

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 of the Annual General Meeting of
the shareholders in Husqvarna AB (publ),
Reg. No. 556000-5331, on April 21, 2015 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
Magdalena Gerger, Tom Johnstone, Ulla Litzén, David Lumley, Daniel Nodhäll and
Lars Pettersson, President and CEO Kai Wörn, CFO Jan Ytterberg,
authorized public accountant Hamish Mabon and General Counsel Olle Wallén.

§ 1

The Chairman of the Board, Lars Westerberg, opened the meeting and welcomed the shareholders. It was resolved to allow representatives from the media to attend 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 act as secretary and to keep the minutes of the meeting.

It was noted that some institutional shareholders beforehand had announced that they abstained from voting or voted against certain proposals.

§ 3

It was resolved to approve 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

Patric Naeslund, representing Swedbank Robur fonder, and Anne-Charlotte Horngard, representing Tredje AP-fonden, were appointed to approve the minutes, together with the Chairman.

§ 6

It was noted that the notice to the Annual General Meeting had been published in Post- och Inrikes Tidningar (the Official Gazette) on March 20, 2015, and on the Company's website on March 18, 2015. An announcement to the effect that the notice had been published was made in Svenska Dagbladet and Jönköpingsposten on March 20, 2015.

It was resolved to declare the meeting properly convened.

§ 7

The CEO Kai Wörn and the Chairman of the Board Lars Westerberg presented the Company's business and the Board of Directors' work during the financial year 2014. Questions from the shareholders were answered.

The annual report and the consolidated accounts including Profit and Loss Statements and Balance Sheets and the auditors' report and consolidated auditors' report regarding the financial year 2014 were presented.

The authorized public accountant Hamish Mabon from the auditing company Ernst & Young outlined the audit process and presented the audit report for the Company and the Group.

§ 8 a

It was resolved to adopt the Profit and Loss Statements and the Balance Sheets as well as the Consolidated Profit and Loss Statements and the Consolidated Balance Sheets for the financial year 2014. The documents are attached hereto as Appendix 2.

§ 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 recommended by the auditors.

It was resolved in accordance with the proposal from the Board of Directors and the CEO to distribute the funds that the Annual General Meeting may distribute as follows:

Retained earnings	TSEK 16,726,380
Net income for 2014	TSEK 779,489
Dividend to be distributed to the shareholders	TSEK 945,399 (1.65 SEK/per share)
Total	TSEK 16,560,470 to be carried forward.

It was resolved that the dividend shall be paid in two installments, firstly SEK 0.55 per share with Thursday, April 23, 2015 as the first record day, secondly SEK 1.10 per share with Friday, October 23, 2015 as the second record day and it was stated that the estimated dates for payment from Euroclear will be Tuesday, April 28, 2015 and Wednesday, October 28, 2015.

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 recommended that the Directors and the CEO should be discharged from liability for the administration during 2014.

It was resolved to discharge the Directors and the CEO from liability for the administration of the company for the financial year 2014. It was noted that Directors representing own and others' shares, as well as the CEO, did not participate in the resolution.

§ 9

Ramsay Brufer, member of the Nomination Committee, presented the Nomination Committee's proposal concerning election of Directors; Board fees; auditors' fees and gave a presentation on how the Committee's work has been conducted and motivated the Committee's proposal, Appendix 3a-b. Questions from the shareholders were answered.

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

§ 10

It was resolved to approve a Board remuneration of SEK 5,260,000 in total, whereof SEK 1,725,000 to the Chairman of the Board, and SEK 500,000 to each of the Directors elected by the Annual General Meeting and not employed by the Company. For work within the Remuneration Committee, the Chairman shall receive an unchanged remuneration of SEK 100,000 and the two members an unchanged remuneration of SEK 50,000 each and for work within the Audit Committee, the Chairman shall receive an unchanged remuneration of SEK 175,000 and the two members shall receive a remuneration of SEK 80,000 each, as set out in Appendix 3a.

It was resolved to approve a separate remuneration for attending meetings to be paid in addition to the basic remuneration and compensation for travel related costs in accordance with the following principle: For attendance at a physical Board meeting in Sweden a remuneration per meeting in accordance with the below:

- a) For a Director with residence within the Nordic countries; no extra meeting remuneration;
- b) For a Director with residence outside the Nordic countries but within Europe; SEK 10,000;
- c) For a Director with residence outside Europe; SEK 20,000.

The Nomination Committee declared that it expects the Directors to engage themselves financially in the Company by acquiring Husqvarna shares within a period of five years, corresponding to approximately one year's remuneration, calculated before tax.

The auditors' fees shall be paid on the basis of approved invoices.

§ 11

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

It was resolved to re-elect Magdalena Gerger, Tom Johnstone, Ulla Litzén, David Lumley, Katarina Martinson, Daniel Nodhäll, Lars Pettersson and Kai Wörn as Directors of the Board for the period until the end of the next Annual General Meeting. It was resolved to elect Tom Johnstone as the Chairman of the Board.

Tom Johnstone thanked Lars Westerberg for his meritorious services as a member of the Board.

§ 12

The Chairman of the Board, Lars Westerberg, referred to the Board of Directors' proposal regarding remuneration principles and other conditions of employment for senior management as presented in the notice to the Annual General Meeting, and which was handed out at the meeting. 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 2014 and the application of the guidelines adopted at the Annual General Meeting 2014 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 and other conditions of employment for senior management as set forth in Appendix 4.

It was noted that performance and targets of the resolved long-term incentive programs are described in the Annual Report after the performance period.

§ 13

The Chairman of the Board, Lars Westerberg, referred to the Board of Directors' proposal regarding the adoption of a long-term incentive program (LTI 2015) as presented in the notice to the Annual General Meeting and which was handed out at the meeting.

It was resolved, with requisite majority and in accordance with the Board of Directors' proposal, to adopt a long-term incentive program (LTI 2015) as set forth in Appendix 4.

§ 14 a

It was resolved, with requisite majority, to authorize the Board of Directors to pass a resolution, for the period up until the next Annual General Meeting, on one or more occasions, to repurchase the Company's own B-shares in accordance with the terms and conditions in the proposal of the Board of Directors, Appendix 4.

The purpose of the authorization is to hedge the Company's undertakings (including social security charges) for resolved incentive programs and to continuously adapt the number of shares held in order to hedge the undertakings within the framework of the Company's incentive programs.

§ 14 b

It was resolved, with requisite majority, to authorize the Board of Directors to pass a resolution, on one or more occasions, for the period up until the next Annual General Meeting, to sell Class B-shares in Husqvarna in accordance with the terms and conditions in the Board of Directors' proposal, Appendix 4.

The purpose of the authorization is to be able to sell repurchased Class B-shares to hedge costs for social security charges and other costs in relation to resolved incentive programs and to continuously adapt the number of shares held in order to hedge the undertakings within the framework of the Company's incentive programs.

§ 14 c

It was resolved, with requisite majority, to authorize the Board of Directors to pass a resolution, on one or more occasions, for the period up until the next Annual General Meeting, to direct the Company to enter one or more equity swap agreements with a third party, on terms and conditions in accordance with market practice, to hedge the obligations of the Company under the LTI 2015, in accordance with the Board of Directors' proposal, Appendix 4.

§ 15

It was resolved to authorize the Board of Directors to resolve to issue, on one or more occasions, not more than 57,634,377 B-shares, which represents 10% of the shares in the Company, against payment in kind, during the period until the next Annual General Meeting, in accordance with the Board of Directors' proposal, Appendix 4.

§ 16

As no further items were addressed, the Chairman thanked everyone for their attendance and closed the meeting.

As above

/Olle Wallén/
Olle Wallén

Approved:

/Lars Westerberg/
Lars Westerberg

/Patrice Naeslund/
Patric Naeslund

/Anne-Charlotte Hormgard/
Anne-Charlotte Hormgard

Appendix 1

Voting List

Appendix 2 Annual Report

www.husgvarnagroup.com/ir

Appendix 3a

Proposals by the Nomination Committee to be presented at the Annual General Meeting of shareholders of Husqvarna AB (publ) on Tuesday April 21, 2015

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 to be elected (item 9)

The Nomination Committee proposes that the Board of Directors shall comprise eight Directors to be elected by the Annual General Meeting, and no deputies.

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

The Nomination Committee proposes a Board remuneration of SEK 5,260,000 in total (previously SEK 5,595,000), whereof SEK 1,725,000 (previously SEK 1,675,000) to the Chairman of the Board and SEK 500,000 (previously SEK 485,000) to each of the other Directors elected by the Annual General Meeting and not employed by the Company. For work within the Remuneration Committee, it is proposed that the Chairman shall receive an unchanged remuneration of SEK 100,000 and the two members an unchanged remuneration of SEK 50,000 each. For work within the Audit Committee, it is proposed that the Chairman shall receive an unchanged remuneration of SEK 175,000 and the two members shall receive a remuneration of SEK 80,000 (previously SEK 75,000) each.

The Nomination Committee's proposal implies an increase of the remuneration equal to approximately 3% compared to the prior total remuneration for the Directors' work in relation to the Board of Directors related work, and an increase of the total remuneration for the Audit Committee members of approximately 7% compared to the remuneration for the Audit Committee, as resolved by the AGM 2014.

A separate remuneration for attending meetings is proposed to be paid in addition to the basic remuneration and compensation for travel related costs in accordance with the following principle: For attendance at a physical Board meeting in Sweden a remuneration per meeting in accordance with the below:

- a) For a Director with residence within the Nordic countries; no extra meeting remuneration;
- b) For a Director with residence outside the Nordic countries but within Europe; SEK 10,000;
- c) For a Director with residence outside Europe; SEK 20,000.

The Nomination Committee declares that it expects the Directors to engage themselves financially in Husqvarna by acquiring Husqvarna shares within a period of five years, corresponding to approximately one year's remuneration, calculated before tax.

The Nomination Committee proposes that the Auditors' fee shall be paid on the basis of approved invoice, in accordance with previous years.

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

The Nomination Committee proposes re-election of Magdalena Gerger, Tom Johnstone, Ulla Litzén, David Lumley, Katarina Martinson, Daniel Nodhäll, Lars Pettersson and Kai Wärn.

Lars Westerberg has declined re-election.

The Nomination Committee proposes that Tom Johnstone is appointed Chairman of the Board.

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

The Nomination Committee of Husqvarna AB (publ)
March 2015

Annual General Meeting 2015

Proposal on the Board of Directors by the Nomination Committee



Magdalena Gerger, born 1964

M.Econ. and MBA, Stockholm School of Economics, Sweden, and has been a member of the Board since 2010.

President of Systembolaget AB.

Other important board engagements: Board member of Investor AB and IFN (the Research Institute of Industrial Economics). Member of IVA (Royal Swedish Academy of Engineering Sciences) and of the Swedish Trade Federation (*Svensk Handel*).

Previous positions: Senior Vice President and responsible for Marketing & Innovation in the Nordic region, Arla Foods 2005–2009, Management consultant Futoria AB 2004, Category Director (UK and Ireland), Nestlé UK Ltd 2000–2003, ICI Paints 1998–2000 and in Procter & Gamble 1996–1997.

Shareholding in Husqvarna: 3,100 A-shares.



Tom Johnstone, born 1955

M.A., University of Glasgow, Scotland, Hon. Doc. in B.A., University of South Carolina, USA, Hon. Doc. in Science, Cranfield University, UK, and has been a member of the Board since 2006. Chairman of the Remuneration Committee.

Other important board engagements: Board member of AB SKF and Investor AB.

Previous positions: President and CEO of AB SKF 2003-2014, Executive Vice President of AB SKF 1999–2003. President Automotive Division 1995–2003.

Shareholding in Husqvarna: 990 A-shares and 4,800 B-shares.



Ulla Litzén, born 1956

M. Sc. in Econ., Stockholm School of Economics, Sweden and MBA, Massachusetts Institute of Technology, USA, and has been a member of the Board since 2010. Chairman of the Audit Committee.

Other important board engagements: Board member of Atlas Copco AB, AB SKF, Boliden AB, Alfa Laval AB and NCC AB.

Previous positions: President of W Capital Management AB, 2001–2005. Senior management positions and member of the Management Group, Investor AB, 1996–2001. Managing Director, responsible for Core Holdings, 1999–2000. President of Investor Scandinavia AB 1996–1998.

Shareholding in Husqvarna: 10,000 B-shares.



David Lumley, born 1954

B.A in Communications/Marketing, Western Illinois University, Macomb, Illinois, USA; MSJ Journalism, Northwestern University Medill School of Journalism, Evanston, Illinois, USA and MBA, Northwestern University Kellogg School of Management, Evanston, Illinois, USA, and has been a member of the Board since 2014. Proposed to be member of Remuneration Committee. President and CEO and Board member of Spectrum Brands, Middleton, Wisconsin, USA.

Previous positions: President Rubbermaid Home Products, Newell-Rubbermaid Inc., Atlanta, Georgia, USA. President and CEO, EAS Inc., Golden, Colorado, USA. President Brunswick Bicycles, Brunswick Corp., Lake Forest, Illinois, USA. President OMC International and Senior Vice President Marine Power Group, Outboard Marine Corp., Waukegan, Illinois, USA. General Manager Wilson Sporting Goods Co., Chicago, Illinois, USA.

Shareholding in Husqvarna: 6,252 ADR, B-shares.



Katarina Martinson, born 1981

M. Sc. in Econ., Stockholm School of Economics, Sweden and has been a member of the Board since 2012. Member of the Audit Committee.

Portfolio management for the Lundberg Family.

Other important board engagements: Board member of L E Lundbergföretagen AB, Fastighets AB L E Lundberg, Karlsson & Wingsjö, L E Lundberg Kapitalförvaltning, Fidelio Capital AB, AniCura AB, Bellbox/Lyko AB and Picadeli AB.

Previous positions: Analyst at Handelsbanken Capital Markets 2008, Vice President at Strategas Research Partners LLC, New York, USA, 2006–2008, investment research at ISI, International Strategy & Investment Group, New York, 2005-2006.

Shareholding in Husqvarna: 113,478 A-shares and 378,737 B-shares.



Daniel Nodhäll, born 1978

M. Sc. in Econ., Stockholm School of Economics, Sweden and has been a member of the Board since 2013. Member of the Audit Committee.

Investment Manager and Head of Capital Goods at Investor AB.

Previous positions: Analyst focused on the engineering sector at Investor AB since 2002.

Shareholding in Husqvarna: 5,000 B-shares.



Lars Pettersson, born 1954

M. Sc. in Technical Physics, Material Sciences, Uppsala University, Sweden and has been a member of the Board since 2014. Member of Remuneration Committee.

Other important board engagements: Chairman of the Board of KP-Komponenter A/S. Board member of Indutrade AB, LKAB, L E Lundbergföretagen AB, Uppsala University, PMC Group AB and the Swedish Corporate Governance Board.

Previous positions: President and CEO of AB Sandvik 2002-2011 and various positions within AB Sandvik 1978-2002.

Shareholding in Husqvarna: 5,000 B-shares.



Kai Wärn, born 1959

M. Sc. in Mechanical Engineering, the Royal Institute of Technology, Stockholm, Sweden, and has been a member of the Board since 2014.

President and CEO of Husqvarna AB.

Previous positions: Operations partner at IK Investment Partners Norden AB 2011-2013. President and CEO of Seco Tools AB 2004-2010. Various positions within ABB 1985-2004.

Shareholding in Husqvarna: 30,570 B-shares, 100,000 B-shares by legal entity.

Requirements for independence

According to the Swedish Code of Corporate Governance, a majority of the directors of the Board elected at the General Meeting should be independent in relation to the Company and the Company's management, and at least two of the directors that are independent in relation to the Company should also be independent in relation to the Company's major shareholders.

The Nomination Committee is of the opinion that the proposed Board of Directors fulfils the requirements of the Code.

Name	Committee membership	Nationality	Independence in relation to the company and management	Independence in relation to major shareholders
Magdalena Gerger		SE	Yes	No
Tom Johnstone	Chairman of the Remuneration Committee	UK	Yes	No
Ulla Litzén	Chairman of the Audit Committee	SE	Yes	Yes
David Lumley	Proposed Member of the Remuneration Committee	US	Yes	Yes
Katarina Martinson	Member of the Audit Committee	SE	Yes	No
Daniel Nodhäll	Member of the Audit Committee	SE	Yes	No
Lars Pettersson	Member of the Remuneration Committee	SE	Yes	No
Kai Wörn		SE	No	Yes

Appendix 3b

Husqvarna AB (publ) Nomination Committee's motivated opinion regarding proposal of the Board of Directors at the Annual General Meeting on April 21, 2015

Background

In accordance with the decision by the Annual General Meeting in April 2013, Husqvarna shall have a Nomination Committee consisting of representatives of each of the four largest shareholders in terms of voting rights, who have expressed a wish to participate in the nomination committee work, and the Company's Chairman of the Board.

The four largest shareholders have appointed the following representatives who, together with Husqvarna's Chairman of the Board, will form the Nomination Committee.

The Nomination Committee's members are:

- Petra Hedengran, Investor AB, Chairman of the Nomination Committee
- Claes Boustedt, L E Lundbergföretagen AB
- Ramsay J. Brufer, Alecta
- Ricard Wennerklint, If Skadeförsäkring AB
- Lars Westerberg, Chairman of the Husqvarna Board

The Nomination Committee's proposal regarding the Board of Directors:

- Eight Directors to be elected by the AGM, and no deputies.
- Re-election of Magdalena Gerger, Tom Johnstone, Ulla Litzén, David Lumley, Katarina Martinson, Daniel Nodhäll, Lars Pettersson and Kai Wärn.
- New election of Tom Johnstone as Chairman of the Board of Directors.

Lars Westerberg has declined re-election.

Motivated opinion

The Nomination Committee's view is that – in accordance with existing regulations, i.a. the Swedish Code of Corporate Governance – the composition of the Board should exhibit diversity and breadth, and members elected by the AGM should reflect the various skills, experiences, and backgrounds needed for the Company's operations, growth, and other conditions.

The Nomination Committee has been presented with an evaluation of the Board and its work as well as the Chairman of the Board's report on the operations, objectives and strategies of the Company. To assess the degree to which the current Board of Directors meets the requirements that are placed on the Board following the Company's situation, strategic development and future direction, the Board's size and composition, as regards, for example, diversity, industry experience and skills, has been discussed. The Nomination Committee has, in the assessment of the Board's evaluation and in its proposal, paid particular attention to the requirement for diversity and breadth of the board and the requirement to strive for gender equality. The Nomination Committee has sought a balanced gender distribution and the now proposed directors who are not employees of the company are made up of three women and four men, i.e., the underrepresented sex has received a percentage wise greater representation on the Board, compared with the previous year.

The Nomination Committee proposes that the current Directors Magdalena Gerger, Tom Johnstone, Ulla Litzén, David Lumley, Katarina Martinson, Daniel Nodhäll, Lars Pettersson and Kai Wärn are re-elected.

The Nomination Committee proposes Tom Johnstone as the Chairman of Board because of his background as a longstanding member of the Board, his vast industrial experience, his understanding of running a multinational company in a changing world, and his ability to devote time to the task.

It is the opinion of the Nomination Committee that the proposed eight Directors are very well suited for carrying out Husqvarna's Board work over the coming term of office.

The Nomination Committee considers that the proposed Board of Directors has an appropriate composition to meet the Company's needs with respect to its operations and its competitive situation. The Nomination Committee has paid particular attention to the increasing international competition and the demands it places on the Board's skills, knowledge about the different operations and the ability to foresee the outcome and risks at different markets. The Nomination Committee has also paid attention to other criteria, i.e. Members' different backgrounds, experience and diversity. In its pursuit of diversity, the Nominating Committee has for example, considered the goal of having a gender balance in the Board.

The Nomination Committee has assessed if the Directors fulfil the requirements of independency as set forth in the Swedish Code of Corporate Governance. The Nomination Committee has assessed that seven out of the eight proposed Directors are independent in relation to the Company and management. Kai Wärn, the Company's President and CEO, constitutes an exception. The Nomination Committee has also assessed that three out of the eight proposed Directors are independent in relation to the Company's major shareholders. Magdalena Gerger, Tom Johnstone, Katarina Martinson, Daniel Nodhäll and Lars Pettersson are assessed as non-independent by the Nomination Committee.

It is therefore the opinion of the Nomination Committee that the proposal for the composition of the Board meets the requirements of the Swedish Code of Corporate Governance for independent Directors.

Information about all individuals proposed as Members of Husqvarna AB's Board, and the Nomination Committee's evaluation of each Member's independence, can be found on the Company's website.

The Nomination Committee, March 2015

Appendix 4

Proposals by the Board of Directors to be presented at the Annual General Meeting of shareholders of Husqvarna AB (publ) on Tuesday April 21, 2015

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

Proposed distribution of earnings (item 8 b)

The Board of Directors proposes a dividend for the financial year 2014 of SEK 1.65 per share, to be paid in two installments, firstly SEK 0.55 per share with Thursday, April 23, 2015 as the first record day, secondly SEK 1.10 per share with Friday, October 23, 2015 as the second record day. If the Annual General Meeting resolves in accordance with the Board of Directors' proposal, the estimated dates for payment from Euroclear Sweden AB are Tuesday, April 28, 2015 and Wednesday, October 28, 2015. The last day for trading in Husqvarna shares with right to the first part of the dividend is Tuesday, April 21, 2015 and with right to the second part of the dividend is Wednesday, October 21, 2015.

Resolution on principles for remuneration for Group Management (item 12)

For the President and CEO and other members of Group Management, the principles for remuneration as set out below and approved by the Annual General Meeting 2014 apply. The Board of Directors proposes that the corresponding principles should be approved by the Annual General Meeting 2015 for the period up to and including the Annual General Meeting 2016.

These principles set forth in this item shall apply to remuneration and other employment conditions of Group Management. The principles shall apply to contracts of employment entered into after the Annual General Meeting 2015 and also to amendments made thereafter to contracts of employment which are in force. Remuneration to Group Management is determined by the Board of Directors based on proposals from the Remuneration Committee.

Principles

The overall principles for remuneration to 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 constitute 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 regularly (normally through an annual evaluation of salaries) in order to ensure continued competitiveness and in order to correctly reward performance.

Variable salary (Short-term Incentive, "STI")

Members of 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 matters 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 of Directors. STI shall be dependent on the position and may amount to a maximum of 50% of the fixed salary on attainment of the "target" level and a maximum of 100% of the fixed salary on attainment of "stretch" level,

which also is the maximum STI. In the USA, the STI component is normally higher and may amount to a maximum of 100% on attainment of the "target" level and a maximum of 150% of the fixed 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 Annual General Meeting.

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 Pension and other Benefits 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 Group Management in the current employment agreements are stated in note 4 in the Annual Report for 2014.

Authority for the Board to deviate from the principles

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

Estimated remuneration to the President and CEO and other members of Group Management for the business year 2015

Remuneration to the President and CEO and other members of Group Management comprise 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 total remuneration to members of Group Management for 2015 is estimated to amount to between MSEK 58 and 100 depending on the degree to which the targets (entry-target-stretch) of the variable remuneration will be reached. The variable remuneration is thus estimated to amount to maximum MSEK 42.

Previously decided remuneration which has not become payable

Severance pay which has not become payable amounts to a maximum of MSEK 4.3.

Resolution regarding the adoption of a long term incentive program (LTI 2015) (item 13)

Summary of the program

The Board of Directors proposes that the Annual General Meeting resolves to adopt a performance based long term incentive program, LTI 2015. The program is proposed to include a maximum of 70 senior managers within the Husqvarna Group. LTI 2015 requires that the participants must own shares in Husqvarna. Subject to the fulfilment of certain performance targets and conditions during a three year vesting period, matching share

awards and performance share awards, to be granted in 2015, will vest and give right to Class B-shares in Husqvarna in accordance with the following.

The personal investment and share awards

In order to participate in the program, the participant must buy Class B-shares in Husqvarna to a value corresponding to minimum 5% and maximum 10% of his/her annual fixed salary in 2015.

For each Class B-share which the participant purchases within the framework of LTI 2015, the participant will be allotted one matching share award.

In addition, the participant will be allotted a number of performance share awards. The allotment of performance share awards is linked to the participant's annual target income in 2015 (fixed salary plus variable salary at a target level).

The share awards shall be governed by the following terms and conditions:

- Are allotted free of charge
- Are vested three years after grant (vesting period)
- Vesting of share awards and allotment of Class B-shares in Husqvarna requires that the participant is, with certain exceptions, still employed by the Husqvarna Group and has maintained the personal investment for three years
- Carry no right to compensation for dividends on underlying shares
- Are non-transferable

The number of performance share awards that vest and give rights to receive Class B-shares further depend on the fulfilment of certain levels of increase of the Company's value creation (defined as Earnings Before Interest and Tax – Average Net Assets x Weighted Average Cost of Capital), during the calendar years 2015-2017, as determined by the Board of Directors. These levels are "Entry", "Target" and "Stretch", with a linear progression between each level. Entry constitutes a minimum level which must be exceeded in order for the performance share awards to vest and give right to Class B-shares. The levels correspond to the following number of Class B-shares:

- Entry: Nil
- Target: 25% of annual target income / the share price SEK 66.14¹
- Stretch: 40% of annual target income / the share price SEK 66.14¹

If the price for the Class B-shares would increase more than 100% during the three year vesting period, the number of performance share awards that vest and give right to Class B-shares will be reduced, whereby the maximum value to be received by each participant under LTI 2015 will be limited to the value of the maximum allocation at Stretch level at a share price increase of 100% during the vesting period. This limitation enables control and predictability over the maximum scope and cost of the program.

Design and administration

The Board of Directors, or a committee established by the Board, shall be responsible for the detailed design and administration of the incentive program, in accordance with the presented terms and guidelines. To this end, the Board of Directors shall be entitled to make adjustments to meet foreign regulations or market conditions. The Board of Directors may also make other adjustments if significant changes in the Husqvarna Group, or its environment, would result in the resolved terms and conditions for LTI 2015 no longer being appropriate to apply.

¹ Corresponding to the average closing price of Husqvarna's Class B-share at Nasdaq Stockholm, during the period February 16-27, 2015.

Allotment

In accordance with the above principles and assumptions, LTI 2015 will comprise the following number of Class B-shares for the different categories of participants: the President and CEO, approximately 90,200 Class B-shares, other members of Group Management, each approximately an average of 26,200 Class B-shares, corresponding to a total of approximately 288,200 Class B-shares, and other participants, each approximately an average of 13,800 Class B-shares, corresponding to a total of approximately 800,400 Class B-shares. The above stated numbers are calculated assuming all participants participate with maximum personal investment and the attainment of performance level Stretch as described above.

Scope and costs of the program

LTI 2015 is estimated to comprise a maximum of 1,300,000 Class B-shares, which corresponds to less than 0.3% of the total number of outstanding shares. The Company has approximately 576 million shares. Considering the issued and outstanding options and rights to shares in accordance with previous incentive programs, the Company's incentive programs (LTI 2009, LTI 2013 and LTI 2014) correspond to approximately 0.5% of the total number of outstanding shares. The Company's incentive programs' effect on important key figures is only marginal. For a description of the Company's other share related incentive programs, reference is made to the annual report for 2014, note 4, and the Company's website, www.husqvarnagroup.com.

LTI 2015 will be accounted for in accordance with IFRS 2 – Share-based Payment. IFRS 2 stipulates that the share awards should be expensed as personnel costs over the vesting period and will be reported directly against equity. Estimated social security charges will be recorded as a personnel expense in the income statement by current reservations. The cost for the program is estimated to amount to MSEK 51 before tax, if the performance level Target is reached and is allocated over the years 2015-2018. The corresponding cost at performance level Stretch is estimated to MSEK 74. Financing costs and social security charges are included in the estimated amounts. The estimation of cost above is based on the assumptions that the share price is SEK 65 at the time of grant of the share awards, that each participant participates with a maximum personal investment, that the annual share price increase for the Company's Class B-shares is 5%, that social security charges amount to 25% and that the annual employee turnover is 5% among the participants of LTI 2015.

In order to limit the costs, including social security charges, for LTI 2015, the Board of Directors will adopt hedging measures, such as equity swaps with third parties that can be transferred to the participants of the program provided that the Annual General Meeting resolves in accordance with Item 14 on the agenda. The hedging options are described below under Item 14 of the agenda. The intention is to not issue new shares as a result of the program.

The rationale for the proposal

The purpose of LTI 2015 is to create conditions to retain and recruit competent managers, provide competitive remuneration and to align the interests of the managers with the interests of the shareholders. In light of the above, the Board of Directors believes that adopting the incentive program LTI 2015 will have a positive effect on the development of the Husqvarna Group and consequently that it will be beneficial to both the shareholders and the Company.

Preparation

LTI 2015 is based on similar terms and conditions as the incentive program granted in 2014 (LTI 2014) and has in accordance with guidelines set out by the Remuneration Committee been prepared by Group Management in consultation with external advisors. The incentive program has been reviewed at meetings of the Board of Directors in 2015.

Repurchase, sale and equity swaps of Husqvarna Class B-shares (item 14)

a) Resolution on authorization to repurchase Husqvarna Class B-shares

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 repurchasing up to a number of Class B-shares so that the Company's holding does not at any time exceed 1% of the total number of outstanding shares in the Company. The purchase of Class B-shares shall take place on Nasdaq 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.

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

b) Resolution on authorization to sell Husqvarna Class B-shares

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 selling of Class B-shares in Husqvarna on Nasdaq Stockholm. The number of Class B-shares to be sold may not exceed the number of Class B-shares that the Company holds at the point in time of the Board's resolution. Sale of Class B-shares may only be in consideration of cash payment at a price within the share price interval registered at that time.

The purpose of the authorization is to be able to sell repurchased Class B-shares to hedge costs for social security charges and other costs in relation to resolved incentive programs and to continuously adapt the number of Class B-shares held in order to hedge the undertakings within the framework of the Company's incentive programs.

c) Resolution on authorization to enter into equity swap arrangements to cover obligations under LTI 2015

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, to direct the Company to enter one or more equity swap agreements with a third party (e.g. a bank), on terms and conditions in accordance with market practice, to hedge the obligations of the Company under the LTI 2015. Under such equity swap arrangements, in exchange for certain fees paid by the Company, the third-party would be obligated to acquire (in its own name) such number of Husqvarna Class B-shares as are necessary to cover the Company's obligations under the LTI 2015 and then, upon the instructions of the Company, to transfer such shares to the participants per the terms of the LTI 2015.

Resolution on authorization to resolve on 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 Class B-shares, which represents 10% of the total number of shares in the Company, against 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 B-shares. The purpose of the authorization is to facilitate acquisitions where the consideration will be paid with own shares.

Majority Requirements

For a valid resolution in accordance with the proposals pursuant to items 14 a) and 14 b) above, a shareholder majority of two thirds of the votes cast and two thirds of the shares represented at the Annual General Meeting is required. For all other agenda items above (except elections), a shareholder majority of half of the votes cast at the Annual General Meeting 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 Swedish 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 of Directors to repurchase Husqvarna Class B-shares are compliant with the provisions of Chapter 17 Section 3 Paragraphs 2 and 3 of the Companies Act are the following.

The assets and liabilities have been valued at actual value pursuant to Chapter 4 Section 14a of the Annual Reports Act (1995:1554). If the valuation had not been made at actual value, the equity would have been SEK 6,476,000 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 business operations. As regards material events, reference is made to the Report by the Board of Directors in the Annual Report for 2014. The Company's and the Group's dependence on business cycles does not deviate from what is otherwise common 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 2014 is described in the most recent Annual Report. The Annual Report also states the accounting principles that have been applied for valuation of assets, reserves and liabilities.

From the Board of Directors' dividend proposal, it follows that the Board of Directors proposes a dividend of SEK 1.65 per share, to be paid in two installments, firstly SEK 0.55 per share with Thursday, April 23, 2015 as the first record day, secondly SEK 1.10 per share with Friday, October 23, 2015 as the second record day. The total proposed dividend represents 5.1% of the Company's equity and 7.8% of the Group's equity. The Board of Directors has also proposed that the Board of Directors shall be authorized to resolve upon acquisition of B-shares in the Company to such extent that the Company, following each acquisition, holds a maximum of 3% of the total number of shares in the Company.

The Annual Report shows that the Company's equity/debt ratio amounts to 49.8% and the Group's equity/debt ratio is 41.5%. The Company's and the Group's equity/debt ratio does not differ from what is common within the industry. The proposed dividend and a full utilization of the proposed authorization to repurchase the Company's own shares do not jeopardize the investments which are deemed necessary for the business.

The proposed dividend and 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 fulfil 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 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 will be able to continue its business and that the Company and the Group can be expected to fulfil its obligations on both a short and long-term basis.

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 tied to the Company's business when taking into account the proposed dividend and a full utilization of the proposed authorization to repurchase the Company's own shares.

Conclusion

With reference to the above, and to what otherwise has been brought to the attention of the Board of Directors, the Board of Directors is of the opinion that the dividend and the authorization to repurchase the Company's own shares is justifiable in light of the provisions of Chapter 17 Section 3 Paragraph 2 and 3 of the Swedish Companies Act.

Stockholm in March 2015
Husqvarna AB (publ)
The Board of Directors