Electrolux

HALF-YEARLY REPORT 2001

- Earnings per share declined by 11% compared with a strong first half in the preceding year

Amounts in SEKm, unless otherwise stated	**First half 2001**	First half 2000	Change	**Second quarter 2001**	Second quarter 2000	Change
Net sales	**71,129**	65,428	9%	**37,459**	34,199	10%
Operating income[1)]	**3,888**	4,503	-14%	**2,036**	2,453	-17%
Margin, %	***5.5***	*6.9*		***5.4***	*7.2*	
Income after financial items	**3,251**	4,071	-20%	**1,752**	2,285	-23%
Margin, %	***4.6***	*6.2*		***4.7***	*6.7*	
Net income per share, SEK[2)]	**6.55**	7.35	-11%	**3.45**	4.10	-16%
Value creation[3)]	**682**	1,731	-1,049	**392**	1,040	-648
Return on equity, %	**16.8**	20.9				

1) Operating income for the preceding year includes a capital gain of SEK 241m and a provision in the same amount for restructuring within Professional Indoor Products.
2) Based on an average of 341.1 million shares after stock buy-backs. See page 12.
3) See definition on page 3.

- **Lower industry shipments in the U.S. and signs of slow down in Europe in several product areas**
- **Higher sales and income for major appliances in Europe and operations outside Europe and North America**
- **Marked decline in income in North America due to problems related to the start-up of a new refrigerator line**
- **Significant downturn in income for Components within Professional Indoor Products**
- **Cautious outlook for full year operating income**

AB ELECTROLUX

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Net sales and income
Net sales for Electrolux in the first half of 2001 were SEK 71,129m, compared with SEK 65,428m for the same period in the preceding year. This corresponds to an increase of 9%, of which +10% is attributable to exchange rate fluctuations, +3% to changes in Group structure, and -4% to volume/price/mix. See page 5 for details concerning changes in Group structure.

Operating income declined by 14% to SEK 3,888m (4,503), corresponding to 5.5% (6.9) of sales. Income after financial items decreased by 20% to SEK 3,251m (4,071), corresponding to 4.6% (6.2) of sales. Net income declined by 17% to SEK 2,228m (2,698), which corresponds to SEK 6.55 (7.35) per share.

Net financial items declined compared with the first half of 2000, mainly due to higher net borrowings related to the stock repurchase program and negative translation effects due to changes in exchange rates. Lower interest rates had a positive impact.

Changes in exchange rates during the period, with respect to transaction and translation effects, had a net positive impact on income after financial items of approximately SEK 140m.

Second quarter
Sales in the second quarter of 2001 rose to SEK 37,459m (34,199). Of the total increase of 10%, +12% is attributable to changes in exchange rates, +3% to changes in Group structure, and -5% to volume/price/mix.

Operating income declined by 17% to SEK 2,036m (2,453), corresponding to 5.4% (7.2) of sales. Income after financial items decreased by 23% to SEK 1,752m (2,285), which corresponds to 4.7% (6.7) of sales. Net income was SEK 1,162m (1,510), corresponding to SEK 3.45 (4.10) per share.

Cash flow
Cash flow from operations, adjusted for changes in exchange rates, was SEK 4,934m (82). The improvement is primarily traceable to working capital, which showed a decline in 2001 compared to a sharp increase in the previous year.

Financial position
Equity as of June 30, 2001 amounted to SEK 28,861m (26,113), which corresponded to SEK 84.60 (72.10) per share. Return on equity was 16.8% (20.9).

Average net assets for the period were SEK 45,800m (39,604) excluding items affecting comparability and SEK 44,024 (38,303) including items affecting comparability.

The increase is primarily due to consolidation of the newly acquired household appliances division of Email Ltd and exchange rate effects in conjunction with translation to Swedish kronor. Return on net assets was 17.5% (23.5).

Net assets as of June 30, 2001 in relation to sales improved to 29.5% (30.1).

Net borrowings increased to SEK 17,631m (16,492), principally due to the stock repurchase program that commenced in June 2000. The payment for the Email acquisition was offset by the proceeds from the sale of the Italian finance company Veneta Factoring. The net debt/equity ratio decreased to 0.59 (0.61).

Liquid funds at the end of the period were SEK 11,577m (9,698).

Value creation

Total value created by the Group during the first half of 2001 amounted to SEK 682m compared with SEK 1,731m in the first half of the preceding year.

The decline is mainly the result of a decrease in operating margin to 5.5% (6.9), primarily due to significantly lower operating income for Consumer Durables in the U.S. and a substantial downturn in earnings for the Components product line. The capital turnover rate for the Group declined to 3.1, compared with 3.3 in the preceding year.

The table below shows value creation for the period by business area.

Value creation by business area, SEKm	**First half 2001**	First half 2000	Change	**Second quarter 2001**	Second quarter 2000	Change	Full year 2000
Consumer Durables							
Europe	**378**	379	-1	**245**	106	139	986
North America	**405**	1,170	-765	**139**	704	-565	1,669
Rest of the world	**-515**	-599	84	**-259**	-272	13	-1,056
Total Consumer Durables	**268**	950	-682	**125**	538	-413	1,599
Professional Products							
Indoor	**346**	674	-328	**238**	469	-231	713
Outdoor	**491**	398	93	**261**	186	75	756
Total Professional Products	**837**	1,072	-235	**499**	655	-156	1,469
Common Group costs, etc.	**-423**	-291	-132	**-232**	-153	-79	-645
Total	**682**	1,731	-1,049	**392**	1,040	-648	2,423

Value created is defined as operating income, excluding items affecting comparability, less a weighted average cost of capital (WACC) on average net assets. The Group's WACC is calculated at 14% before tax.

Operations by business area

Consumer Durables

Total industry shipments of core appliances in Western Europe increased in volume during the first half of 2001 by approximately 1% compared with the same period in the preceding year. Shipments in the second quarter were marginally up over last year. The Group achieved higher sales through Electrolux Home Products Europe, particularly with respect to key accounts. Operating income improved compared with the preceding year for the second quarter as well as the first half. The improvement is mainly a result of higher volume as well as improved productivity and cost reductions. The negative impact of material costs was reduced in the second quarter. Price and mix remained negative.

The U.S. industry shipments for core appliances declined in volume by about 6% in the first half and approximately 5% in the second quarter. Including air conditioners and microwave ovens, the market declined in volume by about 6% for the entire period and by about 4% in the second quarter. Group sales through Electrolux Home Products North America were lower than in the preceding year due to destocking at the retail level and lower volumes of seasonal products and refrigerators. Operating income showed a marked decline, mainly due to delivery failures and non-recurring costs resulting from production problems in conjunction with the start-up of a new generation of refrigerators. This one-time effect on income is estimated at approximately USD 60 million (approximately SEK 600m). (See also page 8).

Demand for core appliances in Brazil showed an upturn and the Group achieved a strong increase in sales. Operating income for the Brazilian appliance operation improved substantially and was positive. The Group also achieved strong volume growth for appliances in China and the ASEAN countries, while sales in India were lower than in the preceding year. Overall, operating income for the appliance operation outside Europe and North America showed a substantial improvement and was positive also excluding the recently acquired Email operation in Australia.

Demand for vacuum cleaners showed some growth in the U. S., but declined slightly in Europe. Sales for the floor-care product line where higher than in the preceding year. However, operating income and margin declined due to price pressure and an unfavorable product mix.

Cold weather in Europe and the United States resulted in lower demand for outdoor products in both markets, as well as destocking at the retail level. Group sales in Europe declined and there was a marked downturn in operating income. Sales in the U.S. were lower than the preceding year and operating income declined.

Overall, sales increased for the Consumer Durables business area, mainly due to the consolidation of Email and currency effects. Operating income and margin declined.

Professional Indoor Products
Demand for food-service equipment in Europe declined somewhat. Group sales increased in the Nordic countries but were lower in Southern Europe. Operating income and margin were in line with the previous year for comparable units.

Demand for laundry equipment showed a modest upturn. The Group achieved higher sales volume and operating income and margin increased.

Demand for absorption refrigerators and other equipment for recreational vehicles declined in North America and showed signs of a slowdown in Europe. Sales for the leisure appliances product line were largely unchanged compared with the preceding year, while operating income and margin declined.

Demand for compressors declined in Europe and the U.S. Group sales were lower than in the preceding year. Operating income showed a marked downturn due to lower volumes, increased price pressure and higher material costs, as well as costs related to capacity adjustments.

Total sales increased for Professional Indoor Products, mainly as a result of currency effects. Operating income and margin declined from the high levels of the preceding year.

Professional Outdoor Products
Demand for professional chainsaws increased in the U.S. There was a considerable downturn in Europe, however, where the market in the preceding year was characterized by high growth as a result of storms early in the year. Overall, Group sales of chainsaws were lower than in the first half of 2000.

Sales of lawn and garden equipment increased compared with the preceding year. Sales of power cutters and diamond tools declined in the United States, but rose in other markets.

Overall, sales for Professional Outdoor Products showed good growth. Operating income improved while margin was unchanged.

Major changes in the Group
The acquisition of the household appliances division of Email Ltd in Australia was finalized in February, 2001. Email is the largest manufacturer of major appliances in Australia, with annual sales of approximately SEK 4,700m and 4,500 employees. The final purchase price was approximately AUD 440m (approximately SEK 2,270m). Email was consolidated as of February 1 and is included in the financial statements for the first half of 2001 with SEK 1,940m in sales, SEK 101m in operating income, and SEK 2,422m in net assets.

As of July 1, the Group acquired Marazzini Ernesto S.p.A. in Italy, which mainly manufactures lawn mowers and other outdoor products for the consumer market. The company had sales in 2000 of approximately SEK 400m and some 90 employees.

An agreement was reached on June 13 concerning the sale of the majority of the leisure appliances product line, which is part of the Professional Indoor Products business area. The divested operations had sales in 2000 of approximately SEK 4,200m and some 2,200 employees. Operations in Germany, Austria and Slovakia, which have combined annual sales of SEK 1,100m and a total of approximately 1,400 employees, were not included in the sale. The Group has an option to sell those operations to the buyer at a later date. The sale is subject to approval by appropriate authorities.

As of April 26, the Group sold 90% of the shares in the wholly owned Italian finance company Veneta Factoring S.p.A, which reduced the Group's net borrowings by SEK 2,437m. The sale generated a marginal capital gain for the Group.

Ongoing structural changes and cost adjustments
The measures announced earlier this year aimed at achieving cost adjustments are proceeding as planned. See the table below.

Of the provision of SEK 883m made in the fourth quarter of 2000, approximately SEK 410m had been utilized by June 30, 2001. The measures implemented refer primarily to major appliance operations in North America and Europe. The measures have entailed a workforce reduction of approximately 1,000 employees and have generated total savings of SEK190m.

Measures, SEKm	Provision Q4 2000	Estimated savings in 2001	Provision utilized as of June 30, 2001	Savings as of June 30, 2001
Alignment of the pan-European organization, Electrolux Home Products, Europe	350	160	110	90
Alignment of the organization and logistics structure, Electrolux Home Products, North America	200	230	190	80
Consolidation of production, floor-care products	200	20	20	10
Rationalization of the IT structure, etc.	130	30	90	10
Total, approx.	880	440	410	190

Parent company
Net sales for the parent company, AB Electrolux, for the first half of 2001 amounted to SEK 3,641m (3,627). Income after financial items was SEK 518m (3,514), which includes dividends from subsidiaries of SEK 924m (3,791).

Capital expenditure for the period was SEK 71m (81). Liquid funds at the end of the period amounted to SEK 4,507m (1,895), compared with SEK 2,701m at the end of the year 2000.

Stock repurchase
No shares were acquired in the first half of 2001. The Group thus still owns 25,035,000 series B shares corresponding to 6.84% of the total number of shares, with a total par value of SEK 125m. The average price paid for the repurchased shares is SEK 127.40 per share. The Group has no voting rights for these shares. The total number of shares in AB Electrolux is 366,169,580.

The Annual General Meeting resolved on April 24, 2001 to renew the Board's authorization to buy and sell up to 10% of the Company's total number of series A and B shares, i.e., up to 3.16% may be repurchased. The authorization covers the period up to the next AGM. The buy-backs will be implemented with due consideration for the Group's target of maintaining a net debt/equity ratio below 0.80.

Comments from the CEO

The first half of 2001 was characterized by lower industry shipments in the United States of both indoor and outdoor products. Demand in Europe also showed signs of slowing in several of our product areas. Trends in shipment this year have been weaker than expected.

The positive demand trend in Brazil and most Asian markets continued, while the major appliances market in Australia, as expected, showed a decline after strong growth in the preceding year.

Group sales for comparable units and adjusted for currency effects declined and earnings were substantially weaker, although compared with an unusually strong first half in 2000. Changes in exchange rates had a positive impact on income, but also involved an increase in net assets and thereby an adverse effect on value creation. Trends for price and mix remained negative, while costs for materials were lower than in the previous year. Cash flow showed a considerable improvement.

The downturn in sales and operating income is mainly attributable to Consumer Durables in North America and the component operation within Professional Indoor Products. Higher sales and income were noted for the European appliance operation as well as for appliances outside Europe and North America. Professional Outdoor Products also reported good growth in both sales and income with a continued high margin.

Decline in demand for seasonal products and destocking
Cold weather in Europe and the United States resulted in a late start and poor sales of seasonal products. In addition, the decline in shipments in the United States for both indoor and outdoor products were to a large extent related to inventory reductions at the retail level. Demand at the consumer end seems to have shown less of a decline so far, excluding air conditioners.

Start-up costs for new refrigerator line in the U.S.
The biggest disappointment during the first half and particularly in the second quarter was the marked downturn in income for Consumer Durables in North America. This was mainly caused by significant problems and non-recurring costs related to the start-up of a new product generation in the refrigerator plants in Anderson, South Carolina and Greenville, Michigan. Delivery failures and higher costs for e.g., extra personnel involved a total estimated decline in operating income during the first half of approximately USD 60 million (approximately SEK 600m).

The new line includes side-by-side and top-mount refrigerators. All models feature substantially lower energy consumption and meet or exceed the new government energy efficiency standards. The total capital expenditure amounts to approximately USD 200 million (approximately SEK 2,000m) and is one of the Group's largest investments in new products in recent years. The project has a high degree of complexity involving the complete retooling of two factories and the entire product line, as well as extensive installation of new equipment. Most of the problems have been related to highly automated parts of the production line. The situation is now normalizing, but will entail additional cost increases in the third quarter estimated at about USD 20 - 25 million (SEK 200-250m).

The new products have been received very well by the market and will significantly strengthen our offering within refrigeration. They will also give us the opportunity to target the higher price segments in the market, an area for which we lacked appropriate products in the past.

Lower income for Components

The Components product line has showed a significant downturn in sales and income for the last three quarters. This is primarily attributable to successive weakening of demand and increased price pressure for compressors in Europe and the United States. Losses in our joint ventures within compressors in China and Egypt also contributed. We were also faced with a strike in the Italian compressor plants in June.

Internal measures in the first half of the year have focused on adjusting capacity and reducing inventory, which had a negative impact on income. The workforce within the product line has been reduced so far this year by almost 500 employees.

We are also working on improving the structure of the product line and strengthening the product portfolio. Measures in progress include investments related to a new line of high-performance compressors.

Higher income for appliances in Europe and rest of the world

Favorable developments in the first half include improved income for major appliances in Europe for the second quarter and the period as a whole. In addition to an increase in sales volume, the previously announced measures aimed at improving internal efficiency are beginning to show results. Selling, general and administrative expenses declined to 18.5% of sales, compared with 20.8% in the first half of the preceding year.

Major appliances outside Europe and North America also showed an improved performance, with strong growth in sales and a marked improvement in operating income, even excluding Email.

Integration of Email on plan

The acquisition of the household appliances division of Email Ltd in Australia was finalized in February. Integration of the business, which is now part of the newly formed Electrolux Home Products Pty, has proceeded as planned.

Efforts thus far have been oriented mainly towards achieving improvements in purchasing, quality, product development, productivity in manufacturing, and information systems. An organizational change has been implemented and several experienced managers from the Group have been put in charge of key areas. We have also initiated consumer research aimed at gaining a basis for decisions regarding a long-term brand strategy.

Sales and income for the Australian operation so far this year are somewhat lower than in the preceding year, but are in line with our expectations.

Acquisition within Outdoor Products

The acquisition of the Italian company Marazzini has strengthened the Group's position in lawn and garden products in Southern Europe. The company has annual sales of approximately SEK 400m. Operations are focused mainly on gasoline-powered lawn mowers, for which the company has a market share of close to 20% in Italy and above 10% in France. This gives the Group a total share of about 30% of the European market for lawn mowers.

During 2000 we made several acquisitions in Professional Outdoor Products in the United States within landscape maintenance equipment and diamond tools. We see further opportunities for growth within outdoor products.

Continued streamlining of Group structure

The divestment of the major part of the leisure appliances product line is part of the continued streamlining of the Group towards fewer product areas. The goal is to create a leading consumer durables company focused on indoor and outdoor products, as well as a selected range of corresponding products for professional users.

The leisure appliances operation is successful and enjoys a strong market position. But it offers only limited synergies with the rest of the Group since the majority of sales are to manufacturers of recreational vehicles.

We expect the divestment to be finalized during the third quarter. A substantial part of the capital gain of SEK 3,200m from the sale will be used for efficiency measures within our core business.

Changed outlook for the rest of the year
We expect no improvement of market conditions in the United States during the second half of the year. There is also a risk for further softening of demand in Europe.

Although many of the Group's operations will achieve improved income in 2001, this will not compensate for the difficulties related to the phase-in of new product generations and the destocking at the retail level in the United States. We therefore believe that the overall operating income for the Group for the full year of 2001, excluding items affecting comparability, will be somewhat lower than in the preceding year.

This is a change from the outlook stated in the report for the first quarter of 2001 in which the Group was expected to achieve an improvement in operating income, excluding items affecting comparability, and value created for the full year 2001.

In the light of continued weak market conditions we are focusing on continuing and accelerating internal measures started in the fourth quarter of last year in order to improve cost efficiency and productivity in the Group.

Stockholm, July 20, 2001

Michael Treschow
President and CEO

Factors affecting forward-looking statements
This report contains "forward-looking" statements within the meaning of the US Private Securities Litigation Reform Act of 1995. Such statements include, among others, the financial goals or targets of Electrolux for future periods and future business and financial plans. Actual results may differ materially from these goals and targets due to a variety of factors. These factors include, but may not be limited to the following; the success in developing new products and marketing initiatives, progress in achieving operational and capital efficiency goals, the success in identifying growth opportunities and acquisition candidates, and the integration of these opportunities with existing businesses, progress in achieving structural and supply-chain reorganization goals, competitive pressures to reduce prices, significant loss of business from major retailers, consumer demand, effects of current fluctuations and the effect of local economies on product demand.

Consolidated income statement, SEKm

	First half 2001	First half 2000	**Second quarter 2001**	Second quarter 2000	Full year 2000
Net sales	**71,129**	65,428	**37,459**	34,199	124,493
Cost of goods sold	**-55,189**	-49,123	**-29,294**	-25,723	-93,549
Selling expense	**-8,684**	-8,592	**-4,351**	-4,345	-17,092
Administrative expense	**-3,256**	-3,191	**-1,720**	-1,654	-5,585
Other operating income/expense	**-112**	-19	**-58**	-24	-217
Items affecting comparability		-		-	-448
Operating income*	**3,888**	4,503	**2,036**	2,453	7,602
Margin, %	***5.5***	*6.9*	***5.4***	*7.2*	*6.1*
Financial items, net	**-637**	-432	**-284**	-168	-1,072
Income after financial items	**3,251**	4,071	**1,752**	2,285	6,530
Margin, %	***4.6***	*6.2*	***4.7***	*6.7*	*5.2*
Taxes	**-1,056**	-1,388	**-569**	-768	-2,121
Minority interests in net income	**33**	15	**-21**	-7	48
Net income	**2,228**	2,698	**1,162**	1,510	4,457
** Including depreciation in the amount of:*	***-2,013***	*-1,873*	***-1,028***	*-950*	*-3,810*
Net income per share, SEK	**6.55**	7.35	**3.45**	4.10	12.40
Number of shares after buy backs, million	**341.1**	362.1	**341.1**	362.1	341.1
Average number of shares after buy backs, million	**341.1**	365.8	**341.1**	365.5	359.1

Consolidated balance sheet, SEKm

	June 30 2001	June 30 2000	Full year 2000
Assets			
Fixed assets	**33,344**	27,979	29,680
Inventories, etc.	**19,660**	16,955	16,880
Accounts receivable	**29,065**	27,081	23,214
Other receivables	**7,837**	6,007	9,093
Liquid funds	**11,577**	9,698	8,422
Total assets	**101,483**	87,720	87,289
Equity and liabilities			
Shareholders' equity	**28,861**	26,113	26,324
Minority interests	**791**	792	810
Interest-bearing liabilities and provisions	**29,208**	26,190	25,398
Non-interest-bearing liabilities and provisions	**42,623**	34,625	34,757
Total equity and liabilities	**101,483**	87,720	87,289
Contingent liabilities	**1,336**		1,325

Change in equity, SEKm

	First half 2001	First half 2000	Full year 2000
Opening balance	**26,324**	25,781	25,781
Dividend payment	**-1,365**	-1,282	-1,282
Repurchase of shares	**-**	-565	-3,193
Translation differences	**1,674**	-519	561
Net income	**2,228**	2,698	4,457
Closing balance	**28,861**	26,113	26,324

Consolidated cash flow statement, SEKm

	First half 2001	First half 2000	Full year 2000
Operations			
Income after financial items	**3,251**	4,071	6,530
Depreciation according to plan charged against above income	**2,013**	1,873	3,810
Provisions and capital gains/losses	**-448**	-40	628
Taxes paid	**-578**	-1,170	-2,329
Changes in operating assets and liabilities			
Change in inventories	**-336**	-628	-17
Change in accounts receivable	**-3,355**	-6,368	-884
Change in other current assets	**1,133**	-1,365	-3,002
Change in current liabilities and provisions	**3,254**	3,709	1,363
Cash flow from operations	**4,934**	82	6,099
Investments			
Investments in/divestments of operations and trade mark	**163**	561	180
Capital expenditure	**-2,035**	-1,992	-4,423
Other	**-159**	404	876
Cash flow from investments	**-2,031**	-1,027	-3,367
Dividend	**-1,365**	-1,282	-1,282
Repurchase of shares	**-**	-565	-3,193
Cash flow after dividends	**1,538**	-2,792	-1,743
Change in interest-bearing liabilities	**1,244**	2,259	-422
Total cash flow	**2,782**	-533	-2,165
Liquid funds at beginning of year	**8,422**	10,312	10,312
Exchange-rate differences referring to liquid funds	**373**	-81	275
Liquid funds at end of period	**11,577**	9,698	8,422

Change in net borrowings

Total cash flow excl. change in loans	**1,538**	-2,792	-1,743
Net borrowings at beginning of year	**-16,976**	-13,423	-13,423
Exchange-rate differences referring to net borrowings	**-2,193**	-277	-1,810
Net borrowings at end of period	**-17,631**	-16,492	-16,976

Net sales by business area, SEKm

	First half 2001	First half 2000	**Second quarter 2001**	Second quarter 2000	Full year 2000
Consumer Durables					
Europe	**22,147**	20,434	**11,246**	10,126	42,704
North America	**26,412**	26,991	**14,104**	14,640	46,581
Rest of the world	**7,462**	4,210	**4,229**	2,259	9,203
Total Consumer Durables	**56,021**	51,635	**29,579**	27,025	98,488
Professional Products					
Indoor	**9,621**	9,288	**5,037**	4,890	17,561
Outdoor	**5,217**	4,331	**2,692**	2,191	8,039
Total Professional Products	**14,838**	13,619	**7,729**	7,081	25,600
Other	**270**	174	**151**	93	405
Total	**71,129**	65,428	**37,459**	34,199	124,493

Operating income by business area, SEKm

	First half 2001	First half 2000	**Second quarter 2001**	Second quarter 2000	Full year 2000
Consumer Durables					
Europe	**1,025**	984	**578**	418	2,179
Margin, %	***4.6***	*4.8*	***5.1***	*4.1*	*5.1*
North America	**1,492**	2,125	**685**	1,197	3,577
Margin, %	***5.6***	*7.9*	***4.9***	*8.2*	*7.7*
Rest of the world	**175**	-82	**130**	-11	23
Margin, %	***2.3***	*-1.9*	***3.1***	*-0.5*	*0.2*
Total Consumer Durables	**2,692**	3,027	**1,393**	1,604	5,779
Margin, %	***4.8***	*5.9*	***4.7***	*5.9*	*5.9*
Professional Products					
Indoor	**787**	1,096	**459**	673	1,577
Margin, %	***8.2***	*11.8*	***9.1***	*13.8*	*9.0*
Outdoor	**702**	604	**371**	295	1,153
Margin, %	***13.5***	*13.9*	***13.8***	*13.5*	*14.3*
Total Professional Products	**1,489**	1,700	**830**	968	2,730
Margin, %	***10.0***	*12.5*	***10.7***	*13.7*	*10.7*
Common Group costs, etc.	**-293**	-224	**-187**	-119	-459
Items affecting comparability					-448
Total	**3,888**	4,503	**2,036**	2,453	7,602

Value creation, SEKm

	First half 2001	First half 2000	**Second quarter 2001**	Second quarter 2000	Full year 2000
Consumer Durables					
Europe	**378**	379	**245**	106	986
North America	**405**	1,170	**139**	704	1,669
Rest of the world	**-515**	-599	**-259**	-272	-1,056
Total Consumer Durables	**268**	950	**125**	538	1,599
Professional Products					
Indoor	**346**	674	**238**	469	713
Outdoor	**491**	398	**261**	186	756
Total Professional Products	**837**	1,072	**499**	655	1,469
Common Group costs, etc.	**-423**	-291	**-232**	-153	-645
Total	**682**	1,731	**392**	1,040	2,423

Key ratios

	First half 2001	First half 2000	**Second quarter 2001**	Second quarter 2000	Full year 2000
Net income per share, SEK[1)]	**6.55**	7.35	**3.45**	4.10	12.40
Return on equity, %[2)]	**16.8**	20.9			17.3
Return on net assets, %[3)]	**17.5**	23.5			19.6
Net debt/equity ratio[4)]	**0.59**	0.61			0.63
Capital expenditure, SEKm	**2,035**	1,992	**982**	1,068	4,423
Average number of employees	**88,500**	88,700	**88,200**	88,700	87,128

1) Based on an average of 341.1 million shares after stock buy-backs. See page 12
2) Annualized net income, expressed as a percentage of opening equity.
3) Annualized operating income, expressed as a percentage of average net assets.
4) Net borrowings, i.e., interest-bearing liabilities less liquid funds, in relation to adjusted equity.
Adjusted equity is defined as equity including minority interests.

Exchange rates in SEK

	First half 2001	First half 2000	Full year 2000
USD, average	**10.15**	8.77	9.17
USD, end of period	***10.84***	*8.81*	*9.49*
EUR, average	**9.04**	8.40	8.48
EUR, end of period	***9.19***	*8.41*	*8.83*
GBP, average	**14.60**	13.79	13.94
GBP, end of period	***15.24***	*13.37*	*14.15*
DEM, average	**4.62**	4.29	4.33
DEM, end of period	***4.70***	*4.30*	*4.52*

Quarterly data

Net sales and income

		1st qtr	2nd qtr	3rd qtr	4th qtr	Full year
Net sales, SEKm	**2001**	**33,670**	**37,459**			
	2000	31,229	34,199	29,644	29,421	124,493
Operating income, SEKm	**2001**	**1,852**	**2,036**			
	Margin,%	***5.5***	***5.4***			
	2000	2,050	2,453	1,830	1,269	7,602
	Margin,%	*6.6*	*7.2*	*6.2*	*4.3*	*6.1*
	2000[1)]	2,050	2,453	1,830	1,717	8,050
	Margin, %	*6.6*	*7.2*	*6.2*	*5.8*	*6.5*
Income after financial items, SEKm	**2001**	**1,499**	**1,752**			
	Margin,%	***4.5***	***4.7***			
	2000	1,786	2,285	1,504	955	6,530
	Margin,%	*5.7*	*6.7*	*5.1*	*3.2*	*5.2*
	2000[1)]	1,786	2,285	1,504	1,403	6,978
	Margin, %	*5.7*	*6.7*	*5.1*	*4.8*	*5.6*
Net income, SEKm	**2001**	**1,066**	**1,162**			
	2000	1,188	1,510	1,018	741	4,457
	2000[1)]	1,188	1,510	1,018	1,046	4,762
Net income per share, SEK	**2001**	**3.10**	**3.45**			
	2000	3.25	4.10	2.85	2.20	12.40
	2000[1)]	3.25	4.10	2.85	3.05	13.25
Value creation, SEKm	**2001**	**290**	**392**			
	2000	691	1,040	406	286	2,423

1) Exclusive of items affecting comparability, which in 2000 amounted to SEK -448m.

Net sales by business area, SEKm

Consumer Durables		1st qtr	2nd qtr	3rd qtr	4th qtr	Full year
Europe	**2001**	**10,901**	**11,246**			
	2000	10,308	10,126	10,832	11,438	42,704
North America	**2001**	**12,308**	**14,104**			
	2000	12,351	14,640	10,484	9,106	46,581
Rest of the world	**2001**	**3,233**	**4,229**			
	2000	1,951	2,259	2,276	2,717	9,203
Total Consumer Durables	**2001**	**26,442**	**29,579**			
	2000	24,610	27,025	23,592	23,261	98,488
Professional Products, Indoor	**2001**	**4,584**	**5,037**			
	2000	4,398	4,890	4,092	4,181	17,561
Professional Products, Outdoor	**2001**	**2,525**	**2,692**			
	2000	2,140	2,191	1,846	1,862	8,039
Total Professional Products	**2001**	**7,109**	**7,729**			
	2000	6,538	7,081	5,938	6,043	25,600

Operating income by business area, SEKm

Consumer Durables		1st qtr	2nd qtr	3rd qtr	4th qtr	Full year
Europe	**2001**	**447**	**578**			
	Margin,%	***4.1***	***5.1***			
	2000	566	418	504	691	2,179
	Margin,%	*5.5*	*4.1*	*4.7*	*6.0*	*5.1*
North America	**2001**	**807**	**685**			
	Margin,%	***6.6***	***4.9***			
	2000	928	1,197	812	640	3,577
	Margin,%	*7.5*	*8.2*	*7.7*	*7.0*	*7.7*
Rest of the world	**2001**	**45**	**130**			
	Margin,%	***1.4***	***3.1***			
	2000	-71	-11	-31	136	23
	Margin,%	*-3.6*	*-0.5*	*-1.4*	*5.0*	*0.2*
Professional Products, Indoor	**2001**	**328**	**459**			
	Margin,%	***7.2***	***9.1***			
	2000	423	673	313	168	1,577
	Margin,%	*9.6*	*13.8*	*7.6*	*4.0*	*9.0*
Professional Products, Outdoor	**2001**	**331**	**371**			
	Margin,%	***13.1***	***13.8***			
	2000	309	295	289	260	1,153
	Margin,%	*14.4*	*13.5*	*15.7*	*14.0*	*14.3*
Common Group costs, etc.	**2001**	**-106**	**-187**			
	2000	-105	-119	-57	-178	-459
Items affecting comparability	**2001**	**-**				
	2000	-	-	-	-448	-448

This report has not been audited.

A number of new standards from the Swedish Financial Accounting Standards Council went into effect as of January 1, 2001. The implementation of the new standards has had no material effect on the consolidated financial statements.

Financial reports in 2001

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Financial information from Electrolux is also available at www.electrolux.com.