



## Annual General Meeting of Alfa Laval AB (publ)

**The shareholders in Alfa Laval AB (publ) are herewith summoned to the Annual General Meeting on Tuesday, April 27, 2005 at 4.00 p.m. at Scandic Hotel Star, Glimmervägen 5, Lund, Sweden. Registration for the Meeting will commence at 3.30 p.m. Refreshments will be served after the Meeting.**

### **Program for shareholders**

In conjunction with the Annual General Meeting there will be an opportunity to view production of plate heat exchangers at the plant in Lund. The tour begins with a gathering at the Star Hotel in Lund not later than 1:30 p.m. Buses will transport visitors to the production facility and then back to the Annual General Meeting. The number of participants in the tour is limited and registration to participate in the tour must be made in conjunction with notification to participate in the Meeting.

1:30 p.m. Bus departs Star Hotel to Alfa Laval's production facility in Lund

3:00 p.m. Refreshments served prior to Annual General Meeting

3:30 p.m. Registration begins

4:00 p.m. Meeting opens

### **Right to participate**

Shareholders who wish to participate at the general meeting must

- be registered in the share register maintained by VPC AB (Swedish Securities Register Center) on Friday, April 15, 2005,
- notify their participation to Alfa Laval AB not later than Thursday, April 21, 2005 at 12.00 noon.

Shareholders, whose shares are registered in the name of a nominee, must also temporarily re-register their shares in their own name with VPC AB to be entitled to participate in the Meeting. Such temporary ownership re-registration must be carried out not later than Friday, April 15, 2005. This means that shareholders must inform the nominee in sufficient time prior to that date.

### **Notification**

Notice of participation at the Meeting may be given

- by mail to: Alfa Laval AB, Corporate Legal, P.O. Box 73, SE-221 00 LUND, Sweden,
- by e-mail to: [bolagsstamma.lund@alfalaval.com](mailto:bolagsstamma.lund@alfalaval.com),
- by fax: +46 (0)46-36 71 87,
- on the website: [www.alfalaval.com](http://www.alfalaval.com), or
- by telephone: +46 (0)46-36 72 22, +46 (0)46-36 65 26 or +46 (0)46-36 65 00

The notification shall state name, personal registration or corporate registration number, address and telephone number, together with possible assistants (however, maximum of two). Notification should also include request to participate in the tour of the production facility. Proxies for shareholders shall attach written and dated power of attorney, which at the time of the Meeting cannot be older than one year. Proxies or representatives for legal entities shall, in addition, attach a registration certificate. Power of attorney and registration certificate, if any, shall be sent to Alfa Laval AB in conjunction with the notification. As confirmation of the notification Alfa Laval AB will send an entrance card, which shall be displayed at registration.

### **Proposed agenda**

1. Opening of the Meeting.
2. Election of the Chairman of the Meeting.
3. Preparation and approval of the voting list.
4. Approval of the agenda for the Meeting.
5. Election of one or two persons to verify the minutes.
6. Determination of whether the Meeting has been properly convened.
7. Statement by the President.
8. Report on the work of the Board, including the Remuneration Committee's work and the Board's intention to establish an Audit Committee.
9. Presentation of the annual report, the auditors' report and the consolidated annual report and the auditors' report on the consolidated annual report.

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#### 10. Motions

- (a) regarding adoption of the profit and loss account and the balance sheet, the consolidated profit and loss account, and the consolidated balance sheet;
  - (b) regarding disposition of the Company's profit according to the adopted balance sheet, and record date for dividend;
  - (c) regarding discharge from liability of the Board members and the President.
11. Report on the work of the Election committee.
12. Determination of the number of directors and deputy directors.
13. Determination of compensation to the Board of Directors and the auditors.
14. Election of directors and of deputy directors of the Board.
15. Proposal regarding decision to reduce the share premium reserve.
16. Proposal regarding decision on establishing the Election Committee and the criteria for appointing the Chairman and members of the Election Committee.
17. Other issues to be dealt with at the Meeting in accordance with the Swedish Companies Act or the Articles of Association.
18. Closing of the Meeting.

#### Proposals for resolutions

##### *Point 2*

The Election Committee proposes that Attorney Bertil Villard be appointed Chairman of the Meeting.

##### *Point 10 (b)*

The Board of Directors proposes that the dividend for 2004 shall be SEK 4.75 per share. Monday, May 2, 2005 is proposed as the record date to receive the dividend. If the Annual General Meeting decides in accordance with this proposal, payment of the dividend is expected to occur through VPC AB on Friday, May 6, 2005.

##### *Points 12-14*

The Election Committee's proposal is as follows:

*Point 12:* The members of the Board of Directors elected by the Meeting shall be eight. No deputies are proposed.

*Point 13:* Compensation to the Board of Directors shall be SEK 2,625,000 to be distributed to the members elected by the Annual General Meeting who are not employed by the Company, as follows:

- Chairman, SEK 675.000
- Other members, SEK 275.000
- Supplement for Chairman of audit committee, SEK 100.000
- Supplement for members of audit committee, SEK 50.000
- Supplement to member of remuneration committee, SEK 50.000

Compensation to the auditors shall be paid in accordance with the current agreement.

*Point 14:* Re-election of the Board members Lena Olving, Gunilla Berg, Anders Narvingar, Finn Rausing, Jörn Rausing and Waldemar Schmidt. Björn Savén and Christian Salamon have declined re-election.

New election is proposed of Lars Renström and Björn Hägglund. Lars Renström, born 1951, is President of the Company and Board member of ProfilGruppen AB. Björn Hägglund, born 1945, is Deputy CEO of Stora Enso.

The Election Committee proposes that Anders Narvingar be appointed Chairman of the Board.

##### *Point 15*

The Board proposes that the Meeting resolve to reduce the share premium reserve by SEK 1,500,000,000, from SEK 2,769,819,376 to SEK 1,269,819,376, to be allocated to reserves for use in accordance with decision by a General Meeting. The reduction decision is conditional upon court approval.

##### *Point 16*

The Annual General Meeting in 2004 decided to establish a nomination committee (now referred to as Election Committee) to prepare and present proposals for the shareholders at the Annual General Meeting regarding the election of the Board members and, when applicable, auditors, and the fees to be paid to the Board and auditors. With the aim of complying with the Swedish Code for Corporate Governance regarding nominations, a group of shareholders who combined represent approximately 31% of the total share capital

and number of votes has proposed that the Meeting decide the following:

**that** there shall be a Election Committee to prepare and make proposals to the Annual General Meeting regarding the election of the Chairman of the Annual General Meeting, Chairman of the Board, Board members and, if applicable, auditors, as well as the Board and auditor fees.

**that** the Election Committee comprise five members, which shall be the representatives of the five largest shareholders at the close of the third quarter. The majority of the Election Committee members shall not be Board members. Members of the Election Committee shall be appointed as follows. The Chairman of the Board shall at the end of the third quarter contact the five largest shareholders in the Company, which then have the right to appoint the members to the Election Committee. In addition, the Election Committee may decide that the Chairman of the Board shall be a member of the Committee. If any of these five shareholders declines the right to appoint a member to the Committee, the next shareholder in terms of size is offered the opportunity to appoint a member to the Committee. If several shareholders decline the right to appoint members to the committee, there is no obligation to ask more than eight of the largest shareholders, if this is not required in order for the Committee to comprise at least three members. If a member resigns from the Election Committee before its work is completed, the shareholder who appointed the member has the right to appoint a replacement. The Committee should be chaired by an owner representative. The Chairman of the Board or any member of the Board shall not be appointed as Chairman of the Committee. The Chairman of the Board shall, as part of the Election Committee's work, ensure that the Election Committee is informed about the Board's work and need for specific competence and other circumstances that could be of importance for the Election Committee. Individual shareholders shall be entitled to submit proposals for Board members to the Election Committee for further evaluation within the framework of their work.

**that** information about the composition of the Election Committee be announced publicly in the Company's third-quarter interim report and on the Company's website not later than six months prior to the Annual General Meeting.

**that** the Election Committee shall be entitled to charge the Company the costs of recruiting consultants if this is considered necessary to gain a suitable selection of Board candidates, and

**that** the Election Committee shall report on its work to the Annual General Meeting.

#### **Available documents**

The Annual Report and auditors' report and the complete proposal for the decision in accordance with Point 15 will be held available for shareholders at Alfa Laval AB as of April 13, 2005. Copies of the documents will be sent to shareholders requesting such documents and stating their postal addresses. In addition, the documentaion will be available as of the above date on the Company's website.

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Lund, March 2005  
Alfa Laval AB (publ)

*The Board of Directors*

#### **Right to have matters addressed at Annual General Meeting**

In accordance with the Swedish Companies Act, a shareholder has the right under certain conditions to have a matter dealt with at a General Meeting of shareholders. One condition is that the shareholder has notified the Board of Directors in writing within a certain time frame.

A matter is an issue that is relevant to the company and is within the limits of the Meeting's competence and which may be the object for decision by a General Meeting. A request for information is not a matter, nor does the law give the shareholder the right to make only general statements at the Meeting.

With regard to the time frame, the following is prescribed in Chapter 9, 11§, second paragraph in the Act:

"The matter shall be dealt with at the Meeting, if the request was received by the Board of Directors

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1. not later than one week prior to the time when in accordance with 13§ the notice convening the Meeting must be issued at the earliest
2. after the time stated in 1, but early enough to include the matter in the notice convening the Meeting.”

In accordance with the Swedish Companies Act, Chapter 9, 13§, first paragraph (referred to above in point 1) the notice convening the Annual General Meeting must be issued not earlier than six weeks prior to the Meeting. Alfa Laval AB's Annual General Meeting 2005 will be held on April 27 and, accordingly, the notice may be issued at the earliest on March 16, 2005. Therefore, pursuant to the provision in point 1 above, a request from a shareholder to have a matter dealt with at the Annual General Meeting 2005 shall be presented to the Board not later than March 9, 2005.

In accordance with the provision in point 2 above, a matter shall also be accepted if a request has been received by the Board after the time stated in point 1, if the matter was received in sufficient time to be included in the notice convening the Meeting. In accordance with the preparatory work in drafting the Act, a benchmark for exchange-listed companies would be about one week prior to the planned issue of the notice. Accordingly, since Alfa Laval AB plans to publish the convening notice for the Annual General Meeting on March 23, 2005, a request to have a matter dealt with at the Annual General Meeting 2005 may also be presented to the Board of Directors later than March 9, 2005, but not later than March 16, 2005, however.

The request must be sent to the Board of Directors of Alfa Laval AB, but addressed to:  
Alfa Laval AB  
Chief Counsel Johan Ahlgren  
Box 73  
SE-221 00 Lund  
SWEDEN