

Reconciliation of Non-GAAP Measures

Reconciliation of Operating Income to Adjusted Operating Income and Adjusted EBITDA

(Amounts in thousands)

	For the Years Ended December 31,		
	2014	2013	2012
Operating Income	\$ 772,796	546,931	379,508
Add: Restructuring, acquisition and integration-related costs	51,604	111,939	18,564
Acquisition purchase accounting (inventory step-up)	—	31,041	—
Legal reserve	10,000	—	—
Adjusted Operating Income ^(a)	\$ 834,400	689,911	398,072
Less: Net earnings attributable to noncontrolling interest	(289)	(505)	(635)
Add: Depreciation and amortization ^(b)	336,608	308,871	280,293
Other income (expense), net ^(c)	1,254	(9,114)	(303)
Restructuring, acquisition and integration-related costs	—	1,481	—
Adjusted EBITDA ^(d)	\$1,171,973	990,644	677,427
Net Sales	\$7,803,446	\$7,348,754	\$5,787,980
Adjusted EBITDA as a percent of net sales	15.0%	13.5%	11.7%

(a) The non-GAAP measure "Adjusted Operating Income" is used to compare operating results. Management uses the information to review results excluding items that are not necessarily indicative of ongoing results.

(b) Excludes \$8,962 of accelerated depreciation related to restructuring in 2014.

(c) Excludes \$11,952 of loss related to disposal of a subsidiary in 2014.

(d) The non-GAAP measure Adjusted EBITDA is used to more clearly evaluate our cash generation from operations.

The Company believes it is useful for itself and investors to review, as applicable, both GAAP and the above non-GAAP measures in order to assess the performance of the Company's business for planning and forecasting in subsequent periods. In particular, the Company believes excluding the impact of restructuring, acquisition and integration-related costs is useful because it allows investors to evaluate our performance for different periods on a more comparable basis.

Reconciliation of Non-GAAP Measures (continued)

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)

	For the Years Ended December 31,		
	2014	2013	2012
Net earnings attributable to Mohawk Industries, Inc.	\$531,965	348,786	250,258
Unusual items:			
Restructuring, acquisition, integration-related costs and disposal of subsidiary	63,556	113,420	18,564
Deferred loan costs	1,080	490	—
Interest on 3.85% senior notes	—	3,559	—
Acquisitions purchase accounting (inventory step-up)	—	31,041	—
Discontinued operations	—	18,945	—
Bond redemption	18,922	—	—
Legal reserve	10,000	—	—
Income taxes	(27,856)	(42,841)	(7,003)
Adjusted net earnings attributable to Mohawk Industries, Inc.	\$597,667	\$473,400	\$261,819
Adjusted diluted earnings per share attributable to Mohawk Industries, Inc.	\$ 8.15	\$ 6.55	\$ 3.78
Weighted-average common shares outstanding – diluted	73,363	72,301	69,306

Reconciliation of Segment Operating Income to Adjusted Segment Operating Income

(Amounts in thousands)

Carpet	For the Years Ended December 31,		
	2014	2013	2012
Operating income	\$ 255,938	\$ 209,023	158,196
Adjustment to segment operating income:			
Restructuring, acquisition and integration-related costs	1,999	13,603	10,504
Legal reserve	10,000	—	—
Adjusted segment operating income	\$ 267,937	\$ 222,626	168,700
Net sales	\$3,013,948	\$2,986,096	2,912,055

Ceramic	For the Years Ended December 31,		
	2014	2013	2012
Operating income	\$ 351,113	\$ 209,825	120,951
Adjustment to segment operating income:			
Restructuring, acquisition and integration-related costs	9,330	42,876	6,109
Acquisitions purchase accounting (inventory step-up)	—	31,041	—
Adjusted segment operating income	\$ 360,443	\$ 283,742	127,060
Net sales	\$3,015,279	\$2,677,058	1,616,383

Laminate and Wood	For the Years Ended December 31,		
	2014	2013	2012
Operating income	\$ 194,734	\$ 159,365	126,409
Adjustment to segment operating income:			
Restructuring, acquisition and integration-related costs	38,788	54,235	1,951
Adjusted segment operating income	\$ 233,522	\$ 213,600	128,360
Net sales	\$1,890,567	\$1,792,260	1,350,349