



The Electrolux Group.

The world's No.1 choice.

Half-yearly results, 2002

Hans Stråberg
President and CEO

Industry shipments and estimated trend in demand, 1H 2002

North America

- Core appliances
- Air-cond.
- Vacuum cleaners
- Outdoor products¹⁾
- Outdoor products²⁾

Brazil

- White goods

Europe

- Core appliances
- Vacuum cleaners
- Professional appliances
- Outdoor products¹⁾
- Outdoor products²⁾

Asia

- Core appliances
- Outdoor products²⁾

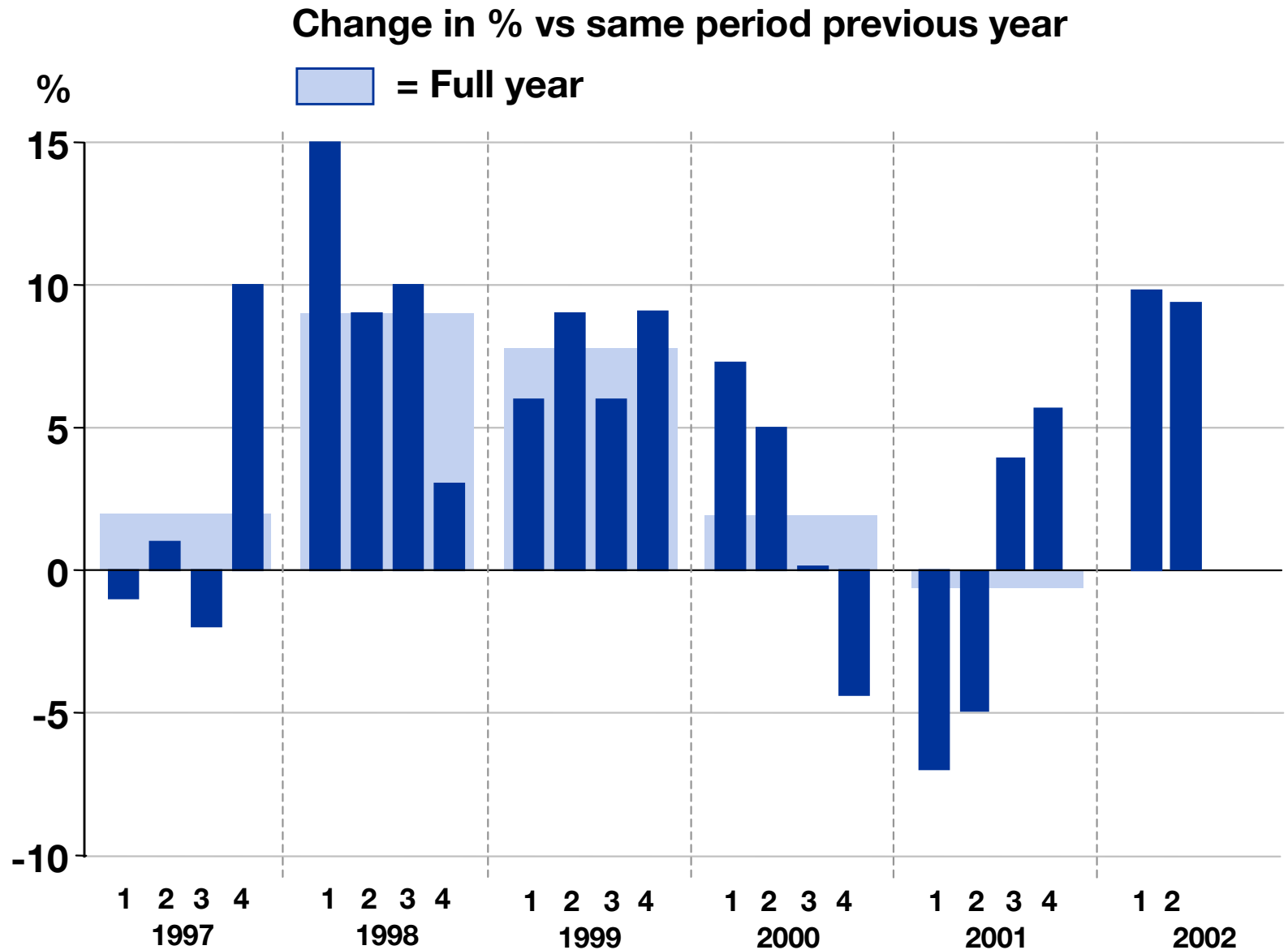
Australia

- White goods

1) Consumer products
2) Professional products

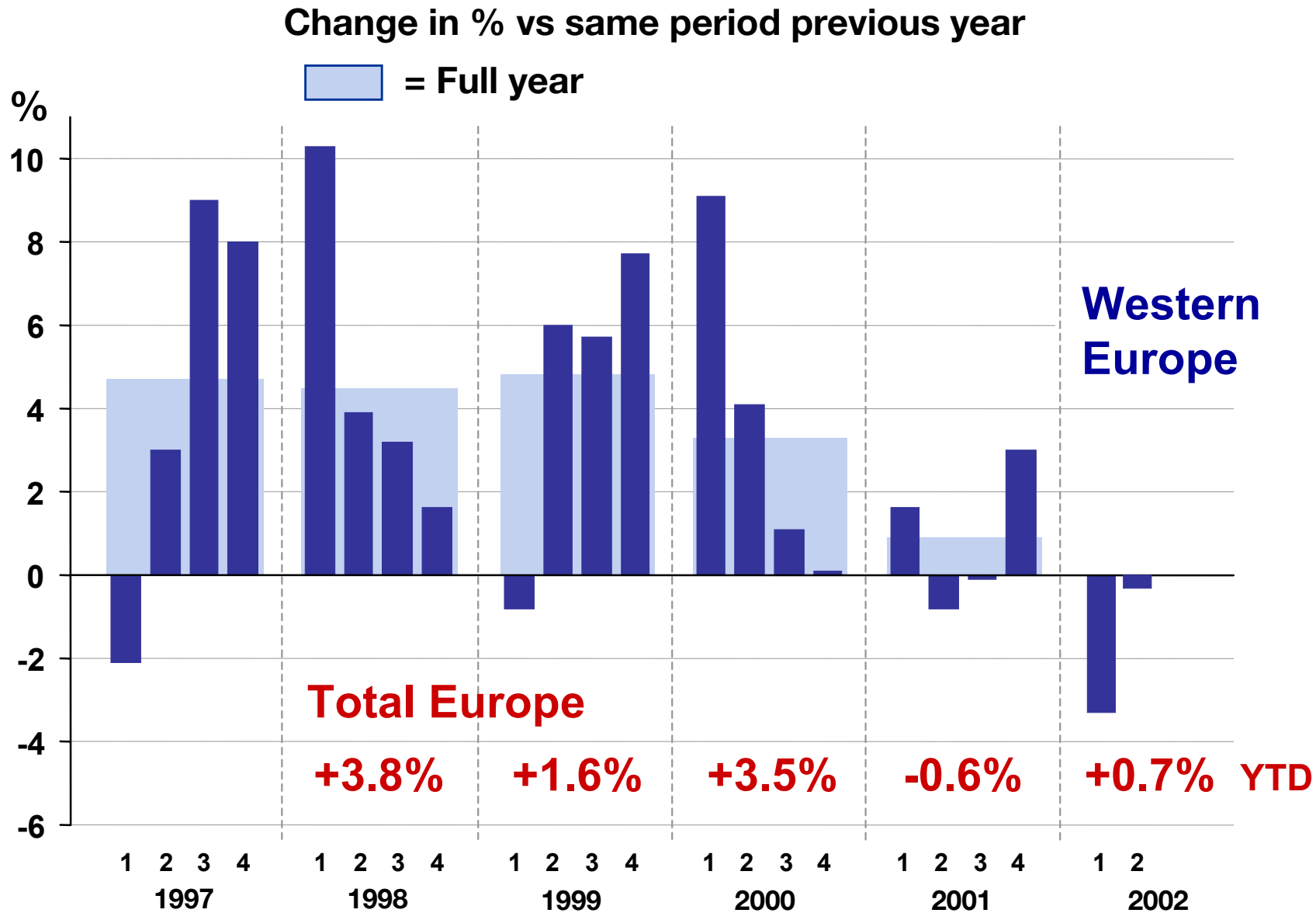
Core appliances, USA

Industry unit shipments



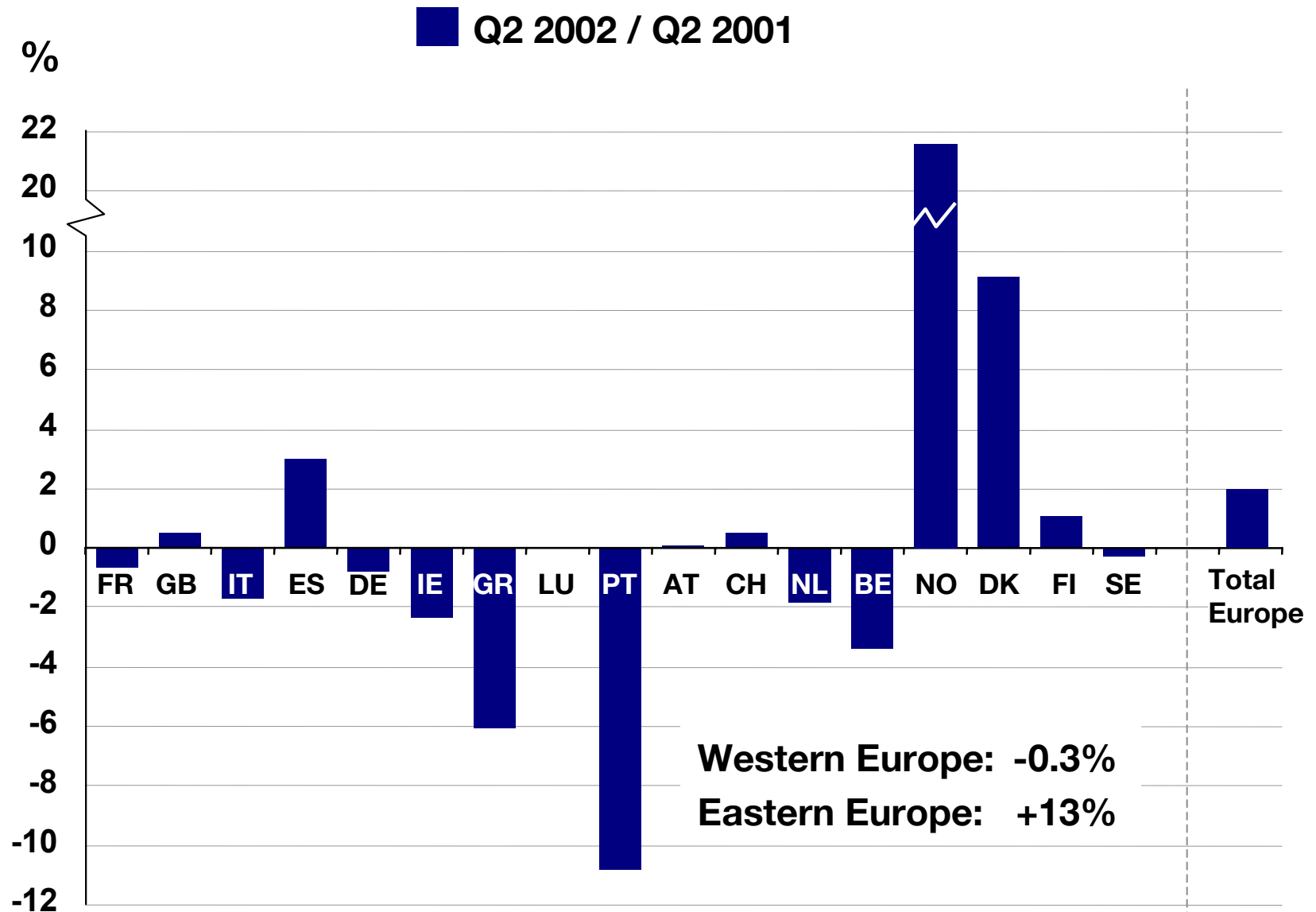
Core appliances, Europe

Industry unit shipments



Core appliances, Western Europe

Industry unit shipments

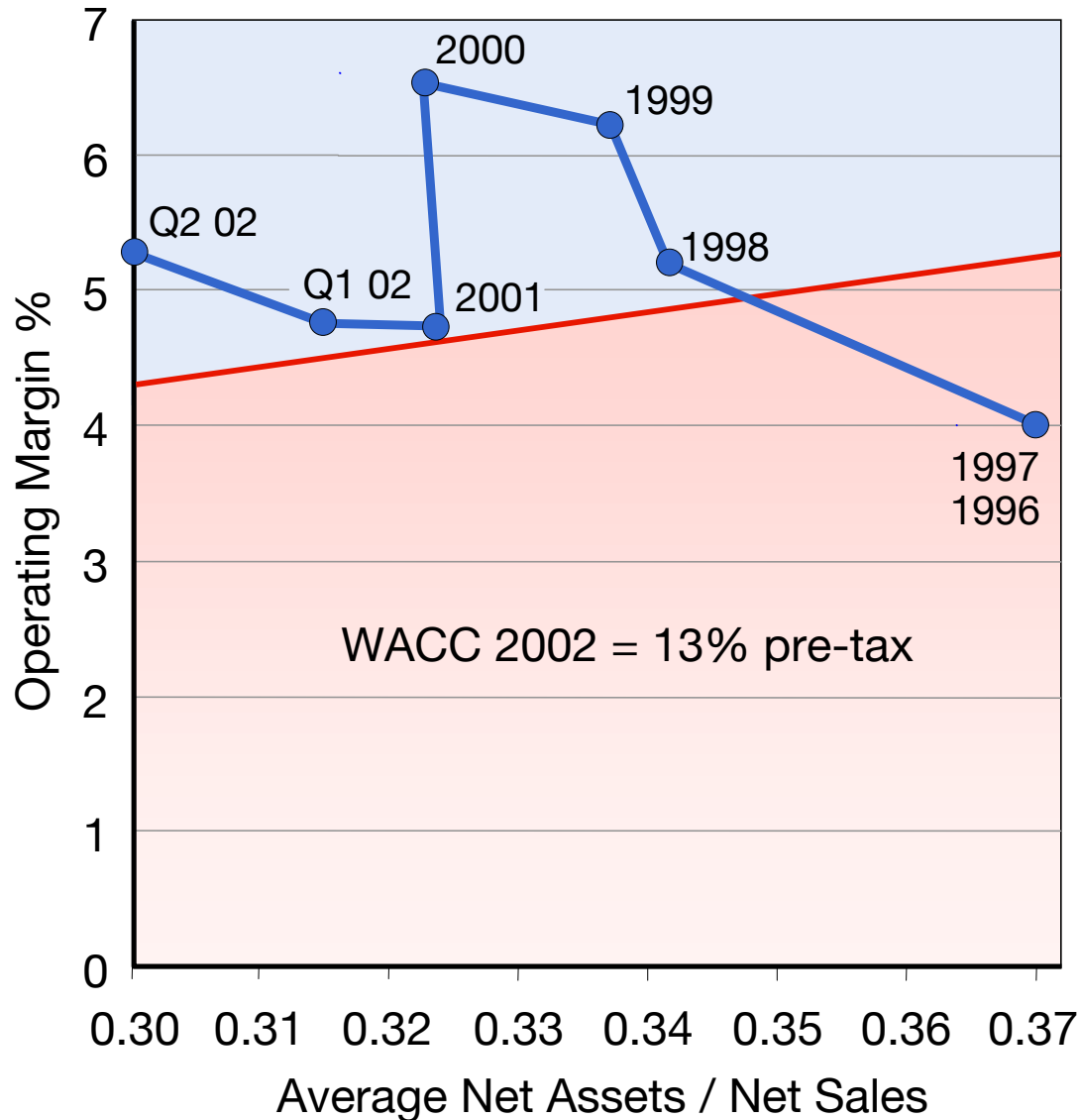


Sales and earnings

Excluding items affecting comparability

SEKm	1H 2002	1H 2001	Change	Full year 2001
Net sales	70,804	71,129	-0.5%	135,803
Operating income	4,628	3,888	+19%	6,422
<i>Margin, %</i>	6.5	5.5		4.7
Income after financial items	4,491	3,251	+38%	5,356
<i>Margin, %</i>	6.3	4.6		3.9
Net income per share, SEK	9.35	6.55	+43%	11.10
Value creation	2,084	682	+1,402	262
Return on equity, %	20.5	16.0		12.9
Return on net assets, %	23.6	17.7		14.6
Net debt/equity ratio	0.22	0.59		0.37

Total Group



Key Data 1H 2002

Sales: SEK 70,804m
-0.5%

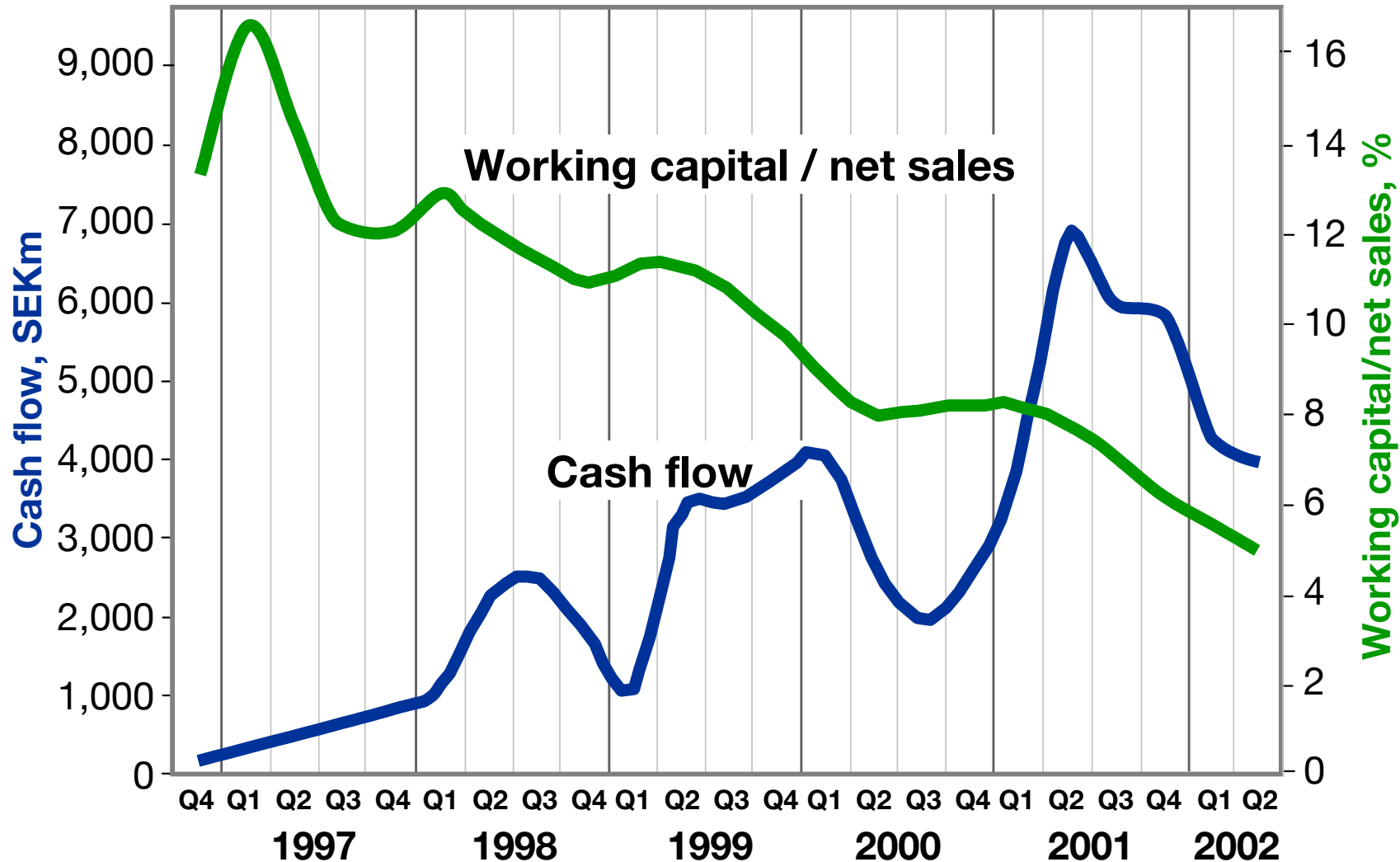
EBIT: SEK 4,628m
+19%

Value creation:
SEK 2,084
SEK +1,402m

Working capital and cash flow

1997 - 2002 Q2

12 months figures



Cash flow: Cash flow from operations and investments excl. investments and divestments of operations

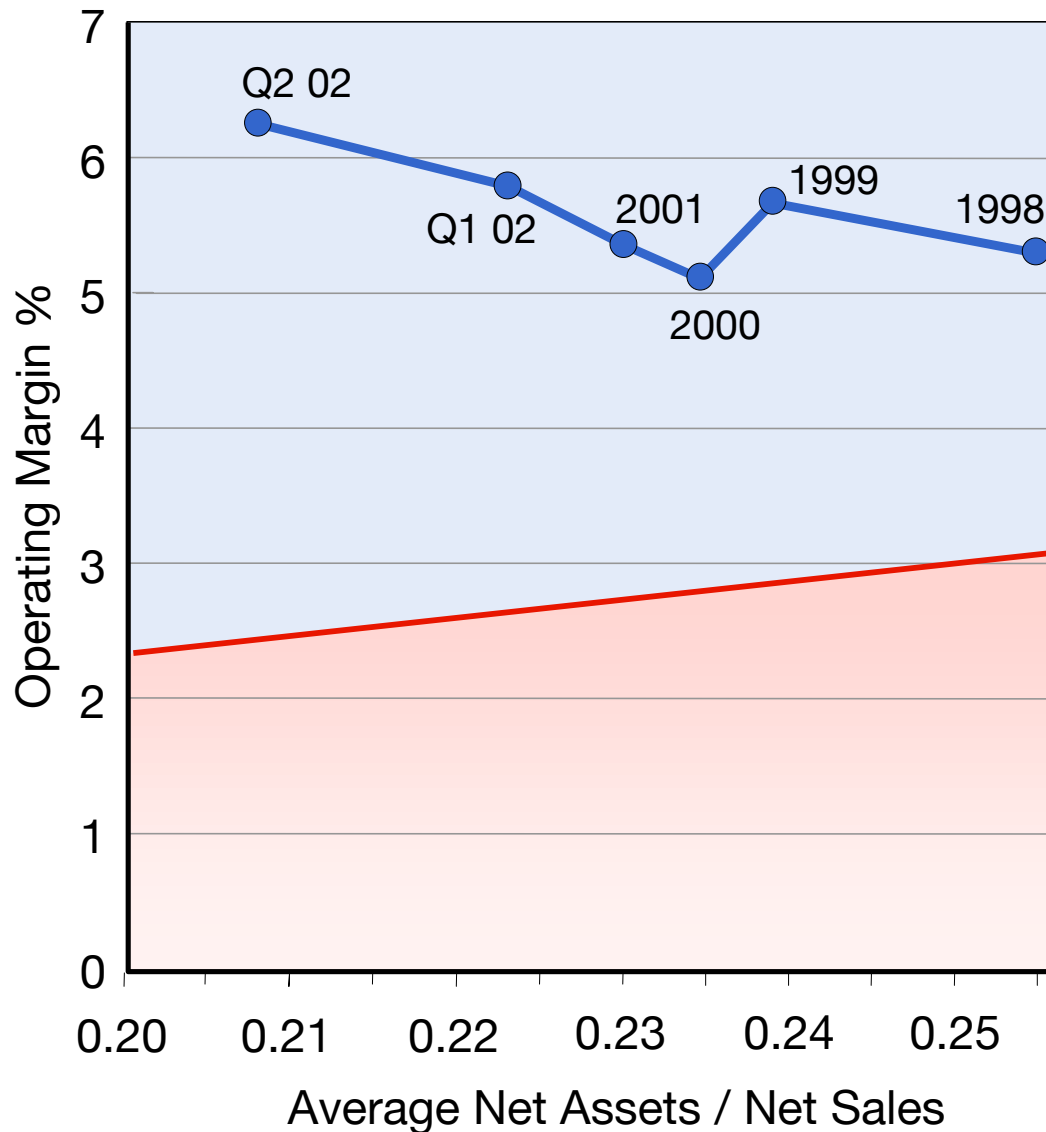
Restructuring on track

- **Utilized of total provisions: SEK 2,185m, or 67%**
- *Approx. 85% of provision refers to write-downs.*
- **Personnel cutbacks as of June 30, 2002: 2,940**
- **Compressor plant in US closed, cooking factory in Norway closed**

Data as per June 30, 2002

<i>SEKm</i>	Provision	Utilized up to 1H	Savings in 1H	Estimated savings 2002	Estimated savings 2003
Major appliances, Europe	997	317	77	206	552
Floor care products, Europe	19	16	-	9	17
Garden equipment, Europe	157	76	23	51	96
Major appliances, North America	114	58	52	157	210
Major appliances, Rest of the world	40	20	22	38	47
Total Consumer Durables	1,327	487	174	461	922
Food-service equipment	168	156	37	89	89
Components	1,710	1,507	121	273	343
Other	56	35	14	33	36
Total	3,261	2,185	346	856	1,390

Consumer Durables, Europe



Key data 1H 2002

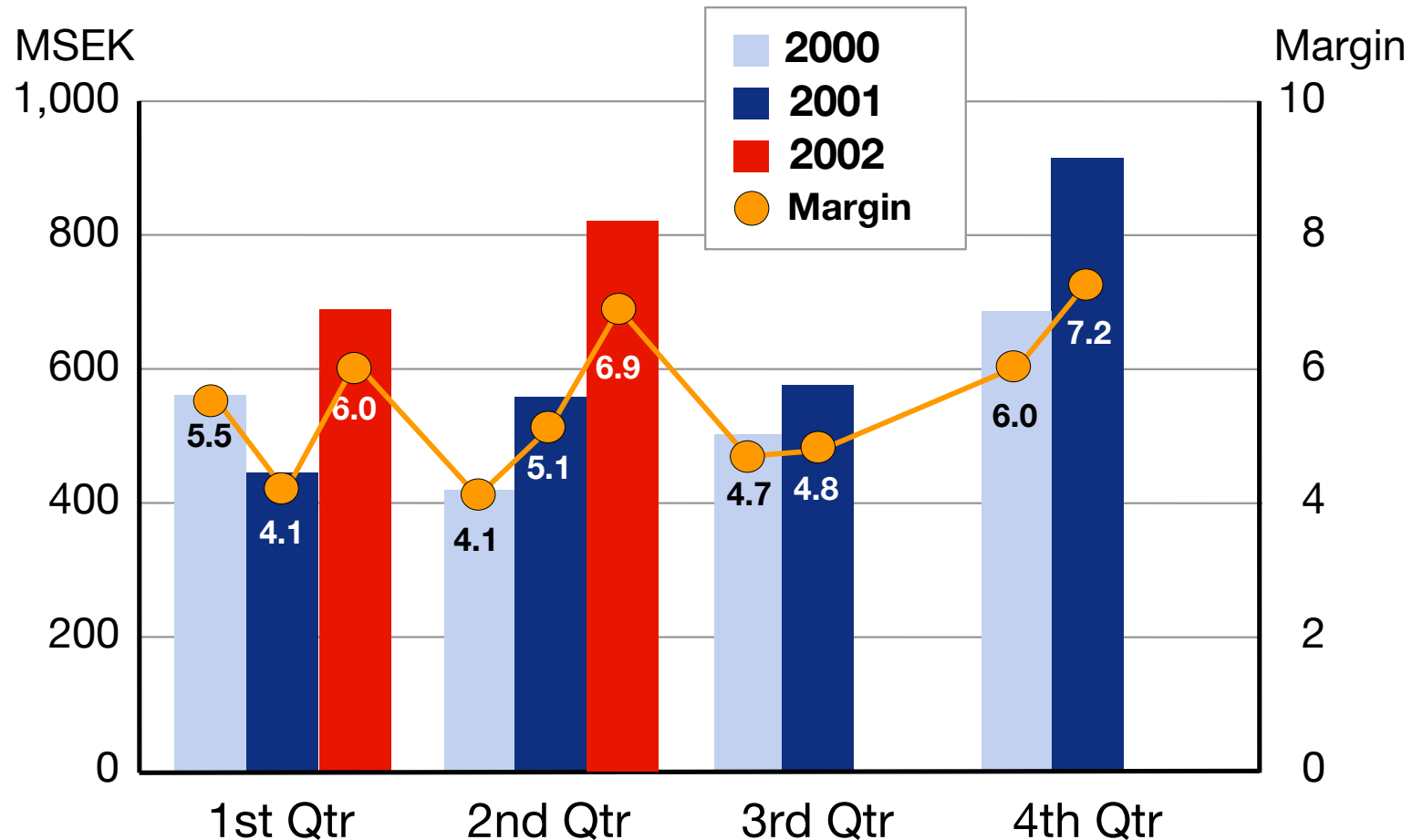
Sales: SEK 23,137m
+4.5%

EBIT: SEK 1,495m
+45.9%

Value creation:
SEK 896m
SEK +518m



Higher operating income for Consumer Durables, Europe



- Higher sales - key accounts and Eastern Europe
- Market share gains

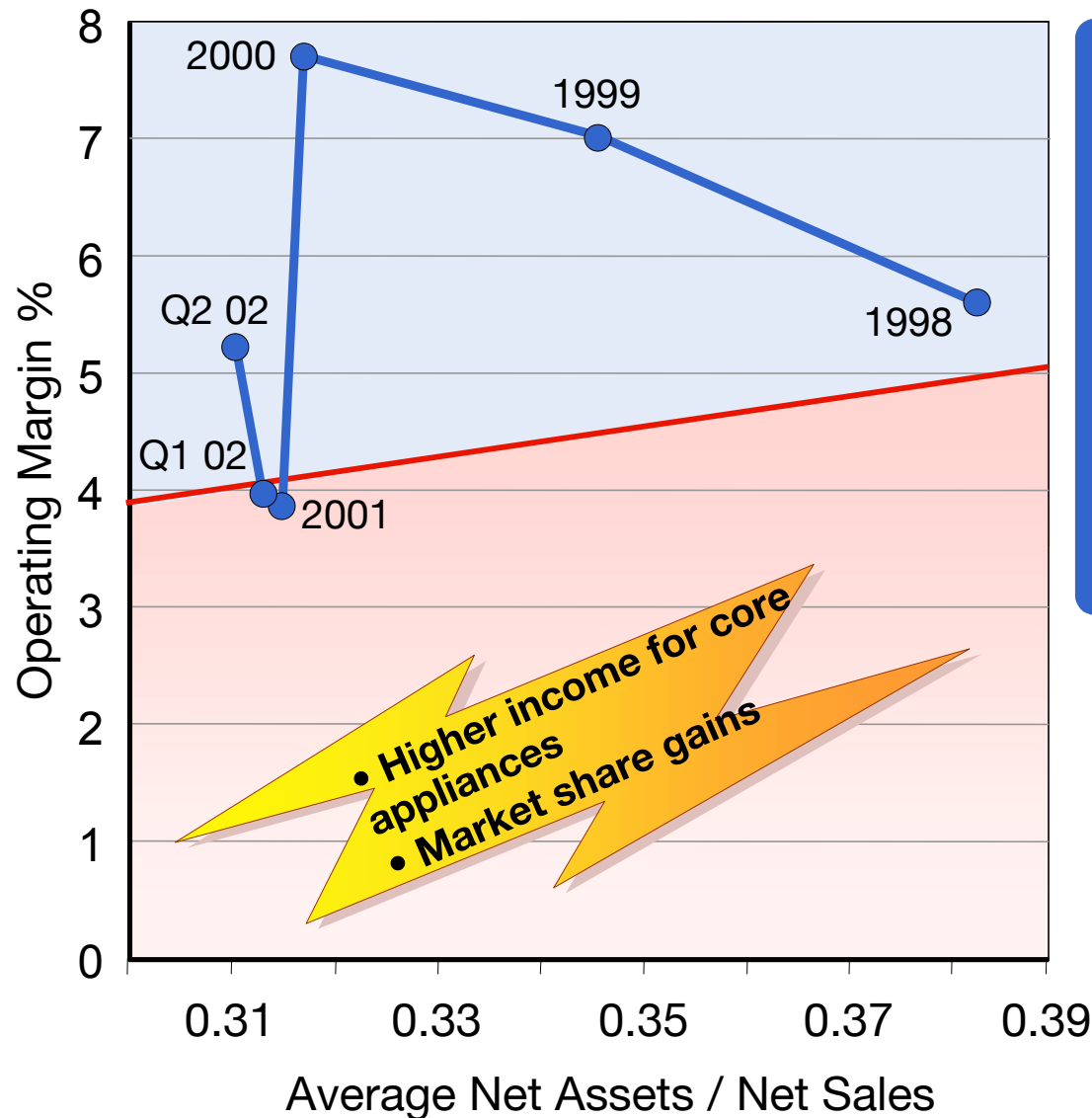
New dishwasher in Europe



- New dishwasher launched in Italy and UK, more countries to come
- Sticks out at the retailer floor
- Simplicity
- Well-received
- 1/3 of Western European homes have a dishwasher. In the US: 2/3

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Consumer Durables, North America



Key data 1H 2002

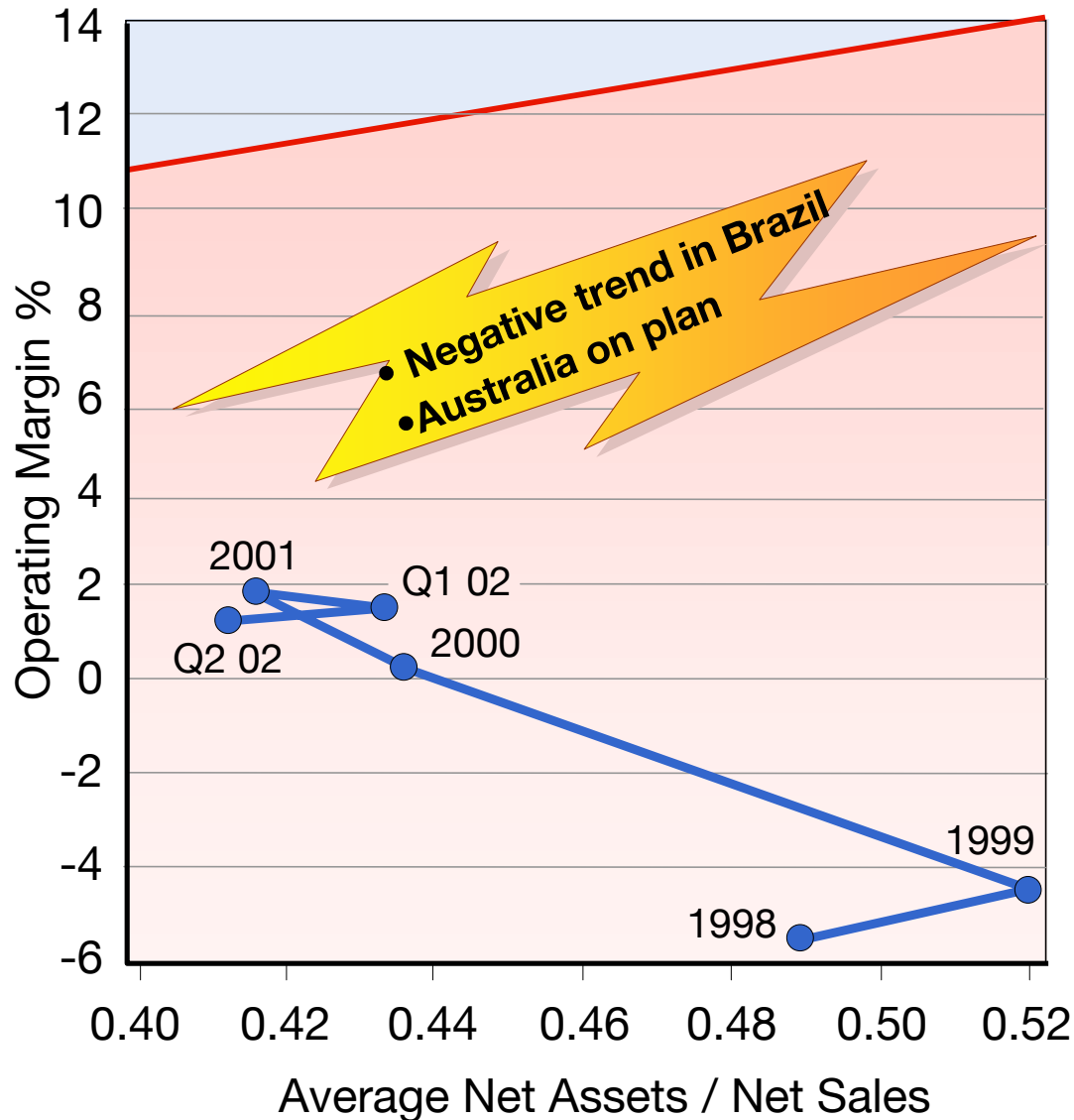
Sales: SEK 28,374m
+7.4%

EBIT: SEK 2,214m
+48.4%

Value creation:
SEK 1,060m
SEK +655m



Consumer Durables, Rest of the World



Key data 1H 2002

Sales: SEK 7,694
+3.1%

EBIT: SEK 76m
-56.6%

Value creation:
SEK -538m
SEK -23m

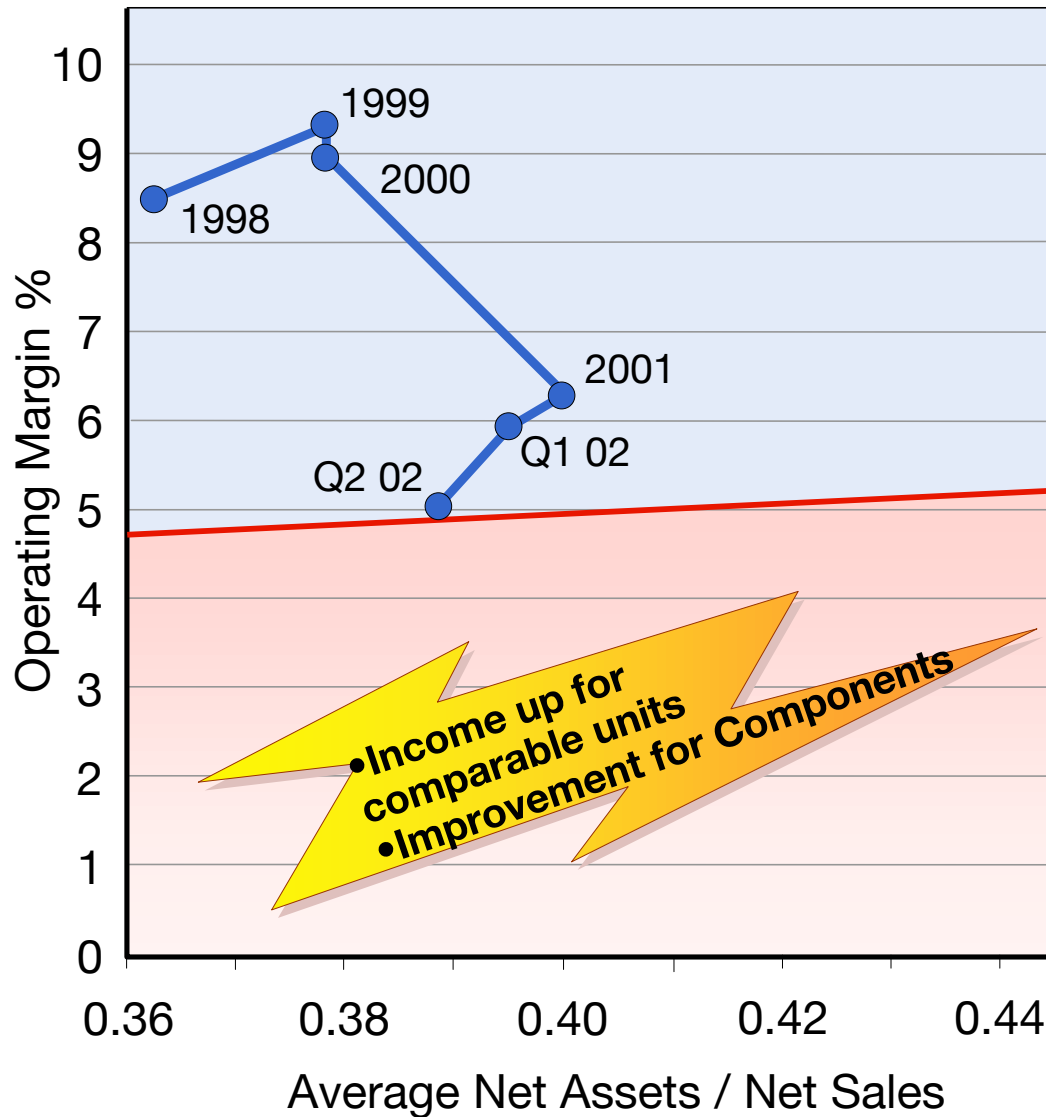


Sales and income – appliances, Rest of the world

	Market	Sales	EBIT
Australia	➔	➔	➔
China	➔	➔	➔
India	➔	➔	➔
Brazil	➔	➔	➔



Professional Indoor Products



Key data 1H 2002

Sales: SEK 6,061m
-37%

EBIT: SEK 397m
-49.6%

Value creation:
SEK 115m
SEK -231m



Components: Actions taken and negative income trend reversed

External sales, SEK billion



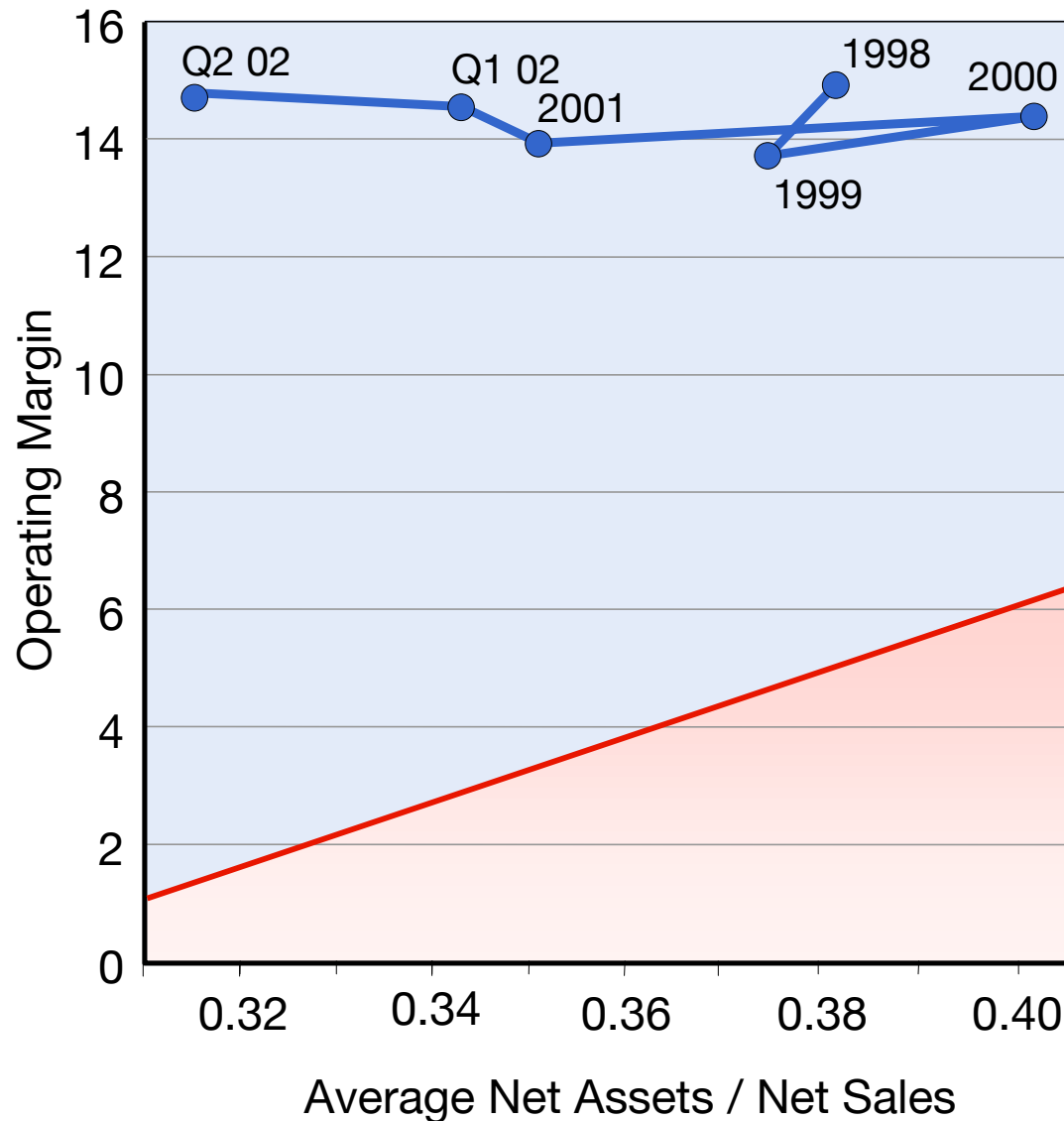
Divested\closed businesses: approximately 50% of 2001 external sales

- Agreement to sell Italian metallurgical plant, June 2002
- Sold European motor operation, April 2002
- Sold Mexican compressor plant, April 2002
- Closed USA compressor plant, March 2002

Remaining operations: SEK 2.6b of 2001 external sales

- Plants in Italy, Spain, Austria, China
- Selective downsizing opportunities
- Launched new Kappa compressor
- Not yet profitable

Professional Outdoor Products



Key data 1H 2002

Sales: SEK 5,454m
+4.5%

EBIT: SEK 821m
+17%

Value creation:
SEK 628m
SEK +137m



Summary of 1st half, 2002

Negatives

- Lower demand for appliances in Western Europe
- Continued negative income trend in Brazil
- India still loss-making
- Lower income for air-conditioners in US

Positives

- Marked upturn in income in US, production of refrigerators normalized
- Good trend in sales and income for appliances in Europe
- Restructuring on plan
- Improvement for Components

Outlook for the 2nd half of 2002

- Market generally flat in Europe and North America.
- Uncertainty regarding consumer confidence and spending in the US.
- Q3 & Q4 US appliance industry shipments will compare against strong quarters in 2001.

“Notwithstanding expectations for flat market demand, and on the basis of the ongoing restructuring measures as well as the costs related to the new refrigerator line in the US in 2001, the Group should achieve an improvement in operating income and value created for the 2nd half of 2002 compared with the same period in 2001. Operating income and value creation for the full year of 2002 is thus expected to show a significant improvement, excluding items affecting comparability.”

Half-yearly report 2002

Factors affecting forward-looking statements

This presentation contains “forward-looking” statements within the meaning of the US Private Securities Litigation Reform Act of 1995. Such statements include, among others, the financial goals or targets of Electrolux for future periods and future business and financial plans. Actual results may differ materially from these goals and targets due to a variety of factors. These factors include, but may not be limited to the following; the success in developing new products and marketing initiatives, progress in achieving operational and capital efficiency goals, the success in identifying growth opportunities and acquisition candidates and the integration of these opportunities with existing businesses, progress in achieving structural and supply-chain reorganization goals, competitive pressures to reduce prices, significant loss of business from major retailers, consumer demand, effects of currency fluctuations and the effect of local economies on product demand as well as the possibility of continued terrorist activity throughout the world and its impact on the global economy.