

**Proposals by the Nomination Committee
to be presented at the Annual General Meeting
of shareholders of Husqvarna AB (publ) on 23 April 2009**

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 Directors without Deputies.

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

Remuneration

The Nomination Committee proposes an unchanged total Board remuneration of SEK 5,345,000, whereof SEK 1,600,000 to the Chairman of the Board and SEK 460,000 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 proposes that the Auditor's fee shall be paid on the basis of approved invoice.

Remuneration in the form of synthetic shares

The Nomination Committee proposes that a part of the remuneration to the Board of Directors shall be paid by allocation of synthetic shares corresponding to a maximum of 50% of the remuneration, according to the following.

Each Director shall have the option to choose between receiving 50% of the remuneration in cash and 50% in the form of synthetic shares or to receive 75% in cash and 25% of the remuneration in the form of synthetic shares. Directors being non-Swedish tax subjects, can choose to receive all of the remuneration in cash. However, if the total remuneration is made in cash, such Director is expected to invest 25% of the net remuneration after tax in the Company's shares. The number of synthetic shares allocated to the Director is determined based on a volume-weighted average of the B-share price at NASDAQ OMX Stockholm during five trading days immediately following the announcement of the Company's first quarterly report of the year, when the Director is elected or re-elected.

The right to synthetic shares incurs a right to receive, during the fifth calendar year after the beginning of the Board Director's tenure at each of four occasions, an amount, for 25% of the allocated synthetic shares, in cash per synthetic share that corresponds to the price of the Company's B-shares at NASDAQ OMX Stockholm at each point in time for payment.

The synthetic shares will vest continuously during the term of the Directors with 25% quarterly. Each Director holding synthetic shares shall be credited additional synthetic shares corresponding to dividends paid on B-shares in the Company. If a Director resigns from the Husqvarna Board before four years from the allocation of synthetic shares, a cash payment may be requested during the year after the resignation.

The Company's payment obligations for synthetic shares shall be hedged by the Company; either by way of re-purchased shares, which may be sold in the market in connection with payments to the Board Directors or by hedge arrangements with a bank. The financial

impact on the Company of synthetic share program compared to payment in cash is, according to the Nomination Committee, very limited, if properly hedged.

The complete terms and conditions for the synthetic shares are set forth in **appendix 1**.

Election of Directors (item 11)

The Nomination Committee proposes re-election of the Directors Lars Westerberg, Peggy Bruzelius, Robert F. Connolly, Börje Ekholm, Tom Johnstone, Ulf Lundahl, Anders Moberg, Gun Nilsson and election of Magnus Yngen. Bengt Andersson has declined re-election.

The Nomination Committee considers that the nine Board Members proposed by the Nomination Committee are very well suited for carrying out Husqvarna's Board work over their coming term of office.

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 2** (separate document).

Nomination Committee (item 12)

The Nomination Committee proposes:

1. That the Company shall 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, together with the Chairman of the Board of Directors. The names of the four representatives and the names of the shareholders they represent shall be announced at the latest six months before the Annual General Meeting 2010 and shall be based on the known number of votes as of August 31, 2009. The term of office for the Nomination Committee shall be for the period 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.
2. That if, during the term of office of the Nomination Committee, one or more of the shareholders having appointed a representative to the Nomination Committee no longer is among the four largest shareholders with regard to the number of votes held, representatives appointed by these shareholders shall resign and the shareholder or shareholders who then are among the four largest shareholders with regard to the number of votes held, may appoint their representatives. 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 as soon as they have occurred.
3. That the Nomination Committee shall prepare the below proposals to be submitted to the Annual General Meeting 2010 for resolution:
 - a) Proposal regarding Chairman of the Annual General Meeting;
 - b) Proposal regarding number of Directors and Directors on the Board;
 - c) Proposal regarding Chairman of the Board of Directors;
 - d) Proposal regarding Directors' fees and remuneration for committee work; stating the distribution between each member of the Board of Directors;
 - e) Proposal regarding Auditors;
 - f) Proposal regarding Auditor's fees; and
 - g) Proposal regarding Nomination Committee for the Annual General Meeting of 2011.

4. That the Nomination Committee, when performing its duties, 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 information 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.

Terms for Payment of Directors' Remuneration by Allocation of Synthetic Shares 2009

1. Background and purpose

Directors' long-term commitment and interest in a positive value development for Husqvarna AB (the "Company") is considered to be enhanced by allocation of part of the Directors' Remuneration in the form of Synthetic Shares. The right to Synthetic Shares incurs a right to obtain a future payment corresponding to the market value of a B-share in the Company at the time of payment.

Synthetic Shares are comparable to promissory notes and are thus not bearers of any other rights than obtaining payment under these Terms.

2. Directors' Remuneration in the form of Synthetic Shares

The Directors will obtain 75% of their remuneration in cash and a number of Synthetic Shares, which in value corresponds to 25% of the Directors' remuneration at the time of allocation, excluding any remuneration for work within board committees. The Directors may also, before the AGM, at which they are appointed, request to obtain 50% of their remuneration in cash and 50% in the form of Synthetic shares.

Directors who are not for tax purposes domiciled in Sweden may refrain from remuneration in the form of Synthetic Shares. Such directors are, However, expected to invest 25% of their net remuneration after tax in the Company's shares and such shares shall, to the extent possible according to such Director's reasonable judgment, be held as long as the Director is a member of the Company's Board.

The number of Synthetic Shares allocated to the Director is determined based on a volume-weighted average price of the Class B shares five trading days immediately following the announcement of the Company's first quarter report of the year, when the Director is elected or re-elected.

The Director shall inform the Company of his / her choice in writing, on a specific form. The choice is irrevocable and is valid for the whole term of office. The form must be filed with the Company before the opening of the AGM resolving on Directors' remuneration in the form of Synthetic Shares.

3. Vesting period

The Directors' right to full allocation of Synthetic Shares depends on whether the Director remains a Board member for the whole term of office or only a part thereof. The Synthetic Shares vest with 25% per each commenced calendar quarter, during which the Director remains a Board member.

4. Payment

The Director's right to obtain payment arises, in respect of each 25% of the allocated Synthetic Shares, after each announcement of the year-end and the three quarterly reports, during the fifth year after the shareholders' resolution on allocation of such Synthetic Shares. The amount is determined based on a volume-weighted average price of the B-share during five trading days immediately following the announcement of the Company's year-end or quarterly reports, as applicable, and the amount shall be paid within five banking days after its determination. The Company shall be entitled to withhold any taxes and pay any such amount to the relevant Tax Authority.

Dividends paid on the Company's B-shares during the period the Director holds Synthetic Shares shall entitle the Director to an adjustment in the form of allocation of additional Synthetic Shares, based on a volume-weighted average price of the B-share during five

trading days immediately following the first day when the shares are quoted without the right to dividend. Payment pertaining to such additional Synthetic Shares shall be made on the fourth and last payment day as stated in the above paragraph.

5. Recalculation

If the Company's share capital is increased or decreased, convertible bonds or options are issued, extraordinary dividends are made, or the Company is liquidated or merged, or similar changes are made, the number of Synthetic Shares and / or the value per Synthetic Share must be recalculated in order to assure the Director the same financial rights as if the Director had held actual B-shares since the date of allocation or the dividend payment date in accordance with section 4, second paragraph, above. Thereby, Swedish market practice for recalculation of similar instruments shall be applied as far as possible. In the event a recalculation is not possible or an action or transaction regarding the Company is complicated due to that the Synthetic Shares are outstanding, payment related to, at that time outstanding Synthetic Shares, can be made in advance, based on the valid share price for the Company's Class B shares at that point in time.

Recalculation according to the paragraph above shall be made by a, from the Company, independent accounting company to be appointed by the Stockholm Chamber of Commerce. Such recalculation shall be binding for the Company and the Directors.

6. Prepayment

In the event that the Director resigns prior to the payment day as per item 4 above, the Director may, within three months of the resignation, request prepayment, which is due, in relation each to 25% of all allocated Synthetic Shares, immediately after the announcement of the Company's year-end report or the three quarterly reports, as applicable, during the first year after the Director's resignation. The amount to be paid out shall be based on a volume-weighted average of the quoted B-share price during five trading days immediately following the announcement of the Company's year-end or quarterly reports, as applicable, and the amount shall be paid five banking days after its determination. The corresponding right to request prepayment shall apply for a deceased Director's estate.

7. Prohibition on pledging and assignment rights

The rights pertaining to the Synthetic Share cannot be mortgaged, pledged, assigned or otherwise disposed of. However, if a Director dies, the rights are transferred to the estate of the deceased.

8. Changes and amendments

Any changes of these terms shall be approved by a General Meeting of the shareholders of the Company.

9. Disputes and applicable law

These terms shall be governed by Swedish law.

Disputes arising from the interpretation or the implementation of these terms shall be settled in accordance with the Swedish Arbitration Act in Stockholm and by application of Swedish law. The costs for arbitration shall be borne by the Company, except for such arbitration that according to the arbitration award has been initiated by a Director, without reasonable grounds.