Consolidated Results 2017

Stockholm, January 31, 2018

Highlights of the fourth quarter of 2017

- Net sales increased to SEK 32,366m (32,144).
- Organic sales growth was 4.0%, contribution from acquisitions and divestments was 1.4% while currency translation had a negative impact of 4.7%.
- Operating income increased to SEK 1,969m (1,616), corresponding to a margin of 6.1% (5.0).
- Four business areas achieved an operating margin of more than 8%.
- Operating cash flow after investments amounted to SEK 2.1bn (2.6).
- Income for the period increased to SEK 1,930m (1,272), and earnings per share was SEK 6.72 (4.43).
- The effective tax rate of -1.3% (-2.2) was positively impacted by revaluation of deferred tax assets.
- The Board proposes a dividend for 2017 of SEK 8.30 (7.50) per share, to be paid in two installments.

Financial overview

SEKm	**Q4 2017**	Q4 2016	Change, %	**2017**	2016	Change, %
Net sales	32,366	32,144	0.7	122,060	121,093	0.8
Organic growth, %	4.0	-3.0		-0.4	-1.1	
Acquisitions, %	1.9	0.2		1.4	0.1	
Divestments, %	-0.5	–		-0.4	–	
Changes in exchange rates, %	-4.7	3.9		0.2	-1.0	
Operating income	1,969	1,616	22	7,407	6,274	18
Margin, %	6.1	5.0		6.1	5.2	
Income after financial items	1,905	1,245	53	6,966	5,581	25
Income for the period	1,930	1,272	52	5,745	4,493	28
Earnings per share, SEK[1)]	6.72	4.43		19.99	15.64	
Operating cash flow after investments	2,078	2,614	-21	6,877	9,140	-25
Return on net assets, %	–	–		35.8	29.9	

1) Basic, based on an average of 287.4 (287.4) million shares for the fourth quarter and 287.4 (287.4) million shares for the full year of 2017, excluding shares held by Electrolux.

For definitions, see page 29.

About Electrolux

Electrolux shapes living for the better by reinventing taste, care and wellbeing experiences, making life more enjoyable and sustainable for millions of people. As a leading global appliance company, we place the consumer at the heart of everything we do. Through our brands, including Electrolux, AEG, Anova, Frigidaire, Westinghouse and Zanussi, we sell more than 60 million household and professional products in more than 150 markets every year. In 2017, Electrolux had sales of SEK 122 billion and employed 56,000 people around the world. For more information, go to www.electroluxgroup.com.

AB Electrolux (publ) 556009-4178

Electrolux

Market overview

Market overview for the fourth quarter

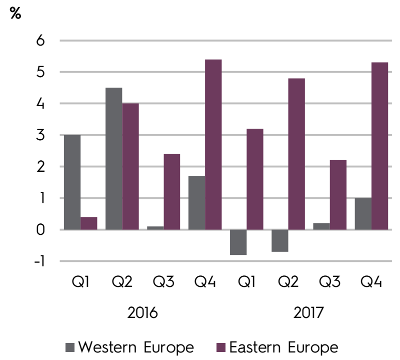
In the fourth quarter, market demand for core appliances in Europe increased year-over-year by 2%. Demand in Western Europe rose by 1% and Eastern Europe by 5%.

Market demand for core appliances in the US increased by 2%.

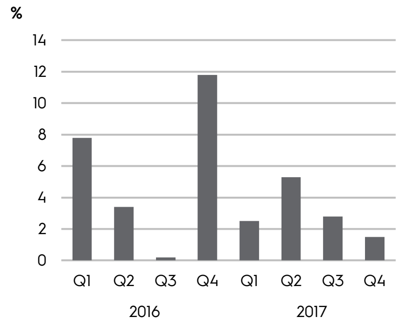
Market demand for appliances in Australia, Southeast Asia and China is estimated to have increased.

Demand for core appliances in Brazil continued to recover and grew significantly. The market for appliances in Argentina and Chile also increased.

INDUSTRY SHIPMENTS OF CORE APPLIANCES IN EUROPE*



INDUSTRY SHIPMENTS OF CORE APPLIANCES IN THE US*



*Units, year-over-year, %.

Sources: Europe: Electrolux estimates, North America: AHAM. For other markets, there are no comprehensive market statistics.

The fourth quarter in summary

- Organic growth and improved results for Major Appliances EMEA with a margin of more than 8%.
- In Major Appliances North America, growth under own brands was offset by lower private label volumes while continued price pressure and raw material costs were partially offset by cost efficiencies.
- Major Appliances Latin America reported strong organic sales growth of 30% and earnings recovery.
- Major Appliances Asia/Pacific reported an organic sales growth of 10% and a margin of more than 8%.
- Home Care & SDA improved operating income significantly.
- Solid earnings performance for Professional Products.
- Acquisition of the Continental brand in Latin America.

SEKm	**Q4 2017**	Q4 2016	Change, %	**2017**	2016	Change, %
Net sales	**32,366**	**32,144**	**0.7**	**122,060**	**121,093**	**0.8**
Change in net sales, %, whereof						
Organic growth	4.0	-3.0		-0.4	-1.1	
Acquisitions	1.9	0.2		1.4	0.1	
Divestments	-0.5	—		-0.4	—	
Changes in exchange rates	-4.7	3.9		0.2	-1.0	
Operating income						
Major Appliances Europe, Middle East and Africa	882	746	18	2,764	2,546	9
Major Appliances North America	447	610	-27	2,757	2,671	3
Major Appliances Latin America	218	-187	n.m.	425	-68	n.m.
Major Appliances Asia/Pacific	215	173	24	750	626	20
Home Care & SDA	205	154	33	431	238	81
Professional Products	276	293	-6	1,054	954	11
Other, Common Group costs, etc.	-273	-173	-58	-775	-693	-12
Operating income	**1,969**	**1,616**	**22**	**7,407**	**6,274**	**18**
Margin, %	6.1	5.0		6.1	5.2	

Net sales for the Electrolux Group increased by 0.7% in the quarter. Organic growth was 4.0%, the net contribution of acquisitions and divestments was 1.4% while currency translation had a negative impact of 4.7%.

Major Appliances EMEA reported organic sales growth, which was mainly a result of mix improvements and increased volumes. The favorable market trend in major markets such as Brazil and Argentina contributed to a strong sales growth in Major Appliances Latin America. Major Appliances Asia/Pacific reported healthy sales development across regions. Professional Products continued to grow organically in both the food and laundry segments.

Sales for Major Appliances North America were affected by lower sales volumes of products under private labels and continued price pressure. Sales for Home Care & SDA also declined mainly due to exiting unprofitable segments.

Operating income increased to SEK 1,969m (1,616), corresponding to a margin of 6.1% (5.0).

Operating income and margins improved across most business areas. Product mix improvements, increased volumes and higher cost efficiency contributed to the favorable earnings trend during the quarter.

Earnings for Major Appliances EMEA increased as a result of an improved mix and increased cost efficiency. Operating income for Major Appliances Latin America continued to recover and improved significantly, while Major Appliances Asia/Pacific reported a continued favorable earnings trend across regions. Results for Home Care & SDA improved significantly and the performance of Professional Products remained solid.

Operating income for Major Appliances North America declined, mainly due to lower volumes under private labels, continued price pressure and increased costs for raw materials.

Effects of changes in exchange rates

Changes in exchange rates had a positive year-over-year impact of SEK 198m on operating income in the quarter. Transaction effects had a positive year-over-year impact of SEK 226m, mainly related to the depreciation of the Egyptian pound in 2016. Translation effects in the quarter amounted to SEK -28m.

Financial net

Net financial items for the fourth quarter amounted to SEK -64m (-371). The improvement is mainly related to currencies. The financial net for the fourth quarter 2016 was impacted by approximately SEK -170m related to the revaluation of financial liabilities in Egypt due to the depreciation of the EGP.

Income for the period

Income for the period amounted to SEK 1,930m (1,272), corresponding to SEK 6.72 (4.43) in earnings per share.

Taxes

The effective tax rate in the quarter of -1.3% (-2.2) was positively impacted by a total one-time effect of SEK 479m. This referred mainly to positive revaluation of deferred tax assets as well as negative effects related to the new US corporate tax legislation of SEK -128m.

Events during the fourth quarter of 2017

October 9. Ronnie Leten to resign as member and Chairman of the Electrolux Board

Ronnie Leten has informed Electrolux Nomination Committee that he will resign as member and Chairman of the Electrolux Board as from the Annual General Meeting on April 5, 2018.

October 23. Electrolux acquires Continental brand in Latin America

Electrolux has announced that the Brazilian court administering the bankruptcy of Mabe Brazil has accepted a BRL 70 million (SEK 178 million) bid to acquire the intellectual property assets of the estate. Electrolux has consequently taken over the rights to the Continental brand of home appliances.

October 24. Electrolux on climate change A-List

Electrolux has been named one of the top 5 % corporate global leaders acting against climate change. The company has been awarded a position on the 2017 Climate A-List by CDP, the international non-profit. It is the second year in a row Electrolux gets this top recognition.

November 2. Electrolux to Contest Tariff Rate Set in Anti-dumping Review by U.S. Department of Commerce

Electrolux has been informed by the U.S. Department of Commerce (DOC) that it has set a preliminary and significantly increased tariff rate of 72.41% on washing machines manufactured in Mexico by Electrolux and imported into the U.S. between February 2016 and January 2017. Electrolux intends to contest this decision vigorously. If the preliminary tariff rate is determined as final, it could have a one-time cost to Electrolux of up to USD 70 million in 2018.

For more information, visit www.electroluxgroup.com

Full year of 2017

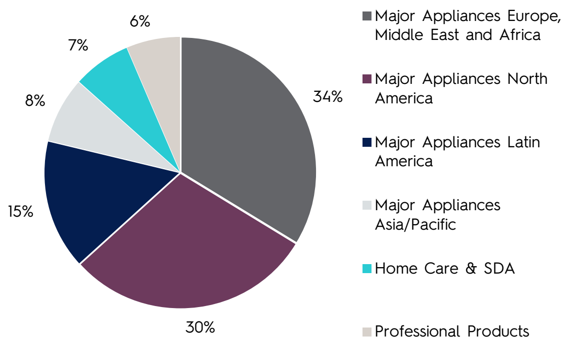
Net sales for Electrolux in the full year of 2017 amounted to SEK 122,060m (121,093). Organic sales declined by 0.4%, the net contribution from acquisitions and divestment was 1.0% and currency translation had a positive impact of 0.2%.

Operating income increased to SEK 7,407m (6,274), corresponding to a margin of 6.1% (5.2).

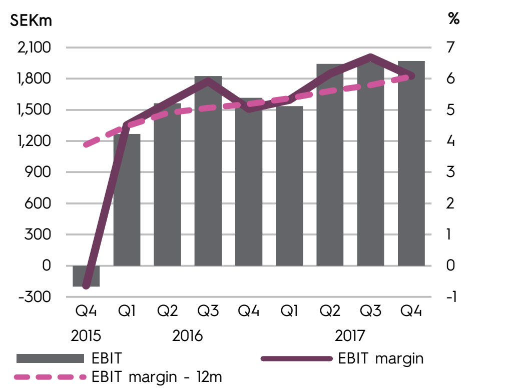
Income for the period amounted to SEK 5,745m (4,493), corresponding to SEK19.99 (15.64) in earnings per share.

Total taxes for 2017 amounted to SEK -1,221m (-1,088), corresponding to a tax rate of 17.5% (19.5).

SHARE OF SALES BY BUSINESS AREA IN THE FOURTH QUARTER OF 2017



OPERATING INCOME AND MARGIN



The EBIT margin - 12m is excluding costs related to GE Appliances, see page 27.

Business areas

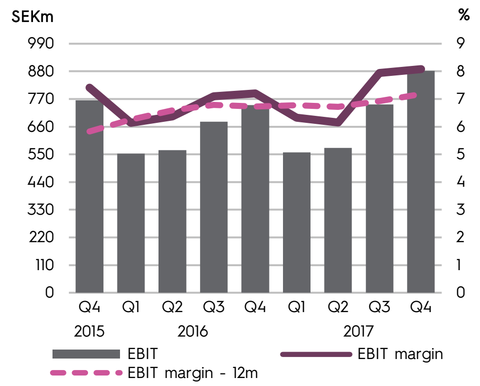
Major Appliances Europe, Middle East and Africa

In the fourth quarter, overall market demand in Europe increased by 2% year-over-year. Demand in Western Europe rose by1% and Eastern Europe rose by 5%. Demand increased across most markets while demand in the UK continued to decline.

Electrolux operations in EMEA reported an organic sales growth of 3.8% for the quarter. This was mainly a result of mix improvements and increased volumes. The business area gained market shares under premium brands across most regions particularly in built-in kitchen products. Acquisitions had a positive impact of 2.8% on sales and referred to Kwikot and Best.

The positive earnings trend continued and operating income and margin improved. Mix improvements and increased cost efficiency offset the negative impact of raw-material cost increases and price pressure. During the quarter, there was also a positive year-over-year impact related to currencies and the Egyptian pound, which depreciated in the fourth quarter of 2016.

OPERATING INCOME AND MARGIN



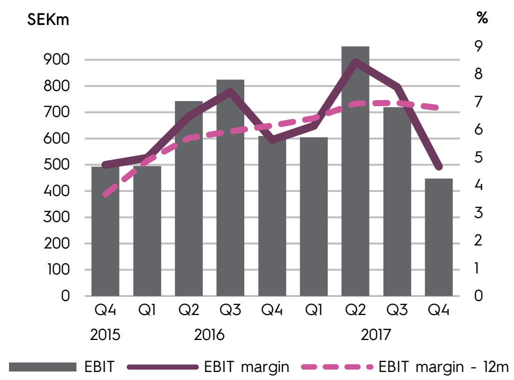
Industry shipments of core appliances in Europe, units, year-over-year,%	Q4 2017	Q4 2016	Full year 2017	Full year 2016
Western Europe	1	2	0	3
Eastern Europe (excluding Turkey)	5	5	4	4
Total Europe	2	3	1	3
SEKm				
Net sales	10,914	10,367	38,524	37,844
Organic growth,%	3.8	0.3	0.6	3.5
Acquisitions,%	2.8	—	2.1	—
Operating income	882	746	2,764	2.546
Operating margin,%	8.1	7.2	7.2	6.7

Major Appliances North America

In the fourth quarter, market demand for core appliances in the US grew by 2% year-over-year. Market demand for major appliances, including microwave ovens and home-comfort products, improved by 4%. Electrolux operations in North America reported an organic sales decline of 4.2% for the quarter. Sales of products under own brands increased, while lower sales volumes under private labels and price pressure in the market had a negative impact on sales.

Operating income and margin declined. Price pressure mainly related to promotional activities in the market, lower volumes, higher costs for raw materials and costs related to new product launches had a negative impact on results in the quarter, while increased cost efficiency and mix improvements contributed to earnings.

OPERATING INCOME AND MARGIN



Industry shipments of appliances in the US, units, year-over-year, %	Q4 2017	Q4 2016	Full year 2017	Full year 2016
Core appliances	2	12	3	6
Microwave ovens and home-comfort products	12	9	14	-1
Total Major Appliances US	4	10	6	3
SEKm				
Net sales	9,563	10,826	40,656	43,402
Organic growth, %[1]	-4.2	-2.0	-6.1	-0.9
Operating income	447	610	2,757	2,671
Operating margin, %	4.7	5.6	6.8	6.2

[1] The organic growth in the fourth quarter and the full year of 2016 was negatively impacted by 0.2%, and 0.2%, respectively, related to the transfer of operations under the Kelvinator brand in North America to the business area Professional Products.

Major Appliances Latin America

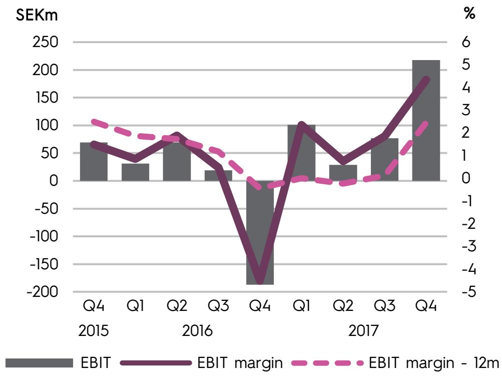
In the fourth quarter, market demand for core appliances in Brazil continued to improve. Demand in Argentina and Chile also increased in the quarter.

Electrolux operations in Latin America reported strong organic sales growth of 29.9%. The favorable market trend in major markets such as Brazil and Argentina contributed to the positive sales development. Sales volumes increased across categories in the major markets of the region.

Operating income and margin continued to recover and improved significantly year-over-year. This is a result of higher volumes, improved cost absorption and higher efficiency in manufacturing which offset the negative impact from higher costs for raw materials.

In October, Electrolux acquired the Continental brand in Latin America. The acquisition will enable Electrolux to further expand market coverage in the region.

OPERATING INCOME AND MARGIN



SEKm	**Q4 2017**	Q4 2016	**Full year 2017**	Full year 2016
Net sales	5,012	4,149	17,302	15,419
Organic growth, %	29.9	-17.7	7.9	-10.8
Operating income	218	-187	425	-68
Operating margin, %	4.3	-4.5	2.5	-0.4

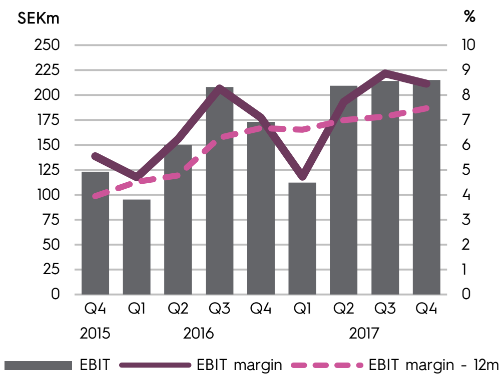
Major Appliances Asia/Pacific

In the fourth quarter, overall market demand for appliances in Australia, China and Southeast Asia is estimated to have increased. The market growth was particularly favorable in Southeast Asia and Australia.

Organic sales for Electrolux increased by 9.9% in the quarter. This was mainly a result of higher sales volumes and mix improvements. Sales volumes grew across most product categories in Australia, New Zealand and Southeast Asia.

Operating income and margin improved. Operations in Australia and New Zealand continued its solid earnings trend and profitability improved significantly in Southeast Asia. Earnings in China also saw an improvement.

OPERATING INCOME AND MARGIN



SEKm	**Q4 2017**	Q4 2016	**Full year 2017**	Full year 2016
Net sales	2,547	2,436	10,048	9,380
Organic growth, %	9.9	1.7	5.6	1.3
Acquisitions, %	–	1.5	0.7	0.5
Operating income	215	173	750	626
Operating margin, %	8.5	7.1	7.5	6.7

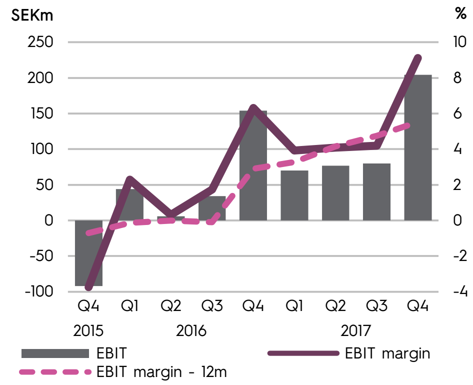
Home Care & Small Domestic Appliances

In the fourth quarter, the overall market for vacuum cleaners increased, driven mainly by cordless handsticks which grew significantly across most regions.

Organic sales for Electrolux declined by 8.1% in the quarter. The product mix improved as a result of active product portfolio management while sales volumes declined. Exiting unprofitable product categories and lower sales of cordless vacuum-cleaners had a negative impact on sales in the quarter. The acquired smart kitchen appliance company Anova had a positive impact of 8.0% on sales while the divestment of the Eureka brand in the US in December 2016 had a negative impact of 6.4% on sales.

Operating income and margin improved significantly. A positive mix trend and cost efficiencies contributed to earnings.

OPERATING INCOME AND MARGIN



SEKm	Q4 2017	Q4 2016	Full year 2017	Full year 2016
Net sales	2,245	2,438	7,808	8,183
Organic growth, %	-8.1	-4.3	-4.2	-8.2
Acquisitions, %	8.0	–	4.7	–
Divestments, %	-6.4	–	-6.6	–
Operating income	205	154	431	238
Operating margin, %	9.1	6.3	5.5	2.9

Professional Products

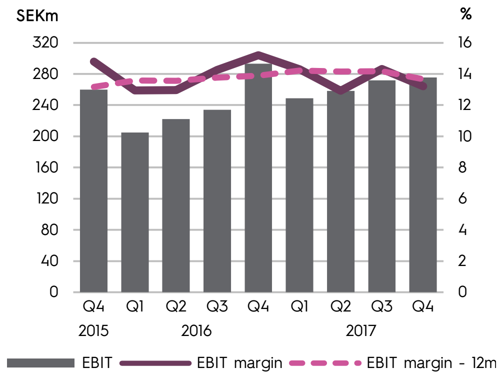
Overall market demand for professional food-service and professional laundry equipment improved across most regions in the fourth quarter. Demand increased in Europe and Asia Pacific while the market in the US was stable.

Organic growth for Electrolux was 2.8%. Acquisitions had a positive impact of 6.3% on sales and referred to Grindmaster-Cecilware. Sales increased across most regions.

Operating income and margin remained solid, but declined somewhat in the fourth quarter. Increased sales contributed to earnings while currency headwinds had a negative impact. The acquired business for beverage products also had a dilutive impact on operating margin.

Investments in product development to strengthen positions in existing and new segments and markets are ongoing.

OPERATING INCOME AND MARGIN



SEKm	Q4 2017	Q4 2016	Full year 2017	Full year 2016
Net sales	2,085	1,928	7,723	6,865
Organic growth, %[1]	2.8	7.2	5.6	4.4
Acquisitions, %	6.3	0.1	6.6	0.6
Operating income	276	293	1,054	954
Operating margin, %	13.2	15.2	13.7	13.9

1) The organic growth in the fourth quarter and full year of 2016 was positively impacted by 1.1%, and 1.3%, respectively, related to the transfer of operations under the Kelvinator brand in North America from the business area Major Appliances North America.

Cash flow

Operating cash flow after investments in the quarter amounted to SEK 2,078m (2,614). The operating cash flow improved while higher investments had a negative impact. The healthy earnings development and favorable cash flow from working capital contributed to the improvement in the operating cash flow for the quarter.

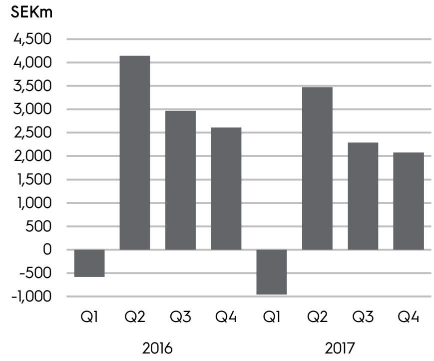
The second of two installments for the 2016 dividend payment of SEK 7.50 per share was distributed to shareholders during the fourth quarter in the amount of SEK -1,077m.

Operating cash flow after investments for the full year of 2017 amounted to SEK 6,877m (9,140). The operating cash flow was in line with the previous year ,while higher investments had a negative impact.

Acquisitions of operations had a negative impact of SEK 3,405m on the total cash flow for the full year of 2017.

For more information on acquisitions of operations, see page 25.

OPERATING CASH FLOW AFTER INVESTMENTS



SEKm	**Q4 2017**	Q4 2016	**Full year 2017**	Full year 2016
Operating income adjusted for non-cash items[1)]	3,021	2,652	11,405	10,545
Change in operating assets and liabilities	1,156	996	267	1,328
Operating cash flow	**4,177**	**3,648**	**11,672**	**11,873**
Investments in tangible and intangible assets	-2,158	-1,277	-4,857	-3,390
Changes in other investments	59	243	62	657
Operating cash flow after investments	**2,078**	**2,614**	**6,877**	**9,140**
Acquisitions and divestments of operations	-11	313	-3,405	176
Operating cash flow after structural changes	**2,067**	**2,927**	**3,472**	**9,316**
Financial items paid, net[2)]	-57	-284	-227	-514
Taxes paid	-445	-339	-1,421	-1,194
Cash flow from operations and investments	**1,565**	**2,304**	**1,824**	**7,608**
Dividend	-1,077	—	-2,155	-1,868
Share-based payments	5	—	-483	-57
Total cash flow, excluding changes in loans and short-term investments	**493**	**2,304**	**-814**	**5,683**

[1)] Operating income adjusted for depreciation, amortization and other non-cash items.
[2)] For the period January 1 to December 31, 2017: interests and similar items received SEK 199m (123), interests and similar items paid SEK -357m (-345) and other financial items paid SEK -69m (-292).

Financial position

Net debt
As of December 31, 2017, Electrolux had a net financial cash position of SEK 2,437m compared to the net financial cash position of SEK 3,809m as of December 31, 2016. Net provisions for post-employment benefits decreased to SEK 2,634m. In total, net debt amounted to SEK 197m, a decrease by SEK 163m compared to SEK 360m as of December 31, 2016.

Long-term borrowings as of December 31, 2017, including long-term borrowings with maturities within 12 months, amounted to SEK 8,088m with average maturity of 2.4 years, compared to SEK 8,451m and 2.7 years at the end of 2016.

In the fourth quarter long-term borrowings in the amount of approximately SEK 500m were amortized. During 2018, long-term borrowings amounting to approximately SEK 1,500m will mature.

Liquid funds as of December 31, 2017, amounted to SEK 11,974m, a decrease of SEK 2,037m compared to SEK 14,011m as of December 31, 2016.

In December 2017, Electrolux investment-grade rating from Standard & Poor's, A- with a stable outlook, was affirmed.

Net assets and working capital
Average net assets for 2017 amounted to SEK 20,713m (20,957), corresponding to 17.0% (17.3) of annualized net sales. Net assets as of December 31, 2017, amounted to SEK 20,793m (18,098).

Working capital as of December 31, 2017, amounted to SEK –15,721m (–14,966), corresponding to –12.2% (–11.7) of annualized net sales. Working capital related to inventories, trade receivables and accounts payable amounted to SEK 4,305m (4,543), corresponding to 3.3% (3.5) of net sales, see page 18.

Return on net assets was 35.8% (29.9), and return on equity was 31.7% (29.4).

Net debt

SEKm	Dec. 31, 2017	Dec. 31, 2016
Short-term loans	990	1,074
Short-term part of long-term loans	1,501	499
Trade receivables with recourse	204	234
Short-term borrowings	**2,695**	**1,807**
Financial derivative liabilities	228	419
Accrued interest expenses and prepaid interest income	27	24
Total short-term borrowings	**2,950**	**2,250**
Long-term borrowings	6,587	7,952
Total borrowings[1]	**9,537**	**10,202**
Cash and cash equivalents	11,289	12,756
Short-term investments	358	905
Financial derivative assets	85	100
Prepaid interest expenses and accrued interest income	242	250
Liquid funds[2]	**11,974**	**14,011**
Financial net debt	**-2,437**	**-3,809**
Net provisions for post-employment benefits	2,634	4,169
Net debt	**197**	**360**
Net debt/equity ratio	0.01	0.02
Equity	20,596	17,738
Equity per share, SEK	71.66	61.72
Return on equity, %	31.7%	29.4
Equity/assets ratio, %	26.5	24.7

[1] Whereof interest-bearing liabilities amounting to SEK 9,078m as of December 31, 2017 and SEK 9,525m as of December 31, 2016.

[2] Electrolux has one unused committed back-up multicurrency revolving credit facility of EUR 1,000m, approximately SEK 9,800, maturing 2022 with an extension option of one year.

Annual General Meeting 2018

Electrolux Annual General Meeting will be held on April 5, 2018 at Stockholm Waterfront Congress Centre, Nils Ericsons Plan 4, Stockholm, Sweden.

Proposed dividend
The Board of Directors proposes a dividend for 2017 of SEK 8.30 (7.50) per share, for a total dividend payment of approximately SEK 2,385m (2,155). The proposed dividend corresponds to approximately 42% (48) of income for the period.

The dividend is proposed to be paid in two equal installments, the first with the record date April 9, 2018 and the second with the record date October 9, 2018. The first installment is estimated to be paid on April 12, 2018 and the second installment on October 12, 2018.

Proposal for resolution on acquisition of own shares
Electrolux has, for several years, had a mandate from the Annual General Meetings to acquire own shares.

The Board of Directors proposes the Annual General Meeting 2018 to authorize the Board of Directors, for the period until the next Annual General Meeting, to resolve on acquisitions of shares in the company and that the company may acquire as a maximum so many B shares that, following each acquisition, the company holds at a maximum 10% of all shares issued by the company.

The purpose of the proposal is to be able to use repurchased shares on account of potential company acquisitions and the company's share related incentive programs, and to be able to adapt the company's capital structure.

As of December 31, 2017, Electrolux held 21,522,858 B shares in Electrolux, corresponding to approximately 7.0% of the total number of shares in the company.

Nomination Committee
The Electrolux Nomination Committee comprises Johan Forssell (Chairman), Investor AB, Kaj Thorén, Alecta, Marianne Nilsson, Swedbank Robur funds, and Carine Smith Ihenacho, Norges Bank Investment Management. The committee also includes Ronnie Leten and Fredrik Persson, Chairman and Member, respectively, of the Electrolux Board.

The Nomination Committee will prepare proposals for the Annual General Meeting regarding Chairman of the Annual General Meeting, Board members, Chairman of the Board, remuneration for Board members, Auditor, Auditor's fees and, to the extent deemed necessary, proposal regarding amendments of the current instruction for the Nomination Committee.

Shareholders who wish to submit proposals to the Nomination Committee should send an email to nominationcommittee@electrolux.com.

In January 2018, Staffan Bohman was proposed new Chairman
In preparation for the Electrolux Annual General Meeting, the Electrolux Nomination Committee proposes the election of Staffan Bohman as new Chairman of the Board of Directors of AB Electrolux. The committee also proposes re-election of Petra Hedengran, Hasse Johansson, Ulla Litzén, Bert Nordberg, Fredrik Persson, David Porter, Jonas Samuelson, Ulrika Saxon and Kai Wärn as Board Members. Ronnie Leten has, as previously communicated, declined re-election.

For more information, visit www.electroluxgroup.com.

Other items

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. The cases involve plaintiffs who have made substantially identical allegations against other defendants who are not part of the Electrolux Group.

As of December 31, 2017, the Group had a total of 3,372 (3,233) cases pending, representing approximately 3,435 (approximately 3,296) plaintiffs. During the fourth quarter of 2017, 361 new cases with 361 plaintiffs were filed and 400 pending cases with approximately 400 plaintiffs were resolved.

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

Risks and uncertainty factors

As an international group with a wide geographic spread, Electrolux is exposed to a number of business and financial risks. The business risks can be divided into strategic, operational and legal risks. The financial risks are related to such factors as exchange rates, interest rates, liquidity, the giving of credit and financial instruments.

Risk management in Electrolux aims to identify, control and reduce risks. Risks, risk management and risk exposure are described in more detail in the 2016 Annual Report, www.electrolux.com/annualreport2016

Events after year end 2017

Events after the fourth quarter of 2017

January 22. Electrolux to acquire German company in professional laundry

Electrolux has agreed to acquire Schneidereit GmbH, a supplier of laundry rental solutions for professional customers in Germany and Austria. The acquisition enables Electrolux to develop its offering within the professional laundry business and supports the long-term profitable growth in Europe.
Net sales in 2016 amounted to around EUR 18 million (around SEK 175 million) and the company has approximately 110 employees throughout Germany. The acquisition is expected to be completed during the first quarter of 2018 and is subject to regulatory approvals.

January 30. Electrolux investing $500 million in U.S. product innovation and manufacturing, also consolidating production

Electrolux is planning total investments of approximately USD 500 million in its U.S. manufacturing operations, stepping up a strategic initiative to drive profitable growth in North America with new lines of innovative Frigidaire kitchen products. The company will also consolidate freezer production into its Anderson, South Carolina refrigeration facility.
This entails modernizing and expanding the manufacturing operation in Springfield, Tennessee for approximately USD 250 million, including a new line of freestanding cooking products. This adds to a previously decided investment of approximately USD 250 million in a new range of products and manufacturing processes at the Anderson facility. The two investments, in combination with others, will provide a new range of innovative kitchen products tailored for the Frigidaire consumer, delivering consistent, great tasting results. As a result of the consolidation into Anderson, the company will cease production at its St. Cloud, Minnesota facility. Production is expected to continue through 2019. The company will take a restructuring charge of approximately USD 75 million (approximately SEK 600 million) in the first quarter of 2018.

For more information, visit www.electroluxgroup.com

Press releases 2017 and 2018

February 1	Electrolux Consolidated Results 2016 and CEO Jonas Samuelson's comments
February 1	Electrolux appoints Ricardo Cons as Head of Major Appliances Latin America
February 6	Electrolux to acquire fast-growing smart kitchen appliance company Anova
February 10	Kai Wärn proposed new Board Member of AB Electrolux
February 14	Notice convening the AGM of AB Electrolux
February 28	Electrolux Annual Report 2016 is published
March 2	Electrolux strengthens professional offering of beverage products by acquiring Grindmaster-Cecilware
March 20	Electrolux presents progress For the Better in 2016 Sustainability Report
March 21	Don't Overwash – new project drives sustainable care habits
March 24	Bulletin from AB Electrolux AGM 2017
April 3	Management change in AB Electrolux, MaryKay Kopf, Chief Marketing Officer, has decided to leave her position
April 28	Electrolux Interim Report January-March 2017 and CEO Jonas Samuelson's comments
April 28	Invitation to Electrolux Capital Markets Day on November 16, 2017
July 7	Electrolux to acquire European kitchen hoods company Best
July 19	Electrolux Interim Report January-July 2017 and CEO Jonas Samuelson's comments
August 18	Electrolux partners with sustainability festival The Stockholm Act
August 31	Electrolux launches game-changing robotic vacuum cleaner
September 1	Electrolux appoints new Head of Investor Relations
September 8	Electrolux retains industry leadership in Dow Jones Sustainability Indices
September 27	Nomination Committee appointed for Electrolux Annual General Meeting 2018
September 27	Dates for financial reports from Electrolux in 2018
October 9	Ronnie Leten to resign as member and Chairman of the Electrolux Board
October 23	Electrolux acquires Continental brand in Latin America
October 24	Electrolux on climate change A-List
October 27	Electrolux Interim Report January-September 2017 and CEO Jonas Samuelson's comments
November 2	Electrolux to Contest Tariff Rate Set in Antidumping Review by U.S. Department of Commerce
November 16	Electrolux Capital Markets Day 2017
2018:	
January 12	Staffan Bohman proposed new Chairman of AB Electrolux
January 22	Electrolux to acquire German company in professional laundry
January 30	Electrolux investing $500 million in U.S. product innovation and manufacturing, also consolidating production

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 full year of 2017 amounted to SEK 35,168m (33,954) of which SEK 28,695m (27,545) referred to sales to Group companies and SEK 6,473m (6,409) to external customers. Income after financial items was SEK 6,555m (2,113), including dividends from subsidiaries in the amount of SEK 6,496m (3,511). Income for the period amounted to SEK 6,536m (4,384).

Capital expenditure in tangible and intangible assets was SEK 672m (427). Liquid funds at the end of the period amounted to SEK 6,066m, as against SEK 9,167m at the start of the year.

Undistributed earnings in the Parent Company at the end of the period amounted to SEK 19,364m, as against SEK 15,582m at the start of the year. Dividend payment to shareholders for 2016 amounted to SEK 2,155m.

The income statement and balance sheet for the Parent Company are presented on page 20.

Stockholm, January 31, 2018

AB Electrolux (publ)
556009-4178
Board of Directors

Consolidated income statement

SEKm	**Q4 2017**	Q4 2016	**Full year 2017**	Full year 2016
Net sales	**32,366**	**32,144**	**122,060**	**121,093**
Cost of goods sold	-25,711	-25,588	-96,511	-95,820
Gross operating income	**6,655**	**6,556**	**25,549**	**25,273**
Selling expenses	-3,406	-3,586	-12,897	-13,208
Administrative expenses	-1,446	-1,592	-5,550	-5,812
Other operating income/expenses	166	238	305	21
Operating income	**1,969**	**1,616**	**7,407**	**6,274**
Margin, %	6.1	5.0	6.1	5.2
Financial items, net	-64	-371	-441	-693
Income after financial items	**1,905**	**1,245**	**6,966**	**5,581**
Margin, %	5.9	3.9	5.7	4.6
Taxes	25	27	-1,221	-1,088
Income for the period	**1,930**	**1,272**	**5,745**	**4,493**
Items that will not be reclassified to income for the period:				
Remeasurement of provisions for post-employment benefits	248	1,600	1,229	-236
Income tax relating to items that will not be reclassified	-170	-452	-440	44
	78	**1,148**	**789**	**-192**
Items that may be reclassified subsequently to income for the period:				
Available-for-sale instruments	1	61	1	43
Cash flow hedges	10	-54	95	-82
Exchange-rate differences on translation of foreign operations	198	-470	-1,233	328
Income tax relating to items that may be reclassified	-13	3	-17	-20
	196	**-460**	**-1,154**	**269**
Other comprehensive income, net of tax	**274**	**688**	**-365**	**77**
Total comprehensive income for the period	**2,204**	**1,960**	**5,380**	**4,570**
Income for the period attributable to:				
Equity holders of the Parent Company	1,930	1,273	5,745	4,494
Non-controlling interests	0	-1	0	-1
Total	**1,930**	**1,272**	**5,745**	**4,493**
Total comprehensive income for the period attributable to:				
Equity holders of the Parent Company	2,203	1,960	5,381	4,570
Non-controlling interests	1	0	-1	0
Total	**2,204**	**1,960**	**5,380**	**4,570**
Earnings per share				
Basic, SEK	6.72	4.43	19.99	15.64
Diluted, SEK	6.67	4.40	19.88	15.55
Average number of shares[1)]				
Basic, million	287.4	287.4	287.4	287.4
Diluted, million	289.3	289.2	289.0	289.0

[1)] Average number of shares excluding shares held by Electrolux.

Consolidated balance sheet

SEKm	Dec. 31, 2017	Dec. 31, 2016
Assets		
Property, plant and equipment	19,192	18,725
Goodwill	7,628	4,742
Other intangible assets	3,741	3,112
Investments in associates	337	210
Deferred tax assets	5,675	6,168
Financial assets	212	287
Pension plan assets	455	345
Other non-current assets	459	400
Total non-current assets	**37,699**	**33,989**
Inventories	14,632	13,418
Trade receivables	20,945	19,408
Tax assets	830	701
Derivatives	87	103
Other current assets	3,839	4,568
Short-term investments	358	905
Cash and cash equivalents	11,289	12,756
Total current assets	**51,980**	**51,859**
Total assets	**89,679**	**85,848**
Equity and liabilities		
Equity attributable to equity holders of the Parent Company		
Share capital	1,545	1,545
Other paid-in capital	2,905	2,905
Other reserves	-2,624	-1,471
Retained earnings	18,756	14,729
Equity attributable to equity holders of the Parent Company	**20,582**	**17,708**
Non-controlling interests	14	30
Total equity	**20,596**	**17,738**
Long-term borrowings	6,587	7,952
Deferred tax liabilities	730	580
Provisions for post-employment benefits	3,089	4,514
Other provisions	5,753	5,792
Total non-current liabilities	**16,159**	**18,838**
Accounts payable	31,272	28,283
Tax liabilities	924	771
Other liabilities	15,712	15,727
Short-term borrowings	2,695	1,807
Derivatives	251	432
Other provisions	2,070	2,252
Total current liabilities	**52,924**	**49,272**
Total equity and liabilities	**89,679**	**85,848**

Change in consolidated equity

SEKm	Full year, 2017	Full year, 2016
Opening balance	17,738	15,005
Total comprehensive income for the period	**5,380**	**4,570**
Share-based payments	-356	31
Dividend to equity holders of the Parent Company	-2,155	-1,868
Dividend to non-controlling interests	0	0
Acquisition of non-controlling interests	-11	–
Total transactions with equity holders	**-2,522**	**-1,837**
Closing balance	**20,596**	**17,738**

Consolidated cash flow statement

SEKm	Q4 2017	Q4 2016	Full year 2017	Full year 2016
Operations				
Operating income	1,969	1,616	7,407	6,274
Depreciation and amortization	1,013	1,045	3,977	3,934
Other non-cash items	39	-9	21	337
Financial items paid, net[1]	-57	-284	-227	-514
Taxes paid	-445	-339	-1,421	-1,194
Cash flow from operations, excluding change in operating assets and liabilities	**2,519**	**2,029**	**9,757**	**8,837**
Change in operating assets and liabilities				
Change in inventories	1,704	1,824	-1,377	1,493
Change in trade receivables	-1,195	-703	-1,992	-467
Change in accounts payable	350	249	3,418	72
Change in other operating assets, liabilities and provisions	297	-374	218	230
Cash flow from change in operating assets and liabilities	**1,156**	**996**	**267**	**1,328**
Cash flow from operations	**3,675**	**3,025**	**10,024**	**10,165**
Investments				
Acquisitions of operations	-11	-23	-3,405	-160
Divestment of operations	—	336	—	336
Capital expenditure in property, plant and equipment	-1,691	-1,071	-3,892	-2,830
Capital expenditure in product development	-148	-87	-418	-274
Capital expenditure in software	-141	-119	-369	-286
Other[2]	-119	243	-116	657
Cash flow from investments	**-2,110**	**-721**	**-8,200**	**-2,557**
Cash flow from operations and investments	**1,565**	**2,304**	**1,824**	**7,608**
Financing				
Change in short-term investments	-206	-904	539	-799
Change in short-term borrowings	385	346	-386	-31
New long-term borrowings	—	—	1,002	—
Amortization of long-term borrowings	-503	-5	-1,695	-2,669
Dividend	-1,077	—	-2,155	-1,868
Share-based payments	5	—	-483	-57
Cash flow from financing	**-1,396**	**-563**	**-3,178**	**-5,424**
Total cash flow	**169**	**1,741**	**-1,354**	**2,184**
Cash and cash equivalents at beginning of period	**11,084**	**11,236**	**12,756**	**10,696**
Exchange-rate differences referring to cash and cash equivalents	36	-221	-113	-124
Cash and cash equivalents at end of period	**11,289**	**12,756**	**11,289**	**12,756**

[1] For the period January 1 to December 31, 2017: interests and similar items received SEK 199m (123), interests and similar items paid SEK -357m (–345) and other financial items paid SEK -69m (–292).

[2] Including the investment in the Continental brand in Latin America of SEK 178m.

Key ratios

SEKm unless otherwise stated	**Q4 2017**	Q4 2016	**Full year 2017**	Full year 2016
Net sales	32,366	32,144	122,060	121,093
Organic growth, %	4.0	-3.0	-0.4	-1.1
Operating income	1,969	1,616	7,407	6,274
Margin, %	6.1	5.0	6.1	5.2
Income after financial items	1,905	1,245	6,966	5,581
Income for the period	1,930	1,272	5,745	4,493
Capital expenditure, property, plant and equipment	-1,691	-1,071	-3,892	-2,830
Operating cash flow after investments	2,078	2,614	6,877	9,140
Earnings per share, SEK[1)]	6.72	4.43	19.99	15.64
Equity per share, SEK	71.66	61.72	71.66	61.72
Capital-turnover rate, times/year	—	—	5.9	5.8
Return on net assets, %	—	—	35.8	29.9
Return on equity, %	—	—	31.7	29.4
Net debt	197	360	197	360
Net debt/equity ratio	0.01	0.02	0.01	0.02
Average number of shares excluding shares owned by Electrolux, million	287.4	287.4	287.4	287.4
Average number of employees	57,579	54,779	55,692	55,400

1) Basic, based on average number of shares excluding shares held by Electrolux.

For definitions, see page 29.

Shares

Number of shares	A-shares	B-shares	Shares, total	Shares held by Electrolux	Shares held by other shareholders
Number of shares as of January 1, 2017	8,192,539	300,727,769	308,920,308	21,522,858	287,397,450
Number of shares as of December 31, 2017	**8,192,539**	**300,727,769**	**308,920,308**	**21,522,858**	**287,397,450**
As % of total number of shares				7.0%	

Exchange rates

SEK	**Dec. 31, 2017**		Dec. 31, 2016	
Exchange rate	Average	End of period	Average	End of period
ARS	0.5176	0.4730	0.5813	0.5717
AUD	6.53	6.41	6.36	6.54
BRL	2.66	2.48	2.48	2.78
CAD	6.57	6.55	6.46	6.73
CHF	8.67	8.41	8.67	8.90
CLP	0.0132	0.0134	0.0127	0.0135
CNY	1.26	1.26	1.29	1.31
EUR	9.64	9.84	9.45	9.55
GBP	11.03	11.09	11.60	11.16
HUF	0.0312	0.0317	0.0303	0.0308
MXN	0.4499	0.4160	0.4605	0.4388
RUB	0.1463	0.1419	0.1288	0.1486
THB	0.2517	0.2516	0.2431	0.2532
USD	8.54	8.21	8.58	9.06

Net sales by business area

SEKm	Q4 2017	Q4 2016	Full year 2017	Full year 2016
Major Appliances Europe, Middle East and Africa	10,914	10,367	38,524	37,844
Major Appliances North America	9,563	10,826	40,656	43,402
Major Appliances Latin America	5,012	4,149	17,302	15,419
Major Appliances Asia/Pacific	2,547	2,436	10,048	9,380
Home Care & SDA	2,245	2,438	7,808	8,183
Professional Products	2,085	1,928	7,723	6,865
Total	**32,366**	**32,144**	**122,060**	**121,093**

Change in net sales by business area

Year-over-year, %	Q4 2017	Q4 2017 In local currencies	Full year 2017	Full year 2017 in local currencies
Major Appliances Europe, Middle East and Africa	5.3	6.6	1.8	2.7
Major Appliances North America	-11.7	-4.2	-6.3	-6.1
Major Appliances Latin America	20.8	29.9	12.2	7.9
Major Appliances Asia/Pacific	4.5	9.9	7.1	6.3
Home Care & SDA	-7.9	-6.0	-4.6	-5.8
Professional Products	8.1	9.1	12.5	12.2
Total change	**0.7**	**5.4**	**0.8**	**0.5**

Operating income by business area

SEKm	Q4 2017	Q4 2016	Full year 2017	Full year 2016
Major Appliances Europe, Middle East and Africa	882	746	2,764	2,546
Margin, %	8.1	7.2	7.2	6.7
Major Appliances North America	447	610	2,757	2,671
Margin, %	4.7	5.6	6.8	6.2
Major Appliances Latin America	218	-187	425	-68
Margin, %	4.3	-4.5	2.5	-0.4
Major Appliances Asia/Pacific	215	173	750	626
Margin, %	8.5	7.1	7.5	6.7
Home Care & SDA	205	154	431	238
Margin, %	9.1	6.3	5.5	2.9
Professional Products	276	293	1,054	954
Margin, %	13.2	15.2	13.7	13.9
Common Group costs, etc.	-273	-173	-775	-693
Operating income	**1,969**	**1,616**	**7,407**	**6,274**
Margin, %	**6.1**	**5.0**	**6.1**	**5.2**

Change in operating income by business area

Year-over-year, %	Q4 2017	Q4 2017 in local currencies	Full year 2017	Full year 2017 in local currencies
Major Appliances Europe, Middle East and Africa	18.2	13.4	8.6	6.3
Major Appliances North America	-26.7	-19.2	3.2	3.7
Major Appliances Latin America	216.4	617.9	724.7	617.9
Major Appliances Asia/Pacific	24.4	29.1	19.9	17.1
Home Care & SDA	32.8	33.9	81.3	78.6
Professional Products	-6.0	-6.1	10.5	9.8
Total change	**21.8**	**24.7**	**18.1**	**17.3**

Working capital and net assets

SEKm	**Dec. 31, 2017**	**% of annualized net sales**	Dec. 31, 2016	% of annualized net sales
Inventories	14,632	11.4	13,418	10.5
Trade receivables	20,945	16.3	19,408	15.2
Accounts payable	-31,272	-24.4	-28,283	-22.2
Provisions	-7,823		-8,044	
Prepaid and accrued income and expenses	-10,895		-10,732	
Taxes and other assets and liabilities	-1,308		-733	
Working capital	**-15,721**	**-12.2**	**-14,966**	**-11.7**
Property, plant and equipment	19,192		18,725	
Goodwill	7,628		4,742	
Other non-current assets	4,749		4,009	
Deferred tax assets and liabilities	4,945		5,588	
Net assets	**20,793**	**16.2**	**18,098**	**14.2**
Annualized net sales, calculated at end of period exchange rates	128,367		127,490	
Average net assets	**20,713**	**17.0**	**20,957**	**17.3**
Annualized net sales, calculated at average exchange rates	122,060		121,093	

Net assets by business area

	Assets		Equity and liabilities		Net assets	
SEKm	**Dec. 31, 2017**	Dec. 31, 2016	**Dec. 31, 2017**	Dec. 31, 2016	**Dec. 31, 2017**	Dec. 31, 2016
Major Appliances Europe, Middle East and Africa	25,591	21,573	22,044	20,713	3,547	860
Major Appliances North America	14,840	15,163	12,580	12,463	2,260	2,700
Major Appliances Latin America	12,602	12,364	6,752	6,148	5,850	6,216
Major Appliances Asia/Pacific	5,946	5,688	4,321	3,846	1,625	1,842
Home Care & SDA	5,341	4,181	3,519	3,385	1,822	796
Professional Products	4,434	3,399	2,706	2,556	1,728	843
Other[1]	8,496	9,124	4,535	4,283	3,961	4,841
Total operating assets and liabilities	**77,250**	**71,492**	**56,457**	**53,394**	**20,793**	**18,098**
Liquid funds	11,974	14,011	—	—	—	—
Total borrowings	—	—	9,537	10,202	—	—
Pension assets and liabilities	455	345	3,089	4,514	—	—
Equity	—	—	20,596	17,738	—	—
Total	**89,679**	**85,848**	**89,679**	**85,848**	—	—

1) Includes common functions and tax items.

Net sales and income per quarter

SEKm	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Full year 2017	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Full year 2016
Net sales	28,883	31,502	29,309	32,366	122,060	28,114	29,983	30,852	32,144	121,093
Operating income	1,536	1,942	1,960	1,969	7,407	1,268	1,564	1,826	1,616	6,274
Margin, %	5.3	6.2	6.7	6.1	6.1	4.5	5.2	5.9	5.0	5.2
Income after financial items	1,434	1,753	1,874	1,905	6,966	1,163	1,448	1,725	1,245	5,581
Income for the period	1,083	1,308	1,424	1,930	5,745	875	1,079	1,267	1,272	4,493
Earnings per share, SEK[1]	3.77	4.55	4.96	6.72	19.99	3.04	3.75	4.41	4.43	15.64
Number of shares excluding shares owned by Electrolux, million	287.4	287.4	287.4	287.4	287.4	287.4	287.4	287.4	287.4	287.4
Average number of shares excluding shares owned by Electrolux, million	287.4	287.4	287.4	287.4	287.4	287.4	287.4	287.4	287.4	287.4

1) Basic, based on average number of shares excluding shares held by Electrolux.

Net sales and operating income by business area

SEKm	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Full year 2017	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Full year 2016
Major Appliances Europe, Middle East and Africa										
Net sales	8,830	9,356	9,422	10,914	38,524	9,001	8,897	9,579	10,367	37,844
Operating income	558	576	749	882	2,764	553	567	680	746	2,546
Margin, %	6.3	6.2	7.9	8.1	7.2	6.1	6.4	7.1	7.2	6.7
Major Appliances North America										
Net sales	9,850	11,699	9,544	9,563	40,656	9,937	11,450	11,189	10,826	43,402
Operating income	605	987	719	447	2,757	495	742	824	610	2,671
Margin, %	6.1	8.4	7.5	4.7	6.8	5.0	6.5	7.4	5.6	6.2
Major Appliances Latin America										
Net sales	4,301	3,857	4,132	5,012	17,302	3,643	3,659	3,968	4,149	15,419
Operating income	101	29	77	218	425	31	69	19	-187	-68
Margin, %	2.4	0.8	1.9	4.3	2.5	0.9	1.9	0.5	-4.5	-0.4
Major Appliances Asia/Pacific										
Net sales	2,374	2,713	2,415	2,547	10,048	2,022	2,407	2,515	2,436	9,380
Operating income	112	209	214	215	750	95	150	208	173	626
Margin, %	4.7	7.7	8.9	8.5	7.5	4.7	6.2	8.3	7.1	6.7
Home Care & SDA										
Net sales	1,786	1,878	1,898	2,245	7,808	1,927	1,858	1,960	2,438	8,183
Operating income	70	77	80	205	431	44	6	34	154	238
Margin, %	3.9	4.1	4.2	9.1	5.5	2.3	0.3	1.7	6.3	2.9
Professional Products										
Net sales	1,742	1,999	1,897	2,085	7,723	1,584	1,712	1,641	1,928	6,865
Operating income	249	258	272	276	1,054	205	222	234	293	954
Margin, %	14.3	12.9	14.3	13.2	13.7	12.9	13.0	14.3	15.2	13.9
Other										
Common Group costs, etc.	-159	-194	-150	-273	-775	-155	-192	-173	-173	-693
Total Group										
Net sales	28,883	31,502	29,309	32,366	122,060	28,114	29,983	30,852	32,144	121,093
Operating income	1,536	1,942	1,960	1,969	7,407	1,268	1,564	1,826	1,616	6,274
Margin, %	5.3	6.2	6.7	6.1	6.1	4.5	5.2	5.9	5.0	5.2

Parent Company income statement

SEKm	Q4 2017	Q4 2016	Full year 2017	Full year 2016
Net sales	**9,898**	**9,540**	**35,168**	**33,954**
Cost of goods sold	-8,585	-7,741	-30,034	-27,939
Gross operating income	**1,313**	**1,799**	**5,134**	**6,015**
Selling expenses	-829	-980	-2,967	-3,763
Administrative expenses	-269	-517	-1,795	-1,711
Other operating income	1	-1	1	—
Other operating expenses	-105	-2,377	-105	-2,379
Operating income	**111**	**-2,076**	**268**	**-1,838**
Financial income	1,924	1,620	7,142	4,037
Financial expenses	-120	-55	-855	-86
Financial items, net	**1,804**	**1,565**	**6,287**	**3,951**
Income after financial items	**1,915**	**-511**	**6,555**	**2,113**
Appropriations	11	3,117	182	3,298
Income before taxes	**1,926**	**2,606**	**6,737**	**5,411**
Taxes	-61	-774	-201	-1,027
Income for the period	**1,865**	**1,832**	**6,536**	**4,384**

Parent Company balance sheet

SEKm	Dec. 31, 2017	Dec. 31 2016
Assets		
Non-current assets	35,596	34,019
Current assets	28,267	25,823
Total assets	**63,863**	**59,842**
Equity and liabilities		
Restricted equity	5,068	4,788
Non-restricted equity	19,364	15,582
Total equity	**24,432**	**20,370**
Untaxed reserves	444	396
Provisions	1,229	1,406
Non-current liabilities	6,181	7,561
Current liabilities	31,577	30,109
Total equity and liabilities	**63,863**	**59,842**

Notes

Note 1 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, ÅRL (the Swedish Annual Accounts Act) and RFR 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 2016 Annual Report.

Preparations for new accounting standards
During 2017, Electrolux preparatory work related to new accounting standards to be applied after 2017 has involved IFRS 9 Financial Instruments, IFRS 15 Revenue from Contracts with Customers and IFRS 16 Leases. The outcome of the preparatory work regarding IFRS 9 and IFRS 15 is described in section 'New accounting standards to be applied after 2017' below and should be considered in addition to the information provided under 'New or amended accounting standards to be applied after 2016' on page 104 in the annual report 2016.

New accounting standards to be applied after 2017
The following new accounting standards have been published but are not mandatory for 2017 and have not been early adopted by Electrolux.

IFRS 9 Financial Instruments
IFRS 9 addresses the classification, measurement, recognition, impairment and de-recognition of financial instruments as well as hedge accounting. Effective date is January 1, 2018. The standard was endorsed by the EU on November 22, 2016. Electrolux will apply the new rules from January 1, 2018. Comparatives for 2017 will not be restated, as permitted by the standard. Transition effects will be accounted for as opening balance adjustments in 2018.

As part of the Group's implementation project for IFRS 9, the Group has reviewed classification and measurement of its financial assets and liabilities under IFRS 9 with the following result. The Group has concluded that IFRS 9 has no impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and Electrolux does not have any such liabilities. Regarding financial assets, the overall assessment of Electrolux portfolio for handling liquidity and how it is managed concludes that it is to be treated as a single business model categorized as 'Hold to Collect'. The purpose of the portfolio is to collect contractual cash flows and the investments are held to maturity. The key risks of the business model are consistent with a 'Hold to Collect' business model, with focus on credit risk, currency risk, commodity risk and interest rate risk. Accounting for 'Hold to Collect' is carried out at amortized cost which means no change over current accounting. Electrolux may from time to time sell trade receivables on non-recourse terms. Therefore Electrolux has defined a portfolio of specific customers' trade receivables which is categorized as 'Hold to Sell'. The purpose is to achieve de-recognition before due date.

IFRS 9 introduces a new impairment model for financial assets, moving from an 'incurred loss model' to an 'expected loss model'. This affects the calculation of provisions for bad debts and will result in an expected loss being provided for on all financial receivables, including those not overdue. Electrolux has created a new model for calculating bad debt provisions related to trade receivables. The 'simplified approach' will be applied, i.e. the provision will equal the lifetime expected loss. The effect from applying the new model leads to an increase of the bad debt provision for the Group of SEK 18m, equivalent to 2.3% of the provision as per December 31, 2017. The effect is based on the recalculation of the bad debt reserve as per year-end 2017 and will be recognized as an opening balance adjustment in 2018. This adjustment will affect Trade receivables (via the Bad debt provision), Deferred tax and Equity (Retained earnings).

The hedge accounting rules in IFRS 9 more closely aligns the accounting for hedging instruments with the group's risk management practices, which is why the group has decided to apply IFRS 9 regarding hedge accounting in accordance with the standard's policy choice. Today, hedge accounting within the group is only applied to foreign currency risk and interest rate risk. In general, more hedge relationships might be eligible for hedge accounting under IFRS 9, as the standard introduces a more principles-based approach. The new standard will allow for hedge accounting to be applied to the risk components of non-financial items. This means that Electrolux will be able to apply hedge accounting when hedging commodities with financial derivatives, in addition to today's bilateral contracts with suppliers. The group has confirmed that its current hedge relationships will qualify as continuing hedges upon the adoption of IFRS 9.

IFRS 15 Revenue from Contracts with Customers
IFRS 15 replaces IAS 18 and IAS 11 and establishes a new mindset for revenue recognition. Effective date is January 1, 2018. The standard was endorsed by the EU on September 22, 2016. Electrolux adopts IFRS 15 with full retrospective application with use of the standard's 'practical expedients' when applicable. The impact on the financial statements from the use of the practical expedients has been assessed as not material.

The new standard is based on the principle that revenue is recognized when control of a good or service transfers to a customer, i.e. under IFRS 15 there is a focus on the 'transfer of control' instead of 'transfer of risks and rewards' under current standards. IFRS 15 introduces a five-step model to be applied to all contracts with customers in order to establish when and how to recognize revenue. The core principle in the five step model is:

1. Identify contracts with customers.
2. Identify the separate performance obligations.
3. Determine the transaction price of the contract.
4. Allocate the transaction price to each of the separate performance obligations.
5. Recognize the revenue as each performance obligation is satisfied.

Transition to IFRS 15
The transition to IFRS 15 will be done by applying the retrospective method according to IFRS 15 transition guidance. Transitioning to IFRS 15 with a retrospective application means that IFRS 15 will be applied as if it has always been applied. Therefore, numbers for 2017 will be restated as applicable, and periods prior to January 1, 2017 will be restated through adjustments to the opening balances of 2017. The opening balance net adjustment to equity is SEK -126m. Details on the transition effects are presented below.

Extensive work has been performed during the past few years in order to implement IFRS 15, interpreting it and what it means to Electrolux, identifying relevant accounting areas that may be in scope of a change. The effects of applying the new standard have been assessed and the following key accounting areas have been identified as materially affected by the transition to IFRS 15.

1. Timing effects related to dispatch and delivery of finished products (under contracts not completed at the transition date) have been identified in business areas Major Appliances Europe, Middle East and Africa and Home Care & SDA, based on a reassessment of the point in time when control is transferred to the customer. These timing effects do not affect the full-year numbers but there are noticeable effects on the quarterly numbers, affecting net sales and operating income, as well as key ratios such as operating margin and earnings per share in the quarters. The most noticable effects are negative to Q1 and positive to Q4. Due to these quarterly effects, this key accounting area will be included as an adjustment under the transition to IFRS 15 and each quarter 2017 will be restated. The net effect as per year-end 2016 is SEK -8m after tax and will be recognized as an opening balance adjustment in 2017. This adjustment will affect Inventory, Prepaid income, Deferred tax and Equity (Retained earnings). The quarterly restatement effects from the change described above are presented through restated quarterly and full-year numbers for 2017 in the tables below and overleaf.
2. Identification of contracts including a possible agent or principal relationship where a reassessment of the contracts, based on a change in focus from 'risk and reward' to 'control', has led to the conclusion that Electrolux under a limited number of contracts is acting as an agent rather than a principal. The change in accounting leads to a net accounting method instead of a gross accounting method, resulting in reductions of Net sales and Cost of Goods Sold for business area Major Appliances Asia/Pacific of SEK 1,289m for the full year 2017. This change has no effect on operating result but causes an increase in operating margin. The effects from this change are presented through restated quarterly and full-year numbers for 2017 in the table "Quarterly effects from IFRS 15 restatement" overleaf. This change has no effect on the opening balance 2017.

Apart from the key accounting areas described above there are other non-material balance sheet effects from the transition to IFRS 15 with a total net opening balance adjustment to equity 2017 of SEK -118m. These changes cause no other restatement effects.

The table below shows the total IFRS 15 restatement effect on the opening and closing balances 2017 per affected balance sheet line item. The originally reported amount for December 2016 and December 2017 respectively are shown in columns 'Reported' and the restatement adjustments are shown in columns 'Adj.' The adjusted opening balance for 2017 is shown in column 'Adjusted OB 2017' and the restated closing balance for 2017 is shown in column 'Restated Dec. 2017'. The restated numbers for December 2017 will be used as comparative amounts from 2018.

Effects from IFRS 15 restatement of the consolidated opening and closing balances 2017

	Opening Balance 2017			Closing Balance 2017		
SEKm	Reported Dec. 2016	Adj.	Adjusted OB 2017	Reported Dec. 2017	Adj.	Restated Dec. 2017
Total Group						
Deferred tax assets	6,168	42	6,210	5,675	36	5,711
Inventory	13,418	23	13,441	14,632	23	14,655
Total assets	**85,848**	**65**	**85,913**	**89,679**	**59**	**89,738**
Other reserves	–1,471	–	–1,471	-2,624	9	-2,615
Retained earnings	14,729	–126	14,603	18,756	-126	18,630
Short-term liabilities (Prepaid income)	15,727	191	15,918	15,712	176	15,888
Total equity and liabilities	**85,848**	**65**	**85,913**	**89,679**	**59**	**89,738**

The table below shows the total quarterly and full-year restatement effects on 2017 net sales and operating income for the affected Business areas and total Group. The originally reported amounts for each quarter 2017 are shown in column 'Rep.', the restatement adjustment in column 'Adj.' and the restated amount in column 'Rest.'. The restated numbers will be used as comparative amounts from 2018.

Quarterly effects from IFRS 15 restatement

	Q1 2017			Q2 2017			Q3 2017			Q4 2017			Full Year 2017		
SEKm	Rep.	Adj.	Rest.	Rep.	Adj.	Rest.	Rep.	Adj.	Rest.	Rep.	Adj.	Rest.	Rep.	Adj.	Rest.
Major Appliances Europe, Middle East and Africa															
Net sales	8,830	–291	8,539	9,356	–52	9,304	9,422	43	9,465	10,914	300	11,214	38,524	-	38,524
Operating income	558	–84	474	576	–15	561	749	12	761	882	87	969	2,764	-	2,764
Margin, %	6.3		5.6	6.2		6.0	7.9		8.0	8.1		8.6	7.2		7.2
Major Appliances Asia/Pacific															
Net sales	2,374	–364	2,010	2,713	–481	2,232	2,415	–334	2,081	2,547	-110	2,437	10,048	-1,289	8,759
Operating income	112	–	112	209	–	209	214	–	214	215	-	215	750	-	750
Margin, %	4.7		5.6	7.7		9.4	8.9		10.3	8.5		8.8	7.5		8.6
Home Care & SDA															
Net sales	1,786	–27	1,759	1,878	–21	1,857	1,898	24	1,922	2,245	24	2,269	7,808	-	7,808
Operating income	70	–10	60	77	–8	69	80	9	89	205	9	214	431	-	431
Margin, %	3.9		3.4	4.1		3.7	4.2		4.6	9.1		9.4	5.5		5.5
Total Group															
Net sales	28,883	–682	28,201	31,502	–554	30,948	29,309	–267	29,042	32,366	214	32,580	122,060	-1,289	120,771
Cost of goods sold	–22,880	588	–22,292	–24,721	531	–24,190	–23,199	288	–22,911	-25,711	-118	-25,829	-96,511	1,289	-95,222
Operating income	1,536	–94	1,442	1,942	–23	1,919	1,960	21	1,981	1,969	96	2,065	7,407	-	7,407
Margin,%	5.3		5.1	6.2		6.2	6.7		6.8	6.1		6.3	6.1		6.1
Taxes	–351	23	–328	–445	6	–439	–450	–5	–455	25	-24	1	-1,221	-	-1,221
Income for the period	1,083	–71	1,012	1,308	–17	1,291	1,424	16	1,440	1,930	72	2,002	5,745	-	5,745
Total comprehensive income	1,593	–69	1,524	604	–11	593	979	19	998	2,204	70	2,274	5,380	9	5,389
Earnings per share, SEK	3.77		3.52	4.55		4.49	4.96		5.01	6.72		6,97	19.99		19.99

The table below shows the total quarterly and full-year restatement effects on affected items in the consolidated balance sheet 2017. The originally reported amounts are shown in column 'Rep.', the restatement adjustment in column 'Adj.' and the restated amount in column 'Rest.'. The restated numbers will be used as comparative amounts from 2018.

Effects from IFRS 15 restatement of the consolidated balance sheet

	Q1, 2017			Q2, 2017			Q3, 2017			Q4, 2017		
SEKm	Rep.	Adj.	Rest.	Rep.	Adj.	Rest.	Rep.	Adj.	Rest.	Rep.	Adj.	Rest.
Total Group												
Deferred tax assets	5,957	64	6,021	5,567	68	5,635	5,371	62	5,433	5,675	36	5,711
Inventory	15,752	247	15,999	15,013	297	15,310	16,148	251	16,399	14,632	23	14,655
Total assets	**84,916**	**311**	**85,227**	**86,416**	**365**	**86,781**	**89,006**	**313**	**89,319**	**89,679**	**59**	**89,738**
Other reserves	–1,196	2	–1,194	–2,225	8	–2,217	–2,818	11	–2,807	-2,624	9	2,615
Retained earnings	13,418	–197	13,221	15,085	–214	14,871	16,712	–198	16,514	18,756	-126	18,630
Short-term liabilities (Prepaid income)	14,336	506	14,842	14,922	571	15,493	16,578	500	17,078	15,712	176	15,888
Total equity and liabilities	**84,916**	**311**	**85,227**	**86,416**	**365**	**86,781**	**89,006**	**313**	**89,319**	**89,679**	**59**	**89,738**

Note 2 Fair values and carrying amounts of financial assets and liabilities

	Dec. 31, 2017		Dec. 31, 2016	
SEKm	Fair value	Carrying amount	Fair value	Carrying amount
Per category				
Financial assets at fair value through profit and loss	3,305	3,305	6,640	6,640
Available for sale	20	20	123	123
Loans and receivables	23,858	23,858	20,777	20,777
Cash	5,707	5,707	5,920	5,920
Total financial assets	**32,890**	**32,890**	**33,460**	**33,460**
Financial liabilities at fair value through profit and loss	251	251	432	432
Financial liabilities measured at amortized cost	40,432	40,350	37,927	37,808
Total financial liabilities	**40,683**	**40,601**	**38,359**	**38,240**

The Group strives for arranging master-netting agreements (ISDA) with the counterparts for derivative transactions and has established such agreements with the majority of the counterparties, i.e., if a counterparty will default, assets and liabilities will be netted. Derivatives are presented gross in the balance sheet.

Fair value estimation

Valuation of financial instruments at fair value is done at the most accurate market prices available. Instruments which are quoted on the market, e.g., the major bond and interest-rate future markets, are all marked-to-market with the current price. The foreign-exchange spot rate is used to convert the value into SEK. For instruments where no reliable price is available on the market, cash-flows are discounted using the deposit/swap curve of the cash flow currency. If no proper cash-flow schedule is available, e.g., as in the case with forward-rate agreements, the underlying schedule is used for valuation purposes.

To the extent option instruments are used, the valuation is based on the Black & Scholes' formula. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market-interest rate for similar financial instruments. The Group's financial assets and liabilities are measured according to the following hierarchy:

Level 1: Quoted prices in active markets for identical assets or liabilities. At December 31, 2017, the fair value for Level 1 financial assets was SEK 3,239m (6,660) and for financial liabilities SEK 0m (0).

Level 2: Inputs other than quoted prices included in Level 1 that are observable for assets or liabilities either directly or indirectly. At December 31, 2017, the fair value of Level 2 financial assets was SEK 87m (103) and financial liabilities SEK 251m (432).

Level 3: Inputs for the assets or liabilities that are not entirely based on observable market data. Electrolux has no financial assets or liabilities qualifying for Level 3.

Note 3 Pledged assets and contingent liabilities

SEKm	Dec. 31, 2017	Dec. 31, 2016
Group		
Pledged assets	6	6
Contingent liabilities	1,187	1,311
Parent Company		
Pledged assets	–	–
Contingent liabilities	1,497	1,611

Note 4 Divested operations

In December 2016, Electrolux divested the North American vacuum-cleaner brand Eureka and related assets, which had a positive impact on cash flow of SEK 336m. The positive impact on operating income was SEK 107m.

Note 5 Acquisitions of operations

The amounts presented below are based on preliminary purchase price allocations and may be subject to change.

Acquisitions of operations

SEKm	Best	Anova	Grindmaster-Cecilware	Kwikot
Consideration:				
Paid	109	870	838	1,632
Deferred	–	263	–	139
Total consideration	**109**	**1,133**	**838**	**1,771**
Recognized amounts of identifiable assets acquired and liabilities assumed at fair value:				
Total identifiable net assets acquired	129	92	308	531
Assumed net debt[1]	-20	-57	-149	-207
Goodwill	0	1,098	679	1,447
Total	**109**	**1,133**	**838**	**1,771**
Cash paid for acquisitions made during the year				3,449
Cash and cash equivalents in acquired operations				-61
Cash paid related to hold-back and earn-out from earlier years' acquisitions				6
Cash paid for non-controlling interest				11
Total				**3,405**

[1] Whereof total acquired cash and cash equivalents SEK 61m.

Acquisitions in the first quarter of 2017

Grindmaster-Cecilware

On February 28, 2017, Electrolux completed the acquisition of the US based Grindmaster-Cecilware business by acquiring 100% of the business via a purchase of all shares in the parent company of the Grindmaster-Cecilware Group in a cash transaction. The acquisition broadens Electrolux offering in its food service business and will accelerate the growth of the Professional Products business area by increasing access to the U.S. market.

Grindmaster-Cecilware is a leading U.S. based manufacturer of hot, cold and frozen beverage dispensing equipment, including coffee machines. Grindmaster- Cecilware had net sales in excess of USD 65 million in 2016 and approximately 200 employees. The company is based in Louisville, Kentucky and has manufacturing facilities in Louisville and in Rayong, Thailand.

Goodwill primarily relates to the increase in market presence in North America, one of the largest global markets for professional appliances. Goodwill is not expected to be deductible for income tax purposes.

Net sales and operating income in the acquired business during the period January 1, 2017, up until the date the acquisition was completed amounted to USD 11.8m and USD 1.3m respectively, approximately SEK 106m and SEK 12m respectively.

The Grindmaster-Cecilware business is included in Electrolux consolidated accounts from March 1, 2017. For the period from the acquisition date until the end of the reporting period the acquired business has contributed to net sales and operating income (including amortization of surplus values) by USD 53m and USD 1.3m respectively, approximately SEK 454m and SEK 11m respectively.

The operations are included in business area Professional Products.

Kwikot Group

In November 2016, Electrolux announced the agreement to acquire South Africa's leading water heater producer Kwikot Group (Kwikot Proprietary Limited and its affiliates). On March 1, 2017, following regulatory approval, Electrolux acquired all shares in Kwikot Pty Ltd, the parent company in the Kwikot Group, via a cash transfer. The acquisition broadens Electrolux home comfort product range and offers a strong platform for growth opportunities in Africa. The acquisition significantly strengthens Electrolux presence in South Africa.

Kwikot is based in Johannesburg where it also has production and its main warehouse. In the financial year ending June 30, 2016, Kwikot Group had sales of approximately ZAR 1.13 billion (approximately SEK 730 million), and an operating profit margin of more than 20%. The company has about 800 employees.

Goodwill represents the value of increasing Electrolux presence in Southern Africa. Goodwill is not expected to be deductible for income tax purposes.

Net sales and operating income in the acquired business during the period, January 1, 2017, up until the date the acquisition was completed amounted to ZAR 168m and ZAR 30m respectively, approximately SEK 112m and SEK 20m respectively.

The Kwikot business is included in Electrolux consolidated accounts from March 1, 2017. For the period from the acquisition date until the end of the reporting period the acquired business has contributed to net sales and operating income (including amortization of surplus values) by ZAR 933m and ZAR 116m respectively, approximately SEK 600m and SEK 75m respectively.

The operations are included in business area Major Appliances Europe, Middle East and Africa.

Acquisitions in the second quarter of 2017

Anova

On April 4, 2017, Electrolux completed the acquisition of the US based smart kitchen appliance company, Anova. The agreement to acquire the company was announced on February 6, 2017. Anova is a U.S. based provider of the Anova Precision Cooker, an innovative connected device for sous vide cooking that enables restaurant-quality results in the home.

The agreed up-front cash payment in the transaction amounts to USD 115m, with a potential additional amount of up to USD 135m to be paid depending on future financial performance. Part of the mentioned cash payment and contingent pay-out is in the form of remuneration to key employees connected to post-closing service.

The acquisition provides a significant opportunity for profitable growth in an emerging product category. Anova's direct-to-consumer business model and digital focus are of strong strategic interest to Electrolux.

Net sales in 2016 amounted to around USD 40m. The company has approximately 70 employees and contractors globally and is headquartered in San Francisco, California. Sales are primarily carried out online – directly to consumer and through major retailers.

Goodwill primarily relates to the expectations of profitable growth in the emerging product categories of connected appliances and to be able to utilize Anovas direct-to-consumer business model with a digital focus. Goodwill is not expected to be deductible for income tax purposes. Net sales and operating income in the acquired business during the period January 1, 2017, up until the date the acquisition was completed, amounted to USD 4.8m and USD -4m respectively, approximately SEK 43m and SEK -36m respectively.

The Anova business is included in Electrolux consolidated accounts from April 4, 2017. For the period from the acquisition date until the end of the reporting period the acquired business has contributed to net sales and operating income (including amortization of surplus values) by USD 45.5m and USD -2.4m respectively, approximately SEK 389m and SEK -21m respectively.

The operations are included in the business area Home Care &SDA.

Acquisitions in the third quarter of 2017

Best

On August 10, 2017, Electrolux completed the acquisition of the European kitchen hoods company Best. The agreement to acquire the company was announced on July 7, 2017.

Best is a European manufacturer of innovative and well-designed kitchen hoods.

The acquisition will reinforce Electrolux capabilities for design, R&D and manufacturing of kitchen hoods.

Net sales in 2016 amounted to EUR 42 m (around SEK 400 m). The Best Group has approximately 450 employees, primarily at manufacturing sites in Cerreto d'Esi (central Italy) and Zabrze (southern Poland).

Net sales and operating income in the acquired business during the period January 1, 2017, up until the date the acquisition was completed, amounted to EUR 19m and EUR -2.7m respectively, approximately SEK 185m and SEK -26m respectively.

The Best business is included in Electrolux consolidated accounts from August 11, 2017. For the period from the acquisition date until the end of the reporting period the acquired business has contributed to net sales and operating income (including amortization of surplus values) by EUR 17.7m and EUR -2.1m respectively, approximately SEK 171m and SEK -20m respectively.

The operations are included in business area Major Appliances Europe, Middle East and Africa.

Transaction costs

Transaction costs for the acquisitions described above amount to SEK 70m and have been expensed as incurred whereof SEK 16m in 2016 and SEK 54m in 2017, of which SEK 6m in the fourth quarter of 2017. The costs have been reported in operating income by business area.

Operations by business area yearly

SEKm	2013	2014	2015	2016	2017
Major Appliances Europe, Middle East and Africa					
Net sales	33,436	34,438	37,179	37,844	38,524
Operating income	–481	232	2,167	2,546	2,764
Margin, %	–1.4	0.7	5.8	6.7	7.2
Major Appliances North America					
Net sales	31,864	34,141	43,053	43,402	40,656
Operating income	2,136	1,714	1,580	2,671	2,757
Margin, %	6.7	5.0	3.7	6.2	6.8
Major Appliances Latin America					
Net sales	20,695	20,041	18,546	15,419	17,302
Operating income	979	1,069	463	-68	425
Margin, %	4.7	5.3	2.5	-0.4	2.5
Major Appliances Asia/Pacific					
Net sales	8,653	8,803	9,229	9,380	10,048
Operating income	116	438	364	626	750
Margin, %	1.3	5.0	3.9	6.7	7.5
Home Care & SDA					
Net sales	8,952	8,678	8,958	8,183	7,808
Operating income	309	200	–63	238	431
Margin, %	3.5	2.3	–0.7	2.9	5.5
Professional Products					
Net sales	5,550	6,041	6,546	6,865	7,723
Operating income	510	671	862	954	1,054
Margin, %	9.2	11.1	13.2	13.9	13.7
Other					
Net sales	1	1	–	–	–
Common Group cost, etc.	–1,989	–743	–2,632	-693	-775
Total Group					
Net sales	109,151	112,143	123,511	121,093	122,060
Operating income	1,580	3,581	2,741	6,274	7,407
Margin, %	1.4	3.2	2.2	5.2	6.1

Material profit or loss items in operating income[1]	2013	2014	2015	2016	2017
Major Appliances Europe, Middle East and Africa	–828	–1,212	–	–	–
Major Appliances North America	–	–39[2]	–158[2]	–	–
Major Appliances Latin America	–	–10	–	–	–
Major Appliances Asia/Pacific	–351	–10	–	–	–
Home Care & SDA	–82	–	–190	–	–
Professional Products	–	–	–	–	–
Common Group cost	–1,214	–77[2]	–1,901[2]	–	–
Total Group	**–2,475**	**–1,348**	**–2,249**	–	–

1) For more information, see Note 7 in the Annual Report.

2) Refers to costs related to the not completed acquisition of GE Appliances. Costs for preparatory integration work of SEK 39m for 2014 and SEK 158m for 2015 have been charged to operating income for Major Appliances North America. Common Group cost includes transaction costs of SEK 110m for 2014 and SEK 408m for 2015 and a termination fee paid to General Electric in December 2015 of USD 175m, corresponding to SEK 1,493m. In total, costs of SEK 2,059m related to GE Appliances were charged to operating income in 2015 of which SEK 63m in the first quarter, SEK 195m in the second quarter, SEK 142m in the third quarter and SEK 1,659m in the fourth quarter.

Five-year review

SEKm unless otherwise stated	2013	2014	2015	2016	2017
Net sales	109,151	112,143	123,511	121,093	122,060
Organic growth, %	4.5	1.1	2.2	-1.1	-0.4
Operating income	1.580	3,581	2,741	6,274	7,407
Margin, %	1.4	3.2	2.2	5.2	6.1
Income after financial items	904	2,997	2,101	5,581	6,966
Income for the period	672	2,242	1,568	4,493	5,745
Material profit or loss items in operating income[1]	–2,475	–1,348	-2,249	—	—
Capital expenditure, property, plant and equipment	–3,535	–3,006	–3,027	-2,830	-3,892
Operating cash flow after investments	2,412	6,631	6,745	9,140	6,877
Earnings per share, SEK	2.35	7.83	5.45	15.64	19.99
Equity per share, SEK	49.99	57.52	52.21	61.72	71.66
Dividend per share, SEK	6.50	6.50	6.50	7.50	8.30[2]
Capital-turnover rate, times/year	4.0	4.5	5.0	5.8	5.9
Return on net assets, %	5.8	14.2	11.0	29.9	35.8
Return on equity, %	4.4	15.7	9.9	29.4	31.7
Net debt	10,653	9,631	6,407	360	197
Net debt/equity ratio	0.74	0.58	0.43	0.02	0.01
Average number of shares excluding shares owned by Electrolux, million	286.2	286.3	287.1	287.4	287.4
Average number of employees	60,754	60,038	58,265	55,400	55,692

1) For more information, see table on page 27 and Note 7 in the Annual Report.

2) Proposed by the Board of Directors.

Financial goals over a business cycle
The financial goals set by Electrolux aim to strengthen the Group's leading, global position in the industry and to assist in generating a healthy total yield for Electrolux shareholders. The objective is growth with consistent profitability.

Financial goals
- Operating margin of >6%
- Capital turnover-rate >4 times
- Return on net assets >20%
- Average annual growth >4%

Definitions

This report includes financial measures as required by the financial reporting framework applicable to Electrolux, which is based on IFRS. In addition, there are other measures and indicators that are used to follow-up, analyze and manage the business and to provide Electrolux stakeholders with useful financial information on the Group's financial position, performance and development in a consistent way. Below is a list of definitions of all measures and indicators used, referred to and presented in this report.

Computation of average amounts and annualized income statement measures
In computation of key ratios where averages of capital balances are related to income statement measures, the average capital balances are based on the opening balance and all quarter-end closing balances included in the reporting period, and the income statement measures are annualized, translated at average rates for the period. In computation of key ratios where end-of-period capital balances are related to income statement measures, the latter are annualized, translated at end of-period exchange rates. Adjustments are made for acquired and divested operations.

Growth measures

Change in net sales
Current year net sales for the period less previous year net sales for the period as a percentage of previous year net sales for the period.

Organic growth
Change in net sales, adjusted for acquisitions, divestments and changes in exchange rates.

Acquisitions
Change in net sales, adjusted for organic growth, changes in exchange rates and divestments. The impact from acquisitions relates to net sales reported by acquired operations within 12 months after the acquisition date.

Divestments
Change in net sales, adjusted for organic growth, changes in exchange rates and acquisitions. The impact from divestments relates to net sales reported by the divested operations within 12 months before the divestment date.

Profitability measures

Operating margin (EBIT margin)
Operating income (EBIT) expressed as a percentage of net sales.

Return on net assets
Operating income (annualized) expressed as a percentage of average net assets.

Return on equity
Income for the period (annualized) expressed as a percentage of average total equity.

Capital measures

Net debt/equity ratio
Net debt in relation to total equity.

Equity/assets ratio
Total equity as a percentage of total assets less liquid funds.

Capital turnover-rate
Net sales (annualized) divided by average net assets.

Share-based measures

Earnings per share
Income for the period attributable to equity holders of the Parent Company divided by the average number of shares excluding shares held by Electrolux.

Equity per share
Total equity divided by total number of shares excluding shares held by Electrolux.

Capital indicators

Liquid funds
Cash and cash equivalents, short-term investments, financial derivative assets[1] and prepaid interest expenses and accrued interest income[1].

Working capital
Total current assets exclusive of liquid funds, less non-current other provisions and total current liabilities exclusive of total short-term borrowings.

Net assets
Total assets exclusive of liquid funds and pension plan assets, less deferred tax liabilities, non-current other provisions and total current liabilities exclusive of total short-term borrowings.

Total borrowings
Long-term borrowings and short-term borrowings, financial derivative liabilities[1], accrued interest expenses and prepaid interest income[1].

Total short-term borrowings
Short-term borrowings, financial derivative liabilities[1], accrued interest expenses and prepaid interest income[1].

Interest-bearing liabilities
Long-term borrowings and short-term borrowings exclusive of liabilities related to trade receivables with recourse[1].

Financial net debt
Total borrowings less liquid funds.

Net provision for post-employment benefits
Provisions for post-employment benefits less pension plan assets.

Net debt
Financial net debt and net provision for post-employment benefits.

Other measures

Operating cash flow after investments
Cash flow from operations and investments adjusted for financial items paid, taxes paid and acquisitions/divestments of operations.

1) See table Net debt on page 8.

Shareholders' information

President and CEO Jonas Samuelson's comments on the fourth quarter results 2017
Today's press release is available on the Electrolux website
www.electroluxgroup.com/ir

Telephone conference 09.00 CET
A telephone conference is held at 09.00 CET today, January 31. The conference will be chaired by Jonas Samuelson, President and CEO of Electrolux. Mr. Samuelson will be accompanied by Anna Ohlsson-Leijon, CFO.

Details for participation by telephone are as follows:
Participants in Sweden should call +46 8 505 564 74
Participants in UK/Europe should call +44 203 364 5374
Participants in US should call +1 855 753 2230

Slide presentation for download:
www.electroluxgroup.com/ir

Link to webcast:
www.electroluxgroup.com/q4-2017

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