

PRESS RELEASE

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Electrolux further expands outdoor business in Europe

Electrolux, the world's largest producer of outdoor powered products such as chain saws, lawnmowers and garden tractors, is set to further expand its outdoor business in Europe through the acquisition of the Italian producer of lawnmowers and associated products, Marazzini Ernesto S.p.A ("Marazzini").

Electrolux has signed an agreement to acquire the manufacturing assets and intellectual property rights of Marazzini. The acquisition will be made by Electrolux's outdoor products subsidiary in Italy. The aim is to close the acquisition by the end of June after approvals have been received from the relevant competition authorities.

The Marazzini operation is based in the Italian town of Parabiago and currently produces in excess of 250,000 products per year with a turnover of over 40 million Euros per annum and around 90 employees. The company will continue to be managed by Bruno Marazzini, one of the current owners.

Following on from the acquisition of the European operation of McCulloch North America Inc. in 1999, the addition of Marazzini to Electrolux will further strengthen its position as the leading player in the powered outdoor products business. Worldwide, Electrolux currently produces over 3 million lawnmowers and 650,000 garden tractors per year.

Commenting on this announcement Johan Bygge, Head of Electrolux's Consumer Outdoor Products business outside North America, said "The addition of the Marazzini operation fits our existing business very well by giving us the ability to further expand our European manufacturing facilities and strengthen the product portfolio we can supply to our customers, especially in the area of petrol lawnmowers.

"This investment also clearly demonstrates Electrolux's commitment to remain the world's leading player in the powered outdoor products business".

Electrolux is the world's largest producer of powered appliances for kitchen, cleaning and outdoor use, such as refrigerators, washing machines, cookers, vacuum cleaners, chain saws, lawn mowers, and garden tractors. In 2000, Group sales were SEK 124,5 billion and the Group had 86,000 employees. Every year, customers in more than 150 countries buy more than 55 million Electrolux Group products for both consumer and professional use. The Electrolux Group includes famous appliance brands such as AEG, Electrolux, Zanussi, Frigidaire, Flymo, McCulloch, and Husqvarna.

Further information

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