

Minutes from the Annual General Meeting with the shareholders in **Alfa Laval AB (publ)**, reg. no 556587-8054 at 16.00 – 17.30 hrs on April 23, 2012 in Lund

Present Shareholders:

Shareholders with votes according to Exhibit 1.

§1 Opening of the Annual General Meeting.

The Meeting was opened by the Chairman of the Board of Directors, **Anders Narvinger**.

§2 Election of a Chairman for the Meeting.

The Chairman of the Board of Directors, **Anders Narvinger**, was appointed Chairman of the Annual General Meeting, after having been proposed by **Bo Selling**, representing Alecta and the Nomination Committee. The Chairman appointed General Counsel **Mikael Wahlgren** to keep the minutes of the Meeting.

The Meeting approved that representatives of media and invited guests should be allowed to participate in the Meeting as audience (see Exhibit 2).

Mikael Wahlgren requested shareholders who would not give their consent, pursuant to the Personal Data Act (SFS 1998:204), to their personal data being noted in the minutes and to the publication of the minutes on the Company's web page, to announce to the Meeting such opinion in connection with their respective address.

A minority, representing 2,167,975 (0.84%) votes, of the votes that were registered, abstained from voting concerning this proposal.

§3 Preparation and approval of the voting register.

Mikael Wahlgren presented the requirements, according to law and the Articles of Association, for a shareholder to be registered in the preliminary voting list. Thereafter he presented the list of shareholders who had given notice of attendance to the Meeting and who had been registered as present, whereupon the adjusted voting list was presented.

The Meeting approved the adjusted list of shareholders who had given notice of their attendance and who also had appeared at the Meeting, according to Exhibit 1, as voting list at the Meeting. It was noted that the total number of

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votes represented at the Meeting was 258,449,929 votes constituting approximately 61.6% of the total number of votes in the Company. In total, 466 persons attended the Meeting, including representatives, assistants, guests and functionaries.

A minority, representing 2,167,975 (0.84%) votes, of the votes that were registered, abstained from voting concerning this proposal.

§4 Approval of the agenda for the Meeting.

The Meeting adopted the agenda proposed in the convening notice as agenda for the Meeting.

A minority, representing 2,167,975 (0.84%) votes, of the votes that were registered, abstained from voting concerning this proposal.

§5 Election of one or two persons to attest the minutes.

The Meeting resolved that the minutes were to be attested, in addition to the Chairman, by **Annika Boström** (Advokatfirman Glimstedt) and **Günther Mårder** (Sveriges Aktiesparares Riksförbund and Aktiespararna Topp Sverige).

A minority, representing 2,167,975 (0.84%) votes, of the votes that were registered, abstained from voting concerning this proposal.

§6 Determination whether the Meeting has been duly convened.

Mikael Wahlgren announced that the notice convening today's Meeting, in accordance with the provisions of the Articles of Association, was announced on the Company's website on March 21, 2012 and in the Swedish Official Gazette (*Swedish*: "Post- och Inrikes Tidningar") on March 23, 2012, and that an advertisement regarding the convening notice has been published in Dagens Nyheter on March 23, 2012. The Meeting established that it had been duly convened.

A minority, representing 2,167,975 (0.84%) votes, of the votes that were registered, abstained from voting concerning this proposal.

§7 Statement by the Managing Director.

The Managing Director (MD) of the Company, **Lars Renström**, reported on the financial year 2011, presented some of the Company's new products and informed about the current development in the group during the first quarter 2012. **Lars Renström** also thanked all employees for good performance during 2011.

The participants of the Meeting were, thereafter, given the opportunity to put forward their questions, during which the following questions were addressed:

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Günther Mårder, representing Sveriges Aktiesparares Riksförbund and Aktiespararna Topp Sverige, enquired:

1. whether there is a risk that future acquisitions might increase the Company's indebtedness and handling of "goodwill" values, whereupon the **Chairman** answered by referring to the Company's goals and the intention to keep the indebtedness at a low level. The **MD** added that the Company's goal is to each year add 3-4 per cent sales growth through acquisitions.
2. which one of the acquisition strategies that are put forth on page 16 in the annual report that the MD considers to be the most important, whereupon the **MD** answered that all goals are important, but that there is a special focus today on adding new key products.
3. if, considering the appreciated presentation in the annual report of the Company's competitors, it would be appropriate to acquire any of these, whereupon the **MD** answered that it is not appropriate since they often are too big companies compared to the size of the companies we usually acquire, and since there probably would be aspects concerning competition law that would prevent such a transaction.
4. what the Board of Directors thinks of the Company's financial goals compared to the Company's financial benchmark values, when considering a possible increased indebtedness, whereupon the **Chairman** answered that the main goal is to keep the indebtedness at a low level. The **MD** added that the Company's strong cash flow facilitates keeping the indebtedness at a low level.
5. if it is not appropriate to raise the goal of 15 per cent operating margin, considering that this has been surpassed in the last years, whereupon the **MD** answered that the goal is considered to be on a reasonable level, and that at the same time the management makes every effort to exceed the Company's goals.
6. whether the MD intends to increase the investments in research and development, whereupon the **MD** answered that there is no plan to increase the current investments in research and development, which corresponds to approximately 2.5 per cent of the Company's turnover. As further evidence of the Company's investments in research and development being at the right level, he gave prominence to the fact that the Company in 2011 was selected one of the world's 100 most innovative companies by Thomson Reuters. Further, the MD emphasised that recent years, also research and development has increased its efficiency in its employment of resources.

Harmut Wiese enquired about what the MD thinks of the supply of staff to the Company, considering the location of the head office, whereupon the **MD** answered that he is satisfied with the recruitment base and that he sees a clear advantage in having the head office located in a university city such as Lund.

Johnny Nilsson asked the MD how the Company secures the supply of raw materials, whereupon the **MD** answered that a high price on raw materials favours the Company and that there is good access to the raw materials that the Company needs in its production.

§8 Report on the work of the Board of Directors and the Committees of the Board of Directors.

The Chairman of the Board of Directors, **Anders Narvinger**, reported on the work of the Board of Directors and the work of the Remuneration Committee of the Board. **Finn Rausing**, Chairman of the Board's Audit Committee, reported on the work in the Audit Committee. Finn Rausing also took the opportunity to thank the resigning Auditor Kerstin Mouchard for a good cooperation during past years.

§9 Presentation of the annual report and the Auditors' report, as well as the consolidated annual report and the Auditors' report for the group, and the Auditors' report regarding compliance with the guidelines for compensation to senior management adopted at the 2011 Annual General Meeting.

The annual report and the Auditors' report for the Company and the consolidated annual report as well as the Auditors' report on the consolidated annual report for the financial year January 1 – December 31, 2011, were presented. It was noted that the annual report and the Auditors' report for the Company as well as the consolidated annual report and the Auditors' report for the group had been available at the offices of the Company and on its web page since March 30, 2012 and that copies had been sent to shareholders who had requested this and informed about their postal address and that copies of the printed annual report were available in the registration area for the Annual General Meeting. The Meeting resolved that the annual report for the Company as well as the consolidated annual report had been duly presented.

Kerstin Mouchard, representing the Company's Auditors, described the main contents of the Auditors' report.

The Meeting concluded that the Auditors' report for the Company and the Auditors' report for the group for the financial year January 1 – December 31, 2011 had been duly presented.

Kerstin Mouchard also presented the Auditors' report, in accordance with Chapter 8 Section 54 of the Swedish Companies Act, regarding compliance with the guidelines for compensation to senior management adopted by the Annual General Meeting 2011, Exhibit 3, after which the Meeting established that this report had been duly presented.

§10(a) Resolution on adoption of the income statement and the balance sheet as well as the consolidated income statement and the consolidated balance sheet.

The Meeting resolved to approve the income statement and the balance sheet as well as the consolidated income statement and the consolidated balance sheet, all as per December 31, 2011 and presented in the 2011 annual report.

§10(b) Resolution on allocation of the Company's profit according to the adopted balance sheet and on record date for distribution of profits.

The Meeting established that the proposal of the Board of Directors on disposition of the Company's profit, stated on page 126 in the annual report, along with the proposal for record day for the financial year 2011 and the statement pursuant to Chapter 18 Section 4 of the Swedish Companies Act, had been duly presented.

The Meeting resolved, in accordance with the proposal of the Board of Directors on the disposition of the Company's profit, as supported by the Auditors, that dividend shall be paid by SEK 3.25 per share for the financial year 2011, corresponding to SEK 1,363,233,024, and that the remaining earnings of SEK 8,304,831,976 shall be carried forward.

The Meeting further resolved that the record day for determining who shall be entitled to receive dividend shall be Thursday April 26, 2012.

It was noted that the dividend is estimated to be distributed by Euroclear Sweden AB on Wednesday May 2, 2012.

§10(c) Resolution on discharge from liability for members of the Board of Directors and the Managing Director.

In accordance with the recommendation from the Auditors, the Meeting resolved by a required majority of the votes cast, to discharge the members of the Board of Directors and the Managing Director from liability in respect of their management of the Company's business for the financial year 2011. It was noted that neither the members of the Board of Directors nor the Managing Director owning shares in the Company participated in this resolution.

A minority, representing 2,248,039 (0.87%) votes, of the votes that were registered, abstained from voting concerning this proposal and 239,075 (0.09%) votes, of the votes that were registered, voted against this proposal.

§11 Report on the work of the Nomination Committee.

Finn Rausing, Chairman of the Nomination Committee and representative of Tetra Laval, reported on the work of the Nomination Committee.

§12 Determination of the number of members of the Board of Directors and deputy members of the Board of Directors to be elected by the Meeting as well as the number of Auditors and deputy Auditors.

Bo Selling, representing the Nomination Committee, proposed, in accordance with the proposition contained in the convening notice, that the number of Board members to be elected by the Meeting shall be eight with no deputies, and that the number of Auditors shall be two and that the number of deputy Auditors shall be two.

The Meeting resolved, with required majority of the votes cast, that the number of Board members to be elected by the Meeting shall be eight with no deputies and that the number of Auditors shall be two and that the number of deputy Auditors shall be two.

A minority, representing 49,000 (0.02%) votes, of the votes registered, abstained from voting concerning this proposal and 4,652 (0.00002%) votes, of the votes registered, voted against this proposal.

§13 Determination of the compensation to the Board of Directors and the Auditors.

Bo Selling, representing the Nomination Committee, proposed and the Meeting resolved, by a required majority of the votes cast, that the compensation to the Board of Directors shall be SEK 3,850,000 to be distributed among the members of the Board of Directors elected by the Meeting and not employed by the Company, as follows:

Chairman of the Board of Directors:	SEK 1,150,000
Other members of the Board of Directors:	SEK 450,000

Furthermore, the Meeting resolved, by a required majority of the votes cast, that, in addition to the above compensation to the members of the Board of Directors who are elected by the Meeting and who are not employed by the Company, the compensation mentioned below shall be distributed to the Chairman or members of the Committees mentioned below:

Extra amount for the Chairman of the Audit Committee:	SEK 125,000
Extra amount for the other members of the Audit Committee:	SEK 75,000
Extra amount for the Chairman of the Remuneration Committee:	SEK 50,000
Extra amount for other members of the Remuneration Committee:	SEK 50,000

The Meeting further resolved, by a required majority of the votes cast, that the Company, provided that it is cost neutral for the Company and after written agreement between the Company and a (Swedish) limited liability company wholly-owned by a board member or a board member's private business, may

approve that the board fee is invoiced through the company wholly-owned by the board member or by the board members private business. The invoiced fee shall be increased with an amount corresponding to social security payments pursuant to law and value added tax pursuant to law. The Company shall supervise that the necessary prerequisites are met and regulate that the board member and its company are jointly and severally liable for the additional cost that may arise if the Swedish Tax Agency considers that the necessary prerequisites are not met.

The Meeting further resolved, by a required majority of the votes cast, that the fee to the Company's Auditors shall be paid as per approved invoice.

A minority, representing 49,000 (0.02%) votes, of the votes that were registered, abstained from voting concerning this proposal and 4,652 (0.00002%) votes, of the votes that were registered, voted against this proposal.

§14 Election of Chairman of the Board of Directors, members of the Board of Directors and deputy members of the Board of Directors, Auditors and deputy Auditors.

Bo Selling, representing the Nomination Committee, proposed, in accordance with the proposition in the convening notice, and the Meeting resolved, to re-elect Gunilla Berg, Arne Frank, Björn Hägglund, Ulla Litzén, Anders Narvinger, Finn Rausing, Jörn Rausing and Lars Renström as members of the Board of Directors.

The Meeting further resolved, by a required majority of the votes cast, to re-elect Anders Narvinger as Chairman of the Board of Directors and that in case Anders Narvinger's assignment as Chairman of the Board of Directors should end prematurely, the Board of Directors shall appoint a new Chairman.

The Meeting further resolved to elect the authorised public accountants Staffan Landén and Håkan Olsson Reising to be Auditors for the Company for the coming year, that is up to and including the Annual General Meeting 2013, and to elect the authorised public accountants Johan Thuresson and Karoline Tedevall to be deputy Auditors for the Company for the coming year, that is up to and including the Annual General Meeting 2013.

A minority, representing 129,691 (0.05%) votes, of the votes that were registered, abstained from voting concerning these proposals and 7,736,065 (2.99%) votes, of the votes that were registered, voted against these proposals.

The Chairman informed that three employee representatives and three deputies are elected to represent the employees in the Board of Directors. Currently, the employee representatives are Susanna Norrby, Arne Kastö and Jan Nilsson, with Leif Norkvist, Henrik Nielsen and Stefan Sandell as deputies.

§15 Resolution on guidelines for compensation to senior management.

The Chairman presented the Board of Directors' proposal on guidelines for compensation to and other employment conditions for the senior management, Exhibit 4. He also clarified that the proposed guidelines for compensation to senior management correspond in substance with the guidelines that have been approved at the last years' Annual General Meetings.

The Meeting noted that the proposal of the Board of Directors had been duly presented and resolved, with a required majority of the votes cast, to adopt the proposal of the Board of Directors on guidelines for compensation to senior management, Exhibit 4.

A minority, representing 33,134 (0.01%) votes, of the votes that were registered, abstained from voting concerning this proposal and 24,317,964 (9.41%) votes, of the votes that were registered, voted against this proposal.

Günther Mårder pointed out that Aktiespararna does not have any objections in principle against variable compensation, but demanded that part of the variable compensation should be share based and emphasised the importance of having clear goals that reflect the expected performance, whereupon the **Chairman** answered these points of view and pointed out that a share based programme is more costly and that the current incentive programme attains an equivalent result.

§16 Resolution on the Nomination Committee for the next Annual General Meeting.

Bo Selling, representing the Nomination Committee, proposed, in accordance with the proposition set out in the convening notice, and the Meeting resolved, by a required majority of the votes cast, to adopt the Nomination Committee's proposal regarding criteria for appointing the Chairman and members of the Nomination Committee for the next Annual General Meeting, Exhibit 5.

A minority, representing 87,594 (0.03%) votes, of the votes that were registered, voted against this proposal.

§17 Resolution on authorisation of the Board of Directors to purchase shares in the Company.

Lars Renström presented the Board of Directors' proposal to the Annual General Meeting to adopt a resolution that authorises the Board of Directors to resolve on purchases of shares in the Company.

The Meeting established that the proposal of the Board of Directors had been duly presented and resolved, with a required majority of the votes cast as well as of the votes represented at the Meeting, in accordance with the proposal of the Board of Directors, to authorise the Board of Directors to, on one or more

occasions prior to the next Annual General Meeting, resolve on purchases of shares in the Company, not more than to an amount corresponding to a maximum of five per cent (5%) of all shares in the Company. Purchases shall be made on NASDAQ OMX Stockholm at a price within the registered price interval from time to time. The purpose with the repurchase is to give the Board of Directors the possibility to, until the next Annual General Meeting, adjust the capital structure in the Company whereupon the Board of Directors intends to propose the next Annual General Meeting to resolve on withdrawal of the shares repurchased by the Company in accordance with the authorisation.

A minority, representing 46,391 (0.02%) votes, of the votes that were registered, voted against this proposal.

§18 Any other matter to be resolved upon by the meeting according to the Swedish Companies Act or the Articles of Association.

The Meeting noted that no such matters had been reported.

§19 Closing of the Meeting.

The Chairman declared the Annual General Meeting of 2012 closed.

At the minutes:

Approved:

Mikael Wahlgren

Anders Narvinger

Annika Boström

Günther Mårder