

Tarkett announces solid financial results for 2009

Increased profitability Strong financial position

Paris, March 25, 2010

Tarkett, a worldwide leader in innovative flooring and sports surface solutions, has today announced **solid financial results for 2009**, against a fragile global economic background.

Despite a 17% drop **in turnover to EUR 1.7 billion**, Tarkett is posting an excellent operational performance, with an **EBITDA before exceptional items of EUR 208 million, i.e. 12.2% of sales** (11.1% in 2008).

This strong performance is based on a **rapid adaptation to new customer needs and the implementation of productivity plans** which have led to more than EUR 100 million savings on a yearly basis (excluding the favorable impact of raw material prices).

“The 2009 crisis enabled us to demonstrate Tarkett’s strength, thanks to the exceptional commitment of all its employees. In 2010, we will step up the implementation of our profitable growth strategy by continuing to invest in innovation and acquisitions,” stated Michel Giannuzzi, CEO, and Chairman of the Management Board of the Tarkett Group.

Key figures:

- **Net profit is rising sharply up to EUR 70.2 million.**
- **Operating cash flow** (before cost of strategic acquisitions) has reached **EUR 271 million, an increase of 41%** compared to 2008.
- Despite strategic investments totaling EUR 175 million, **the Group’s level of net debt, already low, has again decreased to EUR 271 million at the end of 2009** (EUR 317 million at the end of 2008). **The ratio of net debt to EBITDA was 1.3 at the end of 2009** (1.4 at the end of 2008).



THE ULTIMATE FLOORING EXPERIENCE

A dynamic external growth policy on a global scale

In 2009, Tarkett's financial soundness enabled it to continue implementing its profitable growth strategy, based on **acquisitions** in countries with high potential or which **complete its product portfolio**. The EUR 175 million invested in 2009 enabled:

- The acquisition of the Brazilian company **Fademac**, leader in resilient flooring on the South American market (April 2009),
- The finalization of the takeover bid for its subsidiary **Sintelon**, based in **Serbia**, thereby consolidating its positions in Russia, Ukraine and Serbia (July 2009),
- The acquisition of **Atlas Tracks**, a specialist in athletics tracks in the United States, consolidating Tarkett's position as leader on this market in North America (August 2009),
- The creation of a **joint venture in Turkey** with the company Aspen (November 2009),
- The setting up of a **new factory for laminated flooring** in the Moscow area (start-up in November 2009).

Eco-innovation – a strategic priority

Tarkett is deploying **an ambitious and environmentally friendly innovation strategy** with, for example, the recent launch of "**IQ Natural**", the first homogeneous vinyl flooring made with 75% natural and renewable raw materials, and also "**TarkoSpray**", a solvent-free aerosol glue. Tarkett will soon be offering its customers **new generations of parquet flooring** made with fast-growing and replenishable timber species.

Tarkett has also launched "**Floor in a Box**", a concept which is revolutionizing the decoration and flooring market due to its ease of handling and laying.

In September 2009, Tarkett entered into a three-year partnership with the Ecole Nationale Supérieure des Arts Décoratifs (ENSAD – Higher Institute of Decorative Arts) in Paris. The partnership will focus on **future prospects and innovation, and will be aimed at visualizing the floor coverings of the future**.

About Tarkett:

With 2009 revenues of €1.7 billion, Tarkett is a leading provider of innovative and sustainable flooring and sports surfaces. Some 8,000 employees serve Tarkett's customers in 100 countries and from 29 production sites. Since January 2007, Tarkett is owned by the Deconinck family (50%) and private equity funds affiliated with KKR (50%). Tarkett is one of the official partners of the French National Sports Olympic Committee (CNOSF) for the Olympic Games.