PERGO

FOR IMMEDIATE RELEASE

January 2, 2007

PERGO TO RECEIVE €325,000 IN LEGAL SETTLEMENT

Trelleborg – January 2, 2007. Pergo AB ("Pergo") (PERG), a leading international flooring company, today announced that it has successfully settled the arbitration case initiated by the bankrupt estate of Witex AG against Pergo Holding BV in June 2004. The settlement also included any and all other outstanding disputes with Witex. The settlement requires a cash payment of EUR 325,000 to Pergo, as well as the transfer of the www.pergo.pl and www.pergo.com.pl internet domains, which were registered by Witex, to Pergo.

Frida Rosenholm, Vice President and General Counsel, commented: "We have now successfully settled eleven major litigations in the last eighteen months. These settlements have lead to substantial payments and acknowledgements of our intellectual property rights by third parties. The litigations and subsequent settlements demonstrate our commitment to protecting and enhancing our market-leading positions and intellectual property, while at the same time moderating our overall legal costs."

This settled arbitration related to a Share Purchase, Subscription and Partnership Agreement entered into between Pergo and Witex in 2000.

For further information, please visit <u>www.pergo.com</u> or contact:

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Pergo is a leading international flooring company with established market positions in Europe and the USA. Pergo generated net sales of over SEK 3 billion in 2005 and employs over 600 people. Pergo developed laminate flooring at the end of the 1970s and launched its product in Europe during the 1980s. The Company began selling its products in the US in 1994, in Asia in 1995, and in Latin America in 1997. The Company's products have been marketed under the PERGO® brand since 1989 and under the SimpleSolutions brand since 2005.

The Company's shares are listed in the Mid Cap Industrials sector of the Nordic Stock Exchange under the symbol 'PERG'.