

**Electrolux**

REPORTS OF THE DIRECTORS AND  
AUDITORS FOR 1972

Kr = Swedish kronor  
 tKr = thousands of Swedish kronor  
 MKr = millions of Swedish kronor

On December 31, 1972:  
 £1 sterling = Kr 11.10  
 US \$1 = Kr 4.72  
 MKr 1 = £90,000 approximately = \$212,000 approximately

## Summary of 1972

The Group's external net sales increased by 17.4% from MKr 2,122 to MKr 2,491.

The Parent Company's net sales increased by 18.9% from MKr 742 to MKr 882.

The Group's profit after taxes amounted to MKr 95.4 as compared with MKr 70.2 in 1971.

The Parent Company's profit after taxes amounted to MKr 50.1 as compared with MKr 38.1 in 1971.

The Board of Directors propose a bonus issue of shares, by which the share capital is increased from MKr 499.2 to MKr 624.0 (see also page 29), and a dividend of Kr 10.00 per each existing share.

## Seven-Year Summary

Group		1972	1971	1970	1969	1968	1967	1966
Sales	MKr	2,490.9	2,121.9	1,869.3	1,582.9	1,326.9	1,097.8	1,070.3
Net profit after taxes	MKr	95.4	70.2	63.3	45.8	52.9	32.0	26.2
Operating result after depreciation (see note 2, page 39)	MKr	250.1	160.3	128.1	102.7	93.4		
Calculated net profit per share <sup>1)</sup> and <sup>2)</sup>	Kr	24.62	14.79	11.70	11.03	10.23		
Investments in real estate, machinery and tools <sup>3)</sup>	MKr	133.6	83.1	110.8	108.2	71.2	71.6	
Wages, salaries and remuneration	MKr	798.0	707.1	657.6	554.0	434.7	361.9	382.3
Number of employees, annual average		35,624	33,642	32,724	29,171	23,282	21,127	21,962
Sales per employee, excluding contract cleaning companies	tKr	84.9	75.8	66.9	61.1	56.9	52.0	48.7
<b>Parent Company</b>								
Sales	MKr	882.1	742.1	630.9	584.1	470.0	388.9	405.4
Net profit after taxes	MKr	50.1	38.1	31.2	27.5	24.6	18.9	16.0
Ditto per share <sup>2)</sup>	Kr	10.55	8.02	6.57	5.79	5.18	3.98	3.37
Investments in real estate, machinery and tools	MKr	45.2	33.6	58.9	53.6	37.6	42.4	
Wages, salaries and remuneration	MKr	221.7	189.8	174.9	157.5	134.5	116.2	120.4
Number of employees, annual average		6,694	6,214	6,115	6,006	5,222	4,611	5,049
Dividend per share (for 1972 as proposed) <sup>4)</sup>	Kr	10.00	7.61	6.09	5.33	4.57	3.04	3.04
Total dividend declared (for 1972 as proposed)	MKr	49.9	38.0	30.4	26.6	22.8	15.2	15.2

1) "Result from current operations" less 50% taxes and the minority interests.

2) On 4,750,000 shares, i.e. the number of shares as at December 31, 1972, after bonus issue made in 1972.

3) Including the following amounts for real estate and machinery belonging to companies acquired during the respective years:

MKr	26.5	6.6	8.0	13.1	10.0	14.6
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4) On 4,992,000 shares, i.e. the number of shares after increase of share capital as resolved on January 16, 1973, in connection with the incorporation of Facit AB (see page 5).

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# Annual General Meeting

The Annual General Meeting will be held on Wednesday, May 16, 1973, at 10 a.m. in the company's offices at Lilla Essingen, Stockholm.

## The Right to Participate in the Annual General Meeting

*New Shares:* Since the company operates under the Law on Simplified Share Handling, the names of the shareholders who wish to participate in the Annual General Meeting must be entered in the share register maintained by Värdepapperscentralen VPC AB (i.e. the institution in charge of the new handling system), not later than ten days prior to the Annual General Meeting.

Shareholders who have had their shares registered in trusteeship, either through the trust department of a bank or a private stockbroker, must temporarily register the shares in their own names in order to be able to attend the Annual General Meeting. This re-registration must be completed not later than ten days prior to the Annual General Meeting.

*Older Shares:* If the exchange of the older share certificates for those of the new type has not yet taken place, the older share certificates warrant participation in the 1973 Annual General Meeting, provided that the shareholder is listed in the share register that was previously maintained by the company.

## Registration

Shareholders who wish to participate in the Annual General Meeting must, in addition to being registered as mentioned above, notify the company not later than 2 p.m. on Saturday, May 12, 1973. Registration can be made by mail (AB Electrolux, S-105 45 Stockholm, Sweden) or by telephone (8-130100 extension 1124 or 1792).

## Payment of Dividends

The dividend declaration, as decided by the Annual General Meeting, will include notification of the day when the share register and the list of nominees, etc., maintained in conjunction with the share register, shall be reconciled. The Board of Directors and the Managing Director have suggested May 18, 1973, as the reconciliation date.

On acceptance of this suggestion at the Annual General Meeting, it is expected that the dividends will be distributed by Värdepapperscentralen VPC AB on May 25, 1973, to those whose names were entered, as of the reconciliation date, in the share register or in the above mentioned list of nominees.

Dividends falling due on shares, upon which the share certificate has been issued according to the older system, cannot—because of the requirements in § 31 of the Law on Simplified Share Handling—be paid until an exchange of shares has taken place, and the new shares have been entered in the share register maintained by Värdepapperscentralen VPC AB, or in the list of nominees, etc. which is kept in conjunction with the share register.



# Aktiebolaget Electrolux

## **Board of Directors:**

*Regular Members* Ragnar Söderberg, Chairman  
Gunnar Arpi  
Gunnar Engellau  
Lord Luke of Pavenham  
Åke T. Vrethem  
Hans Werthén

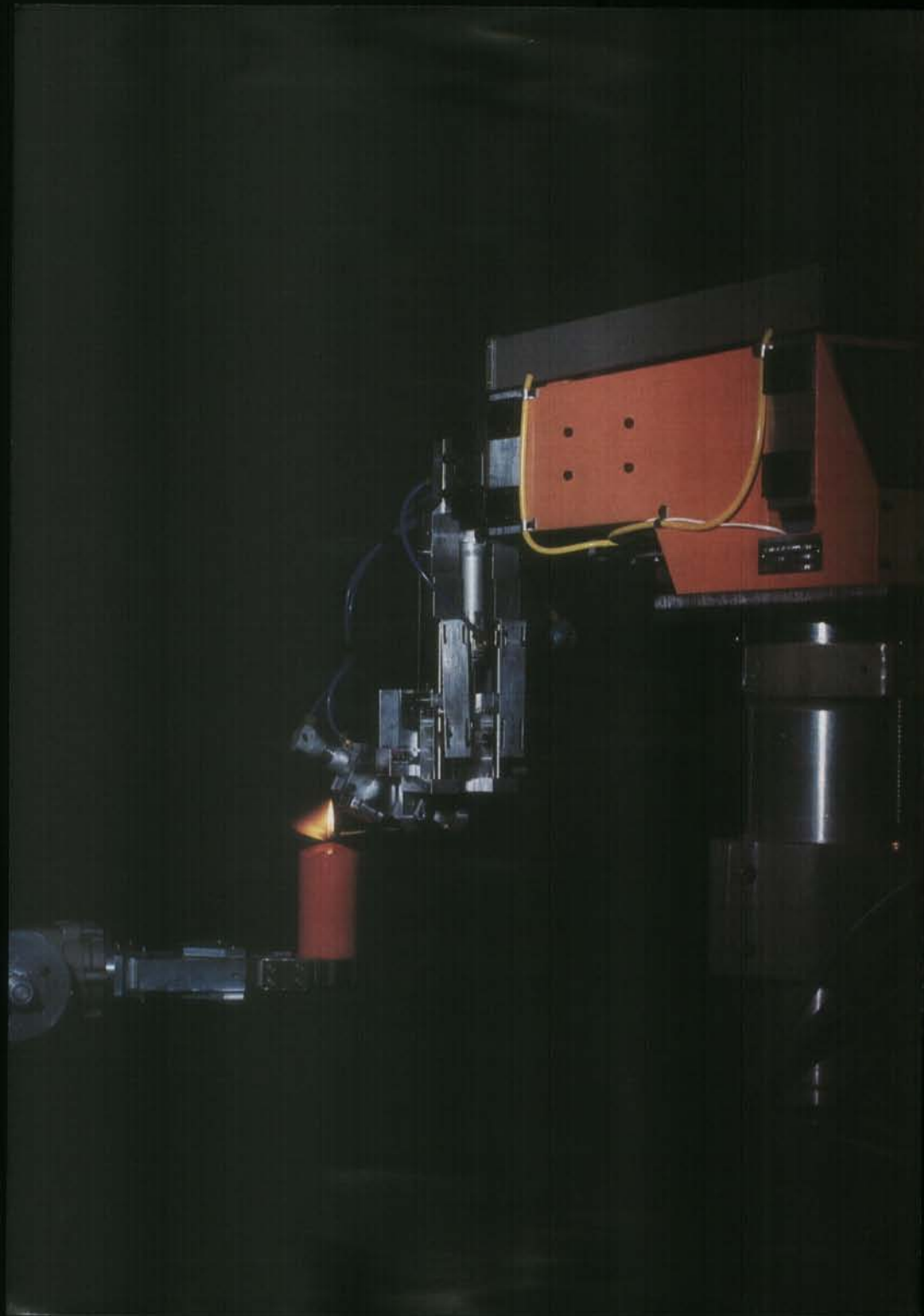
*Deputy Members* Gösta Bystedt  
Sven Olving  
Jacob Palmstierna

**Management:** Hans Werthén, Managing Director  
Gösta Bystedt, Deputy Managing Director  
Harry Eriksson, Deputy Managing Director  
Folke Heibert  
Yngve Lindholm (Elkhart, Indiana, USA)  
Anders Scharp  
Owe Werner

## **Auditors:**

*Regular Auditors* Arne Holmén, Chartered Accountant  
Bruno Svensson, Chartered Accountant

*Deputy Auditors* Sigurd Löfgren, Chartered Accountant  
Sten Lundvall, Chartered Accountant



# Consolidated Accounts and Report of the Directors

*Owing to the international structure of the Electrolux Group, the Report of the Directors for the Parent Company is included in the presentation for the Group as a whole.*

## General Review of the Group

1972 has been a record year for the Electrolux Group. Both sales and profits have been significantly in excess of the forecasts made at the turn of the year 1971/72. Due to the uncertainty of economic conditions at that time, the estimate of expansion during 1972 was made with a certain degree of caution. However, sales of certain larger classes of goods, such as domestic appliances in France, Great Britain, Sweden and West Germany, as well as caravan refrigerators in the United States, have shown a much more favourable development than anticipated, which has contributed to a marked increase in profit. The continued rationalization within all of the areas of operations of the Group has also contributed to this increase.

During the last part of the year, the factory at Motala (Sweden), which manufactures the absorption type refrigerator for caravans, has had difficulties in keeping pace with sales because of insufficient production capacity. From time to time during the year, the factory at Mariestad (Sweden), which

*The MHU industrial robot, manufactured by Electrolux, displays a high degree of work precision. The picture shows two robots in co-ordination—one holding a candle, which is lit with a match by the other.*

produces compressor type refrigerators, as well as the vacuum cleaner factories all over Europe, have also had difficulties in keeping up with the demand. This situation is now returning to normal.

The consolidated balance sheet shows an increase in inventories of MKr 95. However, also included here are the inventories of newly acquired companies, etc. at MKr 84. During 1972, as during 1971, the Swedish factories accounted for 57% of the total production volume of the Group. Electrolux has thereby provided Sweden with receipts from exports amounting to MKr 444 during 1972. Dividends and royalties etc. remitted to Sweden have amounted to MKr 36.

The majority of the Group's income is earned outside Sweden. During 1972, as during 1971, 69% of the Group's sales were made to customers outside Sweden. Excluding contract cleaning operations, 72% of the Group's sales were outside Sweden.

Electrolux Ltd., Luton (Great Britain), which is the largest Electrolux company outside Sweden, reached a new production and sales record during 1972. The number of vacuum cleaners, refrigerators, freezers, electric radiators and other products sold by the British company exceeded a million units, of which over 750,000 units were delivered to purchasers in Great Britain. The company has now widened even further its range of products.

## Incorporation of Facit

In accordance with the decision of the board of directors of AB Electrolux at the beginning of November 1972, the shareholders of Facit AB were offered an exchange of their shares, whereby they would receive 5 newly issued series "B" shares in AB Electrolux for every 16 shares of Facit AB. The offer was valid provided that it be accepted by the owners of more than 90% of all the shares of Facit AB, that the Annual General Meeting of AB Electrolux approve of the capital increase necessary for the above transaction, that the Annual General Meeting of Facit AB decide to annul the alien restriction clause of its articles of association, and finally that the King in Counsel approve of this change in the articles of association.

The share capital of Facit AB amounts to MKr 80. Shareholders representing approximately 97% of all shares have accepted the offer. An extraordinary General Meeting of AB Electrolux, held on January 16, 1973, decided to increase the share capital by a maximum of MKr 25. The increase has later been decided at MKr 24.2, corresponding to 242,000 series "B" shares. These have a par value of Kr 100, but they have been issued at a market price of Kr 250. The difference between this figure and the par value, or a total of MKr 36.3, has been transferred to the statutory reserve. The new shares will be entitled to the same dividend as that decided



for other Electrolux shares as from the 1972 operations. Since AB Electrolux has joined the system for simplified share handling, Värdepapperscentralen VPC AB, which administers the system, will issue the new share certificates.

The background to the acquisition of the Facit Group is as follows: Facit produces mechanical and electronic calculators, data products and typewriters, and markets these products in many parts of the world. Furthermore, Facit markets products which, either wholly or in part, coincide with the class of goods marketed by Electrolux. For example, Facit sells chemical products, and similar articles are produced by the Electrolux subsidiary Euroclean AB. Further, Facit's production of office furniture has common features with the production of kitchen cabinets, which the Electrolux subsidiary A/S Scan-Atlas Husholdningsapparater manufactures in Nykøbing-Falster (Denmark). Moreover, fractional h.p. electric motors are produced at AB Överums Bruk (Sweden), a member of the Facit Group, and comparable production is also carried out at the Electrolux factory at Västervik (Sweden). In addition, Facit and Electrolux are both involved in foundry and die casting operations.

Up to the middle of the 1960's, the office machine industry, which is characterized by precision engineering, consisted of only a few manufacturers. However, the structure of the industry changed when mechanical equipment was replaced by electronic equipment. Non-Swedish companies with considerable know-how in electronics also established themselves as office machine manufacturers. The Facit Group entered into collaboration with one of these manufacturers of electronic calculators and at the same time intensified its own development work on an electronic calculator. The rapid technical development in the field of electronics carried with it frequent model changes and resulted in a marked reduction in the prices obtainable for mechanical calculators.

During the last decade the research and development programme of the Facit Group has been aimed primarily at the data processing industry and a large number of products have been introduced on the market or prepared for production. The costs of this development programme have been a heavy burden on the Group's result, which has been additionally weakened owing to the declining business conditions of the last few years. Furthermore, the rising cost of labour in Sweden has had a negative effect, since it could not be compensated for by price increases or rationalization.

Facit's annual report for 1971 and the interim report for 1972 indicated that the Facit Group had found itself in a vulnerable situation. The board of directors had published a re-structuring program, according to which significant re-organizations and release of manpower had to be carried out in the different operational areas of the Group. In this situation, negotiations were initiated between AB Electrolux and representatives for the major shareholders of Facit AB, whereby agreement was reached to suggest a merger, which resulted in the above offer made by the board of directors of AB Electrolux.

Electrolux has been expanding rapidly and needs to increase its production, sales and service organizations. Within these areas, Facit has a certain excess capacity, which will be very useful in the merger of the two Groups of companies.

Electrolux will be able to furnish Facit with increased resources, which will enable the completion of its current product development programme, while in many areas, including electronics and precision engineering, Facit will be able to furnish Electrolux with technical knowledge. A merger will facilitate the financing of Facit's operations, which is vital to the development of new products.

On the production side, a better total utilization of the current capacity will be achieved by assigning the production of components for certain Electrolux products

to Facit factories. Thereby, the need for release of labour will be significantly reduced.

Both Electrolux and Facit market the major share of their respective manufacture outside Sweden. Their marketing practices reflect great similarities. A merger creates the possibility of rationalizing sales and administration, and should result in increased sales of the products of the two companies, both in established markets and new ones. It is also considered that coordinating both companies' service organizations will result in significant cost savings.

\*

The above-mentioned re-structuring programme of Facit implied the necessary release of a fairly large number of employees at the Group's factories in Gothenburg and Strömstad (both in Sweden), as well as in other places. As per agreement with the National Labour Market Board and the City of Gothenburg, employment for the next few years has now been guaranteed for a total of 880 persons in these two towns. The Labour Market Board will absorb certain re-organization costs and has granted a MKr 20 loan for investment purposes. The loan obligates Electrolux/Facit to invest MKr 30 during a four year period. Through HIGAB (Hantverks- och Industrihus i Göteborg AB) the city of Gothenburg has acquired the factory and office building in Gothenburg, which is now leased to AB Original-Odhner, one of the Facit AB subsidiaries.

The merger of Electrolux and Facit has to a considerable degree eliminated the far-reaching social effects, which would have occurred in several places through Facit having inevitably to close or reduce operations in many towns.

\*

At the end of 1972, an agreement was reached between AB Addo, a member of the Facit Group, and AB Electrolux, as a part of the merger. According to this agreement, AB Addo shall in future carry on its production and sales on commission for the account of AB Electrolux. Consequently, AB Addo has transferred the assets



and liabilities of its operations to AB Electrolux.

### Acquired and Newly Formed Companies

In 1972, AB Electrolux acquired all the shares in *Bröderna Brodd AB*, Skänninge (Sweden), which is a company producing and marketing special machines for street cleaning. *Bröderna Brodd AB* leads the Swedish market in these products.

AB Electrolux also acquired 50% of the shares of *A/S Vestfrost*, Esbjerg (Denmark). The range of goods of this company is in the area of "K" products.

Electrolux Svenska Försäljnings AB has also purchased half the shares in *Plåtindustri AB*, Malmö (Sweden), which includes the subsidiaries *AB K. J. Levin* and *Royal Refrigeration AB*, both in Malmö (Sweden). From the above-mentioned *AB K. J. Levin*, all the shares in the French company *Levin France S.a.r.l.*, Neuilly, have also been acquired. The range of goods of the *Plåtindustri* Group includes refrigerated merchandizers and display freezers as well as sectional refrigeration and freezing chambers.

In addition, the Electrolux Group acquired *Kreft S.a.r.l.*, Vianden (Luxembourg), a company which produces and markets small models of absorption type refrigerators.

At the end of 1972, Electrolux expanded its area of operations by acquiring all the shares in the Swedish company *AB Gårdscistern SPI* from Svenska Petroleum Institutet. The name of the company was later changed to *AB Gårdscisterner (ABG)*. The operations of this company consist of inspection and maintenance in Sweden of storage tanks for liquid fuels. In connection with the purchase, agreements have been concluded with the majority of the large oil companies for the purchase of their stock of approximately 150,000 mobile storage tanks used predominantly for the storage of oil, petrol, kerosene, grease or solvents, and

leased to farmers, small industrial establishments and building companies. The tanks are leased to the holder and the company is responsible for the continuous maintenance and the reconditioning of the tanks at such intervals as stipulated by the authorities.

In Belgium, AB Electrolux and *Det Danske Rengørings Selskab A/S (DDRS)*, Copenhagen, have jointly acquired a cleaning company, *Netto-Service S.A.*, Brussels. The marketing of Euroclean Products in Belgium, which was earlier carried out through an agent, has been taken over by the Belgian Electrolux company.

As a part of the continuous expansion of the Group's international distribution and sales organization, additional subsidiary companies have been formed in 1972. Among these is a company specializing in industrial cleaning in Sao Paulo (Brazil). In the Dominican Republic, a company was formed in which Electrolux owns the majority of the share capital. This company sells vacuum cleaners and floor polishers, and has recently begun contract cleaning operations.

### Sale of Real Estate

Approximately 13,800 acres (5,500 hectares) of forest land belonging to the Electrolux Group in the Ankarsrum (Sweden) area has been sold.

The property at St. Albans (Great Britain), which was previously occupied by Electrolux (Commercial Equipment) Ltd, has also been sold during the year. The operations of that company have now been centralised at Luton.

Electrolux Ltda. in Portugal has disposed of its property in Alfragide (near Lisbon). The operations of the company are now carried on from rented premises in Lisbon.

Owing to changes in local city planning regulations, Keltec Inc., Elkhart, Indiana (USA), has sold its factory and office building to the city authorities. At the end of 1973, said company will move to new premises which are under construction in the same city.

OY Elektroheliös AB in Finland has sold its property in Köklax (near Helsinki).

*Exterior view of the new headquarters of the French Electrolux organization. The premises, located at Senlis, north of Paris, were ready for occupation during the summer of 1972.*





# Sales

## Group Net Sales

Group net sales amounted to MKr 2,491 as compared with MKr 2,122 in 1971, an increase of 17.4%. Customers in Sweden accounted for 30.8% of total sales and customers outside Sweden for 69.2% compared with 31.2% and 68.8% respectively for the previous year.

## Parent Company Net Sales

Total net sales of the Parent Company amounted to MKr 882 as compared with MKr 742 in the preceding year, an increase of MKr 140 or 18.9%.

Sales to Group companies amounted to MKr 614 and to other customers to MKr 268 (MKr 510

and MKr 232 respectively in 1971). Exports increased by MKr 62 to MKr 413 in 1972, representing 46.8% of total sales.

## Territorial Distribution of Group Sales

		Sweden	Other EFTA countries*)	EEC countries	South and Central America	Australia and New Zealand	USA and Canada	Other areas	Total
1966	Mkr	356.0	256.9	218.6	93.3	59.2	17.1	69.2	1,070.3
	%	33.3	24.0	20.4	8.7	5.5	1.6	6.5	100.0
1967	Mkr	374.0	279.1	211.9	89.1	56.4	24.2	63.1	1,097.8
	%	34.1	25.4	19.3	8.1	5.1	2.2	5.8	100.0
1968	Mkr	434.0	380.4	224.9	106.4	58.3	51.4	71.5	1,326.9
	%	32.7	28.7	16.9	8.0	4.4	3.9	5.4	100.0
1969	Mkr	539.0	477.0	237.8	116.2	66.9	66.8	79.2	1,582.9
	%	34.1	30.1	15.0	7.4	4.2	4.2	5.0	100.0
1970	Mkr	629.0	555.2	295.5	102.5	106.2	99.9	81.0	1,869.3
	%	33.6	29.7	15.8	5.5	5.7	5.4	4.3	100.0
1971	Mkr	661.7	629.9	367.1	119.2	126.4	124.1	93.5	2,121.9
	%	31.2	29.7	17.3	5.6	6.0	5.8	4.4	100.0
1972	Mkr	768.4	757.2	430.7	115.8	142.6	167.5	108.7	2,490.9
	%	30.8	30.4	17.3	4.7	5.7	6.7	4.4	100.0

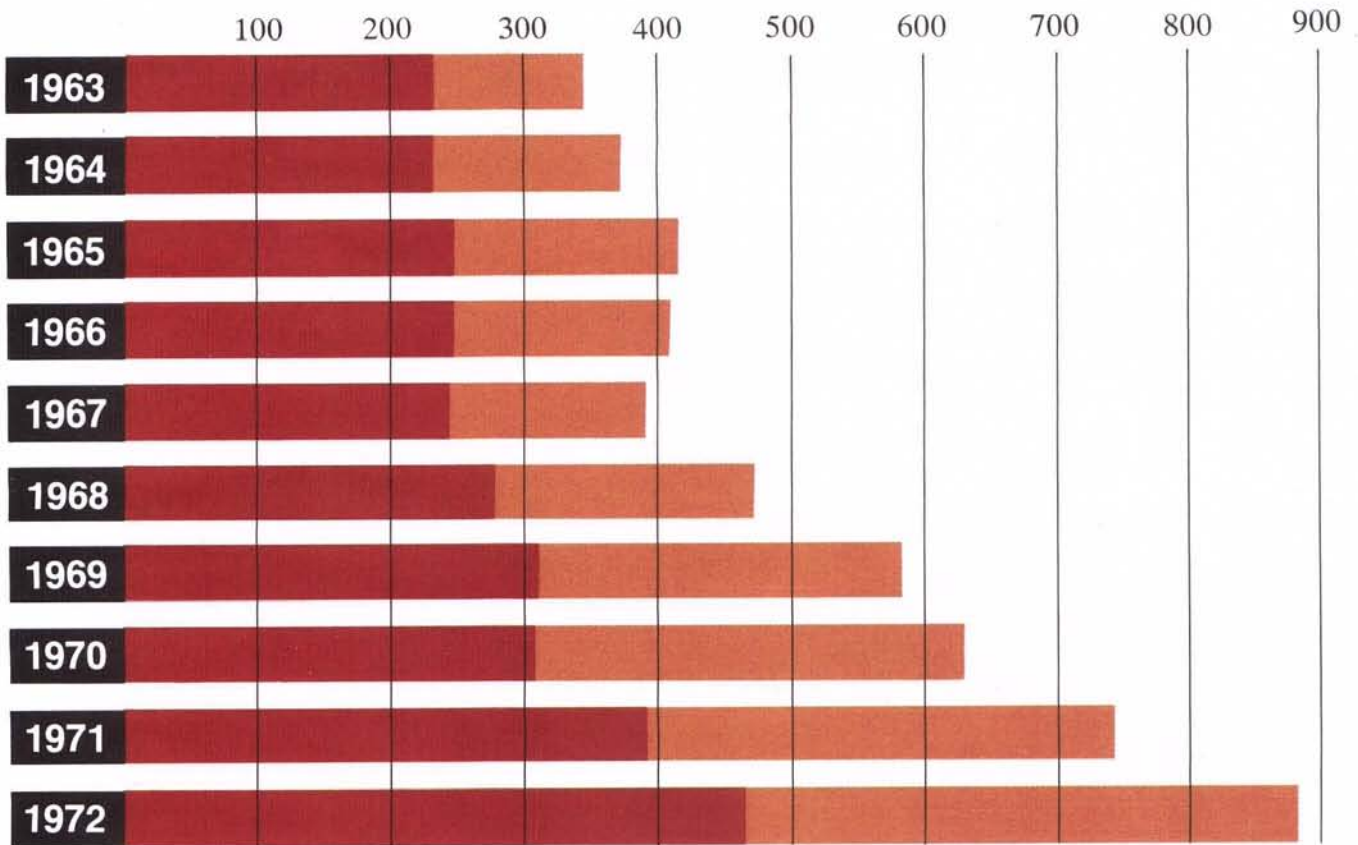
\*) Countries (other than Sweden) that belonged to EFTA in 1972.



Domestic

Export

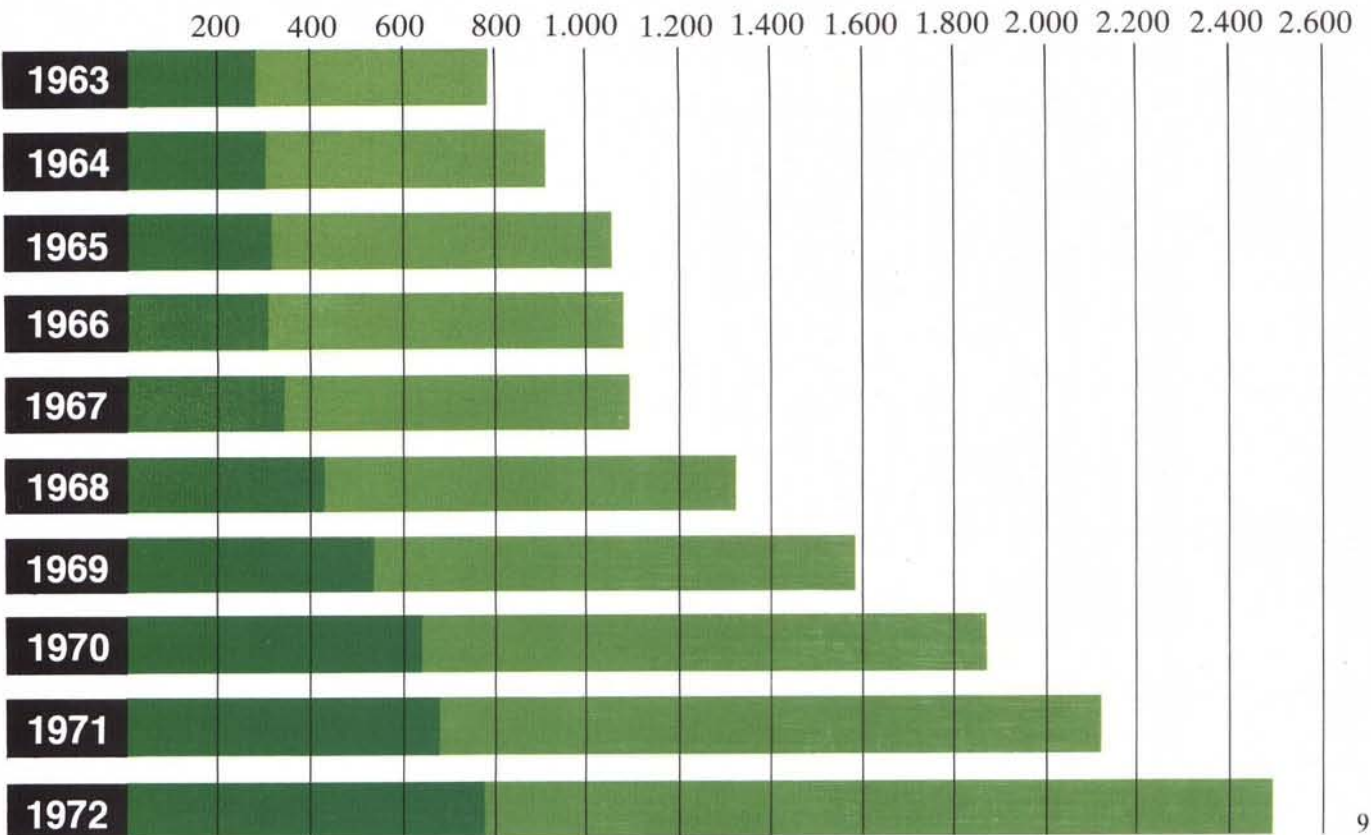
**Sales 1963-1972**  
**Parent Company**  
(MKr)



Sweden

Other countries

**Sales 1963-1972**  
**Total Group**  
(MKr)



# Personnel

The average number of employees in the Group in 1972 totalled 35,624 as compared with 33,642 for the previous year. In order to achieve better uniformity in determining the total number of the Group's employees, all direct salesmen in "Group companies outside Sweden" have been included, irrespective of their terms of appointment. Figures reported for previous years have been adjusted accordingly. The increase of the Group's average

number of employees is wholly accounted for by companies outside Sweden, including particularly Electrolux GmbH, Hamburg, and Electrolux S.A., Senlis (near Paris).

The number of employees in Sweden in 1972 amounted to 36% of the total number of employees in the Group (38% in 1971). Wages, salaries and other remuneration in Sweden amounted to MKr 375.1, representing 47% of the Group's

total figure of MKr 798.0 (see also page 43).

Employees in certain Swedish subsidiaries were transferred to the Parent Company at the turn of the year 1971/72. The decrease in the number of workers as well as other employees in "Subsidiaries in Sweden excluding contract cleaning", as shown in the table below, is explained mainly by this transfer of personnel.

## Number of Employees in the Group (average)

		Parent Company	Subsidiaries in Sweden, excluding contract cleaning	Contract cleaning in Sweden	Total in Sweden	Subsidiaries outside Sweden, excluding contract cleaning	Contract cleaning outside Sweden	Total outside Sweden	Grand total for the Group
<b>1971</b>	Workers	4,335	1,060	3,760	9,155	5,584	3,053	8,637	17,792
	Others*)	1,879	1,366	440	3,685	11,996	169	12,165	15,850
	Total	6,214	2,426	4,200	12,840	17,580	3,222	20,802	33,642
	%	18	7	13	38	52	10	62	100
<b>1972</b>	Workers	4,474	798	3,746	9,018	5,782	3,699	9,481	18,499
	Others*)	2,220	989	467	3,676	13,240	209	13,449	17,125
	Total	6,694	1,787	4,213	12,694	19,022	3,908	22,930	35,624
	%	19	5	12	36	53	11	64	100

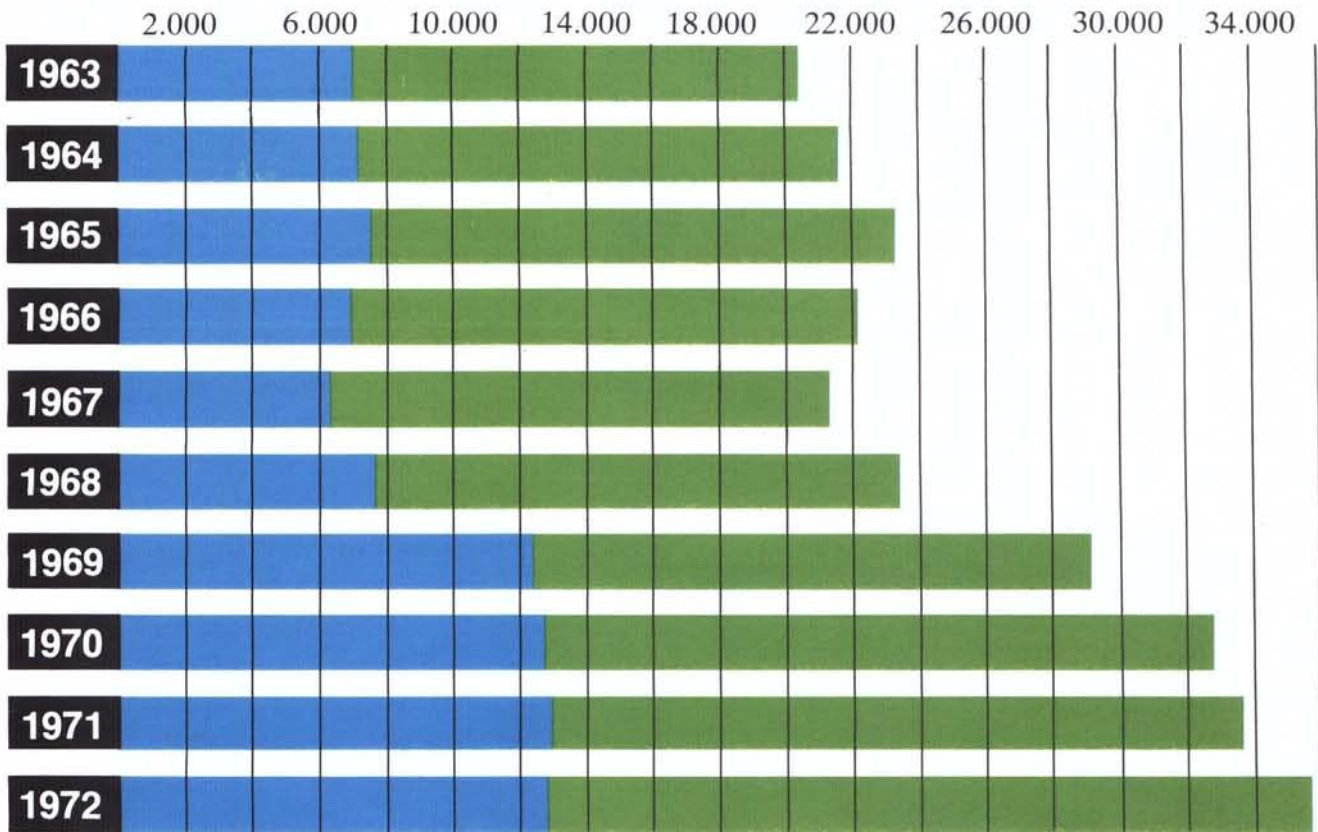
\*) Including direct salesmen



Sweden

Other countries

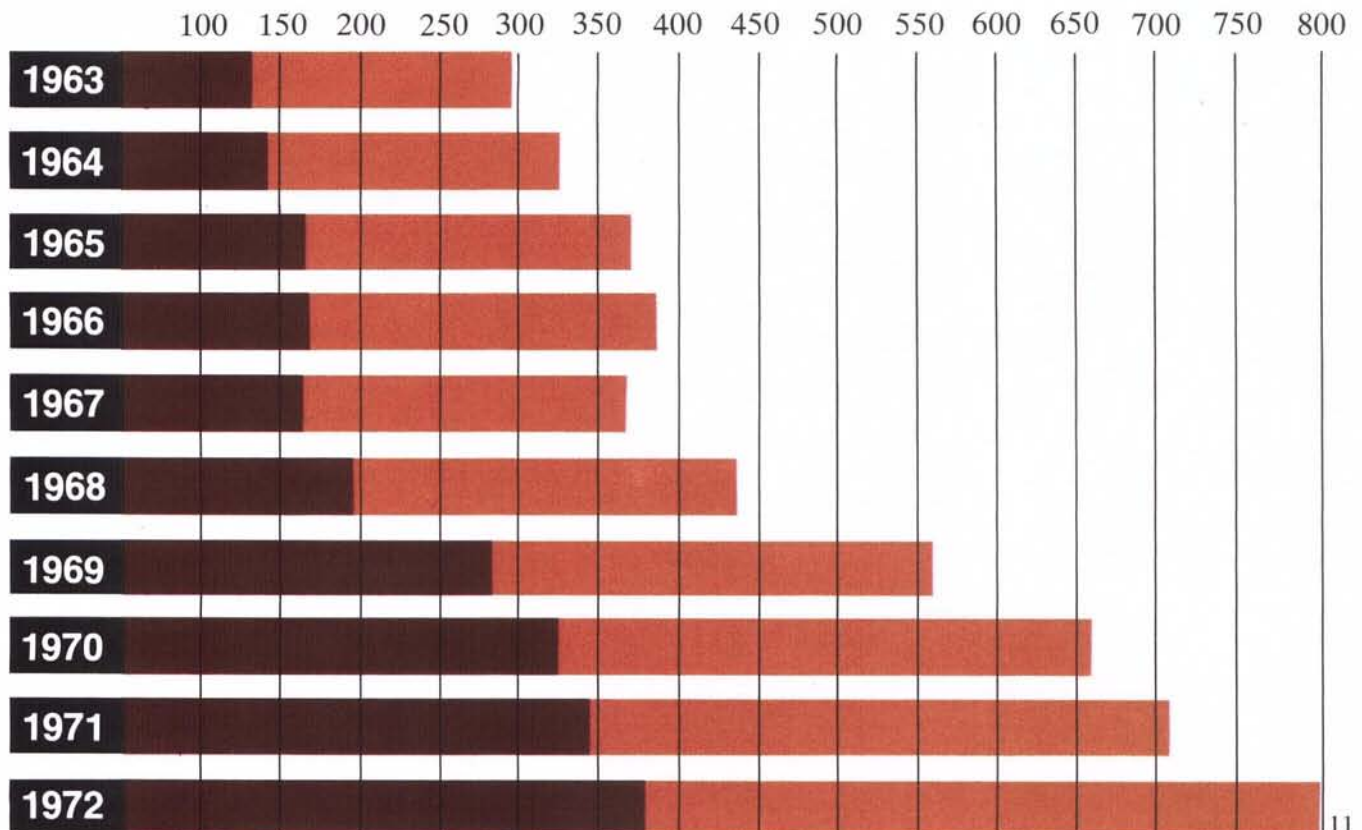
### Number of Employees in the Electrolux Group 1963-1972 (Annual average)



Sweden

Other countries

### Earnings in the Electrolux Group 1963-1972 (MKr)





# Diagrams of the Development of the Group

Some of main features of the development of the Group during the last seven years are shown in diagrammatic form on the adjoining page.

## **Result and Return on Working Capital**

The bars depict the "Result from current operations", as shown in the Profit & Loss Statement.

The curve illustrates the "Return on working capital", calculated as the percentage relationship between the "Result from current operations", before deduction of "Interest paid", and the total of the balance sheet adjusted by the amount of the general inventory reserve as at December 31 of each year. During 1972, the return, as defined above, has increased from 9.6% to 12.4%. The positive trend of the last five years is the result of a simultaneous improvement of profits and the increased rate of turnover of both inventories and accounts receivable.

## **Liquid Funds and Liquidity**

Liquidity is expressed as the ratio between total current assets, adjusted by the amount of the general inventory reserve, and total short-term liabilities as at the close of each year, thus showing the company's ability to pay those of its liabilities that fall due within one year.

During the last three year period, this ratio has been about 2.4 or 2.5, while a ratio of 2.0 already is usually considered satisfactory.

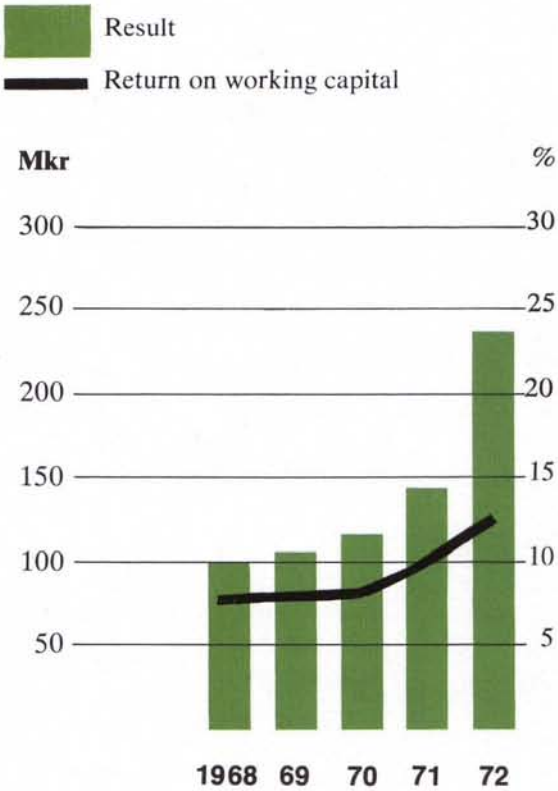
## **Accounts Receivable (excl. bills receivable)**

Accounts receivable as at the close of each year, expressed as a percentage of total sales of the same year, is shown by the curve in this diagram. The curve reflects an improving downward trend, and as at December 31, 1972, accounts receivable amounted to 25% of sales during 1972.

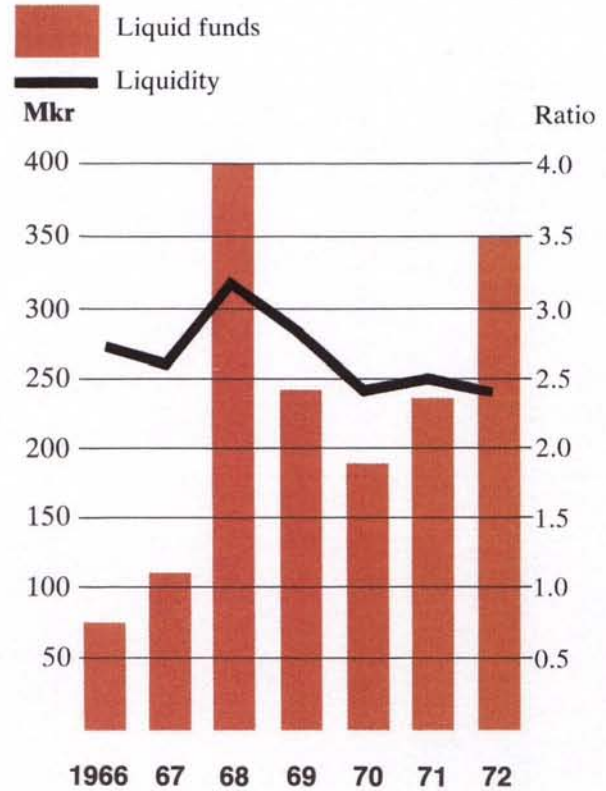
## **Inventories (before deduction of general inventory reserve)**

The curve reflects total inventories as at the end of each year, expressed as a percentage of sales during the same year. As at December 31, 1972, inventories amounted to 27.9% of sales during 1972.

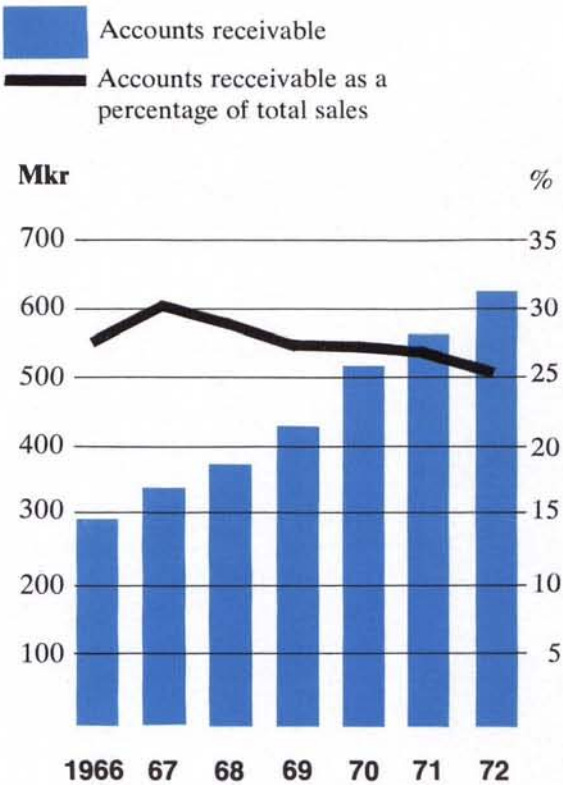
### RESULT AND RETURN ON WORKING CAPITAL



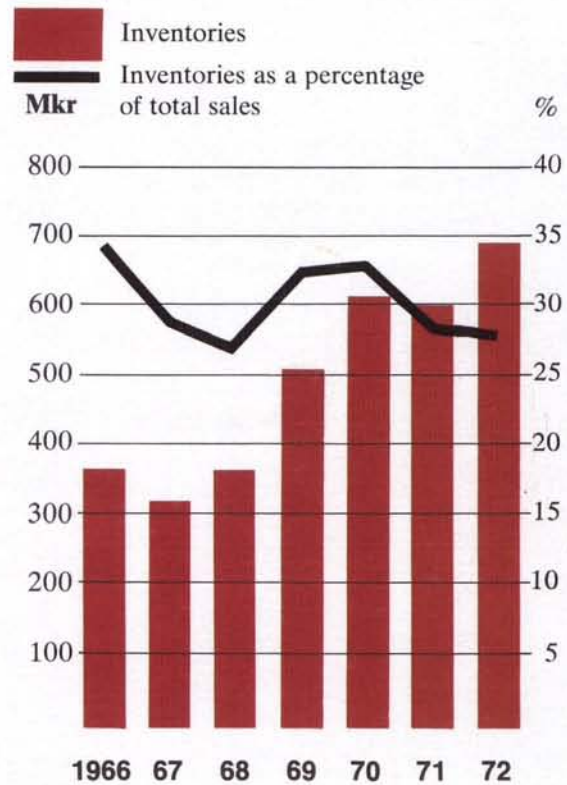
### LIQUID FUNDS AND LIQUIDITY



### ACCOUNTS RECEIVABLE



### INVENTORIES





# Product Review

## Cleaning Machines and Contract Cleaning

In 1972, the Electrolux Group sold about 1.7 million *vacuum cleaners and floor polishers for household use*. This represents about one quarter of the total sales of all products of the Group. The Electrolux companies in Finland, France, Great Britain, Spain, Switzerland, Sweden and West Germany have been especially successful.

The vacuum cleaner model Z 320, introduced in Sweden at the close of 1971, is now being marketed all over Europe and is being manufactured in France, Great Britain (Z 330), Sweden and West Berlin. Its reception has been so favourable that the factories have had difficulty at times in keeping up with sales.

In 1972, a device for the shampooing of carpets, designed as an attachment for the vacuum cleaners, was introduced. An increasing trend of sales of this device, which is designated the ZS 1, has been experienced throughout the year, often in connection with the sale of both the Z 320 vacuum cleaner and the ZE 1 motor-driven power nozzle. The latter is used e.g. when

cleaning fitted carpets. These three items of equipment represent a complete mechanical cleaning outfit for household use.

In certain countries, upright vacuum cleaner models are being marketed. Electrolux has had much success with models of this type, particularly the model designated the Z 500. The sales success relates both to Great Britain, where it is manufactured, and several other countries.

As a result of the increased use of fitted carpets and plastic floor coverings, the sales of floor polishers reflect an irregular development. Only a very small number are sold in Scandinavia. The largest markets are in France, Brazil, Venezuela, Italy, Colombia, Spain and Peru, in that order.

The Electrolux Group has been one of the pioneers in the field of direct selling in the form of house-to-house canvassing. In certain countries, much of its success in vacuum cleaners arises from this marketing method, which enables a closer and more active contact with the customers, at the same time as it makes possible a thorough and competent demonstration of the product.

Electrolux has in Sweden contributed to the forming of the Swedish Direct Selling Association (Direktförsäljningsföretagens Förening), which since 1968, in several ways has encouraged the promotion of controlled direct selling and emphasized its importance as a supplement to other marketing channels. The stipulation regarding the customer's right to cancel his order within one week, which became law in Sweden during 1971, had voluntarily already been common practice among the members of the Association and it has had a good effect on trading. The association also carries on certain cooperation with its counterparties in other European countries and the USA.

Also in other countries than Sweden, e.g. France and West Germany, Electrolux is a member of organizations with similar objectives.

In 1972, the range of *industrial cleaning machines* was supplemented through the acquisition of Bröderna Brodd AB, Skänninge (Sweden). The operations of that company consist mainly of the production and marketing of street-sweeping machines as well as brushes of various sizes, primarily intended for cleaning machines. In addition, street-sweeping machines are rented, and contract cleaning is also carried out, including street, road and park cleaning. By this acquisition, Electrolux has expanded its product range in the field of outdoor cleaning. At the same time, Bröderna Brodd AB has via the Electrolux international sales organisation gained access to a considerably widened export market, and thereby been offered the possibility of continued expansion.

A new vacuum cleaner model designed for industrial use has been introduced under the designation



*The Electrolux factory at Motala in Sweden houses one of the largest installations for injection moulding in the country. Pictured here is the manufacturing of vacuum cleaner covers made of thermoplast.*





*The "COMPACT"—a comparatively noiseless sweeping machine marketed by Bröderna Brodd AB, Skänninge (Sweden).*

For the last several years, Electrolux subsidiaries and companies owned jointly with Det Danske Rengørings-Selskab A/S (DDRS), Copenhagen, have been active within the contract cleaning industry. During 1972, the turnover within this field of operation amounted to MKr 156. Allmänna Svenska Städnings AB (ASAB), which is partially owned by Electrolux, has also carried on successful operations in 1972. Its turnover has amounted to MKr 123 compared with MKr 107 in 1971. The cleaning companies in Australia, Brazil, Great Britain, Norway (in which Electrolux owns 49%) and South Africa have also shown satisfactory development.

Z 74. It has a new exterior construction of glass-fibre reinforced polyamide and is equipped with two new motors with good performance characteristics and a new simplified filter. A newly developed, robust combination nozzle is included in the accompanying set of accessories.

In 1970, Electrolux acquired the Swedish company Euromekan AB and its subsidiary companies. In 1972, the name of this company was changed to *Euroclean AB*. The company produces and markets machinery and equipment for high pressure cleaning, as per the EURO-CLEAN method. The basic idea of this method is the use of a small quantity of water under high pressure and special cleaning agents. The Euroclean method is used within the food, pulp and engineering industries, for cleaning cars, marine tankers and the frontages of houses, etc.

Increased water contamination and shortage of water are current world problems. The Euroclean method has the advantage of requiring only one fifth the amount of water which is normally consumed in cleaning by flushing with hoses. Since the total quantity of contaminated water is reduced, the Euroclean method

carries with it lower demands on connected treatment facilities.

In 1972, Electrolux Group sales of Euroclean products amounted to MKr 32, an increase of 37%. This favourable development can be attributed to new areas of application, which the company has found for its products. For example, Euroclean has developed a new method by which the cleaning of reactors during the construction and installation phase is accomplished with the use of de-ionized water. At the present time the method is used by AB ASEA-ATOM in the construction of a reactor at Oskarshamn (Sweden), and in the joint construction with Westinghouse Electric Corp., USA, of a reactor at Ringhals (Sweden).

The food industry is another field where the Euroclean method has found increased application. This is due to the strict sanitary requirements now prescribed by Swedish legislation. In 1972, an installation with centrally located pumps was installed at FOODIA AB in Stafanstorp (Sweden), where the industrial premises are kept clean with Euroclean high pressure cleaning. A high degree of bacteriological purity is maintained by using a constant flow of clean water, to which the cleaning agent is continuously added.

Cleaning operations have also been developed further into new fields. In Brazil, Electrolux has begun "industrial cleaning", which includes the cleaning of chemical plants, breweries, tunnels, heat exchangers, etc. During 1972, ASAB has also engaged itself in the exterior cleaning of aeroplanes.

*The "Z 74" is a special vacuum cleaner with dual motors, thus providing extra suction efficiency.*





## "K" products

This group of products includes various models of refrigerators, upright and chest type freezers (both absorption and compressor models), refrigerated merchandisers and display freezers for shops, electric cookers, hotplates and kitchen ventilators. Further, this group includes fully-automatic dish-washers and washing machines, spin dryers, drying cabinets and mangles as well as various types of heating appliances, such as electric radiators, electric and oil heaters, etc. Also included in this range of products are kitchen cabinets and the "Assistent" kitchen machine.

During the past year, the sales of "K" products have amounted to about MKr 1,100. Profitability has been improved further.

The structural rationalization within Scandinavia, mentioned in the preceding annual report, has been continued during 1972, e.g. by the acquisition of 50% of the shares in Plåtindustri AB, Malmö (Sweden), which owns AB K. J. Levin, the Swedish sales company Royal Refrigeration AB and subsidiary companies in several other European countries. Production, which is carried on in two factories in Malmö, consists of refrigerated merchandisers and display freezers as well as sectional refrigeration and freezing chambers for shops and supermarkets.

The acquisition of Kreft S.a.r.l., Vianden (Luxembourg), which produces and sells smaller models of absorption type refrigerators primarily intended for caravans and leisure use in general, provides a

complement to the previous Electrolux range of products.

A/S Vestfrost, Esbjerg (Denmark), which supplies a range of products including chest-type freezers, upright freezers and refrigerators, is one of the largest Danish export companies in the industry. The majority of its production is delivered to the other Scandinavian countries, and additional exports are made to other countries in Europe, especially Great Britain. Vestfrost products are sold through channels which have not been easily accessible to Electrolux, and thus part ownership of this company offers scope for an expansion of the marketing activities of the Group.

To increase further the Electrolux share of the large American market

for caravan refrigerators, these products have been divided into two classes—the first a range designed for de luxe caravans and the second a standard range for other caravans.

ROYAL DOMETIC is the trademark under which the range of refrigerators designed for de luxe caravans is marketed. This range is of advanced design and harmonizes with the other equipment in more expensive caravans. Automatic defrosting is a standard feature on these caravan refrigerators.

The standard range of caravan refrigerators has been improved in several respects. Front adjustment of the change-over from gas to electric operation has been introduced throughout the whole range. Earlier friction lighters, used to ignite the gas, have been replaced by so-called piezo-electric ignition.

During 1972, sales of caravan refrigerators reached 333,000 units. Principal markets are the USA, Australia, Belgium, Canada, France, Great Britain, Holland, Italy, Sweden and West Germany. The number of models in special colours has been increased and now includes all of the more important models.

In the spring of 1973, the production and sale will be initiated of a new 5.5 cubic feet (150 litres) absorption freezer, operated by kerosene or bottled gas. The freezer has



*A 7.5 cubic feet (215 litres) refrigerator with the new "POPPY" finish, here in the building-in version. A number of "K" products are now supplied in this colour.*





*Freezers and refrigerators in the "FUTURE LINE" series.*

extraordinary performance characteristics and is the first absorption model in the world that can achieve the  $-18^{\circ}\text{C}$  ( $0^{\circ}\text{F}$ ) temperature necessary for frozen storage, even at an ambient temperature of  $+40^{\circ}\text{C}$  ( $105^{\circ}\text{F}$ ). This freezer is equipped with a newly developed thermostat for kerosene operation, which makes the operation of the freezer much

easier and also offers greater economy of operation.

As a part of the structural rationalization of the "K" products area, Electrolux has transferred equipment for the production of hot water radiators to AGA Plåtförädling AB, Helsingborg (Sweden), and has ceased selling this product.

1972 sales figures for certain "K" products were as follows (in units):

Refrigerators and freezers, including caravan refrigerators	1,146,000
Electric cookers	255,000
Electric radiators	305,000
Washing machines, drying cabinets and mangles	71,000
Dishwashers	23,000



## Catering, Hospital and Industrial Equipment

The Division for Catering, Hospital and Industrial Equipment manufactures and markets a complete line of catering equipment (primarily designed for restaurants, ships and hospitals), central sterilization stations and other hospital equipment, sterilization and purification equipment for the pharmaceutical industry as well as painting and heat treating installations.

Since the Swedish market for these special product groups is limited, the operations have been given an increasingly international character. In addition to sales of catering equipment pursued in several European countries, e.g. to hospitals and personnel canteens, it can also be reported that during 1972, Electrolux received several orders from leading international hotel chains.

Equipment has been sold to ten Holiday Inns hotels at various locations around the world. The latest sale was to the hotel in Madeira, where Electrolux has undertaken to deliver all of the equipment for both the kitchen and the hotel laundry.

Delivery of catering equipment was also made to hotels in Warsaw and Zagreb belonging to the Intercontinental Group.

The British hotel chain Trust Houses Forte Limited purchased catering equipment for the Golden Sands, a 1,000 bed hotel in Famagusta (Cyprus).

In the past, Electrolux deliveries of catering equipment for ships has been mainly confined to cruise liners and ferries. In 1972, both orders and the delivery of catering equipment for cargo ships has increased significantly. This has contributed to the favourable development in 1972 of total sales of catering equipment for ships.

Dishwashers intended for catering use are among the products in this area. By complementing the line with a dishwasher that is suitable for location beneath a bench in the dishwashing room, the line of dishwashers has been broadened and has become more competitive in both the Swedish and the international market.

During 1972, governmental and municipal authorities and industrial

establishments in Sweden have been very cautious in making new investments, and this has affected the influx of orders within the Division for Catering, Hospital and Industrial Equipment. However, the decline in orders connected with new investments in catering equipment has been compensated for by more active sales efforts in the replacement market. Total deliveries of catering equipment in Sweden have thus increased in comparison with 1971.

Corresponding restraint with regard to investments has also characterised the situation in several other European countries. By intensified sales promotion in developing countries with growing incomes from the sale of oil and a resultant willingness to invest, the division has received orders which have compensated for a certain decline in the influx of orders from other countries. During 1972, deliveries were thus made of catering and hospital equipment to customers in Abu Dhabi, Bahrain, Dubai, Iran, Oman and Saudi Arabia. Deliveries of catering equipment have also been made to the state oil company Sonatrach, Algeria.

Orders for pharmaceutical equipment have been received from customers in Brazil, Indonesia and Iran.

In certain southern European countries and in West Germany, sales of hospital equipment during 1972 have resulted in increased orders and deliveries.

For the account of Svenska Utvecklings AB, Electrolux has designed and delivered an oven to a factory at Kungsör (Sweden), where it makes part of a completely automatic installation for the production of licence plates for automobiles.

*An automatic dish-washer installation manufactured by the Division for Catering Equipment at Alingsås (Sweden) and installed at the restaurant "5:an" in Gothenburg.*





*Auto-claves for various types of sterilization are manufactured at the Getinge factory in Sweden.*





## Steel Fittings and Materials Handling Installations

This division develops, produces and markets steel fittings, which is the general designation for filing and storage installations and thus includes storage racks, cabinets, pallet racks, roller conveyors as well as pre-fabricated partitions for industrial and office use, etc., all made of steel. The division also plans, produces and markets industrial and storage buildings made of steel.

Materials handling installations are planned as systems and are produced for industrial and wholesale companies in a range from manually operated units up to installations of several million Kronor's worth, often highly mechanized and computer controlled.

Internal conveyor and transport installations are also marketed, e.g. the small TELELIFT general goods conveyor system and the TELE-TUBE pneumatic dispatch system. Several of these installations have

been delivered for use in various areas, including public institutions.

In 1972, this division was affected by poor business conditions in Sweden, which was met by increased sales efforts in other countries. The products are now marketed in twelve West European countries besides Scandinavia, and the aim is to expand even further the international marketing.

The larger customers of the division, during 1972, include:

- AB Svenska Kullagerfabriken, Gothenburg (Sweden), transport installation.
- AB Karlshamns Oljefabriker (Sweden), materials handling installation.
- Foodia AB, Lysekil (Sweden), transport installation.
- Elektriska Svetsnings AB, Laxå (Sweden), stores with crane equipment.

The major design commissions carried out by the division include:

- A storage system for pipe blanks, Sandvik AB, Sandviken (Sweden).
- A conveyor system for tobacco, Svenska Tobaks AB, Stockholm.

— A buffer stores for refrigerator parts, Robert Bosch Hausgeräte GmbH, Giengen-Brenz (West Germany).

— A high-level stores for spare parts, Volvo Europa N.V., Ghent (Belgium).

The line of industrial robots, marketed by a sales department within the parent company, has been expanded. A new smaller robot, the "MHU Junior", has been developed, and it is intended for use in rapid operations with lightweight components, e.g. for feeding various types of presses. Deliveries will begin mid-1973.

AB Electrolux and Robert Bosch GmbH, Stuttgart (West Germany), have concluded an agreement to cooperate within the field of industrial mechanisation and automation. Under this agreement regarding the MHU industrial robot as developed by Electrolux, Bosch will, with certain compensation, have access to the technical knowledge that Electrolux has accumulated in the area of robot mechanized materials handling. Bosch is also

*Sketch outline of the overall layout and the flow of goods in the automatically operated transportation installation at the finished goods warehouse of AB Karlshamns Oljefabriker at Karlshamn (Sweden). The transportation equipment is manufactured by Electrolux.*

**green** = Flow of margarine boxes from the manufacturing machines to the automatic loading device.

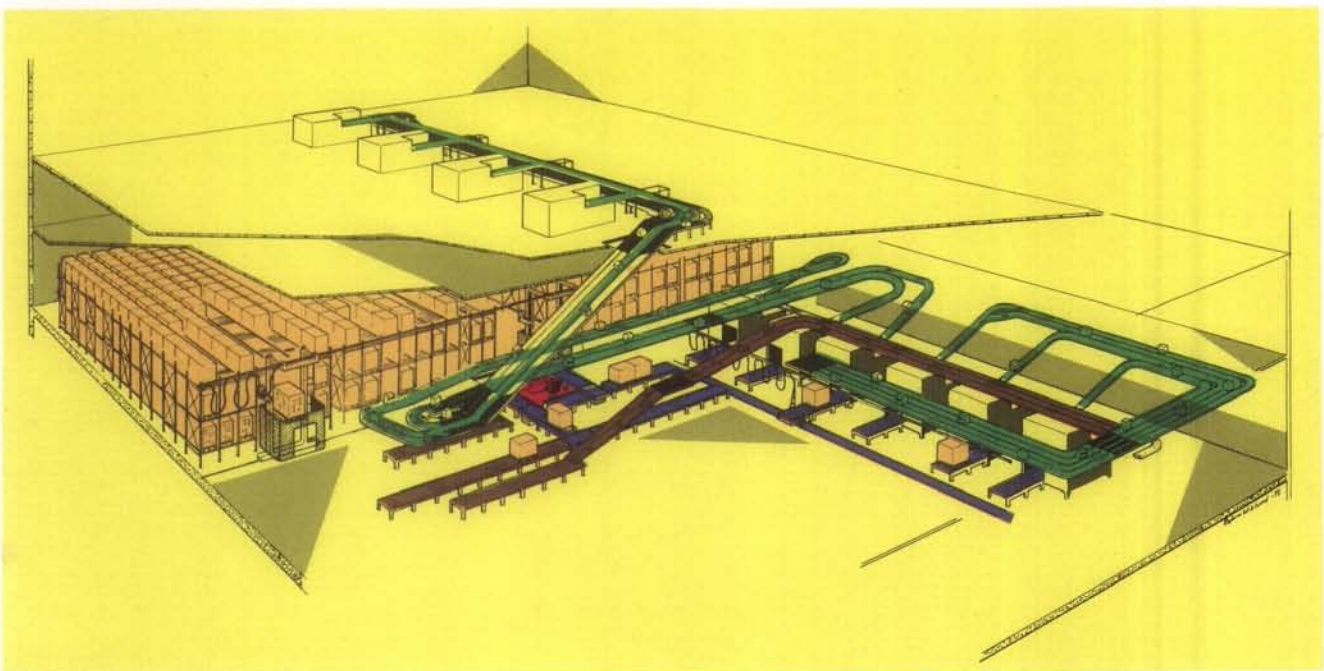
**brown** = Flow of margarine boxes approaching the point of manual loading on stools.

**blue** = Fully loaded stools are brought from the loading device to the operator on tracks with automatic carriages.

**red** = The operator's desk, from which various types of stool loads

are directed into the warehouse for finished goods.

**yellow** = The finished goods warehouse with roller boxes and two automatically operated stool loading devices.





granted the exclusive sales rights of the Electrolux MHU industrial robot in the majority of countries on the European continent.

As a result of an agreement with Unimation Inc., Danbury, Connecticut (USA), the range has been extended during 1972 by the addition of the American "Unimate" robot, which is designed for heavier jobs.

The "Trallfa" spray painting robot will be marketed by Electrolux in cooperation with the manufacturer, Trallfa of Bryne (Norway).

The new robot programme was presented with great success at the Technical Fair in Stockholm in 1972. Swedish companies have also shown a great deal of interest in the Electrolux line of robots, resulting in a number of installations during the year. Among these are:

- AB Volvo Skövdeverken, Skövde, feeding of reamers (MHU).
- AB Trempex, Eslöv, handling of automotive glass (MHU).
- AB Volvo Olofströmsverken, Olofström, carbon dioxide welding of front beams (Unimate).
- AB Plåtmanufaktur, Malmö, box handling (MHU).

The introduction of additional units in the factories of the Group continues.

The need to invest in mechanical equipment of this kind, which would increase productivity, seems to exist in Swedish industry. It is anticipated that the demand for robots will increase further in conjunction with the implementation of plans for increased production, which com-

*Margarine boxes during transportation along curved conveyors equipped with conical rollers, a component of the Electrolux installation for materials handling at AB Karlshamns Oljefabriker.*



panies have made in expectation of more favourable business conditions.

Robot installations can be used in many cases to eliminate repetitive manual routine jobs. From this standpoint, working conditions can be improved using robots.

Electrolux is well equipped to meet the changing needs of both the Swedish and the international market for installations of this type.

*A mobile vertical hoist pictured whilst moving automatically to a selected part of the roller stand. The equipment forms part of a materials handling installation, which Electrolux has manufactured for the margarine factory of AB Karlshamns Oljefabriker, Karlshamn (Sweden).*



*The "Electrolux Wall" and the work benches at the new factory and office building of LM Ericsson AB at Jorva, outside Helsinki, have been manufactured by AB Electrolux at its Säffle factory in Sweden. The shelving and stool equipment has been supplied by the Finnish subsidiary, OY Electrolux Kahete AB, Helsinki.*







*The FLYMO air-cushion lawn-mower is operated by either a petrol engine or electricity.*

### **Lawn Maintenance and Outdoor Cleaning**

The FLYMO Group develops, produces and markets primarily electrically and petrol engine powered lawn-mowers based on the air-cushion principle. The product development is carried out at Arlöf outside Malmö (Sweden). The lawn-mowers are produced at Darlington (Great Britain), West Berlin, Australia and South Africa. The motors for the electric lawn-mowers are produced at the Electrolux factories at Västervik (Sweden) —see page 25—and Courbevoie

(France). The Swedish company AB Greenlux, which belongs to the FLYMO Group, carries out development work for other activities within the areas of outdoor cleaning and grass maintenance, e.g. cultivating "turf by the yard" (see picture on page 23) and automatic irrigation systems for golf courses and sports grounds, etc.

During 1972, the FLYMO air-cushion lawn-mower was sold in some seventy countries by subsidiary

sales companies and agents. Scott Bonnar Ltd., Thebarton, Adelaide (Australia), markets large machines for professional lawn maintenance, e.g. in parks and on golf courses, sports grounds and church yards.

Sales of the FLYMO Group increased by about 30% over 1971, despite stiff competition and price pressure. The greatest sales successes were achieved in Denmark, France and Great Britain.





*Laying prefabricated  
GREENLUX lawn turf.*

New, further developed models of FLYMO lawn-mowers like ELECTRIC 38, ELECTRIC 47 and LAWLADY, were introduced on the market during 1972. These mowers are more silent-running and require less service than earlier models.

The range of products has been expanded by the addition of "riders", i.e. power mowers which can be ridden. The FLYMO orga-

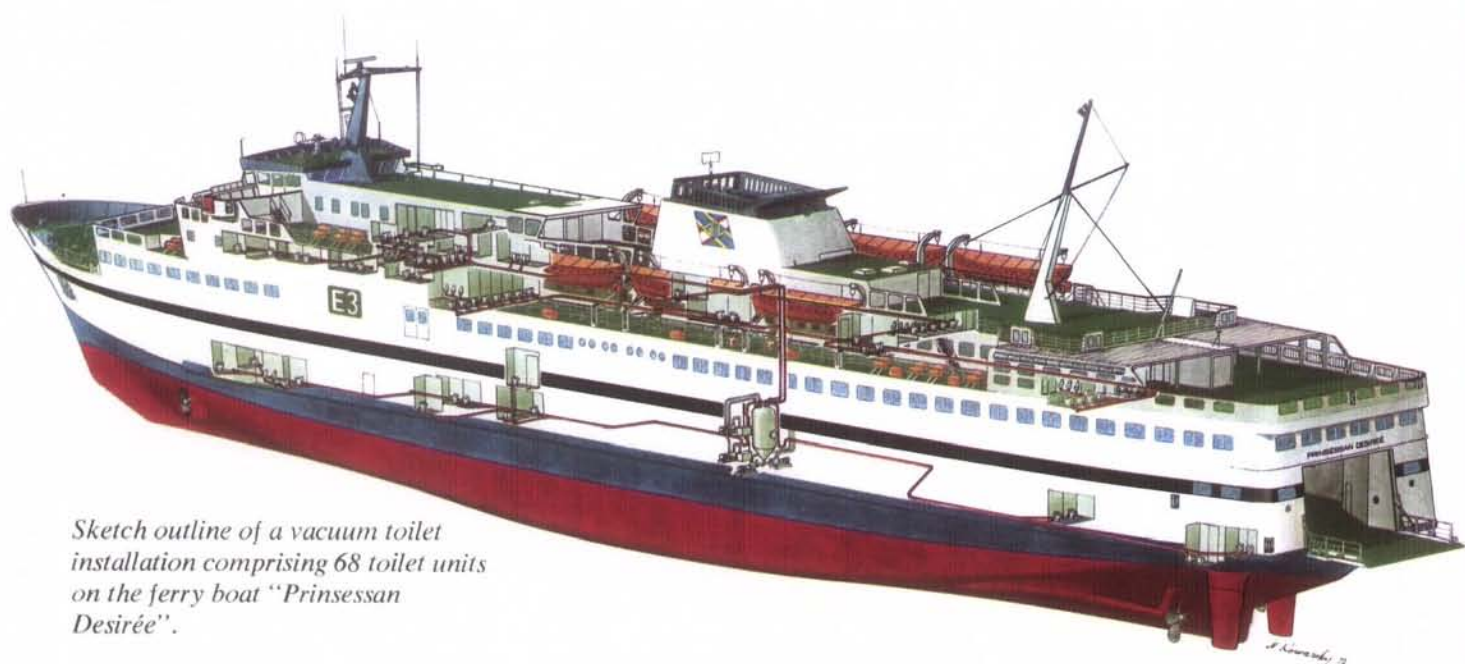
nization has acquired the general agency for these products for the major part of Europe.

The FLYMO Group has also acquired the general sales agency for Europe, excluding Great Britain, for a unique type of electric minitractor, called ELEC-TRAK. The power source for the ELEC-TRAK consists of six heavy-duty 6-volt batteries. Since the machine is equipped with a built-in battery charger, the batteries may be recharged at

the nearest earthed outlet. The ELEC-TRAK is useful all the year round, as it can be equipped with rotary brushes, lawn-mowers, grass collectors, trailer, snow plough, snow blower, sand spreader, rotary cultivator and leaf collectors.

The FLYMO Group has also acquired the European general agency for an American vacuum collector of outdoor disposals, the "Billy Goat".





Sketch outline of a vacuum toilet installation comprising 68 toilet units on the ferry boat "Prinsessan Desirée".

## Environment Products

The range of products of the Environmental Systems Division includes equipment and purification systems for water conservation. The vacuum toilet system, upon which the activity of the Electrolux Group within the field of water conservation was originally based, continued as the main product during 1972.

The sales of vacuum toilet systems for use in ships have increased considerably in comparison with previous years. As at the close of 1972, installations had been completed in forty ships, and orders have been received for an additional fifty ships under construction.

In 1972, the Electrolux Environmental Systems Division was engaged in solving the problems concerning the total waste discharge for ships. In connection with this, the Division has entered into cooperation with a manufacturer of wet incineration ovens.

In accordance with an agreement with the Swedish State Railways, test installations of a vacuum toilet system for trains have been in operation since 1970. Favourable results have been achieved, and in 1972 the Swedish State Railways placed orders for equipment for fifty

passenger-cars, of which ten were completed according to plan during the year. The exchange of information between the railway administrations of various countries has created interest in the Electrolux vacuum toilet system for trains. Orders for equipment for test purposes have been received from the Finnish State Railways and from the Deutsche Bundesbahn.

Both in Sweden and on the international market, the sales of domestic vacuum toilet systems for small houses and summer cottages have been satisfactory. In Shay Gap, a newly erected mining town in Australia, vacuum toilet systems have been installed in an area with forty family dwellings, which consist of two-storey houses, and in Karlskron, located along the Danube in Bavaria (West Germany), 200 houses have been equipped with the Electrolux vacuum toilet system.

In 1972, a new sewage transport system was developed, using vacuum as the transport medium. This system does not require special vacuum toilet seats.

Electrolux micro-flotation system for the treatment of sewage has been developed further. Three industrial installations were com-

pleted during 1972, and the purification performance of these units is satisfactory. This is also true of a test installation for the purification of sewage at Käppala, Lidingö, Stockholm. During 1973, the micro-flotation system will be introduced to markets outside Scandinavia.

Marketing of equipment within the field of water conservation is pursued through subsidiary companies, by assigning the rights to certain markets through licensing agreements with companies outside the Electrolux Group and through agents. In continuing the expansion of the sales network, additional licensing agreements were concluded during 1972. Among these were:

- Colt Industries, Beloit, Wisconsin (USA), for the United States and the Caribbean Islands.
- Project Group of Canada Ltd., Toronto, for Canada.
- Bastat Environmental Systems Ltd., London, for Great Britain and Ireland.

During 1972, an agency agreement for marine applications in Spain was concluded with Aries Industrial y Naval S.A., Madrid.

In addition, an option agreement for future licences in Japan and other markets in the Far East was concluded with Mitsui & Co. Ltd., Tokyo.



## Other Products

Besides vacuum cleaners, the Electrolux factory at Västervik produces *fractional h.p. electric motors* of varying sizes, of which approximately one third is used in the products manufactured by the Group, such as vacuum cleaners, the "Assistent" kitchen machine, lawn-mowers, etc. Electric motors are also supplied as a component for automotive electric equipment, which includes wind screen wipers, car heaters, air conditioning units, cooler fans and headlamp wipers. In addition, electric motors are produced for use in office and shop machines, ventilators and sewing machines.

Continuous research and product development was pursued in close cooperation with customers also during 1972.

An interesting field of application for Electrolux electric motors is in driving cooling fans in cars. Conventional cooling fans require 3—4 h.p. and obtain their power from the internal combustion engine via a fan belt. To eliminate the loss in power, certain cars are being designed so that the air flow caused by the car moving is sufficient to cool the engine. When at rest, or when the car is moving so slowly that the air flow is insufficient to cool the engine, the electric motor is engaged thermostatically and continues to operate until a normal temperature has been reached.

The number of Electrolux electric motors sold during 1972 amounted to 947,000 units. This number does not include approximately 545,000 units incorporated in Electrolux finished products.

In 1972, caravan refrigerators were the largest selling item among the Electrolux leisure products (see "K" products on page 16). The sales programme also includes sauna installations, ventilators for boats and caravans (with or without

electric motors), kitchen and galley fans, closed flush toilet systems and bottled gas operated central heating systems for caravans, work sheds, small summer cottages, etc.

As a result of changes in business conditions, increased living standards and increased leisure, the pattern of need and demand for leisure products changes. Electrolux is constantly striving to accommodate the individual products and lines of products to new market conditions.

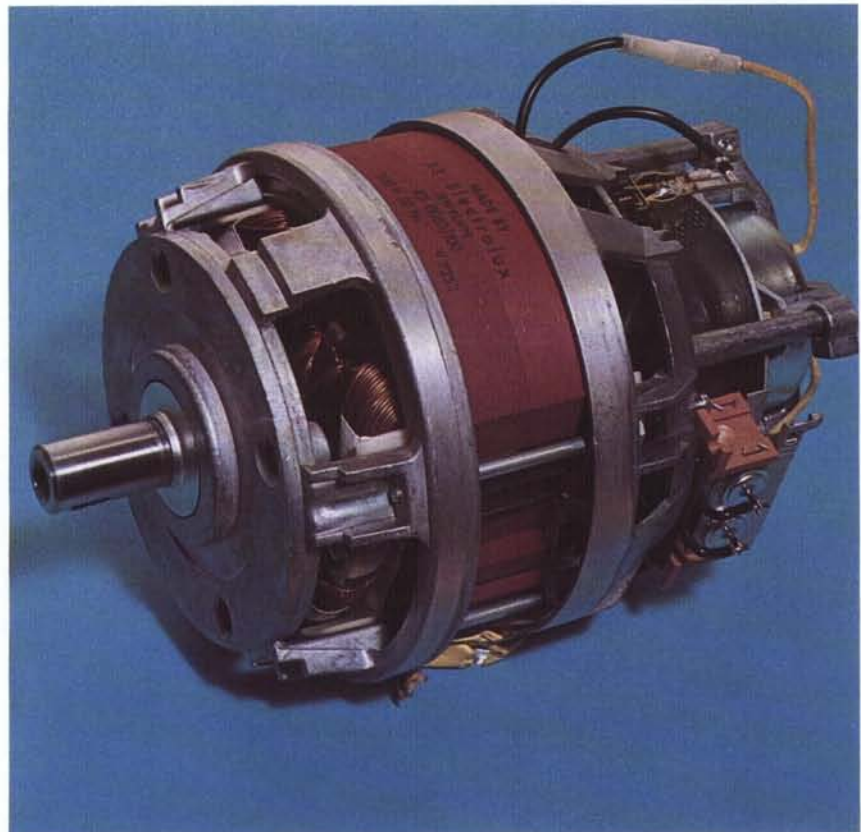
## Patents and Trade-marks Protection

The reputation of the Electrolux Group is based on a fund of

significant inventions. Each year, additional inventions, designed to improve present products and develop new products, are made as a result of the work pursued in the Electrolux research and design laboratories.

At present, the Electrolux Group have at their disposal more than 3,000 valid patents and patent applications, which protect the products in 70 countries. Over 400 of these patents are registered in the USA, and about 1,000 in the nine EEC countries. The trademarks of the Group are protected by more than 1,500 registrations in some 140 countries.

*The largest of the electric motors manufactured at the Västervik (Sweden) factory is supplied for the electrically operated FLYMO lawn-mower.*





# Future Outlook

Based upon the information contained in the budgets of all the companies in the Group, and the continuing uncertainty of world economic conditions, a degree of caution is necessary in anticipating the trading prospects for 1973. Excluding the Facit Group of companies it is considered that Group sales and profit (before appropriations and taxes) should increase by about 15% compared with 1972. It is assumed in this forecast that no serious restrictive measures are imposed on trade and industry in the countries in which Electrolux carries on operations. When assessing the future outlook for the Group, for 1973 as well as subsequent years, the following should be borne in mind:

1. Since, in an international context, Sweden comprises only a small market within which a relatively wide market coverage has already been achieved for the majority of Electrolux products, it must be expected that the sales expansion of the Group will take place outside Sweden. Provided, though, that wage and other cost increases can be matched by greater productivity, present production rates in Swedish factories should be possible to maintain.
2. Electrolux occupies a leading position within the market for household products, and is one of the largest manufacturers in the world of vacuum cleaners for domestic use. Following higher cleaning requirements, the demand for more sophisticated cleaning machines has increased. The Group is striving to further strengthen its position within this field.

Furthermore, within the field of "K" products, the Group has reached a sales volume which has enabled Electrolux to compete with the largest continental manufacturers. At the same time, the Group has rationalized manufacturing to larger

units, which means that production has become more efficient and thereby more economical. Electrolux estimates that the Group will be able to maintain and strengthen its position within this product area.

3. For the last few years, the range of products has become increasingly diversified. In this respect, investments have been made in expanding the range of products for industry, such as materials handling equipment, sterilisation equipment and catering installations of varying sizes.

Electrolux is now engaged in producing industrial robots. Through the agreements reached in 1972 with Robert Bosch G.m.b.H. and Unimation Inc., a basis for continued expansion of these products has been established.

The Group will continue to direct increased attention to products for industrial use. In addition, Electrolux intends to continue the expansion of products for the environment, an area which is attracting much attention and within which more stringent legislation can be expected in many countries.

As a result of increased leisure in the form of reduced working hours and longer holidays for employees in many countries, it is estimated that the market for leisure products will continue to grow. Electrolux is attentively following the developments within this product area.

4. The expansion of the Group is expected to take place both within the framework of the present Group structure and—profitability assessments having been duly made—through the acquisition of outside companies (or shares in outside companies), as well as through the formation of new subsidiaries or participation in joint ventures, in which

cooperation is generally established with local interests. Expansion may refer to, but need not be limited to, the current product areas of the Group.

5. The incorporation of Facit within the Electrolux Group represents a further diversification of the range of products, and it also offers increased scope for rationalization in many areas (see "Incorporation of Facit", page 5).

In several countries there are both Electrolux and Facit/Addo companies, each with its own administration. This presents an opportunity for savings by the introduction of certain joint management. Merger of the administration of the two Groups has already been completed in Finland and studies are currently being made in several other countries with regard to the creation of joint operations for accounting and stores management, etc.

The Electrolux system of financial management and control will gradually be introduced into all of the Facit/Addo companies, and it is intended that it shall be in full use by the beginning of 1974.

The turnover of the Facit Group, which amounted to MKr 717 in 1972, will be included in the figures for the Electrolux Group as from 1973. The turnover of the Electrolux Group, including Facit, is estimated to exceed MKr 3,500 in 1973.

The Facit Group reported a loss of MKr 120.7, before appropriations and taxes, for the year 1972. However, profitability has been subject to the burden of certain non-recurring costs covering items such as unmarketable supplies, losses in some foreign subsidiaries and allocations to guarantee reserves amounting to approximately



MKr 45. Most of the losses have been offset against stock investment accounts and financial reserves on stocks, which have been written back in the 1972 accounts. The budget of the Facit Group indicates that it is possible to reduce losses significantly during 1973 and 1974.

6. The Electrolux Group shows good liquidity, which makes possible the financing of continued expansion of the Electrolux/Facit organization, and it will also represent a certain safeguard, should credit restrictions or similar measures be introduced in the countries where the Group carries on operations.
7. Sweden's trade with the European Economic Community is regulated by a free trade agreement concluded during the past year. A certain amount of additional administrative work may thereby fall upon the Parent Company.

Within the countries of the Community, Electrolux has long had a number of subsidiaries, several of which are engaged in production. These companies will be favoured by the enlarged Community, which became effective from the beginning of 1973.

The Parent Company will receive a share of the profits accrued, in the form of dividends and royalties from the subsidiaries within said area.

\*

The merger with Facit implies a considerable diversification of the Electrolux range of products. Pictured below are two items of the Facit manufacture.

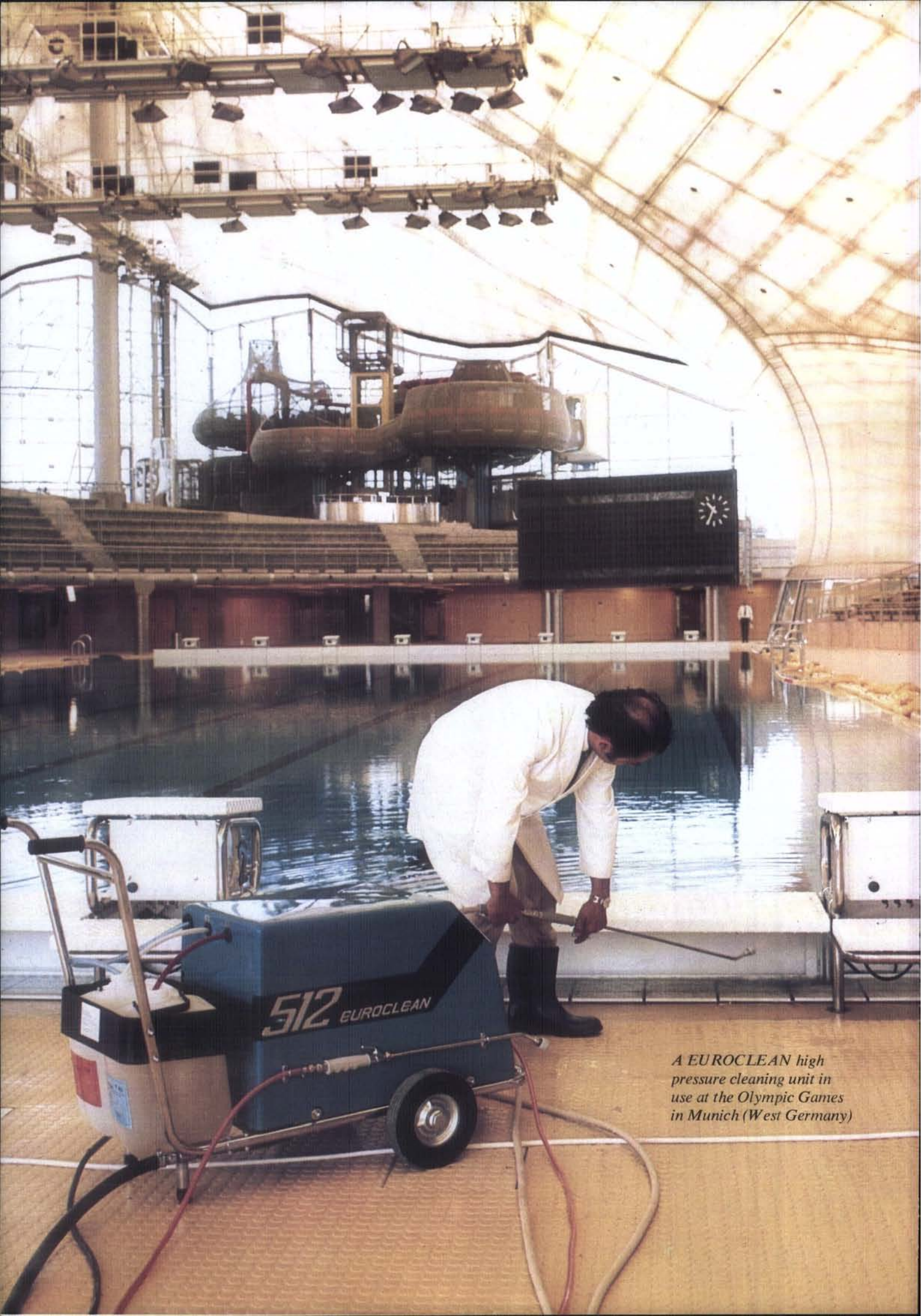
*The "Facit 1145"—a new printing electronic calculator—is manufactured at the Örsätter factory at Åtvidaberg in Sweden.*



*The new compact electric Facit typewriter, the "1840", is available in black or yellow. The typewriter, which is manufactured at the Bräkne-Hoby factory in Sweden, was well received at its introduction on the market.*







*A EUROCLEAN high pressure cleaning unit in use at the Olympic Games in Munich (West Germany)*



# The Board's Proposal Regarding Bonus Issue and Distribution of Profits in AB Electrolux

After issue of 242,000 shares in connection with the acquisition of shares of Facit AB, the share capital of AB Electrolux amounts to Kr 499,200,000 comprising 4,992,000 fully paid shares. In order to bring the share capital in line with the expanding operations the Board of Directors recommend to the General Meeting that the company's share capital be further increased to Kr 624,000,000 by a bonus issue of Kr 124,800,000, to be effected as follows:

Writing-up of the book value of land and buildings	MKr	13.0
Writing-up of the book value of the shareholdings in		
Electrolux Ltd., Luton (Great Britain)	MKr	52.0
S.A. Electrolux, Senlis (France)	MKr	10.0
Electrolux GmbH, West Berlin	MKr	7.0
Electrolux GmbH, Hamburg	MKr	2.0
Transfer from unappropriated earnings	MKr	40.8
	<u>MKr</u>	<u>124.8</u>

Land and buildings owned by the company have a book value of MKr 110.9 and an assessed value of MKr 124.1. The latter value does not include industrial land and buildings acquired from AB Ankarsrums Bruk (Sweden), as the assessment value for said property has not yet been determined. The proposed assessment value is MKr 4.5.

The profitability of Electrolux Ltd., Luton (Great Britain), shows good development. In the Group's balance sheet as at December 31, 1972, the equity of this company and its subsidiaries totals about MKr 159. After the above-mentioned writing-up of the book value, AB Electrolux shareholdings in the British company would have a book value of MKr 144.5. At the beginning of the year 1973, the land and buildings were valued by an independent assessor at £7.3 million or about MKr 80. As this property is included in the consolidated balance sheet of the Electrolux Group at a value of £1,332,000 or approximately MKr 14, a considerable margin exists between the book value and the real value of this shareholding.

The shares of S.A. Electrolux, Senlis (France), would after the above-mentioned writing-up have a book value in AB Electrolux of MKr 31. The equity of the French company, including subsidiaries, amounts to about MKr 39. The shares of the German subsidiaries in West Berlin and Hamburg would after the writing-up have a book value of MKr 25.5. The total equity of these two companies, after deduction of Minority interest, amounts to MKr 30.

\*

On the General Meeting approving the above-mentioned recommendations, 1,248,000 new shares with a face value

of Kr 100 each will be issued, and the shareholders will, free of payment, receive one new share for each holding of four old shares. Holders of old "A" shares will be entitled to new "A" shares and holders of old "B" shares to new "B" shares. Where appropriate, new bonus shares will be subject to the same restrictive measures as apply to existing shareholdings. (Certain shares are subject to an alien restrictive clause, whereby they may not be acquired by a non-Swedish citizen.) The new bonus shares shall be granted the same rights as the present shares, with an entitlement to participation in the Company's profits as from the 1973 operations. Prescribed stamp tax for the new shares shall be paid and absorbed by the Company.

\*

The Board of Directors further propose that the face value of the company's shares be changed from Kr 100 to Kr 50 each. Such a change would require an amendment of the Articles of Association for which the decision of a further General Meeting will be necessary. Pending an expected alteration of the law, which would simplify the effecting of the Board's proposal, notification regarding this additional General Meeting will not be issued until later in 1973.

\*

The proposed bonus issue and the split-up of old shares having been transacted, the Company's share capital will be MKr 624 comprising 1,000,000 "A" shares and 11,480,000 "B" shares.

The difference between the issue price and the face value of the shares issued in connection with the acquisition of the shares of Facit AB, totalling MKr 36.3, has been transferred to the Statutory Reserve, which thereafter amounts to MKr 131.3, representing 21% of the share capital after the above-mentioned bonus issue.

\*

The proposed bonus issue having been transacted, the following surplus will be at the disposal of the General Meeting:

Profit brought forward from previous years	Kr	4,378,010
Net profit for 1972	Kr	50,139,411
	<u>Kr</u>	<u>54,517,421</u>

The Board of Directors propose the following distribution of said surplus:

Payment of dividend to shareholders, Kr 10.00 per share, which equals 8% of the share capital after the proposed bonus issue	Kr	49,920,000
To be carried forward	Kr	4,597,421
	<u>Kr</u>	<u>54,517,421</u>

The Board of Directors and the Managing Director take this opportunity to thank all employees in the Electrolux Group for their excellent achievements during the past year.

Stockholm, March 21, 1973

Ragnar Söderberg  
Chairman of the Board

Gunnar Arpi  
Luke

Hans Werthén  
Managing Director

Gunnar Engellau  
Åke T. Vrethem

/ Harry Eriksson



# Report of the Auditors

As auditors of Aktiebolaget Electrolux we herewith submit the following audit report for the year 1972.

We have examined the Annual Report, taken due note of the accounts, minutes of meetings and other documents giving information on the financial position and administration of the company, and carried out other examinations deemed necessary.

The accounts have been checked by means of random tests by the company's internal auditors, who have submitted to us reports of their examinations. The regulations regarding the reporting of shareholdings and consolidated accounts, as laid down in the Swedish Companies Act, have been duly complied with.

During the audit we have found no grounds for criticism of the documents presented to us, the company's accounts, the verification of the assets or the administration of the company. The adjustment of the book values of certain shareholdings, which has been made during the year, does not give rise to any objections.

The Board of Directors and the Managing Director propose that the share capital, which during the Extraordinary General Meeting on January 16, 1973, was raised to MKr 499.2, be further increased to MKr 624 by means of a bonus issue of shares. The proposal is also that this bonus issue be accomplished by appreciating, by a total amount of MKr 71, the book value of the shareholdings in Electrolux Ltd., Luton (Great Britain), S.A. Electrolux, France, Electrolux GmbH, West Berlin, and Electrolux GmbH, Hamburg, by appreciating the book value of real estate by MKr 13 and by transferring MKr 40.8 from unappropriated earnings. We have no objections to these proposals.

The Board of Directors and the Managing Director propose the following distribution of the surplus then available, Kr 54,517,421:

Dividend to the shareholders	Kr 49,920,000
To be carried forward	Kr 4,597,421
	<u>Kr 54,517,421</u>

This proposal is not at variance with the regulations of the Swedish Companies Act in respect of appropriation to the Statutory Reserve, or with good commercial practice with regard to the position of the Group and the result of its activities.

We recommend

- that* the Balance Sheet as at December 31, 1972, included in the Annual Report and signed by us, be approved,
- that* the available surplus be distributed in accordance with the above proposal, and
- that* the Board of Directors and the Managing Director be granted discharge for the past financial year's administration.

Stockholm in April, 1973.

Arne Holmén  
Chartered Accountant

Bruno Svensson  
Chartered Accountant



# The Electrolux Group—Consolidated Profit & Loss Statement

	1972 (tKr)		1971 (tKr)	
<i>Operating Income and Costs</i>				
Invoiced net sales, excluding value-added and turnover taxes (Note 1)	2,490,914		2,121,911	
Deduct: Manufacturing, selling and administrative costs	2,173,604		1,902,878	
Operating result before depreciation	317,310		219,033	
Deduct: Ordinary depreciation (Note 2)				
Buildings and land improvements	10,818		8,057	
Machinery, equipments and tools	56,402	67,220	50,661	58,718
<b>OPERATING RESULT AFTER ORDINARY DEPRECIATION</b>	250,090		160,315	
<i>Non-operating Income</i>				
Dividends	77		166	
Interest received	16,338		13,146	
Share of earnings in non-Group companies (Note 3)	665	17,080	0	13,312
<i>Non-operating Costs</i>				
Interest paid	28,378		30,403	
<b>RESULT FROM CURRENT OPERATIONS (before taxes)</b>	238,792		143,224	
<i>Exceptional Items of Income and Cost</i>				
Capital gains from sale of real estate, leases and securities (Note 4)	+ 18,814		+ 15,969	
Cost of share issues	— 1,169		— 1,141	
Extraordinary depreciation of buildings, machinery, equipment and tools (Note 5)	— 6,077		— 2,124	
Alteration and relocation costs	— 1,740		— 2,625	
Other extraordinary costs	0		— 3,044	
Writing-up of shares in non-Group companies	0		+ 532	
Writing-down of shares in non-Group companies	— 157		— 10	
Writing-down of patent rights, leases, etc. (Note 6)	— 550		— 673	
Writing-down of goodwill (Note 7)	— 643	— 9,167	— 149	— 8,093
<b>RESULT BEFORE APPROPRIATIONS AND TAXES</b>	247,270		149,959	
<i>Appropriations</i>				
Appropriation to investment funds (Note 8)	— 5,485		— 1,098	
Increase of general inventory reserves	— 65,263		— 10,838	
Appropriation to other financial reserves (Note 9)	— 419	— 71,167	0	— 11,936
<b>RESULT BEFORE TAXES</b>	176,103		138,023	
Deduct: Taxes	78,236		66,456	
Profit after taxes	97,867		71,567	
Deduct: Minority interests	2,454		1,354	
<b>GROUP PROFIT FOR THE YEAR</b>	95,413		70,213	



# The Electrolux Group

ASSETS	December 31, 1972 (tKr)		December 31, 1971 (tKr)	
<i>Current Assets</i>				
Liquid funds				
Cash and bank balances	247,759		155,764	
Promissory notes	44,112		48,000	
Repurchased debentures (Parent Company)	59		68	
Bills receivable from customers	40,840		28,017	
Securities (Note 10)	24,664		13,775	
Payment on account received for securities (Note 10)	—	8,158	349,276	—
8,158			8,158	237,466
Receivables				
Due from customers (Note 11)	623,941		564,051	
Miscellaneous (Note 12)	80,713	704,654	67,484	631,535
Inventories (Note 13)	694,992		600,417	
Deduct: General inventory reserves	221,254	473,738	150,728	449,689
	1,527,668		1,318,690	
<i>Blocked Account for Investment Funds</i>	1,154		1,031	
<i>Fixed Assets</i>				
Miscellaneous receivables (Note 14)	35,506		30,858	
Shareholdings	4,397		4,432	
Machinery and equipment (Note 15)	136,562		114,399	
Factory, office and other buildings (Note 16)	227,552		172,130	
New plants under construction	5,184	369,298	5,888	292,417
Patent rights and leases (Note 6)	1,729		2,651	
	410,930		330,358	
<b>TOTAL ASSETS</b>	<b>1,939,752</b>		<b>1,650,079</b>	
<i>Assets Pledged</i>				
Mortgages on property	105,530		98,395	
Floating mortgages	5,800		4,500	
Miscellaneous	1,272		321	



# Consolidated Balance Sheet

LIABILITIES AND EQUITY	December 31, 1972 (tKr)		December 31, 1971 (tKr)	
<i>Short-term Liabilities</i>				
Bills payable to suppliers	22,949		19,914	
Due to suppliers	171,255		122,434	
Due to customers	27,171		11,654	
Bank loans, etc. (Note 17)	142,844		154,668	
Miscellaneous (Note 18)	270,190	634,409	201,922	510,592
Taxes payable		88,711		80,294
		723,120		590,886
<i>Investment Funds</i>		10,344		4,446
<i>Long-term Liabilities</i>				
Mortgage loans, promissory note loans	120,211		89,202	
Miscellaneous liabilities (Note 19)	36,714		5,897	
Appropriated to pensions	138,630	295,555	104,600	199,699
Debenture loan		20,710		22,950
		316,265		222,649
<i>Minority Interests</i>		16,379		10,187
<i>Equity</i>				
Share capital	475,000		380,000	
Statutory reserves (Note 20)	137,189	612,189	166,031	546,031
Free reserves (Note 21)		166,042		205,667
Group profit for the year (Note 21)		95,413*)		70,213
		873,644		821,911
<b>TOTAL LIABILITIES AND EQUITY</b>		1,939,752		1,650,079
<i>Contingent Liabilities</i> (including discounted bills, tKr 2,849 and tKr 2,684 respectively) (Note 22)		40,197		20,232

\*) Before allocation to statutory reserves of tKr 2,023

Submitted for audit

Arne Holmén  
Chartered Accountant

Bruno Svensson  
Chartered Accountant



# The Electrolux Group – Consolidated Statement of Source and Use of Funds

	1972 (tKr)	1971 (tKr)	1970 (tKr)
<b>Funds Received</b>			
Funds from internal sources*)	184,290	96,287	81,671
Sale of fixed assets	39,123	30,816	27,967
Increase of long-term liabilities, etc.	99,808	20,733	26,410
<b>TOTAL</b>	<b>323,221</b>	<b>147,836</b>	<b>136,048</b>
<b>Funds Used</b>			
Investments in real estate, machinery, equipment and tools	133,601	83,080	110,757
Investments in other fixed assets	3,403	— 3,856	4,282
Changes in the Group's structure, etc.	38,865	— 639	6,092
<b>TOTAL</b>	<b>175,869</b>	<b>78,585</b>	<b>121,131</b>
<b>Change in Working Capital</b>			
	+ 147,352	+ 69,251	+ 14,917
<i>Details of "Change in working capital"</i>			
Increase / Decrease of inventories	+ 94,575	— 8,844	+ 104,080
Increase of short-term receivables	+ 73,119	+ 52,898	+ 91,743
Increase of short-term liabilities	— 132,234	— 23,663	— 124,913
Increase/Decrease of liquid funds	+ 111,892	+ 48,860	— 55,993
	+ 147,352	+ 69,251	+ 14,917
<i>*) Details of "Funds from internal sources"</i>			
Profit before taxes and capital gains	+ 154,835	+ 120,700	+ 95,119
Appropriations	+ 71,167	+ 11,936	+ 4,464
Depreciation of buildings, machinery, equipment and tools	+ 73,297	+ 60,852	+ 55,726
Depreciation of intangible assets	+ 1,193	+ 822	+ 1,155
Taxes	— 78,236	— 66,456	— 47,807
Dividend to shareholders	— 38,000	— 30,400	— 26,600
Deposit on blocked account for investment funds	— 123	— 645	— 386
Writing-up/Writing-down of shares in non-Group companies	+ 157	— 522	0
	+ 184,290	+ 96,287	+ 81,671



# AB Electrolux — Profit & Loss Statement

	1972 (tKr)		1971 (tKr)	
<i>Operating Income and Costs</i>				
Invoiced net sales excluding value-added tax (Note 23)	882,056		742,110	
Deduct: Manufacturing, selling and administrative costs, etc. (Note 24)	774,325		680,556	
Operating result before depreciation	107,731		61,554	
Deduct: Ordinary depreciation (Note 2)				
Buildings and land improvements	5,032		3,685	
Machinery, equipment and tools	27,411	32,443	29,849	33,534
<b>OPERATING RESULT AFTER ORDINARY DEPRECIATION</b>	75,288		28,020	
<i>Non-operating Income</i>				
Royalties (including amounts received from subsidiaries, tKr 5,246 and tKr 5,288 respectively)	6,650		6,248	
Dividends from subsidiaries	34,720		33,230	
Dividends from non-Group companies	289		165	
Interest received from subsidiaries	3,084		2,465	
Other interest received	10,163	54,906	8,415	50,523
<i>Non-operating Costs</i>				
Interest paid to subsidiaries	932		1,055	
Other interest paid (Note 25)	10,601	11,533	10,091	11,146
<b>RESULT FROM CURRENT OPERATIONS (before taxes)</b>	118,661		67,397	
<i>Exceptional Items of Income and Cost</i>				
Capital gain from sale of real estate, leases and securities	+ 875		+ 1,277	
Costs of bonus issue of shares	— 1,140		— 678	
Extraordinary depreciation of buildings, machinery, equipment and tools (Note 5)	— 6,967		— 645	
Other extraordinary costs	0		— 1,990	
Alteration and relocation costs	— 260		— 1,511	
Writing-down of shares in non-Group companies	— 157		— 10	
Writing-up of shares in non-Group companies	0		+ 532	
Writing-down of patents (Note 6)	— 1,093		— 500	
Writing-down of goodwill (Note 7)	— 1,580	— 10,057	— 1,574	— 5,698
<b>RESULT BEFORE APPROPRIATIONS AND TAXES</b>	108,339		62,298	
<i>Appropriations</i>				
Increase of general inventory reserve (Note 26)	—41,000		— 13,700	
Appropriation to investment fund	— 4,000	— 45,000	0	— 13,700
<b>RESULT BEFORE TAXES</b>	63,339		48,598	
Deduct: Taxes	13,200		10,500	
<b>NET PROFIT FOR THE YEAR</b>	50,139		38,098	



# AB Electrolux

ASSETS	December 31, 1972 (tKr)		December 31, 1971 (tKr)	
<i>Current Assets</i>				
Liquid funds				
Cash and bank balances	137,529		91,268	
Promissory notes	40,000		48,000	
Repurchased debentures	59		68	
Bills receivable from customers	15,180		4,749	
Shareholdings in non-Group companies (Note 10)	8,158		8,240	
Payment on account received for securities (Note 10)	—	8,158	—	8,158
		192,768		144,167
Receivables				
Due from customers (Note 27)	157,194		125,453	
Due from subsidiaries (Note 28)	154,700		145,586	
Miscellaneous (Note 29)	31,670	343,564	10,586	281,625
Inventories	315,045		250,975	
Deduct: General inventory reserve (Note 26)	180,633	134,412	133,730	117,245
		670,744		543,037
<i>Blocked Investment Account</i>		196		0
<i>Fixed Assets</i>				
Receivables				
Due from subsidiaries (Note 30)	41,419		30,404	
Miscellaneous	7,141	48,560	12,872	43,276
Shareholdings				
Subsidiaries (Note 31)	283,913		210,675	
Non-Group companies	1,683	285,596	1,683	212,358
Machinery and equipment (Note 32)	51,579		45,308	
Factory, office and other buildings (Note 33)	110,942		67,701	
New plants under construction	2,391	164,912	1,173	114,182
Patent rights (Note 6)	2,875		1,000	
Goodwill (Note 7)	1,655	4,530	3,205	4,205
		503,598		374,021
<b>TOTAL ASSETS</b>		<b>1,174,538</b>		<b>917,058</b>
<i>Assets Pledged</i>				
Mortgages on property (Note 34)		79,543		72,241
Floating mortgages		4,500		4,500
Blocked bank deposits		248		210
Bills receivable		1,014		0



# Balance Sheet

LIABILITIES AND EQUITY	December 31, 1972 (tKr)		December 31, 1971 (tKr)	
<i>Short-term Liabilities</i>				
Due to subsidiaries	43,640		33,121	
Bills payable	239		0	
Due to suppliers	82,343		56,514	
Due to customers	16,041		1,184	
Bank loans, etc. (Note 35)	10,327		11,672	
Wages, salaries, vacation pay, PAYE taxes, etc.	47,698		44,703	
Miscellaneous (Note 36)	61,547	261,835	19,388	166,582
Taxes payable		17,185		12,555
		279,020		179,137
<i>Reserve for Unrealized Profit in Inventories of Subsidiaries outside Sweden (Note 37)</i>		12,371		10,485
<i>Investment Fund</i>		4,590		0
<i>Long-term Liabilities</i>				
Due to subsidiaries	2,520		2,784	
Mortgage loans and promissory note loans	52,707	55,227	51,141	53,925
Miscellaneous (Note 38)		30,093		0
Appropriated to pensions (Note 39)				
Pensions Registration Institute (PRI)	87,598		62,760	
Other pension plans	19,612	107,210	14,623	77,383
Debenture loan		20,710		22,950
		213,240		154,258
<i>Equity</i>				
Share capital (Note 40)	475,000		380,000	
Statutory reserve	95,000	570,000	76,000	456,000
Free reserve		0		25,000
Profit brought forward	45,178		54,080	
Net profit for the year	50,139	95,317	38,098	92,178
		665,317		573,178
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>1,174,538</b>		<b>917,058</b>
Unappropriated earnings as per Balance Sheets of December 31, 1971 and December 31, 1970, respectively		117,178		109,480
Deduct: Dispositions resolved by the Annual General Meetings in 1972 and 1971 respectively,				
Payment of Dividend		38,000		30,400
Transfer to Share capital and Statutory reserve		34,000		0
		45,178		79,080
<i>Contingent Liabilities</i>				
On behalf of subsidiaries		37,508		43,756
Other contingent liabilities		9,745		8,739
		47,253		52,495
(Discounted bills receivable)		(0)		(0)



# AB Electrolux— Details of Shareholdings

	Number of shares	Par value (tKr)	Book value (tKr)
<b>Subsidiary Companies in Sweden</b>			
Allmänna Svenska Städnings AB, Stockholm	19,060	1,906	9,000
AB Flymo, Malmö	40,000	4,000	6,000
Electrolux Svenska Försäljnings AB, Stockholm	60,000	6,000	6,000
Euroclean AB, Stockholm	3,000	3,000	3,900
Bröderna Brodd AB, Skänninge	600	60	3,240
AB Schaub & Co., Stockholm	30,000	3,000	2,700
Getinge Mekaniska Verkstads AB, Getinge	10,000	1,000	1,000
Verkstads AB Bällsta, Stockholm	15,000	750	750
AB Sollidenverken, Stockholm	6,500	650	650
AB Elektro-Apparat, Alingsås	1,000	500	500
Elektroheliol Försäljnings AB, Stockholm	5,000	500	500
Electrolux Städutensilier AB, Stockholm	2,500	250	250
Försäljnings AB Volta, Stockholm	2,000	200	200
Elektro-Helios Fastighets AB, Stockholm	100	100	100
AB Rebon, Stockholm	1,000	100	100
AB Elektroservice, Stockholm	250	25	25
Liljendahls Patenter AB, Stockholm	200	20	20
AB Lux, Stockholm	200	20	20
AB Carex, Stockholm	50	5	5
Centralkassan AB, Stockholm	50	5	5
AB Electrolux Lebanon Limited, Stockholm	50	5	5
AB Gårdscisterner (ABG), Stockholm	50	5	5
Nordic Pool AB, Stockholm	50	5	5
AB Harry Wennberg, Stockholm	50	5	5
A/S Atlas Svenska Försäljnings AB, Stockholm	2,500	250	0
			34,985
<b>Subsidiary Companies outside Sweden</b> (as per special permit not specified here)			248,928
Total, subsidiary companies			283,913
<b>Non-Group Companies</b>			
ADELA Investment Company S.A., Luxembourg	1,292	US\$ 129,200	618
Hyresgästernas Sparkasse- och Byggnadsföreningars Riksförbund u.p.a. Stockholm, debentures of 1972		Kr 75,000	0
Hyresgästernas Sparkasse- och Byggnadsföreningars Riksförbund u.p.a., Säffle (Sweden), lease in Lotten No. 3		Kr 795	0
La Maison de Suède à Paris S.A., Paris	1,200	Frs 120,000	0
Norsk Rengjøringselskap A/S, Oslo	1,470	NKr 735,000	479
Servi-Data AB, Stockholm	1	Kr 100	0
SIFIDA Investment Company S.A., Luxembourg	20	US\$ 100,000	517
AB Sukab, Stockholm	19	Kr 1,900	0
Swedvelop Hospital Equipment AB, Stockholm	100	Kr 10,000	0
Svensk Interkontinental Lufttrafik AB (S.I.L.A.), Stockholm	4,000	Kr 400,000	0
AB Svensk Värmemätning C.B. System, Stockholm	650	Kr 52,000	0
Svenska MTM-gruppen AB, Stockholm	1	Kr 100	0
Svenska Riksbyggen, Mariestad (Sweden), lease in Flugan No. 1		Kr 6,501	0
Vakuumsystem AB, Solna (Sweden)	495	Kr 49,500	49
Valinka S.A., Lima	180	Soles 180,000	20
Total, non-Group companies			1,683

With reference to the Report of the Auditors we certify that the Financial Statements in the preceding pages agree with the company's accounts.

Stockholm in April, 1973

Arne Holmén  
Chartered Accountant

Bruno Svensson  
Chartered Accountant



# Notes to the Financial Statements for the Group and AB Electrolux

## General

The consolidated accounts include all companies in which AB Electrolux directly or indirectly owned 50% or more of the shares and/or subscribed capital at the year-end.

The consolidated accounts include Allmänna Svenska Städtings AB (ASAB), Stockholm, Commercial Cleaning Services Ltd., Birmingham (Great Britain), and Netto-Service S.A., Brussels (Belgium), as the Electrolux Group owns 50.16%, 50.1% and 50.9% respectively, of the nominal share capital of these companies. According to the original collaboration agreement between AB Electrolux and Det Danske Rengørings Selskab A/S (DDRS), Copenhagen, the Electrolux Group was to hold 49% of the share capital in jointly owned cleaning companies. Since AB Electrolux has acquired more than 49% of the share capital in ASAB, AB Electrolux has undertaken not to use its majority holdings thus obtained in contravention of the spirit of this agreement. A similar undertaking applies to the Group's holding of shares in the above-mentioned Belgian and British cleaning companies.

In connection with the acquisition of 51% of the share capital of Swedish Royal Refrigeration Ltd., Welwyn Garden City (Great Britain), AB Electrolux has undertaken to exercise the voting rights of only 49% of its shares, although only as long as the remaining shares are owned by the present shareholders.

The number of companies included in the Group as at December 31, 1972, was 191, about 130 of which were conducting business. Of the total number of companies 145 were located outside Sweden.

As at December 31, 1972, minority interests existed in 24 subsidiaries.

In the consolidated accounts, the Parent Company's holdings of shares in subsidiaries have been eliminated against the respective

subsidiary's amount of share capital (par value method). See also note 20.

The final accounts of non-Swedish subsidiaries have been converted into Swedish kronor at the rates of exchange in effect on December 31, 1972.

Electrolux owns less than 50% of the share capital in a number of companies. The dividends received from companies of this kind were previously accounted for in the Consolidated Profit & Loss Statement of the Group. As from 1972, the Consolidated Profit & Loss Statement of the Group will instead include the Group's share of the earnings for the year of the companies in which it owns a minority interest. This applies to those companies in which Electrolux owns more than 20% but less than 50% of the share capital.

In the Consolidated Balance Sheet adjustment has been made of the book value of the shareholdings in these companies in order to achieve correspondence with the Electrolux share of the equity of the companies. The Group's equity includes a retroactive adjustment relating to the Electrolux portion of profits brought forward from previous years. This principle is recommended in the USA by The Accounting Principles Board of the American Institute of Certified Public Accountants.

In accordance with the commission agreement with AB Addo, assets valued at MKr 90 and liabilities of MKr 60 were transferred to AB Electrolux as at December 31, 1972. The difference of MKr 30 is reported in both the AB Electrolux Balance Sheet and the Consolidated Balance Sheet under the heading "Long-term Liabilities, Miscellaneous liabilities".

Commission agreements were also concluded with the Swedish companies Getinge Mekaniska Verkstads AB, Getinge, AB Schaub &

Co., Stockholm, and Jerndell Industrier AB, Malmö. These agreements took effect as from January 1, 1972, and thus the total operations of the respective companies are included in the 1972 financial accounts of AB Electrolux.

**Note 1 Invoiced net sales**  
The total invoicing of the Group includes the sales reported by companies acquired during 1972, representing MKr 44.

**Note 2 Ordinary depreciation**  
In past years, the subsidiaries applied only fiscal depreciation. From the year 1972, though, depreciation has been charged in accordance with the principle used hitherto by the Parent Company. Thus, the figures from previous years are not completely comparable.

Ordinary depreciation for buildings and land improvements as well as machinery and equipment are based on the replacement values. In Sweden these values are derived from the insurance companies indices, in other countries they are computed from similar information.

The depreciation rate for buildings and land improvements is 3% per year. For machinery and equipment, the rate of depreciation applied varies between 7% and 25% per year. Machinery, which is used by several shifts, is depreciated at a higher rate. Items more than 15 years old are depreciated at a reduced rate. Production tools are covered by different depreciation rules in different countries. However, in order to achieve uniformity between AB Electrolux and the non-Swedish manufacturing companies, the calculation of depreciation is made according to unified rules. The annual rate of depreciation for production tools is at least 33.3%. Since depreciation for production tools has not been reported before, the figures for 1971 have been rearranged to obtain better comparison between the years.



**Note 3** *Share of the earnings in non-Group companies*

This represents the Electrolux portion of the 1972 net profit of Norsk Rengöringsselskap A/S, Oslo.

**Note 4** *Capital gains from the sale of real estate, leases and securities*

In 1972, large capital gains were realised from the disposal of forest property in Ankarsrum (Sweden) and from the sale of real estate by the following companies: Electrolux Ltd., Great Britain, Electrolux Ltda., Portugal, Keltec Inc., USA and OY Elektroheliös AB, Finland.

**Note 5** *Extraordinary depreciation of buildings, machinery, equipment and tools*

This heading includes the difference between ordinary and fiscal depreciation.

Fiscal depreciation is calculated according to the same principles as those used in 1971.

	AB Electrolux (tKr)	Subsidiaries (tKr)	Total (tKr)
<i>Buildings</i>			
Ordinary depreciation	5,032	5,786	10,818
Fiscal depreciation	5,746	5,701	11,447
Extraordinary depreciation	714	85	629
<i>Machinery, equipment and tools</i>			
Ordinary depreciation	27,411	28,991	56,402
Fiscal depreciation	33,665	28,185	61,850
Extraordinary depreciation	6,254	806	5,448

AB Electrolux figures above include MKr 12.6 (Ordinary depreciation) and MKr 16.2 (Fiscal depreciation), all relating to the acquisition of tools.

**Note 6** *Writing-down of patent rights, leases, etc.*

As in previous years, the annual depreciation rate is 20% of the acquisition value. In connection with the AB Electrolux acquisition of Kreft S.a.r.l., Vianden (Luxembourg), a patent within the field of absorption type refrigeration was acquired at a cost of MKr 3.0. In accordance with current Swedish tax legislation, it has been possible for AB Electrolux to depreciate the above sum by 20%. In the Consolidated Balance Sheet and the Consolidated Profit & Loss Statement for the Group, in which there are no limitations from a taxation point of view, this patent has been entirely written-off against Free reserves.

**Note 7** *Writing-down of goodwill*

For the purpose of taxation, goodwill is included in the Balance Sheet of the Parent Company at the cost of acquisition less accumulated depreciation, and thus the net value for tax purposes is equal to the book value. Depreciation at 20% of

the cost of acquisition has been charged to the result for the respective years. In the Consolidated Financial Statements, where there are no limitations from a taxation point of view, Goodwill has been entirely written-off against Free reserves. The Consolidated Balance Sheet and Consolidated Profit & Loss Statement thus reflect both the position and the result that would have been reported if the goodwill had been fully written-off during the year of acquisition.

**Note 8** *Appropriation to investment funds*

Tax-deductible investment fund appropriations have been made by AB Electrolux, Bröderna Brodd AB and S.A. Electrolux, Senlis.

**Note 9** *Appropriation to other financial reserves*

All companies within the Electrolux Group apply uniform principles for the calculation of obsolescence in inventories, doubtful accounts receivable, guarantee obligations, etc.,

irrespective of local tax regulations. In certain countries, however, it is permissible to make appropriations over and above these principles. Such appropriations are reported in the Group's Consolidated Profit & Loss Statement under the above heading.

**Note 10** *Shareholdings in non-Group companies and Payment on account received for securities*

As at December 31, 1972, the Consolidated Balance Sheet reports under the first of these headings items such as shares in National Homes Corporation, Lafayette, Indiana (USA), at a value of tKr 8,158, which represents the original purchase price written-down by tKr 82, which amount has been charged to the result for 1972. Under an agreement concluded in 1971, AB Electrolux has been guaranteed payment corresponding to at least the original purchase price, when selling these shares. The guaranteed amount of US\$ 1,600,000 was received during 1971 as a payment on account. Due to changes in the rate of exchange, the amount obtained in Swedish currency was smaller than the original purchase price and the shares have therefore been written-down by the difference. While awaiting the final sale of these shares, the payment on account is reported under the latter of the above headings. As at the end of the previous year, the payment on account was reported under the heading "Short-term liabilities, Miscellaneous". The figures for 1971 have been regrouped in order to obtain comparability.

**Note 11** *Current Assets, Receivables, Customers*

The amount reported as at December 31, 1972, includes the receivables of companies acquired during the year, MKr 15.9, as well as MKr 10.4 representing receivables transferred from AB Addo.

**Note 12** *Current Assets, Receivables, Miscellaneous*

This heading includes receivables due within 12 months and deriving from property sales, import deposits, receivables from suppliers



and employees, and pre-paid expenses. In anticipation of final settlement, this heading also includes advance payments to the large oil companies pertaining to acquired storage tanks (see also page 7). In addition, AB Addo's accounts receivable due from companies within the Facit Group are included here.

**Note 13 Inventories**

The amount reported as at December 31, 1972, includes the inventories of companies acquired during 1972, MKr 23.2, and inventories transferred from AB Addo, MKr 60.7. The companies have valued their inventories at the lowest of acquisition and replacement cost. Deductions for obsolescence are also made. The total inventory value for the Group is shown after deduction of a reserve for unrealized profits in inventories. This reserve represents the difference between the price billed by the supplying associated companies and their costs of manufacturing the products that remained unsold with receiving Group companies at the year-end.

**Note 14 Fixed Assets, Miscellaneous receivables**

Reported under this heading are receivables arising from the sale of real estate, amounts due from dealers on promissory notes, and mortgage bonds payable to A/S Scan-Atlas Husholdningsapparater, Copenhagen, in connection with sale of kitchen cabinets.

**Note 15 Machinery and equipment**

	tKr
Net book value, December 31, 1971	114,399
Acquisitions in 1972, including machinery and equipment owned by companies acquired during the year	+ 90,279
Machinery and equipment transferred from AB Addo	+ 1,707
Book value of sold and scrapped machinery, etc.	— 7,973
Fiscal depreciation in 1972	— 61,850
Net book value, December 31, 1972	136,562

The above acquisition sum includes

machinery and equipment of newly acquired companies, tKr 6,426, and production tools of tKr 17,390, which were completely written-off at the time of acquisition.

**Note 16 Factory, office and other buildings (including land improvements)**

	tKr
Net book value, December 31, 1971	172,130
Appreciation in connection with bonus issue of shares in 1972	+ 40,000
Acquisitions in 1972, including real estate owned by companies acquired during the year	+ 44,026
Book value of sold and scrapped real estate, etc.	— 17,157
Fiscal depreciation in 1972	— 11,447
Net book value, December 31, 1972	227,552

The above acquisition sum includes real estate owned by newly acquired companies, tKr 20,117.

**Note 17 Bank loans, etc.**

Included here are such repayments on long-term loans as will be paid within one year.

**Note 18 Short-term Liabilities, Miscellaneous**

Included here are reserves for guarantee obligations, accrued vacation pay, wages and salaries unpaid at the end of the year, PAYE taxes, reserves for severance pay, etc. in subsidiaries outside Sweden, turnover and value-added taxes, and miscellaneous accrued expenses. Also included here are AB Addo's liabilities to companies within the Facit Group.

**Note 19 Long-term Liabilities, Miscellaneous liabilities**

This heading includes loans for which collaterals in the form of mortgages or guarantees have not been required, and the difference between the assets and liabilities taken over from AB Addo. See also section "General" on page 39.

**Note 20 Statutory reserves**

In addition to statutory reserves provided in each company, this item includes the net difference between the share capital of subsidiaries and

the value of these shares recorded in the books of the Parent Company (values in excess of par have been deducted from values below par). Changes in relation to 1971 reflect the issue of bonus shares in subsidiaries, differences between book value and nominal share capital in newly acquired companies, increases of statutory reserves in subsidiaries, new conversion values due to altered foreign exchange rates, etc.

**Note 21 Free reserves and Group profit for the year**

Provision has not been made for possible taxation in Sweden and/or in other countries on unappropriated earnings of non-Swedish subsidiaries which may be transferred to the Parent Company in the form of dividends. Currency regulations in certain countries may also affect the possibilities of transferring profits to the Parent Company.

**Note 22 Contingent Liabilities**

The increase is attributable to commitments made by Electrolux Ltd., Luton, to an outside finance company. The commitments pertain to leasing and certain hire-purchase contracts.

**Note 23 Invoiced net sales**

Invoicing by AB Electrolux (the Parent Company) relates to deliveries to subsidiaries as well as customers, which buy directly from the Parent Company.

**Note 24 Manufacturing, selling and administrative costs, etc.**

Contrary to previous years, general administrative expenses are not reported as a separate item in the Profit & Loss Statement, but are included under the above heading. In 1972, the general administrative expenses amounted to MKr 2.7, the corresponding figure for 1971 being MKr 2.4. General administrative expenses refer to AB Electrolux expenses for the executive management as well as remuneration to the members of the board of directors and external auditors.

**Note 25 Other interest paid**

As in previous years, interest relating to the current year's provision for pensions has been included. This amounts to MKr 4.4. See also note 39.



**Note 26** *Increase in general inventory reserve*

The reserve amounts to 57.3% of the gross inventory value, from which an adequate amount for obsolescence has been deducted. Inventories transferred from AB Addo are included in the gross inventory value. Corresponding percentage for the previous year was 53.3%.

**Note 27** *Receivables, Due from customers*

The increase compared with 1971 is mainly attributable to the transfer of accounts receivable from AB Addo.

**Note 28** *Receivables, Due from subsidiaries*

Reported hereunder are trading receivables from subsidiaries with respect to transactions with a maximum credit period of one year. Other trading receivables will be found under "Fixed Assets, Receivables, Due from subsidiaries".

**Note 29** *Current Assets, Receivables, Miscellaneous*

Included hereunder are receivables from suppliers, advance payments on current assets, payments on account to the Pensions Registration Institute (PRI), amounts owed by employees and prepaid expenses.

**Note 30** *Fixed Assets, Receivables, Due from subsidiaries*

Reported under this heading are amounts lent by the Parent Company to subsidiaries, and other receivables which have become long-term in nature.

**Note 31** *Shareholdings in subsidiaries*

The increase from the previous year is attributable to the acquisition of new companies (see page 6), the issue of new shares in subsidiaries and the writing-up of the book value of AB Electrolux shareholdings in Electrolux Ltd., Luton, MKr 40, made in connection with the Parent Company issue of bonus shares during 1972.

**Note 32** *Machinery and equipment*

	tKr
Net book value, December 31, 1971	45,308
Acquisitions in 1972	+ 37,720

Machinery and equipment acquired through commission agreements, etc. (at book value)	+ 2,216
Fiscal depreciation in 1972	— 33,665
Net book value, December 31, 1972	51,579

The above-mentioned figures include production tools of tKr 16,231, which were fully written-off at the time of acquisition.

**Note 33** *Factory, office and other buildings (including land improvements)*

	tKr
Net book value, December 31, 1971	67,701
Appreciation in connection with bonus issue of shares in 1972	+ 40,000
Acquisitions in 1972	+ 6,214
Real estate acquired from AB Ankarstrums Bruk	+ 2,827
Book value of scrapped real estate	— 54
Fiscal depreciation in 1972	— 5,746
Net book value, December 31, 1972	110,942

**Note 34** *Assets Pledged, Mortgages on property*

The liabilities, etc. for which mortgages have been pledged, amounted to tKr 63,193 as at December 31, 1972.

**Note 35** *Bank loans, etc.*

This mainly consists of such repayments on long-term loans as must be paid within one year, as well as interest due on mortgage loans and debenture loans.

**Note 36** *Short-term Liabilities, Miscellaneous*

This entry includes reserves for guarantee obligations, accrued expenses and short-term liabilities, which have arisen in connection with acquisition of companies.

**Note 37** *Reserve for Unrealized Profit in Inventories of Subsidiaries outside Sweden*

This reserve represents the difference between invoice price and manufacturing cost at the Parent Company for the products which

remained in stock with the receiving subsidiaries at the end of the year.

**Note 38** *Long-term Liabilities, Miscellaneous*

This entry reflects the difference between the assets and the liabilities of AB Addo when transferred to AB Electrolux as at December 30, 1972.

**Note 39** *Appropriated to pensions*

AB Addo's pension liabilities were transferred to AB Electrolux as of December 30, 1972, in accordance with the commission agreement. Pension liabilities not included in "Appropriated to pensions" and amounting to tKr 1,610 are covered by capital in the Independent Pension Fund of the Addo Group. MKr 4.4 of the allocations for the year relate to interest, which has been charged to interest paid.

**Note 40** *Share capital*

	tKr
400,000 "A" shares at Kr 100.00 each	40,000
4,350,000 "B" shares at Kr 100.00 each	435,000
4,750,000 shares	475,000

Each "A" share entitles the holder to one vote and each "B" share to 1/1000th of a vote. All shares carry the same right to participation in the Company's assets and profits. In connection with the acquisition of Facit AB, the share capital has been increased by 242,000 "B" shares in 1973, whereupon the share capital is composed as follows:

	tKr
400,000 "A" shares at Kr 100.00 each	40,000
4,592,000 "B" shares at Kr 100.00 each	459,200
4,992,000 shares	499,200



# Supplementary Information on Electrolux

## Wages, Salaries and Remuneration

	1972 (tKkr)	1971 (tKkr)
<b>Parent Company</b>		
Board of Directors, Managing Director and other senior executives	1,519	1,271
Wage earners	122,407	108,951
Others	97,760	79,563
	221,686	189,785
<b>Swedish Companies (incl. Parent Company)</b>		
Boards of Directors, Managing Directors and other senior executives	2,169	2,297
Wage earners	214,728	192,805
Others	158,185	147,067
	375,082	342,169
<b>Total Group</b>		
Boards of Directors, Managing Directors and other senior executives	10,942	10,530
Wage earners	348,709	311,719
Others	438,301	384,813
	797,952	707,062

The Parent Company's increase of wages, salaries and remuneration in 1972 is partly due to the transfer of personnel from some Swedish subsidiaries to the Parent Company made at the turn of year 1971/72. Wages, salaries and remuneration for this personnel are shown in the Parent Company during 1972 and in Swedish subsidiaries during 1971.

In addition to wages, salaries and remuneration, the Group's operations have borne social charges for the personnel. For the Parent Company and the Swedish subsidiaries such costs—comprising contributions to the General Supplementary Pension Scheme (ATP), the Pensions Registration Institute (PRI) and other pension plans, as well as employer's charges and premiums to group life insurance, etc.—amounted to approximately MKr 71 during 1972.

## Assessed Values

At the year-end, the Parent Company's land and buildings had an assessed value of MKr 128.0, including a special machinery value of MKr 3.9.

## Fire Insurance Values

Parent Company buildings	MKr 223.7
Parent Company machinery, equipment, etc.	MKr 322.4

## Number of Shareholders

At the year-end, AB Electrolux had approximately 20,000 shareholders. The number of shareholders is expected to increase by 8,000 during the first part of 1973, due to the merger with the Facit Group.



# Electrolux on the World Map

## Countries with Manufacturing Plants and Sales Companies

- 1 ARGENTINA** 170 employees  
Factory in *Buenos Aires* (vacuum cleaners, floor polishers)
- 2 AUSTRALIA** 1,360 employees  
Factories in  
*Melbourne* (vacuum cleaners, floor polishers, air-cushion lawn-mowers)  
*Thebarton (Adelaide)* (lawn-mowers and other machines for maintenance of lawns)  
In addition, contract cleaning in Melbourne with 1,110 employees
- 3 BRAZIL** 250 employees  
Factory in *Sao Paulo* (vacuum cleaners, floor polishers)  
In addition, contract cleaning with 760 employees
- 4 COLOMBIA** 430 employees  
Factory in *Bogota* (vacuum cleaners, floor polishers)
- 5 DENMARK** 1,420 employees  
Factories in  
*Lundtofte (Copenhagen)* (refrigerators, freezers)  
*Nykøbing-Falster* (kitchen cabinets)  
*Naerum (Copenhagen)* (clothes lockers, filing cabinets)  
*Fjerritslev* (office chairs)  
*Esbjerg* (refrigerators and freezers)
- 6 FRANCE** 3,030 employees  
Factory in *Courbevoie* (vacuum cleaners, floor polishers)
- 7 HOLLAND** 240 employees  
Factory in *Diemen* (catering equipment)
- 8 ITALY** 710 employees  
Factory in *Milan* (vacuum cleaners, floor polishers)
- 9 LUXEMBOURG** 130 employees  
Factory in *Vianden* (absorption refrigerators)
- 10 MEXICO** 430 employees  
Factory in *Mexico City* (vacuum cleaners)
- 11 NORWAY** 680 employees  
Factory in *Eidsvold* (electric cookers, electric radiators)
- 12 NEW ZEALAND** 320 employees  
Factory in *Wellington* (vacuum cleaners, floor polishers)
- 13 PERU** 260 employees  
Factory in *Lima* (vacuum cleaners, floor polishers)
- 14 SPAIN** 420 employees  
Factory in *Madrid* (vacuum cleaners)  
In addition, a sales company with contract cleaning in the Canary Islands
- 15 GREAT BRITAIN** 3,600 employees  
Factories in  
*Luton* (vacuum cleaners, refrigerators, electric radiators)  
*Darlington* (air-cushion lawn-mowers)  
In addition, contract cleaning in Birmingham with 1,140 employees
- 16 SWEDEN** 8,480 employees  
Factories in  
*Alingsås* (catering equipment, industrial ovens)  
*Alingsås* (equipment for high-pressure cleaning)

*Getinge* (sterilization equipment for hospitals, etc.)  
*Malmö* (commercial refrigerators and freezers)  
*Malmö* (cafeteria counters)  
*Mariestad* (compressor refrigerators, freezers)  
*Motala* (absorption refrigerators, electric cookers, dish-washers, washing machines)  
*Skänninge* (street sweeping machines, brushes)  
*Stockholm* (industrial robots)  
*Säffle* (steel fittings, materials handling equipment)  
*Västervik/ Ankarsrum* (vacuum cleaners, professional cleaning machines, "Assistent" kitchen machines, ventilators, fractional h.p. electric motors, etc.)  
*Åmål* (refrigerators, electric cookers, etc.)  
In addition, contract cleaning (ASAB) with 4,210 employees

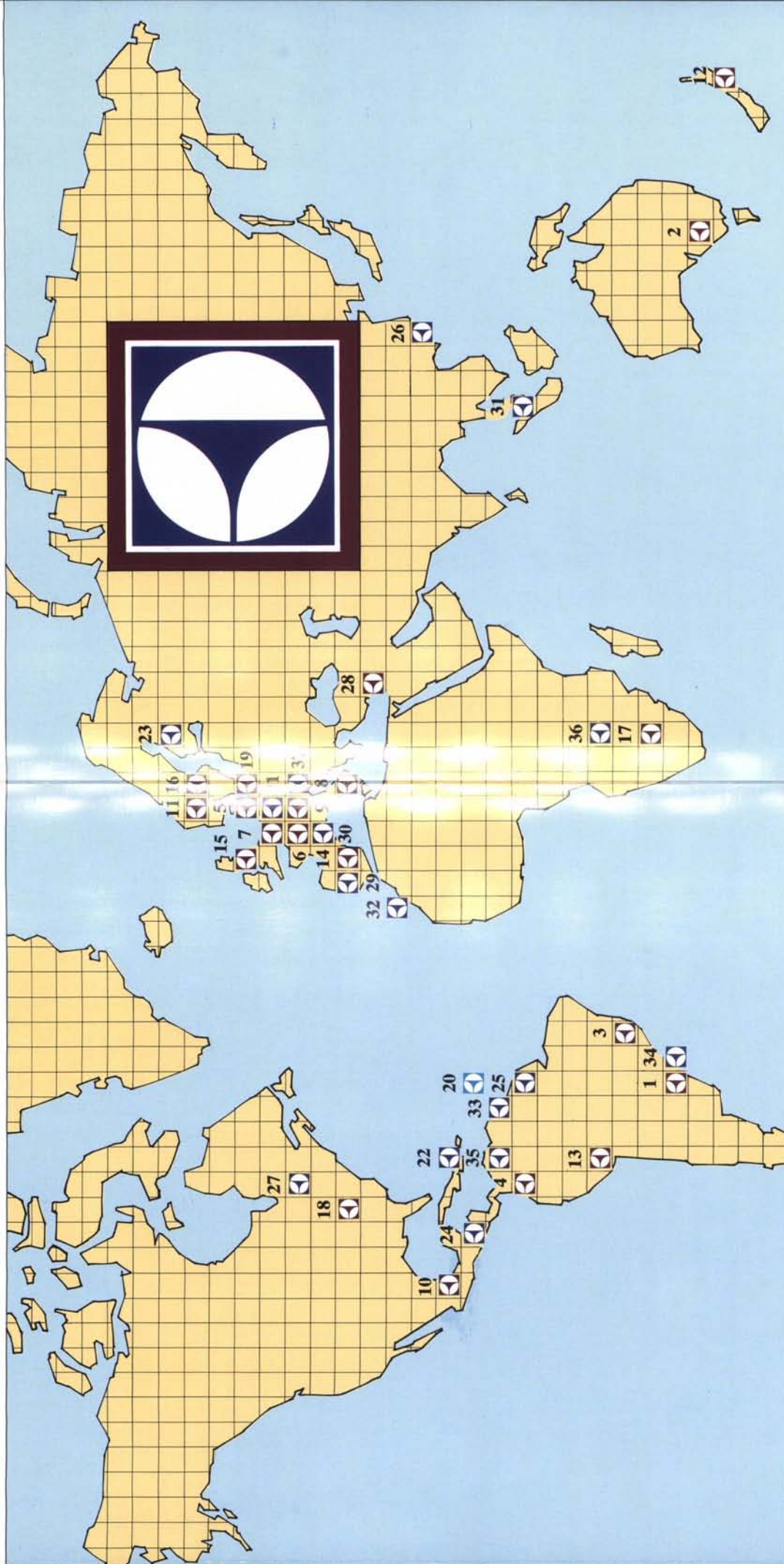
- 17 SOUTH AFRICA** 370 employees  
Factory in *Johannesburg* (vacuum cleaners, floor polishers)  
In addition, contract cleaning with 790 employees
- 18 USA** 210 employees  
Factory in *Elkhart, Indiana* (professional cleaning machines)
- 19 WEST GERMANY** 2,850 employees  
Factory in *West Berlin* (vacuum cleaners, freezers, freezing installations, air-cushion lawn-mowers)

## Countries with Sales Companies only

- 20 BARBADOS**
- 21 BELGIUM**
- 22 DOMINICAN REPUBLIC**
- 23 FINLAND**
- 24 GUATEMALA**
- 25 GUYANA**
- 26 HONGKONG**
- 27 CANADA**
- 28 LEBANON**
- 29 PORTUGAL**
- 30 SWITZERLAND**
- 31 SINGAPORE**
- 32 THE CANARY ISLANDS (SPAIN)**
- 33 TRINIDAD**
- 34 URUGUAY**
- 35 VENEZUELA**
- 36 ZAMBIA**
- 37 AUSTRIA**

In addition, the Group's products are being sold via more than 200 agents, which have not been shown on the map.









**Electrolux**