

## Minutes

of the Extraordinary General Meeting of

### Forbo Holding Ltd

held on November 5, 2012, at 10.00 a.m. in the Casino Zug

Dr. Albert Gnägi, Chairman of the Board of Directors, opens the meeting and takes the chair.

The Chairman welcomes the attendees and summarizes the conduct of the meeting. He then passes over to Mr. This E. Schneider, Delegate of the Board of Directors and CEO. Mr. This E. Schneider presents the proposed share buyback program and thereafter passes back to the Chairman.

Before moving on to the statutory part of the meeting, the Chairman offers shareholders the opportunity to comment on the remarks of Mr. This E. Schneider 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.

As nobody takes the floor, the Chairman continues with the statutory part of the meeting.

The Chairman states that:

- the invitation with the agenda of the meeting was published in the Swiss Official Gazette of Commerce on October 15, 2012;
- the invitation and afterward the admission cards were directly sent to the addresses of the shareholders known to Forbo Holding Ltd;

and that the Extraordinary General Meeting has accordingly been duly convened.

The Chairman designates Mr. Karim Hanna, Head Corporate Legal Services, as Secretary according to § 11 subparagraph 2 of the Articles of Association and asks Peter Keller, Zürcher Kantonalbank, Stella Vondra, UBS AG, Ronnie Müller, Credit Suisse, und Frank Uhlen, Deutsche Bank AG, to act as tellers. The Chairman welcomes the notary public, Daniel Grunder, the independent proxy, attorney-at-law Andreas G. Keller from Zurich, the representatives of the Statutory Auditor, PricewaterhouseCoopers AG in Zurich, Daniel Ketterer and Reto Tognina as well as the corporate proxy, Nicole Graf, assistant to the CEO and Secretary to the Board of Directors.

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

No objection is raised against these statements.

The Secretary presents the attendance figures, stating that 72 shareholders are present and from the total share capital of CHF 250,000.00, divided into 2,500,000 registered shares with a par value of CHF 0.10 per share, a total of 1,313,973 registered shares with a par value of CHF 0.10 per share are represented and belong to the following categories:

- a) Shareholders: 6,524 registered shares with a par value of CHF 0.10 each;
- b) Corporate proxy: 897,122 registered shares with a par value of CHF 0.10 each;
- c) Independent proxy: 410,327 registered shares with a par value of CHF 0.10 each;
- d) Proxy holders of deposited shares: none;

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

The Chairman moves on to the agenda items:

**Agenda item 1: 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 resolution:

- a) The ordinary share capital of the Company of CHF 250,000 shall be reduced by CHF 25,000 to CHF 225,000 by way of cancelling 250,000 shares with a par value of CHF 0.10 each, which were acquired under the share buyback program approved by the Ordinary General Meeting in the period from April 19, 2012 to October 31, 2012. 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 AG 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 aforementioned reduction of the share capital.
- c) On implementation of the reduction in share capital Article 3 paragraph 1 of the Articles of Association is to be amended in accordance with the following wording (amendments in italics):

**Amendment of Article 3 paragraph 1 of the Articles of Association:**

*"The share capital of the Company is CHF 225,000 and is divided into 2,250,000 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 Extraordinary 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 1 and, as nobody takes the floor, proceeds to the vote on agenda item 1.

**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, with a few abstentions and a few votes against.

No objection is raised against these statements.

The Chairman points out that due to statutory provisions the capital reduction is expected to be recorded in the commercial register by mid January 2013.

**Agenda item 2: Approval of a new share buyback program**

**A. Proposal of the Board of Directors**

The Chairman presents the proposal of the Board of Directors, which shall authorize the Board of Directors 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.

The share buyback program 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 Extraordinary General Meeting and pass a resolution concerning the cancellation of the repurchased shares at one of the next

General Meetings. 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.

The Chairman offers shareholders the opportunity to comment on agenda item 2 and, as nobody takes the floor, proceeds to the vote on agenda item 2.

**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, with a few abstentions and a few votes against.

No objection is raised against these statements.

The Chairman finally announces that the next Ordinary General Meeting will take place on Friday, April 26, 2013, probably at the same place, and closes the meeting at 10.23 a.m.

Baar, November 5, 2012

The Chairman:

The Secretary:

Dr. Albert Gnägi

Karim Hanna