Annual Report

Electrolux 1981

Contents

Annual General Meeting

The Annual General Meeting will be held at 10.00 a.m. on Thursday, May 27, 1982, at the head office of Skandinaviska Enskilda Banken, Konferenssalen, 2 Sergels Torg, Stockholm.

Right to attend and vote at the Annual General Meeting

Shareholders wishing to attend and vote at the Annual General Meeting must be registered in the share register maintained by Värdepapperscentralen VPC AB, no later than Monday, May 17, 1982.

Shareholders whose shares are registered in the names of trustees through the trust department of a bank or stockbroker must temporarily register the shares in their own names in order to be able to vote at the Annual General Meeting. Such temporary registration must be completed no later than Monday, May 17, 1982.

Notice of intention to attend the Annual General Meeting

Shareholders wishing to attend the Annual General Meeting must, in addition to being registered as above, notify the company no later than 4.00 p.m. on Monday, May 24, 1982. Notification should be made in writing to AB Electrolux, Dept C-J, S-105 45 Stockholm, Sweden, or by telephone during office hours to +46 (8) 738 67 93 or +46 (8) 738 67 89.

Payment of dividend

The declaration of dividend as decided by the Annual General Meeting will include notification of the day upon which the share register and the list of nominees will be closed for reconciliation and determination of entitlement to dividend. The Board of Directors has proposed June 1, 1982. Subject to the Annual General Meeting approving this proposal it is expected that dividends will be distributed by Värdepapperscentralen VPC AB on June 8, 1982.

Notification of change of address

Shareholders who have changed their name, address or the number of their bank account should report the fact as soon as possible to their trustee or Värdepapperscentralen VPC AB, Box 7444, S-103 91 Stockholm, Sweden.

Electrolux Group in 1981

	1981	1980
Sales (Skr m.)	**26,595**	22,874
Operating result after depreciation (Skr m.)	**1,730**	1,728
Result after financial income and expenses (Skr m.)	**508**	1,003
Result before appropriations (Skr m.)	**1,127**	1,054
Adjusted profit per share (Skr) (for calculation see Note 5 page 18)	**9:80**	19:05
Adjusted profit per share (Total) Skr (for calculation see Note 5 page 18)	**37:50**	25:05
Return on total assets less current liabilities, % (Note 3 page 53)	**11.7**	14.9
Return on equity, after tax, %	**6.7**	15.3
Return on equity (Total), % (Note 5 page 53)	**25.8**	20.2
Capital expenditure (Skr m.)	**1,514**	2,515
excluding opening value in companies acquired during the year	**1,248**	1,230
Total number of employees	**101,700**	102,900
of which in Sweden	**39,300**	40,000

Parent Company

Profit after tax (Skr m.)	**209**	187
Dividend, total (Skr m.)[1)]	**204**	186
Skr/share[1)]	**8:00**	7:50

[1)] For 1981, proposal of the Board of Directors

Statement by the Group Executive Committee

Throughout the seventies Electrolux maintained a high rate of growth. Profits advanced in pace with the rapid increase in sales. Strategically important companies were acquired, the production structure has been continuously improved and substantial capital investments were made in order to increase the competitive strength of the Group's product program. The Group, which has now entered a consolidation phase, has

- an international sales and distribution organization that occupies a leading position in global markets in many product fields, especially vacuum-cleaners, absorption refrigerators and chain saws. The Group also holds a strong position in other household appliance markets, especially in Europe.
- an efficient production apparatus for the manufacture of high volume products in long series, which means that Electrolux's productivity and costs can stand comparison with its large international competitors.
- a sound spread of risks through a presence in many markets and the diversification of the business into several product fields. This provides a foundation for stable progress.
- a high market share in many markets. As profitability in a market is often related to the market share, the dominating position Electrolux holds in many of its markets is of significant value, which is not apparent in the balance sheet.
- a modern range of products that are functionally advanced and matched to customer requirements and take into account the demands of the eighties for product quality, low energy consumption, etc.
- opportunities to develop in sectors offering good growth potential, such as office automation and commercial services.

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From left to right – Anders Scharp, Hans Werthén, Bo Abrahamsson, Gösta Bystedt and Harry Eriksson.

Compared with the advances made in the 70s, 1981 was a poor year for the Electrolux Group. The economy slackened at the same time in many of the markets that are important to the Group - a very unusual set of circumstances - which resulted in some difficulty in selling the Group's products. High interest rates and high unemployment held down private consumption and the weakness of the building and automotive industries, for instance, led to sales stagnation in volume terms.

The year's results were adversely affected by exceptional restructuring costs in some of the companies acquired in 1980 and 1981. Despite this, the operating profit before financial items was unchanged. The return on total assets less non-interest-bearing current liabilities was 11.7% (1980: 14.9).

The profit after net financial items decreased considerably. The deterioration in net financial items reflects the rapid expansion of the past few years and high interest rates. Major company acquisitions were as a rule financed by borrowing. The unexpectedly prolonged and deep recession resulted in an increase in inventories before production rates could be adjusted to the lower demand, which also had the effect of increasing interest costs.

In order to reduce the burden of debt, Gränges' low-yielding hydro-electric power interests have been disposed of, bringing the Group extraordinary income of Skr 1,096 m. Full provision has been made in the Group accounts for the shareholding in SSAB Svenskt Stål AB. An agreement has also been concluded on the injection of capital into SSAB.

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The financing of the Group's expansion has caused some strain on the balance sheet. At the end of 1981 the equity/assets ratio was 21.9% (20.7), measured by traditional methods. A better expression of the Group's inherent strength than the traditional Swedish method of calculating the equity/assets ratio is provided by the relative proportion of total risk capital, which includes, apart from equity (including minorities), the untaxed reserves without any deduction of latent tax liabilities. Using this method of calculation, the risk capital amounted to 29.4% of the balance sheet total at the end of 1981 (29.9).

There are several reasons why the Group management do not consider it remarkable that the equity/assets ratio is now lower than the previously stated target of at least 25% for the Group.

- The equity/assets ratio varies, depending on the phase of development the company is in. Electrolux has now completed a period of strong growth and entered a consolidation phase. Some weakening in the ratio was expected, even if the decline is somewhat more than foreseen on account of the economic recession and interest levels. Electrolux does not plan any further diversification, and no major company acquisitions are planned at present, which is expected to lead to a steady improvement in the equity ratio.
- The capital turnover rate, which was 1.22 in 1981, is expected to rise owing in part to a reduction in inventories.
- Capital spending (excluding the opening values in companies acquired during the year) have totalled some 5% of sales on average over the past five years. During the coming five-year period, such spending is expected to remain at a lower level, as the heavy restructuring investment projects are now completed.
- The measures that have been and are being taken are expected to result in an improvement in earnings and to strengthen the Group's financial position. When the economic recovery starts, the profit after financial items will improve significantly.
- Over a period of years, Electrolux has made substantial capital gains that are recorded in the income statement as extraordinary items. During the past ten years these capital gains amounted on average to Skr 158 m. per year. When large companies are acquired they often include lines of business that do not naturally fit into the Group. After restructuring these companies, parts of them can often be sold at a profit. The restructuring costs, as well as the initial operating losses, are normally charged against operating profits. Bearing in mind the regular nature and size of these income and cost items, it would not be unreasonable for Electrolux to treat the capital gains as recurrent income - almost as part of the operating profit.
- In calculating the return on equity and profit per share, the profit is reduced by a standard 50% tax. As a result of the possibilities that exist to make year-end appropriations, Electrolux has, during the past five years, recorded an actual tax rate that amounted on average to 20-25% of the profit before appropriations. If tax at a standard 50% on the appropriations is added, the theoretical tax rate rises to 35–40%. Over the next few years, the theoretical tax rate is also expected to remain significantly below 50%. This lower theoretical tax is largely due to the many acquired companies having substantial unused tax losses.

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The basic strategy of the Group is to satisfy the requirements of private households for household equipment. This is a strategy that will continue as the focus of our future development. Our principal business field consists of consumer durable goods for households, together with cleaning equipment and kitchen appliances, which have been further developed into similar products for catering institutions, commercial cleaning, laundries, etc. In these areas, the Group will continue its policy of aiming at dominance. Market positions will be strengthened through complementary acquisitions and concentration to promising product segments. The restructuring program will continue. In addition, we intend to broaden the commercial services sector.

The restructuring of Gränges is continuing with the object of improving profitability. The opportunities for co-operation or amalgamation with other companies are being examined in order to solve the financing problems connected with the heavy capital spending that is required for the further development of the business, mainly within Gränges Aluminium.

There are elements of uncertainty that can knock the outlined progress off course. A prolongation of the economic recession and the slack demand pattern can lead to further pressure on prices. Persistent high international interest rates can be further detrimental to the industrial activities and make it difficult for Electrolux to reduce its financial costs. In some units within the Gränges group raw material prices on world markets are causing some element of uncertainty. A possible introduction of trade union controlled "employee investment" funds in Sweden would have a damaging effect on business enterprises.

There are still some units in the Group whose profitability is poor. These will be reviewed and their efficiency improved, or they will be sold or wound up. This means there is still potential to improve the results.

Over the next few years, improved earnings are expected. Over an economic cycle it is estimated that the average return on equity (after 50% standard tax) should reach 15%. At the same time, it is expected that the Group's sales at current prices will rise by 10–15% per year at the present rate of inflation.

Taking into account the regular capital gains each year and the theoretical tax charge of around 40%, the equity/assets ratio will steadily improve.

Electrolux has so far managed to increase its dividend rapidly, and over the past decade the dividend has amounted to approximately 5% of the closing equity each year. The Group's policy is to increase the dividend in pace with the long-term increase in equity, which ought to provide shareholders with compensation for inflation.

Operations in 1981

The Report of the Directors of AB Electrolux is included in the report for the Group.

General review

In 1981, Electrolux reported a slower rate of growth than in the immediately preceding years.

Sales and earnings were affected by the persistent weakness of general demand in Western Europe and the slackening in the US economy towards the end of the year. Private consumption decreased and capital spending declined in several of the Group's principal markets. Above all, the persistent weakness of the building industry pulled down the demand for household appliances and metal products.

Normally, variations in demand within the Group have offset each other owing to the wide geographical spread of the business and the breadth of the product program. During the past year, this did not happen to the same degree as before, since on this occasion the economic recession was general and occurred at the same time in several important markets, partly owing to the high level of international interest rates.

The market for household appliances stagnated. Sales of chain saws decreased in volume during the year. The competition on the office equipment market was very stiff. Commercial cleaning and services and food service equipment, as well as semiindustrial washing machines, continued to make good progress. The Gränges activities were adversely affected by the weakness of the automotive and building industries.

The Group's net financial items were hit by the high interest rates as well as the increased borrowing to finance inventories and earlier company acquisitions, etc.

After extraordinary items, which include capital gains on the sale of the Gränges hydro-electric power business, the write-down in the book value of the shares in SSAB, and foreign exchange profits/losses, the profit before appropriations and taxes was higher than in the previous year.

Sales

In the 1981 financial year, the Electrolux Group had sales of Skr 26,595 m. (22,874 m.), an increase of 16%.

Skr 1,207 m. is included on account of companies acquired during the year, while companies sold in 1981 had sales of Skr 42 m. in 1980.

Net sales to customers abroad totalled Skr 19,286 m. (15,752 m.), corresponding to 72.5% (68.9) of total Group sales. Exports from Sweden totalled Skr 5,194 m. (5,075 m.), of which Skr 2,202 m. were sales to subsidiary companies abroad. Income received in Sweden in the form of dividends, royalties and interest amounted to Skr 276 m. (233 m.).

In 1981, the Swedish factories accounted for 53% (59) of the Group's output.

Results

The consolidated operating profit before depreciation was Skr 2,528 m. (2,380 m.), while after depreciation it was Skr 1,730 m. (1,728 m.), the equivalent of 6.5% on total sales.

Net financial items resulted in a net cost of Skr 1,222 m. (cost 725 m.). The average level of borrowings during the year was higher than in the foregoing year. However, it decreased towards the end of the year, in part owing to the reduction in inventories and in part because some of the receipts from the sale of Gränges hydro-electric power operations were used to pay back short-term loans.

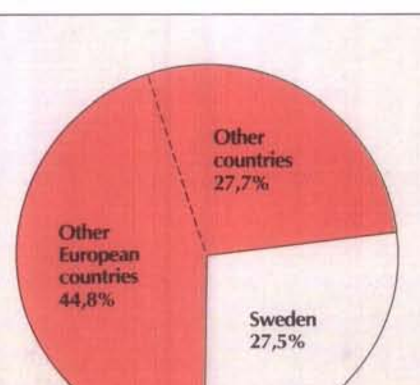
International interest rates in 1981 were higher than in 1980, which resulted in higher interest costs, as a large part of the Group's borrowings pay variable interest rates.

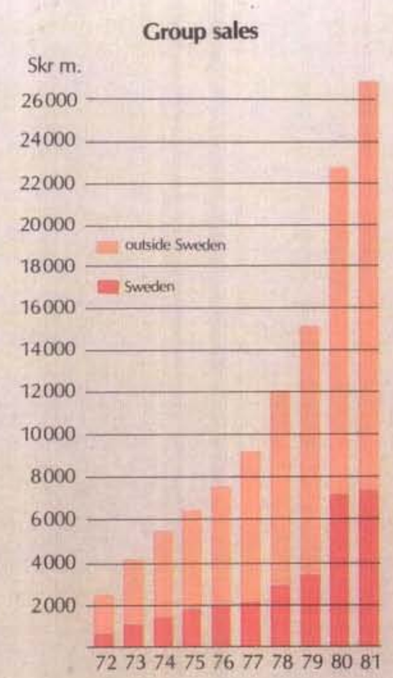
Interest coverage ratio, defined as the operating profit before interest costs divided by interest costs amounted to 1.4 (2.0).

The profit after financial income and expenses amounted to Skr 508 m. (1,003 m.). Companies acquired during the year gave rise to a charge of Skr 22 m. against this profit (111 m.). Companies sold in 1981 involved a charge of Skr 19 m. on the 1980 profit.

The profit before appropriations and taxes amounted to Skr 1,127 m. (1,054 m.).

Extraordinary items amounted to Skr 619 m. (51 m.), including capital gains of Skr 1,096 m. on the sale of Gränges' hydro-electric power interests, and a Skr 250 m. write-down in the value of Gränges' holding in SSAB (for further information about SSAB see page 8).





On account of the unusually sharp rise in the US dollar exchange rate and the Swedish devaluation, the 1981 figures include foreign exchange differences amounting to a net loss of Skr 153 m., treated as an extraordinary expense. As a result of the above-mentioned strengthening of liquid assets, significant redispositions were made in the currencies in which the Group's borrowing portfolio is denominated in order to bring about a better balance between receivables and liabilities in the same foreign currencies.

All monetary items denominated in foreign currencies are translated at the accounting date rates. As before, foreign exchange losses on long-term loans are not periodized.

The Central Bank of Sweden normally stipulates borrowing abroad for at least 5 years in connection with direct foreign investments (the acquisition of companies or increases in the share capital of foreign subsidiary companies). This borrowing often takes place in the currency of the country concerned, which means that a possible foreign exchange loss on the loan (exchange rate rise) is offset by an increase in the equity of the respective company when it is translated into Swedish kronor in connection with the preparation of the consolidated balance sheet. In the case of exchange rate falls the result is the opposite. For this reason, in common with the

Group sales by country in Europe and by region

	1981		1980	
	SKr m.	**%**	SKr m.	%
Sweden	**7,309**	**27.5**	7,122	31.1
France	**3,002**	**11.3**	2,651	11.6
Great Britain	**1,856**	**7.0**	1,600	6.9
West Germany	**1,390**	**5.2**	1,122	4.9
Norway	**1,177**	**4.4**	930	4.0
Switzerland	**987**	**3.7**	717	3.1
Finland	**799**	**3.0**	631	2.8
Denmark	**693**	**2.6**	613	2.7
Holland	**404**	**1.5**	401	1.8
Other	**1,613**	**6.1**	1,250	5.5
Europe	**19,230**	**72.3**	17,037	74.4
North America	**4,863**	**18.3**	3,585	15.7
Central and South America	**971**	**3.6**	746	3.3
Asia	**735**	**2.8**	716	3.2
Oceania	**535**	**2.0**	417	1.8
Africa	**261**	**1.0**	373	1.6
Total	**26,595**	**100.0**	22,874	100.0

Operating results after depreciation by product line

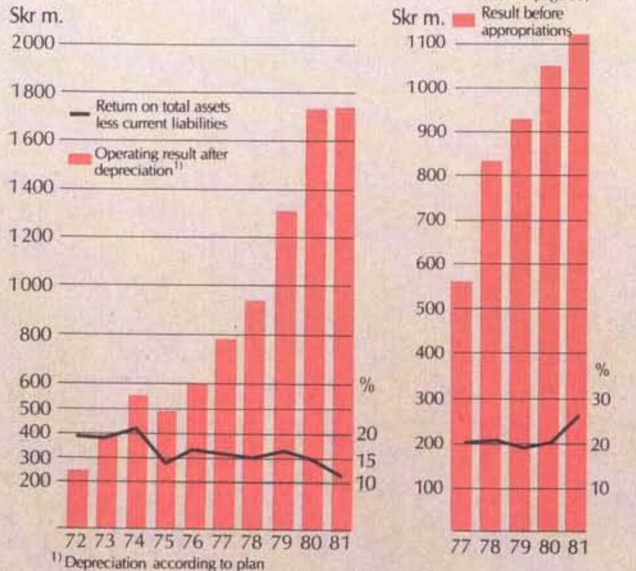
	1981		1980	
	Skr m.	**%[1)]**	SKr m.	%[1)]
Household appliances	**923**	**7.3**	883	8.3
Motor products	**158**	**8.2**	212	13.5
Industrial products	**193**	**5.9**	154	5.8
Commercial services	**121**	**8.9**	107	9.5
Office products	**130**	**7.9**	122	10.5
Gränges	**205**	**3.6**	250	4.4
Total	**1,730**	**6.5**	1,728	7.6

1) As % on sales of respective product line.

Sales by product line

	1981		1980	
	SKr m.	**%**	SKr m.	%
Household appliances	**12,679**	**47.7**	10,675	46.6
Motor products	**1,921**	**7.2**	1,572	6.9
Industrial products	**3,295**	**12.4**	2,654	11.6
Commercial services	**1,365**	**5.1**	1,122	4.9
Office products	**1,649**	**6.2**	1,162	5.1
Gränges	**5,686**	**21.4**	5,689	24.9
Total	**26,595**	**100.0**	22,874	100.0

Group result



1) Depreciation according to plan as from 1977.

earlier treatment of the loan that was raised in connection with the acquisition of National Union Electric Corporation (NUE) in 1974, unrealized foreign exchange losses of Skr 130 m. on such loans have been netted off against profits from the translation of foreign currencies. The remaining surplus is booked directly to equity in the consolidated balance sheet and therefore has not affected the recorded consolidated profit.

The aggregate effect of the foreign exchange and translation profits/losses on the consolidated equity is shown in the table below.

	Skr m.
a) Translation of equity of foreign subsidiary companies. Increase compared with December 31, 1980	+266
b) Revaluation of booked amount in Swedish kronor compared with December 31, 1980, or the respective date the loans were raised in 1981 for loans raised to finance the acquisition of companies and increases in the share capital of foreign subsidiaries respectively	−130
c) Net translation profits/losses in consolidated balance sheet	+136
d) Foreign exchange profits/losses in income statement after allowance for tax at standard rate	− 77
e) Translation foreign exchange profits/losses increasing equity in consolidated balance sheet	+ 59

In addition there are untaxed reserves, similarly translated at the new exchange rates, which, after 50% standard tax, involves an increase of Skr 48 m.

The profit after appropriations and taxes amounted to Skr 966 m. (352 m.)

Booked taxes totalled Skr 174 m. (133 m.). The recorded tax charge on the Electrolux Group is affected - apart by the "normal" profit - by transfers to inventory reserves, etc, and the utilization of tax losses that were incurred earlier or included in the accounts of acquired companies. This applies to the Swedish as well as foreign companies in the Group. The theoretical tax, i.e. booked tax plus 50% standard tax on year-end appropriations, amounted to 15% of the profit before appropriations. It is expected that the theoretical tax rate for the next few years will also be considerably below 50%, mainly on account of the systematic utilization of hitherto unutilized tax losses and the fact that tax on capital gains is often low.

In recent years the ownership structure of the Group has been altered in several countries so that, even if for commercial reasons the business is organized into a number of companies, their operations can be jointly taxed and the occurrence of further fiscal deficits be avoided. This has been done in, for instance, the USA, Denmark, Finland, and other countries, with holding companies being formed in which the companies affected are taxed jointly. In other countries, for example Sweden and Norway, the equivalent effect can be achieved to some degree by the use of Group contributions.

The profit per share, calculated using the traditional method, amounted to Skr 9:80 (19:05). The corresponding calculation including the theoretical tax charge and net extraordinary items in the profit figure was Skr 37:50 per share (25:05). The profit per share calculation is based on the number of shares issued at the end of the financial year.

The pre-tax return on total assets excluding current liabilities amounted to 11.7% (14.9). Return on equity (Total) defined as result before appropriations adjusted with the actual tax charge as per the income statement and a 50 percent tax charge on appropriations expressed as a percentage of the opening value of equity amounted to 25,8% (20,2).

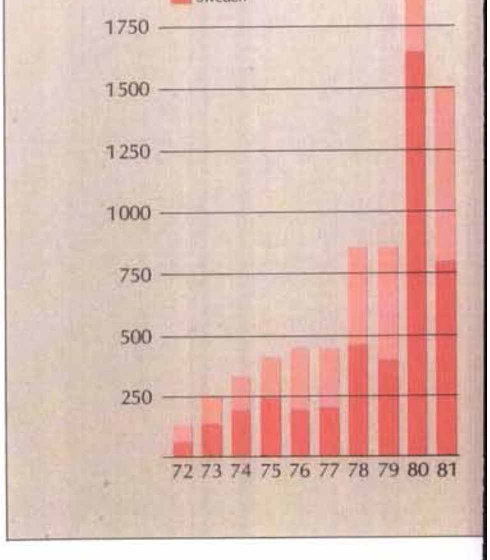
Financial review

The total funds provided during the year amounted to Skr 3,261 m. (4,762 m.). See the statement of funds on page 16. Of this amount, Skr 1,433 m. (252 m.) were provided through sales of businesses, capital gains, etc, of which Skr 1,200 m. relates to the sale of Gränges' hydro-electric power interests.

The Group's capital spending, including the value of the assets of companies acquired during the year, amounted to Skr 1,514 m. (2,515 m.), of which Skr 806 m. related to Sweden.

The Group's net capital spending over the past five years amounted to 176% of historical cost depreciation, which illustrates the Group's high rate of capital investment.

The degree of self-financing, expressed as the funds provided from operations in relation to capital spending (excluding the opening values in the books of acquired



companies), was 95% on average over the past five years.

Internally generated funds including funds provided in connection with sales of fixed assets amounted to 148% of the capital spending for the corresponding period.

During the year, working capital increased by SKr 1,451 m. (1,455 m.). The capital tied up in accounts receivable and inventories increased by Skr 1,790 m. to Skr 12,378 m. Inventories corresponded to 30.3% (30.3) of sales, and accounts receivable were 16.3% (15.9). Firm steps have been and are being taken with the object of increasing the rate of turnover of working capital.

At the end of the year, the Group's total interest bearing borrowings amounted to Skr 9,903 m. (7,718 m.), of which 65% were medium or long term including 15% multicurrency rollover loans, on which interest rates vary with the international interest rate level, and which permit the currency in which the loan was raised to be switched during the life of the loan.

In 1981, the Group raised Skr 815 m. of financing (782 m.) from Elefac Finans AB and Electrolux International AB, companies that are part owned by the Group and that acquire accounts receivable from the Swedish Group companies. The financing cost of this borrowing was entirely borne by AB Electrolux.

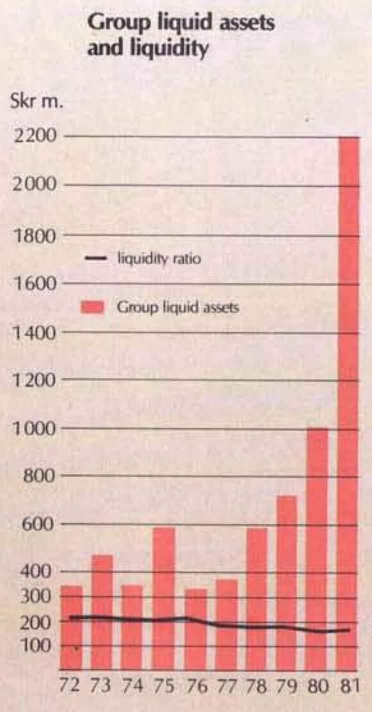
Shares and convertible loans

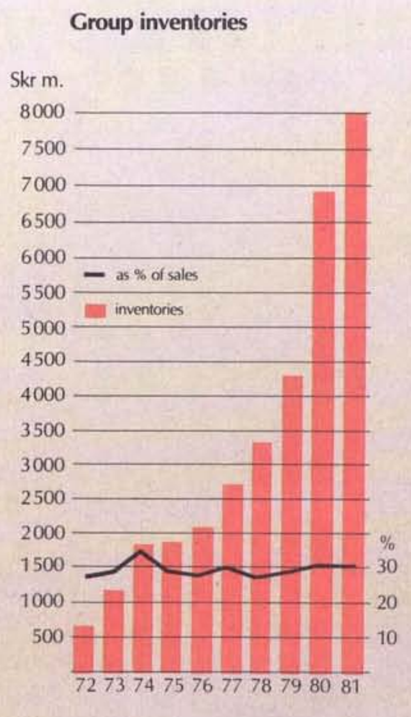
During the year, AB Electrolux obtained a quotation for its "B" shares on the Oslo Stock Exchange. This move should be seen as a natural element in the expanding business that the Group now conducts in Norway, not least following the acquisition of Gränges and the Norlett group.

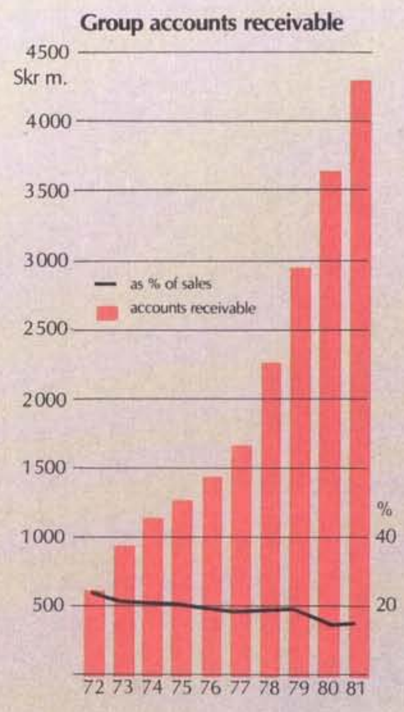
Permission has been granted by the Central Bank of Sweden to expatriate Electrolux shares to a value of Skr 200 m., of which limit some Skr 140 m. had been used by the beginning of 1982.

At the year-end, AB Electrolux had four convertible debenture loans outstanding, totalling a nominal Skr 814.7 m. The interest rate on loans I-III is 8% and the conversion rate is Skr 86. The conversion rights could be exercised in 1981 for loans I-III, and during 1980 and 1981 debt certificates for a nominal Skr 116.1 m. were presented for conversion, of which conversions corresponding to Skr 64,0 m. were registered before the year-end, corresponding to 743,798 "B" shares in AB Electrolux.

The debenture certificates that had been presented for conversion before December 15, 1981, and for which interim certificates had been issued in exchange, but which have not yet been registered at the Swedish Patent and Registration Office as converted before the year-end, correspond to 606,335 "B" shares. The total number of shares entitled to dividend for the 1981 financial year is 25,455,133. The registered share capital at December 31, 1981, amounted to Skr







1,242,439,900:-, corresponding to 1,000,000 "A" shares and 23,848,798 "B" shares.

The outstanding No IV debenture loan (Gränges loan) of nominal Skr 662.7 m. has a conversion rate of Skr 120 and pays 10% interest. It can be converted from January 2, 1982.

If all the outstanding debentures at the latest year-end were converted, the number of shares would increase by 7,290,046 to 32,745,179.

The consolidated equity/assets ratio measured by traditional Swedish methods was 21,9% (20,7). If all the outstanding convertible debentures had been converted at the year-end the ratio would have been 25,6%.

Major changes in the Group

Following the approval of the guarantees pledged by Electrolux by the Arbitration Board set up to determine the purchase price payable to minority holders of shares in Gränges AB, AB Electrolux has been the owner of the entire share capital of Gränges AB since the end of 1981.

In the household appliances sector, a major West German vacuum-cleaner manufacturer, Progress, based in Stuttgart, was acquired in January, 1981. The company has sales of some Skr 250 m. and a well established sales and distribution network. At the same time Hugin Hemmaskiner AB (now called Svenska Hemmaskiner AB), Sweden, which has sales of some Skr 60 m., was acquired from KF. In France, the vacuum-cleaner business trading under the Paris-Rhône name and selling some 200,000 units a year was acquired. These acquisitions further strengthened Electrolux' leading position in the vacuum-cleaner industry.

In Belgium, the white goods business of ACEC (Ateliers de Constructions Electriques de Charleroi) was acquired.

Following the purchase of the Björneborg, Finland, household appliances plant of Oy W. Rosenlew, with sales of some Skr 150 m., Electrolux became the largest Finnish white goods company.

At the same time, Rosenlew acquired the threshing machine plant of Aktiv Fischer AB in Morgongåva, Sweden.

In Norway, A/S Norlett and its subsidiaries were acquired at the beginning of the year, which strengthened the Group's position in the garden equipment sector.

Hugin Kassaregister AB was bought by Electrolux. The business, which has reported unsatisfactory earnings for several years, is being restructured and production is being transferred in part to Facit's plants. Development and marketing will remain with Hugin.

Electrolux-Wascator has supplemented its production of sterilization equipment for hospital use through the purchase of the majority of the shares in Lequeux S.A., Paris, thereby becoming the world's largest manufacturer in this field.

Since the year-end, the Group has acquired four companies in the Danish Völund group, which produce semi-industrial washing machines and other products, and have annual sales of some Skr 145 m.

Gränges sold the bulk of its hydro-electric power interests to the Swedish State Power Board. The remainder was acquired by Skandinaviska Elverk AB and Bålforsens Kraft AB.

In January, 1981, Gränges Metallverken acquired Johnson Metall AB, which has annual sales of some Skr 170 m.

Gränges Aluminium has acquired Modern Structural Plastics Ltd, Glasgow, and SAPA has purchased Thornville Industrial Group Ltd., a group of companies based near London. The total turnover of these companies amounts to some Skr 190 m.

Gränges Weda has been restructured with its main focus now on vehicle safety belts, which are organized in Sweden within Evert Larsson Industri AB, Kungälv. In France, the vehicle safety belt business of AMCA, with annual sales of Skr 115 m., has been acquired.

At the year-end, Gränges acquired Atlas Copco's share of some 33% in the Swedish Lamco Syndicate, and now owns a total of 86%.

Kohlswa Jernverk AB, which has annual sales of Skr 130 m., has been acquired in early 1982. The business will be coordinated with Essem Sintermetall.

SSAB Svenskt Stål AB

In 1981, the state acquired Stora Kopparberg's shares in SSAB for Skr 1. Gränges, the state and Statsföretag reached an agreement on October 1, 1981, with broadly the following content: SSAB will make a share issue of 5 million new shares having a par value of Skr 100 each at a rate of Skr 300 per share. This will increase the company's share capital from Skr 2.0 bn to Skr 2.5 bn, and its legal reserve from Skr 800 m. to Skr 1.8 bn. Gränges' share of the issue will amount to 25% (Skr 375 m.), that of the state to 25% (Skr 375 m.) and Statsföretag's to 50% (Skr 750 m.). Payment for the shares has been made by Gränges in cash at the beginning of January, 1982.

In the agreement, Gränges and the state have also undertaken to lend SSAB Skr 150 m. each without special collateral at a rate of interest that is related to the capital market. Gränges can call upon the state to take over Gränges' loan receivable in 1991.

Otherwise, the agreement includes the following points:

- the parties undertake to remain as shareholders in SSAB until 1991, owning at least the number of shares that the party concerned will have after the issue has been carried out as above,
- that in 1991, Gränges can at its own request have its shares redeemed by the state for a sum of Skr 875 m., should SSAB still exist,
- that SSAB's operations shall be conducted on sound commercial and business principles,

- that unanimity shall be required between the parties on decisions on matters relating to the agreement between SSAB and either of the parties, on the appointment of a managing director and on the possible dissolution of the company, and
- that SSAB's board of directors shall have 8 (eight) members appointed by the annual general meeting, with 6 (six) deputies, of whom Gränges shall appoint 3 (three) members and 1 (one) deputy.

Until the end of 1980, Gränges carried its shareholding in SSAB in its books at the acquisition value, namely Skr 700 m. In connection with the acquisition of Gränges, a reserve of Skr 450 m. was set up in the Electrolux Group's consolidated balance sheet in respect of the shares in SSAB. In the 1981 accounts the holding has been written down to a net book value of Skr 1 in the accounts of Gränges and of the Electrolux Group, which means that there was a write-down of Skr 700 m. in Gränges AB's accounts and of Skr 250 m. in those of the Electrolux Group.

Employees

The average number of employees in the Group decreased to 101,663 (102,944) in 1981.

The number of employees, pay and other remuneration are reported by country in the list on page 50–52. Complete statutory information has been appended to the annual report that has been sent to the Swedish Patent and Registration Office.

The employment levels in the Group in Sweden have been affected by several factors:

- The switch to products that are less labour intensive, including the conversion from mechanical to electronic equipment on the office products side, which has lead to structural changes in Facit.
- Winding up and restructuring of certain activities.
- Slack demand, which made it necessary to reduce inventories.

In order to balance the inventory position, a reduced working week was occasionally necessary at certain factories.

Rationalization programs have been carried out at several large foreign units, including some in France, Great Britain and the USA, which reduced the amount of labour needed.

The work of improving the Group's structure will continue in 1982.

As regards absenteeism and labour turnover, it is difficult to obtain precisely comparable figures. The figures from some of the Group's large plants in Sweden indicate some decline in labour turnover and absenteeism rates among salaried employees as well as collective employees. Over the past few years, the labour turnover rate and absenteeism on the collective employee side have varied between 10 and 15 percent. In the case of

Average number of employees

	1981	%	1980	%
In Sweden	**39,328**	**38.7**	40,047	38.9
Abroad*	**62,335**	**61.3**	62.897	61.1
	101,663	**100.0**	102,944	100.0

* of which in the management assignment in Liberia 3,900.

Wages, salaries and other remuneration (SKr m.)

	1981	1980
In Sweden	**2,762**	2,560
social security charges	**1,157**	1,058
Abroad (excl. Liberia)	**3,595**	2,843
social security charges	**672**	639
	8,186	7,100

Sales and results per employee

The table below shows the various income statement items in relation to the number of employees in the Group on an annual basis. The number of employees on an annual basis in 1981 was 97,700 excluding employees in Liberia and in 1980 99,000. (The sales of the Liberian operations are not included in the consolidated figures).

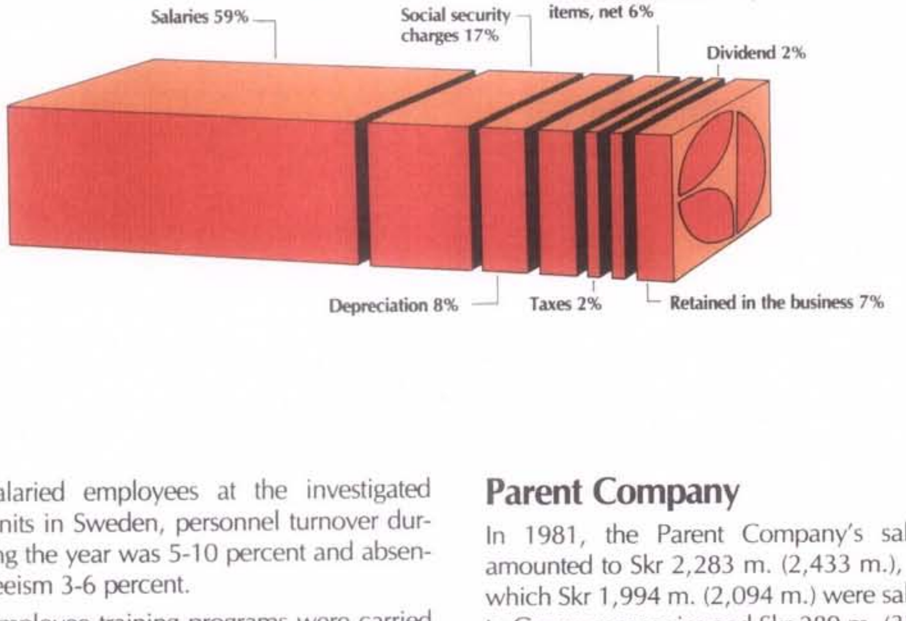
	1981 SKr per employee	1980 SKr per employee
Sales	**272,210**	231,050
– Personnel costs	**– 83,787**	– 71,720
– Other operating expenses, depreciation, interest, etc	**–176,888**	–148,685
= Result before appropriations and taxes	**11,535**	10,645
– Taxes	**– 1,781**	– 1,345
– Dividend	**– 2,088**	– 1,877
= Funds retained in the business to compensate for inflation and to provide for future growth, thereby increasing the job security of the employees and other interest groups	**7,666**	7,423

Group added value (Skr m.)

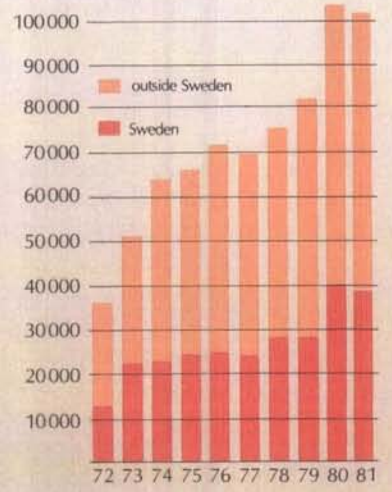
	1981	%	1980	%
Sales	**26,595**		22,874	
− cost of purchased goods and services	**−15,881**		−13,394	
= added value	**10,714**	**100.0**	9,480	100.0
− personnel costs	**− 8,186**	**−76.4**	− 7,100	−74.9
− depreciation	**− 798**	**− 7.5**	− 652	− 6.9
− net financial items	**− 1,222**	**−11.4**	− 725	− 7.6
+ extraordinary items, net	**619**	**5.8**	51	0.5
= Profit before appropriations and taxes	**1,127**	**10.5**	1,054	11.1
− taxes	**− 174**	**− 1.6**	− 133	− 1.4
− dividend (1981: proposed)	**− 204**	**− 1.9**	− 186	− 2.0
= Retained in the business	**749**	**7.0**	735	7.7

The dividend therefore corresponds to 2.5% (2.6) of total personnel costs.

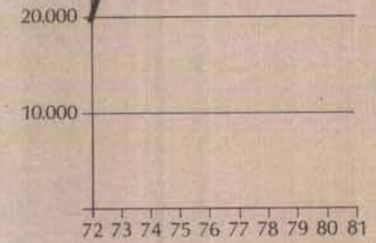
Group added value Skr 10,714 m.



Number of employees in the Group
(annual average)



Number of shareholders



salaried employees at the investigated units in Sweden, personnel turnover during the year was 5-10 percent and absenteeism 3-6 percent.

Employee training programs were carried out in Sweden during the year to broadly the same extent as before. The work of systematizing and planning the Group's managerial development work has continued.

A company-linked share investment scheme was started during the year for the Group's employees in Sweden.

Parent Company

In 1981, the Parent Company's sales amounted to Skr 2,283 m. (2,433 m.), of which Skr 1,994 m. (2,094 m.) were sales to Group companies and Skr 289 m. (339 m.) sales to outside customers. The Parent Company's exports amounted to Skr 964 m. (1,119 m.), corresponding to 42% (46) of total sales.

The Parent Company reported a profit after appropriations of Skr 230 m. and a net profit, after taxes of Skr 21 m., amounting to Skr 209 m. (187 m.). The Board of Directors propose a dividend of Skr 8:00 per share for 1981 (7:50), which will absorb Skr 203.6 m. (185.9 m.).

The Electrolux Share

MAJOR SHAREHOLDERS
(Febr 1982)

	Number of shares	% of share capital	% of votes
ASEA AB	3,334,488	13.10	49.08
SPP	1,382,168	5.43	0.13
Skandia Group	986,493	3.87	0.10
Nenom & Co, Boston, USA	490,000	1.92	0.05
Trygg Ömsesidig Livförsäkring	471,000	1.85	0.05
The National Swedish Pension Insurance Fund, Fourth Fund Board	465,500	1.83	0.05
Hans Werthén and family	432,955	1.70	0.04
AB Exportinvest	409,800	1.61	0.04
Folksam Ömsesidig Sakförsäkring	378,000	1.48	0.04
AB Custos	312,448	1.23	18.88

ANALYSIS OF SHARE OWNERSHIP IN AB ELECTROLUX

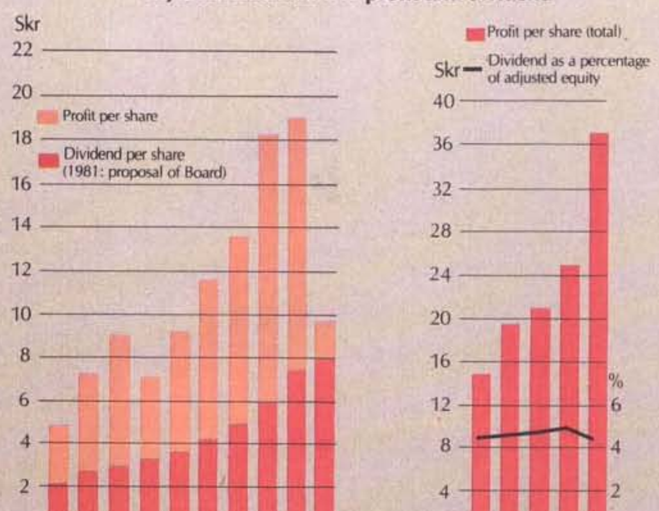
Size class number of shares	Number of share-holders	As percentage of all share-holders	Shares '000	As percentage of share capital	Average number of shares per holder
1–500	approx 46,800	91.4	5,290	20.7	113
501–1,000	2,600	5.1	1,905	7.5	732
1,001–10,000	1,700	3.4	3,964	15.6	2,331
10,001–	140	<0.1	14,304	56.2	102,171
Total	approx 51,200	100.0	25,463	100.0	497

The table was compiled on the basis of data provided by the Securities Register Centre (Värdepapperscentralen VPC AB). The data are valid for February 1982 except that shares registered as being held in trust have had to be apportioned by size classes according to data from September 1981.

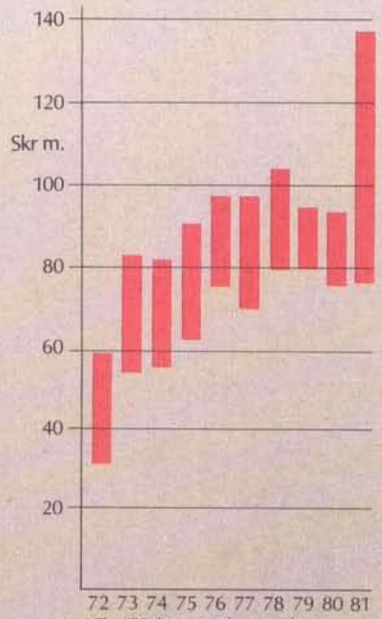
ELECTROLUX CONVERTIBLE DEBENTURE LOANS AS OF DEC 31, 1981

	Nominal value	Interest rate	Total nom value Dec 31, 1981	Conversion right from	Conversion rate	No. of shares after full conversion
Loan 1	120	8%	76,556,040	Jan -80	86	890,186
Loan 2	120	8%	840,000	Jan -80	86	9,767
Loan 3	130	8%	74,595,110	Jan -80	86	867,385
Loan 4	100	10%	662,725,000	Jan -82	120	5,522,708
			814,716,150			7,290,046

Adjusted consolidated profit and dividend



Electrolux "B" shares*
Ratings on the Stockholm Stock Exchange



* The "B" shares are also quoted on the Oslo, London and Geneva stock exchanges

AB Electrolux Board of Directors

Members

HANS WERTHÉN, Chairman of the Board

PETER WALLENBERG, Deputy Chairman, Chairman of the Board, Atlas Copco AB.

ÅKE AHLSÉN, Local Chairman, Swedish Industrial Salaried Employees Association, Åtvidaberg*

GÖSTA BYSTEDT, Chief Executive Officer

HARRY ERIKSSON, Gérant (France)

NILS HOLGERSON, Managing Director, AB Pripps Bryggerier

ROLF KARLSSON, Local Chairman, Swedish Metal Workers' Union, Strömstad*

SVEN OLVING, Vice Chancellor, Chalmers Institute of Technology

JACOB PALMSTIERNA, Managing Director, Skandinaviska Enskilda Banken

ÅKE T. VRETHEM, Deputy Chairman of the Board, ASEA AB

Deputy Members

BO ABRAHAMSSON, Managing Director, Gränges AB.

PER-OLOF EDMAN, Local Chairman, Swedish Metal Workers' Union, Ankarsrum*

RUNO ERIKSSON, Local Chairman, Swedish Supervisory Employees' Association, Motala*

BIRGIT MALMENSTAM-SKYTT, Association Secretary, Swedish Shareholders' Association

ANDERS SCHARP, Managing Director

*Representative of employees

Group Management

The Group Executive Committee

HANS WERTHÉN, Chairman

HARRY ERIKSSON, Deputy Chairman

BO ABRAHAMSSON

GÖSTA BYSTEDT

ANDERS SCHARP

Other Chief Executives of AB Electrolux

BERTIL LJUNGQUIST, Deputy Managing Director, (Executive Vice President)

LENNART RIBOHN, Deputy Managing Director, (Executive Vice President)

LARS EMILSSON

FOLKE HEIBERT

HALVAR JOHANSSON

CARL-OLOF LARSSON

SIMON LILIEDAHL

LEIF LINDGREN

ULF MAGNUSSON

JAN PRISING

OWE WERNER

Auditors

Regular Auditors

ARNE HOLMÉN, Authorized Public Accountant

JAN NORDENBÄCK, Authorized Public Accountant

Deputy Auditors

KJELL ANDERSSON, Authorized Public Accountant

JÖRGEN SCHUMACHER, Authorized Public Accountant

Electrolux Group Consolidated Income Statement

(Amounts in Skr m)	1981		1980	
Operating income and expenses				
Sales (Note 1)		**26,595**		22,874
Manufacturing, selling and administrative expenses (Note 2)		**−24,067**		−20,494
Operating result before depreciation		**2,528**		2,380
Depreciation according to plan				
Goodwill (Note 3)	**− 52**		− 32	
Machinery, equipment and tools (Note 4)	**− 654**		− 543	
Buildings (Note 4)	**− 88**		− 74	
Land and other real property (Note 4)	**− 4**	**− 798**	− 3	− 652
Operating result after depreciation		**1,730**		1,728
Financial income and expenses				
Dividends on shares and participations	**5**		6	
Interest income	**218**		239	
Interest expenses	**−1,449**		− 988	
Other financial income and expenses	**4**	**−1,222**	18	− 725
Result after financial income and expenses (Note 5)		**508**		1,003
Extraordinary income and expenses (Note 6)				
Foreign exchange differences	**− 153**		–	
Other extraordinary income and expenses	**772**	**619**	51	51
Result before appropriations (Note 5)		**1,127**		1,054
Appropriations				
Change in inventory reserves	**217**		− 340	
Provision to investment and compulsory investment reserves	**− 7**		− 80	
Brought back from investment reserves etc.	**–**		2	
Depreciation in excess of plan (Note 4)	**− 217**		− 142	
Utilized from investment reserves etc. for depreciation	**41**		4	
Change in other financial reserves (Note 7)	**− 21**	**13**	− 13	− 569
Profit before taxes		**1,140**		485
Taxes		**− 174**		− 133
Profit after taxes		**966**		352
Net results of subsidiary companies for pre-acquisition period		**–**		− 4
Minority interests		**− 5**		− 11
Net profit		**961**		337

Electrolux Group Consolidated Balance Sheet

Assets (Amounts in Skr m)	**December 31, 1981**		December 31, 1980	
Current assets				
Cash and bank deposits	**1,678**		633	
Shares and participations	**1**		1	
Bonds and other securities	**108**		49	
Bills receivable	**420**	**2,207**	330	1,013
Accounts receivable (Note 23)	**4,330**		3,646	
Prepaid expenses and accrued income	**222**		174	
Other current receivables	**748**	**5,300**	543	4,363
Inventories		**8,048**		6,942
Advance payments to suppliers		**47**		35
		15,602		12,353
Blocked accounts at the Central Bank of Sweden for investment and other reserves		**35**		23
Fixed assets				
Shares and participations (Note 8)	**200**		456	
Bonds and other securities	**23**	**223**	21	477
Bills receivable	**1**		2	
Long-term receivables	**692**	**693**	627	629
Leases, patents etc.	**41**		3	
Goodwill (Note 9)	**286**	**327**	220	223
Advance payments to suppliers	**38**		48	
Fixed plant under construction (Note 10)	**217**		166	
Machinery, equipment and tools (Note 11)	**2,684**		2,213	
Buildings (Note 12)	**1,589**		1,377	
Land and other real property (Note 13)	**359**	**4,887**	323	4,127
		6,130		5,456
Total assets		**21,767**		17,832
Pledged assets (Note 23)				
Property mortgages		**1,322**		1,018
Floating charges		**925**		829
Other pledged assets:				
Receivables		**536**		578
Inventories		**24**		56
Other		**5**		–
		2,812		2,481

Liabilities and shareholders' equity (Amounts in Skr m)	**December 31, 1981**		December 31, 1980	
Current liabilities				
Bills	**210**		193	
Suppliers	**1,779**		1,651	
Tax payable	**64**		23	
Accrued expenses and deferred income	**1,476**		1,216	
Other current liabilities	**1,239**		1,086	
Advance receipts from customers	**326**	**5,094**	301	4,470
Bank loans etc.		**3,533**		2,359
		8,627		6,829
Long-term liabilities				
Debenture loans	**237**		246	
Bond loans	**653**		668	
Mortgage loans, promissory notes	**3,031**	**3,921**	2,169	3,083
Latent tax liabilities	**525**		515	
Negative goodwill (Note 14)	**37**		79	
Other long-term liabilities	**596**	**1,158**	513	1,107
Pension provisions				
Pensions Registration Institute	**1,143**		1,002	
Other	**270**	**1,413**	211	1,213
		6,492		5,403
Convertible debenture loans (Note 15)		**815**		872
Untaxed reserves (Note 16)				
Inventory reserves		**1,036**		1,175
Accumulated depreciation in excess of plan (Note 17)		**725**		550
Investment reserves (Note 18)	**12**		15	
Special investment reserves (Note 19)	**2**		1	
Work environment reserves (Note 20)	**2**		4	
Compulsory investment reserves (Note 21)	**47**	**63**	78	98
Other untaxed reserves		**120**		87
		1,944		1,910
Minority interests		**100**		76
Shareholders' equity (Note 22)				
Restricted equity				
Share capital				
1,000,000 "A" shares à SEK 50 23,848,798 "B" shares à SEK 50	**1,242**		1,239	
Converted not registered share capital	**30**		–	
Restricted reserves	**771**	**2,043**	418	1,657
Non-restricted equity				
Non-restricted reserves	**785**		748	
Net profit	**961**	**1,746**	337	1,085
		3,789		2,742
Total liabilities and shareholders' equity		**21,767**		17,832
Contingent liabilities (Note 23)				
Discounted bills		**179**		119
Guarantees and other contingent liabilities		**753**		561
Capitalized value of pensions commitments in excess of amount shown as liability		**54**		39
		986		719

Group Statement of Sources and Use of Funds

(Amounts in Skr m)	1981	1980
Sources of funds		
Internally generated funds*	672	1,310
Sales of fixed assets	1,433	252
Conversion of convertible debentures	58	58
Increase in long-term liabilities, including convertible debentures	1,098	3,142
	3,261	4,762
Use of funds		
Capital expenditure on land, buildings, machinery, equipment and tools	1,514	2,515
Investments in shares and participations	128	409
Increase in long-term receivables	57	454
Changes in Group structure, etc.	111	− 71
	1,810	3,307
Change in working capital	1,451	1,455
Specification of change in working capital		
Increase in inventories	+1,106	+2,602
Increase in current receivables	+ 949	+1,068
Increase in current liabilities	−1,798	−2,499
Increase in liquid assets	+1,194	+ 284
	+1,451	+1,455
***Specification of internally generated funds**		
Result before appropriations**	+1,122	+1,039
Depreciation	+ 798	+ 652
Write-down in value of shares	+ 284	−
Reversal of negative goodwill	− 42	− 42
Capital gains on sale of fixed assets	−1,118	− 57
Taxes	− 174	− 133
Deposits to blocked accounts for investment reserves	− 12	− 4
Dividend	− 186	− 145
	+ 672	+1,310
**Result before appropriations	1,127	1,054
Net results of subsidiary companies for pre-acquisition period	−	− 4
Minority interests	− 5	− 11
	1,122	1,039

Notes on the Consolidated Statements

Accounting and valuation principles

Principles of consolidation

The consolidated financial statements include AB Electrolux and all the companies in which AB Electrolux directly or indirectly owned at the year-end more than 50% of the voting rights attached to the total share capital or participation certificates.

The balance sheets and income statements of foreign subsidiary companies have been converted into Swedish kronor at the exchange rates prevailing on December 31. (See page 6).

The share of minority owners in taxed equity is recorded as minority interests.

The number of active companies in the Group was 389 at the year-end (364). The total number of companies in the Group was 612 (587).

On December 31, 1981, there were minority interests in 47 (54) active subsidiary companies.

The consolidated accounts have been drawn up using the purchase method, which involves the following:

The purchase values of shares and participation certificates have been eliminated against the existing taxed and untaxed equity of the acquired company at the time of acquisition, the untaxed equity having been reduced by the estimated latent tax liability. The difference remaining after this procedure has been allocated on the basis of the available accounting records to machinery and equipment and real property. Insofar as it is not possible to allocate the remaining amount in this way it is recorded as goodwill.

In cases where the acquisition took place at a price below the equity value of the acquired company, the difference, "negative goodwill", is recorded among "Long-term liabilities" after reduction of expected restructuring costs. This situation has arisen with the acquisition of companies that did not show satisfactory profitability at the time of acquisition and which were considered capable of meeting the Group's profitability requirements only after a number of years. The recorded negative goodwill is reversed by amounts that correspond to the forecast sub-normal result of the respective acquired company at the time of acquisition, calculated on the basis of the Group's profitability requirements. The reason for basing this reversal on forecast and not on actual results is that the latter, depending on the extent to which the acquired company is structurally reorganized, can be difficult to quantify. In the case of acquired companies that are considered capable of meeting the Group's profitability requirements from the time of acquisition the negative goodwill is used to write down the value of fixed assets.

In the annual reports for the years before 1978 the booked negative goodwill related to Facit, acquired in 1973. In accordance with what was then regarded as good accounting practice this negative goodwill was reversed at the same rate as the depreciation of other goodwill, viz. 10% per annum. As a retroactive change in this principle is not practicable this negative goodwill item is reversed in accordance with the earlier principle.

The following accounting principles have been applied in drawing up the consolidated balance sheet and the consolidated income statment.

a) The equity shown in the books of subsidiary companies at the time of acquisition has been eliminated.

b) Real property, machinery and equipment have been depreciated on the basis of adjusted values, viz. the historic cost as seen from the Group's point of view.

c) Companies acquired during the year have been treated in the income statement as if they had belonged to the Group from the date of acquisition.

d) Gross accounting has been applied to the untaxed reserves of aquired companies in respect of latent tax liabilities, estimated at 50%. The latent tax liabilities are recorded among long-term liabilities.

   As regards real property, machinery and equipment, and goodwill, net accounting has been applied in respect of the latent tax liability.

e) Depreciation of goodwill is recorded under the heading "Depreciation", while the reverse of negative goodwill is included in the operating result before depreciation.

   The residual amounts in respect of goodwill/negative goodwill are shown as separate items in the consolidated balance sheet.

Depreciation of buildings, machinery and equipment, etc

Buildings, machinery and equipment, and production tools are depreciated according to a plan which is based on the acquisition cost of the assets before write-downs against investment or similar reserves. The depreciation periods are determined by the estimated economic service life of the assets. The following depreciation rates are generally applied:

Buildings	2–4%
Machinery and equipment	7–20%
Vehicles	20–25%
Production tools	33.3%

In cases where assets have been revalued to the estimated historic cost to the Group in connection with the preparation of the consolidated balance sheet the depreciation has been based on the adjusted values.

The difference between fiscal depreciation and historic cost depreciation according to plan is shown in the income statement as "Depreciation in excess of plan" under "Appropriations" and in the balance sheet as an untaxed reserve. Accumulated depreciation in excess of plan on buildings has been netted off against revaluations. "Depreciation in excess of plan" includes amounts charged against investment and similar reserves.

Depreciation on the written up values of fixed assets is recorded as "Depreciation in excess of plan". The amount is directly written off the assets item concerned in the balance sheet.

Valuation of inventories

Inventories have been valued at the lowest of acquisition cost in accordance with the first-in first-out method (FIFO), the actual replacement cost or their actual value. The necessary provisions have been made for risks of obsolescence.

Some American companies use the last-in first-out method (LIFO) for determining the book value of their inventories. The consolidated accounts of the Electrolux Group are drawn up, wherever possible, using Swedish accounting practice. In order to obtain uniform principles in the Group the effect of using the LIFO method compared with the FIFO method used by Electrolux is shown in the accounts as a general inventory reserve.

Foreign currency receivables and liabilities

Parent Company

Current receivables and current and long-term liabilities have been converted at the exchange rates prevailing on December 31 (accounting date), while unrealised foreign exchange losses and profits have been set off against each other. The net loss arising has been included in the operating result, while the net profit is not included.

Long-term foreign currency receivables have been shown at the lower of the rates on the date the claim arose and the accounting date. In the case of a direct connection between a long-term receivable and a longterm loan, both the receivable and the loan have been shown at the same rates.

Group

Swedish subsidiary companies value their foreign currency receivables and liabilities in accordance with the same principles as the Parent Company. See above.

In the case of foreign subsidiary companies receivables and liabilities in other currencies than their own have been converted in accordance with local laws and practice, generally at the accounting date rate.

Unrealised exchange differences referring to loans extended to the Parent Company in connection with acquisitions of foreign companies or capital increases in foreign subsidaries have been transferred to equity and offset by the net translation profits/losses in equity of these companies. (See page 6).

(Amounts in Skr m.)

Note 1 Sales
By sales is meant the value of sales excluding value added taxes and sales taxes.

Note 2 Manufacturing, selling and administrative expenses
This item includes a Skr 42 m.reversal of negative goodwill (42). See "Accounting and valuation principles".

Note 3 Depreciation, goodwill
Goodwill arising from the use of the purchase method of consolidation is depreciated at an annual rate of 10%.

Note 4 Depreciation according to plan/depreciation in excess of plan
For depreciation according to plan see "Accounting and valuation principles". The difference between depreciation according to plan and fiscal depreciation is shown below.

	1981	1980
Machinery, equipment and tools		
Depreciation according to plan	**654**	543
Fiscal depreciation	**−821**	−660
Reversal of depreciation in excess of plan on sold assets	**12**	6
Difference	**−155**	−111
Buildings		
Depreciation according to plan	**88**	74
Fiscal depreciation	**−109**	−101
Reversal of depreciation in excess of plan on sold assets	**2**	–
Difference	**− 19**	− 27
Land and other real property		
Depreciation according to plan	**4**	3
Fiscal depreciation	**− 6**	− 3
Difference	**− 2**	0
Total difference	**−176**	−138

In addition, depreciation has been charged against investment and similar reserves as follows:

	1981	1980
Investment reserves		
Machinery, equipment and tools	**− 2**	–
Buildings	**− 6**	− 3
Work environment reserves		
Machinery, equipment and tools	**− 1**	− 1
Compulsory investment reserves		
Machinery, equipment and tools	**− 10**	–
Buildings	**− 22**	–
Total	**− 41**	− 4
Total depreciation in excess of plan	**−217**	−142

Note 5 Adjusted profit per share

A. Result after financial income and expenses
(Standard tax rate of 50%)

	1981	1980
Result after financial income and expenses	**508**	1.003
Results of subsidiary companies relating to pre-acquisition period	**–**	− 40
Minority interest	**− 11**	− 20
Adjusted pre-tax profit	**497**	943
Tax at 50.0%	**−248**	−471
Adjusted profit after tax	**249**	472
Profit per share (25,455,133 and 24,787,075 shares respectively)	**9:80**	19:05

B. Result before appropriations
(Theoretical tax rate)

	1981	1980
Result before appropriations	**1,127**	1,054
Tax charge according to the income statement	**− 174**	− 133
Standard tax rate of 50% on appropriations	**7**	− 284
	960	637
Adjustment for minority interest and for pre-acquisition period result in subsidiary companies	**− 6**	− 16
Adjusted total profit after deduction of tax at the theoretical tax rate	**954**	621
Profit per share (25,455,133 and 24.787,075 shares respectively)	**37:50**	25:05

Note 6 Extraordinary income and expenses

Out of total exchange differences an amount of Skr 97 m. were unrealised.
Other extraordinary items:

	1981	1980
Sales of fixed assets		
Capital gains, real property	87	58
Capital losses, real property	− 9	–
Capital gains, shares	1,061	16
Capital losses, shares	− 21	− 9
Other extraordinary income	3	20
Other extraordinary expenses	− 349	− 34
	772	51

Capital gains, real property, mainly relates to the sale of hydro electric power plants to the Swedish State Power Board (Skr 49 m.). In addition sales of real property have taken place in Norway, Italy and Australia.

Capital gains, shares, mainly relates to the sale of shares hydro electric power operations to the Swedish State Power Board (Skr 868 m.), to Skandinaviska Elverk (Skr 148 m.) and to Båkab (Skr 31 m.). The sale of a subsidiary in France accounts for the Capital loss on sale of shares.

"Other extraordinary expenses" include a Skr 280 m. write-down of shares in SSAB and Graver, closing up expenses of Skr 31 m., and a Skr 12 m. write-down of non-operative receivables. An amount of Skr 14 m., relating to the net result of change in principles regarding valuation of inventory and receivables, has been included.

Note 7 Change in other financial reserves

In principle all the companies in the Group apply uniform methods for calculating inventory obsolescence, doubtful debts, guarantees, etc, regardless of local tax rules. However, in some countries further provisions are permitted. These are shown in the consolidated income statement under the above heading.

Note 8 Shares and participations (Skr m.)

	Number	Percentage holding	Nominal value	Book value
Holdings of AB Electrolux as shown in the list on page 25.				33
SWEDISH COMPANIES				
SSAB Svenskt Stål AB	5,000,000	25	500.0	0
Gotthard Nilsson AB	45,401	28	4.5	10
Nyby Uddeholm AB	12,999	10	13.0	0
FOREIGN COMPANIES				
Lamco, Liberia (The Liberian American-Swedish Minerals Company)*				
Lamco, Preferred Stock A	22,185	93	12.4	90
Lamco, Preferred Stock B	356,640	100	198.6	
Lamco, Preferred Stock C	99,000	100	55.1	
Lamco, Common Stock (class B)	1,000.000	50	5.6	
Lamco, Capital Obligation			71.6	
Arno S.A., Brazil	61,128,292	13	8.6	33
C&G Banken A/S, Denmark	–	37	9.4	10
Climar S.A. Venezuela	2,180	45	2.2	3
Lepper-Dominit Transformatoren GmbH, West Germany	1	2	1.5	2
Jonsereds S.A. France	6,000	25	0.6	1
Scandex Aluminium N.V., Holland	725	49	1.5	1
Facit Asia Ltd., India	535,600	39	3.3	1
N.V. Technomet Groep S.V., Belgium	20,800	15	30.2	0
Other				16
				200

* The total voting power of the Group in Lamco amounts to 50%

Note 9 Goodwill

	1981	1980
Opening balance	220	163
Addition for companies acquired	119	90
Depreciation	− 52	− 32
Less: sold companies	− 1	− 1
Closing balance	286	220

Note 10 Fixed plant under construction

	1981	1980
Opening balance	166	119
Net change during the year, including opening values in books of acquired companies	46	47
Corrections arising from changes in conversion rates, sales, etc	5	–
Closing balance	217	166

Note 11 Machinery, equipment and tools

	1981	1980
Acquisition value	5,992	5,055
Accumulated depreciation according to plan	−3,308	−2,842
Residual value according to plan	2,684	2,213
Accumulated depreciation in excess of plan	− 725	− 550
Net book value	1,959	1,663

Electrolux Ltd., Luton, has in excess of book depreciation made fiscal depreciation in an accumulated amount of Skr 154 m. (145).

Note 12 Buildings

	1981	1980
Acquisition value	2,492	2,023
Accumulated depreciation according to plan	−1,001	− 872
Residual value according to plan	1,491	1,151
Accumulated depreciation in excess of plan	− 186	− 102
Non-depreciated part of revaluation	284	328
Net book value	1,589	1,377
Assessed value of buildings in Sweden	1,453	
Net book value of buildings in Sweden	700	

Note 13 Land and other real property

	1981	1980
Acquisition value	309	223
Accumulated depreciation according to plan	− 33	− 23
Residual value according to plan	276	200
Accumulated depreciation in excess of plan	− 1	− 2
Non-depreciated part of revaluation	84	125
Net book value	359	323
Assessed value of land in Sweden	220	
Net book value of land in Sweden	142	

Note 14 Negative goodwill

	1981	1980
Opening balance	79	64
Addition for companies acquired during the year	–	58
Reversal as in Note 2	– 42	– 42
Less:sold companies	–	– 1
Closing balance	37	79

Note 15 Convertible debenture loans

See Note 11 on the balance sheet of AB Electrolux.

Note 16 Untaxed reserves

Minority interests account for Skr 6 m. of the recorded untaxed reserves.

Note 17 Accumulated depreciation in excess of plan

	1981	1980
Opening balance	550	416
Depreciation in excess of plan	167	117
Depreciation against investment reserves	13	1
Miscellaneous adjustments/sold equipment	– 5	16
Closing balance	725	550

Note 18 Investment reserves

	1981	1980
Opening balance	15	15
Brought back/provision in final accounts	6	– 1
Utilized for depreciation	– 8	– 3
Other	– 1	4
Closing balance	12	15

Note 19 Special investment reserves

	1981	1980
Opening balance	1	1
Other	1	–
Closing balance	2	1

Note 20 Work environment reserves

	1981	1980
Opening balance	4	5
Utilized for depreciation	– 1	– 1
Other	– 1	–
Closing balance	2	4

Note 21 Compulsory investment reserves

	1981	1980
Opening balance	78	0
Provision in final accounts	1	78
Utilized for depreciation	–32	–
Closing balance	47	78

Note 22 Shareholders' equity

	Share capital	Conv. not reg. share cap.	Restr. reserves	Non-restr. reserves	Net profit	Total
Opening balance	1,239	–	418	748	337	2,742
Conversion of debentures	3	30	25	–	–	58
Transfer of 1981 profit	–	–	–	151	–151	–
Dividend	–	–	–	–	–186	–186
Revaluation of fixed assets	–	–	67	–	–	67
Transfer between reserves	–	–	217	–217	–	–
Adjustments for exchange rate fluctuations, etc	–	–	44	92	–	136
Other adjustments	–	–	–	11	–	11
Net profit	–	–	–	–	961	961
Closing balance	1,242	30	771	785	961	3,789

An amount of Skr 23 m., out of the total Group retained earnings (Skr 1,746 m.), is required for transfer to restricted reserves.

Note 23 Pledged assets and contingent liabilities

In addition to what is stated in the consolidated balance sheet as pledged assets on page 14, shares in a subsidiary to Gränges AB have been pledged.

Contingent liabilities as per the consolidated balance sheet do not include the obligation to repurchase accounts receivable transferred to finance- and factoring companies from certain Swedish and Danish Group companies. The total value of this recourse obligation is Skr 682 m., the risk factor of this obligation however on an average being less than 1.5% which is the amount of losses on bad debts in these companies. The Group reserve for bad debts also includes potential losses in the transferred receivables as per above.

Moreover AB Electrolux is responsible for the equity in Elefac Finans AB and Electrolux International AB in which companies AB Electrolux has taken a part ownership.

AB Electrolux Income Statement

(Amounts in Skr m.)		1981		1980
Operating income and expenses				
Sales (Note 1)		**2,283**		2,433
Manufacturing, selling and administrative expenses		**−2,118**		−2,262
Operating result before depreciation		**165**		171
Depreciation according to plan				
Patents	**− 0**		− 0	
Goodwill	**−**		− 0	
Machinery, equipment and tools (Note 2)	**−101**		− 83	
Buildings (Note 2)	**− 7**		− 7	
Land and other real property (Note 2)	**− 0**	**− 108**	− 0	− 90
Operating result after depreciation		**57**		81
Financial income and expenses				
Royalties from subsidiary companies	**16**		15	
Dividends on shares and participations in subsidiary companies (Note 3)	**192**		222	
Dividends on other shares and participations	**0**		0	
Group contributions received (Note 4)	**398**		281	
Interest income	**248**		130	
Foreign exchange differences	**−**		− 1	
Interest expenses	**−633**	**221**	−356	291
Result after financial income and expenses		**278**		372
Extraordinary income and expenses (Note 5)				
Foreign exchange differences	**− 141**		−	
Other extraordinary income and expenses	**− 54**	**− 195**	− 27	− 27
Result before appropriations		**83**		345
Appropriations				
Change in inventory reserves	**183**		− 62	
Depreciation in excess of plan (Note 2)	**− 42**		− 31	
Utilized from work environment reserve for depreciation	**1**		1	
Utilized from work environment reserve for overhead investments	**0**		−	
Utilized from compulsory investment reserve for depreciation	**7**		−	
Provision to compulsory investment reserves	**−**		− 41	
Changes in reserve for unrealised inventory profits of foreign subsidiary companies (Note 6)	**− 2**	**147**	− 2	− 135
Profit before taxes		**230**		210
Taxes		**− 21**		− 23
Net profit		**209**		187

AB Electrolux Balance Sheet

Assets (Amounts in Skr m.)	December 31, 1981		December 31, 1980	
Current assets				
Cash and bank deposits	590		58	
Debentures of AB Electrolux	1		4	
Bills receivable	2	593	–	62
Receivables (Note 17)				
Subsidiary companies	1,603		1,224	
Customers	2		4	
Prepaid expenses and accrued income	19		12	
Other current receivables	322	1,946	186	1,426
Taxes receivable		0		27
Inventories		638		652
Advance payments to suppliers		1		3
		3,178		2,170
Blocked accounts at the Central Bank of Sweden				
For investment reserve	2		2	
For special investment reserve	0		0	
For work environment reserve	1		1	
For compulsory investment reserve	2	5	–	3
Fixed assets				
Shares and participations (Note 7)				
Subsidiary companies	3,407		2,781	
Other shares and participations	33	3,440	31	2,812
Other securities		19		20
Long-term receivables				
Subsidiary companies	217		388	
Other	71	288	61	449
Patents		1		–
Advance payments to suppliers	22		24	
Fixed plant under construction	49		38	
Machinery, equipment and tools (Note 8)	391		321	
Buildings (Note 9)	183		192	
Land and other real property (Note 10)	23	668	23	598
		4,416		3,879
Total assets		7,599		6,052
Pledged assets				
Property mortgages		151		147
(of which on behalf of subsidiary companies)		(17)		(18)
Floating charges		232		195
(of which on behalf of subsidiary companies)		(70)		(50)
Other pledged assets		23		23
		406		365

Liabilities and shareholders' equity (Amounts in Skr m.)	**December 31, 1981**		December 31, 1980	
Current liabilities				
Liabilities				
Subsidiary companies	**1,396**		980	
Suppliers	**140**		151	
Tax payable	**8**		–	
Accrued expenses and deferred income	**179**		167	
Other current liabilities	**44**		42	
Advance receipts from customers	**2**	**1,769**	1	1,341
Bank loans		**660**		103
		2,429		1,444
Long-term liabilities				
Subsidiary companies	**241**		195	
Debenture loans	**91**		101	
Mortgage loans, promissory notes	**1,574**		947	
Other long-term liabilities	**30**	**1,936**	0	1,243
Pension provisions				
Pensions Registration Institute	**216**		192	
Other	**16**	**232**	11	203
		2,168		1,446
Convertible debenture loans (Note 11)		**815**		872
Untaxed reserves				
Inventory reserve		**195**		378
Accumulated depreciation in excess of plan (Note 12)		**216**		185
Reserve for unrealised inventory profits of foreign subsidiary companies (Note 6)		**13**		11
Investment reserve	**4**		4	
Special investment reserve	**1**		1	
Work environment reserve (Note 13)	**0**		2	
Compulsory investment reserve	**9**	**14**	41	48
		438		622
Shareholders' equity (Note 15)				
Restricted equity				
Share capital				
1,000,000 "A" shares à SEK 50 23,848,798 "B" shares à SEK 50	**1,242**		1,239	
Converted not registered share capital (Note 16)	**30**		–	
Legal reserve	**261**	**1,533**	218	1,457
Non-restricted equity				
Retained earnings	**7**		24	
Net profit	**209**	**216**	187	211
		1,749		1,668
Total liabilities and shareholders' equity		**7,599**		6,052
Guarantees and contingent liabilities				
On behalf of subsidiary companies		**349**		211
Other (Note 17)		**62**		76
		411		287

AB Electrolux Statement of Sources and Use of Funds

(Amounts in Skr m.)	1981	1980
Sources of funds		
Internally generated funds*	− 11	287
Sales of fixed assets	3	36
Decrease in long-term receivables net, in subsidiaries	217	219
Increase in restricted equity by conversion of convertible debentures	58	59
Increase in convertible debenture loans	–	604
Increase in other long-term liabilities	618	45
	885	1,250
Use of funds		
Capital expenditure on land, buildings, machinery, equipment and tools	194	172
Investments in shares and participations	656	914
Increase in long-term receivables	12	65
	862	1,151
Change in working capital	23	99
Specification of change in working capital		
Decrease/increase in inventories	− 14	+116
Decrease in current receivables, net, in subsidiaries	− 37	−106
Increase in current receivables	+112	+101
Increase in current liabilities	−569	− 43
Increase in liquid assets	+531	+ 31
	+ 23	+ 99
***Specification of internally generated funds**		
Result before appropriations	+ 83	+345
Depreciation according to plan	+108	+ 90
Capital gains/losses on sale of fixed assets	+ 32	− 0
Write-down in value of shares	–	+ 20
Taxes	− 21	− 23
Deposits to blocked account for compulsory investment reserves	− 27	+ 0
Dividend	−186	−145
	− 11	287

Notes on the Financial Statements of AB Electrolux

(Amounts in Skr m.)

Note 1 Sales

	1981	1980
Sales to non-Group customers	289	339
Sales to Group companies	1,994	2,094
	2,283	2,433

Purchases from Group companies accounted for 38.3% of AB Electrolux' total purchases during the year.

Note 2 Depreciation according to plan/depreciation in excess of plan

For depreciation according to plan see "Accounting and Valuation principles" on page 17. The difference between depreciation according to plan and fiscal depreciation is shown below.

	1981	1980
Machinery, equipment and tools		
Depreciation according to plan	101	83
Fiscal depreciation	−130	−108
Difference	− 29	− 25
Buildings		
Depreciation according to plan	7	7
Fiscal depreciation	− 12	− 12
Non-depreciated part of revaluation relating to sold building	–	0
Difference	− 5	− 5
Land and other real property		
Depreciation according to plan	0	0
Fiscal depreciation	− 0	− 0
Difference	− 0	− 0
Total difference	− 34	− 30

In addition, depreciation has been charged against the work environment reserve and compulsory investment reserve as follows:

	1981	1980
Work environment reserve		
Machinery, equipment and tools	− 1	− 1
Buildings	− 0	− 0
Compulsory investment reserve		
Machinery, equipment and tools	− 2	–
Buildings	− 5	–
Total	− 8	− 1
Total depreciation in excess of plan	− 42	− 31

Note 3 Dividends on shares and participations in subsidiary companies

Dividends from foreign subsidiary companies amounted to Skr 128 m. and dividends from Swedish subsidiary companies were Skr 64 m.

Note 4 Group contributions received

Group contributions received are recorded as financial income as they constitute an alternative to dividends from subsidiary companies.

Note 5 Extraordinary income and expenses

Out of total exchange differences an amount of Skr 128 m. was unrealised.

	1981	1980
Capital gains, real property	–	0
Capital gains, shares in subsidiaries	0	1
Capital losses, shares in subsidiaries	−32	− 1
Write-down in value of shares in subsidiary companies	–	−20
State contribution to investment costs	− 1	16
Write-down in value of new fixed plant corresponding to state contribution	1	−16
Share issue expenses	− 3	− 7
Change of principles for valuation of inventory and provision to reserve for doubtful accounts	− 7	0
Other extraordinary expenses	−12	− 0
	−54	−27

The capital loss on shares in subsidiaries relates to the sale of a French subsidiary. Other extraordinary expenses relate to a payment under a guarantee for a Swiss subsidiary, Skr 8 m., and a Skr 4 m. provision to pension reserve for certain employees abroad.

Note 6 Change in reserve for unrealised inventory profits of foreign subsidiary companies

This reserve consists of the difference between the prices charged by the parent company and the manufacturing costs of such products as remained in the inventories of the receiving foreign subsidiary companies at the year-end, less the inventory reserves of these companies in respect of products manufactured by the parent company.

Note 7 Shares and participations, subsidiary companies

The increase between the years is due to company acquisitions and rights issues by subsidiary companies.

The bookvalue of shares and participations in certain subsidiaries has been written down by an amount of Skr 76 m. offset by a corresponding revaluation of the shares in other subsidaries. As a result the total book value has not been affected.

The shares in Gränges AB were acquired in exchange for convertible debentures having a nominal value of Skr 663 m. The company has sought advance opinion as to whether Skr 99 m. of this amount can be treated as a tax-deductible capital discount. If this is allowed it will involve a redistribution of the book value of the shares.

Company	Number	Percentage holding		Nominal value local currency (000s)	Book value Skr 000
Subsidiary companies in Sweden					
Gränges AB	7,250,000	100	SEK	725,000	707,178
Facit AB	800,000	100	SEK	80,000	126,918
Husqvarna AB	825,000	100	SEK	82,500	120,000
Jonsereds AB	1,440,000	100	SEK	72,000	116,054
ASAB Serviceföretaget AB	550,000	100	SEK	55,000	94,107
Electrolux-Wascator AB	500,000	100	SEK	50,000	50,150
AB Tvättman	115,000	100	SEK	11,500	45,056
Electrolux Constructor AB	500,000	100	SEK	25,000	25,850

Company	Number	Percentage holding		Nominal value local currency (000S)	Book value Skr 000
AB Ballingslövs Träförädling	90,000	100	SEK	9,000	25,200
Electrolux Motor AB (EMAB)	60,000	100	SEK	6,000	17,500
Electrolux Leasing AB	150,000	100	SEK	15,000	15,000
AB Addo	112,500	100	SEK	11,250	14,250
Darenas AB	20,000	100	SEK	2,000	10,920
Euroclean AB	100,000	100	SEK	10,000	10,900
Electrolux Återförsäkrings AB	100,000	100	SEK	10,000	10,000
Royal Refrigeration Industries AB	8,000	100	SEK	8,000	8,000
Husqvarna Motorcyklar AB	6,000	100	SEK	6,000	7,080
Jonsereds Godsskydd AB	1,000	100	SEK	100	6,927
Växjö Rostfritt AB	25,000	100	SEK	2,500	6,100
Electrolux Svenska Försäljnings AB	60,000	100	SEK	6,000	6,000
Bröderna Brodd AB	9,000	100	SEK	900	5,491
AB Överums Bruk	210,000	100	SEK	21,000	5,122
AB Elektro Helios	50,000	100	SEK	5,000	5,000
AB Elektroservice	50,000	100	SEK	5,000	5,000
ZätaTryckerierna AB	5,000	100	SEK	500	4,357
AB Partner	8,000	100	SEK	800	4,305
Electrolux Gjuteriprodukter AB (EGAB)	40,000	100	SEK	4,000	4,000
B. Johanssons Pappersförädling AB	1,100	100	SEK	110	3,641
AB EME-Norlett	2,500	100	SEK	2,500	2,500
AB Höörs Plåt	2,400	100	SEK	1,200	2,400
Aktiv-Fischer AB	13,400	100	SEK	1,340	2,366
Zig-Zag Fabriks AB	6,825	91.0	SEK	683	2,001
Partnerintressenter AB	15,000	100	SEK	1,500	1,729
Electrolux Fastighets AB	1,500	100	SEK	1,500	1,500
Nordfor Teknik AB	1,500	100	SEK	150	1,000
Stockholms Rabattvaruhus AB	10,000	100	SEK	1,000	1,000
Husqvarna Licensing AB,	8,000	100	SEK	800	800
AB Elektro-Apparat	1,500	100	SEK	750	750
AB ETH	1,000	100	SEK	100	550
Electrolux Inredning-Juno AB	5,000	100	SEK	500	515
Husqvarna Sundsvall Depot AB	500	100	SEK	500	500
Svenska Hemmamaskiner AB	250	100	SEK	250	419
Electrolux Fond AB	2,500	100	SEK	250	250
AB Volta	2,000	100	SEK	200	200
HDC Fjärrkontroll AB	2,000	100	SEK	200	150
Addo Försäljnings AB	1,000	100	SEK	100	100
AB Formverktyg	1,000	100	SEK	100	100
AB Lux	500	100	SEK	50	51
Centralkassan AB	500	100	SEK	50	50
Hugin Kassaregister AB	40,000	100	SEK	40,000	0
Mikrovågsapplikation (MVA) AB	1,000	100	SEK	1,000	0
Total subsidiary companies in Sweden					**1,479,037**

Company	Number	Percentage holding		Nominal value local currency (000S)	Book value Skr 000
Subsidiary companies abroad					
Europe					
Austria					
Electrolux GmbH		100	ATS	28,000	2,000
Belgium					
Electrolux-Martin S.A.	190,000	100	BEC	349,890	48,000
Facit S.A.	500	100	BEC	19,203	1,300
Denmark					
A/S Scan-Atlas Husholdningsapparater	731	100	DKK	140,000	113,410
A/S Vestfrost	126	50	DKK	3,645	5,000
Eire					
Electrolux Ltd.	110	100	GBP	0	0
Finland					
Oy Electrolux Ab	66,500	100	FIM	66,500	84,000
Oy Liesimyynti-Spisförsäljnings Ab	204	51	FIM	2,040	2,384
France					
Usines et Fonderies Arthur Martin S.A.	11,556,524	64.4	FRF	115,565	112,458
S.A. Electrolux	1,007,448	99.9	FRF	100,747	89,939
Electrolux-Wascator S.A.	87,438	99.9	FRF	8,744	7,741
Constructions Isothermiques Bontami S.A.	8,000	100	FRF	800	1,000
S.A.Levin France	940	94	FRF	100	0
Great Britain					
Electrolux Ltd.	29,999,500	100	GBP	30,000	350,000
Electrolux Associated Companies Ltd.	4,433,300	100	GBP	4,433	37,800
Italy					
Facit Data Products S.p.A.	379,400	94.9	ITL	379,400	1,609
Flymo S.r.l.	49,999	100	ITL	49,999	209
Electrolux S.p.A.	98,400	98.4	ITL	4,920,000	0
Italwascator S.r.l.	38,249	100	ITL	38,250	0
Luxembourg					
Electrolux S.à.r.l.	49,444	98.9	LUF	49,444	15,000
Gotha Holding S.A.	290	96.7	LUF	2,900	0
Netherlands					
Electrolux-Quatfass B.V.		100	NLG	2,300	4,274
Norway					
Electrolux Industrier A/S	560	100	NOK	76,574	55,641
Electrolux Rengjøringsmaskiner A/S	6,000	100	NOK	4,500	3,600
Facit A/S	8,000	100	NOK	4,000	2,883
Electrolux Constructor A/S	100	100	NOK	1,000	648
Portugal					
Electrolux Limitada		90.1	PTE	24,324	2,212
Spain					
Electrolux S.A.	3,764	97.5	ESP	146,257	4,300
Electrolux Canarias S.A.	1,200	50	ESP	6,000	278
Switzerland					
Electrolux AG	3,995	100	CHF	1,998	15,000
Rolevag AG	1,000	100	CHF	1,000	0
West Germany					
Electrolux GmbH (Berlin)		99.2	DEM	11,900	49,596
Electrolux-Loh GmbH		100	DEM	25,000	47,625
Facit GmbH		100	DEM	9,000	18,276

Company	Number	Percent-age holding		Nominal value local currency (000S)	Book value Skr 000
Electrolux GmbH (Hamburg)		95.9	DEM	8,635	15,735
Electrolux Finanz GmbH		99.8	DEM	4,990	8,310
Electrolux Kälte- und Wärmetechnik GmbH		100	DEM	1,000	1,750
Euroclean GmbH		100	DEM	2,500	0
Flymo GmbH		100	DEM	1,500	0
North America					
Canada					
Euroclean Holdings Ltd.	173,700	100		n p v	77,178
USA					
Dometic Incorporated	150	100		n p v	653,699
Latin America					
Argentina					
S.A. Electrolux	106,000,000	100	ARP	10,600,000	0
Brazil					
Electrolux S.A.	355,000,000	100	BRC	355,000	12,797
Facit S.A.	385,235,299	100	BRC	385,235	5,699
Electrolux Serviços Ltda.	33,222	94.9	BRC	33,222	3,400
Electrolux Comercial e Serviços Maritimos Ltda.	7,460	82.9	BRC	7,460	300
Colombia					
Equilux S.A.	1,400,000	93.3	COP	28,000	1,090
Electrolux S.A.	18,194	91	COP	1,819	0
Dominican Republic					
Electrolux Lagares C. por A.	354	51	DOP	36	107
Ecuador					
Electrolux C.A.	3,078	49	ECS	3,078	243
Mexico					
Electrolux S.A. de C.V.	33,996	100	MXP	33,996	6,075
Distribuidora Electrolux S.A.	246	98.4	MXP	25	0
Industrias Electrolux S.A.	296	1.4	MXP	296	0
Facit Manu-facturera S.A.	12,596	100	MXP	12,596	0
Uruguay					
Electrolux S.A.	2,660	100	UYP	500	228
Venezuela					
C.A. Electrolux	39,988	100	VEB	39,988	35,000
Other regions					
Hong Kong					
Electrolux Hong Kong Ltd.	5,000	66.7	HKD	500	123
Electrolux (Far East) Ltd.	4,999	100	HKD	50	0
Iran					
Electrolux Iran Services Co. Ltd.	5,098	50.9	IRR	5,098	0
Japan					
Electrolux Japan Ltd.	1,000,000	100	JPY	1,000,000	11,000
Nesco Ltd.	100,000	50	JPY	50,000	100
Jordan					
Electrolux Jordan Trading Co. Ltd.	10,045	49	JOD	10	133
Lebanon					
Electrolux Middle East S.à.r.l.	880	41.9	LBP	880	0

Company	Number	Percent-age holding		Nominal value local currency (000S)	Book value Skr 000
Malaysia					
Electrolux Malaysia Sendirian Berhad	1,000,000	100	MYR	1,000	6,065
New Zealand					
Electrolux Ltd.	700,000	100	NZD	1,400	12,000
Saudi-Arabia					
Electrolux Saudi Services Ltd.	5,000	50	SAR	500	648
Thailand					
Electrolux Thailand Ltd.	14,700	49	THB	1,470	370
Total shares and participations in subsidiary companies					**3,407,270**
Other companies, etc					
In Sweden					
ESV Förvalt-nings AB	225,000	45.0	SEK	22,500	27,419
EPE Interna-tional AB	10,000	33.3	SEK	1,000	1,200
Vakuumsystem AB	495	24.8	SEK	50	50
Handelsbolaget Svenska Dagbladets AB & Co.	100		SEK	100	0
Svensk Interkontinental Lufttrafik AB (S.I.L.A.)	9,600	0.7	SEK	960	0
Diverse aktier och andelar					20
Abroad					
France					
GF75 – Société S.à.r.l.	4		FRF	70	0
Iran					
Savalux Manufacturing Co.	5,799	14.5	IRR	57,990	0
Savalux Trading Co.	144	14.5	IRR	1,440	0
Italy					
Foemm S.p.A.	4,000	10.0	ITL	40,000	2,585
Luxembourg					
ADELA Investment Co. S.A.	2,584			n p v	1,160
SIFIDA Investment Co. S.A.	20		USD	100	517
Nigeria					
Electrolux Mandilas Ltd.	160,000	40.0	NGN	160	0
Peru					
Electrolux S.A.	124,908	34.3	PES	124,908	0
Valinka S.A.	8,348	18.0	PES	8,348	20
Philippines					
Technolux Equipment and Supply Corporation	675,000	30.0	PHP	675	265
Spain					
Wascator Ibérica S.A.	625	25	ESP	625	0
Total shares and participations in other companies					**33,236**

Note 8 Machinery, equipment and tools

	1981	1980
Acquisition value	744	620
State contribution	− 1	− 1
Accumulated depreciation according to plan	−352	−298
Residual value according to plan	391	321
Accumulated depreciation in excess of plan	−216	−185
Net book value	175	136
Acquisitions during the year	175	146

Note 9 Buildings

	1981	1980
Acquisition value	255	247
State contribution	− 14	− 15
Accumulated depreciation according to plan	− 79	− 72
Residual value according to plan	162	160
Accumulated depreciation in excess of plan	− 70	− 65
Non-depreciated part of revaluation	91	97
Net book value	183	192
Acquisitions during the year	8	31
Assessed value of buildings	356	185

Note 10 Land and other real property

	1981	1980
Acquisition value	15	15
Accumulated depreciation according to plan	− 1	− 1
Residual value according to plan	14	14
Accumulated depreciation in excess of plan	− 1	− 1
Undepreciated portion of revaluation	10	10
Net book value	23	23
Acquisitions during the year	0	2
Assessed value of land	35	19

Note 11 Convertible debenture loans

This item includes the following debentures:

Loan I	Skr m. 76	Conversion rate Skr 86
Loan II	Skr m. 1	Conversion rate Skr 86
Loan III	Skr m. 75	Conversion rate Skr 86
Loan IV	Skr m. 663	Conversion rate Skr 120
Total	Skr m. 815	

Interest at 8% is payable on Loans I, II and III, which corresponds after conversion to a dividend of Skr 6:90 per share currently in issue, while 10% is payable on Loan IV, which corresponds after conversion to a dividend of Skr 12 per share currently in issue. Loans I and II fall due for redemption on December 15, 1987, Loan III on December 15, 1988, while Loan IV is due on December 15, 1990, insofar as the holders of debenture certificates have not had them converted into shares. Loans I, II and III can be converted from January 2, 1980, while certificates relating to Loan IV can be converted from January 2, 1982.

Note 12 Accumulated depreciation in excess of plan

This amount relates entirely to machinery, equipment and tools.

Note 13 Work environment reserve

	1981
Opening balance	2
Transfer to Electrolux-Wascator AB	−1
Utilized for depreciation of	
machinery, equipment and tools	−1
buildings	−0
expensed items	−0
Closing balance	0

Not 14 Compulsory investment reserve

	1981
Opening balance	41
Transfer to Husqvarna AB	− 5
Transfer to ZätaTryckerierna AB	− 1
Transfer to Electrolux Fastighets AB	−19
Utilized for depreciation of	
machinery, equipment and tools	− 2
buildings	− 5
Closing balance	9

Note 15 Shareholders' equity

	Share capital	Conv. not reg. share capital	Statutory reserve	Non-restricted equity
Opening balance	1,239		218	211
Transfer to legal reserve			18	− 18
Dividend declared by Annual General Meeting				−186
Conversion of debenture certificates	3	30	25	
Net profit				209
Closing balance	1,242	30	261	216

Note 16 Converted not registered share capital

In addition to the registered share capital, 606.335 "B" shares à Skr 50 are entitled to dividend for 1981. These shares correspond to convertible debenture certificates that were presented before December 15, 1981, but had not been registered as share capital by the Swedish Patent and Registration Office by the accounting date.

Note 17 Guarantees and contingent liabilities, other

Contingent liabilities as per the balance sheet of the Parent Company do not include the obligation to repurchase the accounts receivable transferred to finance- and factoring companies. The total value of this recourse obligation is Skr 14 m., the risk factor however being less than 1% based on average losses on bad debts during the last years. The Group reserve for bad debts also includes potential losses in the transferred receivables as per above.

Moreover AB Electrolux is responsible for the equity in Elefac Finans AB and Electrolux International AB in which companies AB Electrolux has taken a part ownership.

Proposal for the Distribution of Earnings

The Board of Directors and the Managing Director propose that the unappropriated earnings at the disposal of the Annual General Meeting,

net profit for 1981	Skr	208,814,913
retained earnings	Skr	6,678,621
totalling	Skr	215,493,534
be dealt with as follows:		
to be paid to shareholders by way of dividend of SKr 8:00 per existing share	Skr	203,641,064
to be carried forward	Skr	11,852,470
	Skr	215,493,534

Stockholm, March 24, 1982

HANS WERTHÉN
Chairman of the Board

PETER WALLENBERG
Deputy Chairman

ÅKE AHLSÉN

HARRY ERIKSSON

NILS HOLGERSON

ROLF KARLSSON

SVEN OLVING

JACOB PALMSTIERNA

ÅKE T. VRETHEM

GÖSTA BYSTEDT
Chief Executive Officer

ANDERS SCHARP
Managing Director

Audit Report

We have examined the Annual Report, the Consolidated Statements, the book-keeping and the administration of the Company by the Board and the Managing Director.

The Parent Company

The Annual Report has been drawn up in accordance with the Companies Act.

The separate list of loans, pledged assets and contingent liabilities that is required under the said Act has been drawn up.

We recommend that the Annual General Meeting

- adopts the Income Statement and the Balance Sheet,
- applies the profit in the manner recommended by the Board and the Managing Director, whereby Skr 203,641,064 would be distributed as dividend to the shareholders, and Skr 11,852,470 would be carried forward, and
- grants the Board of Directors and the Managing Director discharge from their liability for the fiscal year 1981.

The Group

The Consolidated Statements have been drawn up in accordance with the Companies Act.

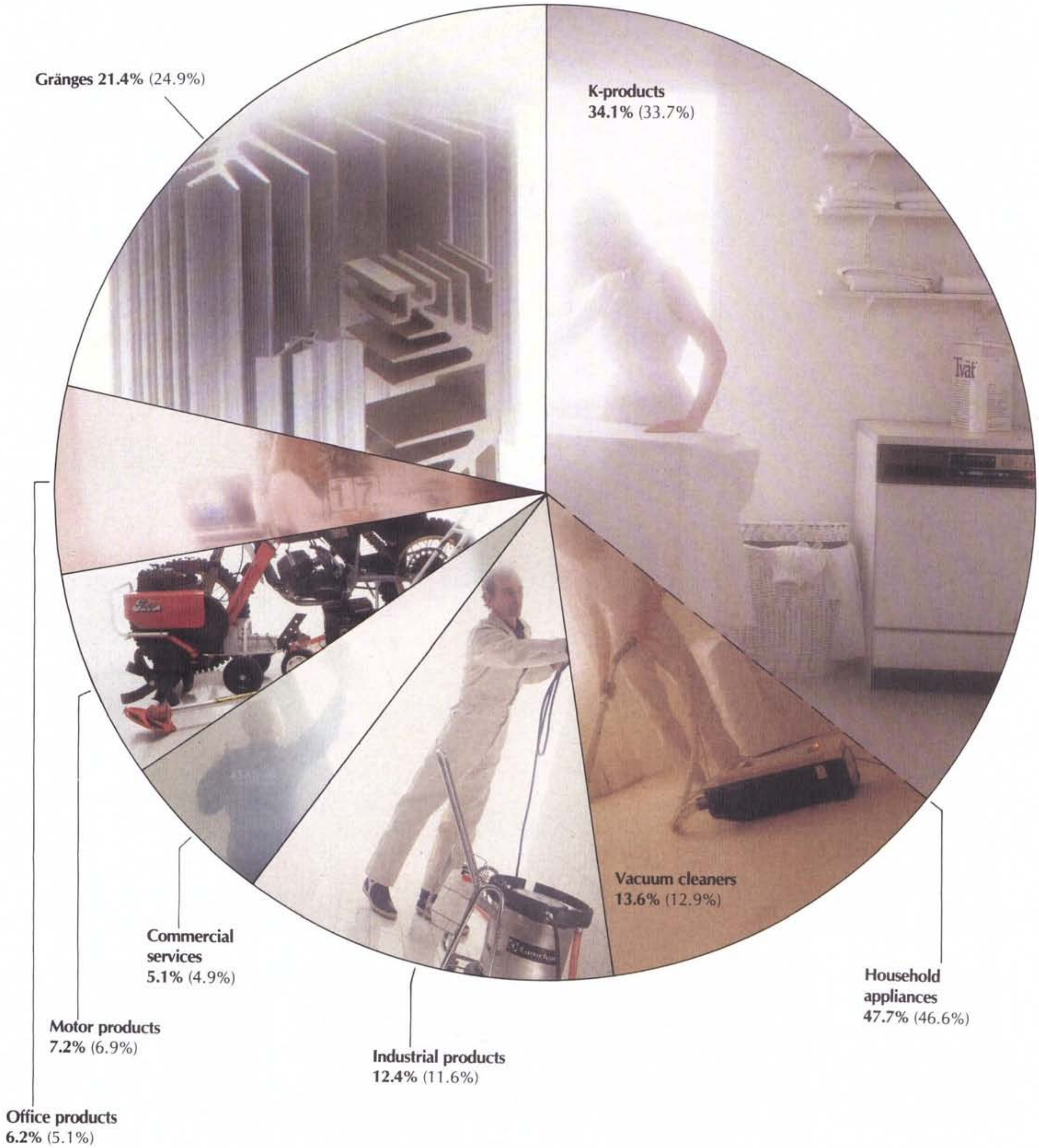
We recommend that the Annual General Meeting adopts the Consolidated Income Statement and the Consolidated Balance Sheet.

Stockholm, April 2, 1982

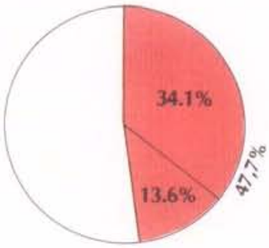
ARNE HOLMÉN Authorized Public Accountant	JAN NORDENBÄCK Authorized Public Accountant

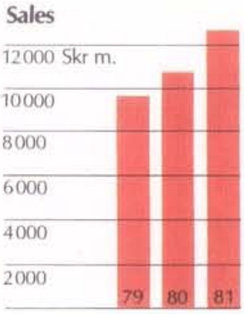
Products

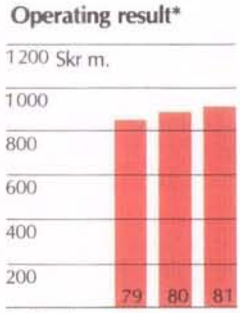
The Group's activities can be grouped into six product lines, namely household appliances, motor products, industrial products, commercial services, office products and Gränges products. The spread across a large number of markets and product fields provides stability combined with opportunities for expansion. The Group's global sales organization also permits the products to be marketed rapidly in more remote markets.



Household Appliances







* After depreciation

The household appliances product line includes a broad program of machines and equipment for household use, such as kitchen appliances, vacuum-cleaners, sewing machines and TV sets.

As a result of the expansion of companies already in the Group, and through acquisitions, Electrolux has achieved a position as one of the world's leading companies in this field.

This position has been further consolidated through the purchase of the "white-goods" business of the Finnish Rosenlew group, and of Hugin and Progress, Swedish and German manufacturers respectively of vacuum-cleaners, as well as Paris-Rhône, a French brand, during the year.

In 1981, the Group's sales of household appliances increased by 19% to Skr 12,679 m. (10,675 m.), of which newly-acquired companies accounted for Skr 399 m.

The operating profit after depreciation amounted to Skr 923 m. (883 m.), the equivalent of 7.3% on sales (8.3).

Unit sales of certain products

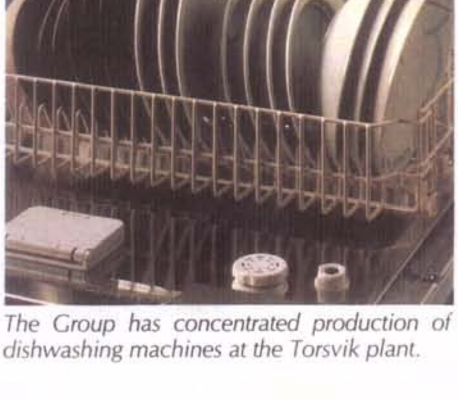
	1981*	1980
Vacuum-cleaners	**5,400,000**	5,300,000
Refrigerators and freezers	**1,697,000**	1,759,000
Cookers	**1,335,000**	1,362,000
Microwave ovens	**423,000**	358,000
Kitchen fans	**196,000**	173,000
Washing machines, drying cabinets, mangles	**390,000**	410,000
Dishwashing machines	**183,000**	192,000
TV sets	**178,000**	174,000

* Including sales of companies acquired during the year.

K-products

The K-products group consists of "white products", i.e. kitchen appliances and equipment such as cookers, kitchen fans, refrigerators, freezers, and dishwashing machines, and domestic laundry equipment, such as washing machines, tumbler dryers, drying cabinets, and mangles. In addition to these principal products, the group also includes food preparation machines, small appliances, air conditioners, kitchen and bathroom fittings, solid-fuel space heaters and electric radiators.

For the second year in a row, the total market for white products decreased in Western Europe. However, Group sales of K-products rose by 18% to Skr 7,996 m. due to acquisitions and changes in foreign exchange rates. The Group is at present making a strategic adaptation of its marketing to the competitive situation that can be expected to prevail over the next few years.



The Group has concentrated production of dishwashing machines at the Torsvik plant.

In the USA, the demand for white products slackened appreciably during the later part of the year, especially as a result of the weakness of the building industry.

However, Tappan strengthened its market position during 1981. Substantial rationalization programs were launched at the various production plants.

In 1981, several important new models were launched on the market in the white goods sector, including cookers, refrigerators and freezers, and washing and dishwashing machines.

Electrolux has developed a combination cooker that can heat by means of hot air convection and radiated heat. The market reacted encouragingly. Microwave ovens have made their breakthrough in the European market. In the USA, where they are long established, Electrolux manufactured almost half a million microwave ovens at the Dalton plant of its subsidiary, Tappan, which gives the Group a strong position on the North American market and a firm base from which to further expand its markets in Europe.

The Group's complete and extremely competitive program of large refrigerators and freezers forms an important part of the white goods program. Through the acquisition of the white products sector of the Rosenlew group, Electrolux has gained access to a complementary range

Electrolux is one of the world's largest producers of domestic cookers.

The Group has a complete program of large refrigeration and freezer products.

of refrigerators and freezers that further strengthens the product group.

At the end of 1981, the Group's new generation of dishwashing machines was launched in Europe. These new machines will provide rationalization benefits as production is being concentrated at a new, modern dishwashing machine plant in Torsvik, Sweden, previously having been located at three separate factories.

Dishwashing machines are the white goods that have the lowest penetration, i.e. the number of households that have access to the product, and therefore have the greatest growth potential. With its new machines, the Group has a good chance of taking a substantial share of this growth.

In 1981, production of the new front-loading domestic washing machines got going on a full scale at the factory in Revin, France. For the first time therefore, the Group has an opportunity, with a range of modern washing machines produced in the Group's own plant, to actively canvass markets where the laundry side was a weak link in the complete program. During the past year, the market reacted positively.

Kitchen and bathroom fittings

Zig-Zag Fabriks AB, Malmköping, and AB Ballingslövs Träförädling manufacture and market kitchen and bathroom fittings on the Scandinavian market. The factory in Nykøbing, Denmark, has been closed. In the USA, Tappan's operations have expanded through the commissioning of a plant in Phoenix, Arizona. The results of this product group were adversely affected in 1981 by the reduction in building activity.

Air conditioners

Emerson Quiet Kool, which has a plant in Woodbridge, New Jersey, is one of the USA's best known manufacturers of air conditioners for private homes, etc. The company now supplies equipment to the caravan industry in the USA through Dometic Sales Corp., another member of the Group. The company's products are also sold through subsidiaries and agents of Electrolux in several markets outside America.

Vacuum-cleaners, etc

The domestic cleaning machines product group includes a broad program of vacuum-cleaners, floor polishers, carpet shampooing machines and accessories. The largest manufacturing units are in Sweden, France, Great Britain, the USA and Western Germany. Production also takes place in several countries in Latin America and in Australia and New Zealand.

The weak economic situation in most countries in 1981 led to the stagnation of the total market that was noted in the foregoing year persisting. The Electrolux Group, which is at present one of the world's leading vacuum-cleaner manufacturers as a result of the company acquisitions of the past few years, maintained its already high market shares in most markets.

In 1981, the number of units sold increased by 2%, while sales including those of newly-acquired companies increased by 22% to Skr 3,627 m. In total some 5.4 million units were sold, including floor-polishers and motor-driven powerheads (5.3 m.). Of the total unit sales of domestic cleaning machines, direct sales accounted for 18% and sales through specialist retailers for 82%.

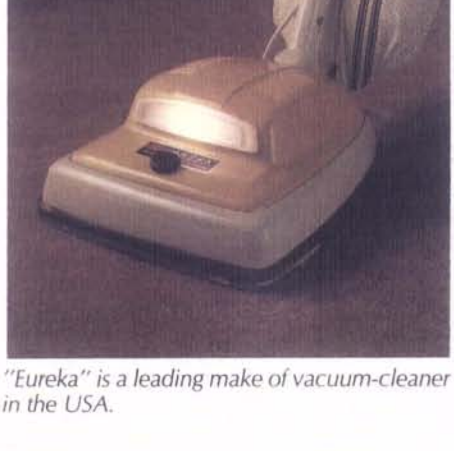
In 1981, a number of new product launches were successfully carried out through specialist retail channels as well as by means of direct sales in Europe.

Direct selling activities continued to expand in Latin America and in some of the newly-opened markets in Asia.

Sales through specialist retailers in the USA and Europe held their position well despite increased product and price competition.

In Europe, the Group's already strong position on the French market was further strengthened through the acquisition of Paris-Rhône, a French vacuum-cleaner brand, towards the end of 1981. This will also improve capacity utilization at the Group's French production unit in Reims. The Group's market share in Western Germany increased as a result of the acquisition of Progress.

Product development has been further intensified. Apart from competitive product features - improved dust-absorption capacity, reduced noise levels and lighter machines - it creates the right conditions for sound production economy through the new designs that make cost-reducing rationalization of production possible.



"Eureka" is a leading make of vacuum-cleaner in the USA.

Sewing machines

The total market for sewing machines showed a further decline during the year, mainly in Western Europe and the USA, which are the Group's principal markets. However, Husqvarna's market shares increased in these markets.

Sales successes with new models and with the "6690" microcomputer controlled sewing machine launched in 1980 contributed to a 10.5% increase in sales to Skr 510 m. (462 m.). The results improved, but remained unsatisfactory. During the year, two new sewing machine models were launched on the Nordic markets. The intensive efforts put into product development at Husqvarna have resulted in advanced sewing machines that are simple to use as they incorporate modern micro-computer technology.

As mechanical components are replaced by electronics in these new products, substantial production rationalization has been made possible and the restructuring of production has begun.

TV sets

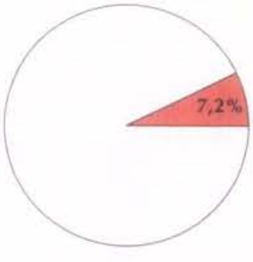
In 1980, Electrolux acquired the majority of the shares in Océanic S.A, a French TV company with production facilities in Chartres. Selling has been co-ordinated with the existing marketing of bought-in TV sets by Arthur Martin.

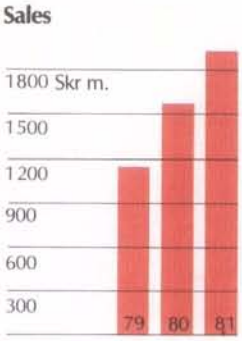
Production amounted to 134,000 colour TV sets and total sales were 146,000 colour TV sets and 32,000 b/w sets, including the Arthur Martin make. Sales amounted to FRF 523 m. The total French market amounts to around 2 million colour sets a year. The proportion of households that now have colour TVs is some 50%. Five new models were launched during the year.

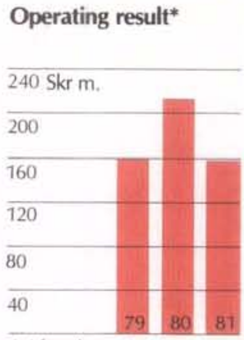

One of this year's new TV models from the Océanic factory in Chartres.

Micro-processor technology is used in the new sewing machine models.

Motor products







* After depreciation

The motor products sector includes chain saws and other equipment for forestry, cutting machines, lawn-mowers, cultivators, motor-cycles and accessories.

Sales in 1981 totalled Skr 1,921 m. (1,572 m.). The operating profit after depreciation was Skr 158 m. (212 m.), the equivalent of 8.2% (13.5) on sales.

Chain saws and forestry products

The markets for all types of chain saw dipped sharply during the year in North America, declined slightly in Europe and remained broadly at the 1980 level in Scandinavia. The reasons were the decline in building activity, the steadily weakening pulp market during the year, and fading interest in the use of wood fuel for heating purposes. This decline is considered to be temporary, but growth rates are expected to be slower in the future. Despite the overall market decline, sales of Husqvarna, Jonsered and Partner, Swedish makes of chain saw, increased compared with 1980 and market shares increased.

The restructuring of the Swedish production units continued during the year. For example, the concentration of crankcase production at the Brastad factory was completed, as were magnesium processing at the Huskvarna factory and clearing saw production at the Tandsby plant. The factory in Mölndal was closed down. In connection with ceasing to manufacture the old, more labour-intensive chain saw models, and the introduction of a new generation of products, the conditions have been created for the extensive rationalization of materials handling and assembly.

Further new models were launched during the year. For example, a small professional saw was added to the Husqvarna range, new farmers' saws for Jonsered, Husqvarna and Partner, and new clearing saws for the Husqvarna and Jonsered programs.

The Group itself started to sell Partner saws through newly-started sales organizations or existing Electrolux companies in Australia, Finland, New Zealand, Switzerland, and Western Germany.

During the year, Nordfor Teknik began selling equipment and safety apparel for forest workers under the Nordtec name, making a successful start. Nordfor Teknik's sales of forest management products were also successful, whereas sales of winches declined.

The restructuring of chain saw manufacturing in Norway continued, and the factory in Drøbak is being closed in 1982. Some production will be transferred from this factory to the Electrolux plant in Sarpsborg. Furthermore, some Skr 20 m. will be invested in the latter plant for the production of chain saw blades.

Sales of Pioneer, the Canadian chain saw company, decreased sharply in 1981, mainly on account of the recession in the North American market. Pioneer's results were unsatisfactory and steps are being taken to bring about an improvement in 1982.

During the year Trail Manufacturing Ltd, Canada, was acquired. This company manufactures hobby saws, and production will be successively co-ordinated with Pioneer's chain saw production.

Gardening equipment

Sales of lawn-mowers and cultivators increased from Skr 360 m. in 1980 to Skr 568 m. (including Norlett). Flymo's existing business displayed sustained growth. A further boost will come from the acquisition of the Norlett group in Norway. Together, Flymo and Norlett form one of the largest companies in the industry, having more than 20% of the European lawnmower market. The amalgamation will not make its full impact before 1983.

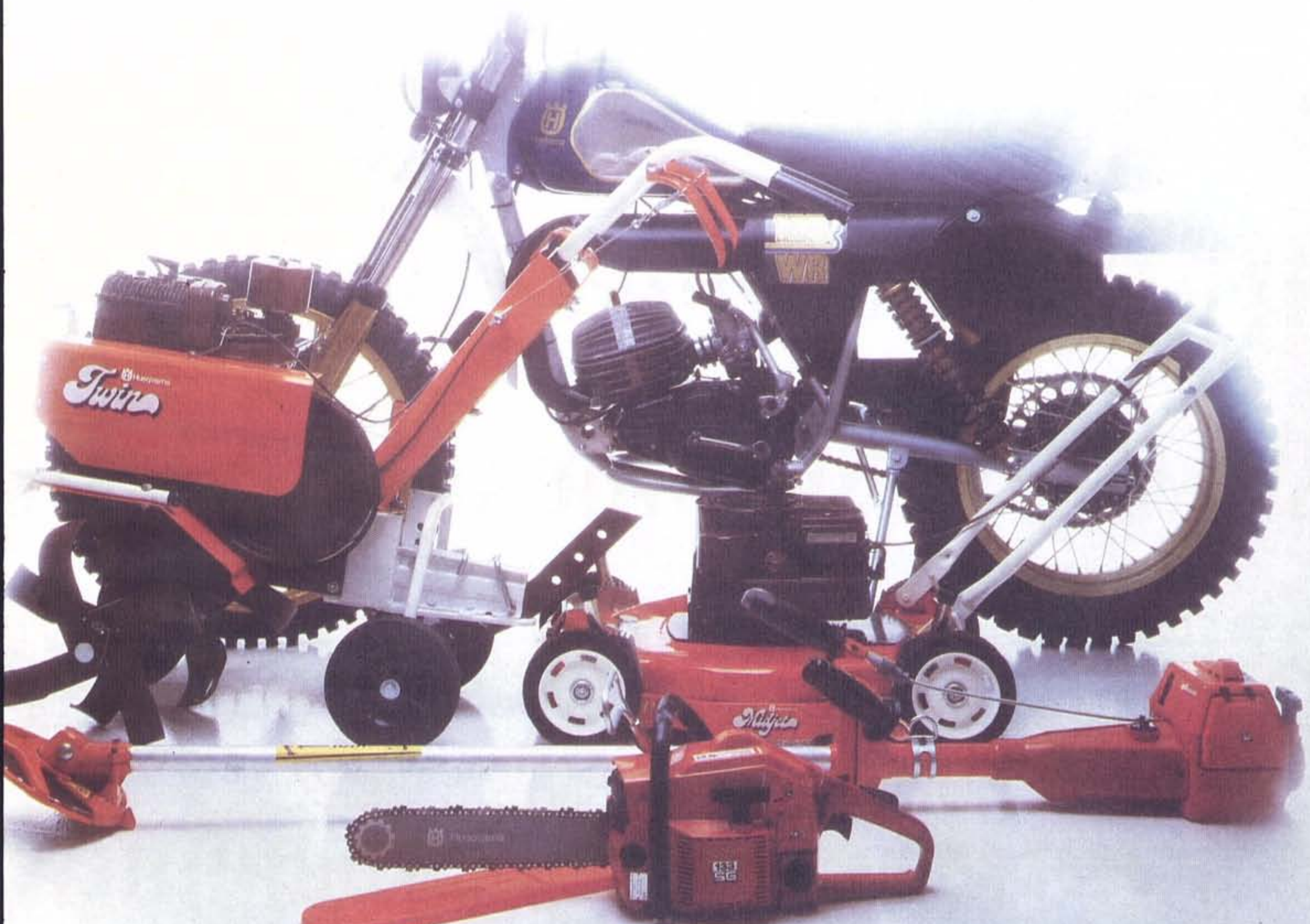
Unit sales of air-cushion lawn-mowers once again increased by some 10%. Lighter and less costly models were especially successful. Sales of new small cultivators increased. A low price electric-powered cultivator has been introduced for domestic gardens.

One of Flymo's lightweight air-cushion lawnmowers.

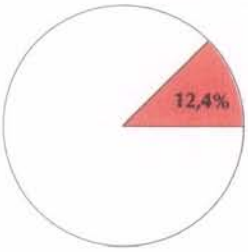
Motor-cycles

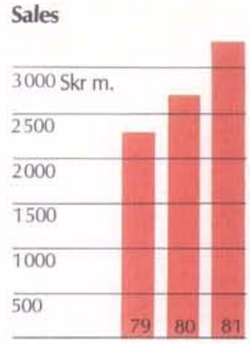
The demand for Husqvarna's program of motor-cycles, which includes competition machines, motocross and endurance cycles as well as a military model was firm in 1981, and sales rose to Skr 118 m. (77 m.). Deliveries of military motor-cycles to the Swedish defence forces have continued.

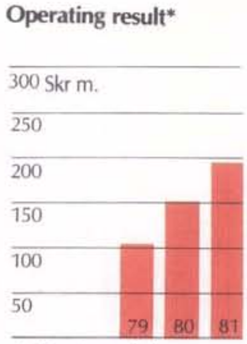
Electrolux is one of the largest chain saw manufacturers in the world.



Industrial products







* After depreciation

The product line includes products for food service and laundries, commercial cleaning machines, agricultural implements, commercial refrigeration and freezer equipment and materials handling systems.

In 1981, sales amounted to Skr 3,295 m. (2,654 m.). The operating profit after depreciation was Skr 193 m. (154 m.), the equivalent of 5.9% on sales (5.8).

Food service equipment

Electrolux-Wascator is one of Europe's leading suppliers of food service equipment. Production takes place in Alingsås, Sweden, the Netherlands, and in Switzerland.

Expansion continued in 1981, and sales totalled Skr 575 m. (478 m.). The factory in France was sold during the year, and the sales increase of the remaining companies was 26%.

Newly-acquired companies had only a small influence on the year's sales figures.

Profitability improved considerably in 1981, in part through an appreciable increase in sales to non-European markets and in the marine sector.

In Western Germany, marketing resources were strengthened through the acquisition of Butenschön GmbH & Co, Hamburg, a sales and service company with a well established marketing organization. This acquisition is expected to lead to higher exports of products from Alingsås to the West German market, which has considerable potential.

In Sweden, the Lederhausen group has been acquired since the year-end, as has Wicum AB, which manufactures catering products. Lederhausen produces and sells spices. These companies complement the existing product program.

Laundry equipment

In 1981, Electrolux-Wascator consolidated its position as the world's leading producer of semi-industrial laundry equipment. Production takes place in Ljungby, Sweden, and the bulk of the output, of which some 80% is exported, goes to the USA, England and Japan.

In 1981, sales increased to Skr 291 m. (271 m.). An agreement has been signed with a new agent in Mexico covering deliveries and assembly there. Promising markets are Iraq and Angola, to which equipment for hospital laundries was supplied.

At the beginning of 1982 the semi-industrial laundry equipment business of Völund, a Danish company, was acquired.

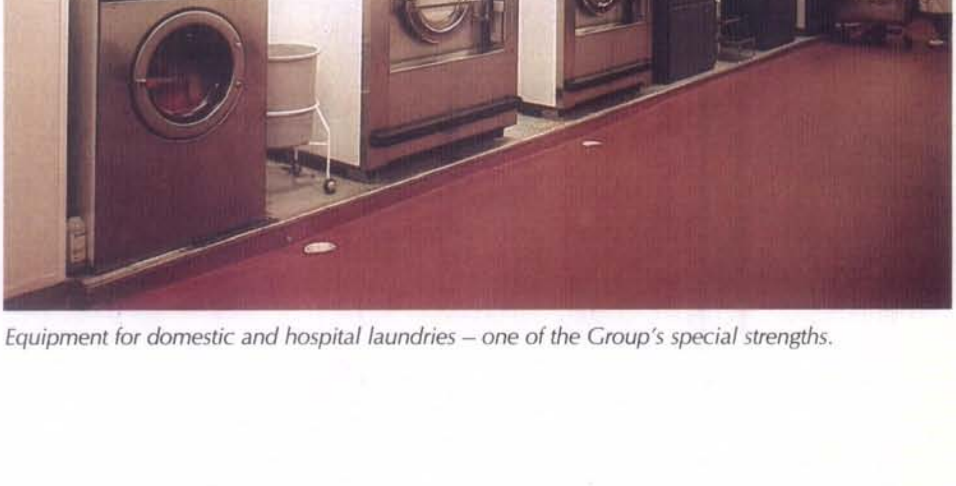
Sterilization and disinfection equipment

Sterilization equipment for hospitals and industry is manufactured in Getinge, Sweden, and by Group companies in France, Great Britain and the USA.

In 1981, sales increased by some 82%, mainly as a result of the acquisition of the majority of the shares in Lequeux S.A., Paris, and major sales successes in the Middle East and Eastern Europe.

Växjö Rostfritt AB manufactures and markets systems for the disinfection of circulation articles in hospitals and old people's homes. Sales rose by 22% in 1981. During the year, the company consolidated its market position in Scandinavia and gained major orders from the Middle East and other countries.

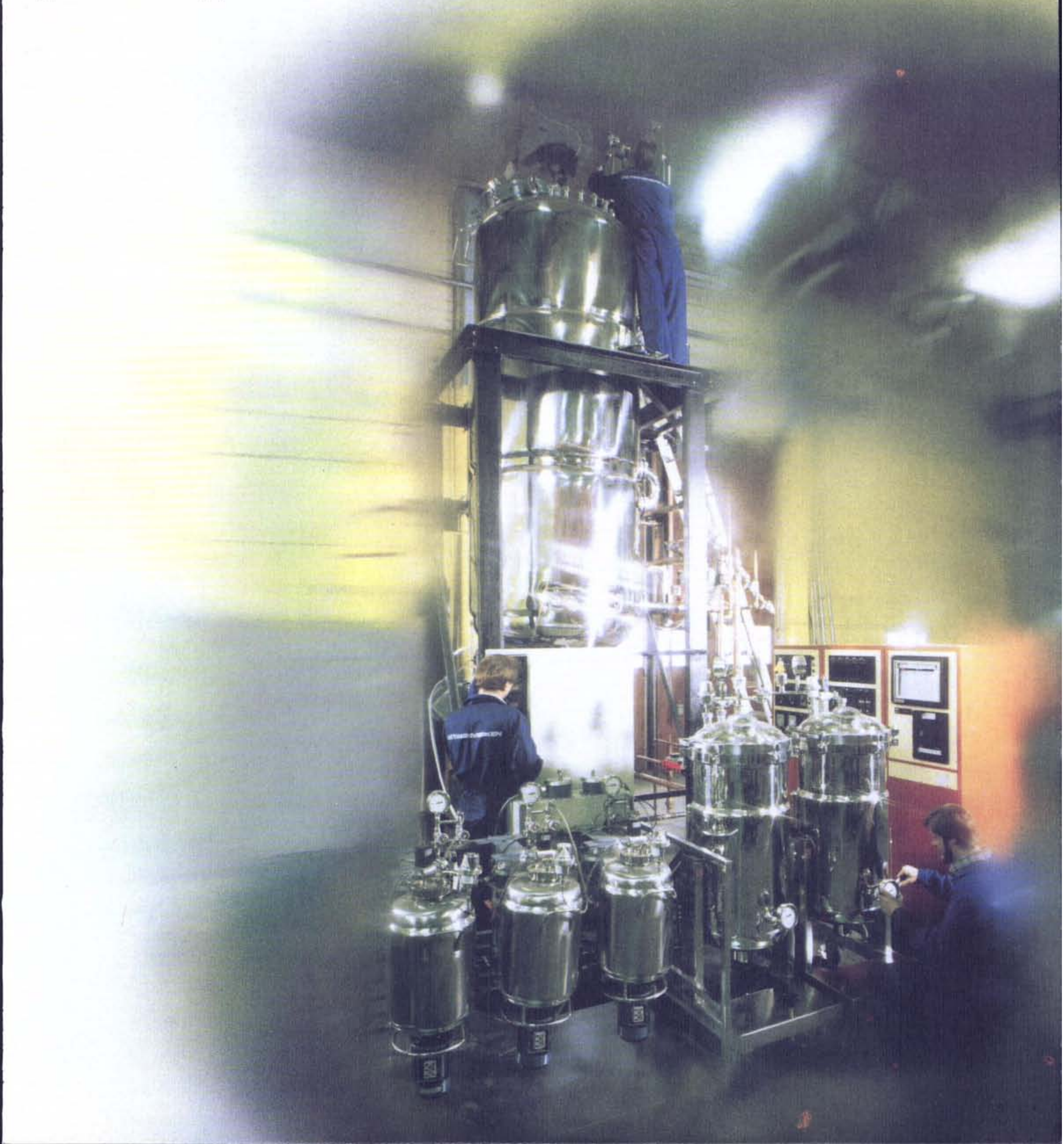
The Group's advanced refrigeration technology in commercial use.



Equipment for domestic and hospital laundries – one of the Group's special strengths.

Electrolux-Wascator is one of Europe's largest suppliers of food service equipment.

Fermentation installations form a growing part of the activities of Getinge.



Industrial and commercial cleaning machines

The companies manufacturing in the sector include Euroclean AB, Bröderna Brodd AB, Oy Tammermatic, Finland, the Columbus Dixon group, Great Britain, and The Kent Company, USA.

Sales of the product group increased to Skr 503 m. (398 m.). The increase in turnover was mainly achieved in North and South America, whereas the European market was weak.

Euroclean AB, Åmål, which manufactures and markets cleaning equipment, high pressure cleaning equipment and cleaning agents for commercial use, increased its market shares in Sweden. Several new products were launched and well received.

Materials handling systems

Electrolux Constructor, which has its factory in Säffle, manufactures and markets materials handling systems and workplace equipment for engineering workshops. There are also production units in Denmark, Switzerland and Western Germany.

In 1981, sales increased by 21% to Skr 442 m. The financial results also improved. The market organization was expanded, especially in the Middle East and South-east Asia, and the sales increase came mainly from those regions.

The materials handling side showed further progress on the domestic market and in exports. The volume of partition wall sales increased, despite the decrease in domestic building activity.

Together with Facit, Constructor has further developed industrial partitions to enable them to be used as load-bearers for office furniture.

Commercial refrigeration

Electrolux Commercial Refrigeration (CR), Arvika, manufactures and markets refrigerators and freezers for commercial use, including store cabinets, display cabinets, complete refrigeration and deep-freeze chambers in modules, and supermarket deep-freeze counters. Production also takes place in Western Germany. The French manufacturing company was sold at the beginning of 1982.

Electrolux increased its market share in 1981, and strengthened its position, mainly through product development, as one of the leaders in Europe. In the case of display cabinets, which are the dominating product, Electrolux was also the market leader in Western Europe in 1981.

Sales increased by 11% to Skr 318 m.

Miscellaneous activities

The Överum group develops, manufactures and markets agricultural implements, hydraulic products and window frames. In 1981, sales of comparable product groups rose and reached Skr 334 m. At the start of the year, Thomées Lantbruksmaskiner, a half-owned company, was sold.

Electrolux Constructor supplied this automatic high-level warehouse to the Swedish wines and spirits import monopoly at Falkenberg.

Överums has made a breakthrough with its ploughs in the Middle East. Iraq has become an important market.

The market for agricultural implements was still weak in Sweden and the greater part of Western Europe, owing to reduced investment activity. On the other hand, sales to the Middle East increased sharply and earnings showed a sustained improvement.

Since the beginning of 1982 we have been collaborating extensively with a Finnish company, Oy W Rosenlew, which in the long term will provide a broader base for our activities. On January 1, 1982, Rosenlew took over the production of threshing machines from AB Aktiv-Fischer.

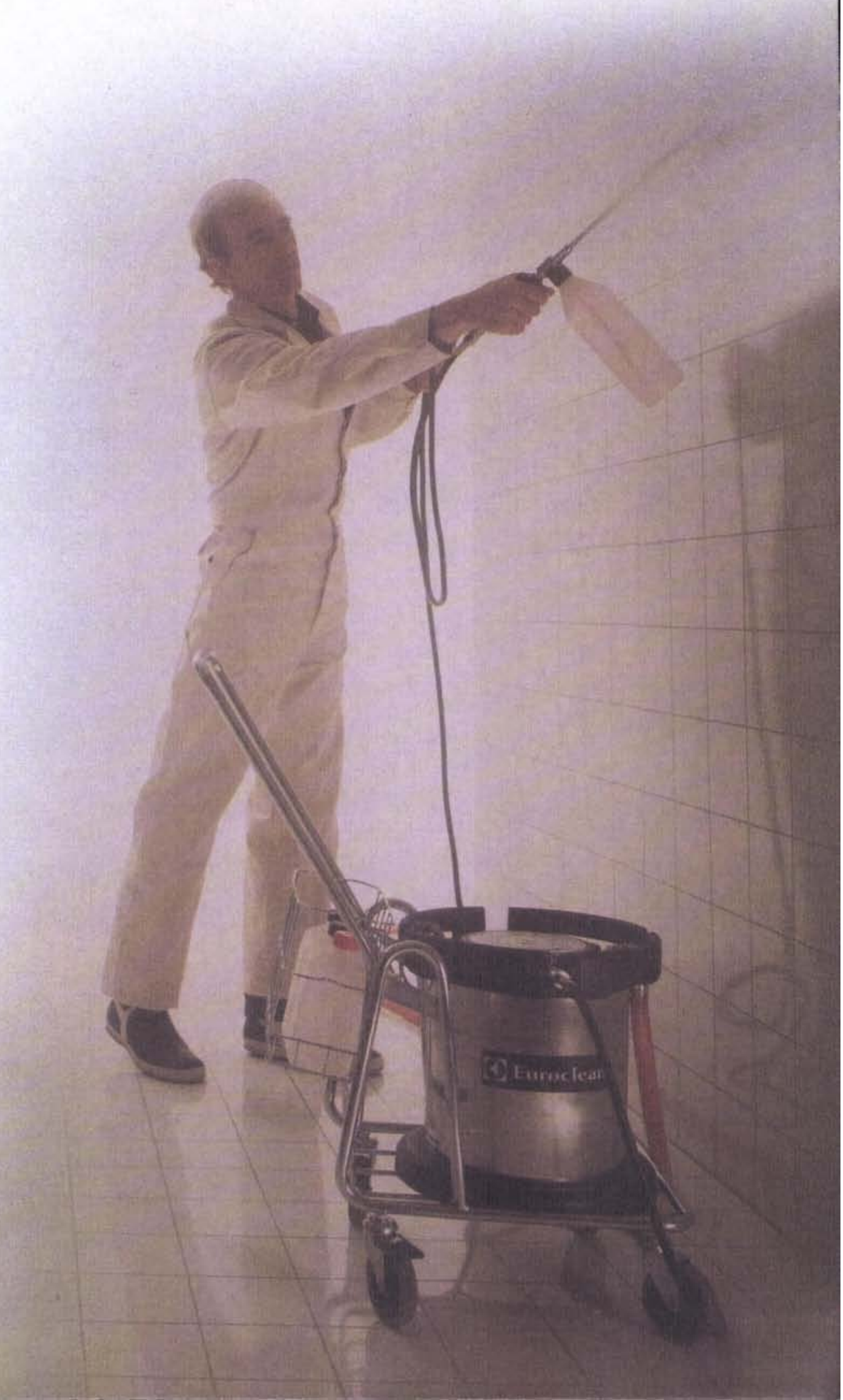
The sales and earnings of the window business improved as a result of export successes.

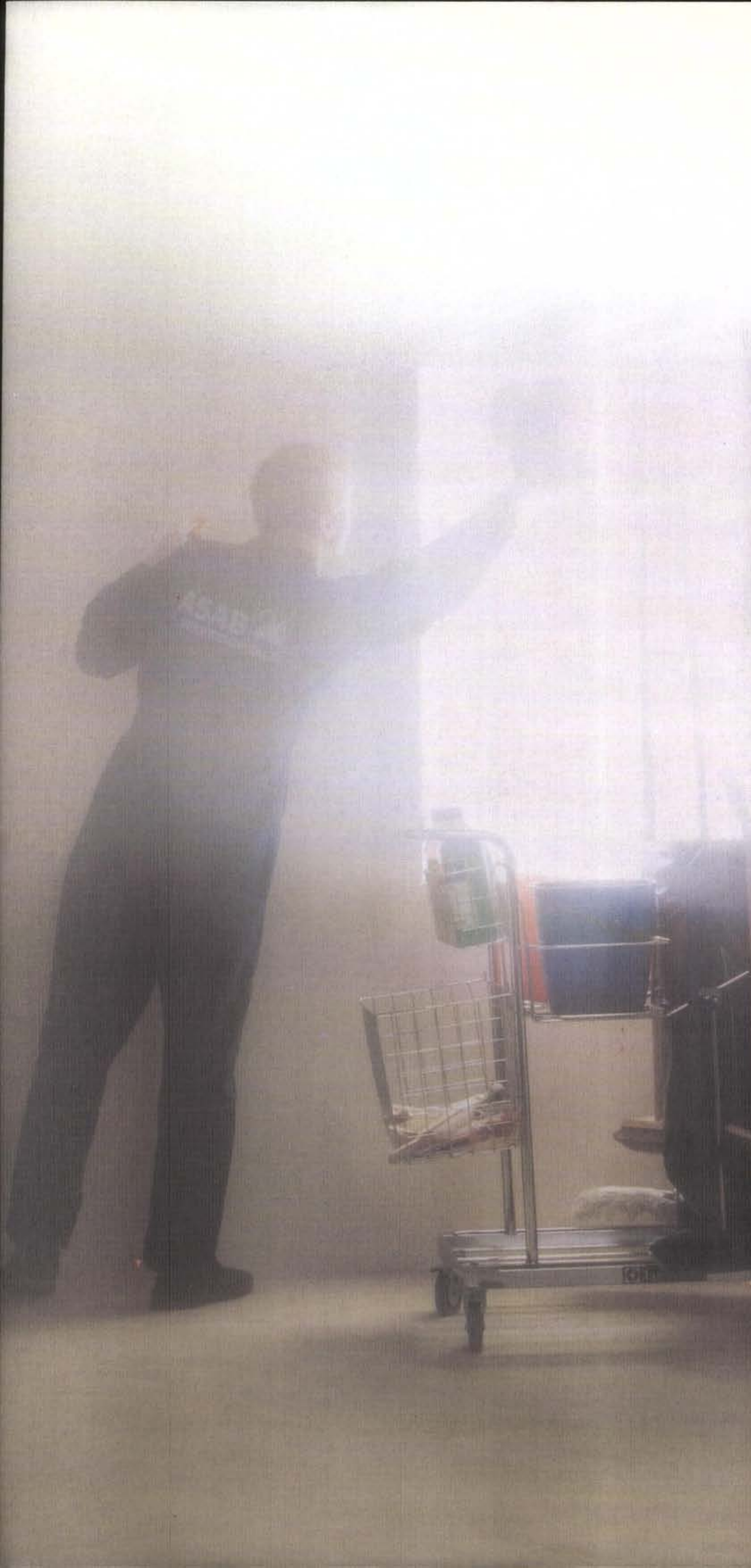
Electrolux Gjuteriprodukter AB, EGAB, comprises foundries and engineering works in Hälleforsnäs, and a foundry in Falkenberg. The foundry operations in Överum were wound up during the autumn.

Zäta Tryckerierna AB produces and markets business forms, packaging, and advertising and screen printing. Sales rose to Skr 61 m. (57 m.) during the year. Investment spending during the year included a new printing capacity and a computer-controlled typesetting unit using laser technology that is unique in the industry.

Bus-cleaning equipment has been installed in Singapore and other countries.

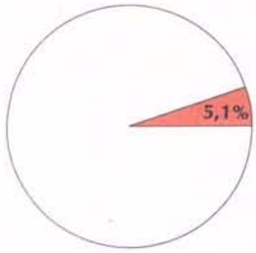
Euroclean's new "Midjet" pressure cleaning equipment.



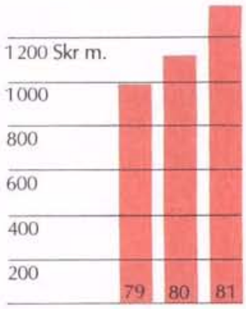


Tvättman's new large commercial laundry in Angered outside Gothenburg.

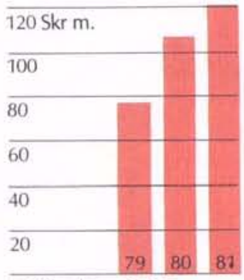
Commercial Services



Sales



Operating result*



* After depreciation

Commercial cleaning, laundry, rental and other service activities made further progress during the year both in Sweden and abroad. Company acquisitions in the cleaning and laundry sectors contributed to the expansion.

In 1981, turnover amounted to Skr 1,365 m. (1,122 m.). The operating profit after depreciation was Skr 121 m. (107 m.), the equivalent of 8.9% on sales (9.5).

Commercial cleaning services

In Sweden commercial cleaning and other services for the indoor and outdoor environment are provided by the ASAB group, which consists of some ten companies.

ASAB's turnover has steadily increased as new service operations have been brought into the group, amounting in 1981 to Skr 606 m. (544 m.).

The demand for ASAB's "total service package" continued to rise and earnings improved further. Contract cleaning also gained ground steadily in the public sector.

Apart from in Sweden, these services are provided in some 15 countries. Electrolux is one of the world's largest companies in this industry. Total sales of the whole product group amounted to Skr 954 m. (766 m.) in 1981.

In Brazil, 7,700 people are employed in the Group's cleaning companies, while in the USA, Swan Services Inc. has some 2,700 employees. Other important markets for Electrolux's cleaning services include Australia, Colombia, Japan and Saudi Arabia.

The market in Sweden advances well and the international market potential is also considerable. Electrolux's commercial cleaning services are therefore expected to display sustained growth over the next few years. The expertise within ASAB, combined with experience from the Group's sales of cleaning equipment, is fed back regularly to the various Electrolux companies in the commercial services sector.

ASAB is moving rapidly into the public sector cleaning business – seen here at work in the Stockholm underground.

Commercial laundry and goods protection

Since the end of 1981 the commercial laundry and goods protection product groups have been operating under the same management. The total turnover of the group in 1981 was Skr 411 m. (356 m.), of which Skr 140 m. were abroad.

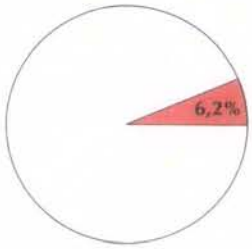
AB Tvättman rents out working apparel and linen in Sweden. The Group is also engaged in this line of business in eight foreign markets.

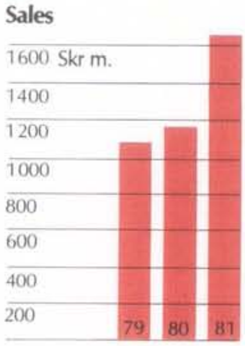
The foreign operations continued to expand in 1981. New markets include Denmark and France, following the acquisition of Ren-Vask A/S, Birkeröd, outside Copenhagen, and Métropole, Paris. At the beginning of 1982, the West German organization was extended to include the Waschbär company, in Wermelskirchen and Dortmund. The other markets are Belgium, Holland, the Canary Islands, Great Britain and the USA. This international success is a result of the expertise that has been built up within the Swedish laundry service business.

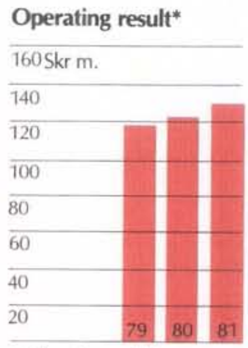
Jonsereds Godsskydd AB manufactures, rents and sells tarpaulins, temporary warehouses, and pallets. Turnover in 1981 amounted to Skr 61 m.

Cleaning building facades in Hong Kong.

Office products







* After depreciation

The Facit group markets an extensive program of products for offices, such as office equipment, business computers, data processing products and furniture.
In 1981, sales amounted to Skr 1,648 m. (1,162 m.). The operating profit after depreciation was Skr 130 m. (122 m.) the equivalent of 7.9% (10.5) on sales.

Office machines

The office machines group markets products such as typewriters, calculators, dictating and copying machines.

Sales increased by 8% to Skr 700 m. The bulk of the products are sold in international markets. Despite generally declining demand for office equipment in most quarters, Facit products maintained their position well and achieved a broadly unchanged volume of sales.

As regards typewriters, the launch during the year of the basic electronic model - Facit 8000 - marketed in Sweden under the Facit Correct name, was successfully completed. Intensive development work in the field of micro-processor controlled electronic typewriters provided a basis for the launch during the year of two more models, Facit 8100 and Facit 8110, with more advanced features, such as display terminals, larger storage capacity, etc. The models were received with considerable interest.

Facit and Ericsson have reached an agreement covering co-operation in development and supply in the field of teletex equipment. The companies are engaged in the joint development of an entirely new product, Eritex 10, which is based on a special version of Facit's new 8110 memory typewriter, on the basis of Facit's know-how in the word-processing field and Ericsson's considerable experience in telecommunications. As a result of this agreement, Facit has entered a new expanding market.

Production in the Swedish plants has been concentrated on the changing production technology that electronic typewriters involve. The reduced labour content has made it necessary to cut back the labour force in the factories. Restructuring is continuing, and this will involve the manufacture of manual and electric machines being terminated in Sweden.

Facit's plant in Juiz de Fora, Brazil, is continuing with its successful production of competitive manual and electric typewriters for sale locally and export to Facit's international markets.

As a result of the broad product program in the typewriter field and substantial investments in development and production resources in electronic typewriters, Facit has strengthened its position prior to the rapid market changes that are forecast on account of the growing use of electronics.

In the field of electronic calculators, Facit has had a strong product program for several years. Sales were broadly unchanged in a declining total market, which meant higher market shares.

Business systems

The business systems sector showed sustained growth in 1981.

In order to complement the business computers product line, a series of table-top computers was introduced during the autumn - Facit DTC. Thanks to its general construction and low price, the system is highly suitable for many administrative and technical uses. The sales organization was strengthened during the year in order to cover these market segments.

The development of general standard software material for international use has been stepped up. New programs for word processing, calculating, graphic and administrative routines have been launched. Sales of software provide an increasingly important share of the income.

In 1982, the typewriter and business systems sectors will be co-ordinated increasing the scope for optimizing the common development and marketing resources.

Data products

Facit develops and sells peripheral equipment for computers throughout the world. The products are manufactured in Åtvidaberg, Sweden, and Nashua, USA.

In 1981, sales amounted to Skr 263 m. (242 m.). The most important product, matrix printers for computers, increased by more than 25%. Demand increased strongly from several large OEM customers. Substantial development resources are concentrated on the development of new printers.

Facit's visual display terminals have attracted sustained firm demand, especially in Europe, on account of their ergonomic functional features and the correct design of the products.

The new series of table-top computers – Facit DTC.

Cash registers

The sales of Hugin Kassaregister, acquired in 1981, were worth Skr 350 m.

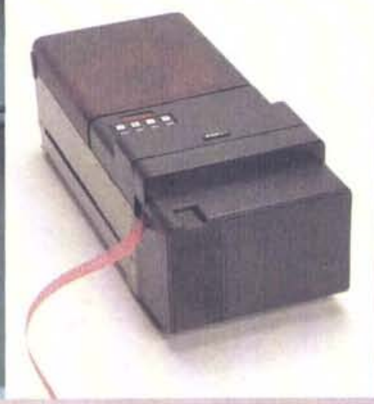
Office furniture

The total Swedish market for office furniture decreased appreciably during the year. Despite this, Facit held its sales volume broadly unchanged, which meant higher market shares. The operating profit improved, thanks to the rationalization of production.

On the export side, major sales successes were achieved in Belgium, Norway, Great Britain and other countries.

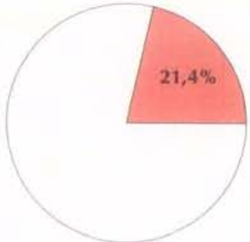
The product program has been improved, especially on the computer terminal furniture side.

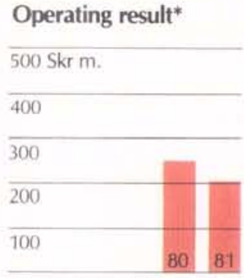
A newly-developed machine for typing telex tape can be connected to Facit's new electronic typewriter with display screen.



The office furniture program covers all the needs of the modern office.

Gränges





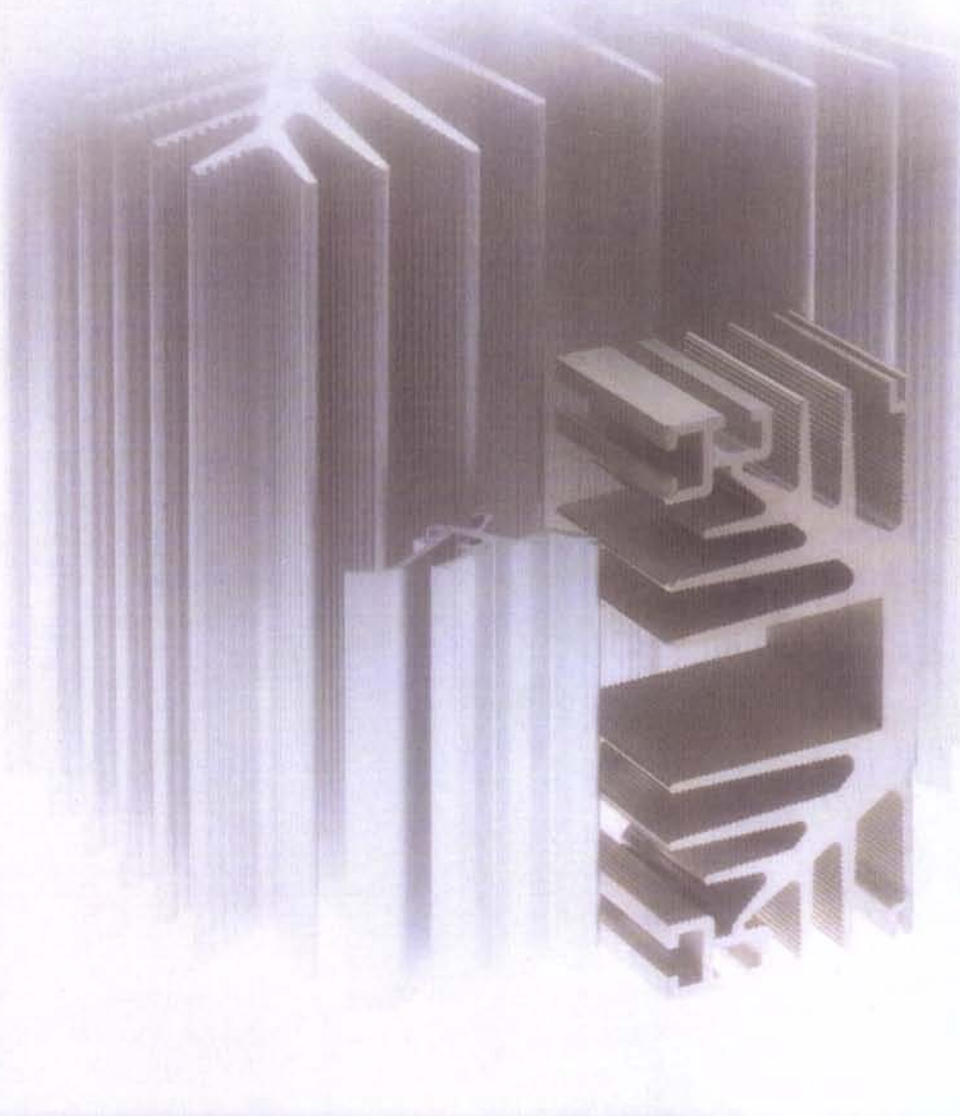
* After depreciation

The Gränges group includes Gränges Aluminium, Gränges Metallverken, Gränges Weda and Wirsbo Bruk, all manufacturing companies, as well as Gränges Hedlund, Gränges International Mining, Gränges Mark and Platzer Bygg, all contracting companies. Gränges also owns 25% of SSAB Svenskt Stål AB, and some 24% of Lamco, Liberia, through the Swedish Lamco Syndicate.

During the year, the hydro-electric power business and associated plant were sold. Since the year-end, Kohlswa Jernverk AB has been acquired.

In 1981, sales totalled Skr 5,745 m. (5,740 m.), including sales of Skr 60 m. to other units in the Electrolux Group.

In the consolidated operating profit after depreciation of the Electrolux Group, Gränges contributed Skr 205 m., the equivalent of 3.6% on sales.



Gränges Aluminium

Gränges Aluminium is Sweden's only integrated aluminium manufacturer, producing primary aluminium, semi-manufactured products such as plate and sheet, strip, sections and foil, and finished products such as Korrugal structural sheet, ceilings, fencing and vehicle components. The production facilities are in Sweden, Finland, Holland and Great Britain. Of total sales, 40% go to the building industry, a further 40% to the transportation and engineering industries and 20% to the packaging and consumer goods industries. Approximately half the output is sold abroad. The largest markets are Scandinavia and Great Britain.

Aluminium consumption in Europe decreased by 9.5% to 11.9 million tonnes. The London Metal Exchange price began the year at USD 1,478 per tonne and ended it at USD 1,173.

The decline in the demand for Gränges Aluminium's products, which had already been noted in 1980, persisted during the past year, and 1981 was a crisis year for the entire European aluminium industry, with production cutbacks, stiff price competition, and losses. Gränges Aluminium's results were also affected by the higher price of raw materials on account of the strength of the US dollar, while sales were largely invoiced in Deutschemark at a low rate.

During the year, sales amounted to Skr 1,974 m. (1,786 m.), and the operating profit after depreciation was Skr 30 m. (119 m.).During the year, cost cutting action was taken at all units, principally in Finspång, and within SAPA. Among the forward-looking investments were several complementary company acquisitions, including Modern Structural Plastics Ltd., Glasgow, and the Thornville Industrial Group, London, both of which are in the building materials sector. Since the year-end, 25% of General Aluminium Forgings, Winnipeg, Canada, has been acquired. This company is one of the few firms in the world that is expert in precision forging technology. As an element in the internal restructuring of Gränges Weda, Weda Cast, Södertälje, and Pressmetall AB, Köping, were acquired.

Gränges Metallverken

Gränges Metallverken mainly manufactures semi-manufactures in copper and alloys in the form of strip, sheet, wire and bars. The company is a leader in the field of thin copper and brass strip for vehicle radiators and heaters. The factories are located in Sweden, Holland, Norway and the USA.

In 1981, sales amounted to Skr 1,759 m. (1,495 m.). The operating profit after depreciation was Skr 89 m. (50 m.).

Despite the weakness of the automotive industry during the year, principally in the USA, Metallverken's sales of radiator strip showed further successes. Market shares in Europe and the USA rose, while a start was made to canvassing several new markets. The output of copper strip in Finspång was the highest ever. Capital investment projects intended to increase capacity will be completed in 1983. Gränges Metallverken Nederland B.V., Holland, which is the brass strip manufacturing centre, achieved its best annual results yet in 1981. Supplementary investments were also started here. Development work on the production of super-thin strip has been intensified, as has the marketing.

Capital expenditure of some Skr 100 m. has been decided on for the strip rolling mill in Västerås, in order to rationalize production, principally of plate and sheet products for the building industry.

Gränges Metallverken is a dominating supplier of thin strip for car heaters and coolers.

At the end of 1980, Johnson Metall AB, Örebro, was acquired. Profitability will be improved during 1982 following the extensive rationalization measures that were taken during the past year.

Skultuna Automat and Weda Smide were taken over from Gränges Weda.

Gränges Weda

Gränges Weda consists of a number of small units that have so far operated as independent companies with very limited business links with each other. For several years, the earnings of this group have not been very satisfactory. In 1981, sales amounted to Skr 408 m. (392 m.), and the operating loss after depreciation was Skr 11 m. (loss 1 m.).

Gränges Weda is continuing to expand its car safety belt business.

A start was made to restructuring the group in 1981, and it is expected to be completed in 1982. It involves concentrating on the manufacture and sale of vehicle safety belts, which was already the dominating line of business. Supplementary company acquisitions were made in this field during the past years, for example in Western Germany.

In 1981, a vehicle safety belt business was bought from AMCA, a French company that is one of Renault's two principal suppliers. Six of Weda's units have been transferred to other Group companies where it is considered that they fit better, namely, Pressmetall and Weda Cast to Gränges Aluminium, and Skultuna Automat and Weda Smide to Gränges Metallverken. Evert Larsson Skydd has been transferred to Tvättman, and since the end of the year, Essem Sintermetall has become part of Kohlswa Essem AB, a company that is organizationally subordinate to Kohlswa Jernverk.

Wirsbo Bruk

Wirsbo Bruk manufactures steel, copper and plastic tubes for heating, ventilation and sanitary installations and industrial purposes, as well as forged and plastic components.

The weakness of the building market led to reduced demand for heating, ventilating and similar products in 1981, and to stiffer competition.

Sales amounted to Skr 683 m. (720 m.), and the operating profit after depreciation was Skr 40 m. (57 m.). Some improvement is expected in 1982.

Sales of Wirsbo PEX tube, which previously showed a strong increase, declined slightly in 1981, and it was not possible to employ the total production capacity. However, market shares could broadly be maintained.

Thyristor valves for power stations incorporate PEX tube from Wirsbo and aluminium sections from SAPA.

Selling of PEX tube has been extended to new markets, and PEX has been launched in France and Great Britain. In Spain, a production unit has been completed at the site of Electrolux S.A., Madrid, and co-operation has started with a Japanese company for marketing and possibly later production in Japan.

Copper tube sales could be kept at the same level as in the previous year, but the prices of standard products were weaker.

The steel tube market displayed persistent weakness, specially during the first half of the year. The Aquawarm subsidiary was largely able to maintain its volume of copper tube culverts unchanged through exports to Denmark and West Germany. In order to round out the culvert program, PEGAB, Varberg, a manufacturer of steel district heating culverts, was acquired.

The demand for forged products was satisfactory for the greater part of the year, but it slackened towards the end of the year.

Among the new products launched during the year can be noted Wirsbo floor heating panels with outlets for Wirsbo PEX tubes and a new type of reinforcement bolt for mine galleries, called "Swellex".

Virsbo Elektronik and Celluloid Gislaved AB have been sold, the latter since the year-end.

The capital investment in the new copper tube plant in Granefors, which was completed at the beginning of 1982, and is the most modern of its type, will make possible a substantial increase in capacity and sharply improved productivity.

Gränges Hedlund

Gränges Hedlund manufactures and erects steel structures, steel pipes, beam welding machines, and foundry equipment, as well as carries out machine maintenance and industrial repairs (Gränges Metalock in Sweden and Western Germany).

In 1981, sales amounted to Skr 331 m. (447 m.), and the operating profit after depreciation was Skr 8 m. (34 m.) and after net financial items Skr 19 m. (40 m.).

Gränges Hedlund won "the steel building prize" for the administration building at the new Jeddah airport. Gränges Aluminium supplied aluminium materials for the same building.

The market for steel buildings and tanks in Sweden showed a decline during the year. The steel pipe market improved, especially in district heating. The market for repairs and maintenance showed sustained firmness.

A number of major projects were completed in 1981, including an administrative building at the large new airport in Jeddah, Saudi Arabia, and the supply and erection of equipment for converting the Västerås City thermal power station from oil-firing to coal-firing, steel structures for a continuous casting plant at Norsk Jernverk, and a new hangar building at Arlanda (Stockholm International) airport.

New contracts were signed with Norrköping, Västerås and Örebro for the conversion of thermal power stations.

Gränges Hedlund is manufacturing and erecting steel structures and handling equipment for the rebuilding work in progress on the harbour at Rostock, DDR. Contracts were also gained in Ethiopia and Sri Lanka.

Gränges International Mining

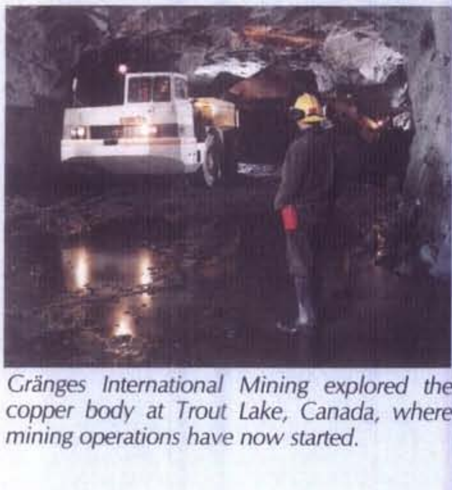
Gränges International Mining (GIM) is engaged in international consulting in the mining field and manages the Lamco Joint Venture in Liberia.

The operating profit after depreciation in 1981 amounted to Skr 12 m. (0).

Lamco's iron ore shipments totalled some 7.5 million tonnes, roughly the same level as in 1980, and sales were US$ 110 m. (111 m.). Owing to low iron-ore prices and inflationary cost increases, the operations resulted in a loss of USD 18.0 m. (profit 3.1 m.).

A program has been drawn up for the thoroughgoing rationalization of Lamco's activities, and discussions are taking place with the Liberian government on its implementation. Mining at the existing mines is expected to be able to continue until 1987/88. Plans are being made to mine new ore bodies after 1987. The plans comprise a combination of mining and processing on own account and the transport of Guinean ore on the Lamco railway and shipment via Lamco's iron-ore harbour.

Since the year-end, Gränges has acquired Atlas Copco's approximately 33% share in the Swedish Lamco Syndicate, as a result of which the holding in Lamco has risen to some 24%.



Gränges International Mining explored the copper body at Trout Lake, Canada, where mining operations have now started.

Production will start in April, 1982, at the copper mine in the Trout Lake ore field in Canada, which GIM discovered and owns 20% of.

In Saudi Arabia, GIM is strengthening its organization by being the first mining company to set up a Saudi company, Minserco (Mining Services Company), together with a well-known Saudi partner, Olayan Financing Company.

In order to sell "packages" of Swedish machinery and knowhow in the international mining market, GIM has set up SWEDEM together with Atlas Copco and Nitro Nobel, which will work closely with the foreign organizations of the respective owning companies.

Platzer Bygg

Platzer Bygg builds dwellings, large and small factories, offices, schools, hospitals, recreation facilities, etc. throughout the country. Civil engineering activities are conducted through WP Väg AB, a subsidiary.

The year's invoicing of completed contracts amounted to Skr 540 m. (876 m.). The operating loss after depreciation was Skr 9 m. (loss 74 m.) and after net financial items a loss of Skr 2 m. (loss 80 m.).

The winding up of the activities of Platzer Hus, a subsidiary, will be completed during the spring of 1982.

Even though the Swedish building market was at its weakest since the fifties, Platzer entered 1982 with an order book corresponding to more than one year's production.

In 1982 the company has moved into the property business through the acquisition of a number of sites and properties. Hotels (in collaboration with SARA), offices, shopping centres, etc, will be built as a result of these acquisitions.

Platzer has also acquired 75% of the shares in a Norwegian building company, Polar Bygg A/S, operating in Northern Norway. The purpose of this investment is to make use of available building capacity in the north of Sweden in connection with the build up of the Norwegian natural gas and oil industry north of Lofoten.

In 1981, the activities of the WP Väg subsidiary were adjusted into line with the weakening market.

Gränges Mark

Gränges Mark plans, develops and sells sites with or without houses as well as timesharing projects in the recreational homes sector.

The demand for recreational property has declined sharply in recent years, partly on account of high interest rates and uncertainty about future property taxation. Sales amounted to Skr 22 m. (26 m.) and the operating loss after depreciation was Skr 1 m. (profit 2 m.).

Among the current major projects can be mentioned Skärgårdsstad, on the east coast of Sweden 40 km north of Stockholm, which will consist of 600 plots when it is fully developed, a country cottage project in Lofsdalen containing 135 plots, and a time-sharing scheme in Strömstad.

List of Certain Group Companies and Names of Chief Executives

Companies in which outside shareholders own more than 10% of the share capital are marked with *.
Production companies are marked with (P)
The list shows the situation at the beginning of 1982.

Argentina
No. of employees: 60
Payroll: Skr 1 m.

S.A. Electrolux
Buenos Aires
Bengt E. Nordman

Australia
No. of employees: 2,115
Payroll: Skr 176 m.

Electrolux Pty. Ltd. (P)
Melbourne
Len W. Matthews

Electrolux Utility Service Pty. Ltd.
Melbourne
Garry R. Andersson

Hugin Australia Pty. Ltd.
Crows Nest
Rolf Eklöf

Husqvarna Pty. Ltd.
Sydney
Rolf Eklöf

Whiteley Chemicals (Victoria) Pty. Ltd (P)
Melbourne
Garry R Andersson

Austria
No. of employees: 327
Payroll: Skr 27 m.

Electrolux Bodenpflegegeräte Vertriebsgesellschaft mbH
Vienna
Steffan Lundeberg (West Germany)

Facit-Addo Büromaschinen Vertriebsgesellschaft mbH
Vienna
Magnus Stenberg

Gränges Metallhandelsges.mbH
Waldegg
Christian Zugmeyer

Husqvarna Gesellschaft mbH
Linz
Norbert Holzmann

Volta Bregenz GmbH (P)
Bregenz
Friedrich Zweifel (Switzerland)

Volta Elektrowaren-Vertriebsgesellschaft mbH
Vienna
Steffan Lundeberg (West Germany)

Barbados
No. of employees: 35
Payroll: Skr 1 m.

Electrolux Ltd.
St. Michael
Lloyd Seale

Belgium
No. of employees: 1,173
Payroll: Skr 70 m.

Electrolux-Martin S.A. (P)
Brussels
Christian Barnekow

Facit S.A.
Brussels
Staffan Lagerwall (France)

Gränges Metallverken Benelux S.A.
Brussels
Tord Sandgren

S.A. Hugin Belgium N.V.
Liège
Martin Rönsholt (Denmark)

New Vanden Borre S.A.
Brussels
Pierre Jeanmart

Brazil
No. of employees: 9,074
Payroll: Skr 69 m.

Electrolux S.A. (P)
São Paulo
Örjan Alneng

Electrolux Serviços Soc. Comercial Ltda.
São Paulo
Edmund A. Bosschart

Facit S.A. (P)
São Paulo
Lars Jarnryd

Canada
No. of employees: 731
Payroll: Skr 42 m.

Euroclean Canada Inc. (P)
Cambridge
James D. Dixon

Gränges Exploration AB
Vancouver
Mike Musylowski

Pioneer Chain Saw Corp. Inc. (P)
Huron Park
Charles Bristoll

Chile
No. of employees: 56
Payroll: Skr 2 m.

* Electrolux (Chile) Ltda.
Santiago
Mário Schachner

Colombia
No. of employees: 2,048
Payroll: Skr 48 m.

Electrolux S.A. (P)
Bogotá
Poul V. Jensen

Equilux S.A. (P)
Bogotá
Poul V. Jensen

Denmark
No. of employees: 1,984
Payroll: Skr 186 m.

Daekko Presenning Kompagni A/S
Brönshöj
Erik Becker

Electrolux A/S
Lyngby
Hans Hörud-Madsen

Electrolux Elmotor A/S (P)
Ålborg Öst
Lars Jansson (Sweden)

Electrolux Wascator A/S
Rödovre
Palle Rosenkilde

A/S Ernst Voss Fabrik (P)
Fredericia
Bent Lundgaard

Facit A/S
Lyngby
Erik A. Larsen

Greenlux A/S
Lyngby
Bjarne Mörz

Gränges Danmark A/S
Copenhagen
Vagn Sörensen

Gränges Metalock A/S (P)
Copenhagen
Vagn Vestergaard

Hugin A/S
Lyngby
Martin Rönsholt

Husqvarna A/S
Rödovre
Jon Höiden

IWO A/S
Ishöj
Palle Rosenkilde

Kramme & Zeuthen A/S (P)
Hvidovre
Ole Zeuthen

Lustgården Design A/S
Copenhagen
Stig DeGeer

Nyborg Vaskerimaskiner A/S (P)
Tommerup
Ivan B. Lindhart

Parkhøj A/S
Lyngby
Sture Mansén

Ren-Vask A/S (P)
Birkeröd
Max Ree Andersen

SAPA A/S (P)
Grenå
Erik Schultz

A/S Scan-Atlas Husholdningsapparater (P)
Lyngby
Ib Frölich

Skanfrys Danmark A/S
Ishöj
Palle Rosenkilde

* A/S Vestfrost (P)
Esbjerg
Erling Damkjaer

A/S Voss Komfur Service
Veile
Walther Glyum

Dominican Republic
No. of employees: 70
Payroll: Skr 1 m.

* Electrolux Lagares C por A
Santo Domingo
Victor Lagares

Ecuador
No. of employees: 223
Payroll: Skr 7 m.

* Electrolux C.A. (P)
Quito
Sven Åke Andersson

Finland
No. of employees: 1,375
Payroll: Skr 82 m.

Oy Aluma Ab (P)
Vanda
Holger Tillman

Oy Electrolux Ab (P)
Helsinki
Matti Mutikainen

Oy Electrolux Ab – ASAB
Helsinki
Lasse Naumanen

Oy Electrolux Ab – ELEKTRO HELIOS
Helsinki
Yngve Levander

Oy Electrolux Ab – FACIT
Helsinki
Bo-Erik Wiberg

Oy Electrolux Ab – HUSQVARNA
Tampere
Tor Falenius

Oy Electrolux Ab – PARTNER
Tampere
Tor Falenius

Oy Electrolux Ab – TAMMERMATIC
Tampere
Kalevi Kärkönen

* Oy Liesimyynti-Spisförsäljning AB
Helsinki
Matti Mutikainen

Oy Varmuusrakenne Ab (P)
Nummela
Aarno Rantanen

France
No. of employees: 9,219
Payroll: Skr 610 m.

Autoliv et Cie (P)
Paris
Matti Witikainen

Autoliv S.A. (P)
Seclin
Marc Lefebvre

Bontami S.A.
Vincennes
Richard Valton

Caisses Enrégistreuses Hugin S.A.
Saint Denis
Patrice Chêne

Electrolux S.A. (P)
Senlis
Anders Andrén

Electrolux-Industrie & Cie SNC
Argenteuil
J.M. Van Midden (Netherlands)

Electrolux-Wascator S.A.
Paris
Louis Gutzwiller

Facit S.A
Colombes
Staffan Lagerwall

Flymo-Husqvarna SNC
Cergy
Olivier Stackler

Gränges Aluminium S.A.
Paris
Bernard May

Gränges Metallverken France S.A.R.L.
Paris
Erik Svensson

* Lequeux S.A. (P)
Paris
François Galtier

*Lincoln S.A.
Senlis
Jacques Vernet

*Océanic S.A. (P)
Romainville
Jacques Vernet

*Tornado S.A.
Senlis
Anders Andrén

Usines & Fonderies Arthur Martin S.A., "UFAM" (P)
Senlis
Anders Andrén

Great Britain
No. of employees: 4,949
Payroll: Skr 332 m.

Electrolux Group
John Redman

Colombus Dixon Ltd. (P)
Wembley, Middlesex
J.J.M. Glasse

Electrolux Ltd. (P)
Luton, Beds.
G.P.H. James

Electrolux (Commercial Equipment) Ltd.
Luton, Beds.
G.P.H. James

Facit-Addo Ltd.
Luton, Beds.
J. Alan James

Flymo Ltd. (P)
Darlington, Co. Durham
Peter B. Bullock

Flymo Norlett Commercial Products Ltd.
Darlington, Co Durham
David Bowles

Gränges Essem (UK) Ltd.
Cumbernauld
William Svedberg

Hugin Cash Registers Ltd.
London
Graham Willingale

Husqvarna Ltd.
Luton, Beds.
G.P.H. James

Modern Structural Plastics Ltd. (P)
Cumbernauld
Ian Humphrey

Nyborg Engineering Ltd.
Uxbridge, Middlesex
Derek Wright

SAPA Ltd. (P)
Tibshelf
Peter D. Jones

SIA (UK) Ltd.
London
John P. Rutter

The Sterilizing Equipment Company Ltd. (P)
Mansfield, Notts.
D.A. Canty

Swedish Royal Refrigeration Ltd.
Watford, Herts.
Edmond Prior

Tappan International Sales Ltd. (P)
Manchester
Terry Green

Thornville Industrial Group Ltd. (P)
Cheltenham
Max Mines

Topp Textile Rental Limited (P)
Horley, Surrey
Håkan Rosander

Weda Pump (UK) Ltd.
Manchester
Peter Dunn

Guatemala
No. of employees: 100
Payroll: Skr 3 m.

Electrolux S.A.
Guatemala City
Carlos Calderón Velásquez

* Imca, S.A. (P)
Guatemala City
Hector Viveros

Hong Kong
No. of employees: 256
Payroll: Skr 5 m.

* Electrolux Hong Kong Ltd.
Hong Kong
David W. Thomas

Ireland
No. of emloyees: 37
Payroll: Skr 2 m.

Special Service Company Ltd.
Dublin
Terry Dodd

Italy
No. of employees: 286
Payroll: Skr 21 m.

Electrolux S.p.A.
Milan
Jan Lindbladh

Facit Data Products S.p.A.
Milan
Vittorio Amigoni

Flymo S.r.l. (P)
Brescia
Giovanni Cancarini

Japan
No. of employees: 656
Payroll: Skr 44 m.

Electrolux (Japan) Ltd.
Tokyo
Gunnar Kniberg

* Nesco Ltd.
Tokyo
Mitsuo Sugai

* National Electrolux Food Service Equipment Co., Ltd. (NEFSE)
Osaka
J. Matsumoto

Jordan
No. of employees: 27
Payroll: Skr 1 m.

* Electrolux Jordan Trading Co. Ltd.
Amman
Fouad Lammam

Lebanon
No. of employees: 42
Payroll: Skr 1 m.

Electrolux Middle East S.à.r.l.
Beirut
Fouad Lammam

Liberia
No. of employees: 3,916

Lamco J.V. Operating Co. (P)
Monrovia
John Pervola

Luxembourg
No. of employees: 189
Payroll: Skr 17 m.

Electrolux S.à.r.l. (P)
Vianden
Anders Wannborg

Malaysia
No. of employees: 345
Payroll: Skr 5 m.

Electrolux Malaysia Sdn. Bhd.
Selangor
Robert Kihlberg

Mexico
No. of employees: 1,171
Payroll: Skr 44 m.

Electrolux S.A. de C.V. (P)
Mexico City
Jan Laséen

Hugin de Mexico S.A. de C.V. (P)
Mexico City
Per Hanngren

Netherlands
No. of employees: 1,017
Payroll: Skr 84 m.

Electrolux Group
Walther Christoffersen

Electrolux Constructor B.V. (P)
Diemen
J.M. van Midden

Electrolux Nederland B.V.
Diemen
John Meyer

Electrolux-Quatfass B.V.
Diemen
W. Krechting

Facit-Addo B.V.
Amsterdam
Staffan Lagerwall (France)

Gränges Metallverken Nederland B.V. (P)
Zutphen
Frans Huybregts

Husqvarna Nederland B.V.
Amersfoort
Bo Swartling

Neproma B.V. (P)
Arnhem
Bo Tillberg

* Scandex Aluminium N.V. (P)
Hoogezand
Peter Keijzer

New Zealand
No. of employees: 418
Payroll: Skr 20 m.

Electrolux Ltd. (P)
Wellington
Richard M. Scelly

Nigeria
No. of employees: 3
Payroll: Skr 0 m.

Gränges Nigeria Ltd.
Lagos
Mats Karlsson

Norway
No. of employees: 1,773
Payroll: Skr 175 m.

Electrolux Constructor A/S
Oslo
Bjørn Molstad

Electrolux Industrier A/S (P)
Oslo
Ivar Aakhus

Electrolux Rengjøringsmaskiner A/S
Oslo
Magnus Jensen

* Euroclean A/S
Oslo
Jan G. Stenstad

A/S Drømmekjøkkenet
Oslo
Kåre Lillemoen

Facit A/S
Oslo
Per-Gunnar Heedman

Gränges Essem Norsk A/S
Oslo
Syver Brattested

Gränges Essem Plast A/S (P)
Porsgrunn
Torbjörn Bakke

Gränges Feral A/S (P)
Horten
Per Klausen

Husqvarna A/S
Oslo
Per Johannessen

Husqvarna Elektro A/S
Oslo
Viljen Eriksen

Jobu A/S (P)
Drøbak
Per J. Mordt

A/S Norlett (P)
Askim
Per Wolff

Partner Motor A/S
Oslo
Oddvar Lona

A/S SAPA
Lillestrøm
Arne K. Nilsen

SIA Lustgården Norsk A/S
Moss
Lars S. Braekke

Tunborg A/S (P)
Sarpsborg
Lars Hedberg

Paraguay
No. of employees: 31
Payroll: Skr 1 m.

Electrolux del Paraguay S.A.
Asunción
Stefan Hederström

Peru
No. of employees: 370
Payroll: Skr 6 m.

Electrolux S.A. (P)
Lima
Jan-Eric Boman

Facit S.A.
Lima
Carl Gösta Burénius

Philippines
No. of employees: 15
Payroll: Skr 0 m.

Electrolux Philippines, Inc.
Metro Manila
Björn Eidhagen

* CPJ-Technolux-Equipment and Supply Corporation Technolux (Phillippines)
Metro Manila
William A. Stelton

Portugal
No. of employees: 90
Payroll: Skr 2 m.

Electrolux Ltda.
Lisbon
Clas Herdin (Spain)

Saudi Arabia
No. of employees: 99
Payroll: Skr 5 m.

* Electrolux Saudi Services Ltd.
Riyadh
Anders Berg

Gränges International Mining (Saudi-Arabia) AB
Jeddah
Anders Berglund (acting)

*Mining Services Co. Minserco
Jeddah
Bo Appelgren

Singapore
No. of employees: 410
Payroll: Skr 10 m.

Electrolux S.E.A. Private Ltd. (P)
Singapore
Björn Made

Spain
No. of employees: 696
Payroll: Skr 34 m.

Electrolux S.A. (P)
Madrid
Clas Herdin

Electrolux Canarias S.A.
Las Palmas
Per-Axel Ahlberg

Electrolux Servicios S.L.
Las Palmas
Per-Axel Ahlberg

Gränges Essem Ibérica S.A.
Madrid
Gunnar Sjölander

* Tornado Ibérica S.A.
Sañ Fausto de Campcentellas (Barcelona)
Juan Pla Bosch

Sweden
No. of employees: 39,328
Payroll: Skr 2.762 m.

Addo Försäljnings AB
Åtvidaberg
Lennart Gustavsson

ASAB Serviceföretaget AB
Stockholm
Lennart Angeby

AB Ballingslövs Träförädling (P)
Ballingslöv
Tommy Persson

Bröderna Brodd AB (P)
Skänninge
Yngve Brodd

Darenas AB (P)
Åtvidaberg
Jan-Erik Nilsson

Electrolux Commercial Refrigeration AB (P)
Arvika
Per-Olof Sjöberg

Electrolux Constructor AB (P)
Säffle
Sven Stork

Electrolux Gjuteriprodukter AB (P)
Hälleforsnäs
Olof Omsén

Electrolux Motor AB EMAB (P)
Huskvarna
Hans G. Bäckman

Electrolux Svenska
Försäljnings AB
Stockholm
Anders Scharp

Electrolux-Wascator AB (P)
Alingsås
Folke Heibert

Electrolux
Återförsäkrings AB
Stockholm
Leif Lindgren

AB Elektro Helios
Stockholm
Rainer Alfström

AB Elektroservice
Stockholm
Curt Egerot

EME-Norlett AB
Eskilstuna
Hans G. Bäckman

Euroclean AB (P)
Åmål
Fredrik Schumacher

Evert Larsson
Industri AB (P)
Kungälv
Åke Larsson

Facit AB (P)
Åtvidaberg
Anders Scharp

AB Formverktyg (P)
Hägersten (Stockholm)
Ingemar Persson

Gränges AB
Stockholm
Bo Abrahamsson

Gränges Aluminium AB (P)
Stockholm
Ian Wachtmeister

Gränges Hedlund AB (P)
Stockholm
Sven Ekberg

Gränges Mark AB (P)
Stockholm
Hans-Erik Bengtsson

Gränges Metallverken AB (P)
Västerås
Lennart Gustafsson

Gränges Metalock AB (P)
Göteborg
Rune Kristiansson

Gränges Weda AB (P)
Upplands Väsby
Gunnar Bark

Hugin Kassaregister AB (P)
Stockholm
David Pope

Husqvarna AB (P)
Huskvarna
Per-Olof Sjöberg

Husqvarna
Motorcyklar AB (P)
Ödeshög
Per G. Larsson

Husqvarna Symaskiner AB
Huskvarna
Leif Bagge

AB Höörs Plåt (P)
Höör
Stig Gulda

Johnson Metall AB (P)
Örebro
Rolf Andersson

B. Johanssons Pappers-
förädling AB (P)
Nygård
Owe Werner

Jonsereds Godsskydd AB (P)
Partille
Ivar Nilroth

Kohlswa Jernverk AB (P)
Kolsva
Lennart Wikblom

Mikrovågsapplikation
(MVA) AB
Arvika
Hans Uddborn

Nordfor Teknik AB (P)
Vikmanshyttan
Sture Milling

Osby Vdescribed AB (P)
Osby
Trygve Jireståll

Platzer Bygg AB (P)
Sundbyberg
Guj Brisius

SIA Lustgården AB
Landskrona
Åke Eriksson

Skandinaviska Aluminium
Profiler AB, SAPA (P)
Vetlanda
Nils H. Bouveng

Strömsholmens
Mekaniska Verkstad AB (P)
Tranås
Per G. Larsson

AB Tvättman (P)
Malmö
John-Jacob Engellau

AB Volta
Stockholm
Rainer Alfström

Växjö Rostfritt AB (P)
Växjö
Bo J. Ericson

Wirsbo Bruks AB (P)
Virsbo
Bengt Lagercrantz

Zig-Zag Fabriks AB (P)
Malmköping
Sven Johansson

ZätaTryckerierna AB (P)
Åtvidaberg
Bo Sternbrink

AB Överums Bruk (P)
Överum
Lars-Göran Fasth

AB Överums Fönsterfabrik (P)
Överum
Nils-Erik Danielsson

Switzerland
No. of employees: 1,845
Payroll: Skr 238 m.

Elcalor AG (P)
Aarau
Friedrich Zweifel

Electrolux AG
Zürich
Kurt Schläpfer

Facit-Addo AG
Zürich
Hans G. Koch

Husqvarna AG
Zürich
Friedrich Leibundgut

Menalux S.A. (P)
Murten
Albert Grossrieder

* Prometheus AG (P)
Liestal
Max P. Veith

SAPA AG
Zug
Åke Eriksson

Therma AG (P)
Schwanden
Peter E. Kollbrunner

Therma Grossküchen AG (P)
Sursee
Friedrich Zweifel

Unifridge AG
Zürich
Thorbjörn Laag

Walter + Bruynzeel AG (P)
Balterswil
Emil Geisselhardt

Widag AG Volta
Zürich
Artur Grünig

Wirsbo AG
Lucerne
Jarl Detter

Thailand
No. of employees: 363
Payroll: Skr 6 m.

* Electrolux Thailand
Company Ltd.
Bangkok
Ulf Persson

Trinidad
No. of employees: 90
Payroll: Skr 6 m.

Electrolux Ltd.
Port-of-Spain
Lloyd Seale (Barbados)

Uruguay
Number of employees: 25
Payroll: Skr 1 m.

Electrolux S.A.
Montevideo
Rafael Barrenechea

USA
No. of employees: 10,123
Payroll: Skr 815 m.

Bryan Metals, Inc. (P)
Bryan, Ohio
Robert Wm. Pollard

* Dataroyal, Inc. (P)
Nashua, NH
Ronald Huch

Dometic Sales Corporation
Elkhart, Ind.
Gerald R. Wannamaker

Envirovac, Inc.
Rockford, Ill.
Folke Heibert

Facit, Inc.
Greenwich, Conn.
Tom Jahn

Flymo, Inc.
Mansfield, Ohio
Donald C. Blasius

Getinge International Inc.
Lakewood, N.J.
Dennis Canty
(Great Britain)

Gränges American Corp.
New York, N.Y.
George E. Jones

Hugin Retail Systems, Inc.
Pattersson, N.Y.
Robert Rech, Jr

Husqvarna
Motorcycle Co., Inc.
San Diego, Calif.
Svenerik Eklund

National Union Electric
Corporation (P)
Greenwich, Conn.
Joseph V. McKee, Jr.

Partner Pacific Inc.
Sacramento, Calif.
Lennart Gustafsson

Swan Services, Inc.
Atlanta, Ga
Paul Culwell

The Tappan Company (P)
Mansfield, Ohio
Donald C. Blasius

Team Textile Service
Corporation (P)
Houston, Texas
Gunnar Andréen

Tecfor, Inc.
Bensenville, Ill.
Hans G. Bäckman

Viking Sewing
Machine Co., Inc.
Minneapolis, Minn.
Pehr Komstadius

Weda Pump, Inc.
Stamford, Conn.
Gusten Eklund

Venezuela
No. of employees: 1,063
Payroll: Skr 85 m.

C.A. Electrolux (P)
Caracas
Ingvar Marklund

Distribuidora
Sueco-Venezolana
C. A. Suveca
Caracas
José Garcia Jorge

West Germany
No. of employees: 3,517
Payroll: Skr 309 m.

Autoliv GmbH (P)
Elmshorn
Leif Sköld

BOCO Wäschedienst Horst
Sieber GmbH (P)
Hannover
Werner Sperling

Deutsche Husqvarna GmbH
Schweinfurt
Willem de Gier

Electrolux GmbH (P)
Berlin
Sven Stork

Electrolux GmbH
Hamburg
Steffan Lundeberg

Electrolux-
Constructor GmbH (P)
Siegen,
Wolfgang Barth,
Rolf-Dieter Giesler

Electrolux-Cramer
GmbH (P)
Siegen
Adolf Kretzer

Electrolux Küchentechnik
GmbH
Siegen
Adolf Kretzer

Electrolux Kälte-
und Wärmetechnik GmbH
Hamburg
Fredrik Axelsson

Electrolux-Loh GmbH
Siegen
Sven Stork

Electrolux Siegen GmbH (P)
Siegen
Sven Stork

Electrolux-Sigmund
GmbH (P)
Mosbach
Horst Wefer

Electrolux Wäscherei
und Service GmbH (P)
Mülheim-Ruhr
Werner Sperling

Euroclean GmbH
Hamburg
Bengt Tillberg

Facit GmbH
Düsseldorf
Walther Christoffersen

Flymo GmbH
Hamburg
Peter B. Bullock,
Erik Karlberg

Gränges Aluminium GmbH
Düsseldorf
Siegfried Dingel

Gränges Metall GmbH
Frankfurt
Christofer A. Neuhaus

Gränges Metalock GmbH (P)
Hamburg
Erwin Erfeling

Hugin Data
Vertriebsgesellschaft mbH
Hamburg
Jean-Louis Biétrix

Husqvarna-Electronic-
Verkaufs GmbH
Siegen
Joachim Lobert,
Adolf Kretzer

Husqvarna Meister
Werke GmbH (P)
Schweinfurt
Tom Bennet

Husqvarna Vertriebs GmbH
Schweinfurt
Tom Bennet,
J.P. Høiden

Progress-Elektrogeräte
Mauz & Pfeiffer
GmbH & Co. (P)
Stuttgart
Gunnar Odenram

Progress Verkauf GmbH
Stuttgart
Gunnar Odenram

Rolf Butenschön GmbH
Hamburg
Fredrik Axelsson

SAPA Aluminium
Profile GmbH
Düsseldorf
Kåre Wetterberg

Wirsbo Pex GmbH (P)
Heusenstamm
Stefan Haenelt

Volta Vertriebs GmbH
Hamburg
Steffan Lundeberg

Other countries
No. of employees: 13
Payroll: Skr 1 m.

Total
No. of employees: 101,663
Payroll: Skr 6,357 m.

Ten—year review

Ten-year review[1] (Amounts in Skr m., except where otherwise stated)

	1981	1980	1979	1978	1977	1976	1975	1974	1973	1972
Sales and results										
Sales	**26,595**	22,874	15,137	12,023	9,239	7,646	6,425	5,536	4,182	2,491
% Increase	**16.3**	51.1	25.9	30.1	20.8	19.0	16.1	32.4	67.9	17.4
Operating result after depreciation[2]	**1,730**	1,728	1,308	945	782	603	491	556	394	250
Result before appropriations	**1,127**	1,054	934	828	562	443	356	469	371	253
Profitability										
Operating result as shown above as % of sales	**6.5**	7.6	8.6	7.9	8.5	7.9	7.6	10.0	9.4	10.0
Return on total assets less current liabilities[3] %	**11.7**	14.9	16.6	15.1	16.1	16.8	13.9	21.1	19.1	19.6
Return on equity[4] %	**6.7**	15.3	16.6	14.6	17.1	14.8	13.1	16.6	17.7	13.0
Return on equity (Total)[5] %	**25.8**	20.2	19.4	20.9	20.2	–	–	–	–	–
Adjusted profit per share[6], Skr	**9:80**	19:05	18:10	13:60	11:65	9:10	7:10	9:00	7:30	4:83
Adjusted profit per share (Total)[6], Skr	**37:50**	25:05	21:20	19:45	13:80	–	–	–	–	–
Dividend per share, Skr, adjusted for share issues[7]	**8:00**	7:50	6:00	5:00	4:20	3:66	3:33	3:06	2:78	2:22
Dividend payment expressed in % of adjusted equity	**4.3**	5.0	4.7	4.6	4.5	5.4	5.2	5.3	4.8	5.0
Financial position										
Balance sheet total	**21,767**	17,832	11,270	9,078	6,965	5,424	5,103	4,511	3,430	2,161
Adjusted equity	**4,761**	3,697	3,077	2,638	2,243	1,645	1,478	1,305	1,306	990
Equity/assets ratio	**21.9**	20.7	27.3	29.1	32.2	30.3	29.0	28.9	38.1	45.8
Risk capital[8]	**6,407**	5,336	3,861	3,171	2,669	1,973	1,813	1,624	1,511	1,121
Risk capital ratio %	**29.4**	29.9	34.3	34.9	38.3	36.4	35.5	39.9	48.3	57.8
Other information										
Capital expenditure on real property, machinery, equipment and tools	**1,514**	2,515	863	863	448	452	414	348	260	134
excluding opening value in companies acquired during the year	**1,248**	1,230	715	559	439	352	340	331	208	107
Capital expenditures expressed in % of sales	**4.7**	5.4	4.7	4.6	4.8	4.6	5.3	6.0	5.0	4.3
Number of employees	**101,700**	102,900	82,000	75,600	69,500	71,600	65,900	63,500	51,100	35,600
Wages, salaries and other remuneration	**6,357**	5,403	3,936	3,391	2,975	2,345	2,064	1,778	1,374	798
Number of shareholders	**51,000**	43,000	41,000	41,000	39,000	35,000	35,000	32,000	29,000	20,000

The consolidated financial statements have been prepared using the purchase method from and including 1976.

1) The following major company acquisitions have been made: Facit 1973; National Union Electric Corp. (NUE), USA, 1974; Arthur Martin and Tornado, France, 1976; Therma, Switzerland, Husqvarna and Partner 1977; Jonsereds and The Tappan Company, USA, 1979; Océanic S.A., France, and Gränges AB in 1980 and Norlett, Norway, Progress, West Germany and Hugin 1981.

2) Assets are depreciated as from and including 1977 according to a plan based on their historic cost.

3) The result after depreciation and financial income expressed as a percentage of the total assets shown in the balance sheet less non-interest bearing current liabilities.

4) Result after financial income and expenses less estimated tax liability of a rate of 50% expressed as a percentage of the opening balance of shareholders' adjusted equity calculated as the total of the shareholders' equity plus 50% of untaxed reserves.

5) Result before appropriations charged with a theoretical tax liability, calculated as the total of taxes in the Group Consolidated Income Statement and an estimated tax liablility at a rate of 50% on appropriations, expressed as a percentage of the opening balance of shareholders' adjusted equity.

6) For calculation see Note 5 on page 18.

7) For 1981 as proposed by the Board of Directors. The dividend per share figures have been adjusted for splits and bonus issues.

8) Equity, minority interests, untaxed reserves and latent tax liability in untaxed reserves of newly acquired companies.

Ten—year review

Ten-year review[1] (Amounts in Skr m., except where otherwise stated)

	1981	1980	1979	1978	1977	1976	1975	1974	1973	1972
Sales and results										
Sales	**26,595**	22,874	15,137	12,023	9,239	7,646	6,425	5,536	4,182	2,491
% Increase	**16.3**	51.1	25.9	30.1	20.8	19.0	16.1	32.4	67.9	17.4
Operating result after depreciation[2]	**1,730**	1,728	1,308	945	782	603	491	556	394	250
Result before appropriations	**1,127**	1,054	934	828	562	443	356	469	371	253
Profitability										
Operating result as shown above as % of sales	**6.5**	7.6	8.6	7.9	8.5	7.9	7.6	10.0	9.4	10.0
Return on total assets less current liabilities[3] %	**11.7**	14.9	16.6	15.1	16.1	16.8	13.9	21.1	19.1	19.6
Return on equity[4] %	**6.7**	15.3	16.6	14.6	17.1	14.8	13.1	16.6	17.7	13.0
Return on equity (Total)[5] %	**25.8**	20.2	19.4	20.9	20.2	–	–	–	–	–
Adjusted profit per share[6], Skr	**9:80**	19:05	18:10	13:60	11:65	9:10	7:10	9:00	7:30	4:83
Adjusted profit per share (Total)[6], Skr	**37:50**	25:05	21:20	19:45	13:80	–	–	–	–	–
Dividend per share, Skr, adjusted for share issues[7]	**8:00**	7:50	6:00	5:00	4:20	3:66	3:33	3:06	2:78	2:22
Dividend payment expressed in % of adjusted equity	**4.3**	5.0	4.7	4.6	4.5	5.4	5.2	5.3	4.8	5.0
Financial position										
Balance sheet total	**21,767**	17,832	11,270	9,078	6,965	5,424	5,103	4,511	3,430	2,161
Adjusted equity	**4,761**	3,697	3,077	2,638	2,243	1,645	1,478	1,305	1,306	990
Equity/assets ratio	**21.9**	20.7	27.3	29.1	32.2	30.3	29.0	28.9	38.1	45.8
Risk capital[8]	**6,407**	5,336	3,861	3,171	2,669	1,973	1,813	1,624	1,511	1,121
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