



Mohawk Industries, Inc.

Investor Presentation – October 2014

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 Industries Highlights



- World's largest flooring manufacturer
- Leading market positions
 - Ceramic
 - Carpet & Rugs
 - Laminate
 - Wood
 - Stone Flooring & Countertops
- Expanding international presence
- Total flooring product offering
- Vertically integrated manufacturing
- Superior distribution infrastructure
- Strong management team with multi-level succession plan
- Significant insider ownership

Mohawk by the Numbers



\$7.7B
Worldwide Sales



\$1,034M
EBITDA



1,216%
Stock Growth
Since 1992



30
Acquisitions
Since 1992



13
Countries
Manufacturing



30,000+
Employees
Worldwide



140+
Countries
Sales



25,000+
Customers
Worldwide

Focused Business Strategy



VALUE MAXIMIZATION

- Grow shareholder value
- Deliver above-market returns
- Increase profits through growth, efficiencies and distribution



OPERATIONAL EXCELLENCE

- Drive optimization of resources and materials
- Leverage knowledge and innovation across segments
- Strong capital investment to expand or extend market positions



AGGRESSIVE GROWTH

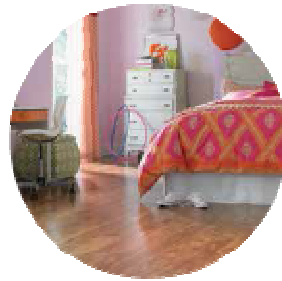
- Provide value through innovative products and process improvements
- Expand international participation in growth markets
- Execute acquisitions supporting current businesses and geographic expansion

Growth Through Innovation & Acquisition



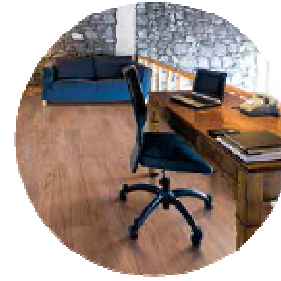
2010

- Reveal Imaging in ceramic tile
- Chinese ceramic JV
- Introduced GenuEdge in laminate
- U.K. laminate distributor



2011

- SmarStrand Silk, world's softest carpet
- Australian hard surface distributor
- Russian laminate manufacturing facility



2012

- Second Mexican ceramic manufacturing facility
- Brazilian laminate JV
- Wear-Dated Embrace, first super soft nylon carpet
- Uniclic technology in LVT
- ArmorMax superior durability wood surface protection



2013

- Marazzi acquisition (leading European, Russian & U.S. ceramic company)
- Pergo acquisition (leading U.S. & European laminate brand)
- Spano acquisition into Unilin board business
- Polyester carpets made with proprietary Continuum process
- Insulation board manufacturing facility in France

Acquisition Strategy



GEOGRAPHY

- New Locations
- Leverage strengths in existing locations



PRODUCTS

- New flooring product categories
- Categories with synergies to our existing businesses
- Product extensions



MANAGEMENT

- Proven management team
- Good bench strength
- Shared values



RETURNS

- Good valuation
- Potential for significant ROI
- Good short and long-term opportunity

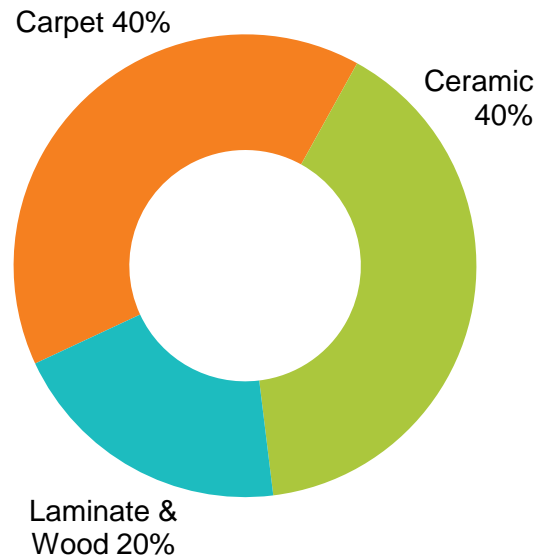
International Expansion



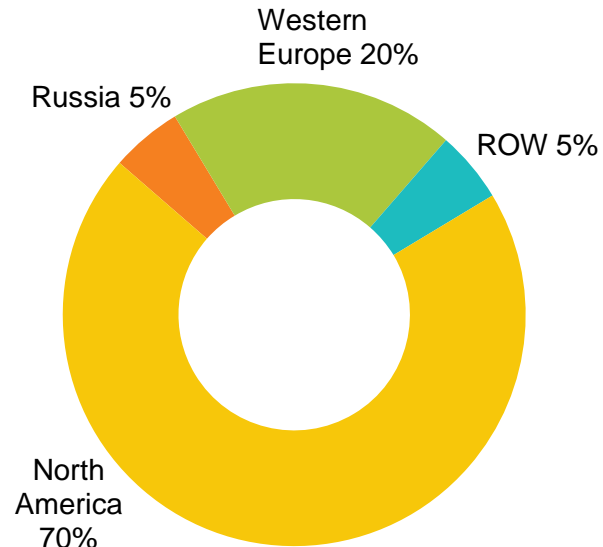
Position by Product, Geography & End Market

2013 Sales Mix

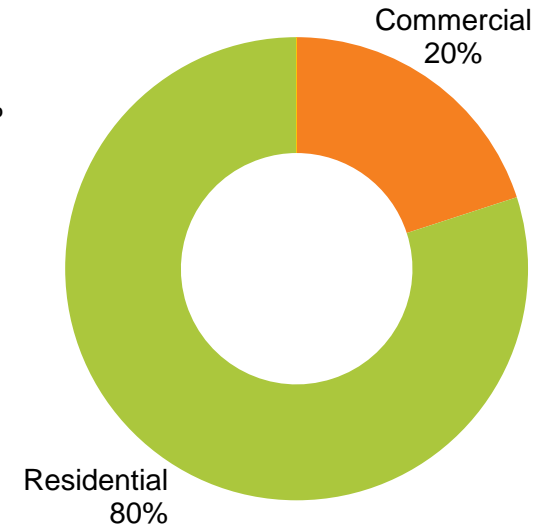
By Segment



By Geography



By End Market



Positive Industry Outlook



Before



After



United States

- GDP growing
- Flooring industry growth will outpace economy
- Low mortgage rates driving home sales
- Rising home prices support reinvestment
- New residential construction increasing
- Pent-up demand from postponed residential remodeling
- Commercial end market growing

Other Markets

- Europe appears to be moving from cyclical bottom
- Russia facing challenges for remainder of 2014; significant long-term upside from aging housing
- Mexico's economic growth slower in second half of 2014; GDP forecast for 2015 more upbeat

Historic Pent Up Demand: Flooring

U.S. Shipments - Millions Sq. Ft.

Ceramic

Year	Sq. Feet	% PY
1980	553	-9%
1981	554	0%
1982	530	-4%
1983	646	18%
1990	1,030	-15%
1991	928	-11%
1992	1,042	11%
2001	2,307	0%
2002	2,684	14%
2006	3,362	-2%
2007	2,723	-23%
2008	2,320	-17%
2009	1,905	-22%
2010	2,044	7%
2011	2,083	2%
2012	2,195	5%
2013	2,478	11%

Carpet

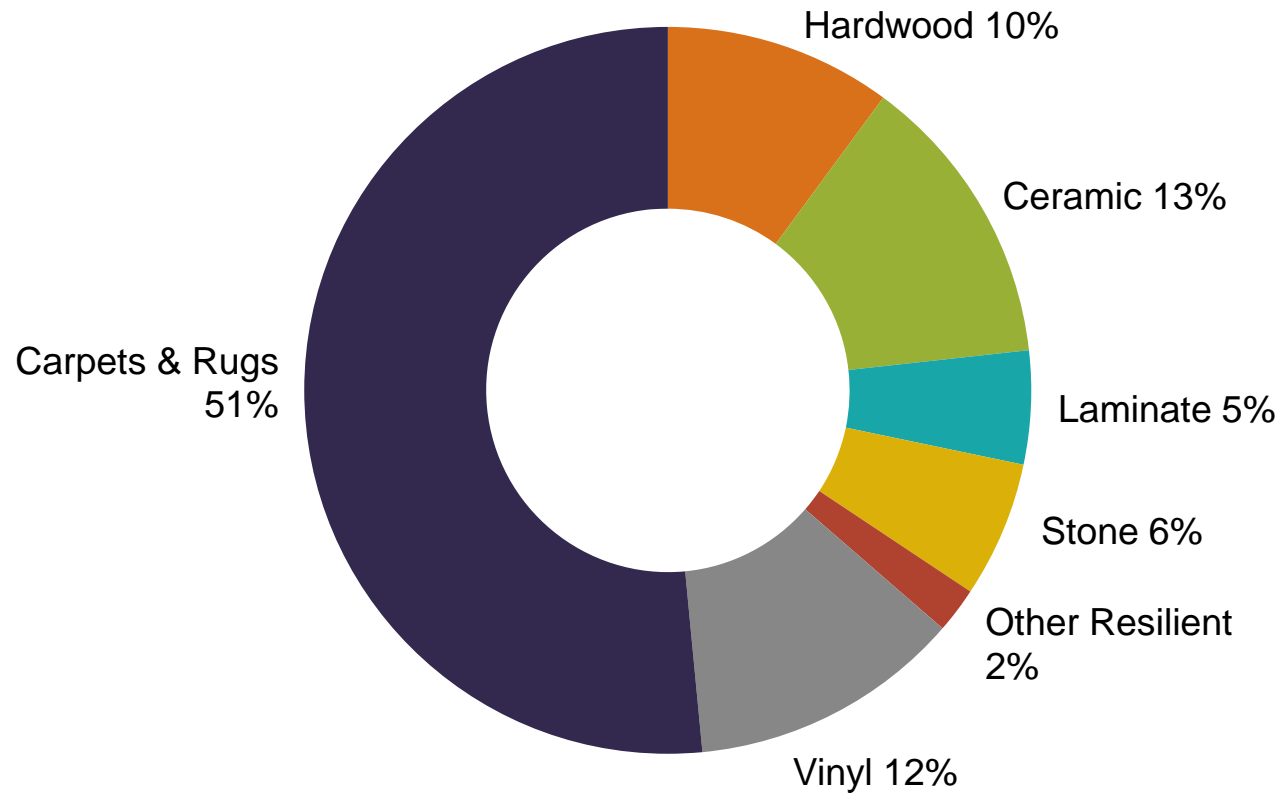
Sq. Feet	% PY
9,526	-12%
8,916	-6%
7,972	-11%
9,811	23%
12,240	3%
11,502	-6%
12,773	11%
17,019	-4%
17,583	3%
15,939	-15%
13,857	-13%
11,945	-14%
9,681	-19%
9,808	1%
9,551	-3%
9,468	0%
9,855	4%



Sources: Tiles Council of North America (TCNA)
 U.S. Department of Commerce, Census Bureau (1980-2010)
 U.S. Floors Report (2011-2013)

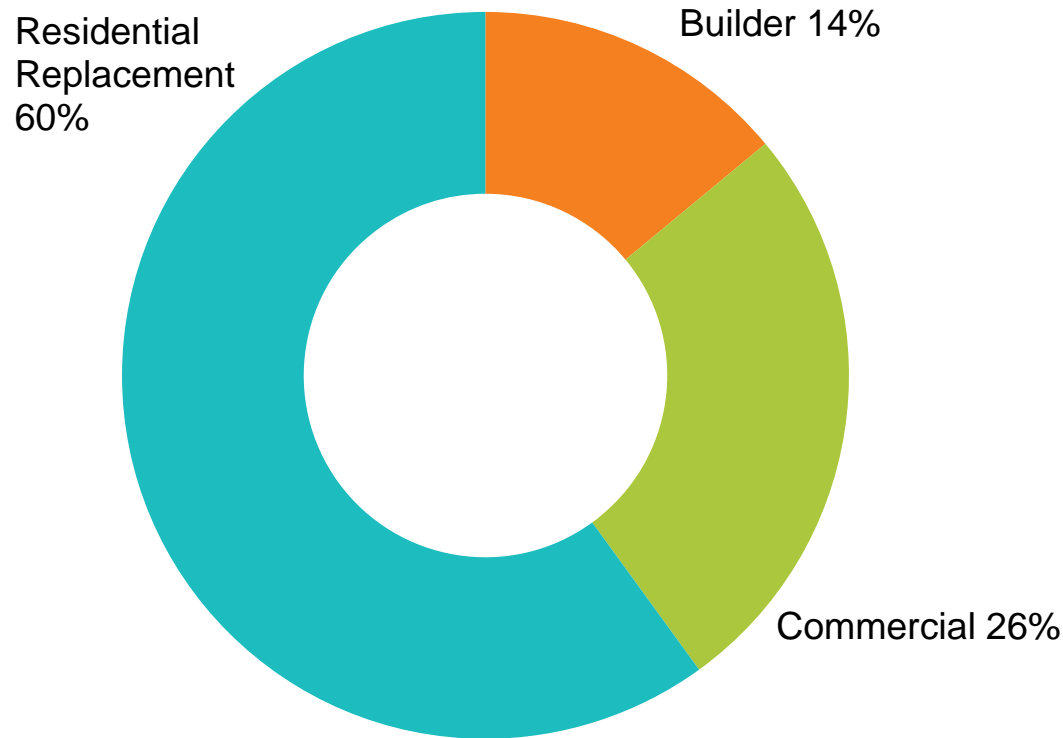
Product Mix Across U.S. Flooring Industry

U.S. Flooring Industry - \$20 Billion



U.S. Floor Covering Sales by End-Use Market

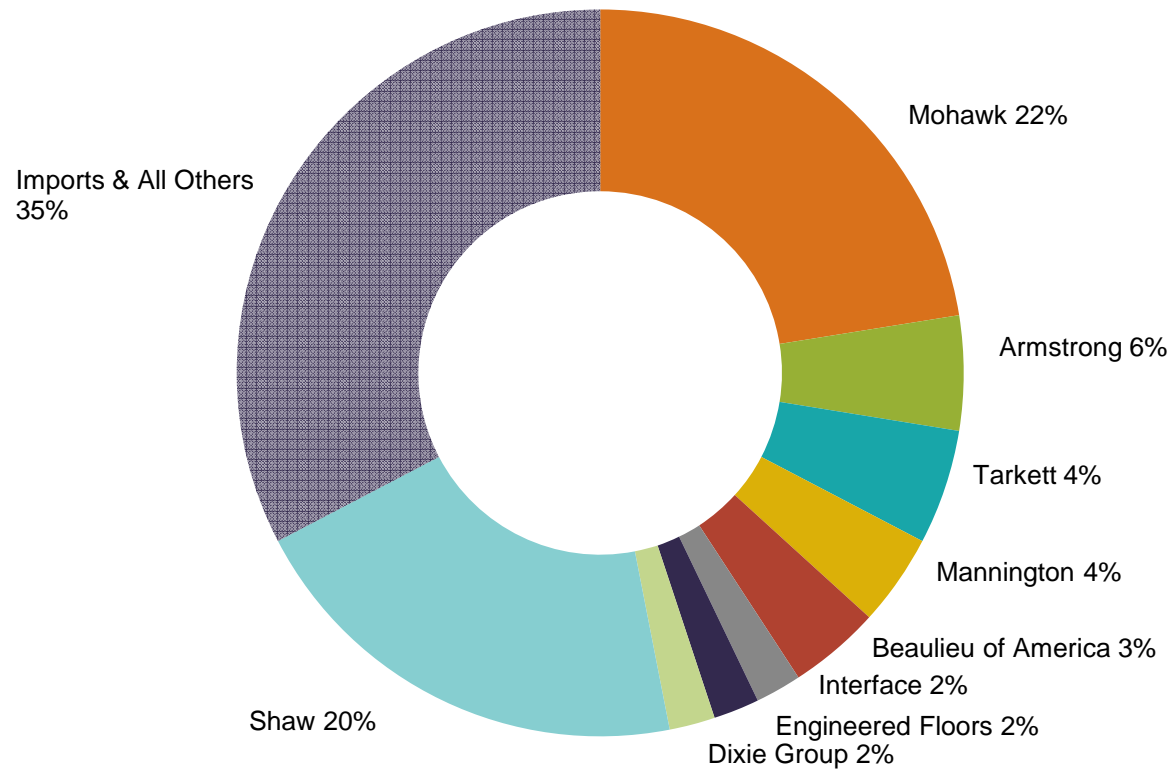
U.S. Industry Sales



- Industry recovery early in cycle
- New housing starts and remodeling improved in 2013
- Significant pent-up demand for residential remodeling due to impact of recession
- Commercial typically lags; indicators suggest future growth

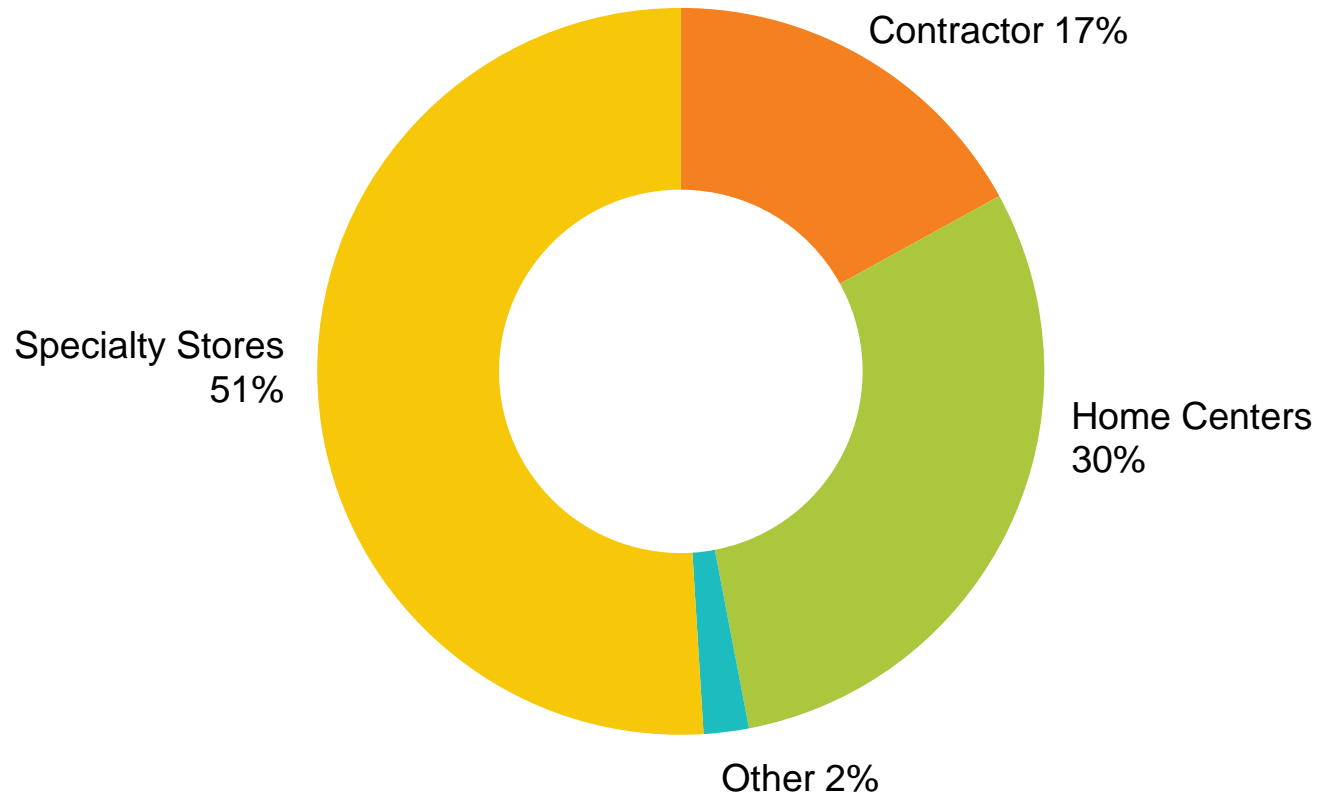
2013 U.S. Flooring Market Leaders

Total Flooring Industry Competitor Mix



U.S. Floorcovering Distribution Channels

U.S. Industry

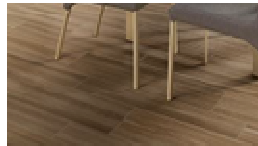


Innovative Products & Technologies

CERAMIC



Printed Ceramic Tile



Ceramic Wood Planks

CARPET



Exclusive Super Soft Fiber



Proprietary Polyester Fiber Process

LAMINATE / LVT



Look of Wood Planks in Laminate



LVT With Proprietary Uniclic® System

WOOD



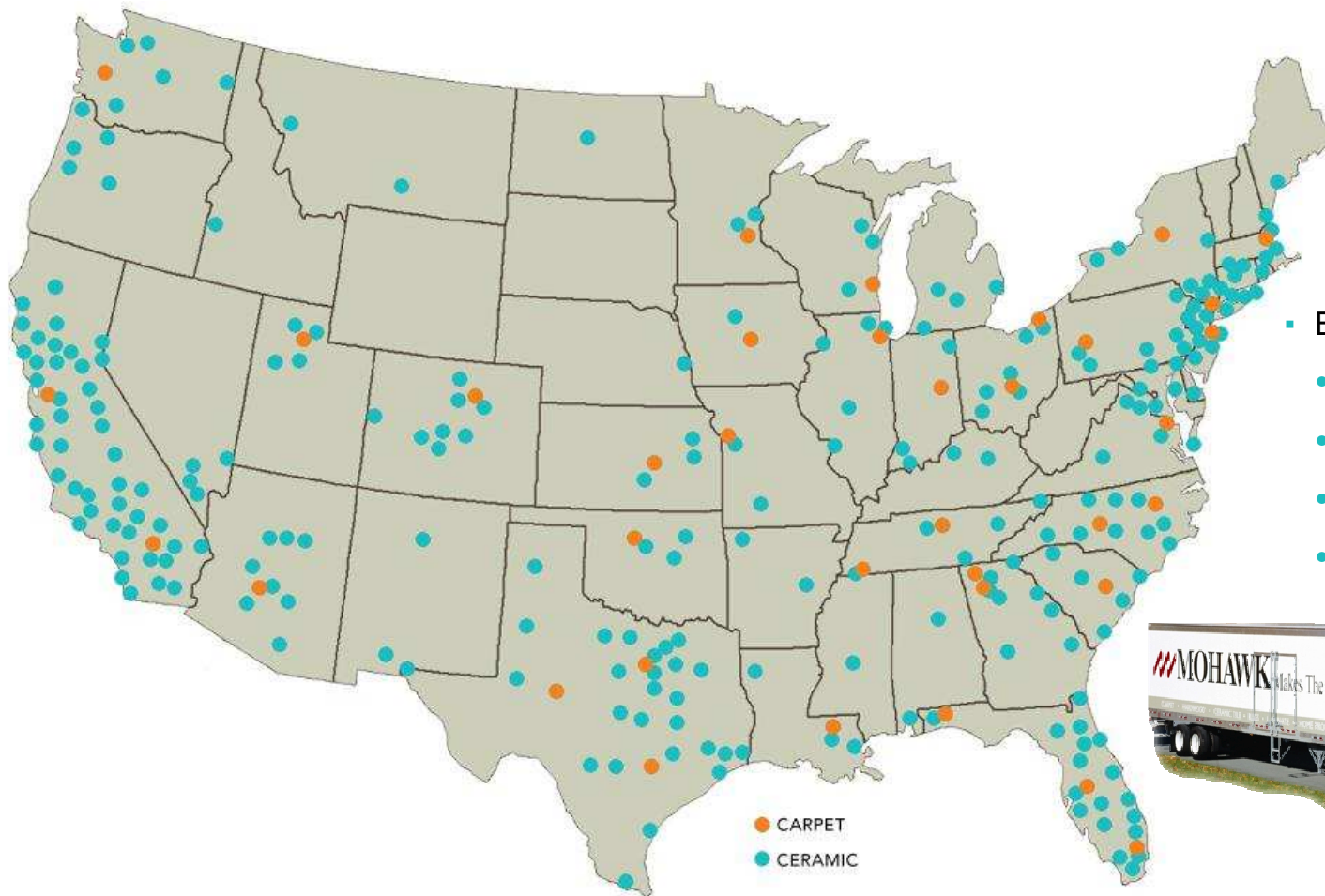
Locking Engineered Hardwood

OPULUX™

Wear & Stain Resistant Wood Finish

Best-in-Class Distribution Network

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

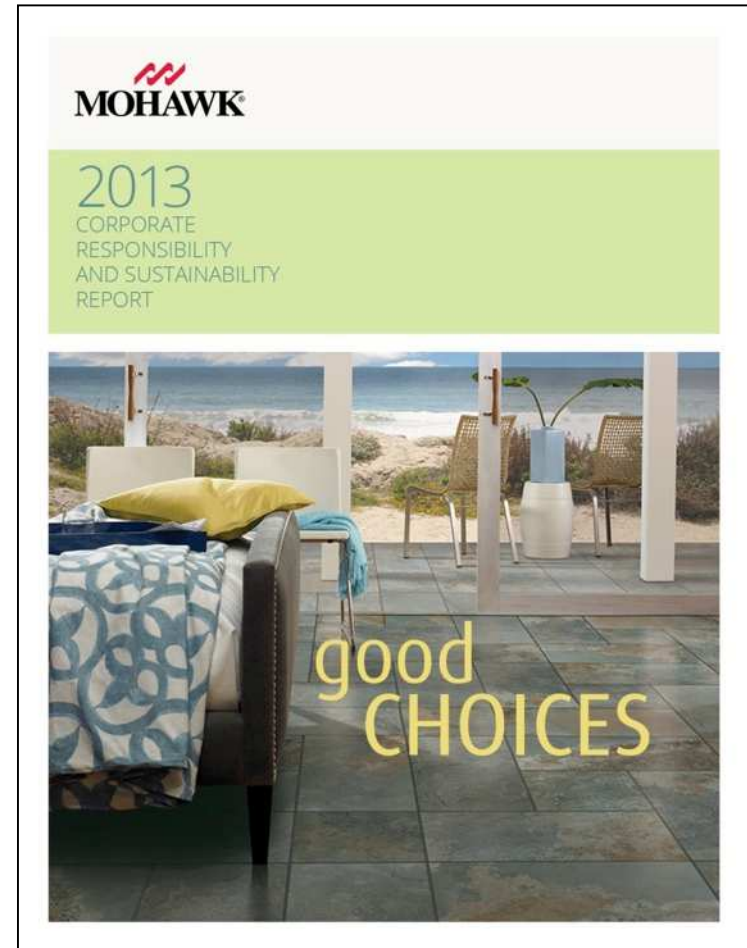


- BEST-IN-CLASS:
 - Logistics system
 - 1,500 sales representatives
 - 300 distribution points
 - 600 trucks



Improving Environment in Our Communities

- **Waste reduction**
 - 4 billion lbs. of recycled materials purchased
 - Zero Process Waste to Landfill campaign
- **Use of recycled content**
 - Over 500 products contain recycled material
 - Able to recycle 5 billion plastic bottles annually
 - 24 million lbs. of tires recycled into doormats
- **Exclusive sustainable product category**
 - SmartStrand Silk: Bio-based carpet fiber
- **Investment in resource efficiencies**
 - Water use down 300 million gallons since 2010
 - Reduced energy intensity 8% since 2010



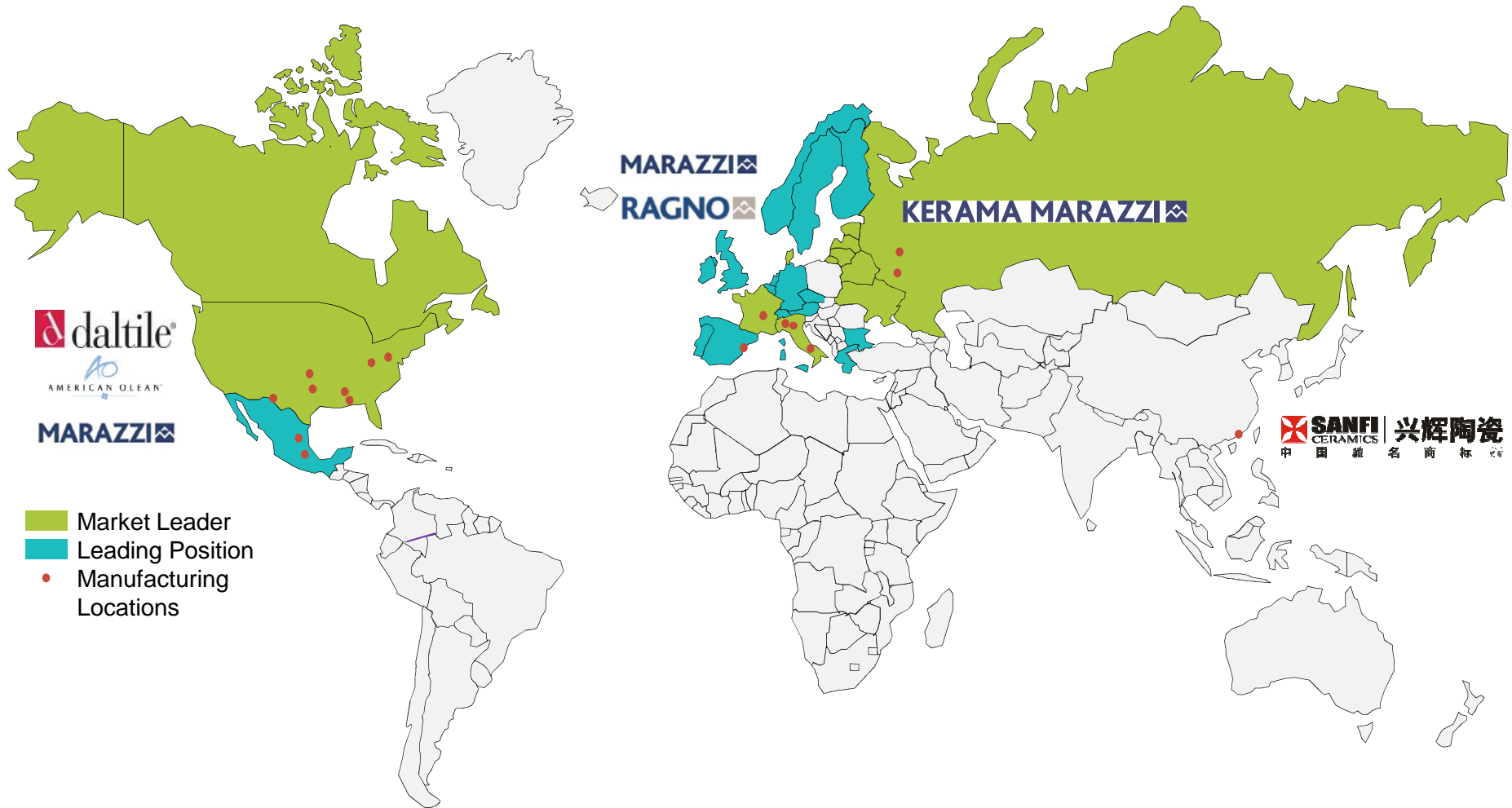
Ceramic: 40% of Revenue



Competitive Advantages

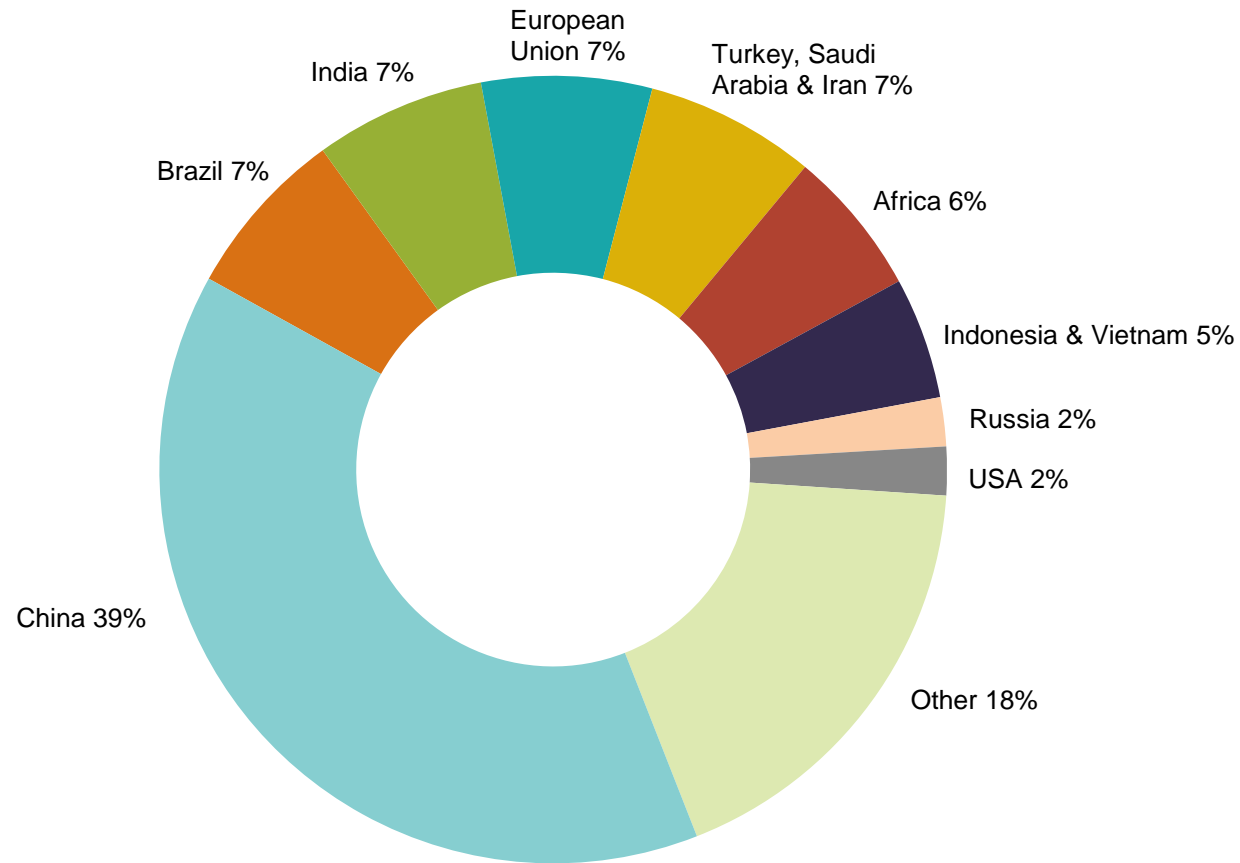
- Worldwide ceramic leader with leading positions in North America, Europe and Russia
- Most widely recognized ceramic brands
- Broad product line satisfies all channels and price points
- North American market share substantially larger than closest competitor
- Unmatched North American distribution and production capability
- Sales in more than 100 countries

Ceramic: Expanding Globally



2013 Global Tile Market: Opportunity

Consumption by Region 125 Billion Sq. Ft.



Ceramic: Brands Serving All Channels



- 216 company-operated service centers in the U.S. and Canada
- 26 stone centers in the U.S.
- 11 design galleries in the U.S.
- Home centers in the U.S., Canada and Mexico
- Independent distributors in Mexico



- Independent distributors in Russia, the U.S. and Europe
- Home centers in the U.S., Russia and Europe
- 33 service centers in the U.S. covering regions without independent distributors
- Consolidating select Marazzi and American Olean service centers
- 15 distribution centers in Russia
- 319 company-owned or franchised retail stores in Russia and neighboring countries



- Residential flooring dealer focus in the U.S.

Carpet: 40 % of Revenue



Competitive Advantages

- Leading market share in all channels
- Leader in innovation & soft technology
- Well-known exclusive brands – SmartStrand and WearDated Embrace
- Proprietary Continuum process – polyester fiber with up to 100% recycled content
- Strong aligned dealer network
- Low-cost integrated manufacturing
- Best-in-class national distribution

Carpet: Brands Serving All Channels

RESIDENTIAL



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

COMMERCIAL



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

HARD SURFACES



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

BATH & AREA RUGS



- Mass Merchants
- Department Stores
- Home Centers
- Independent Specialty Retail
- Online

Laminate & Wood: 20% of Revenue



Competitive Advantages

- Laminate leader in mid- to high-end categories
- Strong consumer brand recognition in Europe & U.S.
- Complete laminate and pre-finished wood offering
- Undisputed innovation leader
- Vertically integrated low-cost manufacturer

Laminate & Wood: Brands Serving All Channels

PERGO®

- Home Centers
- Independent Specialty Retail
- Commercial



- Independent Specialty Retail
- Builder
- Multi-Family

columbia

FLOORING ORIGINALS™

- Independent Specialty Retail
- Builder
- Multi-Family

The logo for UNILIN, featuring a stylized blue and yellow graphic of three horizontal bars to the left of the text "UNILIN" in blue, with "FOR SMART LIVING" in smaller blue text below it.

UNILIN

FOR SMART LIVING

- Boards to manufacturing companies
- Insulation panels to builders
- Roofing systems to builders
- Click furniture to department stores

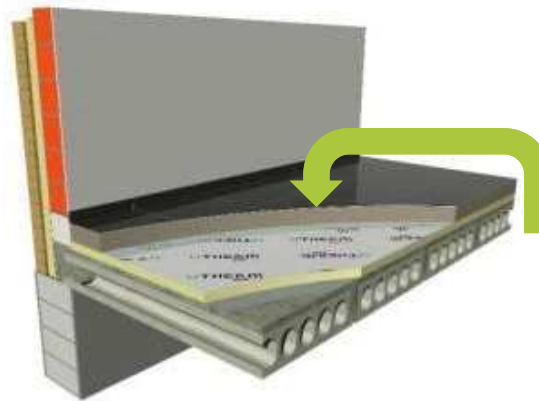
Laminate & Wood Segment: Non-Flooring Products

- **Chipboards**
 - Furniture and specialty construction
- **Melamine-faced boards and panels**
 - Furniture, DIY and construction industries
- **Custom Roofing Panels**
 - Insulated roof panels and hinged roofs
- **Insulation Panels**

Chipboards



Insulation Panels



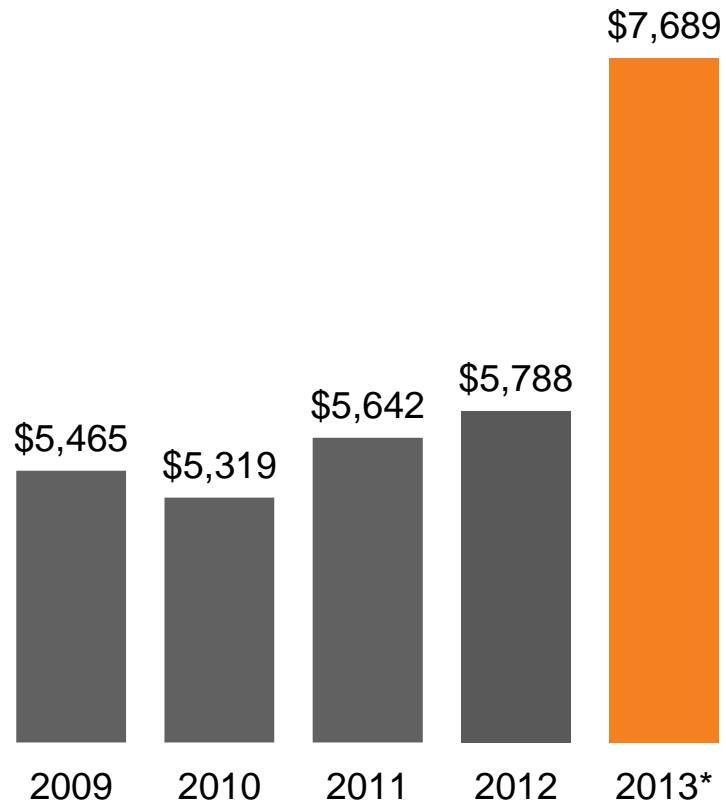
Roofing Panels



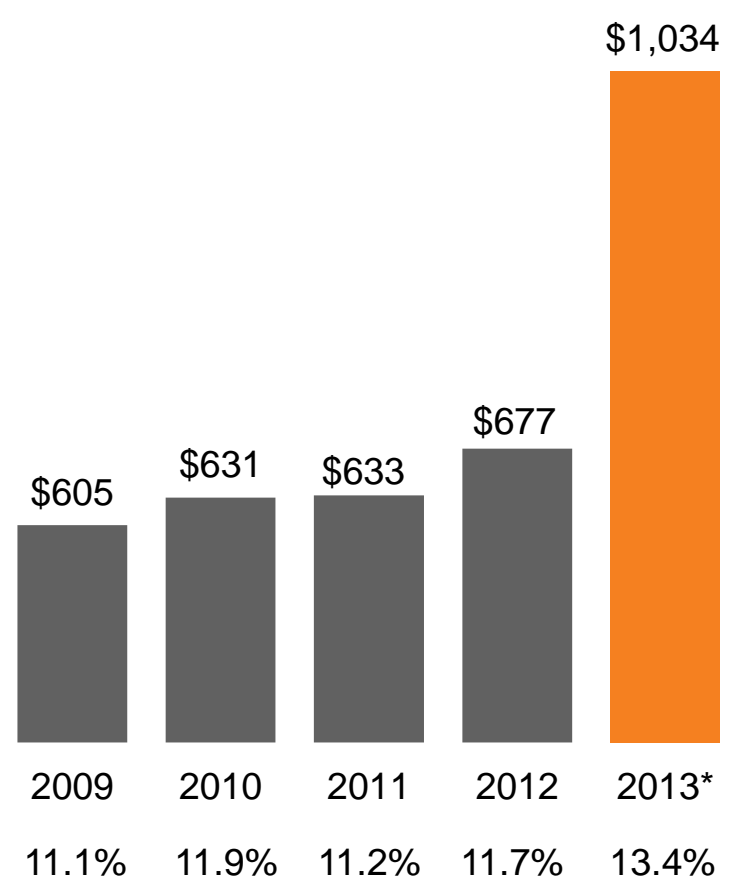
Mohawk Industries, Inc.

Adjusted Net Sales & Adjusted EBITDA

Net Sales



EBITDA (% of Net Sales)



Dollars in Millions, excluding unusual items
*Pro forma 2013

Earnings Summary (ex-unusual items)

(Dollars in Millions except EPS)

Years Ended	2009	2010	2011	2012	2013 PF
Net Sales % Change	\$ 5,465 (20%)	\$ 5,319 (3%)	\$ 5,642 6%	\$ 5,788 3%	\$ 7,689 33%
Operating Income Operating Margin	\$ 301 6%	\$ 327 6%	\$ 345 6%	\$ 398 7%	\$ 710 9%
Net Earnings % Change	\$ 154 (39%)	\$ 173 12%	\$ 202 17%	\$ 262 29%	\$ 486 86%
Diluted EPS % Change	\$ 2.24 (39%)	\$ 2.52 13%	\$ 2.92 16%	\$ 3.78 29%	\$ 6.66 76%

Results by Segment (ex-unusual items)

(Dollars in Millions)

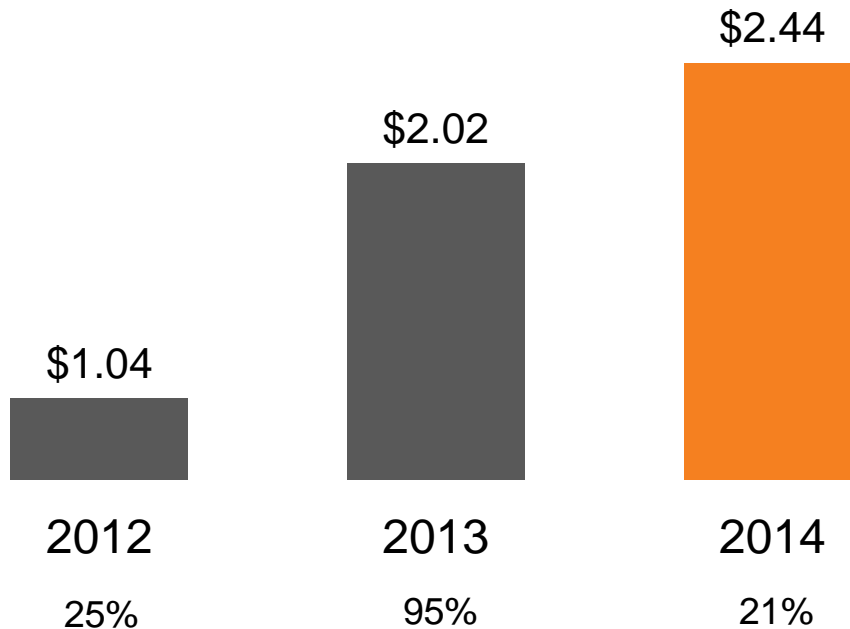
Segment	2009	2010	2011	2012	2013 PF
Carpet					
Sales	\$ 2,978	\$ 2,845	\$ 2,928	\$ 2,912	\$ 2,986
% Change	(19%)	(4%)	3%	(1%)	3%
Operating Income	\$ 98	\$ 133	\$ 136	\$ 169	\$ 223
Operating Margin	3%	5%	5%	6%	7%
Ceramic					
Sales	\$ 1,427	\$ 1,367	\$ 1,454	\$ 1,616	\$ 2,946
% Change	(21%)	(4%)	6%	11%	82%
Operating Income	\$ 102	\$ 99	\$ 105	\$ 127	\$ 302
Operating Margin	7%	7%	7%	8%	10%
Laminate & Wood					
Sales	\$ 1,128	\$ 1,188	\$ 1,345	\$ 1,350	\$ 1,846
% Change	(23%)	5%	13%	--	37%
Operating Income	\$ 121	\$ 116	\$ 127	\$ 128	\$ 215
Operating Margin	11%	10%	10%	10%	12%

Quarterly Earnings Summary (Ex-unusual items)

(Dollars in Millions except EPS)

Third Quarter	2012	2013	2014
Net Sales	\$ 1,473	\$ 1,962	\$ 1,991
% Change	2%	33%	2%
Operating Income	\$ 108	\$ 213	\$ 238
Operating Margin	7%	11%	12%
Diluted EPS	\$ 1.04	\$ 2.02	\$ 2.44
% Change	25%	95%	21%

Diluted EPS

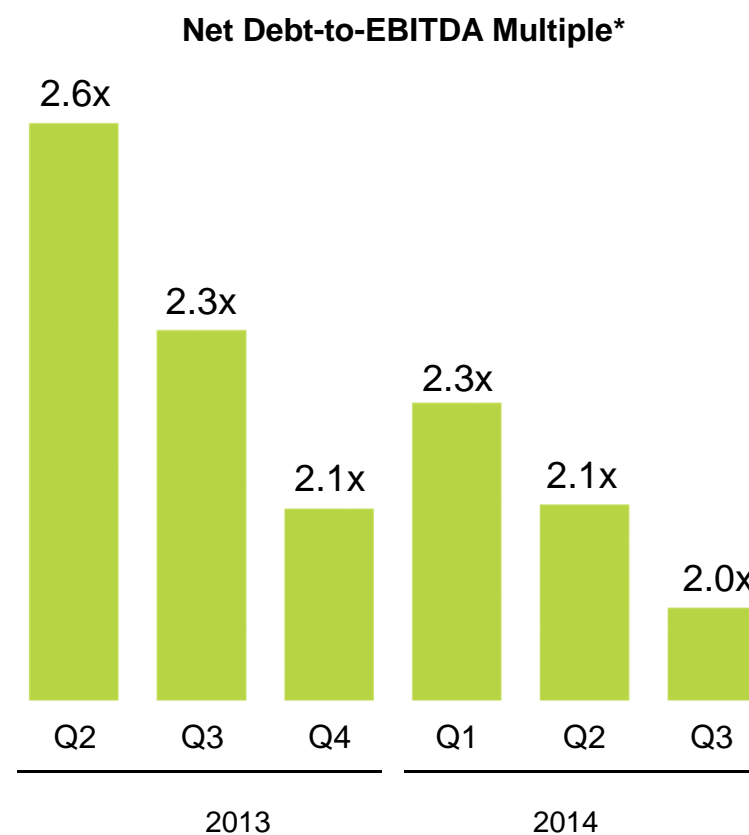


Leverage and Capital Structure

(Dollars in Millions)

Capitalization

	As of 9/27/2014	Interest Rate
Securitization Facility	\$500	L+0.70%
Commercial Paper	569	0.63%
Revolving Credit Facility	11	L+1.25%
2016 Senior Notes	700	6.13%
2023 Senior Notes	600	3.85%
Other	11	
Cash & Cash Equivalents	(106)	
Total Net Debt	\$2,285	3.18%
Shareholders' Equity	4,577	
Total Capitalization	\$6,862	



* Represents EBITDA on a Pro forma basis.

Mohawk Industries, Inc.