

Annual General Meeting of PERGO AB (PUBL)

The shareholders in Pergo AB (publ) are hereby summoned to the Annual General Meeting to be held on Wednesday April 26, 2006 at 3.00 pm, in Carolinahallen, S:t Gertrud Konferens, Östergatan 7B, Malmö, Sweden.

Right to attend and notification

Shareholders who wish to attend the Annual General Meeting must be recorded in the share register maintained by the Swedish Securities Register Centre ("VPC") on Thursday April 20, 2006, and must notify the company of their intention to attend the Annual General Meeting at the earliest on Tuesday March 28, 2006, and no later than on Thursday April 20, 2006, 12.00 pm, either: through the company's website www.pergo.com/corporate, by phone: +46 (0)8 755 13 46, by fax: +46 (0)8 622 63 51 or by mail: Pergo AB, Box 10, 182 11 Danderyd, Sweden.

When notifying the company the shareholder must state name, address, daytime telephone number and social security- or corporate registration number as well as the number of assistants (maximum two) the shareholder wishes to bring to the meeting. Shareholders represented by a proxy must authorize the proxy by issuing a power of attorney. A template power of attorney can be found on www.pergo.com/corporate. To facilitate entry to the Annual General Meeting the original power of attorney and qualifying certificates shall be sent to the company at the address above no later than Thursday April 20, 2006.

Shareholders whose shares are registered in the name of a nominee through a bank or similar institution must, in order to be entitled to attend the Annual General Meeting, request that their shares are temporarily re-registered in their own names in the register of shareholders maintained by VPC. Such registration must be effected on Thursday April 20, 2006. Shareholders are requested to inform their nominees well in advance of this date.

An admission card will be sent to the shareholder as a confirmation of receipt of the notice of attendance. The admission card shall be brought to the Annual General Meeting.

Agenda

Proposed agenda

1. Opening of the Annual General Meeting.
2. Appointment of a Chairman of the Annual General Meeting.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Appointment of persons to approve the minutes.
6. Examination of whether the Annual General Meeting has been properly convened.
7. The Managing Director's report.
8. Presentation of the Annual Report, the Auditors' Report on the Parent Company, the Consolidated Accounts and the Auditors' Report on the Group.
9. Decisions in respect of the following
 - a) the adoption of the Parent Company Income Statement and the Parent Company Balance Sheet as well as the Consolidated Income Statement and the Consolidated Balance Sheet,
 - b) the appropriation of the company's profit according to the adopted Balance Sheet; and
 - c) the discharge of liability of the Directors and the Managing Director.
10. Report on how the Nomination Committee has conducted its work and recommendations regarding appointment of Board of Directors etc.
 - a) Decision on the number of Directors of the Board.
 - b) Decision on remuneration for the Board of Directors and the Auditors.

- c) Appointment of Chairman of the Board of Directors and members of the Board of Directors.
- d) Decision of criteria for the appointment of Members of the Nomination Committee etc.
- 11. Decision to amend the Articles of Association.
- 12. Decision regarding approval of principles for compensation and other terms of employment for company's senior management.
- 13. Closing of the meeting.

Recommendations for decision

Item 2. The Nomination Committee, consisting of Petter Odhnoff (Andra AP-fonden) chairman, Peter Ekelund (Novestra), David Marcus (M2 Capital Management), Peter Rudman (Nordea Fonder), Roger Buehler (Laxey Partners) and Bertil Villard, Chairman of the Board, recommends that Bo Ahlenius shall chair the Annual General Meeting.

Item 9. The Board of Directors recommends that no dividends shall be distributed for the financial year 2005.

Items 10 a) – d) The Nomination Committee recommends that the Annual General Meeting decides

- a) that there shall be seven Members of the Board of Directors and no Deputy Members;
- b) that Auditors' fees shall be paid upon approval of the invoice and that the total compensation to the Board of Directors of SEK 2.150.000, shall be divided as follows: SEK 650.000 to the Chairman of the Board of Directors and SEK 250.000 to other Members of the Board of Directors not employed by the Group. No extra compensation shall be paid to Members of the Board of Directors participating in committee work or to Members of the Board of Directors employed by the Group;
- c) that Bertil Villard is re-elected as Chairman of the Board of Directors; that Roger Buehler, Theodor Dalenson, Jan Söderberg and Katarina Wendt Englund are re-elected as Members of the Board of Directors and that David Marcus and Henry Guy are elected as Members of the Board of Directors. David Marcus is the founder and part owner of M2 Capital Management, L.P. and Member of the Board of Directors of Modern Holdings, Inc. (Chairman of the Board of Directors), Novestra AB, Shared Value, Modern Times Group MTB AB, Scribona AB and Carl Lamm AB. Henry Guy is President and CEO of Modern Holdings Inc. and Member of the Board of Directors of Metro International S.A., Basset Telecom Solutions, Xpeedio AB, Netcom Consultants AB and Tailor Made Consulting Group AB. The Member of the Board of Directors, Karl Stenström and Kurth Augustson, have declined re-election;
- d) that the following essential criteria, etc. shall be applied when members of the Nomination Committee are appointed. The Nomination Committee shall, besides the Chairman of the Board, consist of members representing the five largest shareholders of the company. The Chairman of the Board of Directors shall convene the five largest shareholders for the Nomination Committee as soon as possible after the end of August 2006. The decision regarding which shareholders are the five largest shall be based on entries in the share register maintained by VPC as per August 31, 2006. Shareholders not registered in the share register shall have the right to appoint a member of the Nomination Committee if the shareholder can show that the shareholder was one of the five largest shareholders as per August 31, 2006 and immediately reports this to the Chairman of the Board of Directors. The names of the five members of the Nomination Committee and the shareholder they represent shall be announced as soon as the Nomination Committee has been convened, but at the latest six months before the Annual General Meeting. If any of the five largest shareholders should not wish to take part in the Nomination Committee, or if a member leaves the committee before the work is completed, the next largest shareholder shall be offered representation in the Nomination Committee. If a material change has taken place in the ownership structure after the convening of the Nomination Committee, the composition of the Nomination Committee shall be changed in accordance with the above principles. The Nomination Committee's mandate period runs until a new Nomination Committee has been convened. The chairman of the Nomination Committee shall, unless the members decide otherwise, be the member representing the largest shareholder. The Nomination Committee shall prepare and present recommendations to the Annual General Meeting for the appointment of Chairman for the Annual General Meeting, Chairman of the Board of Directors, Members of the Board of Directors, compensation to the Board of Directors divided between the Chairman of the Board of Directors and other members of the Board of Directors and compensation for committee work and, if applicable, appointment of and fees to the Auditors. The

Nomination Committee shall, if it finds it necessary and to a reasonable extent, have the right to employ external consultants at the company's expense within the framework of its assignments. No compensation shall be paid for work performed in the Nomination Committee.

Item 11. The Board of Directors recommends that the Annual General Meeting decides that the Articles of Association are amended in order to comply with the new Companies Act that entered into force on January 1, 2006. The recommended amendments consist of, in essential, the following.

- The provision regarding the nominal amount of shares is deleted and is replaced with a provision stating that the number of shares shall be at least 17.500.000 but not more than 70.000.000 (§ 5).
- The provision regarding notice of General Meetings is changed amended to that a notice of General Meetings shall always be published in the Swedish Official Gazette and Svenska Dagbladet (§ 10).
- The provision regarding registration in the shareholders register is amended to that a shareholder shall be recorded as such in a printed version of the shareholders register or the shareholders register in another form five weekdays prior to the General Meeting in order to attend the General Meeting (§ 10).
- The provision regarding record day register is amended to comply with the new Companies Act (§ 11).
- In addition, certain minor editorial changes have been made, i.a. in §§ 6, 7, 8 and 10.

The recommendation of the Board of Directors comprises an authorization for the Managing Director of the company to make the minor adjustments in the decision of the Annual General Meeting that are deemed necessary in connection with the registration of the decision at the Swedish Companies Registration Office.

Item 12. The Board of Directors recommend that the Annual General Meeting approves principles for remuneration and other terms of employment for the Managing Director and other members of the senior management of the company (the "Group Management") with the following essential content.

- The company seeks to attract and retain key executives based on a total remuneration that is competitive and reflective of a company operating in a global environment. The company shall offer a total remuneration that is equitable and competitive in the relevant market and administered to the performance of the member of the Group Management and the Group. Furthermore, a variable component can represent a significant portion of total compensation.
- The fixed salary shall form the base of the total remuneration. The salary shall be competitive in the relevant market and reflect the member's responsibilities. Salary levels shall be reviewed periodically, most often annually, to ensure continued competitiveness and to recognize performance.
- Group Management members shall be eligible to receive a bonus in addition to the fixed salary. The focus for the bonus shall be the financial performance of the Group or the relevant organizational and geographical areas the Group Management is responsible for. In addition, key performance indicators may be used to increase focus on issues of particular interest for the company at Group or individual level. Clearly defined bonus targets, reflecting plans approved by the Board of Directors, shall be defined in the beginning of each year. The bonus shall be in the range between 15 and 75 percent of the fixed salary. However, the Board of Directors shall, in extraordinary situations, have the right to approve a bonus range up to 100 percent of the fixed salary.
- The Board of Directors shall every year evaluate whether a share based or share price related incentive program shall be proposed to the Annual General Meeting. Any such incentive program shall be coordinated with the bonus program.
- Health benefits, medical benefits and pensions, shall reflect rules and practices for executives in the relevant market. Pension plans shall, if applicable, be based on a pension policy established by the Group. In individual cases, members of the Group Management may be offered other pension benefits.
- Other benefits than the above mentioned may be provided in line with the practice for benefits for executives in the relevant market. Other benefits may be offered in individual cases. These benefits shall not constitute a material portion of the fixed salary.
- The company's termination and severance payment policy is consistent with the company's desire to attract and retain key executives. This generally requires a termination period not exceeding 24 months, when notice of termination is given by the Company and 6 months when notice of termination is given by a member of the Group Management. The notice periods for termination and for severance payment shall however be competitive in the relevant market.

- These principles shall be valid for employment agreements entered into after the Annual General Meeting 2006 and for changes made to existing employment agreements thereafter.
- The Board of Directors shall, based on recommendation by the Remuneration Committee, establish principles regarding the company's policy for remuneration and other terms of employment for senior management and approve the Managing Director's remuneration and other terms of employment.

Documents etc.

The Accounts, the Auditors' Report and the recommendations for decision will be available at the company as well as on its website www.pergo.com at the latest 12 April 2006.

Trelleborg, March 2006
The Board of Directors of Pergo AB (publ)

For further information, please contact:

CEO Tony Sturru, phone +46 410 36 31 00, e-mail: tony.sturru@pergo.com
VP General Counsel and responsible for Investor Relations, Frida Rosenholm,
phone +46 410 36 31 00, e-mail: frida.rosenholm@pergo.com
IR- and Pressduty weekdays, phone +46 70 676 11 57

About Pergo

Pergo is a leading flooring company with leading market positions in Europe and the USA. Pergo's net sales in 2005 amounted to approximately SEK 3 billion and the number of employees is approximately 700. Pergo developed laminate flooring at the end of the 1970s and launched the product in Europe during the 1980s. The company initiated sales in the US in 1994 and on a smaller scale in Asia in 1995 and 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 is listed on the Stockholm Stock Exchange's O-list. For further information about Pergo, please visit www.pergo.com.