

## **Minutes**

of the Annual General Meeting of  
shareholders of Aktiebolaget SKF in  
Göteborg, April 16, 2008.

In a notice published on March 10, 2008, in inter alia the Swedish Official Gazette, Göteborgs-Posten and Dagens Nyheter, the shareholders in Aktiebolaget SKF were summoned this day at 3.30 p.m. to an Annual General Meeting at the company's personnel building Kristinedal, Byfogdegatan 4, Göteborg. When this meeting was opened at the time and place so stated, the following shareholders, representatives and advisors were present, namely

"List etc"

**Appendix A**

### **1.**

#### **Opening of the Annual General Meeting**

The meeting was opened by Anders Scharp, Chairman of the Board of Directors.

### **2.**

#### **Election of a chairman for the meeting**

On the proposal of the Nomination Committee, represented by Marianne Nilsson, Mr. Anders Scharp was elected chairman.

It was noted that the Board had asked the General Counsel of the company, Carina Bergfelt, to keep the minutes.

### **3.**

#### **Drawing up and approval of the voting list**

The list enclosed, Appendix A, was approved as voting list for the meeting.

### **4.**

#### **Approval of the agenda**

The agenda enclosed was approved as agenda for the meeting. **Appendix B**

**5.**

**Election of persons to verify the minutes**

On the proposal of the Nomination Committee, represented by Marianne Nilsson, Kenneth Johnsson as representative of Skandia Liv and Sven Jarlöv as representative of AFA were elected to verify the minutes together with the chairman.

**6.**

**Consideration of whether the meeting has been duly convened**

It was verified that the meeting had been duly convened.

**7.**

**Presentation of annual report and audit report as well as consolidated accounts and audit report for the Group**

It was noted that the Board of Directors' and the President's report on the management of the company's affairs in 2007, a report comprising the Board of Directors' report, income statement and balance sheet, as well as consolidated income statement and consolidated balance sheet, and the report submitted by the auditor on the audit of the Board of Directors' and the President's administration, was announced on March 12, 2008 and has been sent to shareholders at request.

The wording of this document is evident of

**Appendix C**

Then the authorised public accountant Thomas Thiel presented the audit report and the Auditor's report in accordance with Chapter 8 of the Swedish Companies Act (2005:551).

**8.**

**Adress by the President**

Tom Johnstone, President, made a speech.

**Appendix D**

A few shareholders raised some questions which were answered by the President Tom Johnstone.

**9.**

**Matter of adoption of the income statement and balance sheet and consolidated income statement and consolidated balance sheet**

The income statement and balance sheet and the consolidated income statement and the consolidated balance sheet were adopted in accordance with the recommendation by the auditor.

**10.**

**Resolution regarding distribution of profits**

Carina Bergfelt reported the Board of Directors' and the President's proposal that a dividend of SEK 5 per share be paid.

A total of SEK 6,858,783,221 was at the Annual General Meeting's disposal and dividend according to the aforementioned proposal would require SEK 2,276,755,340. Consequently the balance SEK 4,582,027,881 would be carried forward.

Then the meeting resolved in accordance with the proposal by the Board of Directors and the President.

It was furthermore resolved that April 21, 2008 would be the record day for the right to receive dividend.

**11.**

**Matter of discharge of the Board members and the President from liability**

The Board members and the President were discharged from liability for the 2007 financial year in accordance with the auditor's recommendation.

**12.**

**Determination of the number of Board members and deputy board members**

The chairman of the Nomination Committee, Claes Dahlbäck, accounted for the work of the Nomination Committee.

On the proposal of the Nomination Committee, represented by Claes Dahlbäck, it was resolved that the Board of Directors is to consist of ten members elected by the general meeting of shareholders and no deputies.

### **13.**

#### **Determination of fees for the Board of Directors**

On the proposal of the Nomination Committee, represented by Tomas Nicolin, it was resolved that the Board of Directors, for the time up to the closing of the next Annual General Meeting, be paid fees according to the following;

- a) a firm allotment of SEK 3,500,000 to be distributed with SEK 900,000 to the Chairman of the Board and with SEK 325,000 to each of the other Board members elected by the general meeting of shareholders and not employed by the company;
- b) a variable allotment corresponding to the value, calculated as below, of 3,200 company shares of series B to be received by the Chairman of the Board and 1,200 company shares of series B to be received by each of the other Board members;
- c) an allotment for committee work of SEK 675,000 to be distributed with SEK 150,000 to the chairman of the Audit Committee, with SEK 100,000 to each of the other members of the Audit Committee and with SEK 75,000 to each of the members of the Remuneration Committee.

A prerequisite for obtaining an allotment is that the Board member is elected by the general meeting of shareholders and not employed by the company.

When deciding upon the variable allotment, the value of a share of series B is to be determined at the average latest payment rate according to the quotations on the OMX Nordic Exchange Stockholm during the five trading days after publication of the company's press release for the financial year 2008.

It was noted that Olle Törnblom, in his capacity as representative of Sveriges Aktiesparares Riksförbund, made a reservation against the resolution in the part that it referred to a variable allotment determined by the share price.

### **14.**

#### **Election of Board members and deputy Board members**

On the proposal of the Nomination Committee, represented by Claes Dahlbäck, the following ten Board members were appointed for the time up to the closing of the next Annual General Meeting.

Leif Östling, Vito H Baumgartner, Ulla Litzén, Clas Åke Hedström, Tom Johnstone, Winnie Kin Wah Fok, Hans-Olov Olsson, Lena Treschow Torell, Peter Grafoner and Lars Wedenborn.

Leif Östling was elected Chairman of the Board of Directors.

It was noted that the Board employee representatives are Kennet Karlsson and Lennart Larsson as members and Marie Petersson and Jeanette Stenborg as deputy members of the Board of Directors.

The chairman expressed the gratitude of the meeting to the leaving Board member Eckard Cordes and to Göran Johansson who has left the Board after being Board employee representative since 1975.

**15.**

**Determination of fee for the auditors**

On the proposal of the Nomination Committee, represented by Tomas Nicolin, it was resolved that the auditor be remunerated for performed work according to approved invoice.

**16.**

**The Board of Directors' proposal for a resolution on principles for remuneration to Group Management**

Principles for remuneration to Group Management were resolved, all according to what is evident of the proposal of the Board of Directors.

**Appendix E**

**17.**

**The Board of Directors' proposed decision on introduction of a performance share programme for senior managers and key employees**

It was resolved on an introduction of a performance share programme for senior managers and key employees, all according to what is evident of the proposal of the Board of Directors.

**Appendix F**

**18.**

**The Board of Directors' proposal for an automatic redemption procedure, including a) share split b) reduction of the share capital for repayment to the shareholders and c) increase of the share capital by way of a bonus issue.**

It was resolved on a redemption procedure, including a) share split b) reduction of the share capital for repayment to the shareholders and c) increase of the share capital by way of a bonus issue, all according to what is evident of the proposal of the Board of Directors.

**Appendix G**

It was noted that the resolution was supported by shareholders holding at least two thirds of the votes cast as well as the shares represented at the Annual General Meeting.

**19.**

**The Board of Directors' proposal for an authorization to the Board to decide upon the repurchase of the company's own shares for the period until the next Annual General Meeting.**

It was resolved on an authorization for the Board to decide upon the repurchase of the company's own shares for the period until the next Annual General Meeting, all according to what is evident of the proposal of the Board of Directors.

**Appendix H**

It was noted that the resolution was supported by shareholders holding at least two thirds of the votes cast as well as the shares represented at the Annual General Meeting.

It was noted that Olle Törnblom, in his capacity as representative of Sveriges Aktiesparares Riksförbund, made a reservation against the resolution, especially as the authorization includes plural-vote shares.

**20.**

**Resolution regarding Nomination Committee**

On the proposal of the Nomination Committee, represented by Marianne Nilsson, it was resolved;

- 1) that the company is to have a Nomination Committee formed by one representative for each one of the four largest shareholders with regard to the number of votes held as well as the Chairman of the Board of Directors. When constituting the Nomination Committee, the shareholdings per the last banking day in August 2008 will determine which shareholders are the largest with regard to the number of votes held. The names of the four shareholder representatives will be published as soon as they have been elected, however not later than six months before the Annual General Meeting 2009. The Nomination Committee is to remain in office until the new Nomination Committee has been appointed;
- 2) that in the event that the shareholder the member represents no longer is one of the four largest shareholders with regard to the number of votes held, such member may resign, if the Nomination Committee so deems appropriate, and a representative of the shareholder next in turn size-wise with regard to the number of votes held be offered the opportunity of being elected in his/her place;

and in the event that a shareholder representative no longer represents the shareholder, the shareholder is asked to elect a new representative to become a member of the Nomination Committee;

- 3) that the Nomination Committee is to furnish proposals in the following matters to be presented to, and resolved by, the Annual General Meeting in 2009:
- a) proposal for chairman of the Annual General Meeting
  - b) proposal for Board of Directors
  - c) proposal for Chairman of the Board of Directors
  - d) proposal for fee to the Board of Directors
  - e) proposal for Auditor
  - f) proposal for fee to the auditors
  - g) proposal for a Nomination Committee facing the Annual General Meeting of 2010; and
- 4) that the Nomination Committee, when performing its duties, will fulfil the tasks that rest upon the Nomination Committee under the Swedish code on corporate governance, among other things to supply the company with certain information in order to enable the company to fulfil its information obligation under the code.

## **21.**

### **Other issues**

The chairman declared the meeting concluded and expressed in connection herewith the gratitude of the meeting to the management and all employees for their efforts in 2007. He also expressed his gratitude to the meeting participants for the confidence shown to him as chairman.

By way of conclusion Claes Dahlbäck expressed the gratitude of the meeting to Anders Scharp for his excellent work as chairman of the Board for a long time.

In fidem:

Approved: