

## Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Aktiebolaget SKF will be held at SKF Kristinedal, Byfogdegatan 4, Göteborg, Sweden at 3.30 pm. on Tuesday April 20, 2004.

### **Annual General Meeting**

For the right to participate at the meeting, shareholders must be recorded in the shareholders' register kept by VPC AB by Thursday April 8, 2004 and must notify the company before 12 noon on Wednesday April 14, 2004 either by letter to AB SKF, Group Legal, SE-415 50 Göteborg, Sweden, by fax + 46 31 337 16 91, or by phone + 46 31 337 25 50. When notifying the company, preferably in writing, this should include details of name, address, telephone number, registered shareholding and advisors, if any. Where representation is being made by proxy, the original of the proxy form shall be sent to the company before the date of the meeting.

Shareholders whose shares are registered in the name of a trustee must have the shares registered temporarily in their own name in order to take part in the meeting. Any such re-registration for the purpose of establishing voting rights shall take place by Thursday April 8, 2004. This means that the shareholder should give notice to the trustee of his/her wish to be included in the shareholders' register in plenty of time before that date. A re-registration fee will normally be payable to the trustee.

### **Agenda**

1. Opening of the Annual General Meeting.
2. Election of a chairman for the meeting.
3. Drawing up and approval of the voting list.
4. Approval of agenda.
5. Election of persons to verify the minutes.
6. Consideration of whether the meeting has been duly convened.
7. Presentation of annual report and audit report as well as consolidated accounts and audit report for the Group, including a report on the activities of the Board of Directors and the activities and purpose of the remuneration committee and the audit committee.
8. Address by the President.
9. The matter of adoption of the income statement and balance sheet and consolidated income statement and consolidated balance sheet.
10. Resolution regarding distribution of profits.

11. The matter of discharge of the members of the Board and the President from liability.
12. Determination of number of Board members and deputy members.
13. Determination of fee for the Board of Directors.
14. Determination of fee for the auditor.
15. Election of Board members and deputy Board members.
16. Issue raised by Sveriges Aktiesparares Riksförbund (Swedish Shareholders' Association) regarding nomination of Board members.

**Proposal under item 10**

The Board of Directors proposes a dividend for the financial year 2003 of SEK 10.00 per share. It is proposed that shareholders with holdings recorded on April 23, 2004 be entitled to receive the said dividend. Subject to acceptance by the Annual General Meeting, it is expected that VPC will send out notices of payment to recorded shareholders and listed depositaries on April 28, 2004.

**Proposals under items 12, 13, 14 and 15**

Regarding the number of Board members, fees for the Board of Directors and the auditor, and election of Board members, the Knut and Alice Wallenberg Foundation, Alecta, Skandia Liv and the Third Swedish National Pension Fund (shareholders who together represent around 40% of the votes of the total number of company shares) have informed the company that they propose:

- that the Board shall consist of eight ordinary members and no deputy members;
- that the Board of Directors for the period up to the end of the next annual general meeting receive a fee according to the following:
  - a) firm allotment of SEK 2,350,000 which, according to the decision of the Board, is to be distributed between the Board members;
  - b) an variable allotment corresponding to the value, calculated as below, of 800 company shares of series B to be received by the Chairman, and 300 shares of series B to be received by each of the other Board members; and
  - c) an allotment for committee work of SEK 150,000 to be divided among the Board members who are part of a committee established by the Board.

A prerequisite for obtaining an allotment is that the Board member is elected at the Annual General Meeting and not employed by the Company.

When deciding upon the variable allotment, the value of a share of series B shall be determined at the average latest payment rate according to the quotations on the Stockholm Stock Exchange during the five trading days after publication of the company's press release for the financial year 2004.

- that the auditor is paid for work performed as invoiced; and
- re-election of ordinary Board members Anders Scharp, Sören Gyll, Vito H Baumgartner, Ulla Litzén, Philip N Green, Clas Åke Hedström and Tom Johnstone; Winnie Kin Wah Fok to be newly elected.

**Proposal under item 16**

Sveriges Aktiesparares Riksförbund has announced a proposal regarding the appointment of a Nomination Committee established by the Annual General Meeting and consisting of three to five from the company free-standing members who will represent the owners of the company. It is proposed that one member representing the minor shareholders be part of the committee.

A number of the major shareholders, together representing around 40% of the votes of the total number of company shares, have announced that they intend to reject this proposal. They will instead propose that the Annual General Meeting resolve that the nomination process be arranged in such a way that the four major shareholders, determined by number of votes, elect one representative each during the fourth quarter, and that they, together with the Chairman, will formulate a proposal for the Board to submit to the Annual General Meeting for decision. The proposal specifies that the names of the four representatives be announced as soon as they have been elected.

Göteborg, March 2004  
Aktiebolaget SKF  
(publ)

Board of Directors

**Web-based SKF Annual Report 2003 including sustainability report**

SKF's web-based Annual Report including Sustainability Report can be found on the Internet, as from March 17, at: <http://investors.skf.com/2003E/>.