



Q3 2023

- Net sales amounted to SEK 33,427m (35,244). The organic sales decline of 7.9% was mainly driven by continued weak market demand and consumers shifting to lower price points. Mix was positive, supported by the innovative product offering, despite this market shift. Price was negative year-over-year as promotional activity has returned to high levels this year.
- Operating income amounted to SEK 608m (-385), corresponding to a margin of 1.8% (-1.1). Operating income included a previously announced positive non-recurring item of SEK 294m from the divestment of the Nyíregyháza factory in Hungary. Excluding this, operating income amounted to SEK 314m (-35), corresponding to a margin of 0.9% (-0.1).
- The Group-wide cost reduction and North America turnaround program continued to progress well, resulting in a positive year-over-year impact of approximately SEK 2.4bn. The substantial savings contributed to a positive underlying operating income development year-over-year, despite the negative impact from volume and price.
- Income for the period amounted to SEK 123m (-605) and earnings per share were SEK 0.46 (-2.23).
- Operating cash flow after investments improved to SEK 1,147m (-1,483).
- Acceleration of cost reduction efforts to restore margins have been initiated and are expected to result in net cost savings of SEK 10-11bn in 2024 vs 2022, compared to previous cost reduction target of over SEK 7bn. This is expected to lead to a restructuring charge of SEK 2-2.5bn in the fourth quarter of 2023.

Financial overview

SEKM	Q3 2023	Q3 2022	Change, %	Nine months 2023	Nine months 2022	Change, %
Net sales	33,427	35,244	-5	98,815	99,111	-0
Sales growth, % ¹	-7.9	0.4		-5.4	-0.9	
Organic growth, %	-7.9	1.2		-5.0	-0.7	
Acquisitions, %	-	-		-	0.1	
Divestments, %	-0.0	-0.8		-0.5	-0.3	
Changes in exchange rates, %	2.8	13.5		5.1	10.7	
Operating income ²	608	-385	n.m.	227	1,749	-87.0
Operating margin, %	1.8	-1.1		0.2	1.8	
Income after financial items	75	-786	n.m.	-1,326	802	n.m.
Income for the period	123	-605	n.m.	-1,114	602	n.m.
Earnings per share, SEK ³	0.46	-2.23	n.m.	-4.13	2.18	n.m.
Return on net assets, %	-	-		0.7	6.5	
Net debt/EBITDA	-	-		4.4	2.6	
Operating cash flow after investments	1,147	-1,483		-808	-6,360	

¹ Changes in net sales adjusted for currency translation effects.

² Operating income in the first nine months of 2023 includes previously announced non-recurring items totaling SEK -910m (306), of which SEK 294m refers to the gain from the divestment of the Nyíregyháza factory in Hungary, SEK -561m refers to the discontinuation of production at the Nyíregyháza factory and SEK -643m to a provision mainly related to a French antitrust case. The non-recurring items in the first nine months of 2022 refer to a US tariff case, and to the exit from the Russian market. Excluding non-recurring items, operating income amounted to SEK 1,138m (1,443), corresponding to a margin of 1.2% (1.5), see pages 13 and 21.

³ Basic.

For definitions, see pages 28-29. Note: n.m. (not meaningful) is used when the calculated number is considered not relevant.

President and CEO Jonas Samuelson's comment

Organic sales declined by 7.9% in the third quarter. Like in the previous quarter, volumes declined significantly and as expected, net price was negative. We continued to execute well on the Group-wide cost reduction and North America turnaround program. However, the challenging market environment with demand mainly driven by forced replacements, consumers shifting to lower price points and high promotional activity, offset most of the SEK 2.4bn cost savings. Underlying operating income increased to SEK 314m compared to break-even in the third quarter of 2022. Operating cash flow after investments was SEK 1.1bn.

Lower residential construction and remodeling activity continued to lead to weaker market demand in the for Europe and Australia very important built-in kitchen category. As expected, this in combination with postponed purchases of more discretionary product categories resulted in a less pronounced positive seasonality in the normally strong third quarter.

Due to the lower consumer demand and the end of post-pandemic supply chain constraints, promotional activity remained high in all major markets, especially in North America. This resulted in a negative net price, year-over-year, in line with our communication in the interim report for the second quarter. We expect price also in the fourth quarter to be negative for the Group as a whole.

It is disappointing that our North American business area, although delivering a significant year-over-year improvement, reports a loss in the third quarter. Despite execution of the turnaround program ahead of plan, the industry's high promotional activity negatively impacted primarily gross margin realization, but also sales volumes. I firmly believe we have the right strategy in place to return to profitability in North America. It is a sign of strength that we in the quarter grew in higher value categories, which the investments in new and innovative modular product architectures have enabled, and that we introduced and ramped-up production of our new freestanding cooking products. We need to further accelerate this commercial growth and at the same time increase our cost reduction measures, not just for our North America operation but the Group as a whole. The ongoing cost reduction program, while ahead of plan, is not sufficient to restore margins given the continued weak consumer demand and competitive pressure in the market, which is significantly exacerbated by large discrepancies in input cost inflation between Europe/North America and certain parts of Asia.

With today's announcement, we are stepping up our cost reduction efforts significantly. This also means that we focus our growth efforts on selected mid- and premium categories under our three main brands and drive even more targeted portfolio management and simplification enabling faster cost reductions. Hence, the cost reduction target for 2024 vs 2022 is increased to SEK 10-11bn, compared to the previous target of over SEK 7bn. The new target comprises net cost reductions from Cost efficiency and Investments in innovation and marketing, combined. For 2023 the target is to reach cost reductions of approximately SEK 6bn, year-over-year, compared to the previous target of at least SEK 5bn. Given the time lag before the actions now put in place will have full earnings impact, we do not expect sequential improvement of underlying operating income in the fourth quarter.

We remain committed to achieving at least 6% EBIT margin mid-term. In addition to an attractive offering driving

commercial growth in targeted areas, a key component to deliver on this under current market conditions will be to continue to annually reduce product cost at a similar rate as during the period 2023-2024. This is enabled by a new, more focused business approach and simplified organizational structure.

The Group will reorganize into three regional business areas and two global product lines reporting directly to me, leveraging the Group's global scale with fewer layers, and resulting in increased focus and reduced costs. The new organizational setup is expected to affect approximately 3,000 positions, resulting in a restructuring charge in the fourth quarter of 2023 of SEK 2-2.5bn, which will be reported as a non-recurring item.



Consumer sentiment related to consumer durables purchases is projected to remain negatively impacted by the high inflation and interest rate environment throughout 2023. However, given high promotional activity we revise the market demand outlook in terms of units for North America for the full-year 2023 to be neutral compared to previously negative, while we continue to expect total market value development in the region to be negative.

We are making progress on our strategic divestment initiatives of non-core assets with a combined potential value of approximately SEK 10bn over the coming years. In the quarter, divestments of over SEK 1bn were announced, whereof SEK 0.5bn has been realized. Total liquidity, including revolving credit facilities, increased sequentially to SEK 33.7bn.

Our main priority remains executing on our cost reduction targets and to implement the new organization. We thereby aim to successfully strengthen our position in selected mid- and premium categories to restore margins and return to profitable growth.



Outlook

Market outlook, units year-over-year ¹	FY 2023	Previous outlook for FY 2023 ⁶	Market outlook, units year-over-year ¹	FY 2023	Previous outlook for FY 2023 ⁶
Europe	Negative	Negative	Latin America	Negative	Negative
North America	Neutral	Negative	Asia-Pacific, Middle East and Africa	Negative	Negative

Business outlook ² , year-over-year	FY 2023	Previous outlook for FY 2023 ⁶
Volume/price/mix	Volume/mix - negative Price - partly offsetting external factors	Volume/mix - negative Price - partly offsetting external factors
Investments in consumer experience innovation and marketing ³	Positive approximately SEK 6bn, combined	Positive at least SEK 5bn, combined
Cost efficiency ⁴		
External factors ⁵	Negative	Negative
Capital expenditure	SEK <6bn	SEK -6bn

¹ Electrolux estimates for industry shipments of core appliances. ² Business outlook range: Positive - Neutral - Negative, in terms of impact on earnings.

³ Comprise of costs of R&D, marketing/brand, connectivity, CRM, aftermarket sales capability etc. ⁴ Efficiencies in variable costs (excl. raw material, energy, trade tariffs and labor cost inflation >2%) and structural costs (excl. consumer experience innovation and marketing). ⁵ Comprise of raw material costs, energy costs, trade tariffs, direct and indirect currency impact and labor cost inflation >2%. ⁶ Published on July 20, 2023. Note: Business outlook in the above table excludes non-recurring items. Market and business outlook assume no significant additional impact from the coronavirus pandemic or the global geopolitical situation.



Summary of the third quarter

SEKM	Q3 2023	Q3 2022	Change, %	Nine months 2023	Nine months 2022	Change, %	Full year 2022
Net sales	33,427	35,244	-5	98,815	99,111	-0	134,880
Operating income							
Europe	483	75	545	95	818	-88	683
North America	-440	-1,227	64	-1,039	-745	-39	-2,394
Latin America	405	440	-8	975	829	18	1,058
Asia-Pacific, Middle East and Africa	245	511	-52	568	1,220	-53	1,308
Other, Group common costs, etc.	-86	-184	53	-373	-373	0	-870
Total	608	-385	n.m.	227	1,749	-87	-215
Operating margin, %	1.8	-1.1		0.2	1.8		-0.2
Operating margin excl. non-recurring items, % ¹	0.9	-0.1		1.2	1.5		0.6

¹ For information on non-recurring items, see pages 13 and 21.

Note: n.m. (not meaningful) is used when the calculated number is considered not relevant.

Net sales

Sales decreased by 7.9% in the quarter, excluding currency translation effects. Organic sales decreased by 7.9%, as a result of the continued weak market environment with lower consumer purchasing power leading to significantly lower volumes for the Group. Market demand varied greatly between product categories with considerable weakness in the for the Group important European and Australian built-in kitchen category. Price turned negative driven by North America. For the Group as whole, promotional activity increased significantly year-over-year, due to lower consumer demand and resolution of supply chain constraints. In addition, the positive contribution from last year's list price increases tapered off in the quarter. Mix was positive, despite the challenging market, supported by the attractive product offering. Aftermarket sales increased year-over-year.

Operating income

Operating income amounted to SEK 608m (-385), corresponding to a margin of 1.8% (-1.1). Operating income included a previously announced positive non-recurring item of SEK 294m, referring to the gain from the divestment of the Nyiregyháza factory in Hungary. Excluding this non-recurring

item, operating income amounted to SEK 314m (-35), corresponding to a margin of 0.9% (-0.1), see pages 13 and 21. Earnings were negatively affected by significantly lower volumes and negative price as well as by currency headwinds and labor cost and energy inflation. Mix was positive for the Group, supported by the attractive product offering with a focus on high value categories. The Group-wide cost reduction and North America turnaround program continued to progress well, resulting in a positive earnings effect of approximately SEK 2.4bn year-over-year from cost efficiency and reduced innovation and marketing, combined. Lower raw material cost impacted earnings positively.

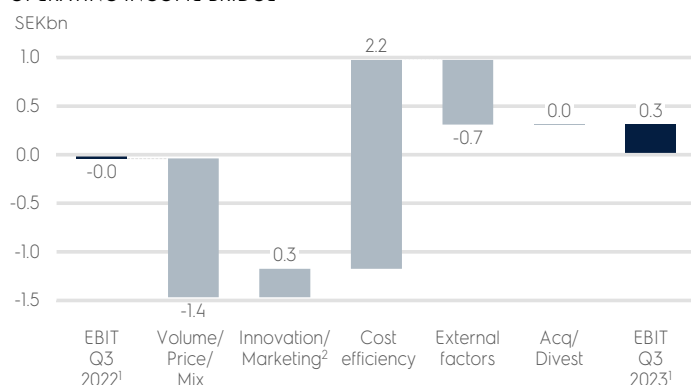
Financial net

Net financial items amounted to SEK -533m (-401). The change was mainly a result of higher interest rates and debt levels.

Income for the period

Income for the period amounted to SEK 123m (-605), corresponding to SEK 0.46 (-2.23) in earnings per share.

OPERATING INCOME BRIDGE

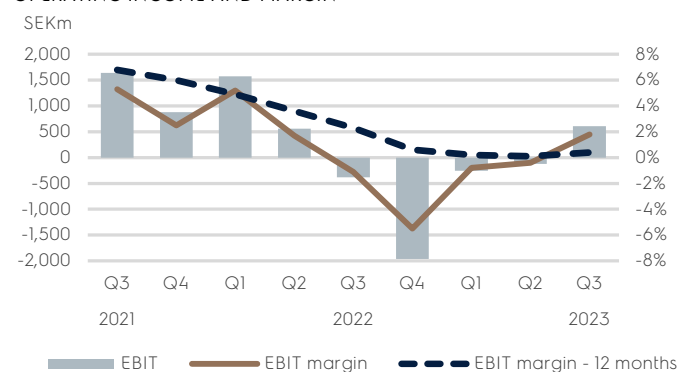


¹ Operating income (EBIT) excluding non-recurring items, all numbers are rounded.

² Investments in consumer experience innovation and marketing.

For more information on definitions, see page 3 under Business Outlook.

OPERATING INCOME AND MARGIN



EBIT margin - 12 months is excluding non-recurring items, see pages 13 and 21.



First nine months of 2023

Sales growth was -5.4% in the first nine months, excluding currency translation effects. Organic sales decreased by 5.0%, driven by lower volumes following weaker market demand. Price was positive, mainly due to list price increases implemented last year, while promotional activity increased significantly, year-over-year. Despite the general market shift to lower price points, mix was slightly favorable, supported by the attractive product offering.

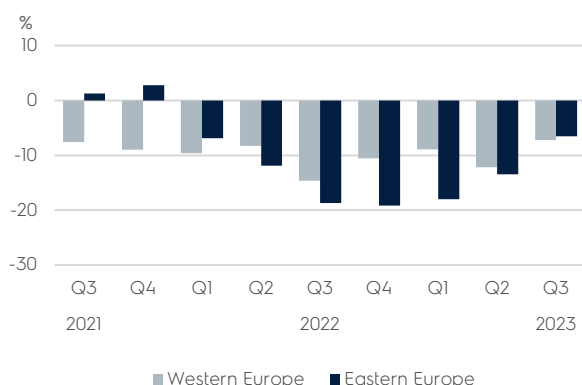
Operating income amounted to SEK 227m (1,749), corresponding to a margin of 0.2% (1.8). The first nine months of 2023 included non-recurring items of SEK -910m (306), see page 21. Excluding non-recurring items, operating income amounted to SEK 1,138m (1,443) corresponding to a margin of 1.2% (1.5). Earnings were negatively impacted by lower sales volumes. Price partly offset the negative effect from external factors, mainly driven by currency headwinds but also by labor cost and energy inflation. The Group-wide cost reduction and North America turnaround program resulted in a positive year-over-year effect of approximately SEK 4.4bn from cost efficiency and reduced investment in innovation and marketing, combined.

Income for the period amounted to SEK -1,114m (602), corresponding to SEK -4.13 (2.18) in earnings per share.

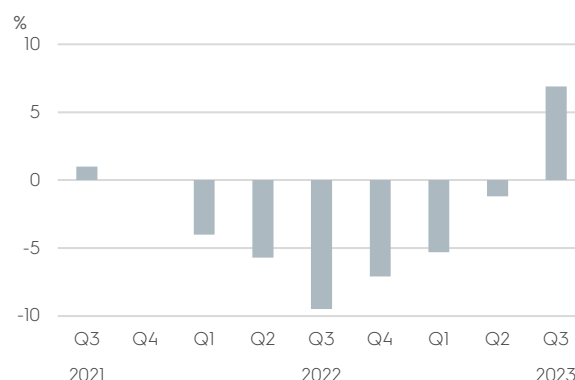
Market overview

In the third quarter, consumer demand remained negatively impacted by high general inflation, increased interest rates and geopolitical tensions. Reduced purchasing power continued to lead to more consumers shifting to lower price points. Promotional activity increased significantly year-over-year, due to lower consumer demand and resolution of supply chain constraints. In Europe, where overall market demand declined year-over-year, demand was particularly weak within the built-in kitchen category. In the U.S., overall market demand increased in terms of units, driven by high promotional activity and compared to a decline in demand in the third quarter last year. Demand varied significantly between product categories with growth primarily in the laundry category. For more information about the markets, please see the Business areas section.

INDUSTRY SHIPMENTS OF CORE APPLIANCES IN EUROPE*



INDUSTRY SHIPMENTS OF CORE APPLIANCES IN THE U.S.*



*Units year-over-year, %.

Sources: Europe: Electrolux estimate, excluding Russia. US: AHAM. For definitions see below. For other markets, there are no comprehensive market statistics.

Industry shipment of appliances

Europe, units, year-over-year, %*	Q3 2023	Q3 2022	Nine months 2023	Nine months 2022	Full year 2022
Western Europe	-7	-15	-10	-11	-10
Eastern Europe	-7	-19	-13	-13	-13
Total Europe	-7	-15	-11	-11	-10

*Source: Electrolux estimates for core appliances. Europe and Eastern Europe exclude Turkey and Russia. Core appliances include: Refrigerators, Freezers, Washing machines, Tumble dryers, Free-standing Cookers, Built-in Ovens, Built-in Hobs, Hoods and Dishwashers.

U.S., units, year-over-year, %*	Q3 2023	Q3 2022	Nine months 2023	Nine months 2022	Full year 2022
Core appliances	7	-10	0	-6	-7
Microwave ovens and home-comfort products	4	-3	-5	-4	-7
Total major appliances	6	-8	-1	-6	-7

*Source: Based on the AHAM Factory Shipment Report. Q3 2023 is a comparison of weeks between July 2, 2023 – September 30, 2023 vs July 3, 2022 – October 1, 2022. Core appliances include AHAM 6 (Washers, Dryers, Dishwashers, Refrigerators, Freezers, Ranges and Ovens) and Cooktops.



Business areas

Europe

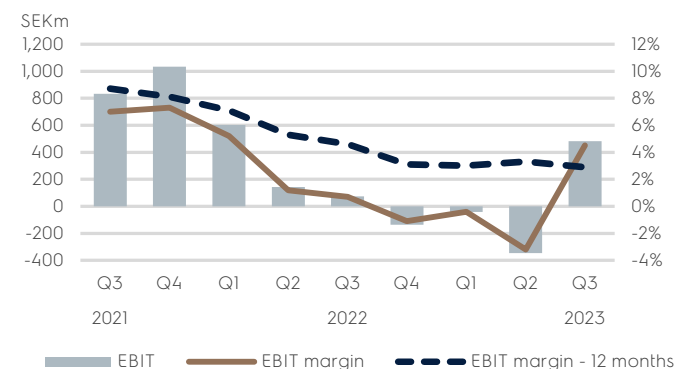
Market demand in Europe, excluding Russia, continued to decline in the quarter and was down 7% year-over-year in both Western and Eastern Europe. Compared to the third quarter of 2019, demand in Europe decreased by 12%, a similar decline as seen in previous quarters compared to 2019. Consumer confidence levels remained low in the third quarter, negatively impacted by high general inflation, increased interest rates, and geopolitical tensions. Reduced purchasing power continued to result in more consumers shifting to lower price points and postponing purchases in discretionary categories. Lower residential construction and remodeling activity also continued to result in significantly weaker demand within the built-in kitchen category. Promotional activity increased year-over-year.

The business area reported an organic sales decline of 11.5%, driven by lower volumes across product categories. Built-in kitchen products, a key category to the business area, were particularly impacted which also contributed to a less pronounced positive seasonality in the quarter. Despite this, mix was favorable in the quarter. Price decreased sequentially but was still positive year-over-year. This as the favorable impact from previous price increases tapered off while promotional activities increased year-over-year.

As previously announced, operating income included a positive non-recurring item of SEK 294m, related to the divestment of the manufacturing facility in Nyíregyháza, Hungary, see page 13.

Operating income excluding this item decreased year-over-year to SEK 189m mainly due to significantly lower volumes. Price largely offset the negative impact from external factors, driven by energy and labor cost inflation. The Group-wide cost reduction program contributed positively to earnings.

OPERATING INCOME AND MARGIN



EBIT margin - 12 months is excluding non-recurring items, see pages 21 and 27.

SEKM	Q3 2023	Q3 2022	Nine months 2023	Nine months 2022	Full year 2022
Net sales	10,618	11,107	32,749	33,987	46,573
Organic growth, %	-11.5	-9.7	-9.1	-7.4	-8.6
Acquisitions, %	-	-	-	0.2	0.1
Divestments, %	-0.0	-2.1	-1.4	-0.7	-2.2
Operating income	483	75	95	818	683
Operating margin, %	4.5	0.7	0.3	2.4	1.5
Operating margin excl. non-recurring items, % ¹	1.8	3.8	3.1	3.4	3.1

¹ For information on non-recurring items, see pages 13 and 21.



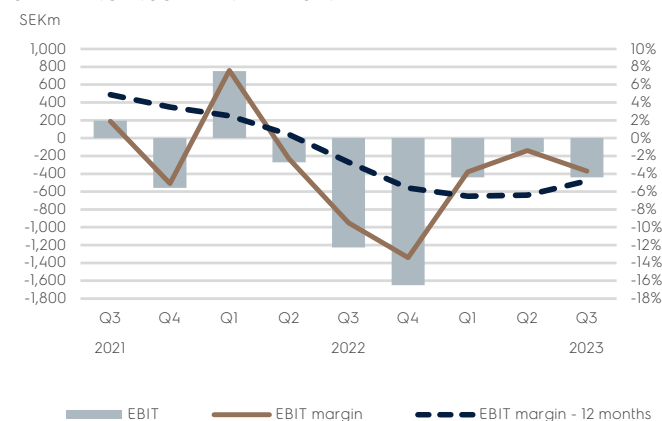
North America

During the quarter, market demand for core appliances in the U.S. increased in terms of units by 7%, year-over-year, driven by high promotional activity and compared to a decline in demand the third quarter last year. Growth was primarily in the laundry category. High general inflation and increased interest rates continued to impact consumer sentiment negatively, leading to more consumers shifting to lower price points. Compared to the third quarter of 2019, market demand for core appliances increased by 8%. Market demand for all major appliances, including microwave ovens and home-comfort products, increased by 6% year-over-year.

The business area reported an organic sales decline of 9.6%. High promotional activity in the market resulted not only in a decline in price but also contributed to lower volumes as the business area had a selective promotional approach. During this year, the gradual transition of cooking manufacturing in Springfield is continuing as planned from the legacy facility to the new one. From the second quarter and throughout the year, the ramp-up is mainly involving the high-volume free-standing cookers category. This impacted to some extent the ability to capture market demand in the third quarter. In addition, the border situation between the U.S. (the State of Texas) and Mexico, that emerged towards the end of the quarter involving lengthy vehicles inspections, had a somewhat negative impact on the availability of high value products. These border procedures result in longer transit times for products from the factories in Mexico coming into the U.S. via the State of Texas.

The business area reported an operating loss as a result of the organic sales decline, primarily driven by price but also due to lower volumes. The strategy focusing on growth in targeted high value categories resulted in a positive mix in the quarter enabled by the investments in new innovative modular product architectures. The North America turnaround program continued to progress well, generating substantial savings. The impact on earnings from external factors was slightly positive, driven by lower raw material costs.

OPERATING INCOME AND MARGIN



EBIT margin - 12 months is excluding non-recurring items, see pages 21 and 27.

SEKm	Q3 2023	Q3 2022	Nine months 2023	Nine months 2022	Full year 2022
Net sales	11,896	12,909	34,638	34,754	47,021
Organic growth, %	-9.6	2.3	-6.4	0.9	-0.9
Operating income	-440	-1,227	-1,039	-745	-2,394
Operating margin, %	-3.7	-9.5	-3.0	-2.1	-5.1
Operating margin excl. non-recurring items, % ¹	-3.7	-9.5	-3.0	-4.0	-5.6

¹ For information on non-recurring items, see page 21.



Latin America

During the quarter, consumer demand for core appliances is estimated to have increased in the region, year-over-year. This was driven by Brazil compared to a weak third quarter last year and with retailers shifting focus to push sales of white goods, particularly in refrigeration, from TVs and other electronics. In Argentina consumer demand continued to increase while in Chile there was a continued decline. For the region overall, reduced purchasing power continued to lead to more consumers shifting to lower price points.

The business area reported an organic sales increase of 7.6%, with growth in most product categories and driven by higher volumes in Brazil. Price was slightly positive year-over-year primarily driven by price increases in Argentina due to currency devaluation while significantly increased promotional activity had a negative impact. Mix was flat. Aftermarket sales continued to develop strongly.

Operating income decreased somewhat year-over-year, negatively impacted by significant currency headwind while organic sales growth had a positive impact. The Group-wide cost reduction program contributed positively to earnings. Investments increased in brand building activities and consumer direct capabilities.

SEKM	Q3 2023	Q3 2022	Nine months 2023	Nine months 2022	Full year 2022
Net sales	7,193	6,518	20,304	17,548	24,303
Organic growth, %	7.6	13.5	10.4	6.7	4.2
Operating income	405	440	975	829	1,058
Operating margin, %	5.6	6.8	4.8	4.7	4.4
Operating margin excl. non-recurring items, % ¹	5.6	6.8	4.8	4.7	4.7

¹ For information on non-recurring items, see page 21.

Asia-Pacific, Middle East and Africa

During the quarter, consumer demand in the region is estimated to have decreased notably, especially in Southeast Asia and Australia, compared to solid demand in the corresponding quarter last year. Consumer confidence and purchasing power were low, negatively affected by higher interest rates and general inflation. This continued to result in more consumers shifting to lower price points, and promotional activity increased compared to last year.

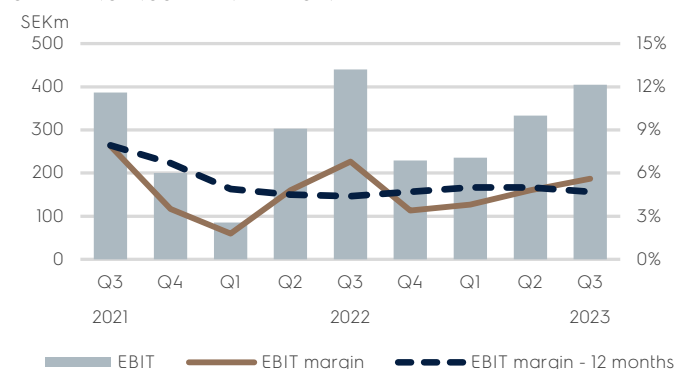
The business area reported an organic sales decline of 16.8%. This was a result of significantly lower volumes, mainly due to the weaker consumer demand, in combination with a strong third quarter last year, which was driven by improved product availability. Price increases implemented in high inflation countries were offset by increased promotional activities in other markets. Mix was positive, driven by growth in selected categories.

Operating income declined year-over-year, due to lower volumes and currency headwinds. The Group-wide cost reduction program contributed positively to earnings.

SEKM	Q3 2023	Q3 2022	Nine months 2023	Nine months 2022	Full year 2022
Net sales	3,720	4,710	11,124	12,822	16,984
Organic growth, %	-16.8	13.7	-11.3	5.0	-0.5
Operating income	245	511	568	1,220	1,308
Operating margin, %	6.6	10.8	5.1	9.5	7.7
Operating margin excl. non-recurring items, % ²	6.6	10.8	5.1	9.5	8.1

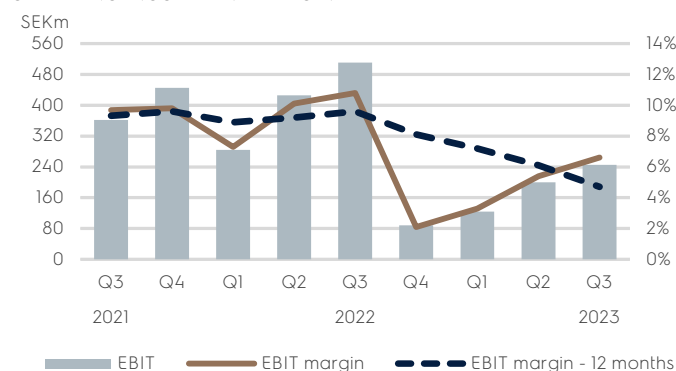
² For information on non-recurring items, see page 21.

OPERATING INCOME AND MARGIN



EBIT margin - 12 months is excluding non-recurring items, see pages 21 and 27.

OPERATING INCOME AND MARGIN



EBIT margin - 12 months is excluding non-recurring items, see pages 21 and 27.

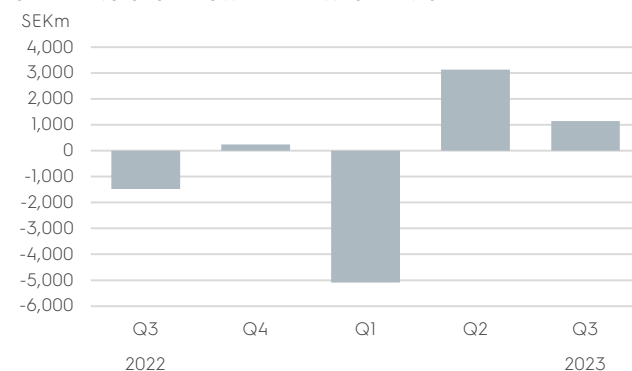


Cash flow

Operating cash flow after investments amounted to SEK 1,147m (-1,483) in the quarter, mainly generated by the operating income in combination with a positive impact of SEK 0.5bn from the divestment of the manufacturing facility in Nyíregyháza, Hungary, communicated in September. Working capital remained at a stable level, including inventory that has gradually been reduced from last year's elevated levels.

Operating cash flow after investments in the first nine months of 2023 amounted to SEK -808m (-6,360).

OPERATING CASH FLOW AFTER INVESTMENTS



SEKM	Q3 2023	Q3 2022	Nine months 2023	Nine months 2022	Full year 2022
Operating income adjusted for non-cash items ¹	1,873	1,405	5,863	6,086	6,845
Change in operating assets and liabilities	-61	-1,124	-3,605	-7,839	-6,367
Operating cash flow	1,812	281	2,258	-1,753	478
Investments in tangible and intangible assets	-1,304	-1,905	-3,700	-4,943	-7,389
Changes in other investments	640	142	634	336	793
Operating cash flow after investments	1,147	-1,483	-808	-6,360	-6,118
Acquisitions and divestments of operations	-	-367	-	-366	-366
Operating cash flow after structural changes	1,147	-1,850	-808	-6,726	-6,484
Financial items paid, net ²	-326	-312	-1,220	-836	-1,238
Taxes paid	-340	-466	-895	-1,168	-1,514
Cash flow from operations and investments	480	-2,628	-2,922	-8,730	-9,236
Payment of lease liabilities	-307	-239	-807	-717	-960
Repurchase of shares	-	-599	-	-2,138	-2,138
Dividend	-	-	-	-1,279	-2,521
Share-based payments	-	-	17	-230	-217
Total cash flow, excluding changes in loans and short-term investments	173	-3,466	-3,711	-13,095	-15,073

¹ Operating income adjusted for depreciation, amortization and other non-cash items.

² For the period January 1 to September 30: interest and similar items received SEK 236m (30), interest and similar items paid SEK -1,406m (-794) and other financial items received/paid SEK -50m (-72).



Financial position

Net debt

As of September 30, 2023, Electrolux had a financial net debt (excluding lease liabilities and post-employment provisions) of SEK 23,870m, compared to the financial net debt of SEK 19,828m as of December 31, 2022. Net provisions for post-employment benefits amounted to a deficit of SEK 621m and lease liabilities amounted to SEK 4,898m as of September 30, 2023. In total, net debt amounted to SEK 29,389m, an increase of SEK 5,541m compared to SEK 23,848m per December 31, 2022.

Long-term borrowings and long-term borrowings with maturities within 12 months amounted to a total of SEK 34,076m as of September 30, 2023, with an average maturity of 3.8 years, compared to SEK 31,343m and 4.0 years at the end of 2022.

In the third quarter, no long-term debt of significance was amortized. In September, Electrolux issued bonds of SEK 1,250m and a bond of EUR 300m, all under the Electrolux Euro Medium Term Note (EMTN) program. During the remaining part of 2023, long-term borrowings amounting to approximately SEK 63m and commercial papers of SEK 2,000m will mature. For more information see www.electroluxgroup.com.

Liquid funds as of September 30, 2023, amounted to SEK 16,673m, a decrease of SEK 1,127m compared to SEK 17,800m as of December 31, 2022. Total liquidity, including the revolving credit facilities, amounted to SEK 33,706m compared to SEK 34,422m as of December 31, 2022.

Net debt/EBITDA was 4.4 (2.6) and return on equity was -9.0% (4.2).

Working capital and net assets

Working capital as of September 30, 2023, amounted to SEK -10,849m (-10,840), corresponding to -8.2% (-7.7) of annualized net sales. Operating working capital amounted to SEK 9,871m (9,911), corresponding to 7.4% (7.0) of annualized net sales, see page 23.

Average net assets as of September 30, 2023, amounted to SEK 44,876m (35,780), corresponding to 34.1% (27.1) of annualized net sales. Net assets as of September 30, 2023, amounted to SEK 46,084m (42,472).

Return on net assets was 0.7% (6.5).

Net debt

SEKM	Sep. 30, 2023	Sep. 30, 2022	Dec. 31, 2022
Short-term loans	5,568	5,284	5,732
Short-term part of long-term loans	1,491	4,561	2,605
Trade receivables with recourse	42	94	40
Short-term borrowings	7,101	9,940	8,377
Financial derivative liabilities	489	400	445
Accrued interest expenses and prepaid interest income	553	152	254
Total short-term borrowings	8,143	10,492	9,076
Long-term borrowings	32,586	17,614	28,738
Total borrowings ¹	40,728	28,106	37,813
Long-term financial receivables	185	185	185
Cash and cash equivalents	16,296	9,403	17,559
Short-term investments	170	171	168
Financial derivative assets	181	365	51
Prepaid interest expenses and accrued interest income	27	16	21
Liquid funds ²	16,673	9,955	17,800
Financial net debt	23,870	17,966	19,828
Lease liabilities	4,898	4,399	4,264
Net provisions for post-employment benefits	621	-1,297	-245
Net debt	29,389	21,068	23,848
Net debt/EBITDA	4.4	2.6	3.8
Net debt/equity ratio	1.76	1.04	1.45
Total equity	16,696	20,162	16,449
Equity per share, SEK	61.83	74.67	60.92
Return on equity, %	-9.0	4.2	-7.0
Equity/assets ratio, %	14.9	17.0	15.0

¹ Whereof interest-bearing liabilities amounting to SEK 39,644m as of September 30, 2023, and SEK 27,459m as of September 30, 2022.

² Electrolux also has an unused committed multicurrency revolving credit facility of EUR 1,000m, approximately SEK 11,500m, maturing 2027, a revolving credit facility of SEK 2,500m, maturing 2024, and a revolving credit facility of SEK 3,000m, maturing 2025.



Other items

Asbestos litigation in the U.S.

Litigation and claims related to asbestos are pending against the Group in the U.S. 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 September 30, 2023, the Group had a total of 3,510 (3,371) cases pending, representing approximately 3,515 (approximately 3,378) plaintiffs. During the third quarter of

2023, 286 new cases with 286 plaintiffs were filed and 135 pending cases with approximately 135 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 the results of operations in the future.

Risks and uncertainty factors

Active risk management is essential for Electrolux to drive successful operations. The Group is impacted by various types of risks including strategic and external risks but also business risks such as operational and financial risks. Risk management in Electrolux aims to identify, control and reduce risks. Risks, risk management and risk exposure are described in more detail in the 2022 Annual Report:

www.electroluxgroup.com/annualreport2022



Sustainable consumer experience innovation

Innovation to improve the consumer experience in the Taste, Care & Wellbeing areas is a key driver for long-term profitable growth. Electrolux innovative product portfolio, with a strong sustainability focus, enables consumers to live better lives while often also saving energy, water and other resources. The product portfolio as well as Electrolux well-established brands with a strong innovation heritage are competitive assets, enabling the company to also strengthen its position in emerging markets and within aftermarket.

Deep consumer insight is a competitive advantage in an age of greater consumer awareness. Consumers increasingly prioritize sustainability; research shows that nearly 75% of consumers globally think it is more important than before the pandemic for companies to behave more sustainably¹ and nearly 60% of affluent Americans are willing to pay more for products that are environmentally friendly². Electrolux most resource-efficient products have consistently had a higher margin for many years and in 2022 these products accounted for 24% of total units sold and 39% of gross profit.

Attractive and sustainable ovens from renewed Brazilian facility

Innovation, efficiency and sustainability are cornerstones in Electrolux Group's strategy to drive profitable growth. Investments in the Sao Carlos cooking facility in Brazil have resulted in a sharper product offering which is gaining market shares in attractive categories, while at the same time being produced in a more cost and resource efficient way.

Growing profitably in Latin America over the past years, Electrolux Group is further improving and expanding its mix of products with a focus on built-in ovens. Offering consumers a range of new sought-after features, these appliances are manufactured in Sao Carlos, one of the facilities included in the Group's SEK 8bn re-engineering investment initiative. This initiative has enabled a higher degree of modularization and automation, which together with the benefits of an innovation process at Group level, have resulted in an attractive line of more efficiently produced cooking appliances, as well as reduced supply chain complexity and considerable sustainability gains.

Faster innovation and fewer components

Thanks to a shared product architecture, the cost and time it takes to develop and launch a new product can be reduced by approximately 30%. As modularized features fit in a majority of the products they can be used throughout the Group. The new line of built-in ovens produced at the Sao Carlos plant are equipped with features such as air fryer, convection, a sealed cavity, and a steam function. As these features were already included in ovens sold in Europe, the shared product architecture allowed them to be added in the ovens for the Latin American market with no further innovation efforts and only minor additional investment.

With ready-to-use modules that can be swiftly inserted, modularization also enables fewer components, thus reducing the complexity of the production process. Through the re-engineering initiative, the number of parts used in Sao Carlos has been lowered by more than 40%. Fewer components and suppliers also make it easier for Electrolux as a Group to manage any supply chain constraints.



Well-received resource-efficient products

The production facility in Sao Carlos and its new line of built-in ovens entail significant steps to reduce climate footprint. For example, its new state-of-the-art process for enameling has reduced the water consumption from 6.6 liters to 1.8 liter per produced oven. For the consumer, the welded cavity means that the appliance uses around 30% less energy to preheat. At the same time, integrated features such as the air fryer and steam function also enable users to enjoy more sustainable cooking and healthy living. The built-in ovens have received high scores from the consumers, with an average star rating of 4.7 on a five-point scale.

¹ Global WebIndex (GWI) (2020). Coronavirus research. Survey in 20 countries.

² Ipsos (2022). Who are the affluent environmentalists? An Ipsos point of View



Find more inspiring business cases on how Electrolux put its profitable growth strategy into action and the key pillars to create further value in **How we create value** on our website.

www.electroluxgroup.com/ir/create-value



Events during the quarter

July 20. Electrolux Group initiates preparations to divest non-core assets with total potential value of SEK 10bn

As part of its ongoing work to sharpen its strategic focus, Electrolux Group announced that the company has started preparations for a potential divestment of Zanussi and other non-core brands* during the coming years. A divestment would also include the production facilities in Egypt, which produce Zanussi-branded major appliances, and production facilities for water heaters in Egypt and South Africa. Together with continued sale of non-strategic real estate, the total potential divestment value for all these assets combined is estimated to be approximately SEK 10bn.

*Brands in-scope for divestment include primarily the major appliances brands Zanussi, Ideal, Faure, Zanker, Rosenlew, Elektro-Helios and Zoppas and the water heater brands Olympic Electric and Kwikot.

September 15. Electrolux Group divests Nyíregyháza factory in Hungary to Qvantum

Electrolux Group has divested its manufacturing facility in Nyíregyháza, Hungary to Swedish heat pump manufacturer Qvantum for a cash consideration of EUR 38m (SEK 0.5bn).

The gain of SEK 294m was recorded as a non-recurring item, positively impacting the operating income in business area Europe during the third quarter of 2023.

The divestment is part of the actions to divest non-core assets with total potential value of SEK 10bn, which were communicated on July 20, 2023.

September 21. Electrolux Group to divest Memphis factory

Electrolux Group has agreed to divest its manufacturing facility in Memphis, Tennessee, USA to a US-based investment company for a cash consideration of USD 61m (approx. SEK 675m).

The agreed divestment follows a previous agreement with another buyer which was not completed. The agreement includes a due diligence period before closing of the transaction, during which the buyer can terminate the contract.

The approximate gain of USD 50m (approx. SEK 550m) from the divestment will be recorded as a non-recurring item, positively impacting the operating income in business area North America, in connection with closing of the transaction. Closing and the positive cash flow impact are expected to occur during the fourth quarter of 2023.

The final operating income and cash flow effects will be determined by the exchange rate on the transaction day.

The divestment is part of the actions to divest non-core assets with total potential value of approximately SEK 10bn, which were communicated on July 20, 2023.

September 29. Conversion of shares in AB Electrolux

According to AB Electrolux articles of association, owners of Series A shares are entitled to request that such shares are converted to Series B shares. Conversion reduces the total number of votes in the company.

During September 2023, 364 Series A shares were at the request of shareholders converted to Series B shares, following which the total number of votes amounts to 35,680,362.9.

The total number of registered shares in the company amounts to 283,077,393 shares, of which 8,191,804 are Series A shares and 274,885,589 are Series B shares.

For more information, visit www.electroluxgroup.com

Events after the quarter

October 5. AB Electrolux Chairman Staffan Bohman declines re-election

Staffan Bohman has today notified the AB Electrolux Nomination Committee that he will not be available for re-election as Chairman of the Board of AB Electrolux at the Annual General Meeting in 2024.

Staffan Bohman has been Chairman since 2018. He is also a member of the Audit Committee and the People Committee.

The Nomination Committee's process of proposing a successor has been initiated.

October 25. Torbjörn Lööf proposed as new Chairman of AB Electrolux

The Nomination Committee of AB Electrolux proposes that Torbjörn Lööf is elected as new Chairman of the Board of AB Electrolux at the Annual General Meeting 2024.

As previously communicated, Staffan Bohman has announced that he will not be available for re-election at the Annual General Meeting 2024. The Nomination Committee proposes that Torbjörn Lööf is elected as new Chairman of the Board at the Annual General Meeting of AB Electrolux on March, 27, 2024.

Torbjörn Lööf is Board member of Husqvarna AB, Essity Aktiebolag, AB Blåkläder and Mercer International Inc. During the period 1989-2020, Torbjörn Lööf has held several senior management positions within the IKEA-sphere. Among other positions, he has been CEO of Inter IKEA Holding, Inter IKEA Systems and IKEA of Sweden. He has also held senior management positions at IKEA in Sweden and Italy and been Chairman and Board member of numerous IKEA-companies.

Torbjörn Lööf was born 1965 and is a Swedish citizen.

Torbjörn Lööf has a solid background within the IKEA-sphere with extensive experience of working with a strong brand, global supply chains and strategic ability to develop and successfully adapt the business in a changing global environment as well as experience as Board member of public companies. It is the opinion of the Nomination Committee that this makes him very well suited as Chairman of AB Electrolux to lead the company's ongoing work to sharpen its strategic focus to grow profitably in selected home appliance categories in the mid- and premium segments and enable return to good results and profitability levels and achieving the company's financial targets.

The Nomination Committee's complete proposal will be presented in the notice to the Annual General Meeting 2024.

October 27. Electrolux Group steps-up cost reductions and organizational simplifications

Against the background of continued weak consumer demand and competitive pressure in the market, Electrolux Group is stepping up its cost reduction efforts to restore margins. The actions are expected to result in net cost savings of SEK 10-11bn in 2024 vs 2022, compared to the previous cost reduction target of over SEK 7bn, and lead to a restructuring charge of SEK 2-2.5bn in the fourth quarter of 2023. The Group will reorganize into three regional business areas and two global product lines reporting to the CEO, leveraging the Group's global scale with fewer layers, resulting in increased focus and reduced costs.

As communicated in connection to the Q2-2023 report, given the challenging macro environment, an evaluation of further structural simplification and complexity reductions has been initiated. Weak market demand with consumers mixing down to lower price-points has been accompanied by increasing price pressure in most markets globally, particularly impacting North America. This has been enabled by the resolution of post pandemic supply-chain constraints, significantly lower freight rates, a strong US dollar vs. Asian currencies and large cost



Events after the quarter (continued)

inflation discrepancies between Europe and North America on one hand and in certain parts of Asia on the other, resulting in high promotional activity with increased pressure on margins.

To restore margins and return to profitable growth through accelerated execution of the strategy to deliver innovative and sustainable digital consumer experience solutions, Electrolux Group is increasing its focus to grow profitably in selected mid- and premium categories with its main brands, while driving even more targeted portfolio management. The strategy to drive high efficiency and productivity and the efforts to significantly reduce product and SG&A cost are intensified. The ongoing substantial cost reduction progress, while ahead of plan, is not sufficient to restore margins given the price pressure from input cost discrepancies. Further simplification, layering and streamlining of the organization are required.

"We are therefore accelerating structural cost reductions and execution of product cost measures. Hence, the cost reduction target for 2024 vs 2022 is increased to SEK 10-11bn, compared to the previous target of over SEK 7bn. The new target comprises net cost reductions from Cost efficiency and Investments in innovation and marketing, combined. For 2023 the target is to reach cost reductions of approximately SEK 6bn, year-over-year, compared to the previous target of at least SEK 5bn", says President & CEO Jonas Samuelson. "We remain committed to achieve at least 6% EBIT margin mid-term. In addition to an attractive offering driving commercial growth in targeted areas, a key component to deliver on this under current market conditions will be to continue to annually reduce product cost at a similar rate as during the period 2023-2024. This is enabled by a new, more focused business approach and simplified organizational structure."

The new organizational setup is expected to affect approximately 3,000 positions, resulting in a restructuring charge in the fourth quarter of 2023 of SEK 2-2.5bn, which will be reported as a non-recurring item.

In addition to the new organizational structure, a key earnings contributor will be lower product costs. During the past years, the Group has developed multiple competitive new modular product architectures delivering leading consumer experience innovation. The focus will now shift to manufacturing productivity and material cost reduction through intensified sourcing and cost engineering initiatives. The new product line setup will enable faster execution of product cost savings.

New, simplified organization

The new organization will consist of two global product lines, three regional business areas, and four global functions, all reporting to the CEO.

The two product lines will have the global, end-to-end responsibility to prioritize the growing and profitable product categories where Electrolux Group will focus its business and investments, leveraging global scale with speed and lower cost. Dan Arler has been appointed Head of Product Line Taste and Ian Banes has been appointed Head of Product Line Care.

To further leverage product and brand synergies between Europe and Asia-Pacific, Middle East & Africa, and to adapt the organization to the upcoming divestment of the operations in Egypt and South Africa, the current two Business Areas in the regions will form one Business Area under the leadership of Anna Ohlsson-Leijon, who will also be Group Executive Vice President, responsible for Group Consumer Direct Interaction development and Product Line Wellbeing. The other two Business Areas; North America, under the leadership of Ricardo Cons, and Latin America, Leandro Jasiocha, remain.

The four global functions are Operations under the leadership of Carsten Franke; Technology & Sustainability, Elena Breda; Finance, Legal & IT, Therese Friberg; and People & Communications, Lars Worsøe Petersen.

The new product line structure announced today will

be effective as of November 1, 2023, and the new business area structure as of January 1, 2024. Electrolux Group will report on the new business area structure in the interim report for the first quarter of 2024. Proforma figures showing the performance of the merged business area Europe-APACMEA will be made available through a press release prior to the quarterly report.

For more information, visit www.electroluxgroup.com



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 first nine months 2023 amounted to SEK 29,380m (30,664) of which SEK 24,117m (25,372) referred to sales to Group companies and SEK 5,263m (5,292) to external customers. Income after financial items was SEK -1,835m (282), including dividends from subsidiaries in the amount of SEK 674m (1,056). Income for the period amounted to SEK -1,437m (373).

Capital expenditure in tangible and intangible assets was SEK 853m (834). Liquid funds at the end of the period amounted to SEK 10,829m, compared to SEK 12,899m at the start of the year.

Undistributed earnings in the Parent Company at the end of the period amounted to SEK 7,669m, compared to SEK 9,353m at the start of the year. Dividend payment to shareholders for 2022 amounted to SEK 0m.

The income statement and balance sheet for the Parent Company are presented on page 24.

Stockholm, October 27, 2023

AB Electrolux (publ)
556009-4178

Jonas Samuelson
President and CEO

The report has not been audited by external auditors



Consolidated statement of comprehensive income

SEKM	Q3 2023	Q3 2022	Nine months 2023	Nine months 2022	Full year 2022
Net sales	33,427	35,244	98,815	99,111	134,880
Cost of goods sold	-28,675	-30,786	-84,720	-84,815	-117,177
Gross operating income	4,752	4,458	14,095	14,296	17,703
Selling expenses	-3,296	-3,219	-9,672	-9,295	-12,997
Administrative expenses	-1,269	-1,354	-4,169	-3,978	-5,752
Other operating income/expenses	421	-271	-27	726	830
Operating income	608	-385	227	1,749	-215
Financial items, net	-533	-401	-1,553	-947	-1,457
Income after financial items	75	-786	-1,326	802	-1,672
Taxes	49	181	212	-201	352
Income for the period	123	-605	-1,114	602	-1,320
Items that will not be reclassified to income for the period:					
Remeasurement of provisions for post-employment benefits	114	-69	395	2,614	1,614
Income tax relating to items that will not be reclassified	-22	-23	-99	-664	-411
	92	-92	296	1,950	1,204
Items that may be reclassified subsequently to income for the period:					
Cash flow hedges	0	4	-34	-8	39
Exchange-rate differences on translation of foreign operations	-719	830	975	3,790	2,643
Income tax relating to items that may be reclassified	3	1	15	6	1
	-716	835	956	3,788	2,684
Other comprehensive income, net of tax	-624	743	1,251	5,738	3,887
Total comprehensive income for the period	-501	138	138	6,340	2,568
Income for the period attributable to:					
Equity holders of the Parent Company	123	-605	-1,114	602	-1,320
Non-controlling interests	0	0	0	-0	0
Total	123	-605	-1,114	602	-1,320
Total comprehensive income for the period attributable to:					
Equity holders of the Parent Company	-501	138	138	6,340	2,567
Non-controlling interest	-0	0	-0	0	0
Total	-501	138	138	6,340	2,568
Earnings per share, SEK					
Basic	0.46	-2.23	-4.13	2.18	-4.81
Diluted	0.45	-2.19	-4.09	2.15	-4.75
Average number of shares ¹					
Basic, million	270.0	272.0	270.0	276.0	274.7
Diluted, million	273.4	276.0	272.6	279.3	278.0

¹ Average numbers of shares excluding shares held by Electrolux.



Consolidated balance sheet

SEKM	Sep. 30, 2023	Sep. 30, 2022	Dec. 31, 2022
Assets			
Property, plant and equipment, owned	29,920	29,557	29,876
Property, plant and equipment, right-of-use	4,512	4,041	3,906
Goodwill	6,973	7,444	7,081
Other intangible assets	5,732	5,009	5,223
Investments in associates	22	72	24
Deferred tax assets	8,617	7,077	7,672
Financial assets	264	266	259
Pension plan assets	1,238	2,829	2,164
Other non-current assets	1,643	802	904
Total non-current assets	58,921	57,097	57,108
Inventories	24,214	31,300	24,374
Trade receivables	22,681	22,798	21,487
Tax assets	977	1,331	1,208
Derivatives	287	582	99
Other current assets	5,552	5,578	5,098
Short-term investments	170	171	168
Cash and cash equivalents	16,296	9,403	17,559
Total current assets	70,177	71,164	69,994
Total assets	129,097	128,260	127,102
Equity and liabilities			
Equity attributable to equity holders of the Parent Company			
Share capital	1,545	1,545	1,545
Other paid-in capital	2,905	2,905	2,905
Other reserves	304	453	-651
Retained earnings	11,935	15,253	12,644
Equity attributable to equity holders of the Parent Company	16,689	20,156	16,443
Non-controlling interests	6	7	7
Total equity	16,696	20,162	16,449
Long-term borrowings	32,586	17,614	28,738
Long-term lease liabilities	3,689	3,336	3,210
Deferred tax liabilities	563	770	731
Provisions for post-employment benefits	1,859	1,532	1,919
Other provisions	4,930	4,715	4,655
Total non-current liabilities	43,627	27,966	39,253
Accounts payable	37,024	44,188	38,357
Tax liabilities	1,553	1,806	1,453
Dividend payable	-	1,242	-
Other liabilities	17,269	18,471	17,543
Short-term borrowings	7,101	9,940	8,377
Short-term lease liabilities	1,209	1,064	1,054
Derivatives	547	454	578
Other provisions	4,072	2,966	4,037
Total current liabilities	68,774	80,131	71,400
Total equity and liabilities	129,097	128,260	127,102

Change in consolidated equity

SEKM	Nine months 2023	Nine months 2022	Full year 2022
Opening balance	16,449	18,610	18,610
Total comprehensive income for the period	138	6,340	2,568
Share-based payments	109	-131	-72
Dividend to equity holders of the Parent Company	-	-2,521	-2,521
Repurchase of shares	-	-2,138	-2,138
Dividend to non-controlling interests	-0	-	-
Acquisition of non-controlling interests	-	2	2
Total transactions with equity holders	109	-4,788	-4,729
Closing balance	16,696	20,162	16,449



Consolidated cash flow statement

SEKM	Q3 2023	Q3 2022	Nine months 2023	Nine months 2022	Full year 2022
Operations					
Operating income	608	-385	227	1,749	-215
Depreciation and amortization	1,596	1,409	4,677	3,969	5,390
Other non-cash items	-331	381	958	367	1,670
Financial items paid, net ¹	-326	-312	-1,220	-836	-1,238
Taxes paid	-340	-466	-895	-1,168	-1,514
Cash flow from operations, excluding change in operating assets and liabilities	1,206	627	3,748	4,081	4,093
Change in operating assets and liabilities					
Change in inventories	299	-488	865	-7,208	-1,556
Change in trade receivables	-473	254	-502	3,305	4,074
Change in accounts payable	113	166	-2,693	714	-4,026
Change in other operating assets, liabilities and provisions	-1	-1,055	-1,274	-4,649	-4,859
Cash flow from change in operating assets and liabilities	-61	-1,124	-3,605	-7,839	-6,367
Cash flow from operations	1,145	-497	144	-3,757	-2,274
Investments					
Acquisition of operations	-	-0	-	2	-
Divestment of operations	-	-367	-	-367	-367
Capital expenditure in property, plant and equipment	-915	-1,458	-2,498	-3,739	-5,649
Capital expenditure in product development	-172	-206	-503	-540	-740
Capital expenditure in software and other intangibles	-217	-241	-699	-665	-1,001
Other	640	142	634	336	795
Cash flow from investments	-664	-2,131	-3,065	-4,973	-6,962
Cash flow from operations and investments	480	-2,628	-2,922	-8,730	-9,236
Financing					
Change in short-term investments	-1	-2	-2	-6	-4
Change in short-term borrowings	-1,031	717	264	4,338	5,355
New long-term borrowings	4,685	4	4,691	10,853	22,244
Amortization of long-term borrowings	-4	-8	-2,548	-4,123	-6,158
Payment of lease liabilities	-307	-239	-807	-717	-960
Dividend	-	-	-	-1,279	-2,521
Repurchase of shares	-	-599	-	-2,138	-2,138
Share-based payments	0	-	17	-230	-217
Cash flow from financing	3,343	-126	1,615	6,697	15,601
Total cash flow	3,823	-2,754	-1,307	-2,033	6,365
Cash and cash equivalents at beginning of period	12,545	12,185	17,559	10,923	10,923
Exchange-rate differences referring to cash and cash equivalents	-72	-28	43	513	271
Cash and cash equivalents at end of period	16,296	9,403	16,296	9,403	17,559

¹ For the period January 1 to September 30: interest and similar items received SEK 236m (30), interest and similar items paid SEK -1,406m (-794) and other financial items received/paid SEK -50m (-72).



Key ratios

SEKM unless otherwise stated	Q3 2023	Q3 2022	Nine months 2023	Nine months 2022	Full year 2022
Net sales	33,427	35,244	98,815	99,111	134,880
Organic growth, %	-7.9	1.2	-5.0	-0.7	-2.8
EBITA	904	-144	1,074	2,422	698
EBITA margin, %	2.7	-0.4	1.1	2.4	0.5
Operating income	608	-385	227	1,749	-215
Operating margin, %	1.8	-1.1	0.2	1.8	-0.2
Operating margin excl. non-recurring items, % ¹	0.9	-0.1	1.2	1.5	0.6
Income after financial items	75	-786	-1,326	802	-1,672
Income for the period	123	-605	-1,114	602	-1,320
Capital expenditure property, plant and equipment	-915	-1,458	-2,498	-3,739	-5,649
Operating cash flow after investments	1,147	-1,483	-808	-6,360	-6,118
Earnings per share, SEK ²	0.46	-2.23	-4.13	2.18	-4.81
Equity per share, SEK	61.83	74.67	61.83	74.67	60.92
Capital turnover rate, times/year	-	-	2.9	3.7	3.7
Return on net assets, %	-	-	0.7	6.5	-0.6
Return on equity, %	-	-	-9.0	4.2	-7.0
Net debt	29,389	21,068	29,389	21,068	23,848
Net debt/EBITDA	-	-	4.4	2.6	3.8
Net debt/equity ratio	1.76	1.04	1.76	1.04	1.45
Average number of employees	44,648	51,412	45,966	51,527	50,769
Average number of shares excluding shares owned by Electrolux, million	270.0	272.0	270.0	276.0	274.7

¹ The first nine months of 2023 and the full year 2022 include non-recurring items respectively. For more information regarding non-recurring items in previous years, see page 27.

² Basic.

For definitions, see pages 28-29.

Exchange rates

SEK	Sep. 30, 2023		Sep. 30, 2022		Dec. 31, 2022	
Exchange rate	Average	End of period	Average	End of period	Average	End of period
ARS	0.0452	0.0311	0.0829	0.0759	0.0785	0.0589
AUD	7.06	7.06	6.98	7.23	7.00	7.09
BRL	2.12	2.17	1.93	2.07	1.95	2.00
CAD	7.87	8.11	7.69	8.13	7.73	7.70
CHF	11.69	11.93	10.43	11.40	10.59	11.29
CLP	0.0128	0.0120	0.0115	0.0116	0.0116	0.0121
CNY	1.51	1.49	1.50	1.57	1.50	1.51
EUR	11.46	11.53	10.52	10.90	10.63	11.12
GBP	13.17	13.34	12.40	12.34	12.45	12.54
HUF	0.0300	0.0296	0.0272	0.0258	0.0272	0.0277
MXN	0.5961	0.6233	0.4903	0.5550	0.5028	0.5333
THB	0.3058	0.2982	0.2856	0.2960	0.2881	0.3019
USD	10.61	10.89	9.92	11.18	10.09	10.43



Net sales and operating income by business area

SEKM	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Full year 2023	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Full year 2022
Europe										
Net sales	11,339	10,791	10,618			11,535	11,345	11,107	12,586	46,573
Sales growth, %	-7.8	-12.1	-11.5			-4.0	-7.4	-11.6	-17.0	-10.5
EBITA	63	-232	604			670	222	161	-44	1,009
EBITA margin, %	0.6	-2.1	5.7			5.8	2.0	1.4	-0.4	2.2
Operating income	-41	-346	483			602	142	75	-135	683
Operating margin, %	-0.4	-3.2	4.5			5.2	1.2	0.7	-1.1	1.5
North America										
Net sales	11,504	11,238	11,896			9,940	11,905	12,909	12,266	47,021
Sales growth, %	4.0	-12.3	-9.6			-0.3	0.7	2.3	-6.1	-0.9
EBITA	-366	-78	-360			807	-214	-1,169	-1,588	-2,164
EBITA margin, %	-3.2	-0.7	-3.0			8.1	-1.8	-9.1	-12.9	-4.6
Operating income	-439	-160	-440			752	-270	-1,227	-1,649	-2,394
Operating margin, %	-3.8	-1.4	-3.7			7.6	-2.3	-9.5	-13.4	-5.1
Latin America										
Net sales	6,196	6,915	7,193			4,761	6,268	6,518	6,755	24,303
Sales growth, %	20.9	5.6	7.6			-6.0	12.9	13.5	-1.6	4.2
EBITA	276	368	446			115	338	478	261	1,191
EBITA margin, %	4.5	5.3	6.2			2.4	5.4	7.3	3.9	4.9
Operating income	236	333	405			85	303	440	229	1,058
Operating margin, %	3.8	4.8	5.6			1.8	4.8	6.8	3.4	4.4
Asia-Pacific, Middle East and Africa										
Net sales	3,695	3,709	3,720			3,882	4,231	4,710	4,162	16,984
Sales growth, %	-5.5	-10.7	-16.8			-5.2	6.4	13.7	-14.1	-0.5
EBITA	142	220	267			300	439	527	104	1,370
EBITA margin, %	3.8	5.9	7.2			7.7	10.4	11.2	2.5	8.1
Operating income	124	200	245			284	426	511	88	1,308
Operating margin, %	3.3	5.4	6.6			7.3	10.1	10.8	2.1	7.7
Group common costs, etc: operating income										
	-136	-150	-86			-148	-41	-184	-497	-870
Total Group										
Net sales	32,734	32,653	33,427			30,118	33,749	35,244	35,769	134,880
Sales growth, %	1.1	-8.8	-7.9			-3.3	0.4	0.4	-10.4	-3.6
EBITA	6	164	904			1,780	786	-144	-1,724	698
EBITA margin, %	0.0	0.5	2.7			5.9	2.3	-0.4	-4.8	0.5
Operating income	-256	-124	608			1,575	560	-385	-1,964	-215
Operating margin, %	-0.8	-0.4	1.8			5.2	1.7	-1.1	-5.5	-0.2
Income for the period	-588	-648	123			950	257	-605	-1,922	-1,320
Earnings per share, SEK ¹	-2.18	-2.40	0.46			3.40	0.93	-2.23	-7.12	-4.81

¹ Basic



Non-recurring items by business area

SEKM	Q1 2023 ¹	Q2 2023 ²	Q3 2023 ³	Q4 2023	Full year 2023	Q1 2022 ⁴	Q2 2022	Q3 2022 ⁵	Q4 2022 ⁶	Full year 2022
Europe	-561	-643	294			-	-	-350	-424	-774
North America	-	-	-			656	-	-	-415	241
Latin America	-	-	-			-	-	-	-80	-80
Asia-Pacific, Middle East and Africa	-	-	-			-	-	-	-66	-66
Group common costs, etc.	-	-	-			-	-	-	-367	-367
Total Group	-561	-643	294			656	-	-350	-1,352	-1,046

¹ The non-recurring item of SEK -561m in the first quarter of 2023 refers to business area Europe and the restructuring charge related to the discontinuation of production at the Nyíregyháza factory in Hungary from the beginning of 2024. The cost is included in Cost of goods sold.

² The non-recurring item of SEK -643m in the second quarter of 2023 refers to business area Europe and a provision mainly related to a French antitrust case. The cost is included in Other operating income/expenses.

³ The non-recurring item of SEK 294m in the third quarter of 2023 refers to business area Europe and the gain from the divestment of the Nyíregyháza factory in Hungary. The gain is included in Other operating income/expenses.

⁴ The non-recurring item of SEK 656m in the first quarter of 2022 refers to business area North America and a settlement regarding the arbitration in U.S. tariff case on washing machines imported into the U.S. from Mexico in 2016/2017. The positive NRI is included in Other operating income/expenses.

⁵ The non-recurring item of SEK -350m in the third quarter of 2022 refers to business area Europe and the exit from the Russian market. The cost is included in Other operating income/expenses.

⁶ The non-recurring items of SEK -1,352m in the fourth quarter of 2022 refer to a restructuring charge of SEK -1,536m for the Group-wide cost reduction and North America turnaround program, a capital gain of SEK 394m for the divestment of Electrolux office facility in Zürich, Switzerland, and SEK -210m from the termination of a U.S. pension plan, transferred to a third party. The capital gain from the facility divestment and the cost for the pension plan termination are included in Other operating income/expenses, the restructuring costs for the Group-wide cost reduction and North America turnaround program are included in the applicable functional lines of the income statement.

Operating income excluding non-recurring items (NRI)

SEKM	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Full year 2023	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Full year 2022
Europe										
Operating income excl. NRI	520	297	189			602	142	425	289	1,457
Operating margin excl. NRI, %	4.6	2.8	1.8			5.2	1.2	3.8	2.3	3.1
North America										
Operating income excl. NRI	-439	-160	-440			96	-270	-1,227	-1,234	-2,635
Operating margin excl. NRI, %	-3.8	-1.4	-3.7			1.0	-2.3	-9.5	-10.1	-5.6
Latin America										
Operating income excl. NRI	236	333	405			85	303	440	309	1,138
Operating margin excl. NRI, %	3.8	4.8	5.6			1.8	4.8	6.8	4.6	4.7
Asia-Pacific, Middle East and Africa										
Operating income excl. NRI	124	200	245			284	426	511	154	1,374
Operating margin excl. NRI, %	3.3	5.4	6.6			7.3	10.1	10.8	3.7	8.1
Group common cost etc										
Operating income excl. NRI	-136	-150	-86			-148	-41	-184	-130	-503
Total Group										
Operating income excl. NRI	305	519	314			919	560	-35	-612	831
Operating margin excl. NRI, %	0.9	1.6	0.9			3.1	1.7	-0.1	-1.7	0.6



Net sales by business area

SEKM	Q3 2023	Q3 2022	Nine months 2023	Nine months 2022	Full year 2022
Europe	10,618	11,107	32,749	33,987	46,573
North America	11,896	12,909	34,638	34,754	47,021
Latin America	7,193	6,518	20,304	17,548	24,303
Asia-Pacific, Middle East and Africa	3,720	4,710	11,124	12,822	16,984
Total Group	33,427	35,244	98,815	99,111	134,880

Change in Net sales by business area, %

Year-over-year, %	Q3 2023	Q3 2023 currency adjusted	Nine months 2023	Nine months 2023 currency adjusted
Europe	-4	-11	-4	-10
North America	-8	-10	-0	-6
Latin America	10	8	16	10
Asia-Pacific, Middle East and Africa	-21	-17	-13	-11
Total change Group	-5	-8	-0	-5

Operating income by business area

SEKM	Q3 2023	Q3 2022	Nine months 2023	Nine months 2022	Full year 2022
Europe	483	75	95	818	683
Margin, %	4.5	0.7	0.3	2.4	1.5
North America	-440	-1,227	-1,039	-745	-2,394
Margin, %	-3.7	-9.5	-3.0	-2.1	-5.1
Latin America	405	440	975	829	1,058
Margin, %	5.6	6.8	4.8	4.7	4.4
Asia-Pacific, Middle East and Africa	245	511	568	1,220	1,308
Margin, %	6.6	10.8	5.1	9.5	7.7
Group common costs, etc.	-86	-184	-373	-373	-870
Operating income Group	608	-385	227	1,749	-215
Margin, %	1.8	-1.1	0.2	1.8	-0.2

Change in operating income by business area, SEKM

Year-over-year, SEKM	Q3 2023	Q3 2023 currency adjusted	Nine months 2023	Nine months 2023 currency adjusted
Europe	408	395	-723	-799
North America	788	879	-294	-266
Latin America	-35	-48	146	121
Asia-Pacific, Middle East and Africa	-266	-237	-652	-627
Group common costs, etc.	98	103	0	-3
Total change Group	993	1,093	-1,522	-1,574



Working capital and net assets

SEKM	Sep. 30, 2023	% ¹	Sep. 30, 2022	% ¹	Dec. 31, 2022	% ¹
Inventories	24,214	18.2	31,300	22.2	24,374	17.7
Trade receivables	22,681	17.1	22,798	16.1	21,487	15.6
Accounts payable	-37,024	-27.8	-44,188	-31.3	-38,357	-27.8
Operating working capital	9,871	7.4	9,911	7.0	7,504	5.4
Provisions	-9,002		-7,682		-8,693	
Prepaid and accrued income and expenses	-11,770		-13,275		-12,567	
Taxes and other assets and liabilities	51		206		24	
Working capital	-10,849	-8.2	-10,840	-7.7	-13,731	-9.9
Property, plant and equipment, owned	29,920		29,557		29,876	
Property, plant and equipment, right-of-use	4,512		4,041		3,906	
Goodwill	6,973		7,444		7,081	
Other non-current assets	7,475		5,963		6,224	
Deferred tax assets and liabilities	8,054		6,307		6,940	
Net assets	46,084	34.7	42,472	30.1	40,297	29.2
Annualized net sales, calculated at end of period exchange rates	132,984		141,258		138,040	
Average net assets	44,876	34.1	35,780	27.1	36,684	27.2
Annualized net sales, calculated at average exchange rates	131,753		132,148		134,880	

¹ Of annualized net sales.

Net assets by business area

SEKM	Assets			Equity and liabilities			Net assets		
	Sep. 30, 2023	Sep. 30, 2022	Dec. 31, 2022	Sep. 30, 2023	Sep. 30, 2022	Dec. 31, 2022	Sep. 30, 2023	Sep. 30, 2022	Dec. 31, 2022
Europe	32,581	33,193	32,041	24,856	27,145	26,273	7,725	6,048	5,768
North America	31,796	35,511	30,229	17,636	21,942	18,375	14,160	13,569	11,854
Latin America	19,583	19,659	18,141	11,237	10,369	9,417	8,346	9,290	8,724
Asia-Pacific, Middle East and Africa	13,007	14,891	13,821	6,370	8,439	7,451	6,637	6,453	6,370
Other ¹	14,034	12,037	12,722	4,818	4,924	5,141	9,216	7,113	7,581
Total operating assets and liabilities	111,000	115,291	106,953	64,916	72,819	66,657	46,084	42,472	40,297
Liquid funds	16,673	9,955	17,800						
Long-term financial receivables	185	185	185						
Total borrowings				40,728	28,106	37,813			
Lease liabilities				4,898	4,399	4,264			
Pension assets and liabilities	1,238	2,829	2,164	1,859	1,532	1,919			
Dividend payable				-	1,242	-			
Total equity				16,696	20,162	16,449			
Total	129,097	128,260	127,102	129,097	128,260	127,102			

¹ Includes common functions and tax items.



Parent Company income statement

SEKM	Q3 2023	Q3 2022	Nine months 2023	Nine months 2022	Full year 2022
Net sales	9,497	10,020	29,380	30,664	42,063
Cost of goods sold	-8,720	-9,378	-26,943	-27,220	-37,873
Gross operating income	777	642	2,437	3,444	4,190
Selling expenses	-793	-777	-2,370	-2,226	-3,320
Administrative expenses	-440	-646	-2,116	-1,618	-2,470
Other operating expenses	-	-250	-	-250	-1,860
Operating income	-456	-1,031	-2,049	-650	-3,460
Financial income	436	269	2,002	1,476	3,920
Financial expenses	-660	-259	-1,788	-544	-1,073
Financial items, net	-224	10	214	932	2,847
Income after financial items	-680	-1,021	-1,835	282	-613
Appropriations	20	-32	111	5	-60
Income before taxes	-660	-1,053	-1,724	287	-673
Taxes	107	177	287	86	437
Income for the period	-553	-876	-1,437	373	-236

Parent Company balance sheet

SEKM	Sep. 30, 2023	Sep. 30, 2022	Dec. 31, 2022
Assets			
Non-current assets	42,463	40,765	41,189
Current assets	37,625	30,216	36,019
Total assets	80,088	70,981	77,208
Equity and liabilities			
Restricted equity	7,183	6,610	6,813
Non-restricted equity	7,669	10,189	9,353
Total equity	14,852	16,799	16,166
Untaxed reserves	646	576	668
Provisions	2,404	1,285	1,926
Non-current liabilities	32,624	17,638	28,771
Current liabilities	29,562	34,683	29,677
Total equity and liabilities	80,088	70,981	77,208

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, 2023	8,192,348	274,885,045	283,077,393	13,049,115	270,028,278
Change during the year	-544	544	-	-	-
Number of shares as of September 30, 2023	8,191,804	274,885,589	283,077,393	13,049,115	270,028,278
As % of total number of shares				4.6%	



Notes

Note 1 Accounting 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, the Swedish Annual Accounts Act and RFR 2 'Accounting for legal entities' issued by the Swedish Financial Reporting Board.

Electrolux interim reports contain a condensed set of financial statements. For the Group this chiefly means that the disclosures are limited compared to the consolidated financial statements presented in the annual report. For the Parent Company this means that the financial statements in general are presented in condensed versions and with limited disclosures compared to the annual report.

The accounting policies applied are consistent with those applied in the preparation of the Group's Annual Report 2022, except for the adoption of standard amendments effective as of January 1, 2023. The amendments have not had any material impact on the financial statements. See section 'New or amended accounting standards to be applied after 2022 in the Annual Report 2022 for more information.

Note 2 Disaggregation of revenue

Electrolux manufactures and sells appliances mainly in the wholesale market to customers being retailers. Electrolux products include refrigerators, freezers, dishwashers, washing machines, dryers, cookers, microwave ovens, vacuum cleaners, air conditioners and small domestic appliances. Electrolux has four regional business areas with focus on the consumer market.

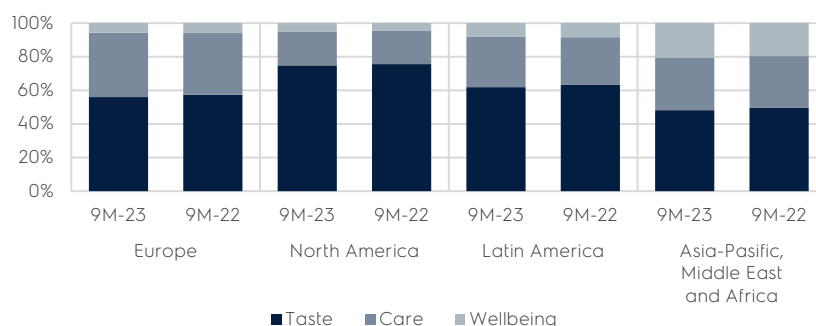
Sales of products are revenue recognized at a point in time when control of the products has transferred. Revenue from services related to installation of products, repairs or maintenance service is recognized when control is transferred being over the time the service is provided. Sales of services are not material in relation to Electrolux total net sales.

Geography and product category are considered important attributes when disaggregating Electrolux revenue. The business areas, also being the Group's segments, are based on geography: Europe, North America, Latin America and Asia-Pacific, Middle East and Africa. For business area information, see pages 5-7. In addition, the table below presents net sales by product area Taste (cooking, refrigeration and freezer appliances), Care (dish and laundry appliances) and Wellbeing (e.g., air conditioners, cleaning appliances and small domestic appliances). Products within all product areas are sold in each of the reportable segments, i.e., the business areas, as presented in the graph below.

Revenue per product area

SEKM	Nine months 2023	Nine months 2022
Product areas		
Taste	62,245	63,147
Care	28,992	28,360
Wellbeing	7,578	7,604
Total	98,815	99,111

Business area revenue per product area



Note 3 Fair values and carrying amounts of financial assets and liabilities

SEKM	Sep. 30, 2023		Sep. 30, 2022		Dec. 31, 2022	
	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount
Per category						
Financial assets at fair value through profit and loss	431	431	434	434	425	425
Financial assets measured at amortized cost	38,979	38,979	32,196	32,196	39,048	39,048
Derivatives, financial assets at fair value through profit and loss	286	286	550	550	60	60
Derivatives, hedge accounting	1	1	32	32	39	39
Total financial assets	39,697	39,697	33,212	33,212	39,572	39,572
Financial liabilities measured at amortized cost	75,866	76,711	67,396	69,231	74,123	75,472
Derivatives, financial liabilities at fair value through profit and loss	444	444	173	173	279	279
Derivatives, hedge accounting	103	103	281	281	299	299
Total financial liabilities	76,413	77,258	67,850	69,685	74,701	76,050



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 at fair value according to the following hierarchy:

Level 1: Quoted prices in active markets for identical assets or liabilities. On September 30 the fair value for Level 1 financial assets was SEK 167m (168) 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. On September 30 the fair value of Level 2 financial assets was SEK 287m (582) and financial liabilities SEK 547m (454).

Level 3: Inputs for the assets or liabilities that are not entirely based on observable market data. On September 30 the fair value of Level 3 financial assets was SEK 264m (266) and financial liabilities SEK 0m (0).

Note 4 Pledged assets and contingent assets and liabilities

SEKM	Sep. 30, 2023	Sep. 30, 2022	Dec. 31, 2022
Group			
Pledged assets	-	-	-
Guarantees and other commitments	1,410	1,287	1,491
Parent Company			
Pledged assets	-	-	-
Guarantees and other commitments	1,165	1,080	1,097

Update on legal proceedings

(The text is the same as communicated in Note 4 in the Q2 2023 interim report)

Update regarding the French Competition Authority's investigation regarding possible violation of antitrust rules. As previously disclosed in press releases and annual reports, the company became in 2013 the subject of an investigation by the French Competition Authority regarding possible violations of antitrust rules. The Authority has thereafter decided to conduct two separate investigations one of which was completed in December 2018. In February 2023, the Authority issued a Statement of Objections relating to the other investigation and Electrolux France is alleged to have breached the antitrust rules by conducting resale price maintenance in the home appliance sector between 2009 and 2014 and by exchanging with other parties competitively sensitive information relating small appliances in France between 2009 and 2014. During Q2 2023, a settlement has been agreed with the Competition Authority and Electrolux Group has therefore in accordance with accounting principles set a provision of SEK 643m. A minor part of the provision relates to the settlement of another legal matter in Europe. The final amount will be decided at the end of the procedure.

For more information on this matter and other contingent liabilities, see Note 25 in the Annual Report 2022.

Note 5 Acquisitions and divestments

Acquisitions and divestments in 2023

There were no acquisitions or divestments completed in the first nine months of 2023.

Divestments in 2022

Electrolux decided to exit Russia and divested the business to local management through a sale of its Russian subsidiary on September 9, 2022. A capital loss of SEK 350m was recorded as a non-recurring item affecting the operating income for business area Europe in the third quarter of 2022.

Acquisitions in 2022

There were no acquisitions completed during 2022.



Operations by business area yearly

SEKM	2018 ¹	2019	2020	2021	2022
Europe					
Net sales	43,321	45,420	46,038	49,384	46,573
Operating income	2,128	2,493	3,643	4,002	683
Margin, %	4.9	5.5	7.9	8.1	1.5
North America					
Net sales	39,804	38,954	38,219	40,468	47,021
Operating income	1,104	-516	1,215	688	-2,394
Margin, %	2.8	-1.3	3.2	1.7	-5.1
Latin America					
Net sales	17,963	19,653	16,915	19,958	24,303
Operating income	492	1,821	666	1,336	1,058
Margin, %	2.7	9.3	3.9	6.7	4.4
Asia-Pacific, Middle East and Africa					
Net sales	14,375	14,954	14,788	15,820	16,984
Operating income	979	446	1,038	1,511	1,308
Margin, %	6.8	3.0	7.0	9.6	7.7
Other					
Group common cost, etc.	-527	-1,055	-783	-737	-870
Total Group					
Net sales	115,463	118,981	115,960	125,631	134,880
Operating income	4,176	3,189	5,778	6,801	-215
Margin, %	3.6	2.7	5.0	5.4	-0.2

Non-recurring items in operating income ²	2018 ³	2019 ⁴	2020	2021 ⁵	2022 ⁶
Europe	-747	-752	-	-	-774
North America	-596	-1,071	-	-727	241
Latin America	-	1,101	-	-	-80
Asia-Pacific, Middle East and Africa	-	-398	-	-	-66
Group common cost	-	-224	-	-	-367
Total Group	-1,343	-1,344	-	-727	-1,046

¹ IFRS 16 was applied from 2019 without restatement of comparatives, see Annual Report 2018 for more information.

² For more information, see Note 7 in the annual reports.

³ Non-recurring items 2018: SEK -596m refers to the consolidation of freezer production in North America, SEK -747m refers to business area Europe and includes a fine of SEK -493m, relating to an investigation by the French Competition Authority, and a cost of SEK -254m relating to an unfavorable court ruling in France.

⁴ Non-recurring items 2019 include SEK -829m related to the consolidation of North America cooking production and SEK -225m to the closure of a refrigeration production line in Latin America, recovery of overpaid sales tax in Brazil of SEK 1,403m, a legal settlement in the U.S. of SEK -197m and restructuring charges for efficiency measures and outsourcing projects across business areas and Group common costs of SEK -1,496m.

⁵ Non-recurring item of SEK -727m in the fourth quarter of 2021 refers to business area North America and arbitration in U.S. tariff case on washing machines imported into the U.S. from Mexico in 2016/2017.

⁶ Non-recurring items of SEK -1,046m in 2022 whereof SEK 656m refers to a settlement regarding the arbitration in a U.S. tariff case, SEK -350m to a loss from the exit from the Russian market, SEK -1,536m to restructuring charges across business areas and Group common cost for the Group-wide cost reduction and North America turnaround program, SEK 394m to the divestment of the office facility in Zürich, Switzerland, and SEK -210m to the termination of a U.S. pension plan, transferred to a third party.



Five-year review

Total Group 2018 and Continuing operations 2018 (restated) - 2022

SEKM unless otherwise stated	2018 ¹	Restated 2018 ²	2019 ³	2020	2021	2022
Net sales	124,129	115,463	118,981	115,960	125,631	134,880
Organic growth, %	1.3	1.2	-1.0	3.2	14.2	-2.8
Operating income	5,310	4,176	3,189	5,778	6,801	-215
Operating margin, %	4.3	3.6	2.7	5.0	5.4	-0.2
Income after financial items	4,887	3,754	2,456	5,096	6,255	-1,672
Income for the period	3,805	2,854	1,820	3,988	4,678	-1,320
Non-recurring items in operating income ⁴	-1,343	-1,343	-1,344	-	-727	-1,046
Capital expenditure, property, plant and equipment	-4,650	-4,506	-5,320	-4,325	-4,847	-5,649
Operating cash flow after investments	3,649	2,646	2,280	8,552	3,200	-6,118
Earnings per share, SEK ⁵	13.24	9.93	6.33	13.88	16.31	-4.81
Equity per share, SEK	75.67	-	78.55	65.10	65.74	60.92
Dividend per share, SEK	8.50	8.50	7.00	8.00	9.20	-
Capital-turnover rate, times/year	5.3	5.6	4.5	4.5	5.3	3.7
Return on net assets, %	22.7	20.2	12.0	22.6	28.5	-0.6
Return on equity, % ⁶	18.2	-	11.4	34.1	24.4	-7.0
Net debt	1,825	-	7,683	1,556	8,591	23,848
Net debt/EBITDA	-	0.2	0.8	0.2	0.7	3.8
Net debt/equity ratio	0.08	-	0.34	0.08	0.46	1.45
Average number of shares excluding shares owned by Electrolux, million	287.4	287.4	287.4	287.4	286.9	274.7
Average number of employees	54,419	51,253	48,652	47,543	51,590	50,769

¹ IFRS 16 was applied from 2019 without restatement of comparatives, see Annual Report 2018 for more information.

² Excluding discontinued operations.

³ Equity in key ratio calculations include discontinued operations

⁴ For more information, see table on page 27 and Note 7 in the annual reports.

⁵ Basic.

⁶ Return on equity for the full year 2020 include a settlement gain from the distribution of Electrolux Professional. Adjusted for the settlement gain, return on equity was 21.7%.

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 at least 6%
- Capital turnover-rate of at least 4 times
- Return on net assets >20%
- Average annual sales growth of at least 4%

Definitions and reconciliations of alternative performance measures

This report includes financial measures as required by the financial reporting framework applicable to Electrolux, which is based on IFRS. In addition, Electrolux presents certain measures that are not defined under IFRS (alternative performance measures – "APMs"). These are used by management to assess the financial and operational performance of the Group. Management believes that these APMs provide useful information regarding the Group's financial and operating performance. Such measures may not be comparable to similar measures presented by other companies. Consequently, APMs have limitations as analytical tools and should not be considered in isolation or as a substitute for related financial measures prepared in accordance to IFRS. The APMs have been derived from the Group's internal reporting and are not audited. The APM reconciliations can be found on the Group's website www.electroluxgroup.com/ir/definitions

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.



Definitions and reconciliations of alternative performance measures

(continued)

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.

Sales growth

Change in net sales adjusted for currency translation effects.

Organic growth

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

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

EBITA

Operating income excluding amortization of intangible assets.

EBITA margin

EBITA expressed as a percentage of net sales.

EBITDA

Operating income excluding depreciation and amortization.

Operating income excluding non-recurring items

Operating income adjusted for non-recurring items.

Operating income excluding non-recurring items for the period.

Operating income adjusted for non-recurring items for the period.

Operating margin (EBIT margin)

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

Operating margin (EBIT margin) excluding non-recurring items

Operating income (EBIT) excluding non-recurring items, 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.

Net debt/EBITDA

Net debt at end of period in relation to 12-months rolling EBITDA, excluding non-recurring items.

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, Basic

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

Earnings per share, Diluted

Income for the period attributable to equity holders of the Parent Company divided by the average number of shares after dilution, excluding shares held by Electrolux.

Earnings per share excluding non-recurring items

Net income excluding non-recurring items divided by average number of shares.

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 assets¹ and prepaid interest expenses and accrued interest income¹.

Operating working capital

Inventories and trade receivables less accounts payable.

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 liabilities¹, accrued interest expenses and prepaid interest income¹.

Total short-term borrowings

Short-term borrowings, financial derivative liabilities¹, accrued interest expenses and prepaid interest income¹.

Interest-bearing liabilities

Long-term borrowings and short-term borrowings exclusive of liabilities related to trade receivables with recourse¹.

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, lease liabilities and net provision for post-employment benefits.

Other measures

Operating cash flow

Operating income adjusted for depreciation, amortization and other non-cash items plus/minus change in operating assets and liabilities.

Operating cash flow after investments

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

Operating cash flow after structural changes

Operating cash flow adjusted for structural changes.

Cash flow excluding change in loans and short-term investments for the period

Cash flow adjusted for change in loans and short-term investments for the period.

Non-recurring items

Material profit or loss items in operating income which are relevant for understanding the financial performance when comparing income for the current period with previous periods.

¹ See table Net debt on page 10.



Shareholders' information

President and CEO Jonas Samuelson's comments on the third quarter results 2023.

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, October 27. Jonas Samuelson, President and CEO, Therese Friberg, CFO, and Anna Ohlsson-Leijon CCO will comment on the report.

To only listen to the telephone conference, use the link:

<https://edge.media-server.com/mmc/p/hcdw3ekw>

OR

To both listen to the telephone conference and ask questions, use the link:

<https://register.vevent.com/register/Blcabd606149f449a5a594d9432d6abf8d>

Presentation material available for download
www.electroluxgroup.com/ir

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Calendar 2024

Year-end report 2023	February 2
Annual Report, week 8	February 19-23
AGM	March 27
Interim report January - March	April 26
Interim report January - June	July 19
Interim report January - September	October 25

This report contains 'forward-looking' statements that reflect the company's current expectations. Although the company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations prove to have been correct as they are subject to risks and uncertainties that could cause actual results to differ materially due to a variety of factors. These factors include, but are not limited to, changes in consumer demand, changes in economic, market and competitive conditions, supply and production constraints, currency fluctuations, developments in product liability litigation, changes in the regulatory environment and other government actions.

Forward-looking statements speak only as of the date they were made, and, other than as required by applicable law, the company undertakes no obligation to update any of them considering new information or future events.

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Shape living for the better

Electrolux Group is a leading global appliance company that has shaped living for the better for more than 100 years. We reinvent lifetime taste, care and wellbeing experiences for millions of people around the world, always striving to be at the forefront of sustainability in society through our solutions and operations. Under our brands, including Electrolux, AEG and Frigidaire, we sell approximately 60 million household products in approximately 120 markets every year. In 2022 Electrolux Group had sales of SEK 135 billion and employed 51,000 people around the world. For more information go to www.electroluxgroup.com