

# Press release

Stockholm February 24, 2012

## Annual General Meeting of Husqvarna AB (publ)

**The shareholders of Husqvarna AB (publ) are hereby invited to participate at the Annual General Meeting, which will be held at 4 p.m. on Wednesday, March 28, 2012, at the Auditorium, School of Education and Communication, Building H, Gjuterigatan in Jönköping.**

### Registration and notice

Shareholders who intend to participate at the Annual General Meeting must

- have their names entered in the register of shareholders maintained by Euroclear Sweden AB on Thursday, March 22, 2012, and
- notify the Company of their intention to participate no later than on Thursday, March 22, 2012, by mail to Husqvarna AB, c/o Euroclear Sweden AB, PO Box 191, SE-101 23 Stockholm, Sweden, or by telephone at +46 36 14 70 10 between 9 a.m. and 4 p.m. weekdays or via the Company's website, [www.husqvarnagroup.com/agm](http://www.husqvarnagroup.com/agm) and must include information of any advisors that will be attending.

Notice should include the shareholder's name, personal or company registration number, address and telephone number. The data received will be computerized and used solely for the purpose of the Annual General Meeting 2012. For shareholders wishing to participate by proxy, proxy templates are provided on the Company's website. Shareholders participating by proxy should submit the proxy authorization to the above address prior to the date of the Annual General Meeting.

Shareholders whose shares are registered in the names of nominees must temporarily register the shares in their own name in order to be entitled to participate at the Annual General Meeting. To ensure that such registration is made prior to Thursday, March 22, 2012 shareholders must inform the nominee well in advance of that date.

At the time of the issue of this notice, the total number of shares in the Company amounts to 128,960,080 of A-shares and 447,383,698 of B-shares, corresponding to 173,698,449,8 votes. The Company owns 3,823,373 B-shares at the same point in time.

### Agenda

1. Opening of the Annual General Meeting
2. Election of Chairman of the Meeting
3. Preparation and approval of the voting list
4. Approval of the agenda
5. Election of one or two persons minute checkers
6. Determination as to whether the meeting has been properly convened
7. Presentation of the Annual Report and the Audit Report as well as the Consolidated Accounts and the Audit Report of the Group and in connection therewith, the President's business report
8. Resolution on
  - a) adoption of the Profit and Loss Statement and the Balance Sheet as well as the Consolidated Profit and Loss Statement and the Consolidated Balance Sheet,
  - b) appropriation of the Company's profit or loss pursuant to the adopted Balance Sheet,
  - c) discharge from liability of the Directors and the President
9. Determination of the number of Directors to be elected
10. Determination of remuneration to the Directors and the Auditors
11. Election of Directors and Chairman of the Board
12. Resolution on Nomination Committee
13. Resolution on principles for remuneration for the Group Management
14. Resolutions on authorization for the Board to acquire and transfer Husqvarna B-shares
15. Resolution on authorization for the Board to resolve on a new issue of shares
16. Closing of the meeting

## Proposals

### **Chairman and number of Directors (item 2 and 9)**

The Nomination Committee proposes that Lars Westerberg is elected chairman of the Annual General Meeting. Further, the Nomination Committee proposes that the Board of Directors shall comprise nine Directors (which is a reduction by one board member compared to what was proposed to the AGM 2011) without Deputies.

### **Disposition of the Company's profit or loss (item 8 b)**

The Board of Directors proposes a dividend for the financial year 2011 of SEK 1.50 per share and Monday, April 2, 2012 as record date for the dividend. If the Annual General Meeting resolves in accordance with the Board of Directors' proposal, the estimated date for the payment of the dividend is Thursday, April 5, 2012.

### **Remuneration to the Board of Directors and the Auditors (item 10)**

The Nomination Committee proposes a total Board remuneration of SEK 5,500,000, whereof SEK 1,650,000 to the Chairman of the Board and SEK 475,000 to each of the Directors not employed by the Company. For work within the Remuneration Committee, it is proposed that the Chairman shall receive SEK 100,000 and the two members SEK 50,000 each. For work within the Audit Committee it is proposed that the Chairman shall receive SEK 175,000 and the two members shall receive SEK 75,000 each.

The Nomination Committee expects the Board members to engage themselves financially in Husqvarna by acquiring Husqvarna-shares within a period of five years corresponding to one year's remuneration.

The Nomination Committee proposes that the Auditors' fee shall be paid on the basis of approved invoice.

### **Election of Directors and Chairman of the Board (item 11)**

The Nomination Committee proposes a re-election of the Directors Lars Westerberg, Börje Ekholm, Magdalena Gerger, Tom Johnstone, Ulla Litzén, Ulf Lundahl and Anders Moberg. The Nomination Committee proposes new election of Katarina Martinson and Hans Linnarson.

Magnus Yngen resigned from the Board on August 29, 2011.

Katarina Martinson is born in 1981 and has an exam from the Master of Science Program at the Stockholm School of Economics. Katarina Martinson works in portfolio management for the Lundberg family since 2009.

Hans Linnarson is born in 1952 and has a B.A. from Lund University, Sweden, and a B.Sc in Electr.Eng. from Teknikum, Växjö, Sweden. He is currently CEO and President of Husqvarna AB, as well as acting Head of Sales & Service Europe & Asia/Pacific.

The Nomination Committee proposes that Lars Westerberg is appointed chairman of the Board.

The proposed Board Members are presented on the Company's website.

### **Resolution on Nomination Committee (item 12)**

The Nomination Committee proposes that the nomination procedures for the Annual General Meeting 2013 should be carried out as follows:

- The Company shall have a Nomination Committee consisting of one representative of each of the four largest shareholders with regard to the number of votes held, who have expressed a wish to participate in the nomination committee work, together with the Chairman of the Board of Directors. The names of the four shareholder representatives and the names of the shareholders they represent shall be announced latest six months before the Annual General Meeting 2013 and shall be based on the known number of votes as of August 31, 2012. If any of the abovementioned largest shareholders waives its right to appoint a member of the nomination committee, such right shall be transferred to the shareholder who, based on the ownership structure as of August 31, 2012, represents the largest shareholding in terms of voting rights after the abovementioned shareholders. The Nomination Committee's tenure is until a new Nomination Committee has been appointed. Unless the members of the Nomination Committee agree otherwise, the Chairman of the Nomination Committee shall be the member that represents the largest shareholder with regard to the number of votes held.
- If, during the term of office of the Nomination Committee, shareholder who has expressed a wish to participate in the Nomination Committee work, and has appointed a representative to the Nomination Committee, is no longer among the four largest shareholders with regard to the number of votes held, the representative appointed by such shareholder shall resign and the shareholder who is then among the four largest shareholders with regard to the number of votes held, and has expressed a wish to participate in the Nomination Committee work, may appoint its representative. If there are only marginal

changes in the number of votes held or if the change occurs later than three months before the Annual General Meeting, no changes shall be made in the composition of the Nomination Committee unless there are special circumstances. A shareholder who has appointed a representative as member of the Nomination Committee has the right to dismiss such member and appoint a new representative as member of the committee. Changes in the composition of the Nomination Committee shall be announced on the Company's website as soon as they have occurred.

- The Nomination Committee shall prepare the below proposals to be submitted to the Annual General Meeting 2013 for resolution on: a) Chairman of the Annual General Meeting, b) Members of the Board of Directors, c) Chairman of the Board of Directors, d) Directors' fees, distinguishing between the Chairman of the Board of Directors and other Members of the Board of Directors, and remuneration for committee work; stating the distribution between each member of the Board of Directors, e) Auditors' fees, and f) procedures and principles for establishing a nomination committee and issues pertaining thereto for the Annual General Meeting of 2014.
- When the Nomination Committee performs its duties, it shall fulfil the tasks that rest upon the Nomination Committee under the Swedish Code on Corporate Governance including, i.a., to provide the Company with certain information in order to enable the Company to fulfil its disclosure obligation under the Code and for the Company to, upon request of the Nomination Committee, provide personnel resources such as secretary function for the Nomination Committee to facilitate the work of the committee. If needed, the Company shall also be able to pay reasonable costs for external consultants that the Nomination Committee deems necessary in order for the Committee to be able to fulfil its assignment.

***Principles for remuneration for the Group Management (item 13)***

For the Husqvarna CEO and other members of the Group Management (the "Group Management"), the principles for remuneration approved by the Annual General Meeting 2011 applies. These principles relate to fixed salary, variable salary in the form of short-term incentives based on annual performance targets, long-term incentives, pension and other benefits. The Board of Directors proposes that the corresponding principles should be approved by the Annual General Meeting 2012 for the period up to and including Annual General Meeting 2013. If special circumstances exist, the Board of Directors shall be able to deviate from these principles.

***Resolution on authorization to acquire and transfer Husqvarna B-shares (item 14)***

The Board of Directors proposes that the Annual General Meeting authorizes the Board of Directors to pass a resolution on one or more occasions for the period up until the next Annual General Meeting on purchasing so many B-shares that the Company's holding does not at any time exceed 3% of the total number of shares in the Company. The purchase of shares shall take place on the NASDAQ OMX Stockholm and may only occur at a price within the share price interval registered at that time, where share price interval means the difference between the highest buying price and lowest selling price.

Furthermore, it is proposed that the Meeting authorizes the Board of Directors to pass a resolution on one or more occasions for the period up until the next Annual General Meeting on transferring Husqvarna B-shares on the NASDAQ OMX Stockholm. The transfer of shares may only occur at a price within the share price interval registered at that time.

The purpose of the authorizations is to hedge the Company's undertakings (including social charges) for existing incentive programs and to continuously adapt the number of shares held for these purposes.

***Resolution on authorization on an issue of new shares (item 15)***

The Board of Directors proposes that the Annual General Meeting authorizes the Board to resolve to issue not more than 57,634,377 B-shares for payment in kind, on one or several occasions during the period until the next Annual General Meeting.

The price for the new shares shall be based on the market price of the Company's shares. The purpose of the authorization is to facilitate acquisitions where the consideration will be paid with Husqvarna shares.

**Other information**

For a valid resolution in accordance with the proposal pursuant to item 14 above, a shareholder majority of two thirds of the votes and two thirds of the shares represented at the Annual General Meeting is required.

The Board of Directors and the CEO shall, upon request of a shareholder, and the Board deems this can be done without causing major harm to the Company, inform about matters which might affect the assessment of an item on the agenda or about Husqvarna's or its subsidiaries financial situation or about Husqvarna's relation to other Group entities in relation to the Audit Report of the Group.

The Annual Report and the Audit Report as well as the Board of Directors' and the Nomination Committee's complete proposals pursuant to items 2, 8–15 above will be available at the Company, Husqvarna AB, Regeringsgatan 28, SE-111 53 Stockholm, Sweden and on the Company's website, [www.husqvarnagroup.com/agm](http://www.husqvarnagroup.com/agm), and will, on request, be sent to shareholders at the address given, as from March 7, 2012, at the latest.

Stockholm in February 2012  
Husqvarna AB (publ)  
THE BOARD OF DIRECTORS

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**Factory tour**

Shareholders are hereby invited to a guided tour in the Husqvarna factory in Huskvarna earlier the same day. Shareholders who wish to participate give corresponding notice when notifying the Company of their intention to participate at the Annual General Meeting.

**Husqvarna Group**

The Husqvarna Group is the world's largest producer of outdoor power products including chainsaws, trimmers, lawn mowers and garden tractors. The Group is also the European leader in consumer watering products and one of the world leaders in cutting equipment and diamond tools for the construction and stone industries. The product offering includes products for both consumers and professional users. The Group's products are sold via dealers and retailers in more than 100 countries. Net sales in 2011 amounted to SEK 30 billion, and the average number of employees was approximately 15,700.