



Half-yearly results, 2003

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President and CEO

Industry shipments and estimated trend in demand, Q2 2003

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

- China
- India

Australia

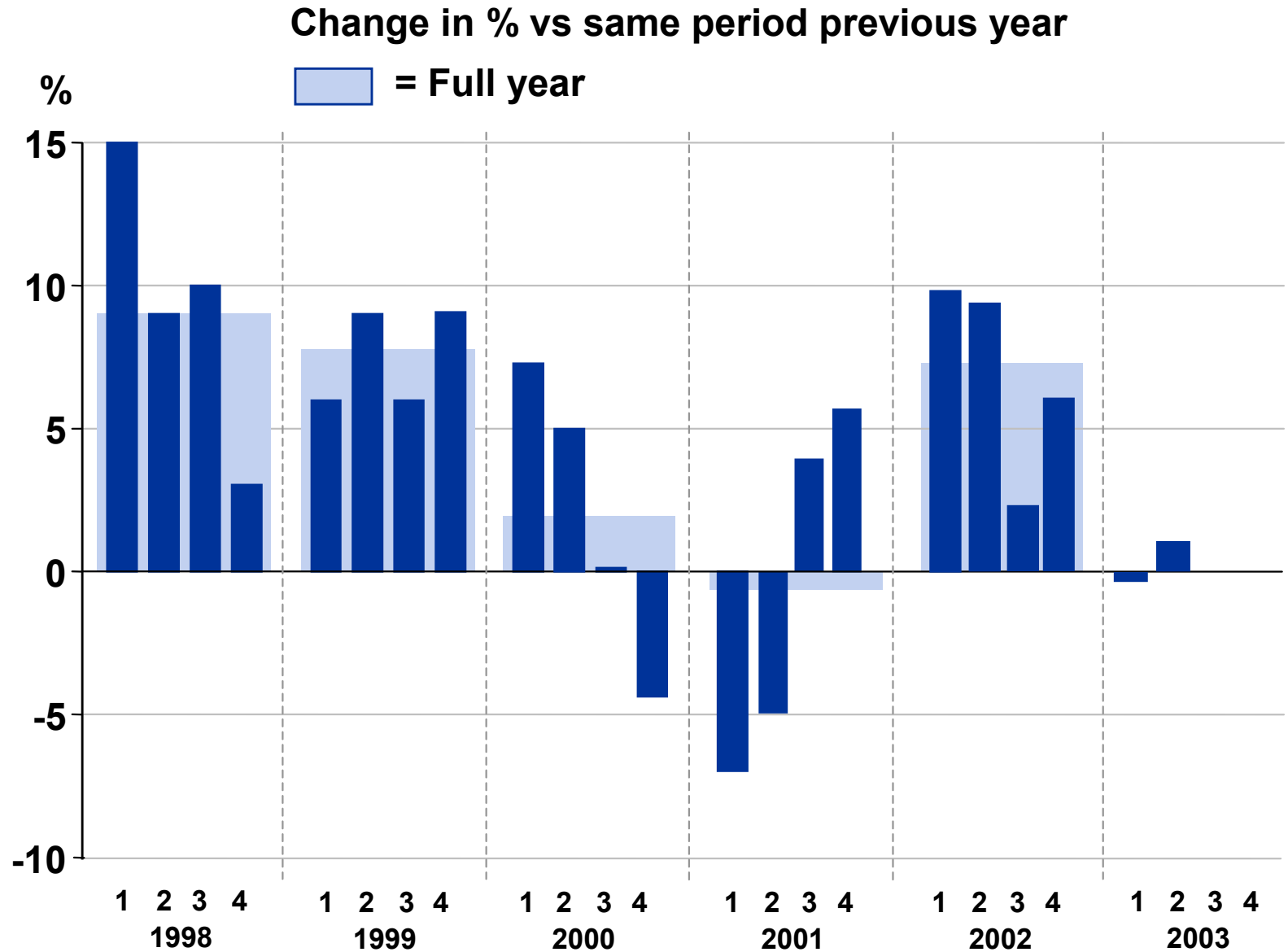
- White goods

1) Consumer Products

2) Professional Products, excl. Power Cutters and Diamond Tools

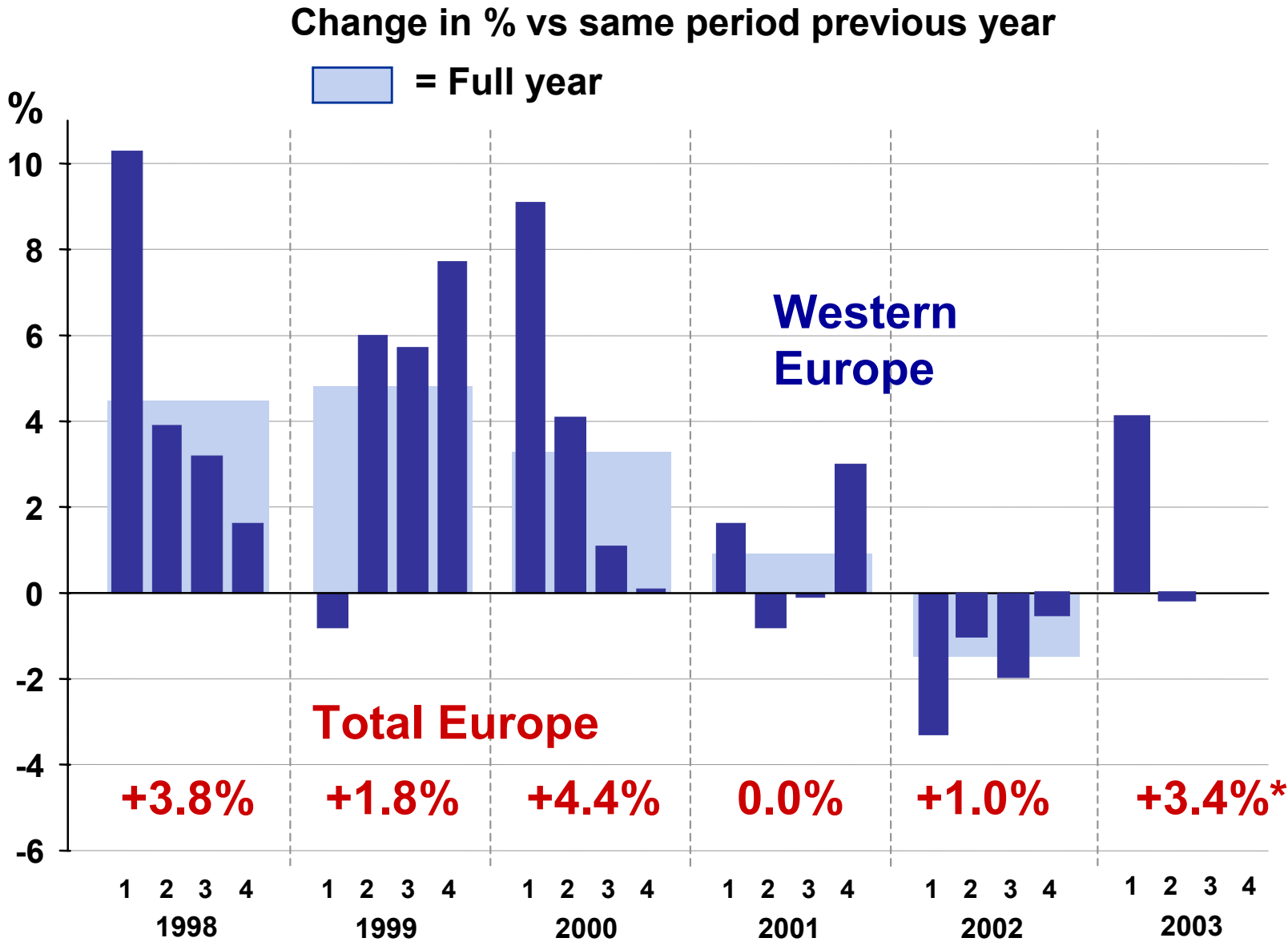
Core appliances, USA

Industry unit shipments



Core appliances, Europe

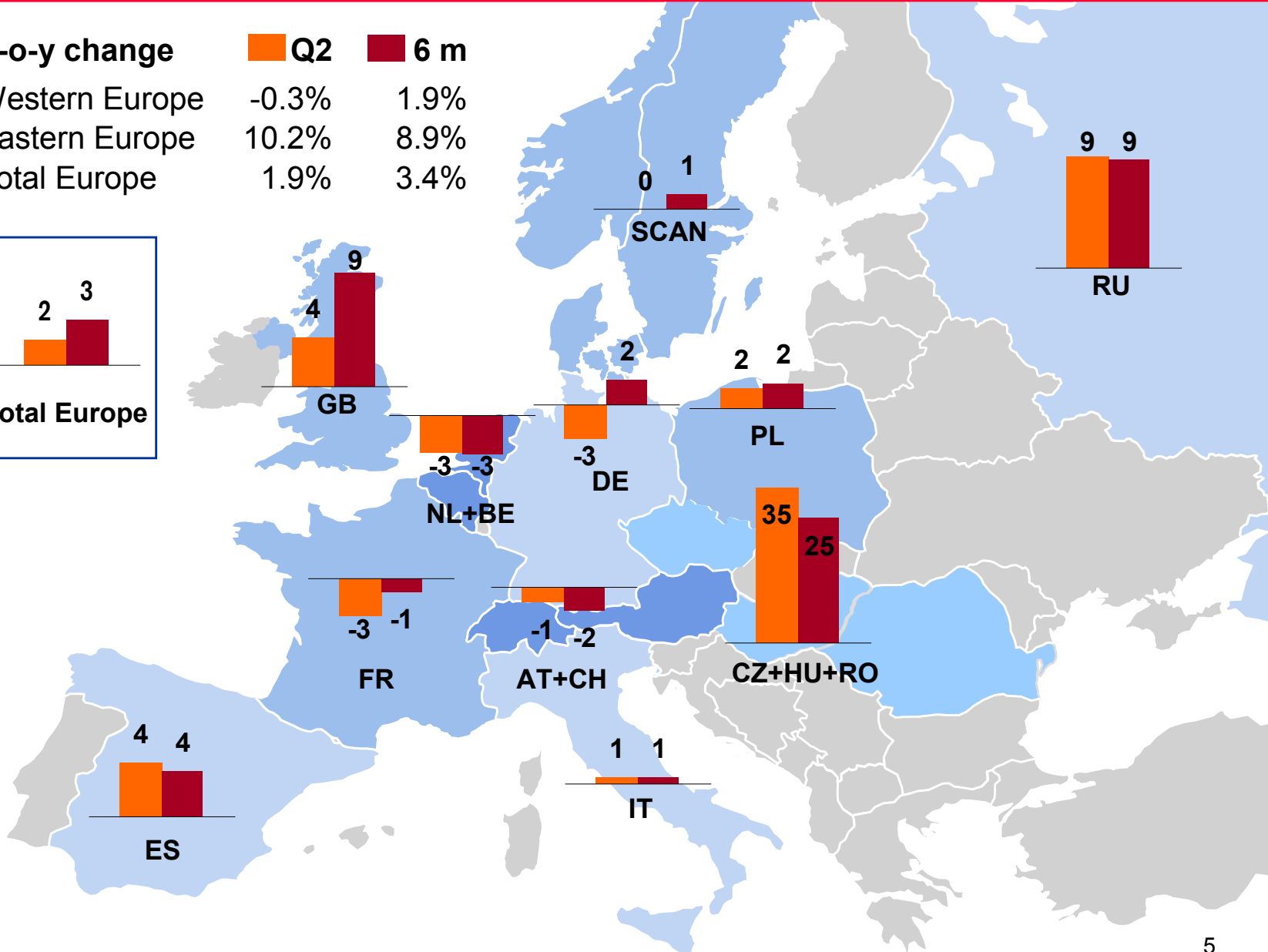
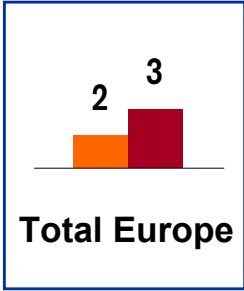
Industry unit shipments



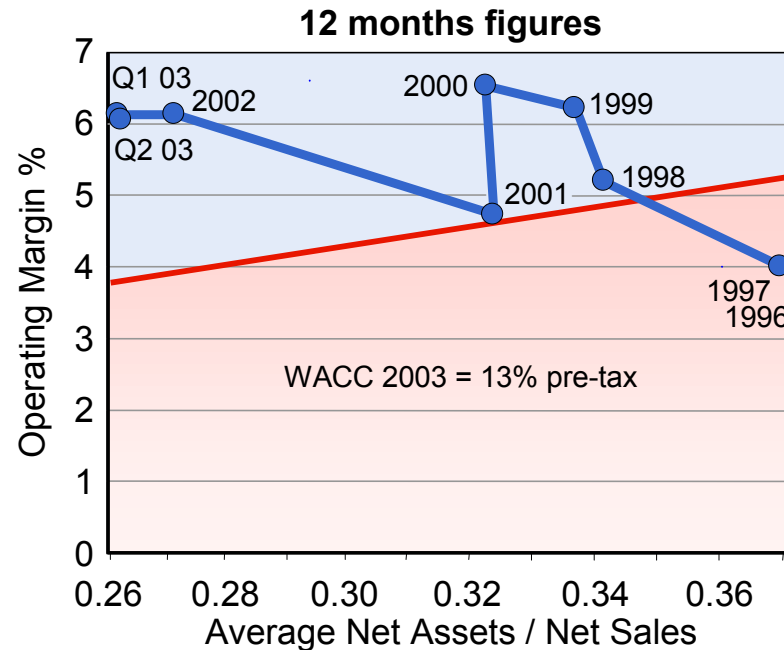
Core appliances, Europe

Industry unit shipments

Y-o-y change	Q2	6 m
Western Europe	-0.3%	1.9%
Eastern Europe	10.2%	8.9%
Total Europe	1.9%	3.4%



Strong performance in difficult environment

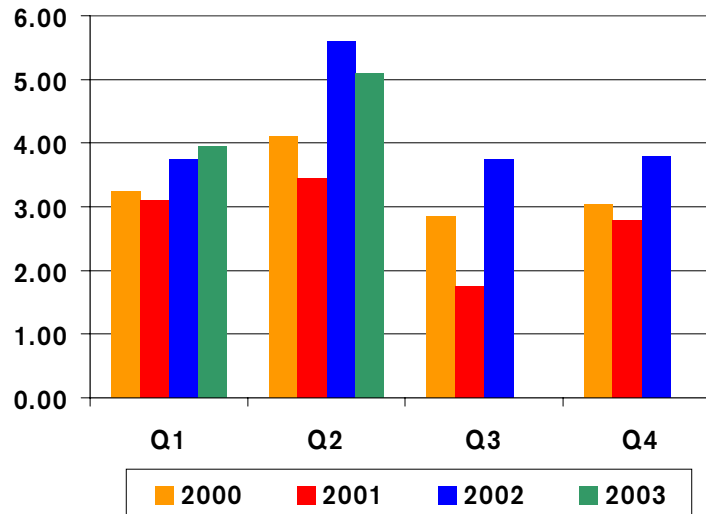


Q2 2003	SEKm	Change
Sales	33,313	-10.5%
EBIT	2,409	-11.5%
Value creation	1,279	-196
<i>In comparable currency</i>		
Sales	37,185	-0.1%
EBIT	2,631	-3.3%

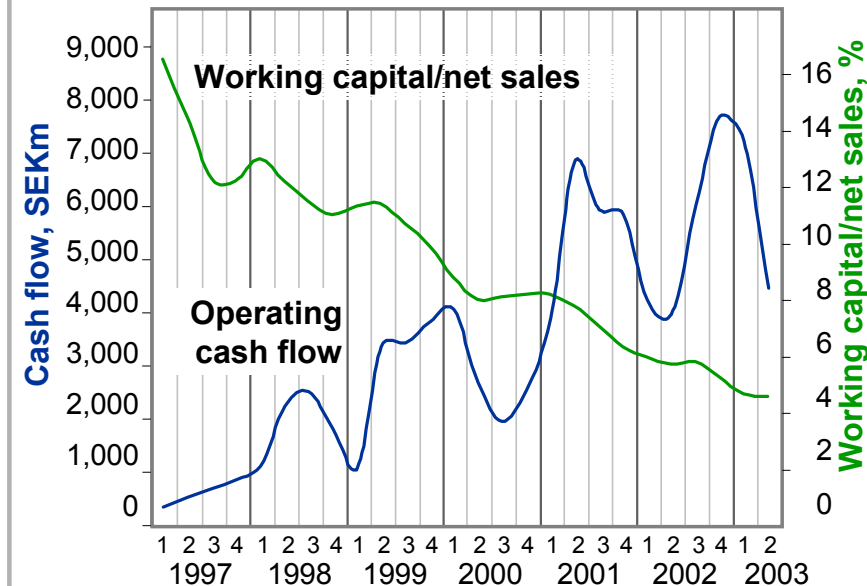
- Largely unchanged sales in Q2 excluding currency translation.
- Currency impact at EBIT level SEK -375m (both translation and transaction), i.e. EBIT is at last year's level excluding FX.
- Higher operating income for Consumer Durables in North America and outdoor products in comparable currency.
- Substantial downturn in income for Consumer Durables outside Europe and North America.

Net income per share slightly lower, cash flow down

Net income per share, SEK
(excl. items affecting comparability)

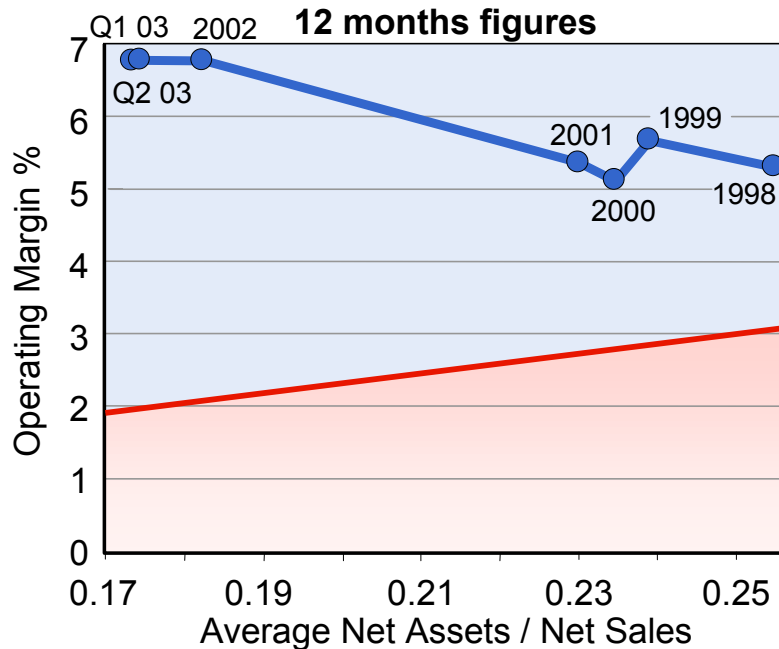


12 months figures



- Net income per share down 3% for first half.
- Continuing to buy back shares: 3.4m shares in Q2. We hold 3.7% of total number of shares.
- Operating cash flow was down, mainly due to
 - Good improvement in working capital in 2002
 - Higher paid taxes in Q2 2003

Consumer Durables, Europe



Q2 2003	SEKm	Change
Sales	11,478	-3.5%
EBIT	794	-3.1%
Value creation	536	+14
<i>In comparable currency</i>		
Sales	11,711	-1.6%
EBIT	819	0.0%

- Largely unchanged income and margin despite difficult environment.
- Flat margins, despite negative impact of weak UK pound, a larger proportion of sales in Eastern Europe and intense pressure on prices.
- Ongoing restructuring programs are proceeding according to plan.

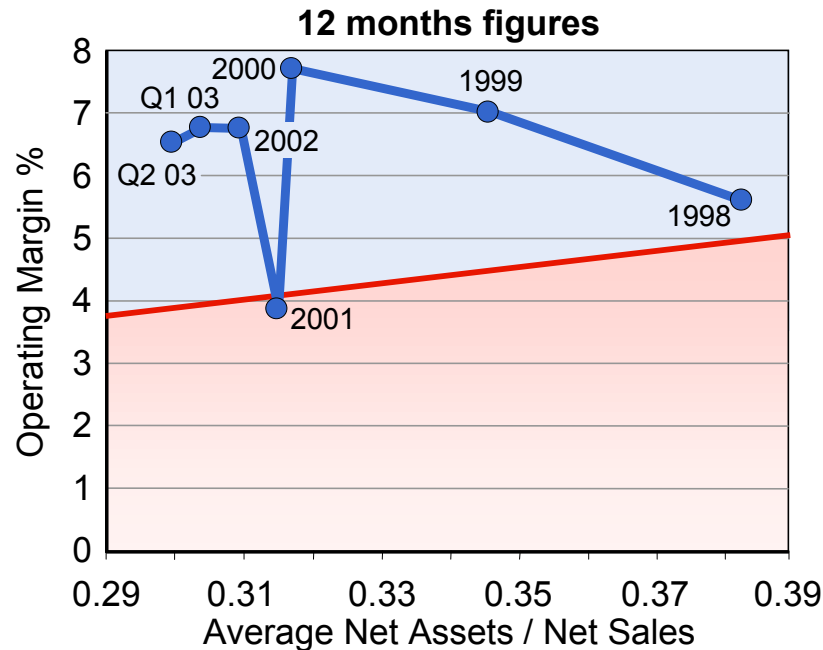


Investments in new plants in Eastern Europe

- New plants reduce complexity and cost
- Combi-bottom segment is one of the fastest growing in Europe
- Russia is Europe's 4th largest appliance market, with high growth

	Hungary	Russia
Product	Combi-bottom fridge freezers	Washers
Investment	SEK 600m	SEK 80m
End-market	Total Europe	Primarily Russia
Preliminary production start	First half 2005	First half 2004

Consumer Durables, North America

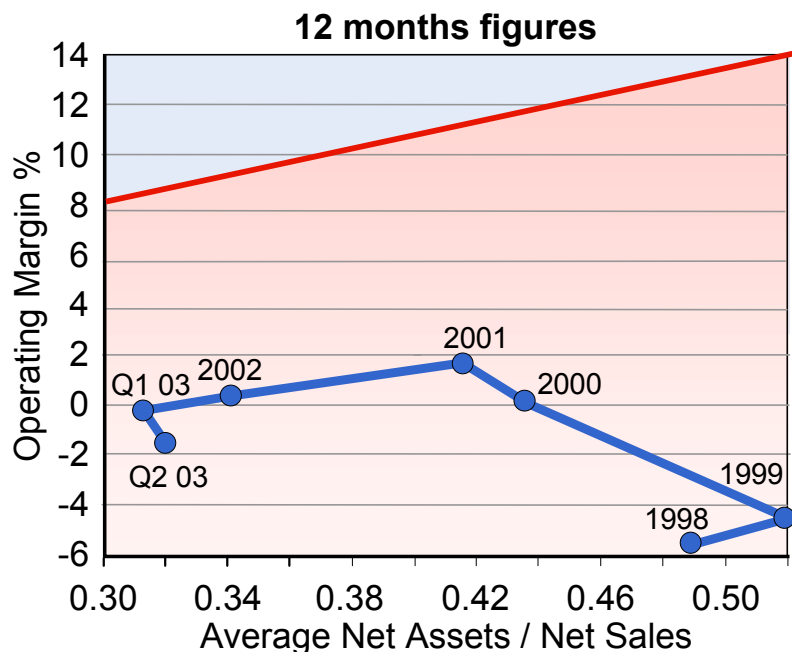


Q2 2003	SEKm	Change
Sales	13,179	-12.7%
EBIT	1,135	-15.2%
Value creation	657	-96
<i>In comparable currency</i>		
Sales	15,928	5.6%
EBIT	1,371	2.5%

- Continued good performance in North America.
- Appliances and garden products had a better performance – higher volumes and more efficient manufacturing.
- Sales and income for floor-care products declined due to a deterioration in price and mix.



Consumer Durables, Rest of the World



Q2 2003	SEKm	Change
Sales	3,073	-27.8%
EBIT	-50	N/A
Value creation	-277	-85
<i>In comparable currency</i>		
Sales	3,603	-15.4%
EBIT	-122	N/A

- Substantial downturn in income in India and China.
- Sales for the Brazilian operation rose in local currency on the basis of an increase in market share and higher exports.
- Australia reported somewhat lower sales in local currency. Operating income improved as a result of greater internal efficiency.

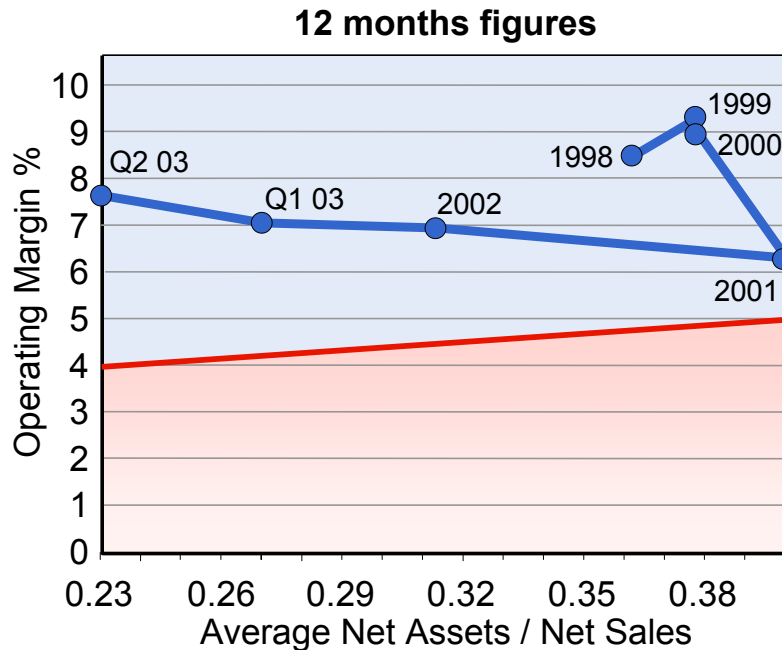


Sales and income - appliances, Rest of the world in Q2

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



Professional Indoor products

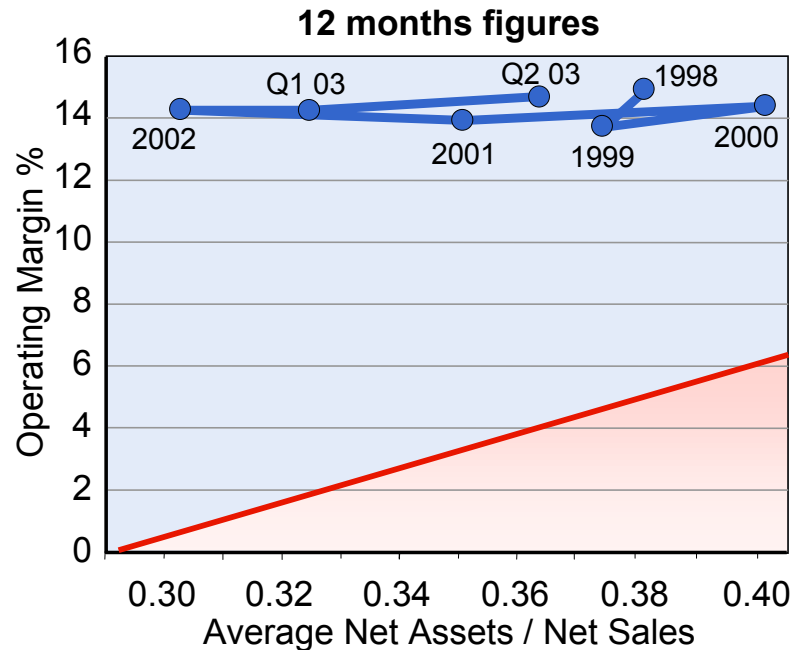


Q2 2003	SEKm	Change
Sales	2,496	-17.7%
EBIT	193	-9.8%
Value creation	134	+50
<i>In comparable currency</i>		
Sales	2,580	-14.9%
EBIT	202	-5.4%

- Demand was considerably weaker for food-service equipment in first half and Q2.
- Sales of laundry equipment declined slightly due to weaker demand in US and Japan.
- Demand for compressors in Europe was higher than in previous year.
- Signed agreement for divestment of the compressor operation.



Professional Outdoor Products



Q2 2003	SEKm	Change
Sales	3,064	+5.4%
EBIT	506	+16.3%
Value creation	347	+7
<i>In comparable currency</i>		
Sales	3,340	14.9%
EBIT	536	23.3%

- Demand for chainsaws and lawn and garden equipment increased in both Europe and US.
- Weak demand for diamond tools and power cutters, due to weak construction market.
- Gained market share and achieved higher income and margin.



Summary of Q2, 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
- Currency trends

Positives

- Good performance by Consumer Durables in Europe in difficult environment
- Continued good sales growth and higher income for Consumer Durables in NA in USD
- Agreement signed for divestment of compressors

Unchanged outlook for full year

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

- We expect market demand to be flat or slightly up in both Europe and North America for the second half of the year
- Negative trend continues for:
 - Appliances in India and China
 - Floor care in North America, due to price pressure
 - Food service equipment, due to weak demand
- Unfavourable currency development will have a greater negative impact than previously anticipated

Factors affecting forward-looking statements

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