

Pursuant to the Securities Market Act and Stock Exchange Rules the Management Board of Gorenje, d.d.,

**hereby announces the conclusions of the 8<sup>th</sup> Shareholder's Assembly Meeting of Gorenje, d.d., held on 4 July 2005**

**1. Opening, verifying quorum and appointing working panel of the Assembly**

1. Working panel of the Assembly is appointed as follows:  
Chairman of the Assembly: Mr. Leonardo F. Peklar  
Verification Committee: Mr. Jože Bajuk, Chairman  
Mr. Matjaž Košir, Member  
Mrs. Milena Obu, Member
2. Appointed Notary Public for recording the official Records of Proceedings is Janez Mlakar.

On the basis of the report by the Verification Committee the Chairman of the Assembly **established** that 57.51% of the capital with the right to vote was present.

**2. Deliberation upon the allocation of balance sheet profit for the year 2004 and acquiescence of the Management and the Supervisory Board**

1. Balance sheet profit for business year 2004 in the amount of SIT 3,992,529,938.65 is allocated as follows:
  - Part of profit in the amount of SIT 1,220,000,000.00 from accumulated net profit in the year 1997 amounting to SIT 1,139,277,536.00, and from accumulated net profit in the year 1998 amounting to SIT 80,772,464.00 is allocated for payment of dividends to shareholders in the amount of SIT 100.00 gross per share;
  - Part of profit in the amount of SIT 1,255,192,864.65 from accumulated net profits in the years 2002 and 2004 is allocated to other reserves from profit;
  - Remaining portion of profit in the amount of SIT 1,517,337,074.00 from accumulated net profit in the year 1998 shall remain non-allocated.

Title to payment of dividend is granted to all shareholders registered in the Share Register on July 7, 2005. Dividend is scheduled for payment within 65 days following the approval of the present resolution.

2. Acquiescence for business year 2004 is granted to the Management Board and the Supervisory Board of the Company.

**3. Supervisory Board Compensation**

The Supervisory Board of the Company is paid bonus for successful work in the year 2004 in total gross amount of SIT 26,000,000.00 from operating costs.

#### **4. Authorization to the Management of the Company for the acquisition and disposal of own shares**

1. Shareholder's Assembly hereby grants authorization to the Company for the acquisition of own shares as follows:
  - a. Authorization for the acquisition of own shares remains valid 18 months following the date of issue;
  - b. Authorization is valid for the acquisition of own shares to the aggregate number of 1,220,000 shares of the Company, which represents 10% of registered capital of the Company and includes own shares the Company already possesses on the day this authorization was issued;
  - c. Purchase price of shares must not exceed the price that equals one of the following two values: the average daily even price of one company share at Ljubljana Stock Exchange in the last 6 full consecutive calendar months prior the day of their acquisition, or the value of SIT 6,600.00;
  - d. If the Company fails to acquire shares by transactions on the organized stock market, the preferential rights of acquiring own shares is rendered void under the following terms and conditions:
    - that each such acquisition of own shares is subject to prior approval of the Supervisory Board of the Company;
    - that the Management Board at the next regular Assembly Meeting following the acquisition of own shares informs the shareholders about such acquisition and submits to shareholders the opinion of independent financial advisor regarding the justification of acquiring own shares from the Company aspect;
  - e. The Company may use own shares acquired with the present and with preceding authorizations of the Assembly for the following purposes and under the following terms and conditions:
    - for the exchange of minority stakes in associated companies within the Gorenje Group;
    - for the exchange of ownership stakes in other companies, subject to prior approval by the Supervisory Board of the Company; or
    - for eventual sale to strategic partner, subject to prior approval by the Supervisory Board of the Company;
  - f. Price of selling own shares may not be lower than the purchase price, and not lower than the average daily even price of one company share at Ljubljana Stock Exchange in the last 6 full consecutive calendar months prior the day of their disposal;
  - g. Sale of own shares excludes the preferential right if shares are sold for the purpose and under terms and conditions defined in the present authorization;
  - h. The Management of the Company shall at the next regular Assembly Meeting following the eventual disposal of own shares inform the shareholders about such disposal of own shares and submit to shareholders the opinion of independent financial advisor regarding the justification of selling own shares from the Company aspect;

#### **5. Appointment of substitutional member of the Supervisory Board**

1. The Assembly hereby finds that on April 12, 2005 Mr. Tomaž Kuntarič, M.Sc. resigned as a member of the Supervisory Board of the Company.
2. New appointed member of the Supervisory Board is:
  - Dr. Jože Zagožen  
with the term of office from the date of appointment to July 18, 2006.

#### **6. Appointment of auditor**

Company KPMG Slovenija, podjetje za revidiranje, d.o.o., Ljubljana, Železna cesta 8a is appointed as auditor for the business year 2005.

**Challenging actions were not announced.**