

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 p.m. on Tuesday, April 25 2006.

Annual General Meeting

For the right to participate at the meeting, shareholders must be recorded in the shareholders' register kept by VPC AB by Wednesday, April 19 2006 and must notify the company before 12 noon on Wednesday, April 19 2006 by letter to AB SKF, Group Legal, SE-415 50 Göteborg, Sweden, or by fax +46 31 337 16 91, or via the company's website www.skf.com, 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 Wednesday, April 19 2006 at the latest. This means that the shareholder should give notice of his/her wish to be included in the shareholders' register to the trustee 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
8. Address by the President
9. 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. Matter of discharge of the Board members 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. Election of Board members and deputy Board members including Chairman of the Board of Directors
15. Determination of fee for the auditors

16. The Board of Directors' proposal for a resolution on principles for remuneration of Group Management
17. The Board of Directors' proposal for a resolution on amendment of the articles of association
18. 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
19. Resolution regarding Nomination Committee.

Proposal under item 10

The Board of Directors proposes a dividend for the financial year 2005 of SEK 4.00 per share. It is proposed that shareholders with holdings recorded on Friday, April 28 2006 be entitled to receive the said dividend. Subject to resolution by the Annual General Meeting in accordance with this proposal, it is expected that VPC will distribute the dividend on Thursday, May 4 2006.

Proposals under items 2, 12, 13, 14 and 15

The Nomination Committee formed according to a resolution of the Annual General Meeting 2005 consists of, besides the Chairman of the Board, representatives of Knut and Alice Wallenberg Foundation, Robur, Skandia Liv and Alecta, shareholders who together represent approximately 40 % of the votes of the total number of company shares. The Nomination Committee has informed the company that they propose

- that Anders Scharp is elected Chairman of the Annual General Meeting
- that the Board of Directors shall consist of eight 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 (the fee reflects that, provided the Board is elected by the Annual General Meeting, the Board intends to elect a Deputy Chairman at the Statutory Board meeting):
 - a) a firm allotment of SEK 2,725,000, to be distributed with SEK 800,000 to the Chairman of the Board, with SEK 550,000 to the Deputy Chairman of the Board and with SEK 275,000 to each of the other Board members elected by the Annual General Meeting 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, 2,400 company shares of series B to be received by the Deputy Chairman and 1,200 shares of series B to be received by each of the other Board members
 - c) an allotment for committee work of SEK 500,000 to be divided according to the Board's decision among the Board members who are part of a committee established by the Board of Directors.

A prerequisite for obtaining an allotment is that the Board member is elected by 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 2006.

- re-election of the Board members Anders Scharp, Vito H Baumgartner, Ulla Litzén, Clas Åke Hedström, Tom Johnstone, Winnie Kin Wah Fok and Leif Östling. Eckhard Cordes to be newly elected. (Eckhard Cordes is Chief Executive Officer, Franz Haniel & Cie. GmbH. Furthermore he is Chairman of the Supervisory Board, Metro AG, member of the Supervisory Board, Rheinmetall AG, member of the Stuttgart Advisory Board, Deutsche Bank AG and member of the Supervisory Board, FIEGE Holding Stiftung & Co. KG). Sören Gyll is resigning from the Board. Anders Scharp is proposed to be the Chairman of the Board of Directors.
- that the auditor is paid for work performed as invoiced.

Proposal under item 16

The Board of Directors of AB SKF has decided in accordance with the Swedish Code of Corporate Governance to submit to the Annual General Meeting the following principles for remuneration of SKF Group Management.

Group Management is defined as the Chief Executive Officer and the other members of the management team.

The Board's proposal is that the remuneration of Group Management members shall be based on conditions that are market competitive and at the same time support the shareholders' best interest. The total remuneration package for a Group Management member shall primarily consist of fixed salary, variable salary, pension benefits, conditions for notice of termination and severance pay, and other benefits such as for example a company car. The objective of the principles is to ensure that SKF can attract and retain the best people in order to support SKF's mission and business strategy.

The fixed salary shall be in line with market conditions. Competence, responsibility and performance shall be taken into account when the fixed salary is established.

The variable salary is according to a performance-based program and the maximum variable salary is capped at a certain percentage of the fixed annual salary varying between 60 and 90 %.

SKF shall strive for establishing pension plans that are based on defined contribution models.

A Group Management member may terminate his/her employment by giving six months' notice. In the event of termination of employment at the request of

SKF, the employment shall cease immediately. A severance payment related to the years of service shall, however, in this case be paid out, provided that it shall always be maximized to two years' salary.

The entire proposal for principles for remuneration of Group Management is available at the company's web site, www.skf.com.

Proposal under item 17

The Board of Directors proposes that the wording of the articles of association be amended mainly in order to comply with the new Companies Act (2005:551) that has entered into force. The amendments are that

- the nominal value of the share is deleted from the articles of association and instead it is stated that the number of shares shall be minimum 440,000,000 shares and maximum 1,760,000,000 shares (§5)
- Series C shares are deleted with relevant consequential amendments and the preferential rights of the shareholders in case of an issue of new shares of series A and/or series B against set-off of claims are inserted. It is further proposed that a regulation regarding shareholders' preferential rights in case of an issue of convertible debentures and warrants be inserted (§6)
- the provision regarding the share register is adapted to chapter 1 section 10 of the Companies Act (§7)
- the provision regarding notice to attend a General Meeting states that notice shall be issued through announcement in Post- och Inrikes Tidningar and Dagens Nyheter (§12, new § 11)
- the provision regarding the right to vote for the full number of shares is deleted, since this is now the main rule according to the law (§13)
- the provisions regarding the term of office of the members of the Board of Directors (§8), the signatory rights (§9), the opening of the Annual General Meeting (§13) and the time when to hold the Annual General Meeting (§14) are deleted, and some minor amendments in line with the wording of the new act are made.

Proposal under item 18

The Board proposes that the Annual General Meeting resolves to authorize the Board to, until the next Annual General Meeting, decide upon the repurchase of the company's own shares. The authorization is proposed to embrace shares of series A as well as series B.

The shares may be repurchased by transactions on the OMX Stockholm Stock Exchange. Repurchase may be decided so that the company's holding of own shares, at any given time, amount to a maximum of 5 percent of all shares issued by the company.

A repurchase on the OMX Stockholm Stock Exchange may only be made within the band of prices applying on the exchange. This band of prices pertains to the range between the highest purchase price and the lowest selling price. A repurchase shall be made in accordance with the provisions concerning the purchase of a company's own shares in the Listing Agreement with the OMX Stockholm Stock Exchange.

The shares shall be paid in cash and repurchase of shares may be made on one or more occasions.

The purpose of the proposal is to be able to adapt the capital structure of the company to the capital needs of the company and thereby to contribute to an increased shareholder value.

To the extent shares are repurchased based on a possible Annual General Meeting authorization, and provided the Board is elected by the Annual General Meeting, the Board intends to propose to the Annual General Meeting 2007 that the shares so repurchased should be cancelled through a reduction of the share capital.

Proposal under item 19

The Nomination Committee has informed the company that it will propose to the Annual General Meeting to resolve

1) that the company shall have a Nomination Committee formed by one representative of each one of the four major 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 in September 2006 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 in 2007. The Nomination Committee shall remain in office until a new Nomination Committee has been appointed.

2) in the event that the shareholder the member represents would largely reduce its shareholding in the company, such a member may resign 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 2007:

- 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 fee to the auditors
- f) proposal for a Nomination Committee facing the Annual General Meeting of 2008

- 4) that the Nomination Committee, when performing its duties, will fulfill the tasks that rest upon the Nomination Committee under the Swedish Code of Corporate Governance, among other things to supply the company with certain information in order to enable the company to fulfill its information obligation under the code.

Göteborg, March 2006
Aktiebolaget SKF
(publ)

Board of Directors

Web-based financial report

SKF's web-based financial report, including the sustainability report and the Board of Directors' complete proposal for the amendment of the articles of association are available on the internet from March 17 2006 at:
<http://investors.skf.com/annual2005en/>.