ELECTROHOME
LIMITED

Executive Offices

August 23, 1999

To: The Securities Commissions of
Ontario, B.C., Alberta, Saskatchewan,
Manitoba, Nova Scotia, New Brunswick
Prince Edward Island, Newfoundland

The Toronto Stock Exchange

VIA SEDAR

Re: CONTINUOUS DISCLOSURE REPORTING - MATERIAL CHANGE REPORTING

Please find as part of this transmission, a copy of a Material Change Report and a Press Release sent via Canada News Wire on August 23, 1999 with respect to the sale by Electrohome Limited of the net assets of its Projection Systems Division.

If you have any questions, please call.

Yours truly,

[signed - Gary G. Dumoulin]

Gary G. Dumoulin
Secretary

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Form 27
Securities Act
MATERIAL CHANGE REPORT
Under Section 75(2) of the Ontario Securities Act

Item 1	Reporting Issuer	Electrohome Limited 809 Wellington Street North Kitchener, Ontario N2G 4J6
Item 2	Date of material change	August 23, 1999
Item 3	Press Release	Issued August 23, 1999 through the Canadian Disclosure Network of Canada News Wire
Item 4	Summary of Material Change	Electrohome Limited has signed an agreement to sell the net assets of its Projection Systems Division in the fall of 1999.
Item 5	Full Description of Material Change	See press release attached
Item 6	Reliance on Section 75(3) of the Act	Not applicable
Item 7	Omitted Information	Not applicable
Item 8	Senior Officer	G. G. Dumoulin, Director of Finance and Secretary (519) 749-3120
Item 9	Statement of Senior Officer	"The foregoing accurately discloses the material change referred to herein."

Statement signed by Gary G. Dumoulin, Director of Finance and Secretary at Kitchener, Ontario

Date: August 23, 1999

Signed: [signed – G.G. Dumoulin]

ELECTROHOME

Visionary Thinking ™

For immediate release – August 23, 1999

NEWS RELEASE

ELECTROHOME ANNOUNCES SALE OF ITS PROJECTION SYSTEMS BUSINESS

John A. Pollock, Chairman and Chief Executive Officer, announced today that Electrohome Limited has signed an agreement to sell its Projection Systems business to Christie, Inc. of Cypress, California, a major international manufacturer of mechanical movie projectors. Electrohome's Projection Systems business develops, manufactures and markets high-brightness and high-resolution projection systems used in control rooms, large-audience venues and Fortune 500 meeting rooms.

Proceeds of the proposed sale, which is subject to shareholder approval, include approximately $38 million in cash and the assumption of certain liabilities related to the business. The cash proceeds will be used to retire all of Electrohome's unconsolidated operating line of credit of approximately $25 million (excluding a conventional real estate mortgage) and leave the Company with a cash balance net of all liabilities. The transaction will also result in an accounting loss to Electrohome due to the write off of certain tax balances (still to be determined).

"This was a very difficult decision to make." said Mr. Pollock "Our Projection Systems division has been one of the largest and most successful businesses for the company for over two decades. With the increasing pace of change in the high performance projection business and the emerging opportunities in the electronic cinema business, the increased resources and market access provided by Christie are required for the business to maintain its leadership position in this dynamic marketplace. This transaction will benefit all parties. For Electrohome and its shareholders, it represents an opportunity to exit the business on a positive basis. The transaction will allow Christie to build on the strength and leadership position that Electrohome Projection Systems has established over the years. The Projection Systems business will complement Christie's strength in the movie projection marketplace allowing it to become one of the front runners in the emerging electronic digital cinema business. With these added resources the resulting expanded product line should be a major benefit to Projection System's world wide customer base. For the employees of the Projection Systems division, it provides continuity and opportunity for future growth."

A record date of September 23, 1999 has been fixed for a special meeting of the Class X (voting) shareholders to approve the Christie transaction to be held on October 28, 1999 at Electrohome's head office in Kitchener, Ontario. Approval by two-thirds of the shareholders present and voting is required. The company has been advised by two of its shareholders representing 65% of the Class X shares outstanding that they intend to vote in favour of the proposed sale.

Upon completion of the proposed transaction, Electrohome Limited would have cash (net of all liabilities) and retain its Visualization Group, composed of investments in four companies, including controlling positions in Robotel Electronique Inc, of Montreal, a computer-based training systems manufacturer, Fakespace Systems, Inc., of Kitchener, and Pyramid Systems, Inc., of Novi, Michigan, both international systems integrators in the visualization marketplace, and a smaller investment in Immersion Studios Inc., of Toronto, an interactive video entertainment business. These businesses, all rapidly-growing leaders in their fields, are anticipated to be profitable and generate revenues in fiscal 2000 in excess of $20 million. Electrohome would also continue to own its 300,000 square foot facility in Kitchener, the bulk of which will be leased to Christie and other existing tenants.

Christie is wholly-owned by Ushio, Inc. of Japan, a world-leading manufacturer of industrial lamps and related products.

Electrohome is a visual communications specialist. Its products and services are sold worldwide to customers with complex presentation and mission-critical requirements. Through its investments, Electrohome will continue to be a major participant in the rapidly-growing visual communications marketplace as a provider of virtual immersive systems, computer-based training systems and digital interactive cinema. Electrohome's shares are traded on the TSE under the symbols ELL.Y for non-voting shares and ELL.X for voting shares.

For further information … Contact John A. Pollock, Chairman and Chief Executive Officer or Gerry Remers, President and Chief Operating Officer, Projection Systems or Dan Wright, President and Chief Operating Officer, Visualization or Gary Dumoulin, Director of Finance and Secretary (519) 744-7111