

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

hereby announces the conclusions of the 7th Shareholder's Assembly Meeting of Gorenje, d.d. held on 7 July 2004

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: 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.

On the basis of the report by the Verification Committee the Chairman of the Assembly **established** that 66.16% of the capital with the right to vote was present.

2. Deliberation upon the allocation of the distributable net profit for the year 2003 and acquiescence of the Management and the Supervisory Board

1. Distributable net profit for business year 2003 in the amount of SIT 6,529,417,497.94 is allocated as follows:
 - A part of the distributable net profit in the amount of SIT 1,220,000,000.00 from accumulated net profit 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.
 - A part of the distributable net 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.
 - The remaining portion of the distributable net 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

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. Authorisation to the Management Board of the Company for the acquisition and sale of own shares

Upon convening the Shareholder's Assembly Meeting on 2 June 2004 the Management Board of the Company submitted a report on the reasons for proposing complete exclusion of preemption right in acquiring and selling own shares in the context of the application of Article 313 in conjunction with Article 240 of the Companies Act.

The following resolution was adopted:

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 for 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 the registered capital of the Company and includes own shares the Company already possesses on the day this authorization was issued;
 - c. Purchase price 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 right 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 an independent financial advisor regarding the rights of acquiring own shares from the Company aspect;
 - e. The Company may use own shares acquired with the present and with the 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 sale;
 - g. Sale of own shares excludes the preemption right if shares are sold for the purpose and under the terms and conditions defined in the present authorization;
 - h. The Management Board 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 an 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 20 June 2003 is hereby recalled.

5. Appointment of Supervisors

1. It is established that on 23 April 2004 Igor Omerza, MSc, resigned as a member of the Supervisory Board due to incompatibility of performing the function of a commercial corporation supervisor and the function of a civil servant in the local community (Article 51 in conjunction with Article 20 of the Corruption Prevention Code).
2. New appointed members of the Supervisory Board are:
 - Igor KUŠAR, MSc, and
 - Peter TEVŽwith the term of office from the date of appointment to 18 July 2006.

6. Appointment of auditor

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

Challenging actions were not announced.

Gorenje, d.d., Management Board