



## Press release

Stockholm, 1 March 2010

### Husqvarna settles engine-capacity lawsuit in the US

Husqvarna and a number of other parties have reached a settlement in a lawsuit in a Federal District Court in Illinois, USA, regarding alleged inaccurate specification of engine capacity in lawn mowers. The lawsuit, which has been pending since 2004, will thus be withdrawn.

The other parties are manufacturers or sellers of lawn mowers or engines for lawn mowers. The settlement includes more than 65 similar or parallel lawsuits in all 50 states in the US.

Husqvarna's settlement cost amounts to approximately SEK 100m (USD 13.7m), of which SEK 50m (USD 7m) was not previously expensed and will be charged against operating income for the first quarter of 2010.

Husqvarna agreed to the settlement in order to avoid a prolonged and expensive legal process in which the results are uncertain. The Group continues to deny that there is any justification for the claims against the company.

The settlement is subject to court approval in the US.

#### For additional information, please contact

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The Husqvarna Group is the world's largest producer of outdoor power products including chainsaws, trimmers, lawn mowers and garden tractors. It is the European leader in consumer irrigation equipment under the Gardena brand. The Group is also one of the world leaders in cutting equipment and diamond tools for the construction and stone industries. Net sales in 2009 were SEK 34 billion and the average number of employees was 15,000.

*The above information has been made public in accordance with the Securities Market Act and/or the Financial Instruments Trading Act. The information was published at 09.30 on 1 March 2010.*