

**MOHAWK INDUSTRIES, INC. AND
SUBSIDIARIES**

(Unaudited)

**Condensed Consolidated
Statement of Operations Data**

(Amounts in thousands, except per
share data)

	Three Months Ended		Nine Months Ended	
	October 2,2021	September 26, 2020	October 2,2021	September 26, 2020
Net sales	\$ 2,817,017	2,574,870	8,439,876	6,910,433
Cost of sales	1,979,702	1,868,671	5,908,585	5,217,827
Gross profit	837,315	706,199	2,531,291	1,692,606
Selling, general and administrative expenses	477,341	443,455	1,449,378	1,339,338
Operating income	359,974	262,744	1,081,913	353,268
Interest expense	14,948	14,854	45,083	36,481
Other (income) expense, net	21	(726)	(13,374)	5,990
Earnings before income taxes	345,005	248,616	1,050,204	310,797
Income tax expense	73,821	43,163	205,756	43,467
Net earnings including noncontrolling interests	271,184	205,453	844,448	267,330
Net earnings (loss) attributable to noncontrolling interests	206	336	378	(44)
Net earnings attributable to Mohawk Industries, Inc.	\$ 270,978	205,117	844,070	267,374

**Basic earnings per share
attributable to Mohawk Industries,
Inc.**

Basic earnings per share attributable to Mohawk Industries, Inc.	\$ 3.95	2.88	12.16	3.76
Weighted-average common shares outstanding - basic	68,541	71,197	69,389	71,190

**Diluted earnings per share
attributable to Mohawk Industries,
Inc.**

Diluted earnings per share attributable to Mohawk Industries, Inc.	\$ 3.93	2.87	12.11	3.75
Weighted-average common shares outstanding - diluted	68,864	71,378	69,683	71,362

Other Financial Information

(Amounts in thousands)

Net cash provided by operating activities	\$ 498,739	598,499	1,096,735	1,361,994
Less: Capital expenditures	147,740	69,143	375,179	265,414
Free cash flow	\$ 350,999	529,356	721,556	1,096,580
Depreciation and amortization	\$ 148,618	151,342	448,299	450,952

Condensed Consolidated Balance

Sheet Data*(Amounts in thousands)*

	October 2,2021	September 26, 2020
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,128,027	781,238
Short-term investments	-	407,784
Receivables, net	1,880,476	1,710,961
Inventories	2,215,630	1,841,973
Prepaid expenses and other current assets	421,944	410,031
Total current assets	5,646,077	5,151,987
Property, plant and equipment, net	4,442,339	4,405,243
Right of use operating lease assets	385,606	303,050
Goodwill	2,612,201	2,574,641
Intangible assets, net	911,271	918,778
Deferred income taxes and other non-current assets	452,806	430,515
Total assets	\$ 14,450,300	13,784,214
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Short-term debt and current portion of long-term debt	\$ 588,669	356,130
Accounts payable and accrued expenses	2,209,942	1,933,206
Current operating lease liabilities	103,132	97,778
Total current liabilities	2,901,743	2,387,114
Long-term debt, less current portion	1,710,207	2,282,781
Non-current operating lease liabilities	292,806	214,654
Deferred income taxes and other long-term liabilities	793,095	732,596
Total liabilities	5,697,851	5,617,145
Total stockholders' equity	8,752,449	8,167,069
Total liabilities and stockholders' equity	\$ 14,450,300	13,784,214

Segment Information

<i>(Amounts in thousands)</i>	Three Months Ended		As of or for the Nine Months Ended	
	October 2,2021	September 26, 2020	October 2,2021	September 26, 2020
Net sales:				
Global Ceramic	\$ 998,444	911,303	2,967,818	2,513,088
Flooring NA	1,050,453	982,292	3,100,892	2,630,710
Flooring ROW	768,120	681,275	2,371,166	1,766,635
Consolidated net sales	\$ 2,817,017	2,574,870	8,439,876	6,910,433
Operating income (loss):				
Global Ceramic	\$ 118,896	73,998	343,135	88,166
Flooring NA	118,625	74,313	315,866	65,035
Flooring ROW	133,595	129,135	456,787	234,429
Corporate and intersegment	(11,142)	(14,702)	(33,875)	(34,362)

eliminations					
Consolidated operating income	\$	359,974	262,744	1,081,913	353,268
Assets:					
Global Ceramic				\$ 5,174,981	5,111,492
Flooring NA				3,960,037	3,626,339
Flooring ROW				4,276,310	3,928,243
Corporate and intersegment eliminations				1,038,972	1,118,140
Consolidated assets				\$ 14,450,300	13,784,214

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.

(Amounts in thousands, except per share data)

	Three Months Ended		Nine Months Ended	
	October 2,2021	September 26, 2020	October 2,2021	September 26, 2020
Net earnings attributable to Mohawk Industries, Inc.	\$ 270,978	205,117	844,070	267,374
Adjusting items:				
Restructuring, acquisition and integration-related and other costs	1,270	32,168	19,242	144,434
Resolution of foreign non-income tax contingencies	-	-	(6,211)	-
One-time tax planning election	-	-	(26,731)	-
Income taxes	(203)	(4,342)	(2,015)	(33,144)
Adjusted net earnings attributable to Mohawk Industries, Inc.	\$ 272,045	232,943	828,355	378,664
Adjusted diluted earnings per share attributable to Mohawk Industries, Inc.	\$ 3.95	3.26	11.89	5.31
Weighted-average common shares outstanding - diluted	68,864	71,378	69,683	71,362

**Reconciliation of
Total Debt to Net
Debt**

*(Amounts in
thousands)*

	October 2,2021
Short-term debt and current portion of long-term debt	\$ 588,669
Long-term debt, less current portion	1,710,207
Total debt	2,298,876
Less: Cash and cash equivalents	1,128,027
Net Debt	\$1,170,849

**Reconciliation of
Operating Income to
Adjusted EBITDA**

*(Amounts in
thousands)*

	Three Months Ended				Trailing Twelve Months Ended
	December 31, 2020	April 3, 2021	July 3,2021	October 2,2021	October 2,2021
Operating income	\$ 282,733	317,515	404,424	359,974	1,364,646
Other income	6,742	2,227	11,168	(21)	20,116
Net income attributable to noncontrolling interests	(176)	(4)	(168)	(206)	(554)
Depreciation and amortization (1)	156,555	151,216	148,466	148,618	604,855
EBITDA	445,854	470,954	563,890	508,365	1,989,063
Restructuring, acquisition and integration-related and other costs	15,947	6,059	(2,737)	1,208	20,477
Adjusted EBITDA	\$ 461,801	477,013	561,153	509,573	2,009,540
Net Debt to Adjusted EBITDA					0.6

(1) Includes \$62 of accelerated depreciation in Q3 2021 with \$6,435 in Q4 2020 and \$5,818 in Q1 2021 and \$2,620 in

Q2 2021.

Reconciliation of Net Sales to Net Sales on a Constant Exchange Rate and on Constant Shipping Days

(Amounts in thousands)

	Three Months Ended		Nine Months Ended	
	October 2,2021	September 26, 2020	October 2,2021	September 26, 2020
Net sales	\$2,817,017	2,574,870	8,439,876	6,910,433
Adjustment to net sales on constant shipping days	-	-	(131,365)	-
Adjustment to net sales on a constant exchange rate	(19,035)	-	(180,752)	-
Net sales on a constant exchange rate and constant shipping days	\$2,797,982	2,574,870	8,127,759	6,910,433

Reconciliation of Segment Net Sales to Segment Net Sales on a Constant Exchange Rate

(Amounts in thousands)

Global Ceramic	Three Months Ended	
	October 2,2021	September 26, 2020
Net sales	\$ 998,444	911,303
Adjustment to segment net sales on a constant exchange rate	(3,967)	-
Segment net sales on a constant exchange rate	\$ 994,477	911,303

Reconciliation of Segment Net Sales to Segment Net Sales on a Constant Exchange Rate

(Amounts in thousands)

Flooring ROW	Three Months Ended	
	October 2,2021	September 26, 2020

Net sales	\$ 768,120	681,275
Adjustment to segment net sales on a constant exchange rate	(15,069)	-
Segment net sales on a constant exchange rate	\$ 753,051	681,275

Reconciliation of Gross Profit to Adjusted Gross Profit

(Amounts in thousands)

	Three Months Ended	
	October 2, 2021	September 26, 2020
Gross Profit	\$ 837,315	706,199
Adjustments to gross profit:		
Restructuring, acquisition and integration-related and other costs	778	23,585
Adjusted gross profit	\$ 838,093	729,784

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

(Amounts in thousands)

	Three Months Ended	
	October 2, 2021	September 26, 2020
Selling, general and administrative expenses	\$ 477,341	443,455
Adjustments to selling, general and administrative expenses:		
Restructuring, acquisition and integration-related and other costs	(521)	(8,764)
Adjusted selling, general and administrative expenses	\$ 476,820	434,691

**Reconciliation of
Operating Income to
Adjusted Operating
Income**

*(Amounts in
thousands)*

	Three Months Ended	
	October 2,2021	September 26, 2020
Operating income	\$359,974	262,744
Adjustments to operating income:		
Restructuring, acquisition and integration-related and other costs	1,299	32,349
Adjusted operating income	\$ 361,273	295,093

**Reconciliation of
Segment Operating
Income to Adjusted
Segment Operating
Income**

*(Amounts in
thousands)*

Global Ceramic	Three Months Ended	
	October 2,2021	September 26, 2020
Operating income	\$ 118,896	73,998
Adjustments to segment operating income:		
Restructuring, acquisition and integration-related and other costs	212	20,129
Adjusted segment operating income	\$ 119,108	94,127

**Reconciliation of
Segment Operating
Income to Adjusted
Segment Operating
Income**

*(Amounts in
thousands)*

Flooring NA	Three Months Ended	
	October 2,2021	September 26, 2020
Operating income	\$ 118,625	74,313
Adjustments to segment operating income:		
Restructuring, acquisition and integration-related and other costs	1,396	5,953
Adjusted segment operating income	\$ 120,021	80,266

Reconciliation of Segment Operating Income to Adjusted Segment Operating Income

(Amounts in thousands)

Flooring ROW	Three Months Ended	
	October 2,2021	September 26, 2020
Operating income	\$ 133,595	129,135
Adjustments to segment operating income:		
Restructuring, acquisition and integration-related and other costs	(228)	2,019
Adjusted segment operating income	\$ 133,367	131,154

Reconciliation of Earnings Including Noncontrolling Interests Before Income Taxes to Adjusted Earnings Including Noncontrolling Interests Before Income Taxes

(Amounts in thousands)

	Three Months Ended	
	October 2,2021	September 26, 2020
Earnings before income taxes	\$ 345,005	248,616
Net earnings attributable to noncontrolling interests	(206)	(336)

Adjustments to earnings including noncontrolling interests before income taxes:		
Restructuring, acquisition and integration-related and other costs	1,270	32,168
Adjusted earnings including noncontrolling interests before income taxes	\$ 346,069	280,448

Reconciliation of Income Tax Expense to Adjusted Income Tax Expense

(Amounts in thousands)

	Three Months Ended	
	October 2, 2021	September 26, 2020
Income tax expense	\$ 73,821	43,163
Income tax effect of adjusting items	203	4,342
Adjusted income tax expense	\$ 74,024	47,505
Adjusted income tax rate	21.4%	16.9%

The Company supplements its condensed consolidated financial statements, which are prepared and presented in accordance with US GAAP, with certain non-GAAP financial measures. As required by the Securities and Exchange Commission rules, the tables above present a reconciliation of the Company's non-GAAP financial measures to the most directly comparable US GAAP measure. Each of the non-GAAP measures set forth above should be considered in addition to the comparable US GAAP measure, and may not be comparable to similarly titled measures reported by other companies. The Company believes these non-GAAP measures, when reconciled to the corresponding US GAAP measure, help its investors as follows: Non-GAAP revenue measures that assist in identifying growth trends and in comparisons of revenue with prior and future periods and non-GAAP profitability measures that assist in understanding the long-term profitability trends of the Company's business and in comparisons of its profits with prior and future periods.

The Company excludes certain items from its non-GAAP revenue measures because these items can vary dramatically between periods and can obscure underlying business trends. Items excluded from the Company's non-GAAP revenue measures include: foreign currency transactions and translation and the impact of acquisitions.

The Company excludes certain items from its non-GAAP profitability measures because these items may not be indicative of, or are unrelated to, the Company's core operating performance. Items excluded from the Company's non-GAAP profitability measures include: restructuring, acquisition and integration-related and other costs, acquisition purchase accounting, including inventory step-up, release of indemnification assets and the reversal of uncertain tax positions.