

Press release

Stockholm June 13, 2014

Husqvarna Group launches new brand driven organization

Husqvarna Group will establish a new organization for its forest and garden operations which follows the brand dimension with a global profit and loss responsibility. The Construction division will continue in its current form. The new organization will gradually be implemented and fully effective as of January 1, 2015. Implementation costs and redundancies will be limited.

“The brand dimension of the new organization allows differentiating the three business models, each with their own distinct end customer target groups, strategy and offering - and aligning them with the associated operational resources and required leadership structure. Priorities will be simplified and responsibilities will be clear, thus achieving accountability and faster decision making. Important synergies will still be secured e.g. in sourcing, logistics and technology.” says Kai Wörn, President and CEO of Husqvarna Group.

The forest and garden operations will be organized in three global brand divisions representing three different business models;

- **Husqvarna** (including Zenoah), which are dealer channel centric brands that enjoy strong recognition across many different forest and garden product segments, primarily for professionals and demanding consumers. Net sales for the division in 2013 represented approximately 52% of Group net sales. The division will be headed by Pavel Hajman, who joined the Group on June 1.
- **Gardena**, which is a retail centric brand with strong “must have” recognition in the consumer watering segment. Net sales for the division in 2013 represented approximately 13% of Group net sales. The division will be headed by Sascha Menges, currently Head of Manufacturing and Logistics.
- **Consumer Brands**. This division includes all other Group brands, such as PoulanPro, McCulloch and Flymo. Net sales for the division in 2013 represented approximately 25% of Group net sales. The division will be headed by Alan Shaw, currently Head of Americas.

The divisions will have global profit & loss, cash flow and balance sheet responsibility. Most operational activities will primarily be organized within the divisions. To secure synergies and strategic alignment across the Group a **Group Operations** division will be established. Group Operations will be headed by Valentin Dahlhaus, currently VP Demand and Supply Chain Management. To further secure synergies and strategic alignment, global staff functions such as Business Development and Technology Office will also be established.

The **Construction** division, which represents around 10% of Group net sales, will not be impacted by the organizational changes in the forest and garden operations. Construction will continue under the leadership of Anders Ströby.

External business area reporting

In the Group's external financial reporting, the segment reporting will comprise four divisions; the three forest and garden divisions Husqvarna, Gardena and Consumer Brands, and the Construction division, as of January 1, 2015.

The new organization results in new cash generating units, which potentially creates a need for impairment of intangible assets. Any consequences will be communicated when known.

Group Management composition

Following the introduction of the new organization, Group Management will comprise:

Kai Wörn, President and CEO;

Ulf Liljedahl, CFO, Head of Group Staff Finance, IT and Investor Relations;

Pavel Hajman, President of Husqvarna Division (joined the Group June 1 as previously communicated);

Sascha Menges, President of Gardena Division (previously Head of Manufacturing & Logistics);

Alan Shaw, President of Consumer Brands Division (previously Head of Americas);

Anders Ströby, President of Construction Division;

Per Ericson, Head of Group Staff People & Organization and Communication;

Olle Wallén, Head of Group Staff Legal Affairs;

Pär Åström, Head of Business Development (previously not included in Group Management);

Valentin Dahlhaus, Head of Group Operations (previously VP Demand and Supply Chain Management and previously not included in Group Management);

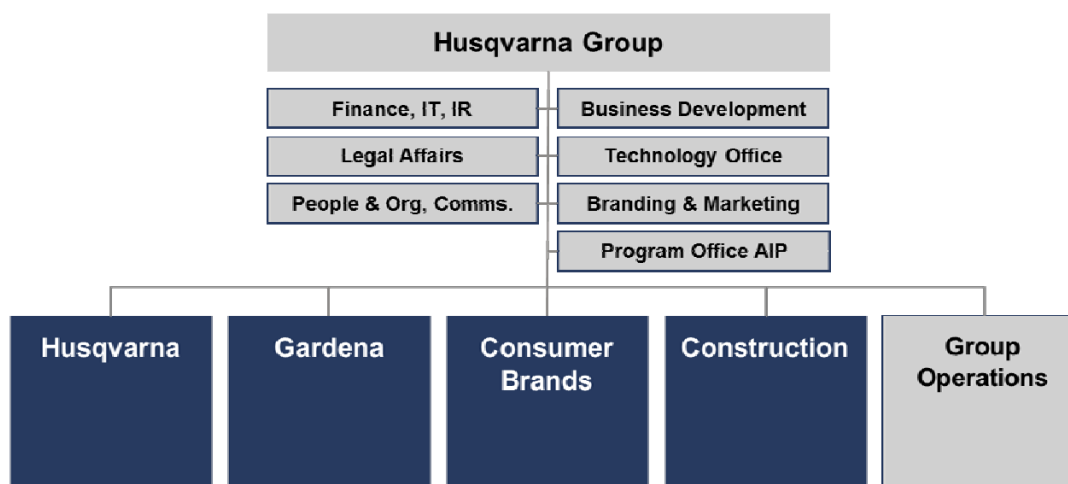
Henric Andersson, Head of Technology Office (previously Head of Product Management & Development);

Frida Norrbom Sams, Head of Strategic Sales Initiatives (previously Head of EMEA);

Sofia Axelsson, Head of Group Branding and Marketing (previously not included in Group Management);

Francesco Franzé, Head of Program Office Accelerated Improvement Program (previously not included in Group Management).

The new organization as of January 1, 2015



Invitation to conference call at 11:00 CET

A conference call for media, investors and analysts with President and CEO Kai Wärn will be held at 11:00 CET on June 13. Participants should call +44 (0)20 7162 0077 or +46 (0)8 5052 0110 (Conference ID 945619) ten minutes prior to the start to connect to the conference.

Further details will be communicated in the Group's interim report for the second quarter 2014, which will be published on July 16, as well as at the Group's capital market day on September 25.

For additional information, please contact

+46 8 738 90 80 or press@husqvarnagroup.com

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 08:30 on June 13, 2014.

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 2013 amounted to SEK 30 billion, and the Group had 14,000 employees on average in more than 40 countries.