

Interim Report January - September 2017

Stockholm, October 27, 2017

Highlights of the third quarter of 2017

- Net sales amounted to SEK 29,309m (30,852).
- Organic sales declined by 3.2%, currency translation had a negative impact of 3.2%, contribution from acquisitions and divestments was 1.4%.
- Operating income increased to SEK 1,960m (1,826), corresponding to a margin of 6.7% (5.9).
- Operating margins improved across business areas and four business areas achieved an operating margin above 7%.
- Operating cash flow after investments amounted to SEK 2.3bn (3.0).
- Income for the period increased to SEK 1,424m (1,267), and earnings per share was SEK 4.96 (4.41).

Financial overview

SEKm	Q3 2017	Q3 2016	Change, %	Nine months 2017	Nine months 2016	Change, %
Net sales	29,309	30,852	-5.0	89,694	88,949	0.8
Organic growth, %	-3.2	-1.6		-2.0	-0.4	
Acquisitions, %	1.8	0.0		1.2	0.1	
Divestments, %	-0.4	0.0		-0.4	0.0	
Changes in exchange rates, %	-3.2	0.2		2.0	-2.7	
Operating income	1,960	1,826	7	5,438	4,658	17
Margin, %	6.7	5.9		6.1	5.2	
Income after financial items	1,874	1,725	9	5,061	4,336	17
Income for the period	1,424	1,267	12	3,815	3,221	18
Earnings per share, SEK1)	4.96	4.41		13.27	11.21	
Operating cash flow after investments	2,287	2,965	-23	4,799	6,526	-26
Return on net assets, %	-	-	-	35.0	28.7	

¹⁾ Basic, based on an average of 287.4 (287.4) million shares for the third quarter and 287.4 (287.4) million shares for the first nine months of 2017, excluding shares held by Electrolux.

For definitions, see page 25.

About Electrolux

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, Anova, Frigidaire, Westinghouse and Zanussi, we sell more than 60 million household and professional products in more than 150 markets every year. In 2016, Electrolux had sales of SEK 121 billion and employed 55,000 people around the world. For more information, go to www.electroluxgroup.com.

AB Electrolux (publ) 556009-4178



Market overview

Market overview for the third quarter

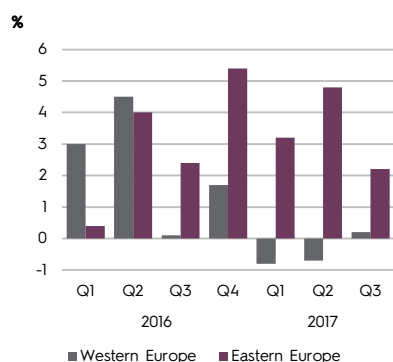
In the third quarter, market demand for core appliances in Europe increased by 1% year-over-year. Demand in Western Europe was stable while demand in Eastern Europe increased by 2%.

Market demand for core appliances in the US increased by 3%.

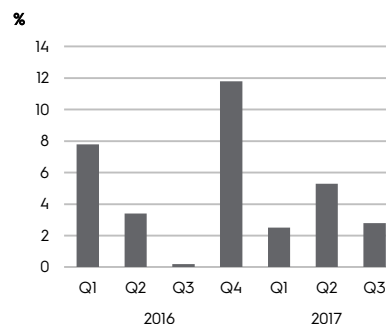
Market demand for appliances in Australia, China and Southeast Asia is estimated to have increased.

Demand for core appliances in Brazil, Argentina and Chile also improved.

INDUSTRY SHIPMENTS OF CORE APPLIANCES IN EUROPE*



INDUSTRY SHIPMENTS OF CORE APPLIANCES IN THE US*



*Units, year-over-year, %.

Sources: Europe: Electrolux estimates, North America: AHAM. For other markets, there are no comprehensive market statistics.

The third quarter in summary

- Operating income and margin for Major Appliances EMEA improved.
- Major Appliances North America reported stable operating margin development.
- Strong organic growth and continued earnings recovery in Major Appliances Latin America.
- Favorable margin trend for Major Appliances Asia/Pacific continued.
- Operating income for Home Care & SDA improved significantly.
- Continued profitable growth for Professional Products across most regions.
- Acquisition of the European kitchen hoods company Best completed in August.

SEKm	Q3 2017	Q3 2016	Change, %	Nine months 2017	Nine months 2016	Change, %
Net sales	29,309	30,852	-5.0	89,694	88,949	0.8
Change in net sales, %, whereof						
Organic growth	-3.2	-1.6		-2.0	-0.4	
Acquisitions	1.8	0.0		1.2	0.1	
Divestments	-0.4	0.0		-0.4	0.0	
Changes in exchange rates	-3.2	0.2		2.0	-2.7	
Operating income						
Major Appliances Europe, Middle East and Africa	749	680	10	1,882	1,800	5
Major Appliances North America	719	824	-13	2,310	2,061	12
Major Appliances Latin America	77	19	303	207	119	74
Major Appliances Asia/Pacific	214	208	3	535	453	18
Home Care & SDA	80	34	135	227	84	170
Professional Products	272	234	16	779	661	18
Other, Common Group costs, etc.	-150	-173	13	-503	-520	3
Operating income	1,960	1,826	7	5,438	4,658	17
Margin, %	6.7	5.9		6.1	5.2	

Net sales for the Electrolux Group declined by 5.0% in the quarter. Organic sales declined by 3.2%, currency translation had a negative impact of 3.2% and the net contribution of acquisitions and divestments was 1.4%.

Major Appliances Latin America and Professional Products reported organic sales growth. Sales for Major Appliances Latin America were positively impacted by good growth in Brazil and Argentina. Professional Products reported organic sales growth for both the food and laundry segments.

Focus on the most profitable product categories and weak markets impacted sales for Major Appliances EMEA. Sales for Major Appliances North America were affected by lower sales volumes of products under private labels, continued price pressure and major new product transitions. Sales for Major Appliances Asia/Pacific and Home Care & SDA declined somewhat.

Operating income increased to SEK 1,960m (1,826), corresponding to a margin of 6.7% (5.9).

Operating income and margin improved across the business areas. Product mix improvements and higher cost efficiency contributed to the favorable earnings trend during the quarter.

Earnings for Major Appliances EMEA increased as a result of mix improvements and lower operational costs. Major Appliances North America continued to report a stable margin development supported by increased operational efficiency. Operating income for Major Appliances Latin America continued to recover and improved year-over-year and Major Appliances Asia/Pacific reported a favorable earnings trend. Results for Home Care & SDA improved significantly. The performance of Professional Products remained stable across regions.

Effects of changes in exchange rates

Changes in exchange rates had a negative year-over-year impact of SEK 189m on operating income in the quarter. The impact of transaction effects was SEK -149m and related mainly to a weaker Egyptian pound and British pound. Translation effects in the quarter amounted to SEK -40m.

Financial net

Net financial items for the third quarter amounted to SEK -86m (-101).

Income for the period

Income for the period amounted to SEK 1,424m (1,267), corresponding to SEK 4.96 (4.41) in earnings per share.

Events during the third quarter of 2017

July 7. Electrolux to acquire European kitchen hoods company Best

In July Electrolux agreed to acquire Best, a European manufacturer of innovative and well-designed kitchen hoods. The acquisition enables Electrolux to develop a fully comprehensive offering of built-in cooking solutions and will further support long-term profitable growth in the region. The acquisition was completed in the beginning of August.

August 18. Electrolux partners with sustainability festival The Stockholm Act

Electrolux was proud to be a contributing partner of the inaugural The Stockholm Act; a festival that began August 21 to raise awareness for sustainable development towards 2030.

August 31. Electrolux launches game-changing robotic vacuum cleaner

Electrolux has introduced a robotic vacuum cleaner with a revolutionary design and game-changing technology that takes the quality of autonomous cleaning to a new level. The product will be launched in Europe and Asia this year under the Electrolux and AEG brands.

September 1. Electrolux appoints new Head of Investor Relations

Electrolux has appointed Sophie Arnius as Head of Investor Relations as from latest January 20, 2018. Sophie Arnius is currently Director Investor Relations at Swedish metals company Boliden.

September 8. Electrolux retains industry leadership in Dow Jones Sustainability Indices

Electrolux has been named Industry Leader of the Household Durables category in the Dow Jones Sustainability World Index (DJSI World). It is the eleventh consecutive year that Electrolux receives this recognition in the assessment, which is published by RobecoSAM.

September 27. Nomination Committee appointed for Electrolux Annual General Meeting 2018

The members of the Nomination Committee have been appointed based on the ownership structure as of August 31, 2017, see page 9.

For more information, visit www.electroluxgroup.com

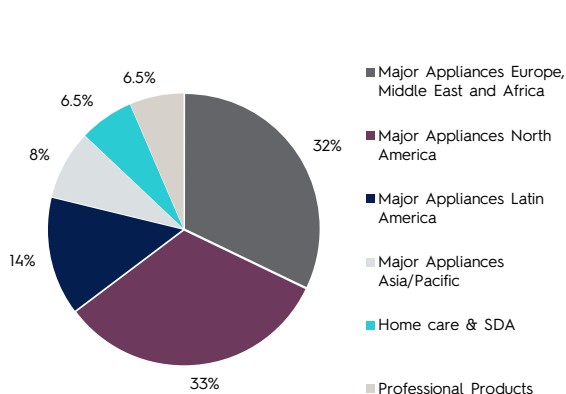
First nine months of 2017

Net sales for Electrolux in the first nine months of 2017 amounted to SEK 89,694m (88,949). Organic sales declined by 2.0%, the net contribution from acquisitions and divestment was 0.8% and currency translation had a positive impact of 2.0%.

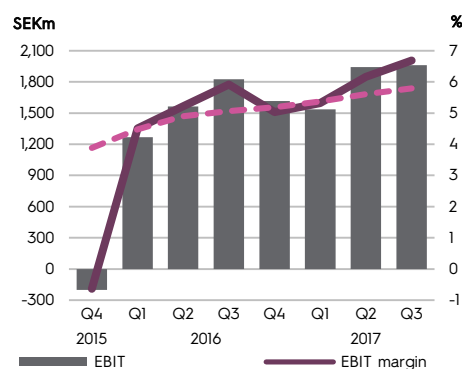
Operating income increased to SEK 5,438m (4,658), corresponding to a margin of 6.1% (5.2).

Income for the period amounted to SEK 3,815m (3,221), corresponding to SEK 13.27 (11.21) in earnings per share.

SHARE OF SALES BY BUSINESS AREA IN THE THIRD QUARTER OF 2017



OPERATING INCOME AND MARGIN



The EBIT margin - 12m is excluding costs related to GE Appliances, see page 23.

Business areas

Major Appliances Europe, Middle East and Africa

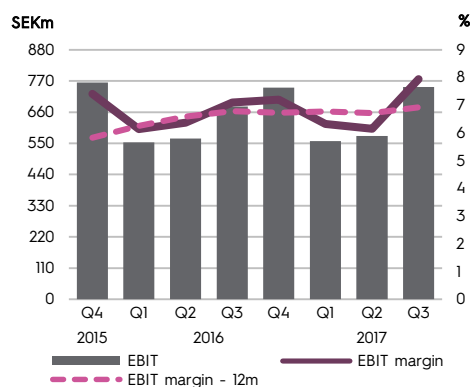
In the third quarter, overall market demand in Europe increased by 1% year-over-year. Demand in Western Europe was stable. Market demand increased across most markets while demand in the UK continued to decline. Demand in Eastern Europe rose by 2%.

Electrolux operations in EMEA reported an organic sales decline of 1.1% for the quarter. Acquisitions had a positive impact of 2.5% on sales and referred to Kwikot and Best. Continued focus on the most profitable product categories improved the product mix and the business area continued to gain market shares under premium brands. Weak markets in the UK and MEA negatively impacted sales volumes in the quarter.

Operating income and margin improved. Mix improvements and increased cost efficiency offset the negative impact of lower volumes, currency headwinds and raw-material cost increases.

The acquisition of the European kitchen hoods company Best was completed in August. For more information, see page 21.

OPERATING INCOME AND MARGIN



Industry shipments of core appliances in Europe, units, year-over-year, %	Q3 2017	Q3 2016	Nine months 2017	Nine months 2016	Full year 2016
Western Europe	0	0	0	3	3
Eastern Europe (excluding Turkey)	2	2	3	3	4
Total Europe	1	1	1	3	3
SEKm					
Net sales	9,422	9,579	27,610	27,477	37,844
Organic growth, %	-1.1	2.1	-0.5	4.7	3.5
Acquisitions, %	2.5	-	1.8	-	-
Operating income	749	680	1,882	1,800	2,546
Operating margin, %	7.9	7.1	6.8	6.6	6.7

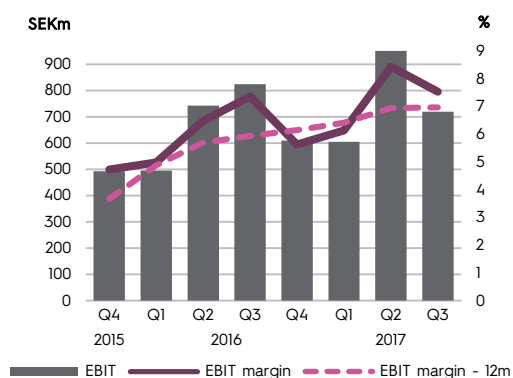
Major Appliances North America

In the third quarter, market demand for core appliances in the US grew by 3% year-over-year. Market demand for major appliances, including microwave ovens and home-comfort products improved by 4%.

Electrolux operations in North America reported an organic sales decline of 10.8% in the quarter. Lower sales volumes under private labels, continued price pressure in the market and major new product transitions had a negative impact on sales. However, product-portfolio management improved the product mix.

Operating income declined but the margin remained stable. Price pressure, lower volumes and higher costs for raw materials had a negative impact on results in the quarter, while increased cost efficiency contributed to earnings.

OPERATING INCOME AND MARGIN



Industry shipments of appliances in the US, units, year-over-year, %	Q3 2017	Q3 2016	Nine months 2017	Nine months 2016	Full year 2016
Core appliances	3	0	4	4	6
Microwave ovens and home-comfort products	13	-1	11	-3	-1
Total Major Appliances US	4	0	6	2	3
SEKm					
Net sales	9,544	11,189	31,093	32,576	43,402
Organic growth, % ¹⁾	-10.8	-4.6	-6.6	-0.5	-0.9
Operating income	719	824	2,310	2,061	2,671
Operating margin, %	7.5	7.4	7.4	6.3	6.2

¹⁾ The organic growth in the third quarter, the first nine months and full year of 2016 was negatively impacted by 0.2%, 0.2% and 0.2%, respectively, related to the transfer of operations under the Kelvinator brand in North America to the business area Professional Products.

Major Appliances Latin America

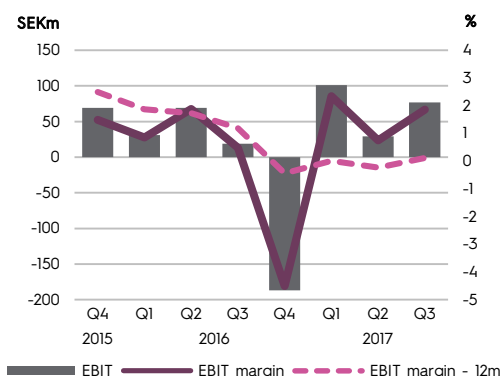
In the third quarter, market demand for core appliances in Brazil continued to improve and showed growth. Demand in Argentina and Chile also increased in the quarter.

Electrolux operations in Latin America reported an organic sales growth of 7.4%. The favorable market trend in major markets such as Brazil and Argentina contributed to the positive sales development. Electrolux sales volumes increased across categories in the major markets of the region.

Operating income continued to recover and improved year-over-year. This is a result of higher volumes and improved cost-efficiency, which offset the negative impact of lower price/mix and higher costs for raw materials.

In October, Electrolux acquired the Continental brand in Latin America. The acquisition will enable Electrolux to further expand market coverage in the region, see page 10.

OPERATING INCOME AND MARGIN



SEKm	Q3 2017	Q3 2016	Nine months 2017	Nine months 2016	Full year 2016
Net sales	4,132	3,968	12,290	11,270	15,419
Organic growth, %	7.4	-6.2	0.7	-8.3	-10.8
Operating income	77	19	207	119	-68
Operating margin, %	1.9	0.5	1.7	1.1	-0.4

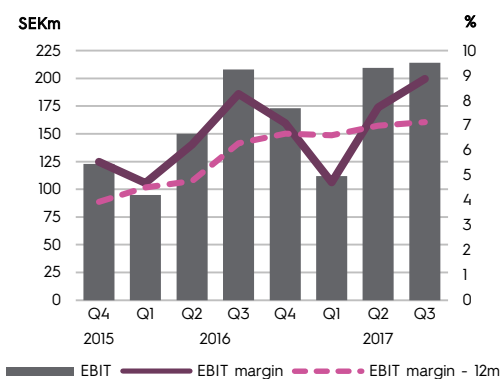
Major Appliances Asia/Pacific

In the third quarter, overall market demand for appliances in Australia, China and Southeast Asia is estimated to have increased.

Organic sales for Electrolux declined by 1.6% in the quarter. Acquisitions had a positive impact of 0.5% on sales and referred to Vintec. Sales increased in Australia, New Zealand and South East Asia while sales in China were impacted by lower sales of air-conditioners, compared to strong sales in the third quarter of the previous year.

Operating income and margin improved. Operations in Australia and Southeast Asia reported a stable earnings trend.

OPERATING INCOME AND MARGIN



SEKm	Q3 2017	Q3 2016	Nine months 2017	Nine months 2016	Full year 2016
Net sales	2,415	2,515	7,501	6,944	9,380
Organic growth, %	-1.6	10.7	4.2	1.1	1.3
Acquisitions, %	0.5	0.7	0.9	0.2	0.5
Operating income	214	208	535	453	626
Operating margin, %	8.9	8.3	7.1	6.5	6.7

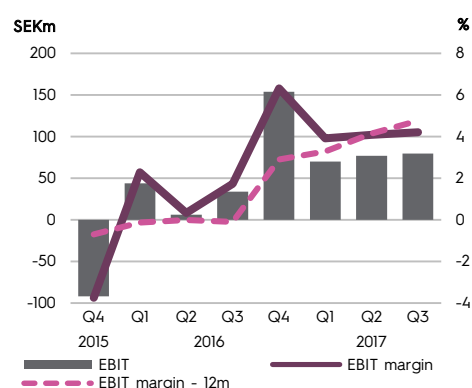
Home Care & Small Domestic Appliances

In the third quarter, the overall market for vacuum cleaners increased, driven mainly by non-corded handsticks which grew significantly across most regions. Demand for corded vacuum cleaners improved in Europe but declined in Asia Pacific.

Organic sales for Electrolux declined by 0.8% in the quarter. Sales increased in Europe and Latin America and the product mix improved as a result of active product portfolio management. The acquired smart kitchen appliance company Anova had a positive impact of 5.6% on sales while the divestment of the Eureka brand in the US in 2016, had a negative impact of 5.9% on sales.

Operating income continued to improve and increased significantly year-over-year. A positive mix trend and cost efficiencies contributed to earnings.

OPERATING INCOME AND MARGIN



SEKm	Q3 2017	Q3 2016	Nine months 2017	Nine months 2016	Full year 2016
Net sales	1,898	1,960	5,562	5,745	8,183
Organic growth, %	-0.8	-10.3	-2.5	-9.6	-8.2
Acquisitions, %	5.6	-	3.4	-	-
Divestments, %	-5.9	-	-6.7	-	-
Operating income	80	34	227	84	238
Operating margin, %	4.2	1.7	4.1	1.5	2.9

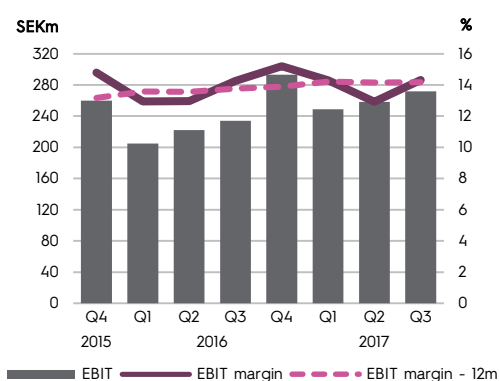
Professional Products

Overall market demand for professional food-service and professional laundry equipment improved across most regions in the third quarter. Demand increased in Western Europe and Japan.

Organic growth for Electrolux was 6.4%. Acquisitions had a positive impact of 11.5% on sales and referred to Grindmaster-Cecilware. Sales growth was particularly strong in Europe, Japan and emerging markets.

Operating income improved and the margin remained stable. Increased sales and higher cost efficiency offset currency headwinds. Investments in product development to strengthen positions in existing and new segments and markets are ongoing.

OPERATING INCOME AND MARGIN



SEKm	Q3 2017	Q3 2016	Nine months 2017	Nine months 2016	Full year 2016
Net sales	1,897	1,641	5,638	4,937	6,865
Organic growth, % ¹⁾	6.4	4.0	6.7	3.1	4.4
Acquisitions, %	11.5	-	6.8	1.0	0.6
Operating income	272	234	779	661	954
Operating margin, %	14.3	14.3	13.8	13.4	13.9

¹⁾ The organic growth in the third quarter, the first nine months and full year of 2016 was positively impacted by 1.4%, 1.3% and 1.3%, respectively, related to the transfer of operations under the Kelvinator brand in North America from the business area Major Appliances North America.

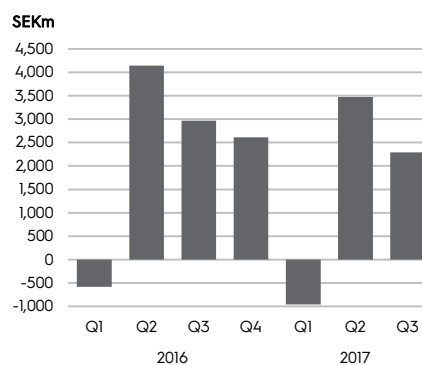
Cash flow

Operating cash flow after investments in the third quarter amounted to SEK 2,287m (2,965). The decline compared to the third quarter in the previous year refers mainly to lower cash flow from working capital and higher investments.

Operating cash flow after investments in the first nine months of 2017 amounted to SEK 4,799m (6,526).

Acquisitions of operations had a negative impact of SEK 96m and SEK 3,394m, respectively on the cash flow in the third quarter and the first nine months of 2017. The acquisition in the third quarter referred to Best. For more information on acquisitions, see page 21.

OPERATING CASH FLOW AFTER INVESTMENTS



SEKm	Q3 2017	Q3 2016	Nine months 2017	Nine months 2016	Full year 2016
Operating income adjusted for non-cash items ¹⁾	2,902	2,866	8,384	7,893	10,545
Change in operating assets and liabilities	584	848	-889	332	1,328
Operating cash flow	3,486	3,714	7,495	8,225	11,873
Investments in tangible and intangible assets	-1,135	-799	-2,699	-2,113	-3,390
Changes in other investments	-64	50	3	414	657
Operating cash flow after investments	2,287	2,965	4,799	6,526	9,140
Acquisitions and divestments of operations	-96	-134	-3,394	-137	176
Operating cash flow after structural changes	2,191	2,831	1,405	6,389	9,316
Financial items paid, net ²⁾	-39	-52	-170	-230	-514
Taxes paid	-421	-224	-976	-855	-1,194
Cash flow from operations and investments	1,731	2,555	259	5,304	7,608
Dividend	—	—	-1,078	-1,868	-1,868
Share-based payments	—	—	-488	-57	-57
Total cash flow, excluding changes in loans and short-term investments	1,731	2,555	-1,307	3,379	5,683

¹⁾ Operating income adjusted for depreciation, amortization and other non-cash items.

²⁾ For the period January 1 to September 30, 2017: interests and similar items received SEK 160m (90), interests and similar items paid SEK -254m (-244) and other financial items paid SEK -76m (-75).

Financial position

Net debt

As of September 30, 2017, Electrolux had a net cash position of SEK 1,851m compared to the net cash position of SEK 3,809m as of December 31, 2016.

Net provisions for post-employment benefits decreased to SEK 2,764m. In total, net debt increased by SEK 553m in the first nine months of 2017.

Long-term borrowings as of September 30, 2017, including long-term borrowings with maturities within 12 months, amounted to SEK 8,567m with average maturity of 2.5 years, compared to SEK 8,451m and 2.7 years at the end of 2016. During the fourth quarter 2017, long-term borrowings amounting to approximately SEK 500m will mature.

Liquid funds as of September 30, 2017, amounted to SEK 11,671m, a decrease of SEK 2,340m compared to SEK 14,011m as of December 31, 2016.

Net assets and working capital

Average net assets for the first nine months of 2017 amounted to SEK 20,693m (21,672), corresponding to 17.3% (18.3) of annualized net sales. Net assets as of September 30, 2017, amounted to SEK 20,357m (20,590).

Working capital as of September 30, 2017, amounted to SEK -14,187m (-13,184), corresponding to -12.1% (-10.6) of annualized net sales.

Return on net assets was 35.0% (28.7), and return on equity was 29.0% (29.3).

Net debt

SEKm	Sep. 30, 2017	Sep. 30, 2016	Dec. 31, 2016
Short-term loans	1,066	1,191	1,074
Short-term part of long-term loans	1,653	—	499
Trade receivables with recourse	95	426	234
Short-term borrowings	2,814	1,617	1,807
Financial derivative liabilities	52	68	419
Accrued interest expenses and prepaid interest income	40	34	24
Total short-term borrowings	2,906	1,719	2,250
Long-term borrowings	6,914	8,444	7,952
Total borrowings¹⁾	9,820	10,163	10,202
Cash and cash equivalents	11,084	11,236	12,756
Short-term investments	160	3	905
Financial derivative assets	188	138	100
Prepaid interest expenses and accrued interest income	239	257	250
Liquid funds²⁾	11,671	11,634	14,011
Financial net debt	-1,851	-1,471	-3,809
Net provisions for post-employment benefits	2,764	6,317	4,169
Net debt	913	4,846	360
Net debt/equity ratio	0.05	0.31	0.02
Equity	18,366	15,744	17,738
Equity per share, SEK	63.90	54.78	61.72
Return on equity, %	29.0	29.3	29.4
Equity/assets ratio, %	23.7	21.4	24.7

¹⁾ Whereof interest-bearing liabilities amounting to SEK 9,633m as of September 30, 2017, SEK 9,635m as of September 30, 2016 and SEK 9,525m as of December 31, 2016.

²⁾ Electrolux has one unused committed back-up multicurrency revolving credit facility of EUR 1,000m, approximately SEK 9,600, maturing 2022 with an extension option of one year.

Other items

Nomination Committee for Electrolux AGM 2018

In accordance with decision by the Annual General Meeting, Electrolux Nomination Committee shall consist of six members. The Nomination Committee shall include members selected by each of the four largest shareholders in terms of voting rights that wish to participate in the committee, together with the Chairman of the Electrolux Board and one additional Board member.

The members of the Nomination Committee have been appointed based on the ownership structure as of August 31, 2017. Johan Forssell, Investor AB, is the Chairman of the committee. The other members are Kaj Thorén, Alecta, Marianne Nilsson, Swedbank Robur Funds, and Carine Smith Ihenacho, Norges Bank Investment Management. The committee will also include Ronnie Leten and Fredrik Persson, Chairman and Director, respectively, of Electrolux.

The Nomination Committee will prepare proposals for the Annual General Meeting in 2018 regarding Chairman of the Annual General Meeting, Board members, Chairman of the Board, remuneration for Board members, Auditor, Auditor's fees and, to the extent deemed necessary, proposal regarding amendments of the current instruction for the Nomination Committee.

In October Ronnie Leten informed Electrolux Nomination Committee that he will resign as member and Chairman of the Electrolux Board as from the Annual General Meeting 2018. As a result of this announcement the Nomination Committee will propose that a new Chairman of the Board is elected at the Annual Meeting 2018.

The Annual General Meeting will be held on April 5, 2018, at Stockholm Waterfront Congress Centre, Nils Ericsons Plan 4, Stockholm, Sweden.

Shareholders who wish to submit proposals to the Nomination Committee should send an email to nominationcommittee@electrolux.com.

Asbestos litigation in the US

Litigation and claims related to asbestos are pending against the Group in the US. 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, 2017, the Group had a total of 3,411 (3,251) cases pending, representing approximately 3,474 (approximately 3,314) plaintiffs. During the third quarter of 2017, 301 new cases with 301 plaintiffs were filed and 210 pending cases with approximately 210 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 2016 Annual Report, www.electrolux.com/annualreport2016

Events after the third quarter of 2017

Events after the third quarter of 2017

October 9. Ronnie Leten to resign as member and Chairman of the Electrolux Board

Ronnie Leten has informed Electrolux Nomination Committee that he will resign as member and Chairman of the Electrolux Board as from the Annual General Meeting on April 5, 2018.

October 23. Electrolux acquires Continental brand in Latin America

Electrolux has announced that the Brazilian court administering the bankruptcy of Mabe Brazil has accepted a BRL 70 million (SEK 178 million) bid to acquire the intellectual property assets of the estate. Electrolux will consequently take over the rights to the Continental brand of home appliances.

October 24. Electrolux on climate change A-List

Electrolux has been named one of the top 5 % corporate global leaders acting against climate change. The company has been awarded a position on the 2017 Climate A-List by CDP, the international non-profit. It is the second year in a row Electrolux gets this top recognition by CDP for its efforts to cut emissions, mitigate climate risks and develop the low-carbon economy.

For more information, visit www.electroluxgroup.com

Press releases 2017

February 1	Electrolux Consolidated Results 2016 and CEO Jonas Samuelson's comments	April 28	Invitation to Electrolux Capital Markets Day on November 16, 2017
February 1	Electrolux appoints Ricardo Cons as Head of Major Appliances Latin America	July 7	Electrolux to acquire European kitchen hoods company Best
February 6	Electrolux to acquire fast-growing smart kitchen appliance company Anova	July 19	Electrolux Interim Report January-July 2017 and CEO Jonas Samuelson's comments
February 10	Kai Wörn proposed new Board Member of AB Electrolux	August 18	Electrolux partners with sustainability festival The Stockholm Act
February 14	Notice convening the AGM of AB Electrolux	August 31	Electrolux launches game-changing robotic vacuum cleaner
February 28	Electrolux Annual Report 2016 is published	September 1	Electrolux appoints new Head of Investor Relations
March 2	Electrolux strengthens professional offering of beverage products by acquiring Grindmaster-Cecilware	September 8	Electrolux retains industry leadership in Dow Jones Sustainability Indices
March 20	Electrolux presents progress For the Better in 2016 Sustainability Report	September 27	Nomination Committee appointed for Electrolux Annual General Meeting 2018
March 21	Don't Overwash – new project drives sustainable care habits	September 27	Dates for financial reports from Electrolux in 2018
March 24	Bulletin from AB Electrolux AGM 2017	October 9	Ronnie Leten to resign as member and Chairman of the Electrolux Board
April 3	Management change in AB Electrolux, MaryKay Kopf, Chief Marketing Officer, has decided to leave her position	October 23	Electrolux acquires Continental brand in Latin America
April 28	Electrolux Interim Report January-March 2017 and CEO Jonas Samuelson's comments	October 24	Electrolux on climate change A-List

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 2017 amounted to SEK 25,270m (24,414) of which SEK 20,611m (19,783) referred to sales to Group companies and SEK 4,659m (4,631) to external customers. Income after financial items was SEK 4,640m (2,624), including dividends from subsidiaries in the amount of SEK 4,685m (2,011). Income for the period amounted to SEK 4,671m (2,552).

Capital expenditure in tangible and intangible assets was SEK 278m (166). Liquid funds at the end of the period amounted to SEK 6,410m, as against SEK 9,167m at the start of the year.

Undistributed earnings in the Parent Company at the end of the period amounted to SEK 17,539m, as against SEK 15,582m at the start of the year. Dividend payment to shareholders for 2016 amounted to SEK 2,155m, where-off SEK 1,078 has been paid during the first quarter and SEK 1,078m has been reported as a current liability.

The income statement and balance sheet for the Parent Company are presented on page 19.

Stockholm, October 27, 2017

AB Electrolux (publ)
556009-4178

Jonas Samuelson
President and CEO

Report of Review of Interim Financial Information report

Introduction

We have reviewed the condensed interim financial information (interim report) of AB Electrolux (publ) as of September 30, 2017, and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, October 27, 2017

PricewaterhouseCoopers AB

Peter Nyllinge
Authorized Public Accountant
Lead partner

Camilla Samuelsson
Authorized Public Accountant

Consolidated income statement

SEKm	Q3 2017	Q3 2016	Nine months 2017	Nine months 2016	Full year 2016
Net sales	29,309	30,852	89,694	88,949	121,093
Cost of goods sold	-23,199	-24,252	-70,800	-70,232	-95,820
Gross operating income	6,110	6,600	18,894	18,717	25,273
Selling expenses	-2,926	-3,350	-9,491	-9,622	-13,208
Administrative expenses	-1,285	-1,398	-4,104	-4,220	-5,812
Other operating income/expenses	61	-26	139	-217	21
Operating income	1,960	1,826	5,438	4,658	6,274
Margin, %	6.7	5.9	6.1	5.2	5.2
Financial items, net	-86	-101	-377	-322	-693
Income after financial items	1,874	1,725	5,061	4,336	5,581
Margin, %	6.4	5.6	5.6	4.9	4.6
Taxes	-450	-458	-1,246	-1,115	-1,088
Income for the period	1,424	1,267	3,815	3,221	4,493
Items that will not be reclassified to income for the period:					
Remeasurement of provisions for post-employment benefits	178	123	981	-1,836	-236
Income tax relating to items that will not be reclassified	-29	-45	-270	496	44
	149	78	711	-1,340	-192
Items that may be reclassified subsequently to income for the period:					
Available-for-sale instruments	–	6	–	-18	43
Cash flow hedges	3	1	85	-28	-82
Exchange-rate differences on translation of foreign operations	-593	449	-1,431	798	328
Income tax relating to items that may be reclassified	-4	-7	-4	-23	-20
	-594	449	-1,350	729	269
Other comprehensive income, net of tax	-445	527	-639	-611	77
Total comprehensive income for the period	979	1,794	3,176	2,610	4,570
Income for the period attributable to:					
Equity holders of the Parent Company	1,425	1,267	3,815	3,221	4,494
Non-controlling interests	0	0	0	0	-1
Total	1,425	1,267	3,815	3,221	4,493
Total comprehensive income for the period attributable to:					
Equity holders of the Parent Company	979	1,794	3,178	2,610	4,570
Non-controlling interests	0	0	-2	0	0
Total	979	1,794	3,176	2,610	4,570
Earnings per share					
Basic, SEK	4.96	4.41	13.27	11.21	15.64
Diluted, SEK	4.93	4.38	13.20	11.15	15.55
Average number of shares¹⁾					
Basic, million	287.4	287.4	287.4	287.4	287.4
Diluted, million	289.1	289.1	288.9	288.9	289.0

¹⁾ Average number of shares excluding shares held by Electrolux.

Consolidated balance sheet

SEKm	Sep. 30, 2017	Sep. 30, 2016	Dec. 31, 2016
Assets			
Property, plant and equipment	18,152	18,666	18,725
Goodwill	7,447	5,345	4,742
Other intangible assets	3,500	3,155	3,112
Investments in associates	219	208	210
Deferred tax assets	5,371	6,154	6,168
Financial assets	188	284	287
Pension plan assets	332	307	345
Other non-current assets	503	554	400
Total non-current assets	35,712	34,673	33,989
Inventories	16,148	15,279	13,418
Trade receivables	19,678	18,452	19,408
Tax assets	623	629	701
Derivatives	187	138	103
Other current assets	5,414	4,814	4,568
Short-term investments	160	3	905
Cash and cash equivalents	11,084	11,236	12,756
Total current assets	53,294	50,551	51,859
Total assets	89,006	85,224	85,848
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	-2,818	-1,010	-1,471
Retained earnings	16,712	12,274	14,729
Equity attributable to equity holders of the Parent Company	18,344	15,714	17,708
Non-controlling interests	22	30	30
Total equity	18,366	15,744	17,738
Long-term borrowings	6,914	8,444	7,952
Deferred tax liabilities	836	592	580
Provisions for post-employment benefits	3,096	6,624	4,514
Other provisions	6,028	5,825	5,792
Total non-current liabilities	16,874	21,485	18,838
Accounts payable	30,494	27,702	28,283
Tax liabilities	586	657	771
Dividend payable	1,078	–	–
Other liabilities	16,578	15,638	15,727
Short-term borrowings	2,814	1,617	1,807
Derivatives	63	78	432
Other provisions	2,153	2,303	2,252
Total current liabilities	53,766	47,995	49,272
Total equity and liabilities	89,006	85,224	85,848

Change in consolidated equity

SEKm	Nine months, 2017	Nine months, 2016	Full year, 2016
Opening balance	17,738	15,005	15,005
Total comprehensive income for the period	3,176	2,610	4,570
Share-based payments	-389	-3	31
Dividend to equity holders of the Parent Company	-2,155	-1,868	-1,868
Dividend to non-controlling interests	0	0	0
Acquisition of operations	-4	–	–
Total transactions with equity holders	-2,548	-1,871	-1,837
Closing balance	18,366	15,744	17,738

Consolidated cash flow statement

SEKm	Q3 2017	Q3 2016	Nine months 2017	Nine months 2016	Full year 2016
Operations					
Operating income	1,960	1,826	5,438	4,658	6,274
Depreciation and amortization	974	1,002	2,964	2,889	3,934
Other non-cash items	-32	38	-18	346	337
Financial items paid, net ¹⁾	-39	-52	-170	-230	-514
Taxes paid	-421	-224	-976	-855	-1,194
Cash flow from operations, excluding change in operating assets and liabilities	2,442	2,590	7,238	6,808	8,837
Change in operating assets and liabilities					
Change in inventories	-1,317	1,062	-3,081	-331	1,493
Change in trade receivables	-431	-527	-797	236	-467
Change in accounts payable	998	-768	3,068	-177	72
Change in other operating assets, liabilities and provisions	1,334	1,081	-79	604	230
Cash flow from change in operating assets and liabilities	584	848	-889	332	1,328
Cash flow from operations	3,026	3,438	6,349	7,140	10,165
Investments					
Acquisitions of operations	-96	-134	-3,394	-137	-160
Divestment of operations	-	-	-	-	336
Capital expenditure in property, plant and equipment	-952	-666	-2,201	-1,759	-2,830
Capital expenditure in product development	-101	-79	-270	-187	-274
Capital expenditure in software	-82	-54	-228	-167	-286
Other	-64	50	3	414	657
Cash flow from investments	-1,295	-883	-6,090	-1,836	-2,557
Cash flow from operations and investments	1,731	2,555	259	5,304	7,608
Financing					
Change in short-term investments	-7	-	745	105	-799
Change in short-term borrowings	-372	95	-771	-377	-31
New long-term borrowings	350	-	1,002	-	-
Amortization of long-term borrowings	-752	-4	-1,192	-2,664	-2,669
Dividend	-	-	-1,078	-1,868	-1,868
Share-based payments	-	-	-488	-57	-57
Cash flow from financing	-781	91	-1,782	-4,861	-5,424
Total cash flow	950	2,646	-1,523	443	2,184
Cash and cash equivalents at beginning of period	10,079	8,538	12,756	10,696	10,696
Exchange-rate differences referring to cash and cash equivalents	55	52	-149	97	-124
Cash and cash equivalents at end of period	11,084	11,236	11,084	11,236	12,756

¹⁾ For the period January 1 to September 30, 2017: interests and similar items received SEK 160m (90), interests and similar items paid SEK -254m (-244) and other financial items paid SEK -76m (-75). For the full year 2016: interests and similar items received SEK 123m, interests and similar items paid SEK -345m and other financial items paid SEK -292m.

Key ratios

SEKm unless otherwise stated	Q3 2017	Q3 2016	Nine months 2017	Nine months 2016	Full year 2016
Net sales	29,309	30,852	89,694	88,949	121,093
Organic growth, %	-3.2	-1.6	-2.0	-0.4	-1.1
Operating income	1,960	1,826	5,438	4,658	6,274
Margin, %	6.7	5.9	6.1	5.2	5.2
Income after financial items	1,874	1,725	5,061	4,336	5,581
Income for the period	1,424	1,267	3,815	3,221	4,493
Capital expenditure, property, plant and equipment	-952	-666	-2,201	-1,759	-2,830
Operating cash flow after investments	2,287	2,965	4,799	6,526	9,140
Earnings per share, SEK ¹⁾	4.96	4.41	13.27	11.21	15.64
Equity per share, SEK	63.90	54.78	63.90	54.78	61.72
Capital-turnover rate, times/year	–	–	5.8	5.5	5.8
Return on net assets, %	–	–	35.0	28.7	29.9
Return on equity, %	–	–	29.0	29.3	29.4
Net debt	913	4,846	913	4,846	360
Net debt/equity ratio	0.05	0.31	0.05	0.31	0.02
Average number of shares excluding shares owned by Electrolux, million	287.4	287.4	287.4	287.4	287.4
Average number of employees	56,186	55,290	55,097	55,605	55,400

¹⁾ Basic, based on average number of shares excluding shares held by Electrolux.
For definitions, see page 25.

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, 2017	8,192,539	300,727,769	308,920,308	21,522,858	287,397,450
Number of shares as of September 30, 2017	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, 2017		Sep. 30, 2016		Dec. 31, 2016	
	Average	End of period	Average	End of period	Average	End of period
ARS	0.5301	0.4719	0.5812	0.5648	0.5813	0.5717
AUD	6.57	6.40	6.25	6.56	6.36	6.54
BRL	2.70	2.58	2.39	2.66	2.48	2.78
CAD	6.58	6.57	6.37	6.55	6.46	6.73
CHF	8.74	8.42	8.57	8.85	8.67	8.90
CLP	0.0131	0.0128	0.0124	0.0131	0.0127	0.0135
CNY	1.26	1.23	1.28	1.29	1.29	1.31
EUR	9.58	9.65	9.37	9.62	9.45	9.55
GBP	10.99	10.94	11.73	11.17	11.60	11.16
HUF	0.0310	0.0311	0.0300	0.0311	0.0303	0.0308
MXN	0.4545	0.4496	0.4626	0.4426	0.4605	0.4388
RUB	0.1473	0.1414	0.1241	0.1364	0.1288	0.1486
THB	0.2512	0.2453	0.2392	0.2486	0.2431	0.2532
USD	8.61	8.17	8.43	8.62	8.58	9.06

Net sales by business area

SEKm	Q3 2017	Q3 2016	Nine months 2017	Nine months 2016	Full year 2016
Major Appliances Europe, Middle East and Africa	9,422	9,579	27,610	27,477	37,844
Major Appliances North America	9,544	11,189	31,093	32,576	43,402
Major Appliances Latin America	4,132	3,968	12,290	11,270	15,419
Major Appliances Asia/Pacific	2,415	2,515	7,501	6,944	9,380
Home Care & SDA	1,898	1,960	5,562	5,745	8,183
Professional Products	1,897	1,641	5,638	4,937	6,865
Total	29,309	30,852	89,694	88,949	121,093

Change in net sales by business area

Year-over-year, %	Q3 2017	Q3 2017 In local currencies	Nine months 2017	Nine months 2017 in local currencies
Major Appliances Europe, Middle East and Africa	-1.6	1.4	0.5	1.3
Major Appliances North America	-14.7	-10.8	-4.6	-6.6
Major Appliances Latin America	4.1	7.4	9.1	0.7
Major Appliances Asia/Pacific	-4.0	-1.1	8.0	5.1
Home Care & SDA	-3.1	-1.1	-3.2	-5.7
Professional Products	15.6	17.9	14.2	13.4
Total change	-5.0	-1.8	0.8	-1.2

Operating income by business area

SEKm	Q3 2017	Q3 2016	Nine months 2017	Nine months 2016	Full year 2016
Major Appliances Europe, Middle East and Africa	749	680	1,882	1,800	2,546
Margin, %	7.9	7.1	6.8	6.6	6.7
Major Appliances North America	719	824	2,310	2,061	2,671
Margin, %	7.5	7.4	7.4	6.3	6.2
Major Appliances Latin America	77	19	207	119	-68
Margin, %	1.9	0.5	1.7	1.1	-0.4
Major Appliances Asia/Pacific	214	208	535	453	626
Margin, %	8.9	8.3	7.1	6.5	6.7
Home Care & SDA	80	34	227	84	238
Margin, %	4.2	1.7	4.1	1.5	2.9
Professional Products	272	234	779	661	954
Margin, %	14.3	14.3	13.8	13.4	13.9
Common Group costs, etc.	-150	-173	-503	-520	-693
Operating income	1,960	1,826	5,438	4,658	6,274
Margin, %	6.7	5.9	6.1	5.2	5.2

Change in operating income by business area

Year-over-year, %	Q3 2017	Q3 2017 in local currencies	Nine months 2017	Nine months 2017 in local currencies
Major Appliances Europe, Middle East and Africa	10.1	13.4	4.6	3.3
Major Appliances North America	-12.7	-9.1	12.1	10.0
Major Appliances Latin America	303.0	595.3	74.0	75.3
Major Appliances Asia/Pacific	2.9	2.7	18.1	12.8
Home Care & SDA	134.7	133.9	170.2	163.5
Professional Products	16.1	17.4	17.8	16.8
Total change	7.3	10.6	16.7	15.0

Working capital and net assets

SEKm	Sep. 30, 2017	% of annualized net sales	Sep. 30, 2016	% of annualized net sales	Dec. 31, 2016	% of annualized net sales
Inventories	16,148	13.7	15,279	12.3	13,418	10.5
Trade receivables	19,678	16.8	18,452	14.8	19,408	15.2
Accounts payable	-30,494	-26.0	-27,702	-22.3	-28,283	-22.2
Provisions	-8,181		-8,128		-8,044	
Prepaid and accrued income and expenses	-10,573		-10,658		-10,732	
Taxes and other assets and liabilities	-765		-427		-733	
Working capital	-14,187	-12.1	-13,184	-10.6	-14,966	-11.7
Property, plant and equipment	18,152		18,666		18,725	
Goodwill	7,447		5,345		4,742	
Other non-current assets	4,410		4,201		4,009	
Deferred tax assets and liabilities	4,535		5,562		5,588	
Net assets	20,357	17.3	20,590	16.6	18,098	14.2
Annualized net sales, calculated at end of period exchange rates	117,460		124,343		127,490	
Average net assets	20,693	17.3	21,672	18.3	20,957	17.3
Annualized net sales, calculated at average exchange rates	119,589		118,596		121,093	

Net assets by business area

SEKm	Assets			Equity and liabilities			Net assets		
	Sep. 30, 2017	Sep. 30, 2016	Dec. 31, 2016	Sep. 30, 2017	Sep. 30, 2016	Dec. 31, 2016	Sep. 30, 2017	Sep. 30, 2016	Dec. 31, 2016
Major Appliances Europe, Middle East and Africa	24,526	22,814	21,573	20,572	19,751	20,713	3,954	3,063	860
Major Appliances North America	15,469	15,650	15,163	13,618	13,350	12,463	1,851	2,300	2,700
Major Appliances Latin America	13,439	12,348	12,364	7,958	6,077	6,148	5,481	6,271	6,216
Major Appliances Asia/Pacific	5,956	5,730	5,688	4,190	3,852	3,846	1,766	1,878	1,842
Home Care & SDA	5,349	4,517	4,181	3,483	2,990	3,385	1,866	1,527	796
Professional Products	4,353	3,334	3,399	2,594	2,472	2,556	1,759	862	843
Other ¹⁾	7,911	8,890	9,124	4,231	4,201	4,283	3,680	4,689	4,841
Total operating assets and liabilities	77,003	73,283	71,492	56,646	52,693	53,394	20,357	20,590	18,098
Liquid funds	11,671	11,634	14,011	–	–	–	–	–	–
Total borrowings	–	–	–	9,820	10,163	10,202	–	–	–
Pension assets and liabilities	332	307	345	3,096	6,624	4,514	–	–	–
Dividend payable	–	–	–	1,078	–	–	–	–	–
Equity	–	–	–	18,366	15,744	17,738	–	–	–
Total	89,006	85,224	85,848	89,006	85,224	85,848	–	–	–

¹⁾ Includes common functions and tax items.

Net sales and income per quarter

SEKm	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Full year 2017	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Full year 2016
Net sales	28,883	31,502	29,309			28,114	29,983	30,852	32,144	121,093
Operating income	1,536	1,942	1,960			1,268	1,564	1,826	1,616	6,274
Margin, %	5.3	6.2	6.7			4.5	5.2	5.9	5.0	5.2
Income after financial items	1,434	1,753	1,874			1,163	1,448	1,725	1,245	5,581
Income for the period	1,083	1,308	1,424			875	1,079	1,267	1,272	4,493
Earnings per share, SEK ¹⁾	3.77	4.55	4.96			3.04	3.75	4.41	4.43	15.64
Number of shares excluding shares owned by Electrolux, million	287.4	287.4	287.4			287.4	287.4	287.4	287.4	287.4
Average number of shares excluding shares owned by Electrolux, million	287.4	287.4	287.4			287.4	287.4	287.4	287.4	287.4

¹⁾ Basic, based on average number of shares excluding shares held by Electrolux.

Net sales and operating income by business area

SEKm	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Full year 2017	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Full year 2016
Major Appliances Europe, Middle East and Africa										
Net sales	8,830	9,356	9,422			9,001	8,897	9,579	10,367	37,844
Operating income	558	576	749			553	567	680	746	2,546
Margin, %	6.3	6.2	7.9			6.1	6.4	7.1	7.2	6.7
Major Appliances North America										
Net sales	9,850	11,699	9,544			9,937	11,450	11,189	10,826	43,402
Operating income	605	987	719			495	742	824	610	2,671
Margin, %	6.1	8.4	7.5			5.0	6.5	7.4	5.6	6.2
Major Appliances Latin America										
Net sales	4,301	3,857	4,132			3,643	3,659	3,968	4,149	15,419
Operating income	101	29	77			31	69	19	-187	-68
Margin, %	2.4	0.8	1.9			0.9	1.9	0.5	-4.5	-0.4
Major Appliances Asia/Pacific										
Net sales	2,374	2,713	2,415			2,022	2,407	2,515	2,436	9,380
Operating income	112	209	214			95	150	208	173	626
Margin, %	4.7	7.7	8.9			4.7	6.2	8.3	7.1	6.7
Home Care & SDA										
Net sales	1,786	1,878	1,898			1,927	1,858	1,960	2,438	8,183
Operating income	70	77	80			44	6	34	154	238
Margin, %	3.9	4.1	4.2			2.3	0.3	1.7	6.3	2.9
Professional Products										
Net sales	1,742	1,999	1,897			1,584	1,712	1,641	1,928	6,865
Operating income	249	258	272			205	222	234	293	954
Margin, %	14.3	12.9	14.3			12.9	13.0	14.3	15.2	13.9
Other										
Common Group costs, etc.	-159	-194	-150			-155	-192	-173	-173	-693
Total Group										
Net sales	28,883	31,502	29,309			28,114	29,983	30,852	32,144	121,093
Operating income	1,536	1,942	1,960			1,268	1,564	1,826	1,616	6,274
Margin, %	5.3	6.2	6.7			4.5	5.2	5.9	5.0	5.2

Parent Company income statement

SEKm	Q3 2017	Q3 2016	Nine month 2017	Nine month 2016	Full year 2016
Net sales	8,575	8,467	25,270	24,414	33,954
Cost of goods sold	-7,283	-7,143	-21,449	-20,198	-27,939
Gross operating income	1,292	1,324	3,821	4,216	6,015
Selling expenses	-705	-1,050	-2,138	-2,783	-3,763
Administrative expenses	-531	-488	-1,526	-1,194	-1,711
Other operating income	–	–	–	1	–
Other operating expenses	–	-2	–	-2	-2,379
Operating income	56	-216	157	238	-1,838
Financial income	2,925	703	5,218	2,417	4,037
Financial expenses	-192	-28	-735	-31	-86
Financial items, net	2,733	675	4,483	2,386	3,951
Income after financial items	2,789	459	4,640	2,624	2,113
Appropriations	62	58	171	181	3,298
Income before taxes	2,851	517	4,811	2,805	5,411
Taxes	-60	-1	-140	-253	-1,027
Income for the period	2,791	516	4,671	2,552	4,384

Parent Company balance sheet

SEKm	Sep. 30, 2017	Sep. 30, 2016	Dec. 31 2016
Assets			
Non-current assets	35,221	35,317	34,019
Current assets	26,632	22,338	25,823
Total assets	61,853	57,655	59,842
Equity and liabilities			
Restricted equity	4,940	4,704	4,788
Non-restricted equity	17,539	13,748	15,582
Total equity	22,479	18,452	20,370
Untaxed reserves	379	424	396
Provisions	1,373	1,391	1,406
Non-current liabilities	6,499	7,919	7,561
Current liabilities	31,123	29,469	30,109
Total equity and liabilities	61,853	57,655	59,842

Notes

Note 1 Accounting and valuation 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, and ÅRL, the Swedish Annual Accounts Act and recommendation RFR 2, Accounting for legal entities, issued by the Swedish Financial Reporting Board. There are no changes in the Group's accounting and valuation principles compared with the accounting and valuation principles described in Note 1 of the 2016 Annual Report.

Preparations for new accounting standards

Electrolux preparatory work related to new accounting standards to be applied after 2017 has during the first nine months of 2017 involved IFRS 9 Financial Instruments, IFRS 15 Revenue from Contracts with Customers and IFRS 16 Leases. The following information should be considered in addition to the information provided under "New or amended accounting standards to be applied after 2016" on page 104 in the annual report 2016.

IFRS 9 Financial Instruments. Electrolux has created a new model for calculating bad debt provisions related to trade receivables. The new model is based on expected losses instead of incurred losses. Electrolux will use the simplified approach for trade receivables, i.e. the provision will equal the lifetime expected loss. Calculations done show a non-material increase in the bad debt provision for the Group.

IFRS 15 Revenue from Contracts with Customers. The identified effects from reclassification between net sales and operating cost lines (reducing net sales) as well as from changes in the timing of revenue recognition, related to the delivery of finished products and sale of service contracts, have been assessed as not material for the Group.

Note 2 Fair values and carrying amounts of financial assets and liabilities

SEKm	Sep. 30, 2017		Sep. 30, 2016		Dec. 31, 2016	
	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount
Per category						
Financial assets at fair value through profit and loss	4,727	4,727	4,863	4,863	6,640	6,640
Available for sale	19	19	119	119	123	123
Loans and receivables	22,261	22,261	19,954	19,954	20,777	20,777
Cash	4,290	4,290	5,177	5,177	5,920	5,920
Total financial assets	31,297	31,297	30,113	30,113	33,460	33,460
Financial liabilities at fair value through profit and loss	63	63	78	78	432	432
Financial liabilities measured at amortized cost	40,230	40,127	37,476	37,337	37,927	37,808
Total financial liabilities	40,293	40,190	37,554	37,415	38,359	38,240

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, 2017, the fair value for Level 1 financial assets was SEK 4,559m (4,844) 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, 2017, the fair value of Level 2 financial assets was SEK 187m (138) and financial liabilities SEK 63m (78).

Level 3: Inputs for the assets or liabilities that are not entirely based on observable market data. Electrolux has no financial assets or liabilities qualifying for Level 3.

Note 3 Pledged assets and contingent liabilities

SEKm	Sep. 30, 2017	Sep. 30, 2016	Dec. 31, 2016
Group			
Pledged assets	6	6	6
Contingent liabilities	1,283	1,474	1,311
Parent Company			
Pledged assets	–	–	–
Contingent liabilities	1,608	1,621	1,611

Note 4 Divested operations

In December 2016, Electrolux divested the North American vacuum-cleaner brand Eureka and related assets, which had a positive impact on cash flow of SEK 336m. The positive impact on operating income was SEK 107m.

Note 5 Acquisitions

The amounts presented below are based on preliminary purchase price allocations and may be subject to change.

Acquisitions

SEKm	Best	Anova	Grindmaster-Cecilware	Kwikot
Consideration:				
Paid	109	870	838	1,632
Deferred	–	263	–	139
Total consideration	109	1,133	838	1,771
Recognized amounts of identifiable assets acquired and liabilities assumed at fair value:				
Total identifiable net assets acquired	129	97	290	531
Assumed net debt ¹⁾	-20	-58	-149	-207
Goodwill	0	1,094	697	1,447
Total	109	1,133	838	1,771
Cash paid for acquisitions made during the year				3,449
Cash and cash equivalents in acquired operations				-61
Cash paid related to hold-back and earn-out from earlier years' acquisitions				6
Total				3,394

¹⁾ Whereof total acquired cash and cash equivalents SEK 61m.

Acquisitions in the first quarter of 2017

Grindmaster-Cecilware

On February 28, 2017, Electrolux completed the acquisition of the US based Grindmaster-Cecilware business by acquiring 100% of the business via a purchase of all shares in the parent company of the Grindmaster-Cecilware Group in a cash transaction. The acquisition broadens Electrolux offering in its food service business and will accelerate the growth of the Professional Products business area by increasing access to the U.S. market.

Grindmaster-Cecilware is a leading U.S. based manufacturer of hot, cold and frozen beverage dispensing equipment, including coffee machines. Grindmaster-Cecilware had net sales in excess of USD 65 million in 2016 and approximately 200 employees. The company is based in Louisville, Kentucky and has manufacturing facilities in Louisville and in Rayong, Thailand.

Goodwill primarily relates to the increase in market presence in North America, one of the largest global markets for professional appliances. Goodwill is not expected to be deductible for income tax purposes.

Net sales and operating income in the acquired business during the period January 1, 2017, up until the date the acquisition was completed amounted to USD 11.8m and USD 1.3m respectively, approximately SEK 106m and SEK 12m respectively.

The Grindmaster-Cecilware business is included in Electrolux consolidated accounts from March 1, 2017. For the period from the acquisition date until the end of the

reporting period the acquired business has contributed to net sales and operating income (including amortization of surplus values) by USD 39m and USD 1.4m respectively, approximately SEK 336m and SEK 12m respectively.

The operations are included in business area Professional Products.

Kwikot Group

In November 2016, Electrolux announced the agreement to acquire South Africa's leading water heater producer Kwikot Group (Kwikot Proprietary Limited and its affiliates). On March 1, 2017, following regulatory approval, Electrolux acquired all shares in Kwikot Pty Ltd, the parent company in the Kwikot Group, via a cash transfer. The acquisition broadens Electrolux home comfort product range and offers a strong platform for growth opportunities in Africa. The acquisition significantly strengthens Electrolux presence in South Africa.

Kwikot is based in Johannesburg where it also has production and its main warehouse. In the financial year ending June 30, 2016, Kwikot Group had sales of approximately ZAR 1.13 billion (approximately SEK 730 million), and an operating profit margin of more than 20%. The company has about 800 employees.

Goodwill represents the value of increasing Electrolux presence in Southern Africa. Goodwill is not expected to be deductible for income tax purposes.

Net sales and operating income in the acquired business during the period, January 1, 2017, up until the date the acquisition was completed amounted to ZAR 168m and

ZAR 30m respectively, approximately SEK 112m and SEK 20m respectively.

The Kwikot business is included in Electrolux consolidated accounts from March 1, 2017. For the period from the acquisition date until the end of the reporting period the acquired business has contributed to net sales and operating income (including amortization of surplus values) by ZAR 663m and ZAR 81m respectively, approximately SEK 431m and SEK 53m respectively.

The operations are included in business area Major Appliances EMEA.

Acquisitions in the second quarter of 2017

Anova

On April 4 Electrolux completed the acquisition of the US based smart kitchen appliance company, Anova. The agreement to acquire the company was announced on February 6, 2017. Anova is a U.S. based provider of the Anova Precision Cooker, an innovative connected device for sous vide cooking that enables restaurant-quality results in the home.

The agreed up-front cash payment in the transaction amounts to USD 115m, with a potential additional amount of up to USD 135m to be paid depending on future financial performance. Part of the mentioned cash payment and contingent pay-out is in the form of remuneration to key employees connected to post-closing service.

The acquisition provides a significant opportunity for profitable growth in an emerging product category. Anova's direct-to-consumer business model and digital focus are of strong strategic interest to Electrolux.

Net sales in 2016 amounted to around USD 40m. The company has approximately 70 employees and contractors globally and is headquartered in San Francisco, California. Sales are primarily carried out online – directly to consumer and through major retailers.

Goodwill primarily relates to the expectations of profitable growth in the emerging product categories of connected appliances and to be able to utilize Anova's direct-to-consumer business model with a digital focus. Goodwill is not expected to be deductible for income tax purposes. Net sales and operating income in the acquired business during the period January 1, 2017, up until the date the acquisition was completed, amounted to USD 4.8m and USD -4m respectively, approximately SEK 43m and SEK -36m respectively.

The Anova business is included in Electrolux consolidated accounts from April 4, 2017. For the period from the acquisition date until the end of the reporting period the acquired business has contributed to net sales and operating income (including amortization of surplus values) by USD 23m and USD -3.7m respectively, approximately SEK 198m and SEK -32m respectively.

The operations are included in the business area Home Care & SDA.

Acquisitions in the third quarter of 2017

Best

On August 10, Electrolux completed the acquisition of the European kitchen hoods company Best. The agreement to acquire the company was announced on July 7, 2017.

Best is a European manufacturer of innovative and well-designed kitchen hoods.

The acquisition will reinforce Electrolux capabilities for design, R&D and manufacturing of kitchen hoods.

Net sales in 2016 amounted to EUR 42 million (around SEK 400 million). The Best Group has approximately 450 employees, primarily at manufacturing sites in Cerreto d'Esi (central Italy) and Zabrze (southern Poland).

Net sales and operating income in the acquired business during the period January 1, 2017, up until the date the acquisition was completed, amounted to EUR 19m and EUR -2.7m respectively, approximately SEK 185m and SEK -26m respectively.

The Best business is included in Electrolux consolidated accounts from August 11, 2017. For the period from the acquisition date until the end of the reporting period the acquired business has contributed to net sales and operating income (including amortization of surplus values) by EUR 6.1m and EUR -0.4m respectively, approximately SEK 59m and SEK -4m respectively.

The operations are included in business area Major Appliances EMEA.

Transaction costs

Transaction costs for the acquisitions described above amounts to SEK 64m and have been expensed as incurred whereof SEK 16m in 2016 and SEK 48m in 2017, of which SEK 2m in the third quarter of 2017. The costs have been reported in operating income by business area.

Operations by business area yearly

SEKm	2012 ¹⁾	2013	2014	2015	2016
Major Appliances Europe, Middle East and Africa					
Net sales	34,278	33,436	34,438	37,179	37,844
Operating income	178	-481	232	2,167	2,546
Margin, %	0.5	-1.4	0.7	5.8	6.7
Major Appliances North America					
Net sales	30,684	31,864	34,141	43,053	43,402
Operating income	1,347	2,136	1,714	1,580	2,671
Margin, %	4.4	6.7	5.0	3.7	6.2
Major Appliances Latin America					
Net sales	22,044	20,695	20,041	18,546	15,419
Operating income	1,590	979	1,069	463	-68
Margin, %	7.2	4.7	5.3	2.5	-0.4
Major Appliances Asia/Pacific					
Net sales	8,405	8,653	8,803	9,229	9,380
Operating income	746	116	438	364	626
Margin, %	8.9	1.3	5.0	3.9	6.7
Home Care & SDA					
Net sales	9,011	8,952	8,678	8,958	8,183
Operating income	461	309	200	-63	238
Margin, %	5.1	3.5	2.3	-0.7	2.9
Professional Products					
Net sales	5,571	5,550	6,041	6,546	6,865
Operating income	588	510	671	862	954
Margin, %	10.6	9.2	11.1	13.2	13.9
Other					
Net sales	1	1	1	-	-
Common Group cost, etc.	-910	-1,989	-743	-2,632	-693
Total Group					
Net sales	109,994	109,151	112,143	123,511	121,093
Operating income	4,000	1,580	3,581	2,741	6,274
Margin, %	3.6	1.4	3.2	2.2	5.2

¹⁾ Electrolux applies the amended standard for pension accounting, IAS 19 Employee Benefits, as of January 1, 2013. Reported figures for 2012 have been restated.

Material profit or loss items in operating income ¹⁾	2012	2013	2014	2015	2016
Major Appliances Europe, Middle East and Africa	-927	-828	-1,212	-	-
Major Appliances North America	-105	-	-39 ²⁾	-158 ²⁾	-
Major Appliances Latin America	-	-	-10	-	-
Major Appliances Asia/Pacific	-	-351	-10	-	-
Home Care & SDA	-	-82	-	-190	-
Professional Products	-	-	-	-	-
Common Group cost	-	-1,214	-77 ²⁾	-1,901 ²⁾	-
Total Group	-1,032	-2,475	-1,348	-2,249	-

¹⁾ For more information, see Note 7 in the Annual Report.

²⁾ Refers to costs related to the not completed acquisition of GE Appliances. Costs for preparatory integration work of SEK 39m for 2014 and SEK 158m for 2015 have been charged to operating income for Major Appliances North America. Common Group cost includes transaction costs of SEK 110m for 2014 and SEK 408m for 2015 and a termination fee paid to General Electric in December 2015 of USD 175m, corresponding to SEK 1,493m. In total, costs of SEK 2,059m related to GE Appliances were charged to operating income in 2015 of which SEK 63m in the first quarter, SEK 195m in the second quarter, SEK 142m in the third quarter and SEK 1,659m in the fourth quarter.

Five-year review

SEKm unless otherwise stated	2012 ¹⁾	2013	2014	2015	2016
Net sales	109,994	109,151	112,143	123,511	121,093
Organic growth, %	5.5	4.5	1.1	2.2	-1.1
Operating income	4,000	1,580	3,581	2,741	6,274
Margin, %	3.6	1.4	3.2	2.2	5.2
Income after financial items	3,154	904	2,997	2,101	5,581
Income for the period	2,365	672	2,242	1,568	4,493
Material profit or loss items in operating income ²⁾	-1,032	-2,475	-1,348	-2,249	—
Capital expenditure, property, plant and equipment	-4,090	-3,535	-3,006	-3,027	-2,830
Operating cash flow after investments	5,273	2,412	6,631	6,745	9,140
Earnings per share, SEK	8.26	2.35	7.83	5.45	15.64
Equity per share, SEK	54.96	49.99	57.52	52.21	61.72
Dividend per share, SEK	6.50	6.50	6.50	6.50	7.50
Capital-turnover rate, times/year	4.1	4.0	4.5	5.0	5.8
Return on net assets, %	14.8	5.8	14.2	11.0	29.9
Return on equity, %	14.4	4.4	15.7	9.9	29.4
Net debt	10,164	10,653	9,631	6,407	360
Net debt/equity ratio	0.65	0.74	0.58	0.43	0.02
Average number of shares excluding shares owned by Electrolux, million	285.9	286.2	286.3	287.1	287.4
Average number of employees	59,478	60,754	60,038	58,265	55,400

¹⁾ Electrolux applies the amended standard for pension accounting, IAS 19 Employee Benefits, as of January 1, 2013. Reported figures for 2012 have been restated.

²⁾ For more information, see table on page 23 and Note 7 in the Annual Report.

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 >6%
- Capital turnover-rate >4 times
- Return on net assets >20%
- Average annual growth >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. Below 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.

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.

Organic growth

Change in net sales, adjusted for acquisitions, divestments and changes in exchange rates.

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

Operating margin (EBIT margin)

Operating income (EBIT) 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

Income for the period attributable to equity holders of the Parent Company divided by the average number of shares 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 assets¹⁾ and prepaid interest expenses and accrued interest income¹⁾.

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 liabilities¹⁾, accrued interest expenses and prepaid interest income¹⁾.

Total short-term borrowings

Short-term borrowings, financial derivative liabilities¹⁾, accrued interest expenses and prepaid interest income¹⁾.

Interest-bearing liabilities

Long-term borrowings and short-term borrowings exclusive of liabilities related to trade receivables with recourse¹⁾.

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 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.

¹⁾ See table Net debt on page 8.

Shareholders' information

President and CEO Jonas Samuelson's comments on the third quarter results 2017

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 27. The conference will be chaired by Jonas Samuelson, President and CEO of Electrolux. Mr. Samuelson will be accompanied by Anna Ohlsson-Leijon, CFO.

Details for participation by telephone are as follows:
Participants in Sweden should call +46 8 505 564 74
Participants in UK/Europe should call +44 203 364 5374
Participants in US should call +1 855 753 2230

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

Link to webcast:
www.electroluxgroup.com/q3-2017

For further information, please contact:

Merton Kaplan, Analyst Investor Relations at
+46 8 738 70 06

Calendar 2017

Capital Markets Day	November 16
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Calendar 2018

Consolidated results 2017	January 31
AGM	April 5
Interim report January - March	April 27
Interim report January - June	July 18
Interim report January - September	October 26

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