

Supplemental Detail to Quarterly GAAP Financials

In response to queries from investors, we have provided the following information to supplement disclosures already provided on quarterly financials for continuing operations as found in the Form 10k filed on March 5, 2019.

Condensed Consolidated Statements of Operations

Quarterly Detail

(Dollars in millions)

	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	2018
Net sales to third parties	\$ 160.8	\$ 188.4	\$ 195.5	\$ 159.4	\$ 704.1	\$ 164.3	\$ 201.2	\$ 208.9	\$ 153.8	\$ 728.2
Cost of goods sold	128.0	143.4	151.6	130.0	553.0	135.0	157.5	163.7	128.8	585.0
Gross profit	32.8	45.0	43.9	29.4	151.1	29.3	43.7	45.2	25.0	143.2
Selling, general and administrative expenses	45.8	37.1	39.3	41.6	163.8	38.2	40.0	40.8	41.6	160.6
Operating income (loss)	(13.0)	7.9	4.6	(12.2)	(12.7)	(8.9)	3.7	4.4	(16.6)	(17.4)
Interest expense	0.5	0.6	0.9	0.7	2.7	1.0	1.0	0.9	1.9	4.8
Other expense, net	0.7	1.3	0.9	0.8	3.7	0.6	0.7	0.9	0.7	2.9
Earnings (loss) from continuing operations before income taxes	(14.2)	6.0	2.8	(13.7)	(19.1)	(10.5)	2.0	2.6	(19.2)	(25.1)
Income tax expense (benefit)	(2.0)	3.5	(12.4)	8.9	(2.0)	(0.1)	1.8	(3.4)	(4.3)	(6.0)
Net earnings (loss) from continuing operations	\$ (12.2)	\$ 2.5	\$ 15.2	\$ (22.6)	\$ (17.1)	\$ (10.4)	\$ 0.2	\$ 6.0	\$ (14.9)	\$ (19.1)
Net Earnings/(loss) of discontinued businesses	4.4	2.9	(33.9)	1.9	(24.7)	-	10.3	1.9	(2.3)	9.9
Gain/(loss) on disposal of discontinued businesses	-	-	-	-	-	-	-	-	(153.8)	(153.8)
Net earnings (loss) from discontinued operations	4.4	2.9	(33.9)	1.9	(24.7)	-	10.3	1.9	(156.1)	(143.9)
Net earnings (loss)	\$ (7.8)	\$ 5.4	\$ (18.7)	\$ (20.7)	\$ (41.8)	\$ (10.4)	\$ 10.5	\$ 7.9	\$ (171.0)	\$ (163.0)

Selected Pro Forma Non-GAAP Financial Information

On December 31, 2018, the Company completed the previously announced sale of its Wood Flooring segment (the "Transaction"), as disclosed in a Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission on January 7, 2019 (the "Form 8-K"). The Form 8-K included certain unaudited pro forma condensed consolidated financial information showing the pro forma effects of the Transaction as of the dates and for the periods presented and reclassifying the Wood Flooring segment as a discontinued operation. In conjunction with the Transaction, the Company also implemented a cost optimization program to better align its cost structure for the future. To assist readers in their understanding of the expected effects of the Transaction and the cost optimization program, in the following tables the Company has applied additional pro forma adjustments to the pro forma financial information included in the Form 8-K to show the estimated cost savings that would have been realized had the Transaction and the cost optimization program been completed on January 1, 2015 (the beginning of the period for which the pro forma financial information in the Form 8-K was presented). In addition, the information below provides a pro forma calculation of the Company's adjusted EBITDA for periods prior to the Company's sale of its Wood Flooring segment. Since adjusted EBITDA is a non-GAAP financial measure, a reconciliation to the most directly comparable GAAP financial measure is also set forth below. The pro forma financial information set forth below is presented for comparative purposes only and is not intended to be indicative of the balance sheet and statements of income which would have been realized had the Transaction or the cost optimization program been completed as of the date or during the periods for which the pro forma financial information is presented or for any future period or date. The pro forma financial information should be read in conjunction with the Company's historical financial statements and related notes for the periods presented, as well as the pro forma financial information included in the Form 8-K and the related notes.

Adjusted EBITDA Reconciliations

(Dollars in millions)

	2015	2016	2017	2018	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018
Net income (loss)	(10.3)	7.5	(41.8)	(163.0)	(7.8)	5.4	(18.7)	(20.7)	(10.4)	10.5	7.9	(171.0)
Net loss (income) from discontinued operations	3.9	(23.7)	24.7	143.9	(4.4)	(2.9)	33.9	(1.9)	-	(10.3)	(1.9)	156.1
Tax expense (benefit)	(6.0)	(4.7)	(2.0)	(6.0)	(2.0)	3.5	(12.4)	8.9	(0.1)	1.8	(3.4)	(4.3)
Interest expense	(0.3)	1.5	2.7	4.8	0.5	0.6	0.9	0.7	1.0	1.0	0.9	1.9
Other income / expense	1.0	6.9	3.7	2.9	0.7	1.3	0.9	0.8	0.6	0.7	0.9	0.7
Operating loss from continuing operations	(11.7)	(12.5)	(12.7)	(17.4)	(13.0)	7.9	4.6	(12.2)	(8.9)	3.7	4.4	(16.6)
D&A	26.1	32.5	38.7	44.7	8.2	8.7	10.7	11.1	10.8	11.3	11.4	11.2
Pension	11.5	6.6	5.4	3.8	1.4	1.4	1.4	1.2	1.0	0.9	1.0	0.9
Expenses related to cost reductions, acquisitions and divestitures	(0.1)	1.7	5.2	7.5	4.6	0.5	0.1	-	3.0	0.1	2.9	1.5
Pro forma adjustments for cost profile rationalization *	19.0	19.0	19.0	19.0	4.7	4.8	4.7	4.8	4.7	4.8	4.7	4.8
Adjustments for corporate expenses	(8.0)	-	-	-	-	-	-	-	-	-	-	-
Adjusted EBITDA (Current Basis of Presentation)	36.8	47.3	55.6	57.5	5.9	23.3	21.5	4.9	10.6	20.7	24.4	1.8

* The pro forma adjustments for cost profile rationalization represent the elimination of certain shared costs that were formerly allocated to the divested Wood Flooring segment. These adjustments are intended to reflect, on a pro forma basis, the retroactive elimination of these costs in accordance with the Company's ongoing cost optimization program which, when combined with certain payments under the Transition Services Agreement entered into with the Purchaser, are expected to offset the impact of substantially all of these costs.

Adjusted Net Income Reconciliations

(Dollars in millions)

	2015	2016	2017	2018	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018
Net Income (loss)	(10.3)	7.5	(41.8)	(163.0)	(7.8)	5.4	(18.7)	(20.7)	(10.4)	10.5	7.9	(171.0)
U.S. pension expense	11.5	6.6	5.4	3.8	1.4	1.4	1.4	1.2	1.0	0.9	1.0	0.9
Expenses related to cost reductions, acquisitions and divestitures	(0.1)	1.7	5.2	7.5	4.6	0.5	0.1	-	3.0	0.1	2.9	1.5
Pro forma adjustments for cost profile rationalization *	19.0	19.0	19.0	19.0	4.7	4.8	4.7	4.8	4.7	4.8	4.7	4.8
Adjustment for Corporate expense	(8.0)	-	-	-	-	-	-	-	-	-	-	-
Pro forma adjustment for interest expense	(1.9)	(0.5)	-	-	-	-	-	-	-	-	-	-
Other (Income) & Expense	1.0	6.9	3.7	2.9	0.7	1.3	0.9	0.8	0.6	0.7	0.9	0.7
Tax impact of adjustments at US rate	(8.2)	(12.8)	(12.7)	(8.3)	(4.4)	(3.0)	(2.7)	(2.6)	(2.3)	(1.6)	(2.4)	(2.0)
Impact on deferred tax assets of valuation allowance and US tax reform	-	-	5.2	-	-	-	-	5.2	-	-	-	-
Net loss (income) from discontinued operations	3.9	(23.7)	24.7	143.9	(4.4)	(2.9)	33.9	(1.9)	-	(10.3)	(1.9)	156.1
Adjusted Net Income	6.9	4.7	8.7	5.8	(5.2)	7.5	19.6	(13.2)	(3.4)	5.1	13.1	(9.0)

* The pro forma adjustments for cost profile rationalization represent the elimination of certain shared costs that were formerly allocated to the divested Wood Flooring segment. These adjustments are intended to reflect, on a pro forma basis, the retroactive elimination of these costs in accordance with the Company's ongoing cost optimization program which, when combined with certain payments under the Transition Services Agreement entered into with the Purchaser, are expected to offset the impact of substantially all of these costs.