Q3
2019

Further strengthening innovation and efficiency

- Net sales amounted to SEK 32,520m (30,444). Sales growth of 1.0%, driven by price/mix improvements.
- Operating income amounted to SEK 1,189m (1,756), corresponding to a margin of 3.7% (5.8).
- Operating income includes non-recurring items of SEK -412m (0) relating to restructuring charges for efficiency measures and outsourcing projects across the Group, recovery of overpaid sales tax in Brazil and a legal settlement in the U.S. Excluding these items, operating income amounted to SEK 1,601m (1,756), corresponding to a margin of 4.9% (5.8).
- Price increases continued to fully offset the headwinds from higher raw material costs, trade tariffs and currency. Manufacturing transition costs in North America and higher marketing investments impacted earnings negatively, while mix improvements across business areas contributed positively.
- Operating cash flow after investments amounted to SEK 2,594m (1,352).
- Income for the period decreased to SEK 739m (1,162), and earnings per share was SEK 2.57 (4.04).

Financial overview

SEKM	Q3 2019	Q3 2018	Change, %	Nine months 2019	Nine months 2018	Change, %
Net sales	32,520	30,444	7	93,916	89,703	5
Sales growth, %[1]	1.0	0.7		-0.1	1.4	
Organic growth, %	0.8	0.8		-0.1	0.9	
Acquisitions,%	0.4	0.5		0.4	0.7	
Divestments, %	-0.2	-0.6		-0.4	-0.2	
Changes in exchange rates, %	5.8	4.1		4.8	0.3	
Operating income[2]	1,189	1,756	-32	3,056	3,347	-9
Operating margin, %	3.7	5.8		3.3	3.7	
Income after financial items	1,010	1,634	-38	2,541	3,055	-17
Income for the period	739	1,162	-36	1,950	2,230	-13
Earnings per share, SEK[3]	2.57	4.04		6.78	7.76	
Operating cash flow after investments	2,594	1,352		208	486	
Return on net assets, %	-	-		15.2	19.1	

[1] Change in net sales adjusted for currency translation effects.
[2] In the third quarter of 2019, operating income included non-recurring items of SEK –412m relating to restructuring charges for efficiency measures and outsourcing projects of SEK -1,618m across the Group, recovery of overpaid sales tax in Brazil of SEK 1,403m and a legal settlement in the U.S. of SEK -197m. Excluding these items, operating income amounted to SEK 1,601m, corresponding to a margin of 4.9%. In the first nine months of 2019, non-recurring items amounted to SEK –1,466m (-1,414). Excluding these non-recurring items, operating income amounted to SEK 4,522m (4,761) corresponding to a margin of 4.8% (5.3), see page 19.
[3] Basic.
For definitions, see pages 27-28.

Electrolux

President and CEO Jonas Samuelson's comment

Innovation and operational excellence are key pillars to drive profitable growth. In the quarter, we further strengthened our platform for the future by launching ground breaking products and initiating additional efficiency measures.

Once again our ability to innovate contributed to sales growth and earnings. I am particularly pleased that all business areas have improved their mix which shows that consumers find our offering attractive. The new kitchen range launched in Europe during the quarter has been very well received. It is currently rated at 4.9 stars out of 5 in consumer reviews and has started to contribute to our European value market share growth in the focus area Built-in kitchen.

In the quarter we initiated global streamlining measures following the major strategic overview announced earlier this year. This includes the intention to spin-off the Professional Products business area and the sharpening of our consumer business through regionally focused business areas and a global consumer experience function. The efficiency activities are expected to generate annual savings of about SEK 500m, with full effect from 2022. This is on top of the previously announced cost savings from our re-engineering program and the total annual costs savings for the consumer business are now expected to be approximately SEK 3.5bn, with full effect from 2024.

The execution of our re-engineering program totalling SEK 8bn continues and with the latest investment in our plant in Nyíregyháza, Hungary, all initiatives under the program have now been announced. In the quarter we started production in the new Anderson facility, U.S., the first investment included in the program, and also the biggest step we have ever taken in terms of automation. Consolidating the U.S. refrigeration/freezer production into one new facility is both very complex and resource intense. This quarter included high manufacturing transition costs. The transition continues and we expect operating income in the fourth quarter to be impacted by approximately USD -25m.

We re-confirm our market view for 2019.

Based on current trade tariff levels, we estimate the negative year-over-year impact from raw materials, trade tariffs and currency to be approximately SEK 1.6bn in 2019, compared to the previous estimate of approximately SEK 1.4-1.6bn. The net increase is driven by a more unfavourable currency impact, while raw materials and trade tariffs combined are expected to have a less negative impact compared to our view a quarter ago. For the first nine months of 2019, price has fully offset this headwind and we expect that to also be the case for the full year.

Looking ahead, I am confident that we are well positioned to create shareholder value.

Outlook 2019

Market outlook, units year-over-year[1]	FY 2019	Previous outlook for FY 2019[5]	Market outlook, units year-over-year[1]	FY 2019	Previous outlook for FY 2019[5]
Europe	Slightly positive	Slightly positive	Southeast Asia	Slightly positive	Slightly positive
North America	Slightly negative	Slightly negative	Australia	Slightly negative	Slightly negative
Latin America	Slightly positive	Slightly positive			

Business outlook[2], year-over-year	Q4 2019	FY 2019	Previous outlook for the FY 2019[5]
Volume/price/mix	Favorable	Favorable	Favorable
Raw material costs and trade tariffs	Increase of SEK ~0.1bn	Increase of SEK ~1.1bn	Increase of SEK 1.2-1.4bn
Net cost efficiency[3]	Unfavorable	Unfavorable	Unfavorable
Currency effect[4]	SEK -100m	SEK -500m	SEK -200m
Capital expenditure	Increase	SEK ~7bn	SEK ~7bn

[1] Electrolux estimates for industry shipments of core appliances.
[2] Business outlook range: Favorable - Neutral – Unfavorable.
[3] Efficiencies in variable costs (excl. raw materials and trade tariffs) and structural costs.
[4] Impact on operating income for the full year 2019, whereof currency transaction effects of SEK -700m and currency translation effects of SEK 200m. The calculation is based on currency rates as per October 15, 2019.
[5] Published on July 18, 2019.
Note: Business outlook in the above table excludes non-recurring items.

Summary of the third quarter

SEKM	Q3 2019	Q3 2018	Change, %	Nine months 2019	Nine months 2018	Change, %	Full year 2018
Net sales	32,520	30,444	7	93,916	89,703	5	124,129
Operating income							
Europe	93	749	-88	1,355	1,073	26	2,128
North America	-20	358	n.m.	2	881	-100	1,104
Latin America	1,539	205	649	1,481	202	633	492
Asia-Pacific, Middle East and Africa	-150	270	n.m.	131	676	-81	979
Professional Products	125	280	-55	827	841	-2	1,134
Other, Group common costs, etc.	-400	-107	-275	-741	-326	-127	-527
Total Group	1,189	1,756	-32	3,056	3,347	-9	5,310
Operating margin, %	3.7	5.8		3.3	3.7		4.3
Operating margin excl. non-recurring items, %[1]	4.9	5.8		4.8	5.3		5.4

[1] For information on non-recurring items, see table below and page 19.
Note: n.m (not meaningful) is used when the calculated number is considered not relevant.

Net sales
Sales for the Electrolux Group increased by 1.0% in the quarter, excluding currency translation effects. The organic growth was 0.8%, driven by product mix improvements and price increases across most business areas. Acquisitions and divestments had an impact of 0.4% and –0.2%, respectively.

Operating income
Operating income amounted to SEK 1,189m (1,756), corresponding to a margin of 3.7 % (5.8). Operating income was negatively impacted by SEK 412m (0) related to non-recurring items. These items refer to restructuring charges for efficiency measures and outsourcing projects across all business areas and Group common costs in the total amount of SEK -1,618m, recovery of overpaid sales tax in Brazil of SEK 1,403m and a legal settlement in the U.S. of SEK -197m. See table to the right for the net impact by business area. Excluding these non-recurring items operating income amounted to SEK 1,601m, corresponding to a margin of 4.9%.

Price increases continued to fully offset headwinds from higher raw material costs, trade tariffs and currency. Manufacturing transition costs in North America, higher marketing investments as well as costs related to the preparation of the separation of Professional Products impacted earnings negatively. Mix improvements across business areas continued to contribute positively to operating income, as a result of major product launches and focus on core brands to drive product mix.

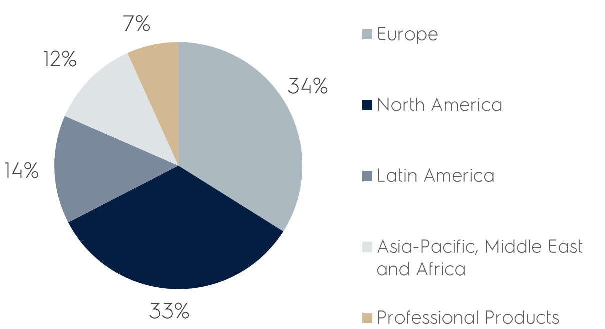
NON-RECURRING ITEMS

SEKM	Q3 2019
Europe	-752
North America	-242
Latin America	1,326
Asia-Pacific, Middle East and Africa	-398
Professional Products	-122
Other, Group common costs, etc.	-224
Total Group	-412

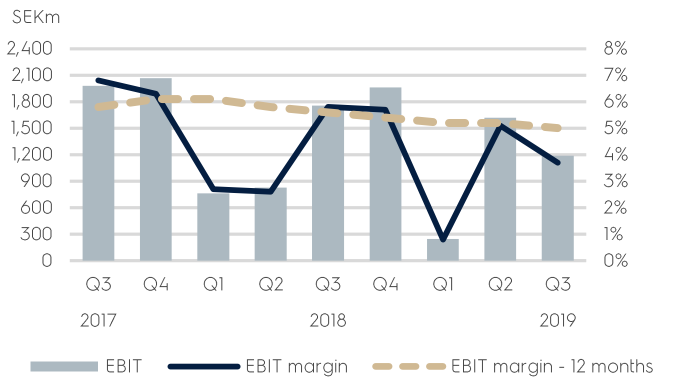
For more information on non-recurring items, see pages 5-7 and 19.

Effects of changes in exchange rates
Changes in exchange rates had a year-over-year impact of SEK -46m. The impact of transaction effects was SEK -139m, relating to operations in Latin America, Australia and Europe. Translation effects amounted to SEK 94m.

SHARE OF SALES BY BUSINESS AREA IN THE THIRD QUARTER OF 2019



OPERATING INCOME AND MARGIN



EBIT margin – 12 months is excluding non-recurring items, see pages 19 and 26.

Financial net

Net financial items amounted to SEK –179m (–121). The change was mainly due to interest expense on lease liabilities following the implementation of IFRS 16 as well as a general increase in interest net.

Income for the period

Income for the period amounted to SEK 739m (1,162), corresponding to SEK 2.57 (4.04) in earnings per share.

First nine months of 2019

Sales growth for the Electrolux Group was –0.1% in the first nine months, excluding currency translation effects. Organic sales declined by -0.1%. Acquisitions and divestments had an impact of 0.4% and –0.4%, respectively.

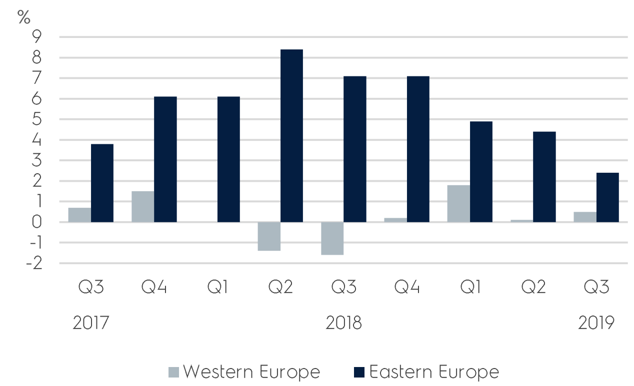
Operating income amounted to SEK 3,056m (3,347), corresponding to a margin of 3.3% (3.7). In the first nine months, non-recurring items amounted to SEK –1,466m (-1,414), see page 19. Excluding these non-recurring items, operating income amounted to SEK 4,522m (4,761) corresponding to a margin of 4.8% (5.3).

Income for the period amounted to SEK 1,950m (2,230), corresponding to SEK 6.78 (7.76) in earnings per share.

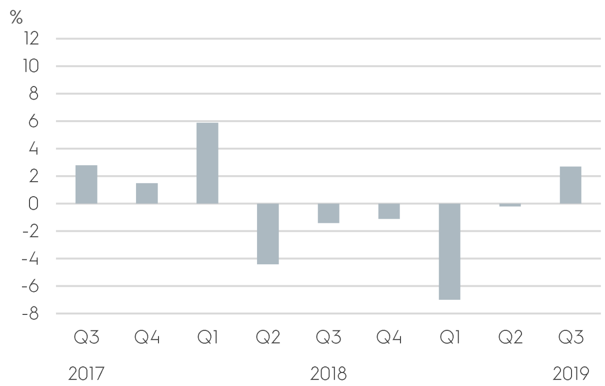
Market overview

In the third quarter, the market in Europe increased year-over-year driven primarily by Eastern Europe. In the U.S., the market demand for core appliances increased after five consecutive quarters of decline. 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, 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 2019	Q3 2018	Nine months 2019	Nine months 2018	Full year 2018
Western Europe	1	-2	1	-1	-1
Eastern Europe (excluding Turkey)	2	7	4	7	7
Total Europe	1	1	2	1	1

*Source: Electrolux estimates for core appliances. 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 2019	Q3 2018	Nine months 2019	Nine months 2018	Full year 2018
Core appliances	3	-1	-1	0	-1
Microwave ovens and home-comfort products	-7	5	-9	-1	2
Total major appliances	0	0	-4	-1	0

*Source: AHAM. Core appliances includes AHAM 6 (Washers, Dryers, Dishwashers, Refrigerators, Freezers, Ranges and Ovens) and Cooktops.

Business areas

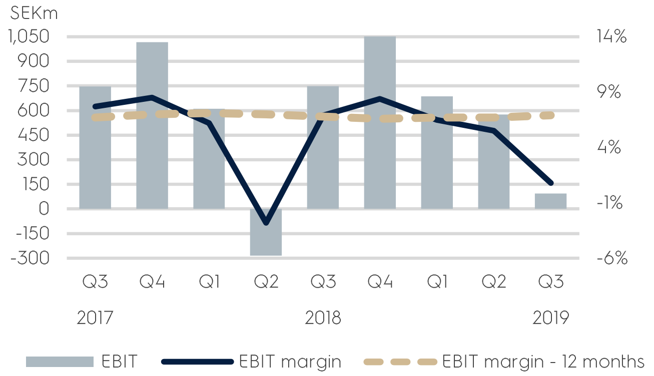
Europe

In the third quarter, overall market demand in Europe increased by 1% year-over-year. This was driven by 2% growth in Eastern Europe and 1% in Western Europe.

Electrolux operations in Europe reported an organic sales decline of 1.8 % for the quarter, driven by volume decrease in products at lower price points. Brand and product mix impacted positively as well as price increases.

Operating income excluding non-recurring items improved year-over-year, mainly as a result of good price/mix contribution. The business area once again strengthened its position in the built-in kitchen area and gained market value share, partly as a result of the Electrolux branded kitchen range that was launched in the quarter. Cost efficiency also contributed positively, while increased marketing investments for ongoing product launches and currency headwinds impacted earnings negatively.

OPERATING INCOME AND MARGIN



EBIT margin – 12 months is excluding non-recurring items, see pages 19 and 26.

SEKM	Q3 2019	Q3 2018	Nine months 2019	Nine months 2018	Full year 2018
Net sales	11,036	10,885	32,068	30,782	43,321
Organic growth, %	-1.8	4.8	1.0	5.2	3.7
Acquisitions,%	-	0.4	0.2	0.8	0.7
Operating income	93	749	1,355	1,073	2,128
Operating margin,%	0.8	6.9	4.2	3.5	4.9
Operating margin excl. non-recurring items, %[1]	7.7	6.9	6.6	6.1	6.6

[1] Non-recurring items in Q3 2019 amounted to SEK -752m and relates to restructuring charges for efficiency measures and outsourcing projects. For more information on non-recurring items, see page 19.

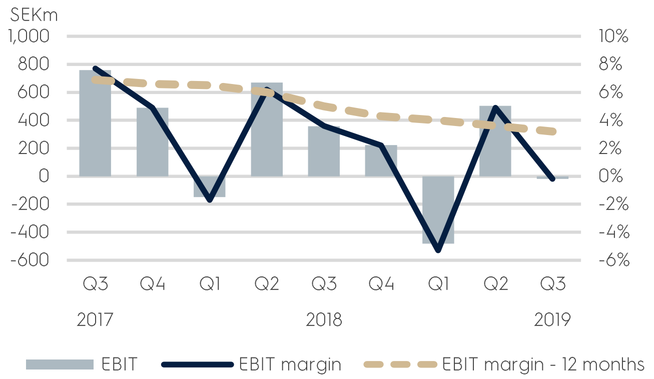
North America

During the quarter, market demand for core appliances in the U.S. increased by 3% year-over-year. Market demand for all major appliances, including microwave ovens and home-comfort products, was flat.

Sales in North America were relatively stable compared to the corresponding quarter previous year. Sales volumes of core appliances under own brands increased, while sales under private label declined. Cost-based price increases and mix improvements contributed positively to sales.

Operating income excluding non-recurring items declined year-over-year, mainly due to increased manufacturing costs related to running three facilities in parallel when transferring production to the new freezer and refrigerator facility in Anderson. Last year's earnings had a positive net impact from the divestment of the commercial and central vacuum cleaner business. Price increases continued to offset higher costs from raw materials and trade tariffs.

OPERATING INCOME AND MARGIN



EBIT margin – 12 months is excluding non-recurring items, see pages 19 and 26.

SEKM	Q3 2019	Q3 2018	Nine months 2019	Nine months 2018	Full year 2018
Net sales	10,880	10,072	30,234	29,661	39,804
Organic growth, %	-0.2	-4.6	-5.5	-7.1	-6.3
Divestments, %	-0.4	-1.7	-1.3	-0.6	-1.0
Operating income	-20	358	2	881	1,104
Operating margin,%	-0.2	3.6	0.0	3.0	2.8
Operating margin excl. non-recurring items, %[1]	2.0	3.6	3.6	5.0	4.3

[1] Non-recurring items in Q3 2019 amounted to SEK -242m, where of SEK -197m refers to a legal settlement and SEK -45m to restructuring charges for efficiency measures. For more information on non-recurring items, see page 19.

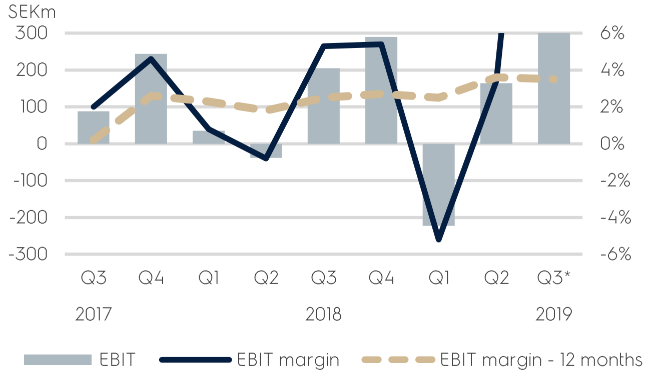
Latin America

In the third quarter, consumer demand for core appliances in Brazil is estimated to have shown growth year-over-year and demand in Argentina recovered slightly. Demand in Chile is estimated to have declined further.

Electrolux operations in Latin America had organic sales growth of 14.2%, mainly driven by increased volumes in Brazil. Price increases also contributed positively.

Operating income excluding non-recurring items increased slightly year-over-year. This was a result of strong sales growth in Brazil, where market shares increased, and product mix improvements. In addition, price increases continued to contribute to operating income and offset higher raw material costs, but could not fully compensate for significant currency headwinds. Reversal of a provision had a positive impact on earnings in the quarter. Last year's earnings included a positive effect from provision reversal related to an administrative case of approximately SEK 170m.

OPERATING INCOME AND MARGIN



EBIT margin – 12 months is excluding non-recurring items, see pages 19 and 26.
* Q3 2019: EBIT of SEK 1,539m corresponding to a margin of 33.4%. This includes non-recurring items of SEK 1,326m (see page 19).

SEKM	Q3 2019	Q3 2018	Nine months 2019	Nine months 2018	Full year 2018
Net sales	4,613	3,845	13,740	12,610	17,963
Organic growth, %	14.2	0.4	9.7	8.3	9.3
Operating income	1,539	205	1,481	202	492
Operating margin, %	33.4	5.3	10.8	1.6	2.7
Operating margin excl. non-recurring items, %[1]	4.6	5.3	2.8	1.6	2.7

[1] Non-recurring items in Q3 2019 amounted to SEK 1,326m, where of SEK 1,403m refers to recovery of overpaid sales tax in Brazil and SEK -77m to restructuring charges for efficiency measures. For more information on non-recurring items see page 19.

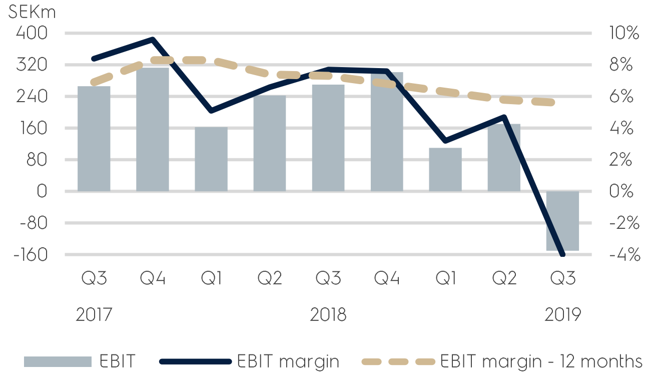
Asia-Pacific, Middle East and Africa

During the third quarter, market demand in Australia continued to decline. Markets in Southeast Asia are estimated to have grown year-over year although at a slower pace, while demand in Middle East and Africa is estimated to be flat.

Electrolux reported an organic sales growth of 1.5% mainly as a result of good volume growth, particularly in Australia where market shares increased. New product launches in Australia under the Electrolux brand and sales of cordless vacuum cleaners in Southeast Asia contributed to product-mix improvements.

Operating income excluding non-recurring items declined year-over-year, mainly as a result of investments in major product launches and currency headwinds, primarily from a weaker Australian dollar.

OPERATING INCOME AND MARGIN



EBIT margin – 12 months is excluding non-recurring items, see pages 19 and 26.

SEKM	Q3 2019	Q3 2018	Nine months 2019	Nine months 2018	Full year 2018
Net sales	3,801	3,507	10,928	10,389	14,375
Organic growth, %	1.5	5.1	-0.2	3.8	7.5
Acquisitions,%	0.2	-	0.1	1.2	0.9
Operating income	-150	270	131	676	979
Operating margin, %	-4.0	7.7	1.2	6.5	6.8
Operating margin excl. non-recurring items, %[1]	6.5	7.7	4.8	6.5	6.8

[1] Non-recurring items in Q3 2019 amounted to SEK -398m and relates to restructuring charges for efficiency measures and outsourcing projects. For more information on non-recurring items see page 19.

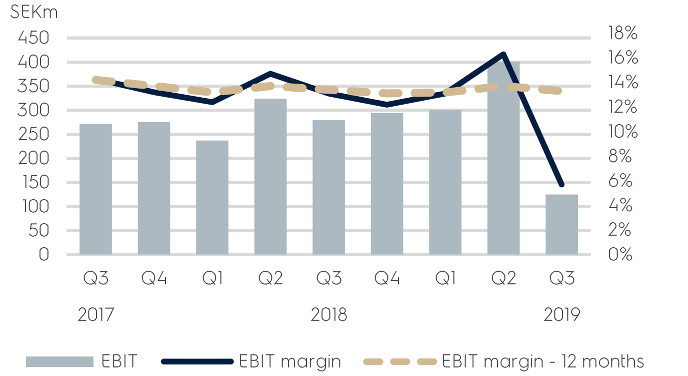
Professional Products

In the third quarter, overall market demand for professional food-service and laundry equipment continued to weaken across most regions, year-over-year.

Professional Products reported an organic sales decline of 7.1% for the quarter, primarily due to lower beverage sales in the U.S. and lower volumes in Middle East and Africa. The volume decline was partly offset by price increases and higher aftermarket sales.

Operating income excluding non-recurring items declined, mainly due to lower volumes and higher initial product costs related to new product launches. Investments in marketing and innovation continued. Price impacted earnings positively. The efficiency activities announced in the quarter will more than offset increased ongoing costs related to the separation.

OPERATING INCOME AND MARGIN



EBIT margin – 12 months is excluding non-recurring items, see pages 19 and 26.

SEKM	Q3 2019	Q3 2018	Nine months 2019	Nine months 2018	Full year 2018
Net sales	2,190	2,135	6,946	6,261	8,666
Organic growth, %	-7.1	1.9	2.6	3.1	3.5
Acquisitions,%	5.2	4.8	4.7	4.1	4.7
Operating income	125	280	827	841	1,134
Operating margin, %	5.7	13.1	11.9	13.4	13.1
Operating margin excl. non-recurring items, %[1]	11.3	13.1	13.7	13.4	13.1

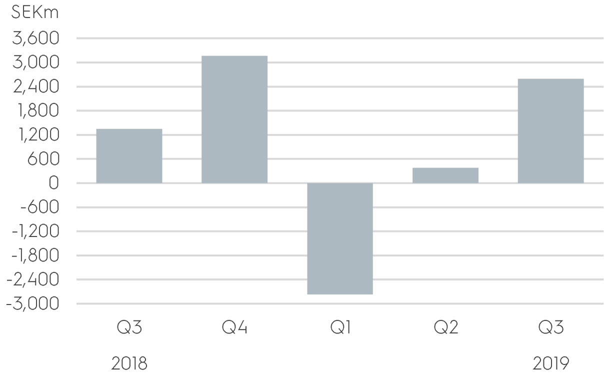
[1] Non-recurring items in Q3 2019 amounted to SEK -122m and relates to restructuring charges for efficiency measures. For more information on non-recurring items, see page 19.

Cash flow

Operating cash flow after investments amounted to SEK 2,594m (1,352) in the quarter. The year-over-year increase is mainly an effect of a positive contribution from net operating working capital related to timing effects. Higher capital expenditure had a negative impact.

Operating cash flow after investments in the first nine months of 2019 amounted to SEK 208m (486).

OPERATING CASH FLOW AFTER INVESTMENTS



SEKM	Q3 2019	Q3 2018	Nine months 2019	Nine months 2018	Full year 2018
Operating income adjusted for non-cash items[1]	3,245	2,620	8,672	7,593	10,547
Change in operating assets and liabilities	1,280	331	-3,830	-3,516	-1,000
Operating cash flow	**4,525**	**2,952**	**4,842**	**4,077**	**9,547**
Investments in tangible and intangible assets	-1,717	-1,384	-4,150	-3,207	-5,629
Changes in other investments	-214	-216	-484	-383	-269
Operating cash flow after investments	**2,594**	**1,352**	**208**	**486**	**3,649**
Acquisitions and divestments of operations	-0	284	-467	-146	-609
Operating cash flow after structural changes	**2,594**	**1,636**	**-260**	**340**	**3,041**
Financial items paid, net[2]	-141	-124	-432	-193	-361
Taxes paid	-278	-160	-1,018	-675	-1,140
Cash flow from operations and investments	**2,174**	**1,352**	**-1,710**	**-528**	**1,540**
Payment of lease liabilities	-237	-	-687	-	-
Dividend	-	-	-1,221	-1,193	-2,385
Share-based payments	-	-	5	-218	-210
Total cash flow, excluding changes in loans and short-term investments	**1,937**	**1,352**	**-3,614**	**-1,939**	**-1,056**

[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 87m (97), interest and similar items paid SEK -364m (-302) and other financial items received/paid SEK -58m (12). Interest paid for lease liabilities SEK -97m (-).

Financial position

Net debt

As of September 30, 2019, Electrolux had a financial net debt position (excluding lease liabilities and post-employment provisions) of SEK 1,292m, compared to the financial net cash position of SEK 1,989m as of December 31, 2018. Net provisions for post-employment benefits increased to SEK 5,565m. Lease liabilities amounted to SEK 3,372m as of September 30, 2019 and is an effect of the application of IFRS 16 as from January 1, 2019. In total, net debt amounted to SEK 10,229m, an increase by SEK 8,404m compared to SEK 1,825m per December 31, 2018.

Long-term borrowings and long-term borrowings with maturities within 12 months amounted to a total of SEK 9,966m as of September 30, 2019 with average maturity of 2.5 years, compared to SEK 8,553m and 2.6 years at the end of 2018.

In the third quarter, long-term bilateral borrowings in the amount of SEK 77m were amortized. During the remaining part of 2019, long-term borrowings amounting to approximately SEK 1.1bn will mature.

Liquid funds as of September 30, 2019, amounted to SEK 10,196m, a decrease of SEK 2,053m compared to SEK 12,249m as of December 31, 2018.

Working capital and net assets

Working capital as of September 30, 2019, amounted to SEK –14,692m (–14,714), corresponding to –11.5% (–12.2) of annualized net sales. Operating working capital amounted to SEK 6,417m (5,881), corresponding to 5.0% (4.9) of annualized net sales, see page 21.

Average net assets for the first nine months of 2019 amounted to SEK 30,240m (23,333), corresponding to 24.1% (19.5) of annualized net sales. Net assets as of September 30, 2019, amounted to SEK 32,834m (23,480).

Return on net assets was 15.2% (19.1), and return on equity was 13.4% (14.3).

Net debt

SEKM	Sep. 30, 2019	Sep. 30, 2018	Dec. 31, 2018
Short-term loans	1,198	1,031	1,429
Short-term part of long-term loans	2,465	1,596	2,355
Trade receivables with recourse	140	219	168
Short-term borrowings	**3,802**	**2,846**	**3,952**
Financial derivative liabilities	123	166	81
Accrued interest expenses and prepaid interest income	61	68	28
Total short-term borrowings	**3,987**	**3,080**	**4,062**
Long-term borrowings	**7,501**	**7,301**	**6,198**
Total borrowings[1]	**11,488**	**10,381**	**10,260**
Cash and cash equivalents	9,621	10,874	11,697
Short-term investments	193	178	176
Financial derivative assets	145	73	132
Prepaid interest expenses and accrued interest income	238	248	243
Liquid funds[2]	**10,196**	**11,373**	**12,249**
Financial net debt	**1,292**	**-992**	**-1,989**
Lease liabilities	3,372	-	-
Net provisions for post-employment benefits	5,565	2,593	3,814
Net debt	**10,229**	**1,601**	**1,825**
Net debt/equity ratio	0.48	0.08	0.08
Total equity	21,384	20,686	21,749
Equity per share, SEK	74.41	71.98	75.67
Return on equity, %	13.4	14.3	18.2
Equity/assets ratio, %	22.3	25.3	25.6

[1] Whereof interest-bearing liabilities amounting to SEK 11,163m as of September 30, 2019 and SEK 9,928m as of September 30, 2018 and SEK 9,982m as of December 31, 2018.
[2] Electrolux has one unused committed back-up multicurrency revolving credit facility of EUR 1,000m, approximately SEK 10,700m, expiring in 2023.

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, 2019, the Group had a total of 3,884 (3,389) cases pending, representing approximately 3,920 (approximately 3,431) plaintiffs. During the third quarter of 2019, 398 new cases with 399 plaintiffs were filed and 208 pending cases with approximately 208 plaintiffs were resolved.

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

Risks and uncertainty factors

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

Risk management in Electrolux aims to identify, control and reduce risks. Risks, risk management and risk exposure are described in more detail in the 2018 Annual Report: www.electrolux.com/annualreport2018

Innovation targeting outstanding consumer experiences

Electrolux focuses on bringing innovations to consumers that enhance experiences in the areas of great tasting food, perfect care for clothes, and healthy wellbeing in their homes. This is done with a strong focus on sustainability. Innovation is the key driver for long term profitable growth and margin improvement.

Keeping leadership in a fast growing, attractive category

The market for high-capacity Top Load Washing Machines (TLWMs) has experienced fast-growth in Latin America in recent years, driven by consumers' need to save time and resources by washing more clothes in a single batch.

Electrolux has long experience in this market and drew on deep consumer insight to specifically increase its TLWM market share by more than 4 percentage points during the last five years. Electrolux is the largest player in this attractive category with nearly one-third of the market. TLWMs are the largest sub category in Latin America and sales of products with a +12 kg capacity have almost doubled in recent years, accounting for half of the market in Latin America.

Latin American consumers are increasingly looking for more efficient laundry washing in terms of superior results and well-cared-for clothes. Here, the dilution of detergent is key. Electrolux has developed a 17 kg capacity washing machine for the premium segment to meet the Latin American consumer preference for large washing machines. The machine uses 'perfect dilution' technology to ensure the perfect mix of detergent and softener to care for clothes and avoid stains. The consumer response has not only resulted in a strengthened market position but also in high consumer ratings of 4.7 in the first half of 2019 in Brazil, which is Electrolux main market in the Latin American region.

Profitable growth through targeted innovation in steam cooking

Electrolux has strengthened its leading European position in consumer steam ovens by innovating an affordable range that has significantly increased volumes and profit.

Electrolux saw the consumer demand and made established professional steam cooking technology more cost efficient to create an affordable range of steam ovens that were adapted to consumer needs.

Steam cooking not only improves taste and texture, it also has health benefits by retaining more nutrients in the food. As there were no affordable consumer ovens on the market, Electrolux opened up significant market opportunities by innovating an affordable range.

Since 2015, Electrolux has strengthened its leading position by increasing its steam oven value market share by 6 percentage points. In four years, volumes have increased in Europe alone from 140,000 units to 530,000 in 2018 with a strong increase in profit.

Electrolux launched several steam ovens with the Steamify® function in September 2019 at the IFA Berlin consumer electronics fair. The Steamify® function automatically combines the right amount of steam and traditional heat for outstanding baking, roasting and steaming results, making delicious dishes even easier.

Examples of innovations during 2019

February 21	Frigidaire products launched at the 2019 Kitchen and Bath Industry Show, included the market's first oven with integrated Air Fry technology.
March 20	Electrolux launched a new intuitive kitchen range across Europe.
May 15	Electrolux partnered with Mila, a US/Chinese start-up that offers connected air purifiers via a subscription-based model direct to consumers.
June 27	Electrolux joined forces with Stena Recycling for the new Circular Initiative to build understanding of what needs to be done to pave the way towards a more circular society.
September 4	Electrolux showcased the latest innovative solutions for the home from its AEG brand at IFA, the world's leading trade fair for home appliances and consumer electronics. Within kitchen, Electrolux is expanding its ecosystem of connected products to assist consumers to cook better at home.

For more information, see www.electroluxgroup.com

Events during the quarter

Events during the third quarter of 2019

July 3. Electrolux to invest EUR 130 million in Italian refrigeration facility
The Electrolux Group will invest approximately EUR 130m in automation, digitalization and innovation at its manufacturing facility in Susegana, Italy. The investment is part of Electrolux previously communicated manufacturing investment program (announced at the Capital Markets Day in 2017), totaling SEK 8bn over 4-5 years as from 2018. The program is expected to generate annual cost savings of approximately SEK 3bn with full effect from 2024.

August 29. Electrolux celebrates 100-year anniversary with action plan for sustainable living and funding for Food Foundation
Electrolux introduced the Better Living Program, a plan to enable better and more sustainable living for consumers around the world through 2030. With bold targets focusing on better eating, better garment care and a better home environment, the initiative widens the scope of Electrolux commitment to sustainability and enables the company and its brands to contribute in a meaningful way on key global challenges. As a first action, the company intends to annually fund the Electrolux Food Foundation until 2030, with an expected total of SEK 100m. The additional funding will contribute to making sustainable eating the preferred choice as the foundation supports employee and partner initiatives.

September 10. Electrolux announces global streamlining measures and Hungarian manufacturing investment
Following a strategic overview started earlier this year, Electrolux initiated a plan to improve efficiency throughout the Group. The company also plans to outsource parts of its current manufacturing in Hungary and invest EUR 100m in its Nyíregyháza refrigerator plant. The efficiency measures and redundancies related to the outsourcing led to restructuring charges in the third quarter 2019 of approximately SEK 1.6bn. The measures are anticipated to generate additional annual savings of about SEK 500m, with full effect as from 2022. The total annual cost savings from ongoing efficiency activities and investments are now expected to be approximately SEK 3.5bn, with full effect from 2024.

September 10. Breakdown of non-recurring items expected in Electrolux Q3 results
In addition to restructuring charges of SEK 1.6 bn (see above), the third quarter operating income was impacted by two administrative cases:

In the fourth quarter of 2018, Electrolux filed a claim with the Brazilian tax authority for the recovery of the overpaid sales tax for 2002-2014. The full amount was recognized as an asset as per September 30, 2019. This led to a positive non-recurring item of SEK 1,403m impacting the operating income of the business area Latin America.

Electrolux also reported a negative non-recurring item of SEK 197m, impacting the operating income of the business area North America. These are costs related to a legal settlement in the U.S.

The net impact of non-recurring items in the third quarter was SEK -412m, see page 19.

September 13. Nomination Committee appointed for Electrolux Annual General Meeting 2020
The members of the Nomination Committee have been appointed based on the ownership structure as of August 31, 2019. Johan Forssell, Investor AB, is the Chairman of the committee. The other members are Kaj Thorén, Alecta, Marianne Nilsson, Swedbank Robur Funds, and Anders Oscarsson, AMF – Försäkring och Fonder. The committee will also include Staffan Bohman and Fredrik Persson, Chairman and Director, respectively, of Electrolux.

September 30. Kai Wärn to become Chairman of the Board of Electrolux Professional AB
As previously announced, Electrolux Professional is intended to be distributed to the shareholders of Electrolux and listed during the first half of 2020, subject to shareholder approval. As a step in the preparations for the distribution and intended listing, Electrolux has appointed Kai Wärn as Chairman of the Board of Directors of Electrolux Professional.

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 2019 amounted to SEK 29,183m (27,843) of which SEK 23,735m (22,661) referred to sales to Group companies and SEK 5,448m (5,182) to external customers. Income after financial items was SEK 2,970m (2,270), including dividends from subsidiaries in the amount of SEK 3,142m (2,435). Income for the period amounted to SEK 2,300m (638).

Capital expenditure in tangible and intangible assets was SEK 472m (435). Liquid funds at the end of the period amounted to SEK 4,417m, as against SEK 7,244m at the start of the year.

Undistributed earnings in the Parent Company at the end of the period amounted to SEK 21,840m, as against SEK 22,078m at the start of the year. Dividend payment to shareholders for 2018 amounted to SEK 2,443m, whereof SEK 1,221m has been paid during the second quarter 2019 and SEK 1,222m has been reported as a current liability.

The income statement and balance sheet for the Parent Company are presented on page 22.

Stockholm, October 25, 2019

AB Electrolux (publ)
556009-4178

Jonas Samuelson
President and CEO

The report has not been audited or reviewed by external auditors.

Consolidated statement of comprehensive income

SEKM	Q3 2019	Q3 2018	Nine months 2019	Nine months 2018	Full year 2018
Net sales	**32,520**	**30,444**	**93,916**	**89,703**	**124,129**
Cost of goods sold	-27,180	-24,633	-77,404	-73,072	-100,908
Gross operating income	**5,340**	**5,811**	**16,513**	**16,632**	**23,221**
Selling expenses	-3,473	-3,159	-10,060	-9,357	-12,986
Administrative expenses	-1,845	-1,180	-4,446	-3,812	-5,101
Other operating income/expenses	1,167	283	1,050	-116	177
Operating income	**1,189**	**1,756**	**3,056**	**3,347**	**5,310**
Financial items, net	-179	-121	-515	-292	-423
Income after financial items	**1,010**	**1,634**	**2,541**	**3,055**	**4,887**
Taxes	-271	-472	-591	-824	-1,081
Income for the period	**739**	**1,162**	**1,950**	**2,230**	**3,805**
Items that will not be reclassified to income for the period:					
Remeasurement of provisions for post-employment benefits	-1,405	101	-1,817	401	-448
Income tax relating to items that will not be reclassified	323	-24	412	-95	128
	-1,082	**77**	**-1,406**	**305**	**-319**
Items that may be reclassified subsequently to income for the period:					
Cash flow hedges	-27	-18	-26	-34	-2
operations	594	-670	1,735	197	203
Income tax relating to items that may be reclassified	20	8	14	3	23
	587	**-680**	**1,723**	**166**	**224**
Other comprehensive income, net of tax	**-495**	**-603**	**317**	**471**	**-95**
Total comprehensive income for the period	**243**	**560**	**2,267**	**2,702**	**3,710**
Income for the period attributable to:					
Equity holders of the Parent Company	738	1,162	1,950	2,230	3,805
Non-controlling interests	0	-0	0	0	-0
Total	**739**	**1,162**	**1,950**	**2,230**	**3,805**
Total comprehensive income for the period attributable to:					
Equity holders of the Parent Company	242	560	2,266	2,701	3,710
Non-controlling interest	1	0	1	0	-0
Total	**243**	**560**	**2,267**	**2,702**	**3,710**
Earnings per share, SEK					
Basic, SEK	2.57	4.04	6.78	7.76	13.24
Diluted, SEK	2.56	4.01	6.75	7.70	13.14
Average number of shares[1]					
Basic, million	287.4	287.4	287.4	287.4	287.4
Diluted, million	288.9	289.7	288.9	289.6	289.5

[1] Average numbers of shares excluding shares held by Electrolux.

Consolidated balance sheet

SEKM	Sep. 30, 2019	Sep. 30, 2018	Dec. 31, 2018
Assets			
Property, plant and equipment, owned	22,185	19,820	21,088
Property, plant and equipment, right-of-use	3,057	-	-
Goodwill	9,162	7,949	8,239
Other intangible assets	4,280	3,779	3,919
Investments in associates	438	382	397
Deferred tax assets	7,323	5,917	6,448
Financial assets	285	243	246
Pension plan assets	443	394	532
Other non-current assets	1,546	922	952
Total non-current assets	**48,720**	**39,406**	**41,822**
Inventories	20,035	18,395	16,750
Trade receivables	21,174	19,702	21,482
Tax assets	887	515	738
Derivatives	181	95	139
Other current assets	5,441	4,097	4,507
Short-term investments	193	178	176
Cash and cash equivalents	9,621	10,874	11,697
Total current assets	**57,531**	**53,856**	**55,490**
Total assets	**106,251**	**93,262**	**97,312**
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	-673	-2,449	-2,394
Retained earnings	17,598	18,674	19,683
Equity attributable to equity holders of the Parent Company	**21,375**	**20,674**	**21,738**
Non-controlling interests	10	12	11
Total equity	**21,384**	**20,686**	**21,749**
Long-term borrowings	7,501	7,301	6,198
Long-term lease liabilities	2,497	-	-
Deferred tax liabilities	750	818	868
Provisions for post-employment benefits	6,009	2,987	4,346
Other provisions	6,608	5,451	5,281
Total non-current liabilities	**23,365**	**16,557**	**16,693**
Accounts payable	34,792	32,216	34,443
Tax liabilities	673	690	984
Dividend payable	1,221	1,193	-
Other liabilities	17,160	15,848	17,105
Short-term borrowings	3,802	2,846	3,952
Short-term lease liabilities	875	-	-
Derivatives	128	189	102
Other provisions	2,850	3,038	2,284
Total current liabilities	**61,501**	**56,019**	**58,870**
Total equity and liabilities	**106,251**	**93,262**	**97,312**

Change in consolidated equity

SEKM	2019	2018	Full year 2018
Opening balance	21,749	20,480	20,480
Change in accounting principles	**-233**	**-18**	**-18**
Total comprehensive income for the period	**2,267**	**2,702**	**3,710**
Share-based payments	45	-90	-35
Dividend to equity holders of the Parent Company	-2,443	-2,385	-2,385
Dividend to non-controlling interests	-0	-0	-0
Acquisition of non-controlling interests	-0	-3	-3
Total transactions with equity holders	**-2,399**	**-2,478**	**-2,424**
Closing balance	**21,384**	**20,686**	**21,749**

Consolidated cash flow statement

SEKM	Q3 2019	Q3 2018	Nine months 2019	Nine months 2018	Full year 2018
Operations					
Operating income	1,189	1,756	3,056	3,347	5,310
Depreciation and amortization[1]	1,336	1,009	3,797	3,067	4,150
Other non-cash items	720	-144	1,819	1,180	1,088
Financial items paid, net[2]	-141	-124	-432	-193	-361
Taxes paid	-278	-160	-1,018	-675	-1,140
Cash flow from operations, excluding change in operating assets and liabilities	2,826	2,337	7,222	6,725	9,046
Change in operating assets and liabilities					
Change in inventories	-495	-1,197	-2,276	-3,462	-1,619
Change in trade receivables	1,309	1	1,394	1,076	-582
Change in accounts payable	-96	298	-1,519	263	2,317
Change in other operating assets, liabilities and provisions	562	1,230	-1,430	-1,393	-1,116
Cash flow from change in operating assets and liabilities	1,280	331	-3,830	-3,516	-1,000
Cash flow from operations	4,106	2,668	3,391	3,208	8,046
Investments					
Acquisition of operations	-0	-1	-467	-431	-902
Divestment of operations	-	285	-	285	293
Capital expenditure in property, plant and equipment	-1,404	-1,135	-3,111	-2,544	-4,650
Capital expenditure in product development	-233	-112	-692	-297	-416
Capital expenditure in software and other intangibles	-80	-137	-347	-366	-563
Other	-214	-216	-484	-383	-269
Cash flow from investments	-1,932	-1,316	-5,101	-3,737	-6,506
Cash flow from operations and investments	2,174	1,352	-1,710	-528	1,540
Financing					
Change in short-term investments	-12	-58	-15	189	193
Change in short-term borrowings	-90	506	111	622	951
New long-term borrowings	17	75	2,333	1,735	1,736
Amortization of long-term borrowings	-79	-81	-1,238	-1,154	-1,531
Payment of lease liabilities	-237	-	-687	-	-
Dividend	-	-	-1,221	-1,193	-2,385
Share-based payments	-	-	5	-218	-210
Cash flow from financing	-402	442	-713	-18	-1,245
Total cash flow	1,772	1,794	-2,423	-547	295
Cash and cash equivalents at beginning of period	7,702	9,207	11,697	11,289	11,289
equivalents	146	-127	347	132	113
Cash and cash equivalents at end of period	9,621	10,874	9,621	10,874	11,697

[1] For the period January 1 to September 30: depreciation related to right-of-use assets amounted to SEK 662m (-).

[2] For the period January 1 to September 30: interest and similar items received SEK 87m (97), interest and similar items paid SEK -364m (-302) and other financial items received/paid SEK -58m (12). Interest paid related to lease liabilities SEK -97m (-).

Key ratios

SEKM unless otherwise stated	Q3 2019	Q3 2018	Nine months 2019	Nine months 2018	Full year 2018
Net sales	32,520	30,444	93,916	89,703	124,129
Organic growth, %	0.8	0.8	-0.1	0.9	1.3
EBITA	1,406	1,991	3,717	4,077	6,282
EBITA margin, %	4.3	6.5	4.0	4.5	5.1
Operating income	1,189	1,756	3,056	3,347	5,310
Operating margin, %	3.7	5.8	3.3	3.7	4.3
Operating margin excl. non-recurring items, %[1]	4.9	5.8	4.8	5.3	5.4
Income after financial items	1,010	1,634	2,541	3,055	4,887
Income for the period	739	1,162	1,950	2,230	3,805
Capital expenditure property, plant and equipment	-1,404	-1,135	-3,111	-2,544	-4,650
Operating cash flow after investments	2,594	1,352	208	486	3,649
Earnings per share, SEK[2]	2.57	4.04	6.78	7.76	13.24
Equity per share, SEK	74.41	71.98	74.41	71.98	75.67
Capital turnover rate, times/year	-	-	4.7	5.1	5.3
Return on net assets, %	-	-	15.2	19.1	22.7
Return on equity, %	-	-	13.4	14.3	18.2
Net debt	10,229	1,601	10,229	1,601	1,825
Net debt/equity ratio	0.48	0.08	0.48	0.08	0.08
Average number of shares excluding shares owned by Electrolux, million	287.4	287.4	287.4	287.4	287.4
Average number of employees	52,057	54,274	52,164	54,810	54,419

[1] For information on non-recurring items, see page 19.
[2] Basic.
For definitions, see pages 27-28.

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, 2019	8,192,539	300,727,769	308,920,308	21,522,858	287,397,450
Number of shares as of September 30, 2019	**8,192,539**	**300,727,769**	**308,920,308**	**21,522,858**	**287,397,450**
As % of total number of shares				7.0%	

Exchange rates

SEK	Sep. 30, 2019		Sep. 30, 2018		Dec. 31, 2018	
Exchange rate	Average	End of period	Average	End of period	Average	End of period
ARS	0.2136	0.1707	0.3305	0.2178	0.3087	0.2373
AUD	6.57	6.63	6.50	6.42	6.50	6.34
BRL	2.42	2.36	2.39	2.22	2.39	2.32
CAD	7.07	7.41	6.68	6.84	6.71	6.59
CHF	9.46	9.86	8.84	9.11	8.91	9.15
CLP	0.0136	0.0135	0.0137	0.0135	0.0136	0.0129
CNY	1.37	1.38	1.31	1.29	1.31	1.30
EUR	10.56	10.70	10.24	10.31	10.26	10.28
GBP	11.94	12.08	11.58	11.62	11.57	11.38
HUF	0.0326	0.0319	0.0322	0.0318	0.0321	0.0320
MXN	0.4853	0.4986	0.4515	0.4733	0.4517	0.4556
RUB	0.1441	0.1512	0.1405	0.1354	0.1392	0.1292
THB	0.3003	0.3211	0.2669	0.2753	0.2691	0.2754
USD	9.40	9.82	8.59	8.91	8.70	8.97

Net sales and operating income by business area

SEKM	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Full year 2019	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Full year 2018
Europe										
Net sales	10,553	10,479	11,036			9,760	10,138	10,885	12,539	43,321
Sales growth, %	4.6	1.0	-1.8			8.0	5.1	5.2	0.5	4.4
EBITA	730	631	149			687	-215	806	1,114	2,392
EBITA margin, %	6.9	6.0	1.3			7.0	-2.1	7.4	8.9	5.5
Operating income	686	576	93			610	-286	749	1,055	2,128
Operating margin, %	6.5	5.5	0.8			6.2	-2.8	6.9	8.4	4.9
North America										
Net sales	9,099	10,255	10,880			8,785	10,804	10,072	10,143	39,804
Sales growth, %	-6.8	-12.1	-0.7			-5.4	-10.2	-6.3	-6.3	-7.2
EBITA	-450	555	-3			-118	703	392	261	1,238
EBITA margin, %	-4.9	5.4	-0.0			-1.3	6.5	3.9	2.6	3.1
Operating income	-482	504	-20			-148	670	358	223	1,104
Operating margin, %	-5.3	4.9	-0.2			-1.7	6.2	3.6	2.2	2.8
Latin America										
Net sales	4,312	4,816	4,613			4,247	4,518	3,845	5,353	17,963
Sales growth, %	6.9	8.3	14.2			5.9	19.5	0.4	11.8	9.3
EBITA	-165	217	1,591			97	22	260	342	721
EBITA margin, %	-3.8	4.5	34.5			2.3	0.5	6.8	6.4	4.0
Operating income	-223	164	1,539			35	-38	205	290	492
Operating margin, %	-5.2	3.4	33.4			0.8	-0.8	5.3	5.4	2.7
Asia-Pacific, Middle East and Africa										
Net sales	3,445	3,682	3,801			3,197	3,685	3,507	3,986	14,375
Sales growth, %	2.3	-3.8	1.6			10.1	1.0	5.1	18.3	8.4
EBITA	141	204	-115			191	273	301	331	1,096
EBITA margin, %	4.1	5.5	-3.0			6.0	7.4	8.6	8.3	7.6
Operating income	110	171	-150			163	243	270	302	979
Operating margin, %	3.2	4.7	-4.0			5.1	6.6	7.7	7.6	6.8
Professional Products										
Net sales	2,302	2,455	2,190			1,917	2,209	2,135	2,405	8,666
Sales growth, %	15.6	8.8	-1.9			8.5	6.7	6.7	11.0	8.2
EBITA	316	417	144			245	331	293	310	1,179
EBITA margin,%	13.7	17.0	6.6			12.8	15.0	13.7	12.9	13.6
Operating income	301	401	125			237	324	280	294	1,134
Operating margin, %	13.1	16.3	5.7			12.4	14.7	13.1	12.2	13.1
Group common costs, etc.	-143	-197	-400			-133	-86	-107	-201	-527
Total Group										
Net sales	29,710	31,687	32,520			27,906	31,354	30,444	34,425	124,129
Sales growth, %	1.6	-2.7	1.0			3.3	0.7	0.7	2.5	1.7
EBITA	460	1,851	1,406			1,011	1,075	1,991	2,205	6,282
EBITA margin, %	1.5	5.8	4.3			3.6	3.4	6.5	6.4	5.1
Operating income	248	1,619	1,189			764	827	1,756	1,963	5,310
Operating margin, %	0.8	5.1	3.7			2.7	2.6	5.8	5.7	4.3
Income after financial items	90	1,441	1,010			672	748	1,634	1,832	4,887
Income for the period	79	1,132	739			551	517	1,162	1,575	3,805
Earnings per share, SEK[1]	0.28	3.94	2.57			1.92	1.80	4.04	5.48	13.24

[1] Basic.

Non-recurring items by business area

SEKM	Q1 2019[1]	Q2 2019	Q3 2019[2]	Q4 2019	Full year 2019	Q1 2018[3]	Q2 2018[4]	Q3 2018	Q4 2018[5]	Full year 2018
Europe	-	-	-752			-	-818	-	71	-747
North America	-829	-	-242			-596	-	-	-	-596
Latin America	-225	-	1,326			-	-	-	-	-
Asia-Pacific, Middle East and Africa	-	-	-398			-	-	-	-	-
Professional Products	-	-	-122			-	-	-	-	-
Group common costs, etc.	-	-	-224			-	-	-	-	-
Total Group	-1,054	-	-412			-596	-818	-	71	-1,343

[1] The non-recurring item of SEK -829m relates to the consolidation of U.S. cooking production and SEK -225m to the closure of a refrigeration production line in Latin America. The costs are included in Cost of goods sold and consists of write down of fixed assets, provision for severance cost and other cost related to the projects.

[2] The non-recurring item of SEK -412m includes 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 -1,618m. The income from overpaid sales tax in Brazil and the cost for legal settlement in the U.S are included in other operating income/expenses, the costs for restructuring and outsourcing projects are included in the applicable functional lines of the income statement.

[3] The non-recurring item of SEK -596m refers to the consolidation of freezer production in North America. The cost is included in Cost of goods sold and consists of write down of fixed assets, provision for severance cost and other cost related to the project.

[4] The non-recurring items of SEK -818m refer to business area Europe. These include a provision of SEK -564m for a fine relating to an investigation by the French Competition Authority and a provision of SEK -254m relating to an unfavorable court ruling in France. These costs are included in other operating income/expenses.

[5] The non-recurring item of SEK 71m refers to business area Europe and relates to the French Competition Authority investigation that was concluded in the quarter and is the difference between the actual fine and the provision set in the second quarter. This income is included in other operating income/expenses.

Operating income excluding non-recurring items (NRI)

SEKM	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Full year 2019	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Full year 2018
Europe										
Operating income excl. NRI	686	576	845			610	532	749	984	2,875
Operating margin excl. NRI, %	6.5	5.5	7.7			6.2	5.3	6.9	7.9	6.6
North America										
Operating income excl. NRI	347	504	222			448	670	358	223	1,700
Operating margin excl. NRI, %	3.8	4.9	2.0			5.1	6.2	3.6	2.2	4.3
Latin America										
Operating income excl. NRI	2	164	213			35	-38	205	290	492
Operating margin excl. NRI, %	0.1	3.4	4.6			0.8	-0.8	5.3	5.4	2.7
Asia-Pacific, Middle East and Africa										
Operating income excl. NRI	110	171	248			163	243	270	302	979
Operating margin excl. NRI, %	3.2	4.7	6.5			5.1	6.6	7.7	7.6	6.8
Professional Products										
Operating income excl. NRI	301	401	247			237	324	280	294	1,134
Operating margin excl. NRI, %	13.1	16.3	11.3			12.4	14.7	13.1	12.2	13.1
Group common cost etc										
Operating income excl. NRI	-143	-197	-176			-133	-86	-107	-201	-527
Total Group										
Operating income excl. NRI	1,302	1,619	1,601			1,360	1,645	1,756	1,892	6,653
Operating margin excl. NRI, %	4.4	5.1	4.9			4.9	5.2	5.8	5.5	5.4

Net sales by business area

SEKM	Q3 2019	Q3 2018	Nine months 2019	Nine months 2018	Full year 2018
Europe	11,036	10,885	32,068	30,782	43,321
North America	10,880	10,072	30,234	29,661	39,804
Latin America	4,613	3,845	13,740	12,610	17,963
Asia-Pacific, Middle East and Africa	3,801	3,507	10,928	10,389	14,375
Professional Products	2,190	2,135	6,946	6,261	8,666
Total	**32,520**	**30,444**	**93,916**	**89,703**	**124,129**

Change in net sales by business area

Year-over-year, %	Q3 2019	Q3 2019 in local currencies	Nine months 2019	Nine months 2019 in local currencies
Europe	1	-2	4	1
North America	8	-1	2	-7
Latin America	20	14	9	10
Asia-Pacific, Middle East and Africa	8	2	5	-0
Professional Products	3	-2	11	7
Total change	**7**	**1**	**5**	**-0**

Operating income by business area

SEKM	Q3 2019	Q3 2018	Nine months 2019	Nine months 2018	Full year 2018
Europe	93	749	1,355	1,073	2,128
Margin, %	0.8	6.9	4.2	3.5	4.9
North America	-20	358	2	881	1,104
Margin, %	-0.2	3.6	0.0	3.0	2.8
Latin America	1,539	205	1,481	202	492
Margin, %	33.4	5.3	10.8	1.6	2.7
Asia-Pacific, Middle East and Africa	-150	270	131	676	979
Margin, %	-4.0	7.7	1.2	6.5	6.8
Professional Products	125	280	827	841	1,134
Margin, %	5.7	13.1	11.9	13.4	13.1
Group common costs, etc.	-400	-107	-741	-326	-527
Operating income	**1,189**	**1,756**	**3,056**	**3,347**	**5,310**
Margin, %	**3.7**	**5.8**	**3.3**	**3.7**	**4.3**

Change in operating income by business area

Year-over-year, %	Q3 2019	Q3 2019 in local currencies	Nine months 2019	Nine months 2019 in local currencies
Europe	-88	-89	26	21
North America	n.m.	n.m.	-100	-100
Latin America	649	624	633	590
Asia-Pacific, Middle East and Africa	n.m.	n.m.	-81	-82
Professional Products	-55	-59	-2	-6
Total change	**-32**	**-36**	**-9**	**-14**

Working capital and net assets

SEKM	Sep. 30, 2019	% of annualized net sales	Sep. 30, 2018	% of annualized net sales	Dec. 31, 2018	% of annualized net sales
Inventories	20,035	15.7	18,395	15.3	16,750	13.5
Trade receivables	21,174	16.6	19,702	16.4	21,482	17.3
Accounts payable	-34,792	-27.2	-32,216	-26.8	-34,443	-27.7
Operating working capital	**6,417**	**5.0**	**5,881**	**4.9**	**3,789**	**3.0**
Provisions	-9,458		-8,489		-7,565	
Prepaid and accrued income and expenses	-12,273		-11,441		-11,745	
Taxes and other assets and liabilities	623		-665		-1,327	
Working capital	**-14,692**	**-11.5**	**-14,714**	**-12.2**	**-16,848**	**-13.5**
Property, plant and equipment, owned	22,185		19,820		21,088	
Property, plant and equipment, right-of-use	3,057		-		-	
Goodwill	9,162		7,949		8,239	
Other non-current assets	6,550		5,326		5,516	
Deferred tax assets and liabilities	6,573		5,099		5,580	
Net assets	**32,834**	**25.7**	**23,480**	**19.5**	**23,574**	**19.0**
Annualized net sales, calculated at end of period exchange rates	127,747		120,139		124,399	
Average net assets	**30,240**	**24.1**	**23,333**	**19.5**	**23,381**	**18.8**
Annualized net sales, calculated at average exchange rates	125,222		119,602		124,129	

Net assets by business area

SEKM	Assets			Equity and liabilities			Net assets		
	Sep. 30, 2019	Sep. 30, 2018	Dec. 31, 2018	Sep. 30, 2019	Sep. 30, 2018	Dec. 31, 2018	Sep. 30, 2019	Sep. 30, 2018	Dec. 31, 2018
Europe	27,816	25,608	26,276	25,044	24,433	25,766	2,772	1,175	510
North America	24,239	19,065	19,124	17,241	15,102	15,322	6,998	3,963	3,802
Latin America	13,972	12,392	13,092	6,729	6,157	6,906	7,243	6,235	6,186
Asia-Pacific, Middle East and Africa	12,581	10,729	10,826	6,555	5,616	5,603	6,026	5,113	5,223
Professional Products	7,078	5,670	6,101	3,202	3,042	3,144	3,876	2,628	2,957
Other[1]	9,925	8,031	9,112	4,005	3,665	4,217	5,919	4,366	4,895
Total operating assets and liabilities	**95,611**	**81,495**	**84,531**	**62,777**	**58,015**	**60,958**	**32,834**	**23,480**	**23,574**
Liquid funds	10,196	11,373	12,249	-	-	-	-	-	-
Total borrowings	-	-	-	11,488	10,381	10,260	-	-	-
Lease liabilities	-	-	-	3,372	-	-	-	-	-
Pension assets and liabilities	443	394	532	6,009	2,987	4,346	-	-	-
Dividend payable	-	-	-	1,221	1,193	-	-	-	-
Total equity	-	-	-	21,384	20,686	21,749	-	-	-
Total	**106,251**	**93,262**	**97,312**	**106,251**	**93,262**	**97,312**	**-**	**-**	**-**

[1]Includes common functions and tax items.

Parent Company income statement

SEKM	Q3 2019	Q3 2018	Nine months 2019	Nine months 2018	Full year 2018
Net sales	10,138	9,675	29,183	27,843	38,911
Cost of goods sold	-8,897	-8,505	-25,256	-23,963	-33,560
Gross operating income	1,241	1,170	3,927	3,880	5,351
Selling expenses	-825	-828	-2,375	-2,307	-3,247
Administrative expenses	-818	-299	-1,868	-1,244	-1,410
Other operating expenses	-49	-	-49	-565	-804
Operating income	-451	43	-365	-236	-110
Financial income	1,952	1,757	3,923	2,999	7,967
Financial expenses	-279	-162	-588	-493	-695
Financial items, net	1,673	1,595	3,335	2,506	7,272
Income after financial items	1,222	1,638	2,970	2,270	7,162
Appropriations	80	81	-809	-1,802	-1,743
Income before taxes	1,302	1,719	2,161	468	5,419
Taxes	63	-84	139	170	69
Income for the period	1,365	1,635	2,300	638	5,488

Parent Company balance sheet

SEKM	Sep. 30, 2019	Sep. 30, 2018	Dec. 31, 2018
Assets			
Non-current assets	38,321	36,846	38,254
Current assets	40,769	29,373	33,157
Total assets	79,090	66,219	71,411
Equity and liabilities			
Restricted equity	5,638	5,401	5,437
Non-restricted equity	21,840	17,205	22,078
Total equity	27,478	22,606	27,515
Untaxed reserves	405	447	442
Provisions	1,480	1,746	1,133
Non-current liabilities	6,979	6,824	5,735
Current liabilities	42,748	34,596	36,586
Total equity and liabilities	79,090	66,219	71,411

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 adopted are consistent with those followed in the preparation of the Group's Annual Report 2018, except for the adoption of new standards effective as of January 1, 2019. The Group's accounting principles are described in Note 1 in the Annual Report 2018, including transition effects and accounting principles related to IFRS 16 Leases which is applied by Electrolux from January 1, 2019. The transition to IFRS 16 has resulted in the following opening balance adjustment:

Assets		Equity and Liabilities	
Right-of-use assets	3,165	Lease liabilities	3,457
Deferred tax assets	87	Retained earnings	-233
Prepaid lease fees	-32	Accrued lease fees	-4
Total	3,220	Total	3,220

Reportable segments – Business areas

As from 2019 Electrolux has revised its consumer business area structure. The former business area Home Care & SDA has been combined with the former major appliances business areas, creating four consumer-focused regional business areas: Europe, North America, Latin America, and Asia-Pacific, Middle East and Africa. These, together with business area Professional Products, represent the Group's reportable segments. Comparatives have been restated accordingly. For more information, please see press release 'Restated figures for 2018 in line with Electrolux new business area structure' published on April 5, 2019.

Note 2 Disaggregation of revenue

Electrolux manufactures and sells appliances mainly in the wholesale market to customers being retailers. Electrolux products include refrigerators, dishwashers, washing machines, cookers, vacuum cleaners, air conditioners and small domestic appliances. The four regional Consumer Products business areas focus on the consumer market and business area Professional Products focuses on professional users.

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.

Product and geography are considered important attributes when disaggregating Electrolux revenue. Therefore, the table below presents net sales related to Consumer Products and Professional Products per geographical region based on the location of each selling company.

	Nine months 2019			Nine months 2018		
SEKM	Consumer Products	Professional Products	Total	Consumer Products	Professional Products	Total
Geographical region						
Europe	32,068	5,521	37,589	30,782	5,021	35,803
North America	30,234	785	31,019	29,661	619	30,281
Latin America	13,740	-	13,740	12,610	-	12,610
Asia-Pacific, Middle East and Africa	10,928	640	11,568	10,389	621	11,010
Total	86,970	6,946	93,916	83,442	6,261	89,703

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

	Sep. 30, 2019		Sep. 30, 2018		Dec. 31, 2018	
SEKM	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount
Per category						
Financial assets at fair value through profit and loss	285	285	243	243	246	246
Financial assets measured at amortized cost	30,986	30,986	30,771	30,771	33,355	33,355
Derivatives, financial assets at fair value through profit and loss	177	177	95	95	120	120
Derivatives in hedge accounting	4	4	-	-	19	19
Total financial assets	**31,452**	**31,452**	**31,109**	**31,109**	**33,740**	**33,740**
Financial liabilities measured at amortized cost	46,180	46,095	42,214	42,144	44,650	44,593
Derivatives, financial liabilities at fair value through profit and loss	108	108	184	184	100	100
Derivatives in hedge accounting	19	19	5	5	2	2
Total financial liabilities	**46,307**	**46,222**	**42,403**	**42,333**	**44,752**	**44,695**

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

Fair value estimation

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

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

Level 1: Quoted prices in active markets for identical assets or liabilities. At September 30, 2019, the fair value for Level 1 financial assets was SEK 192m (178) and for financial liabilities SEK 0m (0).

Level 2: Inputs other than quoted prices included in Level 1 that are observable for assets or liabilities either directly or indirectly. At September 30, 2019, the fair value of Level 2 financial assets was SEK 21,355m (19,814) and financial liabilities SEK 127m (189).

Level 3: Inputs for the assets or liabilities that are not entirely based on observable market data. At September 30, 2019, the fair value of Level 3 financial assets was SEK 285m (243) and financial liabilities SEK 0m (0).

Note 4 Pledged assets and contingent assets and liabilities

SEKM	Sep. 30, 2019	Sep. 30, 2018	Dec. 31, 2018
Group			
Pledged assets	7	6	6
Guarantees and other commitments	1,173	1,162	1,015
Parent Company			
Pledged assets	-	-	-
Guarantees and other commitments	1,822	1,544	1,534

For more information on contingent liabilities, see Note 25 in the Annual Report 2018.

Contingent assets

In December 2018, Electrolux obtained a judicial court certification attesting a final and non-appealable decision in Brazil that Electrolux has the right to recover overpaid sales tax for 2002-2014 and a minor part was recognized as an asset per December 31, 2018. The remaining amount has been recognized as an asset as per September 30, 2019, affecting other operating income by SEK 1,403m.

Note 5 Acquisitions of operations

Acquisitions in the first quarter of 2019

During the first quarter of 2019, Electrolux completed an acquisition of an appliance installation and repair service operations in Australia with an upfront payment of AUD 3.9m (approximately SEK 26m).

The operations are included in business area Asia-Pacific, Middle East and Africa.

Acquisitions in the second quarter of 2019

UNIC S.A.S.

On April 24, 2019, Electrolux completed the acquisition of UNIC S.A.S., a French manufacturer of professional espresso machines. The company's headquarters and main manufacturing facility are located in southern France, with subsidiaries in the U.S. and Japan. The acquired business had combined net sales of approximately EUR 20m in 2018, and 130 employees.

The consideration consists of a cash payment of EUR 39m with a preliminary net debt assumed of EUR 6.6m. The cash payment is equivalent to SEK 410m and a cash flow effect of SEK -406m, excluding acquired cash and cash equivalents.

Net sales and operating income in the acquired business during the period January 1, 2019, up until the date the acquisition was completed amounted to EUR 6m and EUR 0m respectively, approximately SEK 63m and SEK 0m respectively.

The acquired business is included in Electrolux consolidated accounts per September 30 with financial statements for the period May-August, contributing to net sales and operating income (including amortization of surplus values) by approximately SEK 60m and SEK -10m respectively. Goodwill recognized amounts to SEK 334m and is not expected to be deductible for income tax purposes.

The operations are included in business area Professional Products.

Transaction costs

Transaction costs related to the acquisitions described above amount to SEK 3.7m and have been expensed as incurred during the acquisition processes, whereof SEK 3.0m expensed in 2019. The costs have been reported in the operating income of the respective business area.

Cash flow related to acquisitions of operations

Total cash flow related to acquisitions of operations amounts to SEK -467m and includes payments for the acquisitions completed in the first and second quarters, totaling SEK 432m, excluding acquired cash and cash equivalents, and a deferred consideration payment in the first quarter of SEK 35m regarding the Schneidereit acquisition in 2018.

Operations by business area yearly

SEKM	2015	2016	2017[1]	2018
Europe				
Net sales	38,224	39,097	39,618	43,321
Operating income	2,290	2,794	2,765	2,128
Margin, %	6.0	7.1	7.0	4.9
North America				
Net sales	45,276	44,914	42,083	39,804
Operating income	1,454	2,657	2,796	1,104
Margin, %	3.2	5.9	6.6	2.8
Latin America				
Net sales	19,679	16,384	18,277	17,963
Operating income	459	-111	483	492
Margin, %	2.3	-0.7	2.6	2.7
Asia-Pacific, Middle East and Africa				
Net sales	13,787	13,833	13,071	14,375
Operating income	308	673	1,084	979
Margin, %	2.2	4.9	8.3	6.8
Professional Products				
Net sales	6,546	6,865	7,723	8,666
Operating income	862	954	1,054	1,134
Margin, %	13.2	13.9	13.7	13.1
Other				
Group common cost, etc.	-2,631	-693	-775	-527
Total Group				
Net sales	123,511	121,093	120,771	124,129
Operating income	2,741	6,274	7,407	5,310
Margin, %	2.2	5.2	6.1	4.3

Non-recurring items in operating income[2]	2015[3]	2016	2017	2018[4]
Europe	-40	-	-	-747
North America	-207	-	-	-596
Latin America	-11	-	-	-
Asia-Pacific, Middle East and Africa	-90	-	-	-
Professional Products	-	-	-	-
Group common cost	-1,901	-	-	-
Total Group	**-2,249**	**-**	**-**	**-1,343**

[1] 2017 has been restated due to IFRS 15.
[2] For more information, see Note 7 in the annual reports.
[3] Refers to costs related to the not completed acquisition of GE Appliances of SEK -2,059m and restructuring costs within HC&SDA of SEK -190m.
[4] 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.

Five-year review

SEKM unless otherwise stated	2014	2015	2016	2017[1]	2018
Net sales	**112,143**	**123,511**	**121,093**	**120,771**	**124,129**
Organic growth, %	1.1	2.2	-1.1	-0.4	1.3
Operating income	3,581	2,741	6,274	7,407	5,310
Operating margin, %	3.2	2.2	5.2	6.1	4.3
Income after financial items	2,997	2,101	5,581	6,966	4,887
Income for the period	**2,242**	**1,568**	**4,493**	**5,745**	**3,805**
Non-recurring items in operating income[2]	-1,348	-2,249	-	-	-1,343
Capital expenditure, property, plant and equipment	-3,006	-3,027	-2,830	-3,892	-4,650
Operating cash flow after investments	6,631	6,745	9,140	6,877	3,649
Earnings per share, SEK[3]	7.83	5.45	15.64	19.99	13.24
Equity per share, SEK	**57.52**	**52.21**	**61.72**	**71.26**	**75.67**
Dividend per share, SEK	6.50	6.50	7.50	8.30	8.50
Capital-turnover rate, times/year	4.5	5.0	5.8	5.9	5.3
Return on net assets, %	14.2	11.0	29.9	36.0	22.7
Return on equity, %	15.7	9.9	29.4	31.9	18.2
Net debt	**9,631**	**6,407**	**360**	**197**	**1,825**
Net debt/equity ratio	0.58	0.43	0.02	0.01	0.08
Average number of shares excluding shares owned by Electrolux, million	286.3	287.1	287.4	287.4	287.4
Average number of employees	**60,038**	**58,265**	**55,400**	**55,692**	**54,419**

[1] 2017 is restated due to IFRS 15.
[2] For more information, see table on pages 19 and 26 and Note 7 in the annual reports.
[3] Basic.

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

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

Computation of average amounts and annualized income statement measures

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

Definitions (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.

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.

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.

Equity per share

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

Capital indicators

Liquid funds

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

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 liabilities[1], accrued interest expenses and prepaid interest income[1].

Total short-term borrowings

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

Interest-bearing liabilities

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

Financial net debt

Total borrowings less liquid funds.

Net provision for post-employment benefits

Provisions for post-employment benefits less pension plan assets.

Net debt

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

Other measures

Operating cash flow after investments

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

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 9.

Shareholders' information

President and CEO Jonas Samuelson's comments on the third quarter results 2019
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 25. Jonas Samuelson, President and CEO and Therese Friberg, CFO will comment on the report.

Details for participation by telephone are as follows:
Participants in Sweden: +46 8 566 426 51
Participants in UK/Europe: +44 3333 000 804
Participants in US: +1 631 9131 422
Pin code: 42021216#

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

Link to webcast:
https://edge.media-server.com/mmc/p/u6hjr4nr

For further information, please contact:
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Calendar 2020

Consolidated results 2019	January 31
AGM	March 31
Interim report January - March	May 7
Interim report January - June	July 17
Interim report January - September	October 23

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, 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 in light of new information or future events.

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Shape living for the better

Electrolux shapes living for the better by reinventing taste, care and wellbeing experiences, making life more enjoyable and sustainable for millions of people. As a leading global appliance company, we place the consumer at the heart of everything we do. Through our brands, including Electrolux, AEG, and Frigidaire, we sell more than 60 million household and professional products in more than 150 markets every year. In 2018, Electrolux had sales of SEK 124 billion and employed 54,000 people around the world. For more information, go to www.electroluxgroup.com.