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 products

Europe
- Core appliances
- Vacuum cleaners
- Professional appliances
- Outdoor products

Asia
- Core appliances
- Outdoor products

Brazil
- White goods

Australia
- White goods

1) Consumer products
2) Professional products
Core appliances, USA
Industry unit shipments

Change in % vs same period previous year

= Full year

<table>
<thead>
<tr>
<th>Year</th>
<th>1997</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2</td>
<td>1</td>
<td>-2</td>
<td></td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q3</td>
<td></td>
<td>5</td>
<td>6</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4</td>
<td>10</td>
<td>15</td>
<td>7</td>
<td>4</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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Core appliances, Europe
Industry unit shipments

Change in % vs same period previous year

- Full year

Western Europe

Total Europe


1 2 3 4 1 2 3 4 1 2 3 4 1 2 3 4 1 2 3 4

+3.8%  +1.6%  +3.5%  -0.6%  +0.7% YTD

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Core appliances, Western Europe Industry unit shipments

Western Europe: -0.3%
Eastern Europe: +13%
# Sales and earnings
Excluding items affecting comparability

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

WACC 2002 = 13% pre-tax
Working capital and cash flow
1997 - 2002 Q2

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

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

- **Higher income for core appliances**
- **Market share gains**

![Electrolux logo]
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

- Negative trend in Brazil
- Australia on plan
## Sales and income – appliances, Rest of the world

<table>
<thead>
<tr>
<th></th>
<th>Market</th>
<th>Sales</th>
<th>EBIT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>China</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>India</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brazil</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Professional Indoor Products

Key data 1H 2002

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>SEK 6,061m</td>
</tr>
<tr>
<td>-37%</td>
<td></td>
</tr>
<tr>
<td>EBIT</td>
<td>SEK 397m</td>
</tr>
<tr>
<td>-49.6%</td>
<td></td>
</tr>
<tr>
<td>Value creation:</td>
<td>SEK 115m</td>
</tr>
<tr>
<td></td>
<td>SEK -231m</td>
</tr>
</tbody>
</table>

- Income up for comparable units
- Improvement for Components

Operating Margin %

Average Net Assets / Net Sales
Components: Actions taken and negative income trend reversed

External sales, SEK billion

5.1

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

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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.