



August 20, 2015

## Caesarstone Issues Statement

MP MENASHE, Israel--(BUSINESS WIRE)-- Caesarstone Sdot-Yam Ltd. (NASDAQ:CSTE), a manufacturer of high quality engineered quartz surfaces, today issued a statement to address what it considers to be a generally misleading report that includes inaccuracies and tendentiously false conclusions. The report was published on August 19, 2015 by Spruce Point Capital Management, a self-identified short-seller in the Company's stock, which indicates that due to its short position in Caesarstone's stocks it shall realize significant gains in the event that the price of Caesarstone's stocks declines.

Yos Shiran, Chief Executive Officer of Caesarstone, said, "We stand by all of our previous public statements, regulatory filings and presentations. This includes those statements that a recent 'short report' seeks to call into question. We are proud of the honesty and integrity with which we have operated our business and categorically reject any suggestion to the contrary."

Mr. Shiran continued, "We are a strong company with a powerful brand that produces high-quality and innovative products through an efficient operation and state-of-the-art infrastructure. This has enabled us to consistently produce excellent business and financial results and we believe in the Company's capability to continue to do so."

### About Caesarstone

Caesarstone manufactures high quality engineered quartz surfaces, which are used in both residential and commercial buildings as countertops, vanities, wall cladding, floors and other interior surfaces. The wide variety of colors, styles, designs and textures of Caesarstone® products, along with Caesarstone's inherent characteristics such as hardness, non-porous, scratch and stain resistance and durability, provide consumers with excellent surfaces for their internal spaces which are highly competitive to granite, manufactured solid surfaces and laminate, as well as to other engineered quartz surfaces. Caesarstone's four collections of products — Classico, Supremo, Motivo and Concetto — are available in over 50 countries around the world. For more information about the Company, please visit our website [www.caesarstone.com](http://www.caesarstone.com). (CSTE-E)

### Forward-Looking Statements

Information provided in this press release may contain statements relating to current expectations, estimates, forecasts and projections about future events that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally relate to the Company's plans, objectives and expectations for future operations, including its projected results of operations and the expected timing of expanding its manufacturing facilities. These forward-looking statements are based upon management's current estimates and projections of future results or trends. Actual results may differ materially from those projected as a result of certain risks and uncertainties. These factors include, but are not limited to: the strength of the home renovation and construction sectors; economic conditions within any of our key existing markets; actions by our competitors; changes in raw material prices, particularly polymer resins and pigments; fluctuations in currency exchange rates; the success of our expansion efforts in the United States; the outcome of silicosis claims and the claim by our former quartz processor; unpredictability of seasonal fluctuations in revenues; delays in manufacturing if our suppliers are unable to supply raw materials; and other factors discussed under the heading "Risk Factors" in our most recent annual report on Form 20-F and other documents filed with the Securities and Exchange Commission. These forward-looking statements are made only as of the date hereof, and the Company undertakes no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.

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### Investor Relations

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