Q3 Results 2008
October 27, 2008
Hans Stråberg, President and CEO
Q3 Highlights

- Stable results in North America despite weak market
  - Price increases
  - Positive mix effect – US launch
- Weak market in Europe
  - Declining volumes and prices offset by cost savings
- Improvements all other sectors
- Negative impact from raw materials
  - SEK 1 billion of increase 2008
  - Majority in the second half
- EBIT in line with last year
- Cash-flow negative due to timing effect

### EBIT (SEKm) and EBIT margin (%)

<table>
<thead>
<tr>
<th></th>
<th>Q3 2007</th>
<th>Q3 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>26,374</td>
<td>26,349</td>
</tr>
<tr>
<td>EBIT</td>
<td>1,152</td>
<td>1,178</td>
</tr>
<tr>
<td>Margin</td>
<td>4.4%</td>
<td>4.5%</td>
</tr>
</tbody>
</table>
Lower sales due to weak market
Lower operating income for appliances due to weak market and price pressure
European cost-out initiatives proceeding according to plan
  - Redundancy program
  - Reducing product cost
  - Moving factories to low cost countries
Increased operating income and margin for floor-care products
Quarterly comparison, year on year

<table>
<thead>
<tr>
<th></th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
</tr>
</thead>
<tbody>
<tr>
<td>West. Europe</td>
<td>4%</td>
<td>1%</td>
<td>1%</td>
<td>5%*</td>
<td>1%</td>
<td>1%</td>
<td>-1%</td>
<td>-5%*</td>
<td>-4%</td>
<td>-4%</td>
<td>-5%</td>
</tr>
<tr>
<td>East. Europe</td>
<td>1%</td>
<td>9%</td>
<td>6%</td>
<td>7%</td>
<td>14%</td>
<td>5%</td>
<td>5%</td>
<td>10%</td>
<td>6%*</td>
<td>5%</td>
<td>4%</td>
</tr>
</tbody>
</table>

*Denote that value has been changed since Q1 presentation
Electrolux fridge/freezer/wine-cooler in Europe
- Sales somewhat higher despite weak market
  - Price increases
  - Positive mix effect
- Launch exceeding expectations
  - Good market acceptance
  - Good order volume
- Despite weak market, unchanged margin for floor-care products

<table>
<thead>
<tr>
<th>(SEKm)</th>
<th>Q3 2007</th>
<th>Q3 2008</th>
</tr>
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<tbody>
<tr>
<td>Sales</td>
<td>8,589</td>
<td>8,384</td>
</tr>
<tr>
<td>EBIT</td>
<td>385</td>
<td>306</td>
</tr>
<tr>
<td>Margin</td>
<td>4.5%</td>
<td>3.6%</td>
</tr>
</tbody>
</table>
Quarterly comparison, year on year

*Denote that value for Q2 refers to Apr-May 2008 vs. Apr-May 2007

Market development in North America
Electrolux launch in N.A.

"18 minutes to wash, 18 minutes to dry. Which is great. My kids seem to need a wardrobe change every 36 minutes anyway."

Thanks to my new Electrolux Washer and Perfect Steam™ Dryer, I have more time to watch my kids get dirty again. Now I know why Electrolux premium appliances have been used in fine European homes for over 70 years. The Electrolux laundry collection is designed with all the latest features, like:

- Fastest wash-to-dry time—16 minutes to wash, 16 minutes to dry.
- Largest capacity washers and dryers let you wash and dry the most in one load, saving time and energy.
- Perfect Steam™ Dryer removes wrinkles and freshens clothes.
- Eco-friendly means 59% less water is used and up to 60% more energy efficient!

With Electrolux you can be even more amazing.

Be Even More Amazing.
Drop into our virtual laundry room at electroluxappliances.com.

Ovarian Cancer Research Fund
Electrolux will donate $100 to the Ovarian Cancer Research Fund for each Turquoise Sky washer or dryer purchased.
ULTIMATE VIRTUAL KITCHEN TOUR

Get an up-close look at some of the ingenious features that make Electrolux appliances so unique. Just select any appliance in the kitchen above and see how it can help you Be Even More Amazing.
Consumer Durables
Latin America

- Continued strong market growth
- Improved operating income
  - Volumes up 25%
  - Positive customer mix
  - Improved productivity
- Increased market shares

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<th>Q3 2007</th>
<th>Q3 2008</th>
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<tr>
<td>Sales</td>
<td>2,107</td>
<td>2,713</td>
</tr>
<tr>
<td>EBIT</td>
<td>111</td>
<td>182</td>
</tr>
<tr>
<td>Margin</td>
<td>5.3%</td>
<td>6.7%</td>
</tr>
</tbody>
</table>
Australia/New Zealand
- Weak market
- Market share gain
- Operating income in line with previous year due to lower production costs

Lower sales in China – continue to show a loss

Strong market growth in Southeast Asia
Electrolux fridge in Australia
Professiona Products

- Margins above 10% in both areas
- Food-service
  - Outperforming market – gaining market shares
- Laundry equipment
  - Lower sales volumes
  - Improved operating income due to price increases restructuring of production

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</thead>
<tbody>
<tr>
<td><strong>Sales (SEKm)</strong></td>
<td>1,717</td>
<td>1,709</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>126</td>
<td>185</td>
</tr>
<tr>
<td><strong>Margin</strong></td>
<td>7.3%</td>
<td>10.8%</td>
</tr>
</tbody>
</table>
Q3 summary

- Europe: Cost savings offset effects from weak market
- North America: Price increases and positive mix effect from US launch – in spite of market conditions
- Improved results for all other business areas
- Improved Group borrowings at favorable rates
- The outlook for our operating income is unchanged
- Market development extremely hard to predict – no improvement in the near future
Factors affecting forward-looking statements

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