UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

[Mark One]

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended October 2, 2004

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to

Commission File Number
01-19826

MOHAWK INDUSTRIES, INC.
(Exact name of registrant as specified in its charter)

Delaware	52-1604305
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

P. O. Box 12069, 160 S. Industrial Blvd., Calhoun, Georgia	30701
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (706) 629-7721

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [x] No [ ]

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes [x] No [ ]

The number of shares outstanding of the issuer's classes of capital stock as of May 6, 2005, the latest practicable date, is as follows: 66,697,490 shares of Common Stock, $.01 par value.

MOHAWK INDUSTRIES, INC.
INDEX

PART I. FINANCIAL INFORMATION

ITEM I. FINANCIAL STATEMENTS

MOHAWK INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

ASSETS
(In thousands)
(Unaudited)

	April 2, 2005	December 31, 2004
Current assets:		
Receivables	$ 739,789	660,650
Inventories	1,145,747	1,017,983
Prepaid expenses	46,428	49,381
Deferred income taxes	55,311	55,311
Total current assets	1,987,275	1,783,325
Property, plant and equipment, at cost	1,882,116	1,817,823
Less accumulated depreciation and amortization	942,030	912,491
Net property, plant and equipment	940,086	905,332
Goodwill	1,377,349	1,377,349
Other intangible assets	321,646	322,646
Other assets	14,672	14,466
	$ 4,641,028	4,403,118

See accompanying notes to condensed consolidated financial statements.

MOHAWK INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

LIABILITIES AND STOCKHOLDERS' EQUITY
(In thousands, except per share data)
(Unaudited)

	April 2, 2005	December 31, 2004
Current liabilities:		
Current portion of long-term debt	$ 218,501	191,341
Accounts payable and accrued expenses	756,895	623,061
Total current liabilities	975,396	814,402
Deferred income taxes	191,761	191,761
Long-term debt, less current portion	700,000	700,000
Other long-term liabilities	29,770	30,618
Total liabilities	1,896,927	1,736,781
Stockholders' equity:		
Preferred stock, $.01 par value; 60 shares authorized; no shares issued	-	-
Common stock, $.01 par value; 150,000 shares authorized; 77,624 and 77,514 shares issued in 2005 and 2004, respectively	776	775
Additional paid-in capital	1,065,135	1,058,537
Retained earnings	1,980,403	1,910,383
Accumulated other comprehensive income, net	(1,436)	(2,441)
	3,044,878	2,967,254
Less treasury stock at cost; 10,750 and 10,755 shares in 2005 and 2004, respectively	300,777	300,917
Total stockholders' equity	2,744,101	2,666,337
	$ 4,641,028	4,403,118

See accompanying notes to condensed consolidated financial statements.

MOHAWK INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS

(In thousands, except per share data)
(Unaudited)

	Three Months Ended	
	April 2, 2005	April 3, 2004
Net sales	$ 1,493,222	1,389,725
Cost of sales	1,108,520	1,024,179
Gross profit	384,702	365,546
Selling, general and administrative expenses	261,072	246,507
Operating income	123,630	119,039
Other expense (income):		
Interest expense	11,876	13,954
Other expense	2,727	1,928
Other income	(723)	(506)
	13,880	15,376
Earnings before income taxes	109,750	103,663
Income taxes	39,730	37,356
Net earnings	$ 70,020	66,307
Basic earnings per share	$ 1.05	1.00
Weighted-average common shares outstanding	66,804	66,629
Diluted earnings per share	$ 1.03	0.98
Weighted-average common and dilutive potential common shares outstanding	67,692	67,599

See accompanying notes to condensed consolidated financial statements.

MOHAWK INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)
(Unaudited)

	Three Months Ended	
	April 2, 2005	April 3, 2004
Cash flows from operating activities:		
Net earnings	$ 70,020	66,307
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	32,265	31,010
Tax benefit on exercise of stock options	1,899	3,662
Loss on disposal of property, plant and equipment	74	82
Changes in operating assets and liabilities, net of effects of acquisition:		
Receivables	(69,705)	(90,540)
Inventories	(113,866)	(65,055)
Accounts payable and accrued expenses	128,058	58,693
Other assets and prepaid expenses	2,804	(1,003)
Other liabilities	(848)	105
Net cash provided by operating activities	50,701	3,261
Cash flows from investing activities:		
Additions to property, plant and equipment, net	(34,521)	(13,167)
Acquisition	(50,606)	-
Net cash used in investing activities	(85,127)	(13,167)
Cash flows from financing activities:		
Net change in revolving line of credit	(2,838)	(20,708)
Net change in asset securitization borrowings	30,000	8,000
Payments of other debt	(2)	(12)
Change in outstanding checks in excess of cash	2,707	15,373
Common stock transactions	4,559	7,253
Net cash provided by financing activities	34,426	9,906
Net change in cash	-	-
Cash, beginning of period	-	-
Cash, end of period	$ -	-

See accompanying notes to condensed consolidated financial statements.

1. Interim reporting

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with instructions to Form 10-Q and do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. These statements should be read in conjunction with the consolidated financial statements and notes thereto, and the Company's description of critical accounting policies, included in the Company's 2004 Annual Report on Form 10-K, as filed with the Securities and Exchange Commission.

Certain prior period balances have been reclassified to conform to the current period's presentation.

2. Effect of New Accounting Pronouncements

In December 2004, the FASB issued FASB Staff Position 109-1, "Application of FASB Statement No. 109, "Accounting for Income Taxes" ("SFAS No. 109") to the Tax Deduction on Qualified Production Activities Provided by the American Jobs Creation Act of 2004" ("FSP 109-1"). The American Jobs Creation Act of 2004 (the "Jobs Act"), enacted October 22, 2004, provides a tax deduction for income from qualified domestic production activities. FSP 109-1 provides the treatment for the deduction as a special deduction as described in SFAS No. 109. FSP 109-1 is effective prospectively as of January 1, 2005. The Company is currently evaluating the effect that the manufacturer's deduction will have on future results. and has completed a preliminary evaluation of the impact of the deduction for qualified production activities will have on its effective tax rate for 2005. Currently, the Company projects that the qualified production deduction will result in a benefit of approximately one-half of one percent, which has been reflected in the Company's effective tax rate for the first quarter of 2005. The Company will finalize its analysis of the benefits of the qualified activities production deduction when final regulations are issued by the U.S. Treasury Department. Those regulations are expected to be issued in the next 12 to 18 months.

In December 2004, the FASB issued FASB Staff Position 109-2, "Accounting and Disclosure Guidance for the Foreign Earnings Repatriation Provision within the American Jobs Creation Act of 2004" ("FSP 109-2"), which provides guidance under SFAS No. 109 with respect to recording the potential impact of the repatriation provisions of the Jobs Act on enterprises' income tax expense and deferred tax liability. FSP 109-2 states that an enterprise is allowed time beyond the financial reporting period of enactment to evaluate the effect of the Jobs Act on its plan for reinvestment or repatriation of foreign earnings for purposes of applying FASB Statement No. 109. The Company has not yet completed evaluating the impact of the repatriation provisions and has not adjusted its tax expense or deferred tax liability to reflect the repatriation provisions of the Jobs Act.

In November 2004, the FASB issued SFAS No. 151, "Inventory Costs-An Amendment of ARB No. 43, Chapter 4" ("SFAS 151"). SFAS 151 amends the guidance in ARB No. 43, Chapter 4, "Inventory Pricing," to clarify the accounting for abnormal amounts of idle facility expense, freight, handling costs and wasted material (spoilage). Among other provisions, the new rule requires that items such as idle facility expense, excessive spoilage, double freight, and re-handling costs be recognized as current-period charges regardless of whether they meet the criterion of "so abnormal" as stated in ARB No. 43. Additionally, SFAS 151 requires that the allocation of fixed production overheads to the costs of conversion be based on the normal capacity of the production facilities. SFAS 151 is effective for fiscal years beginning after June 15, 2005. The Company is currently evaluating SFAS 151 and does not expect it to have a material impact on the Company's consolidated financial statements.

In December 2004, the FASB issued SFAS No. 123 (revised 2004), "Share-Based Payment" ("SFAS 123R"), which replaces SFAS No. 123, "Accounting for Stock-Based Compensation" ("SFAS 123") and supercedes APB Opinion No. 25, "Accounting for Stock Issued to Employees." SFAS 123R requires all share-based payments to employees, including grants of employee stock options, to be recognized in the financial statements based on their fair values. Transition may be accomplished using either the prospective or retrospective method. The Company currently measures compensation costs related to share-based payments under APB Opinion No. 25. The Company is currently evaluating the transition methods under SFAS 123R. In April 2005, the Securities and Exchange Commission announced that the effective date of SFAS 123R should be no later than the beginning of the first fiscal year beginning after June 15, 2005.

(In thousands, except per share data)

3. Receivables

Receivables are as follows:

	April 2, 2005	December 31, 2004
Customers, trade	$ 824,500	746,233
Other	11,972	9,720
	836,472	755,953
Less allowance for discounts, returns, claims and doubtful accounts	96,683	95,303
Net receivables	$ 739,789	660,650

4. Inventories

The components of inventories are as follows:

	April 2, 2005	December 31, 2004
Finished goods	$ 755,360	665,565
Work in process	100,663	86,883
Raw materials	289,724	265,535
Total inventories	$ 1,145,747	1,017,983

Inventories are stated at the lower of cost or market (net realizable value). Cost is determined using the last-in, first-out (LIFO) method, which matches current costs with current revenues, for approximately 64% of the inventories at April 2, 2005 and December 31, 2004 and the first-in, first-out (FIFO) method for the remaining inventories.

(In thousands, except per share data)

5. Intangible assets and goodwill

The components of intangible assets are as follows:

	April 2, 2005	December 31, 2004
Carrying amount of amortized intangible assets:		
Customer relationships	$ 54,160	54,160
Patents	600	600
	$ 54,760	54,760
Accumulated amortization of amortized intangible assets:		
Customer relationships	$ 5,309	4,324
Patents	85	70
	$ 5,394	4,394
Unamortized intangible assets:		
Trade names	$ 272,280	272,280
Total other intangible assets	$ 321,646	322,646

Amortization expense:	Three Months Ended	
	April 2, 2005	April 3, 2004
Aggregate amortization expense	$ 1,000	905

Goodwill consists of the following:

	Mohawk	Dal-Tile	Total
Balance as of January 1, 2005	$ 196,632	1,180,717	1,377,349
Goodwill recognized during the period	-	-	-
Balance as of April 2, 2005	$ 196,632	1,180,717	1,377,349

(In thousands, except per share data)

6. Accounts payable and accrued expenses

Accounts payable and accrued expenses are as follows:

		April 2, 2005	December 31, 2004
Outstanding checks in excess of cash	$	36,426	33,719
Accounts payable, trade		348,130	277,851
Accrued expenses		193,223	180,978
Income taxes payable		56,782	16,143
Accrued compensation		122,334	114,370
Total accounts payable and accrued expenses	$	756,895	623,061

7. Product Warranties

The Company warrants certain qualitative attributes of its products for up to 20 years. The Company records a liability for estimated warranty and related costs, based on historical experience and periodically adjusts these liabilities to reflect actual experience. The warranty obligation is as follows:

		Three Months Ended	
		April 2, 2005	April 3, 2004
Balance at beginning of period	$	23,473	24,063
Warranty claims paid		(12,434)	(11,607)
Warranty expense		13,995	13,586
Balance at end of period	$	25,034	26,042

8. Comprehensive income

Comprehensive income is as follows:

		Three Months Ended	
		April 2, 2005	April 3, 2004
Net earnings	$	70,020	66,307
Other comprehensive income:			
Foreign currency translation		(177)	(1,873)
Unrealized gain on derivative instruments, net of income taxes		1,182	59
Comprehensive income	$	71,025	64,493

(In thousands, except per share data)

9. Stock compensation

Effective January 1, 2003 the Company adopted the disclosure provisions of SFAS No. 148, "*Accounting for Stock-Based Compensation-Transition and Disclosure*." This statement amends SFAS No. 123, "*Accounting for Stock-Based Compensation*," to provide alternative methods of transition for a voluntary change to the fair value based method of accounting for stock-based compensation and requires prominent disclosure in both the annual and interim financial statements of the method of accounting used and the financial impact of stock-based compensation. As permitted by SFAS No. 123 the Company accounts for stock options granted as prescribed under Accounting Principles Board Opinion No. 25, "*Accounting for Stock Issued to Employees*," which recognizes compensation cost based upon the intrinsic value of the award.

If the Company had elected to recognize compensation expense based upon the fair value at the grant dates for awards under these plans, the Company's net earnings per share would have been reduced as follows:

	Three Months Ended	
	April 2, 2005	April 3, 2004
Net earnings as reported	$ 70,020	66,307
Deduct: Stock-based employee compensation expense determined under fair value based method for all options, net of related tax effects	(1,955)	(1,214)
Pro forma net earnings	$ 68,065	65,093
Net earnings per common share (basic):		
As reported	$ 1.05	1.00
Pro forma	$ 1.02	0.98
Net earnings per common share (diluted):		
As reported	$ 1.03	0.98
Pro forma	$ 1.01	0.97

The following weighted average assumptions were used to determine the fair value using the Black-Scholes option-pricing model:

	Three Months Ended	
	April 2, 2005	April 3, 2004
Dividend yield	-	-
Risk-free interest rate	3.9%	2.5%
Volatility	38.0%	44.5%
Expected life (years)	6	6

(In thousands, except per share data)

10. Earnings per share

The Company applies the provisions of SFAS No. 128, "*Earnings per Share*," which requires companies to present basic EPS and diluted EPS. Basic EPS excludes dilution and is computed by dividing income available to common stockholders by the weighted-average number of common shares outstanding for the period. Diluted EPS reflects the dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that then shared in the earnings of the Company.

Dilutive common stock options are included in the diluted EPS calculation using the treasury stock method. Options to purchase common stock were excluded from the computation of diluted earnings per share because their effect would have been anti-dilutive were 7 and 7 shares for the three month period ended April 2, 2005 and April 3, 2004, respectively.

	Three Months Ended	
	April 2, 2005	April 3, 2004
Net earnings	$ 70,020	66,307
Weighted-average common and dilutive potential common shares outstanding:		
Weighted-average common shares outstanding	66,804	66,629
Add weighted-average dilutive potential common shares - options to purchase common shares, net	888	970
Weighted-average common and dilutive potential common shares outstanding	67,692	67,599
Basic earnings per share	$ 1.05	1.00
Diluted earnings per share	$ 1.03	0.98

11. Supplemental Condensed Consolidated Statements of Cash Flows Information

	Three Months Ended	
	April 2, 2005	April 3, 2004
Net cash paid during the period for:		
Interest	$ 2,887	1,001
Income taxes	$ 1,803	44,065

(In thousands, except per share data)

12. Segment reporting

The Company has two reporting segments, the Mohawk segment, and the Dal-Tile segment. The Mohawk segment (an aggregation of the Mohawk Flooring reporting unit and the Mohawk Home reporting unit) manufactures, sources, markets and distributes its product lines, which include carpet, rugs, pad, ceramic tile, hardwood, resilient and laminate through independent floor covering retailers, home centers, mass merchandisers, department stores, commercial dealers and commercial end users. The Dal-Tile segment product lines include ceramic tile, porcelain tile and stone products sold through tile and flooring retailers, contractors, independent distributors and home centers.

The accounting policies for each operating segment are consistent with the Company's policies described in the footnotes to the consolidated financial statements included in the Company's Annual Report filed on Form 10-K. Amounts disclosed for each segment are prior to any elimination or consolidation entries. Corporate general and administrative expenses amounts attributable to each segment are estimated and allocated accordingly. Segment performance is evaluated based on operating income.

Segment information is as follows:		Three Months Ended	
		April 2, 2005	April 3, 2004
Net sales:			
Mohawk	$	1,091,346	1,030,442
Dal-Tile		401,876	359,283
	$	1,493,222	1,389,725
Operating income:			
Mohawk	$	65,625	71,772
Dal-Tile		58,470	49,402
Corporate and Eliminations		(465)	(2,135)
	$	123,630	119,039
		As of	
		April 2, 2005	December 31, 2004
Assets:			
Mohawk	$	2,472,133	2,285,025
Dal-Tile		2,117,843	2,063,195
Corporate and Eliminations		51,052	54,898
	$	4,641,028	4,403,118

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Overview

The Company is a leading producer of floorcovering products for residential and commercial applications in the United States. The Company is the second largest carpet and rug manufacturer, and a leading manufacturer, marketer and distributor of ceramic tile and natural stone, in the United States. The Company has two reporting segments, the Mohawk segment and the Dal-Tile segment. The Mohawk segment distributes its product lines, which include broadloom carpet, rugs, pad, ceramic tile, hardwood, resilient and laminate, through its network of approximately 52 regional distribution centers and satellite warehouses using its fleet of company-operated trucks, common carrier or rail transportation. The segment products are purchased by independent floor covering retailers, home centers, mass merchandisers, department stores, independent distributors, commercial dealers, and commercial end users. The Dal-Tile segment product lines include ceramic tile, porcelain tile and stone products distributed through approximately 252 company-operated sales service centers and regional distribution centers using primarily common carriers and rail transportation. The segment products are purchased by tile specialty dealers, tile contractors, floor covering retailers, commercial end users, independent distributors, and home centers.

The Company reported net earnings of $70.0 million or diluted earnings per share ("EPS") of $1.03, up 5.1%, for the first quarter of 2005 compared to net earnings of $66.3 million or $.98 EPS for the first quarter of 2004. The improvement in EPS resulted primarily from price increases and internal sales growth from certain products in both the Mohawk and Dal-Tile segments and better leveraging of selling, general and administrative costs, offset by higher raw material and energy costs.

The Company believes its financial condition remained strong in the first quarter of 2005 as evidenced by the Company's debt to capitalization ratio of 25.1%.

Results of Operations

Quarter Ended April 2, 2005, as Compared with Quarter Ended April 3, 2004

Net sales for the quarter ended April 2, 2005 were $1,493.2 million, reflecting an increase of $103.5 million, or approximately 7.4%, from the $1,389.7 million reported in the quarter ended April 3, 2004. The increased net sales are primarily attributable to price increases and volume growth. The Mohawk segment recorded net sales of $1,091.3 million in the current quarter compared to $1,030.4 million in the first quarter of 2004, representing an increase of $60.9 million or approximately 5.9%. The increase was primarily attributable to price increases in certain product lines and volume growth within the hard surface product lines. The Dal-Tile segment recorded net sales of $401.9 million in the current quarter, reflecting an increase of $42.6 million or approximately 11.9%, from the $359.3 million reported in the first quarter of 2004. The increase was primarily attributable to price increases, internal growth and improved product mix.

Gross profit for the first quarter of 2005 was $384.7 million (25.8% of net sales) and represented an increase of $19.2 million from gross profit of $365.5 million (26.3% of net sales) for the prior year's first quarter. Gross profit as a percentage of net sales in the current quarter was unfavorably impacted by increased raw material, energy and distribution costs caused by increased natural gas, oil and commodity prices and lower volume in soft surface product categories when compared to the first quarter of 2004.

Selling, general and administrative expenses for the first quarter of 2005 were $261.1 million (17.5% of net sales) compared to $246.5 million (17.7% of net sales) for the prior year's first quarter. The decrease in percentage was attributable to both the Mohawk and Dal-Tile segments leveraging selling, general and administrative expenses over increased net sales.

Operating income for the first quarter of 2005 was $123.6 million (8.3% of net sales) compared to $119.0 million (8.6% of net sales) in the first quarter of 2004. Operating income as a percentage of net sales in the current quarter was unfavorably impacted by increased raw material and energy costs, offset by selling price increases, the leveraging of selling, general and administrative costs (as a percent of net sales) and the growth in volume within the hard surface product categories. Operating income attributable to the Mohawk segment was $65.6 million (6.0% of segment net sales) in the first quarter of 2005 compared to $71.8 million (7.0% of segment net sales) in the first quarter of 2004. Operating income attributable to the Dal-Tile segment was $58.5 million (14.5% of segment net sales) in the first quarter of 2005 compared to $49.4 million (13.8% of segment net sales) for the first quarter of 2004.

Interest expense for the first quarter of 2005 was $11.9 million compared to $14.0 million in the first quarter of 2004. The decrease in interest expense was attributable to lower average debt levels and higher capitalized interest offset by higher average interest rates in the current quarter when compared to the first quarter of 2004.

Income tax expense was $39.7 million, or 36.2% of earnings before income taxes for the first quarter of 2005 compared to $37.4 million, or 36.0% of earnings before income taxes for the prior year's first quarter.

Liquidity and Capital Resources

The Company's primary capital requirements are for working capital, capital expenditures, and acquisitions. The Company's capital needs are met primarily through a combination of internally generated funds, bank credit lines, term and senior notes, the sale of trade receivable and credit terms from suppliers.

Cash flows generated by operations for the first three months of 2005 were $50.7 million compared to $3.2 million for the first three months of 2004. Contributing to the improved cash flow was the increase in accounts payable and accrued expenses, which increased from $623.1 million at the beginning of 2005 to $756.9 million at April 2, 2005. The increase was offset by an increase in accounts receivable, which increased from $660.7 million at the beginning of 2005 to $739.8 million at April 2, 2005 and inventories, which increased from $1,018.0 million at the beginning of 2005 to $1,145.7 million at April 2, 2005.

Net cash used in investing activities for the first three months of 2005 was $85.1 million compared to $13.2 million for the first three months of 2004. The increase was primarily attributable to increased capital and acquisition related expenditures in the first three months of 2005 when compared to the first three months of 2004. Capital expenditures were incurred primarily to modernize, add, and expand manufacturing and distribution facilities and equipment. Capital spending during the remainder of 2005 for both the Mohawk and Dal-Tile segments combined, excluding acquisitions, is expected to range from $205 million to $225 million, and will be used primarily to purchase equipment and to add manufacturing capacity.

Net cash provided by financing activities for the first three months of 2005 and 2004 was $34.4 million and $9.9 million, respectively. The primary reason for the change was an increase in debt to finance an acquisition and capital expenditures. The Company's debt to capitalization ratio was 25.1% at April 2, 2005.

At April 2, 2005, the Company had credit facilities of $300 million under its revolving credit line and $50 million under various short-term uncommitted credit lines. All of these lines are unsecured. At April 2, 2005, a total of approximately $237.9 million was available under both the credit facility and uncommitted credit lines. The amount used consisted of $34.9 million under the Company's five-year revolving credit facility and unsecured credit lines, $55.6 million standby letters of credit guaranteeing the Company's industrial revenue bonds and $21.6 million standby letters of credit related to various insurance contracts and foreign vendor commitments.

The Company has an on-balance sheet trade accounts receivable securitization agreement ("Securitization Facility"). The Securitization Facility allows the Company to borrow up to $350 million based on available accounts receivable. At April 2, 2005, the Company had approximately $120.0 million outstanding secured by approximately $675.2 million of trade receivables.

Contractual Obligations

As of April 2, 2005, the Company's contractual obligations have increased by approximately $65.6 million related to operating leases that the Company entered into since December 31, 2004. There have been no further significant changes to the Company's contractual obligation table as disclosed in the Company's 2004 Annual Report filed on Form 10-K.

Critical Accounting Policies and Estimates

There were no significant changes to the Company's critical accounting policies and estimates during the period. The Company's critical accounting policies and estimates are described in the Company's 2004 Annual Report filed on Form 10-K.

Recent Accounting Pronouncements

In December 2004, the FASB issued FASB Staff Position 109-1, "Application of FASB Statement No. 109, "Accounting for Income Taxes" ("SFAS No. 109") to the Tax Deduction on Qualified Production Activities Provided by the American Jobs Creation Act of 2004" ("FSP 109-1"). The American Jobs Creation Act of 2004 (the "Jobs Act"), enacted October 22, 2004, provides a tax deduction for income from qualified domestic production activities. FSP 109-1 provides the treatment for the deduction as a special deduction as described in SFAS No. 109. FSP 109-1 is effective prospectively as of January 1, 2005 The Company is currently evaluating the effect that the manufacturer's deduction will have on future results. and has completed a preliminary evaluation of the impact of the deduction for qualified production activities will have on its effective tax rate for 2005. Currently, the Company projects that the qualified production deduction will result in a benefit of approximately one-half of one percent, which has been reflected in the Company's effective tax rate for the first quarter of 2005. The Company will finalize its analysis of the benefits of the qualified activities production deduction when final regulations are issued by the U.S. Treasury Department. Those regulations are expected to be issued in the next 12 to 18 months.

In December 2004, the FASB issued FASB Staff Position 109-2, "Accounting and Disclosure Guidance for the Foreign Earnings Repatriation Provision within the American Jobs Creation Act of 2004" ("FSP 109-2"), which provides guidance under SFAS No. 109 with respect to recording the potential impact of the repatriation provisions of the Jobs Act on enterprises' income tax expense and deferred tax liability. FSP 109-2 states that an enterprise is allowed time beyond the financial reporting period of enactment to evaluate the effect of the Jobs Act on its plan for reinvestment or repatriation of foreign earnings for purposes of applying FASB Statement No. 109. The Company has not yet completed evaluating the impact of the repatriation provisions and has not adjusted its tax expense or deferred tax liability to reflect the repatriation provisions of the Jobs Act.

In November 2004, the FASB issued SFAS No. 151, "Inventory Costs-An Amendment of ARB No. 43, Chapter 4" ("SFAS 151"). SFAS 151 amends the guidance in ARB No. 43, Chapter 4, "Inventory Pricing," to clarify the accounting for abnormal amounts of idle facility expense, freight, handling costs and wasted material (spoilage). Among other provisions, the new rule requires that items such as idle facility expense, excessive spoilage, double freight, and re-handling costs be recognized as current-period charges regardless of whether they meet the criterion of "so abnormal" as stated in ARB No. 43. Additionally, SFAS 151 requires that the allocation of fixed production overheads to the costs of conversion be based on the normal capacity of the production facilities. SFAS 151 is effective for fiscal years beginning after June 15, 2005. The Company is currently evaluating SFAS 151 and does not expect it to have a material impact on the Company's consolidated financial statements.

In December 2004, the FASB issued SFAS No. 123 (revised 2004), "Share-Based Payment" ("SFAS 123R"), which replaces SFAS No. 123, "Accounting for Stock-Based Compensation" ("SFAS 123") and supercedes APB Opinion No. 25, "Accounting for Stock Issued to Employees." SFAS 123R requires all share-based payments to employees, including grants of employee stock options, to be recognized in the financial statements based on their fair values. Transition may be accomplished using either the prospective or retrospective method. The Company currently measures compensation costs related to share-based payments under APB Opinion No. 25. The Company is currently evaluating the transition methods under SFAS 123R. In April 2005, the Securities and Exchange Commission announced that the effective date of SFAS 123R should be no later than the beginning of the first fiscal year beginning after June 15, 2005.

Impact of Inflation

Inflation affects the Company's manufacturing costs, distribution costs and operating expenses. The carpet and tile industry has experienced significant inflation in the prices of raw materials and fuel-related costs beginning in the first quarter of 2004. For the period from 1999 through 2004 the carpet and tile industry experienced moderate inflation in the prices of raw materials and fuel-related costs. In the past, the Company has generally passed along these price increases to its customers and has been able to enhance productivity to offset increases in costs resulting from inflation in both the United States and Mexico.

Seasonality

The Company is a calendar year-end company and its results of operations for the first quarter tend to be the weakest. The second, third and fourth quarters typically produce higher net sales and operating income. These results are primarily due to consumer residential spending patterns for floorcovering, which historically have decreased during the first two months of each year following the holiday season.

Forward-Looking Information

Certain of the statements in this Form 10-Q, particularly those anticipating future performance, business prospects, growth and operating strategies, proposed acquisitions, and similar matters, and those that include the words "believes," "anticipates," "forecast," "estimates" or similar expressions constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. For those statements, Mohawk claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. There can be no assurance that the forward-looking statements will be accurate because they are based on many assumptions, which involve risks and uncertainties. The following important factors could cause future results to differ: changes in industry conditions; competition; raw material prices; energy costs; timing and level of capital expenditures; integration of acquisitions; introduction of new products; rationalization of operations; and other risks identified in Mohawk's SEC reports and public announcements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The Company's exposures to market risk have not changed significantly since December 31, 2004.

Item 4. Controls and Procedures

Based on an evaluation of the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) as of the end of the period covered by this report, the Company's Chief Executive Officer and Chief Financial Officer have concluded that such controls and procedures were effective for the period covered by this report. No change in the Company's internal control over financial reporting occurred during the period covered by this report that materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The Company is involved in routine litigation from time to time in the regular course of its business. There are no material legal proceedings pending or known to be contemplated to which the Company is a party or to which any of its property is subject.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Mohawk Industries, Inc. Purchases of Equity Securities

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs
Opening balance	11,206,690	$ 27.80	11,206,690	3,793,310
Month #1 (January 1, 2005-February 5, 2005)	-	-	-	-
Month #2 (February 6, 2005-March 5, 2005)	-	-	-	-
Month #3 (March 6, 2005-April 2, 2005)	-	-	-	-
Total	11,206,690	$ 27.80	11,206,690	3,793,310

On September 29, 1999, the Company announced that its Board of Directors authorized the repurchase of up to 5 million shares of the Company's common stock. On December 16, 1999, the Company announced that the Company's Board of Directors authorized the repurchase of an additional 5 million of its common stock under the existing repurchase plan. On May 18, 2000, the Company announced that the Company's Board of Directors authorized the repurchase of an additional 5 million of its common stock under the existing repurchase plan. The Company did not repurchase any of its common stock during the first quarter of 2005.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Submission of Matters to a Vote of Security Holders

None.

Item 5. Other Information

None.

Item 6. Exhibits

No.	Description
31.1	Certification Pursuant to Rule 13a-14(a).
31.2	Certification Pursuant to Rule 13a-14(a).
32.1	Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MOHAWK INDUSTRIES, INC.

Dated: May 6, 2005

By: /s/ Jeffrey S. Lorberbaum
JEFFREY S. LORBERBAUM, Chairman, President and
Chief Executive Officer (principal executive officer)

Dated: May 6, 2005

By: /s/ Frank H. Boykin
FRANK H. BOYKIN, Chief Financial Officer,
(principal financial officer)

EXHIBIT 31.1

CERTIFICATIONS

I, Jeffrey S. Lorberbaum, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Mohawk Industries, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2005
/s/: Jeffrey S. Lorberbaum
Jeffrey S. Lorberbaum
Chairman, President and Chief Executive Officer

CERTIFICATIONS

I, Frank H. Boykin, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Mohawk Industries, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2005

/s/: Frank H. Boykin
Frank H. Boykin
Chief Financial Officer

Exhibit 32.1

Statement of Chief Executive Officer of
MOHAWK INDUSTRIES, INC.
Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to
§ 906 of the Sarbanes-Oxley Act of 2002

In connection with the quarterly report of Mohawk Industries, Inc. (the "Company") on Form 10-Q for the period ended April 2, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jeffrey S. Lorberbaum, Chairman, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, based on my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/:Jeffrey S. Lorberbaum
Jeffrey S. Lorberbaum
Chairman, President and Chief Executive Officer
May 6, 2005

Exhibit 32.2

Statement of Chief Financial Officer of
MOHAWK INDUSTRIES, INC.
Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to
§ 906 of the Sarbanes-Oxley Act of 2002

In connection with the quarterly report of Mohawk Industries, Inc. (the "Company") on Form 10-Q for the period ended April 2, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Frank H. Boykin, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, based on my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/: Frank H. Boykin
Frank H. Boykin
Chief Financial Officer
May 6, 2005