

YEAR-END REPORT 2009

Stockholm 24 February 2010

Magnus Yngen, President and CEO:

"Market conditions in the quarter were weaker than in the previous year. Retailers were cautious about building up inventories for the coming season. Group sales declined in all product areas, and operating income was negatively affected by lower sales and production volumes. On the positive side, savings from implemented cost-cutting measures were realized according to plan. Operating income for the quarter amounted to SEK -175m (-171), exclusive of restructuring costs. Our consistent efforts over the course of the year to reduce working capital have paid off. Cash flow was very strong both for the quarter and the full year, despite lower income."

- Net sales for the full year amounted to SEK 34,074m (32,342). Adjusted for changes in exchange rates and acquisitions, net sales declined by 8%. Operating income declined to SEK 1,560m (2,361), including restructuring costs of SEK 452m (316). Income for the year was SEK 903m (1,288), or SEK 1.64 (2.81) per share.
- Net sales for the fourth quarter declined by 8% to SEK 4,732m (5,126), or by 6% adjusted for changes in exchange rates and acquisitions.
- Operating income for the fourth quarter declined to SEK -515m (-472), including previously announced restructuring costs of SEK 340m (301). Income was negatively affected by lower sales and production volumes.
- Excluding restructuring costs, operating income for the quarter was SEK -175m (-171).
- Professional Products reported higher income and margin in the quarter for all product areas, despite lower sales and production.
- Operating cash flow for the fourth quarter rose to SEK 801m (116), and for the full year to SEK 3,737m (2,013).
- The Board proposes a dividend of SEK 1 (0) for 2009.

SEKm	Q4		% change, Q4		Jan-Dec		% change, Jan - Dec	
	2009	2008	As reported	Adjusted ¹	2009	2008	As reported	Adjusted ¹
Net sales	4,732	5,126	-8	-6	34,074	32,342	5	-8
Consumer Products	2,346	2,482	-5	-4	22,672	19,849	14	-3
Professional Products	2,386	2,644	-10	-8	11,402	12,493	-9	-17
EBITDA	-22	-152	86	-16	3,060	3,524	-13	-18
EBITDA margin, %	-0.5	-3.0	-	-	9.0	10.9	-	-
Operating income	-515	-472	-9	-27	1,560	2,361	-34	-26
Operating income, excl. restructuring costs	-175	-171	-2	-27	2,012	2,677	-25	-26
Consumer Products	-412	-364	-13	-14	719	1,043	-31	-24
Professional Products	282	232	22	5	1,457	1,822	-20	-26
Operating margin, %	-10.9	-9.2	-	-	4.6	7.3	-	-
Income after financial items	-548	-612	10	-	1,094	1,767	-38	-
Margin, %	-11.6	-11.9	-	-	3.2	5.5	-	-
Income for the period	-452	-418	-8	-	903	1,288	-30	-
Earnings per share, SEK ²	-0.79	-0.93	15	-	1.64	2.81	-42	-

¹ Excluding restructuring costs, acquisitions and adjusted for changes in exchange rates.

² Earnings per share for 2008 have been restated as an effect of the rights issue.

NET SALES AND INCOME FOURTH QUARTER

Net sales

Net sales for the fourth quarter of 2009 declined by 8% to SEK 4,732m (5,126).

Adjusted for changes in exchange rates and acquisitions, net sales declined by 6%. Lower sales were reported for both Consumer Products and Professional Products, with the largest decline for Professional Products.

Operating income

Operating income for the quarter amounted to SEK -515 (-472). Operating income includes restructuring costs of SEK 340m (301), of which SEK 164m refers to non-cash items. For details on the restructuring costs, see below.

The decline in operating income was due mainly to lower sales, and lower production volumes in order to reduce inventory, which means lower absorption of fixed costs. Savings from previously implemented cost-cutting measures had a positive effect.

Excluding restructuring costs, operating income amounted to SEK -175m (-171), corresponding to a margin of -3.7% (-3.3).

The decline in operating income refers mainly to Consumer Products outside North America. Professional Products reported higher income in all product areas.

Changes in exchange rates, including both translation and transaction effects net of hedging, had a total positive effect on operating income of SEK 46m (91). Hedging contracts had a negative effect of SEK -61m (33).

Costs for restructuring

As communicated in the report for the third quarter in October 2009, the Group intends to implement a number of structural changes in 2009-2011. The measures are aimed at eliminating overlapping and duplication within production and administration, and involve consolidation of production in Sweden and the US, and of the sales organization in Europe and Asia/Pacific.

The total cost for these measures amounts to SEK 399m, of which SEK 59m was charged against operating income in the third quarter and SEK 340m in the fourth quarter. Approximately SEK 175m of the SEK 399m refers to non-cash items.

Annual savings from the above mentioned activities are expected to amount to approximately SEK 400m, and will be generated gradually from the second half of 2010 with full effect as of the first quarter of 2012.

Capital expenditure related to the restructuring is expected to amount to approximately SEK 400m, of which a new plant in Poland will account for approximately SEK 250m.

Summary of restructuring costs SEKm	2008		2009				Estimated annual savings
	Q3	Q4	Q1	Q2	Q3	Q4	
Costs for restructuring ¹					-59	-340	400 ³
Costs for personnel cut-backs ²	-15	-301	-35	-18			450 ⁴

¹ As communicated in October 2009

² As communicated in September 2008

³ Expected to be generated gradually from the second half of 2010, with full effect as of Q1 2012

⁴ Full effect as of Q3 2009

Financial net

Net financial items amounted to SEK -33 (-140). Net financial items were positively affected by the SEK 3 billion rights issue earlier in the year and by lower interest rates on borrowings.

The average interest rate on borrowings at the end of the quarter was 3.2% (4.3).

Income after financial items

Income after financial items amounted to SEK -548m (-612) corresponding to a margin of -11.6% (-11.9).

Taxes

Tax was positive in the amount of SEK 96m (194), as a result of the negative income after financial items, previously announced changes in Group structure and utilization of tax-loss carry forwards.

Earnings per share

Income for the period was SEK -452m (-418), corresponding to SEK -0.79 (-0.93) per share after dilution.

NET SALES AND INCOME FULL YEAR 2009

Net sales

Net sales in 2009 increased by 5% to SEK 34,074 (32,342), but declined by 8% after adjustment for changes in exchange rates and acquisitions.

The decline in sales refers mainly to Professional Products. Sales for Consumer Products increased in SEK, but decreased after adjustment for changes in exchange rates and acquisitions.

Operating income

Operating income declined by 34% to SEK 1,560m (2,361), corresponding to a margin of 4.6% (7.3). Operating income includes restructuring costs of SEK 452m (316) (See section on Costs for restructuring on previous page). Operating margin was 5.9% (8.3), excluding restructuring costs.

Apart from costs for restructuring, the decline in operating income is due mainly to lower sales and production volumes, as well as a less favorable mix in terms of products and geographical markets. In terms of business areas, the decline refers to Consumer Products outside North America, and to Construction products within Professional Products.

Changes in exchange rates, including both translation and transaction effects and net of hedging contracts, had a total positive effect on operating income of SEK 30m (184). Hedging contracts had an adverse effect of SEK -109m (-89).

Financial net

Net financial items amounted to SEK -466m (-594). The improvement is due mainly to lower interest rates, as well as lower net debt as a result of both the rights issue and the improvement in cash flow during the year.

As of year-end the average interest rate for total borrowings was 3.2% (4.3). During the year, the average fixed interest-term of the loans was extended to 24 months (5) by entering into interest rate swaps.

Income after financial items

Income after financial items declined by 38% to SEK 1,094m (1,767), corresponding to a margin of 3.2% (5.5).

Taxes

Taxes amounted to SEK -191m (-479), corresponding to 17.5% (27.1) of income after financial items. The lower tax rate is an effect of previously announced changes in Group structure, a one-time tax repayment in the amount of approximately SEK 40m in the second quarter, and utilization of tax-loss carry forwards.

Earnings per share

Income for the period declined by 30% to SEK 903m (1,288), which corresponds to SEK 1.64 (2.81) per share after dilution. Earnings per share for 2008 have been adjusted to reflect the rights issue in 2009.

OUTLOOK FOR THE FIRST QUARTER 2010

Inventories in the trade for the coming garden season are estimated to be lower than in the previous year. As a result of the uncertain market conditions, retailers are expected to continue to be cautious about building up inventories.

The Group's listings with major retailers for the 2010 season are lower in North America, primarily in terms of low-margin products, and slightly improved in Europe in comparison with 2009.

Shipments in the first quarter are expected to be lower than in the first quarter of 2009. A long winter could cause a late start of the season and delay pre-seasonal shipments from the first to the second quarter.

OPERATING CASH FLOW

Operating cash flow for the fourth quarter increased to SEK 801m (116), mainly as a result of lower trade receivables and lower pre-seasonal inventory build-up.

Operating cash flow for the full year increased to SEK 3,737m (2,013). Cash flow from operations, excluding changes in operating assets and liabilities, was largely unchanged, as the decline in income was almost entirely offset by lower taxes paid.

Cash flow from operating assets and liabilities showed a strong increase, mainly as a result of measures implemented to reduce inventories and trade receivable.

Operating cash flow SEKm	Q4 2009	Q4 2008	Jan-Dec 2009	Jan-Dec 2008
Cash flow from operations, excluding changes in operating assets and liabilities	-39	-115	2,749	2,703
Changes in operating assets and liabilities	1,102	570	1,897	441
Cash flow from operations	1,063	455	4,646	3,144
Cash flow from investments, excluding acquisitions	-262	-339	-909	-1,131
Operating cash flow	801	116	3,737	2,013

FINANCIAL POSITION

Group equity as of 31 December 2009, excluding minority interests, rose to SEK 12,082m (8,772), corresponding to SEK 22.0 (19.3) per share. The increase is mainly due to the rights issue, which increased equity by SEK 2,988m net of transaction costs.

As a result of the increase in Group equity and the decline in income for the year, return on equity for the full year fell to 7.5% from 15.8 percent. Return on capital employed decreased to 6.6% (10.7).

Net debt at year-end decreased to SEK 6,349m (13,552). Liquid funds were largely unchanged at SEK 2,745m (2,735), while interest-bearing debt decreased to SEK 9,094m (16,287). The reduction in net debt is mainly a result of the rights issue that was completed in April and the improvement in cash flow during the year.

The main currencies used for debt financing are euro, US dollar and Japanese yen. Net debt in the fourth quarter increased by SEK 200m compared with the same quarter in 2008 due to a slightly weaker Swedish

krona. In comparison with 31 December 2008, the Swedish krona has strengthened resulting in a decrease of net debt of SEK 660m.

The net debt/equity ratio improved to 0.52 (1.54) and the equity/assets ratio to 40.1% (25.7). The improvement in both ratios resulted mainly from the rights issue and a reduction of working capital.

Net debt SEKm	31 Dec 2009	31 Dec 2008
Interest-bearing liabilities	9,094	16,287
Liquid funds	2,745	2,735
Net debt	6,349	13,552

Husqvarna finances its operations on the basis of shareholders' equity, cash flow and various types of loans. On 31 December 2009, long-term loans amounted to SEK 7,631m and short-term loans to SEK 661m. Long-term loans consist of SEK 1,617m in medium-term notes as well as bank loans of SEK 5,942m. In 2010, medium-term notes totaling SEK 450m will mature. The bank loans mature in 2011 and onward. In addition to the above funding, Husqvarna has revolving credit facilities totaling SEK 10,000m, all of which is unused. The major parts of these facilities mature in 2013.

PERFORMANCE BY BUSINESS AREA

Consumer Products

SEKm	Q4 2009	Q4 2008	Change, %		Jan-Dec 2009	Jan-Dec 2008	Change, %	
			As reported	Adjusted ²			As reported	Adjusted ²
Net sales	2,346	2,482	-5	-4	22,672	19,849	14	-3
Operating income ¹	-412	-364	-13	-14	719	1,043	-31	-24
Operating margin ¹ , %	-17.6	-14.7	-	-	3.2	5.3	-	-

¹ Excluding restructuring costs.

² Excluding acquisitions and adjusted for changes in exchange rates.

Fourth quarter

Sales for Consumer Product declined from the previous year. Retailers were cautious about building up inventories ahead of the coming season, in both Europe and North America. The Group's production in the quarter was lower than in 2008, which resulted in lower absorption of costs.

Sales for the North American operation were unchanged in local currencies. Sales of wheeled products showed an upturn, mainly as a result of increased market shares. Sales of chainsaws and other handheld products declined in comparison with 2008 when demand was positively affected by storms.

Sales outside North America showed a decline, referring to both the dealer and mass-market channels in particularly Russia and France.

Both operating income and margin for this business area were lower than in the previous year. The decline refers mainly to the operation outside North America. Income in the quarter was charged with restructuring costs in the amount of SEK 200m (74).

Full-year

Industry shipments for the full year declined considerably in both Europe and North America.

Group sales increased in SEK, but declined after adjustment for changes in exchange rates and acquisitions. Sales in North America rose slightly in local currency. The increase refers mainly to wheeled products such as lawn mowers and garden tractors. Sales of chainsaws and other handheld products declined in comparison with 2008, when demand was positively affected by storms. The Group increased its market share in several product categories, partly as a result of new listings.

Sales outside North America increased slightly in SEK, but declined after adjustment for changes in exchange rates and acquisitions. The decline refers in particular to chainsaws and other handheld products

in the dealer channel, and in Russia and Eastern Europe. Sales of Gardena-branded products rose slightly, resulting mainly from expansion of the product range with new lawnmowers and chainsaws.

Operating income and margin for this business area declined sharply. The decline refers to the operation outside North America, and resulted mainly from a less favorable mix in terms of products and geographical markets, as well as lower volumes. A stronger dollar also had an adverse effect on income for the operation outside North America, as a large portion of products are produced in the US. Income and margin for the North American operation improved.

Professional Products

SEKm	Q4 2009	Q4 2008	Change, %		Jan-Dec 2009	Jan-Dec 2008	Change, %	
			As reported	Adjusted ²			As reported	Adjusted ²
Net sales	2,386	2,644	-10	-8	11,402	12,493	-9	-17
Operating income ¹	282	232	22	5	1,457	1,822	-20	-26
Operating margin ¹ , %	11.8	8.8	-	-	12.8	14.6	-	-

¹ Excluding restructuring costs.

² Excluding acquisitions and adjusted for changes in exchange rates.

Fourth quarter

Sales for Professional Products were lower than in the previous year, as a result of weak demand. All product areas reported declines.

Operating income and margin for this business area improved, despite lower sales and production volumes. The improvement was due mainly to savings from implemented cost-cutting measures and positive effects from the weaker Swedish krona. Income in the quarter was charged with restructuring costs in the amount of SEK 140m (226).

Full-year

Sales for Professional Products also declined on a full-year basis. Lower sales were reported for all product areas, with the largest downturn for Construction. Sales for Forestry showed a substantial decline in volume in important markets such as Russia, the US and Eastern Europe.

Operating income for this business area declined considerably, but margin remained at a high level. The decline in income refers mainly to lower sales and production volumes, while savings from implemented cost-cutting measures and the weaker Swedish krona made positive contributions. The largest downturn in income was reported for Construction, as a result of the dramatic drop in demand, and income for this product area was negative. Operating margin for Forestry improved, mainly as a result of rationalization of chainsaw production and a large share of new products.

PARENT COMPANY

Net sales in 2009 for the Parent Company, Husqvarna AB, amounted to SEK 8,694m (10,011), of which SEK 6,553m (7,569) referred to sales to Group Companies and SEK 2,141m (2,442) to external customers. Income after financial items amounted to SEK 2,933m (6,312). Income for the period was SEK 2,698m (6,083).

Investments in tangible and intangible assets during amounted to SEK 290m (596). Cash and cash equivalents amounted to SEK 1,262m (682). Undistributed earnings in the Parent Company at the end of the period amounted to SEK 16,753m (12,042).

NEW ORGANIZATION

A new organization was announced in July 2009 and was fully implemented as of 1 January 2010. Instead of the previous six product-based business sectors, the new organization comprises five business units - Supply Chain, Products and Marketing, Sales in Europe and Asia/Pacific, Sales in North America and Latin America, and Construction Products.

NEW REPORTING STRUCTURE

Implementation of the new organization also involves a change in the Group's external financial reporting as of the first quarter of 2010. Instead of the previous business areas Consumer Products and Professional Products, the external reporting will comprise:

- Forestry and Garden Products, Europe and Asia/Pacific
- Forestry and Garden Products, North America and Latin America
- Construction Products

Forestry and Garden Products comprise four product categories – wheeled products, handheld products and watering, as well as accessories and tools. Construction products comprise two product categories: equipment and diamond tools for the construction industry, and diamond tools for the stone industry. Restated financial figures according to the new structure for the years 2007-2009 can be found on page 18 in this report.

CHANGES IN GROUP MANAGEMENT

Thomas Andersson has joined Husqvarna in February 2010 as head of the Supply-chain organization. His most recent position was Senior Vice President and Head of Volvo Powertrain Sweden, AB Volvo's business unit for development and manufacturing of engines and transmissions.

Boel Sundvall will join Husqvarna as of March 2010 as head of Group staff Communications and Investor Relations. Her most recent position was as a partner at the consultancy firm WG & Partners. She succeeds Åsa Stenqvist, who will retire.

PROPOSALS TO THE ANNUAL GENERAL MEETING 2010

The Annual General Meeting of Husqvarna AB (publ) will be held on 27 April 2010, in the Elmia Congress- and Concert Hall in Jönköping, Sweden.

Dividend

The Board of Directors proposes a dividend for 2009 of SEK 1 (0) per share, corresponding to a total dividend payment of SEK 574m (0).

Guidelines for remuneration of senior management

The Board proposes that the AGM adopt principles for remuneration and other conditions of employment for Husqvarna Group Management. The principles are largely unchanged from those approved in 2009.

Long-term incentive program 2010

The Board of Directors proposes that the Annual General Meeting adopt a new performance-based incentive program for a maximum of 50 senior managers. The program is based on similar principles as the previous programs for 2007, 2008 and 2009.

Repurchase of own shares

The Board of Directors proposes that the Annual General Meeting authorize the Board to acquire B-shares totaling up to 3% of the total number of shares, and to pay for the shares in cash. The shares may be purchased only on the NASDAQ OMX Stockholm, in order to hedge the company's obligations, including employer contributions, pursuant to the company's long-term incentive programs and synthetic shares.

Authorization to issue new shares

The Board proposes that the Annual General Meeting authorizes the Board to resolve to issue not more than 57,634,377 B-shares for payment in kind, on one or several occasions during the period until the next Annual General Meeting. The price for the new shares shall be based on the market price of the company's B-shares. The purpose of the authorization is to facilitate acquisitions where the consideration will be paid with own shares.

Change in Articles of Association

The Board proposes a change in the Articles of Association (Article 8) regarding notice of AGM to be made only by advertisement in the Swedish Official Gazette and at the Company's web.

Proposal by Nomination Committee

The Nomination Committee's proposal to the meeting includes:

- Unchanged number of Board members (9) to be elected by the AGM.
- Re-election of Lars Westerberg, Peggy Bruzelius, Börje Ekholm, Tom Johnstone, Ulf Lundahl, Anders Moberg, Robert F. Connolly and Magnus Yngen. Election of Ulla Litzén as new member. Gun Nilsson has declined re-election.
- Re-election of PriceWaterhouseCoopers for the period until the end of Annual General Meeting 2014.
- Re-election of Lars Westerberg as Chairman of the Board, and proposed Chairman of the AGM.
- Unchanged Board fees totaling SEK 5,345,000, of which SEK 1,600,000 for the Chairman and SEK 460,000 for other members not employed by Husqvarna.
- Portion of fees to be paid in synthetic shares.
- Unchanged Committee fees, with SEK 100,000 for the Chairman in the Remuneration Committee and SEK 50,000 for each of the other members. SEK 175,000 for the Chairman in the Audit Committee and SEK 75,000 each for the other members.
- Unchanged principles for appointment of Nomination Committee for AGM 2011.

The full proposal will be included in the notice of the AGM, and published on Husqvarna's web site, www.husqvarna.com.

LEGAL MATTERS

Verdict in the case regarding gas explosion in Belgium

In a judgment of 22 February 2010, the criminal court of Tournai in Belgium dismissed all claims against Husqvarna in a case regarding a gas explosion on Husqvarna's property in Ghislenghien, Belgium.

Husqvarna Belgium has together with 13 other indicted companies, authorities and private persons been prosecuted in the criminal court of Tournai for potentially having contributed to the accident. The hearings were held between June and November 2009.

The explosion occurred in July 2004 and caused the loss of 24 lives and injured 132 people. Substantial damage was caused to the Husqvarna plant and neighboring property. The explosion was caused by the bursting of a sub-surface industrial gas pipe.

RISKS AND UNCERTAINTY FACTORS

A number of factors can affect Husqvarna's operations in terms of operational and financial risks. Operational risks are managed by the operative units, and financial risks by Group Treasury.

Operational risks

Operational risks include general economic conditions, as well as trends in consumer and professional spending, particularly in North America and Europe, where the majority of the Group's products are sold. An economic downturn in these markets may have an adverse effect on Group earnings.

Demand for the Group's products is also dependent on weather conditions. Dry weather can reduce demand for products such as lawn mowers and tractors, but can stimulate demand for irrigation products. Demand for chainsaws normally increases after storms and during cold winters.

Husqvarna's operations are also subject to seasonal variations. Demand for consumer garden products and commercial lawn and garden products normally peaks in the second quarter, while the peak season for chainsaws is normally in the third quarter. Husqvarna has adapted its production processes and supply chain to respond to these conditions. However, parameters such as cash flow and production levels follow the seasonal variations in demand, which results in relatively greater risk exposure for the Group over short periods of time.

The Group is currently implementing a number of structural changes as well as a new organization. Restructuring and organizational changes always involve the risk of creating higher costs than anticipated and losing key personnel.

Financial risks

Financial risks refer primarily to exchange rates, interest rates, financing, and credit risks. Risk management within the Husqvarna Group is regulated by a financial policy established by the Board of Directors. A higher indebtedness resulting from the seasonality of the Group's operations involve greater exposure to changes in exchange rates and interest rates, as well as financing risks.

Acquisitions

Husqvarna has completed a number of acquisitions. Although the Group has historically demonstrated an ability to successfully integrate acquired businesses, such integration always involves certain risks. Net sales can be adversely affected and costs can be higher than anticipated.

For more information on risk factors, see the annual report.

ACCOUNTING PRINCIPLES

Husqvarna applies International Financial Reporting Standards (IFRS) as adopted by the European Union. This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting, and RFR 1.2 from the Swedish Financial Reporting Board.

The financial statements of the Parent Company have been prepared in accordance with the Swedish Annual Accounts Act and the accounting standard RFR 2.2 "Accounting for Legal Entities".

IASB (International Accounting Standards Boards) has issued new and amended IFRS standards applicable as of 1 January 2009. IAS 1 Presentation of financial statements has been revised. For Husqvarna, IAS 1 results in that income and expense previously reported directly in equity should instead be reported in a separate statement, Comprehensive income statement, in connection to the Group's income statement. Only changes referring to transactions with shareholders can be reported in the equity statement. IFRS 8 Operating Segments replaces IAS 14 Segment reporting. The new standard applies to reporting of segments. This standard has not impacted Husqvarna's presentation of segments. Other new or revised IFRS and interpretations from IFRIC have not had any material effect on the financial position of the Group or the Parent Company.

For a complete description of the accounting principles applied by the Group and the Parent Company in this quarterly report see Husqvarna's Annual Report.

AUDITORS' REVIEW REPORT

This year-end report has not been audited.

Stockholm, 24 February 2010

Magnus Yngen
President and CEO

Consolidated income statement

SEKm	Q4 2009	Q4 2008	Jan-Dec 2009	Jan-Dec 2008
Net sales	4,732	5,126	34,074	32,342
Cost of goods sold	-3,610	-3,909	-25,423	-22,965
Gross operating income	1,122	1,217	8,651	9,377
Margin, %	23.7	23.7	25.4	29.0
Selling expense	-1,178	-1,300	-5,547	-5,496
Administrative expense	-457	-348	-1,541	-1,474
Other operating income/expense	-2	-41	-3	-46
Operating income¹	-515	-472	1,560	2,361
Margin, %	-10.9	-9.2	4.6	7.3
Financial items, net	-33	-140	-466	-594
Income after financial items	-548	-612	1,094	1,767
Margin, %	-11.6	-11.9	3.2	5.5
Taxes	96	194	-191	-479
Income for the period	-452	-418	903	1,288
Attributable to:				
Equity holders of the Parent Company	-452	-420	899	1,278
Minority interest in income for the period	0	2	4	10
Basic earnings per share, SEK				
	-0.79	-0.93	1.64	2.81
Diluted earnings per share, SEK				
	-0.79	-0.93	1.64	2.81
Basic weighted average number of shares outstanding, millions				
	573.6	453.6	548.6	454.3
Diluted weighted average number of shares, millions				
	573.8	453.8	548.8	454.5

Consolidated comprehensive income statement

SEKm	Q4 2009	Q4 2008	Jan-Dec 2009	Jan-Dec 2008
Income for the period	-452	-418	903	1,288
Other comprehensive income, net of tax:				
Exchange differences on translating foreign operations	169	708	-581	1,038
Available-for-sale instrument	0	3	0	3
Cash flow hedges	-8	-31	-1	16
Other comprehensive income, net of tax	161	680	-582	1,057
Total comprehensive income for the period	-291	262	321	2,345
Attributable to:				
Equity holders of the Parent Company	-293	257	316	2,331
Minority interest in comprehensive income	2	5	5	14
¹ Of which depreciation, amortization and impairment				
	-493	-320	-1,500	-1,163

Consolidated balance sheet

SEKm	31 Dec 2009	31 Dec 2008
Assets		
Property, plant and equipment	4,375	5,035
Goodwill	6,461	6,788
Other intangible assets	4,411	4,789
Investments in associates	6	7
Deferred tax assets	756	928
Derivatives	7	0
Financial assets	173	187
Total non-current assets	16,189	17,734
Inventories	6,706	8,556
Trade receivables	3,385	4,184
Derivatives	160	907
Tax receivables	671	577
Other current assets	540	551
Other short term investments	245	-
Cash and cash equivalents	2,333	1,828
Total current assets	14,040	16,603
Total assets	30,229	34,337
<i>Assets pledged</i>	45	49
Equity and liabilities		
Total equity attributable to equity holders of the Parent Company	12,082	8,772
Minority interests	44	43
Total equity	12,126	8,815
Long-term borrowings	7,934	10,694
Deferred tax liabilities	1,870	1,829
Provisions for pensions and other post-employment benefits	1,116	1,170
Derivatives	17	0
Other provisions	740	686
Total non-current liabilities	11,677	14,379
Trade payables	2,854	3,280
Tax liabilities	594	367
Other liabilities	1,494	1,474
Short-term borrowings	661	3,159
Derivatives	482	2,434
Other provisions	341	429
Total current liabilities	6,426	11,143
Total equity and liabilities	30,229	34,337
<i>Contingent liabilities</i>	54	24

Consolidated cash flow statement

SEKm	Q4 2009	Q4 2008	Jan-Dec 2009	Jan-Dec 2008
Operations				
Income after financial items	-548	-612	1,094	1,767
Depreciation and amortization	329	320	1,325	1,163
Capital loss/Impairment	178	40	189	40
Change in accrued and prepaid interest	-17	-17	-39	12
Provision for restructuring	112	264	213	264
Taxes paid	-93	-110	-33	-543
Cash flow from operations, excluding change in operating assets and liabilities	-39	-115	2,749	2,703
Change in operating assets and liabilities				
Change in inventories	-852	-1,407	1,678	260
Change in trade receivables	2,106	1,776	694	196
Change in trade payables	365	817	-345	114
Change in other operating assets/liabilities	-517	-616	-130	-129
Cash flow from operating assets and liabilities	1,102	570	1,897	441
Cash flow from operations	1,063	455	4,646	3,144
Investments				
Acquisitions of operations	0	-209	-43	-845
Sale of fixed assets	0	30	0	30
Capital expenditure in property, plant and equipment	-170	-267	-667	-909
Capitalization of product development and software	-96	-99	-247	-254
Other	4	-3	5	2
Cash flow from investments	-262	-548	-952	-1,976
Total cash flow from operations and investments	801	-93	3,694	1,168
Financing				
Change in other short-term investments	-46	0	-243	0
Change in interest-bearing liabilities	-966	844	-6,012	175
Dividend paid to shareholders	-	-	-	-862
Rights issue	-	-	2,988	-
Repurchase of shares	-	-48	-	-48
Dividend to minorities	-	-11	-4	-11
Cash flow from financing	-1,012	785	-3,271	-746
Total cash flow	-211	692	423	422
Cash and cash equivalents at beginning of period	2,451	986	1,828	1,216
Exchange-rate differences	93	150	82	190
Cash and cash equivalents at end of period	2,333	1,828	2,333	1,828

Change in Group equity

SEKm	January - December 2009			January - December 2008		
	Equity holders	Minority	Total equity	Equity holders	Minority	Total equity
Opening balance	8,772	43	8,815	7,349	40	7,389
Rights issue ¹	2,988	0	2,988	-	-	-
Share-based payment	6	0	6	2	-	2
Dividend	0	-4	-4	-862	-11	-873
Repurchase of shares	0	0	0	-48	0	-48
Total comprehensive income	316	5	321	2,331	14	2,345
Closing balance	12,082	44	12,126	8,772	43	8,815

¹ Reported net of costs associated with the rights issue amounting to SEK 71m, net of tax.

Key data

	Q4 2009	Q4 2008	Jan-Dec 2009	Jan-Dec 2008
Net sales, SEKm	4,732	5,126	34,074	32,342
Operating income, SEKm	-515	-472	1,560	2,361
Net sales growth, %	-8	-1	5	-3
Gross margin, %	23.7	23.7	25.4	29.0
Operating margin, %	-10.9	-9.2	4.6	7.3
Working capital, SEKm	4,163	6,462	4,163	6,462
Return on capital employed, %	-	-	6.6	10.7
Return on equity, %	-	-	7.5	15.8
Earnings per share, SEK ¹	-0.79	-0,93	1.64	2.81
Capital-turnover rate, times	-	-	1.6	1.5
Operating cash flow, SEKm	801	116	3,737	2,013
Net debt/equity ratio	-	-	0.52	1.54
Capital expenditure, SEKm	266	366	914	1,163
Average number of employees	14,215	14,780	15,030	15,720

¹ Earnings per share for 2008 have been restated as an effect of the rights issue.

Net sales by business area

SEKm	Q4 2009	Q4 2008	Change, %		Jan-Dec 2009	Jan-Dec 2008
			As reported	Adjusted*		
Consumer Products	2,346	2,482	-5	-4	22,672	19,849
Professional Products	2,386	2,644	-10	-8	11,402	12,493
Total	4,732	5,126	-8	-6	34,074	32,342

*Adjusted for changes in exchange-rates and excluding acquisitions.

Operating income by business area

SEKm	Q4 2009	Q4 2008	Change, %		Jan-Dec 2009	Jan-Dec 2008
			As reported	Adjusted ¹		
Consumer Products	-612	-438	-40	-14	459	963
Consumer Products excl. restructuring costs	-412	-364	-13	-14	719	1,043
<i>Margin excl. restructuring costs, %</i>	-17.6	-14.7	-	-	3.2	5.3
Professional Products	142	6	N/A	5	1,265	1,587
Professional Products excl. restructuring costs	282	232	22	5	1,457	1,822
<i>Margin excl. restructuring costs, %</i>	11.8	8.8	-	-	12.8	14.6
Total business areas	-470	-432	-9	-31	1,724	2,550
Total business areas excl. restructuring costs	-130	-132	2	-31	2,176	2,865
<i>Margin excl. restructuring costs, %</i>	-2.7	-2.6	-	-	6.4	8.9
Group common costs etc.	-45	-40	-12	-15	-164	-189
Group common costs etc. excl. restructuring costs	-45	-39	-14	-15	-164	-188
Total	-515	-472	-9	-27	1,560	2,361
Total excl. restructuring costs	-175	-171	-	-	2,012	2,677
<i>Margin excl. restructuring costs, %</i>	-3.7	-3.3	-	-	5.9	8.3

¹ Excl. restructuring costs, acquisitions and adjusted for changes in exchange rates.

Net assets by business area

SEKm	Assets		Liabilities		Net Assets	
	31 Dec 2009	31 Dec 2008	31 Dec 2009	31 Dec 2008	31 Dec 2009	31 Dec 2008
Consumer Products	17,347	19,895	3,872	4,117	13,475	15,778
Professional Products	8,889	10,648	2,670	2,773	6,219	7,875
Other	1,248	1,059	2,467	2,345	-1,219	-1,286
Total	27,484	31,602	9,009	9,235	18,475	22,367

Liquid assets, interest-bearing liabilities and equity is not included in the above table.

Other includes deferred taxes and Husqvarna's common group services such as Holding, Treasury and Risk Management.

Net sales by business area per quarter

SEKm		Q1	Q2	Q3	Q4	Full year
Consumer Products	2009	8,092	8,297	3,937	2,346	22,672
	2008	6,830	6,773	3,764	2,482	19,849
	2007	6,207	8,418	3,668	2,328	20,621
Professional Products	2009	3,060	3,184	2,772	2,386	11,402
	2008	3,213	3,570	3,066	2,644	12,493
	2007	3,007	3,630	3,158	2,868	12,663
Total Group	2009	11,152	11,481	6,709	4,732	34,074
	2008	10,043	10,343	6,830	5,126	32,342
	2007	9,214	12,048	6,826	5,196	33,284

Operating income by business area per quarter

SEKm		Q1	Q2	Q3	Q4	Full year
Consumer Products	2009	532	730	-191	-612	459
	2009 excl. restructuring costs	532	730	-131	-412	719
	Margin excl. restructuring costs, %	6.6	8.8	-3.3	-17.6	3.2
	2008	727	745	-71	-438	963
	2008 excl. restructuring costs	727	745	-65	-364	1,043
	Margin excl. restructuring costs, %	10.6	11.0	-1.7	-14.7	5.3
	2007	521	1,164	66	-113	1,638
	Margin, %	8.4	13.8	1.8	-4.9	7.9
Professional Products	2009	293	428	402	142	1,265
	2009 excl. restructuring costs	328	446	401	282	1,457
	Margin excl. restructuring costs, %	10.7	14.0	14.5	11.8	12.8
	2008	522	623	436	6	1,587
	2008 excl. restructuring costs	522	623	445	232	1,822
	Margin excl. restructuring costs, %	16.2	17.5	14.5	8.8	14.6
	2007	510	642	529	442	2,123
	Margin, %	17.0	17.7	16.8	15.4	16.8
Group common costs	2009	-39	-42	-38	-45	-164
	2009 excl. restructuring costs	-39	-42	-38	-45	-164
	2008	-47	-47	-55	-40	-189
	2008 excl. restructuring costs	-47	-47	-55	-39	-188
	2007	-47	-48	-42	-60	-197
Total Group	2009	786	1,116	173	-515	1,560
	2009 excl. restructuring costs	821	1,134	232	-175	2,012
	Margin excl. restructuring costs, %	7.4	9.9	3.5	-3.7	5.9
	2008	1,202	1,321	310	-472	2,361
	2008 excl. restructuring costs	1,202	1,321	325	-171	2,677
	Margin excl. restructuring costs, %	12.0	12.8	4.8	-3.3	8.3
	2007	984	1,758	553	269	3,564
	Margin, %	10.7	14.6	8.1	5.2	10.7

Net sales and income by quarter, Group

SEKm		Q1	Q2	Q3	Q4	Full year
Net sales	2009	11,152	11,481	6,709	4,732	34,074
	2008	10,043	10,343	6,830	5,126	32,342
	2007	9,214	12,048	6,826	5,196	33,284
Operating income	2009	786	1,116	173	-515	1,560
	Margin, %	7.0	9.7	2.6	-10.9	4.6
	2008	1,202	1,321	310	-472	2,361
	Margin, %	12.0	12.8	4.5	-9.2	7.3
	2007	984	1,758	553	269	3,564
	Margin, %	10.7	14.6	8.1	5.2	10.7
Income after financial items	2009	590	944	108	-548	1,094
	Margin, %	5.3	8.2	1.6	-11.6	3.2
	2008	1,060	1,141	178	-612	1,767
	Margin, %	10.6	11.0	2.6	-11.9	5.5
	2007	876	1,528	391	94	2,889
	Margin, %	9.5	12.7	5.7	1.8	8.7
Income for the period	2009	464	761	130	-452	903
	2008	753	810	143	-418	1,288
	2007	613	1,070	273	80	2,036
Earnings per share, SEK	2009	0.98	1.35	0.23	-0.79	1.64
	2008 ¹	1.65	1.77	0.32	-0.93	2.81
	2007 ¹	1.34	2.34	0.59	0.19	4.46

Net sales and operating income, 12 months rolling

SEKm		Q1	Q2	Q3	Q4
Net sales	2009	33,451	34,589	34,468	34,074
	2008	34,113	32,408	32,412	32,342
	2007	29,278	31,193	32,627	33,284
Operating income	2009	1,945	1,740	1,603	1,560
	Margin, %	5.8	5.0	4.7	4.6
	2008	3,782	3,345	3,102	2,361
	Margin, %	11.1	10.3	9.6	7.3
	2007	3,176	3,659	3,641	3,564
	Margin, %	10.8	11.7	11.2	10.7

Five-year review

	2009	2008	2007	2006	2005 ¹
Net sales, SEKm	34,074	32,342	33,284	29,402	28,768
Operating income, SEKm	1,560	2,361	3,564	3,121	2,927
Net sales growth, %	5	-3	13	2	6
Gross margin, %	25.4	29.0	29.4	27.0	26.6
Operating margin, %	4.6	7.3	10.7	10.6	10.2
Return on capital employed, %	6.6	10.7	17.6	23.8 ¹	24.1
Return on equity, %	7.5	15.8	28.6	32.5 ¹	40.1
Capital turn-over rate, times	1.6	1.5	1.8	2.4	2.6
Operating cash flow, SEKm	3,737	2,013	1,843	535 ¹	949
Capital expenditure, SEKm	914	1,163	857	890	1,259
Average number of employees	15,030	15,720	16,093	11,412	11,681

¹ Pro forma.

PARENT COMPANY

Income statement

SEKm	Q4 2009	Q4 2008	Jan-Dec 2009	Jan-Dec 2008
Net sales	1,645	1,703	8,694	10,011
Cost of goods sold	-1,454	-1,267	-7,024	-7,281
Gross operating income	191	436	1,670	2,730
Selling expense	-145	-145	-846	-861
Administrative expense	-114	-61	-379	-336
Other operating income/expense	4	5,008	4	5,006
Operating income	-64	5,238	449	6,539
Financial items, net	810	-5,651	2,484	-227
Income after financial items	746	-413	2,933	6,312
Appropriations	-6	15	3	61
Income before taxes	740	-398	2,936	6,373
Taxes	101	101	-238	-290
Income for the period	841	-297	2,698	6,083

Balance sheet

SEKm	31 Dec 2009	31 Dec 2008
Non-current assets	31,093	30,824
Current assets	5,092	6,037
Total assets	36,185	36,861
Equity	17,928	12,834
Untaxed reserves	901	902
Provisions	133	108
Interest-bearing liabilities	14,255	17,551
Current liabilities	2,968	5,466
Total equity and liabilities	36,185	36,861

Number of shares

	A-shares	B-shares	Total
Number of shares as of 31 December 2008	98,380,020	286,756,875	385,136,895
<i>Of which re-purchased shares</i>	-	2,919,000	2,919,000
Rights issue March 2009	49,190,010	142,016,873	191,206,883
Number of shares as of 31 December 2009	147,570,030	428,773,748	576,343,778
<i>Of which re-purchased shares</i>	-	2,723,128	2,723,128

RESTATEMENT OF BUSINESS AREAS NEW REPORTING STRUCTURE

As of the first quarter of 2010, Husqvarna will change its reporting structure as described on page 6. Historical figures according to the new structure are stated below.

Net sales by business area

SEKm		Q1	Q2	Q3	Q4	Full year
Forestry and Garden, Europe & Asia Pacific	2009	5,034	5,639	3,446	2,475	16,594
	2008	5,200	5,677	3,491	2,566	16,934
	2007	3,530	5,806	3,456	2,797	15,589
Forestry and garden, North America and Latin America	2009	5,470	5,142	2,584	1,649	14,845
	2008	4,052	3,777	2,556	1,881	12,266
	2007	4,903	5,323	2,465	1,583	14,274
Construction Products	2009	648	700	679	608	2,635
	2008	791	889	783	679	3,142
	2007	781	919	905	816	3,421
Total Group	2009	11,152	11,481	6,709	4,732	34,074
	2008	10,043	10,343	6,830	5,126	32,342
	2007	9,214	12,048	6,826	5,196	33,284

Operating income by business area

SEKm		Q1	Q2	Q3	Q4	Full year
Forestry and Garden, Europe & Asia Pacific	2009	674	840	135	-294	1,355
<i>Excl. restructuring costs</i>	2009	708	858	194	-105	1,655
	2008	957	1,130	317	-188	2,216
<i>Excl. restructuring costs</i>	2008	957	1,130	323	-42	2,368
	2007	640	1,185	422	243	2,490
Forestry and garden, North America and Latin America	2009	218	332	47	-105	492
<i>Excl. restructuring costs</i>	2009	219	332	47	-8	590
	2008	229	158	14	-80	321
<i>Excl. restructuring costs</i>	2008	229	158	14	-54	347
	2007	316	487	40	-44	799
Construction Products	2009	-67	-14	29	-71	-123
<i>Excl. restructuring costs</i>	2009	-67	-14	29	-17	-69
	2008	63	80	34	-164	13
<i>Excl. restructuring costs</i>	2008	63	80	43	-36	150
	2007	75	134	133	130	472
Group common costs	2009	-39	-42	-38	-45	-164
	2008	-47	-47	-55	-40	-189
<i>Excl. restructuring costs</i>	2008	-47	-47	-55	-39	-188
	2007	-47	-48	-42	-60	-197
Total Group	2009	786	1,116	173	-515	1,560
<i>Excl. restructuring costs</i>	2009	821	1,134	232	-175	2,012
	2008	1,202	1,321	310	-472	2,361
<i>Excl. restructuring costs</i>	2008	1,202	1,321	325	-171	2,677
	2007	984	1,758	553	269	3,564

Restatement continues on the next page with "Operating margin by business area"

Continued restatement

Operating margin by business area

%		Q1	Q2	Q3	Q4	Full year
Forestry and Garden, Europe & Asia Pacific	2009	13.4	14.9	3.9	-11.9	8.2
<i>Excl. restructuring costs</i>	2009	14.1	15.2	5.6	-4.2	10.0
	2008	18.4	19.9	9.1	-7.3	13.1
<i>Excl. restructuring costs</i>	2008	18.4	19.9	9.3	-1.6	14.0
	2007	18.1	20.4	12.2	8.7	16.0
Forestry and garden, North America and Latin America	2009	4.0	6.5	1.8	-6.4	3.3
<i>Excl. restructuring costs</i>	2009	4.0	6.5	1.8	-0.5	4.0
	2008	5.7	4.2	0.5	-4.3	2.6
<i>Excl. restructuring costs</i>	2008	5.7	4.2	0.5	-2.9	2.8
	2007	6.4	9.1	1.6	-2.8	5.6
Construction Products	2009	-10.3	-2.0	4.3	-11.7	-4.7
<i>Excl. restructuring costs</i>	2009	-10.3	-2.0	4.3	-2.8	-2.6
	2008	8.0	9.0	4.3	-24.2	0.4
<i>Excl. restructuring costs</i>	2008	8.0	9.0	5.5	-5.3	4.8
	2007	9.6	14.6	14.7	15.9	13.8
Excl. restructuring costs	2009	7.0	9.7	2.6	-10.9	4.6
<i>Excl. restructuring costs</i>	2009	7.4	9.9	3.5	-3.7	5.9
	2008	12.0	12.8	4.5	-9.2	7.3
<i>Excl. restructuring costs</i>	2008	12.0	12.8	4.8	-3.3	8.3
	2007	10.7	14.6	8.1	5.2	10.7

DEFINITIONS

Capital indicators

Capital employed	Total liabilities and equity less non-interest-bearing debt, including deferred tax liability.
Equity/assets ratio	Equity as a percentage of total assets.
Liquid funds	Cash and cash equivalents, short term investments and fair-value derivative assets.
Net assets	Total assets exclusive of liquid funds and interest-bearing financial receivables, less operating liabilities, non-interest-bearing provisions and deferred tax liabilities.
Net debt	Total interest-bearing liabilities less liquid funds.
Net debt/equity ratio	Net debt in relation to total adjusted equity.
Operating working capital	Inventories and trade receivables less trade payables.
Working capital	Current assets exclusive of liquid funds and interest-bearing financial receivables, less operating liabilities and non-interest-bearing provisions.

Other key ratios

Average number of shares	Weighted number of outstanding shares during the period, after repurchase of own shares.
Capital expenditure	Property, plant and equipment and capitalization of product development and software.
Earnings per share	Income for the period divided by the average number of shares.
EBITDA	Earnings before interest, taxes, depreciation, amortization and impairment.
Excluding acquisitions	Figures excluding acquisitions are reported in order to enable comparison of the current period with the corresponding period in the previous year. Adjustment is made for acquisitions with annual sales of SEK 100m or more.
Gross margin	Gross operating income as a percentage of net sales.
Net sales growth	Net sales as a percentage of net sales in the preceding period.
Operating cash flow	Total cash flow from operations and investments, excluding acquisitions and divestments.
Operating margin	Operating income as a percentage of net sales.
Return on capital employed	Operating income plus financial income as a percentage of average capital employed.
Return on equity	Income for the period as a percentage of average equity.

PRESS AND TELEPHONE CONFERENCE

A combined press and telephone conference will be held at 14.00 CET on 24 February 2010 at Scandic Anglais, Humlegårdsgatan 23, Stockholm. To participate in the telephone conference, please call +46 (0)8 5052 0110 or +44 (0) 20 7162 0077.

A replay of the telephone conference will be available at www.husqvarna.com/ir.

ANNUAL REPORT 2009

Husqvarna's annual report for 2009 will be published on www.husqvarna.com/ir on 17 March 2010.

FINANCIAL REPORTS 2010

April 27	Interim report for January-March (and date of Annual General Meeting)
July 20	Interim report for January-June
October 22	Interim report for January-September

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This interim report comprises information which Husqvarna is required to disclose under the Securities Markets Act and/or the Financial Instruments Trading Act. It was released for publication at 08.00 CET on 24 February 2010.

Factors affecting forward-looking statements

This report contains forward-looking statements in the sense referred to in the American Private Securities Litigation Reform Act of 1995. Such statements comprise, among other things, financial goals, goals of future business and financial plans. These statements are based on present expectations and are subject to risks and uncertainties that may give rise to major deviations in the result due to several aspects. These aspects include, among other things: consumer demand and market conditions in the geographical areas and lines of business in which Husqvarna operates, the effects of currency fluctuations, downward pressure on prices due to competition, a material reduction in sales by important distributors, success in developing new products and in marketing, outcome of product responsibility litigation, progress in terms of reaching the goals set for productivity and efficient use of capital, successful identification of growth opportunities and acquisition objects, integration of these into the existing business and successful achievement of goals for making the supply chain more efficient.