

Net sales and income

Net sales

Net sales for the Electrolux Group in 2011 amounted to SEK 101,598m, as against SEK 106,326m in the previous year. Changes in exchange rates had a negative impact on net sales. The acquisitions of Olympic Group in Egypt and CTI in Chile had a positive impact on net sales by 1.7%. Net sales were slightly positive in comparable currencies, excluding acquisitions.

Strong sales growth in Latin America and Asia/Pacific offset lower sales in mature markets as Europe and North America. Olympic Group and CTI are included in Electrolux consolidated accounts for 2011 as of September and October, respectively, see page 18 and 19.

Change in net sales

%	2011
Changes in Group structure	1.7
Changes in exchange rates	-6.3
Changes in volume/price/mix	0.2
Total	-4.4

Operating income

Operating income for 2011 decreased to SEK 3,017m (5,430), corresponding to 3.0% (5.1) of net sales. Weak demand in Electrolux main markets, lower sales prices and increased costs for raw materials had an adverse impact on operating income for 2011.

The contribution from the acquired companies Olympic Group and CTI including related acquisition adjustments was slightly negative. Expenses related to the acquisitions amounted to SEK 99m in 2011, see page 18 and 19.

Electrolux has been tangibly affected by the decline in consumer confidence in the mature markets. To improve cost efficiency, a number of cost-savings activities are being implemented, see page 18. Activities to reduce staffing levels in all regions were initiated in the fourth quarter of 2011 and will continue in 2012. Non-recurring costs for these activities have been charged to operating income in the amount of SEK 635m, see table below. In addition, non-recurring historical WEEE¹⁾ related costs in Hungary for the period 2005 to 2007 amounting to SEK 190m have been charged to operating income, see table below.

- Net sales for 2011 increased by 1.9% in comparable currencies. Acquisitions had an impact on net sales by 1.7%.
- Sales growth in Asia/Pacific, Latin America and Small Appliances offsets lower sales in Europe and North America.
- Operating income amounted to SEK 3,155m (6,494), corresponding to a margin of 3.1% (6.1), excluding items affecting comparability.
- Operating income declined mainly due to lower sales prices and increased costs for raw materials.
- Income for the period was SEK 2,064m (3,997).
- Earnings per share amounted to SEK 7.25 (14.04).

Non-recurring costs

SEKm	2011
Reduction of staffing levels in Europe	500
WEEE related costs, Europe	190
Reduction of staffing levels, North America	15
Reduction of staffing levels, Asia/ Pacific	20
Reduction of staffing levels, Small Appliances	45
Reduction of staffing levels, Group functions	55
Total	825

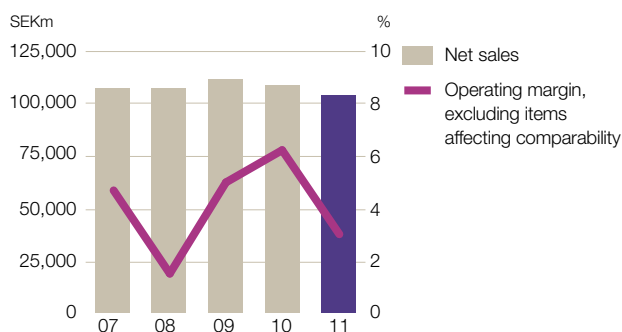
1) Producer responsibility related to Waste Electrical and Electronic Equipment (WEEE).

Items affecting comparability

Operating income for 2011 includes items affecting comparability in the amount of SEK -138m (-1,064), referring to restructuring provisions, see table on page 18.

Excluding items affecting comparability and the non-recurring costs described above, operating income for 2011 amounted to SEK 3,980m (6,494), corresponding to a margin of 3.9% (6.1).

Net sales and operating margin



Earnings per share

