

gorenje

Gorenje, d.d.

Partizanska 12, 3503 Velenje

The Management Board of Gorenje, d.d.,

**hereby convene the 10th Shareholder's General Meeting of Gorenje, d.d.,
to be held on Tuesday 12 December 2006 at 12.00 hours
in Hotel Paka, Grand Auditorium in Velenje, Rudarska ul. 1, Slovenia,**

with the following agenda:

1. Opening, quorum, election of General Meeting bodies

Proposed resolution by the Management Board:

That the bodies of the General Meeting be elected.

2. Denomination of Gorenje shares, amendment of registered business activities, share capital and other amendments to Statute

a) Denomination of Gorenje shares and amendment of Statute

Proposed resolution by the Management and by Supervisory Board:

That the share capital, which amounts to SIT 12,200,000,000.00 and has been divided into 12,200,000 ordinary transferable registered shares of SIT 1,000.00 nominal value each, be denominated with no par value:

Each ordinary transferable registered share of SIT 1,000.00 nominal value shall be converted into one (1) ordinary transferable registered share with no par value. This shall apply to all shares. Gorenje's share capital, which amounts to SIT 12,200,000,000.00 shall be divided into 12,200,000 ordinary transferable registered shares with no par value.

That the first paragraph of Article 4 of the Statute be amended as follows:

"Company share capital amounts to SIT 12.200.000,000.00 and is divided into 12,200,000 ordinary transferable registered shares with no par value."

b) Amendments of registered business activities and amendment of Statute

Proposed resolution by the Management and by Supervisory Board:

That the registered business activities be amended as follows. The following business activities shall be added to the registered business activities of the company:

20.200 Manufacture of veneer sheets, plywood, laminated boards, particleboards, etc.

28.210 Manufacture of metal tanks, reservoirs and containers

29.120 Manufacture of pumps and compressors

29.130 Manufacture of taps and valves

29.310 Manufacture of tractors

29.320 Manufacture of other farming and forestry machinery

31.500 Manufacture of lighting equipment and electric lamps

33.400 Manufacture of optical instruments and photographic equipment

34.200 Manufacture of motor vehicle bodies, trailers & semi-trailers

34.300 Manufacture of parts & accessories for motor vehicles & their engines
36.110 Manufacture of chairs and seats
36.120 Manufacture of other office and shop furniture except chairs and seats
40.120 Power transmission
45.250 Other building & construction works including specialised trades
45.450 Other finishing building & construction works
45.500 Renting out construction and demolition equipment, with operator
51.460 Wholesale of pharmaceutical goods
52.320 Retail sale of medical and orthopaedic goods
55.400 Bars
64.200 Telecommunications
67.120 Securities brokerage
67.130 Support activities associated with financial brokerage
74.860 Operation of dispatcher centres
93.050 Other personal services not classified elsewhere

The following business activities shall be removed from the registered business activities of the company:

55.309 Other restaurants
74.84 Other business activities not classified elsewhere
80.24 Other education

Article 3 of the Statute shall be amended in accordance with the adopted amendments.

c) Share capital and amendment of Statute

Proposed resolution by the Management and by Supervisory Board:

That the Statute be amended as proposed by the Management Board and the Supervisory Board, by inserting a new article i.e. Article 9, which shall read as follows:

“After five years of the amendments to the Statute being recorded in the court register, the Management Board shall have the authority and power, subject to approval by the Supervisory Board, to increase the company’s share capital by a maximum of 50 (fifty) percent of the registered share capital as at the date of the resolution or by a maximum of SIT 6,100,000,000.00 (approved capital) by issuing up to 6,100,000 ordinary transferable registered shares with no par value, for investment in money or in kind.

New shares may also be issued to company employees and related entities.

Subject to approval by the Supervisory Board, the Management Board may cancel any pre-emption rights, in full or in part.

Entitlements arising from shares and terms and conditions in relation to the issue of shares shall be determined by the company’s Management Board. Approval by the Supervisory Board shall be required.

The Supervisory Board shall have the authority to amend the company’s Statute to ensure that the provisions in the Statute match new facts as a result of an increase in share capital and issue of shares on account of the approved capital”.

d) Other amendments to Statute

Proposed resolution by the Management and by Supervisory Board:

That the Statute be amended as follows:

Article 8 shall be amended to read:

“Resolutions in relation to increases and reductions of share capital shall be adopted by the General Meeting with a 3/4 majority of the represented capital present at the vote.”

Paragraph One of Article 10 shall be amended to read:

“The Management Board is appointed and dismissed by the Supervisory Board. The number of members and competencies of individual members of the Management Board are determined by the Supervisory Board by way of decisions adopted by the Supervisory Board.”

The second sentence of Paragraph Three of Article 10 shall be deleted. Paragraph Three of Article 10 shall now read as follows:

“The Management Board is comprised of the chairman and a minimum of two members, of whom one shall be the workers’ representative (Director).”

The second paragraph of Article 14 shall be deleted and replaced with the following text:

“In discharging its duties in accordance with the powers conferred on the Management Board by the applicable legislation, Statute or decisions adopted by the Supervisory Board, the Management Board may delegate the performance of individual tasks to individual employees with special authority, powers and responsibilities; likewise it may delegate to these employees the authority and power of representing the company in relation to their respective designated areas of responsibility. The Management Board may not delegate the entire range/extent of authority and powers vested in the Management Board.”

Paragraph Three of Article 14 shall be amended to read:

“Employees with special authority, powers and responsibilities shall sign executive contracts with the chairman of the Management Board, which shall detail mutual obligations and entitlements as well as remuneration provisions.”

The first sentence of Paragraph One of Article 17 shall be amended to read:

“A member of the Supervisory Board may be removed from office before the expiry of his/her term of office.”

The third paragraph of Article 32 shall be amended to read:

“The Management Board shall prepare the annual report in accordance with the legislation and financial reporting standards adopted by the General Meeting of the company.”

Article 33 shall be amended to read:

“In addition to legal and statutory reserves the company shall also create reserves for own shares for the purpose of repurchasing own shares, as applicable, and other reserves from surplus.”

The first paragraph of Article 36 shall be amended to read:

“Subject to the resolution adopted by the General Meeting, net distributable profit may be allocated as follows:

- **To create other reserves from surplus.**
- **To shareholders (dividend payment).**
- **To the members of the Management Board and the members of the Supervisory Board as bonuses or profit sharing.**
- **To employees as bonuses in accordance with the decision adopted by the Management Board, subject to approval by the Supervisory Board.”**

The second paragraph of Article 36 shall be amended to read:

“Net distributable profit may also be carried forward.”

Paragraph One of Article 37 shall be amended to read:

“The Management Board may pay an interim dividend in the course of the financial year in line with the projected net profit for the financial year, which however shall not be more than half the amount left over after the creation of reserves from surplus and it shall also not be more than half the net distributable profit posted in the previous year.”

Article 43 shall be amended to read:

“Amendments to the Statute shall apply as of the date of their being recorded in the court register.”

The Statute shall be edited as follows:

- **In the first sentence of Article 1 the comma after the word ‘Gorenje’ shall be deleted;**
- **The first sentence of Article 29 shall be deleted.**

e) Authority and power conferred on the Supervisory Board by the General Meeting

That the Supervisory Board be authorised to –

- Update the Statute to reflect the adopted amendments to the Statute, and edit the text of the Statute including the renumbering of articles;
- As of the date of EUR becoming the official national currency, convert the presently listed share capital and all other amounts expressed in SIT into EUR using the applicable exchange rate, and update the Statute accordingly.

3. Changes of the Management Board authorization for the acquisition and disposal of own shares dated 4 July 2005

Proposed resolution by the Management and by Supervisory Board:

That the resolution of the General Meeting of the authorization to the Management Board for the acquisition and disposal of own shares dated 4 July 2005 be amended as follows:

- A new indent shall be added to sub-paragraph 1.e, which shall read: “- for other strategic purposes, subject to prior approval by the Supervisory Board.”;
- Sub-paragraph 1.f shall be deleted.

Information Materials

The proposed resolutions as well as other documents to be discussed at the General Meeting are open to inspection by shareholders at the company’s headquarters every business day from 9 am to 12 noon. Alternatively, they can be viewed in the electronic information system of the Ljubljana Stock Exchange d.d. SEOnet, and on the Gorenje website at www.gorenje.com. The Gorenje website www.gorenje.com also features the current Statute of Gorenje d.d. of 20 June 2003.

Eligibility to attend and vote

A person’s entitlement to attend and vote at the meeting will be the entitlement of that person set out in the Register of Shareholders at Klirinško depotna družba d.d. Ljubljana as at 9 December 2006. Shareholders may attend and vote in person or by appointing a proxy or an attorney to attend and vote on their behalf, who should bring with them evidence of their appointment, as applicable. Shareholders who are planning to attend the meeting should submit a written notice to that effect to the Management Board of Gorenje d.d., which shall be received no later than 9 December 2006.

Registration

Shareholders, or their attorneys, who plan to attend the meeting are asked to arrive at the venue 1 hour prior to the time designated for the meeting, so that their holding may be checked against the Gorenje d.d. Share Register and attendances recorded. Voting cards should be collected at least 15 minutes prior to the time designated for the start of meeting at 12.00 hours. The auditorium will be open as of 11.00 hours onwards.

By order of the Management Board
Chairman of the Management Board
Franc Bobinac

Velenje, Slovenia, 10 November 2006