

HALF-YEARLY REPORT 1999**-Strong growth in income, and higher margin-**

	<u>First half</u>			<u>Second quarter</u>		
	<i>1999</i>	<i>1998</i>	<i>Change, %</i>	<i>1999</i>	<i>1998</i>	<i>Change, %</i>
Net sales, SEKm	62,074	60,875	2.0	33,021	32,308	2.2
Operating income excl. items affecting comparability, SEKm	3,807	3,045	25.0	2,151	1,669	28.9
<i>Margin, %</i>	<i>6.1</i>	<i>5.0</i>		<i>6.5</i>	<i>5.2</i>	
Operating income, SEKm	3,807	3,600	5.8	2,151	2,224	-3.3
Income after financial items, SEKm	3,219	2,923	10.1	1,835	1,863	-1.5
Income before taxes excl. items affecting comparability, SEKm	3,206	2,388	34.3	1,814	1,313	38.2
<i>Margin, %</i>	<i>5.2</i>	<i>3.9</i>		<i>5.5</i>	<i>4.1</i>	
Income before taxes, SEKm	3,206	2,943	8.9	1,814	1,868	-2.9
Net income, SEKm	2,100	1,897	10.7	1,188	1,230	-3.4
Net income per share, SEK	5.75	5.20		3.25	3.35	
Return on equity, %	17.2	18.4				

- **Higher operating income for all business areas**
- **Good growth in sales and income in North America**
- **Restructuring program essentially completed**
- **Divestment of operation in food and beverage vending machines**
- **Electrolux to appeal decision in US pension litigation**

Net sales and income

Net sales for Electrolux in the first half of 1999 amounted to SEK 62,074m, as against SEK 60,875m last year. This corresponds to an increase of 2%, of which -4% refers to divestments, +2% to changes in exchange rates, and +4% to price/mix/volume.

Operating income rose by 6% to SEK 3,807m (3,600), corresponding to 6.1% (5.9) of sales. Income before taxes increased by 9% to SEK 3,206m (2,943), corresponding to 5.2% (4.8) of sales. Net income rose by 11% to SEK 2,100m (1,897), corresponding to SEK 5.75 (5.20) per share.

Net income for the first half of 1998 includes items affecting comparability in the form of capital gains of SEK 555m on divestment of major operations in the second quarter. In comparison with last year exclusive of items affecting comparability, operating income rose by 25% and income before taxes by 34%.

Changes in exchange-rates during the period, i.e. both transactions and translations, had a positive effect on income after financial items amounting to approximately SEK 100m, which refers in its entirety to the second quarter.

All business areas reported higher operating income, with improved margins for Household Appliances and Professional Appliances.

Second quarter

Sales in the second quarter of 1999 rose to SEK 33,021m, as against SEK 32,308m during the same period last year. This corresponds to an increase of 2%, of which -4% refers to divestments, +4% to changes in exchange rates, and +2% to price/mix/volume.

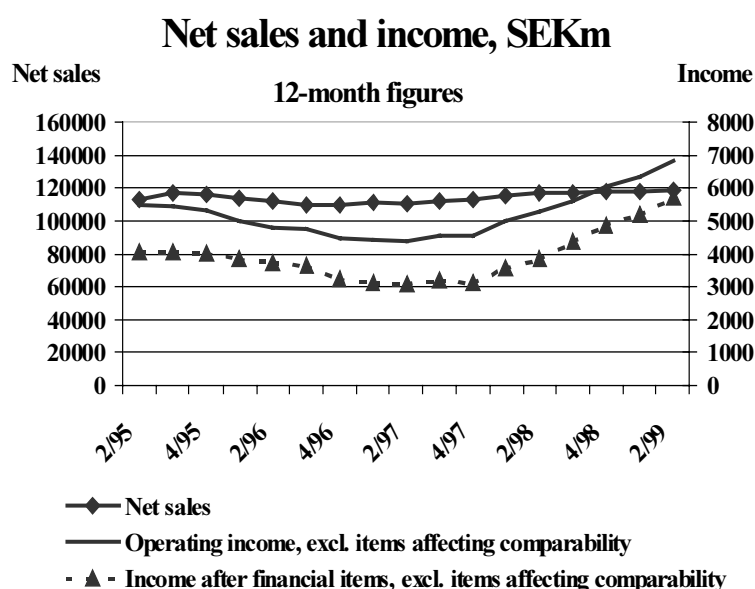
Operating income amounted to SEK 2,151m (2,224), corresponding to 6.5% (6.9) of sales, and income before taxes to SEK 1,814m (1,868), corresponding to 5.5% (5.8) of sales. Net income was SEK 1,188m (1,230), which corresponds to SEK 3.25 (3.35) per share.

In comparison with the second quarter of 1998 and exclusive of items affecting comparability, operating income rose by 29% and margin improved, while income before taxes rose by 38%.

In the second quarter of last year operating income was charged with non-recurring costs totalling SEK 175m. A charge was also taken in the second quarter of this year, although in a considerably lower amount.

All business areas reported improved operating income, with the largest increases for Household Appliances and Professional Appliances.

No provision has been made regarding the decision in pension litigation in the US. For further information, see page 6.



Cash flow

The cash flow generated by the Group's business operations after investments and adjusted for exchange-rate effects amounted to SEK -696m (-934). Excluding acquisitions and divestment of operations, cash flow improved to SEK -374m (-1,904).

The improvement is traceable mainly to reduced inventory levels and higher operating income.

Cash flow during the first half of the year is normally weak as a result of build-ups in inventory and accounts receivable referring to a seasonal increase in sales of such products as room air-conditioners, refrigerators, freezers and garden equipment.

Equity and net debt/equity ratio

Equity inclusive of minority interests rose to SEK 24,899m (22,186), which corresponds to SEK 68.00 (60.60) per share.

Equity was lower than at year-end 1998 as a result of the devaluation of the Brazilian real and the strengthening of the Swedish krona, mainly against currencies in the euro block, and dividend payments during the second quarter.

The return on equity was 17.2% (14.9), and the return on net assets was 18.3% (14.9). The figures for the first half of 1998 have been calculated exclusive of items affecting comparability.

Net borrowings declined to SEK 19,885m (22,091), and the net/debt equity ratio improved to 0.80 (1.00).

Liquid funds as of June 30, 1999 amounted to SEK 8,569m (8,744).

Operations by business area during the first half

Household Appliances

The European market for white goods increased in volume during the first half by about 2% in comparison with the same period last year. During the second quarter the market showed an upturn of about 4%.

Group sales of white goods in Europe increased somewhat. Operating income was lower than in 1998, however. The decline is traceable in its entirety to the second quarter, and resulted mainly from a decrease in deliveries to Russia and a fire at a central warehouse in the UK, with accompanying delivery problems. Income was also adversely affected by costs referring to changes in the organization and the merger of this operation into one single company, Electrolux Home Products.

The US market for white goods increased in volume by about 8% during the first half, with a rise of about 9% during the second quarter. The Group achieved strong growth in volume, as well as improved operating income and margin.

The American market also showed strong growth in demand for room air-conditioners as a result of warm weather. Group sales were higher, and there was a marked improvement in income over last year.

The Brazilian white-goods market continued to decline. Lower sales volumes and increased price competition led to a continued weak performance, although there was an improvement in income over last year.

Overall, operating income for white goods was considerably higher than in 1998.

Demand for floor-care products rose in both Europe and the US. The increase in the American market is traceable mainly to the second quarter. Sales for the floor-care product line were somewhat higher than in 1998, which together with an improved product mix and implemented internal changes led to a considerable improvement in operating income. Good demand and higher sales volumes in both North America and Western Europe also generated improved income for the Group's leisure appliances. Demand for compressors and motors declined however, primarily in Europe. Both sales and income for the components product line were lower than last year.

Overall, sales were higher for the Household Appliances business area. Both operating income and margin showed considerable improvement.

Professional Appliances

Market conditions for food-service equipment improved somewhat, and Group sales rose in comparison with the first half of 1998. Higher volumes and changes within the framework of the restructuring program generated a marked improvement in operating

income and margin. Good growth in sales and income was also reported for food and beverage vending machines.

Laundry equipment reported higher sales for comparable units, which together with implemented restructuring contributed to higher income for the period.

Demand for refrigeration equipment was weaker than in 1998 in a number of product areas. A decrease in deliveries and an unfavorable product mix led to lower income for this product line. The decline is traceable in its entirety to the first quarter.

Total sales for Professional Appliances were higher for comparable units. Operating income and margin improved.

Outdoor Products

Demand for professional chain saws was lower than in the first half of 1998. The decline refers mainly to the first quarter, and in terms of markets to Latin America and Europe. The North American market showed relatively unchanged volume. Sales and operating income declined somewhat, but margin remained at a high level.

The European market for garden equipment showed higher demand than last year. The Group achieved strong growth in sales and a considerable improvement in operating income. Integration of the recently acquired McCulloch operation is proceeding according to plan.

Demand for garden equipment increased somewhat in the US, while the market for light-duty chain saws declined in volume. Frigidaire Home Products reported higher sales of outdoor products in comparison with the first half of last year. Both operating income and margin improved on the basis of greater operational efficiency. The increase in sales and income refers mainly to the first quarter.

Total sales and operating income for Outdoor Products were higher than in the first half of 1998, while margin was unchanged.

Restructuring program essentially completed

The restructuring program that was started in June 1997 to raise capacity utilization and cut costs is essentially complete, as all actions covered by the plan have been either implemented or announced. Additional information regarding the program will not be included in subsequent quarterly reports.

As of June 30, 1999 approximately 10,500 employees had left the Group, of whom 1,300 during the first half of 1999. A total of 20 plants and 43 warehouses had been shut down or divested. During the first half of 1999, two plants in the UK and Australia were shut down.

Negotiations regarding shutdowns have been initiated for additional 3 plants and 7 warehouses.

A total of SEK 2,122m has been utilized of the provision of SEK 2,500m that was allocated for the program in the second half of 1997. SEK 309m was utilized during the first half of 1999.

Electrolux to appeal decision in US pension litigation

At the end of July, a decision against the Electrolux US subsidiary White Consolidated Inc. (WCI) has been rendered in litigation on pension commitments by a district court in Pennsylvania, USA.

In the decision, WCI is held liable for the underfunding of pension plans relating to businesses it divested in 1985, the year before it was acquired by Electrolux. The litigation was filed in 1991 and the trial was completed in April 1997. Electrolux will appeal the decision.

The amount of the liability is the subject of a separate administrative proceeding that is currently in process. The plaintiff, the Pension Benefit Guaranty Corporation (PBGC), a government agency responsible for the payment of defaulting pension obligations, recently estimated the unfunded amount to be USD 120 million, which according to the PBGC could exceed USD 200 million including interest. WCI will be able to appeal the outcome of the administrative proceeding to a US district court.

As stated previously in annual reports, Electrolux has not made any provision for the litigation. Electrolux expects to have completed its initial analysis of the uncertainties involved in the situation during the third quarter this year, at which time a provision will be recorded if required.

Major changes in the Group

Acquisitions and divestments

At the end of July an agreement was reached for sale of the Group's operation in food and beverage vending machines to Compass Partners, an investment company. The operation is part of the food-service equipment product line and in 1998 reported sales of approximately SEK 1,000m, with about 600 employees.

The purchase price is SEK 2,200m and the transfer is scheduled for September 30, 1999. Preliminary calculations indicate that the divestment will generate a capital gain of approximately SEK 1,500m.

Alliance with Toshiba

At the end of May Electrolux and Toshiba of Japan signed an agreement for cooperation in household appliances. Cooperation between the two companies will cover transfer of technology and products, as well as components, environmental issues and purchasing, in addition to distribution, service and logistics in the Japanese market.

Toshiba is a global leader in information and communication systems, electronic components and energy systems, as well as in consumer products such as PCs, TVs, videos, room air-conditioners, vacuum cleaners and white goods. Toshiba is one of the leading white-goods companies in Japan. For the fiscal year ending March 1999, the company reported sales of JPY 5,300 billion (approx. SEK 370 billion).

Listing in euro and kronor

As of June 7, 1999 Electrolux B-shares are listed in both kronor and euro on the Stockholm Stock Exchange. The decision to implement a parallel listing is intended to facilitate trading and distribution of Electrolux shares, which will thus be accessible to European institutions with charters that restrict investments to the euro.

In order for trading in euro-listed shares to take place, shareholders must convert their shares from the krona- to the euro-listing. Shares are converted by the VPC (Swedish Securities Register Center) in Stockholm at the request of a bank or a broker. VPC has set the cost of conversion at SEK 1,000 per transaction, irrespective of the number of shares involved.

Y2K issue

Since 1996 Electrolux has been developing solutions for problems that may arise in connection with the millennium shift.

The Y2K issue is seen as operational, and covers all existing administrative and technical systems as well as products, production processes, relations with third parties, etc.

For additional information about the Electrolux Y2K program, please refer to the annual report and the Group's web site, www.electrolux.com.

Status as per June 30, 1999

At the end of the second quarter more than 80% of the Group's factory, office and building systems were Y2K-compliant. The original timetable calling for 100% compliance by June 30 has been extended to the end of the third quarter for several reasons, including the following:

- Additional time is required to ensure compliance for certain office systems which were previously represented to be Y2K-ready when they were delivered.

- Electrolux has started relationships with new customers and suppliers that involve interfacing systems for which the process of coordination and compliance has only recently been started.
- Existing customers and suppliers are changing their systems to achieve Y2K-compliance, which has generated new requirements for coordination and verification.

In other respects work on the Y2K issue has proceeded according to plan. Products, production equipment, building systems and other systems have been analyzed and the necessary measures have been implemented or are in progress. In order to increase preparedness, contingency plans are being developed that also cover possible disturbances in the infrastructure.

Despite the comprehensive scope of the Y2K program, problems may arise. They are expected to be of limited extent, however.

Costs

The cost of the changes implemented to date amounts to approximately SEK 234m. The total cost of Y2K-compliance for the Group is estimated to approximately SEK 320m.

The CEO's comments on the half-yearly results

Demand in North America continued to be good in most of the Group's product areas during the first half of the year.

The situation in Europe was more varied, as the market for white goods weakened during the first quarter. Demand during the second quarter was somewhat stronger for both white goods and other household appliances. Market conditions for professional appliances were relatively unchanged throughout the first half.

In terms of garden equipment, we had a favorable season in both Europe and North America. Negative trends in demand for professional chain saws continued, primarily in Latin America. In comparison with 1998, the European market declined in the first quarter but was unchanged in the second.

Demand in the Brazilian market continued to decrease. In Southeast Asia, demand appears to have stabilized at a low level, but we have still not seen any signs of a consistent upturn.

Improved operating income and profitability

As stated in the report, Group sales for comparable units and adjusted for exchange-rate effects rose by 4%. Exclusive of items affecting comparability, operating income rose by 25% despite a negative trend for price and mix, and income before taxes rose by 34%. It should also be remembered that compared to last year we have divested units that contributed approximately SEK100m to operating income in 1998.

Exclusive of items affecting comparability, the Group has achieved higher income and margin than in the previous year for every quarter since the second quarter of 1997. Operating margin for the second quarter of 1999 was 6.5%, the highest since the second quarter of 1989.

The operation in North America continued to perform well and accounted for the major share of the total increase in sales and income during the first half. In Europe sales for comparable units were largely unchanged. Higher income and margin were achieved in several countries, including Germany and the UK. Both sales and income in Europe were adversely affected by lower deliveries to Russia, primarily of white goods. In addition, within white goods we had higher costs than expected for adjustment of production and inventory levels, as well as for a reorganization in connection with the establishment of Electrolux Home Products.

As anticipated, operations in Latin America and Asia continued to generate losses, although at lower levels than in 1998. We expect that operating income in Brazil will improve during the second half. In Asia, the operation in China is the main problem. Although sales are increasing steadily and operating income in June was positive, it will take time to achieve profitability. On the other hand, the trend in India has been favorable,

with good growth in sales during the period and positive operating income for the second quarter.

Regarding the pension litigation in the US, we have decided to appeal. The decision was announced at the end of July. We are in the process of analyzing the consequences and a possible need for a provision.

Completion of restructuring program

All changes within the framework of the restructuring program have now been implemented or announced. The program has involved total personnel cutbacks of about 11%. About 15% of our plants and the same proportion of warehouses have been either shut down or divested.

The result is a considerably improved structure within Household Appliances and Professional Appliances, which is not limited to production. Substantial improvements in efficiency have also been achieved in the organizations for sales, marketing and logistics.

Our goal is still that when the program has generated full effect, i.e. about a year from now, we will reach the Group targets of a margin of 6.5-7% and a return on equity of at least 15%.

When the program was started in June 1997 we had just reported an operating margin of 3.8% and a return on equity of 6.3% for the first quarter. As I mentioned previously, for the second quarter of 1999 our margin was 6.5% and the annualized return on equity was 19%. We have thus achieved the targets for these key ratios for an individual quarter. However, it should be pointed out that market conditions and sales volumes have been better than expected. The second quarter is also normally the strongest, because of seasonal products. The third quarter in particular is usually weaker, and the fourth quarter as well.

On the whole, the program has proceeded according to the timetable. Some measures were implemented faster than expected, while others took longer. In some cases, the original plan has been changed. The program has thus affected a total of 23 plants.

A number of changes have also been made during the past two years outside the framework of the restructuring program. A comprehensive reorganization within Frigidaire Home Products in the US has involved closing the head offices for white goods in Dublin, Ohio and for garden equipment in Shreveport, Louisiana. As a result of the sharp drop in demand in Brazil, we have been forced to reduce the workforce in the Brazilian operation by about 40%. Substantial cutbacks have also been made in the ASEAN countries, where we have also shut down four small plants in Professional Appliances.

Implementing such dramatic changes and cutbacks has been a difficult and painful process. I am impressed by how well the work has been accomplished. I would also like to point

out that we will need to continue restructuring in the future as well, although not on such a comprehensive scale.

A major change is also in progress within white goods in Europe, where national operations are being merged into a single company, Electrolux Home Products, with headquarters in Brussels. All marketing, product development, production, logistics and other functions will thus be integrated on a pan-European basis and managed by the new company. This will enable higher efficiency and lower costs, as well as improved customer service. I would like to point out that we must increase the rate of change within white goods in Europe in order to continue to improve profitability and competitiveness in a changing business environment.

Continued streamlining

In addition to restructuring, we have continued work on streamlining the Group so that it comprises the areas which have a long-term potential for good profitability. The goal is to create a leading consumer-goods company focused on indoor and outdoor products as well as a selected range of corresponding products for professional users.

In 1998 six operations were divested, with total annual sales of SEK 5,900m and 4,200 employees. At the end of July we signed an agreement for divestment of the operation in food and beverage vending machines within Professional Appliances, which had sales of approximately SEK 1,000m in 1998 and 600 employees. The operation showed high profitability, but was not strategic for Electrolux and offered only limited opportunities for synergy effects.

The process of streamlining has also involved acquisitions to complement existing businesses, such as the European operation of the US company McCulloch in Outdoor Products that was acquired earlier this year.

Shift to pro-active investments

Now that the restructuring program has been completed, we can increasingly shift our focus from internal action to more pro-active investments in customer relations and product management.

The agreement with Toshiba is in line with this shift. It gives Electrolux a partner in both Japan and Asia. We are currently evaluating sixteen different projects within the four areas of cooperation covered by the agreement, as described earlier in the report. A special organization with representatives from various departments in both companies has been established for this purpose.

Cooperation with Toshiba includes product development, an area in which we intend to increase our efforts. We have several examples of new and innovative products that have contributed to increased profitability. A good deal of interest has been aroused by the new

and more innovative products that Electrolux has recently launched, such as the Oz refrigerator and the Teo washing machine, with attractive colors and sculptured designs, as well as the Screenfridge concept for an intelligent refrigerator. The NOW range of refrigerators enables the consumer to select preferred combinations of colors and materials for the door, the handle and interior fittings, and has been well-received by the market.

Market conditions in the second half

We expect demand in North America to remain good during the rest of the year, although growth in such areas as white goods will probably be lower than in the first half. In Europe we anticipate some improvement in market conditions in comparison with 1998.

The situation in Brazil is difficult to forecast, as always. The cost of financing loans for purchases of consumer goods remains high. A recovery of the market may take longer than we had hoped at the start of this year.

With stable market conditions in Europe and North America and continued favorable effects being generated by the restructuring program, we expect to achieve an increase in income for the whole of 1999 as well.

Stockholm, August 13, 1999

Michael Treschow
President and CEO

Consolidated income statement, SEKm	First half, 1999	1998	Second quarter, 1999	1998	Full year, 1998
Net sales	62,074	60,875	33,021	32,308	117,524
Cost of goods sold	-45,792	-45,486	-24,233	-24,265	-86,899
Selling expense	-9,241	-9,114	-4,927	-4,690	-18,058
Administrative expense	-3,204	-3,168	-1,659	-1,661	-6,336
Other operating income/expense	-30	-62	-51	-23	-167
Items affecting comparability		555		555	964
Operating income*	3,807	3,600	2,151	2,224	7,028
<i>Margin, %</i>	<i>6.1</i>	5.9	<i>6.5</i>	6.9	6.0
Financial items, net	-588	-677	-316	-361	-1,178
Income after financial items	3,219	2,923	1,835	1,863	5,850
<i>Margin, %</i>	<i>5.2</i>	4.8	<i>5.6</i>	5.8	5.0
Minority interests in income before taxes	-13	20	-21	5	76
Income before taxes	3,206	2,943	1,814	1,868	5,926
<i>Margin, %</i>	<i>5.2</i>	4.8	<i>5.5</i>	5.8	5.0
Taxes	-1,106	-1,046	-626	-638	-1,951
Net income	2,100	1,897	1,188	1,230	3,975
<i>* Including depreciation in the amount of</i>	<i>-1,977</i>	-2,107	<i>-992</i>	-1,049	-4,125

Consolidated balance sheet, SEKm	June 30, 1999	June 30, 1998	Full year, 1998
Fixed assets	26,860	27,149	27,885
Inventories, etc.	17,085	17,933	16,957
Accounts receivable	25,801	25,781	21,859
Other receivables	5,694	3,946	5,201
Liquid funds	8,569	8,744	11,387
Total assets	84,009	83,553	83,289
Shareholders' equity	24,017	21,355	24,480
Minority interests	882	831	953
Interest-bearing liabilities and provisions	28,454	30,835	29,353
Non-interest-bearing liabilities and provisions	30,656	30,532	28,503
Total equity and liabilities	84,009	83,553	83,289

Cash-flow statement, SEKm	First half, 1999	First half, 1998	Full year, 1998
Income after financial items	3,219	2,923	5,850
Depreciation according to plan	1,977	2,107	4,125
Capital gain/loss included in operating income		-555	-964
Provision for restructuring, not affecting liquidity	-309	-488	-1,122
Taxes paid	-534	-682	-2,135
Changes in operating assets and liabilities	-2,647	-3,766	-1,056
Cash flow from operations	1,706	-461	4,698
Aquisitions/divestment of operations	-322	970	2,105
Capital expenditure	-1,984	-1,634	-3,756
Other	-96	191	875
Cash flow from operations and investments	-696	-934	3,922
Change in short-term loans	430	3,146	954
Change in long-term loans	-662	-2,388	-2,988
Dividend payment	-1,099	-915	-915
Change in minority interest	-6		6
Total cash flow	-2,033	-1,091	979
Liquid funds at beginning of year	11,387	9,834	9,834
Exchange-rate differences referring to liquid funds	-785	1	574
Liquid funds on June 30	8,569	8,744	11,387
Total cash flow excl. change in short-term loans	-2,463	-4,237	25
Net liquid funds at beginning of year	112	46	46
Exchange-rate differences referring to net liquidity	-386	-50	41
Net liquid funds on June 30	-2,737	-4,241	112

Net sales by business area, SEKm	First half,		Second quarter,		Full year,
	1999	1998	1999	1998	1998
Household Appliances	42,659	41,652	22,393	21,512	84,581
Professional Appliances	5,569	5,721	3,006	2,999	11,574
Outdoor Products	13,712	12,403	7,557	7,246	19,295

Operating income by business area, SEKm	First half,		Second quarter,		Full year,
	1999	1998	1999	1998	1998
Household Appliances	2,277	1,692	1,206	813	4,065
<i>Margin, %</i>	5.3	4.1	5.4	3.8	4.8
Professional Appliances	401	326	272	223	723
<i>Margin, %</i>	7.2	5.7	9.0	7.4	6.2
Outdoor Products	1,368	1,239	794	751	1,788
<i>Margin, %</i>	10.0	10.0	10.5	10.4	9.3
Common Group costs	-216	-188	-107	-93	-436

Key ratios	First half,		Second quarter,		Full year,
	1999	1998	1999	1998	1998
Net income per share, SEK ¹⁾	5.75	5.20	3.25	3.35	10.85
Return on equity, % ²⁾	17.2	18.4			19.3
Return on net assets, % ³⁾	18.3	17.7			17.6
Net debt/equity ratio ⁴⁾	0.80	1.00			0.71
Capital expenditure, SEKm	1,984	1,634	1,228	923	3,756
Average number of employees	94,800	101,400	95,300	101,600	99,322

1) After a stock split of 5:1 in June 1998, the number of shares amounts to 366.2 million.

2) Annualized net income for the year, expressed as a percentage of opening equity.

3) Annualized operating income, expressed as a percentage of average net assets. The definition of net assets has been changed as of 1999, so that they now comprise only assets that generate operating income, i.e. interest-bearing financial receivables amounting to SEK 3,225m are excluded. The figures for the previous year have been adjusted accordingly.

4) Net borrowings, i.e. interest-bearing liabilities less liquid funds, in relation to adjusted equity. The latter is defined as equity including minority interests.

This report has not been audited.

The results for the third quarter will be published on October 29, 1999.

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

Quarterly figures

Net sales and income, per quarter		1 st qtr	2 nd qtr	3 rd qtr	4 th qtr	Full year
Net sales, SEKm	1999	29,053	33,021			
	1998	28,567	32,308	28,516	28,133	117,524
Operating income, SEKm	1999	1,656	2,151			
	<i>Margin, %</i>	5.7	6.5			
	1998	1,376	2,224	1,675	1,753	7,028
	<i>Margin, %</i>	4.8	6.9	5.9	6.2	6.0
	1998 ¹⁾	1,376	1,669	1,425	1,594	6,064
	<i>Margin, %</i>	4.8	5.2	5.0	5.7	5.2
Income after financial items, SEKm	1999	1,384	1,835			
	<i>Margin, %</i>	4.8	5.6			
	1998	1,060	1,863	1,381	1,546	5,850
	<i>Margin, %</i>	3.7	5.8	4.8	5.5	5.0
	1998 ¹⁾	1,060	1,308	1,131	1,387	4,886
	<i>Margin, %</i>	3.7	4.0	4.0	4.9	4.2
Income before taxes, SEKm	1999	1,392	1,814			
	1998	1,075	1,868	1,399	1,584	5,926
	1998 ¹⁾	1,075	1,313	1,149	1,425	4,962
Net income, SEKm	1999	912	1,188			
	1998	667	1,230	985	1,093	3,975
	1998 ¹⁾	667	862	766	940	3,235
Net income per share, SEK	1999	2.50	3.25			
	1998	1.85	3.35	2.70	2.95	10.85
	1998 ¹⁾	1.85	2.35	2.10	2.55	8.85

1) Exclusive of items affecting comparability, which in 1998 comprised a total net capital gain of SEK 964m, of which SEK 555m in the second quarter, SEK 250m in the third quarter and SEK 159m in the fourth quarter.

**Net sales by business area, per quarter,
SEKm**

		1 st qtr	2 nd qtr	3 rd qtr	4 th qtr	Full year
Household Appliances	1999	20,266	22,393			
	1998	20,140	21,512	21,345	21,584	84,581
Professional Appliances	1999	2,563	3,006			
	1998	2,722	2,999	2,760	3,093	11,574
Outdoor Products	1999	6,155	7,557			
	1998	5,157	7,246	3,790	3,102	19,295

**Operating income by business area, per quarter,
SEKm**

		1 st qtr	2 nd qtr	3 rd qtr	4 th qtr	Full year
Household Appliances	1999	1,071	1,206			
	<i>Margin, %</i>	5.3	5.4			
	1998	879	813 ¹⁾	1,057	1,316	4,065
	<i>Margin, %</i>	4.4	3.8	5.0	6.1	4.8
Professional Appliances	1999	129	272			
	<i>Margin, %</i>	5.0	9.0			
	1998	103	223	177	220	723
	<i>Margin, %</i>	3.8	7.4	6.4	7.1	6.2
Outdoor Products	1999	574	794			
	<i>Margin, %</i>	9.3	10.5			
	1998	488	751	348	201	1,788
	<i>Margin, %</i>	9.5	10.4	9.2	6.5	9.3
Common Group costs	1999	-109	-107			
	1998	-95	-93	-122	-126	-436

1) Including a charge of SEK 175m in 1998 referring to Brazil and Asia.