

Minutes

of the 87th Ordinary General Meeting of

Forbo Holding Ltd

held on April 24, 2015, at 2.30 p.m. at Casino Zug¹

This E. Schneider, Executive Chairman of the Board of Directors, opens the meeting and takes the chair.

The Chairman initially explains that elections and votes will at this General Meeting be held electronically and he explains the handling of the electronic voting device. He then summarizes the course of business as well as the financial results of the past business year. Stephan Bauer, CEO, presents the operational development of both divisions in 2014 and the main focus areas and topics for the business year 2015. The Chairman thereupon briefly reviews the development in the past ten years and closes his statements with a foresight.

Before moving on to the statutory part of the General Meeting, the Chairman offers the shareholders the opportunity to comment the statements made or to make general statements not connected with a particular agenda item and he points out that the further course of the meeting will be recorded on tape.

No shareholder takes the floor.

The Chairman continues with the statutory part and states that:

- the invitation with the agenda of the meeting was published in the Swiss Official Gazette of Commerce on April 2, 2015;
- the invitation, a summary of the Annual Report 2014 and afterwards the admission cards were directly sent to the addresses of the shareholders known to Forbo Holding Ltd;
- the Annual Report und the reports of the Statutory Auditor have been available at the place of business of Forbo Holding Ltd as of April 1, 2015;

and that the 87th Ordinary General Meeting was duly convened and no requests by shareholders to include additional items on the agenda have been received.

The Chairman designates Mr. Karim Hanna, Head Corporate Legal Services, as Secretary according to Clause 11 Paragraph 2 of the Articles of Association and asks Ronnie Müller, Credit Suisse, Michael Keller, UBS AG and Holger Reichert, Basler Kantonalbank, to act as tellers. He explains that the tellers will step in if the electronic voting systems would fail. René Peyer, Attorney-at-Law and Notary Public from Zug is present as Independent Proxy. The Chairman further welcomes the present representatives of the Statutory Auditor, PricewaterhouseCoopers AG in Zurich, Daniel Ketterer, Stefan Räsamen and Reto Tognina as well as Daniel Grunder, Attorney-at-Law and Notary Public from Baar.

The Chairman then states that the Ordinary General Meeting is duly constituted and according to Clause 13 of the Articles of Association competent to pass resolutions, irrespectively of the number of shareholders present and the amount of share capital represented.

No objection is raised against these findings.

¹ These minutes are an unofficial translation of the German original. They can be viewed at Forbo's place of business.

The Secretary presents the attendance figures², stating that 117 shareholders are present and that from the total share capital of CHF 215,000.00, divided into 2,150,000 shares with a par value of CHF 0.10 each, a total of 1,413,410 registered shares with a par value of CHF 0.10 each are represented and belong to the following categories:

- a) Shareholders: 651,315 registered shares with a par value of CHF 0.10 each;
- b) Independent proxy: 762,095 registered shares with a par value of CHF 0.10 each;

and then announces that shares held by the company have no voting rights and are therefore not represented at the General Meeting.

The Chairman then moves on to the agenda items:

Agenda item 1: Annual Report, annual statements and consolidated financial statements for the 2014 business year and receipt of the reports of the Statutory Auditor

A. Proposal of the Board of Directors

The Chairman states that the Board of Directors proposes to approve the Annual Report, the annual statements and the consolidated financial statements for the 2014 business year.

Request to speak from Mr. Albert Huber from Brussels:

Mr. Huber, following a brief recall of the takeover of Forbo planned by an investment company a few years back, asked how the production volume in the Euro countries is in comparison to the turnover in the amount of 68% and whether Forbo is able to compensate this volume in the cheap Eurozone. He further would like to know the rationale for the changes within the Executive Board compared to the situation two to three years ago. He finally noticed that Mr. Pieper and Schneider sold a part of their shares, the motives of which he would like to understand.

The Chairman explains the changes in the management of the Group with the fact that Dr. Albert Gnägi due to reaching the retirement age had to resign and that he, in line with the long-term succession plan assumed this position. This change led to the appointment of a CEO. And finally Matthias Huenerwadel, Executive Vice President Movement Systems for many years, assumed the responsibility for the Flooring Systems' division. The Chairman with regards to the sale of shares explains that a legal issue had to be resolved. Following the share buybacks and the effected and foreseen capital reductions, there was a possibility that Mr. Pieper may have reached or surpassed the threshold of 33 1/3% of the share capital. To avoid this and in order to maintain a stake of r 30%, he decided, as he did a few years ago, to sell a part of his shares. Forbo has furthermore deliberately abstained from an opting-up respectively an opting-out, as this would not be in the interest of minority shareholders. Regarding the question about production capacities, Andreas Spreiter, CFO, explains that Forbo is organized very internationally also on the production side and that, compared to other companies, the transaction risk therefore is negligible. The currency translation though affects Forbo too, since Forbo has to translate turnover and results from local currencies into Swiss Francs.

Albert Huber confirms that his questions are answered.

The Chairman continues to vote on agenda item 1 as there were no more requests to speak.

B. Voting result

The Chairman announces after the electronic vote that the General Meeting has approved the proposal of the Board of Directors with a large majority.

No objection is raised against this statement.

² The presented attendance reflects the figures as at 2.45 pm.

Agenda item 2: Discharge of the members of the Board of Directors and the Executive Board

A. Proposal of the Board of Directors

The Board of Directors proposes to grant discharge to the members of the Board of Directors and the Executive Board for the 2014 business year.

The Chairman briefly explains the consequences of the discharge and points out that the members of the Board of Directors and the Executive Board are excluded from the right to vote in connection with agenda item 2 and that therefore the number of represented shares and the absolute majority is reduced accordingly. The Chairman offers shareholders the opportunity to comment on agenda item 2 and, as nobody takes the floor, proceeds to the vote on the discharge of the members of the Board of Directors and the Executive Board altogether.

B. Voting result

The Chairman announces after the electronic vote that the General Meeting has approved the proposal of the Board of Directors with a large majority.

No objection is raised against this statement.

Agenda item 3: Appropriation of available earnings, allocation from the general capital contribution reserves to free capital contribution reserves and withholding tax-free distribution of a dividend from free capital contribution reserves

A. Proposal of the Board of Directors

The Chairman states that the Board of Directors proposes to the General Meeting to distribute a withholding tax-free repayment of capital contribution in the amount of CHF 30,221,600 out of the available earnings in the amount of CHF 229,935,261 (consisting of net profit 2014 of CHF 157,429,623, retained earnings of CHF 42,284,038 and release of general capital contribution reserves in the amount of CHF 30,221,600) and to carry forward CHF 199,713,661 onto the new accounts. This would result in a dividend in the amount of CHF 16.00 per registered share qualified for dividend with a par value of CHF 0.10. The Chairman explains that for shares held by Forbo Holding Ltd or its subsidiaries, no repayment of capital contribution will be distributed and that the exact amount of the release of the capital contribution reserve as well as the amount to be carried forward onto the new accounts could slightly change due to changes in the stock of own shares up to the day of determination of the qualification for dividend.

The Chairman opens the discussion on agenda item 3 and proceeds to the vote as nobody requests to speak.

B. Voting result

The Chairman announces after the electronic vote that the General Meeting has approved the proposal of the Board of Directors with a large majority.

No objection is raised against this statement.

Agenda item 4: Capital reduction as a result of the share buyback program and corresponding amendment to the Articles of Association

A. Proposal of the Board of Directors

The Board of Directors proposes to pass the following resolutions:

- a) The ordinary share capital of the Company of CHF 215,000 shall be reduced by CHF 16,000 to CHF 199,000 by way of canceling the 160,000 shares with a par value of CHF 0.10 each that were acquired under the share buyback program approved by the Ordinary General Meeting on April 25, 2014. The amount of the capital reduction will be used to reduce the account "treasury shares" (part of "marketable securities") respectively to reduce the reserves made for these treasury shares referred to in Article 659a Paragraph 2 respectively Article 671a of the Swiss Code of Obligations in the amount of the actual capital reduction.
- b) As a result of the audit report of the accredited audit expert PricewaterhouseCoopers Ltd pursuant with Article 732 Paragraph 2 of the Swiss Code of Obligations it is to be declared that the claims of the creditors remain fully covered even after the reduction of the share capital.
- c) On implementation of the reduction in share capital Clause 3 of the Articles of Association is to be amended in accordance with the following wording (amendments in bold):

Amendment of Clause 3 of the Articles of Association

"The share capital of the Company is CHF **199,000** and is divided into **1,990,000** fully paid up registered shares with a par value of CHF 0.10 each."

- d) The Board of Directors is to be instructed to carry out the resolutions of the Ordinary General Meeting, in particular to give appropriate notice to the creditors by publishing them three times in the Swiss Official Gazette of Commerce (Schweizerisches Handelsamtsblatt) in accordance with Article 733 of the Swiss Code of Obligations, and to conduct the application to the Commercial Register following completion of the reduction.

The Chairman offers shareholders the opportunity to comment on agenda item 4 and, as nobody takes the floor, proceeds to the vote on agenda item 4.

B. Voting result

The Chairman announces after the electronic vote that the General Meeting has approved the proposal of the Board of Directors with a large majority.

No objection is raised against this statement.

The Chairman points out that due to statutory provisions the capital reduction is expected to be registered by mid July 2015.

Agenda item 5: Approval of a new share buyback program

A. Proposal of the Board of Directors

The Chairman presents the proposal of the Board of Directors, according to which the Board of Directors shall be authorized to buy back own shares up to the maximum of 10% of the share capital registered in the Commercial Register over a period of three years optionally on a second trading line at the SIX Swiss Exchange or otherwise. These shares are definitely intended to be cancelled and therefore do not fall under the 10% threshold for own shares as defined by Article 659 of the Swiss Code of Obligations and that the necessary amendment to the Articles of Association (reduction of share capital) is then to be submitted to the shareholders for approval.

This shall allow Forbo to repatriate to the shareholders liquid funds not required for operational purposes, thereby increasing their stakes in the Company and concentrating profits.

The Chairman points out, that the Board of Directors has again chosen a two-stage process, in which the shareholders pass the fundamental resolution at this Ordinary General Meeting and pass a resolution concerning the cancellation of the repurchased shares at one of the next General Meetings.

The Chairman offers shareholders the opportunity to comment on agenda item 5 and, as nobody takes the floor, proceeds to the vote on agenda item 5.

B. Voting result

The Chairman announces after an open vote that the General Meeting has approved the proposal of the Board of Directors with a large majority.

No objection is raised against this statement.

Agenda item 6: Approval of remunerations

The Chairman explains that the Ordinary General Meeting will as from this year approve the remuneration to be paid to the Board of Directors and the Executive Board on an annual basis, separately, and with binding effect. Apart from that a consultative vote will be held on the remuneration report which has been prepared for the 2014 business year as a replacement of the previous compensation report.

Agenda item 6.1: Consultative vote on the 2014 remuneration report

A. Proposal of the Board of Directors

The Chairman explains that the shareholders are again given the opportunity to vote on the remuneration report in a consultative vote. The Board of Directors proposes to approvingly take note of the 2014 remuneration report in a consultative vote. As nobody requests to speak, the Chairman proceeds to the vote on agenda item 6.1.

B. Voting result

The Chairman announces after the electronic vote that the General Meeting has approved the proposal of the Board of Directors with a large majority.

No objection is raised against this statement.

Agenda item 6.2: Approval of the variable remuneration for the Executive Board for 2014

A. Proposal of the Board of Directors

The Chairman presents the proposal of the Board of Directors to approve the amount of the variable remuneration to be paid to the Executive Board for the 2014 business year of CHF 1,780,000 (including thereon accumulated old age and survivors' contributions contained in column «Other remuneration» in the 2014 remuneration report). As nobody requests to speak, the Chairman proceeds to the vote on agenda item 6.2.

B. Voting result

The Chairman announces after the electronic vote that the General Meeting has approved the proposal of the Board of Directors with a large majority.

No objection is raised against this statement.

Agenda item 6.3: Approval of the maximum total remuneration for the Board of Directors for 2016

A. Proposal of the Board of Directors

The Chairman presents the proposal of the Board of Directors to approve the amount of the maximum total remuneration to be paid to the Board of Directors for the 2016 business year of CHF 3,980,000 (including usual social insurance contributions, the private company car use as well as lump sum or local expenses). As nobody requests to speak, the Chairman proceeds to the vote on agenda item 6.3.

B. Voting result

The Chairman announces after the electronic vote that the General Meeting has approved the proposal of the Board of Directors with a large majority.

No objection is raised against this statement.

Agenda item 6.4: Approval of the maximum fixed remuneration for the Executive Board for 2016

A. Proposal of the Board of Directors

The Chairman presents the proposal of the Board of Directors to approve the amount of the maximum fixed remuneration to be paid to the Board of Directors for the 2016 business year of CHF 2,250,000 (including usual social insurance and pension fund contributions as well as private company car use). As nobody requests to speak, the Chairman proceeds to the vote on agenda item 6.4.

B. Voting result

The Chairman announces after the electronic vote that the General Meeting has approved the proposal of the Board of Directors with a large majority.

No objection is raised against this statement.

Agenda item 7: Elections to the Board of Directors

The Chairman explains that the General Meeting elects the members of the Board of Directors as well as the Chairman of the Board of Directors and that each election will be valid until the close of the next Ordinary General Meeting.

Agenda item 7.1: Re-election of This E. Schneider as Executive Chairman of the Board of Directors

A. Proposal of the Board of Directors

The Chairman explains that the Board of Directors proposes the Ordinary General Meeting to re-elect him as a member and at the same as Executive Chairman of the Board of Directors. As nobody requests to speak, a vote is taken on the re-election of This E. Schneider.

B. Voting result

The Chairman announces after the electronic vote that the General Meeting has approved the proposal of the Board of Directors with a large majority.

No objection is raised against this statement.

This E. Schneider orally declares acceptance of the election.

Agenda item 7.2: Re-election of Dr. Peter Altorfer as a member of the Board of Directors

A. Proposal of the Board of Directors

The Chairman explains that the Board of Directors proposes the Ordinary General Meeting to re-elect Dr. Peter Altorfer as a member of the Board of Directors. As nobody requests to speak, a vote is taken on the re-election of Dr. Peter Altorfer.

B. Voting result

The Chairman announces after the electronic vote that the General Meeting has approved the proposal of the Board of Directors with a large majority.

No objection is raised against this statement.

The Chairman congratulates Dr. Peter Altorfer on this excellent result. Dr. Peter Altorfer orally declares acceptance of the election.

Agenda item 7.3: Re-election of Michael Pieper as a member of the Board of Directors

A. Proposal of the Board of Directors

The Chairman explains that the Board of Directors proposes the Ordinary General Meeting to re-elect Mr. Michael Pieper as a member of the Board of Directors. As nobody requests to speak, a vote is taken on the re-election of Michael Pieper.

B. Voting result

The Chairman announces after the electronic vote that the General Meeting has approved the proposal of the Board of Directors with a large majority.

No objection is raised against this statement.

The Chairman congratulates Michael Pieper on this excellent result. Michael Pieper orally declares acceptance of the election.

Agenda item 7.4: Re-election of Claudia Coninx-Kaczynski as a member of the Board of Directors

A. Proposal of the Board of Directors

The Chairman explains that the Board of Directors proposes the Ordinary General Meeting to re-elect Mrs. Claudia Coninx-Kaczynski as a member of the Board of Directors. As nobody requests to speak, a vote is taken on the re-election of Claudia Coninx-Kaczynski.

B. Voting result

The Chairman announces after the electronic vote that the General Meeting has approved the proposal of the Board of Directors with a large majority.

No objection is raised against this statement.

The Chairman congratulates Claudia Coninx-Kaczynski on this excellent result. Claudia Coninx-Kaczynski orally declares acceptance of the election.

Agenda item 7.5: Re-election of Dr. Reto Müller as a member of the Board of Directors

A. Proposal of the Board of Directors

The Chairman explains that the Board of Directors proposes the Ordinary General Meeting to re-elect Dr. Reto Müller as a member of the Board of Directors. As nobody requests to speak, a vote is taken on the re-election of Dr. Reto Müller.

B. Voting result

The Chairman announces after the electronic vote that the General Meeting has approved the proposal of the Board of Directors with a large majority.

No objection is raised against this statement.

The Chairman congratulates Dr. Reto Müller on this excellent result. Dr. Reto Müller orally declares acceptance of the election.

Agenda item 7.6: Re-election of Vincent Studer as a member of the Board of Directors

A. Proposal of the Board of Directors

The Chairman explains that the Board of Directors proposes the Ordinary General Meeting to re-elect Mr. Vincent Studer as a member of the Board of Directors. As nobody requests to speak, a vote is taken on the re-election of Vincent Studer.

B. Voting result

The Chairman announces after the electronic vote that the General Meeting has approved the proposal of the Board of Directors with a large majority.

No objection is raised against this statement.

The Chairman congratulates Vincent Studer on this excellent result. Vincent Studer orally declares acceptance of the election.

Agenda item 8: Elections to the Remuneration Committee

The Chairman explains that the General Meeting elects the members of the Remuneration Committee and that each election will be valid until the close of the next Ordinary General Meeting.

Agenda item 8.1: Re-election of Dr. Peter Altorfer as a member of the Remuneration Committee

A. Proposal of the Board of Directors

The Chairman explains that the Board of Directors proposes the Ordinary General Meeting to re-elect Dr. Peter Altorfer as a member of the Remuneration Committee. As nobody requests to speak, a vote is taken on the re-election of Dr. Peter Altorfer.

B. Voting result

The Chairman announces after the electronic vote that the General Meeting has approved the proposal of the Board of Directors with a large majority.

No objection is raised against this statement.

The Chairman congratulates Dr. Peter Altorfer on this excellent result. Dr. Peter Altorfer orally declares acceptance of the election.

Agenda item 8.2: Re-election of Claudia Coninx-Kaczynski as a member of the Remuneration Committee

A. Proposal of the Board of Directors

The Chairman explains that the Board of Directors proposes the Ordinary General Meeting to re-elect Mrs. Claudia Coninx-Kaczynski as a member of the Remuneration Committee. As nobody requests to speak, a vote is taken on the re-election of Claudia Coninx-Kaczynski.

B. Voting result

The Chairman announces after the electronic vote that the General Meeting has approved the proposal of the Board of Directors with a large majority.

No objection is raised against this statement.

The Chairman congratulates Claudia Coninx-Kaczynski on this excellent result. Claudia Coninx-Kaczynski orally declares acceptance of the election.

Agenda item 8.3: Re-election of Michael Pieper as a member of the Remuneration Committee

A. Proposal of the Board of Directors

The Chairman explains that the Board of Directors proposes the Ordinary General Meeting to re-elect Mr. Michael Pieper as a member of the Remuneration Committee. As nobody requests to speak, a vote is taken on the re-election of Michael Pieper.

B. Voting result

The Chairman announces after the electronic vote that the General Meeting has approved the proposal of the Board of Directors with a large majority.

No objection is raised against this statement.

The Chairman congratulates Michael Pieper on this excellent result. Michael Pieper orally declares acceptance of the election.

Agenda item 9: Election of the Statutory Auditor

A. Proposal of the Board of Directors

The Chairman explains that the Board of Directors for corporate governance reasons proposes a change of the Statutory Auditor from PricewaterhouseCoopers Ltd to KPMG Ltd and to elect them for the 2015 business year.

The Chairman thanks PricewaterhouseCoopers Ltd for their work done in the past years.

As nobody requests to speak, the Chairman proceeds to the vote.

B. Voting result

The Chairman announces after the electronic vote that the General Meeting has approved the proposal of the Board of Directors with a large majority.

No objection is raised against this statement.

The representatives of KPMG Ltd orally declare acceptance of the election.

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Agenda item 10: Election of the independent proxy

A. Proposal of the Board of Directors

The Chairman presents the proposal of the Board of Directors to elect René Peyer, Attorney-at-Law and Notary Public in Zug as independent proxy until the close of the next Ordinary General Meeting. René Peyer is partner at Schweiger Advokatur und Notariat in Zug.

As nobody requests to speak, the Chairman proceeds to the vote.

B. Voting result

The Chairman announces after the electronic vote that the General Meeting has approved the proposal of the Board of Directors with a large majority.

No objection is raised against this statement.

René Peyer orally declares acceptance of the mandate. A written declaration of independence is available as well.

The Chairman finally announces that the next Ordinary General Meeting will take place on Friday, April 29, 2016, probably at the same place, and closes the meeting at 4.05 p.m.

Baar, April 24, 2015

The Chairman:
This E. Schneider

The Secretary:
Karim Hanna