



PEGAS NONWOVENS SA
Société anonyme
Registered office:
68-70, boulevard de la Pétrusse
L-2320 Luxembourg
R.C.S. Luxembourg : B 112.044
(PEGAS)

**ATTENDANCE AND PROXY FORM FOR THE
ANNUAL GENERAL MEETING OF SHAREHOLDERS OF
PEGAS
ON MONDAY 16 JUNE 2008
WHICH WILL BE HELD AT THE HÔTEL LE ROYAL,
12, BOULEVARD ROYAL, L-2449 LUXEMBOURG
AT 11 A.M. (CET)
(the “AGM”)**

The agenda of the AGM and the proposals of resolutions made by the Board of Directors on the agenda items (the Resolutions) of PEGAS are annexed to this attendance and proxy form, and this annex shall constitute part of the present attendance and proxy form.

Choose one of the 3 options and tick the corresponding box.

1. I wish to attend the AGM in person.
2. I will not attend the AGM in person. I hereby appoint ¹:
- the chairman of the AGM

OR

_____ ²

as my proxy to act generally at the AGM in my name and on my behalf and to vote (a) on all the Resolutions and (b) any amendment to the Resolutions and any new resolutions that would be validly presented to AGM, as the proxy sees fit.

3. I will not attend the AGM. I hereby appoint ³:
- the chairman of the AGM

OR

_____ ⁴

as my proxy to act generally at the AGM in my name and on my behalf and to vote on all the Resolutions with the following voting instructions ⁵:

¹ Please tick the corresponding box.

² Please write here the full name of the individual or legal entity you are appointing as your proxy.

³ Please tick the corresponding box.

⁴ Please write here the full name of the individual or legal entity you are appointing as your proxy.

⁵ Please tick the corresponding box

Resolution	1	2	3	4.1	(4.2) ⁶	5.1	5.2	6	7	8
For										
Against										
Abstention										

Resolution	9	10.1	10.2	11
For				
Against				
Abstention				

If amendments or new resolutions were to be validly presented at the AGM, I⁷:

irrevocably give power to the above mentioned proxy to vote in my name and on my behalf and as he sees fit,

OR

abstain.

Any blank form will be considered as a proxy to the chairman of the AGM to act generally at the AGM in my name and on my behalf and to vote (a) on all the Resolutions and (b) any amendment to the Resolutions and any new resolutions that would be validly presented to the AGM, as the proxy sees fit. Any lack of choice that is clearly expressed on the various voting instruction options provided above or any contradictory choice will be considered as a choice under option 2, with a proxy to the chairman of the AGM to act generally at the AGM in my name and on my behalf and to vote (a) on all the Resolutions and (b) any amendment to the Resolutions and any new resolutions that would be validly presented to the AGM, as the proxy sees fit.

This attendance and proxy form is governed by, and shall be construed in accordance with Luxembourg law. Luxembourg courts have exclusive jurisdiction to hear any dispute or controversy arising out of or in connection with this attendance and proxy form.

Date and signature

Surname and first name / Name of the company: _____

Address / Registered seat of the company: _____

For company use only : number of shares held :.....

⁶ Please note that this box will only be taken into consideration if the resolution item no. 4.1 has not been approved by the AGM.

⁷ Please tick the corresponding box.
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**ANNEX
AGENDA
PROPOSALS OF RESOLUTIONS**

1. AGENDA ITEM (1) : ELECTION OF THE BUREAU OF THE MEETING.

PROPOSAL OF RESOLUTION
1.1 The AGM elects Mr David Ring as chairman of the AGM.
1.2 The AGM elects Mr Raphaël Poncelet as scrutineer of the AGM.
1.3 The AGM elects Mr. Nicolas Gauzes as secretary of the AGM.

2. AGENDA ITEM (2) : PRESENTATION AND DISCUSSION OF THE REPORT OF THE AUDITORS REGARDING THE STAND-ALONE ACCOUNTS AND THE CONSOLIDATED ACCOUNTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2007 AND OF THE REPORTS OF THE BOARD OF DIRECTORS OF PEGAS ON THE STAND-ALONE ACCOUNTS AND THE CONSOLIDATED ACCOUNTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2007.

PROPOSAL OF RESOLUTION
The Meeting resolves to acknowledge the reports of the auditor and of the Board of Directors regarding the stand-alone accounts and the consolidated accounts for the financial year ended 31 December 2007.

3. AGENDA ITEM (3) : APPROVAL OF THE STAND-ALONE ACCOUNTS AND THE CONSOLIDATED ACCOUNTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2007.

PROPOSAL OF RESOLUTION
The Meeting resolves to approve (i) the stand-alone accounts for the financial year ended 31 December 2007 and (ii) the consolidated accounts for the financial year ended 31 December 2007.

4. AGENDA ITEM (4) : ALLOCATION OF THE NET RESULTS OF THE FINANCIAL YEAR ENDED 31 DECEMBER 2007.

PROPOSAL OF RESOLUTION

The Chairman of the Meeting notes that PEGAS has made a loss in an amount of EUR 1,669,896.74 in respect of the financial year ended 31 December 2007.

4.1 The Meeting resolves to [carry forward to the next financial year the loss in an amount of EUR 1,669,896.74 incurred during the financial year ended on 31 December 2007].

In case the resolution 4.1 is not approved by the Meeting, the Meeting will vote on the following resolution:

4.2 The Meeting resolves to [set off the loss in its entirety against the share premium account].

5. AGENDA ITEM (5) : DISCHARGE OF THE LIABILITY OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE AUDITORS OF PEGAS FOR, AND IN CONNECTION WITH, THE FINANCIAL YEAR ENDED 31 DECEMBER 2007.

PROPOSAL OF RESOLUTION

5.1 The Meeting resolves to grant discharge to the members of the Board of Directors for the performance of their duties during, and in connection with, the financial year ended 31 December 2007 (i.e. from 1 January 2007 until 31 December 2007).

5.2 The Meeting further resolves to give discharge to KPMG AUDIT S.á r.l., the independent auditor (“*réviseur d’entreprises*”) of PEGAS for the performance of its duties during, and in connection with, the financial year ended 31 December 2007 (i.e. from 1 January 2007 until 31 December 2007).

6. AGENDA ITEM (6) : APPOINTMENT OF THE INDEPENDENT AUDITOR (“*RÉVISEUR D’ENTREPRISES*”) TO REVIEW THE STAND-ALONE ACCOUNTS AND THE CONSOLIDATED ACCOUNTS AS AT 31 DECEMBER 2008.

PROPOSAL OF RESOLUTION

The Meeting resolves to appoint Deloitte [S.A.] as the independent auditor (“*réviseur d’entreprises*”) of PEGAS for a term ending at the annual general meeting of the shareholders to be held in 2009, to review the stand-alone accounts and the consolidated accounts as at 31 December 2008.

7. AGENDA ITEM (7) : APPROVAL OF THE APPOINTMENT BY THE BOARD OF DIRECTORS OF MR MAREK MODECKI AS A NON-EXECUTIVE DIRECTOR OF THE COMPANY FOR A PERIOD ENDING AT THE ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD IN 2010.

PROPOSAL OF RESOLUTION

The Meeting resolves to approve the appointment of Mr Marek Modecki, born on 27 December 1958, residing at 265, av. Molière B-1050, Bruxelles, Belgium, as non-executive director of PEGAS, for a period ending at the annual general meeting of shareholders to be held in 2010.

8. AGENDA ITEM (8) : APPROVAL OF A CHANGE OF REMUNERATION POLICY FOR NON-EXECUTIVE DIRECTORS FOR THE FINANCIAL YEAR 2008.

PROPOSAL OF RESOLUTION

The Meeting resolves to approve the increase of non-executive directors' remuneration for the financial year 2008 by 5 per cent in relation to the remuneration paid for the year 2007 to non-executive directors (i.e. by the amount of EUR 3,000/each). The Meeting resolves to authorise and empower the Board of Directors to split this remuneration between the non-executive directors respectively, in accordance with the same principles as used in the previous year.

9. AGENDA ITEM (9) : APPROVAL OF A CHANGE OF REMUNERATION POLICY FOR EXECUTIVE DIRECTORS FOR THE FINANCIAL YEAR 2008.

PROPOSAL OF RESOLUTION

The Meeting resolves to approve the increase of executive directors' remuneration for the financial year 2008 by 5 per cent in relation to the remuneration paid for the year 2007 to executive directors (i.e. by the amount of CZK 109,122).

As a result of corporate changes undertaken within PEGAS Group in 2007, the Meeting resolves to approve that the executive directors' remuneration for the performance of their function in the financial year 2008 will further increase by CZK 4,575,104. Subsequently, the remuneration received by executive directors from other companies within PEGAS Group shall be lowered by the same amount of CZK 4,575,104, i.e. the change will be neutral on the consolidated basis.

The Meeting resolves to authorise and empower the Board of Directors to split this remuneration between the executive directors respectively, in accordance with the same principles as used in the previous year.

10. AGENDA ITEM (10) : APPROVAL OF THE TOTAL BONUS PAID TO THE EXECUTIVE DIRECTORS FOR THE FINANCIAL YEAR 2007 IN ACCORDANCE WITH THE BONUS

SCHEME APPROVED BY THE ANNUAL GENERAL MEETING OF SHAREHOLDERS HELD IN 2007.

PROPOSAL OF RESOLUTION

- 10.1 In accordance with the bonus scheme approved for the year 2007 by the annual general meeting of shareholders held in 2007, the Meeting resolves to approve the payment of a bonus for the financial year ending on 31 December 2007 to the executive directors of an aggregate amount of CZK 4,611,725.
- 10.2 In respect of the bonus payable to the executive directors relating to the financial year ending on 31 December 2007, the Meeting resolves to authorise and empower the Board of Directors to split the above mentioned aggregate amount between the executive directors, in accordance with criteria determined by and at the discretion of the Board of Directors.

11. AGENDA ITEM (11): APPROVAL OF THE BONUS SCHEME FOR THE EXECUTIVE DIRECTORS.

PROPOSAL OF RESOLUTION

The Meeting resolves to approve the bonus scheme for the executive directors, as indicated in the enclosed document, for the financial year 2008 and for the following financial years.

12. AGENDA ITEM (12) : MISCELLANEOUS.

No resolution is proposed.

The Chairman of the Meeting finally notes that the Board of Directors intends to distribute a certain amount of share premium in the third quarter of the financial year 2008 in accordance with an interim audit report (not older than 2 months prior to the date of distribution) showing that funds are available for distribution, and subject to financial conditions so permitting.