

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): July 30, 2009

MOHAWK INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction of Incorporation)

01 13697
(Commission File Number)

52-1604305
(IRS Employer Identification No.)

160 South Industrial Blvd., Calhoun, Georgia
(Address of Principal Executive Offices)

30701
(Zip Code)

Registrant's telephone number, including area code (706) 629-7721

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communication pursuant to Rule 425 under Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act CFR 240.17R 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition.

The following information, including the Exhibit attached hereto, is being furnished pursuant to this Item 2.02 and shall not be deemed “filed” for purpose of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

On July 30, 2009, Mohawk Industries, Inc., issued a press release announcing its second quarter financial results. A copy of the press release is attached hereto and hereby incorporated by reference as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

99.1 Press release dated July 30, 2009.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Mohawk Industries, Inc.

Date: July 30, 2009

By: _____ /s/ JAMES F. BRUNK
James F. Brunk
V.P. & Corporate Controller

INDEX TO EXHIBITS

Exhibit

99.1. Press release dated July 30, 2009.

Mohawk Industries, Inc. Announces Second Quarter Earnings

CALHOUN, Ga., July 30 /PRNewswire-FirstCall/ — Mohawk Industries, Inc. (NYSE: MHK) today announced 2009 second quarter net earnings of \$46 million and diluted earnings per share (EPS) of \$0.67. Operating income for the second quarter was \$75 million. A restructuring charge of \$12 million was recorded in the quarter primarily due to the closure of a European laminate facility. Excluding the restructuring charge, operating income was \$87 million and EPS was \$0.79. In the second quarter of 2008, net earnings and EPS were \$89 million and \$1.29 per share, respectively. Net sales for the quarter were \$1,406 million, a decrease of 24% (22% on a constant exchange rate) from 2008. The company generated cash flow from operations of \$228 million. We strengthened our balance sheet, by generating over \$200 million in free cash flow, paying \$122 million of debt and investing \$26 million in capital expenditures. We ended the period with a balance of over \$225 million in cash. The results benefited from aggressively driving costs down, improving working capital, tighter control over capital expenditures and an intense focus on customers.

For the first six months of 2009, our net loss was \$60 million or a net loss per share of \$0.87. Our operating loss for the first six months was \$71 million. Excluding the year to date charges for carpet tile, FIFO inventory flow through and restructuring, our operating income was \$129 million. In the first six months of 2008, net earnings and EPS were \$154 million and \$2.25 per share, respectively. Net sales for the first six months of 2009 were \$2,614 million representing a 27% decrease from 2008. Sales declined 22% based on a constant exchange rate excluding the first quarter carpet tile charges. The sales decreases for both the quarter and the year to date in the U.S. and Europe are attributable to continuing low home sales, soft business investment and weak consumer discretionary spending.

In commenting on the second quarter results, Jeffery S. Lorberbaum, Chairman and CEO stated, “Our second quarter earnings surpassed our expectations. Our results improved from the first quarter as we benefited from increased sales, lower costs and higher utilization rates. We are transitioning to a leaner, lower cost structure to emerge in a stronger position when the economy recovers.”

The Mohawk segment sales were down 21% with the residential decline beginning to stabilize but commercial is expected to continue its contraction. There remains pressure in the commodity categories and product mix has been declining as customers trade down to reduce project costs. After peaking, raw material costs improved and benefited our second quarter results. During the quarter, improved seasonal sales, higher plant utilization and lower costs helped offset the deleveraging of our fixed overhead costs. We continue to cut administrative, manufacturing and logistics costs focusing on productivity, service and quality enhancements.

Dal-Tile sales were down 22% or 21% using a constant exchange rate. Dal-Tile has been impacted greater by the present contraction of the commercial business. Our Mexican business is growing by broadening our product offering and expanding our distribution. Dal-Tile sales and logistics infrastructures differentiate our products and services, however, lower business levels have deleveraged the fixed costs. The Dal-Tile cost structure has been reduced with many initiatives on productivity, quality and product engineering. Our yields have improved, raw material costs decreased, direct labor reduced and controllable unit costs are down.

Unilin sales declined 32% as reported or 24% on a constant exchange rate basis. Even with revenues down substantially, the operating margin was over 15% excluding restructuring costs. Our laminate sales have declined with residential remodeling and home sales. Royalties were impacted by declining industry sales and new licenses. In the second quarter we expensed the closing costs for a European flooring plant to reduce capacity and costs. We are expanding our customer base with our warehouse in Russia in preparation for local manufacturing. Board demand is down in Europe creating excess capacity and compressing prices in the market. The roofing structure sales are softening and selling prices have remained stable. We are reducing our costs by cutting infrastructure, SG&A and headcount while improving productivity. In addition, working capital, maintenance costs and capital expenditures have been reduced. New investments are being made in technology, products and systems to reduce costs and maximize our future.

In the second period, industry conditions were weak and we anticipate the present trends continuing in the third quarter. U.S. residential appears to be stabilizing at a low level with signs of improving home sales which are supported by low mortgage rates. The commercial decline continues and we are adjusting our business to the demand levels. Our carpet raw material costs are expected to increase slightly in the second half. The Unilin results are expected to be lower due to holiday shutdowns, higher period costs and lower royalties. Our third quarter guidance for earnings is \$0.54 to \$0.63 per share. Excluded from this guidance is an estimated restructuring charge of approximately \$25 million, most non-cash, related to infrastructure reductions in manufacturing and distribution. Each of our businesses is managing the balance sheet to maximize our cash position, reducing expenditures and remaining focused on our customers. The investments in our products, systems and organization will make our business stronger and more competitively positioned as the economy improves.

Certain of the statements in the immediately preceding paragraphs, particularly anticipating future performance, business prospects, growth and operating strategies and similar matters and those that include the words “could,” “should,” “believes,” “anticipates,” “expects,” and “estimates,” or similar expressions constitute “forward-looking statements.” For those statements, Mohawk claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. 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 economic or industry conditions; competition; raw material and energy costs; timing and level of capital expenditures; integration of acquisitions; rationalization of operations; claims; litigation and other risks identified in Mohawk’s SEC reports and public announcements.

Mohawk is a leading supplier of flooring for both residential and commercial applications. Mohawk offers a complete selection of carpet, ceramic tile, laminate, wood, stone, vinyl, and rugs. These products are marketed under the premier brands in the industry, which include Mohawk, Karastan, Ralph Lauren, Lees, Bigelow, Dal-Tile, American Olean, Unilin and Quick Step. Mohawk’s unique merchandising and marketing assist our customers in creating the consumers’ dream. Mohawk provides a premium level of service with its own trucking fleet and over 250 local distribution locations.

There will be a conference call Friday, July 31, 2009 at 11:00 AM Eastern Time.

The telephone number to call is 1-800-603-9255 for US/Canada and 1-706-634-2294 for International/Local. Conference ID # 19457479. A conference call replay will also be available until August 14, 2009 by dialing 800-642-1687 for US/local calls and 706-645-9291 for International/Local calls and entering Conference ID # 19457479.

MOHAWK INDUSTRIES, INC. AND SUBSIDIARIES
Consolidated Statement of Operations
(Amounts in thousands, except per share data)

	Three Months Ended		Six Months Ended	
	June 27, 2009	June 28, 2008	June 27, 2009	June 28, 2008
Net sales	\$ 1,406,012	1,840,045	2,614,351	3,578,142
Cost of sales	1,038,624	1,357,153	2,093,274	2,635,411
Gross profit	367,388	482,892	521,077	942,731
Selling, general and administrative expenses	292,710	336,829	592,283	672,350
Operating income (loss)	74,678	146,063	(71,206)	270,381
Interest expense	30,002	32,742	60,186	66,509
Other (income) expense, net	(4,622)	1,650	(2,007)	4,429
Earnings (loss) before income taxes	49,298	111,671	(129,385)	199,443
Income tax expense (benefit)	3,037	22,893	(69,759)	45,275
Net earnings (loss)	\$ 46,261	88,778	(59,626)	154,168
Basic earnings (loss) per share	\$ 0.68	1.30	(0.87)	2.25
Weighted-average common shares outstanding—basic	68,449	68,403	68,441	68,389
Diluted earnings (loss) per share	\$ 0.67	1.29	(0.87)	2.25
Weighted-average common shares outstanding—diluted	68,613	68,617	68,441	68,598

Other Financial Information
(Amounts in thousands)

Net cash provided by operating activities	\$ 228,126	266,871	266,045	186,692
Depreciation and amortization	\$ 77,062	75,052	144,742	148,308
Capital expenditures	\$ 25,830	49,839	52,923	105,810

Consolidated Balance Sheet Data
(Amounts in thousands)

	June 27, 2009	June 28, 2008
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 226,543	64,038
Receivables, net	778,456	982,378
Inventories	936,336	1,250,300
Prepaid expenses	127,866	131,218
Deferred income taxes and other assets	186,572	138,332
Total current assets	2,255,773	2,566,266
Property, plant and equipment, net	1,864,301	2,018,813
Goodwill	1,399,277	2,876,724
Intangible assets, net	812,190	1,190,157
Deferred income taxes and other assets	24,148	307,572
	\$ 6,355,689	8,959,532
LIABILITIES AND EQUITY		
Current liabilities:		
Current portion of long-term debt	\$ 55,335	290,392
Accounts payable and accrued expenses	875,590	965,743
Total current liabilities	930,925	1,256,135
Long-term debt, less current portion	1,804,086	1,896,642
Deferred income taxes and other long-term liabilities	490,355	734,150
Total liabilities	3,225,366	3,886,927
Total equity	3,130,323	5,072,605
	\$ 6,355,689	8,959,532

Segment Information
(Amounts in thousands)

	As of or for the Three Months Ended		As of or for the Six Months Ended	
	June 27, 2009	June 28, 2008	June 27, 2009	June 28, 2008
Net sales:				
Mohawk	\$ 767,790	968,426	1,362,121	1,873,470
Dal-Tile	376,704	481,511	735,182	930,562
Unilin	279,715	411,525	548,181	815,280
Corporate and eliminations	(18,197)	(21,417)	(31,133)	(41,170)
Consolidated net sales	\$ 1,406,012	1,840,045	2,614,351	3,578,142
Operating income (loss):				
Mohawk	\$ 20,560	34,593	(158,495)	56,834
Dal-Tile	30,331	58,169	51,460	115,110
Unilin	31,141	60,121	45,693	110,077
Corporate and eliminations	(7,354)	(6,820)	(9,864)	(11,640)
Consolidated operating income (loss)	\$ 74,678	146,063	(71,206)	270,381
Assets:				
Mohawk			\$ 1,723,006	2,400,869
Dal-Tile			1,621,409	2,259,255
Unilin			2,646,999	4,109,314

Corporate and eliminations	<u>364,275</u>	<u>190,094</u>
Consolidated assets	<u>\$ 6,355,689</u>	<u>8,959,532</u>

Reconciliation of Operating Income (Loss) to Adjusted Operating Income

(Amounts in thousands)

	Three Months Ended June 27, 2009				Mohawk Consolidated
	Segment Information				
	Mohawk	Dal-Tile	Unilin	Corporate	
Operating income	\$ 20,560	30,331	31,141	(7,354)	74,678
Add: Restructuring	605	—	11,455	—	12,060
Adjusted operating income	<u>\$ 21,165</u>	<u>30,331</u>	<u>42,596</u>	<u>(7,354)</u>	<u>86,738</u>

	Six Months Ended June 27, 2009
Operating loss	\$ (71,206)
Add: Restructuring	15,960
Add: Commercial Carpet Tile Reserve	122,492
Add: FIFO Inventory	61,794
Adjusted operating income	<u>\$ 129,040</u>

Reconciliation of Net Earnings to Adjusted Net Earnings

(Amounts in thousands)

	Three Months Ended June 27, 2009
Net earnings	\$ 46,261
Add: Restructuring	12,060
Less: Taxes	(4,402)
Adjusted net earning	<u>\$ 53,919</u>

Reconciliation of Net Sales to Adjusted Net Sales

(Amounts in thousands)

	Three Months Ended June 27, 2009				Mohawk Consolidated
	Segment Information				
	Mohawk	Dal-Tile	Unilin	Corporate	
Net sales	\$ 767,790	376,704	279,715	(18,197)	1,406,012
Add: Exchange rate	—	6,122	31,268	—	37,390
Adjusted net sales	<u>\$ 767,790</u>	<u>382,826</u>	<u>310,983</u>	<u>(18,197)</u>	<u>1,443,402</u>

	Six Months Ended June 27, 2009				Mohawk Consolidated
	Segment Information				
	Mohawk	Dal-Tile	Unilin	Corporate	
Net sales	\$ 1,362,121	735,182	548,181	(31,133)	2,614,351
Add: Exchange rate	—	12,143	60,924	—	73,067
Add: Commercial Carpet Tile Reserve	110,224	—	—	—	110,224
Adjusted net sales	<u>\$ 1,472,345</u>	<u>747,325</u>	<u>609,105</u>	<u>(31,133)</u>	<u>2,797,642</u>

Reconciliation of Gross Profit to Adjusted Gross Profit

(Amounts in thousands)

	Three Months Ended June 27, 2009
Gross profit	\$ 367,388
Add: Restructuring	12,060
Adjusted gross profit	<u>\$ 379,448</u>

Reconciliation of Unilin Segment Operating Income to Unilin Segment EBITDA

(Amounts in thousands)

	Three Months Ended June 27, 2009
EBITDA reconciliation	
Operating income	\$ 31,141
Add: Restructuring	11,455
Other (expense)/Income	910
Depreciation and amortization	39,441
EBITDA	<u>\$ 82,947</u>

Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow

(Amounts in thousands)

	Three Months Ended				Trailing Four Quarters Ended
	September 27, 2008	December 31, 2008	March 29, 2009	June 27, 2009	June 27, 2009
Net cash provided by operating activities	\$ 184,837	198,505	37,919	228,126	649,387
Less: Capital expenditures	(49,512)	(62,502)	(27,093)	(25,830)	(164,937)
Free Cash Flow	<u>\$ 135,325</u>	<u>136,003</u>	<u>10,826</u>	<u>202,296</u>	<u>484,450</u>