

MOHAWK INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

<i>(In millions, except per share data)</i>	Three Months Ended	
	March 29, 2025	March 30, 2024
Net sales	\$ 2,525.8	2,679.4
Cost of sales	1,942.5	2,029.9
Gross profit	583.3	649.5
Selling, general and administrative expenses	487.3	502.9
Operating income	96.0	146.6
Interest expense	6.4	14.9
Other (income) and expense, net	(0.5)	(1.1)
Earnings before income taxes	90.1	132.8
Income tax expense	17.5	27.8
Net earnings including noncontrolling interests	72.6	105.0
Net earnings attributable to noncontrolling interests	—	—
Net earnings attributable to Mohawk Industries, Inc.	\$ 72.6	105.0
Basic earnings per share attributable to Mohawk Industries, Inc.	\$ 1.16	1.65
Weighted-average common shares outstanding - basic	62.6	63.7
Diluted earnings per share attributable to Mohawk Industries, Inc.	\$ 1.15	1.64
Weighted-average common shares outstanding - diluted	62.9	64.0

Other Financial Information

<i>(In millions)</i>	Three Months Ended	
	March 29, 2025	March 30, 2024
Net cash provided by operating activities	\$ 3.7	183.7
Less: Capital expenditures	89.1	86.8
Free cash flow	\$ (85.4)	96.9
Depreciation and amortization	\$ 150.4	154.2

MOHAWK INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

<i>(In millions)</i>	March 29, 2025		March 30, 2024
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 702.5		658.5
Receivables, net	2,129.7		2,007.2
Inventories	2,610.4		2,527.7
Prepaid expenses and other current assets	535.3		528.3
Total current assets	5,977.9		5,721.7
Property, plant and equipment, net	4,647.2		4,885.1
Right of use operating lease assets	354.9		413.6
Goodwill	1,140.4		1,140.2
Intangible assets, net	809.6		853.8
Deferred income taxes and other non-current assets	448.5		517.1
Total assets	\$ 13,408.5		13,531.5
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Short-term debt and current portion of long-term debt	\$ 688.0		931.5
Accounts payable and accrued expenses	2,174.5		2,079.3
Current operating lease liabilities	109.9		109.3
Total current liabilities	2,972.4		3,120.1
Long-term debt, less current portion	1,698.1		1,694.5
Non-current operating lease liabilities	292.2		321.8
Deferred income taxes and other long-term liabilities	583.9		747.3
Total liabilities	5,546.6		5,883.7
Total stockholders' equity	7,861.9		7,647.8
Total liabilities and stockholders' equity	\$ 13,408.5		13,531.5

Segment Information

<i>(In millions)</i>	As of or for the Three Months Ended	
	March 29, 2025	March 30, 2024
Net sales:		
Global Ceramic	\$ 993.8	1,044.8
Flooring NA	862.4	900.2
Flooring ROW	669.6	734.4
Consolidated net sales	\$ 2,525.8	2,679.4
Operating income (loss):		
Global Ceramic	\$ 41.8	48.8
Flooring NA	9.3	45.0
Flooring ROW	58.7	70.9
Corporate and intersegment eliminations	(13.8)	(18.1)
Consolidated operating income	\$ 96.0	146.6
Assets:		
Global Ceramic	\$ 4,890.7	4,978.1
Flooring NA	4,053.0	3,939.9
Flooring ROW	3,783.5	3,894.6
Corporate and intersegment eliminations	681.3	718.9
Consolidated assets	\$ 13,408.5	13,531.5

Reconciliation of Net Earnings Attributable to Mohawk Industries, Inc. to Adjusted Net Earnings Attributable to Mohawk Industries, Inc. and Adjusted Diluted Earnings Per Share Attributable to Mohawk Industries, Inc.

<i>(In millions, except per share data)</i>	Three Months Ended	
	March 29, 2025	March 30, 2024
Net earnings attributable to Mohawk Industries, Inc.	\$ 72.6	105.0
Adjusting items:		
Restructuring, acquisition and integration-related and other costs	26.2	7.9
Software implementation cost write-off	(0.4)	—
Legal settlements, reserves and fees	0.6	8.8
Adjustments of indemnification asset	—	2.4
Income taxes - adjustments of uncertain tax position	—	(2.4)
Income tax effect of adjusting items	(3.4)	(2.9)
Adjusted net earnings attributable to Mohawk Industries, Inc.	\$ 95.6	118.8
Adjusted diluted earnings per share attributable to Mohawk Industries, Inc.	\$ 1.52	1.86
Weighted-average common shares outstanding - diluted	62.9	64.0

Reconciliation of Total Debt to Net Debt

<i>(In millions)</i>	March 29, 2025
Short-term debt and current portion of long-term debt	\$ 688.0
Long-term debt, less current portion	1,698.1
Total debt	2,386.1
Less: Cash and cash equivalents	702.5
Net debt	\$ 1,683.6

Reconciliation of Net Earnings to Adjusted EBITDA

Trailing Twelve
Months Ended

(In millions)	SELECT FINANCIAL MEASURES					ADJUSTED EBITDA
	June 29, 2024	September 28, 2024	December 31, 2024	March 29, 2025	March 29, 2025	March 29, 2025
Net earnings including noncontrolling interests	\$ 157.5	162.0	93.2	72.6		485.3
Interest expense	12.6	11.2	9.8	6.4		40.0
Income tax expense	42.3	39.8	18.3	17.5		117.9
Net (earnings) loss attributable to noncontrolling interests	(0.1)	—	—	—		(0.1)
Depreciation and amortization ⁽¹⁾	171.5	156.2	156.4	150.4		634.5
EBITDA	383.8	369.2	277.7	246.9		1,277.6
Restructuring, acquisition and integration-related and other costs	20.9	15.1	20.3	20.8		77.1
Software implementation cost write-off	—	7.8	5.1	(0.4)		12.5
Impairment of goodwill and indefinite-lived intangibles	—	—	8.2	—		8.2
Legal settlements, reserves and fees	1.3	0.7	(0.9)	0.6		1.7
Adjustments of indemnification asset	(0.2)	(0.4)	—	—		(0.6)
Adjusted EBITDA	\$ 405.8	392.4	310.4	267.9		1,376.5
Net debt to adjusted EBITDA						1.2

⁽¹⁾Includes accelerated depreciation of \$20.5 for Q2 2024, \$4.4 for Q3 2024, \$5.3 for Q4 2024 and \$5.4 for Q1 2025.

Reconciliation of Net Sales to Adjusted Net Sales

(In millions)	Three Months Ended	
	March 29, 2025	
Mohawk Consolidated		
Net sales	\$	2,525.8
Adjustment for constant shipping days		77.9
Adjustment for constant exchange rates		56.9
Adjusted net sales	\$	2,660.6

	Three Months Ended	
	March 29, 2025	
Global Ceramic		
Net sales	\$	993.8
Adjustment for constant shipping days		27.7
Adjustment for constant exchange rates		35.5
Adjusted net sales	\$	1,057.0

Flooring NA		
Net sales	\$	862.4
Adjustment for constant shipping days		27.8
Adjusted net sales	\$	890.2

Flooring ROW		
Net sales	\$	669.6
Adjustment for constant shipping days		22.3
Adjustment for constant exchange rates		21.4
Adjusted net sales	\$	713.3

Reconciliation of Gross Profit to Adjusted Gross Profit

(In millions)	Three Months Ended	
	March 29, 2025	March 30, 2024
Gross Profit	\$ 583.3	649.5
Adjustments to gross profit:		
Restructuring, acquisition and integration-related and other costs	25.2	5.5
Adjusted gross profit	\$ 608.5	655.0
Adjusted gross profit as a percent of net sales	24.1%	24.4%

Reconciliation of Selling, General and Administrative Expenses to Adjusted Selling, General and Administrative Expenses

(In millions)	Three Months Ended	
	March 29, 2025	March 30, 2024
Selling, general and administrative expenses	\$ 487.3	502.9
Adjustments to selling, general and administrative expenses:		
Restructuring, acquisition and integration-related and other costs	(1.0)	(2.4)
Software implementation cost write-off	0.4	—
Legal settlements, reserves and fees	(0.6)	(8.8)
Adjusted selling, general and administrative expenses	\$ 486.1	491.7
Adjusted selling, general and administrative expenses as a percent of net sales	19.2%	18.4%

Reconciliation of Operating Income to Adjusted Operating Income

(In millions)	Three Months Ended	
	March 29, 2025	March 30, 2024
Mohawk Consolidated		
Operating income	\$ 96.0	146.6
Adjustments to operating income:		
Restructuring, acquisition and integration-related and other costs	26.2	7.9
Software implementation cost write-off	(0.4)	—
Legal settlements, reserves and fees	0.6	8.8
Adjusted operating income	\$ 122.4	163.3
Adjusted operating income as a percent of net sales	4.8%	6.1%
Global Ceramic		
Operating income	\$ 41.8	48.8
Adjustments to segment operating income:		
Restructuring, acquisition and integration-related and other costs	6.8	3.9
Software implementation cost write-off	(0.4)	—
Adjusted segment operating income	\$ 48.2	52.7
Adjusted segment operating income as a percent of net sales	4.8%	5.0%
Flooring NA		
Operating income	\$ 9.3	45.0
Adjustments to segment operating income:		
Restructuring, acquisition and integration-related and other costs	16.2	0.9
Legal settlements, reserves and fees	—	1.9
Adjusted segment operating income	\$ 25.5	47.8
Adjusted segment operating income as a percent of net sales	3.0%	5.3%
Flooring ROW		
Operating income	\$ 58.7	70.9
Adjustments to segment operating income:		
Restructuring, acquisition and integration-related and other costs	2.3	3.1
Adjusted segment operating income	\$ 61.0	74.0
Adjusted segment operating income as a percent of net sales	9.1%	10.1%
Corporate and intersegment eliminations		
Operating (loss)	\$ (13.8)	(18.1)
Adjustments to segment operating (loss):		
Restructuring, acquisition and integration-related and other costs	0.9	—
Legal settlements, reserves and fees	0.6	6.9
Adjusted segment operating (loss)	\$ (12.3)	(11.2)

Reconciliation of Earnings Before Income Taxes to Adjusted Earnings Before Income Taxes

(In millions)	Three Months Ended	
	March 29, 2025	March 30, 2024
Earnings before income taxes	\$ 90.1	132.8
Net earnings attributable to noncontrolling interests	—	—
Adjustments to earnings including noncontrolling interests before income taxes:		
Restructuring, acquisition and integration-related and other costs	26.2	7.9
Software implementation cost write-off	(0.4)	—
Legal settlements, reserves and fees	0.6	8.8
Adjustments of indemnification asset	—	2.4
Adjusted earnings before income taxes	\$ 116.5	151.9

Reconciliation of Income Tax Expense to Adjusted Income Tax Expense

(In millions)	Three Months Ended	
	March 29, 2025	March 30, 2024
Income tax expense	\$ 17.5	27.8
Adjustments to income tax expense:		
Income taxes - adjustments of uncertain tax position	—	2.4
Income tax effect of adjusting items	3.4	2.9
Adjusted income tax expense	\$ 20.9	33.1
Adjusted income tax rate to adjusted earnings before income taxes	17.9%	21.8%