

This is a non-official translation of the Swedish original wording. In case of differences between the English translation and the Swedish original, the Swedish text shall prevail.

The Board of Directors' of AB Electrolux proposal for resolutions on (A.) transfer of own shares in connection with company acquisitions, and (B.) transfer of own shares as a result of the Employee Stock Option Programs for the years 2001-2003 and the Electrolux Performance Share Program for 2005

Background

Electrolux has, for the last few years, on the basis of authorisations by the Annual General Meetings, acquired own shares, for the purpose of using these shares to finance potential company acquisitions and as a hedge for the company's incentive programs.

The Board of Directors makes the assessment that it is advantageous for the company to be able to use repurchased shares in connection with financing of potential company acquisitions and the company's incentive program.

In view of the above, the Board of Directors proposes the General Meeting to resolve as follows.

A. Transfer of own shares in connection with company acquisitions

The Board of Directors propose the Annual General Meeting to authorize the Board, for the period until the next Annual General Meeting, to resolve on transfers of Electrolux own shares in connection with company acquisitions on the following terms and conditions.

1. Shares of series A and/or series B held by the company at the time of the Board of Director's decision may be transferred.
2. The shares may be transferred with deviation from the shareholders' preferential rights.
3. Transfer of shares may be made at a minimum price per share corresponding to an amount in close connection with the price of the company's shares of the series concerned on the Stockholm Stock Exchange at the time of the decision on the transfer.
4. Payment for the transferred shares may be made in cash, by contributions in kind or by a set-off of company debt.

The reason for deviation from the shareholders' preferential rights in transferring shares and the basis for the sales price of the shares, is to make it possible to finance potential company acquisitions in a cost-effective manner.

B. Transfer of own shares as a result of the Employee Stock Option Programs 2001-2003 and the Electrolux Performance Share Program 2005

The Board of Directors further proposes, as a result of the company's employee stock option programs 2001-2003 and the Electrolux Performance Share Program 2005, that the Annual General Meeting resolves that the company shall be entitled, for the period until the next Annual General Meeting, to transfer a maximum of 650,000 shares of series B in the company for the purpose of covering costs, primarily social security charges, that may arise as a result of the aforementioned programs. Transfer may take place on the Stockholm Stock Exchange at a price within the registered price interval from time to time.

Majority requirement

In order for the resolutions by the General Meeting in accordance with the Board of Director's proposal in Clauses A. and B. above to be valid, the resolutions must be accepted by shareholders holding no less than two thirds of the votes cast as well as the shares represented at the General Meeting.

Stockholm, March 2007
THE BOARD OF DIRECTORS