

Report by the Board of Directors for 2011

- Net sales amounted to SEK 101,598m (106,326) and income for the period to SEK 2,064m (3,997), corresponding to SEK 7.25 (14.04) per share.
- Net sales increased by 1.9% in comparable currencies. Acquisitions had an impact on net sales by 1.7%.
- Weak demand in mature markets while demand in emerging markets showed strong growth.
- Operating income decreased to SEK 3,017m (5,430), corresponding to an operating margin of 3.0% (5.1).
- Lower sales prices and increased costs for raw materials had an adverse impact on operating income.
- Non-recurring costs of SEK 825m were charged to operating income for overhead reductions and WEEE related costs for earlier years.
- Operating income amounted to SEK 3,980m (6,494), corresponding to a margin of 3.9% (6.1), excluding items affecting comparability and non-recurring costs.
- Acquisitions of the appliances companies Olympic Group in Egypt and CTI in Chile.
- The Board of Directors proposes a dividend for 2011 of SEK 6.50 (6.50) per share.
- The Board proposes a renewed AGM mandate to repurchase own shares.

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Key data

SEKm	2011	Change, %	2010
Net sales	101,598	-4	106,326
Operating income	3,017	-44	5,430
Margin, %	3.0		5.1
Income after financial items	2,780	-48	5,306
Income for the period	2,064	-48	3,997
Earnings per share, SEK	7.25		14.04
Dividend per share, SEK	6.50 ¹⁾		6.50
Net debt/equity ratio	0.31		-0.03
Return on equity, %	10.4		20.6
Average number of employees	52,916		51,544

Excluding items affecting comparability

Items affecting comparability	-138		-1,064
Operating income	3,155	-51	6,494
Margin, %	3.1		6.1
Income after financial items	2,918	-54	6,370
Income for the period	2,148	-55	4,739
Earnings per share, SEK	7.55		16.65
Return on net assets, %	13.5		31.0

Non-recurring costs in the fourth quarter of 2011

	-825		—
Operating income excluding non-recurring costs and items affecting comparability	3,980	-39	6,494
Margin, %	3.9		6.1

1) Proposed by the Board of Directors.