

# Interim report

## January - September 2009

Stockholm, October 26, 2009

### Highlights of the third quarter of 2009

- Net sales amounted to SEK 27,617m (26,349) and income for the period to SEK 1,631m (847), or SEK 5.74 (2.99) per share.
- Net sales declined by 3% in comparable currencies, due to continued market downturn in Electrolux main markets.
- Maintained prices and an improved mix had a positive effect on sales.
- Operating income amounted to SEK 2,234m (1,178), excluding items affecting comparability.
- Improved results in all regions despite continued weak markets.
- Cost savings, maintained prices and lower costs for raw materials contributed strongly to the improvement in income.
- Cyclical trough in commodity prices and low levels of marketing investments in the quarter contributed to high margins.
- Continued strong cash flow gives Electrolux a strong financial position.
- Continued measures to improve manufacturing footprint: Two plants to be closed down and one under evaluation.

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SEKm	Q3 2009	Q3 2008	Change %	Nine months 2009	Nine months 2008	Change %
Net sales	27,617	26,349	4.8	80,917	76,129	6.3
Operating income	2,290	1,286	78.1	2,956	1,535	92.6
Margin, %	8.3	4.9		3.7	2.0	
Income after financial items	2,244	1,192	88.3	2,683	1,183	126.8
Income for the period	1,631	847	92.6	1,943	840	131.3
Earnings per share, SEK <sup>1)</sup>	5.74	2.99		6.84	2.97	
Return on net assets, %	-	-		19.9	10.1	
Excluding items affecting comparability						
Items affecting comparability	56	108		-343	-397	
Operating income	2,234	1,178	89.6	3,299	1,932	70.8
Margin, %	8.1	4.5		4.1	2.5	
Income after financial items	2,188	1,084	101.8	3,026	1,580	91.5
Income for the period	1,575	821	91.8	2,268	1,172	93.5
Earnings per share, SEK <sup>1)</sup>	5.55	2.90		7.99	4.14	
Return on net assets, %	-	-		21.3	12.1	

1) Basic, based on an average of 284.2 (283.6) million shares for the third quarter and 283.9 (283.0) million shares for the first nine months of 2009, excluding shares held by Electrolux.  
 For earnings per share after dilution, see page 11.

For definitions, see page 19.

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## Net sales and income

### Third quarter of 2009

Net sales for the Electrolux Group in the third quarter of 2009 amounted to SEK 27,617m (26,349). Sales were adversely impacted by lower volumes, while higher prices and an improved mix had a positive impact. Net sales decreased by 3.0% in comparable currencies.

#### Change in net sales

%	Q3 2009	Nine months 2009
Changes in Group structure	0.0	0.0
Changes in exchange rates	7.8	12.5
Changes in volume/price/mix	-3.0	-6.2
<b>Total</b>	<b>4.8</b>	<b>6.3</b>

#### Operating income

Operating income for the third quarter of 2009 increased to SEK 2,290m (1,286) and income after financial items to SEK 2,244m (1,192). Previous price increases, an improved mix, lower costs for raw materials and low levels of marketing investments contributed strongly to the improvement in income. Income for the period amounted to SEK 1,631m (847), corresponding to SEK 5.74 (2.99) in earnings per share.

#### Items affecting comparability

Operating income for the third quarter of 2009 includes items affecting comparability in the amount of SEK 56m (108), referring to reversal and adjustment of restructuring provisions related to appliances plants, see table on page 11. Excluding items affecting comparability, operating income amounted to SEK 2,234m (1,178).

#### Effects of changes in exchange rates

Changes in exchange rates compared to the previous year, including both translation and transaction effects, had a positive impact of SEK 47m on operating income for the third quarter of 2009, compared to the same period in the previous year. Transaction effects net of hedging contracts amounted to SEK -53m. Translation of income statements in subsidiaries had an impact of SEK 100m.

The effect of changes in exchange rates on income after financial items amounted to SEK 83m.

#### Financial net

Net financial items for the third quarter of 2009 amounted to SEK -46m, compared to SEK -94m for the corresponding period in the previous year. The improvement is mainly due to lower interest rates on borrowings and lower net borrowings.

### First nine months of 2009

Net sales for the Electrolux Group in the first nine months of 2009 amounted to SEK 80,917m, as against SEK 76,129m in the previous year. Sales were adversely impacted by lower volumes, while higher prices and an improved mix had a positive impact. In comparable currencies net sales declined by 6.2%.

#### Operating income

Operating income for the first nine months of 2009 increased to SEK 2,956m (1,535) and income after financial items to SEK 2,683m (1,183). Previous price increases, an improved mix, lower costs for raw materials and cost efficiency measures contributed to the improvement in income. Income for the period increased to SEK 1,943m (840), corresponding to SEK 6.84 (2.97) in earnings per share.

Operating income for the first nine months of 2009 was negatively impacted by the North American launch in the net amount of SEK -200m. In the first nine months of 2008, non-recurring items were charged against operating income in the total amount of approximately SEK -830m, see table below.

#### Electrolux North American launch and non-recurring items

SEKm, approximately	Nine months 2009	Nine months 2008
Net impact of the launch of Electrolux, appliances North America	-200	-400
Cost-cutting program, appliances Europe		-360
Cost for a component problem for dishwashers, appliances Europe		-120
Capital gain, real estate, appliances Europe		130
Cost for litigation, appliances North America		-80
<b>Total</b>	<b>-200</b>	<b>-830</b>

#### Items affecting comparability

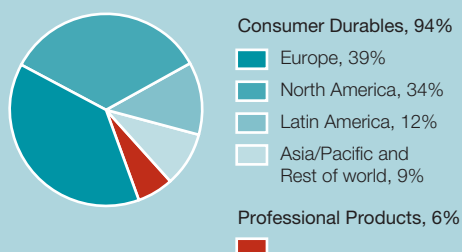
Operating income for the first nine months of 2009 includes items affecting comparability in the amount of SEK -343m (-397), see table on page 11. Excluding items affecting comparability, operating income for the first nine months of 2009 increased to SEK 3,299m (1,932) and income after financial items to SEK 3,026m (1,580). Income for the period was SEK 2,268m (1,172), corresponding to SEK 7.99 (4.14) in earnings per share.

#### Effects of changes in exchange rates

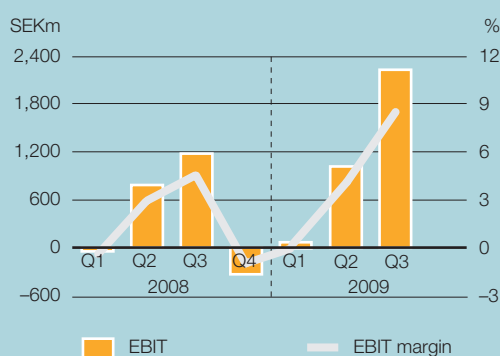
Changes in exchange rates compared to the previous year, including both translation and transaction effects, had an impact of SEK -599m on operating income for the first nine months of 2009. Transaction effects net of hedging contracts amounted to SEK -691m, and referred mainly to the strengthening of the US dollar and the euro against several other currencies. Translation of income statements in subsidiaries had an effect of SEK 92m.

The effect of changes in exchange rates on income after financial items amounted to SEK -589m.

### Share of sales by business area, for the first nine months of 2009



### Operating income and margin\*



\* Excluding items affecting comparability.

### Financial net

Net financial items for the first nine months of 2009 decreased to SEK -273m, compared to SEK -352m for the corresponding period in the previous year. The improvement is mainly due to lower interest rates on borrowings and lower net borrowings.

## Market overview

Most of Electrolux main markets for appliances continued to show a decline in the third quarter of 2009. The North American market has declined for thirteen consecutive quarters. However, the decline in the third quarter was at a lower rate than for previous quarters. In the third quarter, industry shipments of core appliances in the US declined by 7%. The European market has been falling for eight consecutive quarters. Eastern Europe showed a continued dramatic downturn in the third quarter, declining by 26%. Demand in Western Europe declined by 4% and the total market in Europe by 11%. The market in Brazil continued to increase in the third quarter due to temporary tax reduction on domestically-produced appliances.

## Business areas

Changes in net sales and operating income by business area in comparable currencies are given on page 15.

### Consumer Durables, Europe

SEKm	Q3 2009	Q3 2008	Nine months 2009	Nine months 2008	Full year 2008
Net sales	10,905	11,345	31,015	32,370	44,342
Operating income	977	514	1,359	616	-22
Operating margin, %	9.0	4.5	4.4	1.9	0.0

### Industry shipments of core appliances in Europe

Units, year-over-year, %	Q3 2009	Nine months 2009
Western Europe	-4	-8
Eastern Europe (excluding Turkey)	-26	-28
<b>Total Europe</b>	<b>-11</b>	<b>-13</b>

### Core appliances

Industry shipments of appliances in Europe declined by 11% in the third quarter of 2009 in comparison with the same period of last year. Shipments in Western Europe declined by 4%. Demand continued to fall in a number of the Group's major markets, such as Spain, Italy, Great Britain, France, and the Nordic region. Demand

in Germany continued to increase somewhat. Shipments of appliances in Eastern Europe declined by 26%.

Group sales continued to decline in the third quarter as a result of lower volumes on the basis of the weak market.

Operating income showed a substantial increase in the quarter. Previous price increases, an improved mix and lower costs for raw materials had a positive impact on earnings as well as savings from personnel cutbacks and other cost-out initiatives. Cyclical trough in commodity prices and lower investments in marketing contributed to the high margin in the quarter.

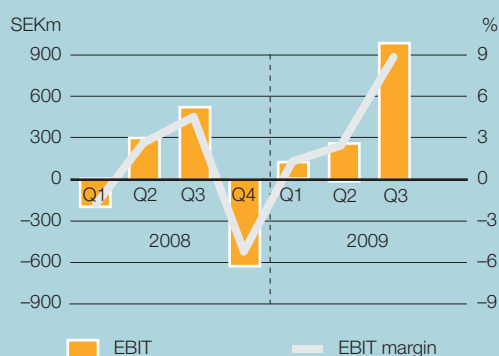
Market investments were substantially lower than normally and will increase going forward.

### Floor-care products

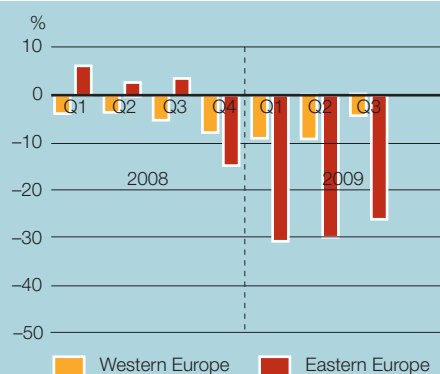
Market demand for vacuum cleaners in Europe remained very weak in the third quarter in comparison with 2008.

Group sales declined as a result of lower sales volumes, but operating income was in line with the corresponding period of last year on the basis of an improved product mix, lower product costs and more favorable currencies.

### Consumer Durables, Europe



### Industry shipments of core appliances in Europe\*



\* Units, year-over-year, %.

## Consumer Durables, North America

SEKm	Q3 2009	Q3 2008	Nine months 2009	Nine months 2008	Full year 2008
Net sales	8,869	8,384	27,861	23,873	32,801
Operating income	705	306	1,026	265	222
Operating margin, %	7.9	3.6	3.7	1.1	0.7

### Industry shipments of core appliances in the US

Units, year-over-year, %	Q3 2009	Nine months 2009
Core appliances	-7	-12
Major appliances	-12	-18

### Core appliances

Industry shipments of appliances in the US continued to decline during the third quarter of 2009, although at a lower rate than in previous quarters. Shipments of appliances were lower for the thirteenth consecutive quarter. Market demand declined by 7% in comparison with the third quarter of 2008, and Group sales volumes of appliances in the North American market continued to fall.

Group sales in comparable currencies declined in comparison with the same period of last year. However, the lower sales volumes were largely offset by previous price increases and an improved product mix.

Operating income improved substantially during the quarter in comparison with 2008, despite the decline in volumes. Operating income was positively affected by previous price increases, lower costs for raw materials, and improved internal efficiencies. Moreover, market investments were kept on a very low level in the quarter. Cyclical trough in commodity prices and lower investments in marketing contributed to the high margin in the quarter.

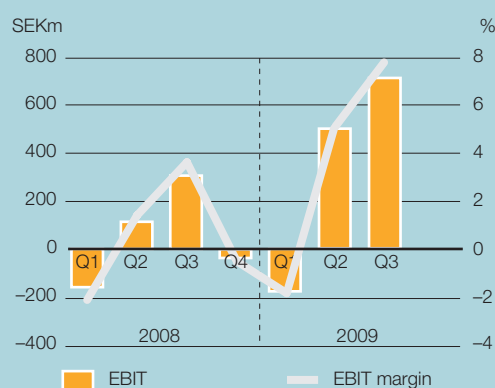
New Electrolux-branded products continued to contribute to an improvement in the product mix, as did recent launches of new products under the Frigidaire brand.

### Floor-care products

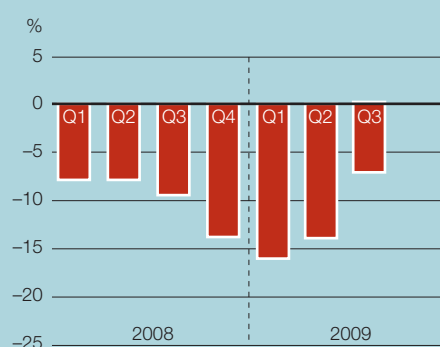
Market demand for vacuum cleaners in North America continued to decline in the third quarter of 2009, in comparison with the corresponding period of last year.

Group sales declined as a result of lower volumes, although at a lower rate than the market, which enabled Electrolux to gain market shares. Operating income improved substantially on the basis of an improved product mix and lower product costs.

## Consumer Durables, North America



## Industry shipments of core appliances in the US\*



\* Units, year-over-year, %.

## Consumer Durables, Latin America

SEKm	Q3 2009	Q3 2008	Nine months 2009	Nine months 2008	Full year 2008
Net sales	3,813	2,713	9,764	7,665	10,970
Operating income	318	182	510	471	715
Operating margin, %	8.3	6.7	5.2	6.1	6.5

Industry shipments of appliances in Latin America are estimated to have increased considerably in the third quarter of 2009 in comparison with 2008, on the basis of a very high level of shipments in Brazil. Industry shipments in Brazil continued to increase, which is partly a result of the stimulus program that has been implemented by the Brazilian government in the form of tax reductions on domestically-produced appliances. Lower interest rates and greater access to credit have also contributed to increased consumer spending. Industry shipments in most other Latin American markets continued to decline.

The Group's sales volumes increased during the third quarter in comparison with 2008, and sales revenues rose as well. Electrolux gained additional market shares in Brazil. Operating income improved substantially on the basis of increased volumes, previous price increases and an improved customer mix, as well as lower production costs and lower costs for raw materials.

## Consumer Durables, Asia/Pacific and Rest of world

SEKm	Q3 2009	Q3 2008	Nine months 2009	Nine months 2008	Full year 2008
Net sales	2,399	2,190	7,065	6,787	9,196
Operating income	201	101	365	353	369
Operating margin, %	8.4	4.6	5.2	5.2	4.0

### Australia and New Zealand

Market demand for appliances in Australia declined somewhat in the third quarter of 2009 in comparison with the same period of last year. Group sales increased on the basis of improved customer and product-category mix as well as higher sales volumes. Electrolux continued to gain market shares.

Operating income improved substantially in comparison with 2008 as a result of higher sales, lower costs for raw materials, and previously implemented cost-cutting programs.

### Southeast Asia and China

Market demand in Southeast Asia continued to decline in the third quarter in comparison with 2008. Group sales increased on the basis of higher volumes and previous price increases. The Group's performance in China was positively impacted by implemented restructuring and repositioning of the Electrolux brand. The operation in Southeast Asia continued to show good profitability.

## Professional Products

SEKm	Q3 2009	Q3 2008	Nine months 2009	Nine months 2008	Full year 2008
Net sales	1,629	1,709	5,206	5,406	7,427
Operating income	173	185	443	593	774
Operating margin, %	10.6	10.8	8.5	11.0	10.4

Market demand for food-service equipment remained weak during the third quarter of 2009 and is estimated to have declined in comparison with the same period of last year.

Group sales of food-service equipment declined in the quarter as a result of lower sales volumes, a less favorable product mix and downward pressure on prices. Although sales were lower, operating margin remained at the same level as in the third quarter of 2008, mainly on the basis of lower costs for raw materials as well as previous personnel cutbacks and lower costs for manufacturing.

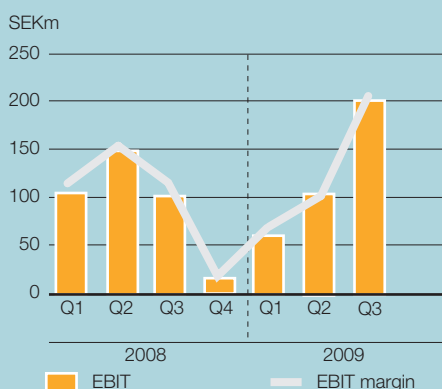
Market demand for laundry equipment is estimated to have declined in the third quarter of 2009 in comparison with the same period of last year.

Group sales declined, primarily as a result of lower volumes, but market shares increased. Operating margin improved on the basis of lower production costs, previous price increases, and lower costs for raw materials, despite lower capacity utilization of production facilities.

### Consumer Durables, Latin America



### Consumer Durables, Asia/Pacific and Rest of world



### Professional Products



## Cash flow

Cash flow from operations and investments continued to show a strong development in the third quarter, amounting to SEK 3,342m (-409).

The strong cash flow was generated by income from operations as well as changes in operating assets and liabilities. The trend for working capital was very positive in the third quarter despite seasonally higher sales and production. Cash flow was positively affected by the Group's continuous efforts to structurally reduce tied-up capital in terms of working capital. Low inventory levels and high inventory turnover, particularly in Latin America and Europe, contributed to the strong cash flow in the quarter.

Cash flow during the quarter was adversely affected by outlays in the amount of approximately SEK 1.2 billion for previously delivered air-conditioners in the US. Outlays for the ongoing restructuring and cost-cutting programs amounted to approximately SEK 340m.

Investments in the third quarter referred mainly to production facilities for new products and to reinvestment. Capital expenditure was at a lower level than last year. In 2008, capital expenditure included investments in production facilities related to relocation of production.

Cash flow	Q3 2009	Q3 2008	Nine months 2009	Nine months 2008
SEKm				
Cash flow from operations, excluding change in operating assets and liabilities	2,611	1,615	4,207	2,852
Change in operating assets and liabilities	1,330	-858	4,449	-123
Investments	-613	-1,166	-1,886	-2,501
<b>Cash flow from operations and investments</b>	<b>3,328</b>	<b>-409</b>	<b>6,770</b>	<b>228</b>
Dividend	0	0	0	-1,204
Sale of shares	14	0	59	17
<b>Total cash flow, excluding change in loans and short-term investments</b>	<b>3,342</b>	<b>-409</b>	<b>6,829</b>	<b>-959</b>

## Financial position

Total equity as of September 30, 2009, amounted to SEK 17,480m (16,002), which corresponds to SEK 61.49 (56.43) per share.

Net borrowings	Sept. 30, 2009	Sept. 30, 2008	Dec. 31, 2008
SEKm			
Borrowings	14,499	11,984	13,946
Liquid funds	15,187	6,270	9,390
<b>Net borrowings</b>	<b>-688</b>	<b>5,714</b>	<b>4,556</b>
Net debt/equity ratio	-0.04	0.36	0.28
<b>Equity</b>	<b>17,480</b>	<b>16,002</b>	<b>16,385</b>
Equity per share, SEK	61.49	56.43	57.78
Return on equity, %	15.7	7.4	2.4
Return on equity, excluding items affecting comparability, %	18.3	10.4	4.2
Equity/assets ratio, %	29.1	25.0	25.6

### Net borrowings

Net borrowings amounted to SEK -688m (5,714). The net debt/equity ratio was -0.04 (0.36). The equity/assets ratio was 29.1% (25.0).

During the first nine months of 2009, SEK 1,639m of new long-term borrowings were raised. Long-term borrowings as of September 30, 2009, excluding long-term borrowings with maturities within 12 months, amounted to SEK 10,323m with average maturities of 4.0 years, compared to SEK 9,963m and 4.7 years by the end of 2008.

During 2009 and 2010, long-term borrowings in the amount of approximately SEK 1,500m will mature. Liquid funds as of September 30, 2009, excluding a committed unused revolving credit facility of EUR 500m, amounted to SEK 15,187m.

### Net assets and working capital

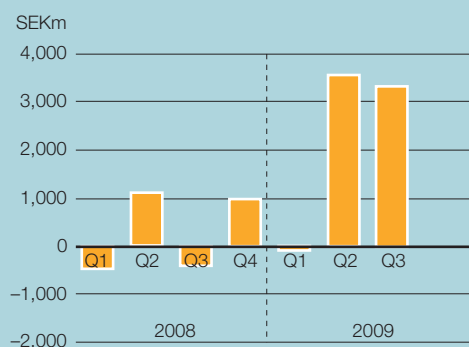
Average net assets for the period amounted to SEK 19,831m (20,274). Net assets as of September 30, 2009, amounted to SEK 16,792m (21,716).

Adjusted for items affecting comparability, i.e., restructuring provisions, average net assets amounted to SEK 20,688m (21,338), corresponding to 19.2% (21.0) of net sales.

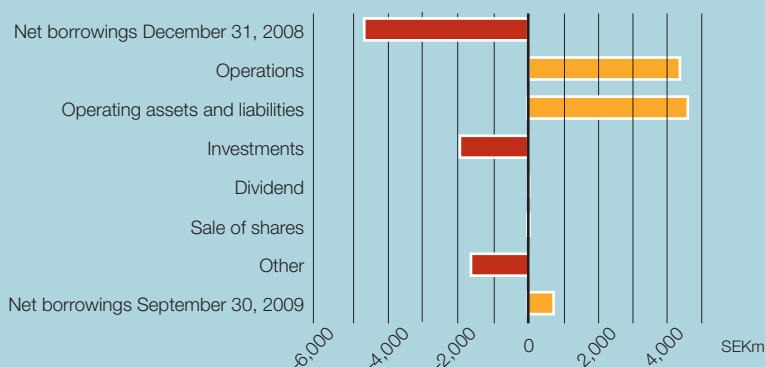
Working capital as of September 30, 2009, decreased to SEK -7,692m (-2,355), corresponding to -7.1% (-2.2) of annualized net sales.

The return on net assets was 19.9% (10.1), and 21.3% (12.1), excluding items affecting comparability.

Cash flow from operations and investments



Cash flow and change in net borrowings





## Structural changes

### Production of laundry products in North America to be concentrated

The Board has decided to concentrate production of laundry products in North America to the Group's factory in Juarez, Mexico, while ceasing production in the plant in Webster City and its satellite plant in Jefferson, Iowa. A total of approximately 950 employees will be affected.

Production is expected to be discontinued at the Jefferson plant in the fourth quarter of 2010 and at the Webster City plant in the first quarter of 2011. The cost for the closures is estimated to approximately SEK 630m, which will be charged to operating income in the fourth quarter of 2009, within items affecting comparability.

### Production at the washing-machine factory in Spain to be discontinued

In February 2009, it was decided to launch an investigation into the future viability of the washing-machine factory in Alcalá, Spain. As a result of the investigation, it has now been decided to discontinue production at the plant. A total of approximately 450 employees will be affected.

Production is expected to be discontinued in the first quarter of 2011. The cost for the closure is estimated to approximately SEK 440m, which will be charged to operating income in the fourth quarter of 2009 within items affecting comparability.

### Investigation on cooker factory in Sweden

The Board has decided to launch an investigation into the future viability of the cooker production in Motala, Sweden. The factory has approximately 240 employees. The investigation is expected to be concluded in the near future.

## Other items

### Keith McLoughlin appointed Chief Operations Officer Major Appliances

Keith McLoughlin was appointed Chief Operations Officer Major Appliances in July 2009. Keith McLoughlin is responsible for a new global organization for R&D, purchasing and manufacturing with the objective of taking full advantage of the Group's global reach and economies of scale. Keith McLoughlin is a member of Group Management and reports to the President and CEO Hans Stråberg. Previously, Keith McLoughlin was head of Electrolux Major Appliances North America.

### Kevin Scott new head of Major Appliances North America

Kevin Scott was appointed new head of Major Appliances North America in July 2009. He succeeded Keith McLoughlin, who has a new appointment as head of global operations for major appliances, see above. Kevin Scott is a member of Group Management and reports to the President and CEO Hans Stråberg. Previously, Kevin Scott held various management position within Electrolux Major Appliances North America. Prior to joining Electrolux, Mr Scott held senior positions with DuPont and Pepsi.

ces, see above. Kevin Scott is a member of Group Management and reports to the President and CEO Hans Stråberg. Previously, Kevin Scott held various management position within Electrolux Major Appliances North America. Prior to joining Electrolux, Mr Scott held senior positions with DuPont and Pepsi.

### Asbestos litigation in the US

Litigation and claims related to asbestos are pending against the Group in the US. Almost all of the cases refer to externally supplied components used in industrial products manufactured by discontinued operations prior to the early 1970s. Some of the cases involve multiple plaintiffs who have made identical allegations against many other defendants who are not part of the Electrolux Group.

As of September 30, 2009, the Group had a total of 2,851 (2,426) cases pending, representing approximately 3,160 (approximately 3,000) plaintiffs. During the third quarter 2009, 184 new cases with 184 plaintiffs were filed and 109 pending cases with approximately 145 plaintiffs were resolved. Approximately 45 of the plaintiffs relate to cases pending in the state of Mississippi.

Additional lawsuits may be filed against Electrolux in the future. It is not possible to predict either the number of future claims or the number of plaintiffs that any future claims may represent. In addition, the outcome of asbestos claims is inherently uncertain and always difficult to predict and Electrolux cannot provide any assurances that the resolution of these types of claims will not have a material adverse effect on its business or on results of operations in the future.

### Repurchase and transfer of own shares

For several years, Electrolux has on the basis of authorizations by the AGM acquired and transferred own shares. The purpose of the share-repurchase programs has been to enable adapting the capital structure of the Group and thereby to contribute to increased shareholder value, or to use the repurchased shares in conjunction with the financing of potential acquisitions and the Group's share-related incentive programs.

In accordance with the proposal by the Board of Directors, the AGM 2009 decided to authorize the Board to transfer own shares on the account of company acquisitions during the period up until the AGM in 2010. The Board of Directors did not request any mandate from the AGM to repurchase additional shares in the company.

The AGM also authorized transfers of up to 3,000,000 repurchased B-shares to cover costs that may arise as a result of the previous employee stock-option programs for 2002-2003 and the Electrolux Performance Share Program 2007.

As of September 30, 2009, Electrolux held 24,624,641 B-shares, corresponding to 8.0% of the total number of outstanding shares, see table on page 12.

## Relocation of production, items affecting comparability, restructuring measures 2007–2011

Plant closures and cutbacks				Authorized closures			
Torsvik	Sweden	Compact appliances	(Q1 2007)	St. Petersburg	Russia	Washing machines	(Q2 2010)
Nuremberg	Germany	Dishwashers, washing machines and dryers	(Q1 2007)	Webster City	USA	Washing machines	(Q1 2011)
Adelaide	Australia	Dishwashers	(Q2 2007)	Alcalá	Spain	Washing machines	(Q1 2011)
Fredericia	Denmark	Cookers	(Q4 2007)	Re-engineering			
Adelaide	Australia	Washing machines	(Q1 2008)	Porcia	Italy	Washing machines	(Q4 2010)
Spennymoor	UK	Cookers	(Q4 2008)				
Changsha	China	Refrigerators	(Q1 2009)				
Scandicci	Italy	Refrigerators	(Q2 2009)				

In 2004, Electrolux initiated a restructuring program to make the Group's production competitive in the long term. When it is fully implemented in 2010, more than half of production of appliances will be located in low-cost countries and savings will amount to approximately SEK 3 billion annually. Restructuring provisions and write-downs are reported as items affecting comparability within operating income. For information on provisions in the first nine months of 2009, see table on page 11.

## Nomination Committee

In accordance with the decision by the Annual General Meeting in March 2009, Electrolux shall have a Nomination Committee consisting of six members. The members should be one representative of each of the four largest shareholders in terms of voting rights that wish to participate in the committee, together with the Chairman of the Electrolux Board and one additional Board member.

The members of the Nomination Committee have been appointed based on the ownership structure as of August 31, 2009. Petra Hedengran, Investor AB, is the Chairman of the committee. The other owner representatives are Ramsay J. Brufer, Alecta Pension Insurance; Marianne Nilsson, Swedbank Robur Funds and Carina Lundberg Markow, Folksam Group. The committee will also include Marcus Wallenberg and Peggy Bruzelius, Chairman and Deputy Chairman, respectively, of Electrolux.

The Nomination Committee will prepare proposals for the AGM in 2010, regarding Chairman of the AGM, Board members, Chairman of the Board, remuneration for Board members, Auditor, Auditor's fees and the procedure for electing Nomination Committee for the following year.

The Annual General Meeting of AB Electrolux will be held on March 30, 2010, at the Berwald Hall, Dag Hammarskjölds väg 3, Stockholm, Sweden.

Shareholders who wish to submit proposals to the Nomination Committee should send an email to [nominationcommittee@electrolux.com](mailto:nominationcommittee@electrolux.com)

## Risks and uncertainty factors

Risks in connection with the Group's operations can, in general, be divided into operational risks related to business operations and those related to financial operations. Operational risks are normally managed by the operative units within the Group, and financial risks by the Group's treasury department.

### Risks and uncertainty factors

Electrolux operates in competitive markets, most of which are relatively mature. Demand for appliances varies with general business conditions, and price competition is strong in a number of product categories. Electrolux ability to increase profitability and shareholder value is largely dependent on its success in developing innovative products and maintaining cost-efficient production. Major factors for maintaining and increasing competitiveness include

managing fluctuations in prices for raw materials and components as well as implementing restructuring. In addition to these operative risks, the Group is exposed to risks related to financial operations, e.g., interest risks, financing risks, currency risks and credit risks. The Group's development is strongly affected by external factors, of which the most important in terms of managing risks currently include:

#### *Variations in demand*

Demand for appliances is affected by the general business cycle. A deterioration in these conditions may lead to lower sales volumes as well as a shift of demand to low-price products, which generally have lower margins. Utilization of production capacity may also decline in the short term. The global economic trend is an uncertainty factor in terms of the development of earnings in 2009.

#### *Price competition*

A number of the markets in which Electrolux operates features strong price competition. The Group's strategy is based on innovative products and brand-building, and is aimed, among other things, at minimizing and offsetting price competition for its products.

A continued downturn in market conditions involves a risk of increasing price competition.

#### *Changes in prices for raw materials and components*

The raw materials to which the Group is mainly exposed comprise steel, plastics, copper and aluminum. Bilateral agreements are used to manage price risks. To some extent, raw materials are purchased at spot prices. There is considerable uncertainty regarding trends for the prices of raw materials.

#### *Access to financing*

The Group's loan-maturity profile for 2009 and 2010 represents maturities of approximately SEK 1,500m in long-term borrowings.

Electrolux has an unused revolving credit facility for long or short-term back-up.

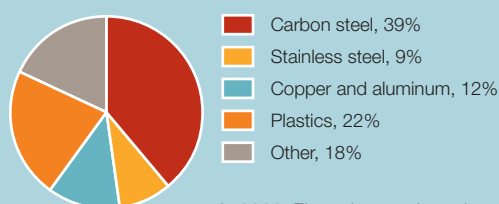
Risks, risk management and risk exposure are described in more detail in the Annual report 2008, [www.electrolux.com/annualreport2008](http://www.electrolux.com/annualreport2008).

### Sensitivity analysis year-end 2008

Risk	Change	Pre-tax earnings impact, SEKm	
<b>Raw materials</b>			
Steel	10%	+/-	1,000
Plastics	10%	+/-	500
<b>Currencies<sup>1)</sup> and interest rates</b>			
AUD/SEK	-10%	-	253
GBP/SEK	-10%	-	238
HUF/SEK	-10%	+	206
USD/SEK	-10%	+	458
EUR/SEK	-10%	+	684
Interest rate	1 percentage point	+/-	70

1) Include translation and transaction effects.

### Raw materials exposure 2008



In 2008, Electrolux purchased raw materials for approximately SEK 23 billion. Purchases of steel accounted for the largest cost.



## Parent company AB Electrolux

The Parent Company comprises the functions of the Group's head office, as well as five companies operating on a commission basis for AB Electrolux.

Net sales for the Parent Company, AB Electrolux, for the first nine months of 2009 amounted to SEK 3,634m (4,099) of which SEK 1,680m (2,069) referred to sales to Group companies and SEK 1,954m (2,030) to external customers. Income after financial items was SEK 989m (391), including dividends from subsidiaries in the amount of SEK 1,159m (1,029). Income for the period amounted to SEK 1,035m (442).

Capital expenditure in tangible and intangible assets was SEK 194m (331). Liquid funds at the end of the period amounted to SEK 7,551m (2,558), as against SEK 4,045m at the start of the year.

Undistributed earnings in the Parent Company at the end of the period amounted to SEK 10,381m, as against SEK 9,110m at the start of the year.

The income statement and balance sheet for the Parent Company are presented on page 18.

Stockholm, October 26, 2009

Hans Stråberg  
President and CEO

## Review report

*We have reviewed this report for the period January 1st to September 30th, 2009 for AB Electrolux (publ). The board of directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.*

*We conducted our review in accordance with the Swedish Standard on Review Engagements SÖG 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing in Sweden, RS, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.*

*Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.*

Stockholm, October 26, 2009

PricewaterhouseCoopers AB

Anders Lundin  
Authorized Public Accountant  
Lead partner

Björn Irlé  
Authorized Public Accountant

## Press releases 2009

### February 4 Consolidated results 2008 and CEO Hans Stråberg's comments

February 23 Nomination Committee proposes re-election of Board members  
March 30 Dr. Detlef Münchow to leave Electrolux  
March 31 Electrolux to close factory in St. Petersburg, Russia  
March 31 Electrolux Annual General Meeting 2009: Excerpts from the speech by President and CEO Hans Stråberg

### April 22 Interim report January-March and CEO Hans Stråberg's comments

April 28 Electrolux will slash energy use by a further 15% by 2012  
June 12 Alberto Zanata appointed new head of Professional Products

### July 16 Interim report January-June and CEO Hans Stråberg's comments

July 16 Keith McLoughlin, Executive Vice President, appointed Chief Operations Officer Major Appliances / Kevin Scott appointed head of Major Appliances North America  
September 14 Electrolux once again included in Dow Jones Sustainability World Index  
September 30 Nomination Committee for Electrolux AGM 2010

## New accounting standards

### **IAS 1 Presentation of Financial Statements (Revised)**

*The Group has implemented the revised IAS 1, which is effective as of January 1, 2009. As a consequence, the Group's consolidated income statement includes items of other comprehensive income. Previously these items were reported within consolidated equity. Consequently, the consolidated equity statement is reported excluding these items. The change does not imply any new information or changes in key ratios.*

### **IFRS 8 Operating Segments**

*This new standard replaces IAS 14, Segment Reporting, and prescribes the measurement and presentation of segments. Electrolux will report the same segments as previously. The impact of the new standard will be disclosed according to the standard, e.g., sales per country in the Annual Report.*

*The standard is effective for annual periods beginning on/or after January 1, 2009. The Group has applied the additional disclosure requirements in IAS 34, Interim Financial Reporting, in accordance with the new standard. As a consequence, assets and liabilities per segment are presented in the interim reports as from the first quarter of 2009.*

## Accounting and valuation principles

Electrolux applies International Financial Reporting Standards (IFRS) as adopted by the European Union. This report has been prepared in accordance with IAS 34, Interim Financial Reporting, and ÅRL, the Swedish Annual Accounts Act and recommendation RFR 2.2, Accounting for legal entities, issued by the Swedish Financial Reporting Board. There are no changes in the Group's accounting and valuation principles compared with the accounting and valuation principles described in Note 1 of the Annual Report 2008 and the description on new accounting standards above.

## Consolidated income statement

SEKm	Q3 2009	Q3 2008	Nine months 2009	Nine months 2008	Full year 2008
<b>Net sales</b>	<b>27,617</b>	<b>26,349</b>	<b>80,917</b>	<b>76,129</b>	<b>104,792</b>
Cost of goods sold	-21,574	-21,493	-65,160	-62,666	-86,795
<b>Gross operating income</b>	<b>6,043</b>	<b>4,856</b>	<b>15,757</b>	<b>13,463</b>	<b>17,997</b>
Selling expenses	-2,486	-2,624	-8,575	-8,375	-11,788
Administrative expenses	-1,310	-1,031	-3,869	-3,299	-4,839
Other operating income/expenses	-13	-23	-14	143	173
Items affecting comparability	56	108	-343	-397	-355
<b>Operating income</b>	<b>2,290</b>	<b>1,286</b>	<b>2,956</b>	<b>1,535</b>	<b>1,188</b>
Margin, %	8.3	4.9	3.7	2.0	1.1
Financial items, net	-46	-94	-273	-352	-535
<b>Income after financial items</b>	<b>2,244</b>	<b>1,192</b>	<b>2,683</b>	<b>1,183</b>	<b>653</b>
Margin, %	8.1	4.5	3.3	1.6	0.6
Taxes	-613	-345	-740	-343	-287
<b>Income for the period</b>	<b>1,631</b>	<b>847</b>	<b>1,943</b>	<b>840</b>	<b>366</b>
Available for sale instruments <sup>1)</sup>	55	-35	129	-392	-403
Cash-flow hedges <sup>2)</sup>	14	83	-153	53	21
Exchange differences on translation of foreign operations <sup>3)</sup>	-1,479	755	-894	689	1,589
Income tax relating to components of other comprehensive income	-	-	-	-	-
<b>Other comprehensive income, net of tax<sup>4)</sup></b>	<b>-1,410</b>	<b>803</b>	<b>-918</b>	<b>350</b>	<b>1,207</b>
<b>Total comprehensive income for the period</b>	<b>221</b>	<b>1,650</b>	<b>1,025</b>	<b>1,190</b>	<b>1,573</b>
Income for the period attributable to:					
Equity holders of the Parent Company	1,631	847	1,943	840	366
Non-controlling interests in income for the period	-	-	-	-	-
Total comprehensive income for the period attributable to:					
Equity holders of the Parent Company	221	1,650	1,025	1,190	1,573
Non-controlling interests in income for the period	-	-	-	-	-
Earnings per share, SEK	5.74	2.99	6.84	2.97	1.29
Diluted, SEK	5.73	2.99	6.83	2.97	1.29
Number of shares after buy-backs, million	284.3	283.6	284.3	283.6	283.6
Average number of shares after buy-backs, million	284.2	283.6	283.9	283.0	283.1
Diluted, million	284.8	283.6	284.5	283.1	283.2

1) Available for sale instruments refer to the fair-value changes in Electrolux share holdings in Videocon Industries Ltd., India. The share holdings are classified as available for sale in accordance with IFRS.

2) Cash-flow hedges refer to changes in valuation of currency contracts used for hedging future foreign currency transactions. When the actual transaction occurs, the result is reported within operating income.

3) Exchange differences on translation of foreign operations refer to changes in exchange rates when net investments in foreign subsidiaries are translated to SEK. The amount is reported net of hedging contracts. In September, the Group changed source for the exchange rate for the VEF (Venezuelan Bolivar Fuerte) from the official rate to the parallel bank-market rate. This change in consolidation rate reduced the SEK value of equity by SEK 179m in the third quarter.

4) These items were previously reported within the financial statement Changes in consolidated equity.

## Items affecting comparability

SEKm	Q3 2009	Q3 2008	Nine months 2009	Nine months 2008	Full year 2008
<b>Restructuring provisions and write-downs</b>					
Appliances plant in Changsha, China	-	-	-162	-	-
Appliances plant in Porcia, Italy	-	-	-132	-	-
Appliances plant in St. Petersburg, Russia	-	-	-105	-	-
Appliances plants in Scandicci and Susegana, Italy	-	55	0	-484	-487
Reversal of unused restructuring provisions	56	53	56	87	132
<b>Total</b>	<b>56</b>	<b>108</b>	<b>-343</b>	<b>-397</b>	<b>-355</b>

## Consolidated balance sheet

SEKm	Sept. 30, 2009	Sept. 30, 2008	Dec. 31, 2008
<b>Assets</b>			
Property, plant and equipment	15,275	16,008	17,035
Goodwill	2,196	2,033	2,095
Other intangible assets	2,765	2,547	2,823
Investments in associates	19	29	27
Deferred tax assets	2,718	2,505	3,180
Financial assets	416	278	280
Other non-current assets	1,658	1,549	1,472
<b>Total non-current assets</b>	<b>25,047</b>	<b>24,949</b>	<b>26,912</b>
Inventories	11,081	14,057	12,680
Trade receivables	20,754	21,631	20,734
Tax assets	515	418	511
Derivatives	741	605	1,425
Other current assets	3,125	3,265	3,460
Short-term investments	2,478	429	296
Cash and cash equivalents	11,579	4,937	7,305
<b>Total current assets</b>	<b>50,273</b>	<b>45,342</b>	<b>46,411</b>
<b>Total assets</b>	<b>75,320</b>	<b>70,291</b>	<b>73,323</b>
<b>Equity and liabilities</b>			
<b>Equity attributable to equity holders of the Parent Company</b>			
Share capital	1,545	1,545	1,545
Other paid-in capital	2,905	2,905	2,905
Other reserves	1,134	1,187	2,052
Retained earnings	11,896	10,364	9,883
	<b>17,480</b>	<b>16,001</b>	<b>16,385</b>
Non-controlling interests	0	1	0
<b>Total equity</b>	<b>17,480</b>	<b>16,002</b>	<b>16,385</b>
Long-term borrowings	10,323	9,049	9,963
Deferred tax liabilities	563	879	840
Provisions for post-employment benefits	6,086	6,216	6,864
Other provisions	4,330	4,042	4,175
<b>Total non-current liabilities</b>	<b>21,302</b>	<b>20,186</b>	<b>21,842</b>
Accounts payable	16,316	16,422	15,681
Tax liabilities	2,469	2,077	2,329
Short-term liabilities	11,783	11,287	10,644
Short-term borrowings	3,278	2,359	3,168
Derivatives	723	307	784
Other provisions	1,969	1,651	2,490
<b>Total current liabilities</b>	<b>36,538</b>	<b>34,103</b>	<b>35,096</b>
<b>Total equity and liabilities</b>	<b>75,320</b>	<b>70,291</b>	<b>73,323</b>
<b>Contingent liabilities</b>	<b>1,317</b>	<b>1,189</b>	<b>1,293</b>

## Shares

Number of shares	Outstanding A-shares	Outstanding B-shares	Shares held by Electrolux	Shares held by other shareholders
Number of shares as of January 1, 2009	9,502,275	299,418,033	25,338,804	283,581,504
Shares sold to senior managers under the stock-option programs				
First quarter	—	—	—	—
Second quarter	—	—	-533,285	533,285
Third quarter	—	—	-180,878	180,878
Shares allotted to senior managers under the Performance Share Program	—	—	—	—
<b>Number of shares as of September 30, 2009</b>	<b>9,502,275</b>	<b>299,418,033</b>	<b>24,624,641</b>	<b>284,295,667</b>
As % of total number of shares			8.0%	

## Consolidated cash flow statement

SEKm	Q3 2009	Q3 2008	Nine months 2009	Nine months 2008	Full year 2008
<b>Operations</b>					
Operating income	2,290	1,286	2,956	1,535	1,188
Depreciation and amortization	811	750	2,568	2,134	3,010
Capital gain/loss included in operating income	0	0	0	-167	-198
Restructuring provisions	-389	-302	-507	405	1,134
Share-based compensation	7	-5	11	-41	-41
Financial items paid	3	15	-220	-368	-729
Taxes paid	-111	-129	-601	-646	-918
<b>Cash flow from operations, excluding change in operating assets and liabilities</b>	<b>2,611</b>	<b>1,615</b>	<b>4,207</b>	<b>2,852</b>	<b>3,446</b>
<b>Change in operating assets and liabilities</b>					
Change in inventories	462	-66	1,005	-1,242	923
Change in trade receivables	-806	-619	-244	-416	1,869
Change in other current assets	229	156	227	-205	-178
Change in accounts payable	517	-550	1,454	948	-686
Change in other operating liabilities and provisions	928	221	2,007	792	-425
<b>Cash flow from change in operating assets and liabilities</b>	<b>1,330</b>	<b>-858</b>	<b>4,449</b>	<b>-123</b>	<b>1,503</b>
<b>Cash flow from operations</b>	<b>3,941</b>	<b>757</b>	<b>8,656</b>	<b>2,729</b>	<b>4,949</b>
<b>Investments</b>					
Divestment of operations	4	0	4	0	-34
Capital expenditure in property, plant and equipment	-490	-851	-1,408	-2,127	-3,158
Capitalization of product development	-102	-116	-313	-391	-544
Other	-25	-199	-169	17	-19
<b>Cash flow from investments</b>	<b>-613</b>	<b>-1,166</b>	<b>-1,886</b>	<b>-2,501</b>	<b>-3,755</b>
<b>Cash flow from operations and investments</b>	<b>3,328</b>	<b>-409</b>	<b>6,770</b>	<b>228</b>	<b>1,194</b>
<b>Financing</b>					
Change in short-term investments	-559	-312	-2,183	-252	-128
Change in short-term borrowings	-859	-76	-1,325	-847	-681
New long-term borrowings	7	183	1,639	4,357	5,289
Amortization of long-term borrowings	-43	-6	-567	-2,838	-2,923
Dividend	0	0	0	-1,204	-1,204
Sale of shares	14	0	59	17	17
<b>Cash flow from financing</b>	<b>-1,440</b>	<b>-211</b>	<b>-2,377</b>	<b>-767</b>	<b>370</b>
<b>Total cash flow</b>	<b>1,888</b>	<b>-620</b>	<b>4,393</b>	<b>-539</b>	<b>1,564</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>9,964</b>	<b>5,558</b>	<b>7,305</b>	<b>5,546</b>	<b>5,546</b>
<b>Exchange-rate differences</b>	<b>-273</b>	<b>-1</b>	<b>-119</b>	<b>-70</b>	<b>195</b>
<b>Cash and cash equivalents at end of period</b>	<b>11,579</b>	<b>4,937</b>	<b>11,579</b>	<b>4,937</b>	<b>7,305</b>

## Change in consolidated equity

SEKm	Sept. 30, 2009	Sept. 30, 2008	Dec. 31, 2008
<b>Opening balance</b>	<b>16,385</b>	<b>16,040</b>	<b>16,040</b>
<b>Total comprehensive income for the period</b>	<b>1,025</b>	<b>1,190</b>	<b>1,573</b>
Share-based payment	11	-41	-41
Sale of shares	59	17	17
Dividend	0	-1,204	-1,204
<b>Total transactions with equity holders</b>	<b>70</b>	<b>-1,228</b>	<b>-1,228</b>
<b>Closing balance</b>	<b>17,480</b>	<b>16,002</b>	<b>16,385</b>

## Working capital and net assets

SEKm	Sept. 30, 2009	% of annualized net sales	Sept. 30, 2008	% of annualized net sales	Dec. 31, 2008	% of annualized net sales
Inventories	11,081	10.2	14,057	13.0	12,680	11.0
Trade receivables	20,754	19.2	21,631	19.9	20,734	17.9
Accounts payable	-16,316	-15.1	-16,422	-15.1	-15,681	-13.6
Provisions	-12,385		-11,909		-13,529	
Prepaid and accrued income and expenses	-8,477		-7,644		-7,263	
Taxes and other assets and liabilities	-2,349		-2,068		-2,072	
<b>Working capital</b>	<b>-7,692</b>	<b>-7.1</b>	<b>-2,355</b>	<b>-2.2</b>	<b>-5,131</b>	<b>-4.4</b>
Property, plant and equipment	15,275		16,008		17,035	
Goodwill	2,196		2,033		2,095	
Other non-current assets	4,858		4,404		4,602	
Deferred tax assets and liabilities	2,155		1,626		2,340	
<b>Net assets</b>	<b>16,792</b>	<b>15.5</b>	<b>21,716</b>	<b>20.0</b>	<b>20,941</b>	<b>18.1</b>
Average net assets	19,831	18.4	20,274	20.0	20,538	19.6
Average net assets, excluding items affecting comparability	20,688	19.2	21,338	21.0	21,529	20.5

## Key ratios

	Q3 2009	Q3 2008	Nine months 2009	Nine months 2008	Full year 2008
Net sales, SEKm	27,617	26,349	80,917	76,129	104,792
Operating income, SEKm	2,290	1,286	2,956	1,535	1,188
Margin, %	8.3	4.9	3.7	2.0	1.1
EBITDA, SEKm	3,101	2,036	5,524	3,669	4,198
Earnings per share, SEK <sup>1)</sup>	5.74	2.99	6.84	2.97	1.29
Return on net assets, %	-	-	19.9	10.1	5.8
Return on equity, %	-	-	15.7	7.4	2.4
Equity per share, SEK	-	-	61.49	56.43	57.78
Cash flow from operations, SEKm	3,941	757	8,656	2,729	4,949
Capital expenditure, SEKm	-490	-851	-1,408	-2,127	-3,158
Net borrowings, SEKm	-	-	-688	5,714	4,556
Net debt/equity ratio	-	-	-0.04	0.36	0.28
Equity/assets ratio, %	-	-	29.1	25.0	25.6
Average number of employees	49,846	56,174	50,354	55,963	55,177
<b>Excluding items affecting comparability</b>					
Operating income, SEKm	2,234	1,178	3,299	1,932	1,543
Margin, %	8.1	4.5	4.1	2.5	1.5
EBITDA, SEKm	3,045	1,928	5,867	4,066	4,553
Earnings per share, SEK <sup>1)</sup>	5.55	2.90	7.99	4.14	2.32
Return on net assets, %	-	-	21.3	12.1	7.2
Return on equity, %	-	-	18.3	10.4	4.2
Value creation, SEKm	1,667	532	1,437	12	-1,040

1) Basic, based on average number of shares, excluding shares owned by Electrolux, see page 11.

For definitions, see page 19.



## Net sales by business area

SEKm	Q3 2009	Q3 2008	Nine months 2009	Nine months 2008	Full year 2008
Consumer Durables, Europe	10,905	11,345	31,015	32,370	44,342
Consumer Durables, North America	8,869	8,384	27,861	23,873	32,801
Consumer Durables, Latin America	3,813	2,713	9,764	7,665	10,970
Consumer Durables, Asia/Pacific and Rest of world	2,399	2,190	7,065	6,787	9,196
Professional Products	1,629	1,709	5,206	5,406	7,427
Other	2	8	6	28	56
<b>Total</b>	<b>27,617</b>	<b>26,349</b>	<b>80,917</b>	<b>76,129</b>	<b>104,792</b>

## Operating income by business area

SEKm	Q3 2009	Q3 2008	Nine months 2009	Nine months 2008	Full year 2008
Consumer Durables, Europe	977	514	1,359	616	-22
Margin, %	9.0	4.5	4.4	1.9	0.0
Consumer Durables, North America	705	306	1,026	265	222
Margin, %	7.9	3.6	3.7	1.1	0.7
Consumer Durables, Latin America	318	182	510	471	715
Margin, %	8.3	6.7	5.2	6.1	6.5
Consumer Durables, Asia/Pacific and Rest of world	201	101	365	353	369
Margin, %	8.4	4.6	5.2	5.2	4.0
Professional Products	173	185	443	593	774
Margin, %	10.6	10.8	8.5	11.0	10.4
<b>Total business areas</b>	<b>2,374</b>	<b>1,288</b>	<b>3,703</b>	<b>2,298</b>	<b>2,058</b>
<b>Margin, %</b>	<b>8.6</b>	<b>4.9</b>	<b>4.6</b>	<b>3.0</b>	<b>2.0</b>
Common Group costs, etc.	-140	-110	-404	-366	-515
Items affecting comparability	56	108	-343	-397	-355
<b>Operating income</b>	<b>2,290</b>	<b>1,286</b>	<b>2,956</b>	<b>1,535</b>	<b>1,188</b>

## Change in net sales by business area

Year-over-year, %	Q3 2009	Q3 2009 in comparable currencies	Nine months 2009	Nine months 2009 in comparable currencies
Consumer Durables, Europe	-3.9	-8.7	-4.2	-12.2
Consumer Durables, North America	5.8	-5.9	16.7	-5.0
Consumer Durables, Latin America	40.5	35.5	27.4	20.9
Consumer Durables, Asia/Pacific and Rest of world	9.5	-0.6	4.1	-6.1
Professional Products	-4.7	-10.2	-3.7	-13.4
<b>Total change</b>	<b>4.8</b>	<b>-3.0</b>	<b>6.3</b>	<b>-6.2</b>

## Change in operating income by business area

Year-over-year, %	Q3 2009	Q3 2009 in comparable currencies	Nine months 2009	Nine months 2009 in comparable currencies
Consumer Durables, Europe	90.1	85.2	120.6	131.9
Consumer Durables, North America	130.4	91.8	287.2	202.7
Consumer Durables, Latin America	74.7	67.7	8.3	1.4
Consumer Durables, Asia/Pacific and Rest of world	99.0	96.0	3.4	6.1
Professional Products	-6.5	-10.9	-25.3	-32.2
<b>Total change, excluding items affecting comparability</b>	<b>89.6</b>	<b>76.7</b>	<b>70.8</b>	<b>63.0</b>

## Exchange rates

SEK	Sept. 30, 2009	Sept. 30, 2008	Dec. 31, 2008
AUD, average	5.85	5.65	5.56
AUD, end of period	6.15	5.51	5.34
BRL, average	3.73	3.67	3.62
BRL, end of period	3.92	3.56	3.30
CAD, average	6.68	6.16	6.21
CAD, end of period	6.49	6.51	6.26
EUR, average	10.70	9.45	9.67
EUR, end of period	10.22	9.78	10.93
GBP, average	11.95	12.13	12.11
GBP, end of period	11.21	12.30	11.19
HUF, average	0.0380	0.0382	0.0385
HUF, end of period	0.0378	0.0403	0.0411
USD, average	7.80	6.22	6.59
USD, end of period	6.97	6.81	7.70

## Net sales and income per quarter

SEKm		Q1	Q2	Q3	Q4	Full year
Net sales	<b>2009</b>	<b>25,818</b>	<b>27,482</b>	<b>27,617</b>		<b>80,917</b>
	2008	24,193	25,587	26,349	28,663	104,792
Operating income	<b>2009</b>	<b>-386</b>	<b>1,052</b>	<b>2,290</b>		<b>2,956</b>
	<b>Margin, %</b>	<b>-1.5</b>	<b>3.8</b>	<b>8.3</b>		<b>3.7</b>
	<b>2009<sup>1)</sup></b>	<b>38</b>	<b>1,027</b>	<b>2,234</b>		<b>3,299</b>
	<b>Margin, %</b>	<b>0.1</b>	<b>3.7</b>	<b>8.1</b>		<b>4.1</b>
	2008	-5	254	1,286	-347	1,188
	Margin, %	0.0	1.0	4.9	-1.2	1.1
	2008 <sup>1)</sup>	-39	793	1,178	-389	1,543
	Margin, %	-0.2	3.1	4.5	-1.4	1.5
Income after financial items	<b>2009</b>	<b>-493</b>	<b>932</b>	<b>2,244</b>		<b>2,683</b>
	<b>Margin, %</b>	<b>-1.9</b>	<b>3.4</b>	<b>8.1</b>		<b>3.3</b>
	<b>2009<sup>1)</sup></b>	<b>-69</b>	<b>907</b>	<b>2,188</b>		<b>3,026</b>
	<b>Margin, %</b>	<b>-0.3</b>	<b>3.3</b>	<b>7.9</b>		<b>3.7</b>
	2008	-149	140	1,192	-530	653
	Margin, %	-0.6	0.5	4.5	-1.8	0.6
	2008 <sup>1)</sup>	-183	679	1,084	-572	1,008
	Margin, %	-0.8	2.7	4.1	-2.0	1.0
Income for the period	<b>2009</b>	<b>-346</b>	<b>658</b>	<b>1,631</b>		<b>1,943</b>
	2008	-106	99	847	-474	366
Earnings per share, SEK <sup>2)</sup>	<b>2009</b>	<b>-1.22</b>	<b>2.32</b>	<b>5.74</b>		<b>6.84</b>
	<b>2009<sup>1)</sup></b>	<b>0.21</b>	<b>2.23</b>	<b>5.55</b>		<b>7.99</b>
	2008	-0.38	0.36	2.99	-1.68	1.29
	2008 <sup>1)</sup>	-0.50	1.74	2.90	-1.82	2.32
Value creation	<b>2009</b>	<b>-619</b>	<b>389</b>	<b>1,667</b>		<b>1,437</b>
	2008	-695	175	532	-1,052	-1,040

1) Excluding items affecting comparability.

2) Basic, based on average number of shares, excluding shares owned by Electrolux.

### Number of shares, basic

Number of shares after buy-backs, million	<b>2009</b>	<b>283.6</b>	<b>284.1</b>	<b>284.3</b>		
	2008	283.4	283.6	283.6	283.6	283.6
Average number of shares after buy-backs, million	<b>2009</b>	<b>283.6</b>	<b>283.9</b>	<b>284.2</b>		
	2008	282.1	283.5	283.6	283.6	283.1

### Items affecting comparability

Restructuring provisions, write-downs and capital loss on divestment, SEKm	<b>2009</b>	<b>-424</b>	<b>25</b>	<b>56</b>		<b>-343</b>
	2008	34	-539	108	42	-355

## Net sales by business area per quarter

SEKm		Q1	Q2	Q3	Q4	Full year
Consumer Durables, Europe	<b>2009</b>	<b>10,175</b>	<b>9,935</b>	<b>10,905</b>		<b>31,015</b>
	2008	10,525	10,500	11,345	11,972	44,342
Consumer Durables, North America	<b>2009</b>	<b>9,144</b>	<b>9,848</b>	<b>8,869</b>		<b>27,861</b>
	2008	7,275	8,214	8,384	8,928	32,801
Consumer Durables, Latin America	<b>2009</b>	<b>2,625</b>	<b>3,326</b>	<b>3,813</b>		<b>9,764</b>
	2008	2,404	2,548	2,713	3,305	10,970
Consumer Durables, Asia/Pacific and Rest of world	<b>2009</b>	<b>2,145</b>	<b>2,521</b>	<b>2,399</b>		<b>7,065</b>
	2008	2,228	2,369	2,190	2,409	9,196
Professional Products	<b>2009</b>	<b>1,727</b>	<b>1,850</b>	<b>1,629</b>		<b>5,206</b>
	2008	1,753	1,944	1,709	2,021	7,427

## Operating income by business area per quarter

SEKm		Q1	Q2	Q3	Q4	Full year
Consumer Durables, Europe	<b>2009</b>	<b>125</b>	<b>257</b>	<b>977</b>		<b>1,359</b>
	<b>Margin, %</b>	<b>1.2</b>	<b>2.6</b>	<b>9.0</b>		<b>4.4</b>
	2008	-192	294	514	-638	-22
	Margin, %	-1.8	2.8	4.5	-5.3	0.0
Consumer Durables, North America	<b>2009</b>	<b>-177</b>	<b>498</b>	<b>705</b>		<b>1,026</b>
	<b>Margin, %</b>	<b>-1.9</b>	<b>5.1</b>	<b>7.9</b>		<b>3.7</b>
	2008	-154	113	306	-43	222
	Margin, %	-2.1	1.4	3.6	-0.5	0.7
Consumer Durables, Latin America	<b>2009</b>	<b>50</b>	<b>142</b>	<b>318</b>		<b>510</b>
	<b>Margin, %</b>	<b>1.9</b>	<b>4.3</b>	<b>8.3</b>		<b>5.2</b>
	2008	156	133	182	244	715
	Margin, %	6.5	5.2	6.7	7.4	6.5
Consumer Durables, Asia/Pacific and Rest of world	<b>2009</b>	<b>60</b>	<b>104</b>	<b>201</b>		<b>365</b>
	<b>Margin, %</b>	<b>2.8</b>	<b>4.1</b>	<b>8.4</b>		<b>5.2</b>
	2008	105	147	101	16	369
	Margin, %	4.7	6.2	4.6	0.7	4.0
Professional Products	<b>2009</b>	<b>105</b>	<b>165</b>	<b>173</b>		<b>443</b>
	<b>Margin, %</b>	<b>6.1</b>	<b>8.9</b>	<b>10.6</b>		<b>8.5</b>
	2008	183	225	185	181	774
	Margin, %	10.4	11.6	10.8	9.0	10.4
Common Group costs, etc.	<b>2009</b>	<b>-125</b>	<b>-139</b>	<b>-140</b>		<b>-404</b>
	2008	-137	-119	-110	-149	-515
Items affecting comparability	<b>2009</b>	<b>-424</b>	<b>25</b>	<b>56</b>		<b>-343</b>
	2008	34	-539	108	42	-355

## Net assets by business area

SEKm	Assets			Equity and liabilities			Net assets		
	Sept. 30, 2009	Sept. 30, 2008	Dec. 31, 2008	Sept. 30, 2009	Sept. 30, 2008	Dec. 31, 2008	Sept. 30, 2009	Sept. 30, 2008	Dec. 31, 2008
Consumer Durables, Europe	32,903	35,553	28,345	26,281	25,847	21,104	6,622	9,706	7,241
Consumer Durables, North America	10,363	11,832	15,422	4,118	4,247	7,089	6,245	7,585	8,333
Consumer Durables, Latin America	6,079	5,084	6,536	2,861	1,887	2,971	3,218	3,197	3,565
Consumer Durables, Asia/Pacific and Rest of world	3,825	3,963	4,885	1,611	1,416	2,169	2,214	2,547	2,716
Professional Products	2,719	3,095	3,720	1,776	1,939	2,393	943	1,156	1,327
Other <sup>1)</sup>	4,432	4,562	4,937	6,181	6,173	6,595	-1,749	-1,611	-1,658
Items affecting comparability	-188	-68	87	513	796	670	-701	-864	-583
<b>Total operating assets and liabilities</b>	<b>60,133</b>	<b>64,021</b>	<b>63,932</b>	<b>43,341</b>	<b>42,305</b>	<b>42,991</b>	<b>16,792</b>	<b>21,716</b>	<b>20,941</b>
Liquid funds	15,187	6,270	9,391	—	—	—	—	—	—
Interest-bearing receivables	—	—	—	—	—	—	—	—	—
Interest-bearing liabilities	—	—	—	14,499	11,984	13,947	—	—	—
Equity	—	—	—	17,480	16,002	16,385	—	—	—
<b>Total</b>	<b>75,320</b>	<b>70,291</b>	<b>73,323</b>	<b>75,320</b>	<b>70,291</b>	<b>73,323</b>	<b>—</b>	<b>—</b>	<b>—</b>

1) Includes common Group functions.

## Parent Company, income statement

SEKm	Q3 2009	Q3 2008	Nine months 2009	Nine months 2008	Full year 2008
<b>Net sales</b>	<b>1,213</b>	<b>1,370</b>	<b>3,634</b>	<b>4,099</b>	<b>5,808</b>
Cost of goods sold	-1,004	-1,166	-3,047	-3,701	-5,046
<b>Gross operating income</b>	<b>209</b>	<b>204</b>	<b>587</b>	<b>398</b>	<b>762</b>
Selling expenses	-146	-192	-455	-515	-761
Administrative expenses	-43	-94	-168	-339	-312
Other operating income	190	27	193	97	33
Other operating expenses	-955	0	-962	-9	-328
<b>Operating income</b>	<b>-745</b>	<b>-55</b>	<b>-805</b>	<b>-368</b>	<b>-606</b>
Financial income	728	544	1,918	1,697	2,643
Financial expenses	27	-453	-124	-938	-1,462
<b>Financial items, net</b>	<b>755</b>	<b>91</b>	<b>1,794</b>	<b>759</b>	<b>1,181</b>
<b>Income after financial items</b>	<b>10</b>	<b>36</b>	<b>989</b>	<b>391</b>	<b>575</b>
Appropriations	7	3	20	10	20
<b>Income before taxes</b>	<b>17</b>	<b>39</b>	<b>1,009</b>	<b>401</b>	<b>595</b>
Taxes	9	14	26	41	38
<b>Income for the period</b>	<b>26</b>	<b>53</b>	<b>1,035</b>	<b>442</b>	<b>633</b>

## Parent Company, balance sheet

SEKm	Sept. 30, 2009	Sept. 30, 2008	Dec. 31, 2008
<b>Assets</b>			
Non-current assets	26,549	26,401	26,493
Current assets	22,680	16,865	20,348
<b>Total assets</b>	<b>49,229</b>	<b>43,266</b>	<b>46,841</b>
<b>Equity and liabilities</b>			
Restricted equity	4,562	4,562	4,562
Non-restricted equity	10,381	8,941	9,110
<b>Total equity</b>	<b>14,943</b>	<b>13,503</b>	<b>13,672</b>
Untaxed reserves	684	713	704
Provisions	580	560	618
Non-current liabilities	9,603	8,382	9,244
Current liabilities	23,419	20,108	22,603
<b>Total equity and liabilities</b>	<b>49,229</b>	<b>43,266</b>	<b>46,841</b>
<b>Pledged assets</b>	<b>9</b>	<b>24</b>	<b>36</b>
<b>Contingent liabilities</b>	<b>1,747</b>	<b>1,579</b>	<b>1,720</b>

## Five-year review

	2008	2007	2006	2005	Including Husqvarna	
					2005	2004 <sup>1)</sup>
Net sales, SEKm	104,792	104,732	103,848	100,701	129,469	120,651
Operating income, SEKm	1,188	4,475	4,033	1,044	3,942	4,807
Margin, %	1.1	4.3	3.9	1.0	3.0	4.0
Margin, excluding items affecting comparability, %	1.5	4.6	4.4	4.0	5.4	5.6
Income after financial items, SEKm	653	4,035	3,825	494	3,215	4,452
Margin, %	0.6	3.9	3.7	0.5	2.5	3.7
Margin, excluding items affecting comparability, %	1.0	4.2	4.2	3.4	4.8	5.3
Income for the period, SEKm	366	2,925	2,648	-142	1,763	3,259
Earnings per share, SEK	1.29	10.41	9.17	-0.49	6.05	10.92
Average number of shares after buy-backs, million	283.1	281.0	288.8	291.4	291.4	298.3
Dividend, SEK	-	4.25	4.00	7.50	7.50	7.00
Value creation, SEKm	-1,040	2,053	2,202	1,305	2,913	3,054
Return on equity, %	2.4	20.3	18.7	-	7.0	13.1
Return on net assets, %	5.8	21.7	23.2	5.4	13.0	17.5
Net debt/equity ratio	0.28	0.29	-0.02	-	0.11	0.05
Capital expenditure, SEKm	3,158	3,430	3,152	3,654	4,765	4,515
Average number of employees	55,177	56,898	55,471	57,842	69,523	72,382

1) Restated to comply with IFRS, except for IAS 39. If IAS 39 had been applied in 2004, the volatility in income, net borrowings and equity would most probably have been higher.

## Definitions

### Capital indicators

#### Annualized sales

In computation of key ratios where capital is related to net sales, the latter are annualized and converted at year-end-exchange rates and adjusted for acquired and divested operations.

#### Net assets

Total assets exclusive of liquid funds and interest-bearing financial receivables less operating liabilities, non-interest-bearing provisions and deferred tax liabilities.

#### Working capital

Current assets exclusive of liquid funds and interest-bearing financial receivables less operating liabilities and non-interest-bearing provisions.

#### Total borrowings

Total borrowings consist of interest-bearing liabilities, fair-value derivatives, accrued interest expenses and prepaid interest income, and trade receivables with recourse.

#### Net borrowings

Total borrowings less liquid funds.

#### Net debt/equity ratio

Net borrowings in relation to equity.

#### Equity/assets ratio

Equity as a percentage of total assets less liquid funds.

### Other key ratios

#### Earnings per share

Income for the period divided by the average number of shares after buy-backs.

#### Operating margin

Operating income expressed as a percentage of net sales.

#### EBITDA

Operating income before depreciation and amortization.

#### Value creation

Operating income excluding items affecting comparability less the weighted average cost of capital (WACC) on average net assets excluding items affecting comparability: [(Net sales – operating costs = operating income) – (WACC x average net assets)]. The WACC rate before tax for 2009, 2008 and 2007 is calculated at 12% compared to 11% for 2006, 12% for 2005 and 2004.

#### Return on equity

Income for the period expressed as a percentage of average equity.

#### Return on net assets

Operating income expressed as a percentage of average net assets.

## President and CEO Hans Stråberg's comments on the third-quarter results 2009

Today's press release is available on the Electrolux website  
[www.electrolux.com/ir](http://www.electrolux.com/ir)

### Telephone conference

A telephone conference will be held at 15.00-16.00 CET on October 26, 2009. The conference will be chaired by Hans Stråberg, President and CEO of Electrolux. Mr. Stråberg will be accompanied by Jonas Samuelson, CFO, and Peter Nyquist, Head of Investor Relations and Financial Information.

A slide presentation for the third quarter of 2009 will be available on the Electrolux website [www.electrolux.com/ir](http://www.electrolux.com/ir)

Details for participation by telephone:

Participants in Sweden should call +46 (0)8 505 598 53

Participants in UK/Europe should call +44 (0)20 3043 2436

Participants in US should call +1 866 458 4087

You can also listen to the presentation at

<http://www.electrolux.com/webcast1>

### For further information

Peter Nyquist, Head of Investor Relations and Financial Information: +46 (0)8 738 60 03.

Financial information from Electrolux is also available at  
[www.electrolux.com/ir](http://www.electrolux.com/ir)

### 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.*

### Calendar 2010

#### Financial reports 2010

Consolidated results	February 3
Interim report January-March	April 27
Interim report January-June	July 19
Interim report January-September	October 27

#### Annual General Meeting 2010

The Annual General Meeting of AB Electrolux will be held on Tuesday, March 30, 2010, at the Berwald Hall, Dag Hammarskjölds väg 3, Stockholm, Sweden.

#### Annual Report 2009

Available at the Group's website

Week 10

*Electrolux discloses the information provided herein pursuant to the Securities Market Act and/or the Financial Instruments Trading Act. The information was submitted for publication at 08.00 CET on October 26, 2009.*