

# The Electrolux share

*The performance of the Electrolux share price was strong in 2012 while expectations were high. Strong organic growth and a healthy operating income despite challenging market conditions resulted in strong share-price appreciation during the year, generating a total return of 63%.*

2012 was a strong year for the Electrolux share resulting in a share-price increase of 55%, while the broader Swedish market index, Affärsvärlden General Index, increased by 12% over the same period. The strong price performance was closely linked to consecutive quarters with healthy earnings that met the market expectations of continued growth, profitability and cash-flow generation.

In the second quarter of 2012, Electrolux posted organic growth of 5.8% and gained market share. In the third quarter, the Group was able to maintain growth above its communicated target and deliver an operating margin of 5.4% as a result of improved prices

and product launches. These factors contributed to the momentum of the share. The relative performance of Electrolux to the Swedish market index was strong during the year.

## Total return

The opening price for the Electrolux B shares in 2012 was SEK 109.70. The lowest closing price was SEK 111.50 on January 9. The highest closing price was SEK 179.00 on December 18. The closing price for the B share at year-end 2012 was SEK 170.50, which was 55% higher than at year-end 2011.

Total shareholder return during the year was 62.7%. Over the past ten years, the average total return on an investment in Electrolux shares has been 15.1% annually. The corresponding figure for the SIX Return Index was 12.6%.

## Share volatility

Over the past three years, the Electrolux share has shown a volatility of 35.7% (daily values), compared with an average volatility of 22.5% for Nasdaq OMX Stockholm. The beta value of the Electrolux B shares over the past five years is 1.16. A beta value of more than 1 indicates that the share's sensitivity to market fluctuations is above average.

## Data per share

	2012	2011	2010	2009	2008	2007 <sup>9)</sup>	2006 <sup>9)</sup>	2005	2004	2003
Year-end trading price, B shares, SEK <sup>1)</sup>	170.50	109.70	191.00	167.50	66.75	108.50	116.90	89.50	65.90	67.60
Year-end trading price, B shares, SEK	170.50	109.70	191.00	167.50	66.75	108.50	137.00	206.50	152.00	158.00
Highest trading price, B shares, SEK	179.00	195.60	194.70	184.10	106.00	190.00	119.00	90.50	174.50	191.00
Lowest trading price, B shares, SEK	111.50	95.30	142.50	57.50	53.50	102.00	78.50	62.00	125.50	125.50
Change in price during the year, %	55	-43	14	151	-38	-7	31 <sup>9)</sup>	36	-4	15
Equity per share, SEK	69	73	72	66	58	57	47	88	81	89
Trading price/equity, %	246	151	264	253	116	191	247 <sup>1)</sup>	234	187	178
Dividend, SEK	6.50 <sup>2)</sup>	6.50	6.50	4.00	0	4.25	4.00	7.50	7.00	6.50
Dividend as % of net income <sup>3) 4)</sup>	53	86	39	29	0	36	37	47	46	39
Dividend yield, % <sup>5)</sup>	3.8	5.9	3.4	2.4	0	3.9	3.4 <sup>1)</sup>	3.6	4.6	4.1
Earnings per share, SEK	9.08	7.25	14.04	9.18	1.29	10.41	9.17	6.05	10.92	15.25
Earnings per share, SEK <sup>4)</sup>	12.18	7.55	16.65	13.56	2.32	11.66	10.89	15.82	15.24	16.73
Cash flow, SEK <sup>6)</sup>	25.01	18.97	26.98	29.16	4.22	4.54	7.53	2.45	10.81	9.15
EBIT multiple <sup>7)</sup>	14.1	13.4	10.8	12.8	19.8	7.9	8.0 <sup>1)</sup>	16.1	9.5	6.8
EBIT multiple <sup>8) 7)</sup>	11.3	12.8	9.1	9.1	15.2	7.3	7.1 <sup>1)</sup>	9.1	6.7	6.3
P/E ratio <sup>8)</sup>	18.8	15.1	13.6	18.2	51.7	10.4	12.7 <sup>1)</sup>	34.1	13.9	10.4
P/E ratio <sup>4) 8)</sup>	14.0	14.5	11.5	12.4	28.8	9.3	10.7 <sup>1)</sup>	13.1	10.0	9.4
Number of shareholders	51,800	58,800	57,200	52,000	52,600	52,700	59,500	60,900	63,800	60,400

1) Adjusted for distribution of Husqvarna in June 2006, and for redemption in January 2007.

2) Proposed by the Board.

3) Dividend as percentage of income for the period.

4) Excluding items affecting comparability.

5) Dividend per share divided by trading price at year-end.

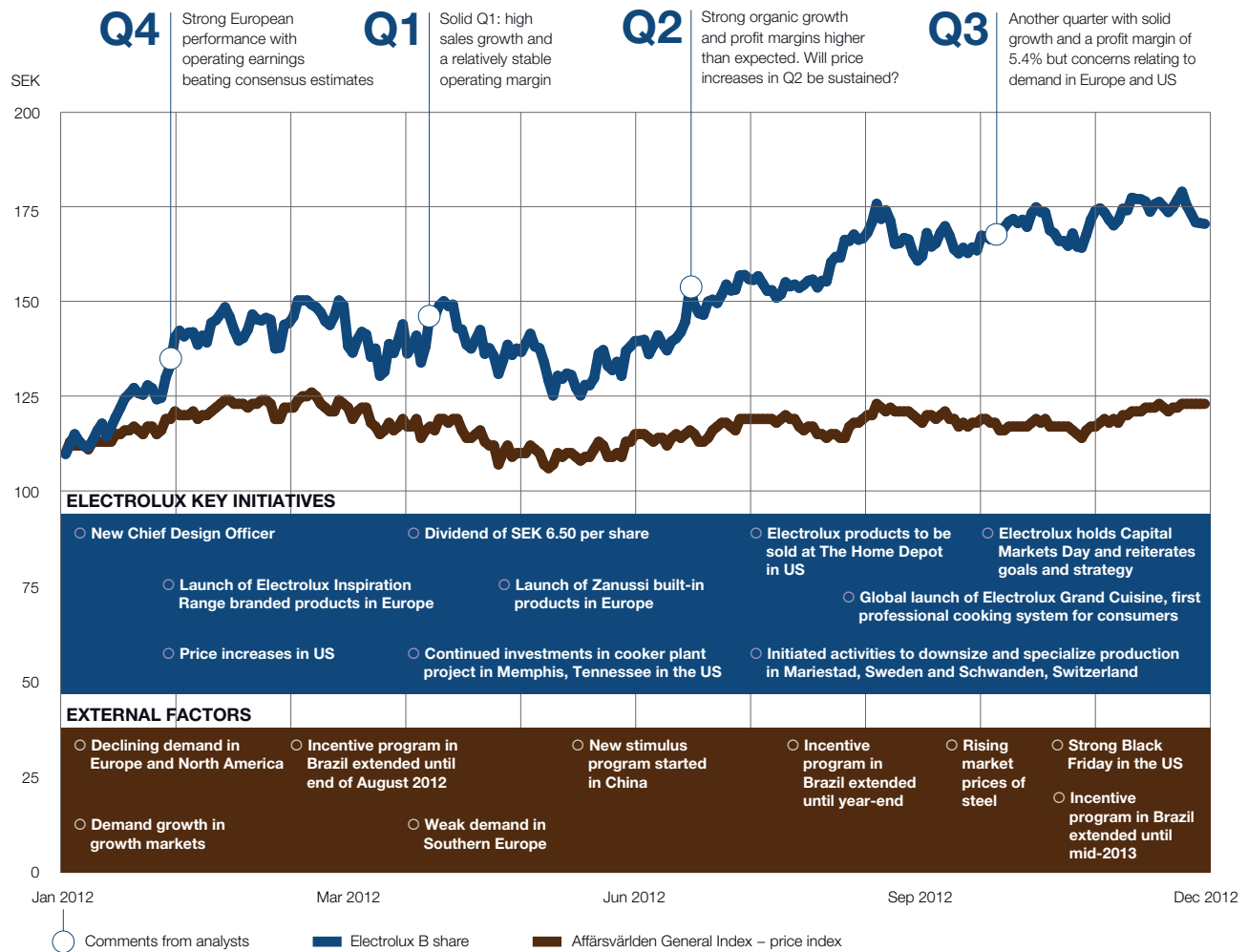
6) Cash flow from operations less capital expenditures, divided by the average number of shares after buy-backs.

7) Market capitalization, plus net borrowings and non-controlling interests, divided by operating income.

8) Trading price in relation to earnings per share.

9) Continuing operations.

## Performance of the Electrolux share during the year



### Recommendations from analysts

	After Q4 2011	After Q1 2012	After Q2 2012	After Q3 2012
Buy	40%	38%	42%	24%
Hold	50%	50%	42%	62%
Sell	10%	12%	17%	14%

The performance of the Electrolux share price was strong in 2012 and expectations were high. High organic growth, solid earnings and cash-flow generation despite uncertain market development resulted in significant increase in the share price relative the Swedish market index during the year.

## > The Electrolux share

The Electrolux share is listed on Nasdaq OMX Stockholm. The market capitalization of Electrolux at year-end 2012 was approximately SEK 53 billion (34), which corresponded to 1.4% (1.0) of the total value of Nasdaq OMX Stockholm. The company's outstanding shares are divided into A shares and B shares. A shares entitle the holder to one vote while B shares entitle the holder to 1/10 of a vote.

### Dividend

The Board of Directors proposes a dividend for 2012 of SEK 6.50 per share, equivalent to a total dividend payment of approximately SEK 1,860m. The proposed dividend corresponds to approximately 55% of income for the period, excluding items affecting comparability. Based on the share price of Electrolux B shares at the end of 2012, the dividend yield for 2012 amounted to 3.8%.

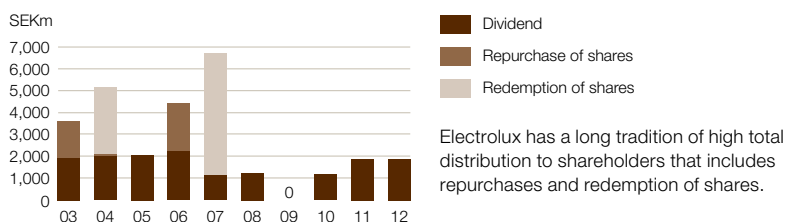
The Group's goal is for the dividend to correspond to at least 30% of income for the period, excluding items affecting comparability. For a number of years, the dividend level has been considerably higher than 30%.

### Share data

Share listing <sup>1)</sup>	Stockholm
Number of shares	308,920,308
of which A shares <sup>2)</sup>	8,212,725
of which B shares <sup>2)</sup>	300,707,583
Number of votes	38,283,483
Number of shares after repurchase	286,134,818
Quota value	SEK 5
Market capitalization at December 31, 2012	SEK 53 billion
GICS code <sup>3)</sup>	25201040
Ticker codes	Reuters ELUXb.ST Bloomberg ELUXB SS

- 1) Trading in Electrolux ADRs was transferred from Nasdaq to the US Over-the-Counter market as of March 31, 2005. One ADR corresponds to two B shares.
- 2) In 2012, no shareholder has requested conversion of shares.
- 3) MSCI's Global Industry Classification Standard (used for securities).

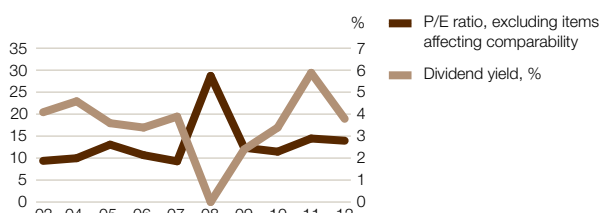
### Total distribution to shareholders



### Total return of Electrolux B shares and trading volume on Nasdaq OMX Stockholm, 2008–2012



### P/E ratio and dividend yield



At year-end 2012, the P/E ratio for Electrolux B shares was 14.0 excluding items affecting comparability. The dividend yield was 3.8% based on the Board's proposal for a dividend of SEK 6.50 per share for 2012.

### Ownership structure

The majority of the total share capital as of December 31, 2012, was owned by Swedish institutions, mutual funds and private investors amounting to 59%. During the year, the proportion of the capital held by foreign owners increased and amounted to approximately 41% (24%) at the end of the year. The volume of shares traded by foreign owners has a significant effect on share liquidity. Foreign investors are not always recorded in the share register as foreign banks and other custodians may be registered for one or several customers' shares, why the actual owners are then usually not displayed in the register.

### Share-based incentive programs

Electrolux maintains a number of long-term incentive programs for senior management. Since 2004, the Group has three-year performance-based share programs.

At year-end 2012, the incentive programs had an immaterial effect on dilution of the total number of shares.

### Conversion of shares

In accordance with the Articles of Association of AB Electrolux, owners of A shares have the right to have such shares converted to B shares. Conversion reduces the total number of votes in the company. In 2012, no shareholder has requested conversion of shares. The total number of registered shares in the company amounts to 308,920,308 shares, of which 8,212,725 are A shares and 300,707,583 are B shares. The total number of votes amounts to 38,283,483.

### Major shareholders

	Share capital, %	Voting rights, %
Investor AB	15.5	29.9
Alecta Pension Insurance	5.5	5.6
Swedbank Robur funds	4.6	3.7
Norges Bank Investment Management	2.3	1.9
SEB funds	1.8	1.5
AMF Insurance & Funds	1.7	1.4
SHB Funds	1.5	1.2
Second Swedish National Pension Fund	1.1	0.9
Unionen	1.0	0.8
Fourth Swedish National Pension Fund	0.9	0.7
Government of Kuwait	0.9	0.7
Other shareholders	55.8	51.7
<b>External shareholders</b>	<b>92.6</b>	<b>100.0</b>
AB Electrolux	7.4	0.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

Source: SIS Ägarservice and Electrolux as of December 31, 2012.

The figures are rounded off. Information regarding ownership structure is updated quarterly on [www.electrolux.com/ownership-structure](http://www.electrolux.com/ownership-structure).

### Distribution of shareholdings

Shareholding	Ownership, %	Number of shareholders	As % of shareholders
1–1,000	3.7	45,827	88.5
1,001–10,000	4.4	5,163	10.0
10,001–20,000	1.2	251	0.5
20,001–	90.7	536	1.0
<b>Total</b>	<b>100.0</b>	<b>51,777</b>	<b>100.0</b>

Source: SIS Ägarservice as of December 31, 2012.

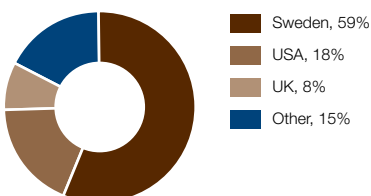
### DJSI World Index

The Group's sustainability performance and strategy help attract and strengthen relations with investors. In 2012 and for the sixth consecutive year, Electrolux was recognized as a leader in the consumer durables industry sector in the prestigious Dow Jones Sustainability Index (DJSI).

Electrolux thereby ranks among the top 10% of the world's 2,500 largest companies for social and environmental performance. The DJSI index family has approximately 6 billion USD in assets under management. Approximately 55 products are based on the indexes in 15 countries.



### Shareholders by country



As of December 31, 2012, approximately 41% of the total share capital was owned by foreign investors.

Source: SIS Ägarservice as of December 31, 2012.

## > The Electrolux share

### Trading volume

Recently, there has been a clear trend toward new trading venues for shares. During 2012, 54% of Electrolux B shares were traded outside Nasdaq OMX Stockholm, compared with 46% during 2011. In 2012, the Electrolux share accounted for 2.8% (2.5) of the shares traded on Nasdaq OMX Stockholm, of a total trading volume of SEK 2,769 billion (3,684).

### Average daily trading value of Electrolux shares on Nasdaq OMX Stockholm

SEK thousand	2012	2011	2010	2009	2008
A shares	93	109	148	228	425
B shares	310,501	357,075	435,958	358,962	364,000

In 2012, an average of 2.1 million Electrolux shares were traded daily on Nasdaq OMX Stockholm.

### Trading in Electrolux B shares

	2012	2011
Number of traded shares, million	528.3	667.7
Value of traded shares, SEKbn	77.6	90.3
Average daily trading volume, million	2.1	2.6
Average daily trading volume (value), SEKm	311	357
Number of issued/cancelled ADRs	476,999	374,712
Number of ADRs outstanding	423,420	441,659

Source: Nasdaq OMX.

### Analysts who cover Electrolux

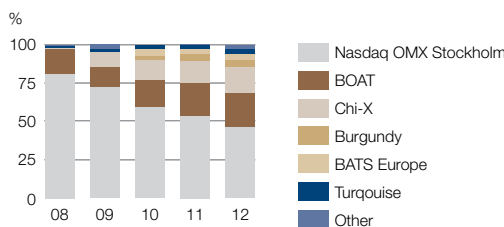
Company	Analyst
ABG Sundal Collier	Andreas Lundberg
Bank of America Merrill Lynch	Ben Maslen
Barclays Capital	Allan Smylie, David Vos
Carnegie	Kenneth Toll Johansson
Cheuvreux	Johan Eliason
Citigroup	Natalia Mamaeva
Credit Suisse	Andre Kukhnin
Danske Bank	Björn Enarson
Deutsche Bank	Martin Wilkie
DnB NOR Markets	Christer Magnergård
Equita	Domenico Ghilotti
Erik Penser	Johan Dahl
Exane BNP Paribas	Jonathan Mounsey
Execution Limited	Rob Virdee
Goldman Sachs	Aaron Ibbottson
Handelsbanken Capital Markets	Rasmus Engberg
JP Morgan	Andreas Willi
Longbow Research	David MacGregor
Nomura	Daniel Cunliffe
Nordea	Stefan Stjernholm
Pareto Securities	David Jacobsson
Redburn Partners	James Moore
SEB Enskilda	Anders Trapp, Stefan Cederberg
Swedbank	Fredrik Nilhov
UBS	David Halldén

### Market share

	2012	2011
Nasdaq OMX Stockholm, %	46.0	53.7
BOAT, %	22.5	21.3
Chi-X, %	17.0	14.1
Burgundy, %	4.3	5.2
BATS Europe, %	4.3	3.2
Turquoise, %	2.9	2.4
Other, %	3.0	0.1
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

Source: Fidessa.

### Trading platforms for the Electrolux share



An increasingly larger portion of Electrolux shares are traded on new trading platforms. Approximately 46% of total trading volume of Electrolux is handled through the Nasdaq OMX Stockholm. BOAT was the second most traded platform with 22% of total trades.