



Faberge AB (publ)

PRESS RELEASE

03.03.2006

Notification of Annual General Meeting in Faberge AB (publ)

The shareholders of Faberge AB (publ) are hereby invited to attend the Company's Annual General Meeting (AGM) on 4 April 2006, at 4 p.m., in Norra Latin (Aulan, 2nd floor), Drottninggatan 71B, Stockholm. Registration for the AGM begins at 3 p.m.

Notification

Shareholders who wish to attend the AGM must

be registered as a shareholder in the register of shareholders maintained by VPC AB no later than 29 March 2006;

notify the Company of their intention to attend the AGM no later than 4 p.m. on 29 March 2006.

Notification of participation in the AGM can be made in one of the following ways:

- by post to Faberge AB, Årsstämman, Box 888, 131 25 Nacka
- by telephone on +46 (0)8 555 148 00
- by fax on +46 (0)8 623 03 38
- at Faberge's website, www.faberge.se

When notifying their intention to attend, shareholders must state their name, personal number or organisation number, address and telephone number, their shareholding in Faberge and the names of any assistants they wish to invite. Shareholders whose shares are registered in the name of a nominee must, to be entitled to take part in the AGM, request that their shareholding be temporarily reregistered in their own name. Such reregistration must be completed no later than Wednesday 29 March. To ensure that this happens, shareholders are advised to contact their nominee to request reregistration well before this date. Participants attending under a power attorney must enclose this document with their notification.

Proposed agenda

It is proposed that the AGM transact the following business:

1. Open the meeting
2. Elect a chairman for the meeting
3. Draw up and approve the list of voters
4. Approve the agenda
5. Elect one or two persons to check the minutes of the meeting
6. Establish whether the meeting has been duly convened
7. Hear a presentation by the Chief Executive Officer
8. Decide on a private placement
9. Listen to a presentation of the Annual Report and Audit Report and the Consolidated Financial Statements and Consolidated Audit Report.

Faberge AB (publ) is one of the leading property companies in Sweden, and owns properties with a book value of SEK 21.3 billion. The property stock, which is concentrated on the Stockholm region, has a rental value on a twelve-month basis of SEK 2.2 billion and a lettable area of 1.7 million m². Faberge's shares are quoted on the Attract40 list of the Stockholm Stock Exchange.

10. Decide on
 - a) the adoption of the Income Statement and Balance Sheet as well as the Consolidated Income Statement and Consolidated Balance Sheet
 - b) the distribution of the Company's profit or loss according to the approved Balance Sheet
 - c) discharge from liability for the Board of Directors and Chief Executive Officer
 - d) a record date for the payment of a dividend, in the event that such dividend is approved by the AGM
11. Decide on the number of Directors and listen to a presentation of the work of the Nomination Committee
12. Decide on the Directors' and auditors' fees
13. Receive information from the chairman of the AGM on any assignments on behalf of other companies and organisations being performed by the Board nominees
14. Elect a Board of Directors and Board Chairman
15. Decide on the principles for the appointment of a Nomination Committee
16. Approve a set of principles for the remuneration and employment terms of the Company's management
17. Decide on amendments to the Articles of Association
18. Decide whether to authorise the Board to buy back shares and transfer such shares to other parties
19. Decide on commission-free trading
20. Transact any other business
21. Conclude the meeting

Decisions proposed by the Board

Item 8 – directed new share issue

The Board of Directors proposes that the AGM decide on a directed new share issue of no more than 4,553,335 shares. Deviating from the preferential rights of shareholders, only shareholders in Fastighets AB Tornet (publ) (Tornet) shall be entitled to subscribe for shares under the offer.

Payment for subscribed shares shall be made in kind in the form of shares in Tornet. Each share in Tornet shall entitle the holder to one (1) share in the Company. In the event that all outstanding shares in Tornet (excluding those owned by Faberge) are exchanged for Faberge shares, the Company's share capital would increase by SEK 227,666,750. It is proposed that the new shares entitle the holder to a dividend as of the date of the decision on the private placement (see also under Item 10 below):

The proposed directed new share issue is related to the Company's offer to the shareholders of Tornet for the acquisition of all shares in Tornet. More information about the offer is found in the press release from 3 February 2006, which is available on the Company's website, www.wihlborgs.se. The full terms of the Company's offer to the shareholders of Tornet will be presented in a prospectus produced by the Company with an estimated release date of 10 March 2006.

Item 10 b) and d) – Dividend and record date

The Board proposes that the meeting decide on a dividend of SEK 7.50 per share for 2005. The proposed record date for payment of the dividend is Friday 7 April 2006. If the meeting approves the proposal, it is estimated the cash dividend will be distributed by VPC AB on 12 April 2006.

Payment of dividends on shares issued under the directed new share issue proposed by the Board (Item 8 above) may legally be made only after the Swedish Companies Registration Office (Bolagsverket) has registered the increase in share capital resulting from the new share issue. Payment of dividends on the new shares may therefore be delayed in the event that Bolagsverket has not registered the increase in share capital by 12 April 2006. In such case, the dividend on the new shares will be paid as soon as possible after registration by Bolagsverket.

Item 16 - Principles for the remuneration and other employment terms of the Company's management

The Company's management refers to the Chief Executive Officer and other members of Group management. The principles for the remuneration and other employment terms for Group management proposed by the Board are as follows.

The remuneration should be market-based and competitive. Responsibilities and performance that are in the interest of the shareholders should be reflected in the compensation. The fixed salary should be reviewed each year. Faberge has a profit-sharing foundation that covers all employees of the Company. Allocations to the profit-sharing foundation should be based on the achieved return on equity and is subject to a ceiling of one basic amount per year and employee. Any compensation in addition to the fixed salary should be subject to a ceiling and related to the fixed salary. At present, there are no agreements on variable compensation for the Company's management, nor has any variable compensation been paid in 2005. Non-monetary benefits should be limited to reasonable benefits aimed at facilitating the tasks performed.

The retirement age for the Chief Executive Officer is 60 years. The pension is 75 per cent of the pensionable salary up to the normal retirement age of 65 years. The cost of this commitment has been expensed in previous years' income statements. From 60-65 years the entitlement is 35 per cent of the pensionable salary. For other members of the Company' management the occupational pension plan (ITP) applies and the retirement age is 65 years. Termination salary and severance pay combined should not exceed 24 months. Severance pay should normally be offset against other income.

All members of the Board except the CEO are working on establishing a set of principles for the remuneration and other employment terms of the Company's management and preparing a decision on the CEO's remuneration and other employment terms.

Item 17 – Change of Articles of Association

The Board proposes that the meeting decide on several changes aimed at adapting the Articles of Association to the provisions of the new Companies Act (SFS 2005:551). The main changes are as follows:

- The provision on the par value of a share is withdrawn and replaced by a provision stipulating that the number of shares must be at least 33,400,000 and not exceed 133,600,000.
- The provision on notification of an Annual General Meeting is amended so that notification is made by advertisement in Post- och Inrikes Tidningar and Svenska Dagbladet.
- The record date for the right to participate in the AGM is changed to the fifth workday before the AGM.
- A provision stipulating that a person who is not included in the register of shareholders shall have the right to attend the AGM subject to terms to be decided by the Board of Directors.
- The provision requiring that the AGM chairman provide information on Board nominees' assignments on behalf of other companies and organisations is withdrawn.
- The record clause is adjusted to the new legal definition of VPC-affiliated company (avstämningsbolag).
- The term "Ordinary General Meeting" is replaced by "Annual General Meeting".

Item 18 – Acquisition and transfer of shares owned by the Company

The Board proposes that the AGM authorise the Board, for a period ending no later than the next AGM, to buy back shares in the Company and transfer ownership of such shares.

Share buybacks are subject to a limit of no more than 10 per cent of the total number of outstanding shares at any time. Acquisition must be made by purchase on the Stockholm Stock Exchange. The right to transfer ownership of shares is subject to a limit of no more than 10 percent of all outstanding shares at any time. The Company is entitled to transfer shares on the Stockholm Stock Exchange and, deviating from the preferential rights of shareholders, to third parties in connection with acquisitions of properties or businesses. Payment for transferred shares may be made in cash, in kind, by offset or in another manner subject to terms and conditions.

The authorisation is aimed at enabling the Company to continuously adapt its capital requirements and thereby improve shareholder value, and to transfer shares in conjunction with the financing of acquisitions of properties or businesses, by paying with the Company's own shares.

Item 19 – Decision on commission-free trading

For the purpose of achieving a conducive ownership structure and improving liquidity in the Company's shares, the Board proposes that the AGM approve that the Company's shareholders, upon a decision by the Board, be offered to buy or sell free of commission the number of shares required to achieve a shareholding consisting of round lots (one round lot = 100 shares). It is proposed that a decision on the period and precise terms of the offering be left to the discretion of the Board, with the condition that the offering, if implemented, must be completed before the 2007 AGM.

Decisions proposed by the Nomination Committee

Items 2, 11, 12 and 14 – Election of AGM chairman, number of Directors, Directors' fees, auditors' fees and election of a Board of Directors and Board Chairman

The Nomination Committee, which consists of Magnus Wörn (Chairman), AMF Pension, Anders Silverbåge, Brinova Fastigheter AB, Erik Törnberg, Investment AB Öresund and Jan Andersson, Robur, represents 27 per cent of the votes in Faberge. A description of the work of the Nomination Committee is available at www.faberge.se. The Nomination Committee proposes the following:

- that Mats Qviberg be elected chairman of the AGM
- that the Board consist of seven Directors with no deputies

- that Directors' fees totalling SEK 1,325,000 be paid and distributed as follows:
 - SEK 350,000 to the Chairman of the Board
 - SEK 175,000 to other Directors who are not employed by the Company
 - SEK 100,000 as remuneration for the Board's work in the Audit Committee, of which SEK 50,000 to the Chairman and SEK 25,000 to the other Directors
- that auditors' fees be paid in accordance with the approved invoice(s)
At the 2005 AGM Deloitte AB were appointed as the Company's auditors for the period up to the 2009 AGM. The chief auditor is Svante Forsberg.
- that the Directors Mats Qviberg, Sven-Åke Johansson, Stefan Dahlbo, Göte Dahlin, Märtha Josefsson, Erik Paulsson and Maths O. Sundqvist be re-elected to the Board with Mats Qviberg as Chairman.

Item 15 – Decision on principles for the appointment of a Nomination Committee

The Nomination Committee proposes that the following principles apply for the appointment of the Nomination Committee

1. The Nomination Committee shall consist of one representative from each of the four largest shareholders. In addition, the Nomination Committee may decide that the Company's Chairman should sit on the Nomination Committee. The names of the members of the Nomination Committee and the owners they represent shall be announced no later than six months before the AGM and be based on the known ownership immediately prior to the announcement. The mandate period of the Nomination Committee shall expire upon the election of a new Nomination Committee. The chairman of the Nomination Committee shall be the member representing the largest shareholder, unless the Nomination Committee agrees otherwise.
2. If an owner is no longer one of the four largest shareholders, the representative of this owner shall vacate his seat, and the new shareholder that is now among the four largest shareholders shall be offered a seat on the Nomination Committee. Marginal changes need not be taken into account, however. An owner that has appointed a representative to the Nomination Committee shall be entitled to relieve the representative of his duties and appoint a new representative. Any changes in the membership of the Nomination Committee shall be announced.
3. The Nomination Committee shall prepare proposals on the following issues to be decided at the AGM:
 - a. proposal for chairman of the AGM
 - b. proposal for Board of Directors
 - c. proposal for Chairman of the Board of Directors
 - d. proposal for Directors' fees, specifying the breakdown between the Chairman and other Directors and any remuneration due for committee work
 - e. proposal for auditors
 - f. proposal for fees to the Company's auditors
 - g. any proposals for changes to the procedure for appointing the Nomination Committee
4. The Company shall bear the cost of any reasonable expenses that the Nomination Committee believes are required to enable the Committee to complete its assignment.

Other information

The Annual Report and Audit Report, a prospectus relating to the offer made by the Company to the shareholders in Fastighets AB Tornet (Item 8) and the complete text of the proposals for decisions will be available from the Company's office as of Friday 10 March 2006 and sent to shareholders that have requested to receive such information and provided a postal address. The documents will also be made available at the Company's website, www.fabege.se. The statement of the Board of Directors pursuant to Section 4 of Chapter 18 of the Companies Act (2005:551) relating to the dividend proposal is included in the Directors' Report.

The Company's Annual Report and an information brochure relating to the offer made to the shareholders of Fastighets AB Tornet will be distributed in the middle of March to shareholders who have requested to receive financial information from the Company.

Stockholm, March 2006
 Fabege AB (publ)
 The Board of Directors