



MOHAWK[®]

Mohawk Industries, Inc.

Safe Harbor Statement

Certain of the statements in this presentation, particularly anticipating future performance, business prospects, growth and operating strategies, proposed acquisitions, and similar matters, and those that include the words "believes," "anticipates," "forecast," "estimates," or similar expressions constitute "forward-looking statements" within the meaning of Securities Act of 1933 and the Securities Exchange Act of 1934. There can be no assurance that the forward-looking statements will be accurate because they are based on many assumptions which involve risks and uncertainties. The following important factors could cause future results to differ: changes in industry conditions; competition; raw material prices; timing and level of capital expenditures; integration of acquisitions; introduction of new products; rationalization of operations; and other risks identified in Mohawk's SEC reports and public announcements.



Mohawk Carpet

MOHAWK HIGHLIGHTS

- Total Flooring Product Offering
- Strong Brand Identity
- Pervasive Sales Coverage
- Flexible Efficient Manufacturing
- Superior Distribution Infrastructure



Dal-Tile Ceramic

MOHAWK LEADER IN FLOORCOVERING

2005 Proforma Sales of \$7.6 bn
2005 Proforma EBITDA of \$1,130 mm^(1,2)

2005 Sales of \$6.6 bn
2005 EBITDA of \$852 mm^(1,2)

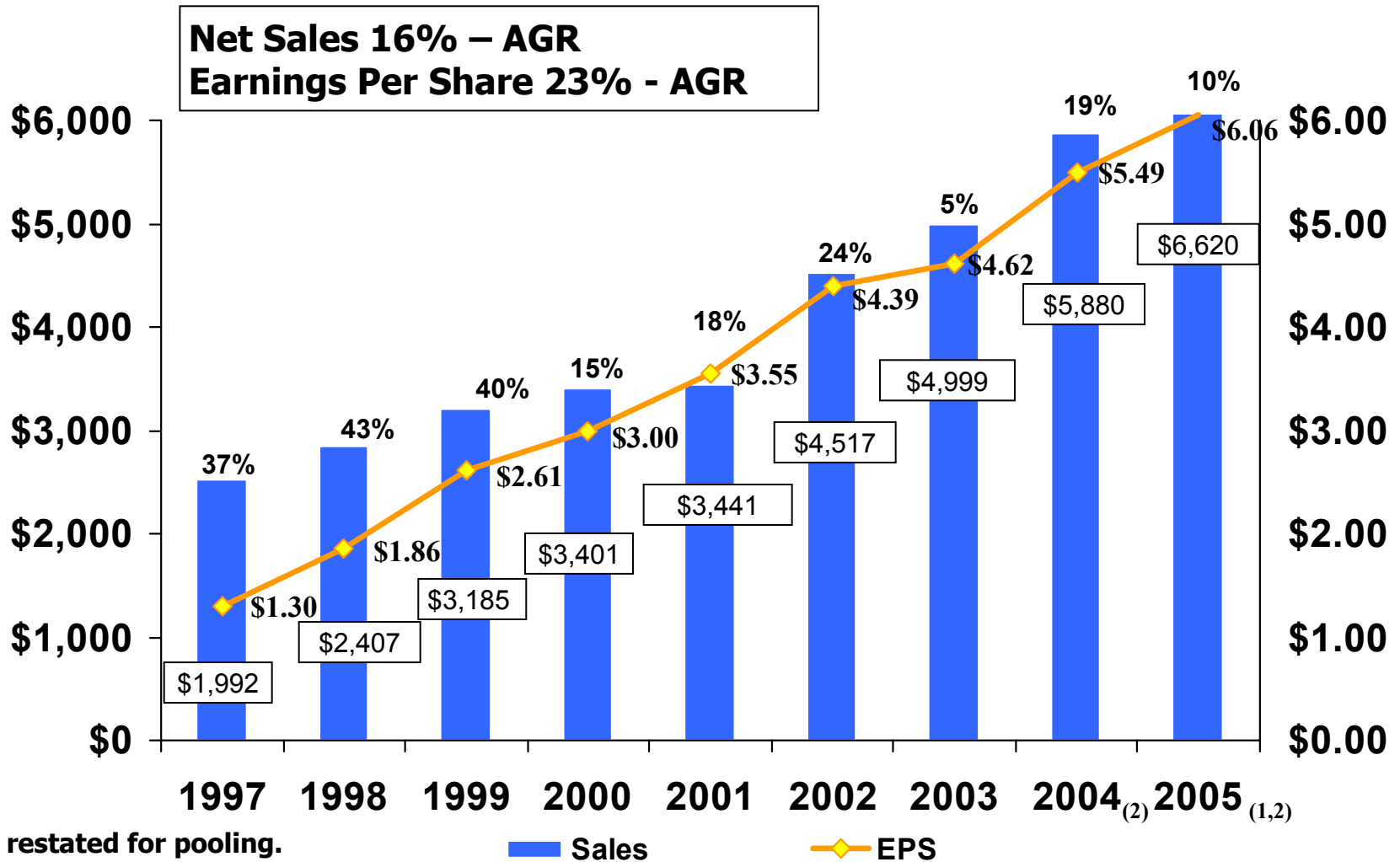
Leading Market Positions in Major Product Categories

Carpet
Ceramic
Laminate
Stone Flooring & Countertops
Rugs & Mats

(1) Adjusted \$34 million pre-tax for one time non-cash charge for purchase accounting inventory
(2) 2005 restated to reflect favorable pre-tax impact of change from LIFO to FIFO (\$45 Million)

FINANCIAL DISCIPLINE

Consistent Financial Performance



(1) Adjusted \$22 million after-tax for one time non-cash charge for purchase accounting inventory
 (2) 2005 and 2004 restated to reflect favorable impact of change from LIFO to FIFO (\$0.43 and \$0.03, respectively)



Mohawk Rugs

U.S. FLOORCOVERING MARKET OVERVIEW

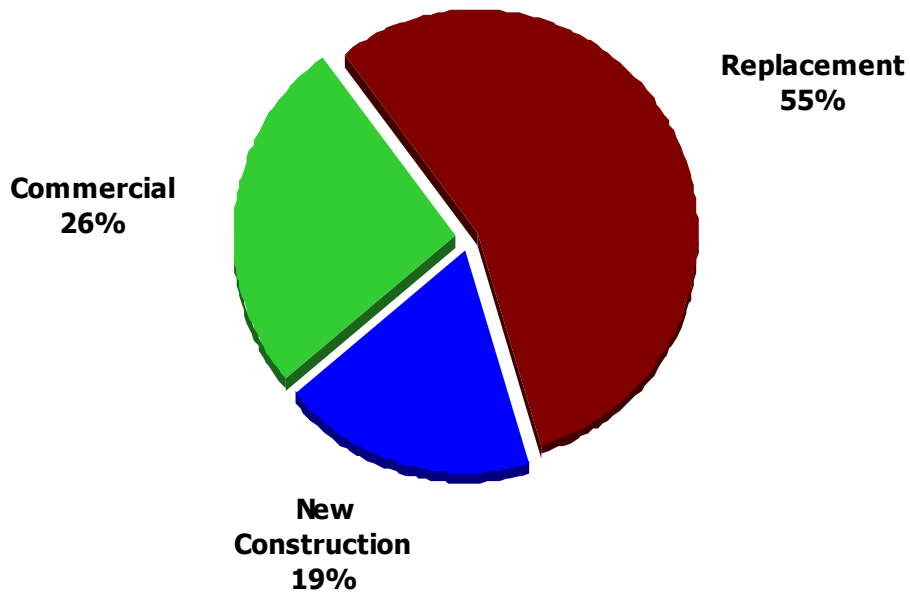
(Dollars In Billions)

	<u>Sales</u>		<u>Market Share</u>
	<u>2005</u>	<u>2004</u>	
Broadloom Carpet	\$12.4	\$11.6	51%
Area Rugs	<u>2.9</u>	<u>2.7</u>	<u>12%</u>
Soft Surface	\$15.3	\$14.3	63%
Ceramic Floor Tile	\$2.2	\$2.1	9%
Vinyl & Rubber	2.8	2.8	12%
Hardwood	2.6	2.4	11%
Laminates	<u>1.3</u>	<u>1.2</u>	<u>5%</u>
Hardsurface	\$8.9	\$8.5	37%
Total Flooring	\$24.2	\$22.8	100%

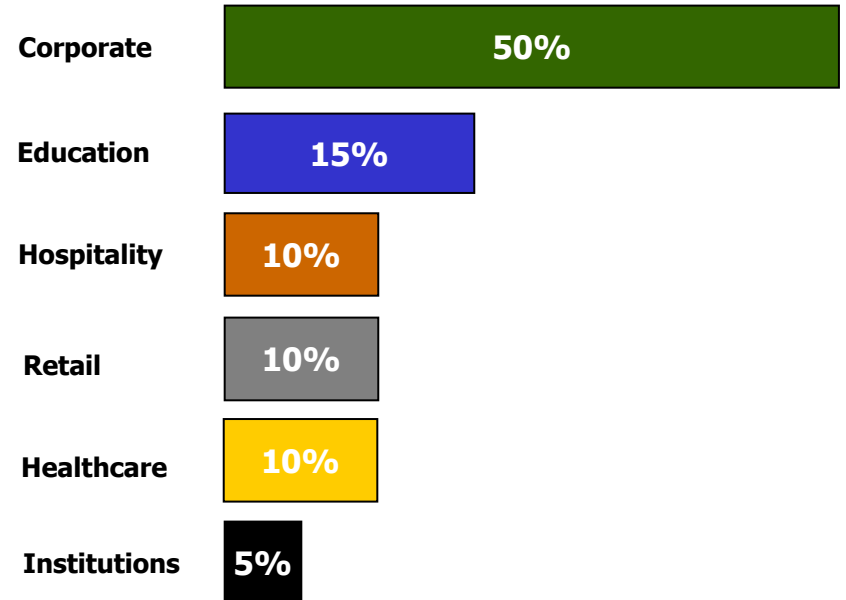
(Source: May 2006 Floor Focus)

FLOORCOVERING MARKET SEGMENT

**2005 TOTAL US FLOORING
INDUSTRY SALES
\$24.2B**



Commercial



2005 U.S. FLOORING MANUFACTURERS

(Dollars in billions)

	Carpet & Rugs		Total Flooring	
	Dollars	% Total	Dollars	% Total
Mohawk	\$4.1	27%	\$5.8	24%
Shaw	4.9	32%	5.3	22%
Armstrong			1.6	7%
Beaulieu	1.1	7%	1.1	5%
Mannington	.1	1%	.8	3%
Interface	.5	3%	.5	2%
Domco Tarkett			.5	2%
Royalty	.3	2%	.3	1%
Springs	.3	2%	.3	1%
The Dixie Group	.3	2%	.3	1%
Total Top Ten	\$11.6	76%	\$16.5	68%
Total Industry	\$15.3		\$24.2	



EVERYTHING OLD IS NEW AGAIN.
Introducing The Sunwash™ Collection.

The timeless beauty of ancient mosaics, re-created in the new Sunwash Collection. Regs so magnificent you'll mistake them for the original antiqua that inspired them. Karastan Sunwash creates a soft appearance and rich patina that's perfect for today's more casual lifestyles. For a limited time, the Sunwash Collection is available at great introductory savings. Visit your authorized Karastan dealer today and enjoy the warm beauty of Sunwash in your home.

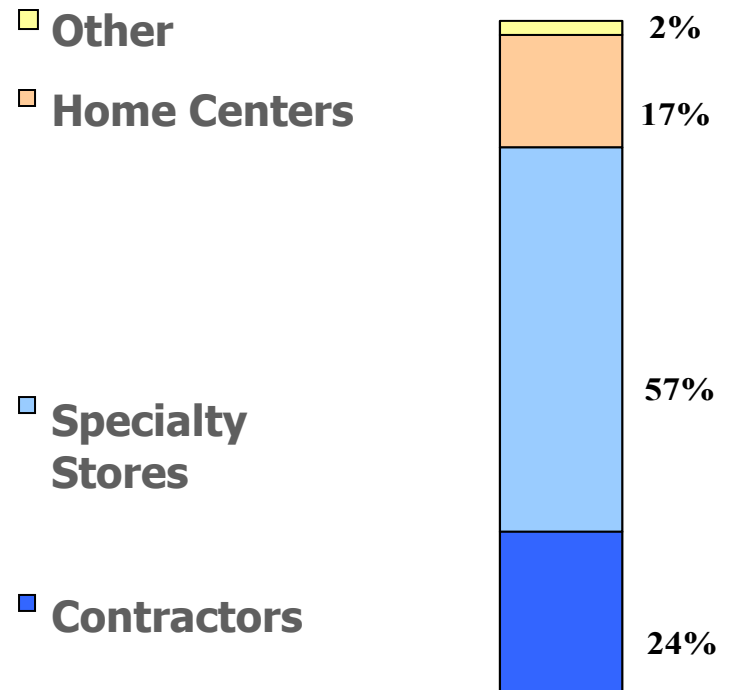
Karastan

Featured above by Nancy Korman from the Sunwash Collection. ©2005 Karastan. For more information, call 1-877-SUNWASH, ext. 5042 or visit karastan.com

FLOORCOVERING RETAILERS

Diversified Customer Base
Over 30,000 Customers

2005



Natural Inspirations, Bavarian Oak

FLOORCOVERING GROWTH

Total Industry	5%
Broadloom Carpet	3%
Area Rugs	8%
Hardwood	8%
Ceramic Tile	8%
Laminate	15%
Vinyl	0

Pinch me. I must be dreaming.



(Source: Management Estimates for future growth)

MOHAWK GROWTH THROUGH ACQUISITION

Acquisition	Sales	Date	Products
Unilin	990	2005	Laminate Flooring Manufacturer in Europe and U.S.
Wayn-Tex	N/A	2005	Carpet Backing Manufacturer
Alpha Granite	30	2004	Stone Flooring and countertop distributor
Lees Carpet	250	2003	Commercial broadloom and tile carpet
Inter. Marble & Granite	25	2003	Stone flooring and countertop distributor
Brumlow Rugs	25	2003	Bath rug manufacturer
Dal-Tile	1,007	2002	Manufacturer and distributor of ceramic tile
Crown Crafts Woven Div.	50	2000	Woven throws, bedspreads, coverlets, pillows
Image Industries	190	1999	Recycled polyester fiber residential carpet
Durkan Patterned Carpets	110	1999	Printed commercial carpet for hospitality market
World Carpets	430	1998	Medium price point carpet
American Weavers	30	1998	Rugs, throws, pillows and table accessories
Newmark & James	40	1998	High-end bath rugs
Diamond, Rug & Carpet	60	1996	Lower price point residential carpet
Galaxy Carpet Mills	200	1995	Medium price point residential carpet
Aladdin Mills	450	1994	Lower price point residential carpet
Karastan Bigelow	230	1993	Medium to high price point broadloom carpet and rugs
American Rug Craftsmen	30	1993	Area rugs and mats
Horizon Industries	300	1992	Medium to high price point carpet

Dal-Tile Segment

Ceramic and Stone



High Growth Category

- Ceramic Growth 8%
- Fragmented Stone Business
- Increasing Market Share

Broad Product Offering

- Residential & Commercial
- All Channels & Price Points
- Improving Product Mix

Superior Marketing & Distribution

- Strong Brands Differentiate Channels
- Design Centers in Major Markets
- Merchandising Improves Process
- Over 250 Local Distribution Points



Laminate

UNILIN Segment

	<u>2004</u>	<u>2005</u>
Proforma Sales	\$993	\$1,102
Op. Income	\$163 16.4%	\$180 16.3%

Market leader in Europe & U.S.

- Focus on high-end product
- Innovative technology
- Differentiated products

Acquisition Rationale

- Entry into laminates
- Fully integrated manufacturer
- Geographic expansion
- Strong management

UNILIN Segment

Comprehensive product portfolio

- **Laminate – 2/3 of Revenues**
 - Flooring
 - MDF Board
 - Intellectual Property
 - Leading Market Share in U.S. and Europe
- **Specialty Boards – 1/3 of Revenues**
 - Roofing
 - Melamine
 - Chipboard
 - Leading Market Share in Europe

2,400 employees

16 Production Facilities in U.S. and Europe



Chipboards



Furniture

MOHAWK

TOTAL FLOORING COMPANY

SATISFY ALL MARKETS AND CUSTOMERS

Channels

Residential

- Retail Dealers
- Builder
- Multi-family
- Home Centers
- Specialty

Commercial

- Corporate
- Educational
- Retail
- Health Care
- Hospitality
- Institutional
- Mainstreet

Product Categories

Carpet

- Tufted
- Woven
- Printed
- Pattern
- Modular Tile
- Cushion Back
- Solution Dye
- Custom Design

Cushion

- Bonded
- Felt
- Urethane

Ceramic

- Floor
- Porcelain
- Quarry
- Mosaic
- Wall

Stone

- Floor
- Countertops

Vinyl

- Sheet
- Tile

Laminate

Wood

- Engineered
- Solid

Rugs

- Tufted
- Woven
- Printed

Mats

- Bath
- Entrance
- Indoor

Textiles

- Throws
- Blankets
- Pillows

LEADING INDUSTRY BRANDS



Premium

- Karastan
- Ralph Lauren
- Custom Weave



Stylized

- Wunda Weve by Mohawk
- Horizon by Mohawk



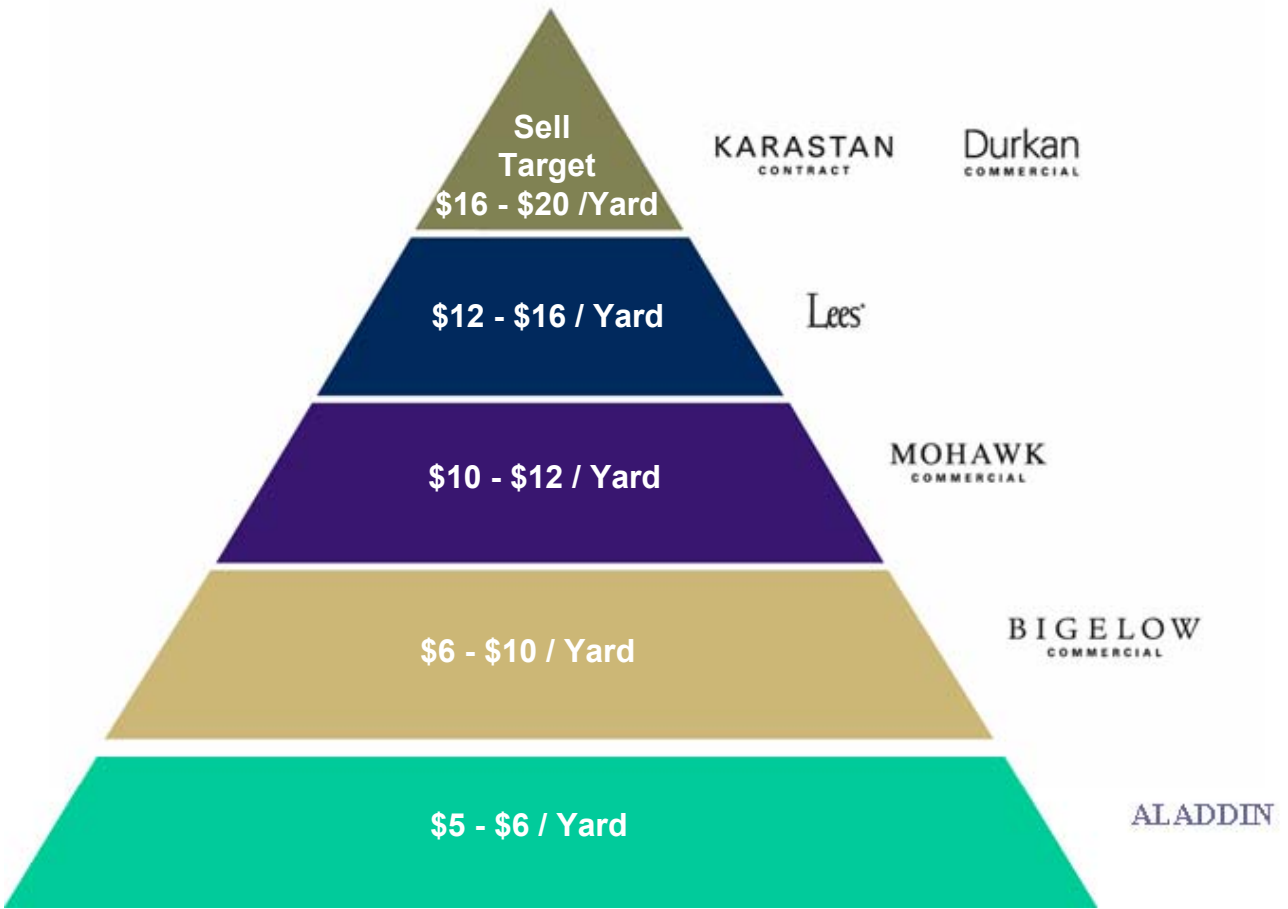
Value

- Aladdin by Mohawk



COMMERCIAL BRAND ALIGNMENT

Commercial Broadloom Market



PRODUCT INNOVATION

SMARTSTRANDTM
made with **DuPont Sorona**[®] polymer

Exclusive Revolutionary Fiber
Bio Based Ingredients in Future
Enhanced Stain & Durability



PRODUCT INNOVATION

LAMINATE

Country Surface

- Duplicates wood with hand finished surface processed by artisans
- You can see and feel the handscrape finishing in each and every plank



PRODUCT INNOVATION

CERAMIC

Villa Valleta™

Won the Dealer's Choice Award
High glazed porcelain suitable for Residential
and Commercial
Simulates natural slate
Manufactured at new Muskogee plant





VALUE ADDED MARKETING

Diversified Customer Base

- Over 30,000 Customers
- Largest 10 customers about 15% of sales

Retail Marketing

- 500 Mohawk Floorscapes Co-branded Stores
- 50 Mohawk Floorz Inventory Stores
- 2000 Mohawk Color Center – Store in a Store
- Mid to High-end Boutique Shops

Services

- Retail and Consumer Advertising
- Retail Incentives
- Consumer Credit Programs
- Mohawk University Training
- Group Insurance Programs
- Direct Mail and Point of Purchase Material
- Retail Web Site Design
- Purchasing Discounts – Information Systems, Phones, & Supplies

MOHAWK
floorz
 QUALITY FLOORING FROM A TO Z



 **MOHAWK**
 FLOORSCAPES[™]
 It's worth talking to the experts.



**CO-BRANDED
 RETAILERS**



Fiber Extrusion



Bennettsville Site

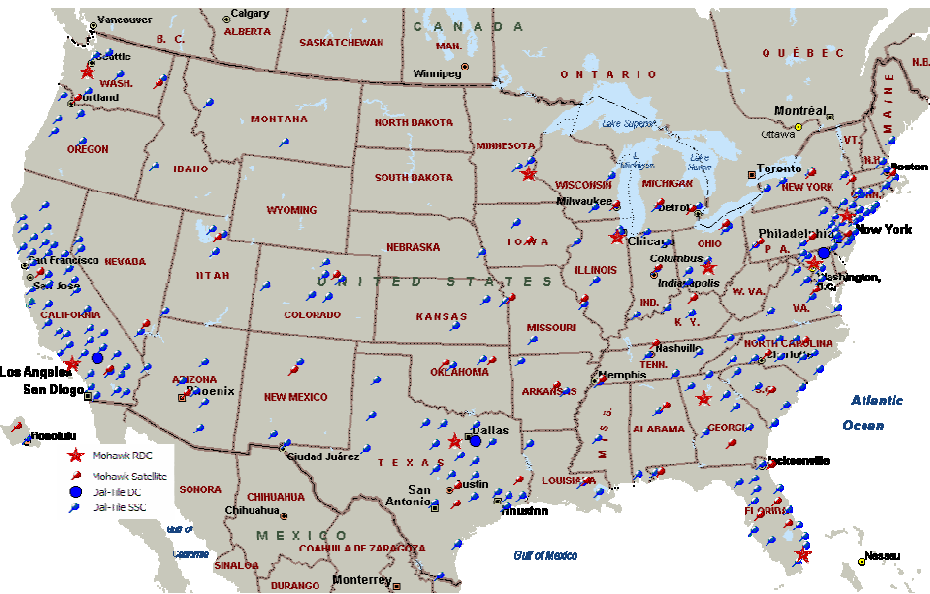
DISCIPLINED MANUFACTURING

State of the Art Manufacturing

- Investment in modern technology
- Integrated information systems

Backward Integration

- Fiber extrusion provides over 60% of requirements. Produce all fiber types, including nylon, polyester and olefin
- Largest soda bottle recycler for use in fiber
- Manufacturer of carpet pad for felt and rebond
- Manufacture carpet backing



BEST IN CLASS DISTRIBUTION NETWORK

- 300 distribution points
- State of the art logistics system
- 1,000 trucks





MOHAWK STRATEGY

- Focus on North America Flooring Retailers
- Provide All Flooring Products
- Leverage Brands and Merchandising to Differentiate Offerings
- Maintain Disciplined Manufacturing
- Offer Best Distribution Service in Category
- Be a Growth Company with Financial Discipline
- Targeted Acquisition

MOHAWK SEGMENT

Carpet, Rugs, Pad, and Hard Surfaces



Distribution		2001	2002	2003	2004 ⁽¹⁾	2005 ⁽¹⁾
● Retail Flooring Dealers	Sales	\$3,441	\$3,623	\$3,731	\$4,369	\$4,717
● Flooring Contractors	% Growth	1%	5%	3 %	17%	8%
● Home Centers	Op. Income	\$327	\$391	\$364	\$427	\$427
● Mass Merchants	% Sales	9%	11%	10%	10%	9%
● Department Stores						

(1) 2005 and 2004 restated to reflect favorable pre-tax impact of change from LIFO to FIFO (\$45 Million and \$3 Million, respectively)

DAL-TILE SEGMENT

Ceramic & Stone Floor, Wall,
& Countertops



Distribution		2001 ⁽¹⁾	2002 ⁽¹⁾	2003	2004	2005
● Tile & Flooring Contractors	Sales	\$1,037	\$1,130	\$1,269	\$1,511	\$1,735
● Ceramic Retailers	% Growth	8%	9%	12%	19%	15%
● Flooring Retailers	Op. Income	\$149	\$172	\$187	\$220	\$260
● Home Centers	% Sales	14%	15%	15%	15%	15%
● Independent Distributors						

(1) Proforma



UNILIN SEGMENT

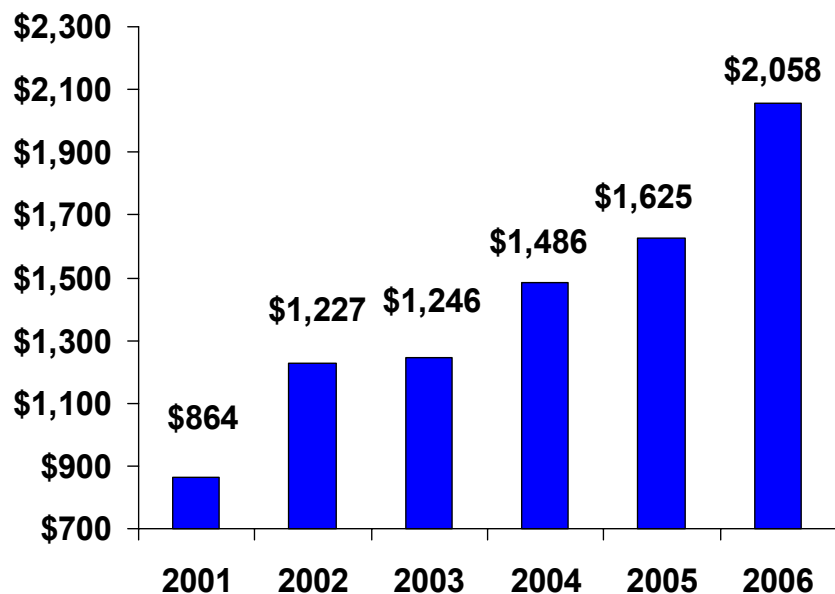
Laminate, Wood Boards, Melamine
and Roofing Systems

Distribution	2004 PF	2005 PF
● Retail Flooring Distributors	Sales \$993	\$1,102
● Home Centers	% Growth	11%
● Mass Merchants	Op. Income(1) \$163	\$180
	% Sales 16%	16%

(1) Includes annual intangible asset amortization of \$72 million for 2004 PF and 2005 PF

MOHAWK SECOND QUARTER 2006 NET SALES AND EARNINGS PER SHARE

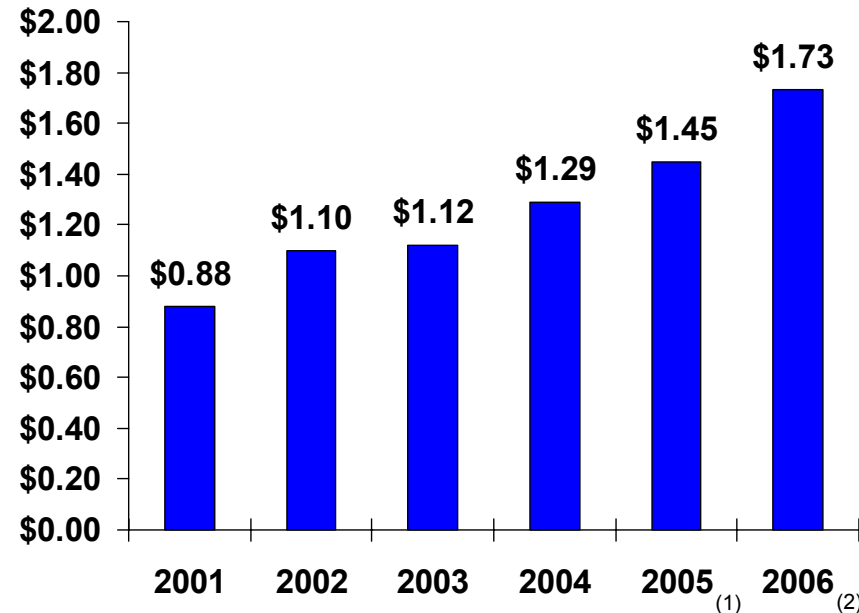
Second Quarter Net Sales



Q2-2006 Growth of 25%

5 Yr. CAGR of 19%

Adjusted Second Quarter EPS



Q2-2006 Growth of 19%

5 Yr. CAGR of 14%

(1) Restated to reflect favorable impact of change from LIFO to FIFO (\$0.06/share)

(2) Adjusted for impact of stock compensation expense of \$0.03 and US Customs refund income of \$0.06



FINANCIAL METRICS

	1998	1999	2000	2001	2002	2003	2004 ⁽¹⁾	2005 ^(1,2)
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EPS	\$1.89	\$2.61	\$3.00	\$3.55	\$4.39	\$4.62	\$5.49	\$6.06
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Percentages To Net Sales

Gross Profit	24%	25%	25%	25%	27%	28%	28%	27%
Operating Expense	15%	15%	15%	15%	16%	17%	17%	17%
Operating Income	9%	9%	9%	9%	11%	11%	11%	11%

Economic Data

Consumer Confidence	131.6	135.7	138.9	106.6	96.6	79.8	96	103.8
GDP	4.3%	4.1%	3.8%	0.3%	2.4%	3.1%	3.7%	3.6%

(1) 2005 and 2004 restated to reflect favorable impact of change from LIFO to FIFO (\$0.43/share or \$45 Million before-tax and \$0.03/share or \$3 Million before-tax, respectively).

(2) Adjusted \$22 Million after-tax (\$34 million pre-tax) for one time non-cash charge for purchase accounting inventory.




MOHAWK[®]