

STOCKHOLM--([BUSINESS WIRE](#))--Regulatory News:

Husqvarna AB (STO:HUSQB):

Kai Wörn, President and CEO:

“The good sales momentum from the end of the second quarter held up well over the third quarter. Demand in both Europe and North America was supported by favorable weather conditions and a delayed garden season. Group sales for Europe & Asia/Pacific increased 8%, Americas 20% and Construction 6%, adjusted for changes in exchange rates.

Group operating income for the third quarter was largely on the same level as prior year. A positive development for Europe & Asia/Pacific was offset by a decline for Americas, as the majority of the strong sales growth in North America referred to low margin consumer products in the retail channel. In addition, operating income was impacted by inefficiencies in the supply chain, caused by inability to benefit from scale.

Cash flow for the quarter had a strong development, driven by continued working capital initiatives related to right sized inventory levels.

Although we see positive signs in our work towards our strategic goals, there is a need to further accelerate and broaden the scope for ongoing programs to reduce product cost and business complexity. From a top-line perspective, we will focus resources on our core premium brands Husqvarna and Gardena and product leadership areas like professional handheld, robotic mowers and watering. Additionally, we will review how to further differentiate the dealer and retail business models which we see as a key measure to drive margin recovery, especially in the U.S.”

Third quarter

· Net sales amounted to SEK 6,349m (5,841). Adjusted for exchange rate effects, net sales increased 12%.

· Operating income amounted to SEK 206m (197).

· Continued strong operating cash flow amounting to SEK 2,001m (1,503).

· Net debt/equity ratio improved to 0.57 (0.68).

· Earnings per share decreased to SEK 0.16 (0.19).

Telephone conference

A combined press and telephone conference, hosted by Kai Wörn, President and CEO, and Ulf Liljedahl, CFO, will be held at Husqvarna's office on Regeringsgatan 28 in Stockholm at 10:00 CET on October 24, 2013. To participate by phone, please dial +46 (0) 8 5052 0110 (Sweden) or +44 (0)20 7162 0077 (UK) ten minutes prior to the start of the conference. The conference call will also be audio cast live on www.husqvarnagroup.com/ir. A replay will be available at www.husqvarnagroup.com/ir later the same day.

Husqvarna Group

Husqvarna Group is the world's largest producer of outdoor power products including

robotic lawn mowers, garden tractors, chainsaws and trimmers. 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 Group's products and solutions are sold via dealers and retailers to both consumers and professional users in more than 100 countries. Net sales in 2012 amounted to SEK 31 billion, and the Group had 15,400 employees on average in more than 40 countries.

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 08:00 CET on October 24, 2013.

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