

Electrolux keeps outlook, expects raw materials boost

<http://in.reuters.com/article/electrolux-outlook-idINL8N1631H3>

The company, locked in battle for market leadership with the likes of U.S. rival Whirlpool, said it expected the home appliances market to grow 2-3 percent in Western Europe and 3-4 percent in North America, unchanged from its outlook in January.

Electrolux, whose plan to buy GE Appliances and add it to its line-up of brands which includes Frigidaire and AEG were dashed in December, said lower raw material prices would cut costs by 750 million crowns (\$88 million) this year compared to its previous forecast for a cut of 550 million.

"The core strategy of Electrolux remains unchanged," the company said in a statement ahead of a capital markets day for investors, analysts and media.

"Electrolux continues to step up investments in innovation, product development, design and marketing to support future product launches."

Facing a legal challenge from U.S. authorities, GE pulled the plug on the \$3.3 billion merger deal, upending Electrolux's plans to double its U.S. sales with its biggest-ever acquisition.

Deepening Electrolux's misery, GE then struck a similar deal with China's Haier, if at a higher price, potentially leaving the Stockholm-based manufacturer facing another potent rival in a U.S. market where it had hoped to boost its presence.