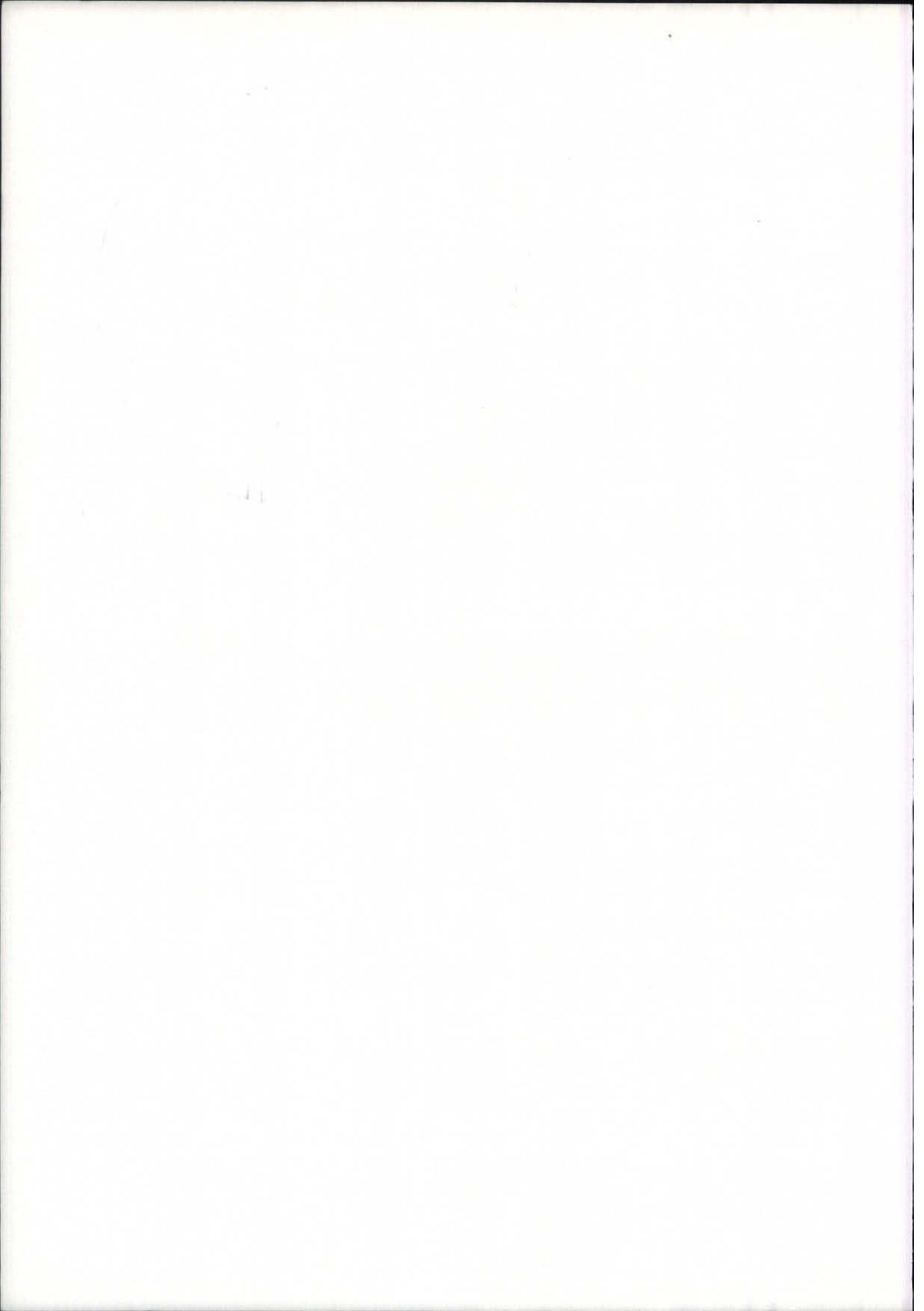


**Electrolux**

REPORTS OF THE DIRECTORS AND AUDITORS FOR 1967





*Electrolux "Future Line" and Elektrobhelios "Slim Line" are two new series of refrigerators and freezers manufactured at the Mariestad factory. Illustrated on the left are two Elektrobhelios models in their natural setting — a combined refrigerator-cooler and a refrigerator-freezer, both with overhead cabinet. Pictured below are three Electrolux cabinets showing the inside of the doors in their distinctive dark blue colour.*



*Electrolux model RP 121 refrigerator-cooler with a capacity of 360 litres (12.7 cu.ft.).*



*Electrolux model TR 70/55 refrigerator-freezer, capacity 380 litres (13.4 cu.ft.).*



*Electrolux model TF 110 upright freezer, capacity 315 litres (11.1 cu.ft.).*





# ELECTROLUX

## ANNUAL REPORT 1967

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## ANNUAL GENERAL MEETING

The Annual General Meeting will be held on Monday, May 13, 1968, at 10 a.m. at the Company's offices, Birger Jarlsgatan 6, Stockholm.

Shareholders who wish to participate in the proceedings of the Annual General Meeting should notify the Company's offices in Stockholm thereof not later than Thursday, May 9, 1968, between 10 a.m. and 2 p.m.

The dividend for 1967 to be proposed at the Annual General Meeting would be paid out as from May 14, 1968, against coupon No. 64 at the Company's offices in Stockholm or at the offices of Skandinaviska Banken or Stockholms Enskilda Bank.

In Great Britain, shareholders may collect the dividend from Baring Brothers & Co. Ltd., 8, Bishopsgate, London, E.C. 2, and in Switzerland from MM. Pictet & Cie, 6, Rue Diday, Geneva.

## AKTIEBOLAGET ELECTROLUX

### Board of Directors:

#### *Members*

RAGNAR SÜDERBERG, (Chairman), Stockholm  
MARCUS WALLENBERG, (Vice Chairman), Stockholm  
GUNNAR ENGELLAU, Gothenburg  
LORD LUKE OF PAVENHAM, Odell Castle, Bedfordshire, England  
ÅKE T. VRETHEM, Djursholm  
HANS WERTHÉN, (Managing Director), Stockholm

#### *Alternate Members*

ARNE M. HOFVING, Stocksund  
GUNNAR ARPI, Uppsala  
SVEN OLIVING, Gothenburg

### Management:

HANS WERTHÉN, Managing Director  
ARNE M. HOFVING, Deputy Managing Director  
GÖSTA BYSTEDT, Deputy Managing Director  
HARRY ERIKSSON  
FOLKE HEIBERT  
INGEMAR HELLSTRÖM  
OWE WERNER

### Auditors:

ARNE HOLMÉN, Chartered Accountant  
EBBE RYBECK, Chartered Accountant

#### *Deputies*

SIGURD LÖFGREN, Chartered Accountant  
BRUNO SVENSSON, Chartered Accountant



## ANNUAL REPORT

### SUMMARY

External sales of the Electrolux Group increased in 1967 by 3.4 % from SKr. 1,070 million to SKr. 1,106 million.

Sales of Parent Company decreased in 1967 by 4 % from SKr. 405 million to SKr. 389 million.

Profit of Group amounted in 1967 to SKr. 32 million as against SKr. 26.2 million in 1966.

Net profit of Parent Company amounted to SKr. 18.9 million as against SKr. 16 million in 1966.

The Board of Directors propose a dividend of SKr. 8.00 per share.

# Report of the directors

## The Group

### GENERAL REVIEW OF THE GROUP

The Electrolux Group initiated major organisational improvements during the year to meet changing market conditions, including rationalisation of Swedish manufacturing arrangements in conjunction with other Scandinavian Companies.

The manufacture and sale of single phase motors by AB Electrolux at its Västervik factory were assigned to Thrige-Titan A/S of Odense, Denmark. The Västervik factory will continue to produce and market commutator motors, including small electric motors for motor vehicles, sewing machines, etc. It was also decided to transfer to Västervik the manufacture of vacuum cleaner motors, which are of the commutator type. Uniformity of engineering processes and production in very long runs will thereby be achieved, which in turn will lower manufacturing costs and improve competitiveness. The transfer of single phase motor manufacture to Odense is to be fully completed by December 31, 1968.

A natural consequence of concentrating motor manufacture at Västervik was for this factory to take over the assembly of vacuum cleaners, which was previously undertaken at the Lilla Essingen factory in Stockholm.

As part of the rationalisation program it has also been decided to transfer production of Assistent kitchen machines and dishwashers from the Lilla Essingen to the Motala factory, where manufacture of a similar type of products is already undertaken.

The production changes at Lilla Essingen will be carried out gradually over a period of several years. The reorganization of activities at this factory, which is centrally located in Stockholm, is influenced by the difficulties of undertaking adequate batch production in that factory. The construction and layout of the premises is unsuitable for installation of an efficient materials handling system to ensure economic and competitive flow production.

In addition, the production of refrigerators at the Electrolux factory in Motala will be succes-

sively transferred during the next few years to the factory at Mariestad. The Motala factory will then be utilized for large-scale manufacture of parts and components for Electrolux products, among other things plastic parts.

The Steel Fittings Division at Säffle took over the manufacture and sale of industrial installations from AB E. A. Rosengren, Gothenburg. This acquisition will extend the manufacturing capacity for Electrolux in steel fittings and thereby increase its competitiveness in this market.

A majority shareholding in A/S Elektra, Eidsvoll, Norway, was acquired by Electrolux Industrier A/S (formerly Norsk Elektroheliolux A/S), Oslo, Norway, a wholly owned subsidiary of AB Electrolux. As manufacturer of electric ranges, ovens, radiators and similar products, A/S Elektra holds a dominant position in the Norwegian market. Elektra and Electrolux have commenced a technical collaboration, which should result in mutual benefit because of the excellent reputation of the Norwegian industry in the electric heating market and the technical facilities and experience of the Electrolux Group.

To strengthen Scandinavian competitiveness in consumer durables an agreement was made in December 1967 with A/S Atlas of Copenhagen, Denmark, merging the electric household appliance, commercial refrigerator and freezer operations of A/S Atlas with A/S Elektroheliolux, Copenhagen, a subsidiary company of Electrolux. In connection with this change A/S Elektroheliolux, in which A/S Atlas and J. Lauritzen, Shipowner, also of Copenhagen, hold minority interests, has altered its business name to A/S Scan-Atlas Husholdningsapparater.

As part of the same agreement, AB Electrolux also acquired from A/S Atlas all its shareholdings in A/S Atlas Svenska Försäljnings AB, Malmö, and in Suomen Atlas Talouskonemyynti OY, Helsinki, Finland.

The Danish and Swedish factories affected by this agreement will be enabled to specialize their manufacture with resulting benefits from reduced variety and longer production runs.



A computerized warehouse for spare parts became operative at Solna outside of Stockholm towards the end of the year to handle deliveries of spare parts and accessories for household products within Sweden and overseas.

The activities of Electrolux Swedish Sales Company were subject to major reorganization during the year. Ten of the leading branch offices were restricted to the sale of vacuum cleaners, whilst sales of other products, such as refrigerators, upright freezers, chest-type freezers, washing machines, dishwashers, and Assistent kitchen machines, were transferred to independent distributors. The most important benefit achieved thereby is simplification of branch office administration.

\*

The reorganization which began towards the end of 1966 in the British Company, has resulted in substantial savings in personnel and greatly improved profitability.

\*

Group inventories, exclusive of those held by newly affiliated companies and before deduction of general inventory reserves, were reduced by about SKr. 61 million, which has resulted in considerable improvement of the liquidity resources of the Group. Lower rates of currency conversion resulting from devaluations in certain countries reduced inventory valuations by an additional SKr. 11 million.

\*

The Electrolux company in Argentina sold its office building in Buenos Aires and bought other premises, which are now being reconditioned and repaired, and which will provide facilities for manufacture of floor polishers, a repair shop, warehouse and offices.

As part of a current programme to simplify and centralize the administration of the Brazilian subsidiary company, the branch office premises in the centre of Rio de Janeiro were reduced substantially.

The Portuguese subsidiary company sold its property in the centre of Lisbon and moved into improved premises of its own at Oeiras on the outskirts of the city.

## SALES

For the first time in Electrolux Group history, annual sales of vacuum cleaners and floor polishers exceeded ONE MILLION UNITS. This achievement reaffirmed the Company's position

as one of the world's leading manufacturers of these products. Sixteen subsidiary companies beat their previous records in sales of vacuum cleaners/floor polishers. The biggest increases are reported by the subsidiaries in Australia, Denmark, Italy, Norway, Switzerland, Sweden, Venezuela, and West Germany.

Sales of absorption refrigerators for caravans continued to rise, with a new yearly record achieved in sales to the North American market. Sales of compressor refrigerators in Scandinavia also increased substantially.

Sales of ironers and dishwashers in the Swedish market were much higher than in previous years.

Sales of washing machines and small electric motors increased as had been planned. Electric cookers were subjected to a heavy downward pressure on prices arising from national overproduction of this product.

Price competition in Europe remained keen for refrigerators, freezers and washing machines. Low-priced sales of products made in Italy had a particularly severe impact.

Direct factory shipments of the Catering Division to institutional customers increased satisfactorily, while shipments to foreign subsidiaries for resale declined as part of a plan to reduce inventories in subsidiary companies. The Steel Fittings Division had greatly increased sales over the previous year. Shipments of commercial refrigerator and freezer products continued upward.

Group sales amounted to SKr. 1,106 million as against SKr. 1,070 million in 1966, an increase of SKr. 36 million or 3.4 %. Of this total, SKr. 374 million or 33.8 % were for Swedish customers and SKr. 732 million or 66.2 % for foreign customers. The corresponding proportions for 1966 were 33.3 % and 66.7 %, respectively.

Sales by A/S Elektra, in which the Electrolux Group acquired a majority shareholding during 1967, are reflected in the above mentioned total only in respect of the second half of the year. Similarly as A/S Atlas Lundtofte Division was acquired on November 30, 1967, the sales of this division and its two subsidiaries are included only for the month of December.

In respect of subsidiaries in countries which devalued their currencies in 1967, Group sales have been calculated on the basis of the former exchange rates up to and including the month of devaluation, and on the new lower rates as from the subsequent months.



In 1967 Elektroheliös commenced the delivery of equipment for 1,367 link row and terrace houses at Salemstaden, close by the railroad line between Uttran and Rönninge, about 15 miles from the centre

of Stockholm. To each house will be delivered one electric cooker, one refrigerator-freezer, one refrigerator and one laundry drying cabinet.

In the year end Group accounts, however, the rates of exchange ruling on December 31, 1967, have been used. The group sales shown in the Group Profit and Loss Statement have accordingly been reduced by SKr. 40 million as compared with 1966. This difference has, though, been largely offset in the Profit and Loss Statement by the inclusion of sales for the whole

year 1967 in respect of those companies in which Electrolux acquired a majority shareholding in 1966, viz. A/S Elektra, Eidsvoll, A/S Atlas Svenska Försäljnings AB, Malmö, and Suomen Atlas Talouskonemyynti OY, Helsinki. The 1967 Group sales figure calculated in the last mentioned way amounted to SKr. 1,097.8 million.

#### TERRITORIAL DISTRIBUTION OF SALES

	1967		1966		1965	
	SKr. mill.	%	SKr. mill.	%	SKr. mill.	%
<i>External sales</i>						
<i>EEC countries</i>						
Belgium, France, Holland, Italy, Luxemburg, West Germany	211.9	19.2	218.6	20.5	211.9	20.1
<i>EFTA countries<sup>1)</sup></i>						
Austria, Denmark, Finland, Great Britain, Norway, Portugal, Sweden, Switzerland	647.6	58.6	611.7	57.1	609.4	57.7
<i>Latin America, subsidiaries</i>						
Argentina, Brazil, Colombia, Guatemala, Mexico, Peru, Trinidad, Uruguay, Venezuela	86.6	7.8	85.9	8.0	78.2	7.4
<i>Other sales</i>	159.9	14.4	154.1	14.4	156.7	14.8
<b>Total Group sales</b>	<b>1,106.0</b>	<b>100.0</b>	<b>1,070.3</b>	<b>100.0</b>	<b>1,056.2</b>	<b>100.0</b>
<sup>1)</sup> Whereof Sweden	374	(33.8 %)	356	(33.3 %)	361	(34.2 %)

## PRODUCT DEVELOPMENT

Two new refrigerator models in the "Future Line" series which includes refrigerators, freezers, combined refrigerator-freezers, and refrigerator-coolers were introduced during the year. Products in this series are well suited to manufacture by the new highly mechanized productive equipment which was installed during the year in the Mariestad factory. Among the benefits from this equipment is the advanced standardisation of dimension and engineering design principles. Designs have been adapted to the new method of insulation based on polyurethane foam. The "Future Line" satisfies very high criteria of durability and refrigeration performance. The refrigerators are available with fully automatic defrosting systems.

New advances in absorption technology have facilitated the manufacture of refrigerator units with features giving much superior performance than hitherto which has encouraged the Company to intensify technological development in the absorption field.

With the introduction in 1967 of a new absorption model with a capacity of 45 litres (1.6 cubic feet), chiefly designed for sales in Great Britain and the European caravan market, Electrolux now offers a complete series of six caravan refrigerators ranging in capacity from 30 to 180 litres (1.06 to 6.36 cubic feet). Electrolux has thereby consolidated its leading position as refrigerator suppliers to the caravan market.

The Berlin factory began to produce two new open-display wall cabinets, the one 2 metres (6½ feet) long and the other 3 metres (10 feet). They comprise the first units of a new line intended for medium-sized shops, and may be installed either separately or combined to desired lengths.

Also introduced in 1967 was a variant of EH 4000, a fully automatic washing machine marketed by Elektroheliol Sales Company featuring a new design and greater adaptability. A new semi-automatic washing machine was added to the range of machines marketed by Electrolux Swedish Sales Company and Elektroheliol Sales Company.

A new and improved dryer cabinet for home laundry use has been designed with standard dimensions of 60 by 60 cm (2×2 feet) which will be available for marketing during the first half of 1968.

The ironer has been equipped with pneumatic foot-operated controls to replace the earlier electrical controls. Manufacture of the hand-operated ironer was discontinued.

An innovation introduced by Electrolux Swedish Sales Company in the domestic market was a motor-driven nozzle called the ZE1. It is sold as an accessory to the vacuum cleaner.

Under the terms of a contract signed with the Westinghouse Electric International Company of New York, Electrolux is given access to that company's knowledge and experience in the automatic handling of goods in both production and distribution. The benefit from this agreement will ensure that Electrolux remains in the forefront of developments within the field mentioned.

By agreement with Borgs Fabrik AB in Norrköping, Electrolux acquired in 1967 the exclusive right to sell the Cartrac materials handling system for inventory management in Sweden, Finland, and Norway.

Extensive work was carried on during the year towards reducing the costs of electric cooker manufacture. New versions of cookers and kitchen fans were introduced.

A new line of electric radiators was introduced to the market. Several models are equipped with built-in thermostats and cold draught eliminator.

The Electrolux Catering and Industrial Division which specializes in large-scale catering equipment, sterilization plant and industrial ovens, introduced a number of new products in 1967. Industry was especially receptive to the new series of conveyor-belt dishwashers for institutional kitchens. These machines are built on a modular system which permits adding or deleting of different functions to meet specific customer requirements.

Europe's first major fully automatic plant for the central sterilization of surgical instruments, etc. was installed in the Lund General Hospital. Several countries have sent professional delegations to Lund to study the installation, resulting in many inquiries about central sterilization. The plant in Lund was jointly supplied by Getinge Mekaniska Verkstads AB — a wholly owned subsidiary of Electrolux — the Catering and Industry Division and the Steel Fittings Division at Säffle. The pooling of Group resources enabled Electrolux to handle every phase of this project from drawing-board design to installation.

## GROUP ACCOUNTS

The Group Profit and Loss Statement and Balance Sheet, with Notes, will be found on pages 9—13. Further information about Electrolux is given on pages 22—23.

# The Parent Company

## GENERAL REVIEW

As a result of the efforts to reduce Group inventories, output levels were lower than in 1966 at all Swedish factories with the exception of Västervik.

In connection with the takeover of AB E. A. Rosengren's manufacture of industrial equipment, an extension was built to the Säfte factory which doubled its capacity.

The transfer of vacuum cleaner manufacture to Västervik was accompanied by an agreement with the local authorities, who have agreed to build an adjoining factory with about 5,000 square meters (54,000 square feet) of floor space. This project will be undertaken by Västerviks Industrifastighets Aktiebolag (the Västervik Industrial Property Company).

Work on the new electric cooker factory at Motala, begun in 1966, continued as scheduled. Completion of the factory is expected during the spring of 1968.

The Hammarby factory in Stockholm was sold during the year. Its current production of cookers will be transferred to the new factory at Motala.

Extensions to the refrigerator and freezer factory at Mariestad were completed in the second half of 1967. This new factory is equipped with modern special machinery to shape and weld

components for refrigerators and freezers. A new method of assembly and materials handling was introduced. Painting is done by an electrostatic process.

## ELECTROLUX CORPORATION, NEW YORK

At the beginning of 1968 the Parent Company sold its entire shareholding (about 38 %) in this firm to Consolidated Foods Corporation of Chicago for a price of 57.6 million US dollars.

## SALES

AB Electrolux sales totalled SKr. 389 million as against SKr. 405 million in 1966, a decrease of SKr. 16 million or about 4 %. This reduction reflects the inventory adjustments that were carried out during the year. Exports totalled SKr. 143.8 million as compared with SKr. 157 million in 1966; the respective share of exports to total sales being 37 % and 38.7 %.

## RESULT

After provision for taxes amounting to SKr. 4 million (1966 SKr. 7 million), the Parent Company shows a net profit for 1967 of SKr. 18.9 million as against SKr. 16.0 million in 1966. Reference is made to the Profit and Loss Statement and Balance Sheet for AB Electrolux on pages 15—17, which together with the Notes on Parent Company Accounts (pages 19—21) and further information about Electrolux (pages 22—23) comprise part of the Annual Report.

# THE ELECTROLUX GROUP

## PROFIT AND LOSS STATEMENT

	1967 SKr. 1,000	1966 SKr. 1,000
<i>Net sales</i> .....	1,097,770	1,070,311
<i>Deduct: Costs</i>		
Manufacturing costs, sales costs, etc. ....	1,029,584	1,008,713
Depreciation of		
Buildings .....	4,433	3,853
Machinery and fittings .....	22,570	20,349
	<u>1,056,587</u>	<u>1,032,915</u>
<i>Trading profit (Note 1)</i> .....	41,183	37,396
<i>Add:</i>		
Dividends from other companies (Note 2) .....	6,734	6,740
Interest received .....	2,775	1,909
Profits from sales of real estate (Note 3) .....	12,435	5,164
Allocation to Free Reserve in Parent Company .....	./ 10,000	—
Profits from sales of securities (Note 4) .....	384	—
Reserve for loan no longer required .....	—	1,300
Transferred from Investment Fund (Note 5) ..	928	2,994
	<u>13,256</u>	<u>18,107</u>
	54,439	55,503
<i>Deduct:</i>		
Interest paid (Note 6) .....	10,885	9,950
Adjustment of net valuation of subsidiaries abroad due to changed exchange rates, with allowance for revaluation gains (Note 7) .....	—	1,376
Extraordinary costs (Note 8) .....	—	3,941
Depreciation charged against Investment Fund (Note 5)		
Buildings .....	—	2,763
Machinery .....	928	231
	<u>11,813</u>	<u>18,261</u>
	42,626	37,242
<i>Transferred from AB Electrolux Pension Fund of 1952</i> .....	193	2,814
<i>Profit before appropriations and taxes</i> .....	42,819	40,056
<i>Appropriations</i>		
Reduction of inventory reserves (Note 9) .....	12,348	3,659
<i>Profit before taxes</i> .....	55,167	43,715
<i>Taxes</i> .....	22,837	17,418
<i>Profit after taxes</i> .....	32,330	26,297
<i>Deduct: Minority interests</i> .....	371	141
<i>Group profit for the year</i> .....	<u>31,959</u>	<u>26,156</u>

THE ELECTRO  
CONSOLIDATED

ASSETS

*Current assets*

Liquid assets

Cash, bank and post-office balances .....	72,487		31,330	
Promissory note .....	5,000		—	
Bills receivable from customers .....	23,427		31,803	
Securities .....	<u>9,713</u>	110,627	<u>10,737</u>	73,870

Receivables

Customers .....	330,086		293,547	
Miscellaneous .....	<u>31,587</u>	361,673	<u>23,038</u>	316,585

Inventory .....		<u>213,611</u>		250,598
		<u>685,911</u>		<u>641,053</u>

<i>Blocked investment account with Sveriges Riksbank</i> (Bank of Sweden) .....		2,654		8,654
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*Fixed Assets*

Miscellaneous receivables (Note 10) .....		10,744		3,244
Shares in other than subsidiary companies .....	55,144		55,144	
Deduct: Reserve for depreciation .....	<u>—</u>	55,144	<u>16,000</u>	39,144
Machinery and fittings (Note 11) .....	60,454		45,736	
Factory, office and other buildings (Note 12) .....	117,756		116,890	
New plants under construction (Note 13) .....	<u>20,302</u>	198,512	<u>7,228</u>	169,854
		<u>264,400</u>		<u>212,242</u>

TOTAL ASSETS .....		<u>952,965</u>		<u>861,949</u>
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# UX GROUP

## BALANCE SHEET

### CAPITAL AND LIABILITIES

#### Short-term liabilities

Bills payable to suppliers .....	13,271		6,262	
Due to suppliers .....	72,245		60,368	
Due to customers .....	8,657		6,289	
Bank loans .....	54,179		60,301	
Miscellaneous (Note 14) .....	<u>123,574</u>	271,926	<u>107,312</u>	240,532
Taxes payable .....		<u>38,488</u>		<u>36,138</u>
		<u>310,414</u>		<u>276,670</u>

#### Long-term liabilities

Mortgage loans .....	27,886		20,938	
Debenture loans .....	<u>30,520</u>	58,406	<u>32,120</u>	53,058
Other long-term liabilities .....		<u>9,879</u>		<u>—</u>
		<u>68,285</u>		<u>53,058</u>

Pension funds ..... 51,351 45,076

Reserve for risk of loss on exchange rates ..... 3,000 3,000

Reserve for unrealized profits in and writing down of  
stocks of subsidiaries (Note 15) ..... 7,742 22,939

Investment funds ..... 18,862 20,776

Minority Interests ..... 3,387 1,699

#### Capital and surplus

Share capital of Parent Company .....	190,000		190,000	
Statutory and legal reserves (Note 16) .....	<u>136,927</u>	326,927	<u>137,773</u>	327,773
Free Reserve etc. in Parent Company (Note 17)		53,000		15,000
Profits brought forward (Note 18) .....		78,038		69,802
Group profit for the year (Note 18) .....		<u>31,959</u>		<u>26,156</u>
		<u>489,924</u>		<u>438,731</u>

TOTAL LIABILITIES AND CAPITAL ..... 952,965 861,949

Contingent liabilities (Note 19) ..... 36,287 46,557

Submitted for audit:

BRUNO SVENSSON  
Auditor, authorized by Stockholm's Chamber of Commerce

ARNE HOLMÉN  
Auditor, authorized by Stockholm's Chamber of Commerce

## NOTES ON GROUP ACCOUNTS

### General

The Group statements comprise all the companies in which AB Electrolux directly or indirectly owned 50 % or more of the share capital at the year-end. A minority interest existed in three subsidiary companies abroad.

The parent Company's holdings of shares in subsidiary companies have been eliminated against the respective subsidiary company's amount of share capital (par value method).

Final accounts of foreign subsidiaries have been converted into Swedish Kronor mainly at the official rates of exchange of the Swedish commercial banks on December 31, 1967.

Towards the year-end A/S Elektroheliös, now called A/S Scan-Atlas Husholdningsapparater, Copenhagen, Denmark, acquired from A/S Atlas, Copenhagen, its Lundtofte Division. But inasmuch as the valuation of acquired assets and liabilities could not be completed before the Group statements were prepared, only the preliminary figures for A/S Scan-Atlas Husholdningsapparater are included in the final Group accounts.

In 1967 certain modifications of the principals for the consolidation of the Group accounts have been made, these changes being explained in some of the notes below.

#### Note 1. *Trading profit*

Changes in inventory reserves and the amount transferred from the AB Electrolux Pension Fund of 1952 are reported separately. The figures for 1966 have been regrouped accordingly.

#### Note 2. *Dividends from other companies*

The amount shown is for the dividend received from Electrolux Corporation, New York.

#### Note 3. *Profits from sales of real estate*

Included here are profits from the disposal of the Parent Company's factory in Hammarby, Stockholm, the building owned by Electrolux Swedish Sales Company in Kronobergsgatan in Stockholm, and of properties owned by the Argentine and Portuguese subsidiaries. The last-named companies sold their properties when they acquired new premises.

#### Note 4. *Profits from sales of securities*

The greater part of this amount consists of the profit realized by Electrolux A/S, Copenhagen, from the disposal of various bonds and shares.

#### Note 5. *Transferred from Investment Fund*

The National Labour Market Board authorized AB Electrolux to draw on the Reserve for the procurement of machinery, which was ordered between May 19 and September 30, 1967, and will be delivered before April 1, 1968. Of the amount provided, the Company used SKr. 928,000 during 1967.

#### Note 6. *Interest paid*

The increased amount shown for 1967 as compared with 1966 is mainly due to the interest charges incurred in respect of the new Group affiliates.

#### Note 7. *Adjustment of net valuation of subsidiaries abroad due to changed exchange rates*

In accordance with the accounting rules applied as from 1967, adjustments under this heading are no longer reflected in the Profit & Loss Statement. They have instead affected statutory reserves and unappropriated earnings in the Balance Sheet (compare Notes 16 and 18).

#### Note 8. *Extraordinary costs*

After the Group accounts for 1965 had been closed, two foreign subsidiaries reported additional costs of SKr. 3.7 million which related to 1965 and were reported for 1966 under the above heading.

#### Note 9. *Reduction of inventory reserves*

The Parent Company reduced its inventory reserves by SKr. 4.6 million and the Swedish subsidiaries by a net amount of SKr. 6.8 million.

#### Note 10. *Miscellaneous receivables*

The increase over 1966 is accounted for by loans to property buyers and loans to distributors in connection with reorganization by Electrolux Swedish Sales Company of its branch operations.

#### Note 11. *Machinery and fittings*

	SKr. 1,000
Net book value, December 31, 1966 .....	45,736
Reversal of earlier additional reserve for depreciation less adjustments of book values arising from changed rates of exchange (compare Note 16) .....	+ 12,264
Acquisitions 1967 (including machinery and equipment in companies acquired during the year) .....	+ 28,701
Depreciation 1967 .....	./ 22,570
Obsolescence, sales, etc. ....	./ 3,677
Net book value, December 31, 1967 .....	<u>60,454</u>



In addition to the above, the Parent Company has made acquisitions totalling SKr. 928,000 that have been charged to the Investment Fund.

Note 12. *Factory, office and other buildings*

	SKr. 1,000
Net book value, December 31, 1966 .....	116,890
Adjustments arising from changed rates of exchange .....	/.
Acquisitions 1967 (including properties of companies acquired during the year) .....	+ 15,216
Depreciation 1967 .....	/.
Obsolescence, sales, etc. ....	/.
Net book value, December 31, 1967 .....	<u>117,756</u>

Note 13. *New plants under construction*

Included here are payments on account in respect of the electric cooker factory at Motala and extensions to the factory at Säfte.

Note 14. *Short-term liabilities, Miscellaneous*

Included under this item are reserves for guarantee repairs, accrued holiday payments, wages unpaid at the year-end, personnel taxes, and reserves for severance payments. The increase from the year 1966 is due mainly to similar liabilities in newly affiliated companies.

Note 15. *Reserve for unrealized profits, etc.*

As at December 31, 1966, SKr. 10.9 million of this reserve represented the difference between the price debited by supplying Group companies and their costs of manufacturing the products which remained unsold by receiving Group companies at the year-end. The remaining SKr. 12 million was the amount written down by the Parent Company below factory cost in respect of subsidiary-held inventories of Swedish-manufactured products.

In 1967 the reserve of SKr. 12 million (taxed), was transferred to Capital under the heading "Free Reserve etc. in Parent Company". Reduction of the remaining part of the reserve arises from reduced inventories held by subsidiaries.

Note 16. *Statutory and legal reserves*

This item includes the difference between the share capital of subsidiary

companies and the value of these shares in the books of the Parent Company (values in excess of par have been deducted from values below-par).

The Consolidated Balance Sheet has previously included additional depreciation reserves of SKr. 15.5 million for machinery and equipment and SKr. 4 million for bad debts. Since these reserves are no longer considered necessary, they were transferred in 1967 to the Statutory reserves with corresponding increases being made on the asset side (see Note 11). At the same time, however, the Statutory reserves were reduced by SKr. 18 million to allow for the lower rates of exchange used for conversions of share capital (reflecting the decline in below-par values) and the statutory reserves of subsidiaries in countries which devaluated their currencies, principally Great Britain.

Note 17. *Free Reserve etc. in Parent Company*

Subject to approval at the Annual General Meeting, the Free Reserve will be increased to SKr. 25 million after an appropriation of SKr. 10 million from 1967 profits. Also included in this item is the reserve (taxed) in respect of depreciation of shares to the amount of SKr. 16 million, as well as the reserve of SKr. 12 million (taxed) in respect of inventories of Swedish manufactured products (see Note 15).

Note 18. *Profits brought forward and Group profits for the year*

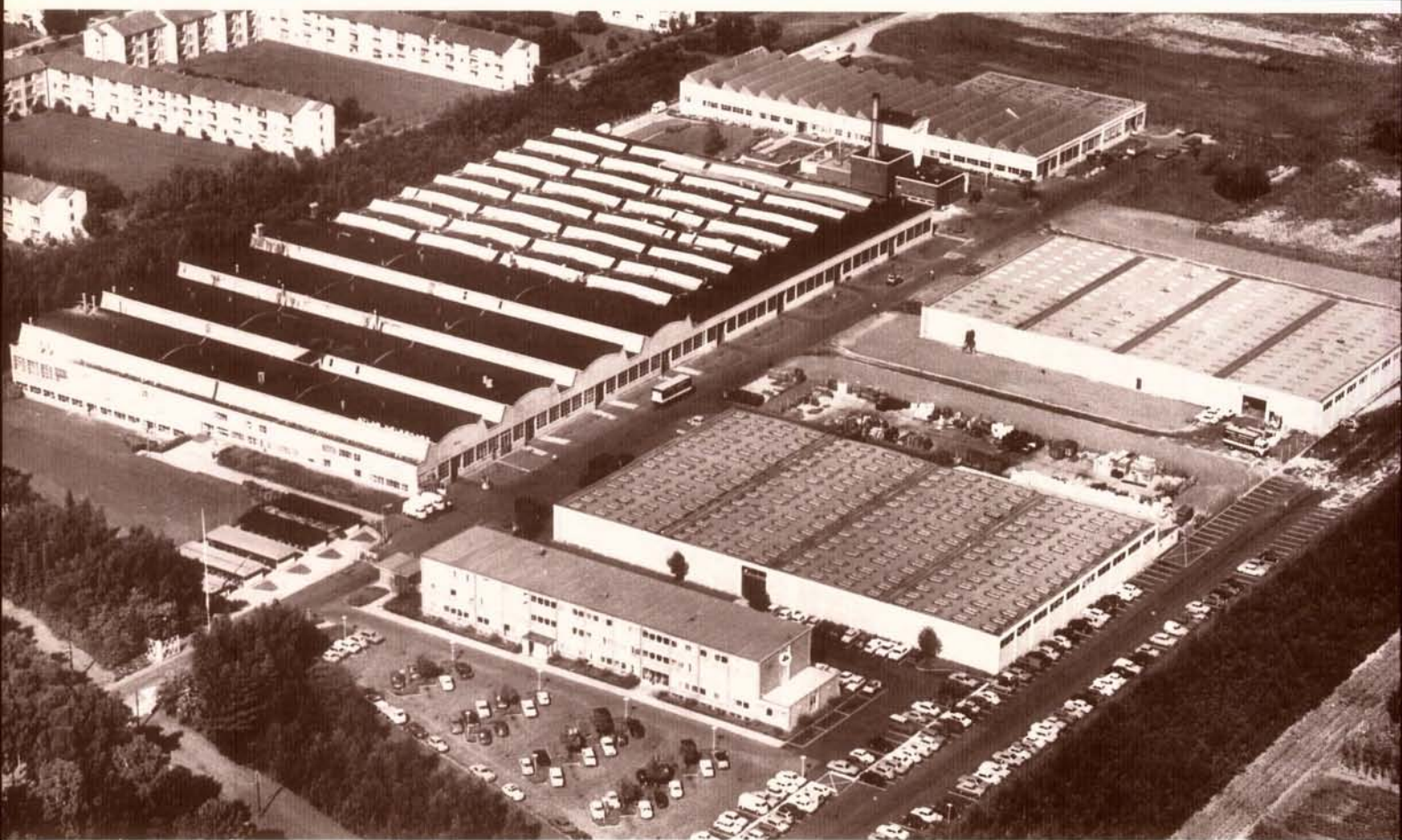
The Group profit for 1967 cannot be compared exactly with the figures for 1966 due to certain modifications in the consolidation of Group accounts.

Unappropriated earnings were reduced by SKr. 4.9 million owing to devaluations.

No provision has been made for taxation in Sweden and/or abroad on unappropriated earnings of foreign subsidiaries which may be transferred to the Parent Company in the form of dividends.

Note 19. *Contingent liabilities*

The decrease from 1966 is due to a Parent Company commitment relating to instalment contracts having been discontinued.



*The A/S Scan-Atlas Husholdningsapparater's factories at Lundtofte on the outskirts of Copenhagen.*

# AB ELECTROLUX

## PROFIT AND LOSS STATEMENT

	1967 SKr. 1,000	1966 SKr. 1,000
<i>Net sales</i> .....	388,862	405,408
<i>Deduct: Costs</i>		
Manufacturing costs, sales costs, etc. (Note 20)	372,093	388,806
Depreciation of		
Buildings (Note 21) .....	2,052	1,848
Machinery and fittings (Note 22) .....	10,530	9,620
	<u>384,675</u>	<u>400,274</u>
<i>Trading profit</i> .....	4,187	5,134
<i>Add:</i>		
Royalties (Note 20) .....	4,331	4,633
Dividends received from Subsidiaries (Note 23)	12,069	11,226
Dividends received from other Companies (Note 24) .....	6,734	6,740
Interest received from Subsidiaries .....	775	779
Other interest received (Note 25) .....	1,069	694
Profits from sales of real estate (Note 26) .....	10,079	5
Allocation to Free Reserve (Note 43) .....	./.	—
Profits from sales of shares .....	140	—
Reserve for loan no longer required .....	—	1,300
Transferred from Investment Fund (Note 5) ..	928	2,994
	<u>26,125</u>	<u>28,371</u>
	30,312	33,505
<i>Deduct:</i>		
Interest paid (Note 25) .....	3,954	4,590
General administration expenses (Note 27) .....	7,368	7,167
Depreciation charged against Investment Fund (Note 5)		
Buildings .....	—	2,763
Machinery .....	928	231
	<u>12,250</u>	<u>14,751</u>
	18,062	18,754
<i>Transferred from AB Electrolux Pension Fund of 1952</i>	193	2,814
<i>Profit before appropriations and taxes</i> .....	<u>18,255</u>	<u>21,568</u>
<i>Appropriations</i>		
Reduction of inventory reserves (Note 28) .....	+ 4,624	+ 4,057
Depreciation of shareholdings in Subsidiaries ..	— + 4,624	./.
	<u>22,879</u>	<u>23,048</u>
<i>Profit before taxation</i> .....	22,879	23,048
<i>Taxes</i> .....	4,000	7,000
<i>Net profit</i> .....	<u>18,879</u>	<u>16,048</u>

A B E L E  
BALANC

ASSETS

*Current Assets*

Liquid Assets

Cash, bank and post-office balances .....	27,534		14,428	
Promissory note .....	5,000		—	
Bills receivable .....	<u>9,187</u>	41,721	<u>9,332</u>	23,760

Receivables

Customers .....	32,001		31,939	
Subsidiaries (Note 29) .....	82,742		102,892	
Miscellaneous (Note 30) .....	<u>11,649</u>	126,392	<u>2,610</u>	137,441

Inventory (Note 28) .....		<u>45,227</u>		<u>58,486</u>
		<u>213,340</u>		<u>219,687</u>

<i>Blocked investment account with Sveriges Riksbank</i> (Bank of Sweden, Note 31) .....		2,516		8,516
---	--	-------	--	-------

*Fixed Assets*

Receivables

Subsidiaries (Note 32) .....	48,829		37,931	
Miscellaneous (Note 33) .....	<u>5,470</u>	54,299	<u>1,293</u>	39,224

Shareholdings

Subsidiaries (Note 34) .....	97,719		85,004	
Other companies (Note 35) .....	55,144		55,144	
Deduct: Reserve for depreciation (Note 36) .....	—	152,863	<u>16,000</u>	124,148

Machinery and fittings (Note 37) .....	21,782		19,206	
Factory, office and other buildings (Note 38) .....	46,882		51,959	
New plants under construction (Note 13) .....	<u>20,302</u>	88,966	<u>7,042</u>	78,207
		<u>296,128</u>		<u>241,579</u>
TOTAL ASSETS .....		<u>511,984</u>		<u>469,782</u>

Mortgages pledged:

Mortgages on buildings .....		23,289		27,806
Floating mortgages .....		—		2,300
Foreign bills receivable .....		29		122
Blocked bank deposits .....		125		—

# ROLUX SHEET

## LIABILITIES AND CAPITAL

### Short-term liabilities

Due to subsidiaries .....	1,529		1,644	
Due to suppliers .....	33,876		29,248	
Due to customers .....	783		2,290	
Notes payable .....	211		—	
Salaries, holiday compensation, taxes withheld etc. ....	22,171		21,755	
Miscellaneous (Note 39) .....	<u>14,347</u>	72,917	<u>9,639</u>	64,576
Taxes payable .....		<u>8,924</u>		<u>6,666</u>

81,841

71,242

### Long-term liabilities

Due to subsidiaries .....	2,662		1,302	
Mortgage loans .....	12,194		11,052	
Debenture loan .....	<u>30,520</u>	45,376	<u>32,120</u>	44,474

### Pension Funds (Note 40)

AB Electrolux Pension Fund .....	8,225		8,225	
The Electrolux Group PRI Fund .....	24,357		19,920	
Other pension funds, free .....	<u>5,025</u>	37,607	<u>5,073</u>	33,218
		<u>82,983</u>		<u>77,692</u>

### Reserve for unrealized profit in and writing-down of stocks of subsidiaries abroad (Note 41) .....

5,746

20,185

### Investment Fund (Note 31) .....

18,562

19,490

### Capital and surplus

Share capital (Note 42) .....	190,000		190,000	
Statutory Reserve .....	<u>38,000</u>	228,000	<u>38,000</u>	228,000
Free Reserve (Note 43) .....		25,000		15,000
Taxed reserve for depreciation of shares (Note 36) .....		16,000		—
Taxed reserve for writing-down of inventories held by subsidiaries abroad (Note 41) .....		12,000		—
Profits brought forward .....	22,973		22,125	
Profit for the year .....	<u>18,879</u>	<u>41,852</u>	<u>16,048</u>	<u>38,173</u>

322,852

281,173

### TOTAL LIABILITIES, CAPITAL, AND SURPLUS ..

511,984

469,782

### Profit as per Balance Sheets of Dec. 31, 1966, and Dec. 31, 1965, respectively .....

38,173

37,325

### Deduct: Dividends declared at Annual General Meetings in 1967 and 1966 .....

15,200

15,200

22,973

22,125

### Contingent liabilities (Note 19) .....

49,576

63,814

### (whereof discounted bills receivable) .....

(1,516)

(2,382)

## SPECIFICATION OF SHAREHOLDINGS

### SUBSIDIARIES

		Par value SKr. 1,000	Book value SKr. 1,000
A/S Atlas Svenska Försäljnings AB, Malmö .....	2,500 shares	250	—
AB Carex, Stockholm .....	50 „	5	5
Centralkassan AB, Stockholm .....	50 „	5	5
AB Elektro-Apparat, Alingsås .....	1,000 „	500	500
Elektro-Helios Fastighets AB, Stockholm .....	100 „	100	100
Elektroheliös Försäljnings AB, Stockholm .....	5,000 „	500	500
Electrolux Svenska Försäljnings AB, Stockholm .....	60,000 „	6,000	6,000
Getinge Mek. Verkstads AB, Getinge .....	600 „	60	3,000
AB Lux, Stockholm .....	200 „	20	20
Nordic Pool AB, Stockholm .....	50 „	5	5
AB Rebon, Stockholm .....	1,000 „	100	100
AB Sollidenverken, Borås .....	6,500 „	650	650
Verkstads AB Bällsta, Stockholm .....	15,000 „	750	750
Försäljnings AB Volta, Stockholm .....	2,000 „	200	200
		9,145	11,835
Shares in subsidiaries abroad .....			85,884
(as per special permit not specified in the Annual Report)			SKr. 97,719

### OTHER COMPANIES

			Book value SKr. 1,000
ADELA Investment Company S.A., Luxembourg .....	10 shares		515
Electrolux Corporation, New York .....	1,920,000 „		54,629
Kalinga Svenska Ltd., Calcutta .....	3,498 „		—
La Maison de Suede à Paris S.A., Paris .....	1,200 „		—
AB Sukab, Stockholm .....	17 „		—
Svensk Interkontinental Lufttrafik AB, (S.I.L.A.), Stockholm .....	4,000 „		—
AB Svensk Värmemätning C.B. System, Stockholm .....	650 „		—
Svenska MTM-gruppen AB, Stockholm .....	1 „		—
TV-främjandet, AB Television & Co., Stockholm .....	10 „		—
			SKr. 55,144

With reference to the Auditors' Report included in the Annual Report, we certify that the above Profit and Loss Statement and Balance Sheet agree with the Company's accounts.

Stockholm in April 1968

BRUNO SVENSSON  
*Auditor, authorized by the  
Stockholm Chamber of Commerce*

ARNE HOLMEN  
*Auditor, authorized by the  
Stockholm Chamber of Commerce*

## NOTES ON PARENT COMPANY ACCOUNTS

### Note 20. *Manufacturing costs, sales costs, etc.*

Included here are expenses incurred for the central laboratories, a portion of which are defrayed by manufacturing subsidiaries abroad. Payments for this purpose were formerly included under Royalties, but as from 1967 they are included under the above heading. The figures for 1966 have been regrouped accordingly.

### Note 21. *Depreciation of buildings*

Factory buildings are depreciated at 3 % per annum based on original cost. For staff housing the rate varies between 0.6 % and 1 % of assessed valuation.

### Note 22. *Depreciation of machinery and fittings*

Depreciation is charged at 30 % per annum of the book value. In addition, during the year acquisitions amounting to SKr. 928,000 have been written off against the Investment Fund.

### Note 23. *Dividends received from subsidiaries*

The amount recorded includes more than SKr. 4 million from Verkstads AB Bällsta, which in 1966 reported a profit of this amount from the sale of the building in which formerly outboard motors were manufactured.

### Note 24. *Dividends received from other companies*

The dividend received from Electrolux Corporation, New York, is included under this heading. At the year-end AB Electrolux owned 1,920,000 shares, on which a dividend of 80 cents per share had been declared. U.S. withholding tax of 15 % was deducted from the disbursement.

### Note 25. *Other interest received*

The increase over 1966 is due to improved Company liquidity, which arises from two factors: (1) larger amounts were kept on deposit in interest-bearing bank accounts for part of 1967; and (2) overdrafts were used to a less extent during periods of heavy disbursements.

### Note 26. *Profits from sales of real estate*

The greater part of this amount is attributable to sale of the Company's factory in Hammarby, Stockholm.

### Note 27. *General administration expenses*

These expenses must be seen in relation to the fact that, for an international group of the size of Electrolux, they necessarily include certain expenses incurred for the central administration of subsidiaries. Per contra, the Parent Company earns income from shipments to subsidiaries, as well as dividends and royalties.

### Note 28. *Reduction of inventory reserves*

Reduced inventories have largely been responsible for the releasing of reserves. Reserves were calculated on the basis of 65 % of the gross inventory values, less 5 % for obsolescence.

### Note 29. *Current Assets:*

#### *Receivables, subsidiaries*

As from 1967 current assets will include trading receivables from subsidiary companies outstanding one year or less. Receivables for longer periods will be shown under "Fixed Assets". The accounts for 1966 have been regrouped correspondingly.

### Note 30. *Current Assets: Miscellaneous*

Reported under this heading are claims for drawback of customs duties from the Swedish Board of Customs, advances to suppliers, payments on account to the Pensions Registration Institute (PRI), amounts owed by employees, and prepaid expenses. The 1967 figure also includes short-term promissory notes received in connection with the sale of real estate.

### Note 31. *Blocked Investment Account with Bank of Sweden and Investment Fund*

Under Article 9 of the Royal Ordinance relating to investment funds, the Swedish Government granted the Company permission to draw on its Investment Fund to finance construction of the electric cooker factory at Motala and extensions to the Säfte factory. The National Labour Market

Board, acting on the strength of the same statute, authorized the Company to use a certain amount of the fund for the procurement of machinery. The sum of SKr. 6 million was accordingly withdrawn from the investment account with the Bank of Sweden. Most of the amount the Company is authorized to transfer from the fund will be posted in the 1968 accounts.

Note 32. *Fixed Assets:  
Receivables, subsidiaries*

Reported under this heading are: (1) amounts loaned by the Parent Company to subsidiaries; (2) other receivables which have become long-term in nature; and (3) amounts owed by Swedish real estate companies.

Note 33. *Fixed Assets:  
Receivables, miscellaneous*

The increase of SKr. 4 million is attributable to long-term promissory notes received in connection with the sale of real estate.

Note 34. *Shareholdings in subsidiaries*

Major new entries under this heading include SKr. 7.6 million for newly subscribed shares in A/S Scan-Atlas Husholdningsapparater, Copenhagen, and SKr. 4.9 million representing an increase of the share capital in Electrolux S.A. de C.V., Mexico City.

Note 35. *Shareholdings in other companies*

At the year-end AB Electrolux owned about 38 % of the share capital in Electrolux Corporation, New York, which for 1967 reported sales of US\$ 119.4 million and a net profit of US\$ 10.2 million.

Note 36. *Reserve for depreciation of shareholdings*

The earlier reserve of SKr. 16 million (taxed) was transferred to Capital.

Note 37. *Machinery and fittings*

	Skr. 1,000
Net book value, December 31, 1966 .....	19,206
Acquisitions 1967 .....	+ 13,106
Depreciation 1967 .....	./ 10,530
Net book value, December 31, 1967 .....	<u>21,782</u>

In addition, acquisitions amounting to SKr. 928,000 were charged to the Investment Fund.

Note 38. *Factory, office and other buildings*

	SKr 1,000
Net book value, December 31, 1966 .....	51,959
Acquisitions 1967 .....	+ 1,593
Book value of real estate sold ..	./ 4,618
Depreciation 1967 .....	./ 2,052
Net book value, December 31, 1967 .....	<u>46,882</u>

Note 39. *Short-term liabilities, Miscellaneous*

This entry includes purchase tax, reserves for guarantee repairs, accrued expenses, amortization on mortgage loans and debentures to be paid within one year, and interest on mortgage loans and debentures accrued at the year-end. Also included are loans expected to be transferred in 1968 to present owners of real estate sold. This explains the increase over 1966.

Note 40. *Pension Funds*

During the year the Company increased its total liability to pension funds by SKr. 4.4 million. Of this amount, SKr. 4.2 million represents allocations and SKr. 200,000 interest accrued. Parent Company liability is equivalent to the pension reserves calculated on actuarial grounds.

Note 41. *Reserve for unrealized profits in and writing-down of stocks of subsidiaries abroad*

This reserve, which has been reported in the Parent Company's books for many years, consisted (1) of the difference between the price debited by the Parent Company for products delivered to foreign subsidiaries and the manufacturing costs of such products as remained in stock with the subsidiaries at year-end; and (2) of a writing-down by SKr. 12 million of these inventories below the manufacturing cost. The latter part has been taxed. In 1967 the taxed portion of the reserve was transferred to Capital as mentioned in Note 15 on the Group Accounts.



Note 42. *Share capital*

	SKr. 1,000
160,000 A-shares at SKr. 100 ..	16,000
1,740,000 B-shares at SKr. 100 ..	<u>174,000</u>
1,900,000 shares at SKr. 100 ..	<u>190,000</u>

The holder of each A-share is entitled to one vote and of each B-share to 1/1,000 vote.

All shares carry the same right to a share in the Company's assets and profits.

Note 43. *Free Reserve*

	SKr. 1,000
Balance, January 1, 1967 .....	15,000
Appropriation subject to approval at the 1968 Annual General Meeting .....	<u>10,000</u>
Balance, December 31, 1967 ..	<u>25,000</u>

PROPOSED DISTRIBUTION OF PROFITS

The Board of Directors and the Managing Director recommend that the Annual General Meeting approve the appropriation of SKr. 10 million to the Free Reserve, as well as the other allocations reported above. The total earnings available for distribution are as follows:

Balance at the beginning of the year ..	SKr. 22,972,315
Taxed reserve for depreciation of shareholdings .....	,, 16,000,000
Taxed reserve for writing-down of inventories held by subsidiaries abroad ..	,, 12,000,000
Net profit for 1967 .....	<u>18,879,424</u>
Total .....	<u>SKr. 69,851,739</u>

The Board of Directors and the Managing Director recommend the following distribution:

Payment of a dividend to shareholders against coupon No. 64 of SKr. 8.00 per share .....	SKr. 15,200,000
Balance to be carried forward .....	,, 54,651,739
	<u>SKr. 69,851,739</u>

The Board of Directors and the Managing Director take this opportunity to thank all employees of the Electrolux Group for the interest and enthusiasm with which they have discharged their duties during the past year. They also wish to convey their thanks to agents, distributors, and customers in all parts of the world for the confidence they have shown in the Company and its products.

Stockholm, March 20, 1968

RAGNAR SÖDERBERG  
*Chairman of the Board*

MARCUS WALLENBERG

GUNNAR ENGELLAU

LUKE

ÅKE T. VRETHEM

HANS WERTHEN  
*Managing Director*

/ H. ERIKSSON

**SUPPLEMENTARY INFORMATION  
ABOUT ELECTROLUX**

**Three-year review**                      1967      1966      1965

*The Parent Company*

Sales .....	SKr. mill.	388.9	405.4	419.9
Net profit ....	" "	18.9	16.0	20.1
Balance sheet				
total .....	" "	512.0	469.8	469.8
No. of employees,				
annual average		4,611	5,049	5,595
Salaries,				
wages and				
remunerations .	SKr. mill.	116.2	120.4	118.0

*The Group*

Sales .....	SKr. mill.	1,106.0	1,070.3	1,056.2
Net Group profit	" "	32.0	26.2	35.7
Balance sheet				
total .....	" "	953.0	861.9	857.4
No. of employees,				
annual average		19,150	20,110	21,409
Salaries,				
wages and				
remunerations .	SKr. mill.	334.7	357.7	345.2

**Number of employees**

	1967	1967	1966
	(As at	(average during	
	Dec. 31)	the years)	
<i>The Parent Company</i>			
Workers .....	2,871	2,833	3,188
Others .....	1,718	1,778	1,861
	<u>4,589</u>	<u>4,611</u>	<u>5,049</u>

*Swedish subsidiaries*

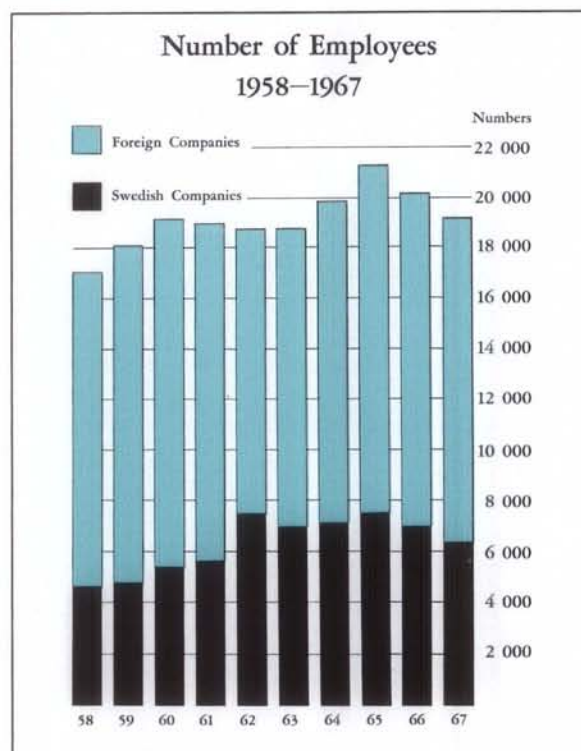
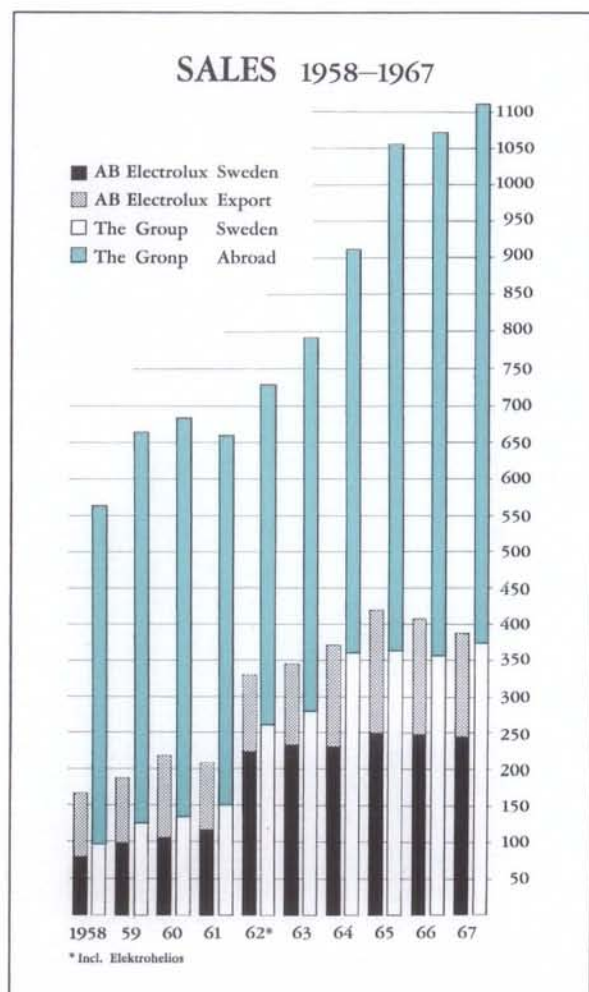
Workers .....	434	476	588
Others .....	1,153	1,232	1,344
	<u>1,587</u>	<u>1,708</u>	<u>1,932</u>

*Subsidiaries abroad*

Workers .....	4,291	3,815	3,865
Others .....	8,523	9,016	9,264
	<u>12,814</u>	<u>12,831</u>	<u>13,129</u>

*Total number of employees  
in the Electrolux Group*

Workers .....	7,596	7,124	7,641
Others .....	11,394	12,026	12,469
	<u>18,990</u>	<u>19,150</u>	<u>20,110</u>



## Salaries, wages and remunerations

	1967	1966
<i>The Parent Company:</i>	SKr. 1,000	
Board of Directors, Managing Director, and senior executives .....	1,405	1,624
Workers .....	56,821	63,330
Others .....	58,016	55,406
	<u>116,242</u>	<u>120,360</u>
<i>Swedish Subsidiaries:</i>		
Board of Directors, Managing Directors, and senior executives .....	202	442
Workers .....	10,384	10,902
Others .....	34,859	34,946
	<u>45,445</u>	<u>46,290</u>
<i>Subsidiaries abroad:</i>		
Board of Directors, Managing Directors, and senior executives .....	3,757	4,483
Workers .....	44,599	50,924
Others .....	124,608	135,667
	<u>172,964</u>	<u>191,074</u>
<i>Total amount of salaries, wages and remunerations in the whole Electrolux Group:</i>		
Boards of Directors, Managing Directors, and senior executives .....	5,364	6,549
Workers .....	111,804	125,156
Others .....	217,483	226,019
	<u>334,651</u>	<u>357,724</u>

In addition to the salaries, wages and remunerations specified above, the Parent Company and the Swedish Subsidiaries have defrayed social charges for personnel (ATP, PRI, pensions, group life insurance, etc.) in a total amount of approximately SKr. 24.7 million.

## Assessed values

At the year-end Parent Company's real estate had an assessed value of SKr. 88.1 million, including a separate value of machinery of SKr. 4.4 million.

## Insurance values

Parent Company's buildings SKr. 135.6 million  
 Parent Company's machinery, fittings, etc. .... SKr. 227.1 million

## Number of shareholders

At the year-end AB Electrolux had about 14,700 shareholders.

# AUDITORS' REPORT

As auditors of Aktiebolaget Electrolux we beg to submit the following Auditors' Report for the year 1967.

We have checked the Annual Report, examined the Accounts, Minutes of Meetings and other documents giving information on the financial position and administration of the Company, and carried out other examinations deemed necessary.

The Accounts have been checked by means of random tests by the Company's internal auditors who have submitted to us reports of their examinations.

The regulations laid down in the Companies' Act relative to the accounting of shareholdings and consolidated accounts have been observed.

The accounts of Aktiebolaget Electrolux Pension Fund, established as per law of June 18, 1937, and administered by the Company's Board, have been examined by us.

During the audit we have found no grounds for adverse criticism of the documents presented to us, the Company's Accounts, the verification of the assets or the administration of the Company.

During previous years taxed reserves totalling SKr. 28 million have been reported in the balance sheet under the headings Shareholdings and Reserve for unrealized profit in and writing-down of stocks of subsidiaries abroad respectively. These reserves have been transferred to unappropriated profits in the year-end accounts. We have no objection to make to this transfer.

The Board of Directors and the Managing Director recommend that SKr. 10 million be appropriated to the Free Reserve in connection with the closing of the accounts, after which this Fund will amount to SKr. 25 million. In addition, the Board of Directors and the Managing Director recommend that the remaining surplus, SKr. 69,851,739:—, be appropriated as follows:

For payment of Dividends to the shareholders .....	SKr. 15,200,000
Balance of Surplus to be carried forward .....	SKr. 54,651,739
	<u>SKr. 69,851,739</u>

This proposal is not at variance with the regulations of the Companies' Act in respect of appropriation to Reserve Funds or with good commercial practice with regard to the position of the Group and to the result of its activity.

We recommend

*that* the Balance Sheet as at December 31, 1967, included in the Annual Report and signed by us be approved

*that* the available Surplus be allocated in accordance with the above proposal, and

*that* the Board of Directors and the Managing Director be granted discharge for the past financial year's administration.

Stockholm in April 1968

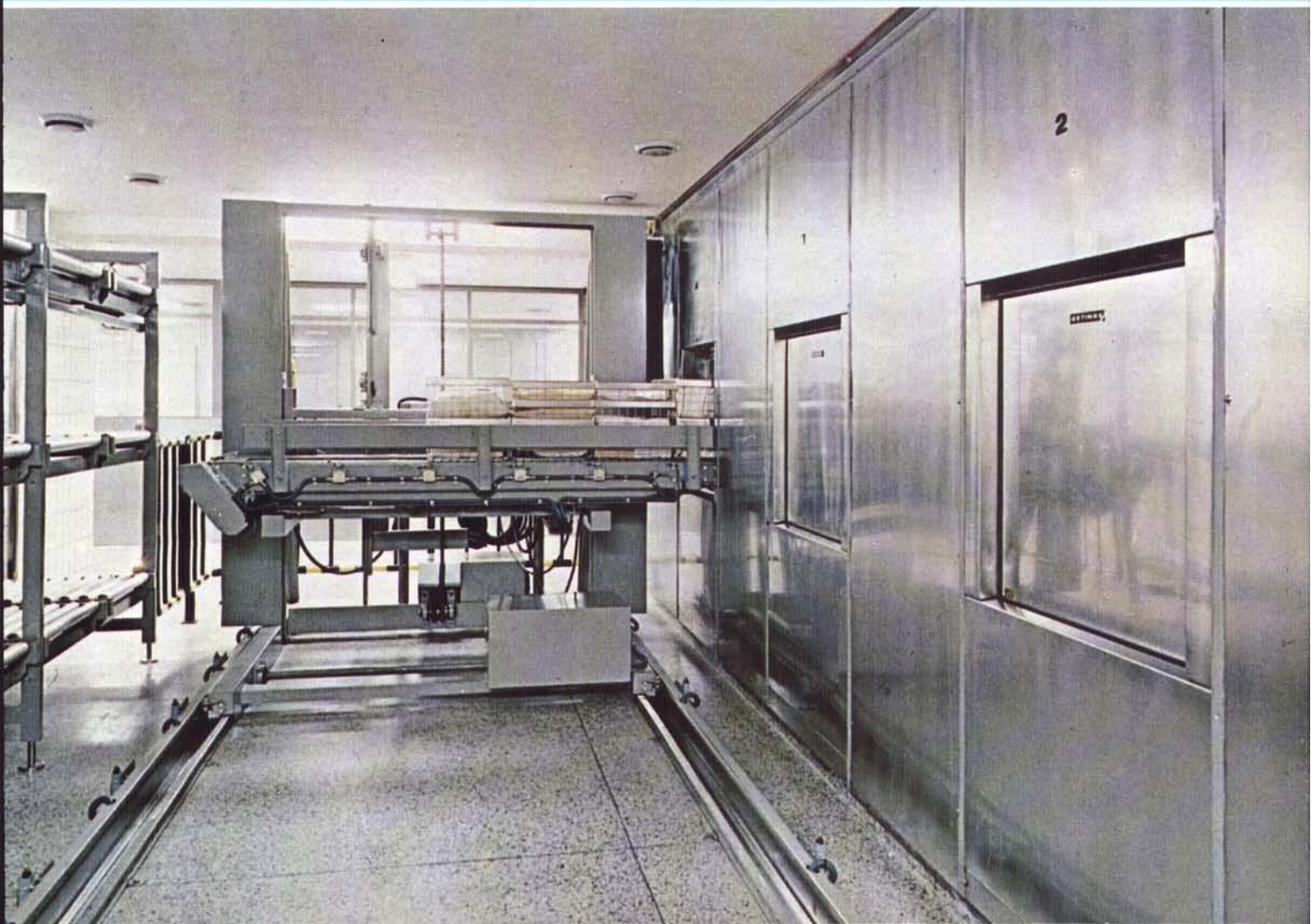
BRUNO SVENSSON  
*Auditor, authorized by*  
*Stockholm's Chamber of Commerce*

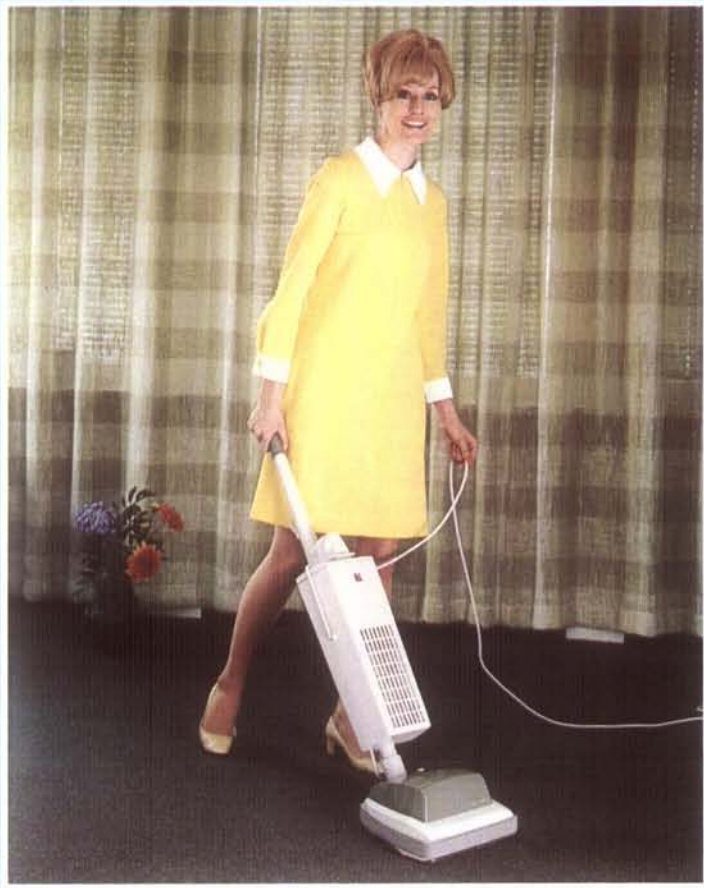
ARNE HOLMEN  
*Auditor, authorized by*  
*Stockholm's Chamber of Commerce*



1967 was a busy year for the Catering Division. Shown above is a complete installation for the Skandia Group's new staff dining room at Hötorgscity in Stockholm.

An entire central sterilising plant for the Lund General Hospital with fully-automatic sterilisation was developed, planned, manufactured and installed under the direction of Electrolux. Illustrated below are the exit doors of the autoclaves from which the sterilised items are conveyed automatically to the stores.





*A new upright vacuum cleaner was introduced during 1967 by the Electrolux factory in Luton, England. Designated the Z 152, it has made a successful debut in Great Britain and several Continental countries.*

*An automatic version of the Electrolux D 10 dish-washing machine is now available, designated the D 100. This new machine pre-rinses, washes and rinses the dishes in 11 minutes and then switches itself off.*



