Agenda

Key Highlights
Activity and Financials
Key Initiatives
Conclusion
Appendices
Key Highlights

Glen Morrison
CEO
Acceleration in organic growth in Q2 supported by ramp-up in selling price increases

- Strong Q2 2018 organic growth\(^{(1)}\) at +5.3%, reaching €1,317m
  - Excellent performance in Sports (+18.6)%\(^{(1)}\)
  - Expansion in all segments

- Good progress on selling price increases in Q2 2018
  - Beginning to offset the anticipated raw material prices increase

- Cost actions initiated in Q1 generating benefit in Q2

- Q2 2018 Adjusted EBITDA\(^{(2)}\) at €86m and EBITDA margin at 11.5%

- Sound leverage ratio (net debt/adjusted EBITDA) of 2.2x

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\(^{(1)}\) Organic growth: at constant scope of consolidation and exchange rates (note that in the CIS segment, price increases implemented to offset currency fluctuations are not included in organic growth, which only reflects changes in volumes and the product mix).

\(^{(2)}\) Adjusted EBITDA: adjustments include expenses such as restructuring, acquisitions and share-based payment expenses.
Tarkett benefits from balanced exposures

Figures based on 2017 Net Sales and Adjusted EBITDA.

(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

48%
19%
18%
7%
8%

ATTRACTIVE END-MARKETS EXPOSURE

- Education
- Health & Aged Care
- Workplace
- Stores & Shops
- Hospitality, Travel & Leisure
- Marine, Aviation & Transport
- Industry
- Sports & Wellness
- Housing

- Renovation
- New
- Commercial
- Residential

Figures based on 2017 Net Sales.
Activity & Financials

Raphaël Bauer
CFO
Strong +5.3% organic growth in Q2 2018

in €m

- Excellent performance in Sports
- Robust growth in North America
- Improvement in EMEA
- Strong headwind from currencies, mainly US$, Russian ruble and Swedish krona

Organic growth of 5.3%

(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).
Q2 Adjusted EBITDA margin narrowed the gap with last year in €m

- Significant headwinds from raw material prices & currencies
- Acceleration of selling price increases contribution throughout Q2
- Beginning of benefit from cost containment measures
- In Q2 2017, US$ 12m settlement in Sports

Adj EBITDA(1) margin

<table>
<thead>
<tr>
<th>Year</th>
<th>Astroturf settlement</th>
<th>Q2 2017 restated</th>
<th>Currencies</th>
<th>Selling price lag effect in CIS</th>
<th>Volume/Mix</th>
<th>Sales pricing</th>
<th>Purchase pricing</th>
<th>Productivity</th>
<th>Perimeter</th>
<th>Salary increase, SG&amp;A &amp; other</th>
<th>Q2 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td></td>
<td>108,8</td>
<td>98,3</td>
<td>2.1</td>
<td>5.9</td>
<td>5.1</td>
<td>0.7</td>
<td></td>
<td>86,3</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) Note: Adjusted EBITDA: adjustments include expenses such as restructuring, acquisitions and share-based payment expenses.
H1 Adjusted EBITDA margin still penalized by raw materials and currencies headwinds in €m

- Significant headwinds from raw material prices & currencies
- +€14m productivity delivered through operational improvements
- In Q2 2017, US$ 12m settlement in Sports

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Adj EBITDA\(^{(1)}\) margin

<table>
<thead>
<tr>
<th></th>
<th>H1 2017</th>
<th>Astroturf settlement</th>
<th>H1 2017 restated</th>
<th>Currencies</th>
<th>Selling price lag effect in CIS</th>
<th>Volume/Mix</th>
<th>Sales pricing</th>
<th>Purchase pricing</th>
<th>Productivity</th>
<th>Perimeter</th>
<th>Salary increase, SG&amp;A &amp; other</th>
<th>H1 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adj EBITDA</td>
<td>11.8%</td>
<td>11.0%</td>
<td>8.8%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales</td>
<td>160,3</td>
<td>149,8</td>
<td>116,1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Costs</td>
<td>(10.5)</td>
<td>(6.6)</td>
<td>(16.1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\(^{(1)}\) Note: Adjusted EBITDA: adjustments include expenses such as restructuring, acquisitions and share-based payment expenses.
COGS(1) & Material consumption breakdown

As of December 2017

**COGS BREAKDOWN**

- **Total COGS**: €2,138m
- **Raw materials**: 54%
- **Payroll**: 16%
- **Transport and logistics**: 10%
- **Others**: 20%

**MATERIAL CONSUMPTION DETAIL**

- **Traded goods**: 20%
- **Oil derivatives**: 54%
  - Of which:
    - PVC
    - Plasticizers
    - Nylon Yarns
    - Polyethylene
    - Polypropylene
- **Other raw materials**: 26%
  - Of which:
    - Wood
    - Glass veil
    - Inks

(1) COGS = Cost Of Goods Sold
Key Oil Derivatives: Purchasing Price Drivers

Oil Barrel / Shale Gas: Cracking → Chemical Transformation → Transformation → Inventory

Feedstock

Month M(1)
- Cracking
- Chemical Transformation
- Transformation

Raw Material purchased by Tarkett

Month M+1.5(1)
- Nafta
- Ethylene
- Polypropylene
- Caprolactam
- ...

Month M+3(1)
- PVC
- Plasticizers
- Nylon
- Polyethylene
- ...

Month M+5(1)

P&L impact

> 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)
  - 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
Recent Trends in Raw Material and Freight Costs
As of December 2017

COGS BREAKDOWN

- Others: 20%
- Transport and logistics: 10%
- Payroll: 16%
- Total COGS: €2,138m

MATERIAL CONSUMPTION DETAIL

- Raw materials: 54%
- Traded goods: 20%
- Other raw materials: 26%
- Oil derivatives: 54%

- Oil and some feedstock prices have risen throughout Q2 2018
  - Impact on FY 2018 Adj. EBITDA around -€35m(1)

- Freight costs are increasing rapidly both in Europe and in North America
  - Impact on FY 2018 Adj. EBITDA around -€10m(1)

(1) At current prices and market conditions.

Estimated Inflation impact on 2018 EBITDA: -€45m
EMEA H1 2018

in €m

Net Sales

- Strong performance in Germany, Central Europe, Spain & Italy
- Slight growth in the Nordics in Q2
- France: below last year but improvement in Q2
- Good momentum in LVT
- Rigid board launch well received
- Adjusted EBITDA
  - Lower volumes
  - High raw materials costs
  - Good level of productivity
- Positive selling prices impact

Q2 2018 Net sales organic growth(1)

H1 2018 Net sales organic growth(1)

Net Sales

+1.7%

-1.5%

Adjusted EBITDA and Margin Evolution

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

Tarkett - H1 2018 Financial Results - July 26, 2018
North America H1 2018

Net Sales

Robust growth in commercial and residential resilient, rubber & accessories

Commercial carpet
- Improvement in Q2
- Very good feedback from customers on new launches

Good performance in LVT

Adjusted EBITDA

High raw materials prices
Significant impact from freight costs

Q2 Selling price increases
Holding up well

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

Tarkett - H1 2018 Financial Results - July 26, 2018
CIS, APAC & Latam H1 2018

in €m

Net Sales

<table>
<thead>
<tr>
<th>Period</th>
<th>Net Sales</th>
<th>Organic Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 2017</td>
<td>276</td>
<td>-5.1% reported</td>
</tr>
<tr>
<td>H1 2018</td>
<td>262</td>
<td></td>
</tr>
</tbody>
</table>

Adjusted EBITDA and Margin Evolution

<table>
<thead>
<tr>
<th>Period</th>
<th>EBITDA</th>
<th>Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 2017</td>
<td>40.1</td>
<td>14.6%</td>
</tr>
<tr>
<td>H1 2018</td>
<td>31.1</td>
<td>11.9%</td>
</tr>
</tbody>
</table>

- **CIS countries**
  - Product mix improvement in H1
  - New designs well-received
  - Slow start of Q2 in Russia

- **Latin America**
  - Vigorous LVT volumes in Brazil

- **APAC**
  - Stable sales

- **Adjusted EBITDA**
  - Ruble weakness
  - Raw material price increases

(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 H1 2018

in €m

Net Sales

- Remarkable momentum thanks to
  - Strong artificial turf in North America
  - Robust landscape applications & indoor activities
  - Good development in hybrid products

- Good integration of turf acquisition in Australia

- Acquisition of Tennis & Tracks company (Utah, US)

- Adjusted EBITDA
  - Q2 2017 included a US$12m settlement payment
  - Strong volume growth offsets raw material prices impact

Adjusted EBITDA and Margin Evolution

Q2 2018 Net sales organic growth (1)

+18.6%

H1 2018 Net sales organic growth (1)

+17.8%

Net Sales

<table>
<thead>
<tr>
<th></th>
<th>H1 2017</th>
<th>H1 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>194</td>
<td>213</td>
</tr>
</tbody>
</table>

+9.6% reported

Adjusted EBITDA and Margin Evolution

<table>
<thead>
<tr>
<th></th>
<th>H1 2017</th>
<th>H1 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>23,0 (2)</td>
<td>13,9</td>
</tr>
</tbody>
</table>

11,8%       6,5%

(1) Organic growth: At same perimeter and exchange rates. (2) Including a US$12m settlement payment related to a patent infringement claim against a competitor.
EBIT at €48m, reflecting operational activity in €m

<table>
<thead>
<tr>
<th></th>
<th>H1 2018</th>
<th>H1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>1,317.3</td>
<td>1,364.0</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA(1)</strong></td>
<td>116.1</td>
<td>160.3</td>
</tr>
<tr>
<td><strong>% of net sales</strong></td>
<td>8.8%</td>
<td>11.8%</td>
</tr>
<tr>
<td><strong>Depreciation and amortization</strong></td>
<td>(58.1)</td>
<td>(59.8)</td>
</tr>
<tr>
<td><strong>Adjusted EBIT</strong></td>
<td>58.0</td>
<td>100.5</td>
</tr>
<tr>
<td><strong>% of net sales</strong></td>
<td>4.4%</td>
<td>7.4%</td>
</tr>
<tr>
<td><strong>Adjustments to EBIT</strong></td>
<td>(9.5)</td>
<td>(164.2)</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>48.4</td>
<td>(63.7)</td>
</tr>
<tr>
<td><strong>% of net sales</strong></td>
<td>3.7%</td>
<td>nm</td>
</tr>
</tbody>
</table>

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

**Restructuring**
- H1 2018: (5.6)€m
- H1 2017: (1.5)€m

**Gain/losses on asset sales/impairment**
- H1 2018: (0.3)€m
- H1 2017: (0.2)€m

**Business combinations**
- H1 2018: (0.8)€m
- H1 2017: (0.3)€m

**Shared-based compensation**
- H1 2018: (2.1)€m
- H1 2017: (11.9)€m

**Others**
- H1 2018: (0.8)€m
- H1 2017: (150.3)€m

**TOTAL ADJUSTMENTS TO EBIT**
- H1 2018: (9.5)€m
- H1 2017: (164.2)€m
## Net income of €29m in €m

<table>
<thead>
<tr>
<th></th>
<th>H1 2018</th>
<th>H1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EBIT</strong></td>
<td>48.4</td>
<td>(63.7)</td>
</tr>
<tr>
<td><strong>% of net sales</strong></td>
<td>3.7%</td>
<td><em>nm</em></td>
</tr>
<tr>
<td><strong>Financial income and expenses</strong></td>
<td>(11.7)</td>
<td>(12.2)</td>
</tr>
<tr>
<td><strong>Profit before income tax</strong></td>
<td>37.1</td>
<td>(74.6)</td>
</tr>
<tr>
<td><strong>Income tax</strong></td>
<td>(8.0)</td>
<td>(22.9)</td>
</tr>
<tr>
<td><strong>Effective tax rate</strong></td>
<td>21.9%</td>
<td>30.9%(*1)</td>
</tr>
<tr>
<td><strong>Net profit</strong></td>
<td>29.1</td>
<td>(97.5)</td>
</tr>
<tr>
<td><strong>Net profit</strong> (attributable to owners)</td>
<td>28.7</td>
<td>(97.9)</td>
</tr>
<tr>
<td><strong>Earnings per share (Basic, €)</strong></td>
<td>0.45</td>
<td>(1.55)</td>
</tr>
</tbody>
</table>

(*1) H1 2017: excluding the effect of €150m provision, non tax deductible.

### 2018 Income Tax benefiting from:
- Positive effect of the country mix
- Favorable conclusion of a tax litigation in Canada
### Cash Flow evolution
in €m

<table>
<thead>
<tr>
<th></th>
<th>H1 2018</th>
<th>H1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating cash flow before working capital changes</td>
<td>107.1</td>
<td>154.7</td>
</tr>
<tr>
<td>Change in working capital</td>
<td>(118.7)</td>
<td>(131.3)</td>
</tr>
<tr>
<td>Cash generated from operations</td>
<td>(11.6)</td>
<td>23.4</td>
</tr>
<tr>
<td>On-going capital expenditure</td>
<td>(50.4)</td>
<td>(44.9)</td>
</tr>
<tr>
<td>% of net sales</td>
<td>3.8%</td>
<td>3.3%</td>
</tr>
<tr>
<td>Net cash flow from operations</td>
<td>(62.0)</td>
<td>(21.5)</td>
</tr>
</tbody>
</table>

- **Good control of Working Capital**
- **Planned increase of Capex:**
  - Productivity through automation
  - Increased capacity in growing categories
Capex Plan for 2018
Capex should amount to ~5% of sales

Modular Products Capacity Expansion
- €70m investment planned over 3 years
- North America: 2 manufacturing facilities
- Europe: mainly in Luxemburg and Poland

Productivity Automation
- Short payback (~2/3 years)
- Affordable automation
- Reduction in headcount

Other Capacity Investments
- CIS: New wood production line (opened in May 2018 - Moscow)
  - Increasing demand for wood
  - Local sourcing
  - Lead time reduction

Tarkett - H1 2018 Financial Results - July 26, 2018
Capex Example: Enhance use of digital technology and automation

Digital Printing
- Can be used for LVT, HE, Carpet, Wood
  - Increase flexibility
  - Allow better design (resolution and pattern)
  - Reduce fix cost for design → customization

Artificial Vision
- Replace operators for on-line product inspection
  - Reduce headcount and costs
  - More reliable

Data Analysis
- Used to define algorithm to optimize machine setting

Robots
- Packaging Cutting ...
  - Reduce headcount and costs
Low level of debt and solid financing in place

in €m

NET FINANCIAL DEBT AND LEVERAGE RATIO

MATURITY OF AVAILABLE CREDIT LINES

Healthy leverage

Extended maturity

(1) Adjusted EBITDA: adjustments include expenses such as restructuring, acquisitions and share-based payment expenses.
H1 2018 Key Take-aways

- Solid organic growth, accelerating in Q2, with all segments growing
- Good contribution from selling price increases, ramping up at the end of Q2
- Profitability still hampered by raw material prices and currencies
- SG&A control thanks to first benefits of cost measures in Q2
Key Initiatives

Glen Morrison
CEO
Levers for Margin Improvement

Follow-up on key measures and initiatives implemented in Q1 2018

Cost Reduction
- Immediate reduction in discretionary spend
- Salary increase delayed
- Reduction in headcount
- Ongoing review of cost structure

Selling Price Increases
- North America & EMEA
- Russia ➔ to contribute in H2
- New selling price increases across the regions in Q3 to mitigate additional inflation

Growth Initiatives
- New products and services
- Driving growth
- Improving the profitability
- Enhancing the brand
New products driving profitable growth

Combine design, performance and services

Full solutions provider for commercial projects

- Complete upgrade of our core vinyl collections for healthcare and education
- Comprehensive solutions with coordinated designs combining floors with walls, stairs and accessories; and high performance (durability, comfort, sustainability)
- Successful launch in EMEA (Q2)

Launching the next generation of modular flooring

- Rigid Core board ProGen (residential): Fastest growing product category in North America
- iD & Starfloor Click Ultimate: Successful launch in EMEA (Istanbul Sabiha Gökçen Airport)
- In-sourcing underway (Europe and Russia)

Sports expertise winning iconic projects

- 2018 World Cup in Russia with GrassMaster Hybrid grass: 16 football games, including the quarter final (France/Belgium)
- University Michigan Stadium (USA) with FieldTurf (artificial turf): ‘The Big House’, the largest college stadium
Outlook

Glen Morrison
CEO
Outlook

At constant exchange rates and current market conditions

- **Increasing headwinds from raw materials and freight costs**
  - Impact on FY 2018 Adj. EBITDA likely to be around -€45m

- **Intense focus on margin**
  - Proactive selling price management
  - Further cost containment measures
  - Systematic review of the cost structure

- **New product introduction generating profitable growth**

- **Customer feedback positive on market outlook**
Q&A Session

Glen Morrison
CEO
Appendices
Solid +3.0% organic growth in H1 2018 in €m

- Excellent performance in Sports
- Good growth in North America
- Improvement in EMEA throughout the quarter
- Strong headwind from currencies, mainly US$, Russian ruble and Swedish krona

(1) Life 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).
## Sales and adjusted EBITDA performance in 2017

<table>
<thead>
<tr>
<th></th>
<th>Net Sales</th>
<th>Adjusted EBITDA²</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMEA</td>
<td>926.4</td>
<td>906.5</td>
</tr>
<tr>
<td>North America</td>
<td>783.4</td>
<td>816.7</td>
</tr>
<tr>
<td>CIS, APAC &amp; LATAM</td>
<td>619.0</td>
<td>549.6</td>
</tr>
<tr>
<td>Sports</td>
<td>512.3</td>
<td>466.5</td>
</tr>
<tr>
<td>Central Costs</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL</td>
<td>2,841.1</td>
<td>2,739.3</td>
</tr>
</tbody>
</table>

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

Sales performance by quarter

<table>
<thead>
<tr>
<th>€m</th>
<th>Q1 2018</th>
<th>Q1 2017</th>
<th>% growth</th>
<th>Organic growth¹</th>
<th>Q2 2018</th>
<th>Q2 2017</th>
<th>% growth</th>
<th>Organic growth¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMEA</td>
<td>228.3</td>
<td>243.4</td>
<td>-6.2%</td>
<td>-4.6%</td>
<td>236.0</td>
<td>237.9</td>
<td>-0.8%</td>
<td>+1.7%</td>
</tr>
<tr>
<td>North America</td>
<td>163.5</td>
<td>190.3</td>
<td>-14.1%</td>
<td>-1.6%</td>
<td>214.8</td>
<td>222.4</td>
<td>-3.4%</td>
<td>+3.7%</td>
</tr>
<tr>
<td>CIS, APAC &amp; LATAM</td>
<td>116.3</td>
<td>121.3</td>
<td>-4.1%</td>
<td>+5.0%</td>
<td>145.4</td>
<td>154.4</td>
<td>-5.8%</td>
<td>+1.4%</td>
</tr>
<tr>
<td>Sports</td>
<td>59.8</td>
<td>56.7</td>
<td>+5.4%</td>
<td>+15.9%</td>
<td>153.2</td>
<td>137.6</td>
<td>+11.3%</td>
<td>+18.5%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>567.9</td>
<td>611.7</td>
<td>-7.2%</td>
<td>+0.1%</td>
<td>749.4</td>
<td>752.3</td>
<td>-0.4%</td>
<td>+5.3%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>€m</th>
<th>Q1 2018</th>
<th>Q1 2017</th>
<th>Q1 2018 Margin</th>
<th>Q1 2017 Margin</th>
<th>Q2 2018</th>
<th>Q2 2017</th>
<th>Q2 2018 Margin</th>
<th>Q2 2017 Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted EBITDA²</td>
<td>29.8</td>
<td>51.5</td>
<td>5.2%</td>
<td>8.4%</td>
<td>86.3</td>
<td>108.8</td>
<td>11.5%</td>
<td>14.5%</td>
</tr>
</tbody>
</table>

(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

<table>
<thead>
<tr>
<th>€m</th>
<th>Net Sales</th>
<th>Adjusted EBITDA²</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>H1 2018</td>
<td>H1 2017</td>
</tr>
<tr>
<td></td>
<td>% growth</td>
<td>Organic growth¹</td>
</tr>
<tr>
<td><strong>EMEA</strong></td>
<td>464.3</td>
<td>481.3</td>
</tr>
<tr>
<td><strong>North America</strong></td>
<td>378.3</td>
<td>412.7</td>
</tr>
<tr>
<td><strong>CIS, APAC &amp; LATAM</strong></td>
<td>261.7</td>
<td>275.7</td>
</tr>
<tr>
<td><strong>Sports</strong></td>
<td>213.0</td>
<td>194.3</td>
</tr>
<tr>
<td><strong>Central Costs</strong></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>1,317.3</td>
<td>1,364.0</td>
</tr>
</tbody>
</table>

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

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

New selling price increases announced in Russia:
- +6% in Wood effective June 1st
- +5% in Resilient and Laminate effective in July

Sources: Reuters and Tarkett.
Russia: consumer confidence, real retail sales and real wages

Source: Rosstat.
Capex expansion in 2018 to drive productivity

Ongoing Capex in €m

Objective: ~ 5% of sales in 2018
### Good liquidity

As of June 30, 2018

<table>
<thead>
<tr>
<th>In €m</th>
<th>Utilization</th>
<th>Credit Lines</th>
</tr>
</thead>
<tbody>
<tr>
<td>Syndicated Facility (RCF)</td>
<td>82</td>
<td>650</td>
</tr>
<tr>
<td>Private Placement</td>
<td>594</td>
<td>594</td>
</tr>
<tr>
<td>Asset-backed financing</td>
<td>0</td>
<td>50</td>
</tr>
<tr>
<td>Other</td>
<td>18</td>
<td>91</td>
</tr>
<tr>
<td><strong>Total Borrowings</strong></td>
<td><strong>693</strong></td>
<td><strong>1,385</strong></td>
</tr>
<tr>
<td>Cash and cash equivalent</td>
<td>(99)</td>
<td></td>
</tr>
<tr>
<td><strong>Net Debt</strong></td>
<td><strong>594</strong></td>
<td></td>
</tr>
</tbody>
</table>
Shareholder composition
As of June 30, 2018

Société d'Investissement Deconinck 50.2%
Free float 48.8%
Treasury shares 1.0%
Executive Committee
An international, diverse & entrepreneurial leadership team

Glen Morrison
CEO & President of the Management Board

Fabrice Barthélemy
EMEA & LATAM President
Member of the Management Board

Andrew Bonham
North America President

Eric Daliere
Tarkett Sports President

Slavoljub Martinovic
Eastern Europe President

Anne-Christine Ayed
Research, Innovation & Environment

Pierre Barrard
Strategic Marketing & Digital

Raphaël Bauer
CFO

Wendy Kool-Foulon
General Counsel

Gilles Lebret
Customer Operations & Group CIO

Sharon MacBeath
Human Resources & Communications
Member of the Management Board

Antoine Prevost
Operations

• Customer-driven culture
• Operational agility thanks to a decentralized and aligned organization

Operational Leaders

Function Leaders
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

- Ceramics: 61%
- Wood & Laminate: 11%
- Vinyl, Linoleum & Rubber: 9%
- Commercial Carpet: 7%
- Residential Carpet: 9%
- Other non-resilient: 3%

26% addressed product categories

Flooring preferred categories vary greatly across world

North America: 1.7bn sqm
- Ceramics: 17%
- Carpet: 50%
- Vinyl, Linoleum & Rubber: 17%
- Wood & Laminate: 14%
- Other (non-resilient): 1%

Europe\(^{(1)}\): 1.6bn sqm
- Ceramics: 31%
- Carpet: 26%
- Vinyl, Linoleum & Rubber: 18%
- Wood & Laminate: 21%
- Other (non-resilient): 4%

CIS: 0.6bn sqm
- Ceramics: 37%
- Carpet: 10%
- Vinyl, Linoleum & Rubber: 28%
- Wood & Laminate: 25%

Latin America: 1.1bn sqm
- Ceramics: 8%
- Carpet: 92%
- Vinyl, Linoleum & Rubber: 2%
- Wood & Laminate: 2%
- Other (non-resilient): 4%

Middle East & Africa: 1.6bn sqm
- Ceramics: 12%
- Carpet: 85%
- Vinyl, Linoleum & Rubber: 9%
- Wood & Laminate: 2%
- Other (non-resilient): 4%

Asia Pacific: 6.5bn sqm
- Ceramics: 50%
- Carpet: 75%
- Vinyl, Linoleum & Rubber: 6%
- Wood & Laminate: 6%
- Other (non-resilient): 8%


Tarkett - H1 2018 Financial Results - July 26, 2018
## Consolidated Income Statement

### €m

<table>
<thead>
<tr>
<th></th>
<th>June 2018</th>
<th>June 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>1,317.3</td>
<td>1,364.0</td>
</tr>
<tr>
<td><strong>Cost of sales</strong></td>
<td>(995.8)</td>
<td>(1001.7)</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>321.5</td>
<td>362.3</td>
</tr>
<tr>
<td><strong>Other operating income</strong></td>
<td>5.8</td>
<td>16.9</td>
</tr>
<tr>
<td><strong>Selling and distribution expenses</strong></td>
<td>(162.6)</td>
<td>(163.2)</td>
</tr>
<tr>
<td><strong>Research and development expenses</strong></td>
<td>(19.9)</td>
<td>(19.6)</td>
</tr>
<tr>
<td><strong>General and administrative expenses</strong></td>
<td>(89.1)</td>
<td>(103.7)</td>
</tr>
<tr>
<td><strong>Other expenses</strong></td>
<td>(7.3)</td>
<td>(156.4)</td>
</tr>
<tr>
<td><strong>Result from operating activities</strong></td>
<td>48.4</td>
<td>(63.7)</td>
</tr>
<tr>
<td><strong>Financial income</strong></td>
<td>0.4</td>
<td>0.7</td>
</tr>
<tr>
<td><strong>Financial expenses</strong></td>
<td>(12.1)</td>
<td>(12.9)</td>
</tr>
<tr>
<td><strong>Net finance costs</strong></td>
<td>(11.7)</td>
<td>(12.2)</td>
</tr>
<tr>
<td><strong>Share of profit on equity accounted investees</strong> (net of income tax)</td>
<td>0.4</td>
<td>1.3</td>
</tr>
<tr>
<td><strong>Profit before income tax</strong></td>
<td>37.1</td>
<td>(74.6)</td>
</tr>
<tr>
<td><strong>Income tax expense</strong></td>
<td>(8.0)</td>
<td>(22.9)</td>
</tr>
<tr>
<td><strong>Profit for the period</strong></td>
<td>29.1</td>
<td>(97.5)</td>
</tr>
<tr>
<td><strong>Attributable to owners of the Company</strong></td>
<td>28.7</td>
<td>(97.9)</td>
</tr>
<tr>
<td><strong>Attributable to non-controlling interests</strong></td>
<td>0.4</td>
<td>0.4</td>
</tr>
</tbody>
</table>
## Consolidated Cash Flow Statement

<table>
<thead>
<tr>
<th>€m</th>
<th>June 2018</th>
<th>June 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net profit before tax</strong></td>
<td>37.1</td>
<td>(74.6)</td>
</tr>
<tr>
<td>Depreciation, financial expenses and other</td>
<td>70.0</td>
<td>229.3</td>
</tr>
<tr>
<td><strong>Operating profit before working capital changes</strong></td>
<td>107.1</td>
<td>154.7</td>
</tr>
<tr>
<td>Effects of changes in assets and liabilities</td>
<td>(118.7)</td>
<td>(131.3)</td>
</tr>
<tr>
<td><strong>Cash generated from operations</strong></td>
<td>(11.6)</td>
<td>23.4</td>
</tr>
<tr>
<td>Other operating items</td>
<td>(19.6)</td>
<td>(32.2)</td>
</tr>
<tr>
<td><strong>NET CASH FROM OPERATING ACTIVITIES</strong></td>
<td>(31.2)</td>
<td>(8.8)</td>
</tr>
<tr>
<td>Acquisition of subsidiaries net of cash acquired</td>
<td>(10.0)</td>
<td>0.0</td>
</tr>
<tr>
<td>Acquisition of property, plant and equipment</td>
<td>(52.3)</td>
<td>(45.5)</td>
</tr>
<tr>
<td>o/w On-going Capex</td>
<td>(50.4)</td>
<td>(44.9)</td>
</tr>
<tr>
<td>Others</td>
<td>0.8</td>
<td>0.6</td>
</tr>
<tr>
<td><strong>NET CASH FROM INVESTING ACTIVITIES</strong></td>
<td>(61.5)</td>
<td>(44.9)</td>
</tr>
<tr>
<td>Acquisition of non-controlling interests</td>
<td>0.0</td>
<td>(0.5)</td>
</tr>
<tr>
<td>Proceeds from loans and borrowings</td>
<td>121.6</td>
<td>369.8</td>
</tr>
<tr>
<td>Repayment of loans and borrowings</td>
<td>(39.0)</td>
<td>(221.3)</td>
</tr>
<tr>
<td>Payment of finance lease liabilities</td>
<td>(0.4)</td>
<td>(0.6)</td>
</tr>
<tr>
<td>Acquisition of treasury shares</td>
<td>(4.9)</td>
<td>0.0</td>
</tr>
<tr>
<td>Dividends paid</td>
<td>0.0</td>
<td>(0.4)</td>
</tr>
<tr>
<td><strong>NET CASH FROM FINANCING ACTIVITIES</strong></td>
<td>77.3</td>
<td>147.0</td>
</tr>
<tr>
<td>Net increase (decrease) in cash and cash equivalents</td>
<td>(15.4)</td>
<td>93.3</td>
</tr>
<tr>
<td>Cash and cash equivalents, beginning of period</td>
<td>114.7</td>
<td>93.1</td>
</tr>
<tr>
<td>Effect of exchange rate fluctuations on cash held</td>
<td>(0.6)</td>
<td>(1.8)</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents, end of period</strong></td>
<td>98.7</td>
<td>184.6</td>
</tr>
</tbody>
</table>
## Consolidated Balance Sheet

### ASSETS

<table>
<thead>
<tr>
<th></th>
<th>June 30, 2018</th>
<th>December 31, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goodwill</td>
<td>525.7</td>
<td>510.5</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>86.2</td>
<td>91.4</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>466.4</td>
<td>467.4</td>
</tr>
<tr>
<td>Financial assets</td>
<td>30.2</td>
<td>31.7</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>80.4</td>
<td>80.1</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td>1,188.9</td>
<td>1,181.1</td>
</tr>
<tr>
<td>Inventories</td>
<td>477.3</td>
<td>404.2</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>470.0</td>
<td>356.2</td>
</tr>
<tr>
<td>Other receivables</td>
<td>77.8</td>
<td>76.9</td>
</tr>
<tr>
<td>Cash and cash equivalent</td>
<td>96.7</td>
<td>114.7</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td>1,123.8</td>
<td>952.0</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>2,312.7</td>
<td>2,133.1</td>
</tr>
</tbody>
</table>

### EQUITY AND LIABILITIES

<table>
<thead>
<tr>
<th></th>
<th>June 30, 2018</th>
<th>December 31, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share capital</td>
<td>318.6</td>
<td>318.6</td>
</tr>
<tr>
<td>Share premium and reserves</td>
<td>145.8</td>
<td>145.8</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>290.3</td>
<td>352.7</td>
</tr>
<tr>
<td>Net result for the year</td>
<td>28.7</td>
<td>(38.7)</td>
</tr>
<tr>
<td><strong>Equity attributable to equity holders of the parent</strong></td>
<td>773.4</td>
<td>778.4</td>
</tr>
<tr>
<td>Minority interest</td>
<td>2.3</td>
<td>2.2</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>775.7</td>
<td>780.6</td>
</tr>
<tr>
<td>Interest-bearing loans and borrowings</td>
<td>683.5</td>
<td>594.1</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>0.5</td>
<td>0.5</td>
</tr>
<tr>
<td>Deferred tax liabilities</td>
<td>35.2</td>
<td>37.8</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>132.5</td>
<td>135.4</td>
</tr>
<tr>
<td>Provisions and other non-current liabilities</td>
<td>47.4</td>
<td>49.7</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td>699.1</td>
<td>817.5</td>
</tr>
<tr>
<td>Trade payables</td>
<td>367.2</td>
<td>288.9</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>186.9</td>
<td>197.4</td>
</tr>
<tr>
<td>Interest-bearing loans and borrowings</td>
<td>9.4</td>
<td>12.3</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>42.8</td>
<td>7.0</td>
</tr>
<tr>
<td>Provision and other current liabilities</td>
<td>31.6</td>
<td>29.4</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td>637.9</td>
<td>535.0</td>
</tr>
<tr>
<td><strong>TOTAL EQUITY AND LIABILITIES</strong></td>
<td>2,312.7</td>
<td>2,133.1</td>
</tr>
</tbody>
</table>
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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