

Kitchen products

Kitchen appliances account for more than half of Group sales. Electrolux aims to produce competitive products that satisfy global needs and are adaptable to regional variations.

Consumer trends

The actual method used to prepare food is what sets consumers apart in the various areas of the world. However, the need for various functions and features of kitchen products is very much the same irrespective of location in the world. Aside from energy efficiency, consumers want quiet kitchen appliances that are user-friendly. Individual solutions and attractive design are important, since the products should reflect the personalities and values of their owners and must match other appliances in the kitchen. Although consumers are devoting increasingly less time to preparing food on weekdays, interest is increasing in more advanced leisure and gourmet cooking, while interest in health and well-being is growing rapidly. Consumers demand appliances that preserve the nutritional value and freshness of food before, during and after preparation.

The market

Built-in kitchen appliances are becoming increasingly popular worldwide and this trend is particularly strong in Europe, the Middle East, Southeast Asia and Australia. Built-in appliances are primarily sold by kitchen specialists, thus enabling kitchen cabinets and appliances to achieve an integrated harmonious look. Built-in appliances normally generate higher profitability than free-standing appliances.

The market for dishwashers has considerable growth potential. Less than half of European households own a dishwasher, due, in part, to the misconception that dishwashers consume large quantities of water. In Brazil, only 2% of households own a dishwasher.

Electrolux kitchen products

Market position

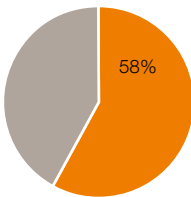
Electrolux kitchen appliances account for more than half of Group sales and command a strong position among the most energy-efficient products in the market. In recent years, Electrolux has consolidated its position in the built-in appliances sector through new business partnerships with leading kitchen specialists. At the end of 2010, new, innovative built-in appliances were launched in parts of the important European market.

Electrolux is committed to developing competitive products that fulfill global needs and can be tailored to suit regional differences, including design preferences and electrical standards.

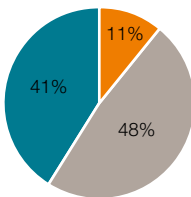
Brands

Approximately 60% of Group sales in Europe are under the Electrolux brand, including double branding. The Group's other major European brands include AEG and Zanussi. In North America, the Electrolux brand is used for appliances in the premium segment and the Frigidaire brand for appliances in the mass-market segment. In Latin America and Asia, the majority of products are sold under the Electrolux brand. The Group's most important brands in Australia include Electrolux, Westinghouse and Simpson. Electrolux also produces appliances that are sold by retail chains under their own brands.

Kitchen products' share of Group sales

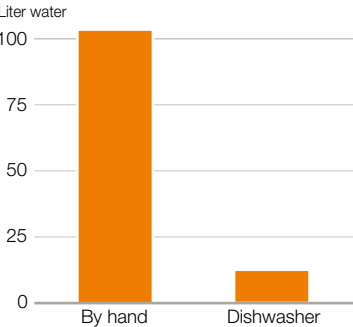


Product categories of kitchen products



- Dish
- Cold (refrigerators, freezers)
- Hot (cookers, hobs, ovens)

Water- and energy efficient dishwashers



103 liters of water, is the average amount of water used by a consumer doing the equivalent amount of washing-up by hand as one full dishwasher load according to a study from the University of Bonn in Germany. If a modern, water-efficient dishwasher from Electrolux is used instead, the consumer would only use 12 liters of water to clean the same amount of dishes. The new dishwashers from Electrolux consume only 1 kWh per washing cycle.

Refrigerators and freezers

Simpler refrigerators and freezers are exposed to intense competition and have relatively low profit margins. However, innovative products, including frost-free freezers, are showing strong growth and profitability. Electrolux is developing new functions and energy-saving storage solutions that fulfill the needs of consumers.

Reducing the amount of food that is unnecessarily discarded requires refrigerators that can preserve the freshness of produce for a long time. Electrolux has developed a new technology that ensures that fresh produce retains nutritional value, taste and aroma irrespective of the external climate.

The energy consumption during use of large kitchen appliances including refrigerators accounts for more than 80% of their total environmental impact. Lower energy consumption reduces the total cost for the consumer. The most efficient refrigerators and freezers from Electrolux currently consume 65% less energy than standard refrigerators launched 15 years ago.

Cookers, ovens and hobs

Cookers, ovens and hobs are the Group's strongest and most profitable segments in kitchen products. Their technical advancement increases the opportunities for differentiation.

Innovation is a strong driver for growth in these product categories and Electrolux has developed a range of new functions that facilitate food preparation. The Electrolux Inspiro is an oven that utilizes sensors to identify the volume of the food being prepared and thereafter determines the best cooking method and temperature as well as the optimum position in the oven. When the food is ready, the oven turns itself off.

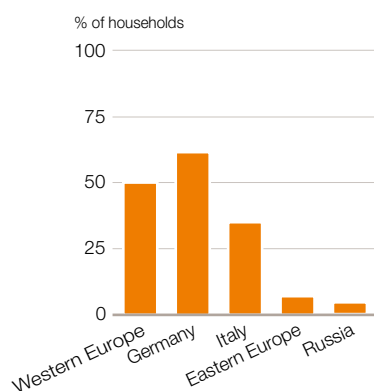
Steam ovens have long been used in professional kitchens simply because they make food that much tastier. Steam-cooking preserves the natural flavors and colors, as well as the vitamins and minerals contained in the food. In Europe, Electrolux has launched steam ovens for home use with great success.

Induction hobs are another segment that is growing rapidly, due primarily to their speed and energy efficiency. As one of the first companies in this category, Electrolux commands a strong position. Induction hobs have been sold in Europe in more than 10 years. In the US, Electrolux launched the first induction hobs in the market in 2008.

Dishwashers

Electrolux produces water- and energy-efficient dishwashers for large and small households. Low noise levels, customized dishwashing programs and effective baskets are among the needs met by Electrolux. The new dishwashers, Electrolux RealLife® and AEG-Electrolux Proclean, provide large amounts of space and movable baskets that suit all kinds of items. The Energy Saver button on every new dishwasher from Electrolux enables energy consumption to be reduced by up to 25%. The development of new, water-efficient dishwashers has progressed rapidly at Electrolux.

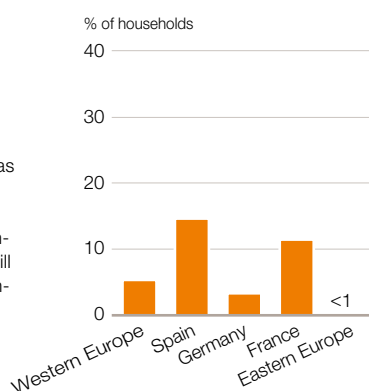
Low penetration for dishwashers



The market for dishwashers has a strong potential for growth. Less than half of the households in Europe own dishwashers, partly because they are still erroneously considered to consume large volumes of water.

Source: Electrolux estimate.

Growth potential for induction hobs



Induction hobs represent one of the most rapid and efficient methods of preparing food. As a pioneer of the segment, Electrolux commands a strong position. Induction hobs may still be unusual in households, but the segment is showing strong growth.

Source: Electrolux estimate.

In November 2010, an extensive launch of new, innovative appliances in Germany and Austria was initiated to strengthen and differentiate the AEG brand. The Neue Kollektion product range represents a more human brand and stronger design that utilizes only steel and glass. New intuitive controls make the products easier to use.



Perfect in form
and function

