

N.B. In the event that the contents of the Swedish and English version of these articles of association should be found to diverge, the Swedish version shall prevail.

ARTICLES OF ASSOCIATION OF NIBE Industrier AB (publ)

556374-8309

§ 1 Name of the company

The name of the company is NIBE Industrier AB. The company is publicly traded (publ).

§ 2 Registered office

The board of directors shall have its registered office in Markaryd, Sweden.

§ 3 Business

The object of the company's business is to own and manage shares and to conduct managerial and administrative activities for the company's subsidiaries and business related thereto.

§ 4 Share capital

The company's share capital shall be no less than SEK sixty-two million five hundred thousand (62 500 000) and no more than SEK one hundred and twenty-five million (125 000 000).

§ 5 Number of shares

The number of shares shall be no less than one billion six hundred million (1,600,000,000) and no more than three billion two hundred million (3,200,000,000).

§ 6 Class of shares and shareholders' rights upon an increase of the share capital

Shares of two classes, series A and series B, may be issued. Series A shares may be issued in an amount constituting no more than thirty (30) percent of the number of shares which can be issued by the company, and series B shares may be issued in an amount constituting no more than one hundred (100) percent of the number of shares which can be issued by the company.

One series A share conveys ten (10) votes and one series B share one (1) vote.

In the event of an increase in the share capital through a cash issue or a set-off issue, an old share shall be given preferential right to a new share of the same class, shares, which are not subscribed for by the first entitled shareholders, shall be offered to all shareholders and, if the entire number of shares, which are subscribed due to the

above-mentioned offer, cannot be issued, the shares shall be divided between the subscribers pro rata to the number of shares they previously held, and, to the degree this cannot be done, through the drawing of lots.

If the company resolves, through cash issue or set-off issue, to issue warrants or convertibles, the shareholders have a preferential right to subscribe for warrants in the same way as if the issue pertained to those shares which may be subscribed for due to the option and, respectively, to subscribe for convertibles as if the issue pertained to the shares for which the convertibles may be exchanged.

What is set forth above shall not constitute any restriction in the possibilities to make a resolution on cash or set-off issues that deviate from the shareholders' preferential rights.

In the event of a bonus issue, new shares of both classes shall be issued pro rata to the number of shares of the same class which previously existed. In the event of an increase in the share capital through a bonus issue, the shareholders have preferential rights to the new shares pro rata to the number of shares which they previously held, whereupon holders of A-shares are entitled to new series A shares and holders of B-shares are entitled to new series B shares. What is now set forth shall not constitute any restriction of the possibility, through a bonus issue, after required amendments to the articles of association, to issue shares of a new class.

§ 7 Conversion of shares

Series A shares shall have the ability to be converted to series B shares in the order set forth below.

An owner of a series A share shall be entitled to request that such a share shall be converted to a series B share. Such a request shall be made in writing to the company's board of directors. The request shall state how many shares the shareholder wishes to convert. The company's board of directors is obliged, without delay, to treat issues regarding conversions of series A shares to series B shares. The conversion shall without delay be reported for registration and is executed when the registration is made.

§ 8 Composition of the board of directors

The board of directors shall, in addition to directors who in accordance with the law may be appointed by a body other than the general meeting, consist of no less than five (5) and no more than seven (7) directors with no more than five deputies.

§ 9 Auditors

The company shall have no less than one (1) and no more than two (2) auditors with no more than two (2) deputy auditors. No less than one (1) and no more than two (2) registered public accounting firm(s) may also be appointed as auditor.

§ 10 Notice to attend general meetings

Notice to attend a general meeting shall be given by advertisement in Post och Inrikes Tidningar (Swedish official gazette) and on the company's website. The fact that a notice to attend has been given shall be advertised in Svenska Dagbladet.

Notice to attend an annual general meeting as well as notice to attend an extraordinary general meeting where an issue regarding amendment to the articles of association shall be treated shall be given no earlier than six (6) and no later than four (4) weeks before the meeting. Notice to attend other extraordinary general meetings shall be given no earlier than six (6) and no later than three (3) weeks before the meeting.

§ 11 Shareholders' and advisors' right to participate in the general meeting

Shareholders, wishing to participate in the business of the general meeting, shall notify the company no later than on the day stated in the notice to attend the general meeting. That day may not be a Sunday, other public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and not fall earlier than on the fifth day before the meeting. Advisor to shareholders may accompany a shareholder only if the shareholder notifies the company of this in the manner described, and in the notification states the number of advisors, one or two, who shall participate at the general meeting.

§ 12 The location of the general meeting

The general meeting shall be held in Markaryd.

§ 13 Annual general meeting

The annual general meeting shall be held before the end of the month of June.

The chairman of the board of directors, or the person appointed by the board of directors, shall open the meeting, and lead the business until the chairman has been elected.

At the general meeting, the following matters shall be dealt with:

1. Election of the chairman of the general meeting.
2. Preparation and approval of the voting list.
3. Approval of the agenda.

4. Election of one or two persons to verify the minutes.
5. The matter of whether the general meeting has been duly convened.
6. Presentation of the annual report and the audit report and, as applicable, consolidated accounts and group audit report.
7. Resolutions on
 - a) adoption of the income statement and the balance sheet and consolidated income statement and consolidated balance sheet;
 - b) allocation regarding the company's profit or loss in accordance with the adopted balance sheet;
 - c) discharge from liability for board members and the managing director.
8. Determination of the number of directors and deputy directors and, as applicable, the number of auditors and deputy auditors or, alternatively, registered public accounting firms.
9. Determination of remuneration to the board of directors and the auditors.
10. Election of the directors, deputy directors and chairman and, as applicable, auditors and deputy auditors or, alternatively, registered public accounting firms.
11. Other matters which shall be dealt with at the general meeting under the Swedish Companies Act (2005:551) or the articles of association.

§ 14 Financial year

The calendar year shall be the company's financial year.

§ 15 Registration proviso

The company's shares shall be registered in a central securities depository register in accordance with to the Financial Instruments Accounts Act (1998:1479).

§ 16 Post-transfer acquisition right

If a series A share (A-share) is transferred from one shareholder to another shareholder in the company or to a person, who previously was not a shareholder in the company, (the acquirer), in cases other than when an A-share is transferred to an A-shareholder's children, grand or great grandchildren through a gift, inheritance or will, the A-share shall immediately, by the acquirer, be offered to the other owners of A-shares for redemption through a written notice to the company's board of directors. The notice shall be accompanied by proof of access to the A-share.

When the notice has been made regarding the transfer of the A-share, the board of directors shall immediately, in writing, notify all shareholders entitled to redemption, whose postal addresses are registered in the share register or is otherwise known to the company, with a request that, if the shareholder wishes to exercise the redemption right, to present, in writing, the redemption claims to the company within two

(2) months, counted from the notice with the board of directors of the transfer of the A-share. Redemption may not be made regarding a lesser number of shares than encompassed by the post-transfer acquisition right.

If several shareholders entitled to redemption apply, the preferential right between them shall be determined by the drawing of lots, executed by a notary public (Sw. notarius publicus), however with the proviso that, if several A-shares have been offered at the same time, the A-shares shall, as far as possible, be divided pro rata to the previous holding of A-shares among those who have made redemption claims.

The redemption price per A-share shall amount to one tenth (1/10) of the share's quotient value. The redemption amount shall be paid within one (1) month of when the redemption price was determined. No other terms shall apply regarding redemption.

If no one entitled to redemption makes a redemption claim or if the redemption price is not paid within the prescribed time period, the acquirer is entitled to be registered as holder of the A-share.

If the acquirer and the person requesting to redeem the shares cannot agree regarding the matter of redemption, the person requesting the redemption may bring action within two months of the date on which the redemption claims were made to the company.

In the event of a dispute regarding the matter of redemption between the acquirer and the person making the redemption claim, such a dispute shall be settled by arbitration in accordance with the Swedish law on arbitral proceeding applicable at the time when the action is brought.

Under chapter 4, section 29 in the Swedish Companies Act (2005:551) a post-transfer acquisition right as described above applies to an estate if the shares are not transferred to a new owner within one year of death.
