

§ 1 Opening the Meeting and appointing the Chairman

The Meeting was opened by the company's Chairman, Company Director Ulf G. Lindén, whereupon, pursuant to the proposal from the company's Election Committee, the Meeting appointed Attorney-at-Law Ragnar Lindqvist to Chair the proceedings of the Meeting.

The Meeting noted that the Board of Directors appointed the undersigned, Sten-Åke Lindstedt, to take the minutes.

The Meeting then resolved that the guests and media representatives present would possess the right to attend the Meeting, without the right to make statements.

The Meeting then noted that all shareholders present expressly agreed that the minutes from the Meeting would be published on the company's Website, stating the names of those shareholders that made claims, opposed the Meeting's resolutions or made other representation, notwithstanding Swedish legislation on personal information.

§ 2 Establishing and approving the voting list

After some amendment to the list of shareholders attending shareholders, prepared pursuant to the stipulations of the Swedish Companies Act regarding the obligation of notifying shareholders a pre-determined period before the Meeting, that with the number of votes stated therein, the list was approved as the voting list for the Meeting pursuant to the attached Appendix 1, amounting to a total of 19,021,708 shares, of which 981,000 class A shares and 18,040,708 class B shares, representing a total of 27,850,708 votes.

§ 3 Approving the agenda

The Meeting resolved to approve the Board of Directors' proposed agenda, as stated in the notice convening the Meeting.

§ 4 Appointing two people to verify the minutes

The Meeting appointed Magnus Landbring, representing Handelsbanken mutual funds, and Rune Nilsson, representing his own shareholdings, to verify the minutes of the Meeting, together with the Chairman of the Meeting.

§ 5 Consideration of whether the Meeting had been duly convened

After notification that apart from the Swedish Official Gazette, the notice convening the Meeting had been published in Swedish daily newspapers *Svenska Dagbladet*, *Helsingborgs Dagblad* and *Sydsvenska Dagbladet* on 28 March 2006, the shareholders present resolved that the Meeting had been duly convened.

§ 6 Submission of the Annual Report and Audit Report, Consolidated Financial Statements and Consolidated Audit Report and review of the Board of Directors' activities and CEO's comments on the annual accounts

The Annual Report, Audit Report, Consolidated Financial Statements and Consolidated Audit Report for the financial year 2005 were submitted.

The Audit Report was presented by the company's auditor, Gert Frej, while the Meeting found that no presentation of other documentation was required.

Chairman of the Board Ulf G. Lindén reviewed the Board of Directors' activities in the financial year 2005.

The Chief Executive Officer, Alrik Danielson, commented on the company's operations in 2005, and progress in early 2006.

The shareholders were then invited to submit questions relating to the Chief Executive Officer's address, whereupon Anders Olsson, representing the Swedish Association of Shareholders, submitted questions regarding the company's key figures, financial objectives and product development operations, and subsequently declared himself satisfied with the answers received.

§ 7 a) Adopting the Income Statement and Balance Sheet, the Consolidated Income Statement and Consolidated Balance Sheet

The Board of Directors adopted the Income Statement and Balance Sheet and the Consolidated Income Statement and Consolidated Balance Sheet, all as of 31 December 2005.

§ 7 b) Appropriation of profits

The Chairman of the Meeting briefly reviewed the Board of Directors' and Chief Executive Officer's proposal regarding the appropriation of the company's profits, and referred to the Board of Directors' explanatory statement, available from the Company, published on the company's Website and distributed to shareholders at the Meeting. The Meeting noted that the dividend proposal was endorsed by the company's auditors.

Pursuant to the Board of Directors' and Chief Executive Officer's proposal, the Meeting resolved that the funds available to the Annual General Meeting of SEK 1,220,417,002 would be appropriated so:

<u>that</u> dividends of SEK 5.75 per share would be paid to shareholders:	200,086,384.00
<u>that</u> the following amount would be carried forward:	<u>1,020,330,618.00</u>
	1,220,417,002.00

The Meeting then resolved that the record date for dividends would be 28 April 2006. In this context, the Chairman announced that dividends would be scheduled for payment to shareholders through the agency of VPC (the Swedish Central Securities Depository & Clearing Organization) on 4 May 2006.

§ 7 c) Discharging the Board members and Chief Executive Officer from liability

The Meeting discharged the Board members and Chief Executive Officer from liability.

The Meeting noted that no party affected by this resolution participated in said resolution.

§ 8 Determining the number of Board members and deputies

Carl-Olof By, appointed by the company's Election Committee to represent the Committee at the Meeting, initially reviewed the Election Committee's activities at the Annual General Meeting, and then declared that the Election Committee had proposed that the company's Board of Directors would comprise nine members elected by the Meeting, with no deputies.

Pursuant to this proposal, the Meeting then resolved that the Board of Directors would comprise nine members elected by the Meeting, with no deputies.

§ 9 Determining Directors' and auditors fees

After Mr. By reviewed the Election Committee's consideration of fees for the Board of Directors and auditors, the Meeting resolved pursuant to the Election Committee's proposal:

Firstly, that fees to Board members elected by the Meeting totalling SEK 2,050,000 would be payable, of which SEK 400,000 to the Chairman of the Board, SEK 200,000 to each of the other members elected by the Meeting not employed by the group and SEK 250,000 as remuneration for committee activities, whereby SEK 50,000 would be payable to each of the two external board members of the company's Currency Committee and SEK 50,000 to each of the potential three external Board members of the company's Audit Committee;

Secondly, fees to auditors would be payable pursuant to open account for time debited.

§ 10 Election of the Board of Directors and Chairman of the Board

After Mr. By reviewed the Election Committee's consideration regarding the composition of the company's Board of Directors, and after a statement that Ulf G. Lindén and Hans Mivér had declined re-election, pursuant to the Election Committee's proposal, the Meeting resolved that the ordinary Board members for the period until the end of the next annual general Meeting would be:

Alrik Danielson, re-election
Jenny Lindén Urnes, re-election
Magnus Lindstam, re-election
Bernt Magnusson, re-election
Per Molin, re-election
Agnete Raaschou-Nielsen, re-election
Bengt Kjell, election
Oystein Krogen, election
Hans-Olov Olsson, election

The Meeting noted that before the election of the aforementioned Board members, the Chairman of the Meeting reminded the Meeting that in the manner stated in the Swedish Corporate Governance Code, the company submitted the detailed information regarding the proposed members stipulated by the Code. The Meeting also noted that the stated information including the Election Committee's evaluation of the proposed members' independence from the company, the corporate management and major shareholders of the company, and that the information currently in question was also included in the written documentation distributed to all shareholders attending the Meeting.

In the context of the election of the Board of Directors, the Chairman of the Meeting announced that the trade unions had appointed Tony Petersson and Karl-Henry Boo as ordinary members and Gary Paulsson and Carina Bergkvist as their deputies.

Pursuant to the Election Committee's proposal, the Meeting then appointed the the Deputy Chairman of the Board until that time, Per Molin, as Chairman of the Board.

§ 11 Proposal regarding Election Committee

After Mr. By had reviewed the company's Election Committee's proposal regarding the appointment of a new Election Committee for the company, a proposal stated in its entirety in the notice convening the Meeting and distributed to shareholders at the Meeting, the Meeting resolved pursuant to the proposal:

- "That the company will have an Election Committee comprising representatives of the four largest shareholders and the Chairman of the Board, also convener. That member representing the largest shareholder will be the Chairman of the Election Committee. If considered necessary, in those cases where a member leaves the Election Committee before its activities conclude, a replacement will be brought in from the same shareholder, or if that shareholder is no longer one of the largest shareholders, from that shareholder with the next-largest holding. The composition of the Election Committee at the Annual General Meeting 2007 will be published no later than six months before the Annual General Meeting. There will be no remuneration payable to members of the Election Committee. The company will be liable for potential overheads for the Election Committee's activities. The Election Committee's mandate period runs until the composition of the subsequent Election Committee is published."

In this context, the Meeting noted that through its representative at the Meeting Anders Olsson, the Swedish Association of Shareholders expressed its wish that the company would consider a system for the Election Committee enabling Election Committee representation extending to the company's smaller shareholders and that the Election Committee representative Carl-Olof By additionally reminded the Meeting that any shareholder may submit proposals to the Election Committee regarding the composition of the Board of Directors, etc., and that the Election Committee takes a favourable view of such proposals.

§ 12 Proposal regarding amendment of the Articles of Association

Pursuant to the Board of Directors' proposal to amend the Articles of Association of Höganäs AB, with the intention of adapting the Articles of Association to the new Swedish Companies Act (SFS 2005:551), and to adapt the Articles of Association to current practice, the Meeting unanimously resolved that Höganäs AB's Articles of Association would be revised in those respects stated in Appendix 2 of these minutes.

The Articles of Association prevailing subsequent to this resolution is provided unabridged in the content of Appendix 3 of these minutes.

The Meeting then authorised the company's Chief Executive Officer to effect the potential minor editorial amendments to the proposal that may be necessary to enable the registration of the resolved amendments to the Articles of Association with the Swedish Companies Registration Office.

§ 13 Closing the Meeting

In conclusion, the new Chairman of the Board Per Molin, expressed the warm thanks of the shareholders and Board of Directors to Ulf G. Lindén, who resigned as Chairman of the Board of Höganäs AB as of today's date. In this context, Mr. Molin reminded the Meeting that under Mr. Lindén's management, when he became main shareholder of the company in 1986, Höganäs AB has evolve from a local Swedish-based exporting enterprise, to an unequivocally global corporation with proprietary manufacture on all key markets in four continents. Mr. Molin's concluding statement was: "he is proud and humble to be able to succeed a true industrialist as Chairman of the company's Board."

Mr. Molin also expressed the thanks of the shareholders and Board of Directors to Hans Mivér, who had been a member of the company's Board of Directors since the period before the initial public offering in 1994, for his valuable efforts in Board activities for this extended period.

Finally, Mr. Molin also thanked Sten-Åke Lindstedt, who leaves his position as Board secretary after 20 years.

At this point, Ragnar Lindqvist declared the Meeting closed.

Verified:

Taking the minutes:

Ragnar Lindqvist

Sten-Åke Lindstedt

Magnus Landbring

Rune Nilsson