



Investor Presentation

February 2019

A World of Opportunity


MOHAWK[®]
INDUSTRIES, INC.



Forward-looking Statements

Certain of the statements in this presentation may include **forward-looking statements** as defined in the Private Securities Litigation Reform Act of 1995, which are **subject to various risks and uncertainties** including, but not limited to, those **set forth in our press releases and our periodic filings** with the Securities & Exchange Commission.

Mohawk Highlights



Marazzi Porcelain Tile
TREVERKLIFE – OAK EFFECT

- World's largest flooring manufacturer
- Market leader in all flooring categories
 - Ceramic
 - Carpet & Rugs
 - Laminate
 - Wood
 - LVT
 - Sheet Vinyl
 - Stone Flooring
 - Countertops
- Expanding international presence
- Differentiated distribution infrastructure
- Strong cash flow to fund investments
- Superior management team
- Significant insider ownership
- Executing \$500M stock repurchase program

Mohawk by the Numbers



\$10B

2018 Worldwide
Sales



\$1.7B

2018 Adjusted
EBITDA



\$8.2B

CapEx & Acquisition
Investments (2013-18)



44

Acquisitions
Since 1992



19

Countries
Manufacturing



42,000+

Employees
Worldwide



170+

Countries
Sales

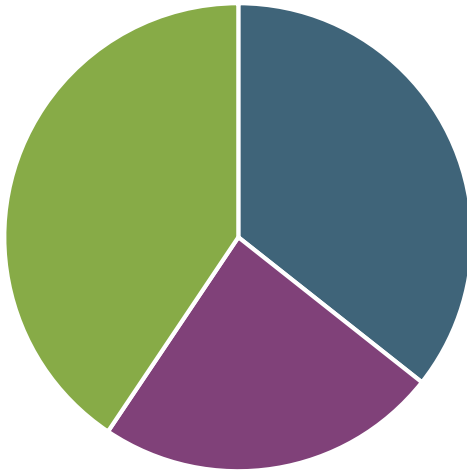


25,000+

Customers
Worldwide

2018 Sales Mix

SEGMENT

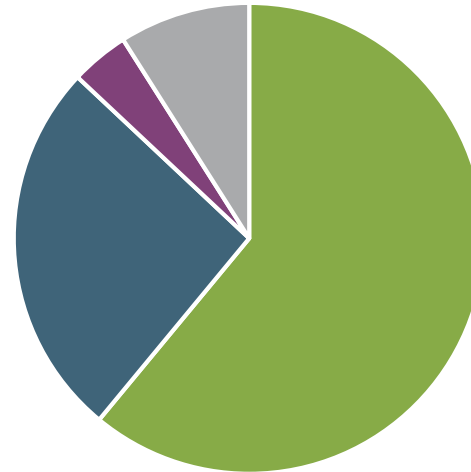


40% Flooring NA

36% Global Ceramic

24% Flooring ROW

GEOGRAPHY



61% United States

26% Europe

4% Russia

9% Other

International Operations



Investing in the Business

2013-18

\$8.2B

Total Investment

\$4.3B

Acquisitions

New Products &
Geographies



\$3.9B

CapEx

Productivity &
Profitability

2016-18 CapEx & Acquisitions

LVT

U.S.
Europe

~\$1.8B

Additional
Sales
Capacity

Ceramic

Brazil
Mexico
Europe
Russia

Carpet

Australia
New Zealand
Europe

12

Countries

Sheet Vinyl

Russia

Laminate

U.S.
Europe
Russia

6

Product
Categories

Countertops

U.S.
Europe
Russia

2019

\$550-580

Planned Capital
Investment



Extending Sales Capacity through Investment

\$2.4B internal investment (2016-2018)



UNITED STATES

- Doubling capacity in fast-growing LVT; adding rigid technology
- Added capacity in laminate and engineered wood
- Initiated quartz countertop manufacturing
- Extended existing businesses (utility mats, outdoor rugs)



MEXICO & SOUTH AMERICA

- Doubled ceramic capacity at Salamanca
- Added new carpet cushion facility in Mexicali



EUROPE

- Modernized Italian ceramic facilities; added porcelain slab production
- Expanded capacity in LVT; added rigid technology
- Added carpet tile plant in Belgium
- Expanded capacity in premium laminate



RUSSIA

- Launched sheet vinyl plant
- Expanding capacity in ceramic and laminate
- Adding premium sanitary ware production

Aggressive Acquisition Strategy

Invested \$4.3B in 19 acquisitions since 2013



GEOGRAPHY

- Strategic fit
- Leverage strengths in existing locations
- Enter markets with significant growth potential



PRODUCTS

- Focus on flooring
- New product categories
- Synergies with existing businesses
- Leverage existing assets to expand distribution



MANAGEMENT

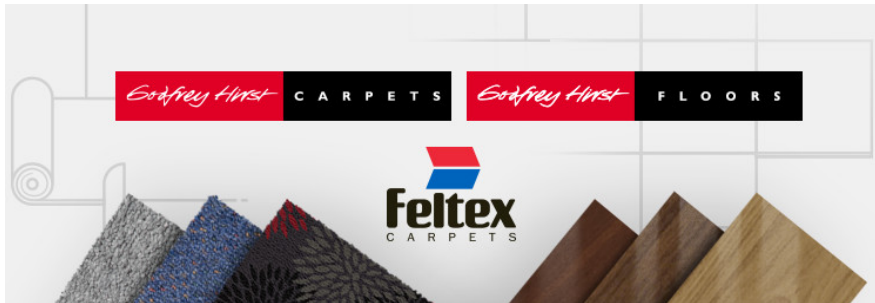
- Proven management teams
- Deep bench strength
- Shared values
- Improve entire business with best practices



RETURNS

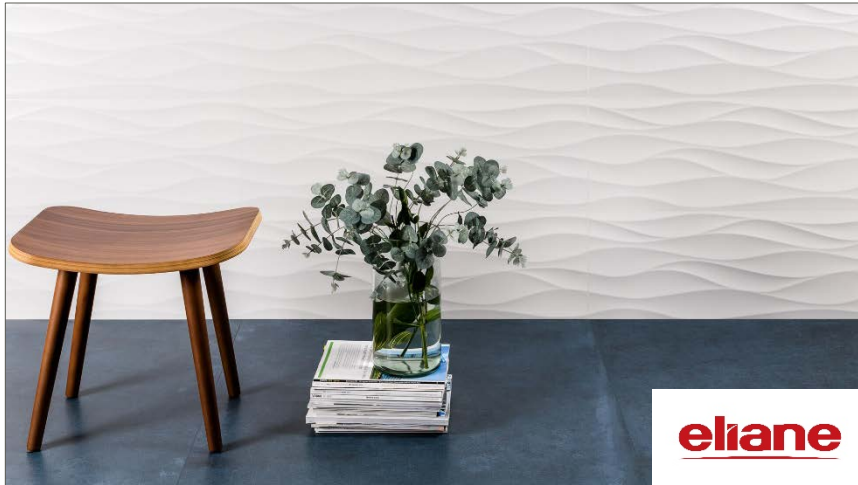
- Best possible valuation
- Potential for significant ROI
- Good short- and long-term opportunity
- Mitigate risks

Godfrey Hirst Acquisition



- Closed July 2, 2018
- Largest flooring provider in Australia and New Zealand
- Fiscal 2017 net sales: US\$334M
- Carpet manufacturing in both countries
- Sourced hard surface distribution
- Market's design and innovation leader
- Integration underway with existing regional Mohawk soft and hard surface business

Eliane Acquisition



- Closed November 16, 2018
- Leading ceramic tile manufacturer in Brazil, one of world's largest markets
- Fiscal 2017 net sales: US\$215M
- Produces glazed and unglazed porcelain for floors and walls
- Balanced sales through builders, home centers, retail & national accounts
- Will make capital investments to enhance products and improve cost
- Estimated 12-month EPS benefit of US\$0.15



Industry Outlook



Before



After



United States

- GDP & flooring industry growing
- New single family construction projecting slightly increase vs 2018
- LIRA Index forecasting higher YOY residential remodeling spend
- Commercial construction projected to grow, led by institutional and educational markets

Rest of World

- Economy in EU showing signs of slowing
- 2019 Russian economy improving
- In Mexico, growth projected as political uncertainty resolved
- Australian housing market weaker due to rising interest rates and tighter loans

Operational Excellence



- Deliver growth through innovative new products
- Drive demand through differentiated collections
- Enhance productivity & profitability through continuous process improvement & automation
- Optimize resources & materials
- Maintain superior logistics systems to improve service
- Leverage best practices across segments



Product Innovation

CERAMIC



Digitally Printed
Ceramic Tile



StepWise™

Superior Slip
Resistance

CARPET



Exclusive Super
Soft & Stain
Resistant Fiber



Proprietary Unified
Soft Flooring; Faster,
Easier Installation

LAMINATE / WOOD



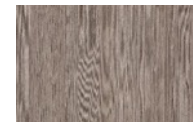
Proprietary
Water Proof Wood



Engineered Wood
Planks Up to 9" x 90"



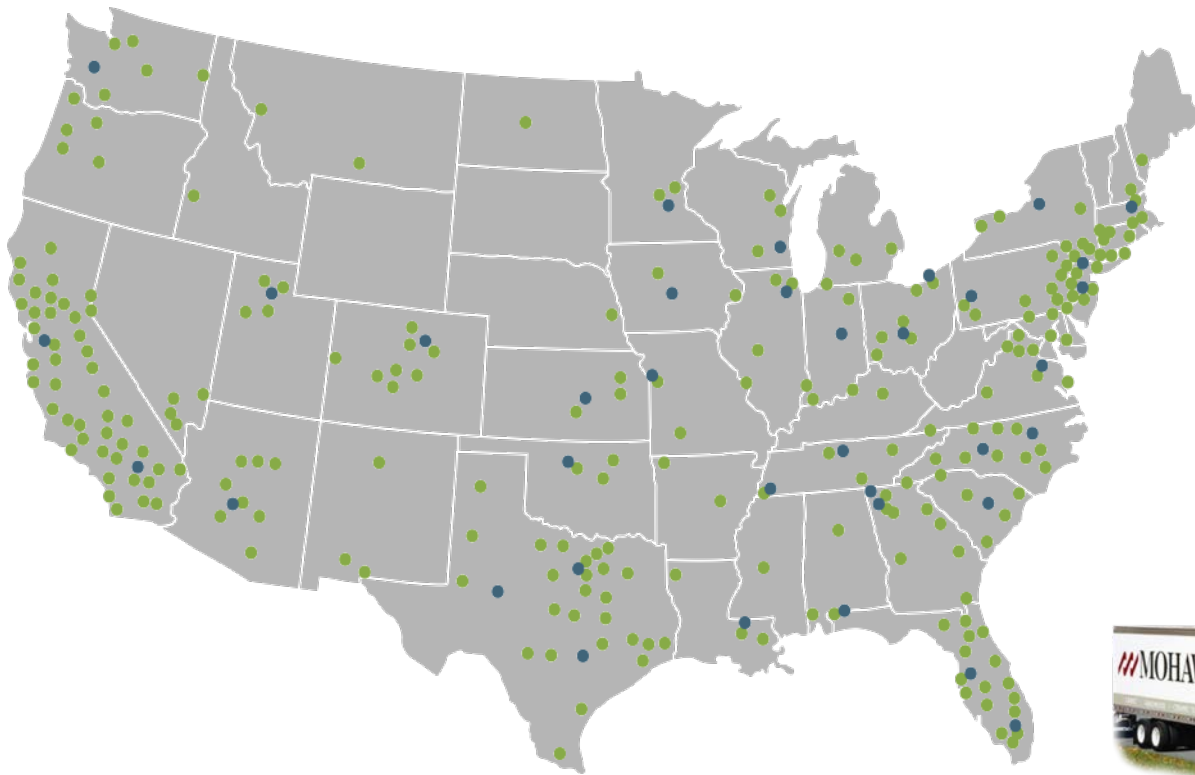
Rigid LVT:
Realistic Visuals;
Water Resistance



Deeply Embossed Sheet;
More Natural Visuals

Best-In-Class Distribution

- National network of distribution centers provides efficient delivery
- Service Centers provide key channel for ceramic distribution



● Carpet, Laminate, Wood & Vinyl DCs
● Ceramic Service Centers

Best-In-Class

- Logistics system
- 1,600 sales representatives
- 350 distribution points
- 650 trucks



The Business of Sustainability



6.2B

Plastic Bottles
Recycled Annually



6.5B

Pounds of Waste
Recycled



500+

Products with
Recycled Content



42M

Pounds of Tires
Recycled Into Doormats



47

Plants with Zero Waste
to Landfill



36%

Water Intensity
Reduced since 2010



442M

Gallons of Reduced
Water Consumption
since 2015



5%

Greenhouse Gas Intensity
Reduced since 2010



Daltile – Porcelain Tile
WOODBRIDGE SERIES


MOHAWK®

Global Ceramic

Global Ceramic Segment

Competitive Advantages

- Worldwide ceramic leader with leading positions in North America, Brazil, Eastern & Western Europe and Russia
- Most widely recognized ceramic brands
- Broad product line satisfies all channels and price points
- North American market share substantially larger than closest competitor
- Unmatched North American distribution and production capability
- Sales in more than 160 countries

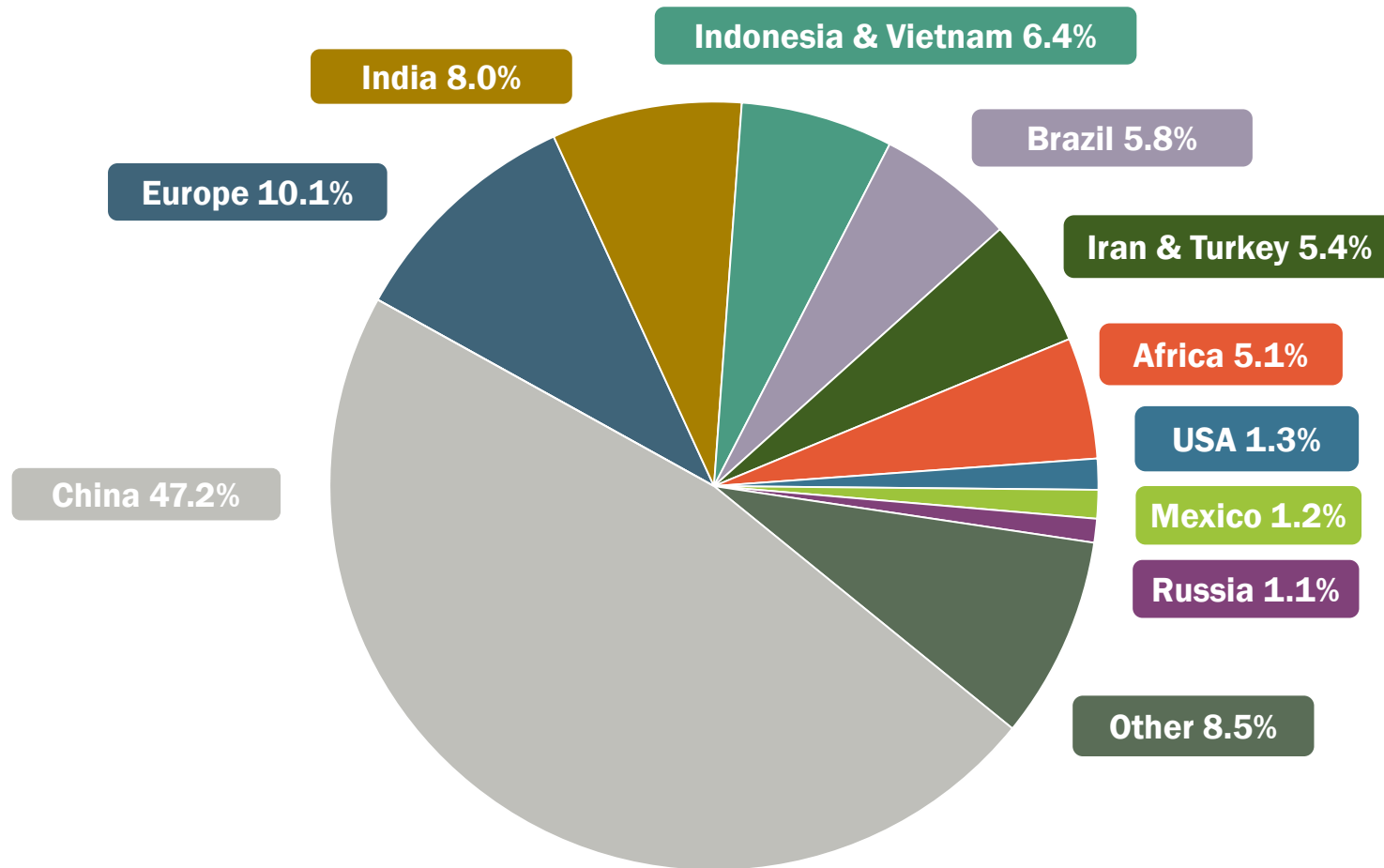


Ceramic: Leveraging Global Assets



Global Tile Market: 146 Billion Sq. Ft.

2018 Mohawk Capacity – 2.4 Billion Sq. Ft.



Global Ceramic: Brands Serving All Channels

AMERICAS



- 240 service centers
- 40 countertop centers
- 15 design galleries
- Independent specialty retail
- Home centers
- Independent distributors
- New construction



RAGNO



MEXICO



- Independent specialty retail
- Home centers
- New construction
- Independent distributors



EUROPE



- Independent specialty retail
- Home centers
- New construction
- Independent distributors

RUSSIA



- 20 distribution centers
- 365 company-owned or franchised retail stores
- Home centers
- New construction
- Independent distributors

Global Ceramic: Countertops

Stone



High-end, contemporary, luxe feel for any room

Quartz



Upscale look engineered for down-to-earth durability

Porcelain



Scale and beauty of natural stone with the benefits of porcelain tile

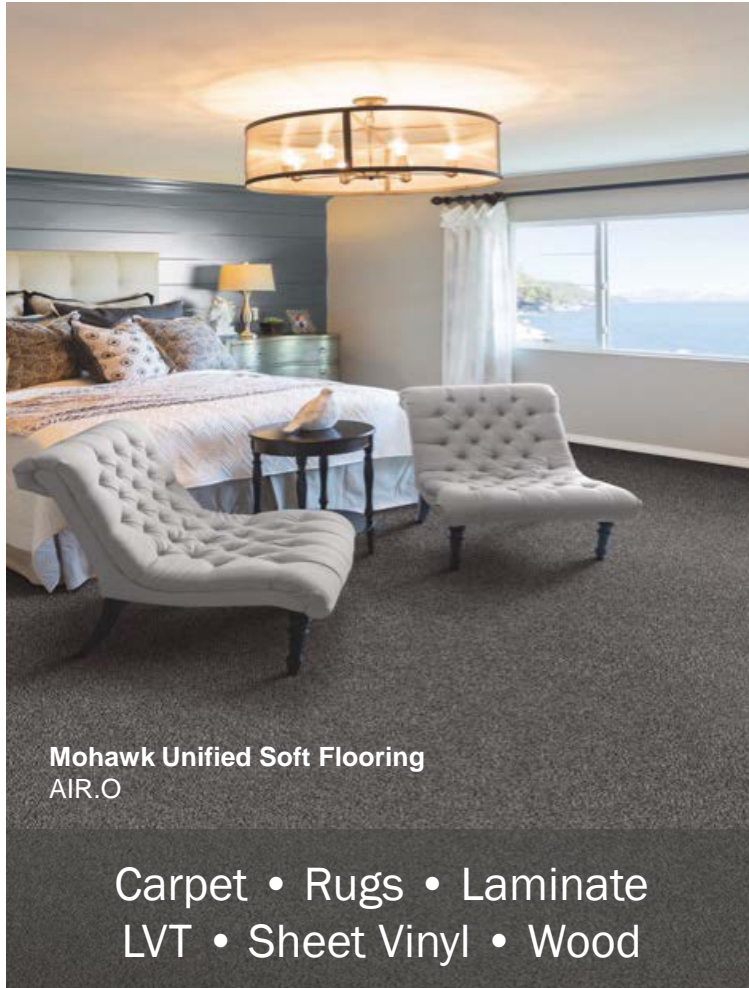


Karastan Wool Carpet
CAPE VIEW



Flooring North America

Flooring North America Segment



Competitive Advantages

- Leading market share in all channels
- Leader in innovation, design & technology
- Significant growth opportunity with LVT
- Well-known exclusive brands
- Leverage customer relationships across product categories
- Low-cost integrated manufacturing

Flooring NA: Brands Serving All Channels

RESIDENTIAL CARPET



- Independent Specialty Retail
- Aligned Dealers
- Home Centers
- Builder
- Multi-family

BATH & AREA RUGS



- Mass Merchants
- Department Stores
- Home Centers
- Independent Specialty Retail
- E-Commerce

COMMERCIAL CARPET



- Corporate
- Educational
- Retail
- Healthcare
- Hospitality
- Institutional
- Main Street

HARD SURFACES



- Independent Specialty Retail
- Aligned Dealers
- Home Centers
- Builder
- Multi-family



Pergo Luxury Vinyl Tile
GREY RIVER OAK


MOHAWK®

Flooring Rest of the World

Flooring Rest of the World Segment



Competitive Advantages

- Leader in mid- to high-end categories
- Undisputed innovation frontrunner
- Significant growth opportunity with LVT
- Extend value of well known brands into new product categories
- Vertically integrated low-cost manufacturer across product categories
- Leverage customer relationships to enter new channels and markets

Flooring ROW: Brands Serving All Channels

LAMINATE / WOOD



- Independent Specialty Retail
- Home Centers
- Independent Distribution
- Company-owned Distribution (U.K., Italy, Switzerland, Australia, New Zealand, India)
- Builder
- Multi-family

LVT



- Independent Specialty Retail
- Home Centers
- Company-owned Distribution (U.K., Italy, Switzerland, Australia, New Zealand, India)
- Builder
- Multi-family
- Commercial

CARPET



CARPET TILES

- Independent Specialty Retail
- Home Centers
- Builder
- Commercial

SHEET VINYL



- Independent Specialty Retail
- Home Centers
- Builder
- Multi-family
- Commercial

Flooring ROW Panels

MDF & Chipboards



Furniture and specialty construction

Insulation Panels



Airtight solutions for renovations or new construction

Roofing Panels



Insulated custom roof panels and hinged roofs



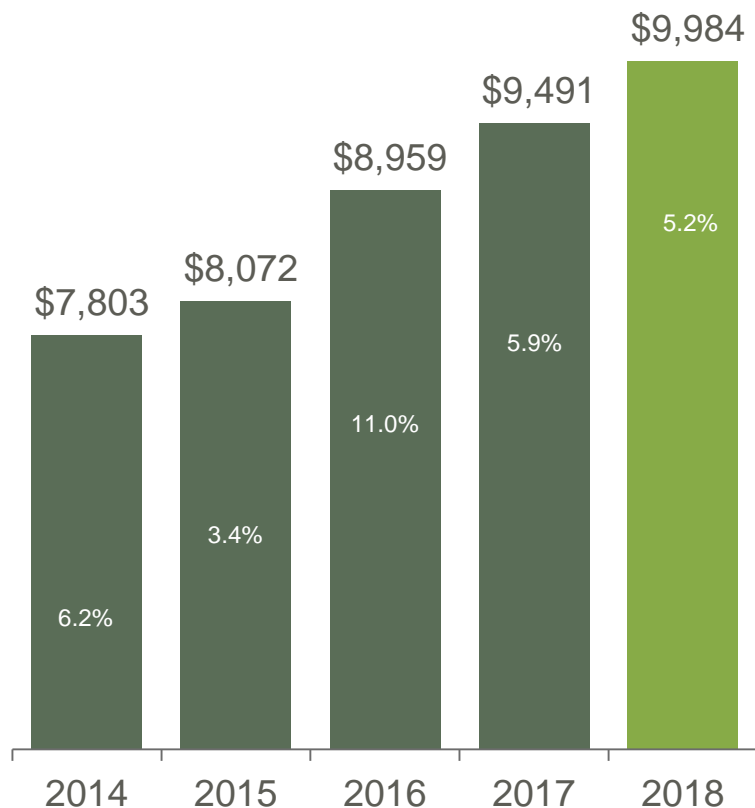
Mohawk Group Carpet Tile
LICHEN COLLECTION



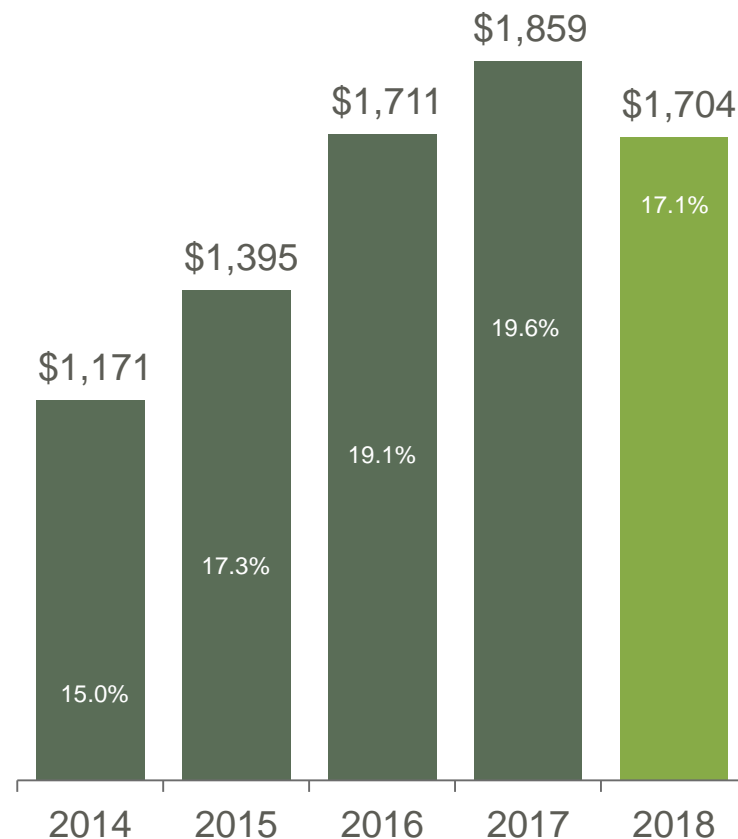
Financials

Net Sales & Adjusted EBITDA

Net Sales (% YOY Growth)



EBITDA (% of Net Sales)



Earnings Summary

(ex-unusual items)

| | 2014 | 2015 | 2016 | 2017 | 2018 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Net Sales % Change | \$7,803 6% | \$8,072 3% | \$8,959 11% | \$9,491 6% | \$9,984 5% |
| EBITDA EBITDA Margin | \$1,171 15% | \$1,395 17% | \$1,711 19% | \$1,859 20% | \$1,704 17% |
| Operating Income Operating Margin | \$834 11% | \$1,050 13% | \$1,298 14% | \$1,416 15% | \$1,189 12% |
| Net Earnings % Change | \$598 26% | \$756 26% | \$940 24% | \$1,019 8% | \$922 -10% |
| Adjusted Diluted EPS % Change | \$8.15 24% | \$10.20 25% | \$12.61 24% | \$13.61 8% | \$12.33 -9% |

(Dollars in Millions except EPS)

Results by Segment

(ex-unusual items)

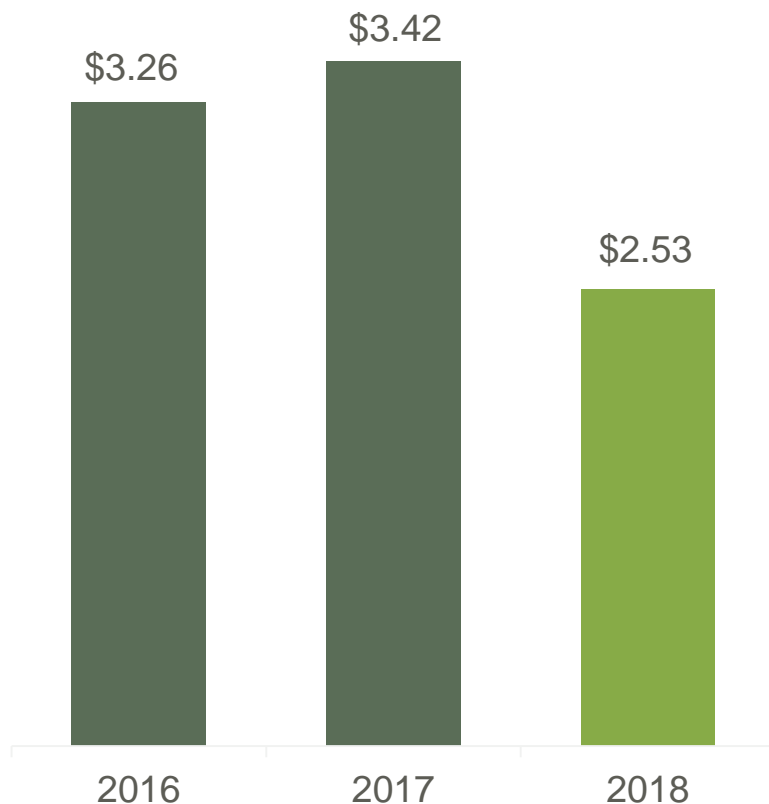
| | 2014 | 2015 | 2016 | 2017 | 2018 |
|---|-----------------------|----------------------|-----------------------|----------------------|-----------------------|
| GLOBAL CERAMIC SEGMENT | | | | | |
| Sales % Change | \$3,015 13% | \$3,013 0% | \$3,175 5% | \$3,405 7% | \$3,553 4% |
| Operating Income Operating Margin | \$360 12% | \$422 14% | \$481 15% | \$545 16% | \$463 13% |
| FLOORING NA SEGMENT | | | | | |
| Sales % Change | \$3,441 1% | \$3,602 5% | \$3,866 7% | \$4,011 4% | \$4,029 0% |
| Operating Income Operating Margin | \$315 9% | \$421 12% | \$505 13% | \$573 14% | \$391 10% |
| FLOORING ROW SEGMENT | | | | | |
| Sales % Change | \$1,354 8% | \$1,457 8% | \$1,919 32% | \$2,075 8% | \$2,402 16% |
| Operating Income Operating Margin | \$188 14% | \$242 17% | \$348 18% | \$337 16% | \$369 15% |

*2014 represent Q2 2015 realignment of segments (Dollars in Millions)

Quarterly Earnings Summary

(ex-unusual items)

Adjusted Diluted Quarterly EPS



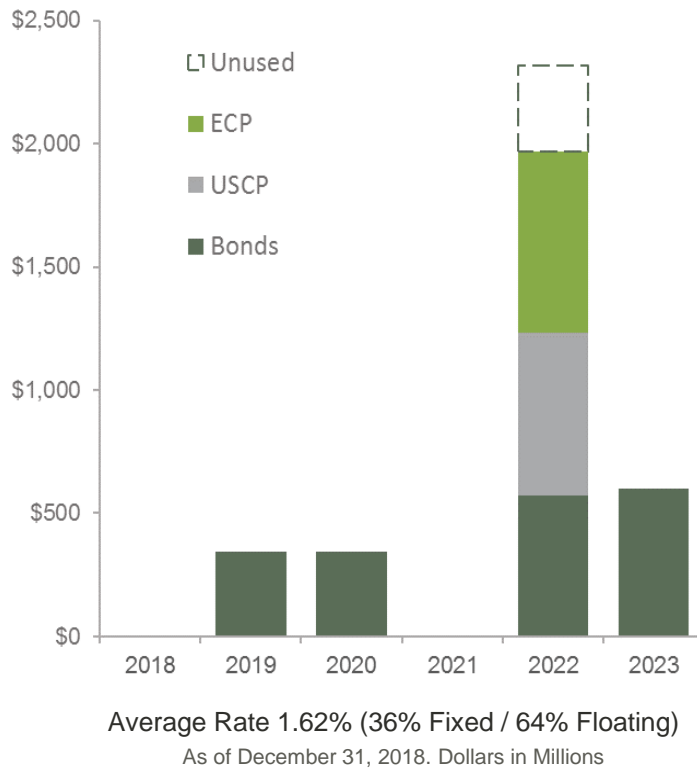
Fourth Quarter Results

| | 2016 | 2017 | 2018 |
|-----------------------------|----------------|----------------|----------------|
| Net Sales | \$2,183 | \$2,369 | \$2,449 |
| % Change | 9% | 9% | 3% |
| EBITDA | \$431 | \$477 | \$381 |
| EBITDA Margin | 20% | 20% | 16% |
| Operating Income | \$321 | \$359 | \$241 |
| Operating Margin | 15% | 15% | 10% |
| Adjusted Diluted EPS | \$3.26 | \$3.42 | \$2.53 |
| % Change | 16% | 5% | -26% |

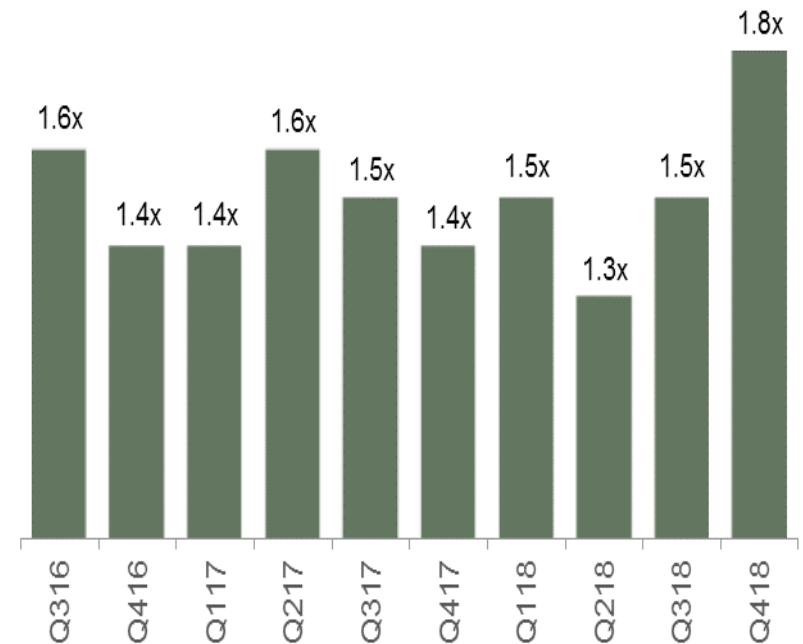
(Dollars in Millions except EPS)

Leverage and Capital Structure

Maturity Schedule¹

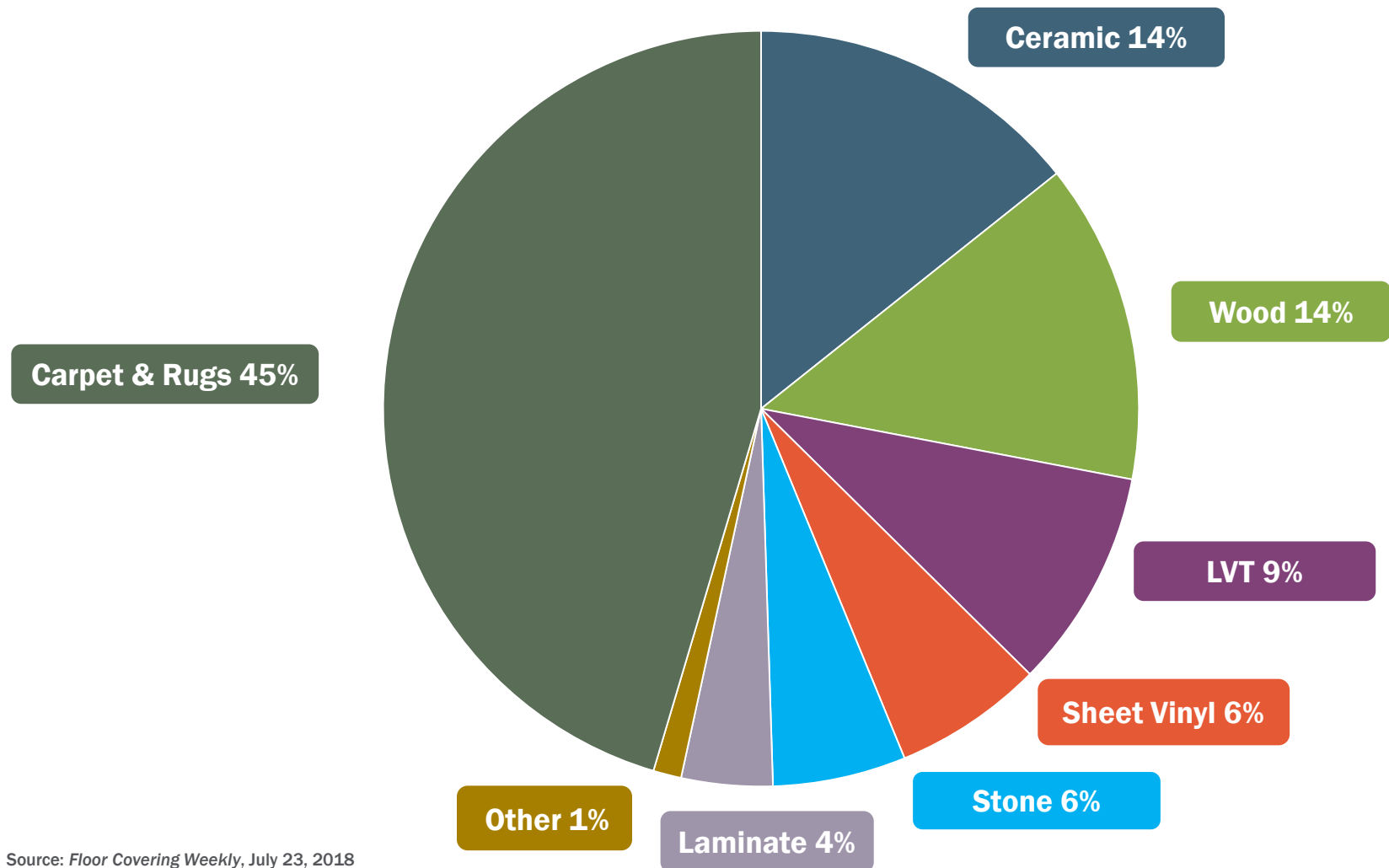


Net Debt-to-EBITDA Multiple



¹ Approximately \$7 million in capital leases not shown. USCP and ECP amounts include end of quarter revolver borrowing.

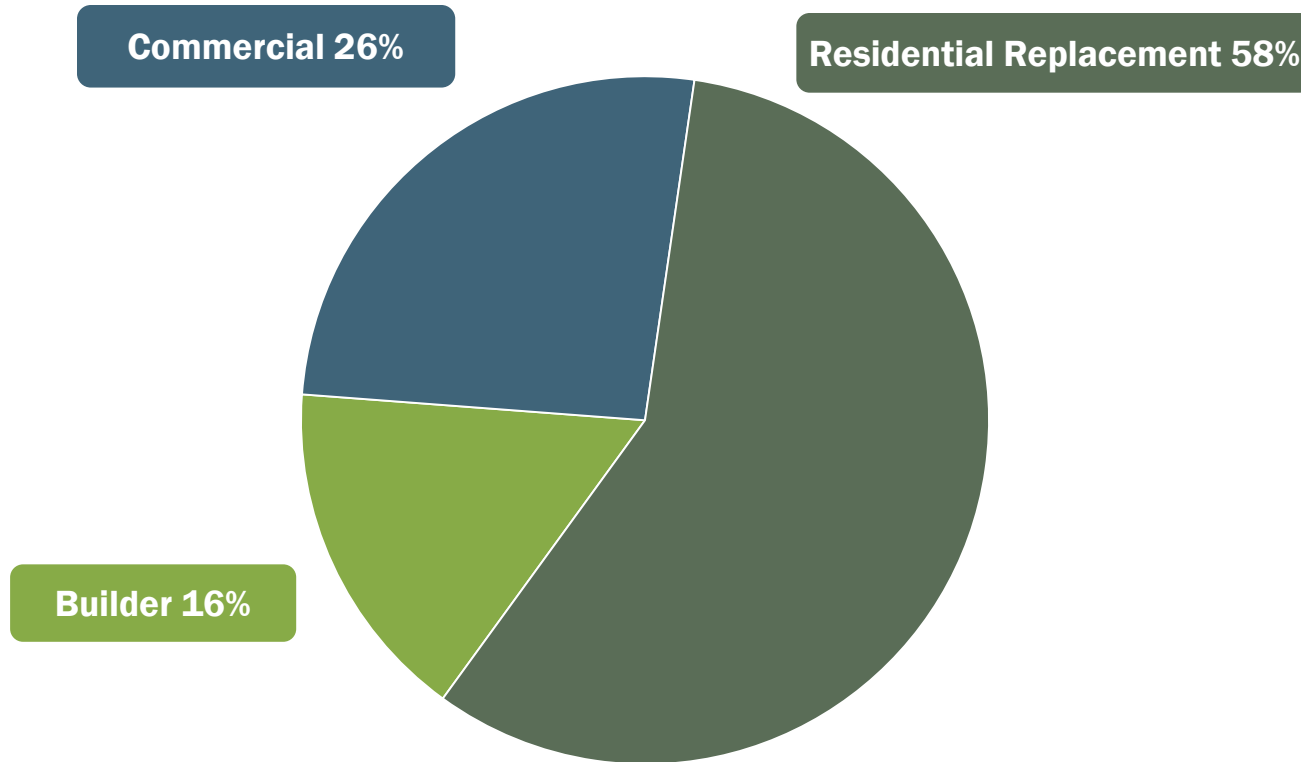
U.S. Flooring Industry: \$25.4 Billion



Source: *Floor Covering Weekly*, July 23, 2018

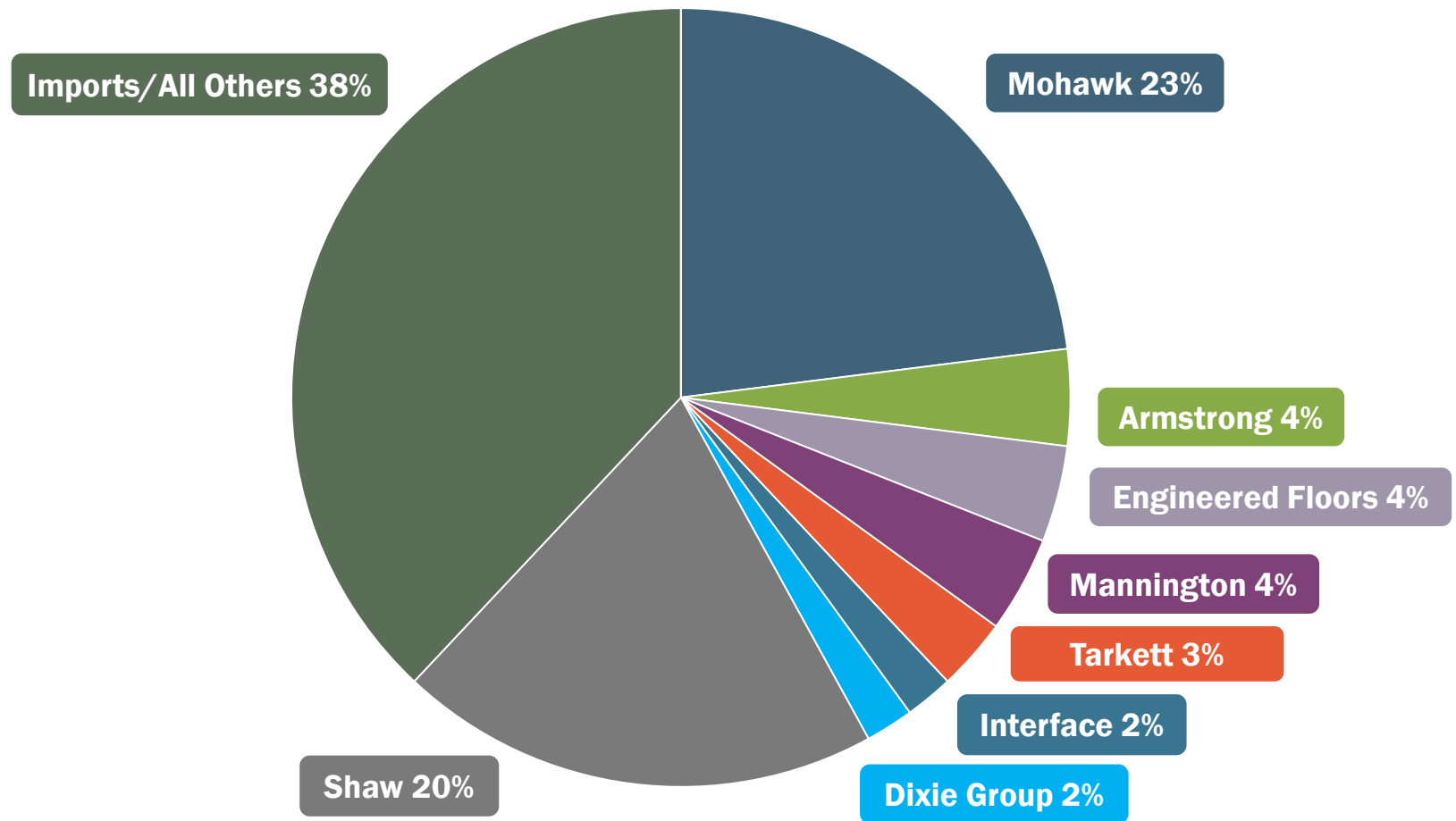
Subject to rounding

U.S. Flooring Sales by End Use Market



- Anticipate continued expansion in new housing starts
- Residential remodeling projected to significantly expand
- Commercial indicators suggest future growth

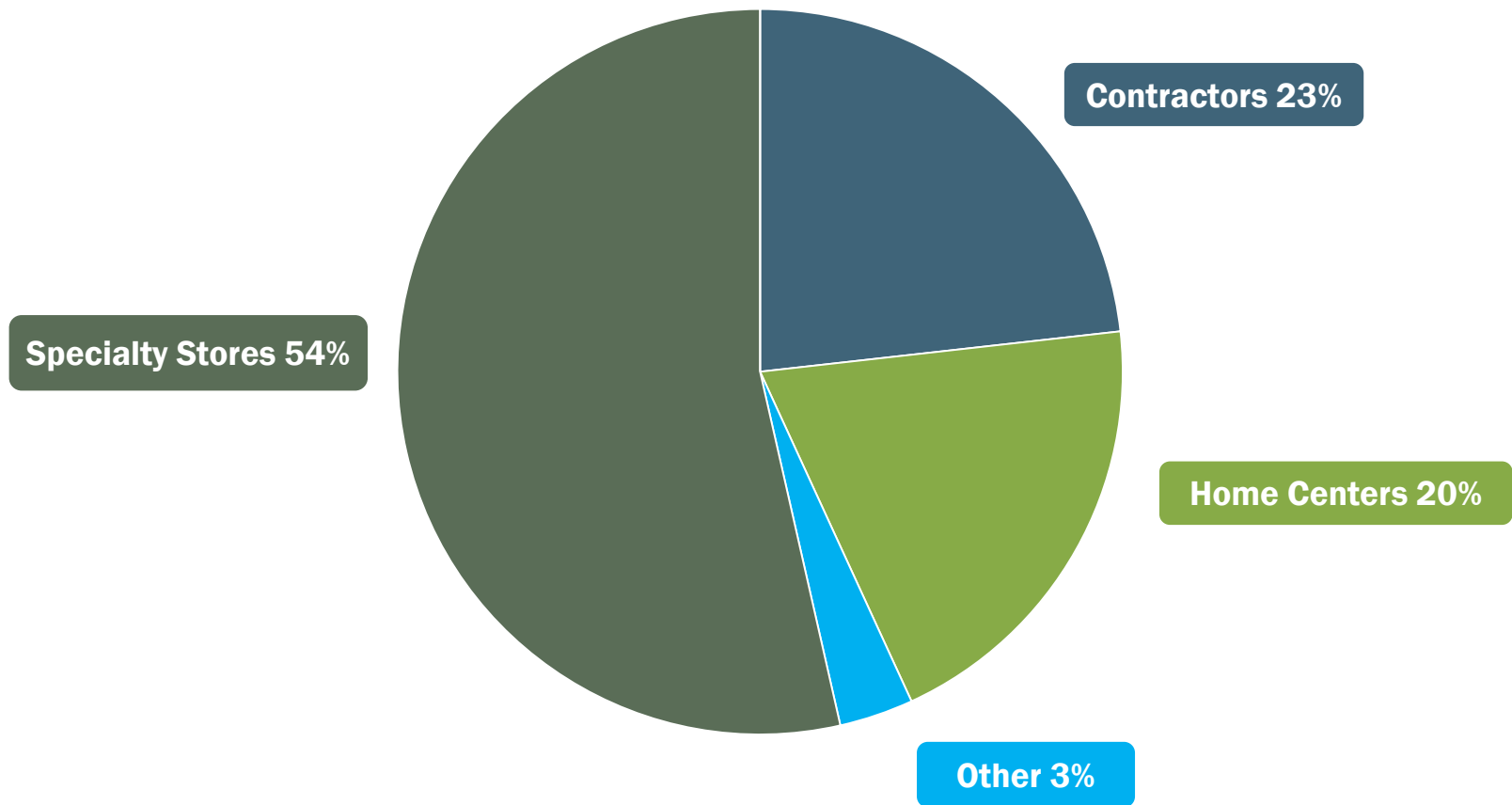
U.S. Flooring Market



Source: *Floor Focus*, May 2018

Does not include sales of stone flooring or carpet cushion, categories in which Mohawk has leading positions in the U.S. market
Subject to rounding

U.S. Flooring Channels





Mohawk Carpet
SMARTSTRAND SILK RESERVE



Appendix

Appendix: Reconciliation of Non-GAAP Measures

ADJUSTED OPERATING INCOME

| <i>(Amounts in thousands USD)</i> | 2014 | 2015 | 2016 | 2017 | 2018 |
|--|----------------|------------------|------------------|------------------|------------------|
| Operating income | 772,796 | 837,565 | 1,279,943 | 1,354,173 | 1,095,326 |
| Adjustments to operating income: | | | | | |
| Restructuring, acquisition and integration-related and other costs | 51,604 | 74,604 | 59,847 | 48,939 | 78,649 |
| Legal settlement and reserves | 10,000 | 124,480 | (90,000) | - | - |
| Tradename impairment | - | - | 47,905 | - | - |
| Acquisitions purchase accounting (including inventory step-up) | - | 13,337 | - | 13,314 | 15,360 |
| Adjusted operating income | 834,400 | 1,049,986 | 1,297,695 | 1,416,426 | 1,189,335 |
| Adjusted operating income as a percent of net sales | 10.7% | 13.0% | 14.5% | 14.9% | 11.9% |

OPERATING INCOME TO PROFORMA ADJUSTED EBITDA

| <i>(Amounts in thousands USD)</i> | 2014 | 2015 | 2016 | 2017 | 2018 |
|--|------------------|------------------|------------------|------------------|------------------|
| Operating income | 772,796 | 837,565 | 1,279,943 | 1,354,173 | 1,095,326 |
| Other (expense) income | (10,698) | (17,619) | 1,729 | (5,205) | (7,298) |
| Net (earnings) loss attributable to non-controlling interest | (289) | (1,684) | (3,204) | (3,054) | (3,151) |
| Depreciation and amortization | 336,608 | 362,647 | 409,468 | 446,672 | 521,765 |
| EBITDA | 1,098,417 | 1,180,908 | 1,687,936 | 1,792,586 | 1,606,642 |
| Restructuring, acquisition and integration-related and other costs | 63,556 | 65,954 | 60,524 | 48,940 | 78,449 |
| Acquisitions purchase accounting (including inventory step-up) | - | 13,337 | - | 13,314 | 15,359 |
| Legal settlement and reserves | 10,000 | 124,480 | (90,000) | - | - |
| Tradename impairment | - | - | 47,905 | - | - |
| Release of indemnification asset | - | 11,180 | 5,372 | 4,459 | 4,606 |
| Adjusted EBITDA | 1,171,973 | 1,395,859 | 1,711,737 | 1,859,299 | 1,705,056 |

Appendix: Reconciliation of Non-GAAP Measures

| ADJUSTED NET EARNINGS | | | | | |
|--|----------------|----------------|----------------|------------------|----------------|
| <i>(Amounts in thousands USD, except EPS)</i> | 2014 | 2015 | 2016 | 2017 | 2018 |
| Net earnings attributable to Mohawk Industries, Inc. | 531,965 | 615,302 | 930,362 | 971,638 | 861,704 |
| Adjusting items: | | | | | |
| Restructuring, acquisition, integration-related and other costs and disposal of subsidiary | 63,556 | 74,604 | 60,523 | 49,144 | 78,449 |
| Acquisitions purchase accounting (including inventory step-up) | - | 13,337 | - | 13,314 | 15,359 |
| Acquisition interest expense | - | - | - | - | 4,322 |
| Legal settlement and reserves | 10,000 | 124,480 | (90,000) | - | - |
| Release of indemnification asset | - | 11,180 | 5,371 | 4,459 | 4,606 |
| Bond redemption | 18,922 | - | - | - | - |
| Deferred loan costs | 1,080 | 651 | - | - | - |
| Tradename impairment | - | - | 47,905 | - | - |
| Income taxes - reversal of uncertain tax position | - | (11,180) | (5,371) | (4,459) | (4,606) |
| Income tax reform | - | - | - | 810 | - |
| Income taxes | (27,856) | (72,872) | (8,443) | (16,260) | (37,817) |
| Adjusted net earnings attributable to Mohawk Industries, Inc. | 597,668 | 755,502 | 940,348 | 1,018,646 | 922,017 |
| Adjusted diluted earnings per share attributable to Mohawk Industries, Inc. | 8.15 | 10.20 | 12.61 | 13.61 | 12.33 |
| Weighted-average common shares outstanding - diluted | 73,363 | 74,043 | 74,568 | 74,839 | 74,773 |

Appendix: Reconciliation of Non-GAAP Measures

ADJUSTED OPERATING INCOME

| <i>(Amounts in thousands USD)</i> | 2014 | 2015 | 2016 | 2017 | 2018 |
|--|----------------|----------------|----------------|----------------|----------------|
| GLOBAL CERAMIC SEGMENT | | | | | |
| Operating income | 351,113 | 414,154 | 478,448 | 525,401 | 442,898 |
| Adjustments to operating income: | | | | | |
| Restructuring, acquisition and integration-related and other costs | 9,330 | 5,429 | 2,906 | 6,142 | 13,312 |
| Acquisitions purchase accounting (including inventory step-up) | - | 2,881 | - | 13,122 | 6,721 |
| Adjusted operating income | 360,443 | 422,464 | 481,355 | 544,666 | 462,933 |
| Adjusted operating income as a percent of net sales | 12.0% | 14.0% | 15.2% | 16.0% | 13.0% |

FLOORING NA SEGMENT

| | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|
| Operating income | 299,992 | 264,271 | 505,115 | 540,337 | 347,937 |
| Adjustments to operating income: | | | | | |
| Restructuring, acquisition and integration-related and other costs | 4,610 | 27,290 | 41,841 | 32,966 | 42,847 |
| Impairment of tradename | - | - | 47,905 | - | - |
| Legal settlement and reserves | 10,000 | 126,480 | (90,000) | - | - |
| Acquisitions purchase accounting (including inventory step-up) | - | 2,694 | - | - | - |
| Adjusted operating income | 314,602 | 420,735 | 504,861 | 573,303 | 390,783 |
| Adjusted operating income as a percent of net sales | 9.1% | 11.7% | 13.1% | 14.3% | 9.7% |

FLOORING ROW SEGMENT

| | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|
| Operating income | 151,528 | 203,370 | 333,091 | 329,054 | 345,801 |
| Adjustments to operating income: | | | | | |
| Restructuring, acquisition and integration-related and other costs | 36,177 | 30,547 | 14,592 | 7,516 | 14,978 |
| Acquisitions purchase accounting (including inventory step-up) | - | 7,761 | - | 192 | 8,639 |
| Adjusted operating income | 187,705 | 241,678 | 347,683 | 336,762 | 369,417 |
| Adjusted operating income as a percent of net sales | 13.9% | 16.6% | 18.1% | 16.2% | 15.4% |

Appendix: Reconciliation of Non-GAAP Measures

ADJUSTED OPERATING INCOME

| <i>(Amounts in thousands USD)</i> | 2016Q4 | 2017Q4 | 2018Q4 |
|--|----------------|----------------|----------------|
| Operating income | 305,272 | 343,466 | 213,376 |
| Adjustments to operating income: | | | |
| Restructuring, acquisition and integration-related and other costs | 16,214 | 15,231 | 20,613 |
| Acquisitions purchase accounting (including inventory step-up) | - | - | 6,721 |
| Adjusted operating income | 321,486 | 358,697 | 240,710 |
| Adjusted operating income as a percent of net sales | 14.7% | 15.1% | 9.8% |

OPERATING INCOME TO ADJUSTED EBITDA

| <i>(Amounts in thousands USD)</i> | 2016Q4 | 2017Q4 | 2018Q4 |
|--|----------------|----------------|----------------|
| Operating income | 305,272 | 343,466 | 213,376 |
| Other (expense) income | 3,190 | (3,750) | (504) |
| Net (earnings) loss attributable to non-controlling interest | (760) | (488) | (704) |
| Depreciation and amortization | 104,379 | 118,372 | 139,092 |
| EBITDA | 412,081 | 457,600 | 351,260 |
| Restructuring, acquisition and integration-related and other costs | 16,214 | 15,231 | 20,412 |
| Acquisitions purchase accounting (including inventory step-up) | - | - | 6,721 |
| Release of indemnification asset | 3,004 | 4,459 | 2,857 |
| Adjusted EBITDA | 431,299 | 477,290 | 381,250 |

Appendix: Reconciliation of Non-GAAP Measures

| ADJUSTED NET EARNINGS | | | |
|---|----------------|----------------|----------------|
| <i>(Amounts in thousands USD, except EPS)</i> | 2016Q4 | 2017Q4 | 2018Q4 |
| Net earnings attributable to Mohawk Industries, Inc. | 233,748 | 240,378 | 229,339 |
| Adjusting items: | | | |
| Restructuring, acquisition and integration-related and other costs and disposal of subsidiary | 16,214 | 15,435 | 20,412 |
| Acquisitions purchase accounting (including inventory step-up) | - | - | 6,721 |
| Acquisitions interest expense | - | - | 4,322 |
| Release of indemnification asset | 3,004 | 4,459 | 2,857 |
| Income taxes - reversal of uncertain tax position | (3,004) | (4,459) | (2,857) |
| Income tax reform | - | 810 | - |
| Income taxes | (6,678) | (624) | (73,282) |
| Adjusted net earnings attributable to Mohawk Industries, Inc. | 243,284 | 255,999 | 187,512 |
| Adjusted diluted earnings per share attributable to Mohawk Industries, Inc. | 3.26 | 3.42 | 2.53 |
| Weighted-average common shares outstanding - diluted | 74,638 | 74,915 | 74,183 |

Appendix: Reconciliation of Non-GAAP Measures

| NET DEBT | | | | | | | | | | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| (Amounts in thousands USD) | 2016Q3 | 2016Q4 | 2017Q1 | 2017Q2 | 2017Q3 | 2017Q4 | 2018Q1 | 2018Q2 | 2018Q3 | 2018Q4 |
| Current portion of long-term debt and commercial paper | 1,548,251 | 1,382,738 | 1,497,986 | 1,754,077 | 1,172,781 | 1,203,683 | 1,331,917 | 1,146,511 | 1,333,853 | 1,742,373 |
| Long-term debt, less current portion | 1,165,577 | 1,128,746 | 1,132,268 | 1,174,440 | 1,544,665 | 1,559,894 | 1,585,651 | 1,884,023 | 1,528,551 | 1,515,601 |
| Less: Cash and cash equivalents | 112,108 | 121,665 | 188,436 | 130,238 | 84,502 | 84,884 | 114,843 | 518,226 | 91,351 | 119,050 |
| Net Debt | 2,601,721 | 2,389,819 | 2,441,819 | 2,798,279 | 2,632,944 | 2,678,693 | 2,802,725 | 2,512,308 | 2,771,053 | 3,138,924 |

| TRAILING TWELVE MONTHS OPERATING INCOME TO PROFORMA ADJUSTED EBITDA | | | | | | | | | | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| (Amounts in thousands USD) | 2016Q3 | 2016Q4 | 2017Q1 | 2017Q2 | 2017Q3 | 2017Q4 | 2018Q1 | 2018Q2 | 2018Q3 | 2018Q4 |
| Operating income (LTM) | 1,223,911 | 1,279,943 | 1,309,056 | 1,314,189 | 1,315,979 | 1,354,173 | 1,347,788 | 1,318,270 | 1,225,416 | 1,095,326 |
| Other (expense) income | (12,986) | 1,729 | 7,990 | (819) | 1,735 | (5,205) | (12,035) | (11,123) | (10,544) | (7,298) |
| Net (earnings) loss attributable to non-controlling interest | (2,890) | (3,204) | (3,137) | (3,278) | (3,326) | (3,054) | (3,027) | (2,919) | (2,935) | (3,151) |
| Depreciation and amortization | 399,114 | 409,468 | 414,298 | 422,844 | 432,679 | 446,672 | 464,302 | 481,589 | 501,046 | 521,765 |
| EBITDA (LTM) | 1,607,149 | 1,687,936 | 1,728,207 | 1,732,936 | 1,747,067 | 1,792,586 | 1,797,028 | 1,785,817 | 1,712,983 | 1,606,642 |
| Restructuring, acquisition, integration-related and other costs | 75,130 | 60,524 | 56,784 | 66,642 | 49,923 | 48,940 | 67,066 | 67,230 | 73,267 | 78,449 |
| Acquisitions purchase accounting (including inventory step-up) | 21 | - | 192 | 9,763 | 13,314 | 13,314 | 14,476 | 5,099 | 8,638 | 15,359 |
| Impairment of tradename | 47,905 | 47,905 | 47,905 | 47,905 | - | - | - | - | - | - |
| Legal settlement and reserves | (92,520) | (90,000) | (90,000) | (90,000) | - | - | - | - | - | - |
| Release of indemnification asset | 13,548 | 5,372 | 5,372 | 5,372 | 3,004 | 4,459 | 6,208 | 6,208 | 6,208 | 4,606 |
| Adjusted EBITDA (LTM) | 1,651,233 | 1,711,737 | 1,748,460 | 1,772,618 | 1,813,308 | 1,859,299 | 1,884,778 | 1,864,354 | 1,801,096 | 1,705,056 |
| Acquisitions EBITDA | 7,337 | | | | | | | | | |
| Proforma Adjusted EBITDA (LTM) | 1,658,570 | 1,711,737 | 1,748,460 | 1,772,618 | 1,813,308 | 1,859,299 | 1,884,778 | 1,864,354 | 1,801,096 | 1,705,056 |
| Net Debt to Proforma Adjusted EBITDA | 1.6 | 1.4 | 1.4 | 1.6 | 1.5 | 1.4 | 1.5 | 1.3 | 1.5 | 1.8 |

Investor Presentation



Marazzi Porcelain Tile
GRANDE CONCRETE LOOK