

A modern living room with large windows, sofas, and a coffee table. The room features light-colored wood-look flooring, two brown sofas with colorful cushions, and a central coffee table. Large windows in the background offer a view of a lush garden with bamboo and other plants. A semi-transparent maroon box is overlaid on the left side of the image, containing the text 'FY 2018 Financial Results' and 'February 8, 2019'.

FY 2018 Financial Results

February 8, 2019



Agenda

- 2018 Highlights & 2019 Priorities
- 2018 Financial Results
- Conclusion
- Appendices

A modern interior space featuring a long hallway with a series of white, curved arches that create a sense of depth and perspective. The floor is made of large, light-colored stone tiles. On the right side, there are two brown leather armchairs with a distinctive design, featuring a high back and a wide seat. A large, white, circular pendant light hangs from the ceiling. In the background, a small alcove with a curved wall and a set of pendant lights is visible. On the left, a tall potted plant with large green leaves is partially visible.

2018 Highlights & 2019 Priorities

Fabrice Barthélemy
CEO

2018: a challenging year

Successes

- Great momentum in Sports (+11.7%)⁽¹⁾
- Highest selling price increase in the past 10 years: +€22m
- Lexmark acquisition, #3 in carpet for Hospitality North America

Challenges

- Unprecedented inflation of raw material and freight prices
 - -€48m, only 45% covered by selling price increase
- Adverse currencies
- Slowdown in some regions
 - CIS (CIS, APAC & LATAM segment -1.5%⁽¹⁾ in 2018, -5.5%⁽¹⁾ in Q4)
 - Weak Q4 in North America (-2.2%⁽¹⁾)
- Manufacturing productivity below target

• **Net Sales**
€2,836m

• **Organic growth**
+2.1%⁽¹⁾

• **Adjusted EBITDA⁽²⁾**
€249m
8.8% of net sales

• **Net Debt/Adjusted EBITDA⁽²⁾ pro forma**
2.8x

(1) Organic growth: At constant scope of consolidation and exchange rates (Note: in the CIS and Turkey, price increases implemented in order to offset currency fluctuations are not included in organic growth. As a result, organic growth reflects only changes in volumes and the product mix).

(2) Adjusted EBITDA: adjustments include expenses related to restructurings, acquisitions, and share-based payment expenses.

2019 environment and Tarkett's priorities

- **2019 Market perspectives**
 - Signs of slowdown in some key construction and renovation markets
 - Uncertainties in the CIS
 - Inflationary pressure, mostly in H1
 - Full year raw material and freight impact estimated at -€15m⁽¹⁾
- **Tarkett key priorities in 2019**
 - Restore profitability
 - De-leverage through tight cash management

Key drivers of financial performance in 2019

Priority to cost reduction and deleveraging

Increase
Selling
prices

- 2019 raw material and freight **inflation estimated at -€15m** (current prices)
- Carry-over of 2018 **price increases** and selective additional increases

Reduce
cost

- Reduction in **discretionary spend**
- Reduction in **headcount**
- **Industrial performance recovery** in NA
- Manufacturing productivity driven by **automation**

Improve
cash
generation

- Tight **inventory** management
- Focused **Capex**
- Close follow-up of **accounts receivable**

Integrate
Lexmark

- Hospitality segment under Lexmark leadership
- **Cost synergies** in NA
- **Sales synergies** in NA and globally

Target

Offset inflation
over FY19

€40m
productivity
in 2019

Restore
flexibility

Maximize synergies in 2019
50bps contribution to Group
EBITDA margin by 2020

New strategic plan to be presented in June 2019

Structurally
improve
financial
performance

- Focus on winning segments / channels
- Pricing power
- Improve cost base

Agile and
customer-
driven
company

- Leverage global offering & key account management
- Focused innovation

Differentiate
through
Digital

- Develop specific digital services and added-value digital assets
- On-line business opportunities

Reinforce
leadership
in circular
economy

- Further deploy *Restart* collection program for our customers
- Increase recycled content

A modern office interior featuring a large, colorful patchwork carpet in shades of blue, grey, and beige. The room has a high ceiling with exposed black metal beams and hanging lights. In the background, there are wooden bookshelves filled with books and decorative items, and a large window with white curtains. The foreground shows a white sofa and a small round table with a plant.

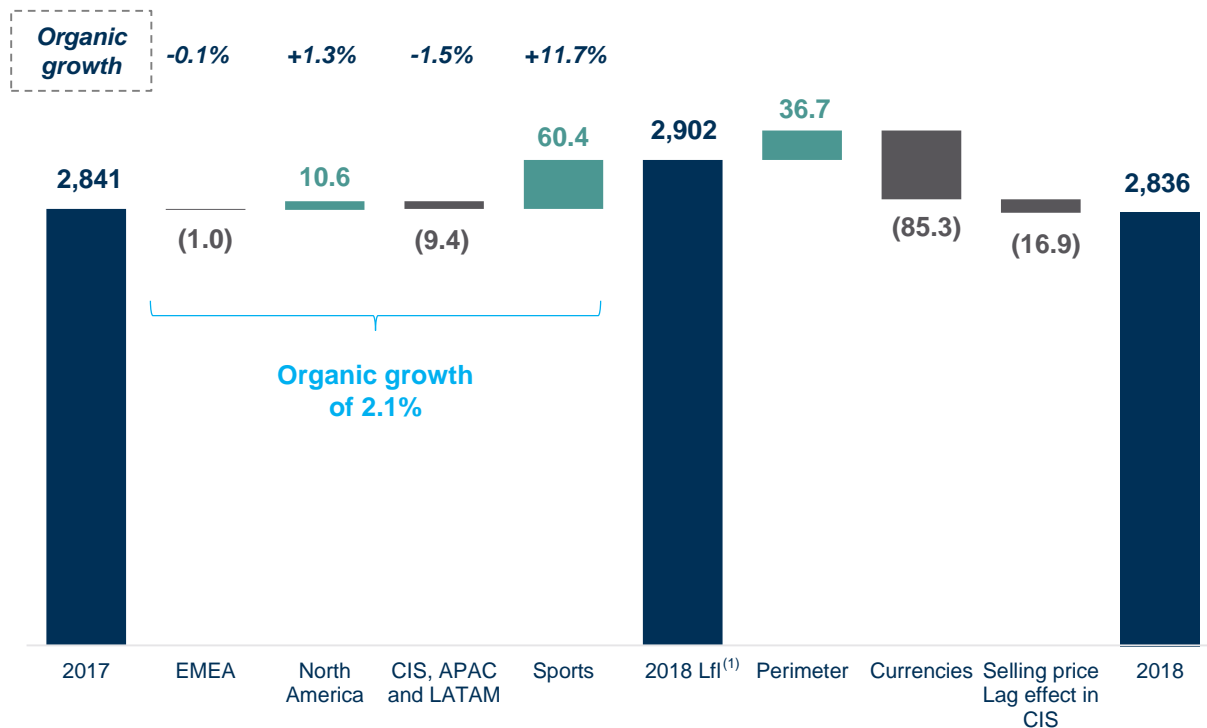
Financial Results in 2018

Raphaël Bauer
CFO

Solid organic growth in 2018: +2.1%

in €m

- Record activity level in **Sports**
- **North America** fueled by increase in selling prices
- Slower activity in **CIS** in a weak market
- **CIS** currencies headwinds mitigated by price increase



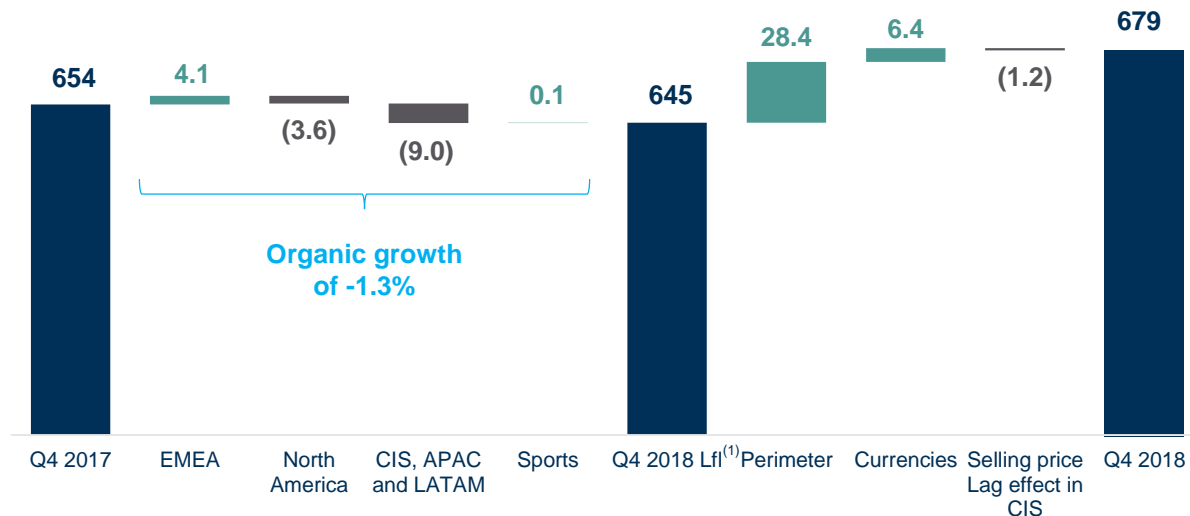
(1) Like for Like: At same perimeter and exchange rates. (NB: In the CIS, price increases implemented to offset currency fluctuations are not included in the organic growth. Organic growth in the CIS therefore reflects volume and mix variances only).

Slight organic decrease in Q4 2018

in €m



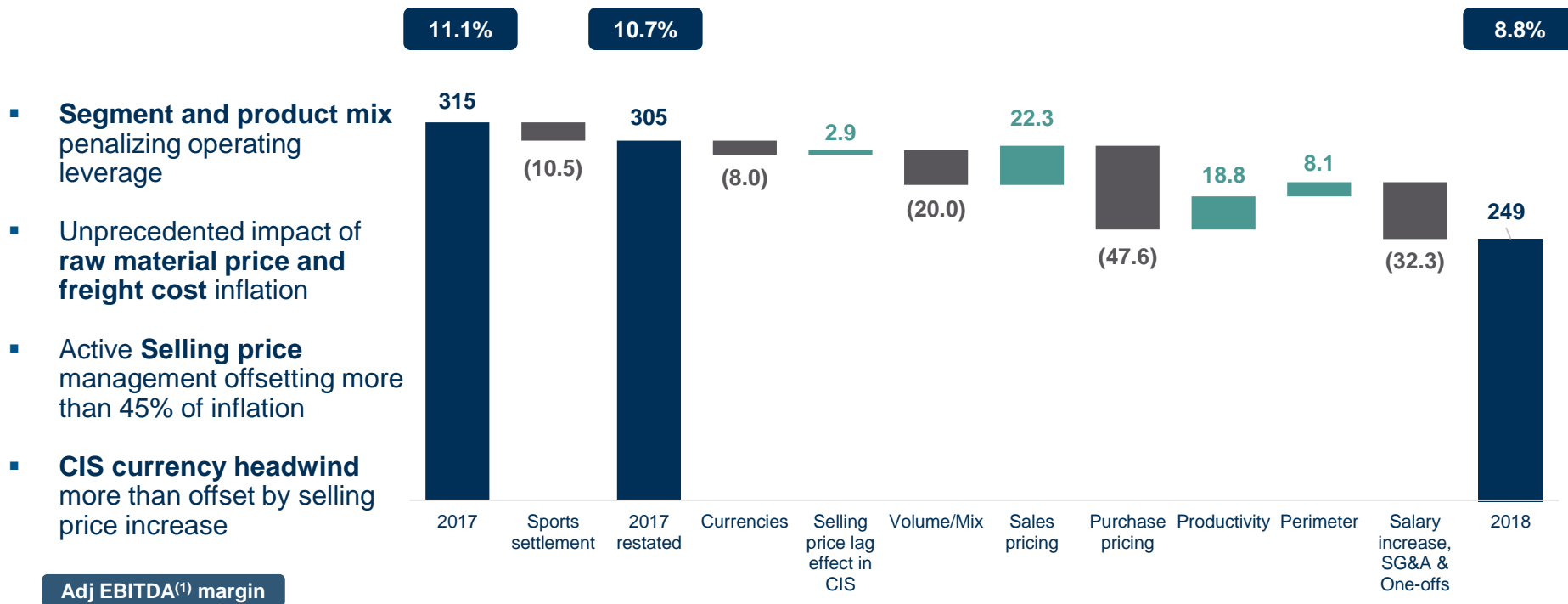
- Improved activity in **EMEA**
- North America** penalized by weaker commercial carpet
- Slow activity in **CIS**
- CIS** currencies headwinds mitigated by price increase
- Strong contribution of acquisitions, mainly Lexmark



(1) Like for Like: At same perimeter and exchange rates. (NB: In the CIS, price increases implemented to offset currency fluctuations are not included in the organic growth. Organic growth in the CIS therefore reflects volume and mix variances only).

Full year Adjusted EBITDA margin penalized by raw material and freight inflation

in €m

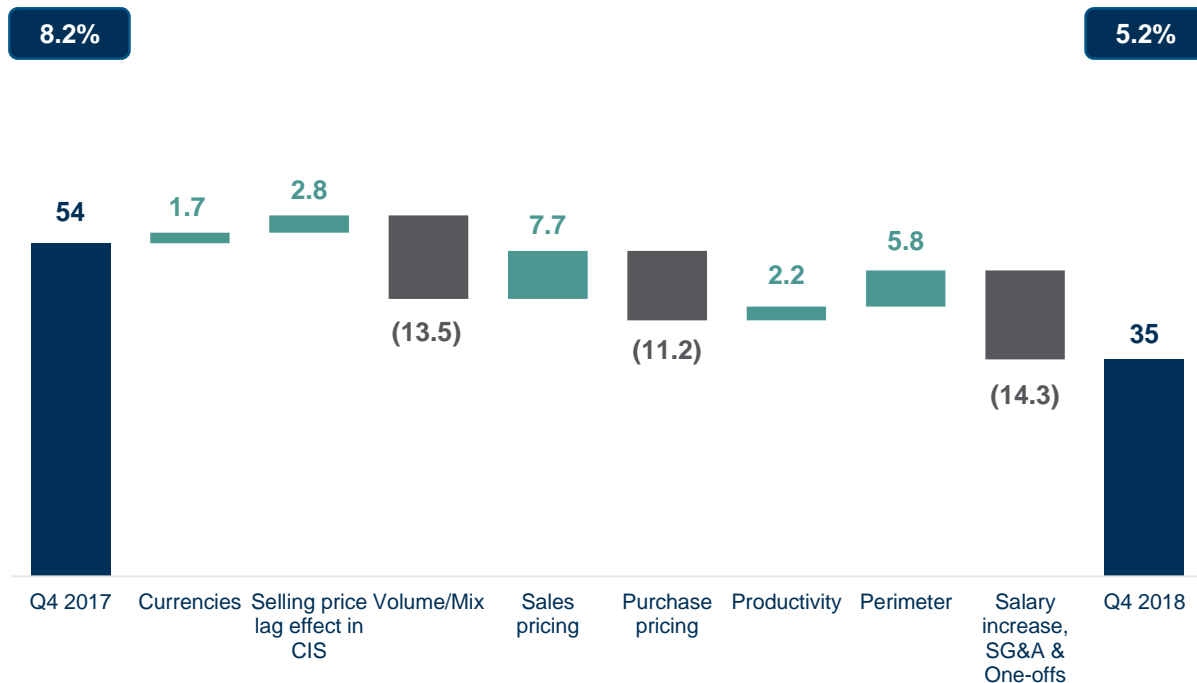


(1) Adjusted EBITDA: adjustments include expenses such as restructurings, acquisitions and share-based payment expenses.

Q4 Adjusted EBITDA weakened by lower sales

in €m

- **Lower sales** in North America and CIS
- **Selling price** increases holding up and offsetting almost 70% of inflation
- Strong contribution from **acquisitions**, mainly Lexmark
- **Marketing and sampling** for new product launches



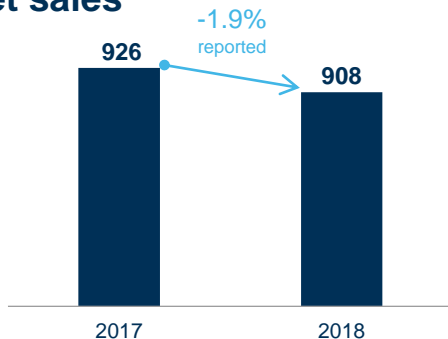
Adj EBITDA⁽¹⁾ margin

(1) Adjusted EBITDA: adjustments include expenses such as restructurings, acquisitions and share-based payment expenses.

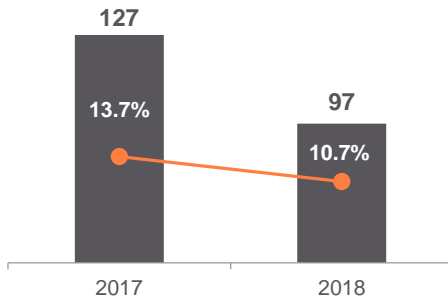
EMEA FY 2018

in €m

Net sales



Adjusted EBITDA and Margin Evolution



(1) Organic growth: At same perimeter and exchange rates.

Tarkett – FY 2018 Financial Results – February 8, 2019

FY 2018
Net sales
organic
growth⁽¹⁾

-0.1%

Q4 2018
Net sales
organic
growth⁽¹⁾

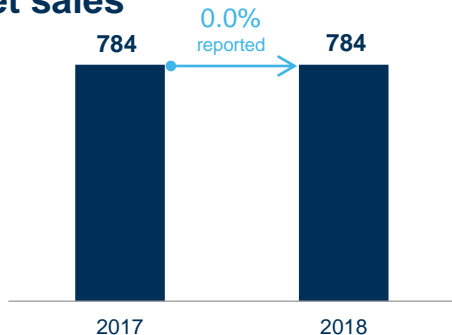
+1.9%

- Continuing good trends in **Germany, South Europe and Poland**
- Improvement in Q4 in the **Nordics**, leading to stability in full year
- Q4 activity levelling in the **UK**, but uncertain prospects
- Lower activity in **France** over the full year
- Dynamic growth in **LVT**
- 40% of raw material and freight inflation offset by selling price increase
- Tight working capital management and destocking

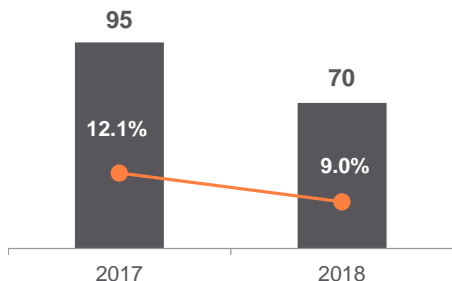
North America FY 2018

in €m

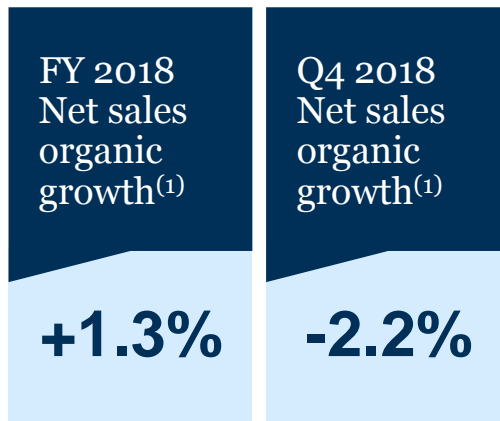
Net sales



Adjusted EBITDA and Margin Evolution



(1) Organic growth: At same perimeter and exchange rates.
Tarkett – FY 2018 Financial Results – February 8, 2019

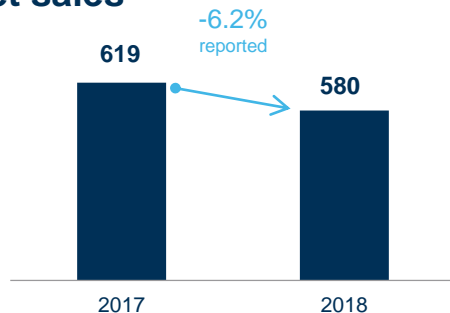


- Another dynamic year in **LVT** (Luxury Vinyl Tile)
- Solid performance in **accessories**
- Sales retreated in **commercial carpet** in a soft market, weak Q4
- **Strong contribution of selling price increase**, fully offsetting inflation (raw materials and transportation)
- Additional price increase implemented in September to offset tariff increase on Chinese imports
- Poor manufacturing performance in 2 production sites

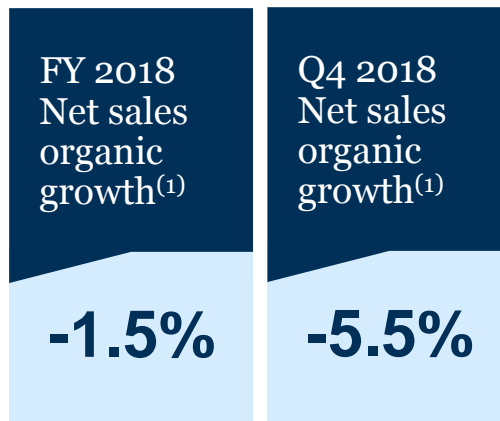
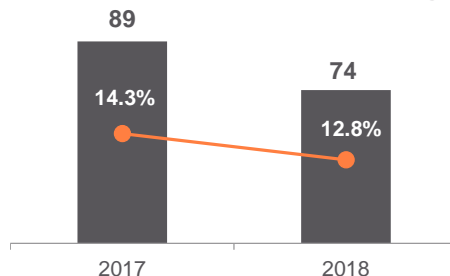
CIS, APAC & Latam FY 2018

in €m

Net sales



Adjusted EBITDA and Margin Evolution



■ CIS

- > Weak demand in H2
- > Price increase (July 1st) in Russia more than offsetting currency impact

■ Latin America

- > Strong performance driven both by volume growth and selling price increase

■ Asia-Pacific

- > Growth driven by China

- **High inflation** in raw materials and lower volumes penalizing EBITDA

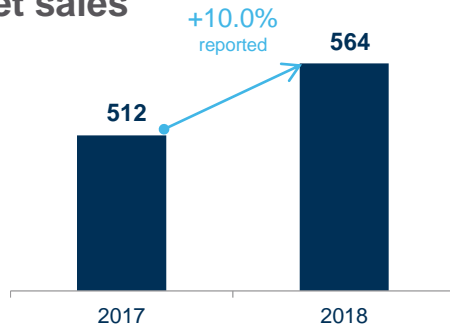
(1) Organic growth: At same perimeter and exchange rates.

(NB: In the CIS, price increases implemented to offset currency fluctuations are not included in the organic growth. Organic growth in the CIS therefore reflects volume and mix variances only).

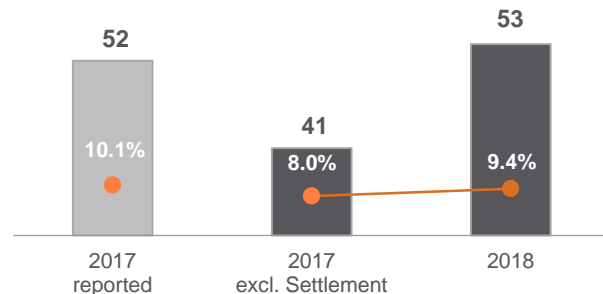
Sports FY 2018

in €m

Net sales

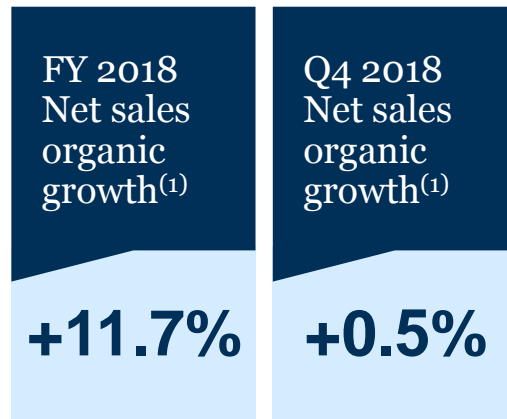


Adjusted EBITDA and Margin Evolution



(1) Organic growth: At same perimeter and exchange rates.

Tarkett – FY 2018 Financial Results – February 8, 2019



- Another year **above 10% organic growth**
- High level of activity in **Turf North America**
- Further growth in Tracks
- Solid growth in EMEA
- Successful integration of Grassman in Australia
- **EBITDA margin improvement** (+140bps) thanks to higher sales and productivity
 - > 2017 benefited from \$12m settlement in patent infringement claim

Reported EBIT at €106.6m, reflecting operational activity

in €m

	FY 2018	FY 2017
Net sales	2,836	2,841
Adjusted EBITDA ⁽¹⁾	248.7	315.1
% of net sales	8.8%	11.1%
Depreciation and amortization	(117.5)	(118.8)
Adjusted EBIT ⁽¹⁾	131.3	196.3
% of net sales	4.6%	6.9%
Adjustments to EBIT	(24.7)	(183.7)
EBIT	106.6	12.7
% of net sales	3.8%	0.4%



	FY 2018	FY 2017
Restructuring	(11.2)	(2.2)
Gain/losses on asset sales/impairment	(3.3)	(4.5)
Business combinations	(5.1)	1.3
Shared-based compensation	(4.1)	(12.1)
Others	(0.9)	(166.3)
TOTAL ADJUSTMENTS TO EBIT	(24.7)	(183.7)

- Increase in restructuring cost related to loss making activities shutdown
- 2017 penalized by €165m fine from French Anti-competition authorities

(1) Adjusted EBITDA/EBIT: Adjustments include expenses such as restructuring, acquisitions and share-based payment expenses.

Net income of €49m

in €m

	FY 2018	FY 2017
EBIT	106.6	12.7
<i>% of net sales</i>	<i>3.8%</i>	<i>0.4%</i>
Financial income and expenses	(30.1)	(23.4)
Share of profit on equity accounted investees	(7.9)	3.0
Profit before income tax	68.6	(7.7)
Income tax	(18.5)	(30.3)
<i>Effective tax rate</i>	<i>24.2%</i>	<i>19.7%⁽¹⁾</i>
Net profit (attributable to owners)	49.3	(38.7)
Earnings per share (Basic, €)	0.78	(0.61)

- **Higher financial expenses**
 - > Increased debt leading to higher interests (-€4m)
 - > Cost of debt remains contained at 2.3%
 - > FX impacts, mainly CIS (-€3m)
- **Effective Tax rate at 24.2%:**
 - > 2017 exceptionally low
 - Cancellation of 3% tax on dividends (France)
 - Recognition of tax assets
 - > 2018 benefiting from the decrease of US tax rate and conclusion of a tax litigation in Canada
- **Stable dividend maintained at €0.60/share**
 - > Option to receive dividend in shares
 - > Controlling family opting for dividend in shares

(1) Excluding the effect of the €165m French Competition Authority penalty, non tax deductible.

Free Cash Flow

in €m

	FY 2018	FY 2017
Operating cash flow before working capital changes	218.5	128.1
Change in working capital	(12.3)	(37.0)
Acquisitions of intangible assets and property, plant and equipment % of net sales	(128.2) 4.5%	(111.1) 3.9%
Net interest paid	(17.2)	(11.3)
Net taxes paid	(25.3)	(37.8)
Miscellaneous operational items paid	(0.7)	(1.0)
Proceeds from sale of property, plant and equipment	1.5	4.5
Free Cash Flow	36.4	(65.6)

▪ Working capital increase

- > Higher activity in some segments, mainly Sports
- > Slight increase in DOI⁽¹⁾ (85 days to 89 days) due to activity slowdown in Q4
- > Group average DSO⁽²⁾ stable around 45 days

▪ Increase of Capex in line with expectations:

- > Productivity through automation
- > Increased capacity in growing categories

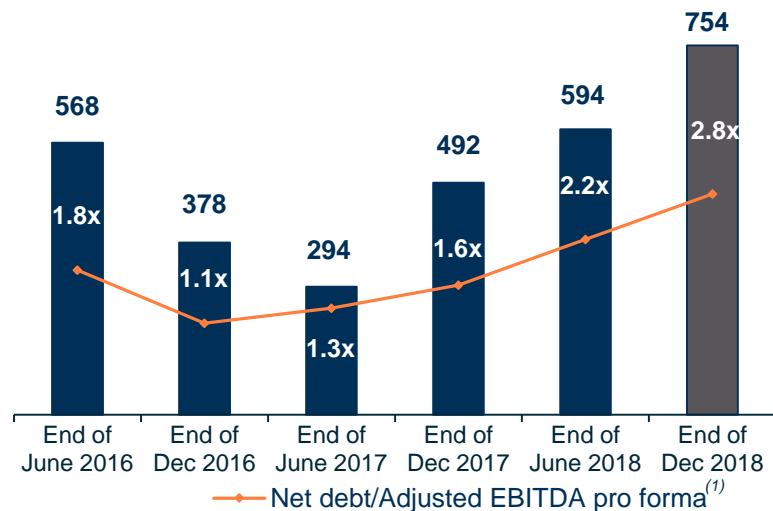
(1) DOI : Days of Inventory

(2) DSO : Days of Sales Outstanding

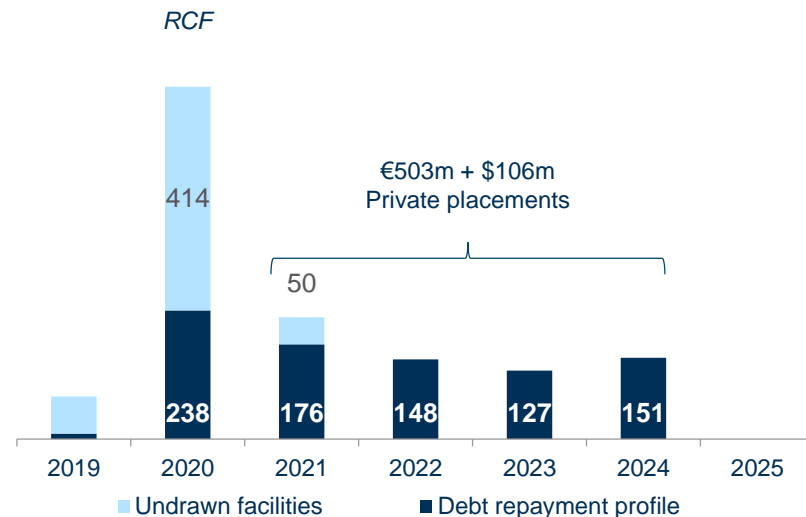
Net Debt, Leverage and Maturity

in €m

NET FINANCIAL DEBT AND LEVERAGE RATIO



MATURITY OF AVAILABLE CREDIT LINES



(1) Adjusted EBITDA pro forma : includes full year EBITDA of acquired companies
Tarkett – FY 2018 Financial Results – February 8, 2019

A wide-angle photograph of a modern office interior. The space features large glass partitions and walls, creating a bright and open atmosphere. In the foreground, there are several colorful armchairs in shades of orange, red, and blue. The floor is made of large, light-colored tiles. In the background, there are glass-walled offices and a reception area. The lighting is soft and even.

Conclusion

Fabrice Barthélemy
CEO

Management team committed to transform Tarkett

Short term
focus on
financial
results

- Restore profitability
- Improve cash generation to regain financial flexibility

New
strategic
plan in
June

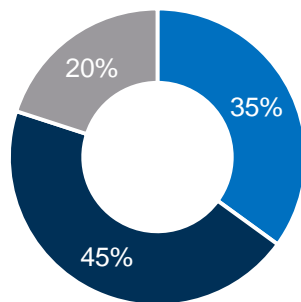
- Structurally improve financial performance
- Customer-driven organization
- Leverage Digital opportunities
- Reinforce leadership in circular economy



Appendices

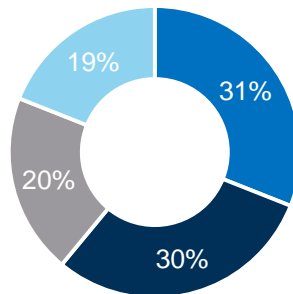
Tarkett benefits from balanced exposures

NET SALES BY GEOGRAPHIES



- EMEA (incl. Sports)
- North America (incl. Sports)
- CIS, APAC & LATAM

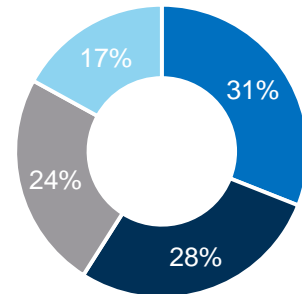
NET SALES BY REPORTING SEGMENTS



- EMEA
- North America
- CIS, APAC & LATAM
- Sports

A BALANCED PROFITABILITY PROFILE

Adjusted EBITDA⁽¹⁾ split by reporting segments



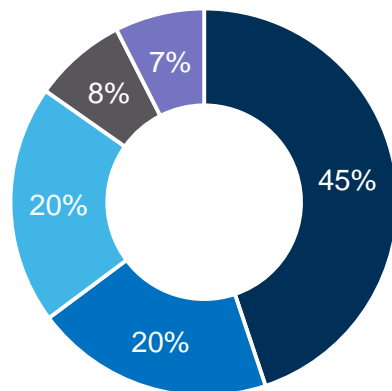
- EMEA
- North America
- CIS, APAC & LATAM
- Sports

Pro forma figures based on 2018 Net Sales and Adjusted EBITDA, i.e. including full year impact of 2018 acquisitions

(1) Adjusted EBITDA: adjustments include expenses related to restructurings, acquisitions, and share-based payment expenses. Excluding central costs.

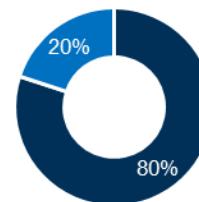
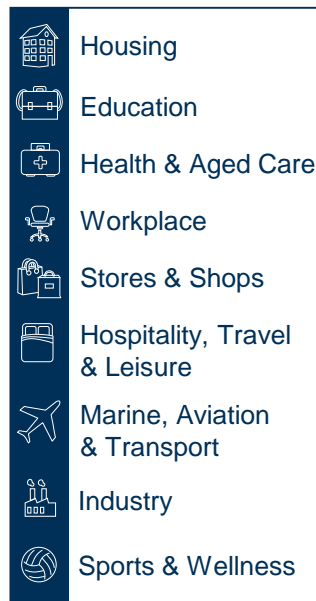
... and one of the broadest product offering providing resilience to industry cycles

ONE OF THE BROADEST PRODUCT PORTFOLIOS IN THE FLOORING INDUSTRY

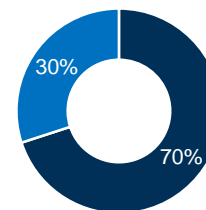


- Vinyl & Linoleum
- Commercial Carpet
- Sports
- Wood & Laminate
- Rubber & Accessories

ATTRACTIVE END-MARKETS EXPOSURE



- Renovation
- New



- Commercial
- Residential

Thanks to Lexmark, Tarkett is #3 in carpet for Hospitality in North America



Integration
&
Synergies

Lexmark: Strong company - Well recognized brand

- Net sales 2017: \$120m – profitability above industry average
- 460 employees
- 1 carpet production site in USA with state-of-the-art equipment
- #1 in carpet for hospitality rooms in North America
- Longstanding partnership with key accounts

Strategic and accretive acquisition

- Tarkett becomes #3 in carpet hospitality in North America
- Extended flooring offering to global accounts
- Lexmark management in charge of Tarkett NA Hospitality business
- Sales and cost synergies → **Accretive to Group EBITDA margin by up to +50bps***
- Closing end of Sept 2018, consolidated in Q4 2018

* Post-synergies, on a full year basis
Tarkett – FY 2018 Financial Results – February 8, 2019

Sales and adjusted EBITDA performance by quarter (Q1 & Q2)

Sales performance by quarter

€m	Q1 2018	Q1 2017	% growth	Organic Growth ⁽¹⁾	Q2 2018	Q2 2017	% growth	Organic Growth ⁽¹⁾
EMEA	228.3	243.4	-6.2%	-4.6%	236.0	237.9	-0.8%	+1.7%
North America	163.5	190.3	-14.1%	-1.6%	214.8	222.4	-3.4%	+3.7%
CIS, APAC & LATAM	116.3	121.3	-4.1%	+5.0%	145.4	154.4	-5.8%	+1.4%
Sports	59.8	56.7	+5.4%	+15.9%	153.2	137.6	+11.3%	+18.5%
TOTAL	567.9	611.7	-7.2%	+0.1%	749.4	752.3	-0.4%	+5.3%
€m	Q1 2018	Q1 2017	Q1 2018 Margin	Q1 2017 Margin	Q2 2018	Q2 2017	Q2 2018 Margin	Q2 2017 Margin
Adjusted EBITDA⁽²⁾	29.8	51.5	5.2%	8.4%	86.3	108.8	11.5%	14.5%

(1) Organic growth: At same perimeter and exchange rates (NB: In the CIS, price increases implemented to offset currency fluctuations are not included in the organic growth. Organic growth in the CIS therefore reflects volume and mix variances only).

(2) Adjusted EBITDA: Adjustments include expenses such as restructuring, acquisitions and share-based payment expenses.

Sales and adjusted EBITDA performance by quarter (Q3 & Q4)

Sales performance by quarter

€m	Q3 2018	Q3 2017	% growth	Organic Growth ⁽¹⁾	Q4 2018	Q4 2017	% growth	Organic Growth ⁽¹⁾
EMEA	225.2	227.1	-0.8%	+0.9%	218.9	217.9	+0.4%	+1.9%
North America	206.0	197.9	+4.1%	+4.3%	199.3	172.8	+15.3%	-2.2%
CIS, APAC & LATAM	165.4	178.0	-7.1%	-4.8%	153.4	165.3	-7.2%	-5.5%
Sports	243.3	220.4	+10.4%	+11.8%	107.3	97.6	+10.0%	+0.5%
TOTAL	839.9	823.5	+2.0%	+3.4%	678.8	653.6	+3.9%	-1.3%
€m	Q3 2018	Q3 2017	Q3 2018 Margin	Q3 2017 Margin	Q4 2018	Q4 2017	Q4 2018 Margin	Q4 2017 Margin
Adjusted EBITDA⁽²⁾	97.7	101.2	11.6%	12.3%	35.0	53.7	5.2%	8.2%

(1) Organic growth: At same perimeter and exchange rates (NB: In the CIS, price increases implemented to offset currency fluctuations are not included in the organic growth. Organic growth in the CIS therefore reflects volume and mix variances only).

(2) Adjusted EBITDA: Adjustments include expenses such as restructuring, acquisitions and share-based payment expenses.

Sales and adjusted EBITDA performance in H1

	Net Sales				Adjusted EBITDA ⁽²⁾			
€m	H1 2018	H1 2017	% growth	Organic Growth ⁽¹⁾	H1 2018	H1 2017	H1 2018 Margin	H1 2017 Margin
EMEA	464.3	481.3	-3.5%	-1.5%	57.1	68.5	12.3%	14.2%
North America	378.3	412.7	-8.3%	+1.3%	35.5	51.7	9.4%	12.5%
CIS, APAC & LATAM	261.7	275.7	-5.1%	+3.0%	31.1	40.2	11.9%	14.6%
Sports	213.0	194.3	+9.6%	+17.8%	13.9	23.0	6.5%	11.9%
Central Costs	-	-	-	-	(21.5)	(23.1)	-	-
TOTAL	1,317.3	1,364.0	-3.4%	+3.0%	116.1	160.3	8.8%	11.8%

(1) Organic growth: At same perimeter and exchange rates (NB: In the CIS, price increases implemented to offset currency fluctuations are not included in the organic growth. Organic growth in the CIS therefore reflects volume and mix variances only).

(2) Adjusted EBITDA: Adjustments include expenses related such as restructuring, acquisitions and share-based payment expenses.

Sales and adjusted EBITDA performance in H2

	Net Sales				Adjusted EBITDA ⁽²⁾			
€m	H2 2018	H2 2017	% growth	Organic Growth ⁽¹⁾	H2 2018	H2 2017	H2 2018 Margin	H2 2017 Margin
EMEA	444.1	445.1	-0.2%	+1.4%	40.2	58.3	9.1%	13.1%
North America	405.3	370.7	+9.3%	+1.3%	34.6	43.3	8.5%	11.7%
CIS, APAC & LATAM	318.7	343.3	-7.2%	-5.1%	43.0	48.3	13.5%	14.1%
Sports	350.6	318.0	+10.3%	+8.3%	39.0	28.5	11.2%	9.0%
Central Costs	-	-	-	-	(24.1)	(23.6)	-	-
TOTAL	1,518.8	1,477.1	+2.8%	+1.3%	132.7	154.8	8.7%	10.5%

(1) Organic growth: At same perimeter and exchange rates (NB: In the CIS, price increases implemented to offset currency fluctuations are not included in the organic growth. Organic growth in the CIS therefore reflects volume and mix variances only).

(2) Adjusted EBITDA: Adjustments include expenses related such as restructuring, acquisitions and share-based payment expenses.

Sales and adjusted EBITDA performance in 2018

	Net Sales				Adjusted EBITDA ⁽²⁾			
€m	2018	2017	% growth	Organic Growth ⁽¹⁾	2018	2017	2018 Margin	2017 Margin
EMEA	908.4	926.4	-1.9%	-0.1%	97.3	126.8	10.7%	13.7%
North America	783.6	783.4	0.0%	+1.3%	70.2	95.0	9.0%	12.1%
CIS, APAC & LATAM	580.5	619.0	-6.2%	-1.5%	74.1	88.5	12.8%	14.3%
Sports	563.6	512.3	+10.0%	+11.7%	52.8	51.5	9.4%	10.0%
Central Costs	-	-	-	-	(45.6)	(46.7)	-	-
TOTAL	2,836.1	2,841.1	-0.2%	+2.1%	248.7	315.1	8.8%	11.1%

(1) Organic growth: At same perimeter and exchange rates (NB: In the CIS, price increases implemented to offset currency fluctuations are not included in the organic growth. Organic growth in the CIS therefore reflects volume and mix variances only).

(2) Adjusted EBITDA: Adjustments include expenses related such as restructuring, acquisitions and share-based payment expenses.

New norm IFRS 16 – Lease accounted for as Assets

in €m

	FY 2018	IFRS 16 Estimated impact ⁽¹⁾	Simulation of FY 2018 incl. IFRS16
Net Financial Debt	754	+100	854
Net Debt/Adjusted EBITDA ⁽²⁾ proforma ⁽³⁾	2.8x	+0.1x	2.9x
Adjusted EBITDA ⁽²⁾	249	+28	276
% of net sales	8.8%	+97bps	9.7%
Depreciation and amortization	(117)	(26)	(143)
EBIT	107	+2	109
Financial income and expenses	(30)	(3)	(33)
Net profit (attributable to owners)	49	(1)	49

(1) Preliminary estimate based on preparatory work done to deploy the new norm

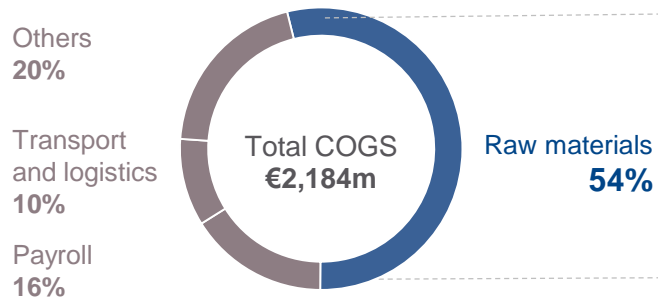
(2) Adjusted EBITDA: Adjustments include expenses such as restructuring, acquisitions and share-based payment expenses.

(3) Pro forma : includes full year EBITDA of acquired companies

- New norm IFRS 16 on leases is effective 1st of January, 2019
- Assets leased are to be recognized as Fixed Asset financed by Financial Debt
- Preliminary estimates for Tarkett in 2019:
 - > **+€100m in Net Financial Debt**
 - > **+€28m in Adjusted EBITDA**
 - > +€2m in EBIT
 - > Around -€1m impact on net result
- Based in 2018 financials, this leads to:
 - ⇒ ~+100bps in EBITDA margin
 - ⇒ Net Debt/Adjusted EBITDA proforma at 2.9x (+0.1x, vs. 2.8x reported)

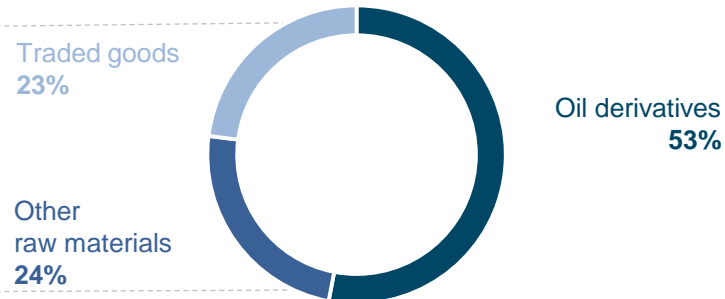
Cost of goods sold and Raw materials details

COGS BREAKDOWN



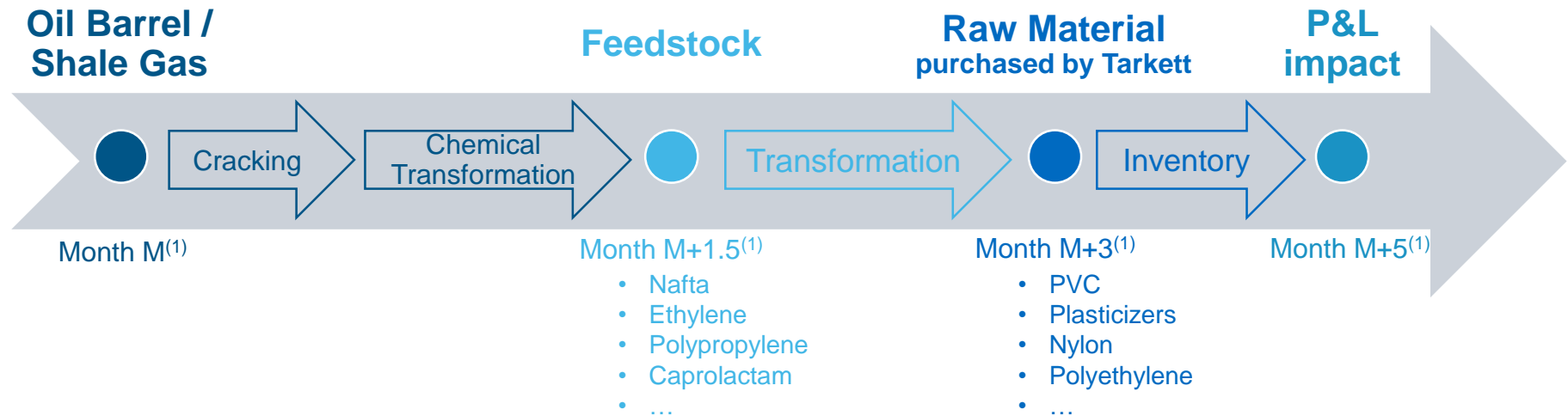
As of December 2018

MATERIAL CONSUMPTION DETAIL



As of December 2018

Key Oil Derivatives: Purchasing Price Drivers



> Oil barrel price impact raw materials price with a lag

- Pricing formulas have also a negotiated fixed part

> Other drivers of price evolution

• Offer/Production

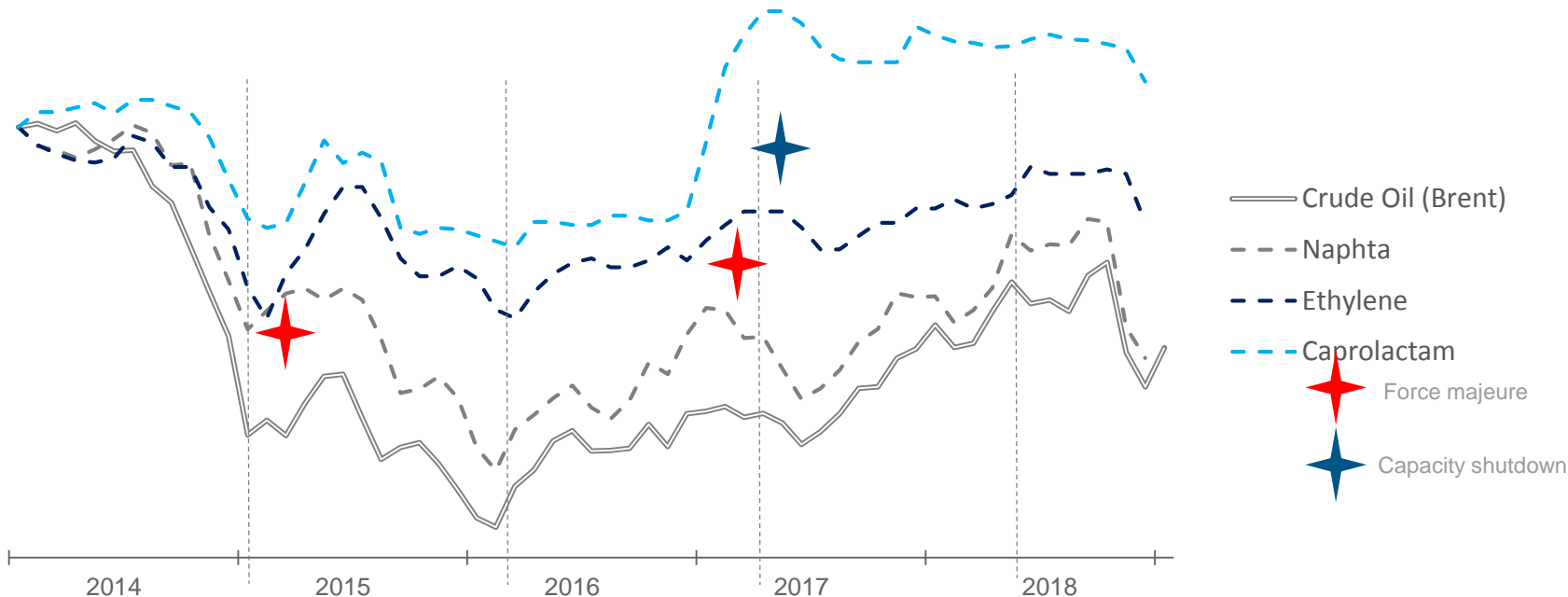
- ✓ “Force Majeure”: industrial accident, weather event (e.g.: Harvey hurricane, Rhine drought)
- ✓ Structural change in production capacity

- **Demand evolution**, also impacted by other industries (e.g.: automotive or textile)

(1) Indicative timeline for oil derivatives materials purchased by Tarkett. This may change depending on market conditions and negotiations.

Vinyl and carpet key oil derivatives⁽¹⁾ - Price evolution

Index Base 100 January 2014



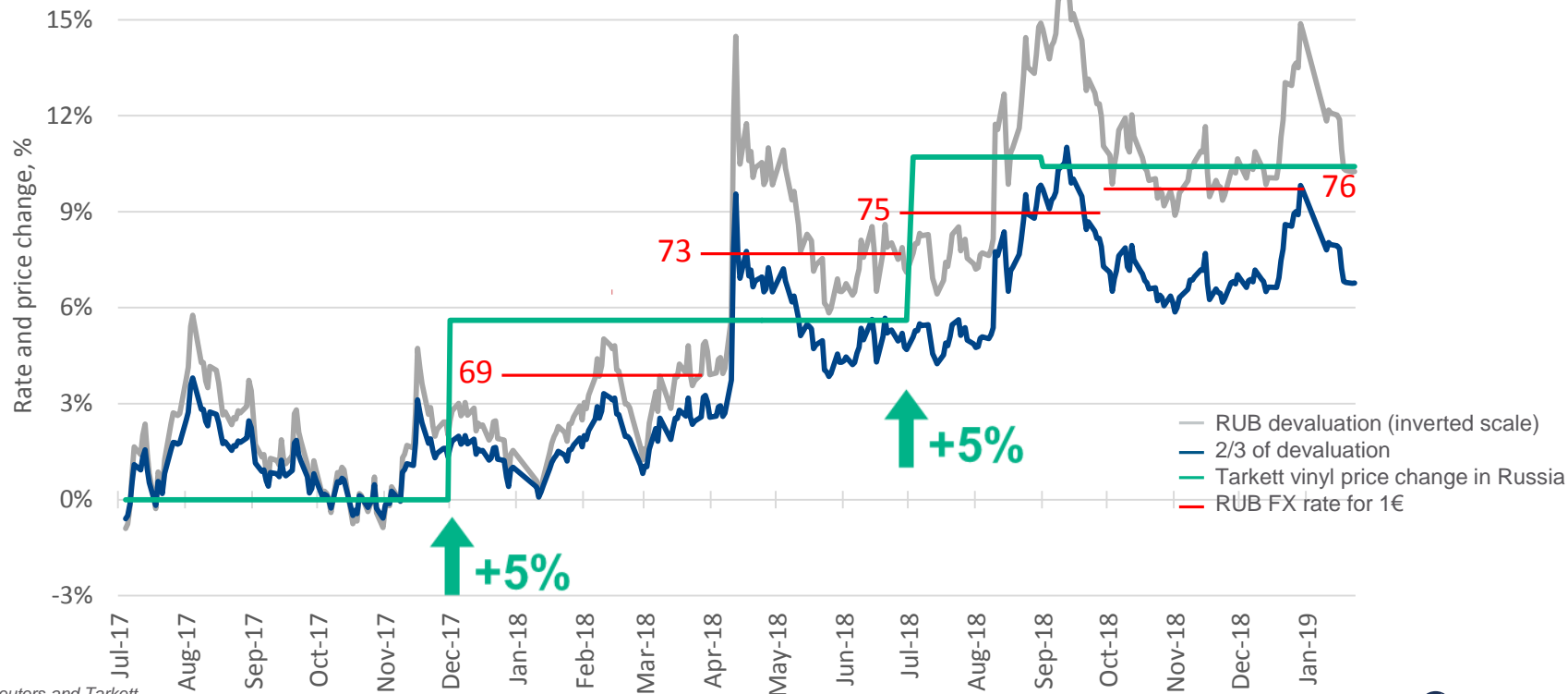
(1) Selection of oil derivatives feedstock – Oil derivatives purchase represent 54% of Tarkett material cost.

Sources: IHS Markit, Tecnon OrbiChem, Tarkett

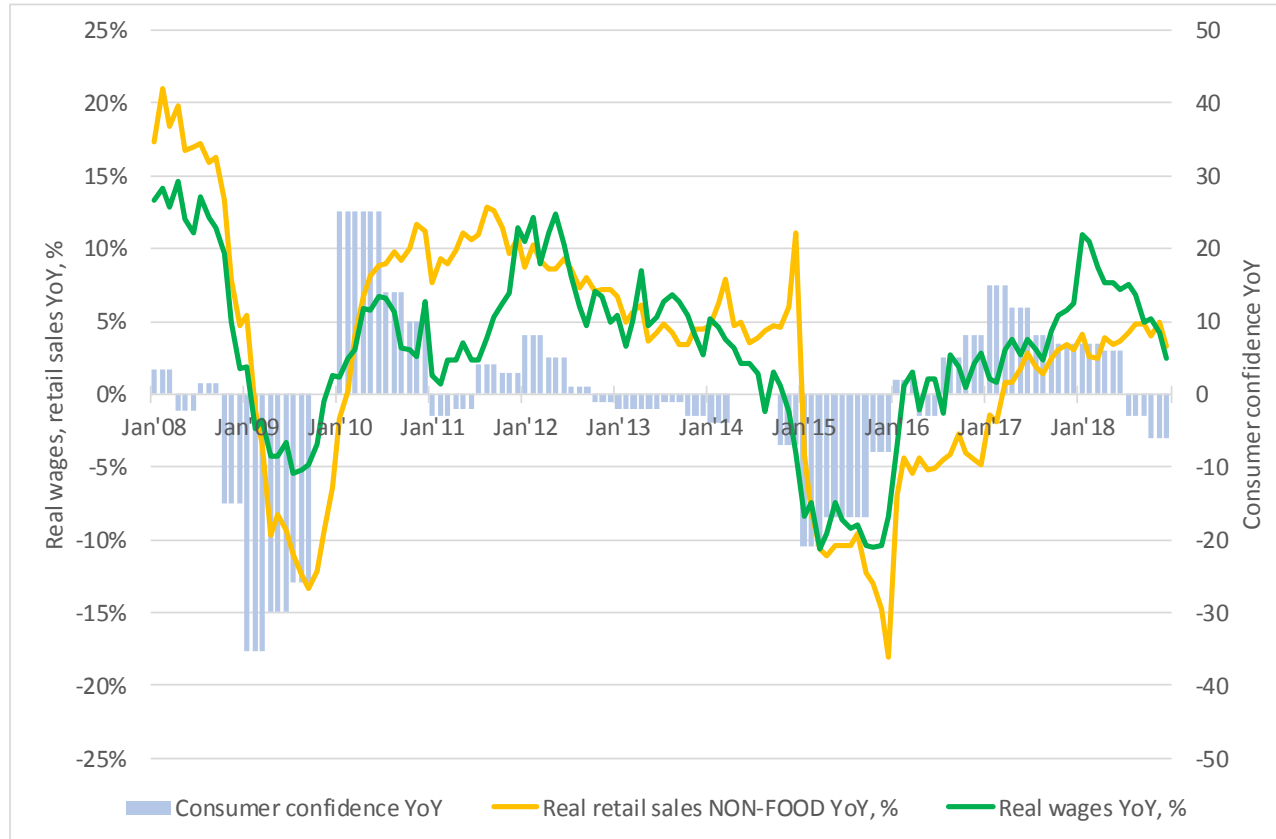
Tarkett – FY 2018 Financial Results – February 8, 2019

Russia: Selling price strategy to adapt to the exchange rate evolution

Evolution of Tarkett Vinyl prices in Russia and EUR/RUB exchange rate



Russia: consumer confidence, real retail sales and real wages

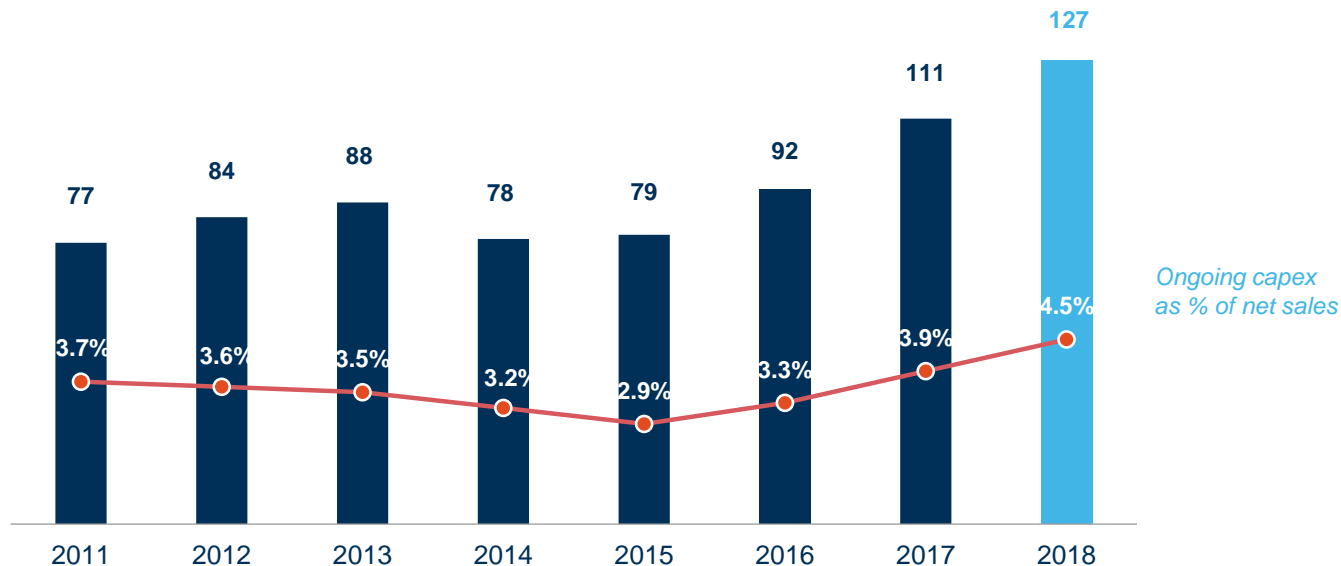


Source: Rosstat.

Tarkett – FY 2018 Financial Results – February 8, 2019

Capex

Ongoing Capex in €m



Objective: 3.5%-4.0% of sales in 2019

Return On Invested Capital (ROIC)

NEW

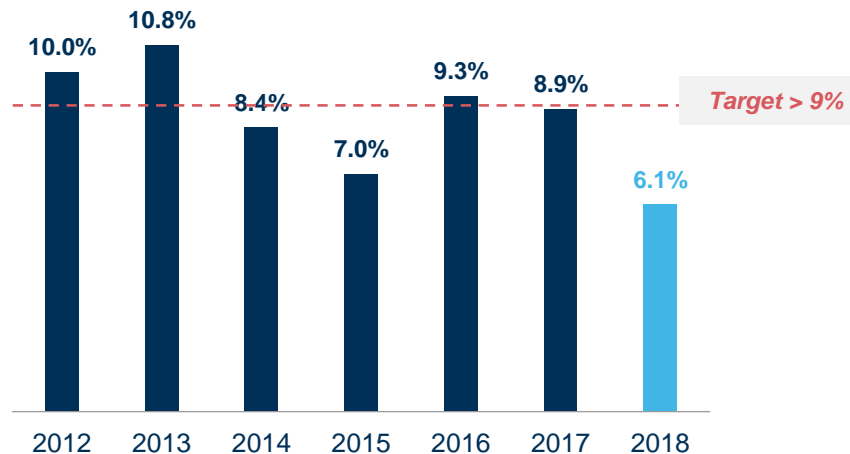
$$\text{ROIC} = \frac{\text{NOPAT}^{(1)}}{\text{Invested Capital}}$$

Adjusted EBIT
x
(1 - Normative tax rate)

NOPAT⁽¹⁾

Goodwill + Tangible
& intangible Assets
+ Working Capital

ROIC



⁽¹⁾ Pro forma NOPAT (Net Operating Profit After Tax) including 12 months of activity of acquired companies

Liquidity

As of December 31, 2018

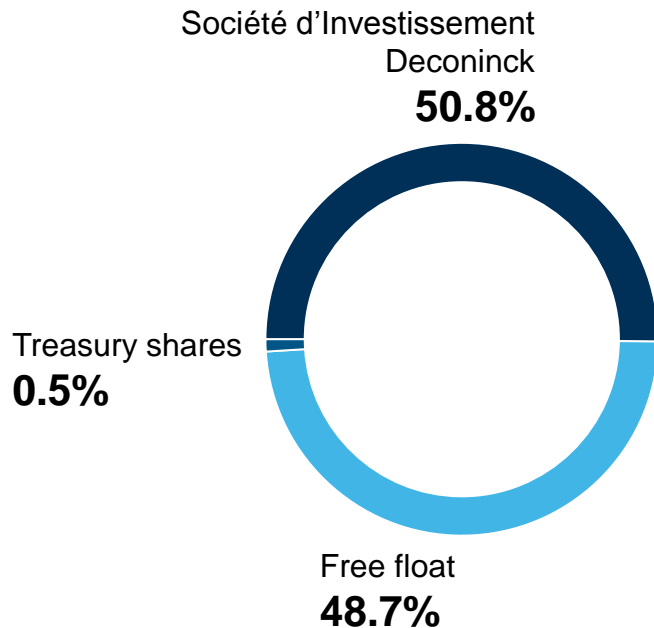
In €m

	Utilization	Credit Lines
Syndicated Facility (RCF)	235.8	650
Private Placement	595.5	595.5
Asset-backed financing	0	50
Other	18	87.3
Total Borrowings	849.3	1,382.8
Cash and cash equivalent	95.7	
Net Debt	753.6	

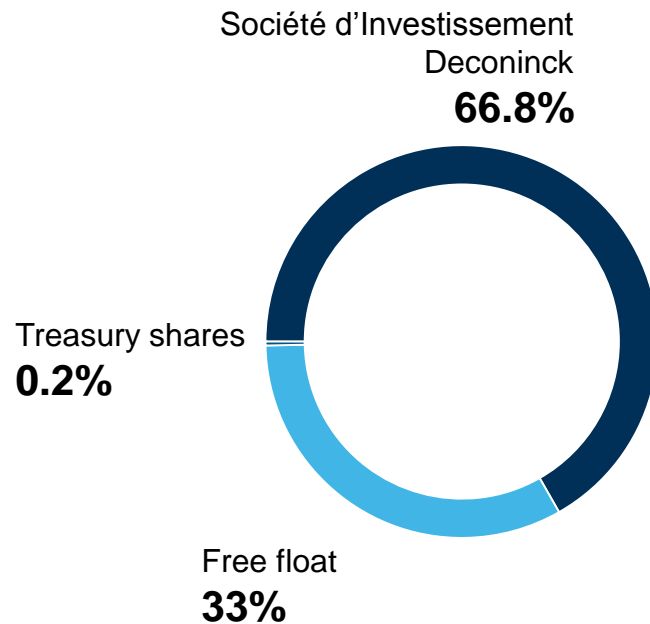
Shareholding structure

As of December, 2018

SHAREHOLDING



VOTING RIGHTS



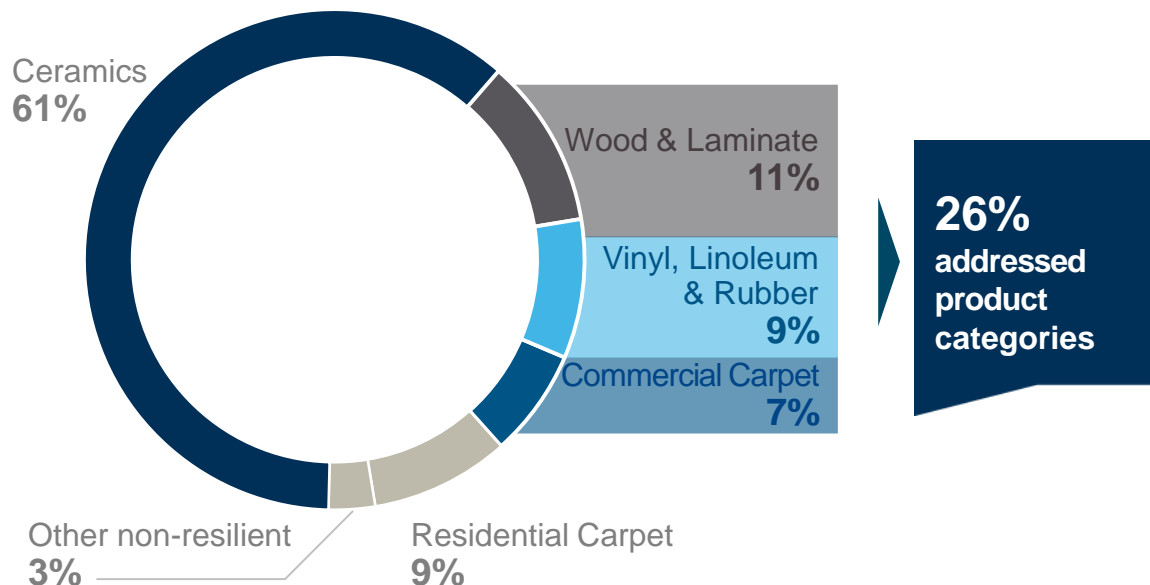
Global flooring market

Flooring market is **growing more or less in line** with **GDP growth**, with specificities by region and product

Flooring market (excluding ceramics) is **~80%** exposed to **renovation**

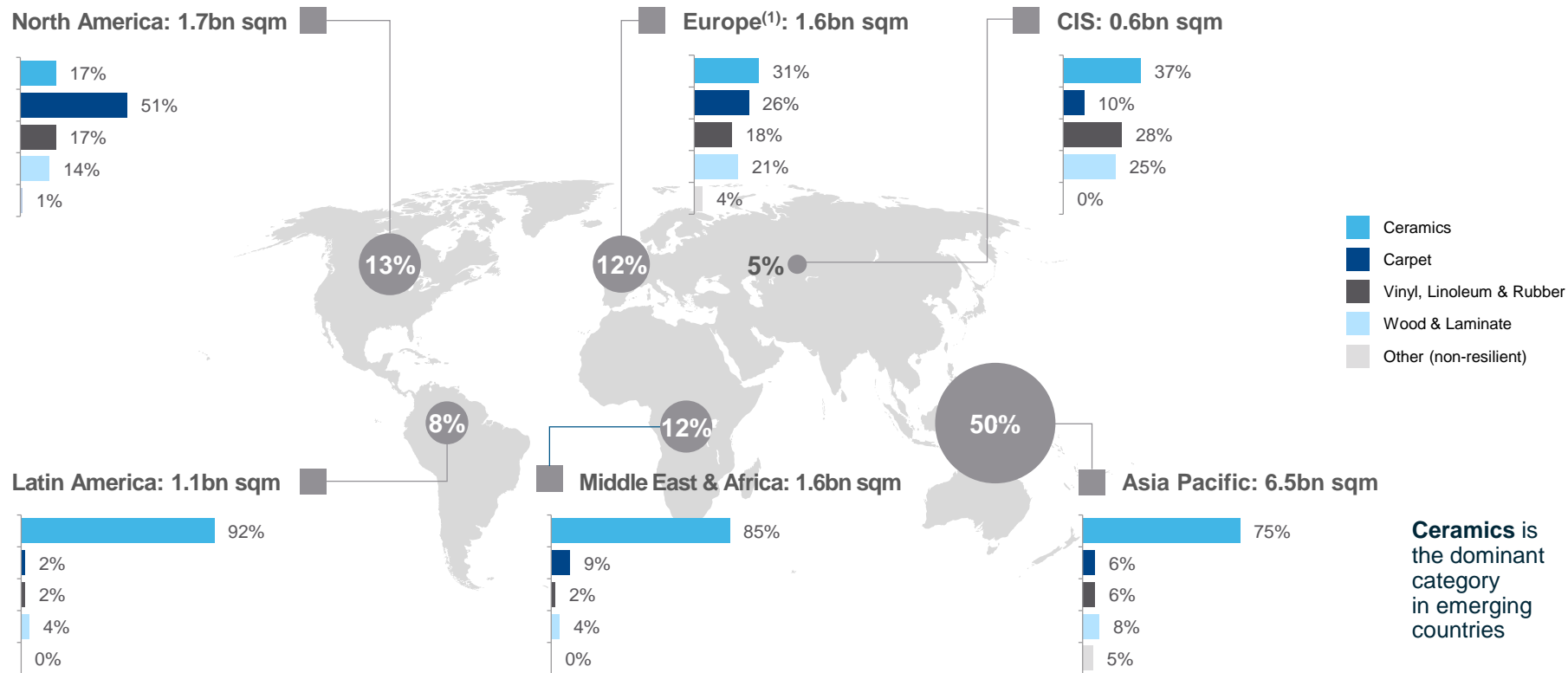
Flooring market is a **very traditional industry** where customers value **reputation** and **long-term relationships**

World flooring market = 13.1bn sqm⁽¹⁾



(1) 2016 breakdown of volume demand by product. Source: Tarkett estimate (World Flooring Report - July 2017).

Flooring preferred categories vary greatly across world





Disclaimer

This document may contain estimates and/or forward-looking statements. Such statements do not constitute forecasts regarding Tarkett's results or any other performance indicator, but rather trends or targets, as the case may be. These statements are by their nature subject to risks and uncertainties, many of which are outside Tarkett's control, including, but not limited to the risks described in Tarkett's registration document, the French version of which was filed on March 21, 2018 and is available on www.tarkett.com. These statements do not warrant future performance of Tarkett, which may materially differ. Tarkett does not undertake to provide updates of these statements to reflect events that occur or circumstances that arise after the date of this document.

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