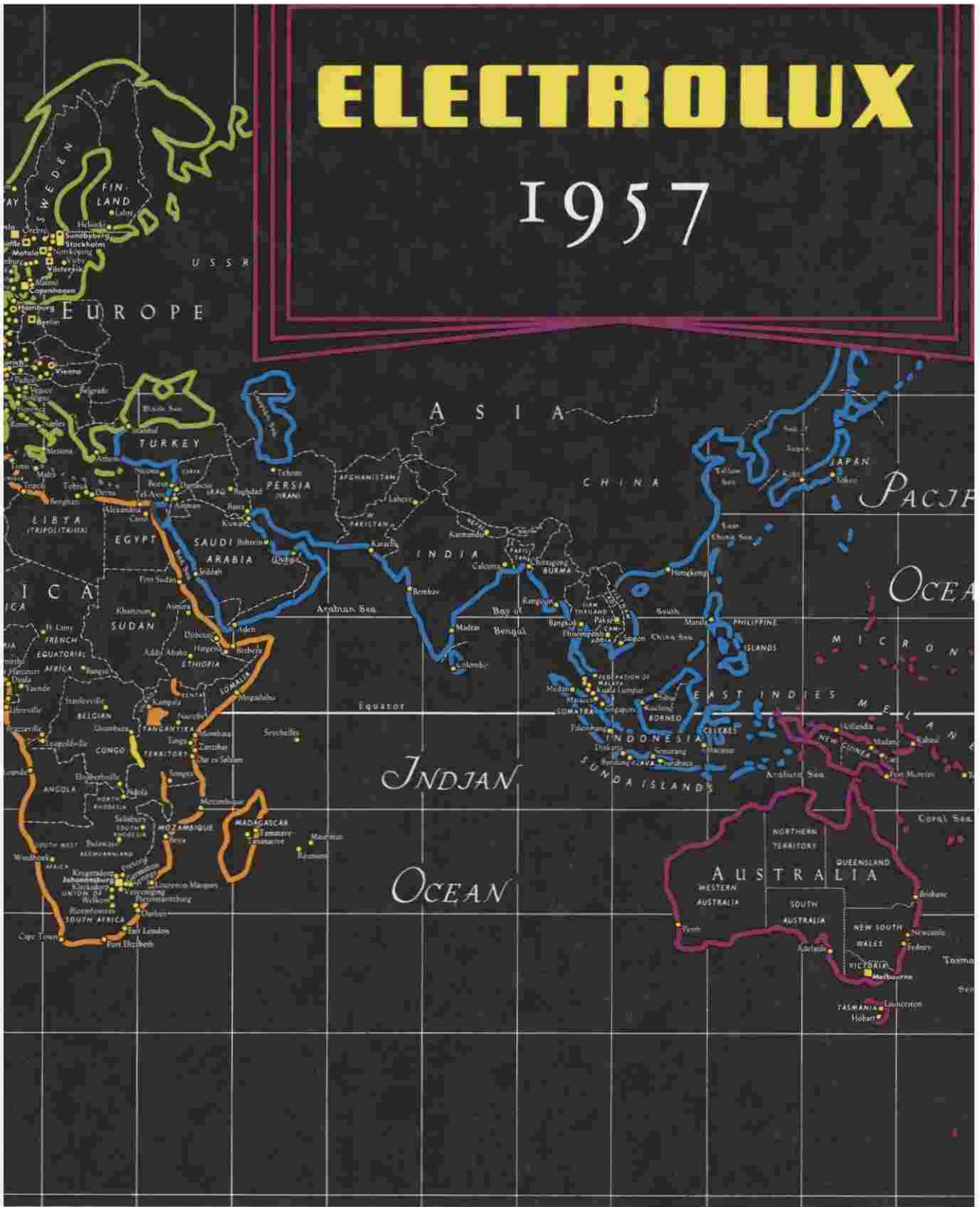


ELECTROLUX

1957



REPORTS OF THE DIRECTORS AND AUDITORS

AKTIEBOLAGET ELECTROLUX

STOCKHOLM

ANNUAL REPORT 1957

The Annual General Meeting will be held on Monday, May 12th, 1958, at 4.00 p.m. at the Company's offices, Birger Jarlgatan 6 B, Stockholm.

Shareholders wishing to participate in the proceedings of the Annual General Meeting must register at the offices of the Company in Stockholm not later than three clear days before such Meeting, between 10 a.m. and 2 p.m.

Such dividend for 1957 as may be declared at the Annual General Meeting, will be paid out as from May 13th, 1958, against coupon No. 54, at the offices of the Company in Stockholm, or at the offices of Skandinaviska Banken or Stockholms Enskilda Bank in Sweden.

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

*Electrolux' Stockholm Factory and
Central Laboratories*





ANNUAL REPORT OF THE BOARD AND OF THE MANAGING DIRECTOR FOR 1957

The Company has during 1957 well maintained its position both in Sweden and abroad. This has been achieved despite import restrictions having been introduced during the year in such countries as France, Colombia and Uruguay, and no alleviations of importance in restrictions previously introduced having occurred. Sales efforts have been intensified on markets with free import and otherwise satisfactory conditions, whereby a certain averaging-out has been possible. Increased manufacturing costs, especially in Sweden, as well as generally rising expenses have, however, influenced the year's result.

SALES

Sales of the Swedish factories' products by AB Electrolux amounted during the year to Kr. 152.1 million as against Kr. 148.4 m. during 1956. Of this, 52.5 % was exported as against 50.9 % for 1956.

The total sales of the Concern during 1957 amounted to Kr. 535 m. as against Kr. 512 m. during 1956. As a result of lower rates for converting some foreign currencies during 1957, primarily French francs but also Brazilian cruzeiros, the increase as compared with 1956 amounted only to Kr. 23 m., corresponding to 4.5 %. If the Concern sales for 1957 had been converted at the same rates as for 1956, a total turnover for the Concern of Kr. 568 m. would be arrived at, i.e. an increase of

Kr. 56 m. In arriving at these figures, all deliveries from the Parent Company to Subsidiaries or between these have, as usual, been eliminated.

Many of the Subsidiaries abroad show considerable increases in turnover, among these the British Company, which during 1956 suffered a substantial decrease in its sales as a result of measures then introduced tending to limit consumption. Despite these remaining in force, the decrease has been wholly recouped, and sales in Great Britain during 1957 have been larger than during any previous year.

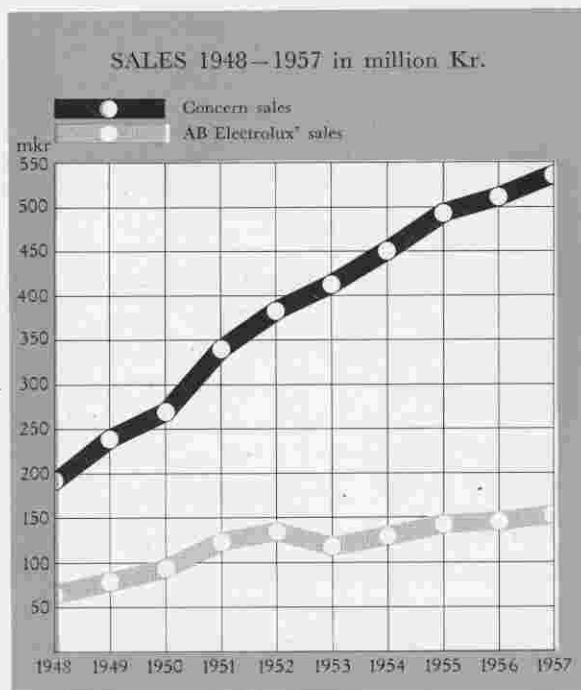
The total sales of the Concern, amounting to Kr. 535 m., comprise Kr. 92 m., i.e. 17 %, to customers in Sweden, and Kr. 443 m., i.e. 83 %, to customers abroad.

PRODUCTION — RESEARCH — NEW PRODUCTS

Production by the Company's Swedish factories rose in volume by 6.2 % as compared with 1956. Despite rationalization of manufacturing methods being continually carried out, manufacturing costs increased during 1957, this being reflected in a lower "Profit on operations", as shown by the Company's Profit and Loss Statement.

Manufacture of vacuum cleaners and floor polishers by the Concern's factories abroad increased generally during 1957 as compared with 1956, while manufacture of refrigerators at several factories abroad decreased. The French factory, however, increased production of refrigerators by a good 20 %.

Development work at the Company's Central Laboratories in Stockholm has been further intensified during 1957, resulting, inter alia, in several new refrigerator models and a 300 litre deep-freeze cabinet having been introduced during the year. Further, designs for new domestic washing machines and a centrifuge have been completed and these are expected to come into production during 1958.



Collaboration with AB Separator has been initiated during the year, especially in the technical field. Contact has thus been established between the two companies' development departments and, furthermore, an exchange of experience in general has taken place relative to manufacturing problems.

THE SIX STATE MARKET — FREE TRADE AREA

Problems affecting European integration—the Six State Market already existing and plans for a Free Trade Area—play an important part in planning for the more distant future within a business having Electrolux' structure, with subsidiaries and factories located in the area in question. The Management follows developments with attention, and alternatives are being prepared for the different ways which development may conceivably take.

Deliveries to Subsidiaries in the Six State Group amounted during 1957 to about 16 % of exports from Electrolux' Swedish factories. Subsidiaries in Germany, France and Italy have their own factories for making the greater part of the products sold in these countries.

NUMBERS EMPLOYED — SALARIES AND WAGES

The average number of workmen employed during the year was 2,328, the average number of other employees being 1,092.

The total amount of remuneration paid during the year is made up as follows:—

Directors, Managing Director and other Executives.....	Kr. 1,424,629
Workmen	” 26,369,933
other Employees.....	” 19,060,630

The Swedish Selling Companies employed 190 workmen and 715 other employees, remuneration paid amounting to:—

Directors, Managing Directors and other Executives.....	Kr. 352,896
Workmen	” 2,088,807
other Employees.....	” 10,840,410

The Subsidiaries abroad employed 3,828 workmen and 7,817 other employees, remuneration

paid (converted into Swedish Kronor) amounting to:—

Directors, Managing Directors and other Executives	Kr. 3,020,740
Workmen	” 33,328,718
other Employees	” 91,836,414

The total number of persons employed within the Concern thus averaged 15,970 during 1957.

COMMENTS ON THE ACCOUNTS

The Profit and Loss Statement shows a decrease in “Profit on operations”, while income from Investments and Royalties is higher during 1957 than for 1956. The decrease in profit from production and sales must be ascribed primarily to continually increased cost of manufacture in Sweden. Further, certain reductions in prices debited to Subsidiaries, introduced during the latter part of 1956, reached their full effect during the whole of 1957 and consequently tended to reduce the margin of profit.

An amount of Kr. 1,800,000 was transferred during the year to AB Electrolux’ Pension Fund of 1952, in addition to which this fund has been credited with interest amounting to Kr. 326,000. The balance at the end of the year amounted to Kr. 11,846,000. On the other hand, the Company has appropriated during 1957—as for that matter during 1956—an amount of Kr. 2,216,000 from the special Pension Fund with the Swedish Personnel Pensions Society

(“SPP”) to cover the Company’s share of pension premiums for 1957, whereafter the balance of the Fund amounts to Kr. 12,507,000.

“Dividends from other foreign shareholdings” consists mainly of a dividend of \$ 1.- per share on the Company’s 350,000 shares in the Electrolux Corporation, New York.

The Company has transferred Kr. 4,000,000 to a special Investment Fund, as allowed by Royal Decree of May 27th, 1955.

The “Writing-down of the book value of shares in Subsidiary Companies” refers mainly to the Electrolux Manufacturing Company in Berlin.

Balance Sheet

AB Lux, Stockholm, the owner of the premises at Lilla Essingen where the Company carries on manufacture, has been merged with the Parent Company, resulting in these buildings having been taken over by the Company. This explains the principal increase in the item “Land, Factory & Office Buildings” as also the major part of the increase in “Reserve for Depreciation”. At the Company’s factory in Västervik another storey has been added to the office building.

In accordance with the new assessed values valid as from 1957, the Company’s Land & Buildings were assessed at Kr. 20,522,700 and were insured against fire for Kr. 35,928,400. The assessed value of Land & Buildings belonging to the Concern in Sweden was Kr. 31,420,800, while the fire insurance value was Kr. 60,671,600.

Purchases of Machinery, Office Furniture, Cars, etc. amounted during the year to Kr. 3,402,000, while items scrapped and sold amounted to Kr. 786,000. The net increase was, consequently, Kr. 2,616,000. The fire insurance value of Machinery and Furniture was Kr. 124,738,600.

“Shareholdings in Subsidiary Companies” has decreased by Kr. 12,445,000, this corresponding to the nominal value of the share capital (equal to the book value) of the shares in AB Lux and in Bohus Mekaniska Verkstads AB, both these

AB ELECTROLUX		
NUMBER OF EMPLOYEES	REMUNERATION PAID (million Kr.)	
3,124	1948	21,3
3,348	1949	23,4
3,439	1950	25,3
3,598	1951	33,0
3,491	1952	37,4
3,013	1953	34,3
3,039	1954	36,0
3,318	1955	41,3
3,325	1956	44,4
3,420	1957	46,9

companies having been merged with AB Electrolux during 1957.

The net book value of the shareholding in Electrolux Corporation, New York, amounted at the end of the year to Kr. 15,080,000. The buying rate in New York for these shares was on the 31st December, 1957, \$9¼ per share, giving a total equivalent value of Kr. 16,738,000.

Stocks of the Swedish factories have been valued at the lower of either cost or market price in December, 1957.

The total value of current stocks at the Swedish factories amounted at the end of the year to.....	Kr. 63,059,000
The general reserve for current stocks amounted to	" 40,988,000
<hr/>	
The net book value of the Swedish factories' current stocks was consequently	<u>Kr. 22,071,000</u>

Obsolete stocks have been entirely written off.

"Sundry Bonds" consists of HSB building bonds.

AB Electrolux' Pension Fund has increased by Kr. 1 m. as a consequence of a transfer from AB Lux in connection with this company's merger with the Parent Company.

Out of "Customers' Outstandings and Bills Receivable" of Kr. 14,056,000 an amount of Kr. 4,195,000 refers to customers in Sweden and Kr. 9,861,000 to customers abroad.

"Miscellaneous Receivables" included in 1956 an amount of Kr. 3,676,000, being the Company's investment in the new building at Birger Jarlsgatan 6 B, Stockholm, where the Company's Head Office has been located since May, 1957. After the building was completed mortgage loans were arranged, as a result of which the Company's investment has been reduced to Kr. 939,000. This explains the reduction in the balance of "Miscellaneous Receivables".

Long-term debts to Concern Companies have decreased considerably as a result of the merger with AB Lux and Bohus Mekaniska Verkstads AB. These two companies had claims on the

Parent Company at the 31st of December, 1956, amounting together to Kr. 10,853,000, which have been cancelled out by the merger.

"Accrued Charges" includes, inter alia, wages and salaries owing to workmen and other employees to a total of Kr. 3,502,000.

The Reserve for unrealized profit in stocks at Subsidiaries has decreased during the year, due primarily to increased cost of manufacture but also to some extent to reduced debiting prices for deliveries from the Company. The decrease amounts to Kr. 2,983,000. The taxed part of the reserve, Kr. 12 m., applicable to the writing-down of Subsidiaries' stocks, has been maintained unaltered.

The surplus arising from the merger of AB Lux and Bohus Mekaniska Verkstads AB and amounting to Kr. 1,502,500 consists of the Statutory Reserves in these two companies at the time of merger.

PROFIT APPROPRIATION

The Net Profit of the Company for the year amounts to	Kr. 15,352,198
Unappropriated Balance brought forward from 1956	" 31,013,808
Surplus arising from the merger of AB Lux and Bohus Mekaniska Verkstads AB amounts to	" 1,502,500
<hr/>	
Total amount available for distribution	<u>Kr. 47,868,506</u>

The Directors and the Managing Director recommend that this amount be appropriated as follows:—

For payment of a dividend of Kr. 7.50 per share against coupon No. 54, equivalent to 4.8 % of the Working Capital of the Company according to the Balance Sheet	Kr. 9,000,000
Transferred to the Statutory Reserve	" 2,000,000
Balance of Profit to be carried forward	" 36,868,506
<hr/>	
	<u>Kr. 47,868,506</u>

CONSOLIDATED BALANCE SHEET

The Consolidated Balance Sheet has been prepared on the same basis as for previous years. The Balance Sheets of the foreign Subsidiaries have in all instances been converted into Swedish Kronor at lower rates than officially quoted buying rates at the year-end. The same principle has been applied with respect to the Parent Company's claims in foreign currency, while liabilities have been converted at the officially quoted selling rates of exchange.

The German Subsidiaries, which were wholly written off in the 1945 Accounts, have been again included in the Consolidated Balance Sheet as from 1957. They consist of a manufacturing company in Berlin, a property company owning the buildings where manufacture is carried out and a selling company in Hamburg, which is responsible for sales on the West German market of vacuum cleaners and refrigerators made in Berlin and floor polishers imported from Sweden. There are, in addition, selling companies in Berlin and Munich, the operations of which have been in abeyance since the end of the war.

The increase of Kr. 6,266,000 for "Land, Factory & Office Buildings" includes an amount of

Kr. 2,872,000 representing the value of the German Companies' land and buildings. The South African Company has erected a new office building in Johannesburg at a cost of Kr. 1,520,000, and in Montreal in Canada an adjoining building was bought at a cost of Kr. 1,030,000, in order to make possible a necessary expansion of the factory and office space available. The Australian Company has acquired small office buildings and plots for the construction of new offices in Sydney, Adelaide, Brisbane and Newcastle for an aggregate cost of Kr. 884,000, and in Vienna the Electrolux Company has bought its centrally situated offices. In São Paulo a plot adjacent to the present factory has been bought for erection of a building for manufacture of vacuum cleaners.

The large increase under "Plant, Machinery, etc." is primarily due to the German Subsidiaries having been included. These account for an amount of Kr. 6,573,000. Major acquisitions of machinery have, apart from at the Swedish factories, occurred at the French, British, Canadian, Australian and New Zealand factories.

Alterations during the year in Fixed Assets are shown by the following summary from the Consolidated Balance Sheet:—

	Land, Factory & Office Buildings	Plant, Machinery, etc.	Office Equip- ment, Motor Cars, etc.	Total
Net Book Value as at 31st December, 1956 (after Depreciation).....	Kr. 48,007,829	7,344,731	1,105,479	56,458,039
Additions during 1957, less items scrapped and sold.....	» 6,265,553	11,606,016	2,394,975	20,266,544
	Kr. 54,273,382	18,950,747	3,500,454	76,724,583
<i>Deduct:</i> Provision for Depreciation 1957.....	» 2,409,915	11,987,436	2,114,087	16,511,438
Net Book Value as at 31st December, 1957.....	Kr. 51,863,467	6,963,311	1,386,367	60,213,145
Net Increase/Decrease in Book Value 1957.....	Kr. 3,855,638	-7,381,420	280,888	3,755,106

Machinery, Office Furniture, Cars, etc. at foreign Subsidiaries have been wholly written off in the Consolidated Balance Sheet, as for previous years. The net book value as at 31st December, 1957, therefore refers only to the Swedish Companies.

The increase during 1957 of Kr. 6,739,000 in "Inventories of Merchandise" is mainly due to

the German Companies having been included in the Consolidated Balance Sheet.

The increase of Kr. 5,514,000 in "Securities" refers to the British Company having placed funds temporarily in short-term investments.

"Customers' Outstandings and Bills Receivable" has again increased as a natural result of increased sales which, to a large extent, are made on hire-purchase terms.

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

*Electrolux' New Suction
Cleaner Factory, Luton, England*



The result of the Company's operations during the year 1957 is shown by the following

PROFIT AND LOSS STATEMENT

<u>Income:—</u>		1956
<i>From Production in Sweden and Sales in Sweden and Exports:—</i>		
Profit on operations.....	17,761,523	21,308,905
(after deducting:—		
Depreciation on Buildings	637,268	(423,181)
Depreciation on Machinery, Furniture, etc.	3,472,352	(3,556,304)
General Sales & Administration Expenses	7,491,974)	(6,990,471)
<i>Royalties from abroad and Sale of Patents</i>	11,427,612	10,373,099
<i>From Capital:—</i>		
Dividends from Subsidiaries	3,544,945	2,824,043
Dividends from other foreign shareholdings	1,632,607	1,630,926
Interest from Subsidiaries abroad	161,803	131,180
Other interest receivable, etc.	1,073,856	809,763
	6,413,211	5,395,912
<i>Amounts recovered from investments in foreign Subsidiaries, previously written off</i>	620,739	554,521
	36,223,085	37,632,437
<u>Expenses:—</u>		
Provision for Taxes	15,603,318	19,104,605
Provision for Investment Fund	4,000,000	—
Writing-down of the book value of shares in Subsidiary Companies	836,885	—
Interest payable	430,684	247,603
	20,870,887	19,352,208
<i>Net Profit for the year 1957</i>	Kr. 15,352,198	18,280,229

The position of the Company as at December 31st, 1957, is shown by the following

BALANCE SHEET

ASSETS

Fixed Assets:—

	1957		1956	
Land, Factory & Office Buildings	22,131,079		14,598,894	
<i>Less: Reserve for Depreciation</i>	<u>5,352,458</u>	16,778,621	<u>2,025,933</u>	12,572,961
Machinery, Office Furniture, Motor Cars, etc.	48,043,327		45,426,852	
<i>Less: Reserve for Depreciation</i>	<u>40,179,858</u>	7,863,469	<u>37,493,033</u>	7,933,819
Prepayments on Fixed Assets under construction		121,172		233,396
Shareholdings in Subsidiary Companies	77,230,021		89,675,020	
Shareholdings in other Companies	<u>31,080,006</u>		<u>31,080,006</u>	
	108,310,027		120,755,026	
<i>Less: Reserve for Depreciation</i>	<u>16,000,000</u>	92,310,027	<u>16,000,000</u>	104,755,026
<i>Guarantee Deposits</i>		107,102		127,698
<i>Patents</i>		0		0
		<u>117,180,391</u>		<u>125,622,900</u>

Current Assets:—

Inventories of Merchandise		22,070,504		20,393,921
Sundry Bonds	99,349		130,288	
Notes Receivable	<u>201,803</u>	301,152	<u>201,745</u>	332,033
Due by Subsidiary Companies		59,800,339		60,121,447
Customers' Outstandings and Bills Receivable		14,055,851		12,360,472
Miscellaneous Receivables		2,405,154		4,968,671
Deferred Charges		72,383		203,110
Cash at Banks, Post-Office, and on Hand		<u>36,596,680</u>		<u>28,558,576</u>
		135,302,063		126,938,230
		<u>Kr. 252,482,454</u>		<u>Kr. 252,561,130</u>

SHEET

LIABILITIES

Long Term Liabilities:—

AB Electrolux' Pension Fund:

By previous allocations 7,000,000
 Transferred from AB Lux 1,000,000

7,000,000
 1,000,000

7,000,000
 —

8,000,000

7,000,000

AB Electrolux' Pension Fund of 1952

11,845,645

9,720,000

Due to Subsidiary Companies

1,140,146 20,985,791

11,965,054 28,685,054

Current Liabilities:—

Due to Suppliers 6,800,234

6,800,234

5,916,279

Miscellaneous Payables 3,232,673

3,232,673

3,041,945

Accrued Charges 7,896,880

7,896,880 17,929,787

6,274,299 15,232,523

Provision for Taxes

1,235,050

5,183,410

Reserve for unrealized profit in, and writing down of, stocks at Subsidiaries

22,463,320

25,446,335

Investment Fund

4,000,000

—

66,613,948

74,547,322

Share Capital and Surplus:—

Share Capital: 120,000 "A" shares

12,000,000

12,000,000

1,080,000 "B" shares

108,000,000

108,000,000

120,000,000

120,000,000

Statutory Reserve

18,000,000 138,000,000

16,000,000 136,000,000

Surplus arising from merger of AB Lux and Bohus Mekaniska Verkstads AB

1,502,500

Profit and Loss Account:—

Balance as at Dec. 31st, 1956 and 1955

42,013,808

34,733,579

Less: Allocation decided at General Meeting in May, 1957 and 1956:—

Transferred to the Statutory Reserve

·/. 2,000,000

·/. 2,000,000

Dividend

·/. 9,000,000

·/. 9,000,000

31,013,808

23,733,579

Net Profit for the year

15,352,198 46,366,006

18,280,229 42,013,808

Kr. 252,482,454

Kr. 252,561,130

Contingent Liabilities

Kr. 5,647,000

Kr. 1,512,000

(Whereof Nil in respect of discounted Bills Receivable)

(Whereof Nil in respect of discounted Bills Receivable)

Liability for pension obligations to former employees, totalling per annum

Kr. 424,372

Kr. 385,294

SHAREHOLDINGS IN SUBSIDIARY COMPANIES

		Book Value Kr.
AB Arctic, Stockholm.....	5,000 shares	500,000
Platen-Munters Refrigerating System AB, Stockholm	1,050 "A" shares 	1,500,000
	450 "B" » 	
Electrolux Svenska Försäljnings AB, Stockholm	60,000 shares	6,000,000
Försäljnings AB Volta, Stockholm	2,000 »	200,000
AB Penta Utombordsmotorer, Stockholm	250 »	25,000
AB Carex, Stockholm	50 »	5,000
		8,230,000
Shares in foreign Subsidiaries		69,000,021
		Kr. 77,230,021

SHAREHOLDINGS IN OTHER COMPANIES

		Book Value Kr.
AB Sukab, Stockholm.....	17 shares	1
AB Svensk Värmemätning C. B. System, Stockholm.....	738 »	1
Svensk Interkontinental Lufttrafiks AB (S.I.L.A.), Stockholm.....	2,000 »	1
La Maison de Suède à Paris, S. A., Paris	400 »	1
Säffle Restaurant AB, Säffle	50 »	1
Mercatoria S. A., Lima	1,431 »	1
Electrolux Corporation, New York	350,000 »	31,080,000
		Kr. 31,080,006

The Company furthermore owns, through the intermediary of its Subsidiaries, AB Arctic, Platen-Munters Refrigerating System AB and Försäljnings AB Volta the following shares:—

		Book Value Kr.
AB Lux, Stockholm	200 shares	20,000
AB Arctic, Stockholm	1,000 »	100,000
Centralkassan AB, Stockholm	1,000 »	100,000
AB Archimedes, Stockholm	15,000 »	750,000
Walter Widmann AG, Zürich	50 »	58,750
		<u>Kr. 1,028,750</u>

Stockholm, March 25th, 1958.

GUSTAF SAHLIN

SVEN SALMONSON

CARL TRYGGER

H. A. WERNHER

WALTER WEHTJE

STEN WIDELL

ELON V. EKMAN

Managing Director

While referring to our Audit Report of to-day's date, we confirm that the Profit & Loss Statement and Balance Sheet, included in the Annual Report, agree with the Accounts of the Company as examined by us.

Stockholm, April 10th, 1958.

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

ARVID ERIKSON
*Auditor, authorized by
Stockholm's Chamber of Commerce*

The position of the Electrolux Concern as at 31st December, 1957, is shown by the following Consolidated Balance Sheet, which also sets out the result of the operations of the Concern as a whole during 1957.

THE ELECTROLUX

COMPARATIVE CONSOLIDATED BALANCE SHEET

ASSETS

Fixed Assets:—

	1957		1956	
Land, Factory & Office Buildings.	73,652,113		67,386,560	
Less: Reserve for Depreciation	21,788,646	51,863,467	19,378,731	48,007,829
Plant, Machinery, etc.	86,147,625		74,541,609	
Less: Reserve for Depreciation	79,184,314	6,963,311	67,196,878	7,344,731
Office Equipment, Motor Cars, etc.	20,531,923		18,136,948	
Less: Reserve for Depreciation	19,145,556	1,386,367	17,031,469	1,105,479
Prepayments on Fixed Assets under construction		121,172		233,396
Sundry Shareholdings		18,821,690		19,104,342
Guarantee Deposits		592,113		589,057
Patents, Trade Marks and Goodwill		0		0
		<u>79,748,120</u>		<u>76,384,834</u>

Current Assets:—

Inventories of Merchandise	115,003,824		108,264,569	
Securities	13,036,082		7,522,157	
Customers' Outstandings and Bills Receivable (less Reserves for Hire Purchase Interest and Doubtful Accounts)	141,384,502		131,051,656	
Miscellaneous Receivables	5,749,919		7,104,891	
Deferred Charges	3,397,401		2,657,358	
Cash at Banks, Post-Office, and on Hand	58,111,167	336,682,895	45,407,377	302,008,008
		<u>Kr. 416,431,015</u>		<u>Kr. 378,392,842</u>

CONCERN

SHEET AS AT 31ST DECEMBER, 1957 AND 1956

LIABILITIES	1957		1956	
<i>Long Term Liabilities:—</i>				
Mortgage Loans	3,164,568		2,465,599	
Staff Pension Funds	<u>23,369,535</u>	26,534,103	<u>21,283,096</u>	23,748,695
<i>Current Liabilities:—</i>				
Bank Loans	16,739,447		12,866,827	
Suppliers' Balances and Bills Payable	27,739,107		24,863,188	
Miscellaneous Payables	18,548,792		14,583,716	
Accrued Charges	<u>27,285,954</u>	90,313,300	<u>21,547,668</u>	73,861,399
<i>Provisions for Taxes</i>		25,860,503		28,140,620
<i>Investment Fund</i>		<u>4,000,000</u>		—
		146,707,906		<u>125,750,714</u>
<i>Share Capital and Surplus:—</i>				
Share Capital	120,000,000		120,000,000	
Statutory and Legal Reserves	44,127,561		39,736,005	
Free Reserves	1,839,765		6,711,461	
Balance of Profit carried forward from previous years	77,674,802		62,240,744	
Total Net Profit for the year	<u>26,080,981</u>	269,723,109	<u>23,953,918</u>	252,642,128
		<u>Kr. 416,431,015</u>		<u>Kr. 378,392,842</u>
<i>Contingent Liabilities</i>		Kr. 5,870,000		Kr. 1,693,000

Stockholm, March 25th, 1958.

ELON V. ERMAN

We, the undersigned auditors, appointed to examine the administration and accounts of Aktiebolaget Electrolux for the year 1957, beg to submit the following

AUDITORS' REPORT

We have examined the accounts, which have also been checked by internal auditors, and have found them to be in excellent order.

The Company's various cash balances have been checked on different occasions by the internal auditors, and everything found in good order.

The various bank accounts have been checked, and securities inspected.

We have examined the Minutes of Board Meetings held during the year and have also had produced to us the insurance policies, contracts and other documents relative to the Company's financial position and the Board's administration.

In our opinion, all assets shown in the Balance Sheet have been valued on a most conservative basis.

The Consolidated Balance Sheet, as included in the Board's Report, has been examined by us. We have found this Balance Sheet to be drawn up on sound principles and giving a true picture of the financial position at the close of the year. The regulations laid down in the new Companies' Act, § 101, sections 2 and 3, and § 104, relative to consolidated accounts, have been observed.

During the audit we have also examined the accounts of Aktiebolaget Electrolux' Pension Funds.

There being no grounds for adverse criticism of the documents submitted to us, the Company's accounts, the verification of its assets or the administration of its affairs, we recommend:—

that the Balance Sheet presented by the Directors and the Managing Director and signed by us be approved,

that the available surplus be appropriated in accordance with the proposal of the Directors, such proposal comprising the required appropriation to the Statutory Reserve and not being at variance with good commercial practice considering the position of the Company and the result of its operations as a whole,

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

Stockholm, April 10th, 1958.

Seth Svensson

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

Arvid Erikson

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

BOARD OF DIRECTORS AND
AUDITORS OF AB ELECTROLUX

elected at the Annual General Meeting in 1957

BOARD OF DIRECTORS

Ordinary members

Gustaf Sahlin, Chairman

Sven Salmonson, Vice Chairman

Carl Trygger

Sir Harold Wernher, Bt., G.C.V.O.

Walter Wehtje

Sten Widell

Elon V. Ekman, Managing Director

Deputies

Fred Deijfen

Arne M. Hofving

Kai Hyllén

Ebbe Svensson

AUDITORS

Ordinary Auditors

Seth Svensson

Arvid Erikson

Deputies

Fritz Tjus

H. Mårtensson

