

P R E S S R E L E A S E

Stockholm, July 29, 1999

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Electrolux sells its food and beverage vending machines business to Compass Partners

Electrolux has signed an agreement to sell its food and beverage vending machines business to an entity established by Compass Partners, a leading private equity and strategic advisory Firm.

The food and beverage vending machines business develops, manufactures and markets technologically advanced vending machines for the refreshments market, and is a part of the Electrolux Professional Business sector. The Company is the European market leader and is also expanding its operations in Northern and Latin America and the Far East.

The purchase price is 2,200 million SEK. The sale is expected to become effective September 30, 1999 and at that time the new independent company will announce its legal name. The capital gain from the sale is preliminary estimated to be approximately 1,500 million SEK.

In 1998, the vending business had sales of approximately 1,000 million SEK. Its head office is located in Valbrembo, northern Italy, and employs more than 600 people.

Says Electrolux's President and CEO Michael Treschow: "The divestiture of the food and beverage vending machines business, is part of Electrolux's strategy to concentrate on its core businesses. We have also come to the conclusion, that the vending business has far better opportunities to develop within an independent environment."

"I strongly believe that our new ownership will represent a great opportunity for all of us, managers and staff of the company, to develop further our core competencies and to seize global market opportunities", says Goffredo Buttazzoni, CEO of the vending business.

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Compass Partners is an investment firm with offices in London and New York. Through its Compass Partners European Equity Fund LP, it specialises in large complex multi-jurisdictional control position investments. Compass private equity investments typically require strategic, operational and financial expertise to create value in a long-term partnership with management.

The Electrolux Group is the world's leading producer of household appliances for indoor and outdoor use, and of corresponding products for professional users. The Group has 99,000 employees (1998) and sales of SEK 117 billion (1998). Every year, customers in more than 100 countries buy more than 55 million Group products.

Further information

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