

Minutes of the Annual General Meeting of shareholders of Höganäs AB (publ), corporate identity no. 556005-0121, on Wednesday 25 April 2007 in Höganäs.

§ 1 Opening the Meeting and appointing a Chairman of the Meeting

The Meeting was opened by Chairman of the Board, Per Molin, who welcomed the shareholders present at the Annual General Meeting.

Pursuant to the proposal from the Election Committee, Attorney-at-Law Ragnar Lindqvist was appointed to lead the proceedings of the Meeting as Chairman.

On assignment by the Board of Directors, minutes of the proceedings of the Meeting were kept by the undersigned, Attorney-at-Law Fredrik Johansson.

The Meeting resolved that the guests and media representatives present would have the right to attend the Meeting, subject to the reservation that they would not have the right to make statements or vote at the Meeting.

The Meeting noted that all shareholders present expressly agreed, pursuant to Swedish legislation on personal information, that the minutes from the Meeting would be available from the company's Website.

§ 2 Establishing and approving the voting list

The Meeting resolved to approve the attached Appendix 1 as voting list for the Meeting.

§ 3 Approving the agenda

The Meeting resolved to approve the Board of Directors' proposed agenda for the proceedings of the Meeting.

§ 4 Appointing two people to verify the minutes

The Meeting resolved to appoint Ingemar Nilsson and Lars-Ivar Elding to verify the minutes of the Meeting, together with the Chairman of the Meeting.

§ 5 Consideration of whether the Meeting had been duly convened

It was reported that the notice convening the Meeting had been effected through an announcement in Post- och Inrikes Tidningar (the Swedish Official Gazette), Svenska Dagbladet, Helsingborgs Dagblad and Sydsvenskan on 23 March 2007, whereupon the Meeting resolved that accordingly, the Meeting had been duly convened.

§ 6 Submission of the Annual Report and Audit Report, Consolidated Financial Statements and Consolidated Audit Report, including a statement by the Chief Executive Officer and statement on the activities of the Board of Directors and the Board Committees

The Chairman reported that the Annual Report with the associated Income Statement and Balance Sheet, and the Consolidated Income Statement and Consolidated Balance Sheet for the financial year 2006 with the associated Audit Reports had been published on the company's Website, had been available at the company for at least two weeks prior to the Meeting, had been sent to those shareholders that had requested them and had been available to the shareholders at the Meeting.

The Audit Report was presented by the company's auditor, Gert Frej, who stated that the auditors endorsed the Board of Directors and Chief Executive Officer being discharged from liability.

The Meeting resolved that the Annual Report and Audit Report should be considered duly submitted and presented at the Meeting.

Chairman of the Board, Per Molin, summarised the activities of the Board of Directors and the Board Committees during the financial year 2006.

The Chief Executive Officer, Alrik Danielson, then made a statement on the past financial year and reported on the development in the first quarter of 2007.

The shareholders were offered the opportunity to ask questions relating to the statements.

§ 7 a) Resolution on adopting the Income Statement and Balance Sheet, the Consolidated Income Statement and Consolidated Balance Sheet

Annika Boström, representing a number of foreign mutual funds, reported that she had received an instruction to vote against a number of proposals at the Meeting, but that no counter-proposals or explanatory statement had been submitted, and that she had provided the Chairman of the Meeting with a list of the relevant mutual funds voting against the relevant proposals.

The Meeting resolved to approve the submitted Income Statement and Balance Sheet, and the Consolidated Income Statement and Consolidated Balance Sheet.

§ 7 b) Resolution on the appropriation of profits and record date

The Chairman of the Meeting reviewed the Board of Directors' and Chief Executive Officer's proposal regarding appropriating the funds at the disposal of the Meeting, and referred to the Board of Directors' explanatory statement, published on the company's Website, available at the company for at least two weeks prior to the Meeting and that had been distributed to shareholders at the Meeting. The Meeting noted that the dividend proposal was endorsed by the company's auditors.

Subsequently, the Meeting approved the Board of Directors' and Chief Executive Officer's proposal, that the funds available to the Annual General Meeting of SEK 1,331,364,783 would be appropriated so:

that dividends of SEK 6.25 per share  
would be paid to shareholders, totalling: SEK 217,485,200

that the following amount  
would be carried forward: SEK 1,113,879,583  
SEK 1,331,364,783

Thereafter, the Meeting resolved that the record date for dividends should be 30 April 2007.

In this context, the Chairman announced that dividends would be scheduled for payment to shareholders through VPC (the Swedish Central Securities Depository & Clearing Organization) on or around 4 May 2007.

#### § 7 c) Resolution on discharge from liability

The Meeting resolved to discharge the Board members and Chief Executive Officer from liability for the past financial year.

The Meeting noted that no party affected by the resolution on discharge from liability participated in said resolution.

#### § 8 Determining the number of Board members and deputies

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

The Meeting resolved pursuant to the Election Committee's proposal, that nine Board members would be appointed with no deputies.

#### § 9 Determining Directors' fees

Carl-Olof By reviewed the Election Committee's proposal regarding Directors' fees.

The Meeting resolved pursuant to the Election Committee's proposal, that a total of SEK 2,100,000 Directors' fees would be payable, of which the Chairman of the Board would receive SEK 400,000 and other Board members elected by the Meeting not employed by the group would each receive SEK 200,000 and the remaining SEK 300,000 would be payable as fees for committee work, with SEK 50,000 each to two external Board members on the company's Currency Committee, and SEK 100,000 to the Chairman of the company's Audit Committee, and SEK 50,000 each to two external Board members of the Audit Committee, whereas no fees shall be payable for work on the Remuneration Committee.

## § 10 Election of the Board of Directors, Chairman of the Board and deputies

Carl-Olof By reviewed the Election Committee's proposal regarding appointments of Board members and Chairman of the Board.

The Chairman reported that a presentation of the candidate Board members had been published on the company's Website and distributed to shareholders at the Meeting, whereupon Urban Jansson, who had been proposed for re-election, introduced himself to the attendees at the Meeting.

The Meeting approved that satisfactory information had been submitted regarding the proposed Board members.

Subsequently, pursuant to the Election Committee's proposal, the Meeting resolved to elect the following Board members until the end of the next Annual General Meeting:

Alrik Danielson	(re-election)
Bengt Kjell	(re-election)
Oystein Krogen	(re-election)
Jenny Lindén Urnes	(re-election)
Bernt Magnusson	(re-election)
Per Molin	(re-election)
Hans-Olov Olsson	(re-election)
Agnete Raaschou-Nielsen	(re-election)
Urban Jansson.	(election)

The Meeting resolved pursuant to the Election Committee's proposal, to re-elect Per Molin as the Chairman of the Board.

The Chairman reported that Karl-Henry Boo and Tony Petersson had been appointed as ordinary employees' representatives on the Board, with Carina Bergkvist and Gary Paulsson as deputies.

## § 11 Determining the number of auditors

Carl-Olof By reviewed the Election Committee's proposal regarding the number of auditors, auditors' fees and appointing auditors.

The Meeting resolved pursuant to the Election Committee's proposal to appoint an audit firm as auditors.

## § 12 Proposal regarding auditors' fees

The Meeting resolved pursuant to the Election Committee's proposal that audit fees would be payable according to current account.

### § 13 Election of auditors

The Meeting resolved pursuant to the Election Committee's proposal to appoint KPMG Bohllins AB as auditors for the period until the end of the Annual General Meeting 2011.

The Chairman reported that Authorised Public Accountant Alf Svensson would be senior auditor.

### § 14 Proposal regarding Election Committee

The Chairman reported that the Election Committee's proposal regarding the appointment of an Election Committee had been included in the notice convening the Meeting, published on the company's Website and made available to the shareholders at the Meeting, whereupon the Meeting resolved that the proposal would be considered duly submitted and presented at the Meeting.

Anders Olsson, representing the Swedish Shareholders' Association, reported that in the minutes from the Meeting, he wished to include a motion regarding an amendment to the process for electing the Election Committee from the following year onwards, pursuant to Appendix 2.

Carl-Olof By reported that shareholders can submit proposals to the Election Committee on an ongoing basis and that information on the relevant process is available at the company's Website.

The Meeting resolved pursuant to the Election Committee's proposal on the structure of an Election Committee as follows:

*The Election Committee will comprise representatives of the four largest shareholders, as stated in VPC's (the Swedish Central Securities Depository & Clearing Organization) records as of 31 August 2007 and the Chairman of the Board, also convene. The member representing the largest shareholder shall be appointed Chairman of the Election Committee.*

*In those cases where a member leaves the Election Committee before its activities are completed, if considered necessary, a replacement will be sought from the same shareholder, or if that shareholder is no longer one of the largest shareholders, from that shareholder with the next-largest holding. If the ownership structure changes significantly in some other manner prior to the Election Committee's assignment is complete, then if the Election Committee so decides, the composition of the Election Committee may be amended in the manner the Election Committee considers appropriate.*

*The composition of the Election Committee for the Annual General Meeting 2008 will be published no later than six months prior to the Annual General Meeting. There will be no remuneration payable to members of the Election Committee. The company will be liable for potential costs for the Election Committee's activities. The Election Committee's mandate period runs until the composition of the subsequent Election Committee is published.*

#### § 15 Proposal regarding principles for remuneration to the corporate management

The Chairman reported that the essential part of the Board's proposal on principles for remunerating the corporate management had been stated in the notice convening the Meeting, published in their entirety on the company's Website, made available at the company for at least two weeks prior to the Meeting and distributed to shareholders at the Meeting, whereupon the Meeting resolved that the proposal had been considered duly submitted and presented.

Subsequently, the Meeting resolved to approve the Board of Directors proposal regarding principles for remunerating the corporate management, pursuant to Appendix 3.

#### § 16 Proposal regarding the transfer of class B Treasury shares to the Chief Executive Officer, free of charge

The Chairman reported that the essential part of the Board's proposal regarding the transfer of class B treasury shares to the Chief Executive Officer had been stated in the notice convening the Meeting, published in its entirety on the company's Website, been available at the company for at least two weeks prior to the Meeting and distributed to shareholders at the Meeting, whereupon the Meeting resolved that the proposal would be considered duly submitted and presented.

The Chairman reported that a number of foreign mutual funds representing approximately 1.07% of the votes present at the Meeting and approximately 1.56% of the shares present at the Meeting, had expressed their intention to vote against this proposal, through their representative Annika Boström.

Subsequently, the Meeting resolved to approve the Board of Directors' proposal regarding the transfer of 3,000 class B treasury shares to Alrik Danielson free of charge, as a share-related incentive, by no later than 30 May 2007, or if applicable insider rules prevents such transfer, at a subsequent time when such impediment no longer applies.

Upon request from the Chairman, the Meeting resolved to note that this resolution was unanimous with the exception of the aforementioned mutual funds.

#### § 17 Proposal regarding performance-related employee stock option plan including resolutions on a) introducing a employee stock option plan, b) acquisitions of treasury shares and c) transfer of treasury shares

The Chairman reported that the essential part of the Board of Directors' proposal regarding a performance-related employee stock option plan including the Board of Directors' statement pursuant to chap. 19 § 22 of the Swedish Companies Act had been stated in the notice convening the Meeting, published in its entirety on the company's Website, available at the company for at least two weeks prior to the Meeting and distributed to shareholders at the Meeting, whereupon the Meeting resolved that the proposal would be considered duly submitted and presented.

Anders Olsson, representing the Swedish Shareholders' Association, stated that the employee stock option plan is too favourable against the background of it not being indexed at 10% annually during the three-year plan, and should instead be indexed by 1.33 instead of 1.2, that the company holds over 300,000 class B treasury shares,

which should be used for the plan, and that the plan should be subject to a ceiling in quantitative and qualitative respects.

The Chairman reported that a number of foreign mutual funds representing approximately 1.17% of the votes present at the Meeting and approximately 1.71% of the shares present at the Meeting, had expressed their intention to vote against the proposal, to the extent it regards the acquisition of treasury shares, through their representative Annika Boström.

Subsequently, the Meeting resolved to introduce a performance-related employee stock option plan, acquisition of treasury shares and transfer of treasury shares pursuant to Appendix 4.

Upon request from the Chairman, the Meeting resolved to note that the resolution was unanimous with the exception of the aforementioned mutual funds, regarding the acquisition of treasury shares.

#### § 18 Closing the Meeting

Per Molin expressed his thanks to auditor Gert Frej, who is leaving his position as auditor of the company for many years, for his valuable efforts, whereupon the Meeting resolved to note the shareholders' and company's thanks in the minutes.

Subsequently, the Chairman declared the Meeting closed, and thanked the shareholders for their interest shown.

Taking the minutes:

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/Fredrik Johansson/

Verified:

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/Ragnar Lindqvist/

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/Lars-Ivar Elding/

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/Ingemar Nilsson/