug 25 Anders Edholm appointed SVP Corporate Communications at Electrolux

Aug 27 Henrik Bergström appointed head of Floor Care & Small Appliances

Sep 2 Electrolux Annual Report ranked best in the world

Sep 7 Dates for publication of financial reports from Electrolux in 2011

Sep 10 Electrolux included in Dow Jones Sustainability World Index for the fourth consecutive year

Sep 23 Hans Stråberg to leave Electrolux and is succeeded by Keith McLoughlin as President and CEO

Sep 30 Nomination Committee appointed for Electrolux Annual General Meeting 2011

Oct 11 Electrolux signs a preliminary agreement to acquire 52% in the Egyptian company Olympic Group

Oct 27 Interim report January – September and CEO Hans Stråberg's comments

Nov 12 Electrolux hosts Capital Markets Day

Dec 7 Electrolux Annual Report named winner in the Nasdaq OMX Nordic competition

Dec 15 Electrolux to close factory in L'Assomption, Canada, and reduce its workforce in Europe

Dec 15 Electrolux to consolidate cooking manufacturing in North America