Q1
2019

Price increases offsetting headwinds

- Net sales amounted to SEK 29,710m (27,906). Sales growth was 1.6%, driven by price increases and mix improvements across all business areas.
- Operating income amounted to SEK 248m (764), corresponding to a margin of 0.8% (2.7).
- Operating income includes restructuring costs of SEK 1,054m (596) relating to consolidation of manufacturing in North America and Latin America. Excluding these costs, operating income amounted to SEK 1,302m (1,360), corresponding to a margin of 4.4% (4.9).
- Price increases fully offset the headwinds from higher raw material costs, trade tariffs and currency.
- Operating cash flow after investments amounted to SEK -2,770m (-2,671).
- Income for the period decreased to SEK 79m (551), and earnings per share was SEK 0.28 (1.92).
- Revised business area structure with four consumer-focused regional business areas and one business area for Professional Products in effect as of January 1, 2019.

Financial overview

SEKM	Q1 2019	Q1 2018	Change, %
Net sales	29,710	27,906	6
Sales growth, %[1]	1.6	3.3	
Organic growth, %	1.9	1.8	
Acquisitions,%	0.4	1.5	
Divestments, %	-0.7	-	
Changes in exchange rates, %	4.8	-4.4	
Operating income[2]	248	764	-68
Operating margin, %	0.8	2.7	
Income after financial items	90	672	-87
Income for the period	79	551	-86
Earnings per share, SEK[3]	0.28	1.92	
Operating cash flow after investments	-2,770	-2,671	
Return on net assets, %	3.6	13.3	

[1] Change in net sales adjusted for currency translation effects.

[2] Operating income for the first quarter of 2019 includes non-recurring items of SEK –1,054m, whereof SEK -829m relates to the consolidation of U.S. cooking production and SEK -225m to the closure of a refrigeration production line in Latin America. Excluding these items, operating income amounted to SEK 1,302m (1,360), corresponding to a margin of 4.4% (4.9), see pages 12 and 19.

[3] Basic.

For definitions, see pages 27-28.

President and CEO Jonas Samuelson's comment

In the first quarter, we continued to execute on our profitable growth strategy in a challenging cost environment. It is great to see that most of our business areas showed good organic growth. Sales growth amounted to 1.6%, driven by higher prices and improved product mix. Underlying operating income was fairly in line with last year. I am particularly pleased that our price execution fully offset the strong headwinds we faced from higher raw material costs, trade tariffs and currency.

The earnings trend for our operations in Europe and Professional Products remained solid. The business area Asia-Pacific, Middle East and Africa continued to have strong growth in Southeast Asia, while in Australia sales declined. In North America and Latin America, cost-based price increases fully compensated headwinds. Our North American operation was also this quarter impacted by lower private label volumes.

We continue to expect market demand in 2019 for appliances in Europe to be slightly positive and in Southeast Asia to be positive. The Latin American market recovered in the quarter and is, hence, anticipated to be slightly positive for the full-year. In North America and Australia the markets were softer than initially expected and our full year view is therefore slightly negative.

The uncertainty on trade tariffs impacts our visibility. Based on current levels, we estimate the negative year-over-year impact from raw materials, tariffs and currency to be approximately SEK 1.7-1.9bn in 2019, compared to the previous estimate of approximately SEK 2.0-2.4bn. We continue to expect price to offset these significant external headwinds.

We firmly believe consumer focused innovation is a key driver to achieve profitable growth. In 2019, Electrolux turns 100 years old and a strong consumer focus has been our guiding compass, resulting in ground-breaking products providing better living for people. I am therefore excited that 2019 is a launch intensive year, including significant kitchen range launches in Europe and Asia-Pacific. In addition, we are accelerating our consumer focused innovation through a new organizational structure, as of January 1, comprising four regional business areas and a global consumer experience function. In parallel, the preparations for the intended separation of Professional Products are proceeding.

I am confident that we are well positioned to create value.

Outlook 2019

Market outlook, units year-over-year [1]	FY 2019	Previous outlook for FY 2019[5]	Market outlook, units year-over-year[1]	FY 2019	Previous outlook for FY 2019[5]
Europe	Slightly positive	Slightly positive	Southeast Asia	Positive	Positive
North America	Slightly negative	Flat to slightly negative	Australia	Slightly negative	Flat
Latin America	Slightly positive	Flat to slightly negative			

Business outlook[2], year-over-year	Q2 2019	FY 2019	Previous outlook for the FY 2019[5]
Volume/price/mix	Favorable	Favorable	Favorable
Raw material costs and trade tariffs	Increase of SEK ~0.4bn	Increase of SEK 1.4-1.6bn	Increase of SEK 1.7-2.1bn
Net cost efficiency[3]	Unfavorable	Unfavorable	Unfavorable
Currency effect[4]	SEK 0m	SEK -300m	SEK -300m
Capex	Increase	SEK ~7bn	SEK ~7bn

[1] Electrolux estimates for industry shipments of core appliances.

[2] Business outlook range: Favorable - Neutral – Unfavorable.

[3] Efficiencies in variable costs (excl. raw materials and trade tariffs) and structural costs.

[4] Impact on operating income for the full year 2019, whereof currency transaction effects of SEK -400m and currency translation effects of SEK 100m. The calculation is based on currency rates as per April 24, 2019.

[5] Published on February 1, 2019.

Note: Business outlook in the above table excludes non-recurring items.

Summary of the first quarter

SEKM	Q1 2019	Q1 2018	Change, %
Net sales	29,710	27,906	6
Operating income			
Europe	686	610	12
North America	-482	-148	-226
Latin America	-223	35	-742
Asia-Pacific, Middle East and Africa	110	163	-33
Professional Products	301	237	27
Other, Group common costs, etc.	-143	-133	-8
Total Group	**248**	**764**	**-68**
Operating margin, %	0.8	2.7	
Operating margin excl. non-recurring items, %[1]	4.4	4.9	

[1] For information on non-recurring items, see page 19.

Net sales

Sales for the Electrolux Group increased by 1.6% in the quarter, excluding currency translation effects. The organic growth was 1.9%, driven by price increases and improved mix across all business areas. Acquisitions and divestments had an impact of 0.4% and –0.7%, respectively.

Most business areas showed organic growth. Sales for Europe and Professional Products increased due to higher volumes, price increases and mix improvements. In Latin America, cost-based price increases were the main driver for the higher sales, while mix improvements were the key driver for Asia-Pacific, Middle East and Africa.

North America's sales decline related to lower sales volumes of products under private label, partly mitigated by cost-based price increases and mix improvements.

Operating income

Operating income declined to SEK 248m (764), corresponding to a margin of 0.8% (2.7).

Operating income includes restructuring costs of SEK 1,054m (596) relating to consolidation of manufacturing in North America and Latin America. Excluding these costs, operating income amounted to SEK 1,302m (1,360), corresponding to a margin of 4.4% (4.9). Price increases fully offset the headwinds from higher raw material costs, trade tariffs and currency. Lower volumes and initial investments in marketing and R&D for future product launches were partly compensated by mix improvements.

Operating income for Europe and Professional Products improved as a result of strong organic contribution from volume/price/mix. For Latin America, operating income excluding non-recurring items was fairly in line with last year and price increases fully compensated for currency headwinds and increased raw material costs

Operating income declined for North America primarily due to lower volumes of private label products. Asia-Pacific, Middle East and Africa's earnings also declined, mainly due to currency headwind.

Effects of changes in exchange rates

Changes in exchange rates had a year-over-year impact of SEK -323m. The impact of transaction effects was SEK -333m, primarily relating to Latin America but also to operations in Australia and Europe. Translation effects amounted to SEK 10m.

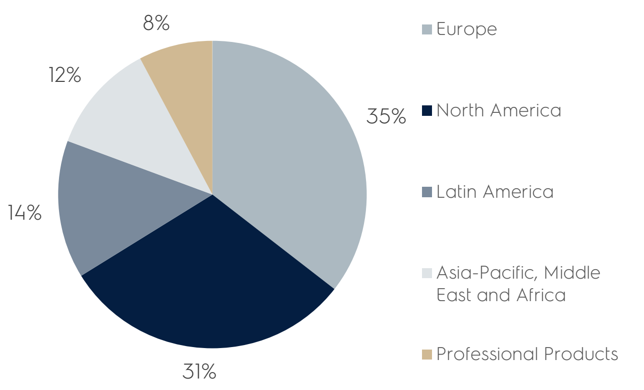
Financial net

Net financial items amounted to SEK –158m (–92). The change was mainly due to interest expense on lease liabilities following the implementation of IFRS 16.

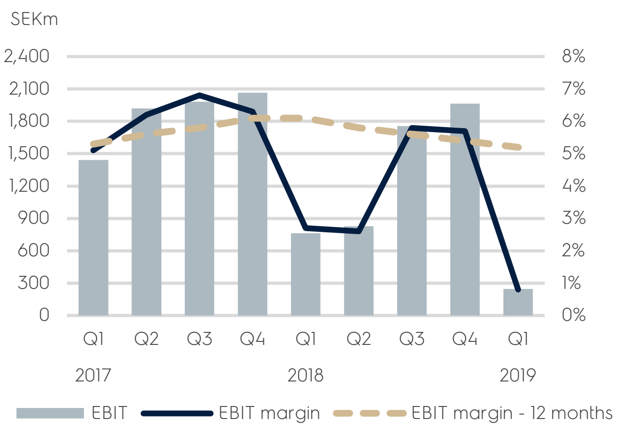
Income for the period

Income for the period amounted to SEK 79m (551), corresponding to SEK 0.28 (1.92) in earnings per share.

SHARE OF SALES BY BUSINESS AREA IN THE FIRST QUARTER OF 2019



OPERATING INCOME AND MARGIN

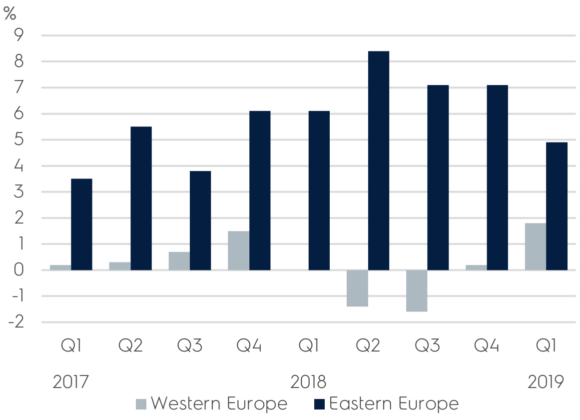


EBIT margin – 12 months is excluding non-recurring items, see pages 19 and 26.

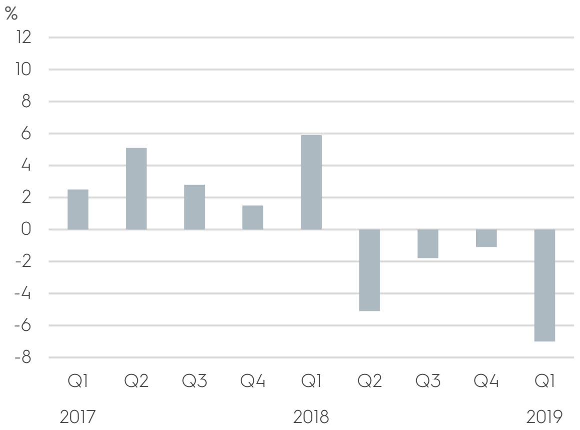
Market overview

In the first quarter, the market in Europe increased, primarily driven by Eastern Europe. In the U.S., the market demand declined. For more information about the markets, please see the Business areas section.

INDUSTRY SHIPMENTS OF CORE APPLIANCES IN EUROPE*



INDUSTRY SHIPMENTS OF CORE APPLIANCES IN THE U.S.*



*Units year-over-year, %
Sources: Europe: Electrolux estimate, US: AHAM. For definitions see below. For other markets, there are no comprehensive market statistics.

Industry shipment of appliances

Europe, units, year-over-year,%*	Q1 2019	Q1 2018	Full year 2018
Western Europe	2	0	-1
Eastern Europe (excluding Turkey)	5	6	7
Total Europe	3	1	1

*Source: Electrolux estimates for core appliances. Core appliances include: Refrigerators, Freezers, Washing machines, Tumble dryers, Free-standing Cookers, Built-in Ovens, Built-in Hobs, Hoods and Dishwashers.

U.S., units, year-over-year, %*	Q1 2019	Q1 2018	Full year 2018
Core appliances	-7	6	-1
Microwave ovens and home-comfort products	1	-10	2
Total major appliances	-4	-1	0

*Source: AHAM. Core appliances includes AHAM 6 (Washers, Dryers, Dishwashers, Refrigerators, Freezers, Ranges and Ovens) and Cooktops.

Business areas

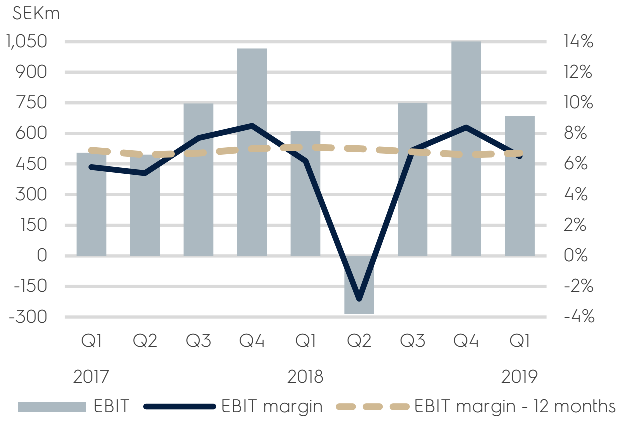
Europe

In the first quarter, overall market demand in Europe increased by 3% year-over-year. This was driven by strong growth of 5% in Eastern Europe and 2% in Western Europe.

Electrolux operations in Europe reported organic sales growth of 4.4% for the quarter, mainly as a result of increased sales volumes and product mix improvements. The business area continued to gain market shares in built-in kitchen products and also reported growth in the cordless vacuum cleaner area. Price increased slightly.

Operating income improved. Strong organic contribution from volume/price/mix compensated for higher raw material costs and currency headwind.

OPERATING INCOME AND MARGIN



EBIT margin – 12 months is excluding non-recurring items, see pages 19 and 26.

SEKM	Q1 2019	Q1 2018	Full year 2018
Net sales	10,553	9,760	43,321
Organic growth, %	4.4	6.8	3.7
Acquisitions,%	0.3	1.1	0.7
Operating income	686	610	2,128
Operating margin,%	6.5	6.2	4.9
Operating margin excl. non-recurring items, %[1]	6.5	6.2	6.6

[1] For information on non-recurring items, see page 19.

North America

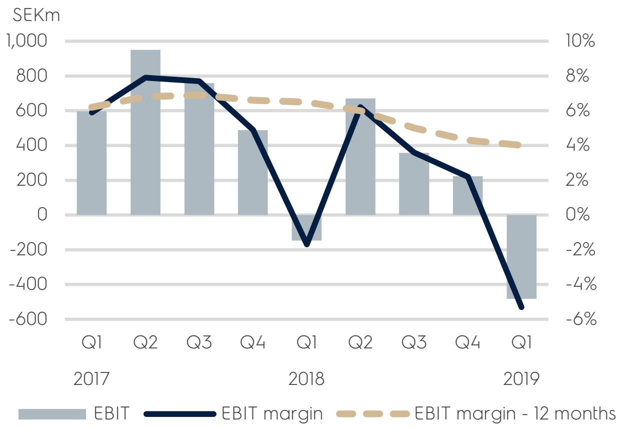
During the quarter, market demand for core appliances in the U.S. declined by 7% year-over-year compared to a strong quarter last year. Market demand for all major appliances, including microwave ovens and home-comfort products, declined by 4%.

Electrolux operations in North America reported an organic sales decline of 5.0% for the quarter explained by lower sales of products under private label. Core products under own brands gained market shares. Cost-based price increases and mix improvements contributed positively to sales.

As previously announced, Electrolux will consolidate cooking production to the Springfield facility and cease production at the Memphis facility. As a result, restructuring costs of SEK 829m were charged to operating income, see page 12.

Operating income excluding non-recurring items declined year-over-year. Price increases and mix improvements mitigated to a large extent lower volumes and increased costs related to raw material and trade tariffs.

OPERATING INCOME AND MARGIN



EBIT margin – 12 months is excluding non-recurring items, see pages 19 and 26.

SEKM	Q1 2019	Q1 2018	Full year 2018
Net sales	9,099	8,785	39,804
Organic growth, %	-5.0	-5.9	-6.3
Divestments, %	-2.0	-	-1.0
Operating income	-482	-148	1,104
Operating margin,%	-5.3	-1.7	2.8
Operating margin excl. non-recurring items, %[1]	3.8	5.1	4.3

[1] For information on non-recurring items, see pages 12 and 19.

Latin America

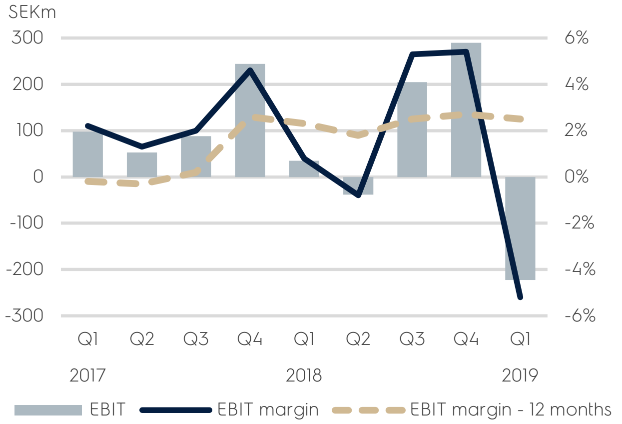
In the first quarter, consumer demand for core appliances in Brazil and Chile is estimated to have increased, while demand in Argentina declined significantly after currency devaluation.

Electrolux operations in Latin America had organic sales growth of 6.9%, mainly as a result of cost-based price increases but mix improvements also contributed. However, price increases continued to negatively impact sales volumes.

As previously announced, operating income includes a restructuring cost of SEK 225m relating to the closure of a refrigeration production line in Chile, see page 12.

Excluding this non-recurring item, operating income was fairly in line with last year. Price increases fully compensated for currency headwinds and increased raw material costs.

OPERATING INCOME AND MARGIN



EBIT margin – 12 months is excluding non-recurring items, see pages 19 and 26.

SEKM	Q1 2019	Q1 2018	Full year 2018
Net sales	4,312	4,247	17,963
Organic growth, %	6.9	5.9	9.3
Operating income	-223	35	492
Operating margin, %	-5.2	0.8	2.7
Operating margin excl. non-recurring items, %[1]	0.1	0.8	2.7

[1] For information on non-recurring items, see pages 12 and 19.

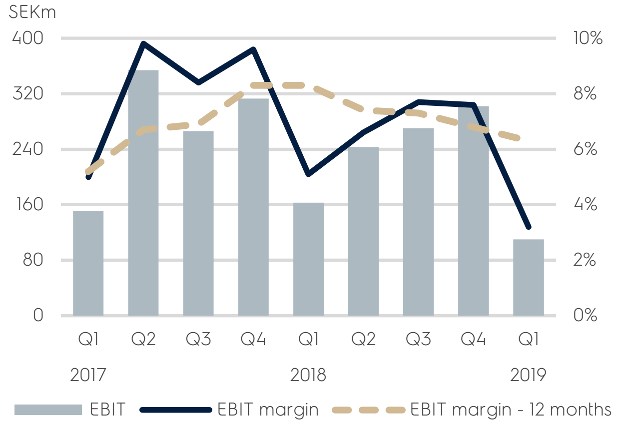
Asia-Pacific, Middle East and Africa

During the first quarter, the markets in Southeast Asia as well as in Middle East and Africa are estimated to have grown year-over-year. In Australia, market demand continued to decline, mainly related to a slower property market.

Electrolux organic sales growth was 2.2%. This was a result of growth in both Southeast Asia and Middle East and Africa, while sales in Australia declined. In Australia, the price increases implemented to mitigate increased costs related to currency headwinds had a negative impact on sales volumes.

Operating income declined year-over-year. Price increases and mix improvements could not offset the currency headwind and lower volumes the business area faced in Australia as well as investments in major product launches.

OPERATING INCOME AND MARGIN



SEKM	Q1 2019	Q1 2018	Full year 2018
Net sales	3,445	3,197	14,375
Organic growth, %	2.2	5.8	7.5
Acquisitions,%	0.1	4.2	0.9
Operating income	110	163	979
Operating margin, %	3.2	5.1	6.8

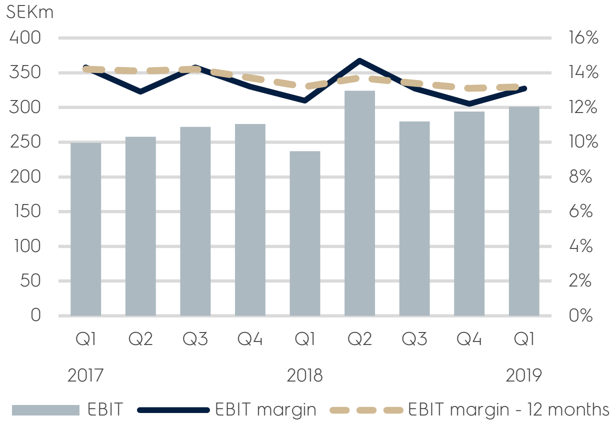
Professional Products

In the first quarter, overall market demand for professional food-service and laundry equipment improved across most regions.

Organic growth was 11.8%. Sales increased across all the three areas food, laundry and beverage and was particular strong in beverage. Aftermarket business continued to show solid growth.

The operating income and margin increased, mainly as a result of improved volume/price/mix contribution. Investments in marketing and innovation for product launches increased year-over-year.

OPERATING INCOME AND MARGIN

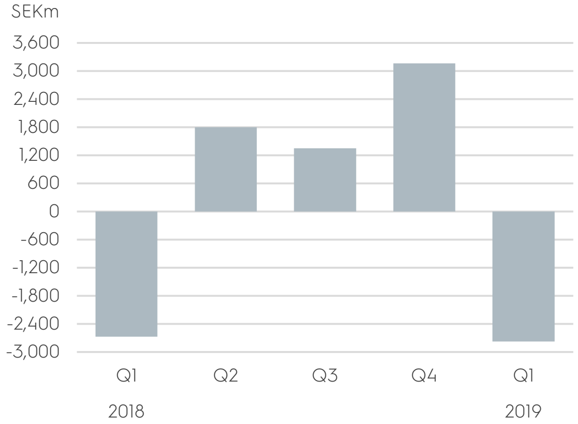


SEKM	Q1 2019	Q1 2018	Full year 2018
Net sales	2,302	1,917	8,666
Organic growth, %	11.8	0.7	3.5
Acquisitions, %	3.8	7.8	4.7
Operating income	301	237	1,134
Operating margin, %	13.1	12.4	13.1

Cash flow

Operating cash flow after investments amounted to SEK -2,770m (-2,671) in the quarter. Cash flow for the first quarter is normally low since there is a seasonal build-up of inventories. The cash flow from working capital in the first quarter of 2019 also reflects this trend and was also negatively impacted by the payment of the fine of approximately SEK 500m relating to the French Competition Authority investigation that was concluded in 2018. Investments increased year-over-year according to plan.

OPERATING CASH FLOW AFTER INVESTMENTS



SEKM	Q1 2019	Q1 2018	Full year 2018
Operating income adjusted for non-cash items[1]	2,572	2,422	10,547
Change in operating assets and liabilities	-4,072	-4,370	-1,000
Operating cash flow	**-1,500**	**-1,948**	**9,547**
Investments in tangible and intangible assets	-1,102	-800	-5,629
Changes in other investments	-168	77	-269
Operating cash flow after investments	**-2,770**	**-2,671**	**3,649**
Acquisitions and divestments of operations	-61	-429	-609
Operating cash flow after structural changes	**-2,831**	**-3,100**	**3,041**
Financial items paid, net[2]	-124	-88	-361
Taxes paid	-512	-211	-1,140
Cash flow from operations and investments	**-3,467**	**-3,399**	**1,540**
Payment of lease liabilities	-247	-	-
Dividend	-	-	-2,385
Share-based payments	-	-226	-210
Total cash flow, excluding changes in loans and short-term investments	**-3,714**	**-3,625**	**-1,056**

[1] Operating income adjusted for depreciation, amortization and other non-cash items.

[2] For the period January 1 to March 31: interest and similar items received SEK 211m (37), interest and similar items paid SEK -298m (-106) and other financial items received/paid SEK -6m (-19). Interest paid for lease liabilities SEK -32m (-).

Financial position

Net debt

As of March 31, 2019, Electrolux had a financial net debt position (excluding lease liabilities and post-employment provisions) of SEK 1,666m, compared to the financial net cash position of SEK 1,989m as of December 31, 2018. Net provisions for post-employment benefits decreased to SEK 3,182m. Lease liabilities amounted to SEK 3,562m as of March 31, 2019 and is an effect of the application of IFRS 16 as from January 1, 2019. In total, net debt amounted to SEK 8,410m, an increase by SEK 6,585m compared to SEK 1,825m per December 31, 2018.

Long-term borrowings and long-term borrowings with maturities within 12 months amounted to a total of SEK 9,611m as of March 31, 2019 with average maturity of 2.6 years, compared to SEK 8,553m and 2.6 years at the end of 2018.

In the first quarter long-term borrowings in the amount of SEK 79m were amortized and a new green bond of SEK 1bn was raised under the Electrolux green bond framework.

During the remaining part of 2019, long-term borrowings amounting to approximately SEK 2,300m will mature.

Liquid funds as of March 31, 2019, amounted to SEK 9,744m, a decrease of SEK 2,505m compared to SEK 12,249m as of December 31, 2018.

Working capital and net assets

Working capital as of March 31, 2019, amounted to SEK –13,202m (–12,190), corresponding to –11.0% (–10.7) of annualized net sales. Operating working capital amounted to SEK 5,909m (6,075), corresponding to 4.9% (5.3) of annualized net sales, see page 21.

Average net assets for the first quarter of 2019 amounted to SEK 27,380m (22,912), corresponding to 23.0% (20.5) of annualized net sales. Net assets as of March 31, 2019, amounted to SEK 31,186m (25,147).

Return on net assets was 3.6% (13.3), and return on equity was 1.4% (10.4).

Net debt

SEKM	Mar. 31, 2019	Mar. 31, 2018	Dec. 31, 2018
Short-term loans	1,539	1,325	1,429
Short-term part of long-term loans	3,373	582	2,355
Trade receivables with recourse	131	254	168
Short-term borrowings	**5,042**	**2,161**	**3,952**
Financial derivative liabilities	82	69	81
Accrued interest expenses and prepaid interest income	48	38	28
Total short-term borrowings	**5,172**	**2,268**	**4,062**
Long-term borrowings	**6,238**	**7,622**	**6,198**
Total borrowings[1]	**11,410**	**9,890**	**10,260**
Cash and cash equivalents	8,773	8,272	11,697
Short-term investments	538	164	176
Financial derivative assets	190	212	132
Prepaid interest expenses and accrued interest income	244	250	243
Liquid funds[2]	**9,744**	**8,897**	**12,249**
Financial net debt	**1,666**	**993**	**-1,989**
Lease liabilities	3,562	-	-
Net provisions for post-employment benefits	3,182	2,406	3,814
Net debt	**8,410**	**3,399**	**1,825**
Net debt/equity ratio	0.37	0.16	0.08
Total equity	22,777	21,748	21,749
Equity per share, SEK	79.25	75.67	75.67
Return on equity, %	1.4	10.4	18.2
Equity/assets ratio, %	25.0	27.1	25.6

[1] Whereof interest-bearing liabilities amounting to SEK 11,149m as of March 31, 2019 and SEK 9,529m as of March 31, 2018 and SEK 9,982m as of December 31, 2018.

[2] Electrolux has one unused committed back-up multicurrency revolving credit facility of EUR 1,000m, approximately SEK 10,400m, expiring in 2023.

Other items

Asbestos litigation in the U.S.

Litigation and claims related to asbestos are pending against the Group in the U.S. Almost all of the cases refer to externally supplied components used in industrial products manufactured by discontinued operations prior to the early 1970s. The cases involve plaintiffs who have made substantially identical allegations against other defendants who are not part of the Electrolux Group.

As of March 31, 2019, the Group had a total of 3,552 (3,342) cases pending, representing approximately 3,587 (approximately 3,404) plaintiffs. During the first quarter of 2019, 443 new cases with 443 plaintiffs were filed and 341 pending cases with approximately 348 plaintiffs were resolved.

It is expected that additional lawsuits will be filed against Electrolux. It is not possible to predict the number of future lawsuits. In addition, the outcome of asbestos lawsuits is difficult to predict and Electrolux cannot provide any assurances that the resolution of these types of lawsuits will not have a material adverse effect on its business or on results of operations in the future.

Risks and uncertainty factors

As an international group with a wide geographic spread, Electrolux is exposed to a number of business and financial risks. The business risks can be divided into strategic, operational and legal risks. The financial risks are related to such factors as exchange rates, interest rates, liquidity, the giving of credit and financial instruments.

Risk management in Electrolux aims to identify, control and reduce risks. Risks, risk management and risk exposure are described in more detail in the 2018 Annual Report: www.electrolux.com/annualreport2018

Innovation targeting outstanding consumer experiences

Electrolux focuses on bringing innovations to consumers that enhance experiences in the areas of great tasting food, perfect care for clothes, and healthy wellbeing in their homes. This is done with a strong focus on environmental sustainability. Innovation is the key driver for long term profitable growth and margin improvement.

Strengthened global offering in attractive category

Multidoor is the largest and fastest growing refrigeration segment. It is therefore important for Electrolux to be able to offer a competitive product in this fast growing and profitable segment. By leveraging the Group's global scale and finding common needs across all regions, a new multidoor refrigerator line has been developed. The project team comprised of members from four business areas.

One common platform will serve as the base for local differentiation to specific regional consumer needs providing high flexibility, higher cost efficiency and increased speed to market.

The new refrigeration line focuses on delivering simply outstanding consumer experiences and is part of a wider multidoor growth strategy, with ambitious targets to increase the value market share. In 2018 the new range was successfully launched in Australia and New Zealand. In the first quarter of 2019, multidoor products adapted to local preferences using this common manufacturing platform were launched in North America and Latin America.

Multidoor refrigerators provide unique storage conditions that different food types require to stay fresh and maintain their taste and texture. The Electrolux FlexFresh-system provides five different temperature settings and it also comes with full WiFi connectivity.

New premium kitchen range launched under a sharper Electrolux brand

Electrolux continues to invest in consumer-driven product innovation. A sharper Electrolux brand experience and new innovations aimed at more premium segments are being rolled out globally during 2019.

In 2019, a new premium kitchen range is being launched in Europe including hobs, ovens, fridges, freezers, dishwashers and hoods. The new product ranges is built on a human-centric Scandinavian design to offer a seamless aesthetic with attention to detail and ergonomics, making the products intuitive to understand and use.

The innovative products have been developed in three main categories based on the primary benefit they offer: Flex, Pro and Sense, for flexible, precise and assisted cooking. The Sense series includes ovens enriched with connected features which are compatible with Electrolux European smart kitchen partners, notably Google for voice assistance and the Innit recipe app.

Examples of innovations during 2019

January 18	Strengthening partnerships at Consumer Electronics Show in Las Vegas. Electrolux has launched Google voice integration with its smart ovens in early 2019.
February 21	Frigidaire products launched at the 2019 Kitchen and Bath Industry Show, include the market's first oven with integrated Air-Fry technology.
March 20	Electrolux to launch a new intuitive kitchen range across Europe.

For more information, see www.electroluxgroup.com

Events during and after the quarter

Events during the first quarter of 2019

January 31. Electrolux reinitiates U.S. manufacturing and product investment, announces manufacturing consolidation projects
The Electrolux Group is reinitiating an investment, estimated at USD 250m, in Springfield, Tennessee, and consolidating all U.S. cooking manufacturing into that facility. Electrolux will also transfer refrigeration manufacturing from its Santiago, Chile, facility to other locations. The measures will lead to restructuring charges of approx. SEK 1bn, whereof approx. SEK 300m will have a cash flow impact. Electrolux anticipates annual savings of approx. SEK 1bn with full effect from 2022 as a result of the measures announced.

As Electrolux reinitiates the project and consolidates into Springfield, the company will also cease production at its Memphis, Tennessee facility. Production at the facility is expected to continue through 2020. The Springfield, Tennessee expansion will be complete and production will begin during the fourth quarter 2020.

The restructuring charges are reported as non-recurring items in the results for the first quarter of 2019, affecting the business areas North America (SEK -829m) and Latin America (SEK -225m).

January 31. Electrolux prepares for separation and stock exchange listing of Professional Products business area
In January, Electrolux announced that it is preparing for the separation of its Professional Products business area from the Group. The Electrolux Board of Directors has initiated work intending to propose that a shareholders meeting decides to split the Group into two listed companies, "Electrolux" for household appliances and "Electrolux Professional" for professional appliances, and to distribute Electrolux Professional to the shareholders of AB Electrolux in 2020.

The preparations have been initiated and the Board intends to present a proposal for the distribution and listing of Electrolux Professional to a shareholders meeting. If the shareholders decide in favor of such a proposal, AB Electrolux shareholders will receive shares in Electrolux Professional in proportion to their shareholding in AB Electrolux. The intention is to list Electrolux Professional on Nasdaq Stockholm during the first half of 2020. The Board expects to provide an update on the preparations and a more detailed time plan around mid-year 2019.

February 1. Electrolux sharpens organization to drive profitable growth
Electrolux is revising its business area structure to create four consumer-focused regional business areas, ensuring a unified approach to each market with common branded platforms and interactions with consumers. This means the Home Care & SDA business area is being combined with the four current major appliances business areas.

To accelerate product and ownership experience innovation, Electrolux is also pulling together central functions focused on consumer experiences into a new organizational structure. This organization is globally responsible for areas such as marketing, design, product lines, digital consumer solutions and ownership experience.

The changes were effective immediately and this first quarterly report is based on the updated business area structure.

March 12. Electrolux launches a green bond framework to fund climate investments and other environmental initiatives
Electrolux introduces a green bond framework with an intention to raise funds earmarked for investments contributing to reduced environmental impacts from the company's products and operations. The initiative is designed to enable debt market investors to allocate funds specifically to industrial projects with a positive climate impact or other environmental benefits.

March 25. Electrolux issues a SEK 1 billion Green Bond
Electrolux is issuing the first bond loan within its green bond framework, raising SEK 1bn to fund investments and other projects with environmental benefits. The loan has a fixed rate and carries a coupon of 1.103% annually.

March 27 Well positioned to create value – Electrolux Capital Markets Day 2019
Electrolux is taking a number of strategic actions to speed up consumer experience innovation and sharpen its key brands. The company also aims to double aftermarket sales, from 5% of Group sales to 10% by 2025, by strengthening the service product offering and leveraging digital consumer touch points. Another important driver will be emerging markets, where Electrolux has set a clear roadmap to drive sales growth in each region.

As announced during the Capital Markets Day in November, 2017, Electrolux is carrying out a manufacturing investment program of SEK 8bn over 4-5 years as from 2018. Focused on automation, digitalization and improved innovation capabilities through new modularized product platforms, the program is now expected to generate annual cost savings of approx. SEK 3bn with full effect from 2024. These measures are in particular geared towards strengthening Electrolux competitiveness in North America.

At the Capital Markets Day, Electrolux also emphasized the opportunity for the Professional Products business area to create value as a standalone company, thanks to sharper focus, greater agility and access to capital markets.

Events after the first quarter of 2019

April 10. Annual General Meeting 2019
Staffan Bohman, Petra Hedengran, Hasse Johansson, Ulla Litzén, Fredrik Persson, David Porter, Jonas Samuelson, Ulrika Saxon and Kai Wärn were re-elected to the Board of Directors. Staffan Bohman was also elected Chairman of the Board.

The proposed dividend of SEK 8.50 per share was adopted.

April 25. Electrolux strengthens its professional beverage offering by acquiring UNIC in France
Electrolux business area Professional Products announced it has acquired UNIC S.A.S., a French manufacturer of professional espresso machines. The acquisition complements Electrolux offering of products for beverage service and further develops its position as a leader in complete solutions for the hospitality industry. The acquired company had combined net sales of approximately EUR 20m in 2018, and 130 employees.

For more information, visit www.electroluxgroup.com

Parent Company AB Electrolux

The Parent Company comprises the functions of the Group's head office, as well as five companies operating on a commission basis for AB Electrolux.

Net sales for the Parent Company, AB Electrolux, for the first quarter 2019 amounted to SEK 9,741m (8,898) of which SEK 7,952m (7,294) referred to sales to Group companies and SEK 1,789m (1,604) to external customers. Income after financial items was SEK 248m (180), including dividends from subsidiaries in the amount of SEK 21m (0). Income for the period amounted to SEK 218m (91).

Capital expenditure in tangible and intangible assets was SEK 158m (199). Liquid funds at the end of the period amounted to SEK 5,295m, as against SEK 7,244m at the start of the year.

Undistributed earnings in the Parent Company at the end of the period amounted to SEK 22,191m, as against SEK 22,078m at the start of the year.

The income statement and balance sheet for the Parent Company are presented on page 22.

Stockholm, April 26, 2019

AB Electrolux (publ)
556009-4178

Jonas Samuelson
President and CEO

The report has not been audited or reviewed by external auditors.

Consolidated statement of comprehensive income

SEKM	Q1 2019	Q1 2018	Full year 2018
Net sales	29,710	27,906	124,129
Cost of goods sold	-24,906	-23,015	-100,908
Gross operating income	4,804	4,891	23,221
Selling expenses	-3,165	-2,921	-12,986
Administrative expenses	-1,409	-1,350	-5,101
Other operating income/expenses	17	145	177
Operating income	248	764	5,310
Financial items, net	-158	-92	-423
Income after financial items	90	672	4,887
Taxes	-11	-121	-1,081
Income for the period	79	551	3,805
Items that will not be reclassified to income for the period:			
Remeasurement of provisions for post-employment benefits	586	267	-448
Income tax relating to items that will not be reclassified	-131	-56	128
	456	212	-319
Items that may be reclassified subsequently to income for the period:			
Cash flow hedges	-23	-11	-2
Exchange-rate differences on translation of foreign operations	762	730	203
Income tax relating to items that may be reclassified	-5	-10	23
	735	709	224
Other comprehensive income, net of tax	1,190	921	-95
Total comprehensive income for the period	1,269	1,472	3,710
Income for the period attributable to:			
Equity holders of the Parent Company	79	551	3,805
Non-controlling interests	-0	0	-0
Total	79	551	3,805
Total comprehensive income for the period attributable to:			
Equity holders of the Parent Company	1,269	1,472	3,710
Non-controlling interest	0	1	-0
Total	1,269	1,472	3,710
Earnings per share, SEK			
Basic, SEK	0.28	1.92	13.24
Diluted, SEK	0.28	1.90	13.14
Average number of shares[1]			
Basic, million	287.4	287.4	287.4
Diluted, million	288.8	289.3	289.5

[1] Average numbers of shares excluding shares held by Electrolux.

Consolidated balance sheet

SEKM	Mar. 31, 2019	Mar. 31, 2018	Dec. 31, 2018
Assets			
Property, plant and equipment, owned	20,979	19,368	21,088
Property, plant and equipment, right-of-use	3,270	-	-
Goodwill	8,543	8,044	8,239
Other intangible assets	4,002	3,834	3,919
Investments in associates	443	372	397
Deferred tax assets	6,551	5,785	6,448
Financial assets	258	221	246
Pension plan assets	729	448	532
Other non-current assets	1,157	462	952
Total non-current assets	45,933	38,535	41,822
Inventories	19,032	16,792	16,750
Trade receivables	21,439	20,220	21,482
Tax assets	756	644	738
Derivatives	211	253	139
Other current assets	4,325	4,330	4,507
Short-term investments	538	164	176
Cash and cash equivalents	8,773	8,272	11,697
Total current assets	55,075	50,674	55,490
Total assets	101,008	89,209	97,312
Equity and liabilities			
Equity attributable to equity holders of the Parent Company			
Share capital	1,545	1,545	1,545
Other paid-in capital	2,905	2,905	2,905
Other reserves	-1,661	-1,893	-2,394
Retained earnings	19,978	19,177	19,683
Equity attributable to equity holders of the Parent Company	22,767	21,733	21,738
Non-controlling interests	10	14	11
Total equity	22,777	21,748	21,749
Long-term borrowings	6,238	7,622	6,198
Long-term lease liabilities	2,603	-	-
Deferred tax liabilities	815	750	868
Provisions for post-employment benefits	3,911	2,854	4,346
Other provisions	5,772	5,992	5,281
Total non-current liabilities	19,339	17,219	16,693
Accounts payable	34,563	30,937	34,443
Tax liabilities	579	595	984
Other liabilities	15,424	14,275	17,105
Short-term borrowings	5,042	2,161	3,952
Short-term lease liabilities	959	-	-
Derivatives	86	104	102
Other provisions	2,239	2,171	2,284
Total current liabilities	58,891	50,242	58,870
Total equity and liabilities	101,008	89,209	97,312

Change in consolidated equity

SEKM	Q1 2019	Q1 2018	Full year 2018
Opening balance	21,749	20,480	20,480
Change in accounting principles	-229	-18	-18
Total comprehensive income for the period	1,269	1,472	3,710
Share-based payments	-13	-186	-35
Dividend to equity holders of the Parent Company	-	-	-2,385
Dividend to non-controlling interests	-	-	-0
Acquisition of non-controlling interests	0	-1	-3
Total transactions with equity holders	-12	-187	-2,424
Closing balance	22,777	21,748	21,749

Consolidated cash flow statement

SEKM	Q1 2019	Q1 2018	Full year 2018
Operations			
Operating income	248	764	5,310
Depreciation and amortization[1]	1,225	1,006	4,150
Other non-cash items	1,099	652	1,088
Financial items paid, net[2]	-124	-88	-361
Taxes paid	-512	-211	-1,140
Cash flow from operations, excluding change in operating assets and liabilities	1,935	2,123	9,046
Change in operating assets and liabilities			
Change in inventories	-1,857	-1,706	-1,619
Change in trade receivables	554	1,115	-582
Change in accounts payable	-671	-1,048	2,317
Change in other operating assets, liabilities and provisions	-2,098	-2,732	-1,116
Cash flow from change in operating assets and liabilities	-4,072	-4,370	-1,000
Cash flow from operations	-2,137	-2,247	8,046
Investments			
Acquisition of operations	-61	-429	-902
Divestment of operations	-	-	293
Capital expenditure in property, plant and equipment	-806	-615	-4,650
Capital expenditure in product development	-158	-88	-416
Capital expenditure in software and other intangibles	-138	-97	-563
Other	-168	77	-269
Cash flow from investments	-1,331	-1,152	-6,506
Cash flow from operations and investments	-3,467	-3,399	1,540
Financing			
Change in short-term investments	-356	193	193
Change in short-term borrowings	62	221	951
New long-term borrowings	1,022	1,008	1,736
Amortization of long-term borrowings	-79	-997	-1,531
Payment of lease liabilities	-247	-	-
Dividend	-	-	-2,385
Share-based payments	-	-226	-210
Cash flow from financing	403	200	-1,245
Total cash flow	-3,065	-3,200	295
Cash and cash equivalents at beginning of period	11,697	11,289	11,289
Exchange-rate differences referring to cash and cash equivalents	141	182	113
Cash and cash equivalents at end of period	8,773	8,272	11,697

[1] For the period January 1 to March 31: depreciation related to right-of-use assets amounted to SEK 214m (-).

[2] For the period January 1 to March 31: interest and similar items received SEK 211m (37), interest and similar items paid SEK -298m (-106) and other financial items received/paid SEK -6m (-19). Interest paid related to lease liabilities SEK -32m (-).

Key ratios

SEKM unless otherwise stated	Q1 2019	Q1 2018	Full year 2018
Net sales	29,710	27,906	124,129
Organic growth, %	1.9	1.8	1.3
EBITA	460	1,011	6,282
EBITA margin, %	1.5	3.6	5.1
Operating income	248	764	5,310
Operating margin, %	0.8	2.7	4.3
Operating margin excl. non-recurring items, %[1]	4.4	4.9	5.4
Income after financial items	90	672	4,887
Income for the period	79	551	3,805
Capital expenditure property, plant and equipment	-806	-615	-4,650
Operating cash flow after investments	-2,770	-2,671	3,649
Earnings per share, SEK[2]	0.28	1.92	13.24
Equity per share, SEK	79.25	75.67	75.67
Capital turnover rate, times/year	4.3	4.9	5.3
Return on net assets, %	3.6	13.3	22.7
Return on equity, %	1.4	10.4	18.2
Net debt	8,410	3,399	1,825
Net debt/equity ratio	0.37	0.16	0.08
Average number of shares excluding shares owned by Electrolux, million	287.4	287.4	287.4
Average number of employees	52,155	55,413	54,419

[1] Non-recurring items of SEK -1,054 in the first quarter of 2109 refers to business area North America and Latin America. Non-recurring items of SEK -596m in the first quarter of 2018 refers to business area North America. For information on non-recurring items, see page 19.

[2]Basic.

For definitions, see pages 27-28.

Shares

Number of shares	A-shares	B-shares	Shares total	Shares held by Electrolux	Shares held by other shareholders
Number of shares as of January 1, 2019	8,192,539	300,727,769	308,920,308	21,522,858	287,397,450
Number of shares as of March 31, 2019	**8,192,539**	**300,727,769**	**308,920,308**	**21,522,858**	**287,397,450**
As % of total number of shares				7.0%	

Exchange rates

SEK	Mar. 31, 2019		Mar. 31, 2018		Dec. 31, 2018	
Exchange rate	Average	End of period	Average	End of period	Average	End of period
ARS	0.2325	0.2135	0.4242	0.4144	0.3087	0.2373
AUD	6.51	6.57	6.41	6.41	6.50	6.34
BRL	2.40	2.38	2.50	2.51	2.39	2.32
CAD	6.84	6.93	6.47	6.47	6.71	6.59
CHF	9.20	9.30	8.57	8.73	8.91	9.15
CLP	0.0136	0.0136	0.0135	0.0138	0.0136	0.0129
CNY	1.35	1.38	1.29	1.33	1.31	1.30
EUR	10.38	10.40	10.00	10.28	10.26	10.28
GBP	11.89	12.11	11.34	11.75	11.57	11.38
HUF	0.0326	0.0324	0.0321	0.0329	0.0321	0.0320
MXN	0.4718	0.4794	0.4332	0.4566	0.4517	0.4556
RUB	0.1374	0.1427	0.1433	0.1451	0.1392	0.1292
THB	0.2869	0.2918	0.2580	0.2673	0.2691	0.2754
USD	9.11	9.26	8.16	8.35	8.70	8.97

Net sales and operating income by business area

SEKM	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Full year 2019	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Full year 2018
Europe										
Net sales	10,553					9,760	10,138	10,885	12,539	43,321
Sales growth, %	4.6					8.0	5.1	5.2	0.5	4.4
EBITA	730					687	-215	806	1,114	2,392
EBITA margin, %	6.9					7.0	-2.1	7.4	8.9	5.5
Operating income	686					610	-286	749	1,055	2,128
Operating margin, %	6.5					6.2	-2.8	6.9	8.4	4.9
North America										
Net sales	9,099					8,785	10,804	10,072	10,143	39,804
Sales growth, %	-6.8					-5.4	-10.2	-6.3	-6.3	-7.2
EBITA	-450					-118	703	392	261	1,238
EBITA margin, %	-4.9					-1.3	6.5	3.9	2.6	3.1
Operating income	-482					-148	670	358	223	1,104
Operating margin, %	-5.3					-1.7	6.2	3.6	2.2	2.8
Latin America										
Net sales	4,312					4,247	4,518	3,845	5,353	17,963
Sales growth, %	6.9					5.9	19.5	0.4	11.8	9.3
EBITA	-165					97	22	260	342	721
EBITA margin, %	-3.8					2.3	0.5	6.8	6.4	4.0
Operating income	-223					35	-38	205	290	492
Operating margin, %	-5.2					0.8	-0.8	5.3	5.4	2.7
Asia-Pacific, Middle East and Africa										
Net sales	3,445					3,197	3,685	3,507	3,986	14,375
Sales growth, %	2.3					10.1	1.0	5.1	18.3	8.4
EBITA	141					191	273	301	331	1,096
EBITA margin, %	4.1					6.0	7.4	8.6	8.3	7.6
Operating income	110					163	243	270	302	979
Operating margin, %	3.2					5.1	6.6	7.7	7.6	6.8
Professional Products										
Net sales	2,302					1,917	2,209	2,135	2,405	8,666
Sales growth, %	15.6					8.5	6.7	6.7	11.0	8.2
EBITA	316					245	331	293	310	1,179
EBITA margin,%	13.7					12.8	15.0	13.7	12.9	13.6
Operating income	301					237	324	280	294	1,134
Operating margin, %	13.1					12.4	14.7	13.1	12.2	13.1
Group common costs, etc.	-143					-133	-86	-107	-201	-527
Total Group										
Net sales	29,710					27,906	31,354	30,444	34,425	124,129
Sales growth, %	1.6					3.3	0.7	0.7	2.5	1.7
EBITA	460					1,011	1,075	1,991	2,205	6,282
EBITA margin, %	1.5					3.6	3.4	6.5	6.4	5.1
Operating income	248					764	827	1,756	1,963	5,310
Operating margin, %	0.8					2.7	2.6	5.8	5.7	4.3
Income after financial items	90					672	748	1,634	1,832	4,887
Income for the period	79					551	517	1,162	1,575	3,805
Earnings per share, SEK[1]	0.28					1.92	1.80	4.04	5.48	13.24

[1] Basic.

Non-recurring items by business area

SEKM	Q1 2019[1]	Q2 2019	Q3 2019	Q4 2019	Full year 2019	Q1 2018[2]	Q2 2018[3]	Q3 2018	Q4 2018[4]	Full year 2018
Europe	-					-	-818	-	71	-747
North America	-829					-596	-	-	-	-596
Latin America	-225					-	-	-	-	-
Asia-Pacific, Middle East and Africa	-					-	-	-	-	-
Professional Products	-					-	-	-	-	-
Group common costs, etc.	-					-	-	-	-	-
Total Group	-1,054					-596	-818	-	71	-1,343

[1] The non-recurring item of SEK -829m relates to the consolidation of U.S. cooking production and SEK -225m to the closure of a refrigeration production line in Latin America. The costs are included in Cost of goods sold and consists of write down of fixed assets, provision for severance cost and other cost related to the projects.

[2] The non-recurring item of SEK -596m refers to the consolidation of freezer production in North America. The cost is included in Cost of goods sold and consists of write down of fixed assets, provision for severance cost and other cost related to the project.

[3] The non-recurring items of SEK -818m refer to business area Europe. These include a provision of SEK -564m for a fine relating to an investigation by the French Competition Authority and a provision of SEK -254m relating to an unfavorable court ruling in France. These costs are included in other operating income/expenses.

[4] The non-recurring item of SEK 71m refers to business area Europe and relates to the French Competition Authority investigation that was concluded in the quarter and is the difference between the actual fine and the provision set in the second quarter. This income is included in other operating income/expenses.

Operating income excluding non-recurring items

SEKM	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Full year 2019	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Full year 2018
Europe										
Operating income excl. non-recurring items	686					610	532	749	984	2,875
Operating margin excl. non-recurring items, %	6.5					6.2	5.3	6.9	7.9	6.6
North America										
Operating income excl. non-recurring items	347					448	670	358	223	1,700
Operating margin excl. non-recurring items, %	3.8					5.1	6.2	3.6	2.2	4.3
Latin America										
Operating income excl. non-recurring items	2					35	-38	205	290	492
Operating margin excl. non-recurring items, %	0.1					0.8	-0.8	5.3	5.4	2.7
Total Group										
Operating income excl. non-recurring items	1,302					1,360	1,645	1,756	1,892	6,653
Operating margin excl. non-recurring items, %	4.4					4.9	5.2	5.8	5.5	5.4

Net sales by business area

SEKM	Q1 2019	Q1 2018	Full year 2018
Europe	10,553	9,760	43,321
North America	9,099	8,785	39,804
Latin America	4,312	4,247	17,963
Asia-Pacific, Middle East and Africa	3,445	3,197	14,375
Professional Products	2,302	1,917	8,666
Total	29,710	27,906	124,129

Change in net sales by business area

Year-over-year, %	Q1 2019	Q1 2019 in local currencies
Europe	8	5
North America	4	-7
Latin America	2	7
Asia-Pacific, Middle East and Africa	8	2
Professional Products	20	16
Total change	6	2

Operating income by business area

SEKM	Q1 2019	Q1 2018	Full year 2018
Europe	686	610	2,128
Margin, %	6.5	6.2	4.9
North America	-482	-148	1,104
Margin, %	-5.3	-1.7	2.8
Latin America	-223	35	492
Margin, %	-5.2	0.8	2.7
Asia-Pacific, Middle East and Africa	110	163	979
Margin, %	3.2	5.1	6.8
Professional Products	301	237	1,134
Margin, %	13.1	12.4	13.1
Group common costs, etc.	-143	-133	-527
Operating income	248	764	5,310
Margin, %	0.8	2.7	4.3

Change in operating income by business area

Year-over-year, %	Q1 2019	Q1 2019 in local currencies
Europe	12	8
North America	-226	-184
Latin America	-742	-1,093
Asia-Pacific, Middle East and Africa	-33	-36
Professional Products	27	20
Total change	-68	-68

Working capital and net assets

SEKM	Mar. 31, 2019	% of annualized net sales	Mar. 31, 2018	% of annualized net sales	Dec. 31, 2018	% of annualized net sales
Inventories	19,032	15.9	16,792	14.7	16,750	13.5
Trade receivables	21,439	17.9	20,220	17.8	21,482	17.3
Accounts payable	-34,563	-28.9	-30,937	-27.2	-34,443	-27.7
Operating working capital	5,909	4.9	6,075	5.3	3,789	3.0
Provisions	-8,011		-8,163		-7,565	
Prepaid and accrued income and expenses	-10,381		-9,397		-11,745	
Taxes and other assets and liabilities	-719		-705		-1,327	
Working capital	-13,202	-11.0	-12,190	-10.7	-16,848	-13.5
Property, plant and equipment, owned	20,979		19,368		21,088	
Property, plant and equipment, right-of-use	3,270		-		-	
Goodwill	8,543		8,044		8,239	
Other non-current assets	5,860		4,889		5,516	
Deferred tax assets and liabilities	5,735		5,035		5,580	
Net assets	31,186	26.1	25,147	22.1	23,574	19.0
Annualized net sales, calculated at end of period exchange rates	119,603		113,847		124,399	
Average net assets	27,380	23.0	22,912	20.5	23,381	18.8
Annualized net sales, calculated at average exchange rates	118,839		111,622		124,129	

Net assets by business area

	Assets			Equity and liabilities			Net assets		
SEKM	Mar. 31, 2019	Mar. 31, 2018	Dec. 31, 2018	Mar. 31, 2019	Mar. 31, 2018	Dec. 31, 2018	Mar. 31, 2019	Mar. 31, 2018	Dec. 31, 2018
Europe	26,849	24,760	26,276	23,859	22,673	25,766	2,990	2,086	510
North America	22,314	17,615	19,124	16,163	13,584	15,322	6,151	4,031	3,802
Latin America	13,356	13,476	13,092	6,561	6,500	6,906	6,794	6,976	6,186
Asia-Pacific, Middle East and Africa	12,154	10,574	10,826	5,885	5,322	5,603	6,269	5,252	5,223
Professional Products	6,385	5,310	6,101	3,107	2,948	3,144	3,278	2,362	2,957
Other[1]	9,477	8,129	9,112	3,772	3,689	4,217	5,704	4,440	4,895
Total operating assets and liabilities	90,534	79,864	84,531	59,348	54,717	60,958	31,186	25,147	23,574
Liquid funds	9,744	8,897	12,249	-	-	-	-	-	-
Total borrowings	-	-	-	11,410	9,890	10,260	-	-	-
Lease liabilities	-	-	-	3,562	-	-	-	-	-
Pension assets and liabilities	729	448	532	3,911	2,854	4,346	-	-	-
Equity	-	-	-	22,777	21,748	21,749	-	-	-
Total	101,008	89,209	97,312	101,008	89,209	97,312	-	-	-

[1]Includes common functions and tax items.

Parent Company income statement

SEKM	Q1 2019	Q1 2018	Full year 2018
Net sales	9,741	8,898	38,911
Cost of goods sold	-8,312	-7,499	-33,560
Gross operating income	1,429	1,399	5,351
Selling expenses	-790	-741	-3,247
Administrative expenses	-528	-428	-1,410
Other operating expenses	-	-	-804
Operating income	111	230	-110
Financial income	256	177	7,967
Financial expenses	-119	-227	-695
Financial items, net	137	-50	7,272
Income after financial items	248	180	7,162
Appropriations	42	-48	-1,743
Income before taxes	290	132	5,419
Taxes	-72	-41	69
Income for the period	218	91	5,488

Parent Company balance sheet

SEKM	Mar. 31, 2019	Mar. 31, 2018	Dec. 31, 2018
Assets			
Non-current assets	38,476	35,893	38,254
Current assets	34,223	27,005	33,157
Total assets	72,699	62,898	71,411
Equity and liabilities			
Restricted equity	5,543	5,179	5,437
Non-restricted equity	22,191	19,169	22,078
Total equity	27,734	24,348	27,515
Untaxed reserves	449	445	442
Provisions	1,094	1,312	1,133
Non-current liabilities	5,748	7,189	5,735
Current liabilities	37,674	29,604	36,586
Total equity and liabilities	72,699	62,898	71,411

Notes

Note 1 Accounting principles

Electrolux applies International Financial Reporting Standards (IFRS) as adopted by the European Union. This report has been prepared in accordance with IAS 34, Interim Financial Reporting, ÅRL (the Swedish Annual Accounts Act) and RFR 2 'Accounting for legal entities' issued by the Swedish Financial Reporting Board.

Electrolux interim reports contain a condensed set of financial statements. For the Group this chiefly means that the disclosures are limited compared to the consolidated financial statements presented in the annual report. For the Parent Company this means that the financial statements in general are presented in condensed versions and with limited disclosures compared to the annual report.

The accounting policies adopted are consistent with those followed in the preparation of the Group's Annual Report 2018, except for the adoption of new standards effective as of January 1, 2019. The Group's accounting principles are described in Note 1 in the Annual Report 2018, including transition effects and accounting principles related to IFRS 16 Leases which is applied by Electrolux from January 1, 2019. The transition to IFRS 16 has resulted in the following opening balance adjustment as per January 1, 2019:

Assets		Equity and Liabilities	
Right-of-use assets	3,164	Lease liabilities	3,451
Deferred tax assets	86	Retained earnings	-229
Prepaid lease fees	-32	Accrued lease fees	-4
Total	3,218	Total	3,218

Reportable segments – Business areas

As from 2019 Electrolux has revised its consumer business area structure. The former business area Home Care & SDA has been combined with the former major appliances business areas, creating four consumer-focused regional business areas: Europe, North America, Latin America, and Asia-Pacific, Middle East and Africa. These, together with business area Professional Products, represent the Group's reportable segments. Comparatives have been restated accordingly. For more information, please see press release "Restated figures for 2018 in line with Electrolux new business area structure" published on April 5, 2019.

Note 2 Disaggregation of revenue

Electrolux manufactures and sells appliances mainly in the wholesale market to customers being retailers. Electrolux products include refrigerators, dishwashers, washing machines, cookers, vacuum cleaners, air conditioners and small domestic appliances. The four regional Consumer Products business areas focus on the consumer market and business area Professional Products focuses on professional users. Sales of products are revenue recognized at a point in time, when control of the products has transferred.

Revenue from services related to installation of products, repairs or maintenance service is recognized when control is transferred being over the time the service is provided. Sales of services are not material in relation to Electrolux total net sales. Product and geography are considered important attributes when disaggregating Electrolux revenue. Therefore, the table below presents net sales related to Consumer Products and Professional Products per geographical region.

	Three months 2019			Three months 2018		
SEKM	Consumer Products	Professional Products	Total	Consumer Products	Professional Products	Total
Geographical region						
Europe	10,553	1,799	12,352	9,760	1,543	11,302
North America	9,099	301	9,400	8,785	187	8,972
Latin America	4,312	-	4,312	4,247	-	4,247
Asia-Pacific, Middle East and Africa	3,445	202	3,647	3,197	187	3,384
Total	27,408	2,302	29,710	25,988	1,917	27,906

Note 3 Fair values and carrying amounts of financial assets and liabilities

SEKM	Mar. 31, 2019 Fair value	Mar. 31, 2019 Carrying amount	Mar. 31, 2018 Fair value	Mar. 31, 2018 Carrying amount	Dec. 31, 2018 Fair value	Dec. 31, 2018 Carrying amount
Per category						
Financial assets at fair value through profit and loss	258	258	221	221	246	246
Financial assets measured at amortized cost	30,750	30,750	32,239	32,239	33,355	33,355
Derivatives, financial assets at fair value through profit and loss	211	211	253	253	120	120
Derivatives in hedge accounting	-	-	-	-	19	19
Total financial assets	**31,219**	**31,219**	**32,713**	**32,713**	**33,740**	**33,740**
Financial liabilities measured at amortized cost	45,900	45,843	40,525	40,466	44,650	44,593
Derivatives, financial liabilities at fair value through profit and loss	77	77	62	62	102	102
Derivatives in hedge accounting	9	9	42	42	-	-
Total financial liabilities	**45,977**	**45,920**	**40,587**	**40,528**	**44,752**	**44,695**

The Group strives for arranging master-netting agreements (ISDA) with the counterparts for derivative transactions and has established such agreements with the majority of the counterparties, i.e., if a counterparty will default, assets and liabilities will be netted. Derivatives are presented gross in the balance sheet.

Fair value estimation

Valuation of financial instruments at fair value is done at the most accurate market prices available. Instruments which are quoted on the market, e.g., the major bond and interest-rate future markets, are all marked-to-market with the current price. The foreign-exchange spot rate is used to convert the value into SEK. For instruments where no reliable price is available on the market, cash-flows are discounted using the deposit/swap curve of the cash flow currency. If no proper cash-flow schedule is available, e.g., as in the case with forward-rate agreements, the underlying schedule is used for valuation purposes.

To the extent option instruments are used, the valuation is based on the Black & Scholes' formula. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market-interest rate for similar financial instruments. The Group's financial assets and liabilities are measured according to the following hierarchy:

Level 1: Quoted prices in active markets for identical assets or liabilities. At March 31, 2019, the fair value for Level 1 financial assets was SEK 538m (164) and for financial liabilities SEK 0m (0).

Level 2: Inputs other than quoted prices included in Level 1 that are observable for assets or liabilities either directly or indirectly. At March 31, 2019, the fair value of Level 2 financial assets was SEK 21,650m (20,686) and financial liabilities SEK 86m (104).

Level 3: Inputs for the assets or liabilities that are not entirely based on observable market data. At March 31, 2019, the fair value of Level 3 financial assets was SEK 258m (221) and financial liabilities SEK 0m (0).

Note 4 Pledged assets and contingent assets and liabilities

SEKM	Mar. 31, 2019	Mar. 31, 2018	Dec. 31, 2018
Group			
Pledged assets	6	6	6
Guarantees and other commitments	1,180	1,307	1,015
Parent Company			
Pledged assets	-	-	-
Guarantees and other commitments	1,577	1,568	1,534

For more information on contingent assets and liabilities, see Note 25 in the Annual Report 2018.

Note 5 Acquisitions of operations

Acquisitions in the first quarter of 2019

During the first quarter of 2019, Electrolux completed an acquisition of an appliance installation and repair service operations in Australia with an upfront payment of AUD 3.9m (approximately SEK 26m). The operations are included in business area Asia-Pacific, Middle East and Africa.

Cash flow related to acquisitions of operations

In addition to the consideration of SEK 26m relating to the acquisition in the quarter, cash flow related to acquisitions includes the payment of a deferred consideration of SEK 35m regarding the Schneidereit acquisition in 2018. Thus, total cash flow related to acquisitions of operations amounts to SEK -61m.

Acquisition after the first quarter 2019

UNIC S.A.S.

On April 25, 2019, Electrolux announced the acquisition of UNIC S.A.S., a French manufacturer of professional espresso machines. The company's headquarters and main manufacturing facility are located in southern France, with subsidiaries in the U.S. and Japan. The acquired company had combined net sales of approximately EUR 20m in 2018, and 130 employees. The purchase price for the shares amounts to EUR 39m with a net debt assumed, estimated at EUR 2.2m. The purchase price allocation work has been initiated. The operations will be included in business area Professional Products.

Operations by business area yearly

SEKM	2015	2016	2017[1]	2018
Europe				
Net sales	38,224	39,097	39,618	43,321
Operating income	2,290	2,794	2,765	2,128
Margin, %	6.0	7.1	7.0	4.9
North America				
Net sales	45,276	44,914	42,083	39,804
Operating income	1,454	2,657	2,796	1,104
Margin, %	3.2	5.9	6.6	2.8
Latin America				
Net sales	19,679	16,384	18,277	17,963
Operating income	459	-111	483	492
Margin, %	2.3	-0.7	2.6	2.7
Asia-Pacific, Middle East and Africa				
Net sales	13,787	13,833	13,071	14,375
Operating income	308	673	1,084	979
Margin, %	2.2	4.9	8.3	6.8
Professional Products				
Net sales	6,546	6,865	7,723	8,666
Operating income	862	954	1,054	1,134
Margin, %	13.2	13.9	13.7	13.1
Other				
Group common cost, etc.	-2,631	-693	-775	-527
Total Group				
Net sales	123,511	121,093	120,771	124,129
Operating income	2,741	6,274	7,407	5,310
Margin, %	2.2	5.2	6.1	4.3

Non-recurring items in operating income[2]	2015[3]	2016	2017	2018[4]
Europe	-40	-	-	-747
North America	-207	-	-	-596
Latin America	-11	-	-	-
Asia-Pacific, Middle East and Africa	-90	-	-	-
Professional Products	-	-	-	-
Group common cost	-1,901	-	-	-
Total Group	**-2,249**	**-**	**-**	**-1,343**

[1] 2017 has been restated due to IFRS 15.

[2] For more information, see Note 7 in the annual reports.

[3] Refers to costs related to the not completed acquisition of GE Appliances of SEK -2,059m and restructuring costs within HC&SDA of SEK -190m.

[4] Non-recurring items 2018: SEK -596m refers to the consolidation of freezer production in North America, SEK -747m refers to business area Europe and includes a fine of SEK -493m, relating to an investigation by the French Competition Authority, and a cost of SEK -254m relating to an unfavorable court ruling in France.

Five-year review

SEKM unless otherwise stated	2014	2015	2016	2017[1]	2018
Net sales	**112,143**	**123,511**	**121,093**	**120,771**	**124,129**
Organic growth, %	1.1	2.2	-1.1	-0.4	1.3
Operating income	3,581	2,741	6,274	7,407	5,310
Operating margin, %	3.2	2.2	5.2	6.1	4.3
Income after financial items	2,997	2,101	5,581	6,966	4,887
Income for the period	**2,242**	**1,568**	**4,493**	**5,745**	**3,805**
Non-recurring items in operating income[2]	-1,348	-2,249	-	-	-1,343
Capital expenditure, property, plant and equipment	-3,006	-3,027	-2,830	-3,892	-4,650
Operating cash flow after investments	6,631	6,745	9,140	6,877	3,649
Earnings per share, SEK[3]	7.83	5.45	15.64	19.99	13.24
Equity per share, SEK	**57.52**	**52.21**	**61.72**	**71.26**	**75.67**
Dividend per share, SEK	6.50	6.50	7.50	8.30	8.50
Capital-turnover rate, times/year	4.5	5.0	5.8	5.9	5.3
Return on net assets, %	14.2	11.0	29.9	36.0	22.7
Return on equity, %	15.7	9.9	29.4	31.9	18.2
Net debt	**9,631**	**6,407**	**360**	**197**	**1,825**
Net debt/equity ratio	0.58	0.43	0.02	0.01	0.08
Average number of shares excluding shares owned by Electrolux, million	286.3	287.1	287.4	287.4	287.4
Average number of employees	**60,038**	**58,265**	**55,400**	**55,692**	**54,419**

[1] 2017 is restated due to IFRS 15.

[2] For more information, see table on page 26 and Note 7 in the annual reports.

[3] Basic.

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 to assist in generating a healthy total yield for Electrolux shareholders. The objective is growth with consistent profitability.

Financial goals
- Operating margin of at least 6%
- Capital turnover-rate of at least 4 times
- Return on net assets >20%
- Average annual sales growth of at least 4%

Definitions

This report includes financial measures as required by the financial reporting framework applicable to Electrolux, which is based on IFRS. In addition, there are other measures and indicators that are used to follow-up, analyze and manage the business and to provide Electrolux stakeholders with useful financial information on the Group's financial position, performance and development in a consistent way. On the following page is a list of definitions of all measures and indicators used, referred to and presented in this report.

Computation of average amounts and annualized income statement measures

In computation of key ratios where averages of capital balances are related to income statement measures, the average capital balances are based on the opening balance and all quarter-end closing balances included in the reporting period, and the income statement measures are annualized, translated at average rates for the period. In computation of key ratios where end-of-period capital balances are related to income statement measures, the latter are annualized, translated at end of-period exchange rates. Adjustments are made for acquired and divested operations.

Definitions (continued)

Growth measures

Change in net sales
Current year net sales for the period less previous year net sales for the period as a percentage of previous year net sales for the period.

Sales growth
Change in net sales adjusted for currency translation effects.

Organic growth
Change in net sales, adjusted for changes in exchange rates, acquisitions and divestments.

Acquisitions
Change in net sales, adjusted for organic growth, changes in exchange rates and divestments. The impact from acquisitions relates to net sales reported by acquired operations within 12 months after the acquisition date.

Divestments
Change in net sales, adjusted for organic growth, changes in exchange rates and acquisitions. The impact from divestments relates to net sales reported by the divested operations within 12 months before the divestment date.

Profitability measures

EBITA
Operating income excluding amortization of intangible assets.

EBITA margin
EBITA expressed as a percentage of net sales.

Operating margin (EBIT margin)
Operating income (EBIT) expressed as a percentage of net sales.

Operating margin (EBIT margin) excluding non-recurring items
Operating income (EBIT) excluding non-recurring items, expressed as a percentage of net sales.

Return on net assets
Operating income (annualized) expressed as a percentage of average net assets.

Return on equity
Income for the period (annualized) expressed as a percentage of average total equity.

Capital measures

Net debt/equity ratio
Net debt in relation to total equity.

Equity/assets ratio
Total equity as a percentage of total assets less liquid funds.

Capital turnover-rate
Net sales (annualized) divided by average net assets.

Share-based measures

Earnings per share, Basic
Income for the period attributable to equity holders of the Parent Company divided by the average number of shares excluding shares held by Electrolux.

Earnings per share, Diluted
Income for the period attributable to equity holders of the Parent Company divided by the average number of shares after dilution, excluding shares held by Electrolux.

Equity per share
Total equity divided by total number of shares excluding shares held by Electrolux.

Capital indicators

Liquid funds
Cash and cash equivalents, short-term investments, financial derivative assets[1] and prepaid interest expenses and accrued interest income[1].

Operating working capital
Inventories and trade receivables less accounts payable.

Working capital
Total current assets exclusive of liquid funds, less non-current other provisions and total current liabilities exclusive of total short-term borrowings.

Net assets
Total assets exclusive of liquid funds and pension plan assets, less deferred tax liabilities, non-current other provisions and total current liabilities exclusive of total short-term borrowings.

Total borrowings
Long-term borrowings and short-term borrowings, financial derivative liabilities[1], accrued interest expenses and prepaid interest income[1].

Total short-term borrowings
Short-term borrowings, financial derivative liabilities[1], accrued interest expenses and prepaid interest income[1].

Interest-bearing liabilities
Long-term borrowings and short-term borrowings exclusive of liabilities related to trade receivables with recourse[1].

Financial net debt
Total borrowings less liquid funds.

Net provision for post-employment benefits
Provisions for post-employment benefits less pension plan assets.

Net debt
Financial net debt, lease liabilities and net provision for post-employment benefits.

Other measures

Operating cash flow after investments
Cash flow from operations and investments adjusted for financial items paid, taxes paid and acquisitions/divestments of operations.

Non-recurring items
Material profit or loss items in operating income which are relevant for understanding the financial performance when comparing income for the current period with previous periods.

[1] See table Net debt on page 9.

Shareholders' information

President and CEO Jonas Samuelson's comments on the first quarter results 2019
Today's press release is available on the Electrolux website www.electroluxgroup.com/ir

Telephone conference 09.00 CET
A telephone conference is held at 09.00 CET today, April 26. Jonas Samuelson, President and CEO and Therese Friberg, CFO will comment on the report.

Details for participation by telephone are as follows:
Participants in Sweden: +46 8 566 426 51
Participants in UK/Europe: +44 3333 000 804
Participants in US: +1 631 9131 422
Pin code: 14144070#

Slide presentation for download:
www.electroluxgroup.com/ir

Link to webcast:
https://edge.media-server.com/m6/p/8u4oboah

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Calendar 2019

Interim report January - June	July 18
Interim report January – September	October 25

This report contains "forward-looking" statements that reflect the company's current expectations. Although the company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations prove to have been correct as they are subject to risks and uncertainties that could cause actual results to differ materially due to a variety of factors. These factors include, but are not limited to, changes in consumer demand, changes in economic, market and competitive conditions, currency fluctuations, developments in product liability litigation, changes in the regulatory environment and other government actions.

Forward-looking statements speak only as of the date they were made, and, other than as required by applicable law, the company undertakes no obligation to update any of them in light of new information or future events.

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Shape living for the better
Electrolux shapes living for the better by reinventing taste, care and wellbeing experiences, making life more enjoyable and sustainable for millions of people. As a leading global appliance company, we place the consumer at the heart of everything we do. Through our brands, including Electrolux, AEG, and Frigidaire, we sell more than 60 million household and professional products in more than 150 markets every year. In 2018, Electrolux had sales of SEK 124 billion and employed 54,000 people around the world. For more information, go to www.electroluxgroup.com.
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