

This is a non-official translation of the Swedish original wording. In case of differences between the English translation and the Swedish original, the Swedish text shall prevail.

Minutes from the Annual General Meeting of the Shareholders in Husqvarna AB (publ), reg. no. 556000-5331, on March 28, 2012 at 4 pm in Jönköping

Present: In accordance with Appendix 1, stating the number of shares, class of shares and votes for each shareholder entitled to vote.

In addition it was noted that the following individuals were present: the Chairman of the Board Lars Westerberg, the Directors of the Board Börje Ekholm, Magdalena Gerger, Tom Johnstone, Ulla Litzén, Ulf Lundahl, Anders Moberg, Katarina Martinson, President and CEO Hans Linnarson, CFO Ulf Liljedahl, Chartered Accountants Anders Lundin and Christine Rankin and General Counsel Olle Wallén.

§ 1

The Chairman of the Board of Directors, Lars Westerberg, opened the meeting and welcomed the shareholders. It was resolved to allow representatives from the media to participate in the meeting.

§ 2

In accordance with the proposal from the Nomination Committee, it was resolved to elect Lars Westerberg as Chairman of the meeting. It was noted that the Chairman had requested Husqvarna's General Counsel, Olle Wallén, to keep the minutes from the meeting.

It was noted that some institutional shareholders on beforehand had announced that they abstained or voted against certain proposals. Some of these institutional shareholders want to have it recorded in the minutes what proposals they have voted against or abstained to vote on, as shown in Appendix 2.

§ 3

It was resolved to approve the proposal according to Appendix 1 as the voting list for the meeting.

§ 4

It was resolved to approve the agenda handed out today to the participants at the meeting and which was included in the notice to the meeting.

§ 5

Carl Fredrik Ohlsson, representing Nordea fonder, and Mikael Sedolin, representing Tredje AP-fonden, were appointed as minute checkers, together with the Chairman.

§ 6

It was noted that the notice to the AGM had been published in Post- och Inrikes Tidningar (the Official Gazette) on February 28, 2012, and on the Company's website on February 24, 2012. The publication of the notice was announced in Svenska Dagbladet and Jönköpingsposten on February 28, 2012.

It was resolved to declare the meeting properly convened.

§ 7

The CEO Hans Linnarson and the Chairman Lars Westerberg presented the Company's business and the Board of Directors' work during the financial year 2011. Questions from the shareholders were answered.

The Board's and the CEO's annual accounts and the consolidated annual accounts including Profit and Loss Statement and Balance Sheet and the auditors' report and consolidated auditors' report regarding the financial year 2011 were presented.

The chartered accountant Anders Lundin from the auditing company PricewaterhouseCoopers AB presented the audit process and the audit report for the Company and the Group.

§ 8 a

It was resolved to adopt the Profit and Loss Statement and the Balance Sheet as well as the Consolidated Profit and Loss Statement and the Consolidated Balance Sheet for the financial year 2011 presented under item 7. The documents are attached hereto as Appendix 3.

§ 8 b

The secretary presented the Board of Directors' and the CEO's proposal for distribution of the Company's earnings as stated in the Annual Accounts and accepted by the auditors.

It was resolved in accordance with the proposal from the Board of Directors and the CEO as accepted by the auditors, that the Annual General Meeting's distributable funds should be distributed as follows:

Retained earnings	SEK 16,712,830,000
Net income for 2011	SEK 736,815,000
Dividend to be distributed to the shareholders	SEK 858,781,000 (1.50 SEK/per share)
Total	SEK 16,590,864,000 should be carried forward.

The record date for the dividend was set to Monday, April 2, 2012 and the estimated date for the payment of the dividend from Euroclear is Thursday, April 5, 2012.

It was noted that the Board of Directors' statement on the proposed distribution was presented at the meeting.

§ 8 c

It was noted that the auditors had accepted that the Directors and the CEOs should be discharged from liability for the administration during 2011.

It was unanimously resolved to discharge the Directors and CEOs from liability for the administration of the company for the calendar year 2011. It was noted that Directors representing own and others' shares, as well as the CEO, did not participate in the resolution.

§ 9

Petra Hedengran, Chairman of the Nomination Committee, presented the proposal from the Nomination Committee concerning election of Directors and Board fees and auditors' fees, [Appendix 4](#) hereto. Petra Hedengran also gave a presentation on how the Committee's work has been conducted and motivated the Committee's proposal.

It was resolved that the Board of Directors should consist of nine Directors without deputies, for the period until the end of the next Annual General Meeting.

§ 10

It was resolved to approve a total fee to the Board of Directors 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 elected by the AGM and not employed by the Company. For work within the Remuneration Committee, the Chairman shall receive SEK 100,000 and the two members SEK 50,000 each and for work within the Audit Committee, the Chairman shall receive SEK 175,000 and the two members shall receive SEK 75,000 each, according to Appendix 4, hereto.

The Nomination Committee declares that it 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 auditors' fees shall be paid on the basis of approved invoices.

§ 11

The Chairman presented the proposed Directors' other Board assignments by referring to the presentation handed out at the meeting.

It was resolved to re-elect the following Directors for the period until the end of the next Annual General Meeting: Lars Westerberg, Börje Ekholm, Magdalena Gerger, Tom Johnstone, Ulla Litzén, Ulf Lundahl and Anders Moberg and to elect Katarina Martinson and Hans Linnarson as new board members. It was resolved to re-elect Lars Westerberg as the Chairman of the Board.

§ 12

Ramsay Brufer, member of the Nomination Committee, presented the proposal from the Nomination Committee on appointment of members of the nomination committee for the Annual General Meeting 2013.

It was resolved to approve the proposal from the Nomination Committee, Appendix 4.

§ 13

The Chairman of the Board of Directors referred to the Board of Directors' proposal regarding remuneration principles for senior management as presented in the notice to the AGM, and which was handed out at the meeting. In connection with this the Chairman of the Remuneration Committee, Tom Johnstone, answered questions from the shareholders. It was noted that the auditors had issued a statement in accordance with Chapter 8, Section 54 of the Companies Act and that the opinion had been available to shareholders prior to the meeting and was included in the presentation handed out at the meeting. It was also noted that the Board's report on the Remuneration Committee's evaluation of remuneration for senior managers and the application of the guidelines adopted at the AGM 2011 have been available to shareholders prior to the meeting and were included in the presentation handed out at the meeting.

It was resolved, in accordance with the proposal by the Board of Directors, to approve the remuneration principles for senior management as set forth in [Appendix 5](#).

It was noted that 40% of the amount paid under the extra STI Plan for 2012 which the Board decided to introduce, shall be reinvested by the participants in Husqvarna B shares, which B shares thereafter shall be held for a period of at least two years.

§ 14

It was resolved, with requisite majority, to authorize the Board of Directors to resolve to acquire the Company's own shares until the next Annual General Meeting in accordance with the terms and conditions in the proposal of the Board of Directors, Appendix 5.

It was further resolved, with requisite majority, to authorize the Board of Directors to resolve to transfer the Company's own shares until the next Annual General Meeting in accordance with the proposal of the Board of Directors, Appendix 5.

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

§ 15

It was resolved, in accordance with the Board's proposal, Appendix 5, to authorize the Board to resolve to issue not more than 57,634,377 B-shares against payment in kind, on one or several occasions during the period until the next AGM.

§ 16

As no further items were addressed, the Chairman closed the meeting.

As above
/Olle Wallén/
Olle Wallén

Verified:

/Lars Westerberg/

Lars Westerberg

/Carl Fredrik Ohlsson/

Carl Fredrik Ohlsson

/Mikael Sedolin/

Mikael Sedolin

Appendix 1

Voting List

Appendix 2 Voting instructions for SEB institutional owners

Against and abstain votes at

Husqvarna AB:s Annual General Meeting
on 28 March 2012

8a) Against

Beneficial owner:	Number of shares:	Type:
School Employees Retirement System of Ohio	19722	B
Sum	19722	

9) Against

Beneficial owner:	Number of shares:	Type:
City of Philadelphia Public Employees Retirement System	3217	B
Sum	3217	

10) Against

Beneficial owner:	Number of shares:	Type:
City of Philadelphia Public Employees Retirement System	3217	B
School Employees Retirement System of Ohio	19722	B
Sum	22939	

11) Against

Beneficial owner:	Number of shares:	Type:
Florida Retirement System	3301	A
State of Connecticut Retirement Plans and Trust Funds	6966	A
Wisdomtree Europe Smallcap Dividend Fund	14767	A
Wisdomtree International Smallcap Dividend Fund	72951	A
Sum	97985	A
Ethos Swiss Foundation for Sustainable Development	7125	B
Advantage Funds Inc Global Alpha Fund	673	B
Alaska Common Trust Fund	7494	B
Alaska Permanent Fund Corporation	1	B
Allstate Insurance Company	31828	B
Aviva Life and Pensions UK Limited	9760	B
Bank Of New York Mellon Employee Benefit Collective Investment Fund Plan, The	18601	B
Bank Of New York Mellon Employee Benefit Collective Investment Fund Plan, The	276045	B
Bank Of New York Mellon Employee Benefit Collective Investment Fund Plan, The	32435	B

Bank Of New York Mellon Employee Benefit Collective Investment Fund Plan, The	15012	B
Bell Atlantic Master Trust	89740	B
BNY Mellon Funds Trust - BNY Mellon International Fund	330729	B
BP PENSION TRUSTEES LIMITED AS TRUSTEE OF THE BP PENSION FUND	115000	B
Caisse De Depot Et Placement Du Quebec	615677	B
California State Teachers Retirement System	204903	B
California State Teachers Retirement System	75538	B
California State Teachers Retirement System	12	B
Calvert VP Eafe International Index Portfolio	5877	B
Canada Pension Plan Investment Board	406	B
CF International Stock Index Fund	31099	B
CIBC European Index Fund	1846	B
CIBC International Index Fund	3795	B
City of Philadelphia Public Employees Retirement System	3217	B
Colleges of Applied Arts and Technology Pension Plan	43605	B
Cosmopolitan Investment Fund	414	B
DBX MSCI Eafe Currency-Hedged Equity Fund	2094	B
Deutsche DBI Global Shares Fund	5400	B
Dreyfus Index Funds, Inc.- Dreyfus International Stock Index Fund	20545	B
DT International Stock Index Fund	43980	B
Fedex Corporation Employees Pension Trust	42993	B
Fire and Police Pension Association of Colorado	6498	B
Fire and Police Pension Association of Colorado	14586	B
Florida Retirement System	353278	B
Florida Retirement System	9177	B
General Conference Corporation of Seventh Day Adventists	525	B
General Motors Hourly - Rate Employees Pension Trust	23036	B
General Motors Salaried Employes Pension Trust	7634	B
Hawker Beechcraft Corporation Defined Benefit Master Trust	42410	B
Illinois State Board of Investment	17017	B
Imperial International Equity Pool	13888	B
Indiana Public Employees Retirement Fund	162170	B
ING International Index Portfolio	12317	B
Intech International Fund	2696	B
Japan Trustee Services Bank, Ltd. as trustee for Shinko Global Equity Index Mother Fund	3554	B
John Hancock Variable Insurance Trust International Index Trust	89571	B
Louisiana State Employees Retirement System	42700	B
Manulife Asset Management International Equity Index Pooled Fund	3496	B
Maryland State Retirement and Pension System	11	B
Mercy Investments Services Inc	8415	B
Metropolitan Life Insurance Company	11100	B
Multilateral Investment Guarantee Agency	3693	B
New York State Deferred Compensation Plan	3847	B
Pension Reserves Investment Trust Fund	144263	B
Public Employee Retirement System Of Idaho	19399	B
Public Employees Retirement System of Nevada	125007	B
Rogerscasey Target Solutions, LLC.	14669	B
School Employees Retirement System of Ohio	19722	B

SHELL PENSION TRUST	24226	B
Sonoma County Employees Retirement Association	922	B
State Farm Mutual Fund Trust International Index Fund	8301	B
State of Connecticut Retirement Plans and Trust Funds	1957	B
State Of Wisconsin Investment Board	121158	B
State Of Wisconsin Investment Board	12272	B
Teacher Retirement System of Texas	434	B
Teachers Retirement System Of Louisiana	4150	B
Teachers Retirement System of the State of Illinois	12	B
Teachers Retirement System of the State of Illinois	12	B
The Master Trust Bank of Japan, Ltd. As trustee of Global Equities Index Mother Fund	21610	B
The Master Trust Bank of Japan, Ltd. as trustee of MUTB400037407	11196	B
The TBC Private Trust - ACWI ex US Value Fund	12760	B
Vanguard Developed Markets Index Fund	503372	B
Vanguard European Stock Index Fund	436221	B
Vanguard FTSE All-World Ex-US Index Fund, a Series of Vanguard International Equity Index Funds	352365	B
Vanguard Investments Funds ICVC-Vanguard FTSE Developed Europe EX U.K. Equity Index Fund	9912	B
Vanguard Investments Funds ICVC-Vanguard FTSE Developed World EX-U.K. Equity Index Fund	13110	B
Vanguard Tax-Managed International Fund	343320	B
Vanguard Total World Stock Index Fund, a Series of Vanguard International Equity Index Funds	30089	B
Virginia Retirement System	29786	B
Wisdomtree Defa Fund	22096	B
Wisdomtree International Midcap Dividend Fund	20672	B
WSIB Investments (Public Equities) Pooled Fund Trust	38492	B
Sum	5208968	B

12) Against

Beneficial owner:	Number of shares:	Type:
Rohm and Haas Master Trust	1315	B
Russell Investment Company Plc	3811	B
Sum	5126	

13) Against

Beneficial owner:	Number of shares:	Type:
Ethos Swiss Foundation for Sustainable Development	7125	B
City of Philadelphia Public Employees Retirement System	3217	B
West Mid Met Pens Auth Pens Fd main	70000	B
Sum	80342	

Appendix 3 Annual Report

www.husqvarnagroup.com/ir

Appendix 4

Proposals by the Nomination Committee to be presented at the Annual General Meeting of shareholders of Husqvarna AB (publ) on 28 March 2012

The below proposals correspond with the numbering set forth in the agenda proposed by the Board of Directors.

Election of Chairman of the Meeting (item 2)

The Nomination Committee proposes that Lars Westerberg is elected chairman of the Annual General Meeting.

Determination of the number of Directors (item 9)

The Nomination Committee proposes that the Board of Directors shall comprise nine Board Members to be elected by the AGM (which is a reduction by one member compared to what was proposed to the 2011 AGM), and no deputies.

Determination of the remuneration to the Directors and the Auditor (item 10)

Remuneration

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, the Chairman shall receive SEK 100,000 and the two members SEK 50,000 each. For work within the Audit Committee, the Chairman shall receive SEK 175,000 and the two members shall receive SEK 75,000 each.

The Nomination Committee declares that it 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 Auditor's fee shall be paid on the basis of the approved invoice.

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

The Nomination Committee proposes that the current Board Members Lars Westerberg, Börje Ekholm, Magdalena Gerger, Tom Johnstone, Ulla Litzén, Ulf Lundahl and Anders Moberg are re-elected. 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.

Presentation of all proposed Directors including evaluation of the Directors' independence is set forth in Appendix 1.

Nomination Committee (item 12)

In accordance with the AGM's previous resolution, the Nomination Committee shall prepare and submit proposals to the AGM concerning the procedures for establishing a nomination committee and issues pertaining thereto. The Nomination Committee proposes that the AGM 2012 adopt the following principles and procedures for the AGM 2013 with respect to the establishment of a nomination committee and its work:

1. The Company should have a Nomination Committee consisting of one representative of each of the four largest shareholders in the Company 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 term of office for the Nomination Committee shall be for the period until a new Nomination Committee is 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.
2. If, during the term of office of the Nomination Committee, a 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 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 a 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 Nomination Committee. Changes in the composition of the Nomination Committee shall be announced on the Company's website as soon as they have occurred.
3. The Nomination Committee shall prepare the below proposals to be submitted to the Annual General Meeting 2013 for resolution:
 - a) Proposal regarding Chairman of the Annual General Meeting;
 - b) Proposal regarding Directors of the Board;
 - c) Proposal regarding Chairman of the Board of Directors;
 - d) Proposal regarding 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) Proposal regarding Auditor's fees;
 - f) Proposal regarding procedures and principles for establishing a nomination committee and issues pertaining thereto for the AGM 2014.
4. The Nomination Committee, when performing its duties, should fulfil the duties that rest upon the Nomination Committee under the Swedish Code on Corporate Governance including, i.e., 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.

At the AGM in April 2010 PricewaterhouseCoopers AB was appointed as the Company's external Auditor, with Anders Lundin as the auditor-in-charge, for the period until the AGM in 2014. Election is therefore not an issue this year.

The Nomination Committee of Husqvarna AB (publ)
February 2012

Appendix 5

Proposals by the Board of Directors to be presented at the Annual General Meeting of shareholders of Husqvarna AB (publ) on 28 March 2012

The below proposals correspond with the numbering set forth in the agenda proposed by the Board of Directors.

Disposition in respect of the Company's profit (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 ("AGM") resolves in accordance with the Board of Directors proposal, the estimated date for the payment of the dividend is Thursday, April 5, 2012.

Principles for remuneration for the Group Management of the Company (item 13)

For the Husqvarna CEO and other members of the Group Management (the "Group Management"), the principles for remuneration approved by the AGM 2011 applies. The Board of Directors proposes that the corresponding principles should be approved by the AGM 2012 for the period up to and including AGM 2013.

These principles shall apply to remuneration and other employment conditions of the Group Management. The principles shall apply to contracts of employment entered into after the AGM 2012 and also to amendments made thereafter to contracts of employment which are in force. Remuneration to the Group Management is determined by the Board of Directors based on proposals from the Board of Directors' Remuneration Committee.

Principles

The overall principles for remuneration to the Group Management shall be based on the position held, individual performance, Group performance and remuneration shall be on a competitive basis in the country of employment. The overall remuneration package for Group Management comprises fixed salary, variable salary in the form of short-term incentives based on annual performance targets, long-term incentives, pension and other benefits. In addition, there are conditions on notice of termination and severance pay.

Husqvarna shall aim to offer a competitive total remuneration level with a primary focus on "pay for performance".

Fixed salary

Fixed salary shall comprise the basis for total remuneration. The salary shall be related to the relevant market and shall reflect the degree of responsibility involved in the position. The salary levels shall be reviewed annually in order to ensure continued competitiveness and in order to correctly reward performance.

Variable salary (Short-term Incentive "STI")

Members of the Group Management shall be entitled to STI in addition to the fixed salary. The STI shall be based on the financial result for the Group and/or for the business unit for which the member of Group Management is responsible. In addition, performance indicators can be used in order to focus on improvement areas of special interest to the Company. Clearly defined objectives for "target" and "stretch" levels of performance shall be stated in the beginning of the year and reflect the plans approved by the Board. STI shall be dependent on the position and may amount to a maximum of 50% of the salary on attainment of the "target" level and a maximum of 100% of the salary on attainment of "stretch" level, which also is the maximum STI. In the USA, the STI component is normally higher and may in some cases amount to a maximum of 100% on

attainment of the "target" level and a maximum of 150% of the salary on attainment of the "stretch" level. The Board of Directors decides whether the maximum levels, 50/100/150%, shall be utilized or if a lower level shall be used.

Long-term incentive

The Board of Directors will annually evaluate if a long-term incentive program (e.g. share or share price based) should be proposed to the AGM.

Pensions and insurance

Pension and disability benefits shall be designed to reflect regulations and practice in the country of employment and the value of the benefits shall match normally accepted levels in the country. If possible, pension plans shall be defined contribution plans in accordance with the Group Pension Policy.

Other benefits

Other benefits can be provided in accordance with normal practice in the country where the member of Group Management is employed. However, these benefits shall not constitute a significant part of the total remuneration.

Notice of termination and severance pay

Members of Group Management shall be offered notice periods and levels of severance pay which are in line with accepted practice in the country where the member is employed. Members of Group Management shall be obliged not to compete with the Company during the notice period. Based on the circumstances in each case, a non-compete obligation with continued payment may be applied also after the end of the notice period. Such non-compete obligation shall not apply for more than 24 months from the end of the notice period.

Previously determined remuneration which has not become payable

The main conditions for remuneration to the Group Management in the current employment agreements should be clear from note 26 in the Annual Report for 2011 with references.

Authority for the Board to deviate from the principles

Under special circumstances exist, the Board of Directors may deviate from these guidelines. In case of such deviation, the next AGM shall be informed of the reasons.

Estimated remuneration to CEO and other members of Group Management for the business year 2012

Remuneration to the CEO and other members of Group Management comprise of fixed salary, variable salary in the form of short term incentive (STI) based on annual targets, long term incentive (LTI) and benefits such as pension etc.

The Board has decided not to propose to the AGM that a new LTI program is offered to the employees in 2012. The members of Group Management will, however, be covered by an additional STI plan for 2012, based on cash flow targets. This additional STI will mean that the participants are covered by an extra STI opportunity, in addition to the regular STI, of 15% of fixed salary at "target" level and 30% at max level, "stretch".

Total remuneration for 2012 to members of Group Management will amount to between MSEK 45 and 78 depending on the degree to which the targets (entry-target-stretch) of the STI will be reached. Variable remuneration is thus estimated to amount to max MSEK 33.

Previously decided remuneration which has not become payable

Since the AGM in 2011, decisions have been taken on payment of severance pay etc, with deduction for other income, to former members of Group Management who have been made

redundant. These payments will be paid during 2012 and 2013 and amount to a maximum of MSEK 15.

Information about deviation from the principles

If special circumstances exist, the Board shall be able to deviate from the Principles for remuneration for the Group Management. In the event of such a deviation, the next AGM shall be informed of the reasons.

The Principles for Remuneration state among other things that variable salary, short term incentive (STI), may amount to max 50% of the salary when reaching target level "target" and 100% of the salary when reaching "stretch" level, which is also max STI.

The Board has decided to introduce an additional STI plan for 2012, based on cash flow targets. The purpose of the additional STI is to emphasize and put extra focus on improving cash flow in the Group. This additional STI plan will give the participants (max 50 senior managers) an extra STI opportunity, in addition to the regular STI, of 15% of fixed salary at "target" level and 30% at max level, "stretch".

The additional STI plan means that the STI opportunity for members of Group Management will be max 65% of fixed salary at "target" level and max 130% at max level, "stretch". This exceeds the levels stated in the principles for remuneration. The additional STI plan will, however, not increase the estimated total remuneration as no LTI program will be offered in 2012.

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

The Board of Directors proposes that the AGM authorizes the Board to resolve to acquire Husqvarna B-shares until the next AGM in accordance with the following.

1. The Company may acquire a number of B-shares so that the Company holds no more than 3% of the total number of shares in the Company after each acquisition.
2. The shares shall be acquired at NASDAQ OMX Stockholm.
3. The acquisitions of shares over the stock exchange may only take place at a price within the registered spread at any given time, meaning the difference between the highest buying price and lowest selling price.
4. Payment for the shares shall be made in cash.

The Board of Directors proposes that the AGM authorizes the Board to resolve to transfer Husqvarna's own shares until the next AGM in accordance with the following.

1. The Company may transfer such Husqvarna B-shares that the Company holds at the time of the Board of Directors decision.
2. The shares shall be transferred at NASDAQ OMX Stockholm.
3. The transfer of shares over the stock exchange may only take place at a price within the registered spread at any given time.
4. Payment for the shares shall be made in cash.

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

Resolution on an issue of new shares (item 15)

The Board of Directors proposes that the AGM 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 AGM.

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.

Majority Requirements

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

The Board of Directors' reasoned statement is set forth in **appendix A**.

The Board of Directors statement in accordance with Chapter 18 Section 4 and Chapter 19 Section 22 of the Companies Act (2005:551)

Background

The Board of Directors hereby presents the following statement in accordance with Chapter 18, Section 4 and Chapter 19, Section 22 of the Companies Act.

The reasons for the Board of Directors view that the proposed dividend and the proposed authorization of the Board to repurchase Husqvarna shares are in accordance with the provisions of Chapter 17, Section 3, para. 2 and 3 of the Companies Act are the following.

The assets and liabilities have been valued at their actual value in accordance with Chapter 4, Section 14a of the Annual Accounts Act (1995:1554). If the valuation had not been made at actual value the equity would have been SEK 44,997,000 lower.

The nature, scope and risks of the business

The nature and scope of the Company's and the Group's business are set out in the articles of association and previous annual reports. The business carried out by the Company and the Group does not entail greater risks than risks that exist or is likely to exist in the industry or such risks which are generally associated with running a business. As regards material events, reference is made to the report by the Board of Directors. The effects on the Company and the Group from changes of business cycles do not differ from what is otherwise the case in the industry.

The financial position of the Company and the Group

The financial position of the Company and the Group as of 31 December 2011 is described in the most recent annual report. The annual report also states which accounting principles that have been applied when valuing of assets, reserves and liabilities.

From the Board's dividend proposal, it follows that the Board proposes a dividend distribution of SEK 1.50 per share. The proposed dividend represents 4.6% of the Company's equity and 7.0% of the Group's equity. The Board has also proposed that the Board is authorized to resolve to acquire B-shares in the Company up to a maximum of 3% of the Company's total number of shares.

The annual report shows that the Company's equity/debt ratio amounts to 50.5% and the Group's equity/debt ratio is 42.4%. The Company's and the Group's equity/debt ratio does not differ from what is common within the industry. The proposed dividend distribution and a full utilization of the proposed authorization to acquire the Company's own shares do not jeopardize the investments which are deemed necessary for the business.

The proposed dividend distribution and a full utilization of the proposed authorization to acquire the Company's own shares do not affect the Company's and the Group's ability to fulfill its current and future payment obligations in a timely manner. The Company's and the Group's liquidity forecast comprises a readiness to handle variations in the ordinary course payment obligations of the Company.

The Company's and the Group's financial position does not give rise to any other conclusion than that the Company and the Group will be able to continue its business and that the Company can be expected to fulfill its obligations on both a short and long-term basis.

Taking into account the proposed dividend distribution and a full utilization of the proposed authorization to repurchase the Company's own shares, the Board of Directors makes the assessment that the size of the Company's and the Group's equity is reasonable in relation to the scope of the Company's and the Group's business and the risks connected with the Company's business.

Conclusion

With reference to the above, and to what has otherwise come to the knowledge of the Board of Directors, the Board of Directors is of the opinion that the dividend distribution and the authorization is justifiable in light of the provisions of Chapter 17, Section 3, para. 2 and 3 of the Companies Act.

Stockholm in February 2012
Husqvarna AB (publ)
The Board of Directors