TARKETT
PRESS RELEASE

Tarkett announces a significant increase in sales and a strong improvement in margins

Sales : €2.3 billion +11%
EBITDA[1] : €260 million + 36%
Net income : €85 million

France - Paris-Nanterre, Thursday 21 February 2013,

Tarkett, worldwide leader in innovative flooring and sports surface solutions, announced today its 2012 results.

The acquisition of Tandus, a specialist in commercial carpet flooring in North America, finalized in September, marks one of the **major events of 2012**.

« *The acquisition of Tandus strengthens our position as a leading global flooring provider, through expanding our offer of integrated solutions into the commercial carpet market in North America. This strategic step also allows us to balance our sales footprint and benefit from the recovery in North America,* » explains Michel Giannuzzi, CEO of the Tarkett Group.

With Tandus, the Group marked a **major milestone in its development in North America, doubling its activity in professional segments and achieving total sales of $1 billion** (including sports surfaces). Tarkett now has a well balanced geographic presence between emerging countries (36% of turnover[2]), North America (33%) and UE and other OECD countries (31%).

Highlights of Tarkett's 2012 results:

1) 11% increase in revenues

Tarkett recorded a significant increase in sales, up from €2.1 billion in 2011 to **€2.3 billion in 2012**, driven by organic growth (4.6%), acquisitions (3.6%) and the favorable impact of exchange rates (2.8%).

Organic growth was mainly driven by **dynamic markets in emerging countries (+12%)**, particularly in **Eastern Europe, South America and Asia**. Tarkett also doubled its turnover in China. **Sales in North America grew 5%**, following the start of economic recovery in the United States.

In a variable economic environment, revenues in Europe showed a slight decrease of 1%. A good performance in Germany and the UK helped offset a decline in France and in Southern European countries.

Sales of **sports surfaces** (artificial turf and running tracks) **increased by 9%**, benefiting from a notable recovery in North America, while European markets remained highly depressed, especially in Spain.

1.EBITDA before unusual items

2.Pro-forma turnover including Tandus acquisition

2) A strong recovery in margins

EBITDA before unusual items increased by **36%** to **€260 million**. The EBITDA margin increased by two points and represented 11.2% of sales.
Stability in raw materials prices and **productivity gains** in manufacturing were **primary factors in the increase in EBITDA margin**, complemented by the improvement in Tarkett Sports Division and the contribution of Tandus.

Net income amounted **to €85 million (3.7% of sales).**

3) A solid financial position

Operational cash-flow grew to **€223 million**. This increase was achieved by a **significant improvement in net working capital**, in particular through the reduction in average receivables from Eastern European customers and good inventory control.
At the same time, the Group has pursued **a major investment program**, amounting to **€84 million**. These investments have focused on major industrial programs such as the implementation of a new production line in Russia and increased manufacturing capacity in modular flooring. In addition, the Group continued the deployment of SAP across its operations.

The Group's net debt, **€452 million at the end of 2012**, represents a ratio identical to that of 2011 - **1.7 x EBITDA**. Tarkett has not paid dividends to shareholders in 2012, in order to devote resources to the Tandus acquisition.

"*We approach 2013 cautiously in Europe, but with confidence in our ability to generate growth in emerging countries and in North America. Our low level of debt will enable us to continue our policy of targeted acquisitions*" concludes Michel Giannuzzi.

Key results

€m	2012	2011
Net Sales	2,318	2,088
EBITDA before unusual items % of Net Sales	260 11.2%	191 9.2%
Net Result % of Net Sales	85 3.7%	25 1.2%
Operating cash-flow	223	91
Net Debt Net Debt / EBITDA	452 1.7x	332 1.7x

About Tarkett:
With a turnover of 2.3 billion Euros in 2012, Tarkett is the world leader for innovative and sustainable solutions for flooring and sports surfaces. Some 10,700 employees and 38 production units serve Tarkett customers in more than 100 countries. Since January 2007, Tarkett has been jointly owned by the Deconinck family (50 percent) and private equity funds affiliated with KKR (50 percent).
For more information, visit www.tarkett.com

Media contacts:
Marjorie Castoriadis (Article Onze agency) Tel: +33 (0) 1 55 60 24 41 ; mcastoriadis@articleonze.com
Véronique Bouchard Bienaymé (Tarkett Group External Communications Director)
veronique.bouchardbienayme@tarkett.com