

Q3 results 2006

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Sales and Earnings

SEKm	Third quarter					First nine months ¹⁾			
	2006	% of sales	2005	Change %	Adj. change ²⁾	2006	2005	Change %	Adj. change ²⁾
Net sales	5,392		6,158	-12%	-8%	24,863	23,768	5%	2%
Gross operating income	1,612	29.9%	1,722	-6%		6,462	6,109	6%	
EBIT	571	10.6%	624	-9%	-5%	2,775	2,600	7%	5%
Income after fin. items	467	8.7%	516	-10%	-	2,413	2,212	9%	-
Income for the period	322	6.0%	346	-7%	-	1,665	1,482	12%	-

¹⁾ Pro forma

²⁾ In comparable currencies

Consumer Products, Q3 2006

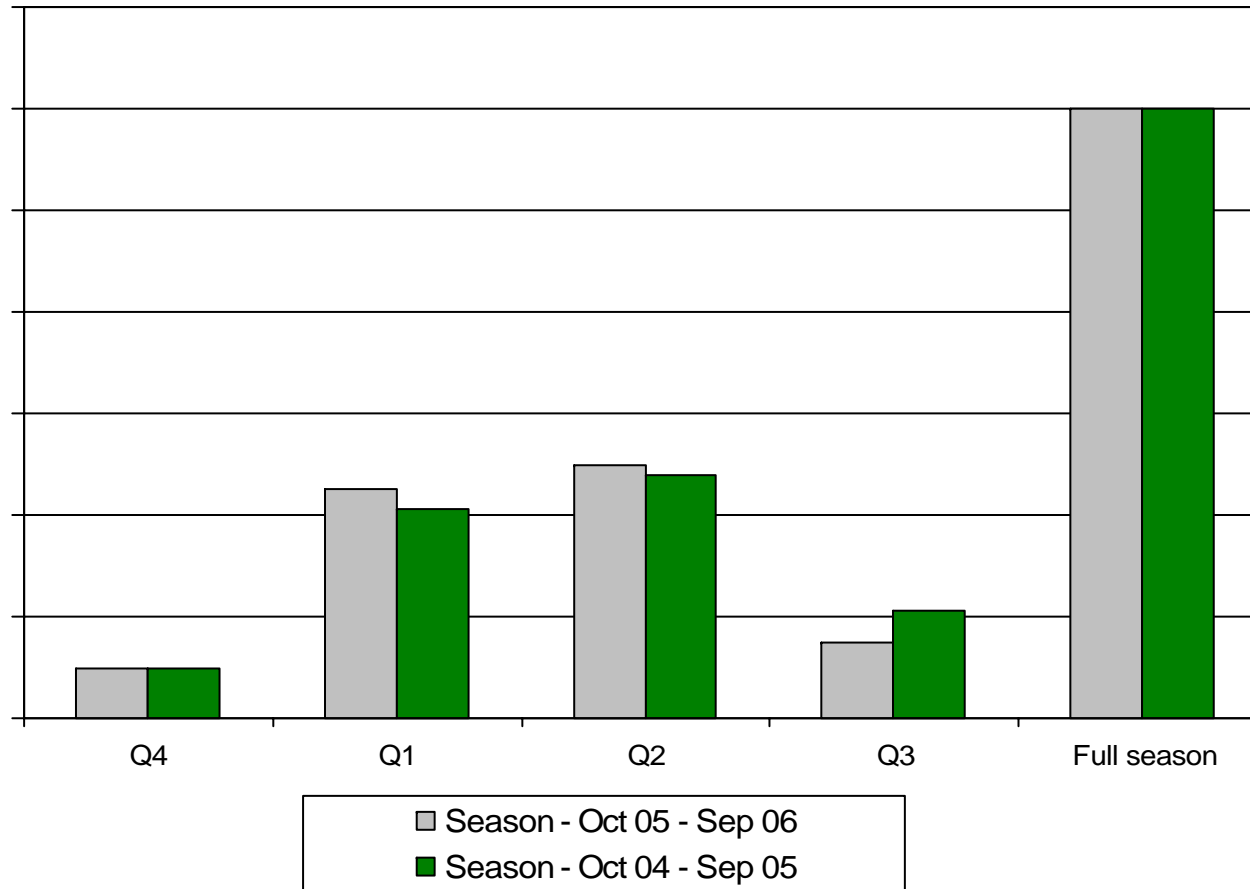
- **Sales of garden products flat YTD, substantial downturn in quarter**
-Decline refers mainly to North America
- **Considerable inventory reductions by retailers in quarter, mainly US**
- **Operating margin up in US, down in Europe**
-Mix and cost efficiencies in US
-Lower production volumes in Europe

SEKm	Q3	Change	9M	Change
Sales	2,774	-23%	16,307	3%
EBIT	164	-14%	1,401	8%
<i>Margin</i>	<i>5.9%</i>		<i>8.6%</i>	
<i>In comparable currencies</i>				
Sales		-17%		0%
EBIT		-2%		5%



Group sales of consumer lawn & garden products, North America

Currency adjusted



Professional Products, Q3 2006

- **Forestry**

- Higher sales
- Operating margin somewhat down due to higher proportion of sales referring to accessories

- **Commercial Lawn & Garden**

- Strong sales growth
- Operating income and margin down due to costs for integration of Dixon acquisition

- **Construction**

- Sales somewhat down in SEK
- Operating margin improved as a result of previous restructuring

SEKm	Q3	Change	9M	Change
Sales	2,618	2%	8,556	8%
EBIT	447	-6%	1,478	5%
<i>Margin</i>	<i>17.1%</i>		<i>17.3%</i>	
<i>In comparable currencies</i>				
Sales		5%		6%
EBIT		-5%		4%

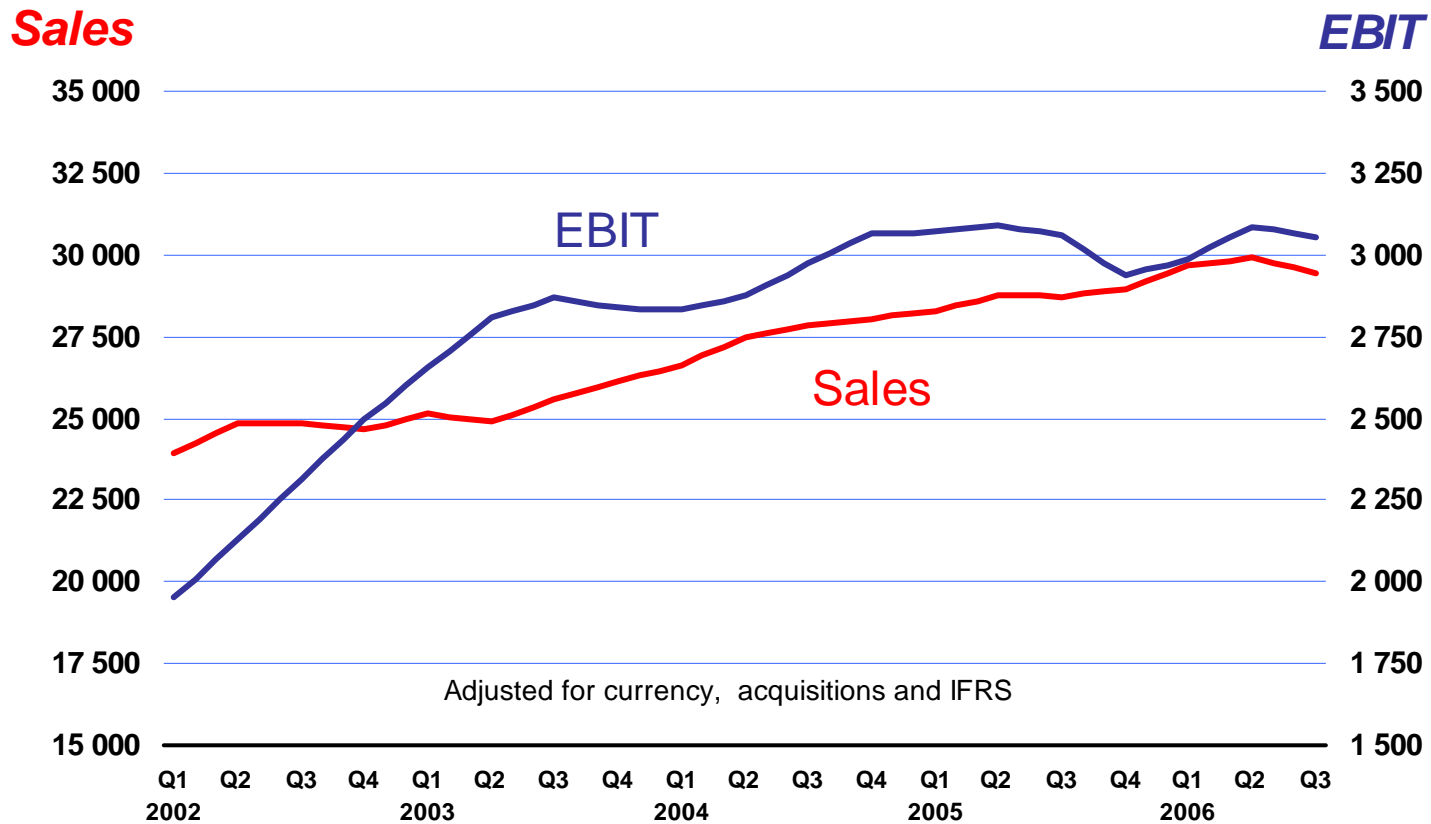


Acquisition of Komatsu Zenoah outdoor operation

- **Annual sales of approximately 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
- **Due diligence started, acquisition expected to be completed by Q1 2007**

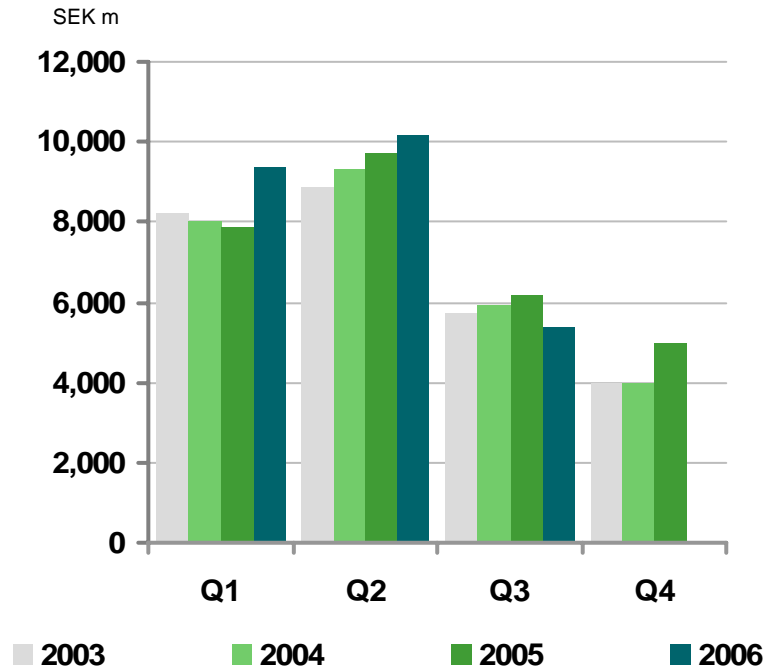
Sales and EBIT

12-month figures, SEKm

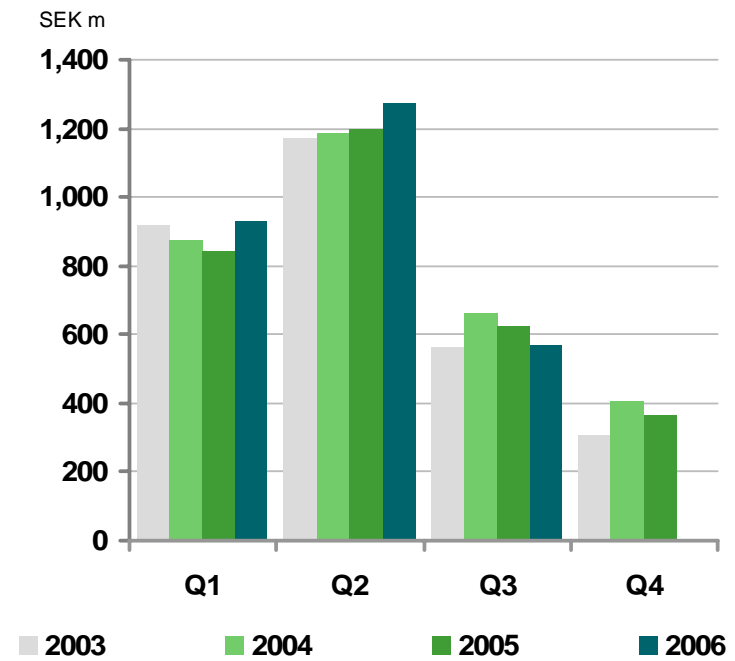


Seasonality

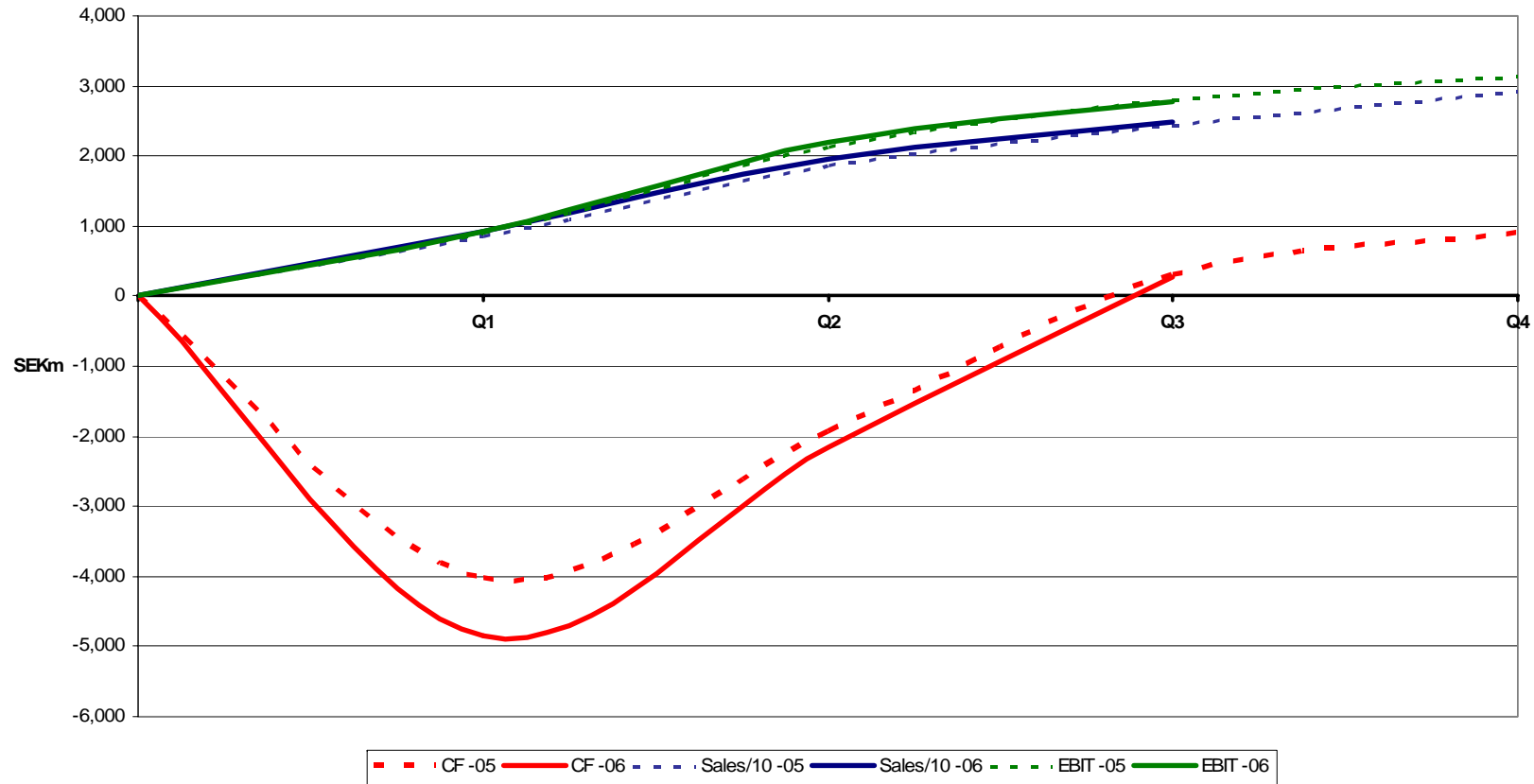
Net Sales



Operating Profit



Sales, EBIT and operating cash flow* 2005 - 2006



*Total cash flow from operations and investments excl. acquisitions

Balance sheet

SEKm	Sept 30 2006	Sept 30 2005	Dec 31 2005
Non-current assets	6,980	6,735	6,959
Inventories	4,428	4,759	6,264
Trade receivables	4,321	4,615	3,325
Other current assets	573	648	596
Liquid funds	773	1,087	1,104
Total assets	17,075	17,844	18,248
Total equity	6,279	4,600	4,717
Int. bearing liab.	5,452	6,684	6,404
Provisions	1,479	1,725	1,473
Accounts payables	2,004	2,928	4,222
Other current liabilities	1,861	1,907	1,432
Tot equity and liab	17,075	17,844	18,248

Key ratios

	Third quarter 2006	Third quarter 2005	Jan - Sept 2006	Jan - Sept 2005
Return on capital employed, % 1)	-	-	23.4	25.3
Return on equity, % 1)	-	-	34.0	45.0
Interest coverage ratio, times	6.7	5.6	7.0	6.5
Net borrowings, SEKm	-	-	4,679	5,597
Net debt/equity	-	-	0.75	1.22
Earnings per share, SEK	1.09	1.17	5.62	5.00

1) Calculated on rolling 12 months

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.