

Press Release

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

Stockholm, Sweden, January 30, 2018

The Electrolux Group said today it 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 also said it will consolidate freezer production into its Anderson, South Carolina refrigeration facility.

Today's announcement 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.

"We are committed to the Frigidaire brand, our U.S. manufacturing base and are investing approximately \$500 million in our business' growth areas while also simplifying our operations," said Alan Shaw, Head of Electrolux Major Appliances North America. "This is a difficult announcement for our Minnesota teammates. We are committed to supporting them and are announcing this two years in advance to provide transition time."

Construction in Springfield will begin late 2018 and continue into 2020. The company will modernize the plant and create the opportunity to expand production by adding 400,000 square feet (37,000 m²) for manufacturing capacity. Construction in Anderson was started during 2017 and is expected to be completed in 2019.

Electrolux is increasing its level of capital expenditure investments to drive targeted growth over the coming three to four years, particularly in North America and Latin America. Investments will be focused on product development, automation and innovation. As previously announced, total capital expenditure for the company will increase to approximately SEK 6 billion in 2018. The investments in Springfield and Anderson are a part of this plan.

This is information that AB Electrolux is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 1800 CET on Jan 30, 2018.

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 2016 Electrolux had sales of SEK 121 billion and employed 55,000 people around the world. For more information go to www.electroluxgroup.com.