



Q4 and full year results 2006

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Q4 Sales and Earnings

SEKm	Fourth quarter					
	2006	% of sales	2005 ¹⁾	% of sales	Change %	Adj. change ²⁾
Net sales	4,539		5,000		-9%	1%
EBIT	346	7.6%	327	6.5%	6%	29%
Income after fin. items	279	6.1%	236	4.7%	18%	-
Income for the period	197	4.3%	159	3.2%	24%	-

¹⁾ Pro forma

²⁾ Including both transaction and translation effects

Q4 summary

- **Group sales slightly up in comparable currencies**
- **Operating income and margin improved**
- **Higher sales, improved operating income and margin for Professional Products**
- **Lower sales, improved operating income and margin for Consumer Products adjusted for change of accounting principle**



Full year 2006 Sales and Earnings

SEKm	Full year ¹⁾					
	2006	% of sales	2005	% of sales	Change %	Adj. change ²⁾
Net sales	29,402		28,768		2%	2%
EBIT	3,121	10.6%	2,927	10.2%	7%	7%
Income after fin. items	2,692	9.2%	2,448	8.5%	10%	-
Income for the period	1,862	6.3%	1,641	5.7%	13%	-
Return on capital employed, %	23.8		24.1			
Return on equity, %	32.5		40.1			
Net debt/equity	0.68		1.11			
Earnings per share, SEK	6.29		5.54			

¹⁾ Pro forma

²⁾ Including both transaction and translation effects

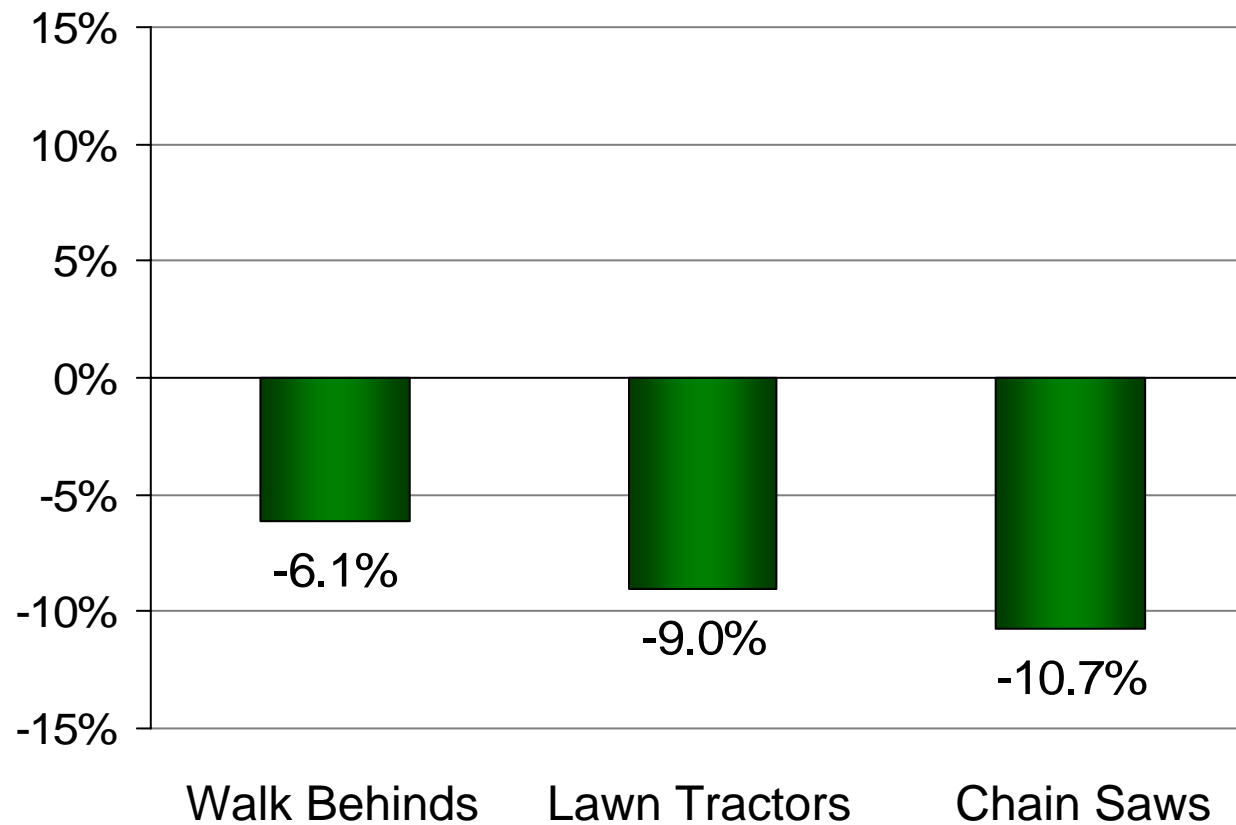
Consumer Products, Q4 2006

- **Lower sales, increased market share**
 - Substantial decline of industry shipments in North America
 - Decline in sales for US operation
 - Strong sales growth in Europe
- **Higher operating income and margin**
 - Strong improvement in Europe
- **Listings with retailers generally improved for 2007**

SEKm	Q4 2006	Q4 2005	Change	Change in comparable currencies
Sales	2,028	2,519	-20%	-6%
EBIT	14	34	-58%	N.A.
Margin	0.7%	1.3%		



US industry shipments of garden products, 2006 season



Professional Products, Q4 2006

Forestry

- Demand and sales largely unchanged
-Down in North America, up strongly in Russia
- Higher operating income and margin

Commercial Lawn & Garden

- Significantly higher sales, mainly referring to Dixon acquisition
- Operating income improved, despite integration costs

Construction

- Slight increase in sales
- Operating income improved mainly due to lower restructuring costs

SEKm	Q4 2006	Q4 2005	Change	Change in comparable currencies
Sales	2,511	2,481	1%	8%
EBIT	397	333	19%	26%
Margin	15.8%	13.4%		



Acquisitions

Company	Products	Annual sales, SEKm
Dixon Industries, US	Zero-turn lawn mowers	400
Jikai, China	Diamond tools	160
Klippo, Sweden	Professional lawn mowers	140
Komatsu Zenoah, Japan	Professional forestry & garden products	1,200
Gardena, Germany	Consumer garden products	3,800



Acquisition of Gardena

- **Key figures:**
 - Annual sales: approx. SEK 3,800m
 - EBIT: SEK 486m
 - Approx. 2,900 employees
- **Purchase price: approx. SEK 6,500m**
- **European market leader in irrigation products**
 - Leading in garden tools, ponds, pumps and electric garden products
- **Complements Group's powered consumer garden products**
- **Significant synergies expected in several areas**
- **Acquisition expected to be completed in Q1 2007**

Acquisition of Komatsu Zenoah outdoor operation

- **Annual sales: approx. SEK 1,200m**
 - Half of sales in Japan
 - Approx. 700 employees
- **Leading producer of portable outdoor products**
 - Brush cutters, chainsaws, trimmers and blowers
 - Market leader in Japan
- **Strengthens Group's position in professional forestry and portable lawn & garden**
 - Good fit, substantial opportunities for synergies
- **Acquisition expected to be completed in early April**

Proposals to AGM

- **Board proposes a dividend of SEK 2.25**
- **Bonus issue of A-shares**
 - Ten existing A- or B-shares will entitle to three new A-shares
 - No. of A-shares will increase by 88,877,745
 - No. of A-shares will increase from 3.2% to 25.5% of capital, and from 24.9% to 77.4% of votes
 - Proposed record date is 16 May 2007
- **Authorization for new share issue**
 - Board proposes AGM to authorize issue of not more than 38.5 million new A- and/or B-shares on one or more occasions
 - Purpose is to facilitate acquisitions where payment would be made in own shares.

Outlook 2007

- Demand in US expected to be weak, while Rest of World expected to be up
- Listings with retailers in both US and Europe improved from previous year
- Increase in raw material prices expected to be more than offset by improved mix and higher cost-efficiency

Factors affecting forward-looking statements

This presentation contains forward-looking statements in the sense referred to in the US 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 upon present expectations and are subject to risks and uncertainties that may give rise to major deviations of 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 of sales by important distributors, any success in developing new products and in marketing, outcome of any product responsibility litigation, progress when it comes to reach the goals set for productivity and efficient use of capital, successful identification of growth opportunities and acquisition objects, and to integrate these into the existing business and successful achievement of goals to make the supply chain more efficient.