

DOMCO TARKETT INC.

PRESS RELEASE

For immediate release

DOMCO TARKETT TAKES STEPS TO BOOST ITS COMPETITIVE POSITION Poised to Seize Opportunities for Growth

Montreal, May 29, 2002—Domco Tarkett (TSX: DOC) President and CEO, Ulf Mattsson, today told shareholders attending the Company's annual meeting that recent steps taken to improve its competitive position are expected to increase profitability during the second half of the current fiscal year and into 2003. "As the flooring industry rebounds from the recent economic downturn, I firmly believe that it will present opportunities to those of us who lead. While Harris-Tarkett Hardwood has done well, our resilient flooring business suffered from competitive pressures as well as by a consumer desire for alternative hard surface flooring, such as laminates and ceramics. Our strategies have been designed to regain this market share."

Strategic Initiatives

Mr. Mattsson reported that the Company made a number of decisive moves in 2001 to bring the profitability of its resilient operations to an acceptable level. Among these was a company-wide cost-cutting program and a reduction of inventory and other working capital items. During the fourth quarter of 2001, the Company also separated its resilient business into two separate divisions: Domco Tarkett Commercial and Domco Tarkett Residential. With its successful Harris-Tarkett Hardwood business, the Company now has three distinct divisions.

"The realignment of the resilient operations brings Domco and Tarkett together as a single, united team," Mr. Mattsson said. "This signals an important change in our corporate culture. We are now focused on pursuing a single goal, which is to increase the profitability of this segment."

Mr. Mattsson outlined several important benefits of the realignment. Responsibility and decision-making are now consolidated in each of the Company's three divisions, which are accountable for everything from manufacturing to customer satisfaction. "This will allow us to take full advantage of our capacity to quickly introduce innovative new products and to speed up our time-to-market. The realignment also permits us to focus more precisely on the retail and commercial customer bases we serve, which will help to increase our market share. I am very confident that this restructuring will significantly aid our efforts to reverse the negative trend of our resilient business, and to continue to grow our strong hardwood sector."

Focus on Innovation

To address the market demand for wood, stone and ceramic finishes, Domco Tarkett's resilient divisions launched a number of new product styles and designs in 2001, part of a renewed commitment to lead the industry in innovation. Mr. Mattsson singled out two examples: the development of Tritonite, a space-age wearlayer that greatly enhances the durability of the Company's luxury flooring products and TruTex Innovative Surfacing, a new resilient sheet flooring finish, which directly addresses consumer demand for realistic ceramic and natural stone textures. He also noted that Harris-Tarkett Hardwood introduced three new products in 2001, including a new collection that marked the division's further entry into the growing exotic wood segment of the hardwood flooring industry, and a fashion-forward collection of distressed woods that have the characteristics and colour of aged timbers.

Outlook

"The strategic realignment of our resilient flooring operations has made us a more vigorous and market-driven company," Mr. Mattsson said. "Our ongoing product innovations have generated substantial interest among both our distributors and our customers.

"Our resilient business still has a way to go before reaching its full potential. Our commercial and residential resilient operations represent the lion's share of our business. As such, it is critical that we focus our efforts on improving their profitability. The organizational changes we made late in 2001 will take time to have an effect, but we are confident that they will make us stronger. Our product line is second to none, and we are very well-positioned to grow our resilient business as the economy gets back on its feet."

"Clearly, Harris-Tarkett Hardwood performed very well in 2001, recording the highest revenues in its history—up over 15% from the previous year. The public's appetite for top-quality wood flooring continues to grow, and we intend to grow Harris-Tarkett along with it."

Financial Review

Revenues in fiscal 2001 were \$649.6 million, compared to \$657.3 million in the previous year. Net income rose slightly, from \$7.8 million in 2000 to \$7.9 million, or \$0.31 per share, in 2001. Strong cash flow also allowed the Company to substantially reduce its net debt.

First quarter 2002 revenues decreased slightly to \$160.2 million, compared to the \$163.1 million a year ago. The Company registered a \$1.6 million non-recurring restructuring expense. However, lower financial costs and the positive impact of the non-amortization of goodwill, in line with new accounting standards, had the effect of increasing net income to \$2.3 million or \$0.09 per share, up from \$2.0 million or \$0.08 per share in Q1 last year.

Profile

Domco Tarkett Inc., headquartered in Farnham, Quebec, Canada, is the second largest North American manufacturer of resilient and hardwood flooring. With ten manufacturing facilities and extensive distribution networks serving all regions of Canada and the United States, Domco Tarkett offers one of the most comprehensive, high-quality product lines in the flooring industry. Its products are sold to commercial and residential users under the Azrock, Domco, Harris Tarkett, Nafco and Tarkett brands. Domco Tarkett employs approximately 2,300 people.

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Forward-looking statement

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