

Q3 2020 Result presentation

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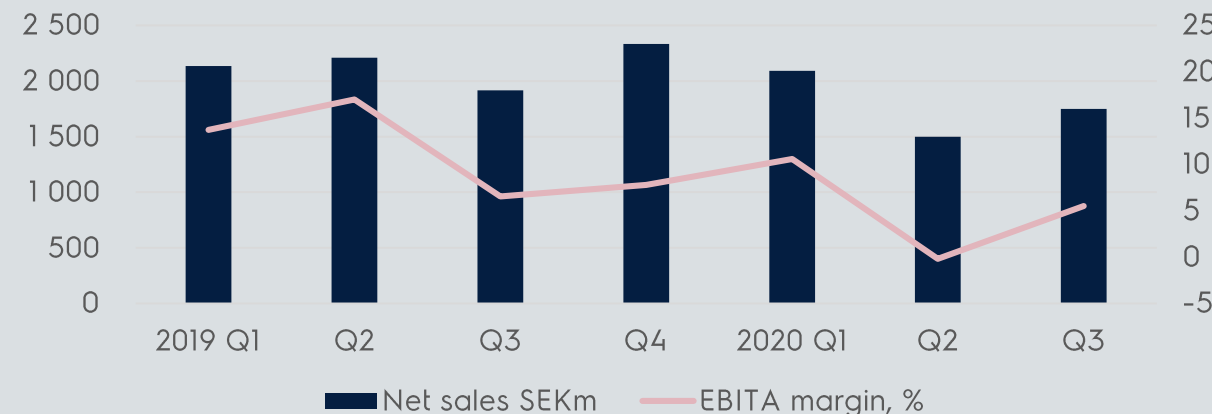
Sales recovery and continued cost actions improved profit compared to Q2

- Market conditions impacted by the pandemic
- Organically sales declined by 16.1%
- Laundry still less affected than Food & Beverage
- EBITA, excluding items affecting comparability, was SEK 173m, corresponding to a margin of 9.9%

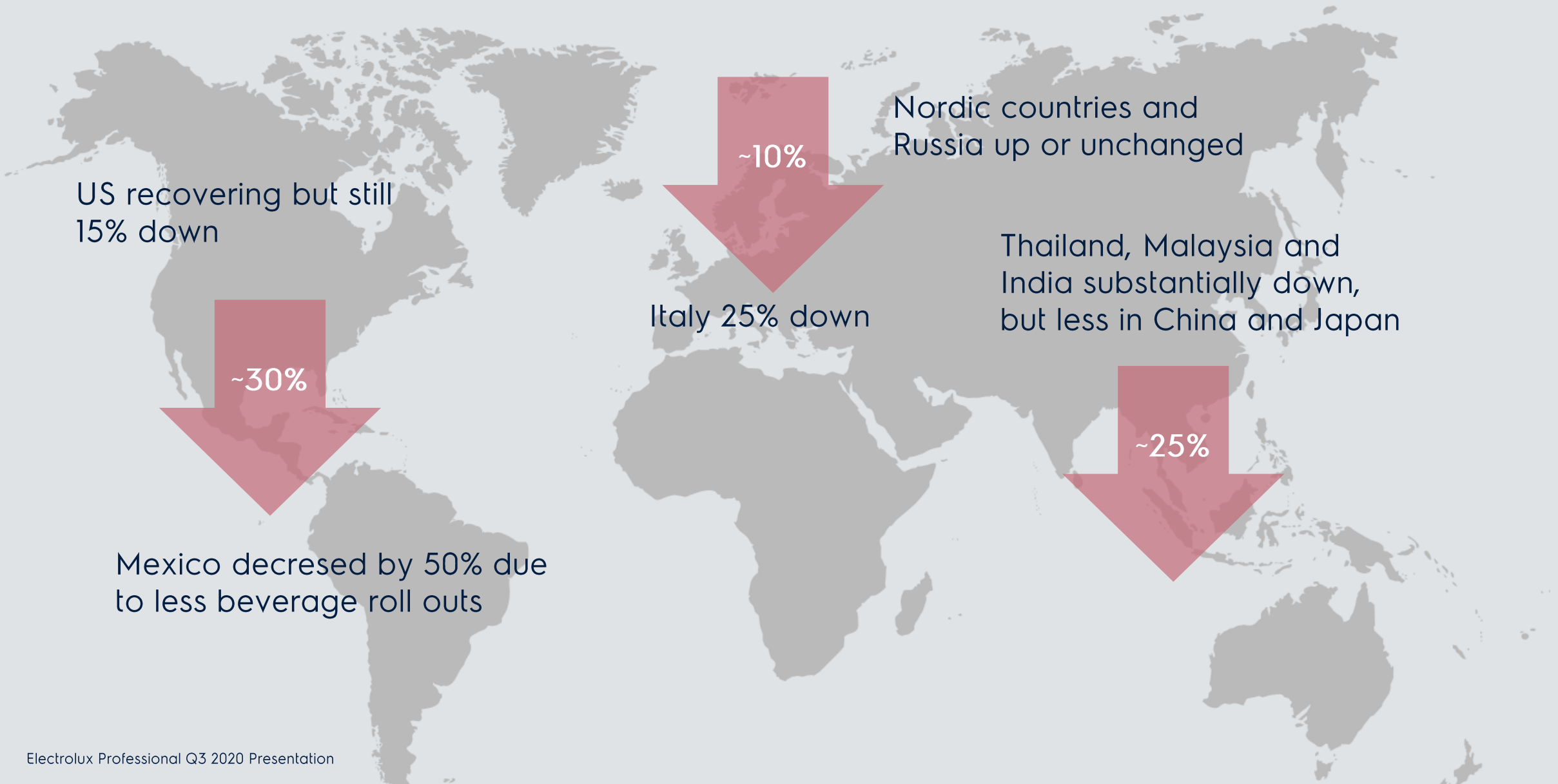
Organization adapted to the new reality

- Structural cost saving measures of SEK 130m launched. One-off cost of SEK 77m

SEKm	Jul - Sep 2020	Jul - Sep 2019	Change, %
Net sales	1,748	2,190	-20.2
EBITA	96	144	-33.2
EBITA margin, %	5.5	6.6	-16.7
EBITA, excl items affecting comparability	173	266	-35
EBITA margin excl items affecting comparability, %	9.9	12.1	-18.2
Operating cash flow after investments	63	134	-53



Q3 net sales development per region organic



Coronavirus impact on sales in Q3

Positive signs of recovery

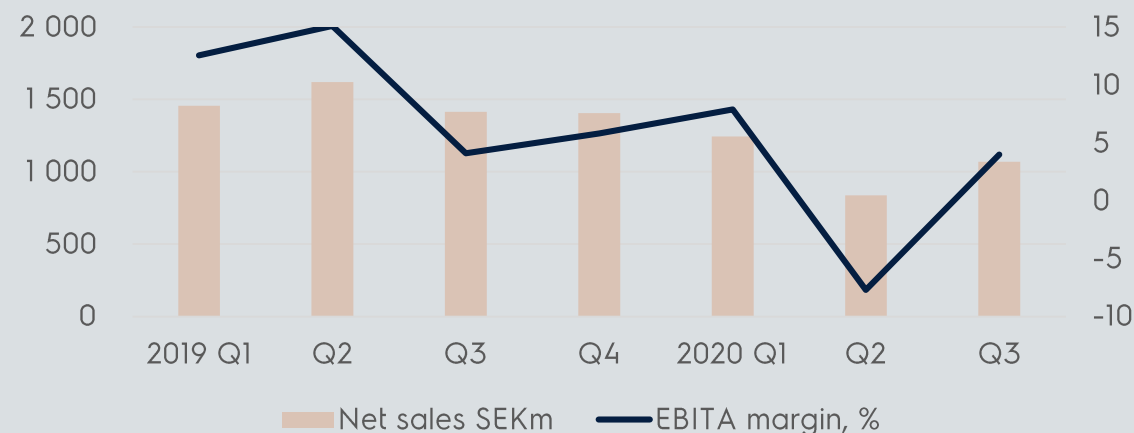
- Sales in the quarter declined organically by 16.1%, this is a recovery from Q2
- July and August down approximately 20%
- September down approximately 10%. Same level in October
- Laundry shows the strongest recovery, sales declined organically by 9.8%



Sales still heavily impacted by the pandemic

- Sales declined organically 19.6%
- Sales declined by approximately 15% in Europe and by 30% in Americas and Asia Pacific
- Sales in Northern Europe grew somewhat
- In the US, sales declined by approximately 10%, but declined substantially in South America
- Middle East and Africa had about unchanged sales, but sales declined substantially in South East Asia and Oceania
- EBITA declined due to lower volumes, but unchanged margin due to cost measures

SEKm	Jul - Sep 2020	Jul - Sep 2019	Change, %
Net sales	1,070	1,415	-24.4
Organic growth, %	-19.6	-7.4	
Acquisitions, %	-0.9	8.3	
Currency, %	-3.9	5.3	
EBITA	42	58	-26.6
EBITA margin, %	4.0	4.1	
EBITA, excl IAC*	97	156	-37.6
EBITA margin, excl IAC*, %	9.1	11.0	

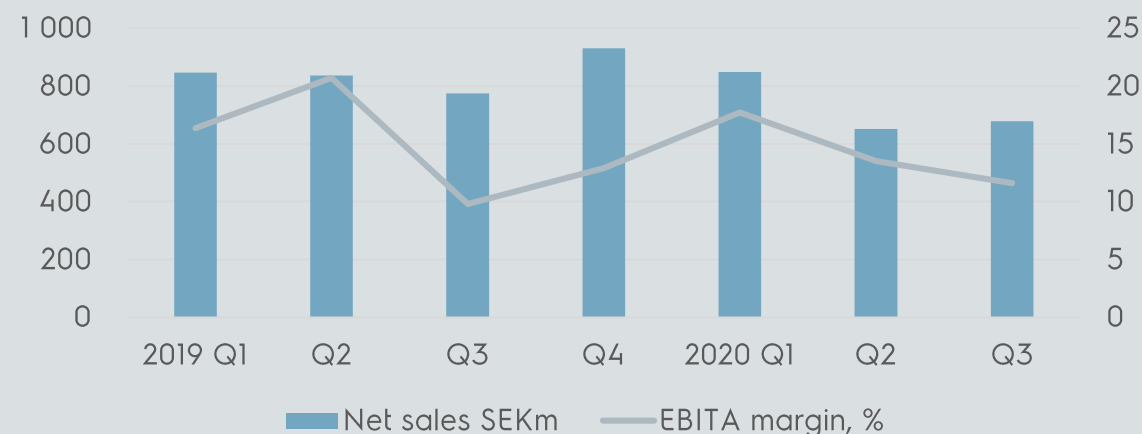


*Items Affecting Comparability (IAC)

Strong signs of recovery, still sales decline

- Sales were about unchanged in Europe. Northern and Eastern Europe grew, but declined in Southern Europe and the UK
- Sales declined by approximately 15% in Asia-Pacific, Middle East and Africa
- Sales in the US declined by 35%, primarily driven by de-stocking in the beginning of the quarter
- Improved EBITA due to sales recovery and cost measures

SEKm	Jul - Sep 2020	Jul - Sep 2019	Change, %
Net sales	678	774	-12.4
Organic growth, %	-9.8	-1.1	
Acquisitions, %	-	-5.4	
Currency, %	-2.6	3.2	
EBITA	79	76	4.3
EBITA margin, %	11.6	9.8	
EBITA, excl IAC*	101	100	1.3
EBITA margin, excl IAC*, %	14.9	12.9	



*Items Affecting Comparability (IAC)

SEKm	Jul - Sep 2020	Jul - Sep 2019	Change, %
Net sales	1,748	2,190	-20.2
Gross operating income	568	733	-22.5
Gross operating margin, %	32,5	33,5	
Operating income	81	126	-35.6
Operating margin, %	4.6	5.7	
EBITA	96	144	-33.2
EBITA margin, %	5.5	6.6	
IAC*	-77	-122	
EBITA, excl IAC*	173	266	-35
EBITA margin excl IAC*, %	9.9	12.1	

EBITA development excl. IAC*

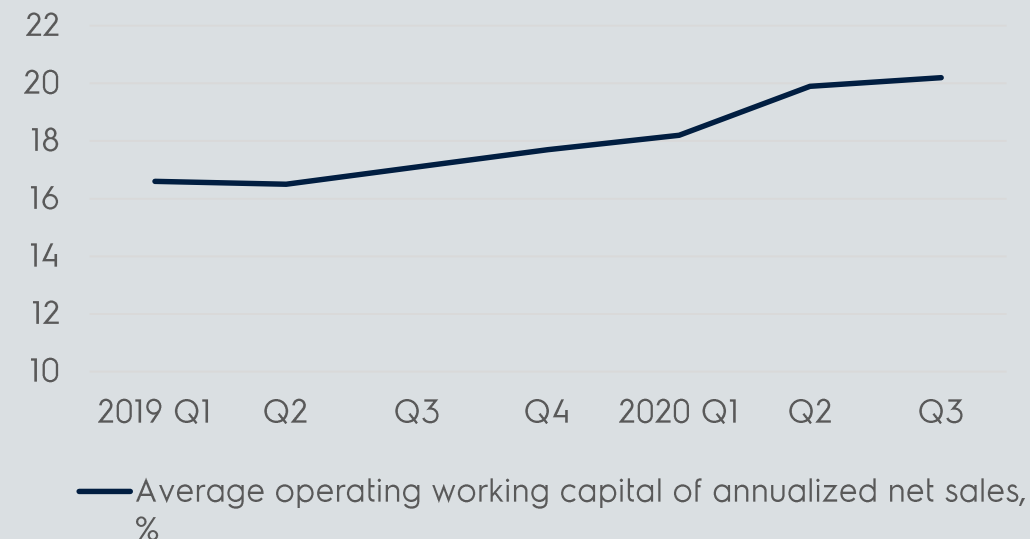
- Profitability at 10%, with stable gross margin and significant cost reduction
- Cost reductions contributed positively for SEK 75m in the quarter
- Additional structural cost saving measures launched, generating yearly cost savings of SEK 130m

*Items Affecting Comparability (IAC)

Operating working capital and Financial position

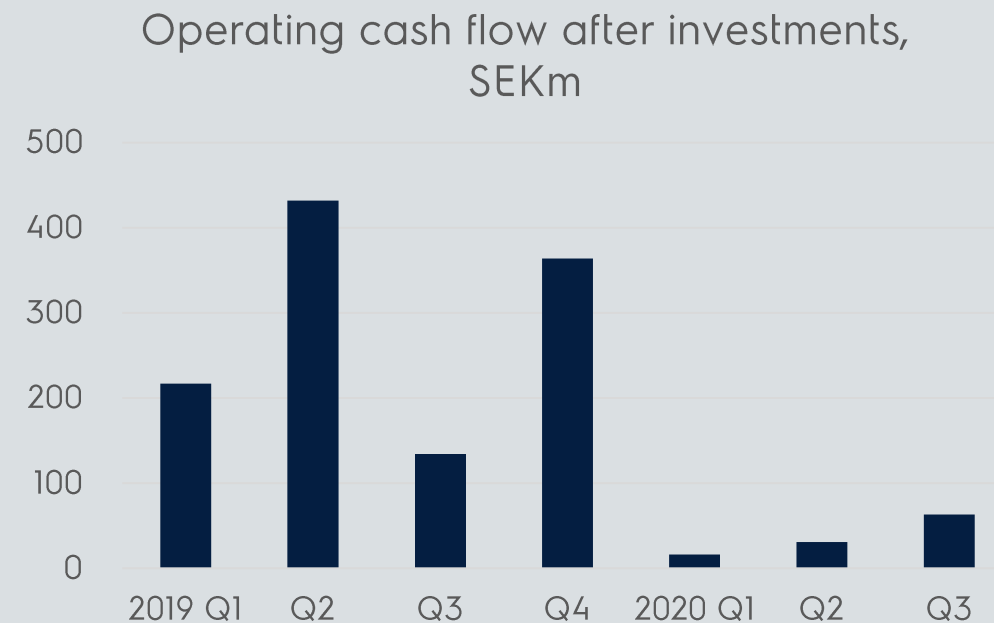
SEKm	30 Sep 2020	30 Sep 2019	31 Dec 2019
Inventories	1,288	1,387	1,265
Trade receivables	1,429	1,796	1,687
Trade payables	-1,171	-1,395	-1,606
Operating working capital	1,546	1,788	1,346
Operating working capital of annualized net sales, %	20.2	17.1	17.7
Interest-bearing liabilities	1,264	6,212	997
Net provisions for post-employment benefits	151	259	195
Lease liabilities	226	185	243
Other liabilities	11	31	246
Liquid funds	-648	-420	-656
Net debt	1,004	6,267	1,025
Net debt/EBITDA	1.4	4.5	0.8

Operating working capital % of net sales



Operating cash flow

SEKm	Jul - Sep 2020	Jul - Sep 2019
EBIT	81	126
Depreciation, amortization and other non-cash items	148	191
Change in operating assets and liabilities	-117	-117
Investments in intangible and tangible assets	-57	-78
Changes in other investments	8	12
Operating cash flow after investments	63	134



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Summary

- Sales recovery and continued cost actions improved profit compared to Q2
- Market conditions still impacted by the pandemic
 - The hospitality industry is likely to continue to be affected by the pandemic
 - Laundry less affected
- All factories and sales companies are operational
- Sales declined less in September and October compared to June-August
- Short term savings and the 2019 restructuring program together with the new structural cost measures launched, contributed positively to EBITA
- New products/solutions introduced to address growing customer's needs and less affected segments

Q&A



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