

# Q1 Results, April 27, 2011

*Keith McLoughlin,  
President and CEO*

*Jonas Samuelson, CFO & COO*

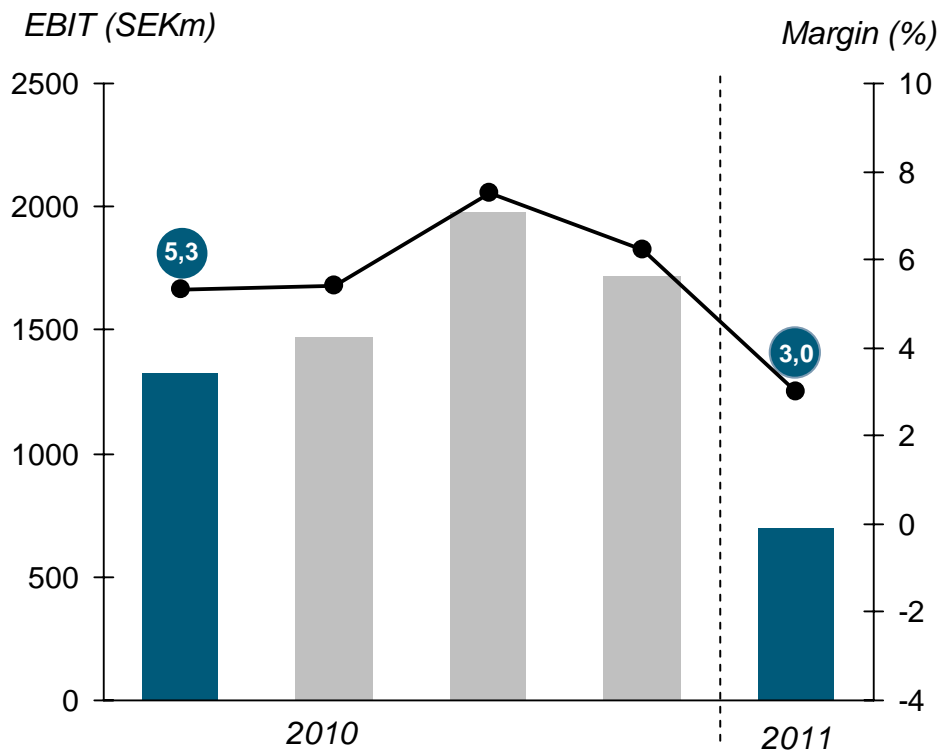
*Peter Nyquist, SVP IR*



*Thinking of you*

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# Q1 Highlights



(SEKm)	Q1 2011	Q1 2010
Sales	23,436	25,133
EBIT*	696	1,326
Margin	3.0%	5.3%

\*) EBIT excluding items affecting comparability

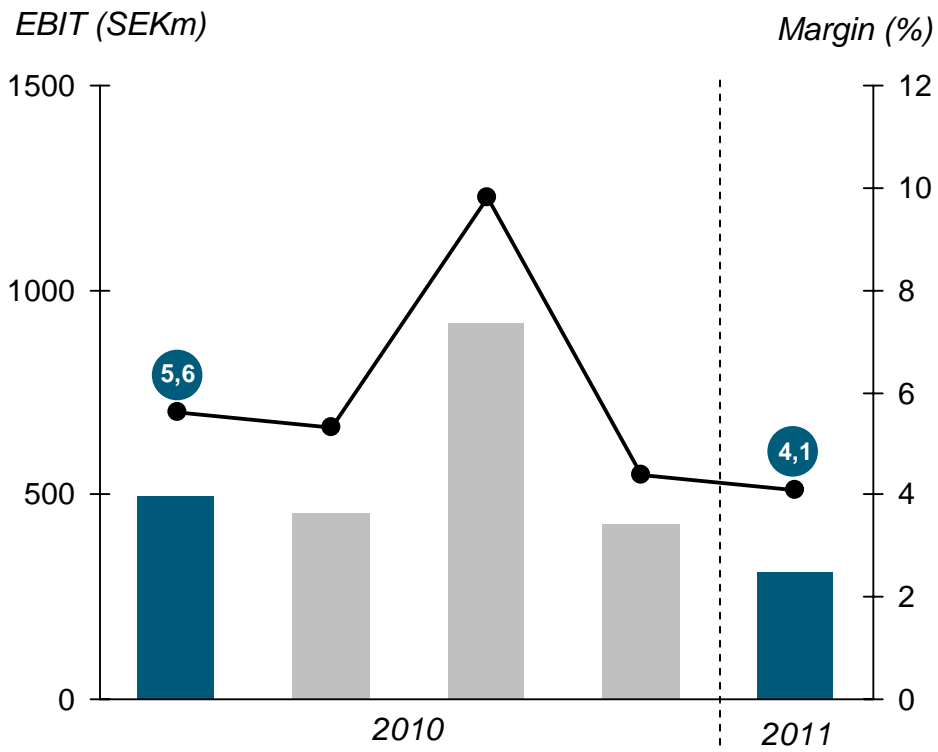
- Net sales increased by 1% in comparable currencies
  - Growth in major markets
- EBIT of SEK 696m
  - Raw-material headwinds
  - Price pressure
  - Cost measures
  - Mix improvement
- Price increases going forward

# Q1 Operating cash flow



- Operating cash flow amounted to SEK -1.3 billion
- Q1 seasonally weakest quarter
- Lower operating income
- Higher tax payments
- Continued favorable development of net operating working capital
  - Receivables positive, collection from high sales in November-December
- Outlays for the ongoing restructuring and cost-cutting programs amounted to approximately SEK -220m
- Investments during the first quarter mainly referred to new products

# Consumer Durables Major Appliances Europe, Middle East & Africa



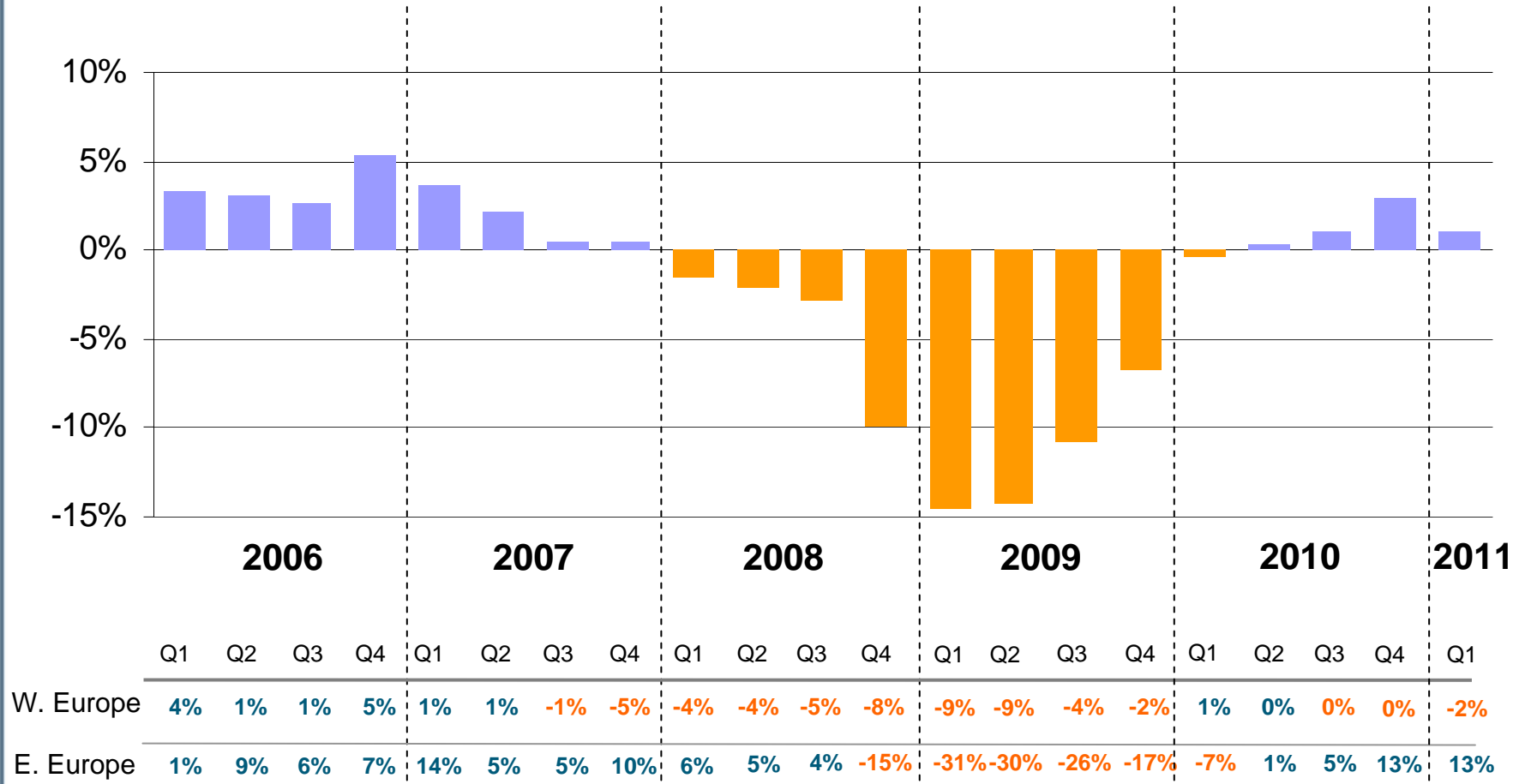
(SEKm)	Q1 2011	Q1 2010
Sales	7,656	8,921
EBIT	311	499
Margin	4.1%	5.6%

- Lower sales as a result of lower volumes and prices
- Lower EBIT
  - Lower volumes
  - Price pressure
  - Higher raw-material costs
- Mix improvement
  - The AEG launch continues

# Increased growth in Eastern Europe

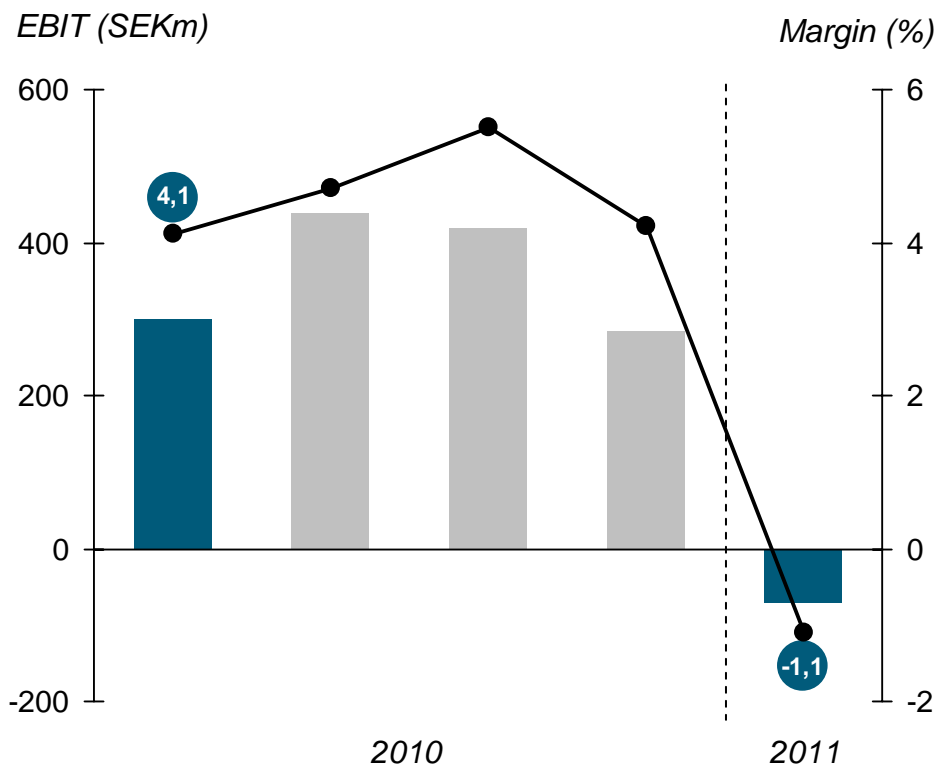


## Quarterly comparison, year-over-year





# Consumer Durables Major Appliances North America



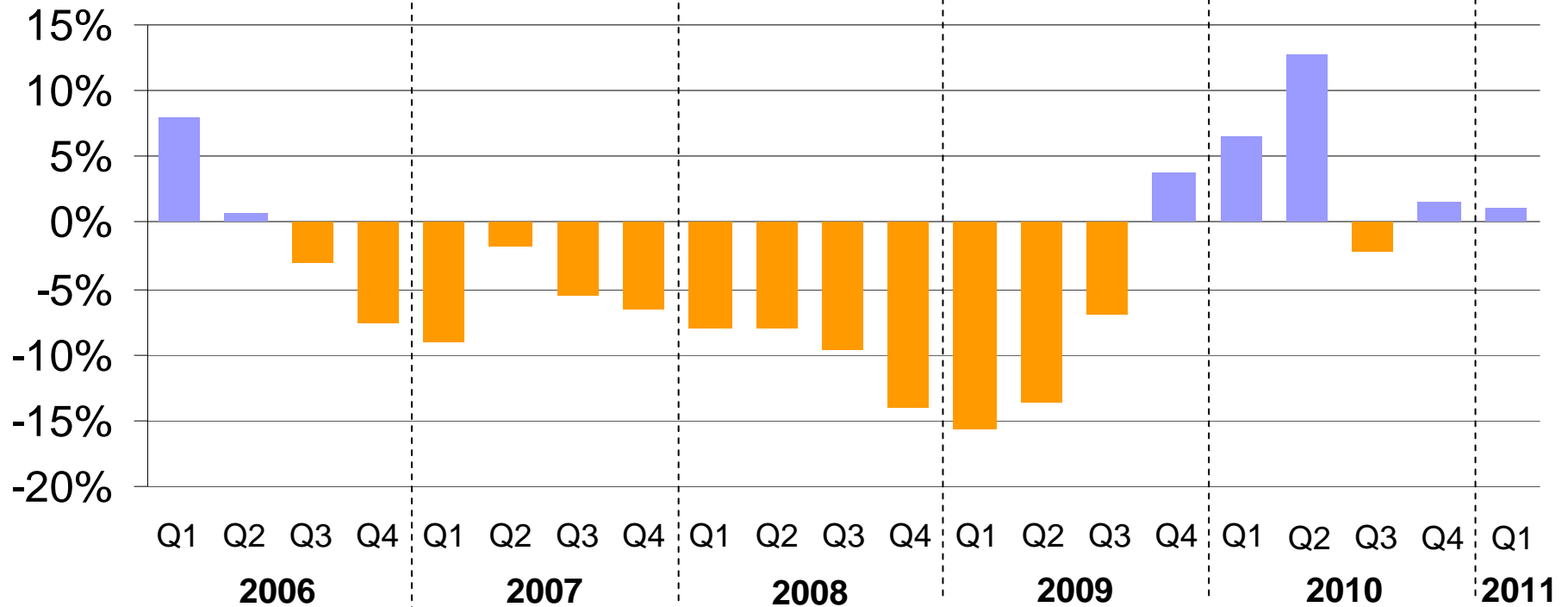
(SEKm)	Q1 2011	Q1 2010
Sales	6,728	7,305
EBIT	-71	299
Margin	-1.1%	4.1%

- Market growth
- Higher net sales in comparable currencies
- EBIT declined to SEK -71m
  - Price pressure
  - Higher raw-material costs
- Improved mix
- Price increases from April 4
  - 3-5%

# North America grew by 1% in Q1

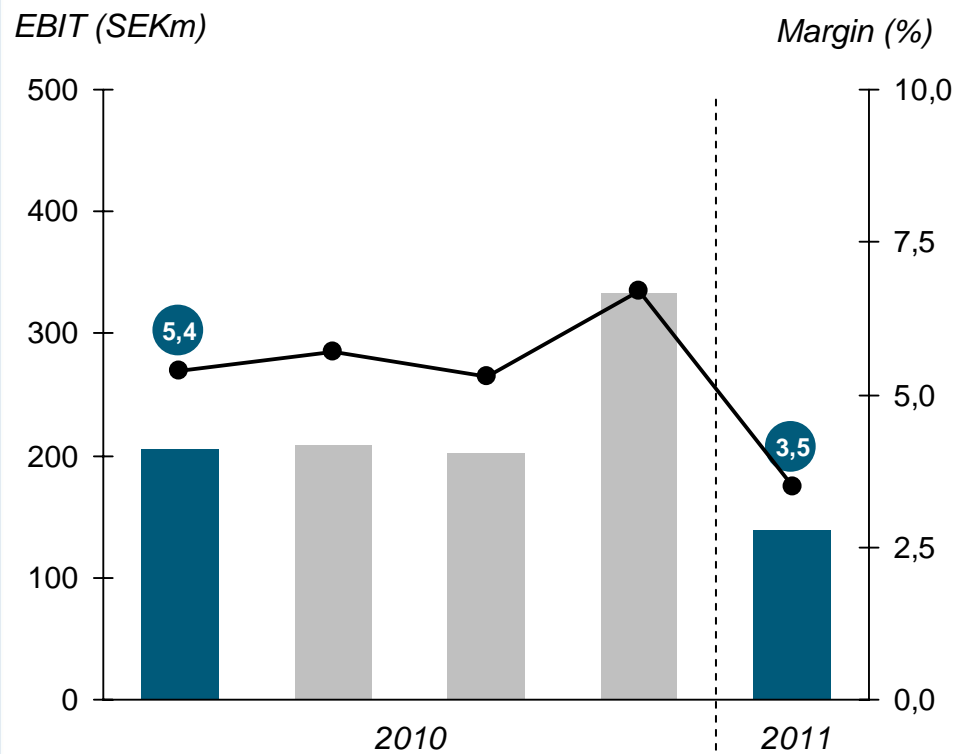


## Quarterly comparison, year-over-year





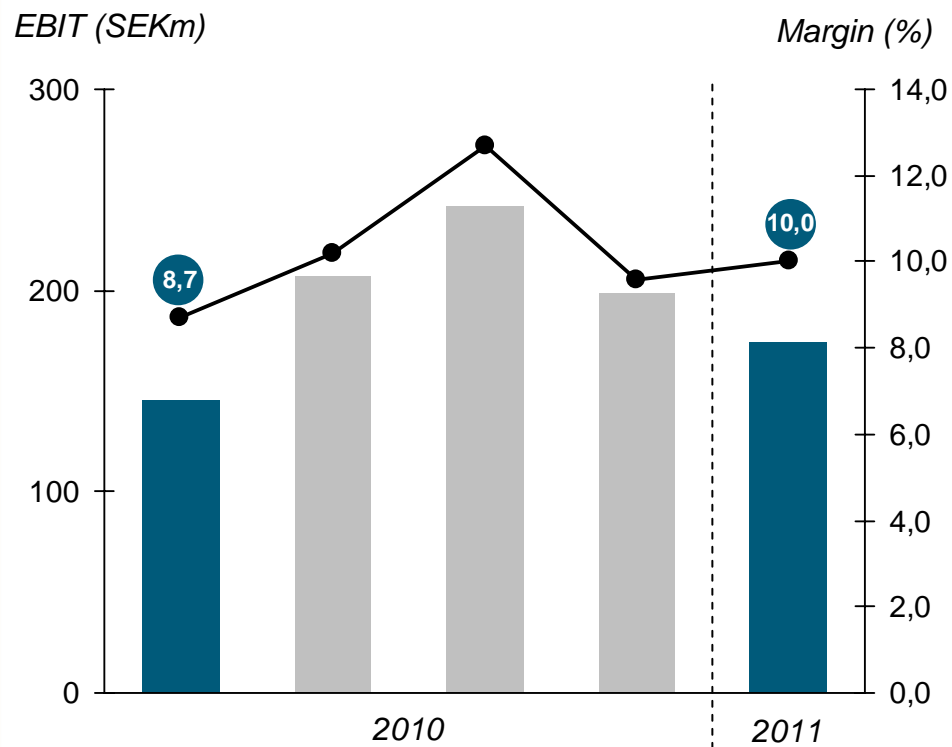
# Consumer Durables Major Appliances Latin America



(SEKm)	Q1 2011	Q1 2010
Sales	3,998	3,796
EBIT	139	206
Margin	3.5%	5.4%

- Market growth in Brazil and in rest of Latin America
- EBIT declined to SEK 139m
  - Negative customer mix due to consolidation of retailers
  - Increased raw-material costs
- Price increases going forward

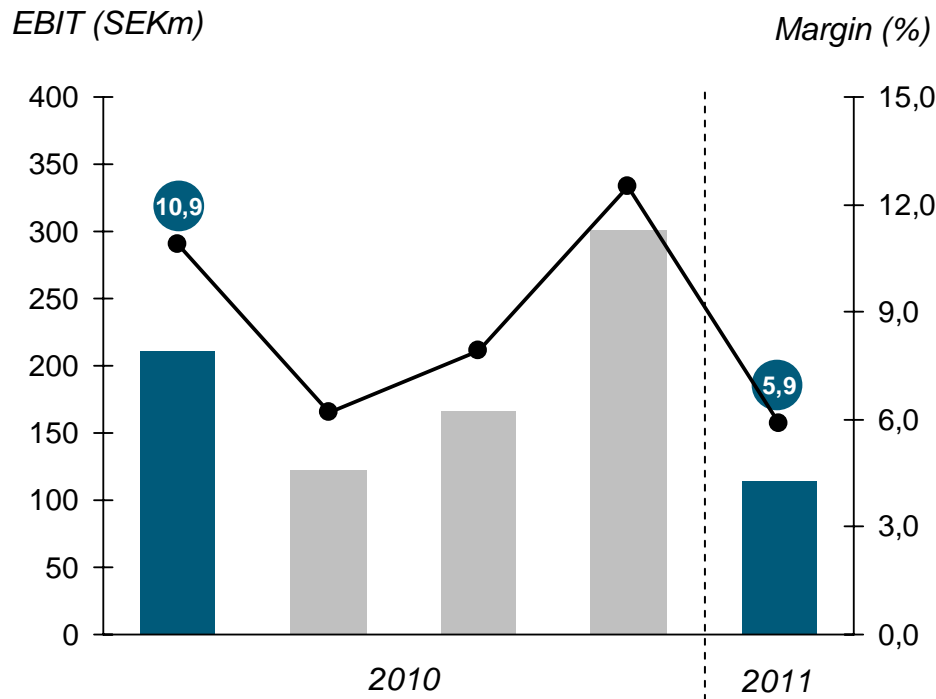
# Consumer Durables Major Appliances Asia/Pacific



(SEKm)	Q1 2011	Q1 2010
Sales	1,746	1,666
EBIT	174	145
Margin	10.0%	8.7%

- Market growth in Australia and improved EBIT
  - Positive currency impact
  - Improved efficiency
  - Increased raw-material costs
  - Increased price pressure
- Southeast Asia and China
  - Market-share gain in strong markets

# Consumer Durables Small Appliances

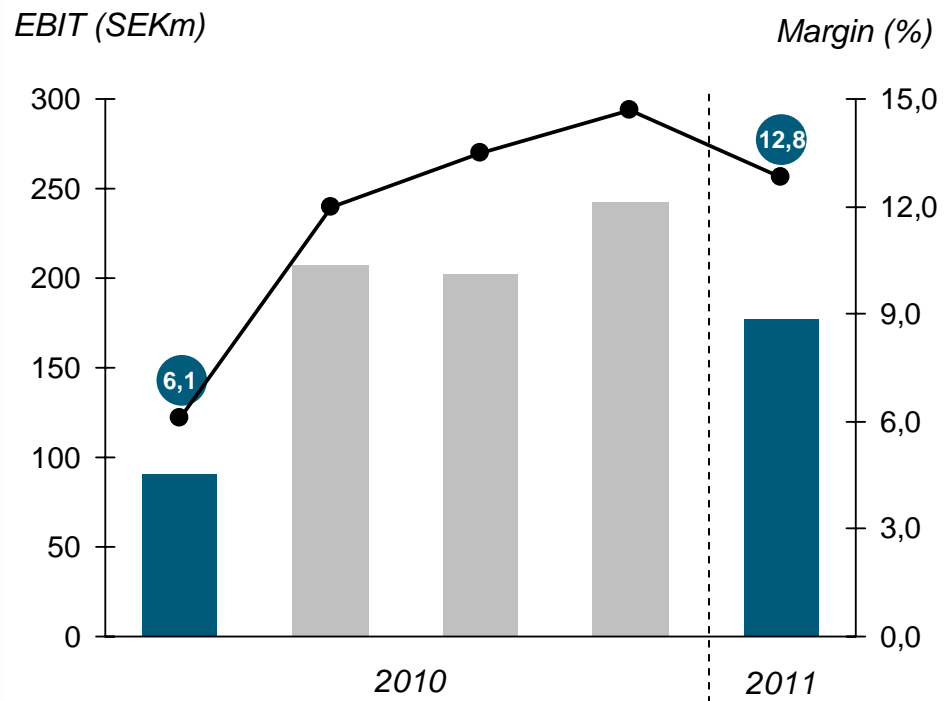


(SEKm)	Q1 2011	Q1 2010
Sales	1,930	1,936
EBIT	114	211
Margin	5.9%	10.9%

- Separately reported from Q1 2011 and onwards
- Higher sales
- Lower EBIT
  - Increased sourcing costs
  - Currency headwind
  - Higher raw-material costs
- Good market acceptance for previous launches

# Professional Products

## Food-service & Laundry products



(SEKm)	Q1 2011	Q1 2010
Sales	1,378	1,501
EBIT	177	91
Margin	12.8%	6.1%

- Lower sales but improved EBIT for Food-service
  - Positive effect of SEK 50m related to a divestment
  - Higher share of own-manufactured products
  - Price increases
  - Improved capacity utilization
- Higher sales and EBIT for Laundry products
  - Higher volumes
  - Price increases

# Q2 and FY 2011

*In accordance with forward-looking statements  
in the CEO letter*



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	<b>Q2</b>	<b>2011 FY</b>	<b>Comment</b>
Volumes	Higher	Higher	Tough comparables in US in Q2
Price	Slightly negative	H2 higher	Price increases in US, price pressure in Europe in Q2
Mix	Positive	Positive	Continued mix improvement from product launches
Raw-material costs	Higher	Higher	2011: SEK 2 billion cost increase compared to 2010
Costs from Global Operations	SEK 125m	SEK 500m	Approximately evenly distributed between quarters
Manufacturing footprint savings	SEK 125m	SEK 500m	Approximately evenly distributed between quarters

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# Factors affecting forward-looking statements



## Factors affecting forward-looking statements

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