

Consumer Durables

Electrolux sells innovative appliances and vacuum cleaners to consumers worldwide. A large proportion of household appliances are sold under the global Electrolux brand, and the Group commands a leading position as a provider of some of the most energy-efficient alternatives in the market.

A market with long-term drivers ...

Despite many countries having relatively weak markets in recent years, the long-term driving forces in the household appliances market remain in place. Households replace old products with new products, they renovate their homes and market penetration is increasing, especially in emerging markets.

... and increased interest in the home.

Households spend an increasing proportion of their income on the home, in particular on the kitchen. As a result of lifestyle changes, consumers are demanding products that simplify their lives and make cooking and storing food more wholesome. Moreover, the rate of innovation in the industry, in the form of new functions and new designs, is leading consumers to replace their old household appliances at an ever-increasing rate. A growing number of consumers also aspire to cook like the professionals and demand products similar to those found in restaurants, such as open kitchens and appliances used by the best chefs.

Rapid urbanization ...

More people already live in urban environments than in rural environments. This trend of people choosing to live in an urban environment is developing rapidly, particularly in emerging markets, but also in the more developed Western economies. According to the United Nations, the number of people residing in the world's cities will

increase by one billion by 2025, and then to approximately 75% of the world's population by 2050.

... that requires compact solutions ...

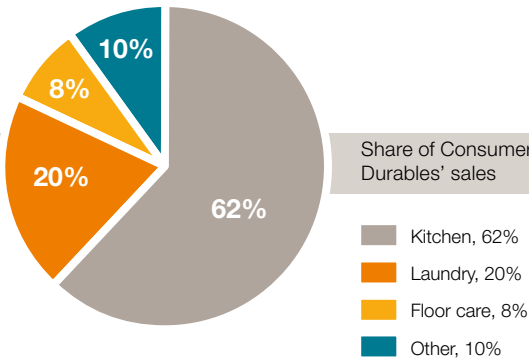
Rapid urbanization means less space to live in. This in turn requires homes that feature a flexible and basic design. The need is increasing for flexible, compact household appliances that can be easily integrated into the rest of the home environment.

... for a growing middle class ...

The global middle class is rapidly expanding. An increasing number of consumers in emerging markets are able to afford such items as a refrigerator, a washing machine or air-conditioning equipment. According to the United Nations, the number of people with an annual income of between USD 6,000 and 30,000 is growing by approximately 70 million annually. Over the next ten years, this group of affluent middle-class people is expected to grow by 40%, or by approximately one billion people.

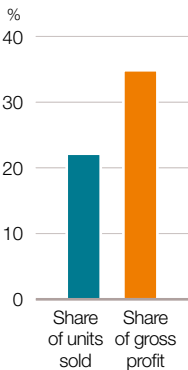
... and more efficient products.

A growing, affluent middle class, increasingly concentrated to urban areas, is resulting in greater demands for more efficient use of the world's resources. Improved methods are needed for dealing with household waste and the importance of energy- and water-efficient products is rising. Energy consumption is set to double by the year 2050 and already within 15 years, two-thirds of the world's population will live in areas with limited supplies of water. New technology is required to meet these challenges.



Electrolux household appliances command a strong position among the most energy-efficient products in the market. Kitchen appliances account for more than half of sales.

Profitable green products – Electrolux Green Range



Electrolux invests in product development to realize the innovations that enable households to live in a sustainable manner, from both an environmental and a social viewpoint. Electrolux Green Range, the Group's consumer durables with best environmental performance, accounted for approximately 22% of total sold units and 35% of gross profit in 2010.

Johan Jureskog, the well-known chef with experience from the Swedish Culinary Team and prize-winning restaurants in Sweden and France, has a complete kitchen solution supplied by Electrolux in his personal kitchen at home, just as in his restaurant Rolfs Kök in Stockholm, Sweden, see page 29.

An increasing number of consumers desire to emulate the professionals and demand products and solutions similar to those found at the best restaurants. Electrolux is the only appliance manufacturer in the industry to offer complete solutions for professionals and consumers.



Examples of innovative products in Consumer Durables

Torino coffee machine



Mini power mix



Inspiro oven



Ergorapido vacuum cleaner

