

2012 in summary

Market overview

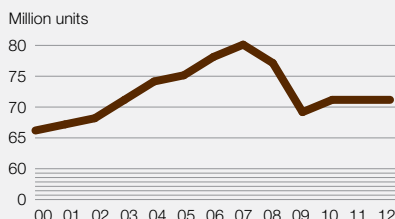
Market demand for appliances in Electrolux core markets continued to decline in 2012 year-over-year, while demand in growth markets continued to grow.

Market demand for core appliances in Western Europe and North America declined by 2%. Market demand in Australia is estimated to have declined.

Market demand in Eastern Europe increased by 3% and demand in Latin America and Southeast Asia continued to show growth. Market demand for core appliances in Europe in 2013 is expected to decline, while demand in North America is expected to increase.

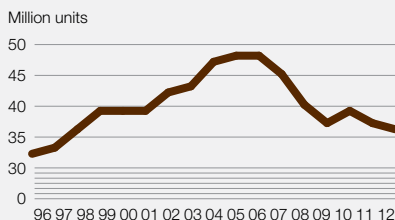
- Strong sales growth in growth markets and in North America.
- Operating income improved substantially for appliances in North America and Latin America.
- Volume growth and price increases contributed to the favorable trend in operating income.
- Weak market conditions in Europe adversely impacted results for appliances, professional products and small domestic appliances.

Market demand for core appliances in Europe



A total of approximately 71 million core appliances were sold in Europe in 2012, which is about 11% lower than the record year of 2007.

Market demand for core appliances in the US



A total of approximately 36 million core appliances were sold in the US in 2012, corresponding to the level of 1998 and about 25% lower than the top levels in 2005 and 2006.

Sources: US: AHAM. Europe: GfK. For other markets there are no comprehensive market statistics.

Net sales and operating income

Net sales for the Electrolux Group in 2012 improved by 9.4% in comparable currencies. Sales growth referred mainly to growth markets and were particularly strong in Latin America. All business areas except for Professional Products showed sales growth.

The negative trend in market conditions in the core markets in Europe has adversely impacted results for the Group's operations in the region. However, volume growth, price increases and extensive product launches, particularly in Latin America and North America, contributed to the improvement in operating income for 2012.

Costs savings and the ongoing global initiatives to reduce complexity and improve competitiveness within manufacturing also contributed to the favorable income trend.

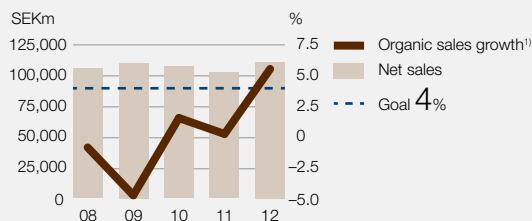
Financial goals over a business cycle

The financial goals set by Electrolux aim to strengthen the Group's leading, global position in the industry and assist in generating a healthy total yield for Electrolux shareholders.

The organic sales growth in 2012 of 5.5% far exceeded the goal of 4%. Total sales increased by 9.4%, in comparable currencies, of which 5.5% was organic growth and 3.9% acquisitions. Oper-

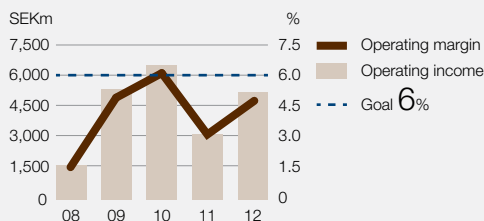
Financial goals over a business cycle

Sales growth



1) In comparable currencies.

Operating margin



Key ratios are excluding items affecting comparability.

Financial overview

SEKm	2012	2011 ¹⁾	Change, %
Net sales	109,994	101,598	8.3
Change in net sales, %, whereof			
Acquisitions			3.9
Organic growth			5.5
Changes in exchange rates			-1.1
Operating income			
Major Appliances Europe, Middle East and Africa	1,142	709	61
Major Appliances North America	1,561	250	524
Major Appliances Latin America	1,590	820	94
Major Appliances Asia/Pacific	746	736	1
Small Appliances	473	543	-13
Professional Products	596	841	-29
Other, common Group costs, etc.	-926	-744	-24
Operating income excluding items affecting comparability	5,182	3,155	64
Margin, %	4.7	3.1	
Items affecting comparability	-1,032	-138	
Operating income	4,150	3,017	38
Margin, %	3.8	3.0	

1) Operating income for 2011 included non-recurring costs in the amount of SEK 825m. The major part of these costs, SEK 690m, was related to Major Appliances Europe, Middle East and Africa. Operating income for 2011, excluding items affecting comparability and non-recurring costs, amounted to SEK 3,980m, corresponded to a margin of 3.9%, see page 20.

ating margin showed a positive trend and amounted to 4.7%. The capital turnover-rate declined to 4.0, while return on net assets increased to 18.8%. The acquired companies Olympic Group and CTI have impacted these key ratios negatively, while the Group's ongoing structural efforts to reduce tied-up capital has contributed positively.

Structural changes in 2012

In 2012, Electrolux continued the work to increase production competitiveness by optimizing its industrial production system, as communicated at the Capital Markets Day in November 2011.

Several activities have been initiated within the business area Major Appliances Europe, Middle East and Africa. Total costs of SEK 1,032m was charged to operating income within items affecting comparability, see page 20.

Launches of new products and new sales channels

In 2012, Electrolux launched the first and only professional cooking system for consumer homes, Electrolux Grand Cuisine, in the ultra-luxury segment, see page 10. In Europe, Electrolux launched

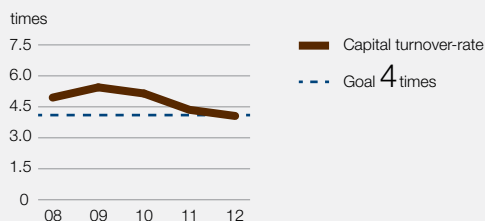
the Inspiration Range, a complete range of appliances under the Electrolux brand. The products are being launched across all core markets in Europe.

In the US, Electrolux is entering the world's largest home improvement specialty retailer, The Home Depot, see page 10.

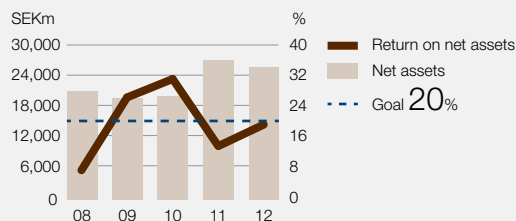
Electrolux Capital Markets Day in November 2012

In addition to presenting the pillars of the Electrolux strategy, management gave a brief overview of the current business environment and how it could drive the Group's performance in 2013. Cost savings in 2013 are expected to be greater than SEK 1 billion, compared to 2012. The raw-material headwinds experienced in previous years are expected to turn into tailwinds. Although the demand situation in Europe remains uncertain, Electrolux as a Group expects another year of positive organic sales growth. The majority of the growth is expected to derive from emerging markets and a positive price/mix development, supported by product launches. In 2013, Electrolux will continue to step up its investments in product development, design and marketing to support future product launches.

Capital turnover-rate



Return on net assets



Key ratios are excluding items affecting comparability.