

gorenje

Gorenje, d.d.

Partizanska 12, 3503 Velenje

The Management Board and the Supervisory Board of Gorenje, d.d.

hereby convene the 7th Shareholder's Assembly Meeting of Gorenje, d.d.,

**to be held on 7th July, 2004 at 13.30 hours,
in Hotel Paka Conference Hall in Velenje, Rudarska ul. 3, Slovenia,**

with the following agenda:

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

Proposed resolution:

1. Working panel of the Assembly is appointed as follows:

Chairman of the Assembly: Leonardo F. Peklar
Verification Committee: Jože Bajuk, Chairman
Marko Jerič, Member
Milena Obu, Member

2. Appointed Notary Public for recording the official Records of Proceedings is Janez Mlakar.

2. Deliberation upon the allocation of Balance Sheet Profits for the year 2003 and acquiescence of the Management and the Supervisory Board

Proposed resolution:

1. Balance Sheet Profit for business year 2003 in the amount of SIT 6,529,417,497.94 is allocated as follows:

- Part of profit in the amount of SIT 1,220,000,000.00 from accumulated net profits in the year 1997 is allocated for payment of dividends in the amount of SIT 100.00 gross per share, entitled to all shareholders registered in the Share Register on July 12, 2004. Dividend is scheduled for payment within 60 days following the approval of the present resolution.
- Part of profit in the amount of SIT 4,166,101,186.94 from accumulated net profits in the years 2001, 2002, and 2003 is allocated to other reserves from profit.
- Remaining portion of profit in the amount of SIT 1,143,316,311.00 from accumulated net profits in the years 1997 and 1998 shall remain non-allocated.

2. Acquiescence for business year 2003 is granted to the Management Board and the Supervisory Board of the Company.

3. Supervisory Board Compensation

Proposed resolution

The Supervisory Board of the Company is paid bonus for successful work in the year 2003 in total gross amount of SIT 26,280,000.00 from operating costs.

4. Authorization to the Management of the Company for the acquisition and sale of own shares

Proposed resolution

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 SIT 6,600.00 per share, or 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, whichever is higher;
 - d. If the Company fails to acquire shares by transactions on the organized stock market, the preemption 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 rights of acquiring own shares from the Company aspect;
 - e. Own shares acquired with the present and with preceding authorizations of the Assembly the Company may use 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 sale;
 - g. Sale of own shares excludes the preemption right if shares are sold for the purpose and under terms and conditions defined in the present authorization;
 - h. The Management Company shall at the next regular Assembly Meeting following the eventual sale of own shares inform the shareholders about such sale of own shares and submit to shareholders the opinion of independent financial advisor regarding the rights of selling own shares from the Company aspect;
2. The authorization to the Board of Directors for the acquisition of own shares approved with the Assembly resolution dated June 20, 2003 is hereby recalled.

5. Appointment of Supervisors

Proposed resolution:

1. On April 23, 2004 Mr. Igor Omerza resigned as a member of the Supervisory Board due to incompatibility of performing the function of commercial corporation supervisor and the function of civil servant in the local community (Article 51 of the Corruption Prevention Code).
2. New appointed members of the Supervisory Board are:
 - Mr. Igor KUŠAR, and
 - Peter TEVŽwith the term of office from the date of appointment to July 18, 2006.

6. Appointment of auditor

Proposed resolution

Company KPMG Slovenija, podjetje za revidiranje in poslovno svetovanje, d.o.o., Ljubljana, Neubergerjeva ulica 30 is appointed as auditor for the business year 2004

Documentation

Supervisory Board Report to the Shareholder's Assembly, Audited Annual Report of the company Gorenje, d.d., and Gorenje Group for the year 2003, Proposed Assembly Resolutions and other documentation related to the Assembly Meeting are available for inspection at the head office of the Company each working day from 9.00 – 12.00 hours.

Attendance

Attendance and voting right on the Assembly Meeting shall be granted to shareholders registered at the Share Register with the Central Securities Clearing Agency (KDD) in Ljubljana on July 5, 2004, or their legal proxies or representatives who are required to produce relevant written authorization thereto. Attendance on the Meeting shall be notified to the management of the Company by written notice which shall arrive at the Company head office not later than July 5, 2004 till 13.00 hours.

Time of Meeting

Shareholders are requested to be present at the venue at least one hour prior the commencement, and report their presence with the Verification Committee and collect their voting cards not later than 15 minutes prior the official opening of the session at 13.30 hours. Meeting Hall will be opened at 12.30 hours.

In Velenje, on June 2, 2004

Supervisory board
Chairman
Marko Voljč, M. Econ



Board of Directors
President
Franc Bobinac, MBA

