Thinking of you Electrolux

THE MARKET

Electrolux and its family of brands is a market leader in central vacuum systems, canisters and uprights in Canada. From the industry's early days, when door-to-door salesmen brought the first portable vacuum cleaners to eager housewives, Electrolux has always been ahead of the curve — known for innovative products that are based on the real cleaning needs and habits of its customers.

The company has kept its competitive edge as the vacuum market has changed — providing new products and options

for consumers — and finding a dominant niche in a growing number of distribution channels, from department stores to specialty vacuum outlets.

Electrolux is now an integral part of the daily life of hundreds of millions of families around the world. Each year, some 40 million consumers in more than 150 countries choose Electrolux products, such as cookers and cook tops, ovens, fridges and freezers, dishwashers, washing machines, tumble dryers, room air conditioners and vacuum cleaners.

Over the years, the Electrolux brand has grown, adapted to shifts in the marketplace and has become stronger: it is now one of Canada's superbrands. The vacuum market in Canada has



changed. Many years ago, with door-to-door distribution, Electrolux became a pioneer by introducing the first portable vacuums. Today, the market is a dynamic and competitive environment with more options for consumers and more distribution channels, from department stores, to mass merchants and specialty vacuum stores.



Today, Electrolux is well recognized for consumer innovation, creating vacuums and vacuum systems based on consumers' specific cleaning needs and habits.

ACHIEVEMENTS

Electrolux has paved its way to market dominance with a strong and loyal dealer network that can fully support a product line that keeps evolving to meet the demands of consumers, clients and vendors.

Continuous innovations in all areas have allowed the brand to be awarded and recognized by consumers, clients and vendors.

In 2005, Electrolux won five Red Dot

product design awards at the 50th edition of the Red Dot design award competition. The winning entries were the Electrolux Oxy3system vacuum cleaner and the Electrolux ErgoRapido 2-in-1 instant vacuum cleaner,

Electrolux was named Quality Supplier of the Year by Sears in the United States in 2006, and that same year Electrolux became the Sears Supplier of Choice in Canada.

A leading independent consumer lab reported that the

EL5035B ranked in the top two among upright vacuums in October 2006, and the EL7020A ranked first in the canister vacuum category. The EL6988A was rated the number-seven canister vacuum in the same issue. Electrolux also received "Top Ten" Recognition in

March 2007 by the same consumer lab with its Oxygen (EL5035A), Oxygen (EL6988A), and Oxygen3 Ultra (EL7020A) models, and the EL5020A Intensity won the "Good Design" award in 2006.

The iconic ErgoRapido 2in-1 received Japan's prestigious Good Design Award in the Product Design category for its innovative, cutting-edge design in 2007.

HISTORY

Electrolux is a global leader in appliances for home and professional use, selling more than 40 million products to customers

in 150 countries every year. The company focuses on innovations that are thoughtfully designed, based on extensive consumer insight, to meet the real needs of consumers and professionals,

Floor care. Electrolux began as a company focused on floor care. In fact, the first vacuum cleaner, the Lux 1, was produced at Lilla Essingen in Sweden by Electrolux. The model V was launched in 1921, and was regarded as the first step towards an easy-to-use vacuum cleaner for ordinary homes. As an industry pioneer, the company was determined to create product innovations that were based on a true understanding of consumers' needs and desires.

Electrolux has stayed on course ever since, with more recent breakthroughs including the Trilobite®, the world's first automatic vacuum cleaner, and the award-winning ErgoRapido cordless handheld vacuum cleaner. Its world-wide presence and staggering sales — 10.3 million full-size vacuum units were sold in 2006 — have given Electrolux the strongest global presence in the floor care product industry.

North American Presence. Electrolux Home Care Products North America, formerly The Eureka Company, is headquartered in Bloomington, Illinois. The company produces and markets industry-leading floor care brands including Eureka, Electrolux and Sanitaire. Beam Industries, maker of central vacuums, is a division of Electrolux Home Care Products North America.

Electrolux Home Care Products Canada is headquartered in Mississauga, Ontario. The company markets leading floor care brands for the Canadian market.

THE PRODUCT

Electrolux manufactures a full line of floor care products, including upright, canister, central, handheld and stick vacuums, as well as wet-dry vacs, steam cleaners and home cleaning systems. The company also manufactures and sells original and replacement parts for its products, including bags, belts and filters.

Central vacuums. Electrolux Central Vacuum Systems is the world's leading producer and marketer of built-in central vacuums. Electrolux central vacuum systems are sold in 50 countries around the world.

Central vacuum systems are built into the home, linking a hose and electric power brush to a central power unit with a collection canister. Special pipes are installed through interior walls, crawl spaces, attics or basements to connect the power unit with low-volt wall inlets. This integrated system delivers superior, quiet, powerful cleaning and a healthier living environment that fresh-thinking builders want and buyers expect in a new home.

Upright vacuums. With a high demand in the Canadian market for vertical vacuums, Electrolux offers different models to fit consumer needs. For example, anyone with lung problems would benefit from the improvement to air quality affected by the EL5035 model, which features MicroSeal™ fresh air technology and sealed

HEPA filtration.

Electrolux uprights capture ultra-fine particles for cleaner indoor air. Consumer insights also gave birth to Intensity, an upright vacuum with maximum suction power and a compact folding design. By shortening the long hose found on most uprights to a 3-inch air path, the Intensity delivers more power than most uprights in the market. Its unique folding handle makes storing and carrying the Intensity easy.

Canisters. The Electrolux line of canister vacuums includes TwinClean™, the only bagless canister with a selfcleaning filter; Oxygen, the only canister vacuum that combines superior cleaning with MicroSeal™ HEPA technology; and Harmony, a quiet vacuum with a sound-insulated motor and a low-noise floor nozzle. The Electrolux Harmony is one of the world's quietest vacuums. Soft wheels, a powerful, sound-insulated motor and a low-noise floor nozzle are all part of Harmony's innovative, quiet design. Harmony prevents noisy air escape and keeps dirt from drifting back into the air.

Sticks and Handvacs. For quick cleaning jobs, Electrolux

offers the cordless ErgoRapido 2-in-1, which integrates a stick vacuum and a hand vac-

uum. Rapido is the only hand vacuum with wheels, to facilitate cleaning on hard surfaces.

RECENT DEVELOPMENTS

Twin Clean. The Twin Clean was introduced to Canada in 2007, after it became the number-one bagless vacuum cleaner in Europe.

Its popularity in Europe was a result of a design that

addresses specific consumer needs namely, the vacuum cleans itself. When the vacuum's main filter is turned over in its holding case and the vacuum is switched on, the Twin Clean vacuums its own filter to ensure even and steady suction. This unique

innovation is patented by Electrolux.

Intensity. Intensity features superior suction power — 50 percent more

power than the leading upright — providing maximum cleaning for high-traffic areas. It also features a unique, futuristic design with a collapsible handle for convenient portability and storage.

ErgoRapido. Electrolux is launching a new range of stylish, cordless vacuum cleaners. Created to make cleaning easier and quicker, these ergonomically designed, battery-powered cleaners can cover up to 80 square meters on one charge. The ErgoRapido range consists of three models: Handheld, 2-in-1 and Power Brush. These attractively designed cleaners are intended to be on display, close at hand and ready for use — not hidden away in a broom closet.

Rapido. As consumers increasingly prefer instant daily cleaning to long cleaning sessions once per week, floor care is once again at the forefront at



Electrolux — with a new, thoughtfully designed innovation — Rapido. It's the industry's first handheld battery-operated vacuum cleaner with wheels that offers instant, effortless cleaning while protecting furniture and floors.

PROMOTION

As a strong, well-recognized brand around the world, Electrolux Home Care Products Canada and its combined brands make the company a market leader.

Brand awareness is driven by several marketing activities including advertising, merchandising and public relations. The company's latest developments and product innovations have generated interest and buzz in the media.

BRAND VALUES

The global Electrolux brand slogan,
"Thinking of you," demonstrates the thoughtfulness reflected by the company's commitment to consumers' needs behind every prod-

uct they make. The strength of the brand lies in creating innovative products designed with the consumer in mind.

THINGS YOU DIDN'T KNOW ABOUT ELECTROLUX

- O Electrolux is the world's number-one producer of vacuum cleaners.
- O Electrolux is the world's leading international appliance company with two of its products bought every second, every day of the year.
- O In the Antarctic, Electrolux is supporting the Princess Elisabeth station (the world's first zero emission polar station) with its energy-efficient appliances to meet the daily needs of scientists and researchers in an extremely tough environment.