

**Amendment to the Public Tender Offer dated March 21, 2005**



**Amendment to the Public Tender Offer**

by

**AFB Investment S.A., Luxembourg**

**for all publicly held registered shares with a nominal value of CHF 20 each of**

**Forbo Holding AG, Eglisau, Switzerland.**

On March 8, 2005, AFB Investment S.A., Luxembourg, («**AFB Investment**») submitted a public tender offer for all publicly held registered shares of Forbo Holding AG («**Forbo**») at an offer price of CHF 260 net per registered share of Forbo with a nominal value of CHF 20 each («**Forbo Share**»), less the gross amount of any dilution effects (the «**Tender Offer**»). The Tender Offer was published in the electronic media as well as in the *Neue Zürcher Zeitung* and *l'Agefi* on March 8, 2005.

In its report dated March 8, 2005, the board of directors of Forbo recommends that shareholders accept the Tender Offer. Furthermore, Bank Vontobel AG confirmed in its Fairness Opinion dated March 7, 2005, that the offer price appears financially adequate with respect to all relevant aspects.

In the meantime, certain shareholders of Forbo, which do not hold a majority, have announced their intention not to accept the Tender Offer. In view of this situation, AFB Investment has decided to amend the Tender Offer in favour of the accepting shareholders in order to increase the probability of the Tender Offer being successful which is in the interest of all shareholders willing to tender. AFB Investment is convinced that all shareholders should have the option to decide between realising their investment in Forbo by accepting the Tender Offer and remaining invested in Forbo under the control of certain shareholders which do not hold a majority. This amendment of the Tender Offer is designated to preserve this choice for Forbo's shareholders.

**Amendment of condition (a) of the Tender Offer**

Until now condition (a) of Section A.6. (*Conditions*) made the Tender Offer conditional upon at least 66.67% of all publicly held Forbo Shares having been tendered until the expiry of the offer period. AFB Investment herewith lowers this acceptance level to

50.01%. Condition (a) of Section A.6. (*Conditions*) of the Tender Offer now reads as follows:

- (a) The Forbo Shares which have been validly tendered to AFB Investment as of the end of the Offer Period, together with the Forbo Shares which AFB Investment will own at that time, represent at least 50.01% of all publicly held registered shares of Forbo as of the end of the Offer Period.

Apart from this amendment, the Tender Offer remains unchanged. Subject to a possible extension of the offer period, the Tender Offer will remain open for acceptance **until April 6, 2005**, 4:00 p.m. Central European Time (CET).

### **Report of the board of directors of Forbo**

The board of directors of Forbo has acknowledged the amendment of the Tender Offer. The board of directors supports the amendment of the Tender Offer. The board of directors continues to recommend that the shareholders accept the Tender Offer for the reasons outlined in its report dated March 8, 2005.

Zurich, March 21, 2005

For the board of directors:

Prof. Dr. Rolf Watter

### **Publication and information**

This amendment of the Tender Offer will be published in the electronic media on March 21, 2005 as well as in German in the *Neue Zürcher Zeitung* and in French in *l'Agefi* on March 22, 2005. This amendment as well as the offer prospectus and the «Declaration of Acceptance and Assignment» form may be requested free of charge from UBS Investment Bank, Prospectus Library, P.O. Box, CH-8098 Zurich, Switzerland (Phone: +41 (0)44 239 47 03, Fax: +41 (0)44 239 21 11, E-mail: [swiss-prospectus@ubs.com](mailto:swiss-prospectus@ubs.com)).

## **UBS Investment Bank**

UBS Investment Bank is a business group of UBS AG

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### Forbo Holding AG Registered Shares

Security Number: 354151      ISIN CH0003541510      Bloomberg FORN SW

Forbo Holding AG Registered Shares Tendered for Acceptance (Second Trading Line)

Security Number: 2.077.448      ISIN CH 0020774482      Bloomberg FORNE SW

## **Offer Restrictions**

This amendment of the public tender offer is not being made directly or indirectly in any country or jurisdiction in which such amended public tender offer would be considered unlawful or in which it would otherwise violate any applicable law or regulation, or which would require AFB Investment S.A. to amend the terms or conditions of the public tender offer in any way, or which would require AFB Investment S.A. to make any additional filing with or take any additional action with regard to any governmental, regulatory or legal authority. It is not intended to extend the amended public tender offer to any such country or jurisdiction. Documents relating to the amended public tender offer may not be distributed in such countries or jurisdictions or sent into such countries or jurisdictions and may not be used for purposes of soliciting the purchase of any securities of Forbo Holding AG by any person or entity in such countries or jurisdictions.

## **Notice to U.S. Holders of Forbo Shares**

The amendment of the public tender offer (*Öffentliches Kaufangebot*) described in this notice is being made for the securities of a Swiss company and is subject to Swiss disclosure requirements, which are different from those of the United States. The financial information publicly available in respect of Forbo Holding AG has been prepared in accordance with non-U.S. accounting principles and thus may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States. Acceptance, withdrawal, settlement and other procedures with respect to the public tender offer will be in accordance with Swiss law and practice, which materially differ from U.S. tender offer procedures. **U.S. Holders are encouraged to consult with their own Swiss advisors in connection with the public tender offer.**

It may be difficult for U.S. Holders to enforce their rights and any claim arising out of the U.S. federal securities laws, since AFB Investment S.A. and Forbo Holding AG are located in a foreign country, and some or all of their officers and directors may be residents of a foreign country. U.S. Holders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of the U.S. securities laws. Further, it may be difficult to compel a foreign company and its affiliates to subject themselves to a U.S. court's judgement.