

Press release

Stockholm 23 October 2007

Husqvarna to start negotiations on transfer of Klippo's production to Höör

Husqvarna will initiate negotiations with the relevant trade unions regarding relocation of production of Klippo's lawn mowers from Malmö to the Husqvarna plant in Höör, Sweden.

All 50 employees in Malmö are being offered continued employment at the plant in Höör. Production in Malmö is expected to be phased out by the summer of 2008.

Simultaneously with the relocation, production of push mowers in Höör is suggested to be moved to the Husqvarna plant in Trinec in the Czech Republic. The plant in Trinec already produces a considerably larger volume of these mowers. The move will affect 15 employees, but will not involve any personnel reductions in Höör.

Concentrating production in Höör and the Czech Republic will enable synergy effects, and will also create opportunities for better utilization of future investments.

-Consolidation of the plants in Höör and Malmö will give us stronger technical expertise for production of high-value lawn mowers, and will also create a larger and more competitive unit long term, says Hans Linnarson, Head of Professional Products for Lawn and Garden.

For more information, please contact:

- Åsa Stenqvist, Senior Vice President, Communications and Investor Relations, Husqvarna AB, telephone +46 8 738 64 94
- Roger Klotz, President, Klippo AB, telephone +46 704 53 70 26
- Bengt Westesson, President, Höörs Plåt AB, telephone +46 706 29 61 26

Husqvarna is the world's largest producer of lawn mowers, chainsaws and portable petrol-powered garden equipment such as trimmers and blowers. The Group is also a world leader in diamond tools and cutting equipment for the construction and stone industries. Net sales in 2006 were SEK 29.4 billion and the average number of employees was 11,400.