



# 2010 Results February 2, 2011

*Keith McLoughlin,  
President and CEO*

*Jonas Samuelson, CFO*

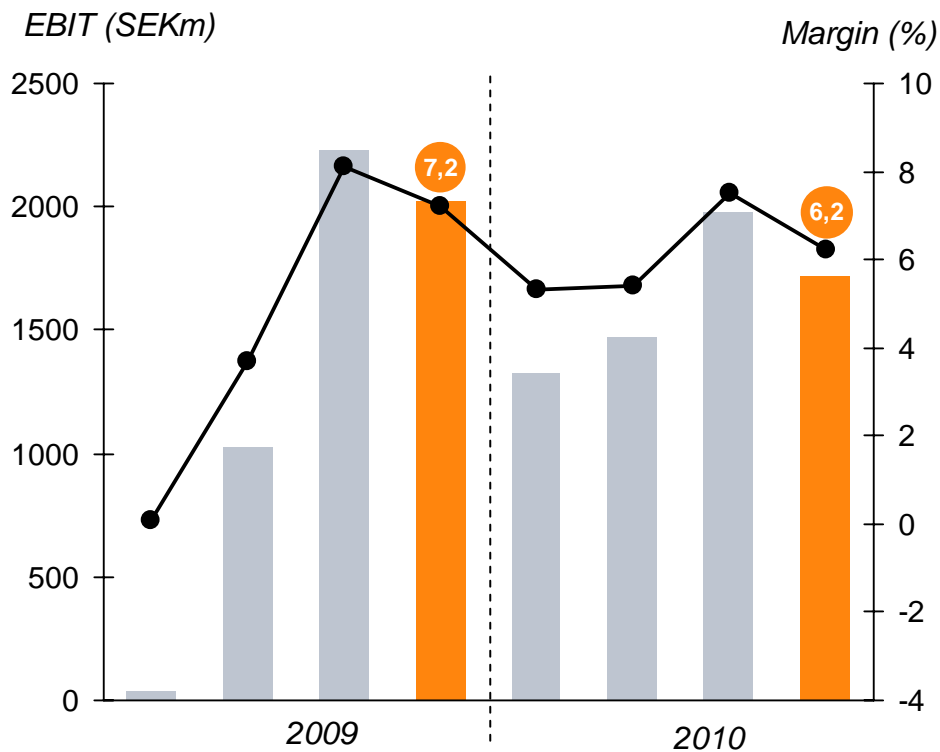
*Peter Nyquist, SVP IR*

 **Electrolux**

EBIT Target



# Q4 Highlights



(SEKm)	Q4 2010	Q4 2009	2010	2009
<b>Sales</b>	<b>27,556</b>	28,215	<b>106,326</b>	109,132
<b>EBIT*</b>	<b>1,714</b>	2,023	<b>6,494</b>	5,322
<b>Margin</b>	<b>6.2%</b>	7.2%	<b>6.1</b>	4.9

\*) EBIT excluding items affecting comparability

- Net sales increased by 1.6% in comparable currencies
  - Strong growth in Latin America and Asia/Pacific
- EBIT amounted to SEK 1,714m
  - Raw-material headwinds
  - Cost savings
  - Price pressure
  - Mix improvement

# Q4 Operating cash flow



- Q4 cash flow reflects normal seasonal pattern
  - Increased sales
  - Declining inventories
- Low sales and production in Q409
- Extra contributions to pension funds in Q409
- Higher level of investments compared to last year
- Continued underlying improvement of net operating working capital

# Olympic acquisition

- Temporarily on hold



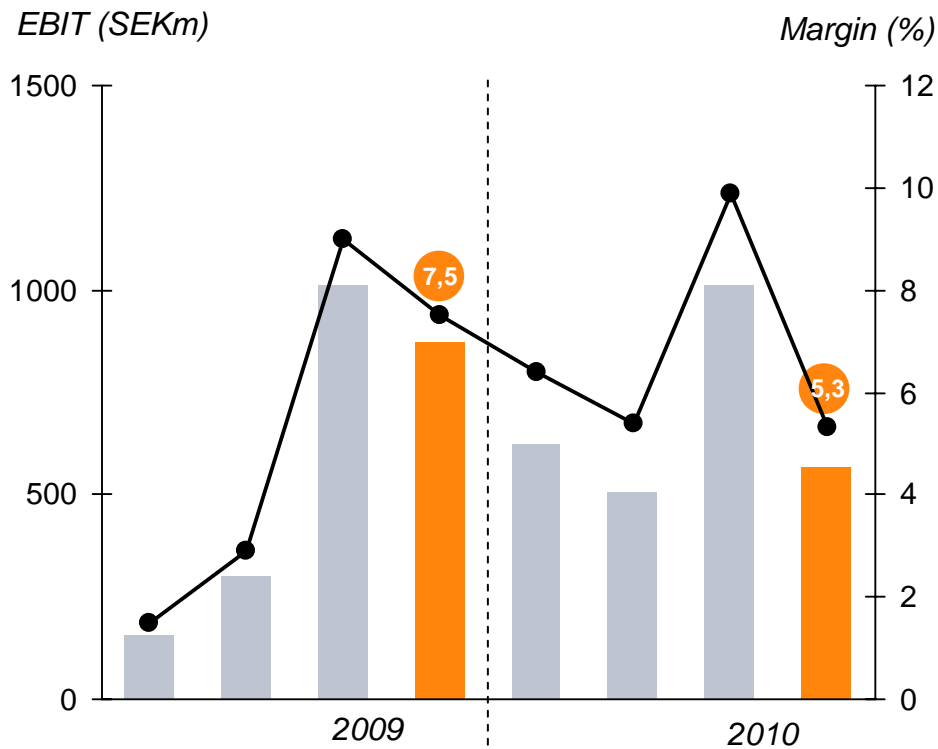
## Platform for further growth

- Egypt – Industrial hub
- Olympic Group – Market leader in Egypt
- Strong industrial and management capabilities
- Strong alliance with Electrolux
  - Speed up the regional growth plans

## Synergies within three areas

- Utilize Electrolux technology and platforms
- Increase sales outside Egypt
- Use cost-efficient sourcing base

# Consumer Durables Europe, Middle East & Africa



## QUARTER 4 2010

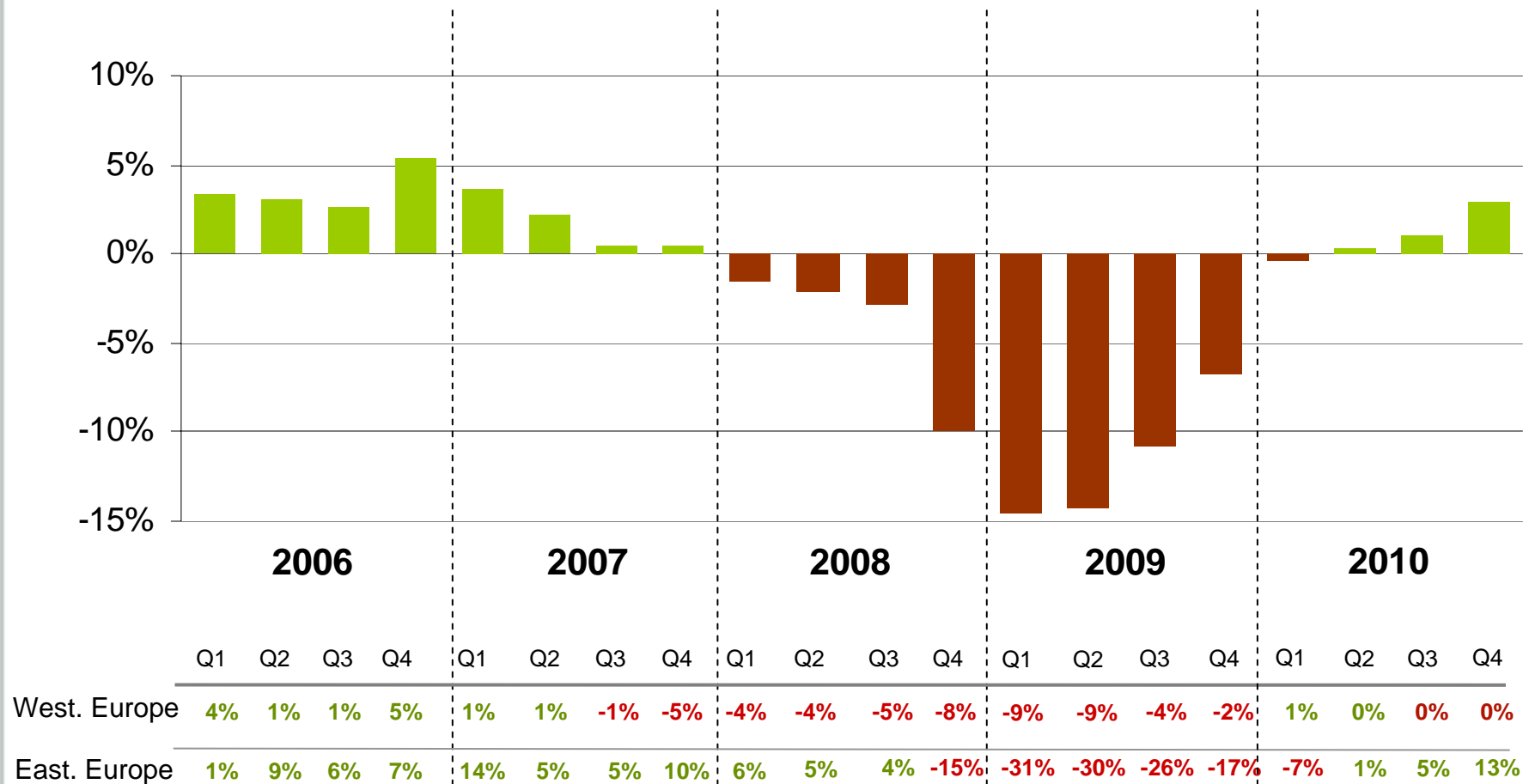
- Lower sales as a result of lower volumes and prices
- Lower EBIT
  - Lower volumes
  - Price pressure
  - Higher marketing investments
  - Cost-reduction measures continue to generate savings
- Good market acceptance for newly launched AEG products
- Lower operating income for floor-care products due to cost increases



# Increased growth in Eastern Europe



## Quarterly comparison, year-over-year

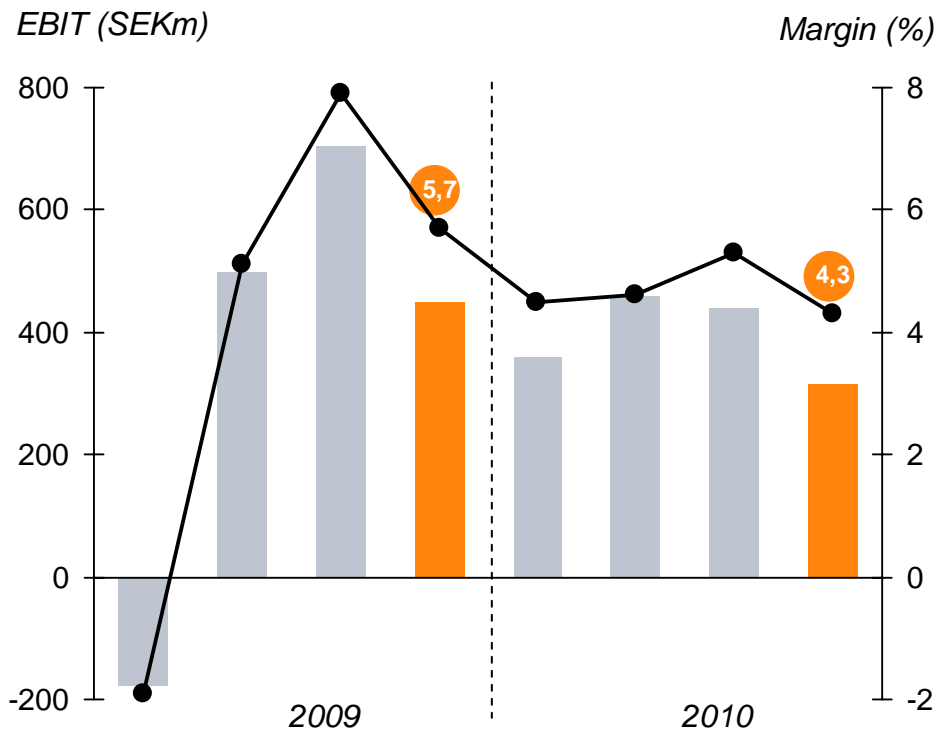








# Consumer Durables North America



(SEKm)	Q4 2010	Q4 2009	2010	2009
<b>Sales</b>	<b>7,401</b>	7,865	<b>33,776</b>	35,726
<b>EBIT</b>	<b>317</b>	450	<b>1,574</b>	1,476
<b>Margin</b>	<b>4.3%</b>	5.7%	<b>4.7</b>	4.1

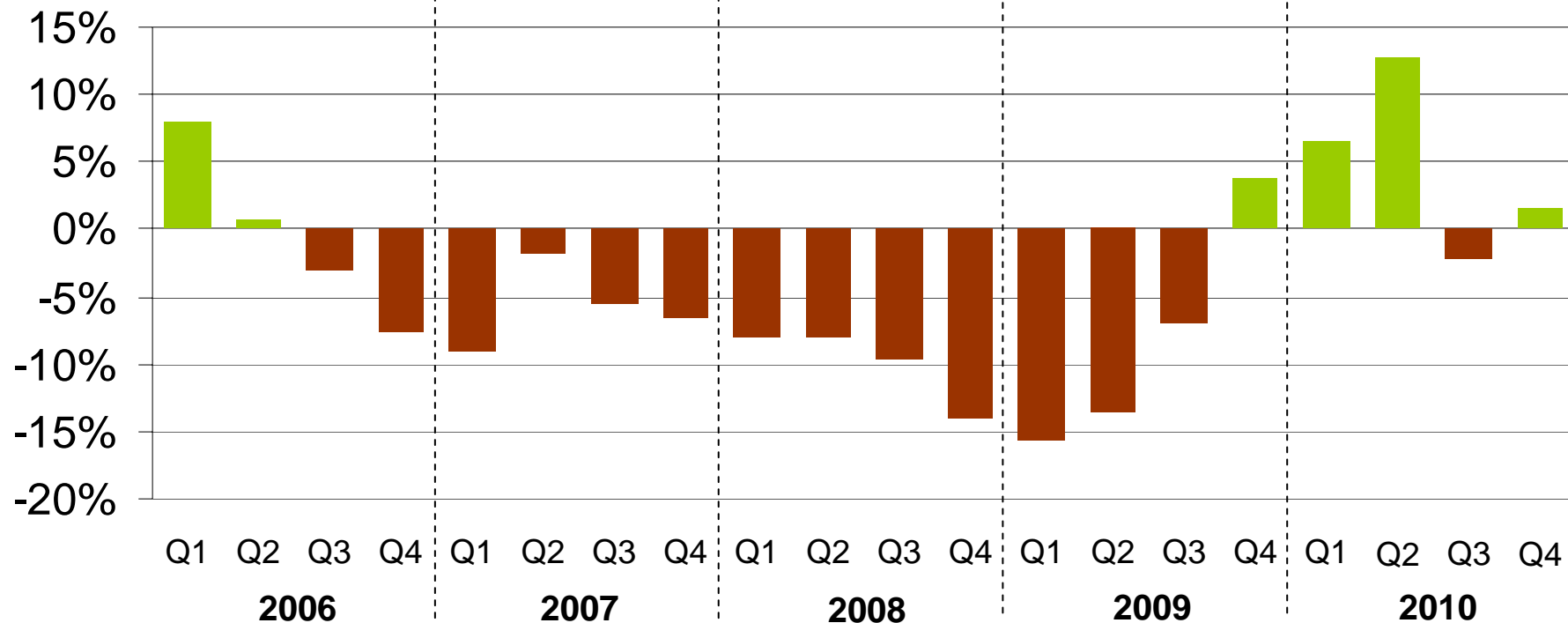
## QUARTER 4 2010

- Market turned into growth
- Lower net sales
  - Exited less profitable volumes
  - Increased sales at campaign prices
- EBIT amounted to SEK 317m
  - Higher raw-material costs
  - Lower volumes
  - Price pressure
  - Improved mix
- Lower sales and operating income for floor-care products

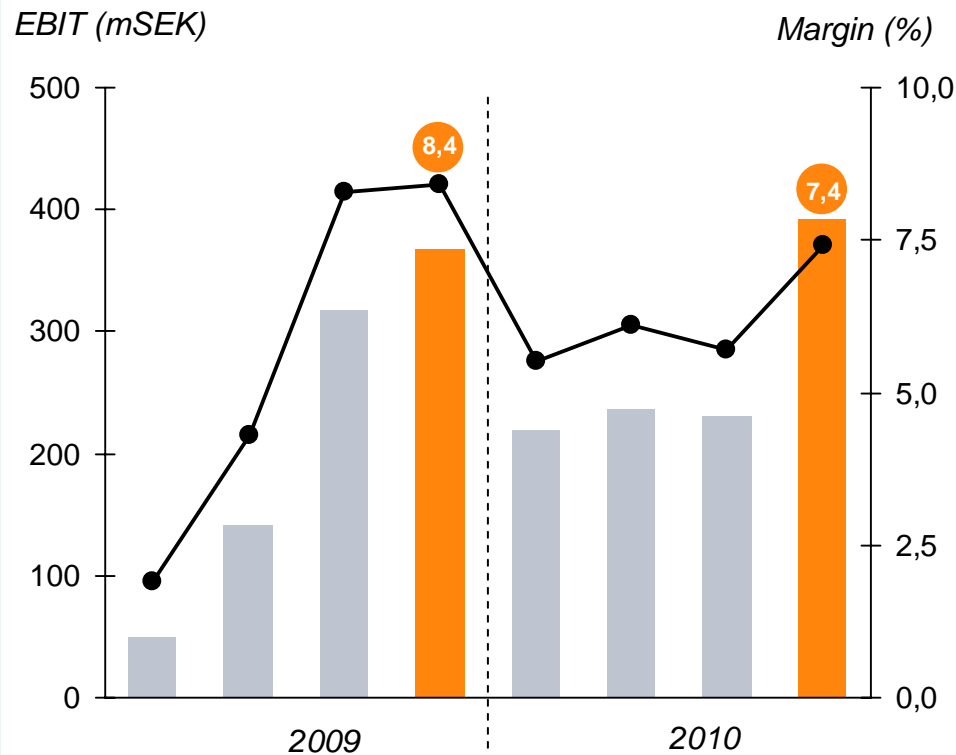
North America grew by 2% in Q4, driven by the aggressive price promotions



Quarterly comparison, year-over-year



# Consumer Durables Latin America



(SEKm)	Q4 2010	Q4 2009	2010	2009
Sales	5,304	4,401	17,276	14,165
EBIT	392	368	1,080	878
Margin	7.4%	8.4%	6.3	6.2

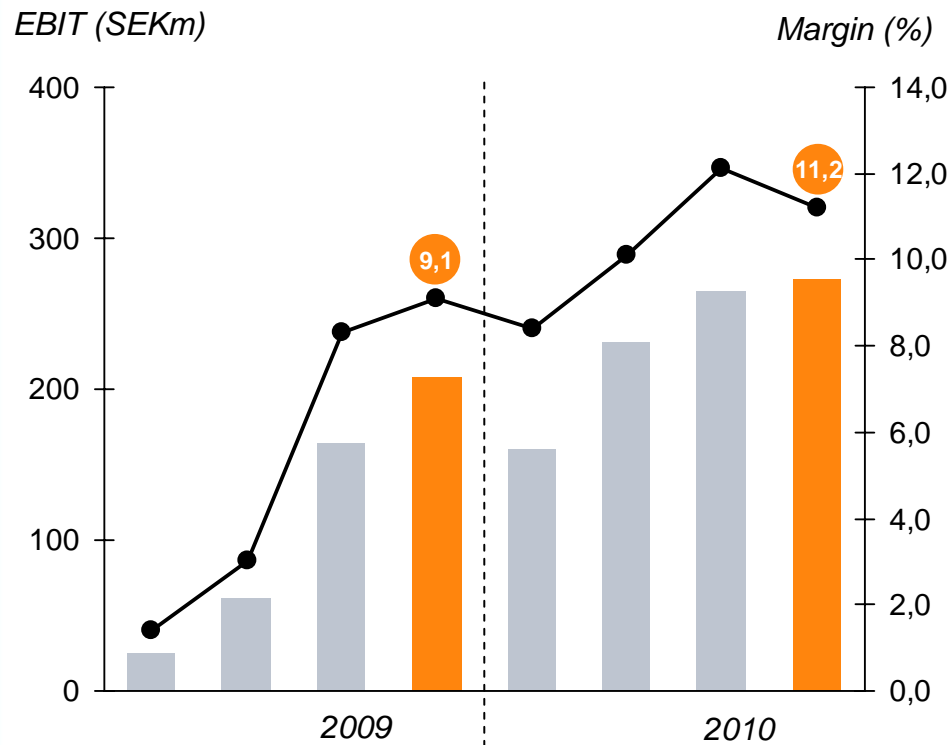
## QUARTER 4 2010

- Market growth in Brazil and in rest of Latin America
- Operating income amounted to SEK 392m
  - Higher volumes
  - Consolidation of retailers led to negative customer mix
  - Increased raw-material costs
- High market acceptance for new products





# Consumer Durables Asia/Pacific



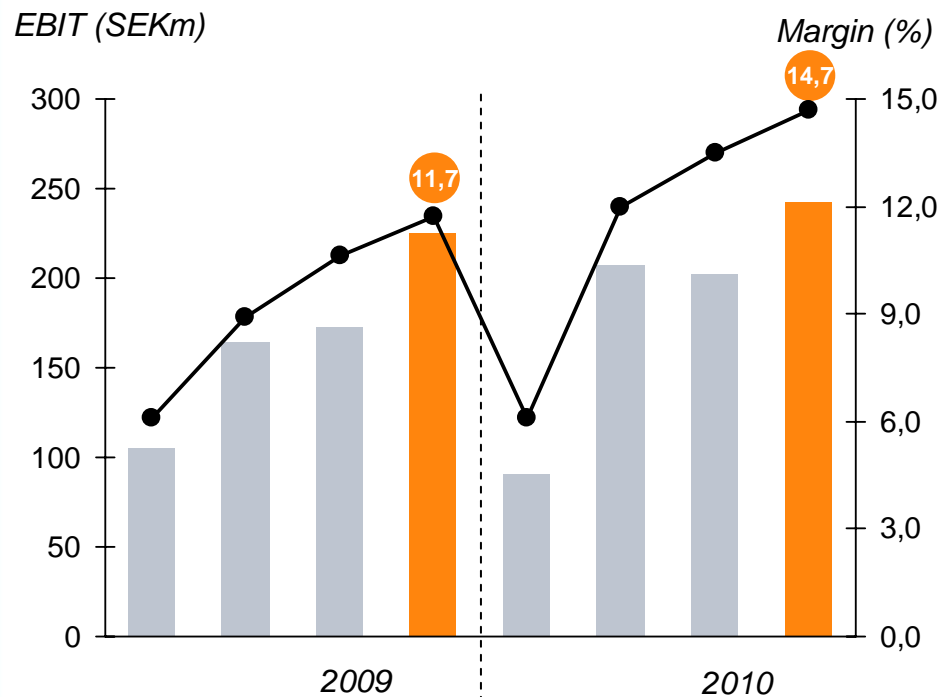
(SEKm)	Q4 2010	Q4 2009	2010	2009
Sales	2,434	2,295	8,836	8,033
EBIT	272	208	928	458
Margin	11.2%	9.1%	10.5	5.7

## QUARTER 4 2010

- Australia: Market stabilization and improved EBIT
  - Positive currency impact
  - Improved efficiency
  - Increased raw-material costs
  - Increased price pressure
- Southeast Asia and China
  - Market-share gain in strong markets



# Professional Products



## QUARTER 4 2010

- Food-service
  - Increased sales of own products
  - Improved customer mix
  - Improved cost efficiency
- Laundry products
  - Higher EBIT with lower sales
  - Price increases
  - Improved cost efficiency

(SEKm)	Q4 2010	Q4 2009	2010	2009
<b>Sales</b>	<b>1,657</b>	1,923	<b>6,389</b>	7,129
<b>EBIT</b>	<b>243</b>	225	<b>743</b>	668
<b>Margin</b>	<b>14.7%</b>	11.7%	<b>11.6</b>	9.4

# Q1 and FY 2011

*In accordance with forward looking statements in the CEO-letter*



	Q1	2011 FY	Comment
Volumes	Lower	Higher	Tough comparables in US Q1
Price	Weaker	?	Announced price increases in US
Mix	Positive	Positive	Continued mix improvement from product launches
Raw-material costs	Higher	Higher	2011: SEK 1.5-2 billion cost increase compared to 2010
Costs from Global Operations	SEK 125m	SEK 500m	Approximately evenly distributed between quarters
Manufacturing footprint savings	SEK 125m	SEK 500m	Approximately evenly distributed between quarters

*Thinking of you*

 **Electrolux**

# Factors affecting forward-looking statements



## **Factors affecting forward-looking statements**

This presentation contains “forward-looking” statements within the meaning of the US Private Securities Litigation Reform Act of 1995. Such statements include, among others, the financial goals and targets of Electrolux for future periods and future business and financial plans. These statements are based on current expectations and are subject to risks and uncertainties that could cause actual results to differ materially due to a variety of factors. These factors include, but may not be limited to the following: consumer demand and market conditions in the geographical areas and industries in which Electrolux operates, effects of currency fluctuations, competitive pressures to reduce prices, significant loss of business from major retailers, the success in developing new products and marketing initiatives, developments in product liability litigation, progress in achieving operational and capital efficiency goals, the success in identifying growth opportunities and acquisition candidates and the integration of these opportunities with existing businesses, progress in achieving structural and supply-chain reorganization goals.