\textit{N.B. The English text is an unofficial translation. In case of any discrepancies between the Swedish text and the English translation the Swedish text shall prevail.}

\textbf{Item 18}
\textbf{Board proposal for a resolution on authorisation for the Board of Directors to decide on the acquisition of shares in the company}

The Board of Directors of Alfa Laval AB (publ) proposes that the annual general meeting of shareholders to be held on 23 April 2007 makes a resolution in the form set out below authorising the Board of Directors to decide on the acquisition of shares in Alfa Laval AB.

It was resolved to authorise the Board of Directors, for a period until the next annual general meeting of shareholders, to decide on acquisitions of shares in Alfa Laval AB on the Stockholm Stock Exchange up to a number representing not more than ten per cent of the total number of shares in the company. The company’s total holding of its own shares, together with shares already held, may not at any time exceed one-tenth of the total number of shares in the company. It should be noted that Alfa Laval AB, currently, does not hold any shares in the company.

The acquisition of shares in Alfa Laval AB on the Stockholm Stock Exchange may only be made within the price interval registered at any time on the stock exchange, by which is meant the interval between the highest purchase price and the lowest selling price.

The purpose of the acquisition of own shares is to cancel such shares by a reduction of the share capital and thereby give the Board of Directors the possibility to adjust the capital structure of the company during the period until the next annual general meeting.

The annual general meeting’s resolution shall only where supported by shareholders representing two thirds of both the votes cast and the shares represented at the meeting.

The board of directors’ report pursuant to Chapter 19 Section 22 of the Companies Act is available at the Company and will be mailed free of charge to shareholders who so request.