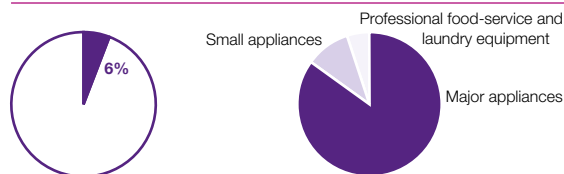


Australia, New Zealand and Japan – major variations

Electrolux is the largest manufacturer of appliances in Australia and has built up a particularly strong position in the premium segment. In Japan, the Group has applied a niche strategy to establish the brand in the market. Focus is now directed to broader expansion.

Share of Group sales 2011 **Share of sales in the region 2011**



While Australia covers a large land mass, nearly all of its inhabitants live in cities on the East Coast. Both the population and the number of households are on the rise and the degree of penetration is high in most product categories. Demand is driven primarily by interest in design, innovation and the environment. 2011 was characterized by price pressure brought on by a strong AUD, making imported products increasingly competitive. Japan is the world's third-largest single market for household appliances. Although the number of inhabitants is declining, the number of households is growing due to a rapidly aging population. The growth for household appliances is driven by such factors as innovations based on small living spaces.

High degree of consolidation

In Australia, competition between manufacturers from Asia and Europe is intense. The retailer market is dominated by five major chains representing 90% of the market.

Large, domestic manufacturers and retailers such as Panasonic, and Hitachi control the Japanese market.

The Group's position

Electrolux is the largest supplier of appliances in Australia. The Electrolux brand is positioned in the premium price segment with a focus on innovation, water- and energy-efficiency, and design. The Group's Westinghouse and Simpson brands command strong

positions in the mass-market segment. The Kelvinator brand holds a strong position in air-conditioners. A large portion of the best restaurants in Australia is equipped with food-service equipment from Electrolux. In Japan, Electrolux is a relatively small player but in recent years has started to establish a rapidly growing business in small, compact vacuum cleaners.

Fast-growing product categories

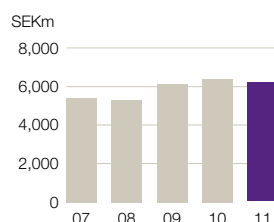
Thanks to its Electrolux E:line built-in appliances, the Group has increased its market shares in an important and profitable product category. Freshwater shortages have meant that both consumers and legislation demand energy-efficient products with low water consumption. Dishwashers and front-load washing machines are therefore fast-growing product categories, and Electrolux controls considerable shares of these markets. Demand in Japan is growing for compact, user-friendly and quiet household appliances. Electrolux has positioned itself in the segment with its attractive offering of vacuum cleaners in the country. Japan is the world's largest market for canister vacuum cleaners. In 2010, Electrolux launched the rechargeable, handheld Ergorapido vacuum cleaner, which is now sold in more than 1,500 stores in the country.

Innovations for Australian households

Water shortages are a problem in Australia. The Electrolux Water Aid washing machine, automatically adapts the water level to the load size. However, given the hot and dry climate in Australia, many households prefer to cook food outdoors. The acclaimed Electrolux En:V Barbecue was designed with the needs of the consumer in mind for an efficient and easy-to-use barbecue that can serve as a centerpiece around which guests can gather.

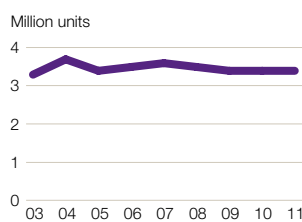
Furthermore, Electrolux has launched one of the first side-by-side refrigerators with a five-star energy rating in Australia.

Net sales in Australia, New Zealand and Japan



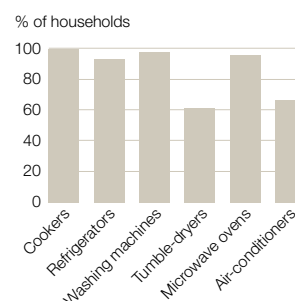
Australia is Electrolux main market in the region. In Japan, Electrolux is a relatively small player but in recent years has started to establish a rapidly growing business in small, compact vacuum cleaners.

Growth of shipments of core appliances in Australia



Market demand for appliances in Australia has seen no growth in recent years.

Product penetration in Australia



Source: Electrolux estimates.

Consumer brands



Professional brand



Quick facts Australia, New Zealand and Japan 2010

Population: 154 million
 Average number of persons per household: 2.5
 Urban population: 71 %
Significant market: Australia
 GDP per capita 2010: USD 55,700
 GDP growth 2010: 2.7 %
 Source: World Bank and Electrolux estimates.

Learning from professionals

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



Electrolux market shares in Australia
 41% core appliances
 22% floor care

Small appliances in a large market

Following the Group's successful 2010 launch of the rechargeable, handheld Ergorapido vacuum cleaner in Japan, Electrolux is now advancing with a product specially adapted to small Japanese households. The Ergothree was launched at the end of 2011 amid great media fanfare in Tokyo and will be available in Japanese stores in early 2012.



Electrolux En:tice Barbecue



Given the hot and dry climate in Australia, many households prefer to cook food outdoors. In 2011, Electrolux launched the En:tice Barbecue, which delivers the same level of sophistication as expected from indoor kitchen appliances.

Markets and competitors

Core appliances

- Major competitors
- Fischer & Paykel
 - Samsung
 - LG
 - Panasonic

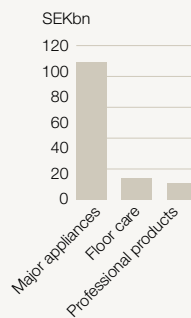
Floor care

- Major competitors
- Samsung
 - LG
 - Dyson

Professional products

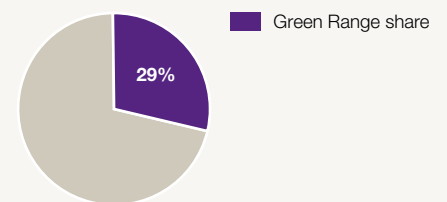
- Major competitors
- ITW
 - Hoshizaki
 - Alliance

Market value



Source: Electrolux estimates.

Green Range vacuum cleaner sales in New Zealand 2011



Green Range products with 70% recycled plastics comprised 29% of total full size canister vacuum cleaner sales in New Zealand during 2011.