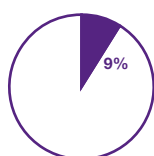


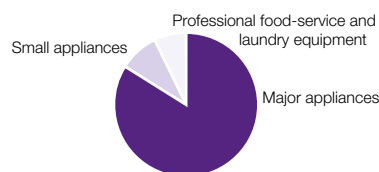
Africa, Middle East and Eastern Europe – acquisition for expansion

The acquisition of the Egyptian Olympic Group creates a leading position for Electrolux in appliances in the fast-expanding markets in North Africa and the Middle East. Electrolux has grown rapidly in Eastern Europe and currently commands major market shares for appliances and vacuum cleaners in the region.

Share of Group sales 2011



Share of sales in the region 2011



Africa and the Middle East comprise 75 countries with considerable variation in terms of wealth and degree of urbanization. South Africa and Turkey are the largest markets in the region. The population in Africa is growing at an exponential rate, and the number of households is rising even more rapidly because many people are of the age when it is time to find their own home. The degree of penetration is low in most product categories, but is displaying high growth due to the rapid rise in purchasing power. Refrigerators are one of the first products required when the prosperity of a country increases. In Eastern Europe, where Russia is the largest market, both average prosperity and penetration are higher. A large market for replacement products is emerging in several product categories, such as cookers, laundry equipment and refrigerators/freezers.

Multitude of manufacturers and retailers

With a wide geographical distribution and varying degrees of purchasing power, it is difficult for manufacturers and retailers to capture large market shares in Africa and the Middle East. Turkey has several large domestic manufacturers that have also established strong positions in nearby regions. The markets of Eastern Europe are dominated by Western manufacturers, while the retailer network is domestic.

The Group's position

The acquisition of the Egyptian Olympic Group gives Electrolux a leading position in appliances in North Africa and the Middle East. Electrolux has grown rapidly in the Eastern European markets in recent decades. At present, Electrolux commands 14% of the appliances market in Eastern Europe and is the market leader in Hungary, the Czech Republic and the Baltic countries. In other countries in the region, Electrolux is one of the three largest appliances companies. The 2010 acquisition of a washing-machine factory in the Ukraine has helped strengthen the Group's competitiveness in Russia and the Ukraine.

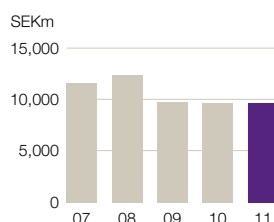
With Olympic Group, Electrolux can grow faster

Olympic Group is a leading major appliance company in the rapidly expanding markets in North Africa and the Middle East. Olympic Group, which has been the local partner of Electrolux in the region for a period of almost 30 years, has about 7,100 employees and manufactures such items as refrigerators, cookers, water heaters and washing machines. Integrating Olympic into the operations of Electrolux will facilitate even more rapid growth in the region. In Egypt, for example, with its 80 million inhabitants, GDP per capita has doubled since 2005 and a growing number can afford to purchase their first appliances or change to new appliances.

Fast-growing product categories

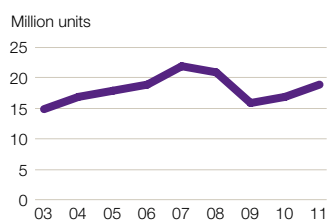
In Africa and the Middle East, all product categories are expanding at a high rate, primarily refrigerators, cookers and washing machines. Many Eastern European households can now afford to replace old appliances and even invest in new, more exclusive kitchen products. This trend increases demand for built-in products, a segment in which Electrolux is the leader. The improvement in the standard of living in the region has also ensured that demand for such products as dishwashers and tumble-dryers is rising fast.

Net sales in Africa, Middle East and Eastern Europe



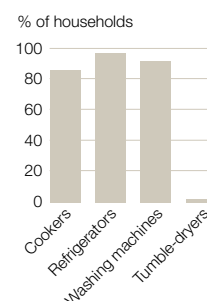
With the acquisition of the Egyptian appliances company Olympic Group net sales in the region will increase.

Shipments of core appliances in Eastern Europe, excl. Turkey



Demand in Eastern Europe has increased mainly on the basis of growth in Russia.

Product penetration in Eastern Europe



Source: Electrolux estimates.

Consumer brands



Professional brands



Acquisition of Olympic Group

The Middle East and Africa is a market with 1.3 billion people. Through the acquisition of Olympic Group in Egypt, Electrolux will be able to capture the growth in this large market. Olympic Group is a leading manufacturer of appliances in the Middle East, with a volume market share in Egypt of about 30%.

Quick facts Africa, Middle East and Eastern Europe 2010

Population: 1,669 million
 Average number of persons per household: 3.8
 Urban population: 50 %
Significant market: Arab world
 GDP per capita 2010: USD 5,400
 GDP growth 2010: 3.5 %
Significant market: Russia
 GDP per capita 2010: USD 10,400
 GDP growth 2010: 4.0 %
 Sources: World Bank and Electrolux estimates.



Electrolux market shares
 14% core appliances (Eastern Europe)
 30% core appliances (Egypt)
 12% floor care (Eastern Europe)
 8% professional food-service equipment (Africa, Middle East)
 9% professional laundry equipment (Africa, Middle East)



Electrolux is expanding in Eastern Europe

Electrolux is expanding in Eastern Europe. One example is the acquisition of the washing machine factory in Ivano-Frankivsk in the Ukraine. The factory will function as part of the Electrolux supply base for markets in Central and Eastern Europe. The Ukraine participates in the free trade framework within the Commonwealth of Independent States (CIS), which includes Russia, Kazakhstan, Armenia, Azerbaijan and other countries.

Markets and competitors

Core appliances

- Major markets
- Russia
 - Poland
 - Egypt

- Major competitors
- Bosch-Siemens
 - Indesit
 - Whirlpool

Floor care

- Major markets
- Poland
 - Russia
 - Czech Republic
 - South Africa

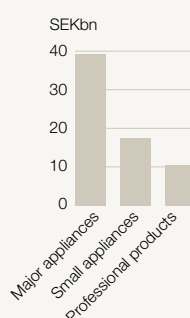
- Major competitors
- LG
 - Samsung
 - Dyson
 - Bosch-Siemens

Professional products

- Major markets
- Turkey
 - Russia
 - Ukraine
 - Middle East

- Major competitors
- Ali Group
 - Rational
 - Alliance
 - Vyazama

Market value Eastern Europe



Source: Electrolux estimates.