



Q2 2010 results presentation
20 July 2010

Highlights Q2 2010

- Demand increased gradually and the quarter had a strong finish
- Adjusted Group EBIT increased 34% - strong performance in most areas
- Europe & Asia/Pacific and Construction increased their market shares
- Significant growth in dealer channel in all markets
- Prices in the trade have remained stable
- Restructuring measures
 - Closure of plants in Beatrice, North America and Athens, Greece - charges of SEK 157m
 - Previously announced measures proceeding according to plan



Strategic initiatives

Brands

- New brand strategy focusing on fewer brands
- Husqvarna, Gardena and McCulloch - global brands
- Further extension of product offering under the Gardena brand

Distribution

- Increased focus on dealer channel sales of branded high-end products in North America and Europe
- Consolidation of sales organizations to drive efficiency

Products

- New products 2010 include; mini rider, walk-behind mowers, Automower 260, trimmers, battery-powered products, power cutters, demolition robots and premium diamond tools
- Consolidation of R&D resources in North America

Production / Supply chain

- Manufacturing footprint changes in line with plan
- New factory in Poland will be inaugurated in December

Financial highlights Q2 2010

SEKm	Q2 2010	Q2 2009	% change, Q2		Jan-Jun 2010	Jan-Jun 2009	% change, H1		LTM ²	Jan-Dec 2009
			As reported	Adjusted			As reported	Adjusted		
Net sales	11,457	11,481	0	5	20,539	22,633	-9	-2	31,980	34,074
Gross margin, %	28.9	27.4	-	-	27.7	25.7	-	-		25.4
EBIT	1,319	1,116	18	34	2,097	1,902	10	11	1,755	1,560
EBIT margin, %	11.5	9.7	-	-	10.2	8.4	-	-	5.5	4.6
EBIT margin ¹ , %	12.9	9.9	-	-	11.2	8.6	-	-	-	-

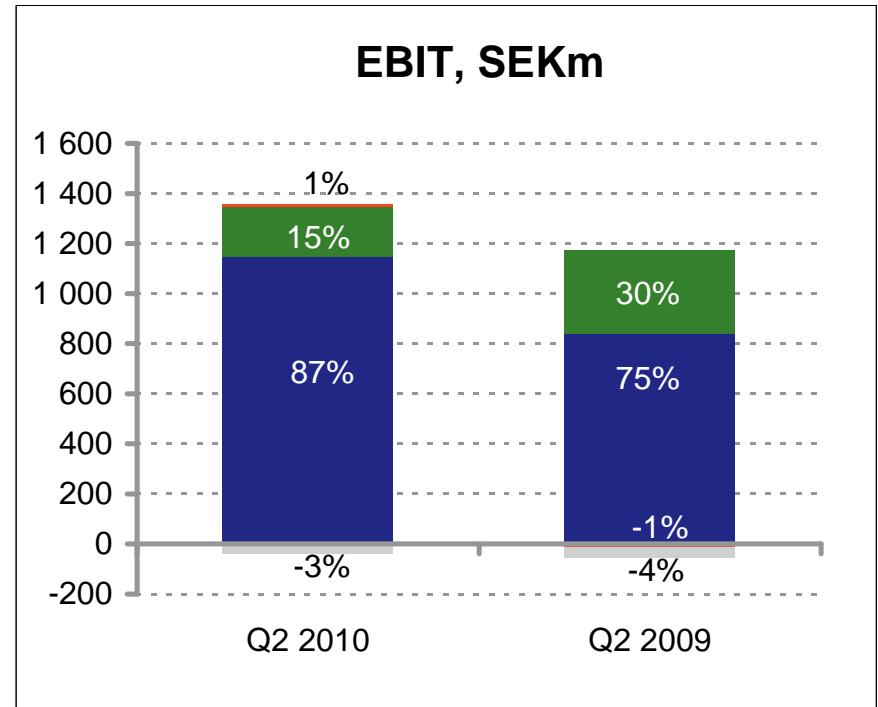
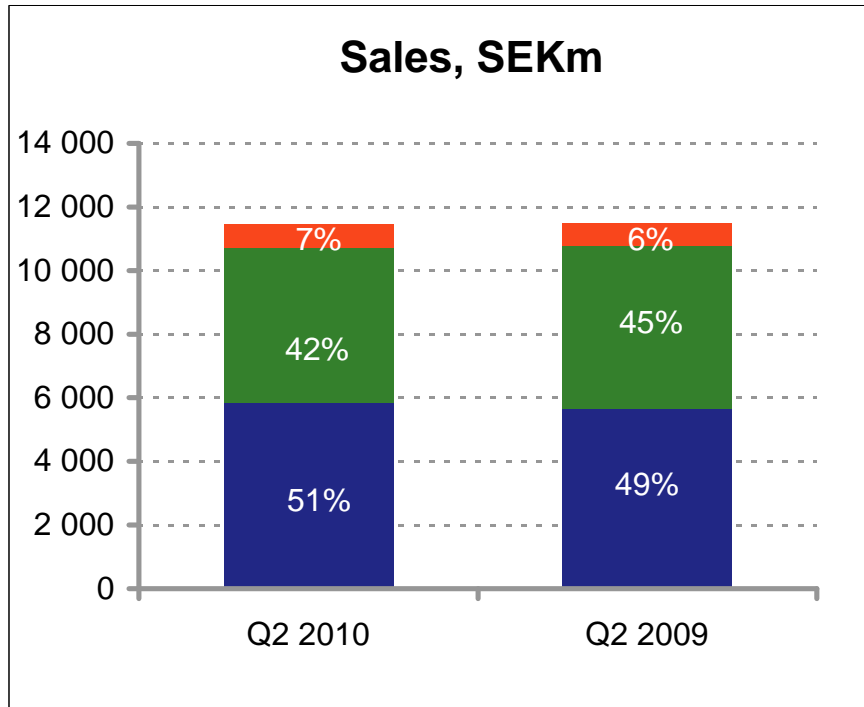
Q2 comments

- Adjusted net sales increased
 - Strong performance in Europe & Asia/Pacific
 - Reduced listings in North America almost compensated by sales to other accounts
 - Stable pricing
- Higher gross margin
- Currency effects slightly negative
- Higher EBIT and EBIT margin
 - Higher sales and production volumes, better mix and lower direct material costs
 - EBIT includes restructuring charges of SEK 157m
 - Higher EBIT and EBIT margin for Europe & Asia/Pacific and Construction
- Lower net debt and improved net debt/equity ratio



¹ Excluding items affecting comparability. ² Last twelve months, as reported.

Sales and EBIT by business area, Q2 2010



Europe & Asia/Pacific

SEKm	Q2 2010	Q2 2009	% change, Q2		Jan-Jun 2010	Jan-Jun 2009	% change, H1		LTM ²	Jan-Dec 2009
			As reported	Adjusted			As reported	Adjusted		
Net sales	5,845	5,639	4	10	10,304	10,673	-3	3	16,225	16,594
EBIT	1,145	840	36	37	1,877	1,514	24	12	1,718	1,355
<i>EBIT margin, %</i>	19.6	14.9	-	-	18.2	14.2	-	-	10.6	8.2
<i>EBIT margin¹, %</i>	19.6	15.2	-	-	18.2	14.7	-	-	-	-

Q2 comments

- Higher sales
 - Significant growth in dealer channel
 - Continued improvement in Eastern Europe
 - Strong performance for all product categories
- Increased market shares
- Successful new product launches; Husqvarna-branded rider and lawn mower range
- Higher EBIT and EBIT margin
 - Higher sales and production volumes and improved mix



¹ Excluding items affecting comparability. ² Last twelve months, as reported.

Americas

SEKm	Q2 2010	Q2 2009	% change, Q2		Jan-Jun 2010	Jan-Jun 2009	% change, H1		LTM ²	Jan-Dec 2009
			As reported	Adjusted			As reported	Adjusted		
Net sales	4,863	5,142	-5	-1	8,891	10,612	-16	-8	13,124	14,845
EBIT	202	332	-39	-1	283	550	-48	-14	225	492
<i>EBIT margin, %</i>	4.2	6.5	-	-	3.2	5.2	-	-	1.7	3.3
<i>EBIT margin¹, %</i>	6.4	6.5	-	-	5.0	5.2	-	-	-	-

Q2 comments

- Slightly lower sales
 - Significant growth in dealer channel, but from low levels
 - Reduced listings almost compensated by sales to other accounts
- Husqvarna brand is gaining market share
- Continued good performance in Canada and Latin America
- Lower EBIT and margin
 - SEK 110m restructuring costs
 - Lower costs for materials and higher production volumes, but increased merchandising and transportation costs

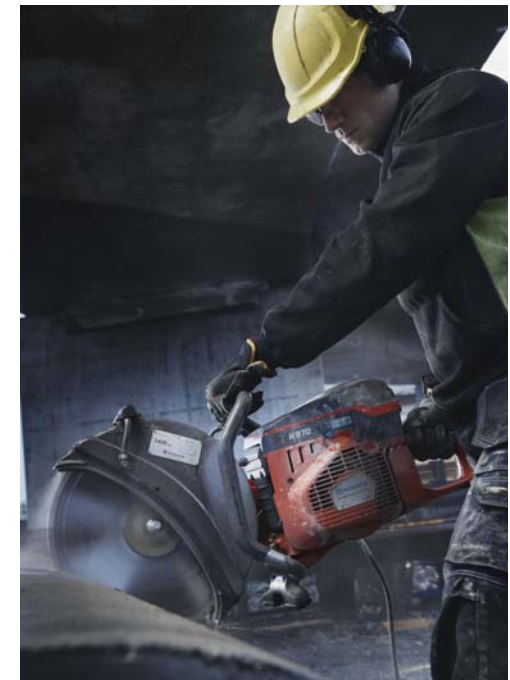


Construction

SEKm			% change, Q2				% change, H1			
	Q2 2010	Q2 2009	As reported	Adjusted	Jan-Jun 2010	Jan-Jun 2009	As reported	Adjusted	LTM ²	Jan-Dec 2009
Net sales	749	700	7	12	1,344	1,348	0	6	2,631	2,635
EBIT	11	-14	n.a.	n.a.	12	-81	n.a.	n.a.	-30	-123
<i>EBIT margin, %</i>	1.5	-2.0	-	-	0.9	-6.0	-	-	-1.1	-4.7
<i>EBIT margin¹, %</i>	7.8	-2.0	-	-	4.4	-6.0	-	-	-	-

Q2 comments

- Demand continued to improve
 - Stimuli packages for infrastructure projects in North America
- Sales increased both in Europe and North America
 - Increased market shares
- Sales to rental companies increased
- New products continued to perform well
- Higher EBIT and improved EBIT margin
 - EBIT includes restructuring costs of SEK 47m
 - Higher sales and production volumes as well as favorable mix



¹ Excluding items affecting comparability. ² Last twelve months, as reported.

Restructuring update

Charges 2008 - 2010

By business area

Europe and Asia/Pacific	Americas	Construction	Total
453	234	238	925

Investments 2010 - 2011

By business area

Europe and Asia/Pacific	Americas	Construction	Total
280	100	20	400

Savings 2010

By business area

Europe and Asia/Pacific	Americas	Construction	Total
274	44	182	500

Savings* 2012-

By business area

Europe and Asia/Pacific	Americas	Construction	Total
445	235	230	910

**Savings will increase gradually and reach SEK 910m annually as of Q1 2012*

* Includes restructuring charges for closure of the plants in Beatrice (lawn and garden equipment), and Athens (construction equipment), announced in 2010.

Outlook for Q3 2010

Inventories in the trade of the Group's products at the end of the second quarter are estimated to be slightly lower than a year ago in the dealer channel and approximately on the same level in the retail channel. End-user demand has increased in most markets compared to the preceding season, but the trade is still reluctant to build inventory. The positive development in Europe & Asia/Pacific and for Construction is expected to continue. For the Americas, shipments are not expected to exceed last year's numbers. For garden products, the season normally ends towards the end of the third quarter.

In total, Group shipments in the third quarter of 2010 are expected to be slightly higher than in the third quarter of 2009.



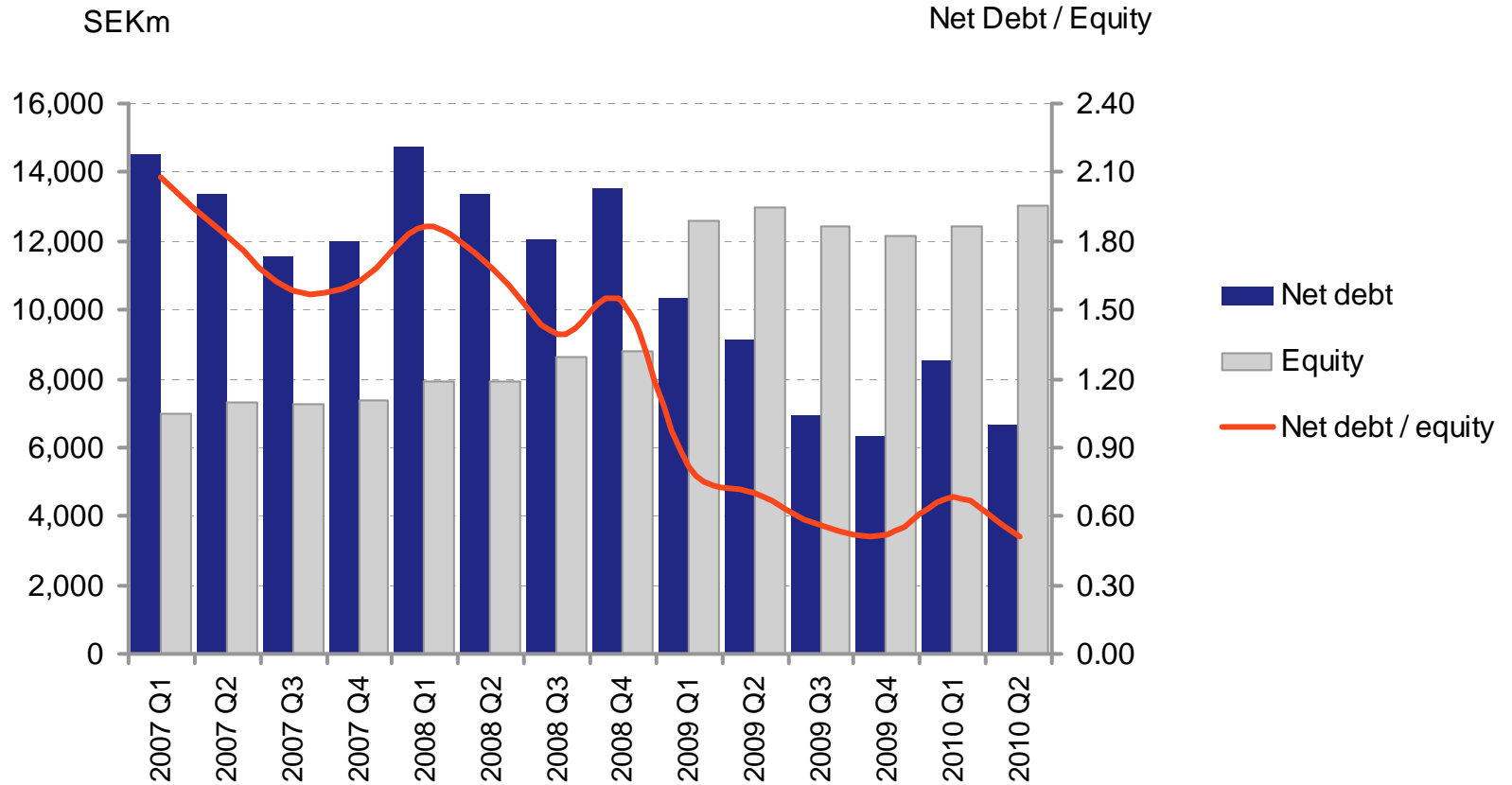
Income statement, Group

SEKm	Q2 2010	Q2 2009	Jan-Jun 2010	Jan-Jun 2009	Jan-Dec 2009
Net sales	11,457	11,481	20,539	22,633	34,074
Cost of goods sold	-8,145	-8,330	-14,842	-16,815	-25,423
Gross operating income	3,312	3,151	5,697	5,818	8,651
<i>Margin, %</i>	28.9	27.4	27.7	25.7	25.4
Selling expense	-1,574	-1,661	-2,851	-3,170	-5,547
Administrative expense	-420	-374	-749	-748	-1,541
Other operating income/expense	1	0	0	2	-3
Operating income¹	1,319	1,116	2,097	1,902	1,560
<i>Margin, %</i>	11.5	9.7	10.2	8.4	4.6
Financial items, net	-69	-172	-157	-368	-466
Income after financial items	1,250	944	1,940	1,534	1,094
<i>Margin, %</i>	10.9	8.2	9.4	6.8	3.2
Taxes	-314	-183	-469	-309	-191
Income for the period	936	761	1,471	1,225	903
Basic earnings per share, SEK	1.62	1.35	2.54	2.33	1.64
Diluted earnings per share, SEK	1.62	1.35	2.54	2.33	1.64
¹ Of which depreciation, amortization and impairment	-341	-336	-636	-688	-1,500

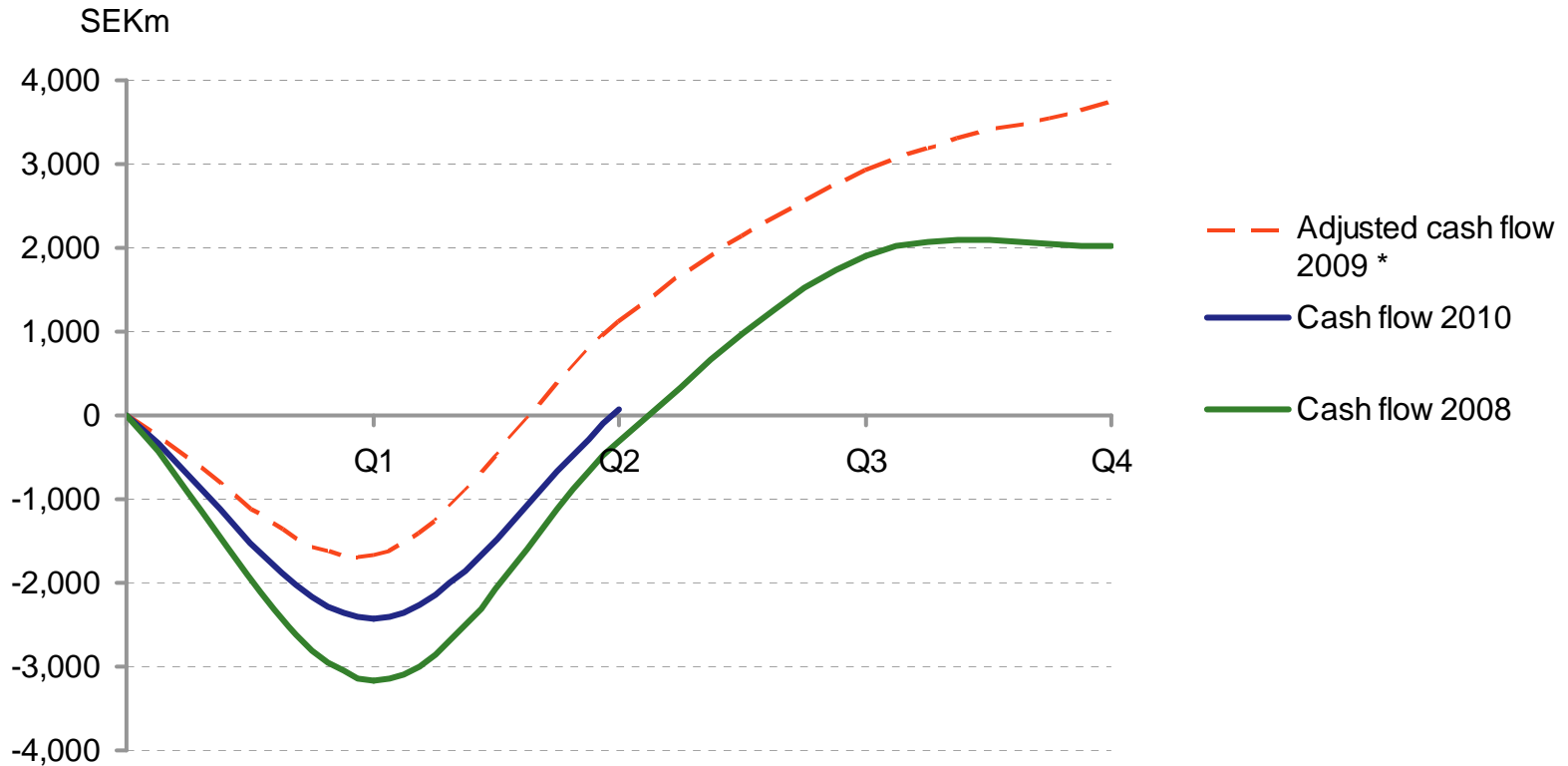
Consolidated balance sheet

SEKm	30 Jun 2010	30 Jun 2009	31 Dec 2009
Non-current assets	15,929	17,411	16,182
Inventories	6,769	6,979	6,706
Trade receivables	7,198	6,678	3,385
Other current assets	871	953	1,211
Liquid funds	3,893	3,792	2,745
Total assets	34,660	35,813	30,229
Total equity	13,079	13,003	12,126
Interest-bearing liabilities	10,525	12,929	9,094
Provisions	4,250	3,998	4,067
Trade payables	3,992	3,078	2,854
Other current liabilities	2,814	2,805	2,088
Total equity and liabilities	34,660	35,813	30,229

Net debt and equity



Operating cash flow



* Excluding sale of trade receivables in 2009

Key figures

	Q2 2010	Q2 2009	Jan-Jun 2010	Jan-Jun 2009	Jan-Dec 2009
Net sales, SEKm	11,457	11,481	20,539	22,633	34,074
Operating income, SEKm	1,319	1,116	2,097	1,902	1,560
Gross margin, %	28.9	27.4	27.7	25.7	25.4
Operating margin, %	11.5	9.7	10.2	8.4	4.6
Working capital, SEKm	5,720	6,524	5,720	6,524	4,163
Return on capital employed, %	-	-	7.8	7.5	6.6
Return on equity, %	-	-	9.1	9.4	7.5
Earnings per share, SEK	1.62	1.35	2.54	2.33	1.64
Capital-turnover rate, times	-	-	1.6	1.6	1.6
Operating cash flow, SEKm	2,503	811	72	1,525	3,737
Net debt/equity ratio	-	-	0.51	0.70	0.52
Capital expenditure, SEKm	341	212	548	436	914
Average number of employees	16,038	16,707	15,648	16,606	15,030

Summary Q2 2010

- Activity increased gradually during the quarter - strong performance in June
- Adjusted Group EBIT increased 34% - strong performance in most markets
- Market share gains in Europe and for Construction
- Significant sales growth in dealer channel
- Lower net debt
- Group shipments in Q3 2010 estimated to be slightly higher than in Q3 2009



Husqvarna



Appendix

Factors affecting forward-looking statements

This presentation contains forward-looking statements that reflect management's current views with respect to certain future events and potential financial performance. Although Husqvarna believes that the expectations reflected in such forward looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of various factors.

Important factors that may cause such a difference for Husqvarna include, but are not limited to: (i) the macroeconomic development, (ii) change in the competitive climate and (iii) change in interest rate level.

This presentation does not imply that Husqvarna has undertaken to revise these forward-looking statements, beyond what is required by applicable law or applicable stock exchange regulations if and when circumstances arise that will lead to changes compared to the date when these statements were provided.