

Press Release

For further information,
please contact:

Catarina Ihre,
VP, Investor Relations
+46 8 738 60 87

Electrolux Press Hotline
+46 8 657 65 07

Cost reduction program within Small Appliances and information on costs related to GE Appliances

Stockholm, Sweden, December 9, 2015

Electrolux initiates cost reduction program within Small Appliances and informs on costs related to GE Appliances

Electrolux today announced measures to structurally reduce costs within the business area Small Appliances. Operations continue to be negatively impacted by reduced volumes in several key markets, as well as unfavorable currency movements.

Measures to restore profitability are now being taken, including staff reductions and downsizing of activities, mainly in the U.S., Sweden and China. Consultations have been initiated with the Swedish Unions.

These actions are expected to reach full effect from end of 2016, with estimated annual cost savings of SEK 120m. Costs related to the program are expected to amount to SEK 190m.

Once the program is completed, Small Appliances will have financial flexibility to continue to invest in profitable product categories.

Costs related to GE Appliances

As announced on December 7, 2015, Electrolux planned acquisition of GE Appliances will not be completed as General Electric has terminated the agreement and requested pay-out of the termination fee of USD 175m, corresponding to approximately SEK 1,490m.

In accordance with the terms of the transaction agreement, Electrolux will today pay the termination fee of USD 175m to General Electric. Transaction and integration costs are expected to approximately SEK 175m for the fourth quarter 2015. In addition, the finance net for the fourth quarter will be impacted by costs arising from the bridge facility of approximately SEK 225m.

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 December 9, 2015.