



**CONTACT:**

**Q.E.P. Co., Inc.  
Richard A. Brooke  
Senior Vice President and  
Chief Financial Officer  
561-994-5550**

**Q.E.P. CO., INC. ANNOUNCES ACQUISITION  
OF IMPERIAL INDUSTRIES, INC.**

**BOCA RATON, FLORIDA - October 18, 2012 - Q.E.P. CO., INC. (OTC: QEPC.PK)** (the "Company") announced that yesterday it completed the purchase of Imperial Industries, Inc. for aggregate consideration of \$1.3 million. Through its subsidiary Premix-Marbletite Manufacturing Co., Imperial manufactures and distributes pool, stucco, plaster and roofing products to building materials dealers, contractors and others, primarily in the Southeastern United States and the Caribbean. The acquisition will be accounted for as a purchase and included in the Company's future results of operations. The purchase price is estimated to reasonably approximate the fair value of tangible net assets acquired, consisting of accounts receivable, inventory and accrued liabilities.

Lewis Gould, Chairman of the Company's Board of Directors, commented: "We are pleased with the acquisition of Imperial Industries. This company is of strategic importance to Q.E.P. to open up a new vertical market for Q.E.P.'s product line that includes tools, trims, etc. Imperial, through its many years in business, has developed significant contacts in these areas and with Q.E.P.'s superior financial ability will grow the existing product line along with Q.E.P. products. Q.E.P. is continuing the process of strategically locating acquisitions that will fit into Q.E.P.'s vertical marketplaces and enhance Q.E.P. ability to leverage important customers."

\* \* \* \* \*

Q.E.P. Co., Inc., founded in 1979, is a world class, worldwide provider of innovative, quality and value-driven flooring and industrial solutions. As a leading worldwide manufacturer, marketer and distributor QEP delivers a comprehensive line of hardwood flooring, flooring installation tools, adhesives and flooring related products targeted for the professional installer as well as the do-it-yourselfer. In addition the company provides industrial tools with cutting edge technology to all of the industrial trades. Under brand names including QEP®, ROBERTS®, Capitol®, Harris®Wood, Nupla®, HISCO®, Vitrex®, PRCI®, Porta-Nail® and Elastiment®, the Company markets over 5,000 products. The Company sells its products to home improvement retail centers, specialty distribution outlets, municipalities and industrial solution providers in 50 states and throughout the world.

This press release contains forward-looking statements, including statements regarding the Company's future growth and long-term profitability, shareholder value, sales growth, manufacturing capability, market position and the benefits of acquisitions and potential acquisitions. These statements are not guarantees of future performance and actual results could differ materially from our current expectations.