

Minutes

of the 88th Ordinary General Meeting of

Forbo Holding Ltd

held on April 29, 2016, 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 2015 and the main focus areas and topics for the 2016 business year.

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.

Request to speak from Mr. Albert Huber from Brussels:

Mr. Huber would like to know more about Forbo's main competitors, the production share in Switzerland compared to the one abroad, where the once numerous Dutch members of the Executive Board were and whether Forbo, in view of the strong Swiss Franc, intends to relocate production.

The Chairman explains that the competitive situation of Movement Systems is difficult to assess as many of the competitors are privately held companies and hence no comparable figures are available. Nevertheless it can be said that in 2015 Forbo presumably has especially in growth markets where Forbo has production sites, gained market shares. The assessment of Flooring Systems' competitive situation is difficult too, as there are only a few comparable competitors and one of them filed for insolvency a year ago and another one developed similarly to Forbo. The Chairman continues and explains that Forbo's production share in Switzerland amounts to approximately two to three percent. In Giubiasco, special vinyl floor coverings are produced while special power transmission belts are produced in Wallbach. The Chairman emphasizes that Forbo is a Swiss but also a global company. The Chairman with regards to the relocation of production mentions that Forbo does not intend to relocate activities abroad but that it became challenging to export products from Switzerland. This however has been compensated through focusing on the production of rather premium products in Switzerland and mass production for instance in China. Regarding the composition of the Executive Board, the Chairman explains that the company's structure was remodeled in 2004/05 based on the change of strategy and that the divisional managers are now located at the main production sites, for example in the Netherlands. The Chairman points out that Forbo has a very international Executive Board. Upon request whether all questions are answered, Mr. Huber confirms this.

As no other shareholders 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 8, 2016;
- the invitation, a summary of the 2015 Annual Report and afterwards the admission cards were directly sent to the addresses of the shareholders known to Forbo Holding Ltd;
- the Annual Report and the reports of the Statutory Auditor have been available for inspection at the registered office of Forbo Holding Ltd as from April 7, 2016;

¹ This is an unofficial translation of the German original. The minutes are available for inspection at the registered office of the company.

and that the 88th Ordinary General Meeting was duly convened and no requests by shareholders 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 in Zug is present as independent proxy. The Chairman further welcomes the present representatives of the Statutory Auditor, KPMG Ltd in Zurich, Rolf Hauenstein und Regula Tobler as well as Rahel Merenda, Attorney-at-Law and Notary Public in 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.

The Secretary presents the attendance figures², stating that 109 shareholders are present and that from the total share capital of CHF 199,000.00, divided into 1,990,000 shares with a par value of CHF 0.10 each, a total of 1,316,196 registered shares with a par value of CHF 0.10 each are represented and belong to the following categories:

- a) Shareholders: 14,068 registered shares with a par value of CHF 0.10 each;
- b) Independent proxy: 1,302,128 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 2015 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 2015 business year and to receive the reports of the Statutory Auditor.

The Chairman continues to vote on agenda item 1 as there were no 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 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 2015 business year.

The Chairman briefly explains the consequences of the discharge and points out that the members of the Board of Directors and persons who have been involved in the company's

² The presented attendance reflects the figures as at 2.43 pm.

management 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 reserves in the amount of CHF 29,043,786 out of the available earnings in the amount of CHF 231,827,625 (consisting of the net profit 2015 of CHF 211,569,033, retained earnings of CHF 227,049,935, release of general capital contribution reserves in the amount of CHF 29,043,786 less the value of treasury shares in the amount of CHF 235,835,129) and to carry forward onto new account CHF 202,783,839. This would result in a dividend in the amount of CHF 17 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 reserves will be distributed which is why the amount definitively specified for the release of general capital contribution reserves and the withholding tax-free distribution may change due to changes in the amount of treasury shares held at the day of determination of the qualification for dividend.

The Chairman opens the discussion on agenda item 3.

Request to speak from Mr. Albert Huber from Brussels:

Mr. Huber would like to know how long Forbo could maintain the favorable distribution from capital contribution reserves, whether the Board of Directors intends to cancel a part of its large holding of treasury shares and whether the dividend could be increased at the next General Meeting.

The Chairman answered the first question to the effect that this is the last distribution purely made from capital contribution reserves and that next year a part will need to be distributed as ordinary dividend.

With regards to the question about cancellation of treasury shares the Chairman refers to the following agenda item. The Chairman finally explains that a dividend increase can't be excluded but he emphasizes that the Board of Directors will in spring 2017 and based on the results for 2016 decide what he will propose to the next General Meeting.

As no other shareholder takes the floor, the Chairman proceeds to the vote on agenda item 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.

The Chairman mentions that dividends will be paid as of May 6, 2016.

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 199,000.00 shall be reduced by CHF 19,000.00 to CHF 180,000.00 by way of canceling 190,000 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 24, 2015, in the period from September 10, 2015, to December 23, 2015. The amount of the capital reduction will be used to reduce the account "treasury shares" (negative item in the position "shareholders' equity") as referred to in Article 959a Paragraph 2 Clause 3 Litera e of the Swiss Code of Obligations (CO) in the amount of the actual capital reduction.
- b) As a result of the audit report of the accredited audit expert KPMG Ltd pursuant with Article 732 Paragraph 2 CO 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 (changes in bold):
"The share capital of the company is **CHF 180,000.00** and is divided into **1,800,000** 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 CO, 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 in the Register of Commerce by mid July 2016.

Agenda item 5: Approval of remunerations

The Chairman explains that the Ordinary General Meeting will separately and with binding effect vote on the remunerations to be paid to the Board of Directors and the Executive Board as well as on a consultative basis vote on the remuneration report.

Agenda item 5.1: Consultative vote on the 2015 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 2015 remuneration report in a consultative vote. As nobody requests to speak, the Chairman proceeds to the vote on agenda item 5.1.

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 clear majority.

No objection is raised against this statement.

Agenda item 5.2: Approval of the variable remuneration for the Executive Board for 2015

A. Proposal of the Board of Directors

The Board of Directors proposes to approve the amount of the variable remuneration to be paid to the Executive Board for the 2015 business year of CHF 830,000 (including thereon accumulated old-age and survivor's contributions contained in column "Other remuneration" in the 2015 remuneration report). As nobody requests to speak, the Chairman proceeds to the vote on agenda item 5.2.

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 5.3: Approval of the maximum total remuneration for the Board of Directors for 2017

A. Proposal of the Board of Directors

The Board of Directors proposes to approve the amount of the maximum total remuneration to be paid to the Board of Directors for the 2017 business year of CHF 4,000,000 (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 5.3.

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 5.4: Approval of the maximum fixed remuneration for the Executive Board for 2017

A. Proposal of the Board of Directors

The Board of Directors proposes to approve the amount of the maximum fixed remuneration to be paid to the Executive Board for the 2017 business year of CHF 2,300,000 (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 5.4.

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 6: Elections to the Board of Directors

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

Agenda item 6.1: 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 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 accepts the election.

Agenda item 6.2: 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 accepts the election.

Agenda item 6.3: 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 accepts the election.

Agenda item 6.4: 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 accepts the election.

Agenda item 6.5: 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 accepts the election.

Agenda item 6.6: 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 accepts the election.

Agenda item 7: Elections to the Remuneration Committee

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

Agenda item 7.1: 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 accepts the election.

Agenda item 7.2: 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 accepts the election.

Agenda item 7.3: 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 accepts the election.

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Agenda item 8: Election of the Statutory Auditor

A. Proposal of the Board of Directors

The Chairman explains that the Board of Directors proposes that the mandate of KPMG Ltd as Statutory Auditor be extended for a further year.

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 Chairman explains that KPMG Ltd has provided a written acceptance of their election.

Agenda item 9: 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 a partner at Schweiger Advokatur und Notariat in Zug and he has provided a written declaration of independence for the attention of the shareholders of Forbo Holding Ltd.

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 Chairman explains that René Peyer has provided a written acceptance of his election.

The Chairman finally announces that the next Ordinary General Meeting will take place on April 6, 2017, at the Lorzensaal in Cham, and closes the meeting at 3.54 p.m.

Baar, April 29, 2016

The Chairman:
This E. Schneider

The Secretary:
Karim Hanna