

PRESS RELEASE

Stockholm, Thursday, February 12, 2004

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Electrolux considers closing vacuum cleaner factory in Västervik, Sweden

(ELUX) Electrolux is investigating a transfer of vacuum cleaner production in Västervik, Sweden, to Hungary and a possible closure of the factory in Västervik.

The global competition on the vacuum cleaner market is forcing the industry to decrease its costs. In Europe, Electrolux manufactures vacuum cleaners in two factories, one in Sweden and one in Hungary. In terms of capacity, one factory is sufficient. A first analysis shows that a move of production to Hungary would result in substantial savings.

The unions will be called to MBL-negotiations in order to participate in the continued decision-process.

The Electrolux vacuum cleaner factory in Västervik has approximately 500 employees and manufactures vacuum cleaners primarily for the European market. According to the first analysis a possible closure would incur a total cost of approximately SEK 200m and a yearly saving of approximately SEK 150m.

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Further information

The Electrolux Press Hotline is available at +46 8 657 65 07.

The Electrolux Group is the world's largest producer of powered appliances for kitchen, cleaning and outdoor use, such as refrigerators, washing machines, cookers, vacuum cleaners, chainsaws, lawn mowers, and garden tractors. Every year, customers in more than 150 countries buy more than 55 million Electrolux Group products for both consumer and professional use sold under famous brands such as AEG, Electrolux, Zanussi, Frigidaire, Eureka and Husqvarna. In 2002, Electrolux had sales of SEK 133.2 billion and 82,000 employees.

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