

Press release

Stockholm February 13, 2013

Husqvarna to invest SEK 1 billion in core technologies

Husqvarna Group has decided to invest in a new production facility for manufacturing of chainsaw chains in Huskvarna, Sweden, where the Group already manufactures professional chainsaws, brush cutters and trimmers. The Group will also invest in expanded capacity for manufacturing of cylinders for two-stroke engines for chainsaws in the Group's facilities in Nashville, U.S and in Huskvarna, Sweden.

"The investments confirm our long-term commitment to be a global leader of handheld forestry products. Saw chains are critical for chainsaw performance. They are also one of the largest aftermarket product categories. Through the investment, we will leverage our technical expertise to develop, design and manufacture chains, thus optimizing the full performance of the chainsaw. The investment will also enable us to grow our offering in the replacement part market. Several sites globally were evaluated before deciding on Huskvarna. Critical needs were access to technical know-how, skilled labor and a strong infrastructure," says Hans Linnarson, President and CEO of Husqvarna Group.

In 2015, the new facility in Huskvarna will employ more than 100 people.

"The facilities in Nashville and Huskvarna manufacture handheld products, such as trimmers and chainsaws. By further insourcing cylinder manufacturing, we obtain better control of a core component for these products", says Hans Linnarson.

The investments will amount to around SEK 1bn during 2013 - 2015.

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Husqvarna Group

The Husqvarna Group is the world's largest producer of outdoor power products including chainsaws, trimmers, lawn mowers and garden tractors. The Group is also the European leader in consumer watering products and one of the world leaders in cutting equipment and diamond tools for the construction and stone industries. The product offering includes products for both consumers and professional users. The Group's products are sold via dealers and retailers in more than 100 countries. Net sales in 2011 amounted to SEK 30 billion, and the average number of employees was approximately 15,700.