

Q3 2012 Results presentation

Summary Q3 2012

- Higher operating income
- Improved margin
- Substantially higher cash flow



Financial highlights

SEKm	Q3 2012	Q3 2011	% change, Q3		Jan-Sep 2012	Jan-Sep 2011	% change, 9M		LTM ²	FY 2011
			As reported	Adjusted ¹			As reported	Adjusted ¹		
Net sales	5,841	6,410	-9	-8	26,358	25,363	4	1	31,352	30,357
Gross margin, %	27.7	27.3	-	-	27.7	27.7	-	-	27.7	27.7
EBIT	182	113	61	41	2,233	1,787	25	25	1,997	1,551
EBIT margin, %	3.1	1.8	-	-	8.5	7.0	-	-	6.4	5.1

¹ Adjusted for currency translation effects and items affecting comparability. ² Last 12 months.

Q3 2012

- Sales declined -8% adjusted
 - Unfavorable weather
 - Continued challenging macro environment
 - As expected, lower pre-season demand for snow throwers
- Substantial increase in EBIT and higher margin
 - Lower SG&A (partly volume related)
 - Improvements in supply chain
 - Negative FX-effects
 - (Previous year impacted negatively by one-time items)



Europe & Asia/Pacific

SEKm	Q3 2012	Q3 2011	% change, Q3		Jan-Sep 2012	Jan-Sep 2011	% change, 9M		LTM ²	FY 2011
			As reported	Adjusted ¹			As reported	Adjusted ¹		
Net sales	3,096	3,430	-10	-6	13,094	13,723	-5	-4	15,736	16,365
EBIT	225	291	-23	-24	2,062	2,185	-6	-7	2,154	2,277
EBIT margin, %	7.3	8.5	-	-	15.7	15.9	-	-	13.7	13.9

¹ Adjusted for currency translation effects and items affecting comparability. ² Last 12 months.

Q3 2012

- Sales declined -6% adjusted
 - Unfavorable weather, challenging macro
 - Downturn across most geographies and product categories
 - Soft pre-season demand for snow throwers
- Lower EBIT
 - Lower sales and negative FX
 - Partly offset by favorable SG&A, price and material



Americas

SEKm	Q3 2012	Q3 2011	% change, Q3		Jan-Sep 2012	Jan-Sep 2011	% change, 9M		LTM ²	FY 2011
			As reported	Adjusted ¹			As reported	Adjusted ¹		
Net sales	1,986	2,241	-11	-14	10,959	9,521	15	8	12,631	11,193
EBIT	-99	-172	-42	47	67	-364	n.a	-44	-223	-654
EBIT margin, %	-5.0	-7.7	-	-	0.6	-3.8	-	-	-1.8	-5.8

¹ Adjusted for currency translation effects and items affecting comparability. ² Last 12 months.

Q3 2012

- Substantially lower demand due to drought weather conditions in US
- Sales declined in all product categories
- EBIT improved
 - Lower SG&A costs (partly volume related)
 - Supply chain improvements (efficiency and materials)



Construction

SEKm	Q3 2012	Q3 2011	% change, Q3		Jan-Sep 2012	Jan-Sep 2011	% change, 9M		LTM ²	FY 2011
			As reported	Adjusted ¹			As reported	Adjusted ¹		
Net sales	759	739	3	3	2,305	2,119	9	6	2,985	2,799
EBIT	89	50	80	19	213	108	98	18	235	130
EBIT margin, %	11.7	6.7	-	-	9.2	5.1	-	-	7.9	4.7

¹ Adjusted for currency translation effects and items affecting comparability. ² Last 12 months.

Q3 2012

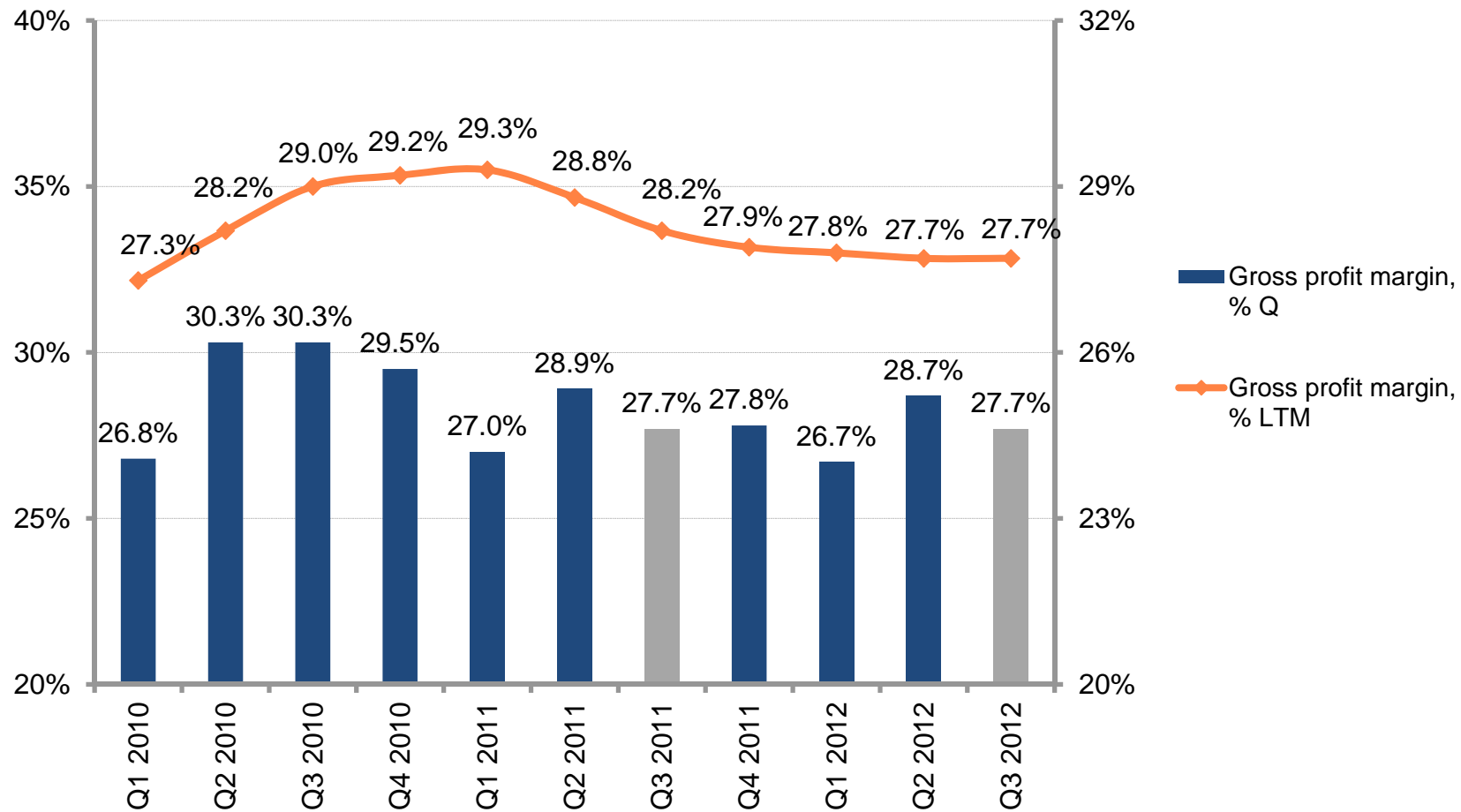
- Sales increased 3% adjusted
 - Continued growth in U.S., but with slower pace
 - Slowdown in rest of world
- Continued recovery of EBIT and margin
 - Improved pricing
 - Factory productivity
 - (Previous year Q3; items affecting comparability of SEK -24m)



Consolidated income statement

SEKm	Q3 2012	Q3 2011	Jan-Sep 2012	Jan-Sep 2011	FY 2011
Net sales	5,841	6,410	26,358	25,363	30,357
Cost of goods sold	-4,225	-4,658	-19,053	-18,340	-21,948
Gross operating income	1,616	1,752	7,305	7,023	8,409
<i>Margin, %</i>	27.7	27.3	27.7	27.7	27.7
Selling expense	-1,123	-1,277	-4,008	-4,141	-5,332
Administrative expense	-311	-363	-1,064	-1,102	-1,530
Other operating income/expense	0	1	0	7	4
Operating income¹	182	113	2,233	1,787	1,551
<i>Margin, %</i>	3.1	1.8	8.5	7.0	5.1
Financial items, net	-80	-89	-307	-277	-404
Income after financial items	102	24	1,926	1,510	1,147
<i>Margin, %</i>	1.8	0.4	7.3	6.0	3.8
Taxes	3	31	-404	-290	-150
Income for the period	105	55	1,522	1,220	997
Basic earnings per share, SEK	0.19	0.10	2.65	2.12	1.73
Diluted earnings per share, SEK	0.19	0.10	2.65	2.12	1.73
¹ Of which depreciation, amortization and impairment	-256	-276	-803	-829	-1,120

Gross profit margin development

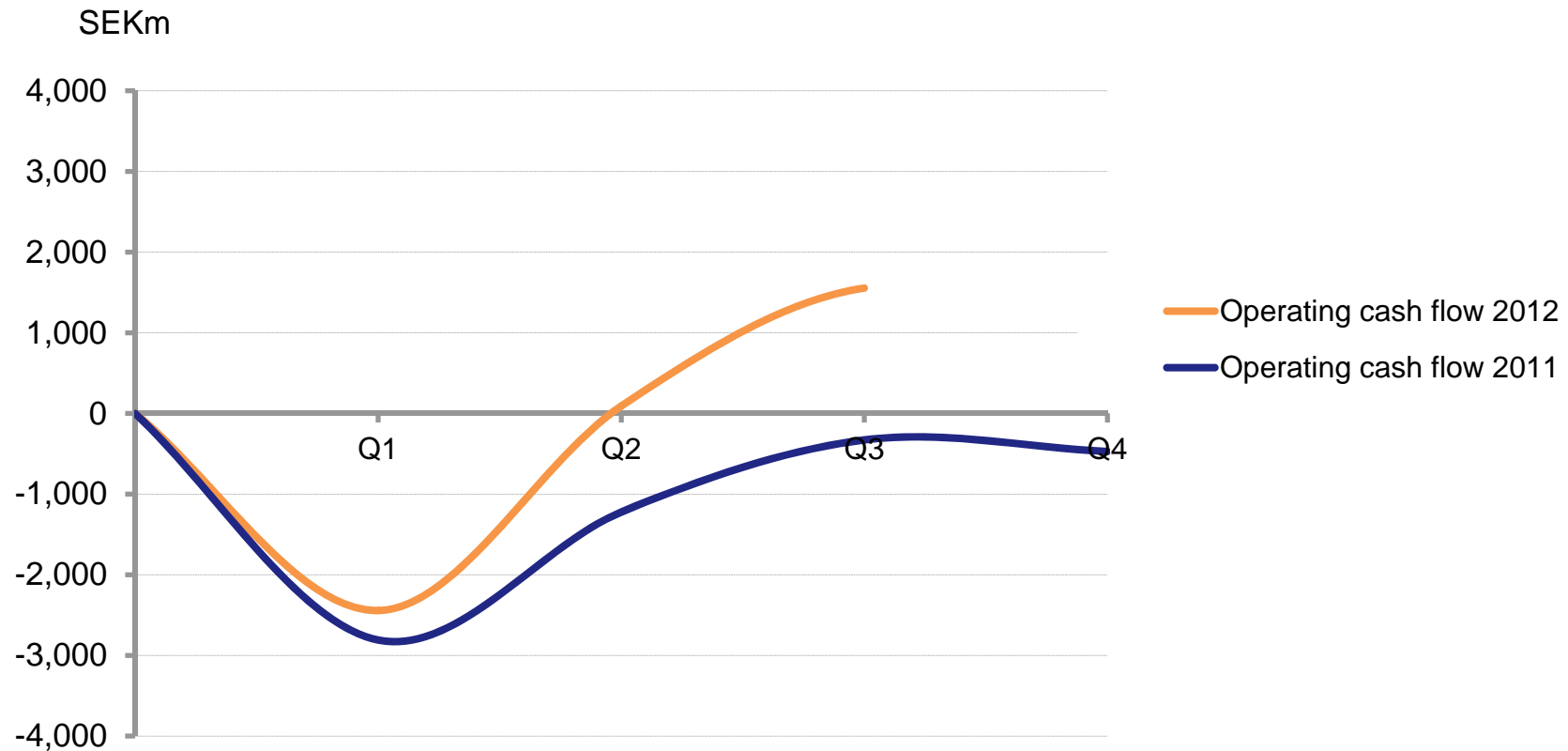


Excluding items affecting comparability. LTM = Last 12 months.

Consolidated balance sheet

SEKm	30 Sep 2012	30 Sep 2011	31 Dec 2011
Non-current assets	14,344	14,957	15,208
Inventories	6,789	7,080	8,078
Trade receivables	4,156	4,938	3,660
Other current assets	843	936	817
Liquid funds	1,285	1,632	1,340
Total assets	27,417	29,543	29,103
Total equity	11,999	12,870	12,388
Interest-bearing liabilities	7,640	8,260	8,261
Provisions	3,497	3,853	3,653
Trade payables	2,137	2,332	2,797
Other current liabilities	2,144	2,228	2,004
Total equity and liabilities	27,417	29,543	29,103

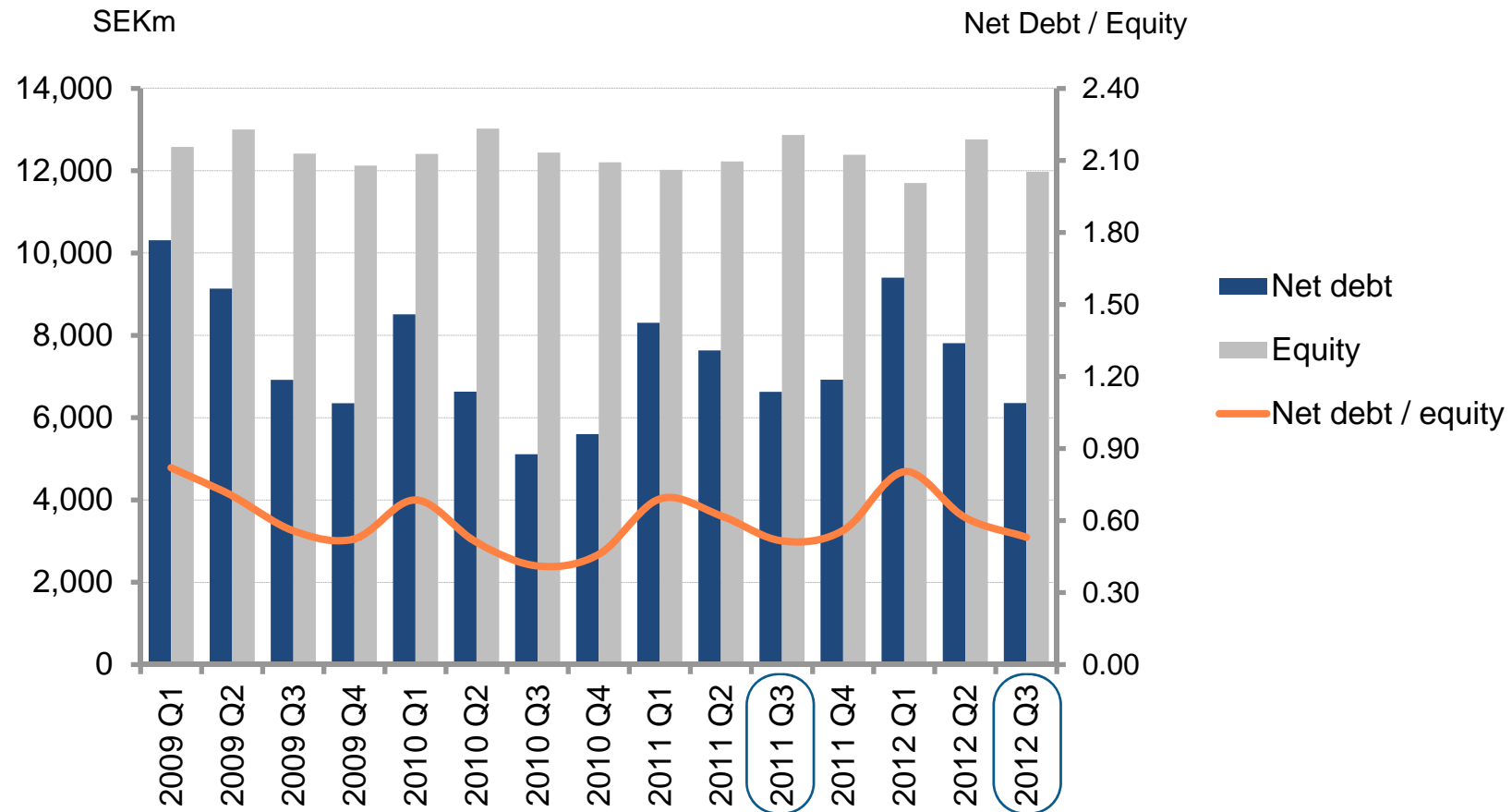
Operating cash flow



Improved cash-flow YTD 2012 mainly due to

- Higher earnings
- Reduction of working capital

Net debt and equity



Key figures

	Q3 2012	Q3 2011	Jan-Sep 2012	Jan-Sep 2011	Jan-Dec 2011
Net sales, SEKm	5,841	6,410	26,358	25,363	30,357
Operating income, SEKm	182	113	2,233	1,787	1,551
Gross margin, %	27.7	27.3	27.7	27.7	27.7
Operating margin, %	3.1	1.8	8.5	7.0	5.1
Working capital, SEKm	5,628	6,310	5,628	6,310	5,699
Return on capital employed, %	-	-	9.5	8.0	7.4
Return on equity, %	-	-	10.5	8.9	8.0
Earnings per share, SEK	0.19	0.10	2.65	2.12	1.73
Capital-turnover rate, times	-	-	1.6	1.6	1.6
Operating cash flow, SEKm	1,503	894	1,595	-328	-472
Net debt/equity ratio	-	-	0.53	0.51	0.56
Capital expenditure, SEKm	187	262	548	674	994
Average number of employees	13,383	15,562	15,861	16,948	15,698

Product news for 2013

- Husqvarna

- Expanded 3rd generation of robotic mowers
- Consumer rider with professional features
- All wheel drive walk-behind mower
- U-cut steering solution for tractors
- ... and continued roll-out of 2012 highlights; battery powered hand held range, professional chainsaws...etc



- Gardena

- Additional robotic mower, electric hedge trimmer, sprinklers, etc.



- McCulloch

- Continued extension of range; tractors, mowers, accessories



Summary Q3 2012

- Higher operating income, but sales declined -8% adjusted
 - unfavorable weather, continued weak consumer sentiment
 - headwind from changes in currency rates
- Improved margin
 - Good cost control
- Substantially higher cash flow
 - Reduction of inventory and receivables
- Measures to improve efficiency and reduce fixed costs will be communicated during Q4

“Looking ahead, we see many of our trade partners managing their inventory levels conservatively, as the global economic uncertainty is expected to continue in 2013.”



Capital Markets Day; February 14, 2013

- Save the date for Husqvarna's Capital Markets Day
- February 14, 2013
- Stockholm
- Invitation and details will be provided in due course





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