

# Q2 Results, July 19, 2012

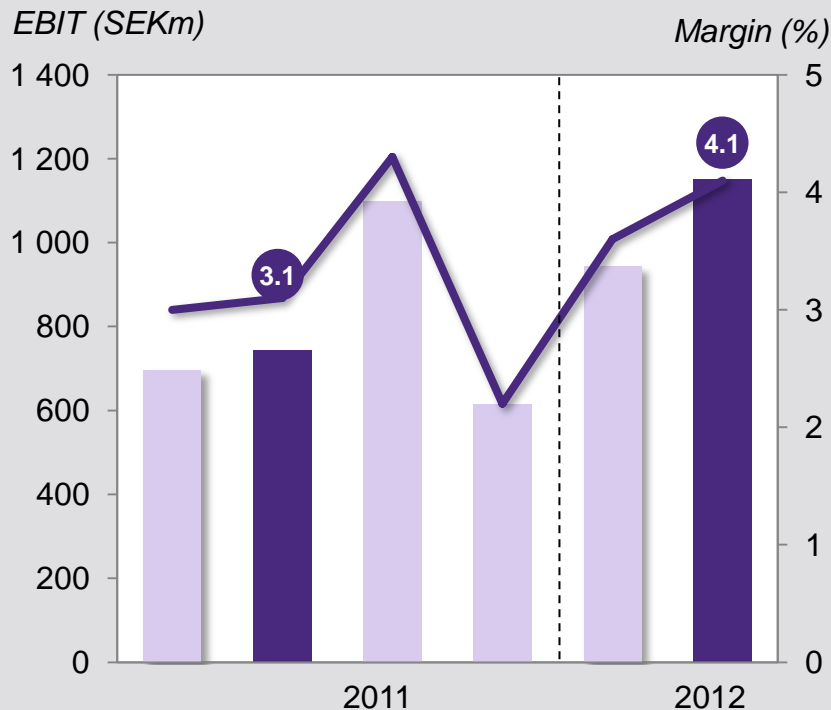
*Keith McLoughlin, President and CEO*

*Tomas Eliasson, CFO*

*Peter Nyquist, SVP IR*



# Q2 Highlights



(SEKm)	Q2 2012	Q2 2011
<b>Sales</b>	<b>27,763</b>	<b>24,143</b>
<b>EBIT*</b>	<b>1,150</b>	<b>745</b>
<b>Margin*</b>	<b>4.1</b>	<b>3.1</b>

\* Excluding items affecting comparability. Non-recurring items are included in all figures.

- Record-high organic growth 6%
  - Strong volume growth in Latin America and Asia/Pacific
  - Price increases
  - Market-share gain in Europe
- EBIT increased to SEK 1,150m
  - 4 of 6 business areas at or above our EBIT-margin target
  - Price increases in the US
  - Positive price, mix and volume in Latin America
- Strong cash flow driven by working-capital efficiency

# Bridge of the quarterly sales and EBIT



SEKm	Q2 2011	Net Organic Development	Currency	Acquisitions/ Divestments	Sale of Assets*)	Q2 2012
Net sales	24,143	1,431	772	1,418		27,763
Net sales %		5.8	3.6	5.6		15.0
EBIT	745	429	-80	96	-40	1,150
EBIT %	3.1	30.0	-10.4	6.8		4.1
Dilution/ Accretion %		1.5	-0.5	0.1	-0.1	

\* Includes an asset sale within professional food-service equipment of SEK 90m during Q2 2011 and an asset sale of SEK 50m in Spain in Q2 2012.

# EBIT-margin bridge Q2 year-over-year



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<b>EBIT% Q2 2011</b>	<b>3.1</b>
Price/Mix	+1.3
Volume	+0.4
Raw materials	-0.4
Net: Investments, inflation, efficiencies	+0.2
<b>Net organic development</b>	<b>1.5</b>
Currency	-0.5
Acquisitions	+0.1
Sale of assets	-0.1
<b>EBIT% Q2 2012</b>	<b>4.1</b>

# Q2 Cash flow

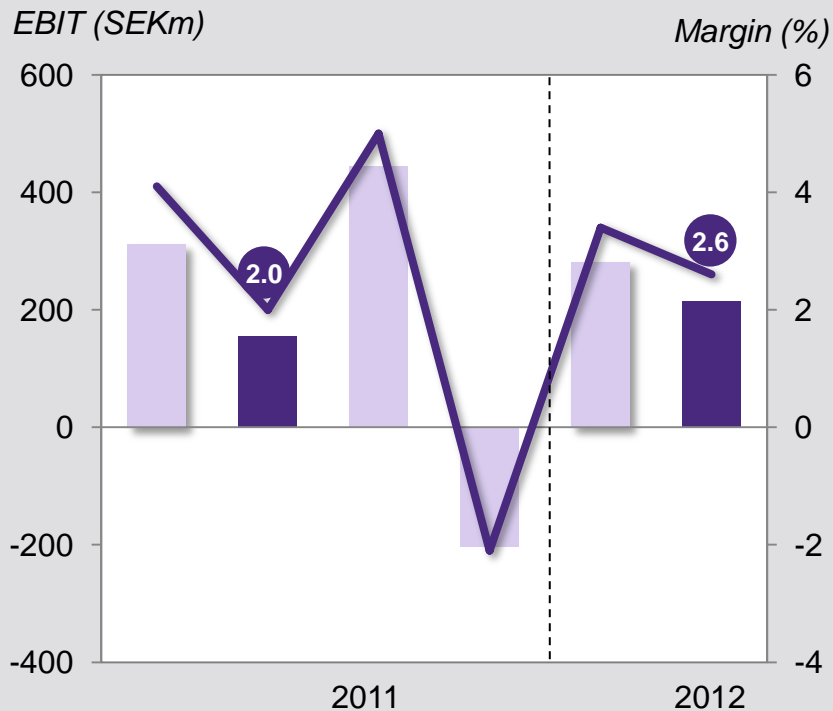


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## Cash flow

SEKm	Q2 2012	Q2 2011
Operations	1,749	1,254
Change in operating assets and liabilities	2,862	1,267
Capital expenditure	-1,005	-1,083
<b>Cash flow from operations</b>	<b>3,606</b>	<b>1,438</b>

# Major Appliances Europe, Middle East & Africa



(SEKm)	Q2 2012	Q2 2011
<b>Sales</b>	<b>8,216</b>	7,660
<b>EBIT*</b>	<b>215</b>	156
<b>Margin*</b>	<b>2.6</b>	2.0

\* Excluding items affecting comparability. Non-recurring items are included in all figures.

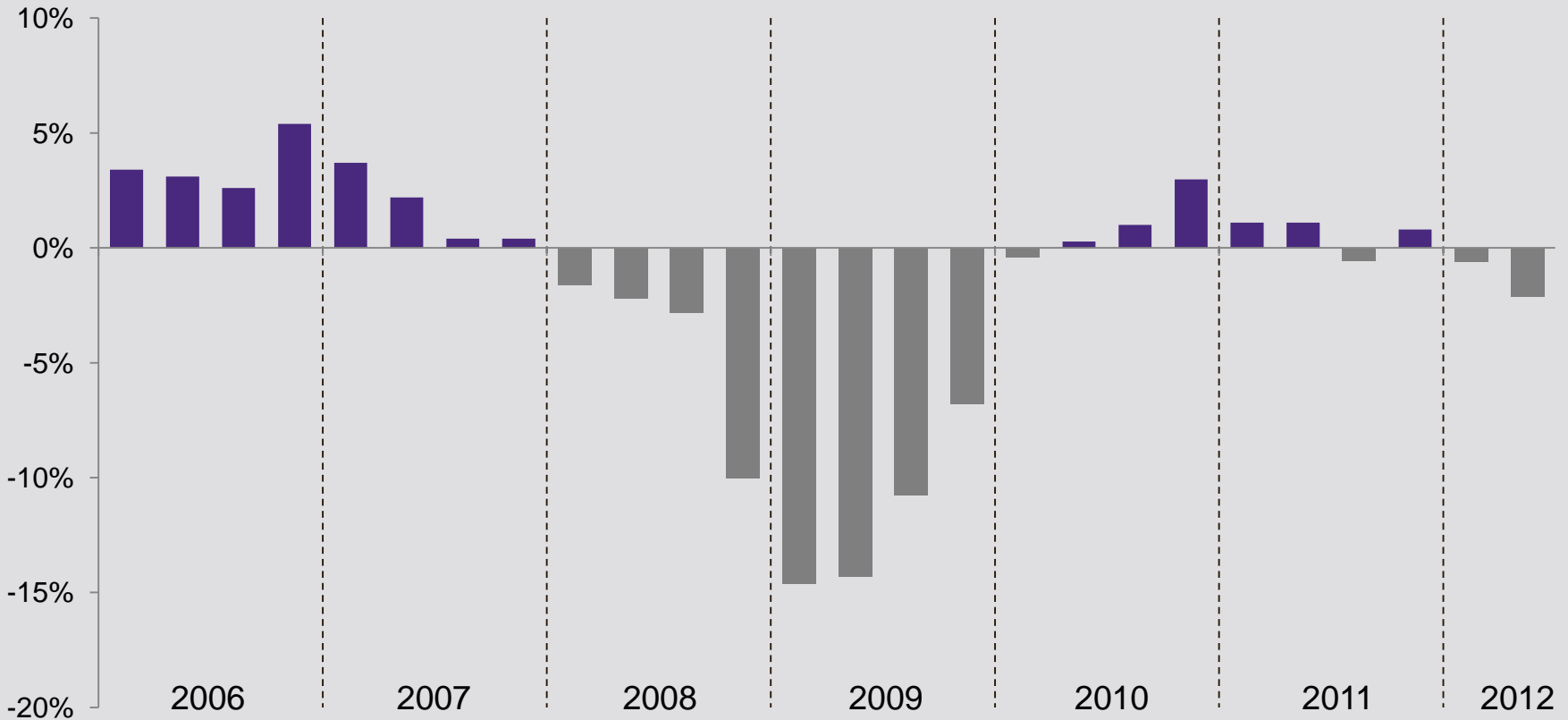
- Increased volumes due to market-share gain
  - Improved position for Electrolux, AEG and Zanussi
- EBIT amounted to SEK 215m
  - One-off asset sale of SEK 50m
  - Lower sales prices
  - Negative country mix
  - Higher sales volumes
  - Cost savings
- Slightly negative contribution from Olympic

# Negative growth in Europe

Further weakening in Southern Europe and slow-down in Eastern Europe



## Quarterly comparison y-o-y

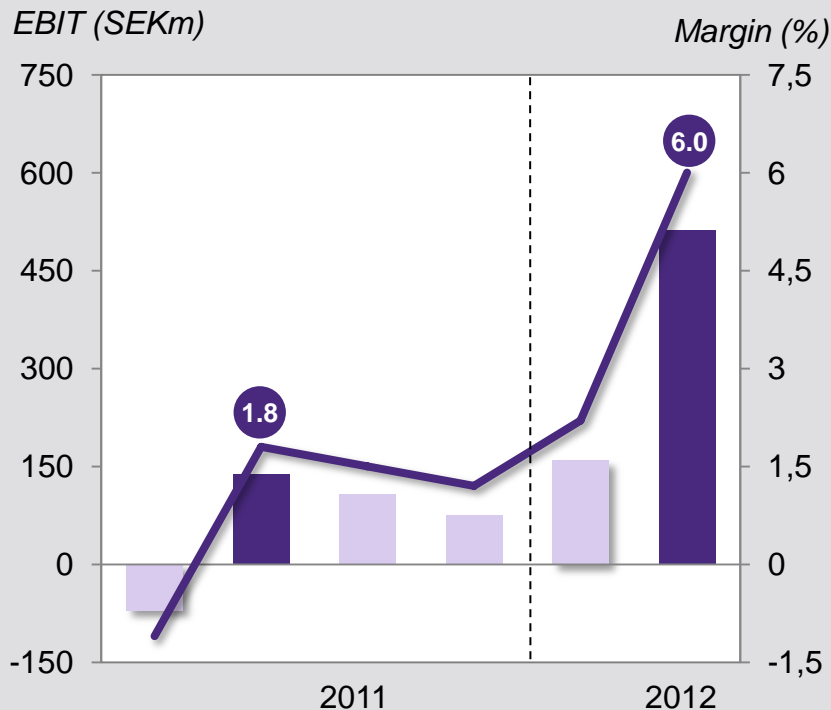


W. Eur.	+4	+1	+1	+5	+1	+1	-1	-5	-4	-4	-5	-8	-9	-9	-4	-2	+1	0	0	0	-2	-2	-3	-3	-2	-4
E. Eur.	+1	+9	+6	+7	+14	+5	+5	+10	+6	+5	+4	-15	-31	-30	-26	-17	-7	+1	+5	+13	+13	+12	+7	+9	+5	+3

Market Development %



# Major Appliances North America



(SEKm)	Q2 2012	Q2 2011
<b>Sales</b>	<b>8,599</b>	7,544
<b>EBIT*</b>	<b>512</b>	138
<b>Margin*</b>	<b>6.0</b>	1.8

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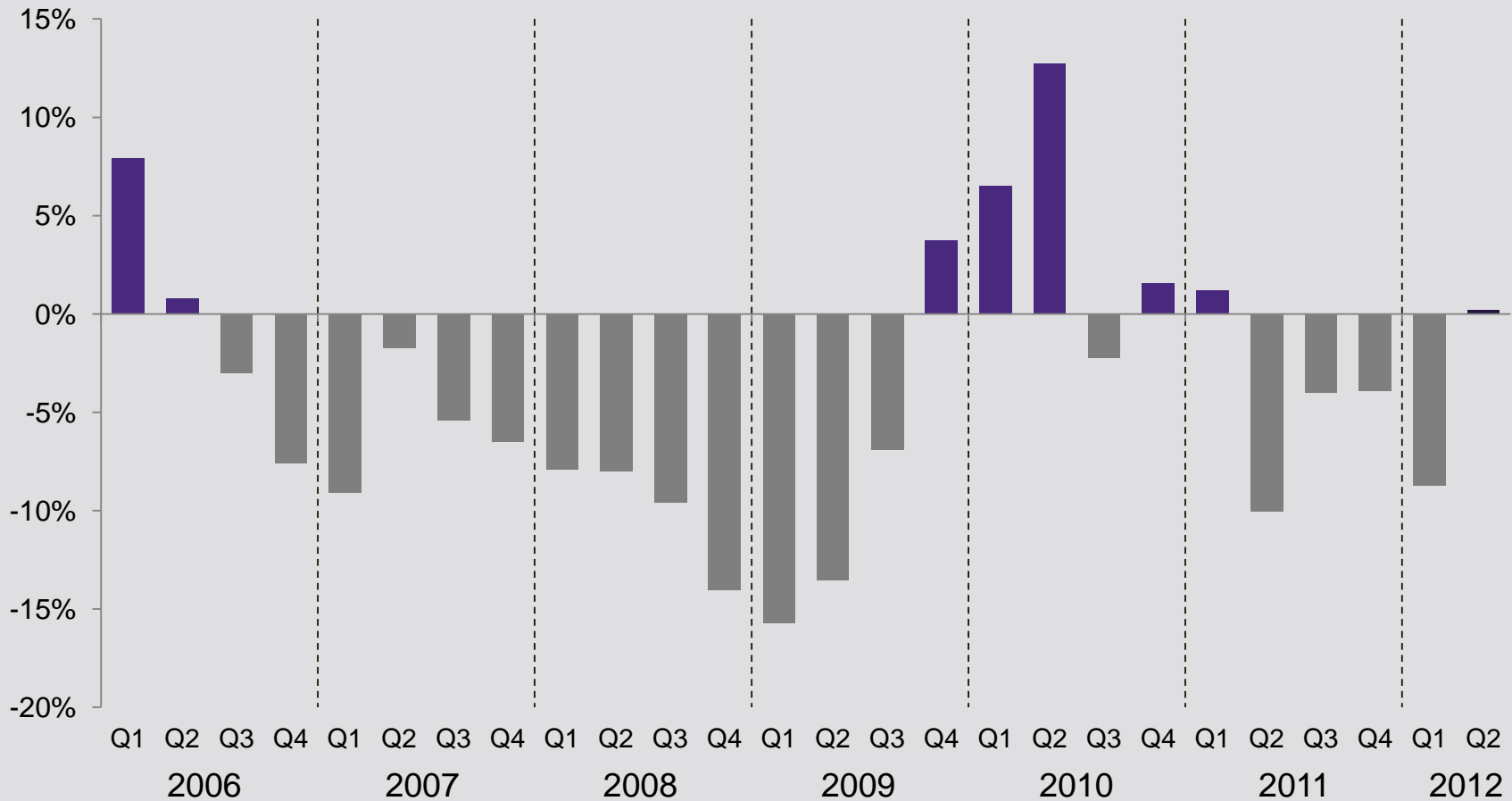
- Higher sales
  - Price increases
  - Growth in core appliances
- EBIT increased to SEK 512m
  - Higher prices
  - Improved operational efficiency
  - Higher costs for raw materials and sourced products



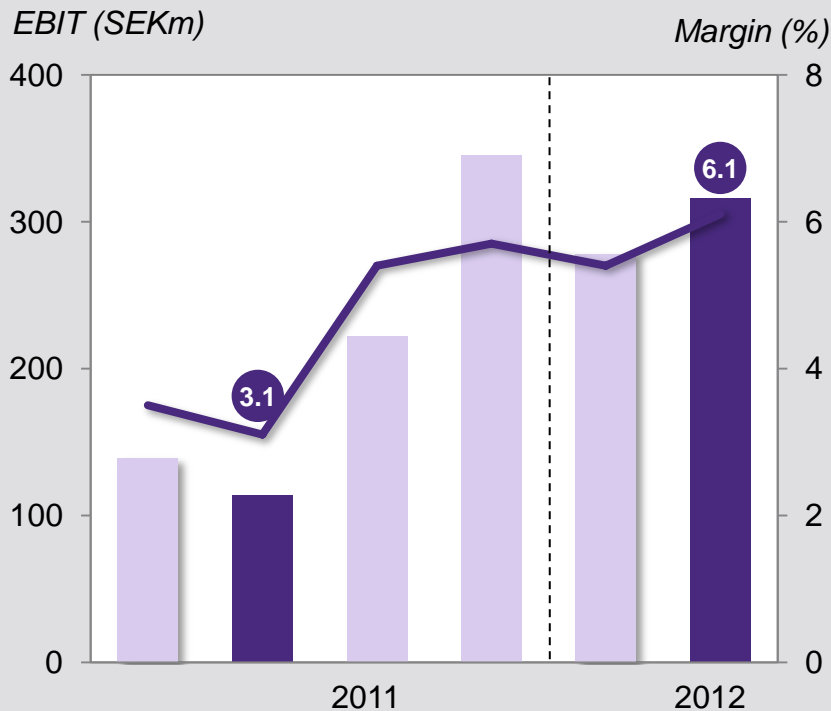
# Market demand for core appliances in North America in line with previous year



## Quarterly comparison y-o-y



# Major Appliances Latin America

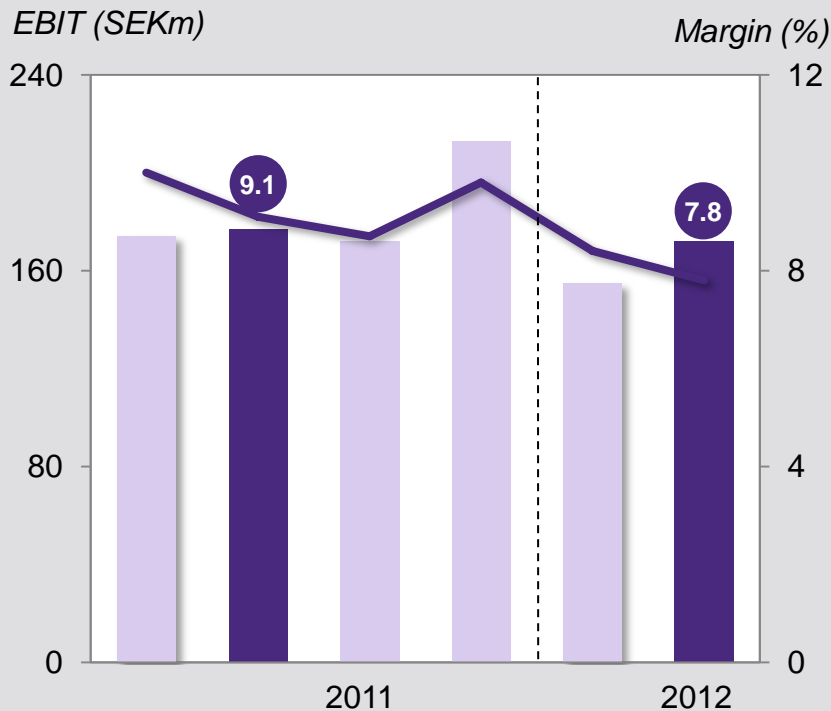


(SEKm)	Q2 2012	Q2 2011
<b>Sales</b>	<b>5,183</b>	3,708
<b>EBIT*</b>	<b>316</b>	114
<b>Margin*</b>	<b>6.1</b>	3.1

\* Excluding items affecting comparability. Non-recurring items are included in all figures.

- Sales growth of 40%
  - Tax incentives in Brazil
  - Strong organic growth in other Latin American markets
  - Acquisition of CTI
- EBIT improved to SEK 316m
  - Contribution from CTI
  - Higher volumes
  - Improved price/mix
  - Negative currency impact
  - Improved efficiency

# Major Appliances Asia/Pacific

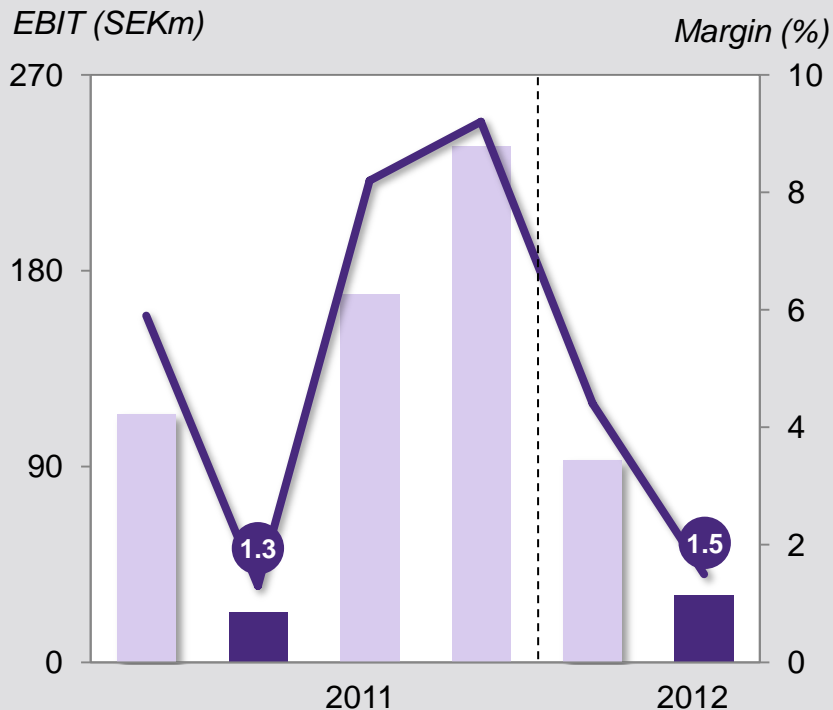


<i>(SEKm)</i>	<i>Q2 2012</i>	<i>Q2 2011</i>
<b>Sales</b>	<b>2,198</b>	1,945
<b>EBIT*</b>	<b>172</b>	177
<b>Margin*</b>	<b>7.8</b>	9.1

\* Excluding items affecting comparability. Non-recurring items are included in all figures.

- Lower sales and EBIT in Australia
  - Lower volumes
  - Lower prices
  - Higher costs for product development
- Southeast Asia and China
  - Continued good profitability in Southeast Asia

# Consumer Durables Small Appliances

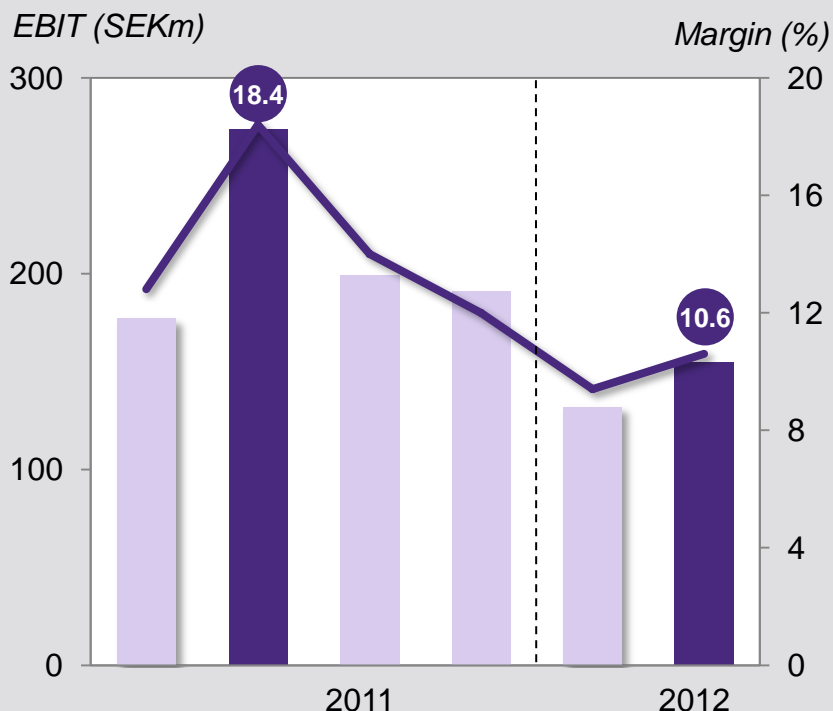


(SEKm)	Q2 2012	Q2 2011
<b>Sales</b>	<b>2,105</b>	1,794
<b>EBIT*</b>	<b>31</b>	23
<b>Margin*</b>	<b>1.5</b>	1.3

\* Excluding items affecting comparability. Non-recurring items are included in all figures.

- Higher sales
  - Higher volumes
  - Lower prices
- Slightly improved operating income
  - Excluding positive impact from acquisition, results in line with Q2 2011
  - Higher volumes
  - Lower prices
  - Negative currency impact
  - Higher brand spend

# Food-service & Laundry products



(SEKm)	Q2 2012	Q2 2011
<b>Sales</b>	<b>1,462</b>	1,491
<b>EBIT*</b>	<b>155</b>	274
<b>Margin*</b>	<b>10.6</b>	18.4

\* Excluding items affecting comparability. Non-recurring items are included in all figures.

## Food-service products

- Lower sales
- Underlying EBIT somewhat lower than in Q2 2011
  - Price increases
  - Lower volumes
  - Negative mix

## Laundry products

- Lower sales
- Operating income lower than in Q2 2011
  - Lower volumes
  - Price increases
  - Positive mix

# Q2 and FY 2012 y-o-y

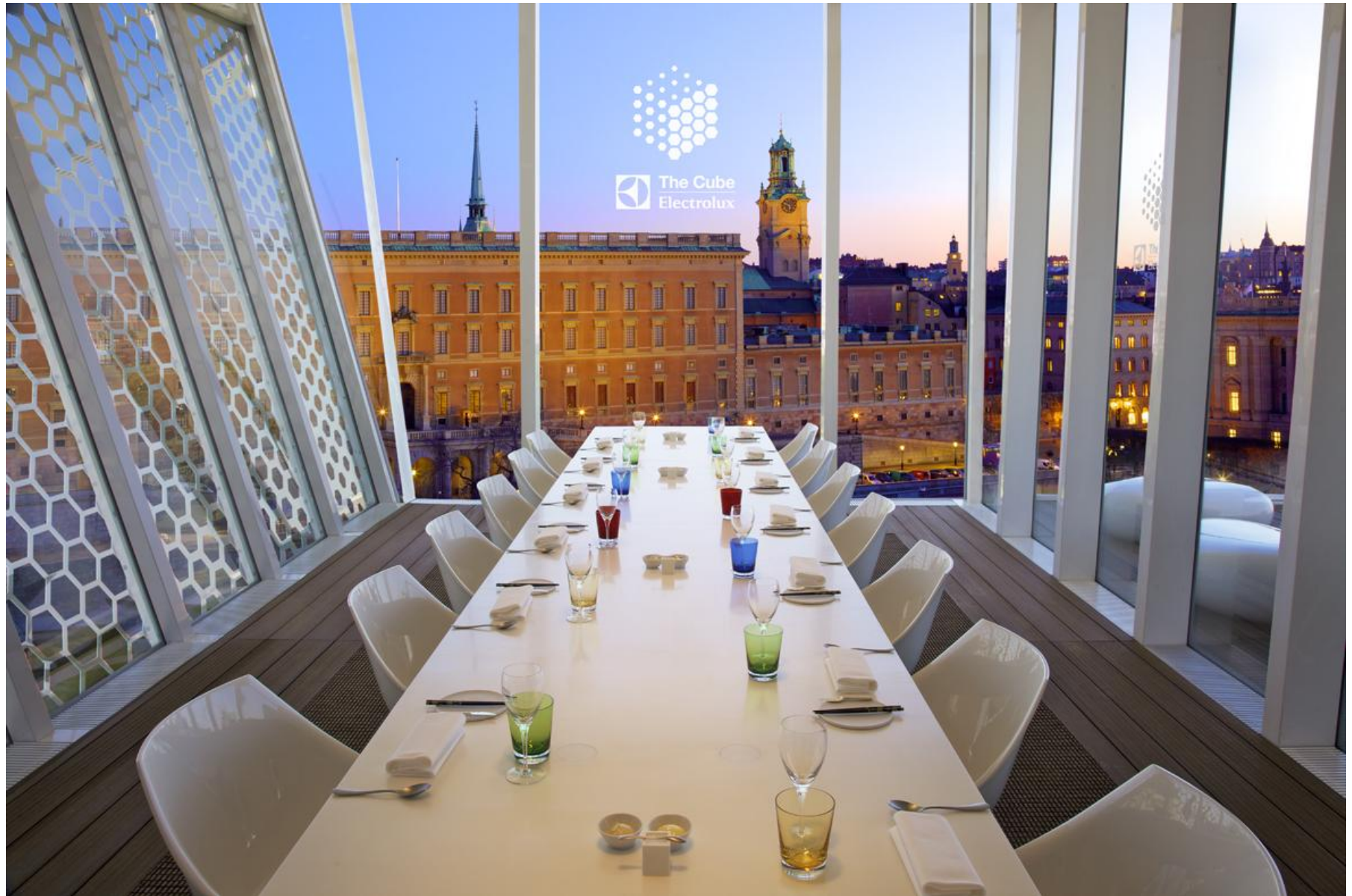
In accordance with forward-looking statements in the CEO letter, press release and previous official statements



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	Q3	2012FY	Comments
Market volumes	Slightly Positive	Slightly positive	Growth in emerging markets and North America. European market continued weak.
Price/Mix	Positive	Positive	Positive price in NA, LA and Prof. Prod.
Raw-material costs	Negative SEK 0-100m	≤ SEK 500m	Steel: Slightly positive in H2. Plastics: Slightly negative in H2.
R&D and marketing	Higher	Higher	Intensive launch period in 2012. Electrolux launch in Europe.
Acquired units	SEK 100m	~SEK 400m	Uncertain Egyptian market. compensated by a strong CTI.
Cost savings	~SEK 250m	~SEK 1bn	Incl. global operations, overhead. reduction and improved manufacturing.
Transportation and sourced products	Higher	Higher	Cost increases for sourced products.







# Factors affecting forward-looking statements



## Factors affecting forward-looking statements

This presentation 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.