

# Electrolux – challenges and opportunities in a globalized world

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November 18, 2011



*Thinking of you*  
**Electrolux**

# This is Electrolux (2010)



## Position

- Sales SEK 106 billion
- Op income SEK 6.5 billion
- Sales in more than 150 markets
- A world leader in appliances

## People

- 52,000 in 60 countries

## Products

- More than 40 million products per year
- To meet the real needs of consumers and professionals

150  
MARKETS

60  
COUNTRIES

40  
MILLION



Figures as of 2010

# Electrolux business



## A global company



**Cookers, Ovens & Hobs**



**Refrigerators & Freezers**



**Dishwashers**



**Laundry products**



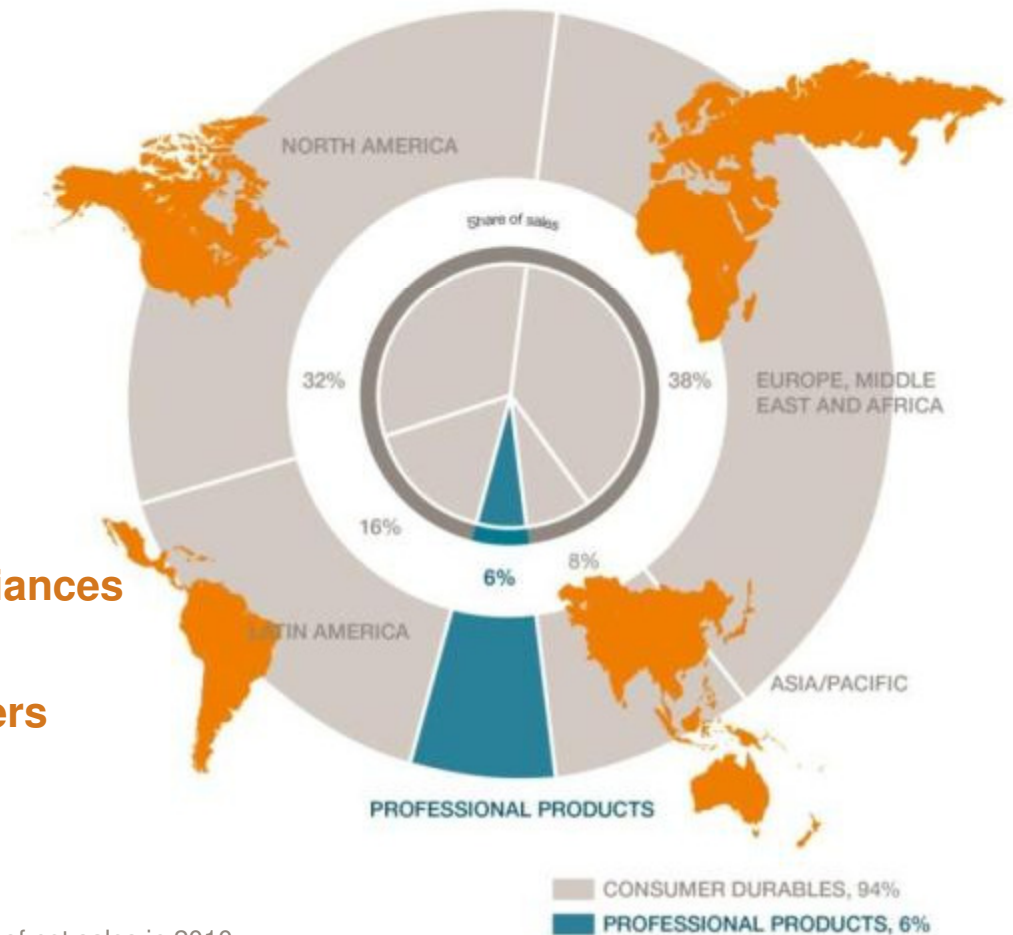
**Vacuum cleaners & Small appliances**



**Air Conditioners & Dehumidifiers**



**Products for professional use**



Share of net sales in 2010



# Electrolux strategic direction



## Our Core Values & Principles

### Values

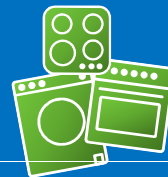
Passion for Innovation  
Customer Obsession  
Drive for Results

### Foundation

Respect & Diversity  
Ethics & Integrity  
Safety & Sustainability

## Our Strategy

Products  
& Services



Brand



Cost



People



Growth

## Our Purpose

### Vision

The worldwide leader  
in making life easier  
and more enjoyable  
with the help of  
powered appliances



# We need to speed up implementation



- Innovation
- Operational Excellence
- Profitable Growth

# We continue to take innovative products to the market

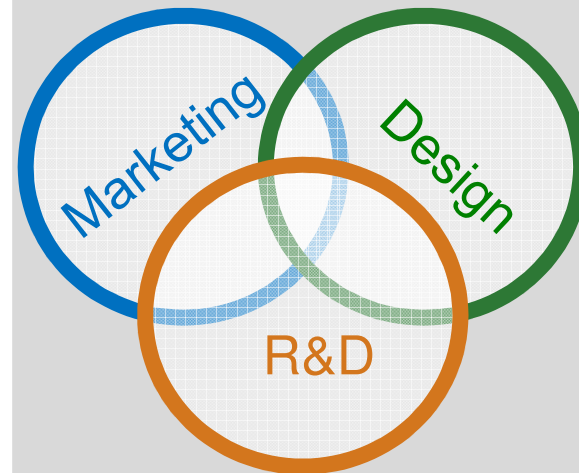


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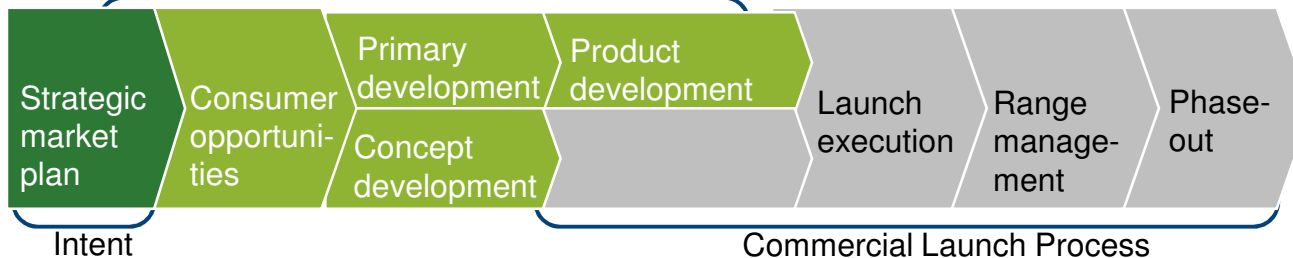
## Consumer Insight



## "Best-in-Class" Products



## Product Creation Process



70%  
consumer  
preference

# Ultra Clean Washing Machine



# Ergothree





# Ergorapido Green



# Keyhole Hob



# Professional Food Services





# Focusing on sustainability is a way of boosting our business

## Our mission:

“making appliances that are more resource efficient, more affordable and available to more people around the world”

## Our key strategic areas

### 1. Products, Services & Markets

Driving innovation and growing the market for more resource efficient appliances



### 2. People & Operations

Alignment to our foundation by continuously improving our operations for people and the environment



### 3. Stakeholders & Society

Stakeholder dialog, raising awareness and building partnerships for sustainable solutions





# Recognition of Electrolux sustainability leadership



oekom research



Dow Jones  
Sustainability Indexes



FTSE4Good

Sustainability sector leader in the US (2006-2010) and Germany (2010)

2011  
WORLD'S MOST  
ETHICAL  
COMPANIES  
WWW.ETHISPHERE.COM

Component of the World's Most  
Ethical Companies (2011)

ENERGY STAR  
AWARD 2011  
PARTNER OF THE YEAR

Energy Star Partner (2011)



"Best corporate commitment"  
European Commission (2007)

# The Vac from the Sea example

## October 2010:

- Electrolux relaunches its green range of vacuum cleaners made from up to 70% recycled plastics.
- High grade recycled plastics are a scarce resource.
- Plastic waste contaminates oceans and is becoming a growing threat to marine life all over the world.



## Launch communication:

Electrolux inspires both industry and future generations to act responsibly. We improve our work every day and engage science, politics and consumers to join forces around the plastic issue.

# Utilizing global strength with sharp consumer focus



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## Shared global strength

### Benefits of scale in

Common components and modules  
Purchasing  
Manufacturing  
R&D  
Common processes and shared services

## Sharp consumer focus

Focus on differentiated products

Low cost, lean go-to-market, market sets prices

## High-end

Premium segment

Mass-market segment

## Low-end

# We continue to cut costs and drive out complexity



Opened  
plants in low-  
cost areas\*

9

34

Closed plants in  
high-cost areas\*

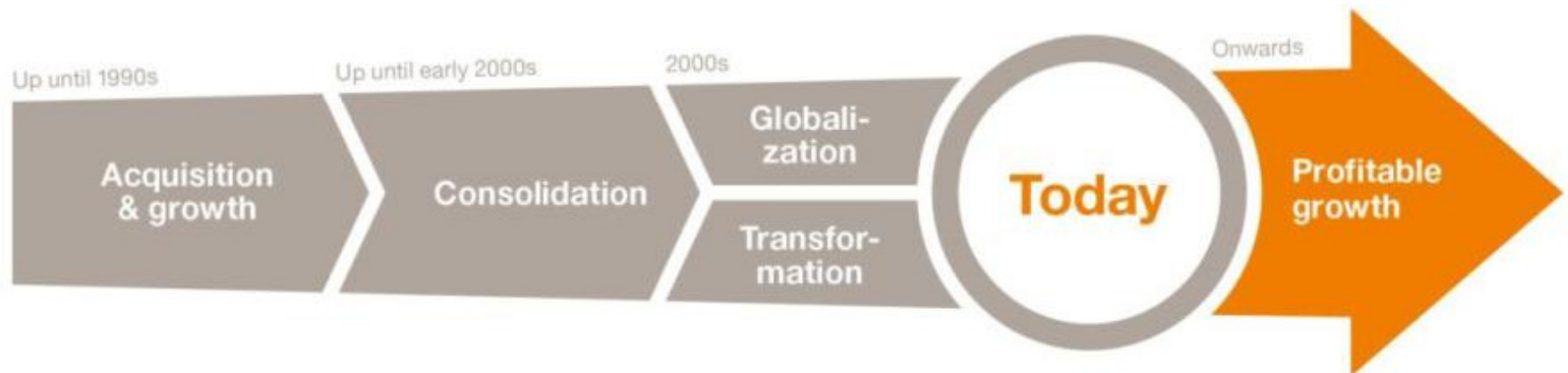
\*As of 1996



# We are progressing steadily in transforming Electrolux



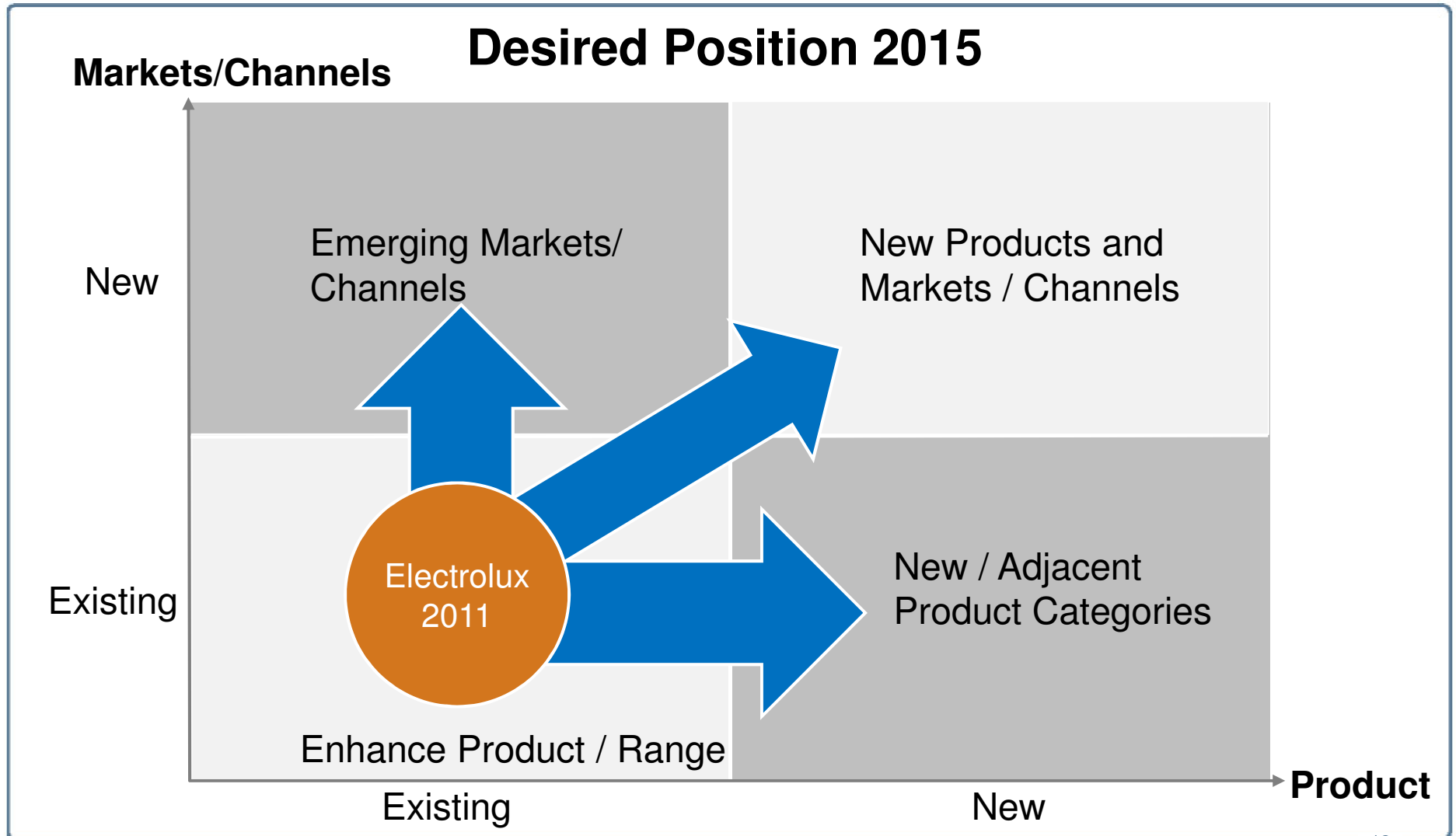
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# How we accelerate growth



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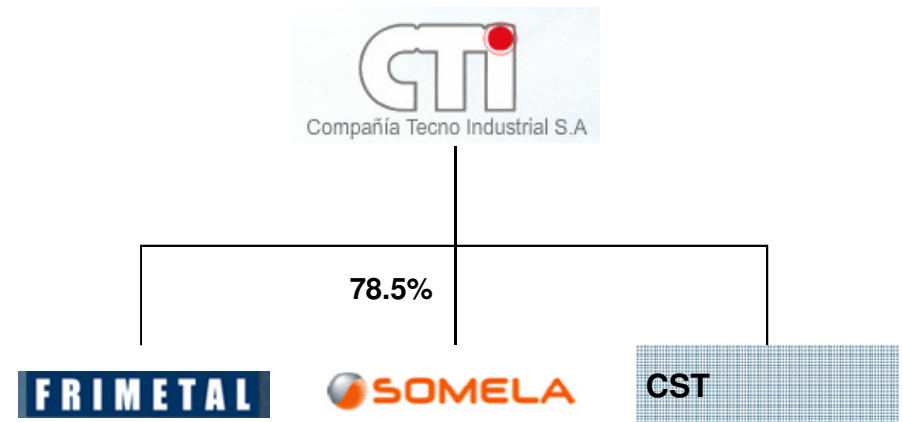


# Acquisition of CTI completed



- Founded in 1905, CTI is the leading manufacturer of large household appliances in Chile
- Listed on the Santiago Stock Exchange, with controlling shareholder Sigdo Koppers
- Key subsidiaries: Frimetal and Somela (listed)
- Three production sites in Chile and Argentina
- Approx. 2,200 employees

1) Pre minority interest



## Key Financials

2010 (SEK, converted at av 2010 rate CLP/SEK 70.8)

Sales	2.9bn
EBIT	453m
EBIT margin	15.8%
Net profit <sup>(1)</sup>	331m

# Acquisition of Olympic Group



- Increase our presence in emerging markets
- The largest manufacturer of appliances in Middle East and North Africa
- Electrolux and Olympic have a long relation
- Synergies within three areas:
  - Utilize technology and platforms
  - Increase sales outside Egypt
  - Use cost-efficient sourcing base

**OLYMPIC**  
ELECTRIC



 **Electrolux**



## Key Financials

2010 (SEK, recurring figures, excluding Namaa & B-Tech)

Sales	2.5bn
EBIT	280m
EBIT margin	11%
Net profit	200m



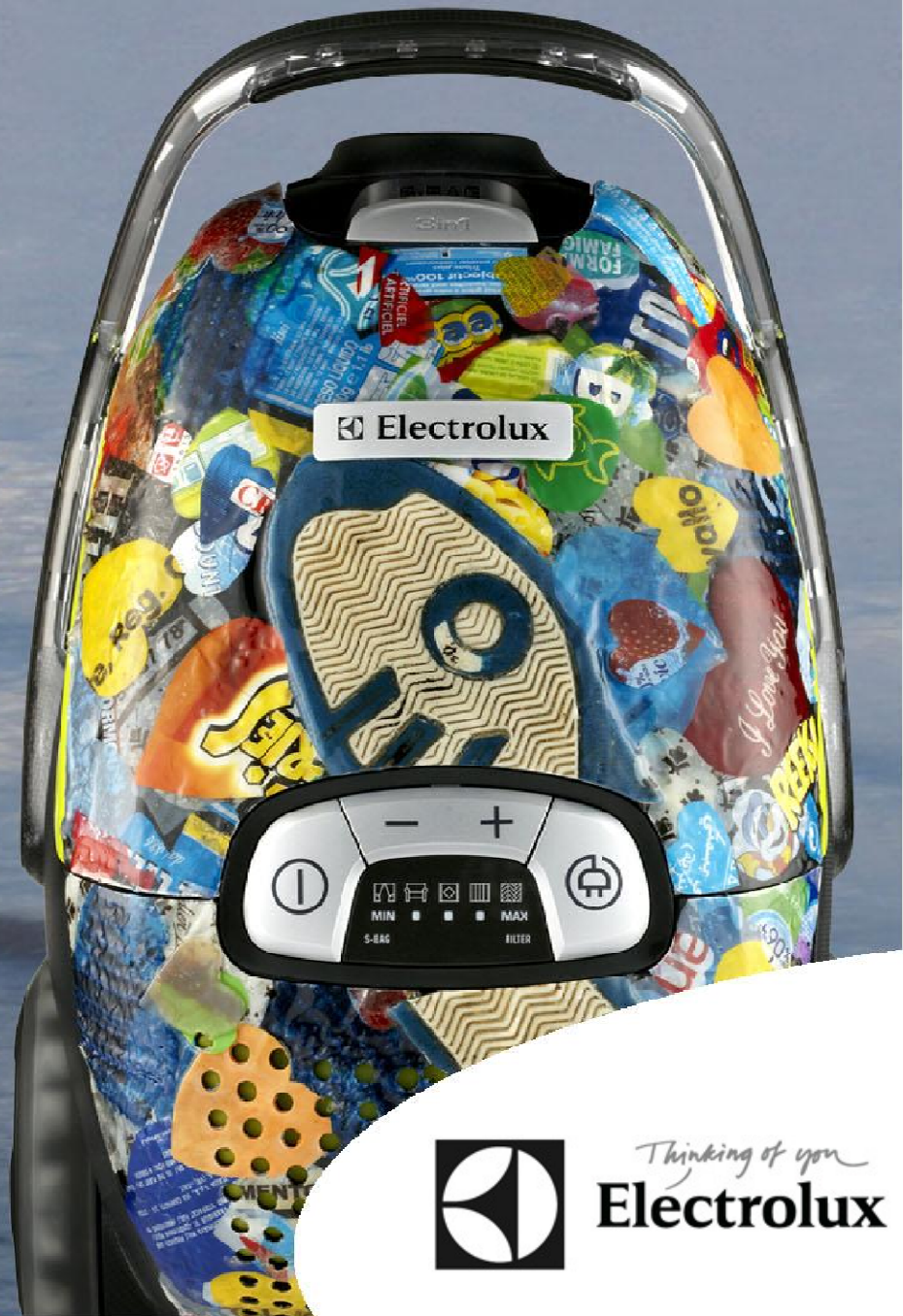
# Desired Position 2015



Electrolux will be Best Appliance Company in the world:



Thank you!



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