

Press release

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Husqvarna signs agreement for acquisition of Jenn Feng outdoor products operation

Husqvarna has signed an agreement with Jenn Feng Co., Ltd. for acquisition of the company's operation in outdoor products.

Jenn Feng, a listed Taiwanese company, is a leading producer of chainsaws and trimmers for the consumer market. The product offering also comprises lawn mowers, high-pressure washers and generators.

In 2007 the operation to be acquired reported sales of approximately USD 120m (approx. SEK 800m), of which more than half referred to Europe. Chainsaws accounted for 50% of sales. The company has about 1,250 employees, and production is mainly based in China.

The acquisition gives the Husqvarna Group a greater presence as well as a wider manufacturing base in Asia. It also gives Husqvarna access to the McCulloch® brand in the North American market. Husqvarna already owns the rights to this brand in Rest of the world.

The acquisition is scheduled for completion in the second quarter of 2008, subject to approval by the relevant authorities and the Annual General Meeting to be held by the Jenn Feng Co., Ltd.

"Jenn Feng products will complement the Husqvarna range of handheld outdoor products for the consumer market, says President and CEO Bengt Andersson. The operation is a very good fit with Husqvarna, and offers substantial opportunities for increasing sales of Jenn Feng products through our global sales organization. McCulloch® is a well-known brand that will be a good complement to our other brands in North America".

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Husqvarna is the world's largest producer of lawn mowers, chainsaws and portable petrol-powered garden equipment such as trimmers and blowers. The Group is also a world leader in diamond tools and cutting equipment for the construction and stone industries. Net sales in 2007 were SEK 33.3 billion and the average number of employees was 16,000.