

## MEDIA RELEASE

PAGE 1 OF 2

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### **Forbo shareholders approve new share buyback program – a change in the pension scheme precipitates a one-off, extraordinary profit due to compulsory IFRS rules**

The shareholders of Forbo Holding Ltd approved all of the proposals submitted by the Board of Directors to the Extraordinary General Meeting by a clear majority – the new share buyback program and the destruction of the shares repurchased as part of the current share buyback program. The change in the Dutch pension scheme from a defined benefit plan to a defined contribution plan, as described in the Forbo 2012 half-year report, will result in a one-off, extraordinary profit due to the applicable IFRS rules.

Baar, November 5, 2012

#### **Extraordinary General Meeting**

The number of shareholders who attended today's Extraordinary General Meeting of Forbo Holding Ltd was 72; a total of 1,313,973 registered shares was represented, or 52.56 percent of the share capital.

The shareholders approved all proposals from the Board of Directors by a clear majority. They approved the capital reduction in connection with the share buyback program approved by the General Meeting on April 29, 2011, as well as the associated amendments to the Articles of Association. They also approved the proposal to repurchase further shares totaling up to 10 percent of the share capital via a second trading line to the SIX Swiss Exchange or otherwise, in order to reduce capital.

#### **Change to pension scheme precipitates a one-off, extraordinary profit due to compulsory IFRS rules**

As already specified in the 2012 half-year report, the pension scheme in the Netherlands has changed from a defined benefit plan to a defined contribution plan. The Board of Trustees approved this new pension scheme after Forbo had agreed to make a one-off EUR 15 million payment into the scheme and to increase employer premiums in the future.

Nevertheless, this change will, in accordance with the applicable IFRS rules, result in a one-off, extraordinary profit in the 2012 consolidated financial statements, which does not, however, affect the company value of Forbo. This is because the existing pension scheme obligations as at December 31, 2012 must be closed out via the income statement and not via equity.

The exact amount of the profit cannot currently be determined, as it is particularly dependent on the development of actuarial assumptions at the end of 2012. Forbo is of the understanding that based on the current assumptions this amount could range from CHF 40 million to CHF 50 million.

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Forbo is a leading manufacturer of floor coverings, building and construction adhesives, as well as power transmission and conveyor belt solutions.

The company employs a workforce of some 5,000 and has an international network of 24 production facilities and distribution companies as well as about 40 sales organizations in 34 countries across the globe. The company generated net sales of CHF 1,203.8 million in the 2011 financial year and is headquartered in Baar in the canton of Zug, Switzerland.

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PAGE 2 OF 2

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The Group company Forbo Holding Ltd is listed on the SIX Swiss Exchange (securities number 354151, ISIN CH0003541510, Bloomberg FORN SW, Reuters FORN.S).

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