

INTERIM REPORT JANUARY - MARCH 2011

Stockholm April 19, 2011

Magnus Yngen, President and CEO:

"The year started off with strong demand in the North American market and we have a strong product line-up to meet the growing demand. However, we have not been able to capitalize on this due to production disturbances in our largest plant in North America. The disturbances negatively affected shipments and increased costs significantly. Costs were approximately SEK 150m higher, whereof the majority in March. We are taking measures in order to resolve the situation and to minimize the impact for our customers but we will continue to have high costs throughout the season.

For the total Husqvarna Group, sales and operating income adjusted for exchange rate effects and items affecting comparability, increased by 6 and 7 percent respectively, compared to the first quarter previous year. The year started off with significantly higher order intake compared to last year. Europe & Asia/Pacific delivered strong results as a result of higher sell-in and a positive mix development. Construction continued its steady improvement in sales, earnings and margin. As a consequence of the disturbances, operating income for Americas was negative in the first quarter."

- Net sales amounted to SEK 8,774m (9,082) and operating income to SEK 662m (778). Income for the period amounted to SEK 484m (535), or SEK 0.84 (0.92) per share.
- Changes in exchange rates had a negative effect on operating income of approximately SEK -171m.
- Net sales and operating income for the Group, adjusted for exchange rate effects and items affecting comparability, increased by 6% and 7% respectively.
- Net sales and operating income for Americas was negatively affected by production disturbances.
- Higher volumes and a positive mix contributed to improved sales and operating income for Europe & Asia/Pacific.
- Construction was charged with costs amounting to SEK 40m relating to the closure of a production facility in Spain.

SEKm	Q1	Q1	Change, %		Full-year	
	2011	2010	As rep.	Adj. ¹	LTM ²	2010
Net sales, Group	8,774	9,082	-3	6	31,932	32,240
Europe & Asia/Pacific	4,541	4,459	2	10	16,703	16,621
Americas	3,588	4,028	-11	0	12,504	12,944
Construction	645	595	8	18	2,725	2,675
EBITDA	946	1,073	-12	5	3,539	3,666
EBITDA margin, %	10.8	11.8	-	-	11.1	11.4
Operating income, Group	662	778	-15	7	2,329	2,445
Europe & Asia/Pacific	815	732	11	32	2,466	2,383
Americas	-94	81	n.a	n.a	-23	152
Construction	-17	1	n.a	n.a	64	82
Operating margin, %	7.5	8.6	-	-	7.3	7.6
Income after financial items	589	690	-15	-	1,950	2,051
Income for the period	484	535	-10	-	1,698	1,749
Earnings per share, SEK	0.84	0.92	-9	-	2.95	3.03

¹ Adjusted for items affecting comparability (including restructuring charges), changes in exchange rates and acquisitions/divestments. Items affecting comparability are provided on page 10.

² Last twelve months.

FIRST QUARTER

Net sales

Net sales for the first quarter amounted to SEK 8,774m (9,082). Adjusted for exchange rate effects, sales increased by 6% or by approximately SEK 490m. Sales prices increased slightly. Europe & Asia/Pacific accounted for an adjusted sales increase of approximately SEK 400m or 10%, Americas' adjusted sales were flat and Construction's adjusted sales increased by SEK 97m or 18%.

Market demand for all business areas increased and resulted in higher sales for Europe & Asia/Pacific and Construction. Sales for Americas were negatively affected by the production disturbances in North America.

Operating income

Operating income amounted to SEK 662m (778). Adjusted for exchange rate effects and items affecting comparability operating income increased by 7% or by approximately SEK 50m. Operating income includes items affecting comparability amounting to SEK -40m (-50).

The increase in adjusted operating income was mainly a result of higher volumes, a favorable sales channel and regional mix and higher sales prices. This was partly offset by additional costs related to the production disturbances in North America. The operating margin, excluding items affecting comparability, declined to 8.0% (9.1).

Adjusted operating income and operating margin for Europe & Asia/Pacific and Construction improved, but decreased for Americas.

Changes in exchange rates, including both translation and transaction effects net of hedging, had a total negative effect on Group operating income of SEK -171m (100). Hedging contracts had a negative effect of SEK -62m (26).

OUTLOOK FOR THE SECOND QUARTER 2011

Trade inventories of the Group's products at the end of the first quarter are estimated to have been on normal levels and slightly higher than a year ago. As market conditions have improved and end-user demand is higher, the sell-out in the trade during the second quarter of 2011 is expected to be higher than in the second quarter of 2010. The Group's listings with major retailers for the season have improved compared to 2010. However, the production disturbances will continue to have a negative effect on sales and profit.

FINANCIAL ITEMS NET

Financial items net amounted to SEK -73m (-88) for the first quarter 2011. Higher interest cost was more than offset by positive mark-to-market valuation on the interest rate component of the Group's hedge contracts. The average interest rate on borrowings at the end of the first quarter increased to 4.0% (2.9). Compared to year-end 2010, the average interest rate has decreased from 4.8%, mainly due to an increase in share of lower interest rate USD funding for financing of the seasonal increase in working capital.

INCOME AFTER FINANCIAL ITEMS

Income after financial items for the first quarter amounted to SEK 589m (690) corresponding to a margin of 6.7% (7.6).

TAXES

Taxes amounted to SEK -105m (-155), corresponding to a tax rate of 18% (22) of income after financial items.

EARNINGS PER SHARE

Income for the first quarter amounted to SEK 484m (535), corresponding to SEK 0.84 (0.92) per share after dilution.

OPERATING CASH FLOW

Due to the seasonality of the Group's operations, operating cash flow is normally negative in the first quarter. Operating cash flow for the first quarter amounted to SEK -2,809m (-2,433). The change is due to higher inventory related mainly to the production disturbances. Trade receivables were also slightly higher.

Operating cash flow SEKm	Q1 2011	Q1 2010	Jan-Dec 2010
Cash flow from operations, excluding changes in operating assets and liabilities	827	864	2,888
Changes in operating assets and liabilities	-3,432	-3,088	-613
Cash flow from operations	-2,605	-2,224	2,275
Cash flow from investments, excluding acquisitions	-204	-209	-1,313
Operating cash flow	-2,809	-2,433	962

FINANCIAL POSITION

Group equity as of March 31, 2011 decreased to SEK 12,022m (12,410). Equity per share amounted to SEK 21.1 (21.6). Group equity was negatively affected by exchange differences on translating foreign operations to SEK.

Net debt as of March 31, 2011 decreased to SEK 8,305m (8,511). The major currencies used for debt financing are SEK, USD and JPY. The impact on net debt due to changes in exchange rates in the first quarter was a decrease of SEK 1,000m which was offset by higher working capital.

The net debt/equity ratio amounted to 0.69 (0.69) and the equity/assets ratio to 37.5% (37.0).

Net debt SEKm	31 Mar 2011	31 Mar 2010	31 Dec 2010
Interest-bearing liabilities	10,289	10,418	7,667
Liquid funds	1,984	1,907	2,067
Net debt	8,305	8,511	5,600

On March 31, 2011, long-term loans including financial leases amounted to SEK 5,942m (5,689) and short-term loans including financial leases to SEK 3,794m (4,314). Long-term loans consist of SEK 3,135m (1,582) in issued bonds, and bank loans of SEK 2,807m (4,107). The issued bonds and the bank loans mature in 2012 and onwards. In addition to the above funding, Husqvarna has revolving credit facilities totaling SEK 9,000m, of which SEK 1,000m was utilized as of the end of the first quarter. The major parts of these facilities mature in 2013.

PERFORMANCE BY BUSINESS AREA

Europe & Asia/Pacific

SEKm	Q1	Q1	Change, %		Full-year	
	2011	2010	As rep.	Adj.	LTM ¹	2010
Net sales	4,541	4,459	2	10	16,703	16,621
Operating income	815	732	11	32	2,466	2,383
Operating margin, %	17.9	16.4	-	-	14.8	14.3

¹Last twelve months

Net sales for Europe & Asia/Pacific in the first quarter increased 2%. Adjusted for exchange rate effects sales increased 10% or by approximately SEK 400m. Sales prices increased slightly during the quarter.

Total market demand in the Europe and Asia/Pacific region is estimated to have increased compared to the preceding year. The Group's sales to the dealer channel continued to develop strongly and sales to the retail channel also increased as a result of improved listings. Ride-on and walk-behind lawn mowers and watering products were the product categories with the highest sales growth. Sales increased in major markets such as Germany, France and the UK.

Operating income and operating margin improved. Adjusted for exchange rate effects and items affecting comparability operating income increased by 32% or by approximately SEK 200m. Changes in exchange rates had a negative effect on operating income by approximately SEK -114m. The higher operating income was mainly a result of higher sales and improved product and country mix. Higher costs for direct material were offset by higher selling prices.

Americas

SEKm	Q1	Q1	Change, %		Full-year LTM ¹	2010
	2011	2010	As rep.	Adj.		
Net sales	3,588	4,028	-11	0	12,504	12,944
Operating income	-94	81	n.a	n.a	-23	152
Operating margin, %	-2.6	2.0	-	-	-0.2	1.2

¹Last twelve months

Net sales for Americas during the first quarter decreased by 11%. Adjusted for exchange rate effects, sales were flat. Sales prices increased slightly during the quarter.

Operating income decreased to SEK -94m (81). Adjusted for exchange rate effects and items affecting comparability operating income declined SEK -175m. Changes in exchange rates had a negative effect on operating income of approximately SEK -50m. Operating income in the first quarter 2010 included items affecting comparability amounting to SEK -50m. There were no items affecting comparability in the first quarter 2011. Operating income was negatively affected by the production disturbances (see below).

Total market demand in North America continued its positive trend. Due to production disturbances, the Group was not able to capitalize on the increased demand. The disturbances led to lower shipments and therefore negatively affected sales as well as leading to significantly higher costs in the range of SEK -150m, whereof the majority in March. The higher costs include costs for a significantly higher number of temporary staff in the plant, over-time compensation as production is running in longer shifts, consultants and lower absorption of fixed costs as the production rate was lower. Due to the disturbances, income was also negatively affected by lower sales of ride-on products and a negative mix.

The production disturbances are due to the increased complexity of materials, associated with the combination of the move of the production from Beatrice, Nebraska into the production facility in Orangeburg, South Carolina as well as a significantly higher number of new products being launched. Extensive measures to resolve the situation and to minimize the impact for customers have been taken. The production increased gradually during the quarter, as did the associated cost for measures taken.

Construction

SEKm	Q1	Q1	Change, %		Full-year LTM ¹	2010
	2011	2010	As rep.	Adj.		
Net sales	645	595	8	18	2,725	2,675
Operating income ²⁾	-17	1	n.a	n.a	64	82
Operating margin, %	-2.6	0.1	-	-	2.3	3.1

¹Last twelve months

²Q12011 includes items affecting comparability of SEK -40m.

Net sales for Construction in the first quarter increased 8%. Adjusted for exchange rate effects sales increased 18% or by SEK 97m. Sales prices were relatively stable.

Total market demand for construction products continued to improve, especially in Europe and Asia. New product introductions and innovation continued to be an important driver for sales. Trade inventory increased, reflecting the trade's positive outlook for the industry. Sales increased for all of the business area's main product categories.

Operating income amounted to SEK -17m (1) and includes a restructuring charge amounting to SEK -40m related to the closure of the production facility for construction products in Spain. Adjusted for exchange rate effects and items affecting comparability operating income increased by approximately SEK 30m. Changes in exchange rates had a negative effect on operating income by approximately SEK -7m. There were no items affecting comparability in the first quarter 2010.

Excluding the items affecting comparability, operating income and margin in the first quarter improved, mainly as a result of higher volumes and improved mix.

PARENT COMPANY

Net sales in the first quarter for the Parent Company, Husqvarna AB, amounted to SEK 3,141m (3,036), of which SEK 2,545m (2,460) referred to sales to Group Companies and SEK 596m (576) to external customers. Income after financial items amounted to SEK 216m (766).

Investments in tangible and intangible assets amounted to SEK 83m (69). Cash and cash equivalents amounted to SEK 285m (30) at the end of the quarter. Undistributed earnings in the Parent Company amounted to SEK 17,626m (17,272).

CONVERSION OF SHARES

According to the company's articles of association, owners of A-shares have the right to have such shares converted to B-shares. Conversion reduces the total number of votes in the company. When such a conversion has occurred, the company is obligated by law to disclose any such changes.

During the first quarter of 2011, 637,975 A-shares were converted to B-shares at the request of shareholders. After the close of the first quarter, another 336,460 A-shares were converted to B-shares at the request of shareholders. The total number of votes thereafter amounts to 178,036,964.6.

The total number of registered shares in the company at March 31, 2011 amounted to 576,343,778 shares of which 134,117,112 were A-shares and 442,226,666 were B-shares.

ANNUAL GENERAL MEETING 2011

The Annual General Meeting of Husqvarna AB (publ) will be held at 16:00 on May 4, 2011, in the Elmia Congress and Concert Hall in Jönköping, Sweden.

Notice, full proposals, minutes and other documents from the Annual General Meeting can be found on www.husqvarna.com/agm.

Dividend

The Board of Directors proposes a dividend for 2010 of SEK 1.50 (1.00) per share, corresponding to a total dividend payment of SEK 859m (574).

Monday, May 9, 2011 is proposed as record date for the dividend. If the Annual General Meeting resolves in accordance with the Board of Directors' proposal, the estimated date for the payment of the dividend is Thursday, May 12, 2011. The last day for trading in Husqvarna shares including the right to dividend for 2010 is Wednesday May 4, 2011.

RISKS AND UNCERTAINTY FACTORS

A number of factors may 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.

For more information on risk than stated below, see the annual report.

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 sales and earnings. Shifts in product technology as well as shifts in distribution structure could also have a negative impact on Group sales and earnings.

Demand for the Group's products is also dependent on weather conditions. Dry weather can reduce demand for such products 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 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.

ACCOUNTING PRINCIPLES

Husqvarna's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union, the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's standard RFR 1 Supplementary Accounting Rules for Groups. The financial statement of the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities.

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act.

Husqvarna has in all material aspects presented its interim report in accordance with the accounting and valuation principles presented in the Annual Report for 2010. The annual report is available at www.husqvarna.com under Investor Relations

AUDITORS' REVIEW REPORT

This interim report has not been subject to review by the auditors.

Stockholm April 19, 2011

Magnus Yngen
President and CEO

Consolidated income statement

SEKm	Q1 2011	Q1 2010	Full-year 2010
Net sales	8,774	9,082	32,240
Cost of goods sold	-6,444	-6,697	-23,037
Gross operating income	2,330	2,385	9,203
Margin, %	26.6	26.3	28.5
Selling expense	-1,298	-1,277	-5,232
Administrative expense	-375	-329	-1,524
Other operating income/expense	5	-1	-2
Operating income¹	662	778	2,445
Margin, %	7.5	8.6	7.6
Financial items, net	-73	-88	-394
Income after financial items	589	690	2,051
Margin, %	6.7	7.6	6.4
Taxes	-105	-155	-302
Income for the period	484	535	1,749
Attributable to:			
Equity holders of the Parent Company	480	530	1,739
Non-controlling interest in income for the period	4	5	10
Basic earnings per share, SEK			
	0.84	0.92	3.03
Diluted earnings per share, SEK			
	0.84	0.92	3.03
Basic weighted average number of shares outstanding, millions			
	572.4	573.6	573.4
Diluted weighted average number of shares, millions			
	573.3	573.8	574.2

Consolidated comprehensive income statement

SEKm	Q1 2011	Q1 2010	Full-year 2010
Income for the period	484	535	1,749
Other comprehensive income, net of tax:			
Exchange differences on translating foreign operations	-618	-234	-1,056
Cash flow hedges	0	30	10
Other comprehensive income, net of tax	-618	-204	-1,046
Total comprehensive income for the period	-134	331	703
Attributable to:			
Equity holders of the Parent Company	-136	326	695
Non-controlling interest in comprehensive	2	5	8
¹ Of which depreciation, amortization and impairment			
	-284	-295	-1,221

Consolidated balance sheet

SEKm	31 Mar 2011	31 Mar 2010	31 Dec 2010
Assets			
Property, plant and equipment	3,830	4,221	4,125
Goodwill	5,758	6,298	5,995
Other intangible assets	3,925	4,212	3,989
Investments in associates	5	6	5
Deferred tax assets	648	728	614
Derivatives	0	0	1
Financial assets	162	177	168
Total non-current assets	14,328	15,642	14,897
Inventories	7,442	7,326	7,000
Trade receivables	7,729	7,614	3,575
Derivatives	614	527	417
Tax receivables	163	313	335
Other current assets	565	678	529
Other short term investments	330	398	173
Cash and cash equivalents	1,040	982	1,476
Total current assets	17,883	17,838	13,505
Total assets	32,211	33,480	28,402
<i>Assets pledged</i>	39	45	42
Equity and liabilities			
Equity attributable to equity holders of the Parent Company	12,022	12,410	12,154
Non-controlling interests	51	48	49
Total equity	12,073	12,458	12,203
Long-term borrowings	5,942	5,689	6,985
Deferred tax liabilities	1,627	1,840	1,571
Provisions for pensions and other post-employment benefits	927	1,057	992
Derivatives	35	51	39
Other provisions	675	737	707
Total non-current liabilities	9,206	9,374	10,294
Trade payables	3,995	4,243	2,810
Tax liabilities	179	352	340
Other liabilities	2,132	2,064	1,783
Short-term borrowings	3,794	4,314	309
Derivatives	518	364	334
Other provisions	314	311	329
Total current liabilities	10,932	11,648	5,905
Total equity and liabilities	32,211	33,480	28,402
<i>Contingent liabilities</i>	33	64	28

Consolidated cash flow statement

SEKm	Q1 2011	Q1 2010	Full-year 2010
Operations			
Income after financial items	589	690	2,051
Depreciation and amortization	276	295	1,180
Capital gain/Impairment	3	0	41
Change in accrued and prepaid interest	11	10	11
Provision for restructuring	32	0	108
Taxes paid	-84	-131	-503
Cash flow from operations, excluding change in operating assets and liabilities	827	864	2,888
Change in operating assets and liabilities			
Change in inventories	-744	-678	-645
Change in trade receivables	-4,371	-4,262	-331
Change in trade payables	1,352	1,418	73
Change in other operating assets/liabilities	331	434	290
Cash flow from operating assets and liabilities	-3,432	-3,088	-613
Cash flow from operations	-2,605	-2,224	2,275
Investments			
Sale of fixed assets	10	0	0
Capital expenditure in property, plant and equipment	-146	-138	-991
Capitalization of product development and software	-70	-69	-311
Other	2	-2	-11
Cash flow from investments	-204	-209	-1,313
Total cash flow from operations and investments	-2,809	-2,433	962
Financing			
Change in other short-term investments	-177	-152	63
Change in interest-bearing liabilities	2,600	1,229	-1,250
Dividend to shareholders	-	-	-574
Repurchase of shares	-	-	-59
Dividend to non-controlling interests	0	-1	-3
Cash flow from financing	2,423	1,076	-1,823
Total cash flow	-386	-1,357	-861
Cash and cash equivalents at beginning of period	1,476	2,333	2,333
Exchange-rate differences	-50	6	4
Cash and cash equivalents at end of period	1,040	982	1,476

Change in Group equity

SEKm	January - March 2011			January - March 2010		
	Equity holders	Non-controlling interests	Total equity	Equity holders	Non-controlling interests	Total equity
Opening balance	12,154	49	12,203	12,082	44	12,126
Share-based payment	4	-	4	2	-	2
Dividend	-	-	-	-	-1	-1
Total comprehensive income	-136	2	-134	326	5	331
Closing balance	12,022	51	12,073	12,410	48	12,458

Key data

	Q1 2011	Q1 2010	Full-year 2010
Net sales, SEKm	8,774	9,082	32,240
Operating income, SEKm	662	778	2,445
Net sales growth, %	-3	-19	-5
Gross margin, %	26.6	26.3	28.5
Operating margin, %	7.5	8.6	7.6
Working capital, SEKm	7,677	7,167	4,478
Return on capital employed, %	10.6	6.9	11.0
Return on equity, %	13.6	7.7	13.9
Earnings per share, SEK	0.84	0.92	3.03
Capital-turnover rate, times	1.7	1.6	1.7
Operating cash flow, SEKm	-2,809	-2,433	962
Net debt/equity ratio	0.69	0.69	0.46
Capital expenditure, SEKm	216	207	1,302
Average number of employees	17,344	15,484	14,954

Items affecting comparability

SEKm		Q1	Q2	Q3	Q4	Full year
Restructuring charges	2011	-40				
	2010	-	-157	-	-	-157
	2009	-	-	-59	-340	-399
Costs for personnel cut-backs	2009	-35	-18	-	-	-53
Legal settlement cost	2010	-50	-	-	-	-50
Total	2011	-40				
	2010	-50	-157	-	-	-207
	2009	-35	-18	-59	-340	-452

Net sales by business area

SEKm	Q1	Q1	Change, %		LTM	Full-year 2010
	2011	2010	As rep.	Adj.		
Europe & Asia/Pacific	4,541	4,459	2	10	16,703	16,621
Americas	3,588	4,028	-11	0	12,504	12,944
Construction	645	595	8	18	2,725	2,675
Total	8,774	9,082	-3	6	31,932	32,240

Operating income by business area

SEKm	Q1	Q1	Change, %		LTM	Full-year 2010
	2011	2010	As rep.	Adj.		
Europe & Asia/Pacific	815	732	11	32	2,466	2,383
Excl. items affecting comparability	815	732	11	32	2,466	2,383
<i>Margin excl. items affecting comparability, %</i>	17.9	16.4	-	-	14.8	14.3
Americas	-94	81	n.a	n.a	-23	152
Excl. items affecting comparability	-94	131	n.a	n.a	87	312
<i>Margin excl. items affecting comparability, %</i>	-2.6	3.3	-	-	0.7	2.4
Construction	-17	1	n.a	n.a	64	82
Excl. items affecting comparability	23	1	n.a	n.a	151	129
<i>Margin excl. items affecting comparability, %</i>	3.6	0.1	-	-	5.5	4.8
Total business areas	704	814	-13	7	2,507	2,617
Excl. items affecting comparability	744	864	-14	7	2,704	2,824
<i>Margin excl. items affecting comparability, %</i>	8.5	9.5	-	-	8.5	8.8
Group common costs	-42	-36	n.a	n.a	-178	-172
Total Group	662	778	-15	7	2,329	2,445
Excl. items affecting comparability	702	828	-15	7	2,526	2,652
<i>Margin excl. items affecting comparability, %</i>	8.0	9.1	-	-	7.9	8.2

Net assets by business area

SEKm	Assets		Liabilities		Net Assets	
	31 Mar 2011	31 Mar 2010	31 Mar 2011	31 Mar 2010	31 Mar 2011	31 Mar 2010
Europe & Asia/Pacific	18,520	18,801	4,943	4,921	13,577	13,880
Americas	7,823	8,549	1,938	2,538	5,885	6,011
Construction	3,140	3,346	618	591	2,522	2,755
Other	743	877	2,349	2,554	-1,606	-1,677
Total	30,226	31,573	9,848	10,604	20,378	20,969

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

SEKm		Q1	Q2	Q3	Q4	Full year
Europe & Asia/Pacific	2011	4,541				
	2010	4,459	5,845	3,708	2,609	16,621
	2009	5,034	5,639	3,446	2,475	16,594
Americas	2011	3,588				
	2010	4,028	4,863	2,482	1,571	12,944
	2009	5,470	5,142	2,584	1,649	14,845
Construction	2011	645				
	2010	595	749	717	614	2,675
	2009	648	700	679	608	2,635
Total Group	2011	8,774				
	2010	9,082	11,457	6,907	4,794	32,240
	2009	11,152	11,481	6,709	4,732	34,074

Operating income by business area

SEKm		Q1	Q2	Q3	Q4	Full year
Europe & Asia/Pacific	2011	815				
<i>Excl. items affecting comparability</i>	2011	815				
	2010	732	1,145	511	-5	2,383
<i>Excl. items affecting comparability</i>	2010	732	1,145	511	-5	2,383
	2009	674	840	190	-294	1,410
<i>Excl. items affecting comparability</i>	2009	708	858	249	-105	1,710
Americas	2011	-94				
<i>Excl. items affecting comparability</i>	2011	-94				
	2010	81	202	-92	-39	152
<i>Excl. items affecting comparability</i>	2010	131	312	-92	-39	312
	2009	218	332	-8	-105	437
<i>Excl. items affecting comparability</i>	2009	219	332	-8	-8	535
Construction	2011	-17				
<i>Excl. items affecting comparability</i>	2011	23				
	2010	1	11	42	28	82
<i>Excl. items affecting comparability</i>	2010	1	58	42	28	129
	2009	-67	-14	29	-71	-123
<i>Excl. items affecting comparability</i>	2009	-67	-14	29	-17	-69
Group common costs	2011	-42				
	2010	-36	-39	-50	-47	-172
	2009	-39	-42	-38	-45	-164
Total Group	2011	662				
<i>Excl. items affecting comparability</i>	2011	702				
	2010	778	1,319	411	-63	2,445
<i>Excl. items affecting comparability</i>	2010	828	1,476	411	-63	2,652
	2009	786	1,116	173	-515	1,560
<i>Excl. items affecting comparability</i>	2009	821	1,134	232	-175	2,012

Operating margin by business area

%		Q1	Q2	Q3	Q4	Full year
Europe & Asia/Pacific	2011	17.9				
<i>Excl. items affecting comparability</i>	2011	17.9				
	2010	16.4	19.6	13.8	-0.2	14.3
<i>Excl. items affecting comparability</i>	2010	16.4	19.6	13.8	-0.2	14.3
	2009	13.4	14.9	5.5	-11.9	8.5
<i>Excl. items affecting comparability</i>	2009	14.1	15.2	7.2	-4.2	10.3
Americas	2011	-2.6				
<i>Excl. items affecting comparability</i>	2011	-2.6				
	2010	2.0	4.2	-3.7	-2.5	1.2
<i>Excl. items affecting comparability</i>	2010	3.3	6.4	-3.7	-2.5	2.4
	2009	4.0	6.5	-0.3	-6.4	2.9
<i>Excl. items affecting comparability</i>	2009	4.0	6.5	-0.3	-0.5	3.6
Construction	2011	-2.6				
<i>Excl. items affecting comparability</i>	2011	3.6				
	2010	0.1	1.5	5.9	4.6	3.1
<i>Excl. items affecting comparability</i>	2010	0.1	7.8	5.9	4.6	4.8
	2009	-10.3	-2.0	4.3	-11.7	-4.7
<i>Excl. items affecting comparability</i>	2009	-10.3	-2.0	4.3	-2.8	-2.6
Total Group	2011	7.5				
<i>Excl. items affecting comparability</i>	2011	8.0				
	2010	8.6	11.5	5.9	-1.3	7.6
<i>Excl. items affecting comparability</i>	2010	9.1	12.9	5.9	-1.3	8.2
	2009	7.0	9.7	2.6	-10.9	4.6
<i>Excl. items affecting comparability</i>	2009	7.4	9.9	3.5	-3.7	5.9

Net sales and income by quarter, Group

SEKm		Q1	Q2	Q3	Q4	Full year
Net sales	2011	8,774				
	2010	9,082	11,457	6,907	4,794	32,240
	2009	11,152	11,481	6,709	4,732	34,074
Operating income	2011	662				
	Margin, %	7.5				
	2010	778	1,319	411	-63	2,445
	<i>Margin, %</i>	8.6	11.5	5.9	-1.3	7.6
	2009	786	1,116	173	-515	1,560
	<i>Margin, %</i>	7.0	9.7	2.6	-10.9	4.6
Income after financial items	2011	589				
	Margin, %	6.7				
	2010	690	1,250	310	-199	2,051
	<i>Margin, %</i>	7.6	10.9	4.5	-4.2	6.4
	2009	590	944	108	-548	1,094
	<i>Margin, %</i>	5.3	8.2	1.6	-11.6	3.2
Income for the period	2011	484				
	2010	535	936	402	-124	1,749
	2009	464	761	130	-452	903
Earnings per share, SEK	2011	0.84				
	2010	0.92	1.62	0.70	-0.21	3.03
	2009	0.98	1.35	0.23	-0.79	1.64

Net sales and operating income, 12 months rolling, group

SEKm		Q1	Q2	Q3	Q4
Net sales	2011	31,932			
	2010	32,004	31,980	32,178	32,240
	2009	33,451	34,589	34,468	34,074
Operating income	2011	2,329			
	Margin, %	7.3			
	2010	1,552	1,755	1,993	2,445
	<i>Margin, %</i>	4.8	5.5	6.2	7.6
	2009	1,945	1,740	1,603	1,560
	<i>Margin, %</i>	5.8	5.0	4.7	4.6

Five-year review

	2010	2009	2008	2007	2006
Net sales, SEKm	32,240	34,074	32,342	33,284	29,402
Operating income, SEKm	2,445	1,560	2,361	3,564	3,121
Net sales growth, %	-5	5	-3	13	2
Gross margin, %	28.5	25.4	29.0	29.4	27.0
Operating margin, %	7.6	4.6	7.3	10.7	10.6
Return on capital employed, %	11.0	6.6	10.7	17.6	23.8 ¹
Return on equity, %	13.9	7.5	15.8	28.6	32.5 ¹
Capital turn-over rate, times	1.7	1.6	1.5	1.8	2.4
Operating cash flow, SEKm	962	3,737	2,013	1,843	535 ¹
Capital expenditure, SEKm	1,302	914	1,163	857	890
Average number of employees	14,954	15,030	15,720	16,093	11,412

¹ Pro forma.

PARENT COMPANY

Income statement

SEKm	Q1 2011	Q1 2010	Full-year 2010
Net sales	3,141	3,036	10,304
Cost of goods sold	-2,511	-2,421	-8,027
Gross operating income	630	615	2,277
Selling expense	-220	-179	-823
Administrative expense	-128	-109	-473
Other operating income/expense	1	1	126
Operating income	283	328	1,107
Financial items, net	-67	438	1,388
Income after financial items	216	766	2,495
Appropriations	10	17	-109
Income before taxes	226	783	2,386
Taxes	-62	-211	-335
Income for the period	164	572	2,051

Balance sheet

SEKm	31 Mar 2011	31 Mar 2010	31 Dec 2010
Non-current assets	30,238	31,102	30,227
Current assets	8,163	6,055	5,978
Total assets	38,401	37,157	36,205
Equity	18,801	18,447	18,686
Untaxed reserves	1,000	885	1,010
Provisions	103	136	110
Interest-bearing liabilities	14,318	14,003	13,028
Current liabilities	4,179	3,686	3,371
Total equity and liabilities	38,401	37,157	36,205

Number of shares

	Outstanding A- shares	Outstanding B- shares	Re-purchased B-shares	Total
Number of shares as of 31 December 2010	134,755,087	437,682,684	3,906,007	576,343,778
<i>Conversion of A-shares into B-shares</i>	<i>-637,975</i>	<i>637,975</i>		
<i>LTI 2008</i>		<i>3,451</i>	<i>-3,451</i>	
Number of shares as of 31 March 2011 ¹	134,117,112	438,324,110	3,902,556	576,343,778

¹⁾ After March 31, 2011, another 336,460 A-shares have been converted to B-shares.

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 definitions

Adjusted	As reported adjusted for items affecting comparability, changes in exchange rates and acquisitions/divestments
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.
Gross margin	Gross operating income as a percentage of net sales.
LTM	Last twelve months.
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.

TELEPHONE CONFERENCE

A combined press and telephone conference will be held at the Anglais Hotel in Stockholm at 13:00 CET on April 19, 2011. To participate by telephone, please call +46 (0)8 5052 0110 or +44 (0) 20 7162 0077 ten minutes prior to the start of the conference. The conference call will also be audio cast live. To participate in the audio cast, log on to www.husqvarna.com/ir. A replay of the telephone conference will be available at www.husqvarna.com/ir.

DATES FOR FINANCIAL REPORTS

July 19, 2011	Interim report for January – June 2011
October 20, 2011	Interim report for January – September 2011

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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 11:00 CET on April 19, 2011.

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.