



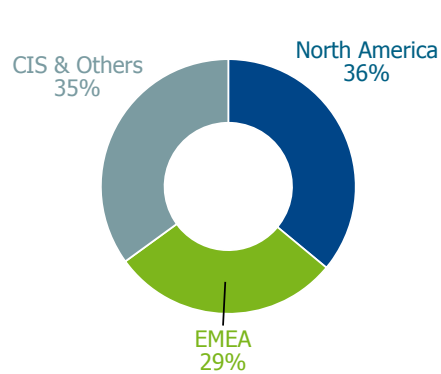
H1 2014 Financial Results

July 31, 2014



Balanced exposures providing resilience to industry cycles

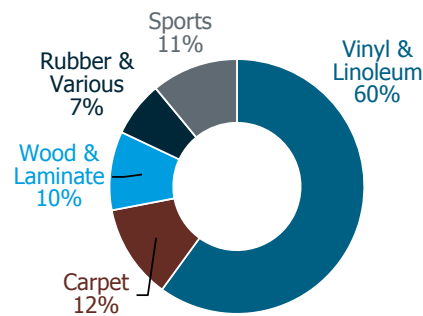
Uniquely balanced geographic exposure



As % of 2013 net sales

c. 100 countries globally

One of the broadest product portfolios in the flooring industry



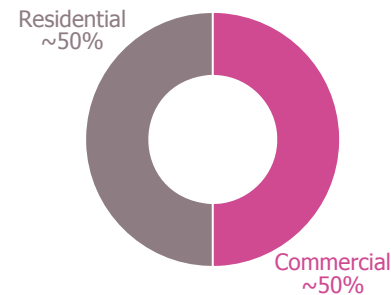
As % of 2013 net sales

Broad and differentiated product portfolio

Attractive end-markets exposure

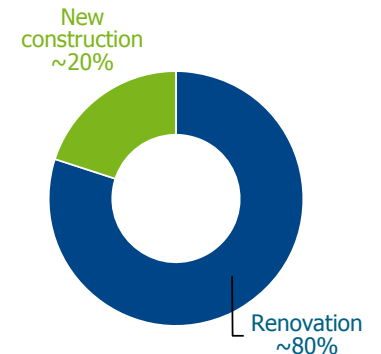
Balanced

Resilience



Estimated sales split

c. 50/50% split (residential/commercial)



Estimated volume split

c. 80% renovation-driven



Retail & Hospitality



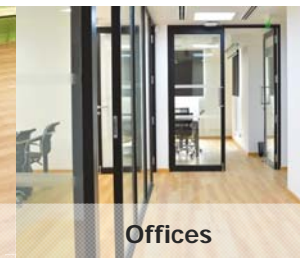
Healthcare



Housing



Education



Offices



Sports

A tough economic environment leading to GDP growth forecast downgrades

IMF's GDP latest growth forecasts - July 2014

July 2014 forecasts for:				
Country	2014	2015	2016	2017
United States	1.7%	3.0%	3.0%	2.9%
Euro Area	1.1%	1.5%	0.0%	0.0%
Germany	1.9%	1.7%	1.4%	1.4%
France	0.7%	1.4%	1.7%	1.8%
UK	3.2%	2.7%	2.4%	2.3%
Sweden	2.8%	2.6%	2.5%	2.4%
Russia	0.2%	1.0%	2.5%	2.5%
Brazil	1.3%	2.0%	3.0%	3.1%
China	7.4%	7.1%	7.0%	6.8%
World	3.4%	4.0%		
World excl. China	2.8%	3.5%		

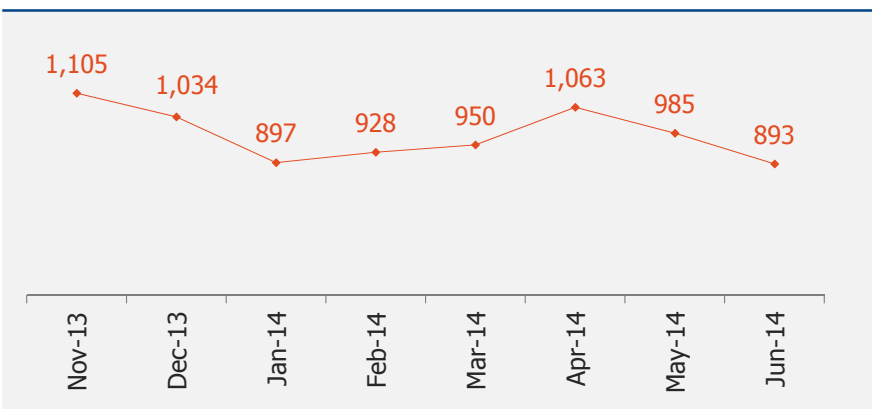
Source: International Monetary Fund as at July 24, 2014.

Forecast evolutions since April 2014

Revision of forecasts (pts) since April 2014 for:			
Country	2014	2015	2016
United States	-1.1	0.0	No update
Euro Area	-0.1	0.0	
Germany	0.2	0.1	
France	-0.3	-0.1	
UK	0.3	0.2	
Sweden	0.0	0.0	
Russia	-1.1	-1.3	
Brazil	-0.5	-0.7	
China	-0.1	-0.2	
World	-0.2	0.1	
World excl. China	-0.2	0.1	

■ Above +0,5 pts
■ +0,2 to +0,5 pts
■ -0,2 to +0,2 pts
■ -0,2 to -0,5 pts
■ Below -0,5 pts

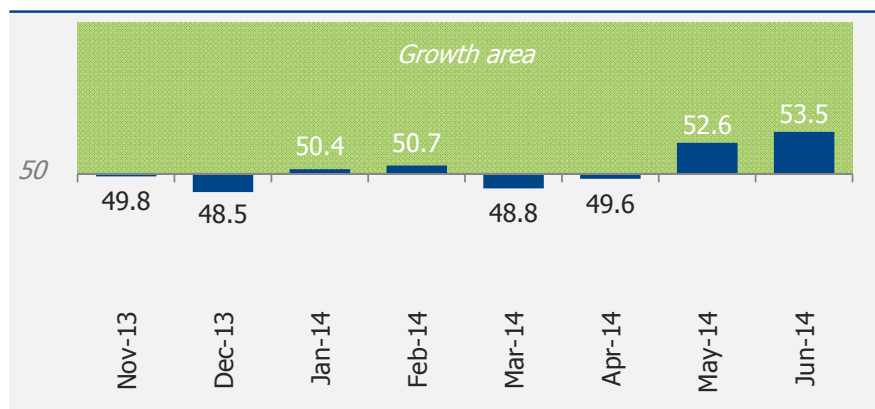
US Residential - Housing starts¹



Source: National association of homebuilders.

Note: (1) Annualised number of housing starts (in thousands).

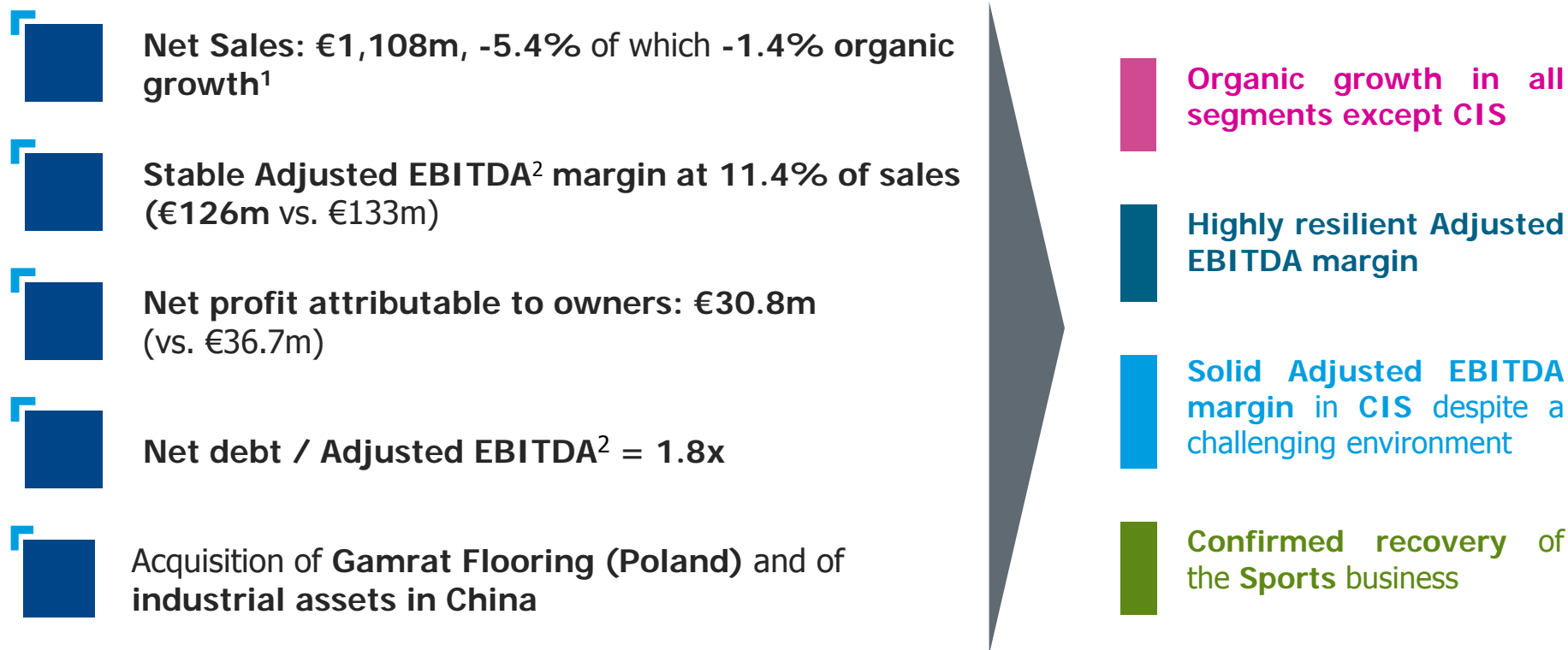
US Commercial - ABI Index



Source: AIA organisation.

The Architecture Billings Index is a leading economic indicator that provides an approximately 9-12 month glimpse into the future of non residential construction spending activity.

H1 2014 Highlights vs. H1 2013



Note: (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 to restructuring, acquisitions and certain other non-recurring items.



H1 2014 Activity

A continuing unfavorable currency environment → (€50m) impact on sales

1 euro =	Average H1 2014	Average H1 2013	% Change ¹	Impact on	
				Sales	Adj. EBITDA ²
US dollar (USD)	1.37	1.31	(4.3)%	(€32.5m)	(€8.0m)
Canadian dollar (CAD)	1.50	1.34	(10.9)%		
Brazilian real (BRL)	3.15	2.69	(14.6)%		
Australian dollar (AUD)	1.51	1.30	(13.5)%		
Norwegian crown (NOK)	8.31	7.56	(9.1)%		
British pound (GBP)	0.82	0.85	3.3%		
Russian ruble (RUR)	47.65	40.72	(14.5)%	(€17.5m)	(€7.4m)
Ukrainian hryvnia (UAH)	14.06	10.47	(25.5)%		
Kazakh tenge (KZT)	239.50	197.87	(17.4)%		

Impact on Sales of (€50m) and Impact on Adjusted EBITDA² of (€15m)

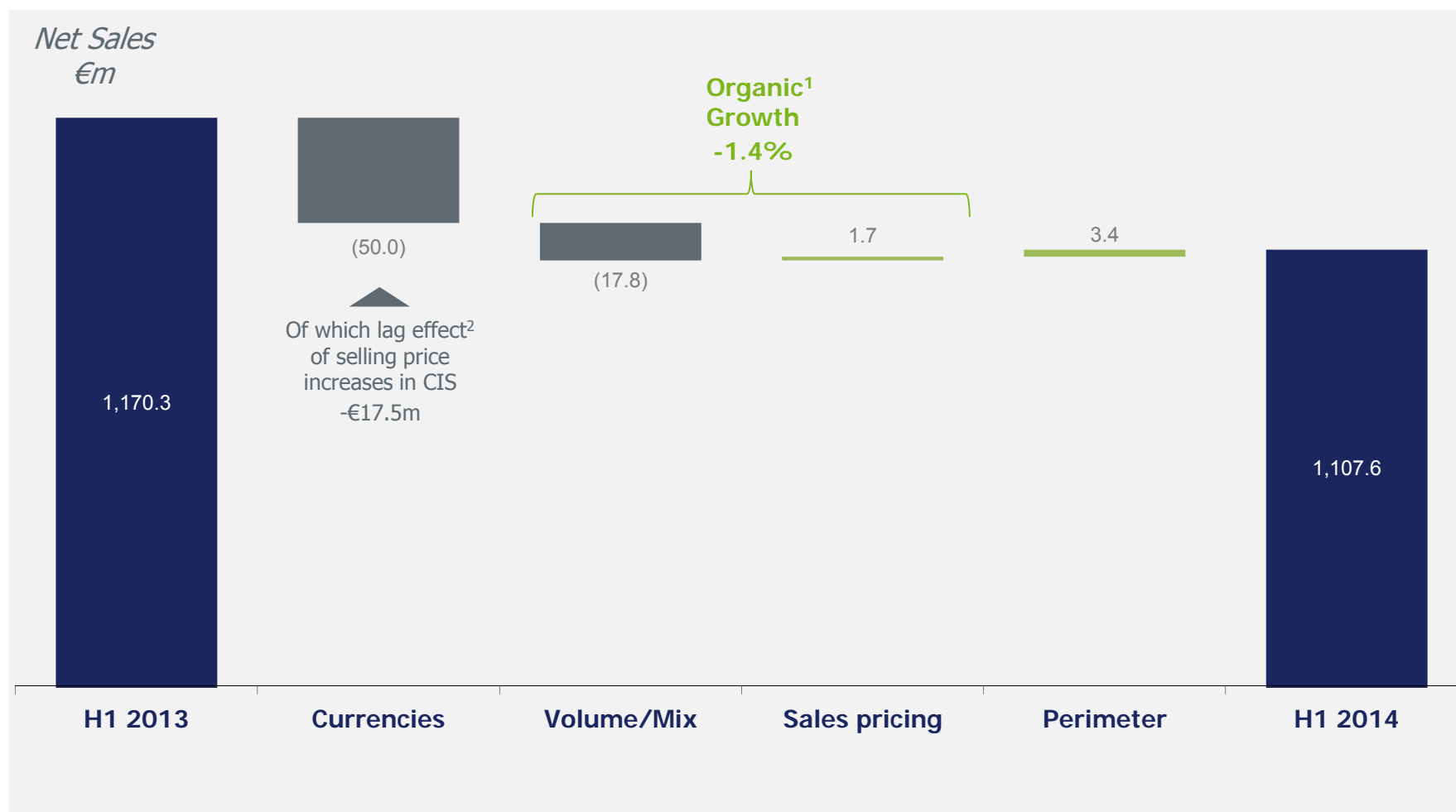
Note: (1) % change = (H1-13 / H1-14) -1.

(2) Adjusted EBITDA: Adjustments include expenses related to restructuring, acquisitions and certain other non-recurring items.

CIS Countries: Quick actions to cope with a challenging environment

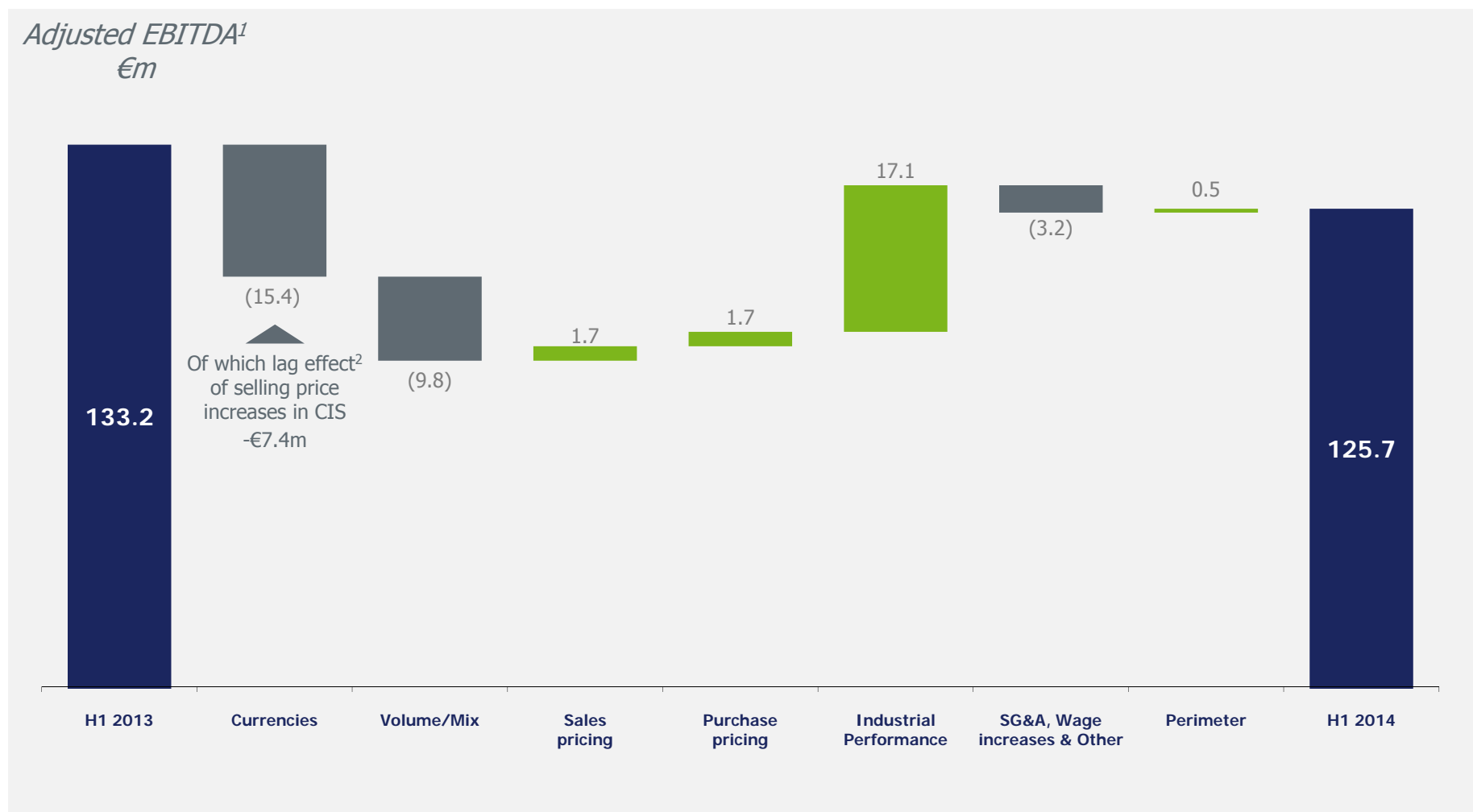
Situation	Tarkett's Actions
Currency Devaluation => <i>Prices</i>	<ul style="list-style-type: none">■ In Russia<ul style="list-style-type: none">– Price increase of +5.0%, effective April 1, 2014 with full effect in Q2 2014■ In Ukraine<ul style="list-style-type: none">– Price increase of +10%, on February 24, 2014– Subsequently, additional price increases or prices fixed in euros■ In Kazakhstan, new price lists in February, fully compensating devaluation
Currency Devaluation => <i>Costs</i>	<ul style="list-style-type: none">■ Work on raw materials sourcing to decrease costs denominated in euros<ul style="list-style-type: none">➤ ~65% of costs are denominated in euros, versus ~70% at the beginning of the year
Weaker Demand	<ul style="list-style-type: none">■ Demonstrated ability to flex direct costs■ Strict discipline in SG&A expenses management

Net Sales Evolution in H1 2014



Note: (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) Net impact of currency devaluations mitigated by price increases.

Adjusted EBITDA¹ H1 2014 vs. H1 2013

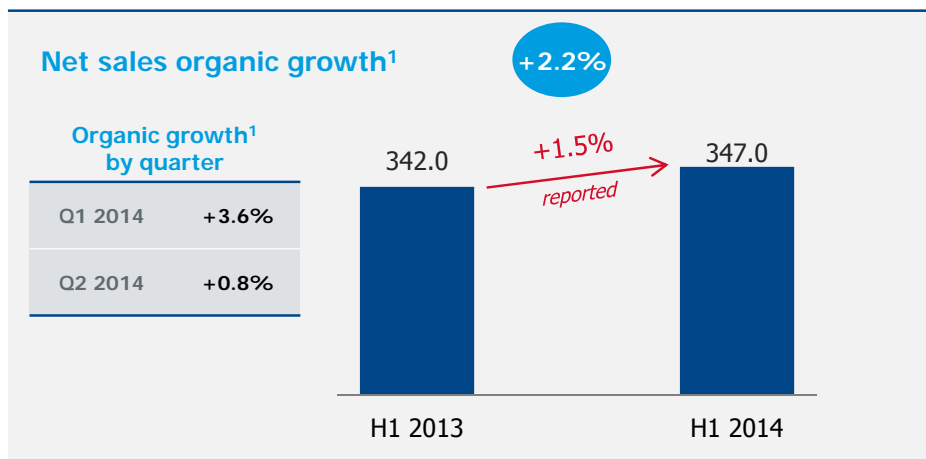


Note: (1) Adjusted EBITDA: Adjustments include expenses related to restructuring, acquisitions and certain other non-recurring items.

(2) Net impact of currency devaluations mitigated by price increases.

EMEA H1 2014

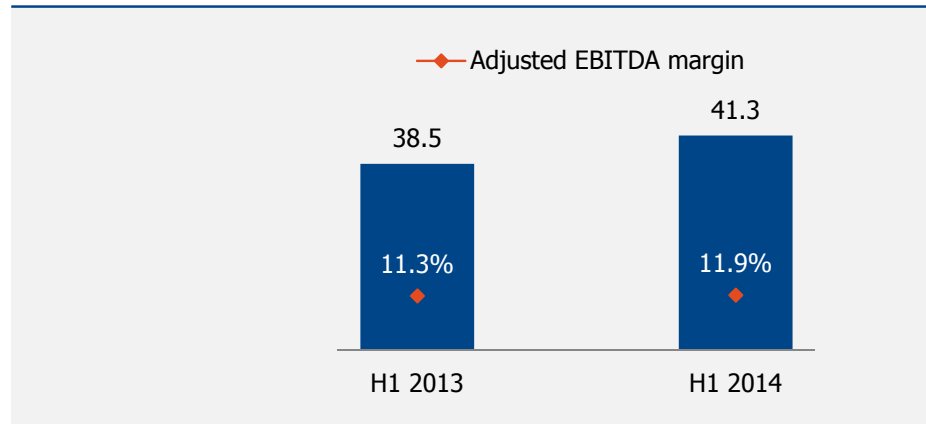
Net sales evolution - €m



Comments

- Positive performance in Central Europe and in Scandinavia
- Continuing recovery in Southern Europe
- France still negative, but trends improving in Q2
- Continuing improvements in operational efficiencies along the entire value chain

Adjusted EBITDA² evolution - €m

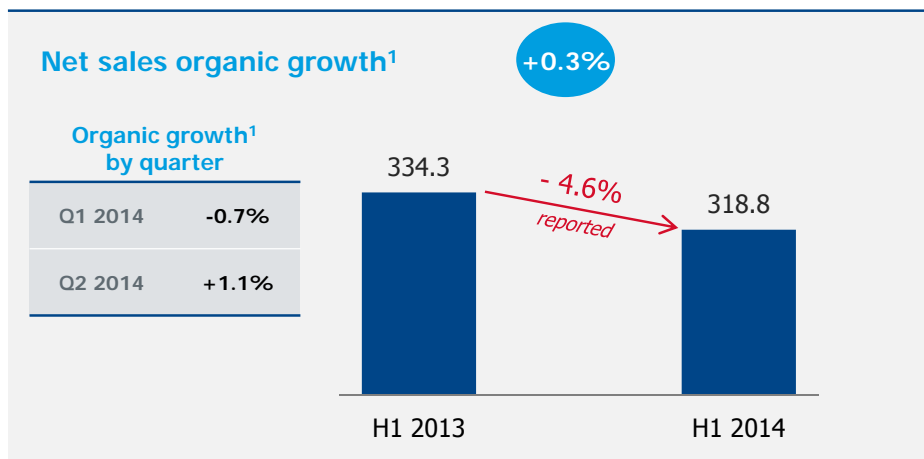


Note: (1) Organic growth: At same perimeter and exchange rates (NB: In the CIS, price increases implemented to offset currency fluctuations are not included in the organic growth. Organic growth in the CIS therefore reflects volume and mix variances only).

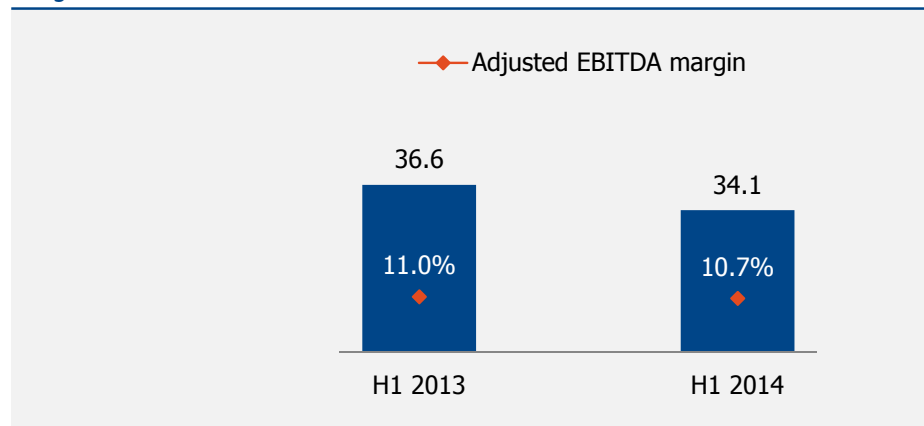
(2) Adjusted EBITDA: Adjustments include expenses related to restructuring, acquisitions and certain other non-recurring items.

North America H1 2014

Net sales evolution - €m



Adjusted EBITDA² evolution - €m



Comments

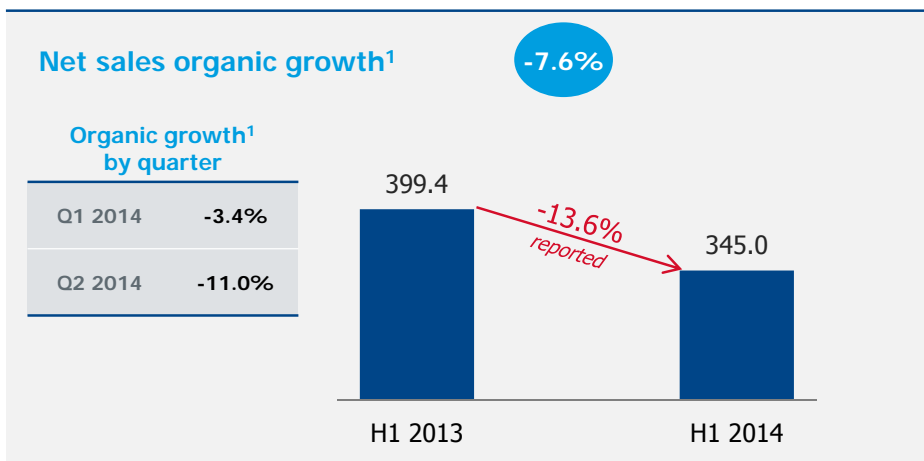
- Commercial activities remained on a positive trend
- Soft residential sales as more selective strategy in certain distribution channels
- Combination of Centiva's sales forces (high-end commercial tiles) with Tandus'
- Marketing investments, in particular samples and displays, related to the launch of new product collections

Note: (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).

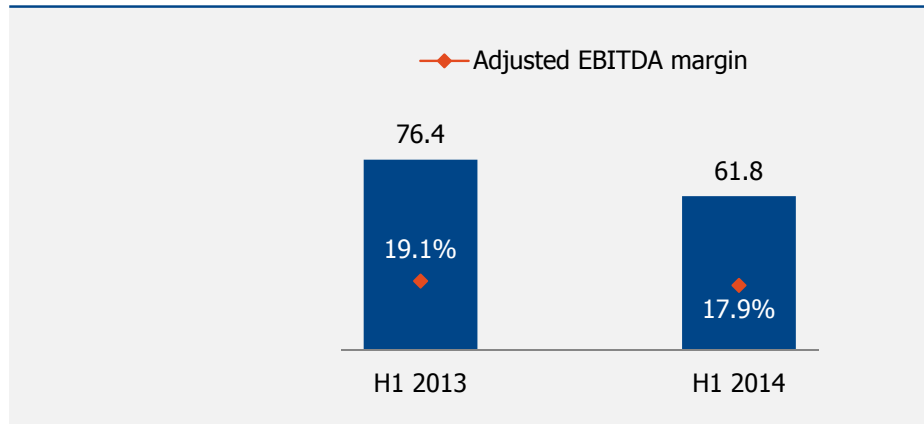
(2) Adjusted EBITDA: Adjustments include expenses related to restructuring, acquisitions and certain other non-recurring items.

CIS & Others H1 2014

Net sales evolution - €m



Adjusted EBITDA² evolution - €m



Note: (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 to restructuring, acquisitions and certain other non-recurring items.

Comments

CIS countries

- Volumes mainly impacted by the slowdown of the Russian economy
 - In Ukraine, business disturbed in Q2 on the Eastern side of the country
 - Successful and quick price increases implementation
- Leadership position helped to limit EBITDA margin decrease to only 120 bps

Latin America

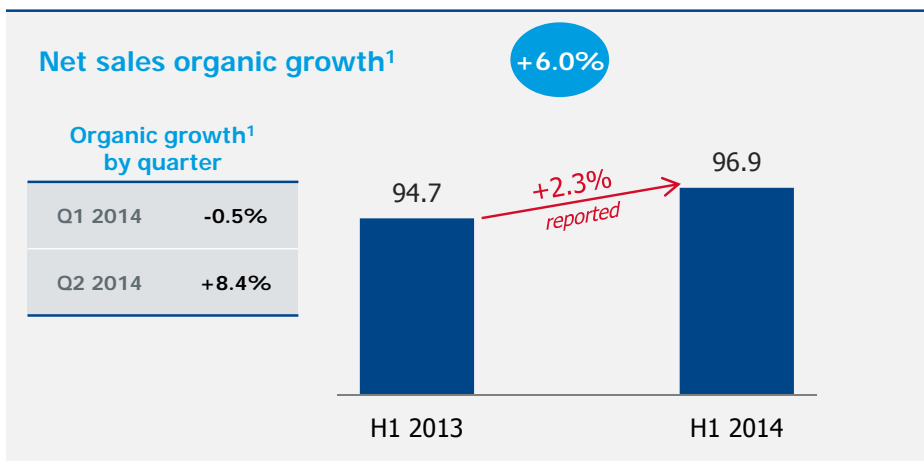
- Success of our LVT range now partially produced locally following the addition of a new production line in our Brazilian facility

APAC

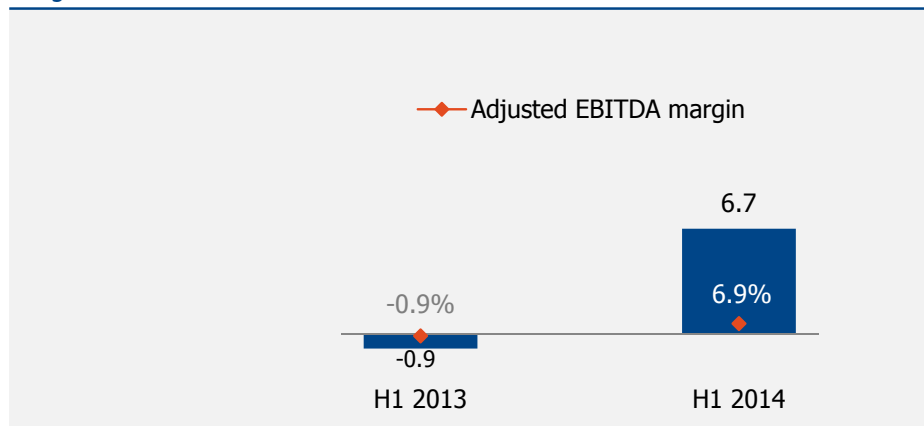
- Vigorous activity in China
- Flat activity in Australia

Sports H1 2014

Net sales evolution - €m



Adjusted EBITDA² evolution - €m



Comments

- Most business lines and regions in growth
→ Confirmed on-going recovery of the activity
- Resolution of some litigations
- Strong order book at the end of June
- Significant improvement in efficiency and costs at fiber extrusion manufacturing facility

Note: (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 to restructuring, acquisitions and certain other non-recurring items.

Adjusted EBIT Margin: -30 bps vs. H1 2013

€m	H1 2014	H1 2013		H1 2014	H1 2013
Net sales	1,107.6	1,170.3			
Adjusted EBITDA¹	125.7	133.2			
<i>% of net sales</i>	<i>11.4%</i>	<i>11.4%</i>			
Depreciation	(49.2)	(49.5)			
Adjusted EBIT	76.6	83.7			
<i>% of net sales</i>	<i>6.9%</i>	<i>7.2%</i>			
Adjustments to EBIT	(9.4)	(8.9)			
EBIT	67.2	74.9			
<i>% of net sales</i>	<i>6.1%</i>	<i>6.4%</i>			
			Restructuring	(5.1)	(3.9)
			Impairment & customers' lists	(0.6)	(0.5)
			M&A costs	(0.9)	(0.5)
			Share-based payments	(0.9)	(0.8)
			Other	(1.9)	(3.1)
			Total	(9.4)	(8.9)

Note: (1) Adjusted EBITDA: Adjustments include expenses related to restructuring, acquisitions and certain other non-recurring items.

Net Income

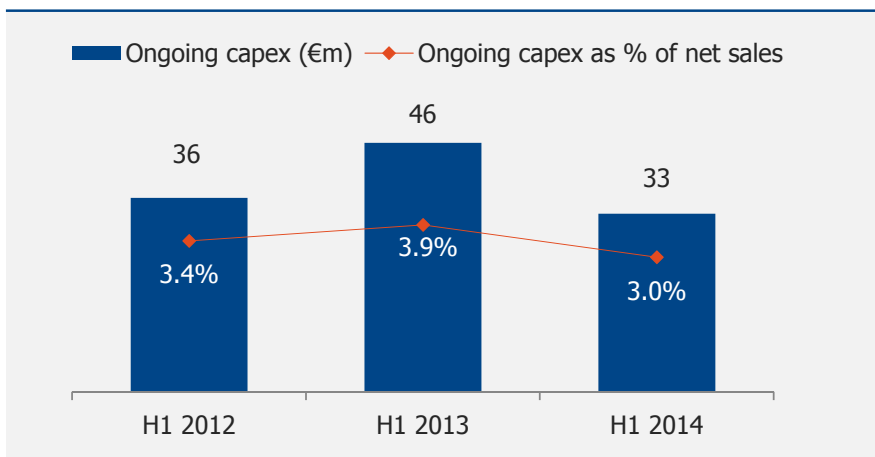
€m	H1 2014	H1 2013
EBIT	67.2	74.9
<i>% of net sales</i>	<i>6.1%</i>	<i>6.4%</i>
1 Net financial expenses	(13.7)	(12.8)
<i>Net interest expense</i>	<i>(14.6)</i>	<i>(14.3)</i>
<i>Other financial income & expenses</i>	<i>0.9</i>	<i>1.5</i>
Share of profit of associates	(0.3)	(0.4)
Net profit before tax	53.1	61.6
2 Income tax expenses	(21.9)	(24.6)
<i>Tax rate</i>	<i>41.3%</i>	<i>39.7%</i>
Net profit	31.2	37.0
Net Profit attributable to owners	30.8	36.7
Minority interests	0.4	0.4

Comments

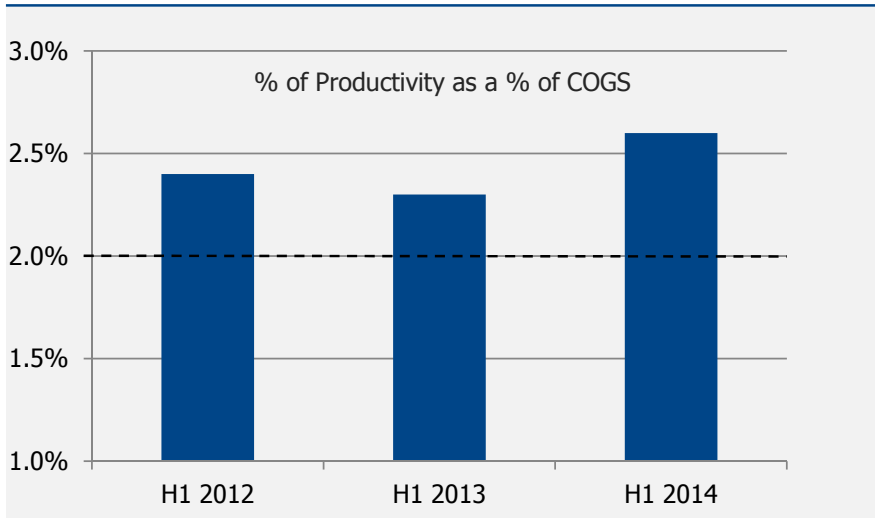
- 1 Other financial expenses**
 - Commissions, bank charges and other financial expenses
 - Interest costs on pension liabilities
- 2 Income tax of €21.9m in H1 2014 vs. €24.6m in H1 2013**

Confirmed industrial and operational performance

Sustained investment efforts



Track record of productivity gains



Operational initiatives

EMEA

- WCM fully deployed
- Continued wood restructuring

North America

- Tandus/Centiva integration in line with plans
- Optimisation of VCT production through the transfer from Houston (Texas) to Florence (Alabama)
- SAP deployment in part of North American activity

CIS & Others

- SAP upgrade in the CIS countries since the beginning of 2014
- Capacity expansion in Brazil for LVT South America

Net Cash Flow from Operations: Typical impact of seasonality

Net Cash Flow from Operations

€m	H1 2014	H1 2013
Operating Cash Flow before Working Capital changes	115.3	124.8
Changes in Working Capital	(109.1)	(98.5)
Cash generated from Operations	6.2	26.3
On-going Capital Expenditure	(32.7)	(45.7)
Net Cash Flow from Operations¹	(26.5)	(19.4)

Comments

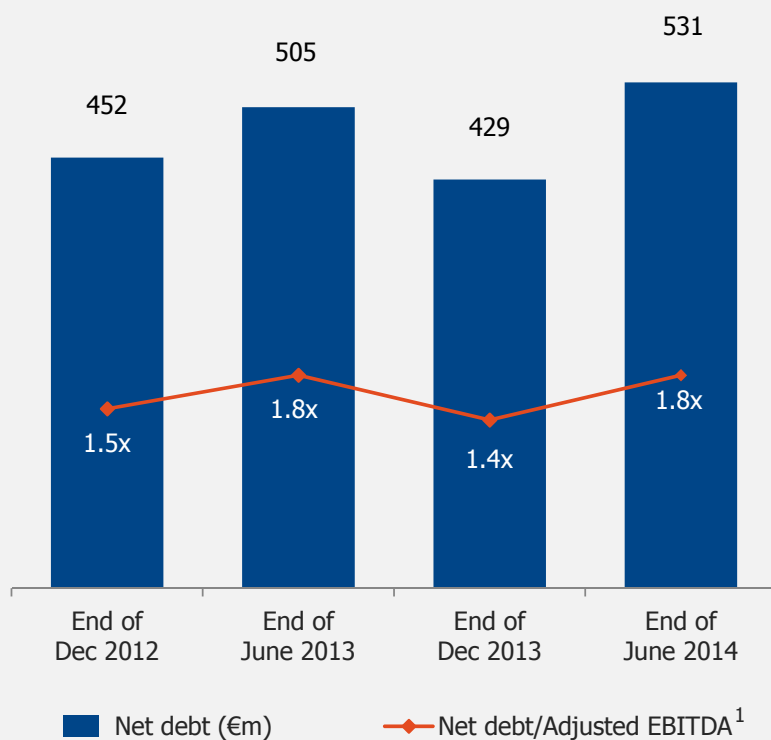
- **Net cash flow from Operations** affected by the **usual seasonality of the activity**
- Changes in **Working Capital** reflecting also the **typical seasonality of the activity**, especially in the **Sports and CIS & Others** segments
- **On-going Capex** at **3.0% of Net Sales**, slightly below anticipated because of timing effects

Note: (1) Net Cash Flow from Operations defined as Cash generated from Operations less on-going Capital Expenditure.

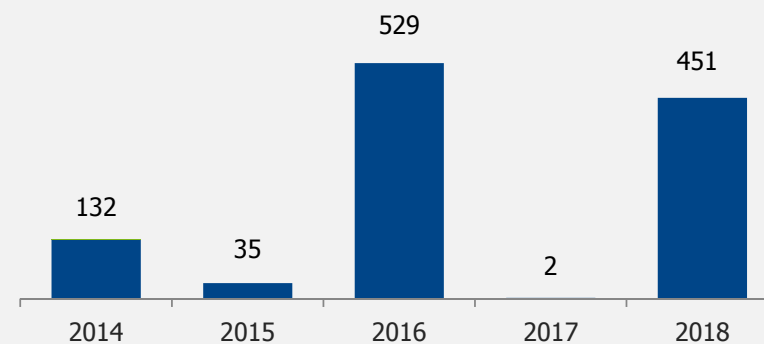
Balance Sheet Structure

Net financial debt and leverage ratio evolution

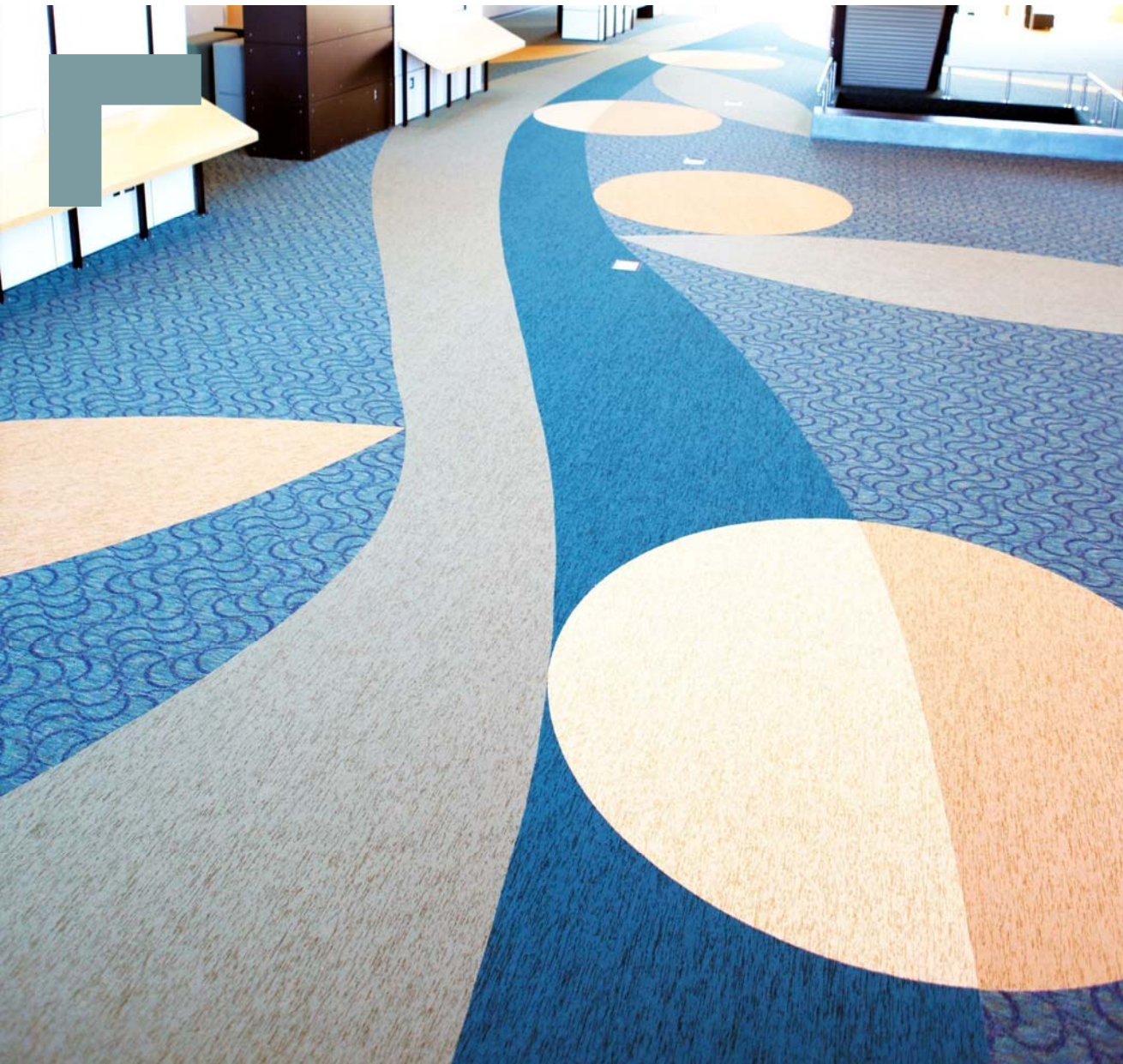
- Despite several acquisitions in H1 2014, leverage ratio is stable versus end of June 2013
- Usual impact of seasonality of the Balance Sheet Structure



Maturity of available credit lines - €m



Note: (1) Adjusted EBITDA: Adjustments include expenses related to restructuring, acquisitions and certain other non-recurring items.



H1 2014 Key Initiatives By Segment

EMEA: Pioneer in phthalate-free technology and confirmed success of new collection launches

Deployment of phthalate-free offer

- **New generation of vinyl flooring combining innovative design and eco-innovation** (phthalate-free plasticizers and low VOC) launched in January 2014
- Progressive extension of phthalate-free technology to all commercial products by the end of 2014
- Key differentiation features



Success and extension of modular ranges (LVT)

- Extension of the iD LVT range, adding StarFloor Click and iD Click
- Meet customer need for easy-to-install flooring and high-end design
- Mainly for Stores, Shops and Hospitality, and Housing



*The Style outlet Shopping Center
- Madrid (Spain)*

North America: Strong marketing investments in new product launches

Launch of combined modular high end tiles range

- Launch of Venue series by Centiva mainly for offices
- **Offering coordinated colors & design with Tandus carpet and Johnsonite accessories**
- With flexible and quick delivery services (within 2/10 days)



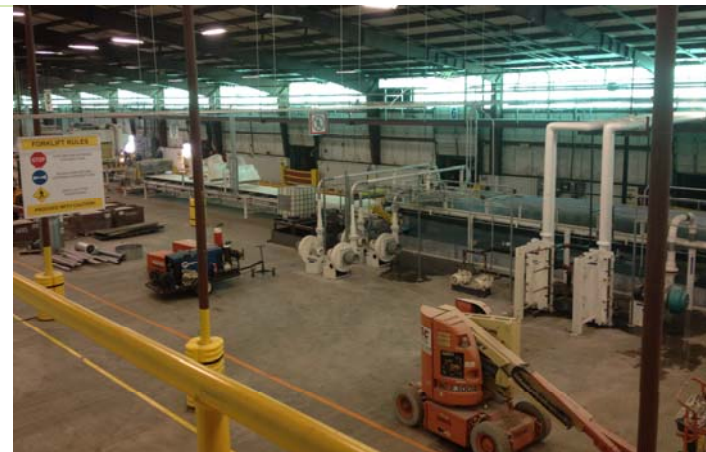
Extension of the integrated solution offer

- Extension of Tarkett iSelect integrated offer, combining multi-products with coordinated design
- **'Shopping experience tool'** to help the consumer selecting flooring according to taste & colors, lifestyle and budget
- Increases customer experience, as well as to support our distributors



North America: Update on Relocation of Vinyl VCT production to Florence

VCT



CURRENT UPDATE

- Current start of the new vinyl VCT site: qualification of products and ramp-up in line with plan
- Houston facility to stop production at the end of July
- Know-how maintained through the transfer of qualified employees

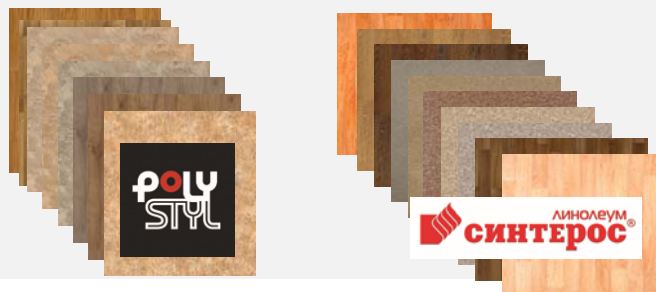
TO COME

- Sale process of the Houston real estate to start in H2 2014
- Cash Capex invested expected to be offset by the proceeds of the Houston real estate disposal
- Costs optimisation in line with plan

CIS Countries: Still investing in new product launch

Development on new-entry level ranges

- Space by Polystyl and Respect by Sinteros for housing and some commercial applications
- Meet customer need for less expensive products
- Increase market share without cannibalizing Tarkett brand, via complementary distribution channels



Opening of Tarkett Academy in Serbia

- Provide support to architects & designers
- Training for installers
- Increase Tarkett reputation



Success of Luxury Vinyl Tiles – Art & New Age

Successful launch of LVT ranges, recognized by architects & designers, for modularity and customization benefits and 'elegant & creative' design

*ArtPlay Design
& Architecture
Centre (Russia)*



Sports: Success of key new product launches

Success of high performance turf system

- **Confirmed success of CoolPlay, breakthrough artificial turf for sport fields**, reducing surface heat and combining performance and safety
- Already 27 installations, in the USA, Europe and South America

University of Arizona – USA



New range of artificial turf for landscaping

Improved extrusion fiber technology providing softness and resistance for private usage

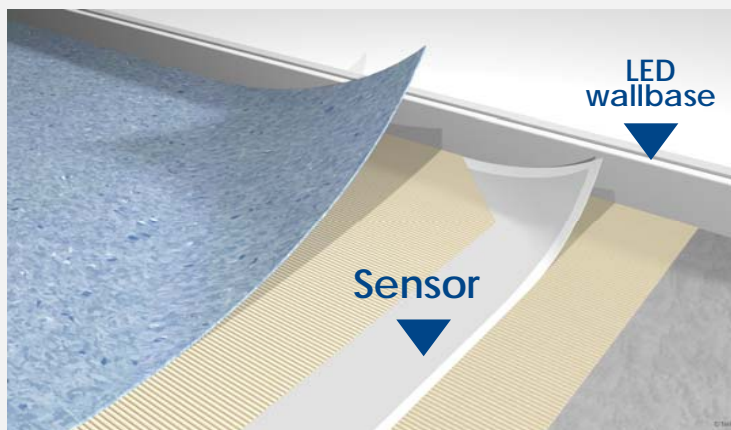


Beynon tracks selected for complex project

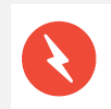
Beynon patented system selected by Yale University to restore its historic indoor track facility



Innovation: A unique connected flooring solution for healthcare



Alert & Reaction



Fall



Exit & intrusion



Monitoring & Prevention



Daytime activity



Nighttime activity

A CONNECTED FLOOR COMPLETED BY AUTOMATION, ALERT AND MONITORING SERVICES FOR HEALTHCARE

- Answer to major society challenges and growing market of the **'silver economy' and aging population**
 - In the World: 1 out of 3 elderly people fall each year, 40% of injury deaths are fall-related
 - In France: each year, 400,000 senior citizens suffer an accidental fall, and 12,000 die as a result
- Unique and breakthrough innovation
 - Non intrusive, no electricity required, works for wetrooms

- First pilots launched in May 2014 in France, to be marketed end 2014
- Leverage recognized Tarkett expertise in healthcare and aged care

Sources: WHO - World Health Organization and Figaro Santé France Article.

Gamrat Flooring's Acquisition



- ✓ Leading player in Commercial resilient Flooring in Central Europe
- ✓ Polish company headquartered in Jaslo (South Eastern Poland)
- ✓ Transaction perimeter: Gamrat Flooring, one of the two business activities of Gamrat (i.e. approx. 35% of total sales)
- ✓ Main geographies: Poland, Germany, Sweden

- Net sales: €19million
- Headcount: 220 employees

Main Transaction Rationale

- ✓ Marketing & sales reinforcement in resilient flooring for Commercial applications in Central Europe (EMEA)
- ✓ Cost optimization (production site dedicated to Homogeneous flooring located in a low-cost country)
- ✓ Strengthening of vinyl flooring activities in Central Europe

Integration Update

- Closing took place on April 30th
- Progressive integration within the EMEA sales & manufacturing organisations and IT systems

Growth Strategy in China

Two Transactions announced in May 2014

- ✓ The vinyl distribution business in China becomes a 100%-owned Tarkett subsidiary (acquisition of the 30% minority interest)
- ✓ Acquisition of industrial assets for vinyl flooring production near Beijing (operational during Q3 2014)

Main Transactions Rationale

- ✓ Strengthen its industrial footprint in China
 - ✓ 1 vinyl production site near Beijing + 1 carpet tiles production site in Suzhou
- ✓ Address the fast growing local demand for value added flooring solutions (Healthcare, Education)
- ✓ Increase customer service with a new Distribution Center for the North of China

Tarkett's largest project

- ✓ Tarkett just won its largest contract in China
 - ✓ Volumes: More than 500,000 sqm, over two years
 - ✓ Product: Tarkett commercial vinyl
 - ✓ Customer: High-tech company with multi billion Euro sales, headquartered in China



Conclusion

Take Aways: Strong resilience of Tarkett business model

Sales	<ul style="list-style-type: none">■ Organic growth in all segments except CIS■ Adverse impact of currencies
EBITDA Margin	<ul style="list-style-type: none">■ Stable EBITDA margin demonstrating the strength of our business model
Innovation	<ul style="list-style-type: none">■ Continued investment in innovation and new product launches to generate growth
Acquisitions	<ul style="list-style-type: none">■ We have made value accretive acquisitions and will continue to pursue selective acquisition targets
Guidance	<ul style="list-style-type: none">■ We remain cautious for the rest of the year, given the uncertainty of the economic environment, especially in the CIS countries■ Mid-term guidance confirmed

Financial objectives: Mid-term guidance

Net sales from organic growth	<ul style="list-style-type: none">■ 2012-2016 organic sales CAGR continues to outperform aggregate GDP growth in the regions where we are present
Additional sales from acquisitions	<ul style="list-style-type: none">■ Objective of c. €300m additional sales by 2016 coming from value-accretive acquisitions
Profitability & return	<ul style="list-style-type: none">■ Objective is to maintain EBITDA margin in excess of 12% as well as a ROCE above 15% on average
Ongoing Capex	<ul style="list-style-type: none">■ Ongoing capex circa 3.5% of net sales
Leverage	<ul style="list-style-type: none">■ Net debt below 2.0x EBITDA unless transforming acquisitions
Dividend	<ul style="list-style-type: none">■ Dividend payout ratio of approximately 40%, subject to any major external growth development



H1 2014 Financial Results Q&A session

July 31, 2014





Appendices

Net Sales

<i>Net Sales €m</i>	H1 2014	H1 2013	% growth	Organic Growth ¹	Q2 2014 Organic	Q1 2014 Organic
EMEA	347.0	342.0	+1.5%	+2.2%	+0.8%	+3.6%
North America	318.8	334.3	-4.6%	+0.3%	+1.1%	-0.7%
CIS & Others	345.0	399.4	-13.6%	-7.6%	-11.0%	-3.4%
Sports	96.9	94.7	+2.3%	+6.0%	+8.4%	-0.5%
TOTAL	1,107.6	1,170.3	-5.4%	-1.4%	-2.3%	-0.2%

Note: (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).

Adjusted EBITDA¹ Margin

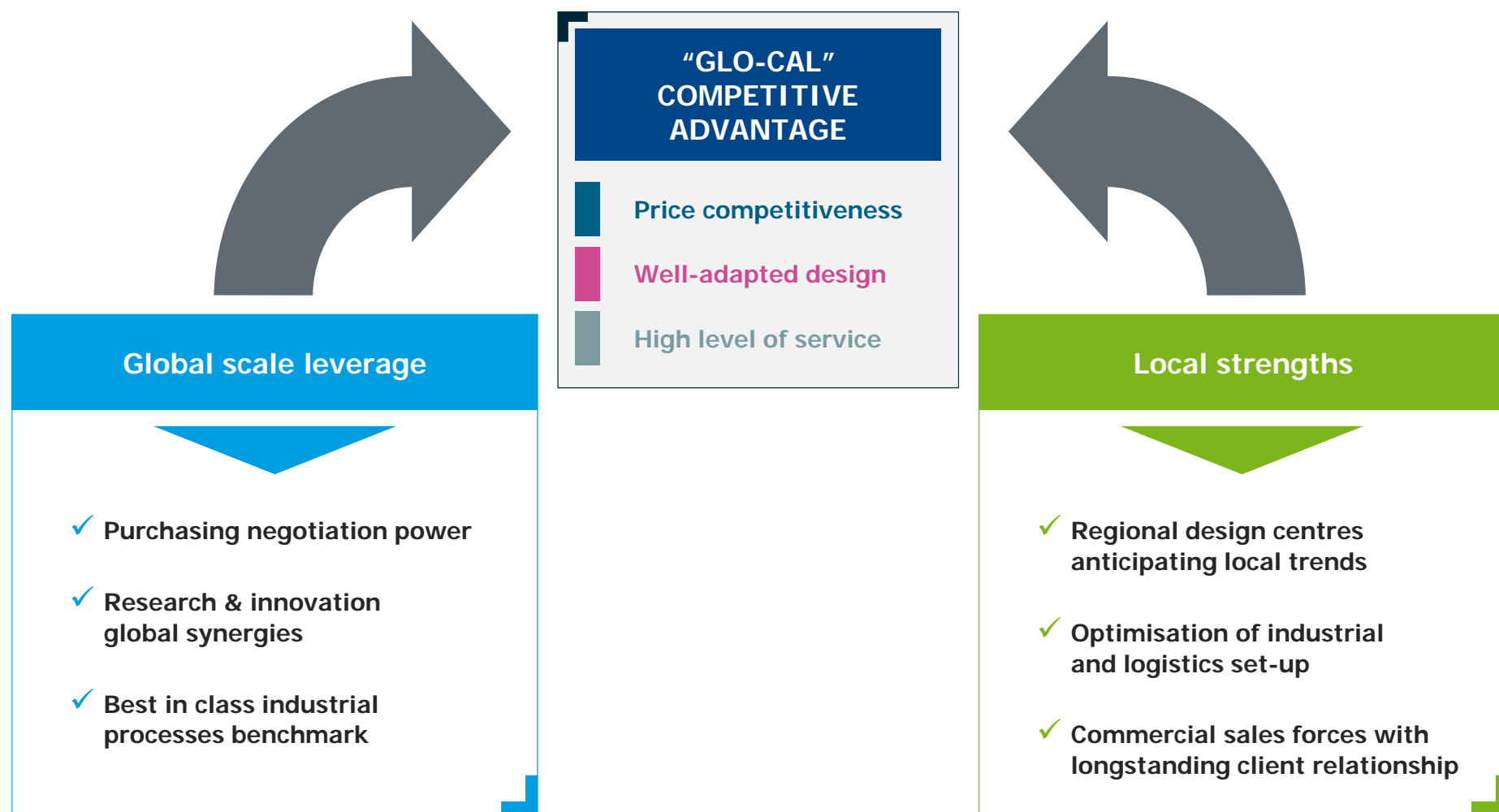
Adjusted EBITDA ¹ €m		H1 2014	H1 2013
EMEA	Adj EBITDA ¹	41.3	38.5
	% of net sales	11.9%	11.3%
North America	Adj EBITDA ¹	34.1	36.6
	% of net sales	10.7%	11.0%
CIS & Others	Adj EBITDA ¹	61.8	76.4
	% of net sales	17.9%	19.1%
Sports	Adj EBITDA ¹	6.7	(0.9)
	% of net sales	6.9%	-0.9%
Central costs	Adj EBITDA ¹	(18.1)	(17.4)
	% of net sales	-	-
TOTAL	Adj EBITDA ¹	125.7	133.2
	% of net sales	11.4%	11.4%

Note: (1) Adjusted EBITDA: Adjustments include expenses related to restructuring, acquisitions and certain other non-recurring items.

Credit Lines and Utilization Detail

€m	Utilization		Credit Lines	
	June 2014	June 2013	June 2014	June 2013
Syndicated Facility (RCF)	-	267	450	450
Private Placement (France)	-	114	-	114
Term Loan (Tandus acquisition)	110	131	110	131
2013 Term Loan	450	-	450	-
Asset-backed financing	-	28	55	55
Other	43	19	84	89
Total Borrowings	603	559	1,149	839
Cash and cash equivalent	(72)	(54)		
Net Debt	531	505		

True “glo-cal” competitive advantage



The “glo-cal” competitive advantage applies everywhere in Tarkett’s business, and particularly well in Russia & CIS

The sustainability of Tarkett’s position in the CIS region is supported by...

- ✓ **Local presence for more than 10 years** with strong local team
- ✓ **Best brand awareness and customer proximity** in the Russian market, ensuring significant pricing power
- ✓ **Material economies of scale**, through sheer size in the region and manufacturing capacity
- ✓ **Unique distribution capabilities** across the entire territory, unmatched by competition



Clear #1 position in the Russian Vinyl flooring market

Notes: (1) Source: Mars Consult (January 2012); sum of unaided (first mentioned, subsequent mentioned + spontaneously mentioned brand) and aided brand awareness (picked out of a list of flooring brands).

The Tarkett value proposition

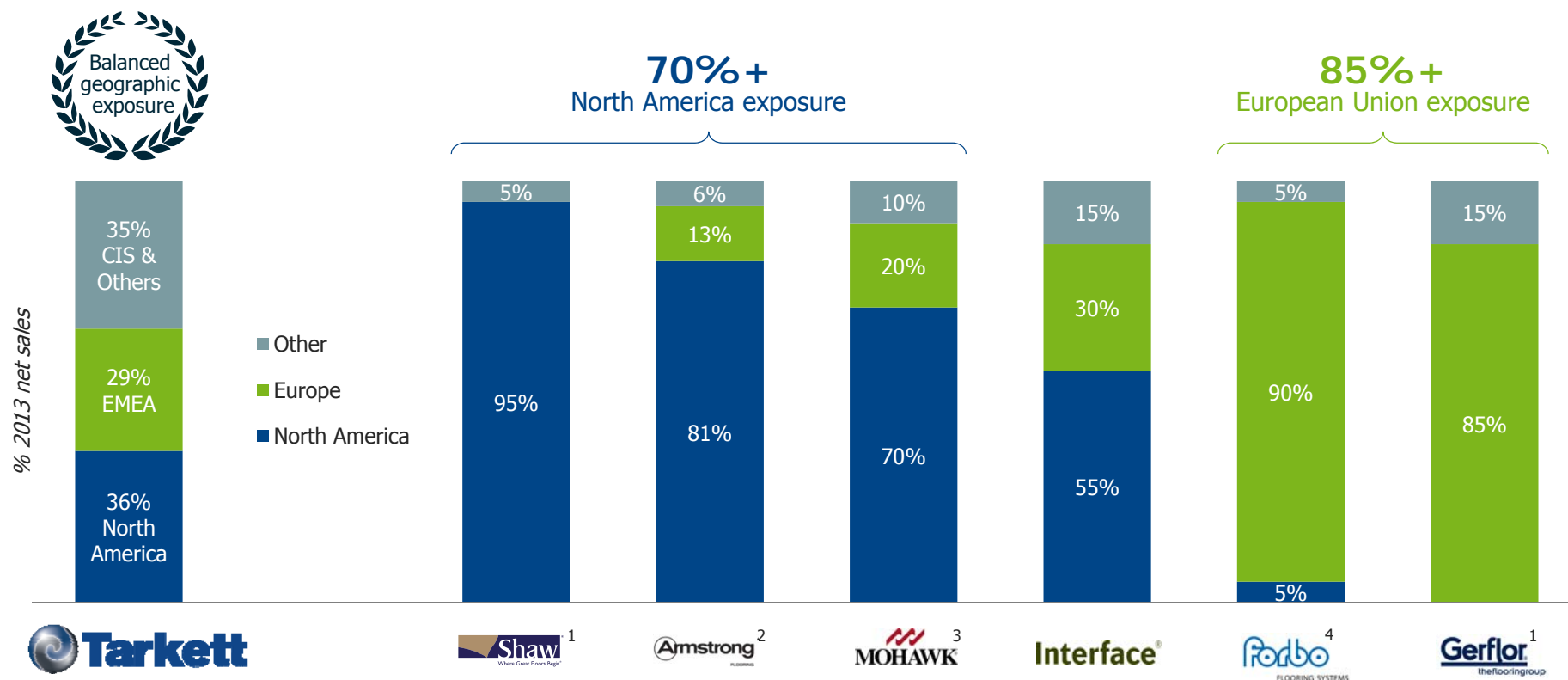
Tarkett's key competitive strengths... creating value for our shareholders

- 1 Global market leadership
- 2 Attractive geographic footprint
- 3 **Balanced** geographic and end-market exposure
- 4 **Scale** and **execution excellence** across the value chain
- 5 Track record of **profitable growth**, **strong cash flow** generation and **ROCE**
- 6 **Experienced** and **international management team** leading a **decentralised and agile** organisation



- ✓ Global leader with strategic exposure to profitable growth
- ✓ High margin resilience throughout the cycle
- ✓ Strong cash flow conversion with consistent high returns on capital employed

The most balanced geographic exposure in the industry



Tarkett is strategically positioned to benefit from the global economic growth

Source: Company information and estimates, Company filings.













Notes: ¹ Shaw and Gerflor geographic net sales breakdown based on 2012 data;

² Armstrong Flooring 2013 geographic net sales breakdown includes both Resilient and Wood flooring businesses;

³ Mohawk 2013 geographic net sales breakdown pro forma for the acquisitions of Marazzi (closed Apr-13), Pergo (Jan-13) and Spano (May-13);

⁴ Estimated geographic net sales breakdown for Forbo Flooring.

A global leader with one of the broadest product offerings...

Ranking based on latest sales data		Ceramics	Vinyl & Linoleum	Wood & Laminate	Carpet	Turf & Tracks	Rubber	Product categories
		✓	✓	✓	✓		✓	5
			✓	✓	✓	✓		4
			✓	✓	✓	✓	✓	5
			✓	✓	✓			3
			✓	✓				2
			✓		✓			2
					✓			1
					✓			1
		✓	✓	✓	✓		✓	5
			✓					1

Source: Company information and estimates.

Note: List excludes pure Ceramics players; Tarkett PF acquisition of Tandus, Mohawk PF acquisitions of Spano, Marazzi and Pergo.

Leading market positions

No.1 in Vinyl, Worldwide

No.1 in CIS countries

No.1 Flooring company in France and Sweden among others

No.1 in Artificial Grass, Worldwide

No.1 in Accessories, North America

No.1 in Running tracks, North America

A global portfolio of leading regional brands

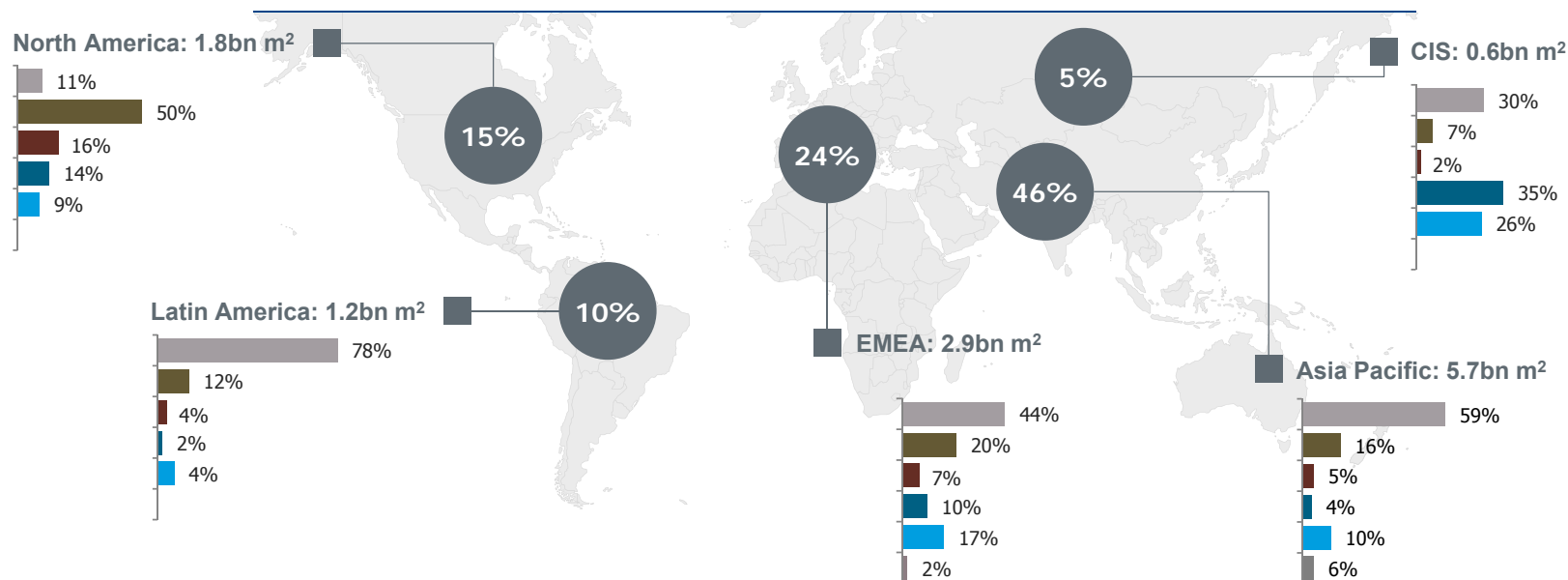
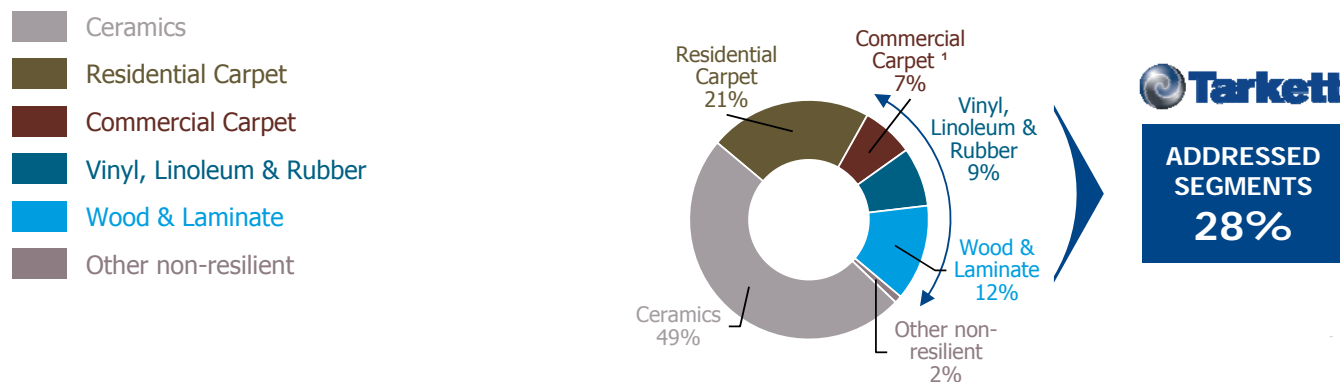
North America			Tandus Centiva
EMEA			
CIS			
Rest of the World		Tandus	
Sports			

Source: World Flooring Report (July 2014). The World Flooring Report is a study of the global flooring market conducted internally by Tarkett on an annual basis. The report looks at total flooring volume demand globally, excluding specific non resilient product categories such as bamboo, metal and glass flooring.

A market with very specific regional segmentation...

Total flooring market: 12.2bn sqm

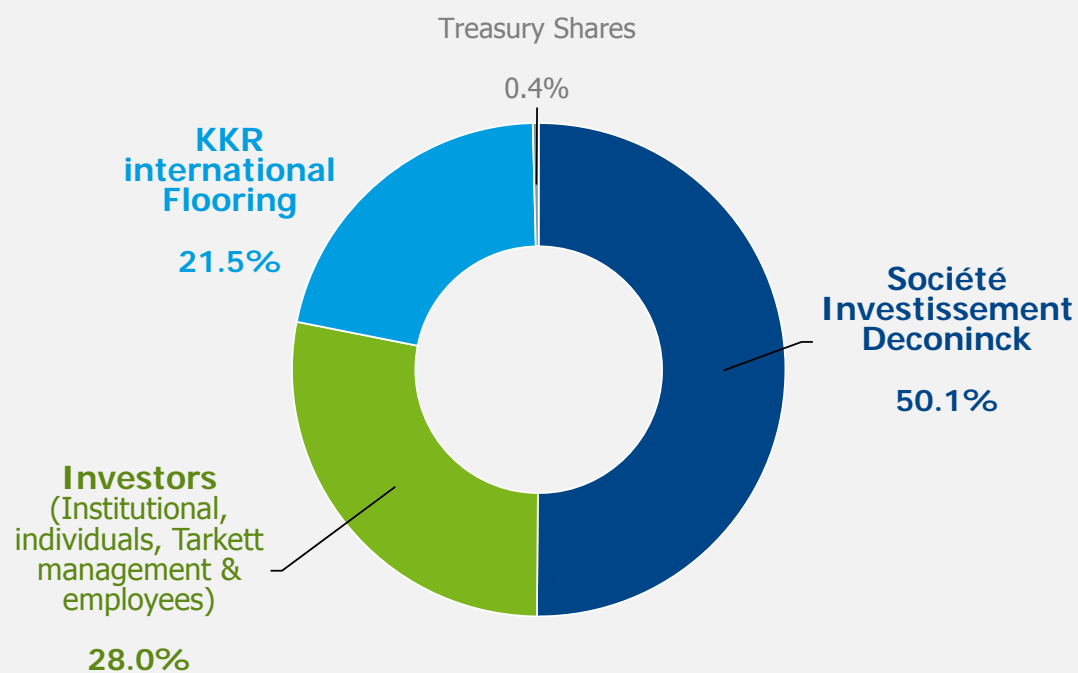
Breakdown of volume demand by product (2013A)



Source: World Flooring Report (July 2014). The World Flooring Report excludes any data on Sports surfaces.

Note: ¹ Commercial Carpet volumes assumed to represent 25% of total Carpet volumes.

Shareholder composition - As at June 30, 2014



Tarkett has a best-in class governance structure

Supervisory Board

- **President:** Didier Deconinck
- **Vice President:** Jacques Garaïalde (KKR)
- **9 Board members:**
 - 4 representatives of the Deconinck family: Didier Deconinck, Bernard-André Deconinck, Eric Deconinck, Jean-Philippe Delsol
 - 2 representatives of KKR: Jacques Garaïalde, Josselin de Roquemaurel
 - 3 independent members: Sonia Bonnet-Bernard, Gérard Buffière, Françoise Leroy

Selection & Remuneration Committee

Chaired
by Gérard Buffière

Audit Committee

Chaired
by Sonia Bonnet-Bernard

Shareholder agreement

- **Shareholder agreement between KKR and the Deconinck family to remain in place post-IPO for a term of 4 years (or until one party holds less than 5% of the share capital)**

Management Board

- **Chaired by Michel Giannuzzi, CEO**
- Includes Fabrice Barthélemy, CFO, and Vincent Lecerf, Executive VP Human Resources

Executive Management Committee

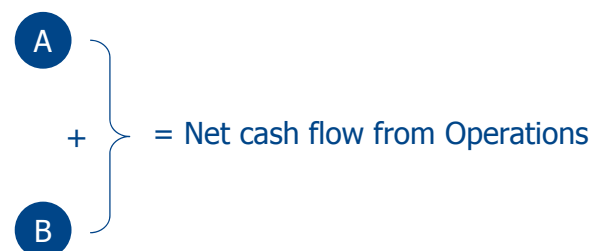
- **Executive Management Committee led by Michel Giannuzzi**
- Includes Tarkett's operational and functional leaders:
 - Heads of EMEA, Eastern Europe, North America and Sports divisions
 - Heads of Finance, HR, Operations, Research Innovation & Environment, and Legal

Consolidated income statement

Income statement		
€m	H1 2014	H1 2013
Net sales	1,107.6	1,170.3
Cost of sales	(824.1)	(878.0)
Gross profit	283.6	292.4
Other operating income	3.2	3.5
Selling and distribution expenses	(124.9)	(125.0)
Research and development expenses	(13.3)	(13.4)
General and administrative expenses	(75.6)	(77.6)
Other expenses	(5.9)	(5.0)
Result from operating activities	67.2	74.9
Financial income	0.9	1.5
Financial expenses	(14.6)	(14.3)
Net finance costs	(13.7)	(12.8)
Share of profit on equity accounted investees (net of income tax)	(0.3)	(0.4)
Profit before income tax	53.1	61.6
Income tax expense	(21.9)	(24.6)
Profit for the period	31.2	37.0
Attributable to owners of the Company	30.8	36.7
Attributable to non-controlling interests	0.4	0.4

Consolidated cash flow statement

Cash flow statement		
€m	H1 2014	H1 2013
Net profit before tax	53.1	61.6
Adjustments	62.2	63.2
Operating profit before working capital changes	115.3	124.8
Effects of changes in working capital	(109.1)	(98.5)
Cash generated from operations	6.2	26.3
Other operating items	(29.8)	(34.6)
Net cash from operating activities	(23.6)	(8.3)
Acquisition of subsidiaries net of cash acquired	(20.6)	(0.0)
Acquisition of property, plant and equipment <i>o/w On-going Capex</i>	(40.5) (32.7)	(45.7) (45.7)
Proceeds from sale of property, plant and equipment	0.2	0.6
Impact of scope changes	-	(0.3)
Net cash from investing activities	(60.9)	(45.4)
Acquisition of non-controlling interests	(14.5)	(4.4)
Proceeds from loans and borrowings	123.0	86.7
Repayment of loans and borrowings	(48.8)	(55.5)
Payment of finance lease liabilities	(0.2)	(0.3)
Net cash from financing activities	59.5	26.5
Net increase (decrease) in cash and cash equivalents	(25.1)	(27.2)
Cash and cash equivalents, beginning of period	96.7	81.4
Effect of exchange rate fluctuations on cash held	0.2	(0.3)
Cash and cash equivalents, end of period	71.8	53.9



Consolidated balance sheet

Balance sheet		
€m	End of June 2014	End of December 2013
Assets		
Goodwill	437.5	425.6
Intangible assets	107.4	110.9
Property, plant and equipment	417.1	415.4
Financial assets	27.0	27.5
Deferred tax assets	93.6	92.7
Other non-current assets	0.2	0.2
Non-current assets	1,082.8	1,072.3
Inventories	417.8	318.6
Trade receivables	346.3	279.7
Other receivables	62.3	59.2
Cash and cash equivalent	71.8	96.7
Current assets	898.5	754.2
Total assets	1,981.3	1,826.5
Equity and liabilities		
Share capital	318.6	318.6
Share premium and reserves	145.8	145.6
Retained earnings	175.9	126.9
Net result for the year	30.8	99.1
Equity attributable to equity holders of the parent	671.2	690.2
Minority interest	3.3	6.1
Total equity	674.5	696.3
Interest-bearing loans and borrowings	533.8	501.3
Other financial liabilities	4.3	4.7
Deferred tax liabilities	15.0	10.8
Employee benefits	128.6	122.3
Provisions and other non-current liabilities	37.6	41.2
Non-current liabilities	719.3	680.2
Trade payables	273.2	219.8
Other liabilities	163.1	167.0
Interest-bearing loans and borrowings	69.3	24.4
Other financial liabilities	43.1	5.0
Provision and other current liabilities	38.8	33.7
Current liabilities	587.5	450.0
Total equity and liabilities	1,981.3	1,826.5

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