



## Press release

Stockholm, 27 May 2010

### Consolidation of production in North America

Husqvarna has previously communicated its intention to implement a number of structural changes in order to improve efficiency and reduce costs. In line with these changes, Husqvarna has decided to close the plant in Beatrice, Nebraska, and transfer production to the plant in Orangeburg, South Carolina.

The closure and transfer will be implemented in the second half of 2010. The cost for the measures is estimated at approximately SEK 110m, whereof cash items amount to approximately SEK 70m, which will be charged to income in the second quarter of 2010. Annual savings from the measures are expected to amount to approximately SEK 40m and will be generated gradually from the start of 2011 with full effect as of 2012.

The Beatrice plant assembles mainly Zero Turn Radius lawn mowers. The factory in Orangeburg manufactures similar products including riding garden tractors and tillers.

Together with an earlier announcement to close a factory in Greece, operating income in the second quarter of 2010 will be charged with restructuring costs totaling SEK 160m. The total annual savings from the measures are estimated at approximately SEK 60m and will be generated gradually from the start of 2011 with full effect as of 2012.

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The Husqvarna Group is the world's largest producer of outdoor power products including chainsaws, trimmers, lawn mowers and garden tractors. It is the European leader in consumer irrigation equipment under the Gardena brand. The Group is also one of the world leaders in cutting equipment and diamond tools for the construction and stone industries. Net sales in 2009 were SEK 34 billion and the average number of employees was 15,000.

*The above information has been made public in accordance with the Securities Market Act and/or the Financial Instruments Trading Act. The information was published at 18:30 on 27 May 2010.*