First quarter results, 2003
Hans Stråberg
President and CEO
Industry shipments and estimated trend in demand, Q1 2003

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, excl. Power Cutters and Diamond Tools
Core appliances, USA
Industry unit shipments

Change in % vs same period previous year

= Full year

Electrolux
Core appliances, Europe
Industry unit shipments

Change in % vs same period previous year

= Full year

Western Europe

Total Europe

+3.8%  +1.6%  +3.5%  -0.6%  +0.7%  +3.7%*

* YTD
Core appliances, Europe
Industry unit shipments

Y-o-y change
Western Europe  +2.7%
Eastern Europe  +7.7%
Total Europe     +3.7%

Q1 2003/Q1 2002

%  12
   10
      8
        6
          4
            2
              0

GB  DE  ES  RU  HU  PL  EUROPE
FR  IT  AT  NL  CH  Scan  BE
## Sales and earnings
Excluding items affecting comparability

<table>
<thead>
<tr>
<th>SEKm</th>
<th>Q1 2003</th>
<th>Q1 2002</th>
<th>Change</th>
<th>Full year 2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>32,062</td>
<td>33,580</td>
<td>-4.5%</td>
<td>133,150</td>
</tr>
<tr>
<td>Operating income</td>
<td>1,798</td>
<td>1,906</td>
<td>-5.7%</td>
<td>8,165</td>
</tr>
<tr>
<td>Margin,%</td>
<td>5.6</td>
<td>5.7</td>
<td></td>
<td>6.1</td>
</tr>
<tr>
<td>Income after financial items</td>
<td>1,798</td>
<td>1,797</td>
<td>+0.1%</td>
<td>7,979</td>
</tr>
<tr>
<td>Margin,%</td>
<td>5.6</td>
<td>5.4</td>
<td></td>
<td>6.0</td>
</tr>
<tr>
<td>Net income per share, SEK</td>
<td>3.95</td>
<td>3.75</td>
<td>+5.3%</td>
<td>16.90</td>
</tr>
<tr>
<td>Value creation</td>
<td>731</td>
<td>609</td>
<td>+122</td>
<td>3,461</td>
</tr>
<tr>
<td>Return on equity,%</td>
<td>17.8</td>
<td>16.4</td>
<td></td>
<td>18.6</td>
</tr>
<tr>
<td>Return on net assets,%</td>
<td>21.9</td>
<td>19.1</td>
<td></td>
<td>22.6</td>
</tr>
<tr>
<td>Net debt/equity ratio</td>
<td>0.19</td>
<td>0.37</td>
<td></td>
<td>0.05</td>
</tr>
</tbody>
</table>
Effects of changes in exchange rates on net sales in Q1, 2003

<table>
<thead>
<tr>
<th>SEKm</th>
<th>Consumer Durables</th>
<th>Professional Products</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Europe</td>
<td>Indoor</td>
<td>Outdoor</td>
</tr>
<tr>
<td></td>
<td>Rest of the World</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>North America</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Q1 2003/Q1 2002</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Total Group

Key Data Q1 2003
- Sales: SEK 32,062m, -4.5%
- EBIT: SEK 1,798m, -5.7%
- Value creation: SEK 731, SEK +122m

WACC 2003 = 13% pre-tax
Working capital and cash flow
1997 - 2003 Q1

Cash flow: Cash flow from operations and investments excl. acquisitions and divestments of operations
Ongoing restructuring programs

- The restructuring programs announced in 2001 and 2002 are proceeding according to plan.
- Changes implemented to date have involved personnel cutbacks of totally 5,320.
- Closure in the quarter of a plant for hobs in Germany.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Major appliances, Europe</td>
<td>1,174</td>
<td>720</td>
<td>109</td>
<td>356</td>
</tr>
<tr>
<td>Garden products, Europe</td>
<td>157</td>
<td>124</td>
<td>10</td>
<td>17</td>
</tr>
<tr>
<td>Floor Care, Europe</td>
<td>19</td>
<td>19</td>
<td>4</td>
<td>13</td>
</tr>
<tr>
<td>Major appliances, North America</td>
<td>510</td>
<td>253</td>
<td>5</td>
<td>94</td>
</tr>
<tr>
<td>Major appliances, Rest of the World</td>
<td>653</td>
<td>442</td>
<td>24</td>
<td>105</td>
</tr>
<tr>
<td><strong>Total major appliances</strong></td>
<td><strong>2,513</strong></td>
<td><strong>1,558</strong></td>
<td><strong>152</strong></td>
<td><strong>585</strong></td>
</tr>
<tr>
<td>Components</td>
<td>1,862</td>
<td>1,716</td>
<td>-12</td>
<td>86</td>
</tr>
<tr>
<td>Food-service equipment</td>
<td>168</td>
<td>167</td>
<td>30</td>
<td>5</td>
</tr>
<tr>
<td>Other</td>
<td>56</td>
<td>41</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,599</strong></td>
<td><strong>3,482</strong></td>
<td><strong>171</strong></td>
<td><strong>681</strong></td>
</tr>
</tbody>
</table>
Consumer Durables, Rest of the World

12 months figures

- Substantial downturn in income in India and China
- Restructuring measures ongoing

Key data Q1 2003

Sales: SEK 2,908
-15.4%

EBIT: SEK -120m
-445%

Value creation:
SEK -333m
SEK +13m
## Sales and income - appliances, Rest of the world

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

12 months figures

Key data Q1 2003
Sales: SEK 2,165m -28.5%
EBIT: SEK 138m -24.6%
Value creation: SEK 81m SEK +50m

- Weaker demand for Food Service Equipment
- Substantial improvement in income for compressors
**Consumer Durables, North America**

### Key data Q1 2003

- **Sales:** SEK 12,028m
  -9.5%
- **EBIT:** SEK 798m
  -8.9%
- **Value creation:** SEK 326m
  SEK +19m

### Operating Trend

- Positive trend in income for appliances and garden products
- Price pressure in floor care products

---

Electrolux
New Electrolux range displayed at the Kitchen & Bath Industry Show, USA
Higher operating income in local currency for Consumer Durables, NA

- **2001**
- **2002**
- **2003**
- **Margin**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Qtr</td>
<td>6.6</td>
<td>6.6</td>
<td>6.7</td>
<td>6.6</td>
</tr>
<tr>
<td>2nd Qtr</td>
<td>4.9</td>
<td>8.9</td>
<td></td>
<td>8.9</td>
</tr>
<tr>
<td>3rd Qtr</td>
<td></td>
<td>1.7</td>
<td>5.3</td>
<td>5.3</td>
</tr>
<tr>
<td>4th Qtr</td>
<td></td>
<td></td>
<td>1.5</td>
<td>1.5</td>
</tr>
</tbody>
</table>
Consumer Durables, Europe

**Key data Q1 2003**

- **Sales:** SEK 11,987m
  - +6.6%
- **EBIT:** SEK 710m
  - +5.0%
- **Value creation:**
  - SEK 435m
  - SEK +61m

**Operating Margin % vs. Average Net Assets / Net Sales**

- **Strong volume development for appliances in Eastern Europe**
- **Good performance for garden products**
Higher operating income for Consumer Durables, Europe

MSEK 1,000

Margin, %

1st Qtr 2nd Qtr 3rd Qtr 4th Qtr

2001 2002 2003 Margin

4.1 6.0 5.9 5.1 6.9 4.8 6.6 7.2 7.5

Electrolux
Professional Outdoor Products

12 months figures

- Good volume growth in chainsaws and landscape equipment
- Weaker demand for diamond tools and power cutters

Key data Q1 2003

Sales: SEK 2,950m
  +15.8%
EBIT: SEK 442m
  +14.5%
Value creation:
  SEK 297m
  SEK +9m
Revised outlook for full year

“....the Group’s operating income for the full year is expected to be somewhat lower than in 2002.”

- Uncertainty regarding market conditions
- Substantial downturn in income for India and China
- Price pressure in floor care
- Weaker demand for food service equipment
- Unfavourable currency development
Summary of Q1, 2003

Negatives

- Substantial downturn in income in India and China
- Price pressure in Floor Care, particularly in the US
- Weaker demand for Professional Indoor Products

Positives

- Higher income for Consumer Durables in Europe
- Continued positive trend in sales and income for appliances in North America
- Positive trend in income for Consumer Outdoor Products
Factors affecting forward-looking statements

This report 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 and targets of Electrolux for future periods and future business and financial plans. These statements are based on current expectations and are subject to risks and uncertainties that could cause actual results to differ materially due to a variety of factors. These factors include, but may not be limited to the following; consumer demand and market conditions in the geographical areas and industries in which Electrolux operates, effects of currency fluctuations, competitive pressures to reduce prices, significant loss of business from major retailers, the success in developing new products and marketing initiatives, developments in product liability litigation, 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.