

Cash flow

Operating cash flow

Cash flow from operations and investments in the full year of 2011 amounted to SEK -4,650m (3,206). The acquisitions of CTI and Olympic Group have impacted cash flow by SEK -5,855m. Excluding acquisitions and divestments, cash flow from operations and investments amounted to SEK 906m (3,199). The decline referred mainly to the deterioration in income.

The Group's ongoing structural efforts to reduce tied-up capital has contributed to the cash flow from operating assets and liabilities.

Outlays for the ongoing restructuring and cost-cutting programs amounted to approximately SEK -660m in 2011.

Investments during the year referred mainly to new products and production capacity.

Capital expenditure, by business area

SEKm	2011	2010
Major Appliances		
Europe, Middle East and Africa	1,199	1,409
% of net sales	3.5	3.9
North America	700	692
% of net sales	2.5	2.2
Latin America	526	650
% of net sales	3.0	4.0
Asia/Pacific	286	198
% of net sales	3.6	2.6
Small Appliances	118	116
% of net sales	1.4	1.4
Professional Products	287	96
% of net sales	4.9	1.5
Other	47	60
Total	3,163	3,221
% of net sales	3.1	3.0

- Cash flow was negatively impacted by acquisitions and the decline in earnings.
- Capital expenditure was in line with the previous year, amounting to SEK 3,163m (3,221).
- R&D costs increased to 2.0% (1.9) of net sales.

Capital expenditure

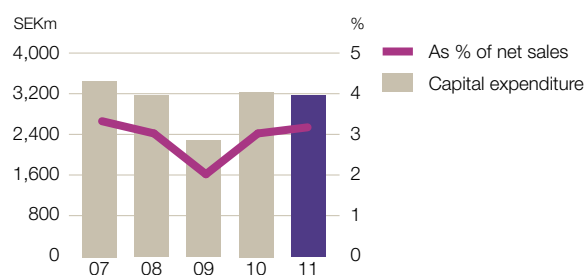
Capital expenditure in property, plant and equipment in 2011 amounted to SEK 3,163m (3,221). Capital expenditure corresponded to 3.1% (3.0) of net sales. Investments during 2011 referred mainly to investments within production for efficiency improvements for new products and production capacity.

Costs for R&D

Costs for research and development in 2011, including capitalization of SEK 374m (396), amounted to SEK 2,043m (1,993), corresponding to 2.0% (1.9) of net sales.

For definitions, see Note 30.

Capital expenditure



Capital expenditure in 2011 amounted to SEK 3,163m (3,221).

Cash flow and change in net borrowings

