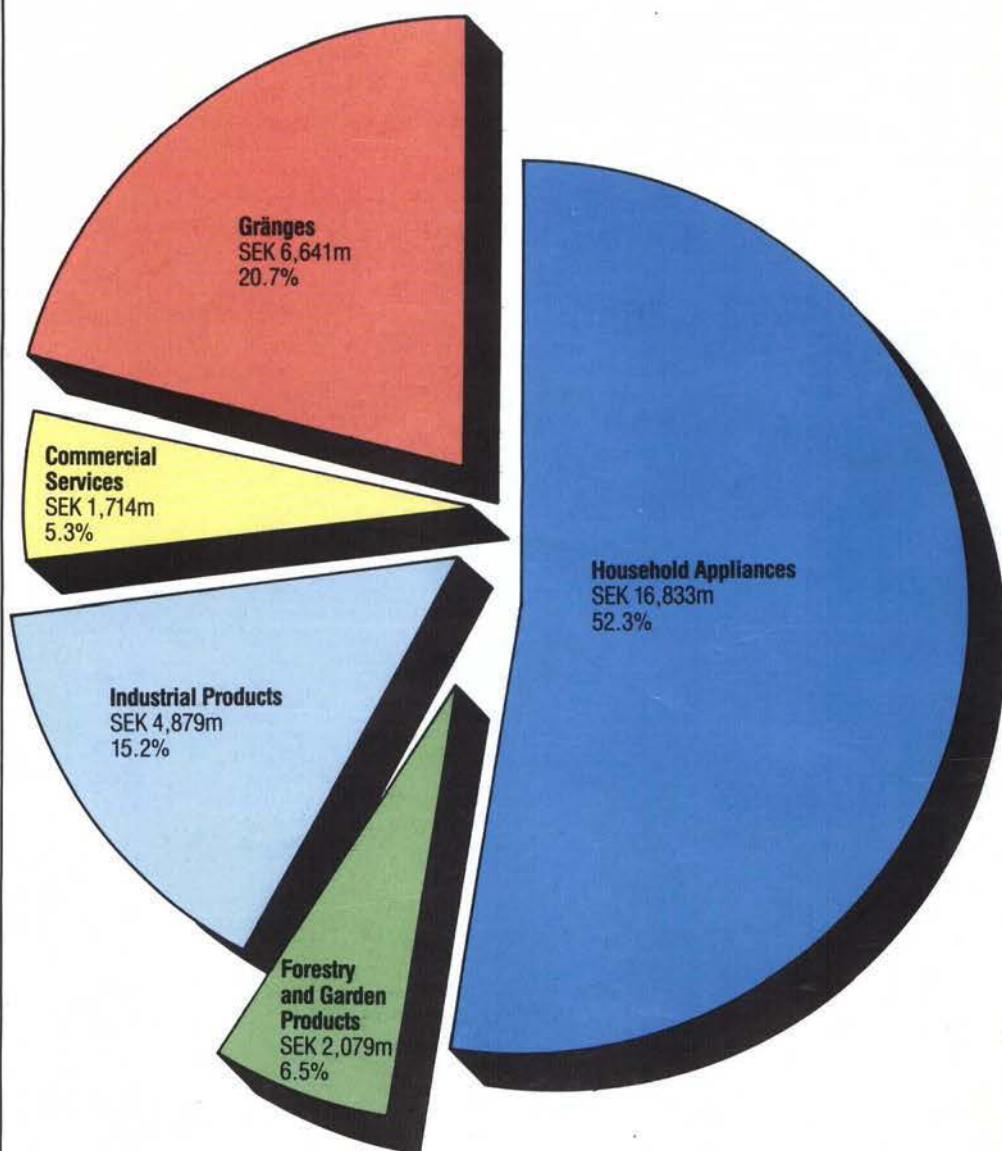


Electrolux

Annual Report 1983



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Annual General Meeting

The Annual General Meeting will be held at 3.00 p.m. on Friday, May 25, 1984 at the head office of Skandinaviska Enskilda Banken, Kungsträdgårdsgatan 8, Stockholm.

Right to attend and vote at the Annual General Meeting

Stockholders 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 Tuesday, May 15, 1984.

Stockholders 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 Tuesday, May 15, 1984.

Notice of intention to attend the Annual General Meeting

Stockholders 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 21, 1984. Notification should be made in writing to AB Electrolux, Dept C-J, S-10545 Stockholm, Sweden, or by telephone during office hours to 46 (8) 7386793.

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 May 30, 1984. Subject to the Annual General Meeting approving this proposal it is expected that dividends will be distributed by Värdepapperscentralen VPC AB on June 7, 1984.

Notification of change of address

Stockholders 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-10391 Stockholm, Sweden.

Electrolux Group in 1983

	1983	1982
Sales, SEK m	32,146	31,661
Operating income after depreciation, SEK m	2,691	1,937
Income after financial items including foreign exchange differences, SEK m	1,763	609
Income before transfers to untaxed reserves, SEK m	1,863	567
Earnings per share, SEK*	32:90	11:50
Total earnings per share, full tax, SEK*	30:00	12:60
Total earnings per share, actual tax, SEK*	48:00	13:40
Return on net assets, % *	18.7	14.1
Return on equity, % *	16.5	6.2
Return on equity after extraordinary items, % *	15.1	6.8
Capital expenditure, SEK m	1,374	1,406
excluding assets held by companies acquired during the year	1,354	1,320
Total number of employees	88,800	100,400
of which in Sweden	30,400	36,900
Parent Company		
Net income, SEK m	349	281
Dividend, total, SEK m**	288	232
SEK/share**	11:00	9:00

* Definitions, see page 32.

** For 1983, proposal of the Board of Directors.

All amounts in this report except per share data or where otherwise indicated are expressed in millions of Swedish kronor – SEK m.

Statement by Group Management

Since the early seventies, the goal of Electrolux has been to become the international leader in household equipment and related product fields. Our strategy is to gain volume benefits in production and distribution by having a strong market position, and consequently to achieve a cost structure that is on a par with that of our principal competitors, which are often companies with large domestic markets.

As the result of a hundred or so acquisitions and the consistent restructuring of production, first of all in the Nordic countries and then elsewhere in Europe, Electrolux has reached its present position as one of the leading enterprises in the world in household equipment.

The same strategy is followed in related fields. This has brought Electrolux into a leading position in semi-industrial laundry equipment, commercial cleaning and laundry services. The same is true of chainsaws, autoclaves, fermentation equipment and car seat-belts.

The Group's acquisitions have focused on companies whose products have development potential. In the case of problem companies one of the conditions has been that there must be realizable assets that would help to finance a necessary restructuring. In some cases, the acquisition has led to Electrolux acquiring a base for expansion in an entirely new product area, for example chainsaws and car seat-belts. In other areas, after restructuring the units have proven to be better capable of progressing in a different environment, and could consequently be sold at a profit. Examples include Facit and Hugin.

Profitability improved and equity grew strongly throughout the seventies. However, as a result of the considerable expansion, the equity/assets ratio weakened. The increasing amount of

borrowed capital and the high interest rates during the 1980-1982 period caused net financial items to deteriorate, which, in combination with an international economic recession, resulted in poorer profitability.

A program of action - both short and long range - was initiated in 1981 in order to restore the Group to the profitability levels of the 1970s and consequently make further expansion possible. The program focused on the following principal fields:

- Adjustment of production capacity, sales and administration to changing demand patterns with the object of raising the operating profit. This adjustment brought results in 1983, when demand started to pick up again in some markets.

- Smaller amount of capital employed, principally through a reduction in inventories. In the seventies, inventories were normally some 30% of sales. The target, to be achieved by the end of 1984, was set at 20%. In 1982, inventories were brought down to 26.4% and in 1983 a further improvement was achieved, to 23.4%.

- Further refinement of the Group's organization in order to seize the potential that existed in all product areas. This has been done by organizing the business into 30 product lines with a defined division of responsibility between product line and subsidiary company managers. In conjunction with this change, a staff organization has been built up to cover areas that are common to the whole Group.

- Comprehensive campaign to improve quality. In order to further underline Electrolux' quality image, and to meet the more exacting demands of customers for reliable products from the Group, a long-term quality assurance program has been put into effect in all units. The re-

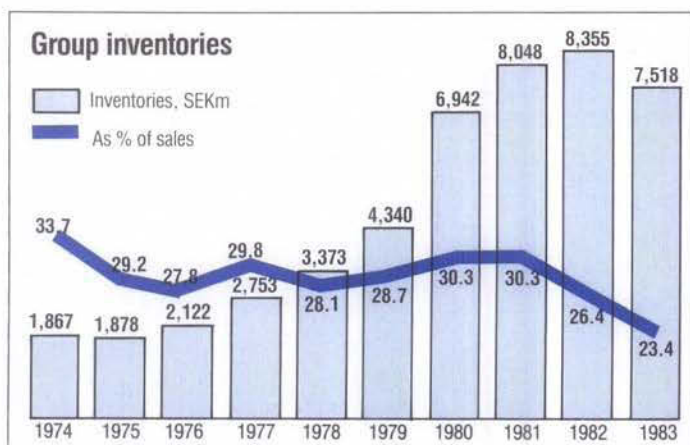
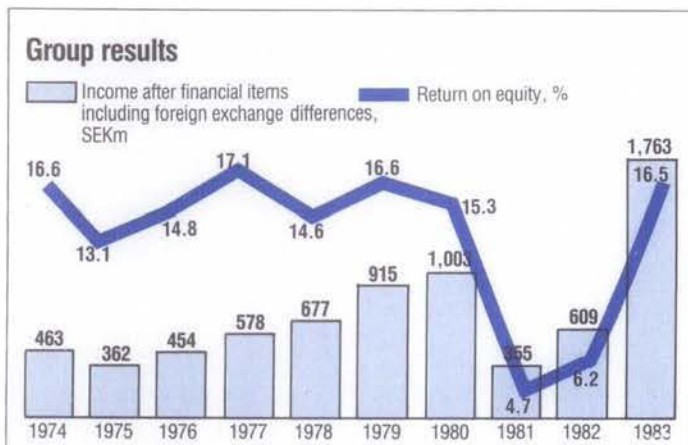
sults so far are well in line with our plans.

- Sale of units not included in main operations and not considered capable of development within the Electrolux Group. Here the purpose has been to strengthen the balance sheet and create resources for expansion within the Group's main business fields. During the past year, four large business units were sold: Facit, which would have required the investment of substantial resources in the form of people and capital if it was to make any worthwhile progress; Hugin, which was originally acquired to complement Facit; Emerson Quiet Kool, which was regarded as being unlikely to achieve satisfactory long-term profitability targets; and Platzer Bygg, which came within the Gränges acquisition, but which lacked natural links with other Electrolux operations. In addition, units within Gränges Aluminium and Gränges International Mining were also sold.

All these units had been restructured by the time they were sold, and showed promising earnings trends. They could therefore be sold for quite substantial book profits, which, in combination with the reduction in the balance sheet total, helped to strengthen the equity/assets ratio. At the same time, capital was released, which moved net financial items in the right direction.

The financial targets decided on in 1981 were achieved in 1983, with the return on equity amounting to 17% after tax at the standard rate of 50%, while the equity/assets ratio improved to 24%. In this manner, Electrolux has strengthened its competitive position and increased its chances of playing an active part in the development of the industries in which the Group is represented.

Electrolux' long-term growth targets for most product lines are markedly



Products

higher than the overall growth rate in the respective markets. The strategy over the coming years is therefore partly to strengthen the competitive position and identify or create new areas of application by means of active product development, and partly to strengthen the Group's position in countries where it is still not well positioned. As in the 1970s, company acquisitions will account for a considerable share of the expansion.

Given an unchanged equity/assets ratio, the financial capacity for expansion is constrained by the level of profitability and our ability to increase the capital turnover rate. Our judgement is that the Group can expand by 15–20% a year at current prices without any further injection of new capital.

On the basis of the organization and the expertise that has been built up in Sweden, our energies will be devoted to stepping up the international presence of the various product lines.

Even though Electrolux is one of the largest white goods manufacturers in the world, the business is somewhat lopsided geographically. The Group is market leader in the Nordic countries, has a strong position in France and Switzerland, and in some product areas also in Great Britain and the USA.

In other countries, the Group is not so prominent, which means substantial potential for expansion. This is also the case for industrial and service companies and for Gränges where the business is even more narrowly based in geographical terms. Even in the case of vacuum-cleaners, special refrigerators and chainsaws, where the Group is the world leader, there is still scope for expansion in many countries, both organically and by acquisition.

The Group's most important geographical regions at present are Scandinavia, which accounts for 34% of sales, the rest of Western Europe, with 32%, and North America with 25%. The goal for the next few years is to strengthen the Group's position in Western Europe and North America. Asia and the Pacific Region at present account for only 6% of Group sales, but these markets are expanding strongly and will assume growing importance in the Group context.

Providing the economic situation in the Group's important markets does not deteriorate, Group management considers that the action program set in train at the start of the eighties will lead to a further improvement in earnings in 1984.

The Group's operations are organized into a number of product lines within five main product areas, namely household appliances, forestry and garden products, industrial products, commercial services and Gränges.

Household Appliances

- White goods
- Special refrigerators
- Floor-care products
- Sewing machines
- Kitchen and bathroom fittings
- Home electronics
- Product service and maintenance

Forestry and Garden Products

- Chainsaws
- Lawn mowers

Industrial Products

- Food service equipment
- Semi-industrial laundry equipment
- Commercial cleaning machines
- Commercial refrigeration

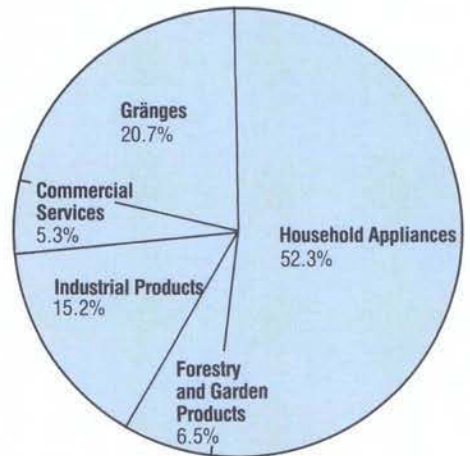
- Sterilization equipment
- Disinfection equipment
- Materials handling equipment
- Agricultural implements
- Environmental products
- Motor-cycles
- Electric motors

Commercial Services

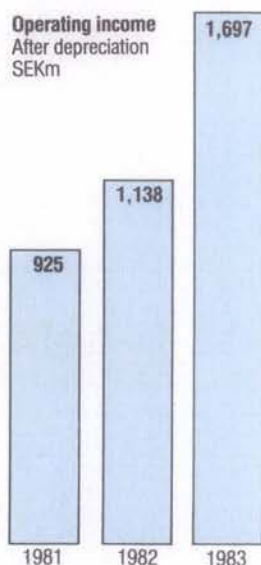
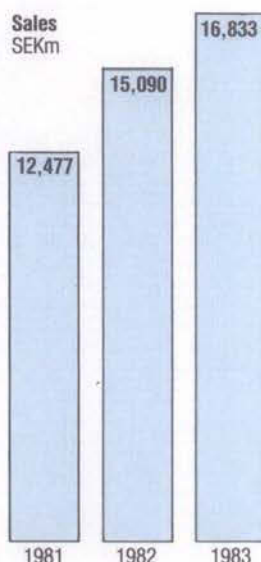
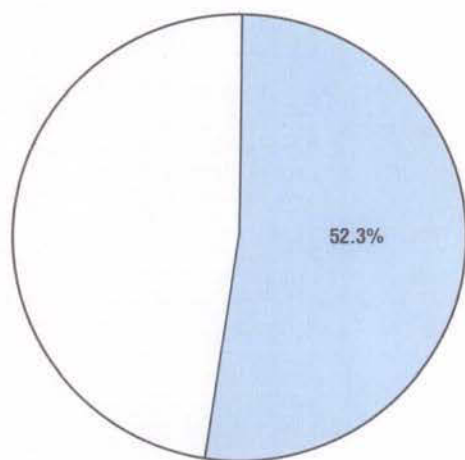
- Cleaning
- Laundry service and goods protection

Gränges

- Gränges Aluminium
- Gränges Metallverken
- Electrolux Autoliv
- Wirsbo
- Kohlswa
- Gränges Hedlund
- Gränges International Mining
- Gränges Mark



Household appliances



Electrolux is one of the world's leading manufacturers of household appliances. The business area includes the white goods, special refrigerator, floor-care, sewing machine, kitchen and bathroom fittings and home electronics product lines. The air-conditioning product line has been wound up as a result of the sale of the Emerson Quiet Kool subsidiary.

Household appliances, which accounts for more than half of the total sales of the Group, is sold through Group companies in 40 or so countries and through agents in a further 20.

Sales in 1983 amounted to SEK 16,833m (1982: 15,090m), an increase of 12%.

The operating income after depreciation increased from SEK 1,138m to SEK 1,697m, which was equivalent to 10.1% of sales (7.5).

White goods

White goods is the largest product line in the Group. Traditionally, the emphasis has been on refrigerators, freezers and cookers, but after heavy investment in recent years in new products as well as in machinery and equipment, the Group now has a complete program of white goods. Apart from ultra-modern dishwashing and washing machines, it includes microwave ovens and kitchen appliances.

Sales in 1983 amounted to SEK 8,279m, which is an increase of 11% on the previous year. Profitability has improved substantially over the past few years and is now satisfactory. This success is a result of many years of rationalization. A comprehensive quality assurance program will further improve the Group's competitive position.

During the year, new models of dishwasher and refrigerator/freezer with markedly improved energy and low noise features were introduced. In France, a new program of free-standing cookers was launched. In the USA, an investment program in a new range of



Tappan is one of the USA's leading manufacturers of cookers, microwave ovens and kitchen cupboards and fittings. Cookers are manufactured in Mansfield, Ohio, and Springfield, Tennessee.



Microwave ovens are manufactured in Dalton, Georgia.

microwave ovens was completed, which includes larger volume ovens and extensive integration of mechanics and electronics.

A feature of the white goods industry in Europe is the excess capacity and severe price competition. The weakness of the market since the end of the seventies has resulted in many manufacturers having severe earnings problems. On average, profitability in the industry is low.

The demand for white goods depends partly on trends in housebuilding, and

Unit sales of selected products

	1983	1982
Vacuum-cleaners	5,936,000	5,300,000
Refrigerators and freezers	1,882,000	1,790,000
Cookers	1,227,000	1,251,000
Microwave ovens	536,000	381,000
Kitchen fans	222,000	193,000
Washing machines	356,000	363,000
Dishwashing machines	200,000	163,000
TV sets	168,000	186,000

partly on the general economic situation and the resources available for private consumption. The decline in housebuilding is expected to be largely offset in the coming years by investments in the renovation of the large stock of housing that was built at the end of the sixties and in the early seventies.

The objective of Electrolux over the next few years is to build up a strong position in several more countries. This will probably be done by means of company acquisitions.

Special refrigerators

Sales in 1983 amounted to SEK 1,194m, an increase of 39% compared with 1982. Earnings and profitability both improved.

The market for caravan refrigerators in North America made a strong recovery in 1983. Despite increased competition, Electrolux maintained its dominating position. During the year, two new models of the AES cabinet refrigerator were introduced. The AES models have an electronic control system for selection of operating method. The market for hotel refrigerators continued to be buoyant.

During the year, Camping Freeze, Luxembourg, which is a specialist manufacturer of absorption refrigerator units and camping boxes, was acquired. The acquisition will provide opportunities for further rationalization of production. Electrolux has two-thirds of the world market for absorption refrigerators. The products, which are flexible both in their use and operating method, are manufactured in Sweden, West Germany, Luxembourg and Great Britain. The most important markets are the USA, West Germany, France, Great Britain and Italy. Together, these markets accounted for more than 80% of the product line's sales in 1983. Scandinavia is one of a number of small markets that nevertheless have future potential.

The most important use for this type of refrigerator has so far been in caravans. In the middle and late seventies, there was a very substantial increase in the number of caravans with a corresponding rise in the demand for refrigerators. This trend has now come to a halt and the market is expected to stagnate in the coming years. However, Electrolux will be able to employ its technological and marketing expertise to broaden the product range by moving into ventilating and heating equipment for the caravan and mobile homes market.



Electrolux's major quality campaign was a key feature of the activities of the various production units throughout the year. The picture shows computer controlled testing of refrigerators and freezers at the Mariestad unit.



Electrolux is the only Swedish company engaged in manufacturing in Luxembourg. Their Majesties King Carl Gustaf and Queen Silvia visited the Group's special refrigerator plant at Vianden in September.



Electrolux is the world's largest manufacturer of vacuum-cleaners, with production facilities in Europe, North America, South America, Australia and New Zealand.



Husqvarna is well ahead on technical development in the sewing machine industry. During the year, the new electronically controlled product program made its breakthrough in world markets.

It has been possible to continually adapt the traditional product program to new areas of application. Interesting areas so far include small built-in cabinets and boxes and refrigerators for the transport and storage of blood and vaccines.

Floor-care products

After white goods, floor-care products are the largest product line in Electrolux. Sales increased by 11% in 1983 to SEK 4,913m. Earnings improved markedly, and profitability was very healthy.

Electrolux is the world leader, and during the year the Group further increased its market share in several countries. Trends in the USA, Great Britain and South-East Asia were especially encouraging.

The Group has a broad range of household cleaning machines, which includes floor polishers, carpet shampoo equipment, and motor-driven powerheads, as well as vacuum-cleaners. Specialist dealers and Electrolux-owned stores are the principal sales channels, while direct sales to consumers now only account for 15% of unit sales.

The bulk of the production takes place in Sweden, France, Great Britain, the USA and West Germany. In addition, there are production facilities in Australia and New Zealand and in several countries in Latin America.

The world market for vacuum-cleaners was estimated at some 24 million units in 1983, of which Electrolux accounted for more than 20%. In recent years, total demand has stagnated in the western countries which has resulted in stiffer price competition. Manufacturers have shifted their product programs closer towards each other as regards both operating economy and quality. Electrolux is now devoting increased energy to developing even more effective products to match consumer demands for function, quality and economy.

Electrolux strength lies in its flexible, market-oriented product program, effective production and the global nature of its business operations. A rational distribution apparatus, based on the multiple brand strategy, creates a basis for further success in the market in this product line.

Sewing machines

In 1983, sales of sewing machines totalled SEK 595m. Earnings improved and profitability was satisfactory.



In 1984 household equipment in Lime and Copper, new metallic colours, are being launched. The cupboards and fittings in the picture come from Ballingslöv, Sweden.



The new 370 Series of vacuum-cleaners has been developed by the Group's company in Western Germany.

Despite a declining total market, the Group increased its market shares. The principal reasons for the favourable progress is that the new electronically controlled product program made its breakthrough on the world market. A contributory factor is that production has now been matched to the new product generation, which has resulted in rationalization gains.

Sewing machines are an international product that can be sold in most markets without any need for local modification. 85% of the Group's sales are made outside Sweden. In a number of markets, including the USA, Scandinavia, France

and Australia, Electrolux has a strong position.

The total market for sewing machines decreased substantially in the latter half of the seventies. The reason was principally the import of low priced clothing into the West and the increase in the number of women working outside the home. In recent years, there has been a modest recovery but the growth rate is weak.

The Group has a competitive product program. Manufacturing is rational and the cost structure is favourable. In 1984, resources will be concentrated in Husqvarna as a result of the closure of the unit in Schweinfurt, West Germany.

Kitchen and bathroom fittings

Electrolux manufactures kitchen and bathroom fittings at three subsidiary companies – Ballingslöv and Zig-Zag in Sweden and Tappan in the USA. In 1983, sales of the product line amounted to SEK 742m, which was an increase of 33% compared with the previous year. Despite a substantial improvement in earnings in 1983, profitability is still not satisfactory. The declining building market in the USA and Scandinavia has had an adverse effect on the volume of sales for several years. The industry is suffering from over-capacity and severe price competition.

Wide-ranging action has been taken at the Swedish companies with the object of raising internal efficiency and obtaining better control of costs.

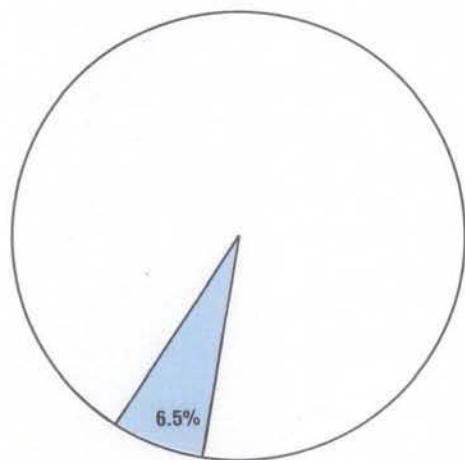
Home electronics

The product line is now at the build-up phase. The operation, which previously consisted only of radio, TV and video equipment for the French market, will now also focus on monitoring and control systems for homes, for example, alarm systems. The product line also includes the development and production of electronic control systems for the Group's products.

Production of TV sets and alarm systems is located at the French subsidiary company Océanic, while other activities are based at Electrolux-Addo in Malmö, Sweden.

In 1983, sales, which were adversely affected by the very severe market situation in France, amounted to SEK 661m compared with SEK 659m in 1982. Profitability was unsatisfactory.

Forestry and garden products



The business area includes chainsaws and other equipment for forestry, cutting machines, protective equipment and accessories, as well as lawn mowers and cultivators.

Sales of forestry and garden products in 1983 amounted to SEK 2,079m, which was an increase of 8% compared with the previous year. The operating income after depreciation improved from SEK 197m in 1982 to SEK 228m which was equivalent to 11% of sales.

Chainsaws

The market for chainsaws improved in 1983 and the Group reported a record year with substantial increases in volume and a strong rise in earnings. Sales amounted to SEK 1,569m, an increase of 16%. Profitability was very healthy. Electrolux has a complete program from technically advanced saws for professionals to simple equipment for hobby users. The focus is on the professional and semi-professional market segments. The program also includes equipment for clearing and protective clothing and tools for forest workers. The saws are marketed under five brand names—Partner, Jonsered and Husqvarna, which are manufactured in Sweden, and Pioneer and Trail, which are manufactured in Canada. Some 90% of the Swedish output is sold abroad. The advanced product program is sold to the specialist trade, which also handles service and spares. Some hobby saws are also sold through department stores, hardware stores and hypermarkets.

Electrolux is one of the world's largest manufacturers of chainsaws, with some 20% of the world market. The most important markets are North America, Scandinavia and the rest of Western Europe.

Towards the end of the seventies, the chainsaw market expanded substantially. One factor behind this rise was the oil crisis and the interest in fuel wood which followed. Towards the end of 1980

demand weakened continuing to fall in 1981 and 1982. The decrease was specially marked in the hobby sector.

In 1983, the market picked up again slightly and the rise is expected to continue in 1984 and 1985.

Behind the prominent position Electrolux holds lies our investment in the development of our own products and strategic company acquisitions. The organizational changes that were a consequence of the acquisitions are now in their final phase, and substantial rationalization benefits have been achieved in both production and marketing.

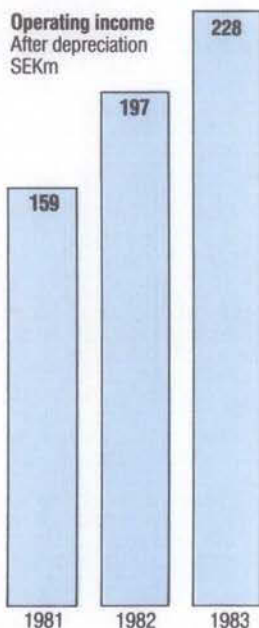
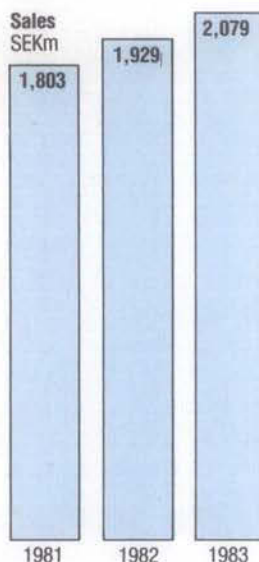
Lawn mowers

Sales in 1983 amounted to SEK 510m, a decrease of 12% compared with the previous year. Profitability was unsatisfactory.

Electrolux is one of the largest manufacturers in Western Europe, with a strong position in Scandinavia and Great Britain. The product program consists principally of lawn mowers and cultivators, which are marketed under the Husqvarna, Flymo and Norlett product names. Powered lawn mowers are manufactured in Norway and Great Britain, cultivators in Norway, and manual lawn mowers in Sweden. Selling takes place mainly through the specialist trade, but also through department stores, hardware stores and hypermarkets.

The European lawn mower market has been adversely affected by the weather conditions of the last two seasons and reduced purchasing power. On the whole, the market is unstructured with a substantial number of small manufacturers, which results in severe price competition when demand slackens.

Electrolux has begun an intensive development program in order to modernize and adapt the range to match the needs of different customer categories and distribution channels. Earnings are expected to improve markedly in 1984.





Electrolux is one of the world's leading manufacturers of chainsaws. The Group is especially strong in the professional users market.

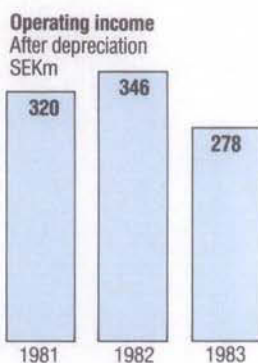
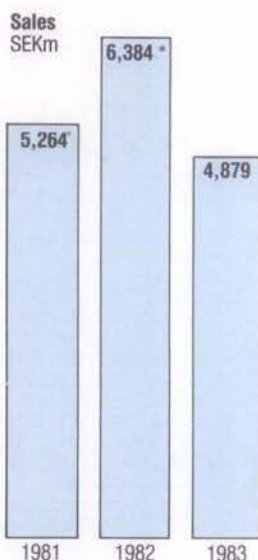
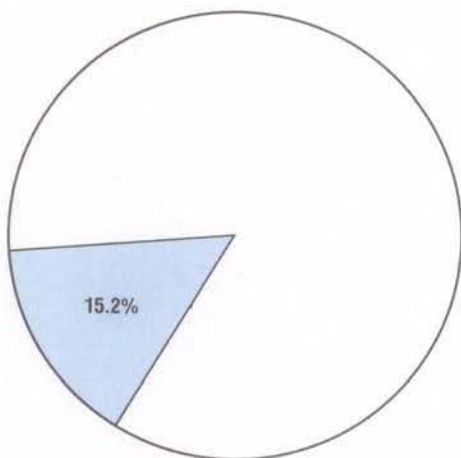


Flymo, Norlett and Husqvarna are the Group's brand names in the lawn mower field. Together they are among the largest in the European market, particularly in Great Britain and Scandinavia.



Electrolux also manufactures brush-cutters for all types of clearing, from removing light brush to felling heavy growth.

Industrial products



*Units that were sold in 1983 accounted for SEK 1,787m of Group sales in 1982.

On the basis of its expertise in household appliances, the Group has developed the corresponding products for commercial users. This business area is divided into four product lines – food service equipment, semi-industrial laundry equipment, cleaning machines and refrigeration/freezer equipment.

The business area also includes the sterilization equipment, disinfection equipment, materials handling equipment, agricultural implements, environmental products, motor-cycle and electric motor product lines, as well as a number of minor areas of activity.

In 1983, sales amounted to SEK 4,879m (1982: 6,384m). Facit and Hugin, which were sold during the year, accounted for sales of SEK 1,787m in 1982. The operating income after depreciation was SEK 278m (346m), equivalent to 5.7% of sales compared with 5.4% in the previous year.

Food service equipment

Electrolux is one of Europe's largest manufacturers of food service equipment. Sales in 1983 amounted to SEK 702m compared with SEK 706m in the previous year. Earnings improved and profitability was satisfactory.

The strong trend is due to a concentration of effort in certain profitable market segments with development potential and to successful selling, principally in Western Europe.

The most important markets, apart

from Sweden, are the other Nordic countries and the rest of Western Europe. The Middle East, Far East and Africa are of considerable importance in project sales, which account for some 75% of the total sales of the product line and include all stages from planning to commissioning and service. Electrolux also has extensive sales throughout the world of marine galley equipment.

The food service program includes dishwashing machines, convection ovens, cookers, cauldrons, stainless steel tables and benches and refrigeration equipment. There is also a complementary range of accessories for restaurants and catering institutions, for example, glass, porcelain, cutlery and kitchen utensils.

At the beginning of 1984, Libo AG, a Swiss company that manufactures and markets dishwashing machines for the food services market, was acquired.

The market is affected by declining demand and substantial over-capacity. In Western Europe the competition comes from a few large manufacturers and a large number of small, local suppliers. The products for the project sales market are largely decided by customer orders and specified by consultants and architects.

The food service equipment product line has reported weak profits over the past few years. Measures are being taken to increase market shares in both project and unit sales. In addition, a program is in progress to restructure the production



Electrolux can supply a complete range of products for the food service sector, including everything from accessories to total project contracts for food service installations.

units. The intention is to concentrate production of dishwashing machines and convection ovens in Sweden while the cooker program will be concentrated at the Swiss subsidiary.

Semi-industrial laundry equipment

Electrolux-Wascator is one of the world's largest manufacturers of equipment for commercial laundering in laundry rooms, laundromats and institutions. Sales in 1983 amounted to SEK 615m, an increase of 13% compared with the previous year. Over the past few years, earnings have advanced extremely well, improving again in 1983. Profitability was very healthy.

Electrolux-Wascator has a dominating position in the Nordic countries and a strong position in the USA, Canada and South-East Asia. High shares are also reported in Great Britain and the Netherlands.

During the year, production of spin dryers was concentrated at the factory in Tommerup in Denmark. At the same time a new generation of high-centrifuge spin dryers with extremely good operating economy was launched. They provide a valuable complement to the washing machines. Production of semi-industrial washing machines is based in Ljungby, Sweden. Both plants have rational production facilities.

The world market for semi-industrial laundry equipment was estimated in 1983 at SEK 4.5 billion, of which the USA accounted for 60%. Demand is determined by the level of building activity and the renovation, rebuilding and extension sector. One trend is that institutions, hotels and restaurants are increasingly switching to in-house laundering. For such purposes, Electrolux can offer a competitive program.

Commercial cleaning machines

Sales increased by 7% to SEK 608m in 1983. Profitability improved but was not entirely satisfactory.

The unit includes cleaning machines and equipment for high pressure cleaning. The program is rounded out in some markets with chemicals and other cleaning agents. Customers are cleaning companies and companies and public institutions that clean on own account. High pressure cleaning is used in such fields as agriculture, and the food industry, as well as for cleaning trains, buses, trucks and aircraft. In addition, car-wash units and mobile cleaning machines are included in the program.



Electrolux-Wascator is one of the world's leading companies in semi-industrial laundry equipment.



Electrolux CR manufactures and markets refrigerators and freezers for shops, department stores and other major users.

The largest markets are in Sweden, the USA and Great Britain, where the Group has its own production units. The product line was reorganized during the year and profitability is expected to improve.

Commercial refrigeration equipment

Electrolux Commercial Refrigeration manufactures and markets refrigeration and freezer equipment for stores, department stores and institutions. In 1983, sales amounted to SEK 401m. Profitability remained healthy.

A new generation of products for supermarkets was well received in the international market in 1983.

Electrolux is one of the major manu-

facturers in Europe. Apart from Sweden and the Nordic countries, West Germany, Great Britain, the Netherlands and France are among the most important markets. Production takes place in Sweden and West Germany.

Demand depends principally on developments in the food trade. In recent years, the number of openings has decreased both as regards stores and department stores. The falling demand in this sector was largely offset by the need for replacement equipment at older units. Markedly lower energy consumption and other operating economies are the principal reasons for converting to newer equipment.



The demand for fermentation equipment is growing as a result of developments in biotechnology. Getinge has an advanced product program and an international sales organization.

Sterilization equipment

The activities of the product line include autoclaves for medical care and industry and fermentation equipment. In addition, it includes baskets, transport systems, cupboards, sinks and consumables that are used in the sterilization process. The business is conducted through Getinge Mekaniska Verkstad in Sweden and through subsidiary companies in several other countries.

In 1983, sales amounted to SEK 268m, which was an increase of 18%. Profitability was satisfactory even after certain

non-recurring costs had been charged against the result.

As a result of health service expansion stagnating in most industrial countries, the market showed a weak trend in 1983. During the year, companies were acquired in Australia and Switzerland, which improved the position.

In the health service market, autoclaves are used for treating instruments, clothing and other materials that are used in operations. In industry, it is above all pharmaceutical manufacturers and suppliers of instruments and con-



Växjö Rostfritt supplies disinfection systems and equipment to hospitals.

sumable materials that make use of autoclaves.

Fermentation is a field that is growing rapidly on account of the advances in biochemical and biotechnical industry and research. In fermentation plants, microbiological cultures are cultivated under conditions of absolute process and environmental control.

In most export markets, the products require local modification in order to obtain the approval of the authorities. In many countries there are also protectionist tendencies, which favours the multitude of small local manufacturers that Electrolux meets everywhere. Getinge therefore has production units in several countries in Europe and the USA.

The weak demand from the hospital sector is expected to persist. Growth opportunities will therefore be found in industrial applications, where the market is expected to increase substantially over the coming years. In the fermentation field, Getinge has so far only covered a few countries but the company is now planning a broader international approach.

Disinfection equipment

Växjö Rostfritt manufactures and markets systems and equipment for disinfection of circulation goods in hospitals and old peoples' homes.

The sales of the product line in 1983 amounted to SEK 94m, which represents an increase of 27% compared with 1982. Profitability remained very healthy. In 1983, the activities of West Germany's largest manufacturer of disinfection equipment, ZK Hospital GmbH, were acquired. As a result of the pur-

chase, Electrolux gained a well-established brand name with almost half the German market in its segment. At the same time, a platform was created for entering the continental European market with the Group's own disinfection program.

In 1984, a new program of products for cleaning laboratory articles in hospitals and industry will be introduced.

The product line is expanding, partly on account of increased internationalization of the existing range and partly through entry into the laboratory market, both in Sweden and abroad.

Materials handling equipment

Sales totalled SEK 496m compared with SEK 429m in the previous year. Earnings improved substantially, principally in the Scandinavian area, and profitability was good.

In 1983, a new pallet racking system was introduced that incorporates unique functions. In addition, the partition program was expanded to include "combi-office", which is an entirely new business concept.

Sales take place mainly through subsidiary companies in Europe, with production in Sweden, Denmark, West Germany and Switzerland.

After several years of stagnation, the total market has begun to pick up again. In addition, the Arab countries have become promising new markets.

As a result of the capital expenditure on new products and production facilities in recent years, the product line is expected to make good progress.

Agricultural implements

The Överum group manufactures agricultural equipment, principally ploughs, sowing machines and fertilizer spreaders. In addition, wear parts for contractors' plant and special windows are also marketed.

In 1983, sales amounted to SEK 367m compared with SEK 344m in the previous year. Earnings improved and profitability was healthy.

The market was weak in 1983. However, in Sweden a recovery was noted towards the end of the year. In Denmark and Finland, where the Group recently opened its own sales channel, trends were promising. Överum is now stepping up its efforts in export markets. In Canada, marked successes were noted, which led to a decision to set up a sales company there to cover the North American market.

In 1983, an investment program covering the modernization and rationalization of production facilities was concluded. New products and a broader marketing approach will provide a base for further sound progress.

Environmental products

Electrolux Envirovac manufactures and markets vacuum sewage installations that are used where the use of conventional sewage systems is not possible for financial or other reasons. Examples of such uses are on trains, on ships, and in buildings and areas with difficult ground conditions. The most important markets are in Western Europe, North America and the Far East.

1983 was the most successful year so far for the group with sales amounting to SEK 77m. Profitability was very good.

Motor-cycles

The motor-cycle operations are conducted through Husqvarna Motorcyklar, a subsidiary company that specializes in competition cycles for motocross and endurance trials (Enduro).

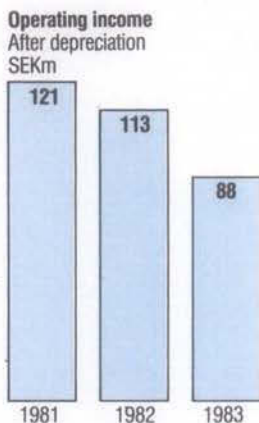
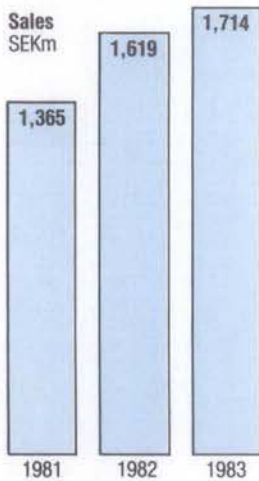
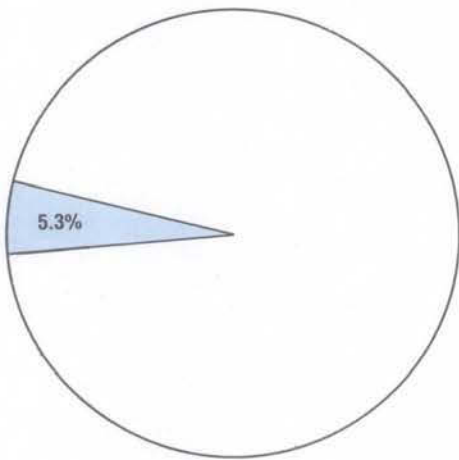
In 1983, sales amounted to SEK 134m. Profitability deteriorated, principally as a result of the increased resources devoted to product development in order to recapture shares of the important motocross market.

Husqvarna has a strong position in the growing endurance class, which was confirmed by a win in the unofficial "Six-days" world championship in 1983. During the year, a new model with a four-stroke engine was launched and it received a warm reception.

Electric motors

The Group's units in Västervik, Ankarsrum and Överum, in Sweden, and Aalborg, in Denmark, manufactured more than 4 million electric motors in 1983. Some 70% of output went into the Group's other products such as vacuum-cleaners, washing machines and kitchen fans. The remainder was supplied to external customers, principally in Sweden. Sales to external customers in 1983 amounted to SEK 107m.

Commercial services



Electrolux is one of the few companies in the commercial cleaning and laundry sector that operates internationally. There is considerable potential and the business will be broadened into new service areas and new geographical markets.

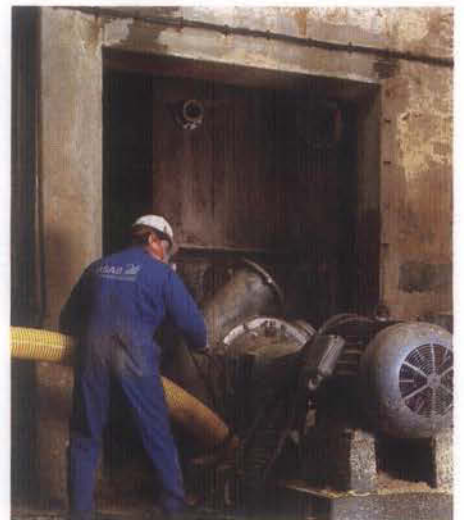
Sales amounted to SEK 1,714m (1982: 1,619m). The operating income after depreciation was SEK 88m (113m), which was equivalent to 5.1% of sales (7.0).

Cleaning services

Commercial cleaning services are provided in 20 or so countries. In 1983, sales amounted to SEK 1,139m, of which the Swedish operations conducted through ASAB and its subsidiary companies accounted for SEK 658m. Profitability was very healthy.

The group has a strong position in Sweden. Other important markets are Brazil, the Middle East, the Far East, Australia and the USA.

The business consists of two principle segments – traditional cleaning of offices



ASAB also cleans up severely polluted and dirty industrial environments.

and public places and major cleaning contracts within industry. The latter include cleaning, cleaning of buildings and disposal of dangerous waste in industries such as mining and chemicals. The principal customers for the Group's cleaning



One of ASAB's contracts is for the cleaning at the Stockholm Security Conference.

services are large and medium-sized enterprises. Competition among the established suppliers is extremely stiff.

The service program has been steadily broadened to include services and products that are related to the traditional cleaning services. Indoors, the service program includes carpet laying and curtain and light service; outdoors, it includes snow clearance, sanding and refuse collecting as well as the laying and maintenance of lawns and recreation areas. These services have been principally developed for the Swedish market. The intention is also to extend the range into foreign markets.

Laundry service and goods protection

Sales of the product line in 1983 amounted to SEK 575m (521m). Laundering and rental of textiles accounted for SEK 466m or 81% of the sales of the product line. The remainder, SEK 109m, related to sales of textiles, working clothing and protective equipment and the rental and sale of tarpaulins and

temporary warehouses. Profitability deteriorated during the year.

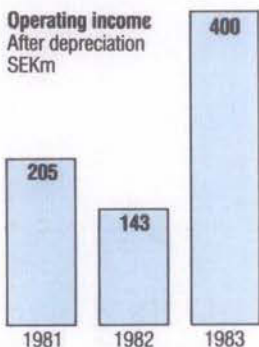
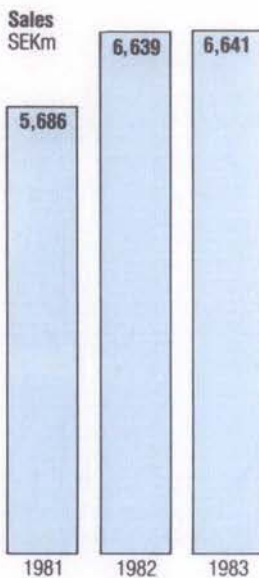
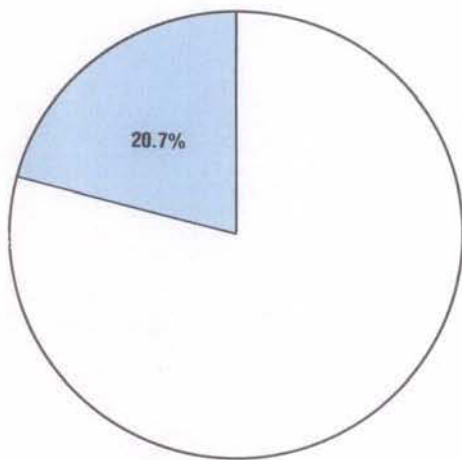
The business in Sweden is conducted through subsidiary companies, namely Tvättman, Jonsereds Godsskydd and Evert Larsson Skydd. Tvättman is the country's largest private laundry and operates 20 units.

In 1983, the company acquired Björnkäder, a wholesaler of working clothing, and Ratura, a company that sells textiles and chemicals to laundries and the public sector. As a result of these purchases, Tvättman can satisfy the customers' total requirements for working clothing, including such textiles as are not suitable for rental.

In addition to Sweden, the most important markets are the Netherlands, West Germany, Denmark and France. The business is conducted through local laundries. The customers consist principally of manufacturing enterprises, hotels and restaurants in the private sector. Market shares are small, except in Sweden and the Netherlands, and there is considerable scope for expansion.



Tvättman specializes in rental and laundering of textiles and working clothing for manufacturing industry, hotels, restaurants and other users.



Many years of restructuring combined with heavy investment over the past five years are now bearing fruit. In 1983, Gränges reported its best year for a considerable period of time. The Gränges of today is a dynamic market-oriented industrial enterprise consisting principally of engineering companies having links of one kind or another with the rest of the Electrolux Group.

Gränges consists of eight autonomous companies operating over a broad business field in many industries and markets. The group's output consists principally of semi-manufactured and finished products for a variety of industrial applications. Customers are in the building, engineering, automotive, electrical and telecommunications industries. Some 60% of sales go to foreign customers, principally in Scandinavia and the rest of Western Europe as well as in North America.

Gränges' sales in 1983 amounted to SEK 6,641m. The operating income after depreciation improved from SEK 143m in 1982 to SEK 400m.

Gränges Aluminium

A substantial increase in demand for aluminium products, higher prices and extremely competitive production resulted in 1983 being a successful year. Several units in the group have been sold and the operations concentrated on integrated aluminium production.

Sales in 1983 amounted to SEK 2,927m, an increase of 19% compared with 1982. The income after depreciation increased to SEK 235m (61m).

All product groups within Gränges Aluminium noted higher earnings. Production capacity was as good as fully utilized.

The activities of Gränges Aluminium



Gränges Aluminium is highly successful in the British market. The picture shows Korrugal structural sheet for roof and cladding at a school in Liverpool.

cover a broad range of products from primary metal to semi-manufactured components and finished products. The principal customer segments are in the building, engineering, automotive and consumer goods industries.

Aluminium prices fluctuate widely in line with the state of the economy in the industrialized world. After a substantial drop in 1981 the market has improved noticeably. Following sharp production cutbacks in the industry in the 1980-1982 period, inventories have shrunk and there was even a shortage of primary metal in the Western world.

Gränges Aluminium has a favourable cost structure and in addition benefited from exchange rate changes. As the effect of the price increases did not make a full impact on the 1983 figures future prospects are bright. In addition, a further pick-up in the market will occur, although with more modest price increases.

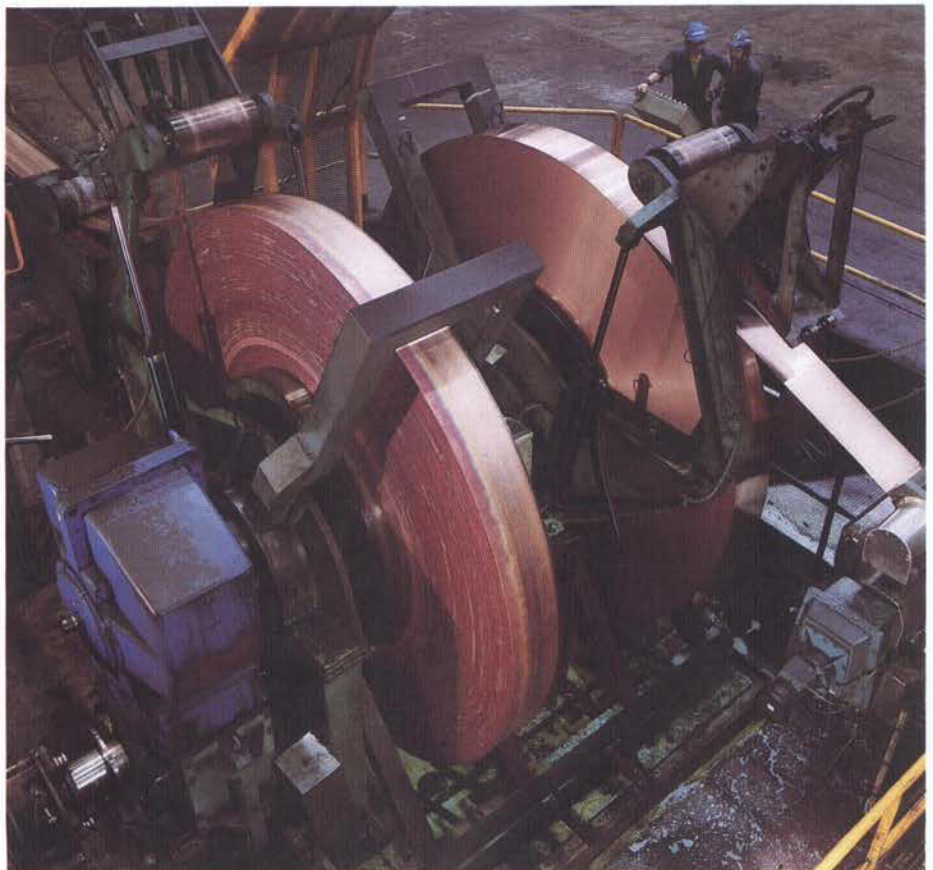
Gränges Metallverken

A firm order intake, high capacity utilization and a strong market position led to a substantial improvement in sales and earnings. A heavy investment program has resulted in rational and expanded production capacity.

In 1983, sales increased by 23% to SEK 2,477m. The operating income after depreciation rose sharply and was higher than ever before, at SEK 154m compared with SEK 52m in 1982.

Gränges Metallverken manufactures and markets a broad program of semi-manufactured copper and copper alloy products.

The company's know-how spans the entire manufacturing process from pri-



Production of Metallverken's main product – thin copper strip for automotive radiators. Following a heavy investment program at the strip rolling mill in Finspång, production capacity has been substantially raised and production costs lowered.

mary metal to semi-manufactures customized to meet customer specifications. The principle customer categories are in the automotive, building and engineering, electrical and telecommunications industries worldwide. Almost 60% of the company's output goes to foreign customers, mainly in Europe and North America.

The weakness of the economy in Europe and the USA during the first couple of years in the eighties, caused demand to slacken for many of Metallverken's products. Excess supply from many manufacturers exerted severe pressure on prices. The earnings trend throughout the industry was weak and many companies were closed down, both in Europe and the USA.

The present high exchange rate of the US dollar and the beginning of economic recovery indicate a sustained strong trend in the immediate future.

Electrolux Autoliv

Electrolux Autoliv, formerly Gränges Weda, is one of Europe's largest manufacturers of car seat-belts.

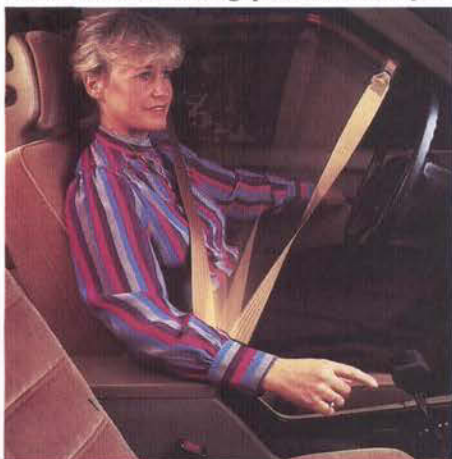
Sales in 1983 amounted to SEK 493m.

The operating income after depreciation was SEK 30m compared with SEK 22m in 1982. Profitability has improved substantially following the losses of 1980 and 1981. Factors behind the favourable trend were the substantial investment in product development and company acquisitions. The bulk of the sales of car seat-belts go to customers outside Sweden.

Car sales in Europe increased during the past year. In many countries, car seat-belts are becoming obligatory and in a growing number of countries regulations are being introduced under which cars must also be fitted with seat-belts in the back-seat. Growth opportunities are therefore regarded as excellent and Autoliv plans to move into new markets.

The central unit at Autoliv Development has been expanded, as have the resources for customer-oriented product development at various factories in Sweden and France as well as at the partly-owned unit in Italy.

Apart from the Swedish manufacturers, most of Europe's car manufacturers are customers of Autoliv. In many other markets, licenses are sold to companies that manufacture car seat-belt reels, locks and other components.



Personal safety in cars is a matter of growing concern. Autoliv has developed a seat-belt that fastens round the driver or passenger automatically when the car door is closed.

Kohlswa

Kohlswa operates Sweden's largest steel foundry, and is the country's only manufacturer of powdered metal components. Following a major investment program, Kohlswa has improved its competitive position and its profitability.

Sales in 1983 amounted to SEK 154m compared with SEK 143m in 1982. Over the past few years, the company has reported losses, and in 1983 the loss was SEK 4m (loss 8m).

Demand for steel casting halved in the seventies, not least on account of the almost complete disappearance of the shipbuilding industry as a customer. On the other hand, demand in the engineering industry for advanced and alloyed steel castings has developed well. Over-capacity in the industry has long been a source of trouble, with stiff price competition in consequence. However, several competitors in Northern Europe have cut back their capacity, while demand is beginning to pick up again.

Wirso

Wirso is one of Europe's largest manufacturers of pipes, tubes and pipe systems in steel, copper and plastics for water supply, heating and sanitation, district heating and industrial purposes. Concentrated product development and marketing have moved the company into a strong position in Europe.

Sales in 1983 totalled SEK 834m, an increase of 13 percent on the previous year. Wirso's 1983 operating income after depreciation was SEK 21m compared with SEK 8m in the foregoing year.

The bulk of the output goes to the building sector, where growth has been weak since the mid-seventies both in Sweden and the rest of Europe. Over-capacity at the production stage has led to stiffer competition and depressed prices. To combat this problem, in addition to modernizing and rationalizing its production facilities, the company has stepped up its product development and marketing effort.

As a result Wirso has been able to maintain and increase its market shares. Prospects are bright for the coming years.

Gränges Hedlund

Gränges Hedlund is one of Scandinavia's leading companies in the field of advanced installations, technically advanced renovation and industrial service, steel structures and heavy steel piping.



Wirso's under-floor heating system saves 15 percent of the energy compared with conventional radiators. It is suitable for installation in apartment blocks, public premises, sports halls, stores, etc.

Gränges Hedlund's sales in 1983 amounted to SEK 333m, compared with SEK 385m in 1982. The operating result after depreciation was a SEK 3m loss compared with a SEK 6m profit in 1982.

The company's activities are being focused increasingly on installation and related services for heavy industry. The work is carried out both in the company's own workshops in Sweden and on the continent and at mobile workshops. Refineries, the chemical industry, paper and pulp, hydro and nuclear power stations, offshore, steelworks and shipping are examples of sectors where these activities are noting successes.

Gränges Hedlund also has a plant for the production of heavy steel pipe that is used in fields such as petroleum, gas, water, sewage, refuse, district heating, power station tube and offshore installations. The Swedish Sydgas project, for which Gränges Hedlund is a main supplier, and which will continue in 1984, calls for steel grades of the highest technical specification and sophisticated production control.

Gränges International Mining – GIM

GIM at present consists of the Lamco operation which is engaged in mining in Liberia.

GIM is responsible for corporate management and administration of the mining operations and for selling the ore. Gränges owns 37% of Lamco and has

provided guarantees for Lamco's financing. These guarantees may be reduced in pace with the amortizations that the operation can bear.

The mining activities in Liberia were rationalized substantially in 1983. The workforce was cut by 1,300 employees to 2,500. Competitiveness has therefore strengthened and the likelihood of operating the Lamco project with an acceptable financial result has improved despite the fact that the tough market situation is expected to persist.

The existing ore bodies are expected to be exhausted during the later part of the eighties. The possibility of opening new mines in adjacent and known ore bodies, for which Lamco's railway, harbour and other facilities could be used, are at present being examined by various parties.

Gränges Mark

Gränges used to own large areas of land around its industrial establishments. In order to plan and sell recreational plots of land, Gränges Mark was started in the sixties. Now Gränges sells recreational land in many places in Sweden.

The demand for recreational property has been declining in recent years, which has made it necessary to write down the book value of the land bank to current price levels.

Board of Directors, Auditors and Group Management



From left: Gösta Bystedt, Edward L Palmer, Hans Werthén, Peter Wallenberg, Runo Eriksson, Birgit Malmenstam-Skytt, Anders Scharp, Sven Olving, Harry Eriksson, Jacob Palmstierna, Nils Holgerson, Hans Söderqvist, Claes Dahlbäck, Per-Olof Edman, Rolf Karlsson.

MEMBERS OF THE BOARD

HANS WERTHÉN, Chairman, elected 1967. Tech. Dr., Chairman of the Board: LM Ericsson, Gränges.

PETER WALLEMBERG, Deputy Chairman, elected 1974. First Deputy Chairman of the Board: Skandinaviska Enskilda Banken. Chairman of the Board: Atlas Copco, Investor, Providentia, Papyrus, Nymölla, SKF, Knut and Alice Wallenberg Foundation; Deputy Chairman of the Board: ASEA, Stora Kopparberg, LM Ericsson, Broströms Rederiaktiebolag.

GÖSTA BYSTEDT, Chief Executive Officer, elected 1969.

HARRY ERIKSSON, elected 1974 (France).

NILS HOLGERSON, elected 1978, President and Chief Executive Officer, AB Pripps Bryggerier.

SVEN OLVING, elected 1967, Tech. Dr., Vice Chancellor, Chalmers Institute of Technology.

EDWARD L. PALMER, elected 1983, former Chairman of the Executive Committee, Citibank, USA.

JACOB PALMSTIERNA, elected 1974, President, Skandinaviska Enskilda Banken.

ANDERS SCHARP, President, elected 1980.

Deputy members

CLAES DAHLBÄCK, elected 1983, President, Investor.

BIRGIT MALMENSTAM-SKYTT, elected 1978, Secretary of the Swedish National Shareholders' Association.

REPRESENTATIVES OF THE EMPLOYEES

Appointed by the trade unions

Members

ROLF KARLSSON, representative of the Swedish Metal Workers' Union, Strömstad.
HANS SÖDERQVIST, representative of the Swedish Industrial Salaried Employees' Association, Huskvarna.

Deputy members

PER-OLOF EDMAN, representative of the Swedish Metal Workers' Union, Ankarsrum.
RUNO ERIKSSON, representative of the Swedish Supervisory Employees' Association, Motala.

AUDITORS

ARNE HOLMÉN,
Authorized Public Accountant
JAN NORDENBÄCK,
Authorized Public Accountant

Deputy auditors

KJELL ANDERSSON,
Authorized Public Accountant
JÖRGEN SCHUMACHER,
Authorized Public Accountant

GROUP MANAGEMENT

HANS WERTHÉN
GÖSTA BYSTEDT
HARRY ERIKSSON
ANDERS SCHARP

BERTIL LJUNGQUIST,
Executive Vice President
LENNART RIBOHN,
Executive Vice President

Corporate Staffs

ANDREJS CAKSTE, Group Controller
MATTS EKMAN, Group Treasurer
LARS ERIKSSON, Internal Audit
FOLKE HEIBERT, Special Projects
HALVAR JOHANSSON, Technical R&D
CARL-OLOF LARSSON, Purchasing
SIMON LILIEDAHL, International
LEIF LINDGREN, Risk Management
ULF MAGNUSSON, Legal Affairs
SVEN SUNDLING, Public Affairs

Product Line Managers

LEIF JOHANSSON, White goods
SVEN STORK, Special refrigerators, Materials handling
JAN PRISING, Floor-care products
PER-OLOF SJÖBERG, Sewing machines, Commercial cleaning machines, Commercial refrigeration equipment
NILS-ERIK DANIELSSON, Kitchen and bathroom fittings, Europe
HANS SJÖSTEDT, Home electronics
CURT EGEROT, Product service and spare parts
HANS G BÄCKMAN, Chainsaws, Lawn mowers
CARL BENNET, Food service equipment
CHRISTER FORSSTRÖM, Semi-industrial laundry equipment
THORE ANDERSON, Sterilization equipment
BO J. ERICSON, Disinfection equipment
LARS-GÖRAN FASTH, Agricultural implements
RAGNAR ZETTERSTRÖM, Environmental products
BENGT ANDERSSON, Motor-cycles
LARS JANSSON, Electric motors
LENNART ANGEBO, Cleaning services
BERTIL LJUNGQUIST, Laundry service and goods protection
PER-OLOF ARONSON, Gränges Aluminium
LENNART GUSTAFSSON, Gränges Metallverken
GUNNAR BARK, Car seat-belts
ÅKE FORSELL, Wirsbo
LENNART WIKBLOM, Castings
SVEN EKBERG, Gränges Hedlund
ARNE DAHLSTRÖM, Gränges International Mining
HANS-ERIK BENGTSSON, Gränges Mark

Operations in 1983

The earnings of Electrolux improved substantially in 1983, and profitability was restored to the healthy levels of the 1970's.

Sales amounted to SEK 32,146m (31,661m) in 1983, which was an increase of 11% after correction for sold business units.

Income after financial items including financial foreign exchange differences amounted to SEK 1,763m (609m). Earnings per share based on this earnings concept after 50% standard tax were SEK 32:90 (11:50). The return on equity calculated in a corresponding manner was 16.5% (6.2%).

Income before transfers to untaxed reserves and taxes amounted to SEK 1,863m (567m), which, after allowing for minority interests, actual tax and 50% standard tax on transfers to untaxed reserves, represented earnings of SEK 30:00 (12:60) per share. The total return on equity was 15.1% (6.8%). Allowing only for actual tax and minority interests, earnings per share were SEK 48:00 (13:40).

The increase in adjusted equity and risk capital respectively, combined with a re-

duction in the balance sheet total, meant that the equity/assets ratio improved to 24.0% (21.3%) and the proportion of risk capital to 33.0% (28.1%).

Adjusted equity and risk capital per share amounted to SEK 216 (202) and 297 (268) respectively at the end of the year.

At the beginning of 1983, Facit and Platzer Bygg were sold. In addition, Hugin Kassaregister and its foreign subsidiaries, as well as the Group's American air conditioning operations, Emerson Quiet Kool, were also sold.

The improvement in earnings achieved during the year was partly a result of the internal rationalization program that has been implemented over the past few years, and in part due to the economic recovery in some of the Group's most important markets, principally the USA and Great Britain. Moreover, earnings benefited from improved financial items, which was the result of a higher capital turnover rate, the disposal of units and lower interest rates than in 1982.

All the major product lines reported improved or unchanged healthy earnings. Marked improvements were noted

for white goods, special refrigerators, vacuum-cleaners, chainsaws, commercial laundry equipment and aluminium and copper products. Commercial cleaning services, agricultural implements and some of the other industrial product lines also noted very healthy earnings.

The higher earnings were achieved in most countries, principally in the USA and Sweden. However, profitability weakened in France, Italy and South America.

On account of the strength of the expansion in operations in the USA and the higher exchange rate of the US dollar, sales to customers in the USA increased to SEK 7,650m, which means that the USA is now the Group's largest individual market, with a share accounting for 23.8% (17.8%) of sales. The proportion of sales to customers in Sweden was 23.6% (25.2%).

Provided the current economic situation does not deteriorate, 1984 is expected to show a further increase in earnings as a result of the internal rationalization program.

A dividend of SEK 11:00 per share (9:00), absorbing SEK 288m (232m), is proposed for 1983.

Group sales by countries or regions

	1983		1982	
	SEK m	%	SEK m	%
Sweden	7,574	23.6	7,977	25.2
France	3,111	9.7	3,673	11.6
Great Britain	2,296	7.1	2,332	7.4
West Germany	1,630	5.1	1,698	5.4
Norway	1,239	3.9	1,336	4.2
Finland	1,162	3.6	1,076	3.4
Switzerland	1,113	3.5	1,240	3.9
Denmark	993	3.1	944	3.0
Other	2,179	6.7	2,315	7.3
Europe	21,297	66.3	22,591	71.4
USA	7,650	23.8	5,634	17.8
Canada	402	1.2	301	0.9
Latin America	595	1.9	1,083	3.4
Asia	1,158	3.6	927	2.9
Oceania	704	2.2	622	2.0
Africa	340	1.0	503	1.6
Total	32,146	100.0	31,661	100.0

Sales by product group

	1983		1982	
	SEK m	%	SEK m	%
Household appliances	16,833	52.3	15,090	47.7
Forestry and garden equipment	2,079	6.5	1,929	6.1
Industrial products	4,879	15.2	6,384	20.1
Commercial services	1,714	5.3	1,619	5.1
Gränges	6,641	20.7	6,639	21.0
Total	32,146	100.0	31,661	100.0

Sales and income

The sales of the Electrolux Group amounted to SEK 32,146m (31,661m). Companies acquired and sold in 1983 accounted for a net total of SEK 546m, while companies sold had sales of SEK 3,088m in 1982. Correcting for these items the increase in sales was 11%.

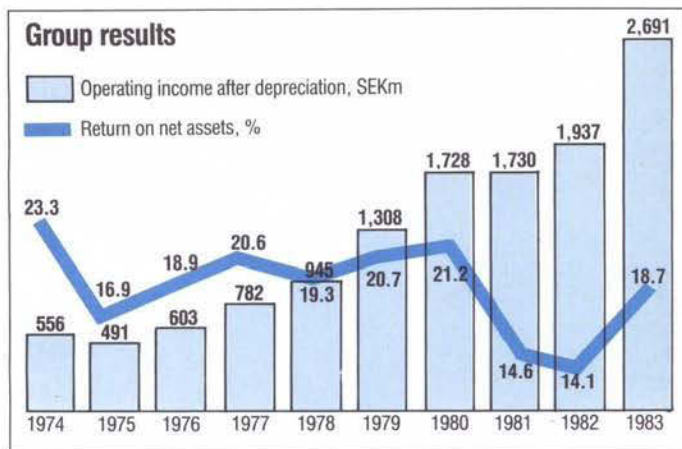
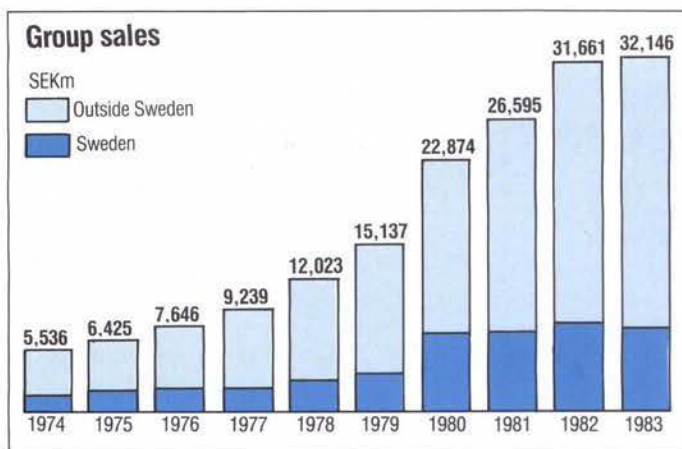
Sales to customers in Sweden amounted to SEK 7,574m (7,977m), while sales to customers abroad totalled SEK 24,572m (23,684m), representing 76.4% (74.8%), of total Group sales.

Exports from Sweden amounted to SEK 6,224m (5,722m), of which SEK 2,712m (2,391m) were sales to Group companies. Income received in the form of dividends, royalties and interest from abroad amounted to SEK 333m (313m).

In 1983, the Swedish production units accounted for 45% (49%) of the Group's output in value terms.

The consolidated operating income before depreciation was SEK 3,617m (2,884m), and SEK 2,691m (1,937m) after depreciation according to plan, corresponding to 8.4% (6.1%) of total sales. Income after financial items including financial foreign exchange differences amounted to SEK 1,763m (609m).

Net extraordinary income amounted to SEK 100m (expense 42m), including



capital gains arising on the sale of business activities and on the sale of convertible loan stock in Electrolux (Loan IV). The loan stock was owned by Electrolux International AB, now a wholly-owned finance company. In addition a sum of SEK 100m was transferred to reserves on account of the Group's investment in Lamco.

Income before transfers to untaxed reserves and taxes amounted to SEK 1,863m (567m).

Financial review

Net financial items

Financial income and expense, including financial foreign exchange differences, amounted to a net expense of SEK 928m (expense 1,328m), or 2.9% of sales, compared with 4.2% in 1982. International interest rates were slightly lower in 1983 than in 1982. The interest coverage improved to 2.45 (1.46).

During the year, a loan of DEM 40m was raised for 5 years by means of a private placement in the Euromarket at 7 1/4% per annum and another of USD 50m for 7 years at 10 1/2% per annum. The interest on the latter loan has been converted from fixed to floating rate.

Foreign exchange fluctuations

Financial foreign exchange differences

Operating income after depreciation by product group

	1983		1982	
	SEK m	% ¹⁾	SEK m	% ¹⁾
Household appliances	1,697	10.1	1,138	7.5
Forestry and garden equipment	228	11.0	197	10.2
Industrial products	278	5.7	346	5.4
Commercial services	88	5.1	113	7.0
Gränges	400	6.0	143	2.2
Total	2,691	8.4	1,937	6.1

¹⁾As % on sales of respective product group

amounted to a net loss of SEK 39m (loss 101m).

The financial items in foreign currencies have been translated at year-end rates. As in previous years, foreign exchange rate losses on long-term loans have not been spread, instead being charged in their entirety against operating income. Foreign exchange differences on current trading receivables and liabilities denominated in foreign currencies are included in the operating income.

The translation differences amounting to a net loss of SEK 160m (net profit 203m) on the consolidation of foreign subsidiary companies have been taken directly into equity in the consolidated balance sheet and consequently have not affected the reported consolidated income. (See page 32.)

Capital expenditure and self-financing

The Group's capital expenditure, excluding the value of the fixed assets of companies acquired during the year, amounted to SEK 1,354m (1,320m), corresponding to 4.2% (4.2%) of sales. Of this total, SEK 610m (553m) were capital investments in Sweden. The degree of self-financing, expressed as funds provided from operations in relation to capital expenditure on property, equipment

and tools, excluding assets held by acquired companies, amounted to 133% in 1983 (78%).

Capital turnover rate

The actions taken to reduce the amount of capital tied up in the business yielded results in 1983. The total capital turnover rate increased from 1.29 to 1.37, the inventory turnover rate in particular having been speeded up. Inventories represented 23.4% (26.4%) of sales. Accounts receivable also decreased slightly to 16.0% (17.2%).

As of December 31, 1983, Swedish group companies had transferred accounts receivable amounting to SEK 765m (995m) to a partly-owned finance company, the financing cost of which was carried entirely by AB Electrolux. The reduction compared with 1982 is due to the acquisition of the remaining shares in Electrolux International AB, formerly an associate, during the year. The above-mentioned sum consequently relates only to Elefac Finans AB.

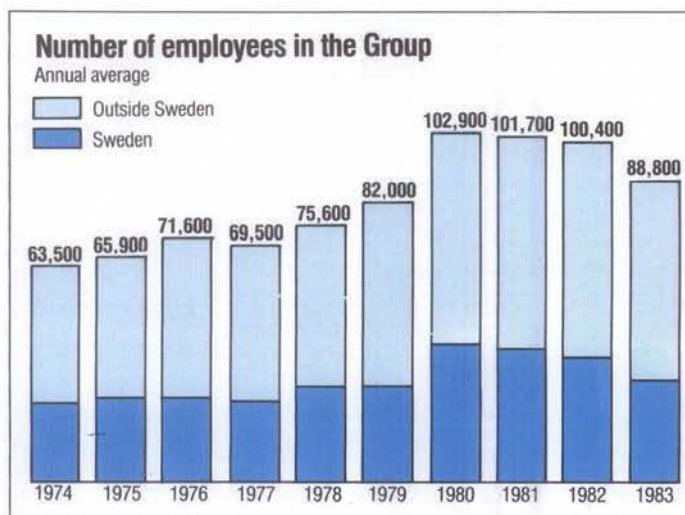
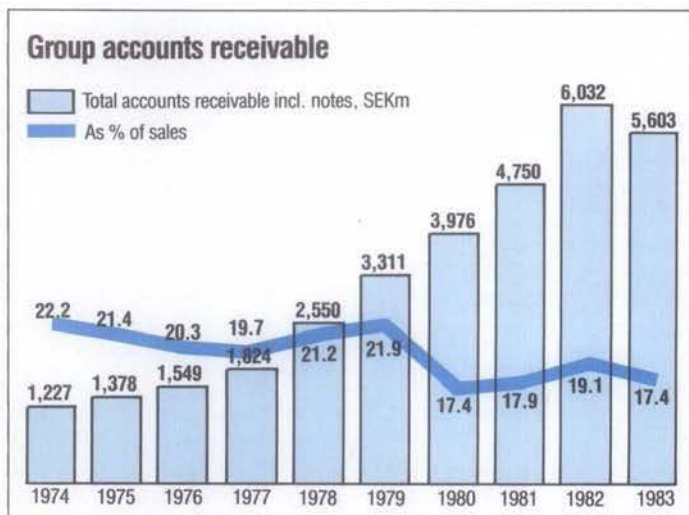
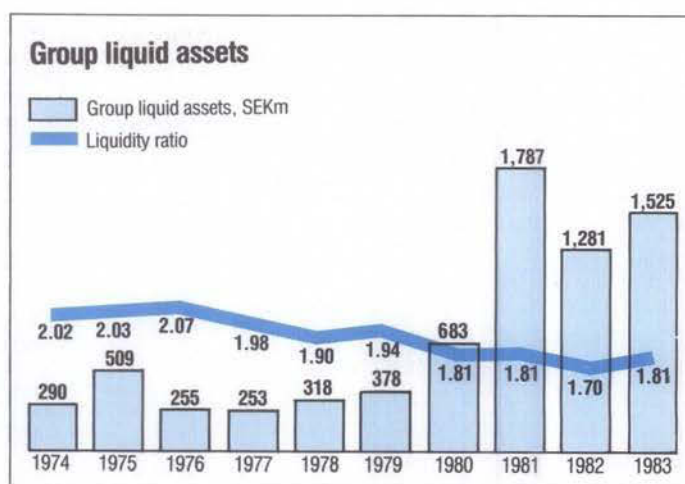
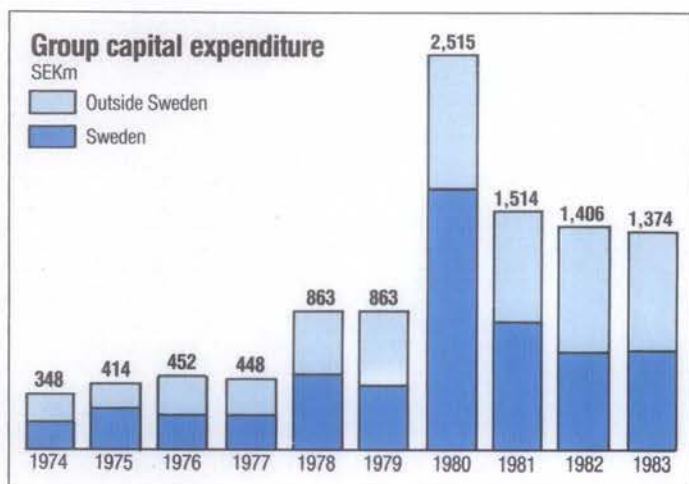
Interest-bearing liabilities

Interest-bearing liabilities amounted to SEK 9,460m (11,293m), which was a reduction from 46.1% to 40.2% in relation to the balance sheet total. Of the interest-bearing liabilities, some 67% were medium or long-term loans.

Shares and convertible loan stock

During the year, AB Electrolux introduced its "B" series shares on the Paris Bourse. The reason for the introduction was the Group's major interest in France, which is Electrolux's second largest foreign market.

In order to satisfy growing interest among investors in the USA, an American Depository Receipts (ADR) pro-



gram was arranged at the beginning of 1983.

AB Electrolux has four series of convertible loan stock outstanding, totalling a nominal SEK 751.6m. The interest rate on Loans I to III is 8% and the conversion rate SEK 86.

The interest rate on Loan IV is 10% and the conversion rate SEK 120. Holders were entitled to convert their holdings of all these series in 1983.

If all the debenture loans outstanding at the year-end had been converted, the number of issued shares would have increased by 6,583,908 to 32,745,707.

Equity/assets ratio

The Group's equity/assets ratio measured in the traditional Swedish manner was 24.0% (21.3%). If all the outstanding convertible loan stock had been converted at the year-end, the equity/assets ratio would have risen by a further 3.2%. The proportion of risk capital increased from 28.1% to 33.0%.

Major changes in the Group

The agreement reached with LM Ericsson for the transfer of the bulk of the Facit activities at the end of 1982 was completed at the beginning of 1983. During the year, a further agreement was reached on the sale of the office equipment activities of Facit Inc, USA, as of the end of 1983.

In 1983, the operations of Hugin and the Group's air-conditioning activities in the USA, Emerson Quiet Kool Corp, were sold. The continuing restructuring of Gränges has resulted in the sale of Platzer Bygg, units within Gränges International Mining, including Gränges' mining interests in Canada, the activities of Plastal AB, Oy Varmuusrakenne Ab and Weda Pump.

Only a few companies were acquired in 1983, including Camping Freeze S.A. (special refrigerators), the activities of ZK Hospital GmbH (disinfection equipment), Björnkläder (commercial laundering) and a number of small companies in the commercial cleaning and ser-

vices sector. In addition, Gränges Aluminium acquired a business in Denmark (aluminium foil) and SAPA bought 49% of a company in West Germany (aluminium profiles). The object of all the acquisitions was to complement existing activities.

During the year, the winding up of one of the Group's subsidiary companies in Italy was initiated, as well as the closure of Husqvarna Meister Werke GmbH, West Germany.

Lamco

At present, Gränges owns 100% of the Swedish Lamco Syndicate (SLS), which in its turn owns 75% of Liberian Iron Ore Limited (LIO), Canada. The remaining 25% are owned by stockholders in Canada, the USA and other countries. The LIO shares are quoted on the Toronto Stock Exchange. LIO in its turn owns 50% of Lamco. The remaining 50% are owned by the Liberian government. Lamco has a 75% share in the Lamco Joint Venture, while the Ameri-

can company, Bethlehem Steel, owns the remaining 25% of the shares through its Liberian subsidiary company.

The Group's shareholding in Lamco is valued in the consolidated balance sheet at zero and the investment in Lamco is limited to a guarantee and the provision of collateral to a total value of SEK 412m. In this year's accounts SEK 100m were set aside for reasons of prudence. This reserve and others previously set up are considered to be a satisfactory provision for the Lamco investment.

Employees

The average number of employees in the Group in 1983 decreased to 88,750 (100,354). The bulk of the reduction can be attributed to the sale of businesses – Facit 4,700 employees, Hugin 1,000 and Emerson Quiet Kool 600, and Platzer Bygg and some units from Gränges Aluminium 1,800 employees. After correction for the sale of units, the reduction in the work force was 2,957.

The list on page 50 shows the number of employees, wages, salaries and other remuneration by country. Further information has been appended to the annual report that has been submitted to the Swedish Patent and Registration Office and which can be obtained free of charge from the company.

Information from some of the Group's large factories in Sweden indicates a slight reduction in the labour turnover and absenteeism rates, as regards collective employees and salaried staff. The labour turnover rate and absenteeism for collective employees has varied between 9% and 12% in recent years. In the case of salaried staff at the units studied in Sweden, the labour turnover rate was 6% during the year and absenteeism 3%.

Parent company

Parent company sales in 1983 amounted to SEK 3,300m (2,676m), of which SEK 2,394m (1,952m) were sales to Group companies and SEK 906m (724m), sales to external customers. Exports totalled SEK 1,593m (1,090m), corresponding to 48% (41%) of total sales.

The parent company reported net income of SEK 349m (281m) after transfers to untaxed reserves of SEK 305m and taxes of SEK 63m. The Board of Directors proposes to pay a dividend of SEK 11:00 per share for 1983 (9:00), which will absorb SEK 287.8m (231.6m).

Average number of employees

	1983	%	1982	%
Parent Company	5,596	6.3	5,515	5.5
Other Swedish Companies	24,782	27.9	31,433	31.3
Sweden	30,378	34.2	36,948	36.8
Abroad	58,372	65.8	63,406	63.2
Total	88,750	100.0	100,354	100.0

Wages, salaries and other remuneration (SEK m)

	1983	1982
Parent Company	514	458
Other Swedish Companies	1,996	2,350
Sweden	2,510	2,808
Abroad	4,342	4,386
	6,852	7,194
Social security charges		
Sweden	1,106	1,167
abroad	1,046	942
Total	9,004	9,303

Group added value (SEK m)

	1983	%	1982	%
Sales	32,146		31,661	
– cost of purchased goods and services	–19,525		–19,474	
= added value	12,621	100.0	12,187	100.0
– personnel costs	– 9,004	– 71.3	– 9,303	– 76.3
– depreciation	– 926	– 7.3	– 947	– 7.8
– net financial items	– 928	– 7.4	– 1,227	– 10.0
± extraordinary items, net	100	0.8	– 143	– 1.2
= Income before transfers to untaxed reserves and taxes	1,863	14.8	567	4.7
– taxes	– 582	– 4.6	– 208	– 1.7
– dividend (1983: proposed)	– 288	– 2.3	– 232	– 1.9
= Retained in the business	993	7.9	127	1.1

The dividend therefore corresponds to 3.2% (2.5) of total personnel costs.

Sales and results per employee

	1983 SEK per employee	1982 SEK per employee
Sales	372,751	327,923
– Personnel costs	–104,406	– 96,356
– Other operating expenses, depreciation, interest, etc.	–246,742	–225,695
= Income before transfers to untaxed reserves and taxes	21,603	5,872
– Taxes	– 6,749	– 2,154
– Dividend	– 3,340	– 2,398
= 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	11,514	1,320

Proposal for the Distribution of Earnings

The Board of Directors and the President propose that the unappropriated earnings at the disposal of the Annual General Meeting, net income for 1983

retained earnings

totalling

SEK 349,194,308

SEK 61,470,408

SEK 410,664,716

be dealt with as follows:

to be paid to stockholders by way of dividend of SEK 11:00* per outstanding share

to be carried forward

totalling

SEK 287,779,789

SEK 122,884,927

SEK 410,664,716

*Messrs Rolf Karlsson and Hans Söderqvist, representatives of the employees on the Board of Directors, did not support the proposal, recommending instead a dividend of SEK 10:00 per share.

Stockholm, March, 22, 1984

HANS WERTHÉN
Chairman of the Board

PETER WALLENBERG
Deputy Chairman

GÖSTA BYSTEDT
Chief Executive Officer

HARRY ERIKSSON

NILS HOLGERSON

ROLF KARLSSON

SVEN OLVING

EDWARD L. PALMER

JACOB PALMSTIERNA

HANS SÖDERQVIST

ANDERS SCHARP
President

The following Income Statements and Balance Sheets and the notes on the financial statements and supplementary information all form part of this Annual Report.

Electrolux Consolidated Income Statement

(Amounts in SEK m)	1983	1982
Operating income and expense		
Sales (Note 1)	32,146	31,661
Manufacturing, selling and administrative expenses (Note 2)	<u>-28,529</u>	<u>-28,777</u>
Operating income before depreciation	3,617	2,884
Depreciation according to plan		
Goodwill (Note 3)	- 50	- 57
Machinery, equipment and tools (Note 4)	- 779	- 788
Buildings (Note 4)	- 93	- 98
Land and land improvements (Note 4)	<u>- 4</u>	<u>- 4</u>
Operating income after depreciation	2,691	1,937
Financial income and expense		
Dividends on shares and participations	12	4
Interest income	295	262
Interest expense	-1,242	-1,531
Foreign exchange differences	- 39	- 101
Other financial income and expense (Note 5)	<u>46</u>	<u>38</u>
Income after financial items (Note 6)	1,763	609
Extraordinary items (Note 7)	<u>100</u>	<u>- 42</u>
Income before transfers to untaxed reserves and taxes (Note 6)	1,863	567
Transfers to untaxed reserves		
Change in inventory reserves	- 520	84
Transfer to profit equalization reserves	- 15	-
Transfer to investment and compulsory investment reserves	- 190	- 1
Releases from investment reserves etc.	1	4
Accelerated depreciation (Note 4)	- 57	- 141
Utilized from investment reserves etc. for accelerated depreciation	2	51
Change in other financial reserves (Note 8)	<u>- 170</u>	<u>- 44</u>
Income before taxes	914	520
Temporary tax on profits	- 58	-
Other taxes	<u>- 524</u>	<u>- 208</u>
Income after taxes	332	312
Minority interests	- 21	- 11
Net income	<u>311</u>	<u>301</u>

Electrolux Consolidated Balance Sheet

ASSETS (Amounts in SEK m)	1983-12-31		1982-12-31	
Current assets				
Cash and bank deposits	903		854	
Shares and participations (Note 9)	15		1	
Bonds and other securities	607	1,525	426	1,281
Notes receivable	449		593	
Accounts receivable (Note 22)	5,154		5,439	
Prepaid expenses and accrued income	265		271	
Other current receivables	1,295	7,163	1,269	7,572
Inventories		7,518		8,355
Advance payments to suppliers		48		57
		16,254		17,265
Blocked accounts for investment and other reserves		17		11
Fixed assets				
Shares and participations (Note 10)	561		560	
Bonds and other securities	47	608	22	582
Notes receivable	3		1	
Long-term receivables	851	854	839	840
Leases, patents etc.	23		45	
Goodwill (Note 11)	251	274	311	356
Advance payments to suppliers	77		39	
Fixed assets under construction (Note 12)	200		175	
Machinery, equipment and tools (Note 13)	3,275		3,153	
Buildings (Note 14)	1,605		1,679	
Land and land improvements (Note 15)	363	5,520	378	5,424
		7,256		7,202
Total assets		23,527		24,478
Pledged assets				
Property mortgages		1,423		1,370
Chattel mortgages		968		1,021
Other pledged assets:				
Receivables		177		550
Inventories		8		65
Shares in subsidiaries		601		529
Other		146		5
		3,323		3,540

LIABILITIES AND STOCKHOLDERS' EQUITY
(Amounts in SEK m)

	1983-12-31		1982-12-31	
Current liabilities				
Notes payable	139		243	
Suppliers	2,270		2,162	
Tax payable	269		133	
Accrued expenses and deferred income	1,779		1,746	
Other current liabilities	1,187		1,407	
Advances from customers	236	5,880	265	5,956
Bank loans etc.		3,076		4,205
		<u>8,956</u>		<u>10,161</u>
Long-term debt				
Debenture loans	208		232	
Bond loans	875		658	
Mortgage loans, promissory notes	3,422	4,505	4,153	5,043
Deferred taxes	352		471	
Negative goodwill (Note 16)	1		6	
Other long-term liabilities	310	663	115	592
Pension provisions				
Pensions Registration Institute	1,127		1,254	
Other	271	1,398	311	1,565
		<u>6,566</u>		<u>7,200</u>
Convertible debenture loans (Note 17)		<u>752</u>		<u>791</u>
Untaxed reserves (Note 18)				
Inventory reserves		1,632		1,073
Accelerated depreciation (Note 19)		794		784
Profit equalization reserves		15		-
Investment reserves (Note 20)		197		9
Other financial reserves (Note 8)		352		181
		<u>2,990</u>		<u>2,047</u>
Minority interests		<u>107</u>		<u>99</u>
Stockholders' equity (Note 21)				
Restricted equity				
Capital stock				
1,000,000 "A" shares à SEK 50			1,279	
24,850,617 "B" shares à SEK 50	1,293		7	
Converted not registered capital stock	15			
Restricted reserves	1,027	2,335	1,204	2,490
Non-restricted equity				
Non-restricted reserves	1,510		1,389	
Net income	311	1,821	301	1,690
		<u>4,156</u>		<u>4,180</u>
Total liabilities and stockholders' equity		<u>23,527</u>		<u>24,478</u>
Contingent liabilities (Note 22)				
Discounted notes		123		173
Guarantees and other contingent liabilities		917		799
Capitalized value of pension commitments in excess of amount shown as liability		30		35
		<u>1,070</u>		<u>1,007</u>

Consolidated Statement of Sources and Use of Funds

(Amounts in SEK m)	1983	1982
Funds generated from operations		
Operating income before depreciation	3,617	2,884
Financial income and expense	- 928	-1,328
Extraordinary items affecting liquidity	- 43	- 96
Deposits to/withdrawals from blocked accounts	- 6	24
Minority interests	- 21	- 11
Taxes	- 582	- 208
Release of negative goodwill	- 6	- 31
	<u>2,031</u>	<u>1,234</u>
Dividend paid	- 232	- 204
Change in working capital excl. liquid funds		
Decrease/increase in current receivables	236	-1,689
Decrease/increase in inventories	837	- 307
Decrease/increase in current liabilities	- 76	862
	<u>997</u>	<u>-1,134</u>
Funds from business operations available for investments	2,796	- 104
Investments		
Machinery, buildings etc.	-1,374	-1,406
Long-term receivables	- 17	- 61
Shares and participations	- 1	- 452
Sales of fixed assets	384	343
	<u>-1,008</u>	<u>-1,576</u>
Financial surplus/deficit after investments	1,788	-1,680
Financing		
Decrease/increase in long-term loans	- 577	442
Decrease/increase in pension liabilities	- 167	152
Increase in other long-term liabilities	84	120
	<u>- 660</u>	<u>714</u>
Conversion of convertible debentures	39	24
Change in minority interests, group structure, exchange differences	62	- 63
	<u>62</u>	<u>- 63</u>
Change in liquid funds and current liabilities	1,229	-1,005
of which increase/decrease in liquid funds	+ 100	- 333
decrease/increase in current liabilities	+1,129	- 672

Notes to the Consolidated Financial Statements

Accounting 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 translated into Swedish kronor at the exchange rates prevailing on December 31. Net translation differences have been taken direct to equity.

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

The number of active companies in the Group was at the year-end 365 (397). The total number of companies in the Group was 580 (631).

On December 31, 1983, there were minority interests in 41 (53) active subsidiary companies.

In the financial statements the Electrolux Group in general adheres to the guidelines issued by OECD (Organization for Economic Cooperation and Development) for companies operating on an international basis.

Since 1976 the consolidated financial statements 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 deferred tax liability estimated at 50%. 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 reported 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 reported among "Long-term liabilities", where applicable, after reduction for 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 reported negative goodwill is released 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 release on forecasts 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.

The following accounting principles have been applied in preparing the consolidated balance sheet and the consolidated income statement.

- The equity shown in the books of subsidiary companies at the time of acquisition has been eliminated.
- Real estate, 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.
- 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.
- Gross accounting has been applied to the untaxed reserves of acquired companies in respect of deferred tax liabilities, estimated

at 50%. The deferred 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 related deferred taxes.

e) Depreciation of goodwill is recorded under the heading "Depreciation", while the release of negative goodwill is included in operating income 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 plan since 1977. Depreciation 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 estimated historic cost to the Group in connection with the preparation of the consolidated balance sheet the depreciation charge is based on the adjusted values.

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

Depreciation on revaluations of fixed assets is recorded as "Accelerated depreciation". The amount is directly written off the asset item concerned in the balance sheet.

Valuation of inventories

Inventories are stated at the lowest of acquisition cost. The acquisition cost is calculated in accordance with the first-in-first-out method (FIFO). The necessary provisions have been made for risks of obsolescence. Internal profits have been eliminated.

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 payables

Parent Company

Current receivables and current and long-term liabilities have been translated at the exchange rates prevailing on December 31 while unrealised foreign exchange losses and profits have been set off against each other. The net loss arising has been included in operating income, while the net profit is deferred.

Long-term foreign currency receivables have been shown at the lower of the rates on the date the claim arose and the year-end. In case of a direct connection between long-term receivables and long-term liabilities both have been translated at the same exchange rate.

Group

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

In the case of foreign subsidiary companies receivables and payables in other currencies than their own are translated in accordance with local laws and practice, generally at the year-end rate.

Foreign exchange and transaction gains/losses

In connection with acquisitions of foreign companies or capital increases in foreign subsidiaries the Parent Company's borrowing often takes place in the currency of the country concerned. This means that a possible foreign exchange loss on loans (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. In accordance with previous practice exchange losses on loans of this type have been netted against translation gains on subsidiaries' equities. Remaining translation gains are taken direct to consolidated equity and therefore do not affect reported consolidated income.

Taxes

The recorded tax charge on the Electrolux Group is affected – apart from the “normal” income – by transfers to inventory reserves, etc, and the utilization of tax losses that were incurred earlier or existed at the date of purchase of acquired companies. This applies to the Swedish as well as foreign companies in the Group. Full tax, i.e. current tax as reported plus 50% standard tax on transfers to untaxed reserves amounted to 57% of income before such transfers.

Definitions used in the Ten-year review

Return on net assets

Operating income after depreciation plus financial income expressed as a percentage of average total assets less non-interest bearing debt including deferred taxes on changes in untaxed reserves.

Return on equity

Adjusted income less tax at the standard rate of 50% as per note 6 on page 33 expressed as a percentage of the opening balance of stockholders' adjusted equity calculated as the total of reported stockholders' equity plus 50% of untaxed reserves.

Return on equity after extraordinary items

Adjusted income after deduction of current and deferred taxes as per note 6 page 33 expressed as a percentage of the opening balance of stockholders' adjusted equity as above.

Earnings per share before/after extraordinary items

See Note 6 on page 33 for computations. Adjustments have been made for bonus issues and splits during the period.

Dividend per share

For 1983 as proposed by the Board of Directors. Adjustments have been made for bonus issues and splits during the period.

Adjusted equity

Reported equity plus 50% of untaxed reserves.

Risk capital

Equity, minority interest, untaxed reserves and deferred taxes relating to untaxed reserves of acquired companies.

(Amounts in SEK m)

Note 1 Sales

The reported amount excludes value added taxes and sales taxes.

Note 2 Manufacturing, selling and administrative expenses

This item includes a SEK 6 m (32) release of negative goodwill. See “Accounting 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 and accelerated depreciation

For depreciation principles see “Accounting principles”. The difference between depreciation according to plan and fiscal depreciation is shown below.

	1983	1982
Machinery, equipment and tools		
Depreciation according to plan	779	788
Fiscal depreciation	-837	-891
Release of accelerated depreciation on assets sold	19	43
Difference	-39	-60
Buildings		
Depreciation according to plan	93	98
Fiscal depreciation	-115	-126
Release of accelerated depreciation on assets sold	6	-3
Difference	-16	-31
Land and land improvements		
Depreciation according to plan	4	4
Fiscal depreciation	-4	-4
Release of accelerated depreciation on assets sold	-	1
Difference	0	1
Total difference	-55	-90

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

	1983	1982
Investment reserves		
Machinery, equipment and tools	- 1	- 1
Buildings	-	- 5
Compulsory investment reserves		
Machinery, equipment and tools	-	- 6
Buildings	- 1	- 39
Total	- 2	- 51
Total accelerated depreciation	- 57	-141

Note 5 Other financial income and expense

The amount of SEK 46 m includes accrued part of the difference between the redemption amount and the book value of the SSAB shares, SEK 41 m, (see also Note 8) as well as interest income, SEK 36 m, and interest expense, SEK 35 m, regarding interest arbitrage. Receivables as well as liabilities regarding interest arbitrage had a closing balance of SEK 223 m.

Note 6 Earnings per share

	1983	1982
A. Income after financial items (Standard tax rate 50%)		
Income after financial items	1,763	609
Minority interests	- 44	- 19
Adjusted pre-tax profit	1,719	590
Tax at 50%	- 859	- 295
Adjusted income after tax	860	295
Earnings per share (26,161,799 and 25,730,714 shares respectively)	32:90	11:50
B. Income after extraordinary items (Full tax)		
Income after extraordinary items	1,863	567
Current tax charge according to the income statement	- 582	- 208
Deferred taxes at rate of 50% on changes in untaxed reserves	- 474	- 23
	807	336
Adjustment for minority interest	- 23	- 12
Adjusted income after deduction of full taxes	784	324
Earnings per share (26,161,799 and 25,730,714 shares respectively)	30:00	12:60
C. Income after extraordinary items (Actual tax)		
Income after extraordinary items	1,863	567
Current tax charge according to the income statement	- 582	- 208
	1,281	359
Adjustment for minority interest	- 25	- 13
Adjusted income after actual tax	1,256	346
Earnings per share (26,161,799 and 25,730,714 shares respectively)	48:00	13:40

Note 7 Extraordinary items

	1983	1982
Sales of fixed assets		
Gains on real estate	20	57
Losses on real estate	- 4	- 2
Gains on shares	119	4
Losses on shares	- 3	- 13
Income from sale of Facit	11	9
Other extraordinary income	147	6
Other extraordinary expense	-190	-103
Total	100	- 42

Gains on shares include the sale of Hugin, SEK 68 m as well as the Gränges sale of mining interests in Canada, SEK 39 m.

Other extraordinary income includes the sale of convertible debentures, SEK 124 m, see page 23.

Other extraordinary expense includes LAMCO-reserve, SEK 100 m and close-down expenses of SEK 48 m.

Note 8 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. From 1983 tax-deductible allocations to reserves for unrealized profit in stock in the Swedish companies are included (SEK 107 m).

According to the agreement with the State, Gränges will be entitled in 1991 to call for the redemption of its shares in SSAB by the State at a price of SEK 875 m, on condition that SSAB is still in existence. The difference between the written-down book value of the SSAB shares, SEK 375 m, and the redemption amount of SEK 875 m is being taken to income over the period ending at the redemption date, taking into account the interest factor. The amount for 1983, SEK 41 m, is reported as financial income. As however it will not formally be at the company's disposal until the redemption date an equivalent amount has been transferred to untaxed reserves under the heading 'Other financial reserves'.

Note 9 Shares and participations, current assets (SEK m)

	Number	Percentage holding	Nominal value	Book value
Nordisk Investerings A/S, Denmark	—	30	8.1	10
C&G Banken A/S, Denmark	—	28	7.7	4
Other				1
				15

Note 10 Shares and participations, fixed assets (SEK m)

	Number	Percentage holding	Nominal value	Book value
Holdings of AB Electrolux as shown in the list on page 42.				31
Swedish companies				
SSAB Svenskt Stål AB	6,250,000	25	625.0	375
Boliden AB (market value SEK 91 m)*	250,000	5	25.0	63
Gotthard Nilsson AB	48,067	30	4.8	12
Foreign companies				
Lamco, Liberia (The Liberian American-Swedish Minerals Company)**				
Lamco, Preferred Stock B	216,640	100	173.1	0
Lamco, Preferred Stock C	66,000	100	52.7	
Lamco, Common Stock (Class B)	1,000,000	50	8.0	
Lamco, Capital Obligation			102.7	
Arno, S.A., Brazil	80,842,165	13	8.4	33
Sabelt S.p.A., Italy	418,000	42	20.1	15
C&G Banken A/S, Denmark	—	6	1.6	5
Kotimaiset Kotitalouskoneet Oy, Finland	2,000	50	2.8	3
Construction and Repair Services Co Ltd., Cyprus	1,000	50	2.3	2
Aluminiumwerk Offenburg GmbH, West Germany	1	49	4.3	2
Mining Services Co. of Saudi Arabia, Saudi Arabia	1,000	50	2.3	2
Lepper-Dominit Transformatoren GmbH, West Germany	1	2	1.8	2
Eureka Forbes Ltd., India	330,000	40	2.5	2
Scandex Aluminium N. V., Holland	725	47	1.9	1
N. V. Technomet Groep SV, Belgium	20,800	15	32.4	0
Other				13
				561

* At the year-end.

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

Note 11 Goodwill

	1983	1982
Opening balance	311	286
Addition for companies acquired	20	82
Depreciation	- 50	- 57
Less: sold companies	- 30	-
Closing balance	251	311

Note 12 Fixed assets under construction

	1983	1982
Opening balance	175	217
Net change during the year, including assets held by companies acquired during the year	40	- 51
Corrections arising from changes in translation rates, sales, etc	- 15	9
Closing balance	200	175

Note 13 Machinery, equipment and tools

	1983	1982
Cost	7,321	7,031
Accumulated depreciation according to plan	-4,046	-3,878
Residual value	3,275	3,153
Accumulated accelerated depreciation	- 794	- 784
Net book value	2,481	2,369

Electrolux Ltd., Luton, has in excess of book depreciation claimed fiscal depreciation in an accumulated amount of SEK 167 (150).

Note 14 Buildings

	1983	1982
Cost	2,676	2,709
Accumulated depreciation according to plan	-1,143	-1,120
Residual value	1,533	1,589
Accumulated accelerated depreciation	- 194	- 201
Non-depreciated part of revaluations	266	291
Net book value	1,605	1,679
Assessed value of buildings in Sweden	1,359	1,399
Net book value of buildings in Sweden	554	594

Note 15 Land and land improvements

	1983	1982
Cost	312	316
Accumulated depreciation according to plan	- 42	- 39
Residual value	270	277
Accumulated accelerated depreciation	- 0	- 0
Non-depreciated part of revaluations	93	101
Net book value	363	378
Assessed value of land in Sweden	199	183
Net book value of land in Sweden	121	128

Note 16 Negative goodwill

	1983	1982
Opening balance	6	37
Addition for companies acquired during the year	1	1
Release as in Note 2	-6	-32
Closing balance	1	6

Note 17 Convertible debenture loans

See Note 11 on the balance sheet of AB Electrolux.

Note 18 Untaxed reserves

Minority interests account for SEK 13 m (10 m) of the reported untaxed reserves.

Note 19 Accumulated accelerated depreciation

	1983	1982
Opening balance	784	725
Accelerated depreciation	58	103
Depreciation against investment reserves	1	7
Miscellaneous adjustments/sold equipment	- 49	- 51
Closing balance	794	784

The amounts relate to machinery, equipment and tools.

Note 20 Investment and compulsory investment reserves

Investment reserves	1983	1982
Opening balance	8	12
Charge to income	0	1
Utilized for depreciation	-1	-6
Other	1	1
Closing balance	8	8

Special investment reserves

	1983	1982
Opening balance	0	2
Charge/release to income	189	-1
Other	-	-1
Closing balance	189	0

Work environment reserves

	1983	1982
Opening balance	0	2
Release	-0	-1
Other	-	-1
Closing balance	-	0

Compulsory investment reserves

	1983	1982
Opening balance	1	47
Release	-	-1
Utilized for depreciation	-1	-45
Closing balance	-	1

Note 21 Stockholders' equity

	Capital stock	Conv. not reg. cap. stock	Restr. reserves	Non-restr. reserves	Net income	Total
Opening balance	1,279	7	1,204	1,389	301	4,180
Conversion of debentures	-	22	17	-	-	39
Registered increase in capital stock	14	-14	-	-	-	-
Transfer of 1983 profit	-	-	-	301	-301	-
Dividend	-	-	-	-231	-	-231
Revaluation of fixed assets	-	-	10	-	-	10
Transfer between reserves	-	-	-105	105	-	-
Adjustments for exchange rate fluctuations, etc	-	-	-99	-61	-	-160
Other adjustments	-	-	-	7	-	7
Net income	-	-	-	-	311	311
Closing balance	1,293	15	1,027	1,510	311	4,156

An amount of SEK 17 m, out of the total Group retained earnings (SEK 1,821 m), is required for transfers to restricted reserves.

Note 22 Pledged assets and contingent liabilities

In addition to the assets reported as pledged on page 29 the Group has an obligation to repurchase accounts receivable amounting to SEK 765 m, transferred to Elefac Finans AB from certain Swedish Group companies. The Group reserve for bad debts also covers potential losses in these transferred receivables.

Moreover AB Electrolux has guaranteed the equity in Elefac Finans AB, in which AB Electrolux has taken a part ownership.

AB Electrolux Parent Company Income Statement

(Amounts in SEK m)	1983	1982
Operating income and expense		
Sales (Note 1)	3,300	2,676
Manufacturing, selling and administrative expenses	<u>-2,874</u>	<u>-2,358</u>
Operating income before depreciation	426	318
Depreciation according to plan		
Patents	- 0	- 0
Machinery, equipment and tools (Note 2)	-100	-102
Buildings (Note 2)	- 7	- 7
Land and land improvements (Note 2)	<u>- 0</u>	<u>- 0</u>
Operating income after depreciation	319	209
Financial income and expense		
Royalties from subsidiary companies	22	20
Dividends on shares and participations in subsidiary companies (Note 3)	313	216
Dividends on other shares and participations	0	0
Group contributions received (Note 4)	462	578
Interest income	237	223
Interest expense	-654	-678
Foreign exchange differences	- 68	-301
Other financial income and expense (Note 4)	<u>- 3</u>	<u>- 1</u>
Income after financial items	628	266
Extraordinary items (Note 5)	<u>89</u>	<u>44</u>
Income before transfers to untaxed reserves and taxes	717	310
Transfers to untaxed reserves		
Change in inventory reserves	-196	10
Transfer to special investment reserves	- 85	-
Accelerated depreciation (Note 2)	6	- 22
Utilized from investment reserves	0	-
Utilized from compulsory investment reserve for depreciation	-	8
Utilized from compulsory investment reserve for overhead expenses	-	0
Reversal of special investment reserve	-	1
Reversal of work environment reserve	-	0
Change in reserve for unrealized profit in stock of foreign subsidiary companies (Note 6)	<u>- 30</u>	<u>- 10</u>
Income before taxes	412	297
Temporary tax on profits	- 41	-
Other taxes	<u>- 22</u>	<u>- 16</u>
Net income	<u>349</u>	<u>281</u>

AB Electrolux Parent Company Balance Sheet

ASSETS (Amounts in SEK m)	1983-12-31		1982-12-31	
Current assets				
Cash and bank deposits	48		105	
Debentures of AB Electrolux	—		0	
Treasury discount notes and other securities	117		318	
Notes receivable	3	168	4	427
Receivables (Note 17)				
Subsidiary companies	2,214		1,546	
Customers	9		1	
Prepaid expenses and accrued income	27		31	
Other current receivables	561	2,811	528	2,106
Inventories		637		595
Advance payments to suppliers		3		1
		3,619		3,129
Blocked accounts at the Central Bank of Sweden				
For investment reserve		0		0
Fixed assets				
Shares and participations (Note 7)				
Subsidiary companies	4,032		3,652	
Other shares and participations	31	4,063	33	3,685
Other securities		37		19
Long-term receivables				
Subsidiary companies	663		428	
Other	36	699	82	510
Patents		0		1
Advance payments to suppliers	8		10	
Fixed assets under construction	21		24	
Machinery, equipment and tools (Note 8)	398		413	
Buildings (Note 9)	147		162	
Land and land improvements (Note 10)	21	595	21	630
		5,394		4,845
Total assets		9,013		7,974
Pledged assets				
Property mortgages		104		116
(of which on behalf of subsidiary companies)		(4)		(9)
Chattel mortgages		247		247
(of which on behalf of subsidiary companies)		(55)		(55)
Other pledged assets		23		23
		374		386

LIABILITIES AND STOCKHOLDERS' EQUITY

(Amounts in SEK m)

	1983-12-31		1982-12-31	
Current liabilities				
Accounts payable				
Subsidiary companies	1,472		1,181	
Suppliers	211		192	
Tax payable	29		10	
Accrued expenses and deferred income	310		222	
Other current liabilities	59		67	
Advances from customers	0	2,081	1	1,673
		<u>655</u>		<u>658</u>
Bank loans		2,736		2,331
Long-term debt				
Subsidiary companies	271		150	
Debenture loans	71		81	
Bond loans	517		—	
Mortgage loans, promissory notes	1,643		2,062	
Other long-term liabilities	0	2,502	17	2,310
		<u>2,787</u>		<u>2,572</u>
Pension provisions				
Pensions Registration Institute	268		245	
Other	17	285	17	262
		<u>752</u>		<u>791</u>
Convertible debenture loans (Note 11)				
Untaxed reserves				
Inventory reserve		382		186
Accelerated depreciation (Note 12)		211		221
Reserve for unrealized profit in stock of foreign subsidiary companies (Note 6)		54		23
Investment reserve (Note 13)	0		0	
Special investment reserve (Note 14)	85	85	—	0
		<u>732</u>		<u>430</u>
Stockholders' equity (Note 15)				
Restricted equity				
Capital stock				
1,000,000 "A-shares" à SEK 50	1,293		1,279	
24,850,617 "B-shares" à SEK 50				
Converted not registered capital stock (Note 20)	15		7	
Legal reserve	288	1,596	271	1,557
Non-restricted equity				
Retained earnings	61		12	
Net income	349	410	281	293
		<u>2,006</u>		<u>1,850</u>
Total liabilities and stockholders' equity		<u>9,013</u>		<u>7,974</u>
Guarantees and contingent liabilities (Note 17)				
On behalf of subsidiary companies		386		509
Other		57		34
		<u>443</u>		<u>543</u>

AB Electrolux Parent Company Statement of Sources and Use of Funds

(Amounts in SEK m)	1983		1982	
Funds generated from operations				
Operating income before depreciation	426		318	
Financial income and expense	309		57	
Extraordinary items affecting liquidity	- 2		128	
Taxes	- 63		- 16	
Withdrawals from blocked account for special investment reserves, etc	-	670	2	489
Dividend paid		-232		-204
Change in working capital excl. liquid funds				
Increase in current receivables	-416		-375	
Increase/decrease in inventories	- 42		43	
Increase in current liabilities	117	-341	119	-213
Funds from business operations available for investments		97		72
Investments				
Machinery, buildings, etc.	- 95		-119	
Long-term receivables	- 66		-301	
Shares and participations	-516		-352	
Sales of fixed assets	230	-447	41	-731
Financial deficit after investments		-350		-659
Financing				
Increase in long-term loans	49		454	
Increase in pension liabilities	23		30	
Decrease in other long-term liabilities	- 17	55	- 13	471
Conversion of convertible debentures		39		24
Change in liquid funds and current liabilities		-256		-164
of which decrease in liquid funds		-259		-166
decrease in current liabilities		3		2

Notes to the Parent Company Financial Statements of AB Electrolux

(Amounts in SEK m)

Note 1 Sales

The reported amount excludes value added taxes and sales taxes.

	1983	1982
Sales to non-Group customers	906	724
Sales to Group companies	2,394	1,952
	3,300	2,676

Purchases from Group companies accounted for 33.8% of AB Electrolux total purchases during the year.

Note 2 Depreciation and accelerated depreciation

For depreciation principles see "Accounting principles" on page 31. The difference between depreciation according to plan and fiscal depreciation is shown below.

	1983	1982
Machinery, equipment and tools		
Depreciation according to plan	100	102
Fiscal depreciation	- 89	- 106
Difference	11	- 4
Buildings		
Depreciation according to plan	7	7
Fiscal depreciation	- 11	- 12
Non-depreciated part of revaluation relating to sold building	- 1	- 5
Difference	- 5	- 10
Land and land improvements		
Depreciation according to plan	0	0
Fiscal depreciation	- 0	- 0
Difference	- 0	- 0
Total difference	6	- 14

In addition, the investment reserve and compulsory investment reserve have been utilized for depreciation as follows:

	1983	1982
Investment reserve		
Buildings	- 0	-
Compulsory investment reserve		
Machinery, equipment and tools	-	- 2
Buildings	-	- 6
Total	- 0	- 8
Total accelerated depreciation	6	- 22

Note 3 Dividends on shares and participations in subsidiary companies

Dividends from foreign subsidiary companies amounted to SEK 231 m (187) and dividends from Swedish subsidiary companies were SEK 82 m (29 excluding 137 m from Facit AB see note 5).

Note 4 Other financial income and expenses

Other financial income and expenses include interest income, SEK 29 m, and interest expense, SEK 28 m regarding what is called interest arbitrage. No receivables or liabilities regarding interest arbitrage remained in the closing balance.

Note 5 Extraordinary items

	1983	1982
Gains on real estate	1	0
Gains on shares in subsidiaries	117	15
Losses on real estate	- 3	- 2
Losses on shares in subsidiaries	- 2	-
Dividend from Facit AB	-	137
Write-down in value of shares in Facit AB	-	- 97
Write-down in value of subsidiaries	- 21	-
Government grant to investment costs	-	2
Write-down in value of new fixed plant corresponding to government grant	-	- 2
Share issue expenses	- 0	- 0
Other extraordinary expenses	- 3	- 9
	89	44

Of the gains on shares in subsidiaries, SEK 78 m relates to the sale of Hugin companies to Hugin International Ltd, Great Britain and SEK 37 m to the sales of Facit companies to LM Ericsson Telephone Company. Other extraordinary expenses relate to a write-down of shares in non-Group companies (SEK 1 m) and capital contribution to a subsidiary (2 m).

Note 6 Change in reserve for unrealized profit in the stock 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

Besides the write-down of shares shown under extraordinary expenses (see note 5) the book value of shares and participations in certain subsidiaries has been written down by an amount of SEK 248 m. A corresponding revaluation has been made of shares in other subsidiaries.

Company	Number	Percentage holding	Nominal value local currency (000s)	Book value SEK 000
Subsidiary companies in Sweden				
Gränges AB	7,250,000	100	SEK 725,000	717,483
ASAB Serviceföretaget AB	17,000,000	100	SEK 85,000	142,907
Husqvarna AB	825,000	100	SEK 82,500	120,000
Electrolux Motor AB	1,440,000	100	SEK 72,000	116,054
Lipori AB	40,000	100	SEK 40,000	60,000
Electrolux Storkök 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
Electrolux-Wascator AB	25,000	100	SEK 25,000	25,000
Jonsereids AB	60,000	100	SEK 6,000	17,500
Electrolux Leasing AB	150,000	100	SEK 15,000	15,000
Electrolux Förvaltnings AB	112,500	100	SEK 11,250	14,250
Euroclean AB	20,000	100	SEK 2,000	10,920
Electrolux Cleaning Equipment AB	100,000	100	SEK 10,000	10,900
Electrolux Återförsäkrings AB	100,000	100	SEK 10,000	10,000
AB Ballingslövs Träförädling	90,000	100	SEK 9,000	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
Jonsereids 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
AB Addo	35,000	100	SEK 3,500	4,199
B. Johanssons Pappersförädling AB	1,100	100	SEK 110	3,641
Lederhausen AB	3,500	100	SEK 350	3,567
AB Partner	8,000	100	SEK 800	3,300
Zig-Zag Fabriks AB	7,500	100	SEK 750	2,595
AB Höörs Plåt	2,400	100	SEK 1,200	2,400
Aktiv-Fischer AB	13,400	100	SEK 1,340	2,366
Getinge Mekaniska Verkstads AB	50,000	100	SEK 5,000	1,850
AB Partnerintressenter	15,000	100	SEK 1,500	1,729
Electrolux Fastighets AB	1,500	100	SEK 1,500	1,500
Electrolux International Sales AB	2,000	100	SEK 1,000	1,035
Stockholms Rabattvaruhus AB	10,000	100	SEK 1,000	1,000
Nordfor Teknik AB	1,500	100	SEK 150	1,000
AB Norrahammars Spisar	500	100	SEK 50	1,000
Husqvarna Licensing AB	8,000	100	SEK 800	800
Gjutal AB	6,000	100	SEK 600	713
AB ETH	1,000	100	SEK 100	550
Husqvarna Sundsvalls Depot AB	500	100	SEK 500	500
Svenska Hemmaskiner AB	250	100	SEK 250	419
Electrolux Fond AB	2,500	100	SEK 250	250
AB Volta	2,000	100	SEK 200	200
Jonsered Motor AB	2,000	100	SEK 200	150
AB Formverktyg	1,000	100	SEK 100	100
Lilja & Co. Städning AB	500	100	SEK 50	60
Centralkassan AB	500	100	SEK 50	50
Tammermatic Svenska AB	500	100	SEK 50	50
Svenova Kök AB	500	100	SEK 50	5

Electrolux Gjuteriprodukter AB (EGAB)	40,000	100	SEK	4,000	0
Osby Tvättutrustningar AB	26,000	100	SEK	2,600	0
RETEC-Royal Energiteknik AB	20,000	100	SEK	2,000	0
Mikrovågsapplikation (MVA) AB	1,000	100	SEK	1,000	0
Total subsidiary companies in Sweden					1,480,819

Subsidiary companies abroad

Europe

Austria					
Electrolux GmbH		100	ATS	28,000	2,000
Belgium					
Electrolux-Martin S.A.	299,987	100	BEC	399,983	69,937
Denmark					
A/S Scan-Atlas Hushol- dingsapparater	826	100	DKK	165,000	160,000
A/S Vestfrost	24,604	50.0	DKK	12,302	10,000
Handels- og Fabrikations- selskabet DKL A/S	5,000	100	DKK	500	0
Eire					
Electrolux Ltd.	110	100	IEP	0	0
Finland					
Oy Electrolux Ab	66,500	100	FIM	66,500	84,000
Oy Liesimyynti-Spissförsälj- nings Ab	204	51.0	FIM	2,040	2,384
France					
Usines et Fonderies Arthur Martin S.A.	2,144,098	96.4	FRF	214,410	145,000
S.A. Electrolux	1,520,466	100	FRF	152,047	120,000
ELWA S.A.	299,936	100	FRF	29,994	29,089
Electrolux CR S.A.	40,000	79.2	FRF	4,000	4,931
Electrolux S.A.E.D. S.ä.r.l.	8,396	100	FRF	966	1,249
Levin France S.A.	940	94.0	FRF	94	0
Great Britain					
Electrolux Ltd.	29,999,500	100	GBP	30,000	373,987
Electrolux Associated Companies Ltd.	4,432,758	100	GBP	4,433	37,800
Italy					
Flymo S.r.l.	189,998	99.0	ITL	189,998	892
Electrolux S.p.A.	96,384	99.8	ITL	4,819,200	0
Italwascator S.r.l.	38,250	100	ITL	38,250	0
Luxembourg					
Electrolux S.ä.r.l.	98,888	98.9	LUF	98,888	15,000
Electrolux Reinsurance (Luxembourg) S.A.	7,994	99.9	LUF	79,940	9,808
Electrolux Finance Holding S.A.	115,050	100	LUF	1,150,500	7,177
Netherlands					
Electrolux Holding B.V.	9,800	100	NLG	9,800	20,465
Norway					
Electrolux Norge A/S	560	100	NOK	56,000	55,641
Electrolux Rengjørings- maskiner A/S	6,000	100	NOK	4,500	3,600
Nordisk Metal A/S	5,000	100	NOK	500	0
Portugal					
Electrolux Limitada		90.1	PTE	24,324	2,212
Spain					
Electrolux S.A.	6,227	100	ESP	300,000	5,264
Electrolux Canarias S.A.	1,200	50.0	ESP	6,000	278
Switzerland					
Electrolux AG	3,995	100	CHF	1,998	15,000
Simag AG	12,296	100	CHF	6,148	11,323

West Germany					
Electrolux-Loh GmbH		100	DEM	25,000	67,315
Electrolux GmbH		99.2	DEM	11,900	49,596
Flymo GmbH		100	DEM	17,527	25,267
Euroclean GmbH		100	DEM	2,500	0

North America

Canada					
Euroclean Holdings Ltd.	502,000	100		N p v	126,455
USA					
Dometic Incorporated	150	100		N p v	1,000,000

Latin America

Argentina					
S.A. Electrolux	212,000	100	ARP	2,120	0
Brazil					
Electrolux S.A.	1,876,716,628	100	BRC	1,876,717	14,565
Electrolux Motores Ltda.	220,955,000	100	BRC	220,955	3,600
Electrolux Serviços Soc. Comercial Ltda.	332,290	94.9	BRC	332,290	3,400
Electrolux Comercial e Serviços Marítimos Ltda.	58,100	83.0	BRC	58,100	300
Colombia					
Equilux S.A.	1,400,000	93.3	COP	28,000	0
Electrolux S.A.	18,194	91.0	COP	1,819	0
Dominican Republic					
Electrolux Lagares C. por A.	354	51.0	DOP	35	107
Ecuador					
Ecualex S.A.	5,880	49.0	ECS	5,880	298
Electrolux C.A.	3,078	49.0	ECS	3,078	243
Mexico					
Electrolux S.A. de C.V.	33,996	100	MXP	33,996	6,075
Industrias Electrolux S.A.	296	0.3	MXP	296	0
Distribuidora Electrolux S.A.	246	98.4	MXP	25	0
Uruguay					
Electrolux S.A.	2,675	100	UYP	2,000	0
Venezuela					
C.A. Electrolux	39,988	100	VEB	39,988	35,000

Other regions

Hong Kong					
Electrolux Hong Kong Ltd.	7,499	100	HKD	750	970
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.	450,000	100	JPY	450,000	11,000
Nesco Ltd.	100,000	50.0	JPY	50,000	100
National Electrolux Food Service Equipment Co., Ltd. (NEFSE)	20,000	50.0	JPY	10,000	0
Jordan					
Electrolux Jordan Trading Co. Ltd.	20,090	49.0	JOD	20	133
Kuwait					
Kuwait Swedish Cleaning Services Co. S.A.K.	28,200	47.0	KWD	28	631
Lebanon					
Electrolux Middle East S.à.r.l.	880	41.9	LBP	880	0

Malaysia					
Electrolux Malaysia Sendirian Berhad	1,000,000	100	MYR	1,000	6,065
New Zealand					
Electrolux Ltd.	699,979	100	NZD	1,400	12,000
Saudi Arabia					
Electrolux Saudi Services Ltd.	5,000	50.0	SAR	500	648
Thailand					
Electrolux Thailand Ltd.	14,700	49.0	THB	1,470	370
Total shares and participations in subsidiary companies					4,031,994

Other companies, etc.

In Sweden

ESV Förvaltnings AB	225,000	45.0	SEK	22,500	27,419
Vakuumsystem AB	495	24.8	SEK	50	50
Handelsbolaget Svenska Dag- bladets AB & Co.	100		SEK	100	0
AB Sukab	1,000	8.3	SEK	100	0
Innovations AB Projection	1,000	28.6	SEK	100	100
Innovations AB Projection KB			SEK	20	10
Other shares and participa- tions					20

Abroad

France					
GF75 – Société S.à.r.l.	4		FRF	70	0
Iran					
Savalux Manufacturing Co.	5,799	6.4	IRR	57,990	0
Savalux Trading Co.	144	14.4	IRR	1,440	0
Italy					
FOEMM S.p.A.	4,000	4.0	ITL	40,000	2,585
Luxemburg					
ADELA Investment Co. S.A.	2,584			N p v	0
SIFIDA Investment Co. S.A.	20		USD	100	517
Nigeria					
Electrolux Mandilas Ltd.	160,000	40.0	NGN	160	0
Peru					
Electrolux S.A.	196,329	34.3	PES	196,329	0
Valinka S.A.	13,405	18.0	PES	13,405	20
Philippines					
Technolux Equipment and Supply Corporation	674,997	30.0	PHP	675	265
Spain					
Wascomat Ibérica S.A.	625	25.0	ESP	625	0
Total shares and participations in other companies					30,986

Note 8 Machinery, equipment and tools

	1983	1982
Cost	821	804
State contribution	- 1	- 1
Accumulated depreciation according to plan	-422	-390
Residual value	398	413
Accumulated accelerated depreciation	-211	-221
Net book value	187	192
Acquisitions during the year	97	134

Note 9 Buildings

	1983	1982
Cost	247	253
State contribution	- 15	- 15
Accumulated depreciation according to plan	- 85	- 80
Residual value	147	158
Accumulated accelerated depreciation	- 71	- 71
Non-depreciated part of revaluation	71	75
Net book value	147	162
Acquisitions during the year	1	12
Assessed value of buildings	335	341

Note 10 Land and land improvements

	1983	1982
Cost	13	13
Accumulated depreciation according to plan	- 1	- 1
Residual value	12	12
Accumulated accelerated depreciation	- 1	- 1
Non-depreciated part of revaluation	10	10
Net book value	21	21
Acquisitions during the year	0	0
Assessed value of land	31	32

Note 11 Convertible debenture loans

This item includes the following debentures:

Loan I	SEK m. 48	Conversion rate SEK 86
Loan II	SEK m. 1	Conversion rate SEK 86
Loan III	SEK m. 48	Conversion rate SEK 86
Loan IV	SEK m. 655	Conversion rate SEK 120
Total	SEK m. 752	

Interest at 8% is payable on Loans I, II and III, which corresponds after conversion to a dividend of SEK 6:90 per share currently in issue, while 10% is payable on Loan IV, which corresponds after conversion to a dividend of SEK 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 Accelerated depreciation

Machinery, equipment and tools		211
Buildings		
Accumulated accelerated depreciation	71	
Non-depreciated part of revaluation	- 71	0
Total		211

Note 13 Investment reserve

Opening balance		0
Utilized for depreciation of building		- 0
Closing balance		0

Note 14 Special investment reserve

Opening balance		-
Allocation		85
Closing balance		85

Note 15 Stockholders' equity

	Capital stock	Conv. not reg. capital stock	Statutory reserve	Non-restr. equity
Opening balance	1,279	7	271	293
Dividend declared by Annual General Meeting				-232
Conversion of debenture certificates		22	17	
Registered increase of capital stock	14	-14		
Net income				349
Closing balance	1,293	15	288	410

Note 16 Converted not registered capital stock

In addition to the registered capital stock, 311,182 "B" shares à SEK 50 are entitled to dividend for 1983. These shares correspond to convertible debenture certificates that were presented before December 15, 1983, but had not been registered as capital stock by the Swedish Patent and Registration Office by the year-end.

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, SEK 135 m includes SEK 1 m for subsidiaries. The Group reserve for bad debts covers potential losses in these transferred receivables.

Moreover AB Electrolux has guaranteed the equity in the subsidiary Electrolux International AB and in Elefac Finans AB, in which company AB Electrolux has taken a part ownership.

Audit Report

We have examined the Annual Report, the Consolidated Financial Statements, the accounting records and the administration of the Company by the Board and the President. Our examination was carried out in accordance with generally accepted auditing standards.

The Parent Company

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

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 President, whereby SEK 287,779,789 would be distributed as dividend to the stockholders, and SEK 122,884,927 would be carried forward, and
- grants the Board of Directors and the President discharge from their liability for the financial year 1983.

The Group

The Consolidated Financial 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, March 29, 1984

ARNE HOLMÉN

Authorized Public
Accountant

JAN NORDENBÄCK

Authorized Public
Accountant

Electrolux shares

Capital stock

At December 31, 1983, the capital stock of AB Electrolux consisted of 26,161,799 "A" and "B" shares, each type of SEK 50 par value, broken down as follows

1,000,000 "A" shares	SEK	50.0m
24,850,617 "B" shares	SEK	1,242.5m
311,182 converted un-registered "B" shares	SEK	15.6m
26,161,799	SEK	1,308.1m

The number of issued "B" shares rose by 431,085 in 1983 as a result of conversions.

Each "A" share entitles the owner to 1 vote, each "B" share to 1/1,000th of a vote. All shares confer the same right in the assets and earnings of the company.

The "A" and "B" shares are quoted on the Stockholm Stock Exchange. The "B" shares are also quoted on the stock exchanges in London (1928), Geneva (1955), Oslo (1981) and Paris (1983). In order to satisfy the growing interest among investors in the USA, an American Depositary Receipts program (ADR) was arranged at the beginning of 1983.

Stock market trading in Sweden

The turnover in Electrolux shares on the Stockholm Stock Exchange during the 1981-1983 period was as follows:

	Number	SEK m
1981	12,963,000	1,224
1982	17,716,000	1,703
1983	30,040,000	6,246

Electrolux Share Investment Fund

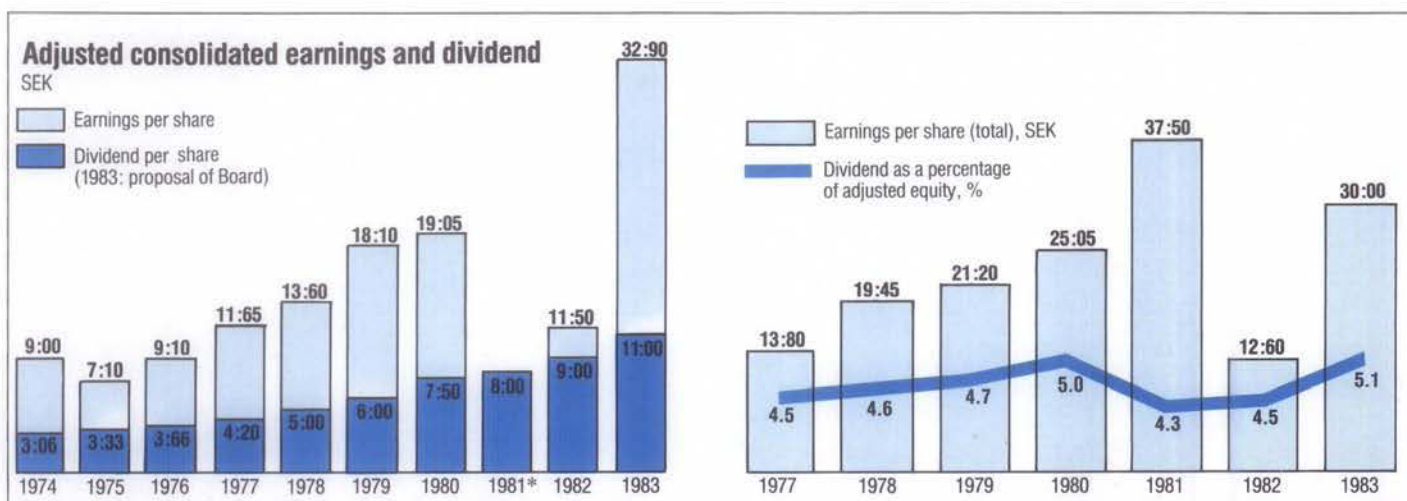
All the employees of Electrolux Swedish companies were invited to join the share investment scheme managed by Electrolux Aktiesparfond (Share Investment Fund) from July 1, 1981. By the end of 1983, around 2,200 had joined.

The fund represented 129,427 shares, which made it the 15th largest stockholder in the company. Loans to employees for share purchases amounted at the year-end to SEK 13.1 m.

Largest Stockholders (February, 1984)

	Number of shares	Percentage of capital stock	Percentage of votes
ASEA AB	3,334,488	12.72	49.05
Skandia	1,027,663	3.92	0.10
The National Swedish Pension Insurance Fund, Fourth Fund Board	1,019,691	3.89	0.10
Trygg-Hansa	883,911	3.37	0.09
Sparbankernas Aktiesparfond	451,300	1.72	0.04
Custos	411,455	1.57	18.94
Folksam	339,250	1.29	0.03
Export-Invest	325,000	1.24	0.03
Hans Werthén	310,550	1.18	0.03
Fondspar Aktiesparfond	300,000	1.14	0.03
Investment AB Beijer	300,000	1.14	0.03

The largest stockholders are mainly insurance companies, pension funds, share investment funds and investment trusts, viz. institutions that in their turn represent a large number of individual savers and investors.



* Adjusted consolidated earnings in 1981 amounted to SEK 6:80

Electrolux Convertible Debenture Loans

	Issued	Nominal value	Interest rate	Total nominal value Dec 31, 1983 (SEK'000)	Original loan (SEK'000)	Conversion rate	No. of shares after total conversion
Loan 1	1978	120	8%	48,268	95,994	86	561,262
Loan 2	1978	120	8%	816	33,000	86	9,488
Loan 3	1978	130	8%	48,116	139,273	86	559,491
Loan 4	1980	100	10%	654,440	662,725	120	5,453,667
				751,640	930,992		6,583,908

Loan 1 issued in connection with the acquisition of Husqvarna AB

Loan 2 issued to ASEA AB

Loan 3 issued as rights to stockholders in AB Electrolux

Loan 4 issued in connection with the acquisition of Gränges AB

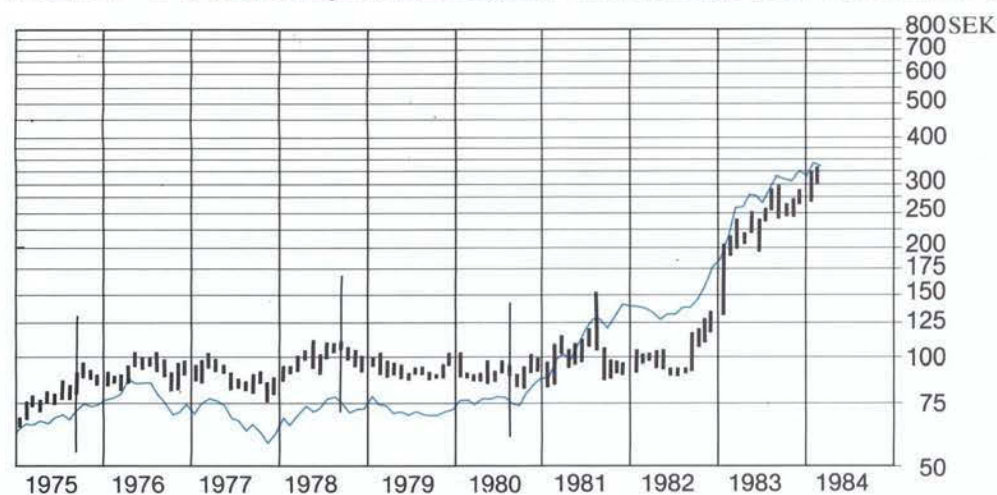
Loans 1, 2 and 3 may be converted from January 1980 inclusive and Loan 4 from January 1982 inclusive. The dividend that is received after conversion of Loans 1, 2 and 3 is higher than the interest rate on the corresponding convertible loan stock. Conversion of these series should therefore be given some consideration. They can be converted by handing in the loan stock certificates at the nearest branch office of a bank.

Analysis of Share Ownership in AB Electrolux

Size of holding	Number of stockholders	Percentage of all stockholders	Shares '000	Percentage of capital stock	Average number of shares per holder
1-500	approx 47,000	92.4	4,218	16.1	90
501-1,000	2,250	4.4	1,689	6.4	750
1,001-10,000	1,450	2.9	3,640	13.9	2,510
10,001-	175	0.3	16,666	63.6	95,230
Total	approx 50,900	100.0	26,213	100.0	515

The table was compiled on the basis of data provided by the Securities Register Centre (Värdepapperscentralen VPC AB). The data are valid for February 1984 except that shares registered as being held in trust had to be apportioned by size of holding according to data from August 1983.

Electrolux "B" shares Ratings on the Stockholm Stock Exchange (1975-February 1984)



— = General index.

Bars = Closing price, highest and lowest per month, in SEK.

Source: Aktiv Placering

Group companies

List of certain Group companies and names of Chief Executives.

Companies in which outside stockholders own more than 10% of the capital stock are marked with*. Production companies are marked with (P). This list shows the situation at the beginning of 1984.

Argentina

No. of employees: 34
Payroll: SEK 1 m

S.A. Electrolux
Buenos Aires
Hans-Ingvar Andersson

Australia

No. of employees: 2,050
Payroll: SEK 246 m

Electrolux Pty. Ltd. (P)
Glen Waverley
Len W. Matthews
Getinge Australia Pty. Ltd.
Melbourne
D.A. Canty (Great Britain)
Husqvarna Pty. Ltd.
Sydney
Rolf Eklöf

Austria

No. of employees: 354
Payroll: SEK 31 m

Electrolux Gesellschaft GmbH
Vienna
Steffan Lundeberg (West Germany)
Gränges Metallhandelsges.
GmbH
Waldegg
Christian Zugmeyer
Husqvarna Gesellschaft GmbH
Linz
Norbert Holzmann
Volta Bregenz GmbH (P)
Bregenz
Friedrich Zweifel (Switzerland)
Volta Elektrowaren-
Vertriebsgesellschaft GmbH
Vienna
Steffan Lundeberg (West Germany)

Barbados

No. of employees: 36
Payroll: SEK 1 m

Electrolux Ltd.
St. Michael
Lloyd Seale

Belgium

No. of employees: 609
Payroll: SEK 55 m

Electrolux-Martin S.A. (P)
Brussels
Staffan Lagerwall
Gränges Metallverken
Benelux S.A. (P)
Brussels
Tord Sandgren
New Vanden Borre S.A.
Brussels
Pierre Jeanmart

Brazil

No. of employees: 7,409
Payroll: SEK 38 m

Electrolux S.A. (P)
São Paulo
Örjan Alneng
Electrolux Motores Ltda.
São Paulo
Renato Ishikawa
Electrolux Serviços Soc.
Comercial Ltda.
São Paulo
Edmund A. Bosschart

Canada

No. of employees: 500
Payroll: SEK 63 m

Euroclean Canada Inc. (P)
Cambridge
James D. Dixon
Pioneer Chain Saw Corporation
Inc. (P)
Peterborough
Gary Isberg

Chile

No. of employees: 78
Payroll: SEK 2 m

* Electrolux (Chile) Ltda
Santiago
Mário Schachner

Colombia

No. of employees: 2,115
Payroll: SEK 35 m

Electrolux S.A. (P)
Bogotá
Sven-Åke Andersson

Denmark

No. of employees: 2,400
Payroll: SEK 282 m

Daekko Presenning Kompagni
A/S
Brönshøj
Per Sätterström (France)
Electrolux A/S
Lyngby
Kurt Jensen
Electrolux Constructor A/S
Hvidovre
Olaf Bredahl Sörensen

Electrolux Elmotor A/S (P)

Ålborg Öst
Lars Jansson (Sweden)
Electrolux-Wascator A/S
Glostrup
Palle Rosenkilde
A/S Ernst Voss Fabrik (P)
Fredericia
Bent Lundgaard
Greenlux A/S
Lyngby
Bjarne Mörz
Gränges Danmark A/S
Copenhagen
Vagn Sörensen
Husqvarna A/S
Lyngby
J.P. Höiden
IWO A/S
Ishøj
Palle Rosenkilde
Nyborg Vaskerimaskiner A/S
(P)
Tommerup
Ivan B. Lindhardt
Odense Flexible A.p.S.
Odense
Svend Poulsen
Ren-Vask A/S (P)
Birkerød
Max Ree Andersen
SAPA A/S (P)
Grenå
Erik Schultz
A/S Scan-Atlas
Husholdningsapparater (P)
Lyngby
Ib Frölich
* A/S Vestfrost (P)
Esbjerg
Erling Damkjaer
Dominican Republic
No. of employees: 78
Payroll: SEK 1 m
* Electrolux Lagares C por A
Santo Domingo
Victor Lagares
Ecuador
No. of employees: 279
Payroll: SEK 4 m
* Electrolux C.A. (P)
Quito
Stefan Hederström
Finland
No. of employees: 1,865
Payroll: SEK 147 m
Oy Aluma Ab (P)
Vanda
Frank Lindström

Oy Electrolux Ab (P)

Helsinki
Matti Mutikainen
Oy Electrolux Ab - ASAB
Helsinki
Lasse Naumanen
Oy Electrolux Ab -
ELEKTROHELIOS
Helsinki
Yngve Levander
Oy Electrolux Ab -
E-TOOLING
Turku
Pentti Jäntti
Oy Electrolux Ab -
HUSQVARNA
Tampere
Tor Falenius
Oy Electrolux Ab -
LANTBRUKSMASKINER
Fiskars
Kristian Nyman
Oy Electrolux Ab - PARTNER
Tampere
Tor Falenius
Oy Electrolux Ab -
TAMMERMATIC
Tampere
Kalevi Kärkönen
Oy Electrolux Ab - ÖVERUM
Helsinki
Jörgen Fredriksson
* Oy Liesimyynti-
Spisförsäljning AB
Helsinki
Matti Mutikainen
SAPA Alumiiniprofiilit Oy
Helsinki
Ulf Sainio

France

No. of employees: 8,852
Payroll: SEK 701 m

Autoliv & Cie. (P)
Neully s/Seine
Michel Pesnelle
Autoliv S.A. (P)
Seclin
Marc Lefèvre
Electrolux S.A. (P)
Senlis
Anders André
Electrolux & Cie. SNC
FLYMO-HUSQVARNA
Cergy
Olivier Stackler
Electrolux & Cie. SNC
HUSQVARNA
Groslay
A. Russon
Electrolux & Cie. SNC
METROPOLE
Boulogne Billancourt
Per Sätterström
Electrolux CR S.A.
Vincennes
Bernard Teissèdre

Electrolux Industrie & Cie SNC
CONSTRUCTOR
 Groslay
 Dario Cammeo
 Electrolux S.A.E.D.S.à.r.l.
 Groslay
 Tage Fridolfsson
 Gränges Aluminium S.A.
 Paris
 Bernard May
 Gränges Metallverken France
 S.A.R.L.
 Paris
 Gunnar Nisser
 * Lequeux S.A. (P)
 Paris
 François Galtier
 * Océanic S.A. (P)
 Romainville
 Jean Morgan
 * Société pour le Nettoyage
 Industriel
 et la Location "S.O.N.I.L."
 Mouy
 Per Sätterström
 * Tornado S.A.
 Senlis
 Claude Séguier
 Usines & Fonderies Arthur
 Martin S.A.,
 "UFAM" (P)
 Senlis
 Anders Andrén

Great Britain

No. of employees: 4,275
Payroll: SEK 381 m
 Chadwicks of Bury Ltd. (P)
 Bury Lanes
 Columbus Dixon Ltd. (P)
 Luton, Beds.
 J.J.M. Glasse
 Consort System (P)
 Tewkesbury, Glos.
 DNC Design & Construction
 Ltd.
 Warrington
 Claes-Göran Mattsson
 Electrolux Ltd. (P)
 Luton, Beds.
 G.P.H. James
 Electrolux (Commercial
 Equipment) Ltd.
 Luton, Beds.
 Frank Clark
 Flymo Ltd. (P)
 Darlington, Co. Durham
 L.D.H.P. Evans
 Flymo Sales Limited
 Wimborne, Dorset
 L.D.H.P. Evans
 Gränges Essem (UK) Ltd.
 Cumbernauld
 Bo Svanberg (Sweden)
 Gränges Metallverken Ltd.
 Kingston upon Thames
 Willy Nyberg

Husqvarna Ltd.
 Luton, Beds.
 G.P.H. James
 Korrugal Ltd.
 Caterham
 Peter Ward
 Modern Structural Plastics
 (Scotland) Ltd. (P)
 Cumbernauld
 Ian Humphrey
 Monarch Aluminium Ltd. (P)
 Cheltenham, Glos.
 Nyborg Engineering Ltd.
 Uxbridge, Middlesex
 Derek Wright
 SAPA Ltd. (P)
 Tibshelf, Derby
 SecuriStyle (P)
 Cheltenham, Glos.
 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.
 Cheltenham
 Max Mines
 Topp Textile Rental Limited
 (P)
 Horley, Surrey
 Hans Hiller
 Wirsbo (UK) Ltd.
 Kingston upon Thames
 Lennart Nyberg

Guatemala

No. of employees: 32
Payroll: SEK 2 m
 Electrolux S.A.
 Guatemala City
 Carlos Calderón Velásquez

Hong Kong

No. of employees: 576
Payroll: SEK 10 m
 Electrolux Hong Kong Ltd.
 Aberdeen
 Richard Bagge

Italy

No. of employees: 176
Payroll: SEK 19 m
 Electrolux S.p.A.
 Milan
 Flymo S.r.l.
 Brescia
 Giovanni Cancarini

Japan

No. of employees: 732
Payroll: SEK 86 m
 Electrolux (Japan) Ltd.
 Tokyo
 Gunnar Kniberg
 * Nesco Ltd.
 Tokyo
 Katsuhide Aihara

Jordan

No. of employees: 38
Payroll: SEK 3 m
 * Electrolux Jordan Trading
 Co. Ltd.
 Amman
 Fouad Lammam

Kuwait

No. of employees: 76
Payroll: SEK 3 m
 * Kuwait Swedish Cleaning
 Services Co. S.A.K.
 Safat
 Herman Wernekinck

Lebanon

No. of employees: 51
Payroll: SEK 3 m
 Electrolux Middle East S.à.r.l.
 Beirut
 Fouad Lammam

Liberia

No. of employees: 2,510
 Lamco J.V. Operating Co. (P)
 Monrovia
 John L. Pervola

Luxembourg

No. of employees: 260
Payroll: SEK 30 m
 Electrolux S.à.r.l. (P)
 Vianden
 Anders Wannborg
 Electrolux Reinsurance
 (Luxemburg) S.A.
 Vianden
 Leif Lindgren (Sweden)

Malaysia

No. of employees: 890
Payroll: SEK 21 m
 Electrolux Malaysia Sdn. Bhd.
 Selangor
 Robert Kilberg
 Electrolux (Sarawak) Sdn. Bhd.
 Sarawak
 Thomas Jang

Mexico

No. of employees: 1,296
Payroll: SEK 21 m
 Electrolux S.A. de C.V. (P)
 Mexico City
 Jan Laséen

Netherlands

No. of employees: 925
Payroll: SEK 99 m
 Electrolux Constructor B.V.
 Diemen
 J.M. van Midden
 Electrolux Holding B.V.
 Diemen
 Lennart Ribohn (Sweden)
 Electrolux Nederland B.V.
 Diemen
 J.M. van Midden
 Gränges Metallverken
 Nederland B.V. (P)
 Zutphen
 Frans Huybregts
 Neproma B.V. (P)
 Arnhem
 Cornelius Pons
 J.F. Quatfuss B.V. (P)
 Diemen
 J.M. van Midden
 * Scandex Aluminium N.V. (P)
 Hoogezand
 Peter Keijzer

New Zealand

No. of employees: 452
Payroll: SEK 26 m
 Electrolux Ltd. (P)
 Wellington
 Richard M. Scelly
 Husqvarna Chainsaws Ltd.
 Auckland
 D.I. Bradley

Norway

No. of employees: 1,481
Payroll: SEK 137 m
 A/S Drømmekjøkkenet
 Oslo
 Kåre Lillemoen
 Electrolux Constructor A/S
 Oslo
 Bjørn Molstad
 Electrolux Industrier A/S
 Oslo
 Henning Knutsen
 Electrolux Norge A/S (P)
 Oslo
 Ivar Aakhus
 Electrolux
 Rengjøringsmaskiner A/S
 Oslo
 Magnus Jensen
 Electrolux-Wascator A/S
 Oslo
 Svein Jacobsen
 Euroclean A/S
 Oslo
 Magnus Jensen
 Gränges Essem Norsk A/S
 Oslo
 Syver Brattested
 Husqvarna A/S
 Oslo
 Per Johannessen

Husqvarna Elektro A/S
Sarpsborg
Viljen Eriksen
Husqvarna-Partner A/S
Skårer
Rune Aschim
Jobu A/S (P)
Drøbak
Per J. Mordt
A/S Norlett (P)
Askim
Odd Mortvedt
A/S SAPA
Lillestrøm
Osvald Hageseether
Tunborg A/S (P)
Sarpsborg
Lars Hedberg

Paraguay

No. of employees: 48
Payroll: SEK 1 m
Electrolux del Paraguay S.A.
Asunción
Hans-Ingvar Andersson
(Argentina)

Peru

No. of employees: 335
Payroll: SEK 5 m
Electrolux S.A. (P)
Lima
Per-Axel Ahlberg

Philippines

No. of employees: 694
Payroll: SEK 10 m
Electrolux Philippines, Inc.
Metro Manila
Björn Eidhagen

Portugal

No. of employees: 85
Payroll: SEK 2 m
Electrolux Ltda
Lisbon
Clas Herdin (Spain)

Saudi Arabia

No. of employees: 251
Payroll: SEK 14 m
* Electrolux Saudi Services Ltd.
Riyadh
Hans Ekbohm
* Mining Services Co.
Minsarco
Lennart Wikström

Singapore

No. of employees: 378
Payroll: SEK 16 m
Electrolux S.E.A. Private Ltd.
(P)
Singapore
Björn Made

Spain

No. of employees: 686
Payroll: SEK 35 m
Electrolux S.A. (P)
Madrid
Clas Herdin
Electrolux Canarias S.A.
Las Palmas
Boo Lyth
Gränges Essem Ibérica S.A.
Madrid
Gunnar Sjölander

Sweden

No. of employees: 30,378
Payroll: SEK 2,510 m
AB Addo
Malmö
Tom Bennet
ASAB Serviceföretaget AB
Stockholm
Lennart Angeby
AB Ballingslövs Träförädling
(P)
Ballingslöv
Nils-Erik Danielsson
Björnkälder AB
Solna
Kjell Lundin
Bröderna Brodd AB (P)
Skänninge
Per-Olov Brodd
Electrolux Autoliv AB (P)
Stockholm
Gunnar Bark
Electrolux Cleaning Equipment
AB (P)
Åmål
Erik af Ugglas
Electrolux Commercial
Refrigeration AB (P)
Arvika
Börje Närman
Electrolux Constructor AB (P)
Säffle
Karl Henrik Andersson
Electrolux Gjuteriprodukter
AB EGAB (P)
Hälleforsnäs
Lennart Wikblom
Electrolux International Sales
AB
Stockholm
Halvar Jonzon
Electrolux Motor AB (P)
Husqvarna
Hans G. Bäckman
Electrolux Storkök AB (P)
Alingsås
Carl Bennet
Electrolux Svenska Försäljnings AB
Stockholm
Anders Scharp
Electrolux-Wascator AB (P)
Ljungby
Christer Forsström
Electrolux Återförsäkrings AB
Stockholm
Leif Lindgren
AB Elektro Helios
Stockholm
Rainer Alfström
AB Elektroservice
Stockholm
Curt Egerot
Euroclean AB (P)
Åtvidaberg
Erik af Ugglas
Evert Larsson Autoliv AB (P)
Kungälv
Åke Larsson
Evert Larsson Industri AB (P)
Kungälv
Åke Larsson
AB Formverktyg (P)
Hägersten (Stockholm)
Ingemar Persson
Getinge Mekaniska Verkstads
AB (P)
Getinge
Thore Anderson
Gjutal AB (P)
Sölvesborg
Rolf Erixon
Gränges AB
Stockholm
Gösta Bystedt
Gränges Aluminium AB (P)
Stockholm
Per-Olof Aronson
Gränges Hedlund AB (P)
Stockholm
Sven Ekberg
Gränges International Mining
AB
Stockholm
Arne Dahlström
Gränges Mark AB
Stockholm
Hans-Erik Bengtsson
Gränges Metallverken AB (P)
Västerås
Lennart Gustafsson
Gränges Metalock AB (P)
Göteborg
Rune Kristiansson
Husqvarna AB (P)
Husqvarna
Per-Olof Sjöberg
Husqvarna Motorcyklar AB (P)
Ödeshög
Bengt Andersson
Husqvarna Svenska
Försäljnings AB
Husqvarna
Leif Bagge
AB Höörs Plåt (P)
Höör
Lars Börrén
B. Johanssons Pappersförädling
AB (P)
Nygård
Cennert Steffen

Johnson Metall AB (P)
Örebro
Rolf Andersson
Jonsered Motor AB
Partille
Stig Jepson
Jonsereds Godsskydd AB (P)
Partille
Bertil Ljungquist
Kohlswa Jernverk AB (P)
Kolsva
Lennart Wikblom
Modul-Fönster AB (P)
Trelleborg
Nils-Erik Danielsson
Nordfor Teknik AB (P)
Vikmanshyttan
Sture Milling
AB Ratura
Malmö
Jan Palmgren
SAPA (Skandinaviska
Aluminium
Profiler AB) (P)
Vetlanda
Nils H. Bouveng
SIA Lustgården AB
Landskrona
Åke Eriksson
Strömsholmens Mekaniska
Verkstads AB (P)
Tranås
Per Göran Larsson
Städningsskären AB
Stockholm
Olof Eriksson
AB Tvättman (P)
Malmö
Bertil Ljungquist
AB Volta
Stockholm
Rainer Alfström
Växjö Rostfritt AB (P)
Växjö
Bo J. Ericson
Wirsbo Bruks AB (P)
Virso
Åke Forssell
Zig-Zag Fabriks AB (P)
Malmköping
Mats Agurén
AB Överums Bruk (P)
Överum
Lars-Göran Fasth
AB Överums Fönsterfabrik (P)
Överum
Nils-Erik Danielsson

Switzerland

No. of employees: 1,701
Payroll: SEK 296 m
Elcalor AG (P)
Aarau
Friedrich Zweifel
Electrolux AG
Zürich
Kurt Schläpfer

Libo AG
Ittigen
Friedrich Zweifel
Menalux S.A. (P)
Murten
Albert Grossrieder
Märklin AG
Liestal
Hans-Rudolf Märklin
* 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
Arthur Grünig
Wirsbo AG
Lucerne
Jarl Detter

Taiwan

No. of employees: 40
Payroll: SEK 2 m
Electrolux (Far East) Ltd.
Taiwan Branch
Taipei
Leonard Duh

Thailand

No. of employees: 465
Payroll: SEK 14 m
* Electrolux Thailand Company
Ltd.
Bangkok
Ulf Persson

Trinidad

No. of employees: 50
Payroll: SEK 6 m
Electrolux Ltd.
Port-of-Spain
Lloyd Seale (Barbados)

Uruguay

No. of employees: 33
Payroll: SEK 1 m
Electrolux S.A.
Montevideo
Rafael Barrenechea

USA

No. of employees: 9,222
Payroll: SEK 1,103 m
Bryan Metals, Inc. (P)
Bryan, Ohio
Johan Scheel
Dometic Sales Corporation
Elkhart, Ind.
Gerald R. Wannamaker
Envirovac, Inc.
Rockford, Ill.
Folke Heibert (Sweden)
Flymo Inc.
Mansfield, Ohio
Donald C. Blasius
Getinge International Inc.
Lakewood, New Jersey
Donald C. Blasius
Husqvarna Motorcycle Co.,
Inc.
San Diego, Calif.
Donald C. Blasius
Metallverken Inc.
Elmhurst, Ill.
Johan Scheel
Midwest Brass and Copper, Inc.
(P)
Chicago, Ill.
Johan Scheel
National Union Electric
Corporation (P)
Bloomington, Ill.
Gösta Bystedt (Sweden)

Divisions:

The Eureka Company
Bloomington, Ill.
Robert P. Dole
The Kent Company
Elkhart, Ind.
George Galoozis
Napco Plastics Company
Napoleon, Ohio
James P. Hadsell
Swan Services, Inc.
Atlanta, Ga.
Paul C. Culwell
The Tappan Company (P)
Mansfield, Ohio
Donald C. Blasius
Divisions:
Anaheim Disposer Division
Anaheim, Calif.
T.A. Dugan
Appliance Division
Mansfield, Ohio
James M. Ringler
Cabinet Group
(Headquarters
and Kemper Division)
Richmond, Ind.
E.L. "Buck" Coveney
International Division
Mansfield, Ohio
T.R. Kay

Team Textile Service
Corporation (P)
Houston, Texas
Lars Spongberg
Tecfor, Inc.
Bensenville, Ill.
Hans G. Bäckman (Sweden)
Husqvarna Sewing Machine
Co., Inc.
Minneapolis, Minn.
Pehr J. Komstadius

Venezuela

No. of employees: 1,055
Payroll: SEK 52 m
C.A. Electrolux (P)
Caracas
Ingvar Marklund

West Germany

No. of employees: 2,876
Payroll: SEK 336 m
Autoliv GmbH (P)
Elmshorn
Leif Sköld
BOCO Wäschendienst Horst
Sieber GmbH (P)
Hannover
Michael Sperling
Deutsche Husqvarna GmbH
Schweinfurt
Willem de Gier
Electrolux GmbH (P)
Berlin
Gustaf Östergren
Electrolux GmbH
Hamburg
Steffan Lundeberg
Electrolux Constructor GmbH (P)
Siegen
Rolf-Dieter Giesler
Electrolux Constructor
Export GmbH
Siegen
Sven Stork
Electrolux CR GmbH (P)
Mosbach
Horst Wefer
Electrolux-Cramer GmbH (P)
Siegen
Adolf Kretzer
Electrolux Grossküchen GmbH
Hamburg
Kjell Nilsson, Sten Lindstedt
Electrolux-Kern GmbH
Göttingen
Adolf Kretzer, Otto Vonderschmidt
Electrolux Küchentechnik GmbH
Siegen
Adolf Kretzer
Electrolux-Loh GmbH
Siegen
Sven Stork, Ulrich Hoffmann
Electrolux Siegen GmbH (P)
Siegen
Rolf-Dieter Giesler, Adolf Kretzer

Electrolux Wäscherei und Service
GmbH (P)
Wermelskirchen
Günter Wiege
Flymo GmbH
Hamburg
Harry Eriksson (France)
Gränges Aluminium GmbH
Düsseldorf
Siegfried Dingel
Gränges Metall GmbH
Frankfurt
Chris A. Neuhaus
Gränges Metalock GmbH (P)
Hamburg
Erwin Erfeling
Husqvarna Meister Werke
GmbH (P)
Schweinfurt
Gustaf Östergren
Husqvarna Vertriebs GmbH
Hamburg
J.P. Höiden (Denmark)
Norlett-Partner GmbH
Schweinfurt
Willem de Gier
Progress-Elektrogeräte Mauz &
Pfeiffer GmbH & Co. (P)
Stuttgart
Gunnar Odenram
Progress Verkauf GmbH
Stuttgart
Gunnar Odenram
SAPA Aluminium Profile GmbH
Düsseldorf
Kåre Wetterberg
Volta Elektrogeräte-Vertriebs
GmbH
Stuttgart
Horst Woldt
Wirsbo Aquawarm GmbH
Frankfurt
Lars Norberg
Wirsbo Pex (P)
Heusenstamm
Stefan Haenelt
ZK-Hospital Bedarfs-GmbH
Oer-Erkenschwick
Bo J. Ericson (Sweden)

Other countries

No. of employees: 22
Payroll: SEK 1 m

Total

No. of employees: 88,750
Payroll: SEK 6,852 m

Ten-year review

Ten-year review (Amounts in SEK m, except where otherwise stated)

	1983	1982	1981	1980	1979	1978	1977	1976	1975	1974
Sales and income										
Sales	32,146	31,661	26,595	22,874	15,137	12,023	9,239	7,646	6,425	5,536
% Increase	1.5*	19.0	16.3	51.1	25.9	30.1	20.8	19.0	16.1	32.4
Operating income after depreciation	2,691	1,937	1,730	1,728	1,308	945	782	603	491	556
Income after financial items	1,763	609	355	1,003	915	677	578	454	362	463
Income before transfers to untaxed reserves and taxes	1,863	567	1,127	1,054	934	828	562	443	356	469
Profitability										
Operating income as shown above as % of sales	8.4	6.1	6.5	7.6	8.6	7.9	8.5	7.9	7.6	10.0
Return on net assets, %	18.7	14.1	14.6	21.2	20.7	19.3	20.6	18.9	16.9	23.3
Return on equity, %	16.5	6.2	4.7	15.3	16.6	14.6	17.1	14.8	13.1	16.6
Return on equity after extraordinary items, %	15.1	6.8	25.8	20.2	19.4	20.9	20.2	—	—	—
Earnings per share, SEK	32:90	11:50	6:80	19:05	18:10	13:60	11:65	9:10	7:10	9:00
Total earnings per share, SEK after full tax	30:00	12:60	37:50	25:05	21:20	19:45	13:80	—	—	—
after actual tax	48:00	13:40	37:25	37:70	30:35	23:10	14:90	—	—	—
Dividend per share, SEK, adjusted for share issues**	11:00	9:00	8:00	7:50	6:00	5:00	4:20	3:66	3:33	3:06
Dividend payment expressed in % of adjusted equity	5.1	4.5	4.3	5.0	4.7	4.6	4.5	5.4	5.2	5.3
Financial position										
Balance sheet total	23,527	24,478	21,767	17,832	11,270	9,078	6,965	5,424	5,103	4,511
Adjusted equity	5,651	5,204	4,761	3,697	3,077	2,638	2,243	1,645	1,478	1,305
Equity/assets ratio %	24.0	21.3	21.9	20.7	27.3	29.1	32.2	30.3	29.0	28.9
Risk capital	7,765	6,886	6,407	5,336	3,861	3,171	2,669	1,973	1,813	1,624
Risk capital ratio %	33.0	28.1	29.4	29.9	34.3	34.9	38.3	36.4	35.5	36.0
Other information										
Capital expenditure on real estate, machinery, equipment and tools excluding assets held by companies acquired during the year	1,374	1,406	1,514	2,515	863	863	448	452	414	348
Capital expenditure expressed in % of sales	4.2	4.2	4.7	5.4	4.7	4.6	4.8	4.6	5.3	6.0
Number of employees	88,800	100,400	101,700	102,900	82,000	75,600	69,500	71,600	65,900	63,500
Wages, salaries and other remuneration	6,852	7,195	6,357	5,403	3,936	3,391	2,975	2,345	2,064	1,778
Number of stockholders	51,000	52,000	51,000	43,000	41,000	41,000	39,000	35,000	35,000	32,000

Definitions, see page 32.

* 11% after adjusting for sold units

** For 1983 as proposed by the Board of Directors.



In connection with the celebration of the Centenary of the Patent Office in Sweden, a series of stamps, "Made in Sweden", is being published. It includes six epoch-making Swedish products, including Electrolux vacuum-cleaners.



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