Third quarter results 2003

Hans Stråberg, President and CEO

www.electrolux.com(ir)
Industry shipments and estimated trends in demand, Q3 2003

North America
- Core appliances: +9%
- Air-cond.: -7%
- Vacuum cleaners: +16%
- Outdoor products: +20%

Europe
- Core appliances: +5%
- Vacuum cleaners: +7%
- Food-service: -6%
- Outdoor products: -8%

Asia
- China
- India

Brazil
- White goods: -25%

Australia
- White goods: +7%

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
Core appliances, Europe
Industry unit shipments

Change in % vs same period previous year

= Full year

Western Europe

Total Europe

+3.8%  +1.8%  +4.4%  0.0%  +1.0%  +3.9%*

* YTD
Core appliances, Europe
Industry unit shipments

Y-o-y change
- Western Europe: +4.0% (+2.6%)
- Eastern Europe: +8.1% (+8.3%)
- Total Europe: +5.0% (+3.9%)
Key data, Q3 2003

Sales increased by 5.2%, adjusted for changes in exchange rates and in Group structure

Operating income adversely affected by changes in exchange rates in the amount of SEK -220m

Savings from restructuring amounted to SEK 78m in the quarter
Net income per share slightly down, increase in working capital

- Net income per share down 1.3%, to SEK SEK 3.70 in 3rd quarter
- Weaker operating cash flow, mainly due to:
  - Comparison against record low working capital at year-end 2002
  - Increase of accounts receivable in 2003, lower accounts payable
  - Lower income in 2003, higher utilization of restructuring provision and increased taxes paid in 2003
Consumer Durables, Europe

- Good volume growth for appliances in particularly Eastern Europe
- Higher income and margin for appliances and floor care products

### Q3 2003*

<table>
<thead>
<tr>
<th></th>
<th>SEKm</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>11,907</td>
<td>-5.5%</td>
</tr>
<tr>
<td>EBIT</td>
<td>852</td>
<td>+2.9%</td>
</tr>
<tr>
<td>Value creation</td>
<td>592</td>
<td>+53</td>
</tr>
</tbody>
</table>

*In comparable currency

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<tr>
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<tbody>
<tr>
<td>Sales</td>
<td>12,452</td>
<td>-1.2%</td>
</tr>
<tr>
<td>EBIT</td>
<td>848</td>
<td>+2.5%</td>
</tr>
</tbody>
</table>

* Excluding items affecting comparability
Consumer Durables, North America

- Strong growth and higher income in USD for core appliances and consumer outdoor products
- Substantial downturn in income for floor-care products
- Closure of plant for room air-conditioners as of July 31, 2003

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<tr>
<td>Sales</td>
<td>11,196</td>
<td>+2.9%</td>
</tr>
<tr>
<td>EBIT</td>
<td>544</td>
<td>-5.7%</td>
</tr>
<tr>
<td>Value creation</td>
<td>74</td>
<td>-3</td>
</tr>
</tbody>
</table>

* Excluding items affecting comparability

In comparable currency
Sales | 13,108 | +20.5% |
EBIT  | 616    | +6.7%  |
Visit www.electroluxUSA.com to see new products
Consumer Durables, Rest of the World

**12 months figures**

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<tr>
<td>Sales</td>
<td>3,097</td>
<td>-7.1%</td>
</tr>
<tr>
<td>EBIT</td>
<td>12</td>
<td>N/A</td>
</tr>
<tr>
<td>Value creation</td>
<td>-213</td>
<td>+67</td>
</tr>
</tbody>
</table>

*In comparable currency*

| Sales    | 2,789| -16.3% |
| EBIT     | 17   | -161.0%|

*Excluding items affecting comparability

- Improved income in India and China in 3rd quarter, substantial decline YTD
- Good sales growth for appliances in Brazil in local currency, despite considerable decline in market demand
- Lower sales and income in Australia
Professional Indoor Products

- Continued weak demand
- Lower sales and substantial decline in income for food-service equipment
- Compressor operation divested as of August 1, capital loss of SEK 85m.
- Excluding compressors, sales and income declined by 14% and 34%, respectively, in the quarter

**Q3 2003**

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<th>Change</th>
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<tr>
<td>Sales</td>
<td>1,718</td>
<td>-21.6%</td>
</tr>
<tr>
<td>EBIT</td>
<td>124</td>
<td>-37.1%</td>
</tr>
<tr>
<td>Value creation</td>
<td>78</td>
<td>-14</td>
</tr>
</tbody>
</table>

*In comparable currency*

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<td>EBIT</td>
<td>126</td>
<td>-36.2%</td>
</tr>
</tbody>
</table>

*Excluding items affecting comparability
Professional Outdoor Products

12 months figures

Q3 2003* | SEKm | Change
---|---|---
Sales | 2,447 | -10.0%
EBIT | 356 | +0.0%
Value creation | 206 | -47

* Excluding items affecting comparability

- Increased demand for chainsaws and lawn & garden equipment in both Europe and US
- Lower demand for diamond tools and power cutters due to weak construction market
- Margin remained at high level
Summary of Q3, 2003

Negatives
- Downturn in income for floor-care in US
- Weak demand, lower income for food-service equipment
- Negative trend in cash flow
- Unfavorable currency trends

Positives
- Good performance for appliances and consumer outdoor in US
- Higher income and margin for European appliance operation
- Continued strong performance for Professional Outdoor
Outlook for full year

“....operating income for the full year is expected to be somewhat lower than in 2002, excluding items affecting comparability.”

- Market demand in Q4, 2003 expected to be flat or slightly up in both Europe and North America
- Continued weak performance for:
  - Appliances in India and China
  - Floor-care products in North America
  - Professional Indoor Products
- Unfavorable currency trends
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