

Efficiency



It's in the core

Kingspan Full Year Results
24th February 2014



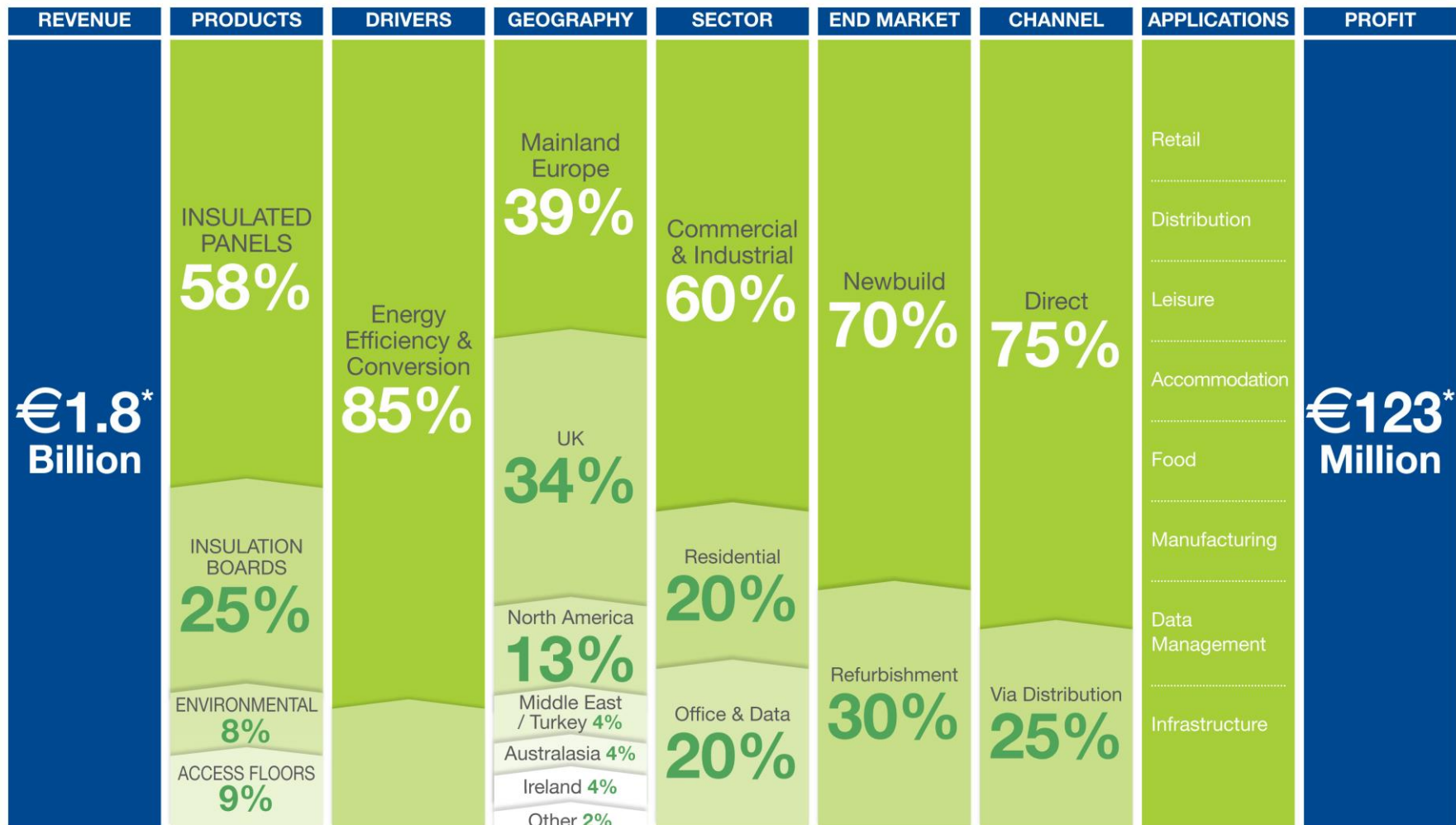
Forward Looking Statements

This presentation contains certain forward-looking statements. Actual results may differ materially from those projected or implied in such forward-looking statements. Such forward-looking information involves risks and uncertainties that could affect expected results.



It's in the core

In a Nutshell



BRAND > SPECIFICATION > DIFFERENTIATION

Above are based on internal estimates, and are directional rather than precise.

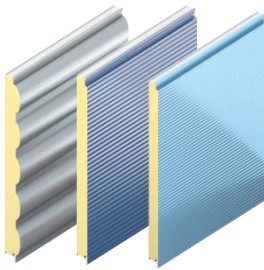
* Revenue and Trading Profit rounded from actuals of €1.79bn revenue and €122.8mn trading profit.

The Business



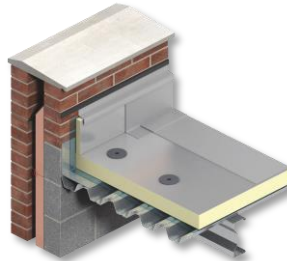
- A world leader in high performance insulation and building envelopes
- Market leading positions in UK, Mainland Europe, North America and Australasia
- Proprietary technology drives differentiation in product performance

Insulated Panels (58%)



- Insulated Roof & Wall Panel Systems
- Building Integrated Solar PV
- Benchmark Façade Systems
- Controlled Environments
- Structural Products
- Profiles & sections
- Door Components

Insulation (25%)



- Insulation Boards for Roofs, Walls & Floors
- HVAC, Piping & Ductwork Insulation
- Timber Frame Systems
- TEK Building Systems (SIPs)

Access Floors (9%)



- Raised Access Floor Systems
- Underfloor Wire & Cable Management
- Underfloor Air Distribution

Environmental (8%)



- Solar Thermal Systems
- Solar Cooling & Heating Systems
- Micro Wind turbines
- Air Source Heat Pumps
- Hot Water Systems
- Environmental Rainwater Harvesting Systems
- Sustainable Drainage Systems
- Pollution Control Systems
- Fuel storage systems



It's in the core



● Manufacturing Locations

It's in the core

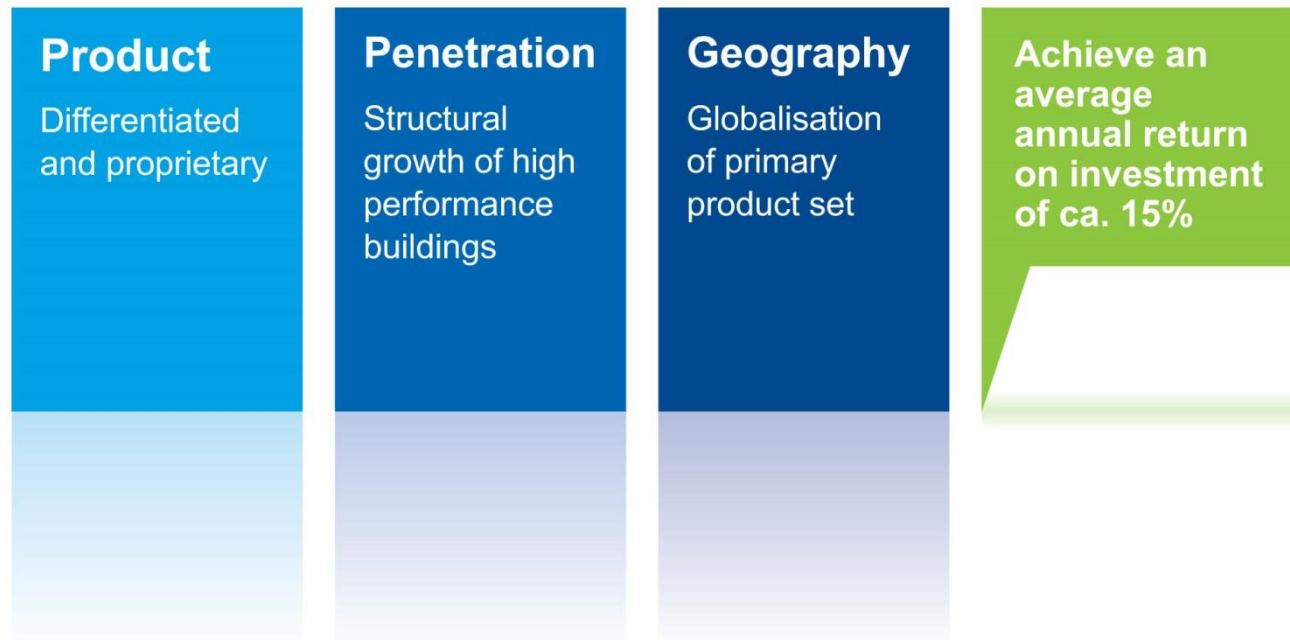


Strategic Goals



- Lead the field in high performance insulation globally with proprietary and differentiating technologies.
- Become the world's leading provider of low energy building solutions – Insulate & Generate
- Achieve greater geographic balance, primarily focusing on The Americas, Western Europe and appropriate developing markets.

The 3 Pillars



It's in the core

2013 In Summary



Revenue
up 10%
to €1,790.3m

Trading Profit
up 14%
to €122.8m

Basic EPS
up 18%
to 51.7c

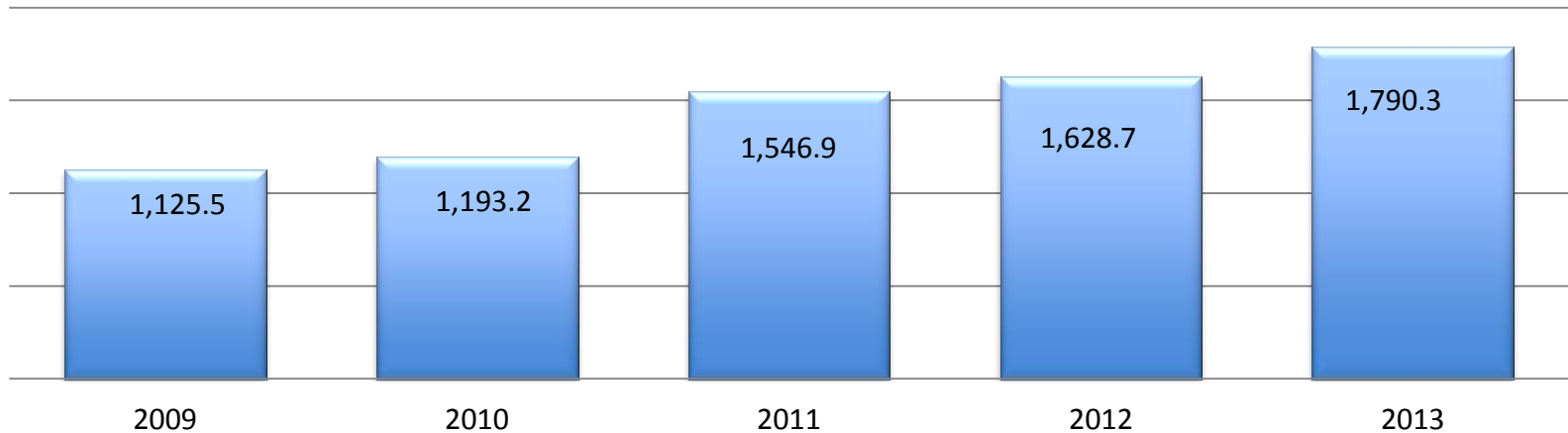
- **Insulated Panels** sales up 23% and trading profit up 23%, with significant contribution from the ThyssenKrupp Construction and Rigidal Industries LLC acquisitions. Underlying sales pre-currency and acquisitions were up 2%.
- Solid performance in **Insulation Boards** where sales were down 3% (flat pre-currency), albeit improving in the UK in the second half with markets stabilising in Continental Europe.
- Improving UK office activity and resilient data centre related construction led to a positive year for **Access Floors** with sales in line with previous year (+5% pre-currency).
- Trading in **Environmental** proved tough with sales down 12% (H2 –5%) in a year of tight markets and internal consolidation.



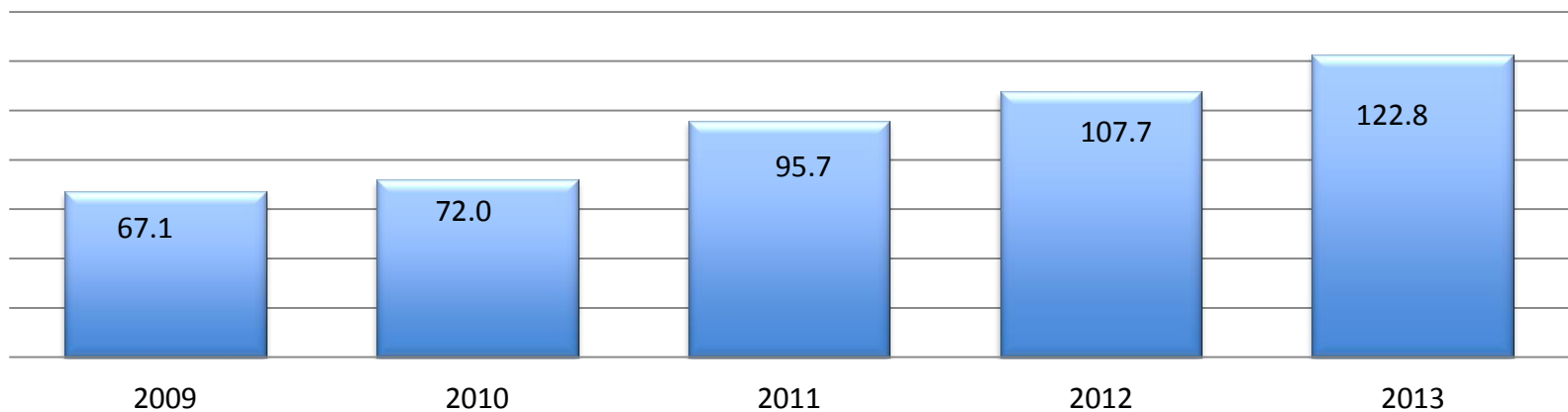
5 Year Financial Performance



Revenue (€'m) (CAGR 12.3%)



Trading Profit (CAGR 16.3%)



It's in the core

Financial Review



Abu Dhabi Midfield Terminal Design, UAE
Insulated Panels



It's in the core

Financial Highlights



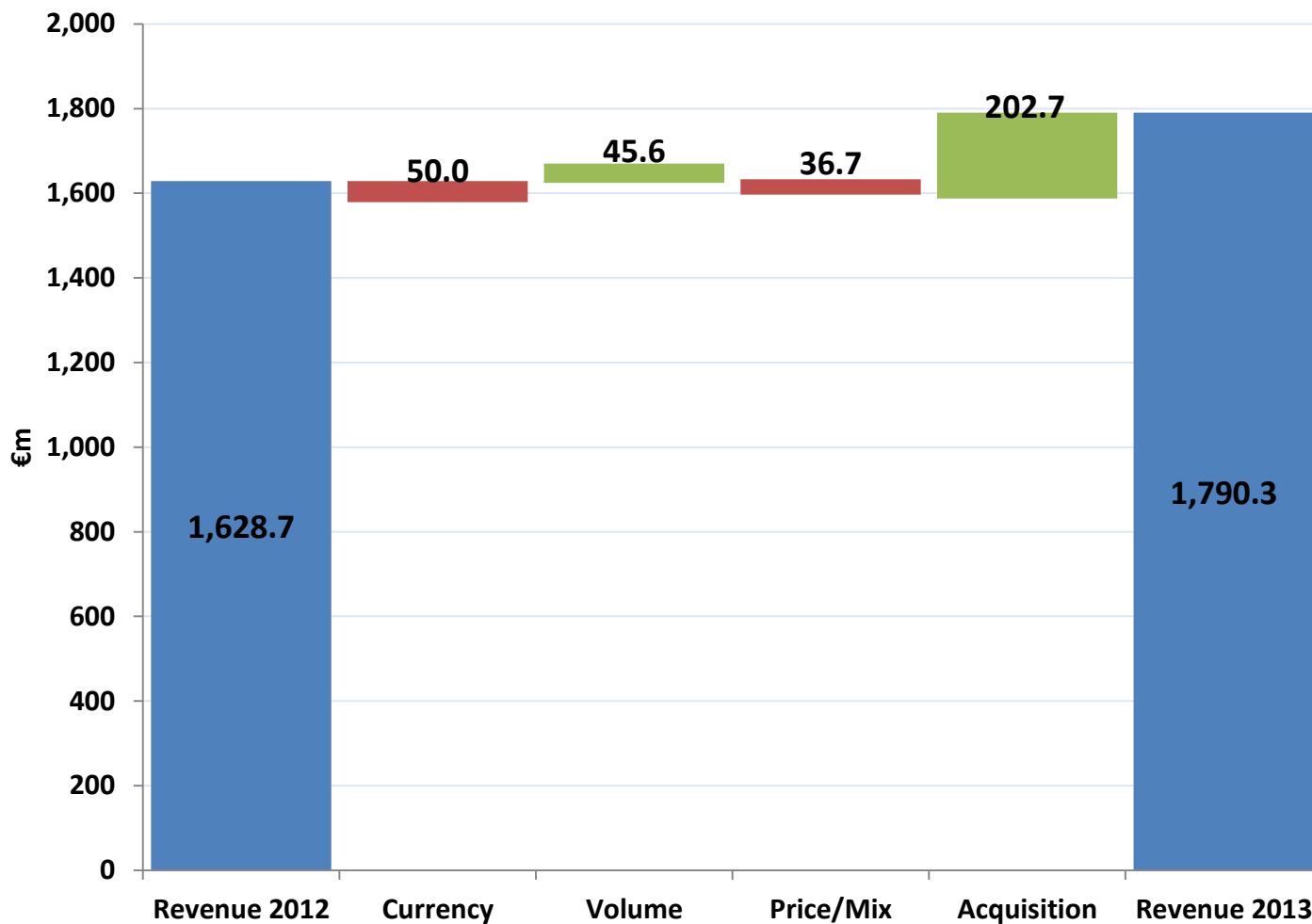
Revenue	→	€1,790.3m	+10% +1% like-for-like*
Trading Profit**	→	€122.8m	+14% +8% like-for-like*
Trading Margin	→	6.9%	+30bps
Profit after tax	→	€89.2m	+19%
Basic EPS	→	51.7c	+18%
ROCE	→	12.3%	+160bps
Total dividend	→	14.0c	+14%

* Like-for-like comparisons exclude the impact of acquisitions & currency movements

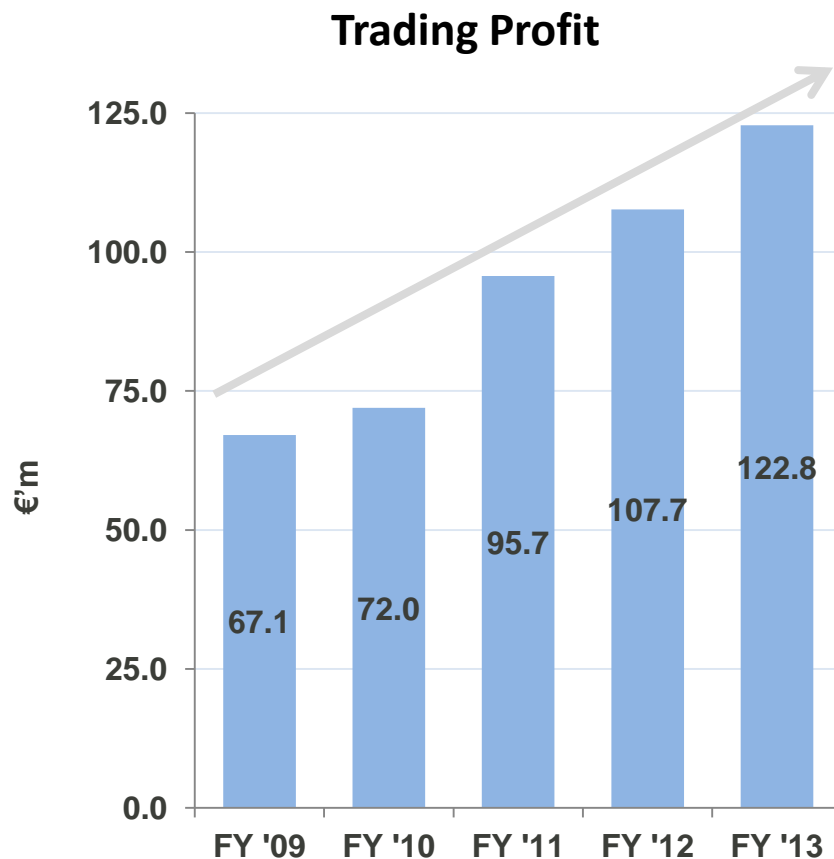
** Pre-intangible amortisation



Sales Bridge



Trading Profit & Margin Growth



Margin %

	FY11	FY 12	FY 13
Insulated Panels	6.7%	7.3%	7.3%
Insulation Boards	5.6%	6.3%	6.5%
Environmental	3.3%	0.7%	1.0%
Access Floors	10.2%	9.9%	10.5%
Group	6.2%	6.6%	6.9%



It's in the core

FY 2013 Trading Profit

Like-for-Like growth



	Like-for-like growth	Acquisitions/ Disposals	Currency Impact	Reported Growth
Insulated Panels	10%	19%	-6%	23%
Insulation Boards	5%	-	-5%	-
Environmental	37%	-	-12%	25%
Access Floors	10%	-	-4%	6%
Group	8%	11%	-5%	14%



ABC HQ, Brisbane, Australia
Insulation



It's in the core

Strong Operating Cash Flow



€m	FY 13	FY 12	% change
Operating profit	115.5	104.6	+10%
Depreciation & amortisation	43.9	43.3	+1%
Working Capital decrease/(increase)	(16.9)	31.3	-154%
Movement in provisions	(5.1)	0.6	
Operating cash flow	137.4	179.8	-24%
Interest and taxation	(28.7)	(31.0)	-7%
Net capital expenditure	(36.7)	(31.8)	+15%
Other including non cash items	5.7	(10.4)	
Free cash flow	77.7	106.6	-27%



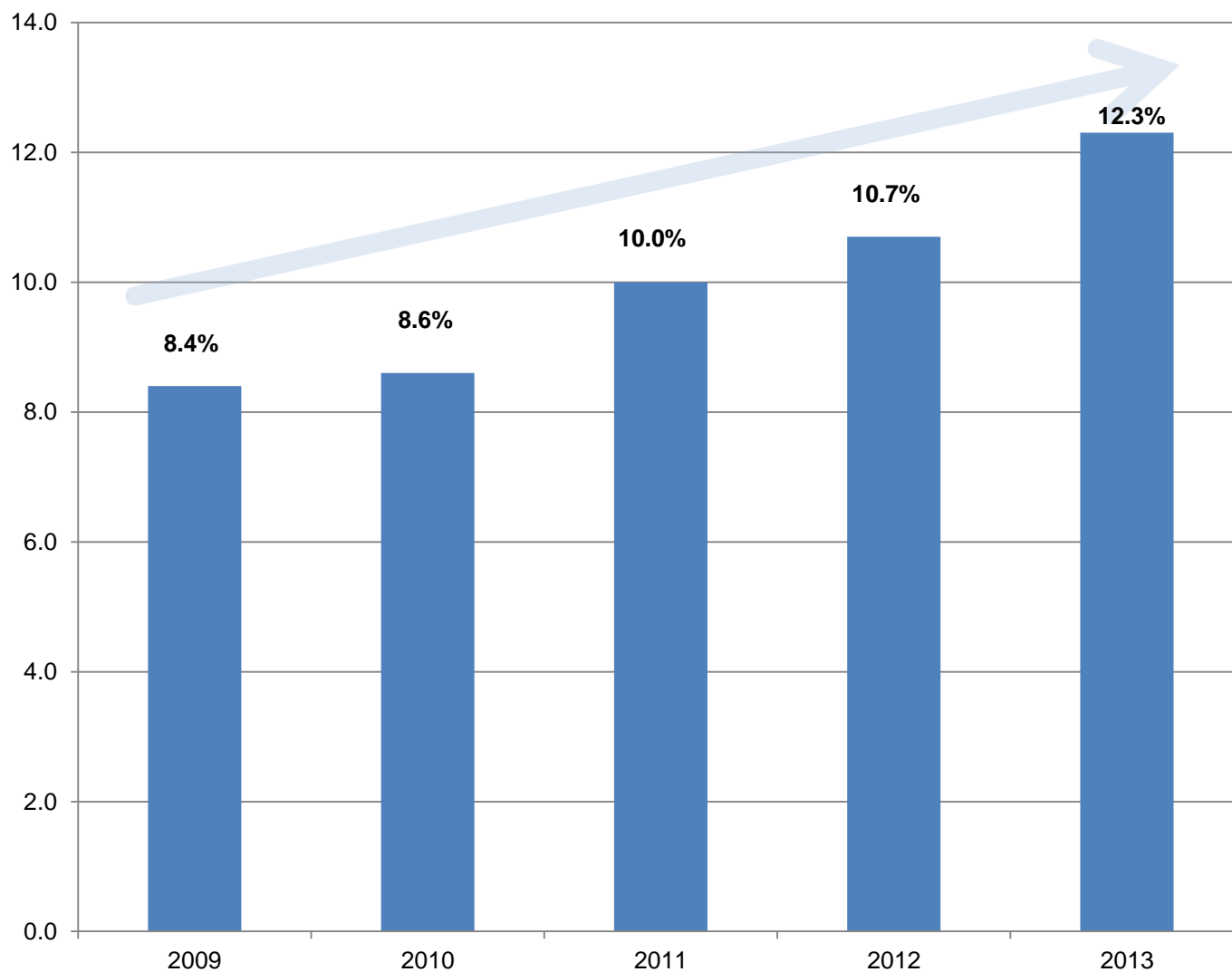
Strong Net Debt Performance



€m	FY 13	FY 12
Free cash flow	77.7	106.6
Acquisitions (net of disposal proceeds)	(1.5)	(72.5)
Settlement of legal costs	-	(12.3)
Dividends paid/other	(19.2)	(16.6)
Cashflow Movement	57.0	5.2
Debt Translation	0.9	(0.6)
Decrease/(increase) in net debt	57.9	4.6
Net debt at start of period	(165.5)	(170.1)
Net debt at end of period	(107.6)	(165.5)
Net debt:EBITDA	.66x	1.12x



Re-building ROCE



It's in the core

Key Ratios

	FY 11	FY 12	H1 13	FY 13
ROCE	10.0%	10.7%	10.8%	12.3%
Gearing (Net Debt: Shareholders Funds)	23.1%	20.4%	20.1%	12.5%
Net Debt/EBITDA	1.27	1.12	1.1	0.66
Interest Cover	10.2	10.0	10.3	12.0
Working Capital as % of Sales	12.2%	12.3%	12.8%	11.7%



Strong Balance Sheet



- Net Debt €107.6m – headroom
c. €500m compared to committed facilities
and cash balances
- Undrawn revolving credit facility of €300m
- 2005 Private placement €150m (USD200m)
 - USD158 maturing March 2015
 - USD42 maturing March 2017
- 2011 Private placement €146m (USD200m)
- Significant headroom on covenants
 - Max 3.5x net debt:EBITDA; actual 0.66x
 - Min 4.0x interest cover; actual 12.0x
- Weighted average maturity of debt facilities
of 3.9 years



Beckwith Animal Hospital Modesto, California
Insulated Panels



It's in the core

Business Review & Outlook



University of Louisville Student Recreation Center Louisville, Kentucky
Insulated Panels

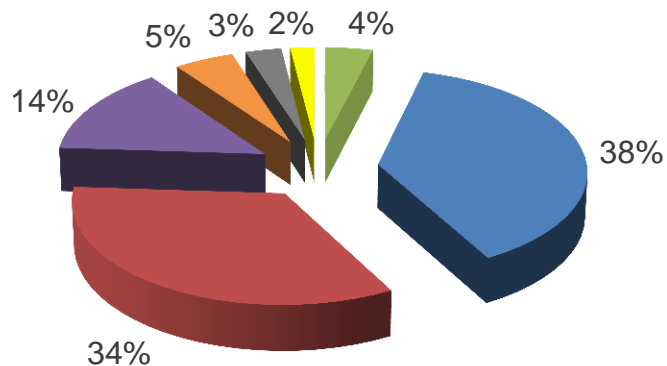


It's in the core

Sales by Geography

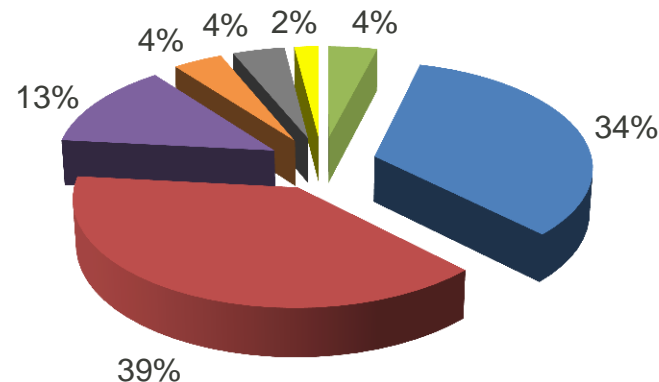


FY 2012



- Republic of Ireland
- Britain & Northern Ireland
- Mainland Europe
- Americas
- Australasia
- Turkey & Middle East
- Rest of World

FY 2013

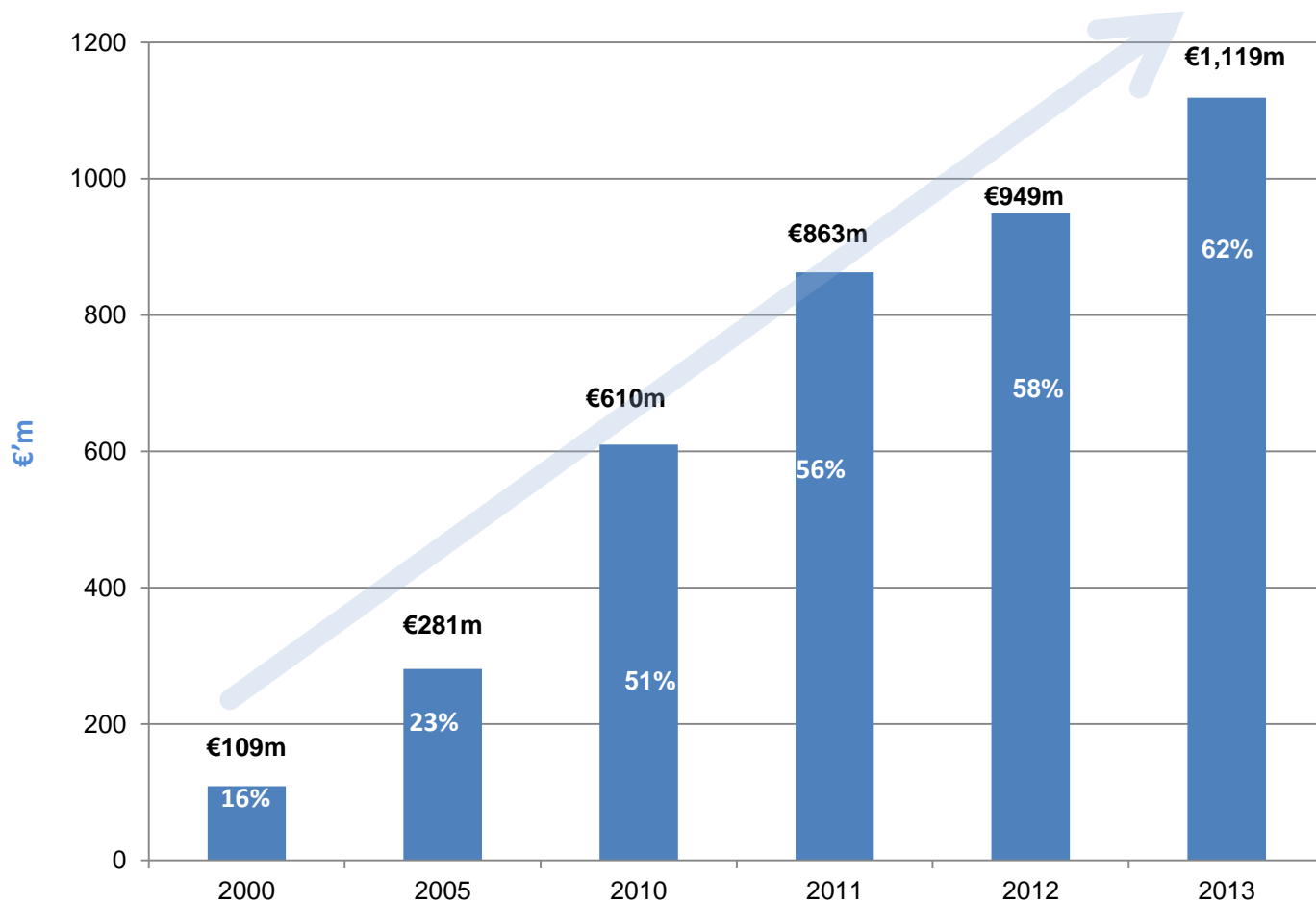


€'m	FY 13	FY 12	Constant Currency Change	YoY % Change
Britain & Northern Ireland	599.1	614.7	+2%	-3%
Mainland Europe	700.9	569.3	+24%	+23%
Americas	231.9	222.6	+8%	+4%
Australasia	73.5	82.9	-2%	-11%
Republic of Ireland	72.3	64.6	+13%	+12%
Turkey & Middle East	76.6	44.9	76%	+70%
Rest of World	36.0	29.7	+25%	+21%
Group Sales	1,790.3	1,628.7	+13%	+10%



It's in the core

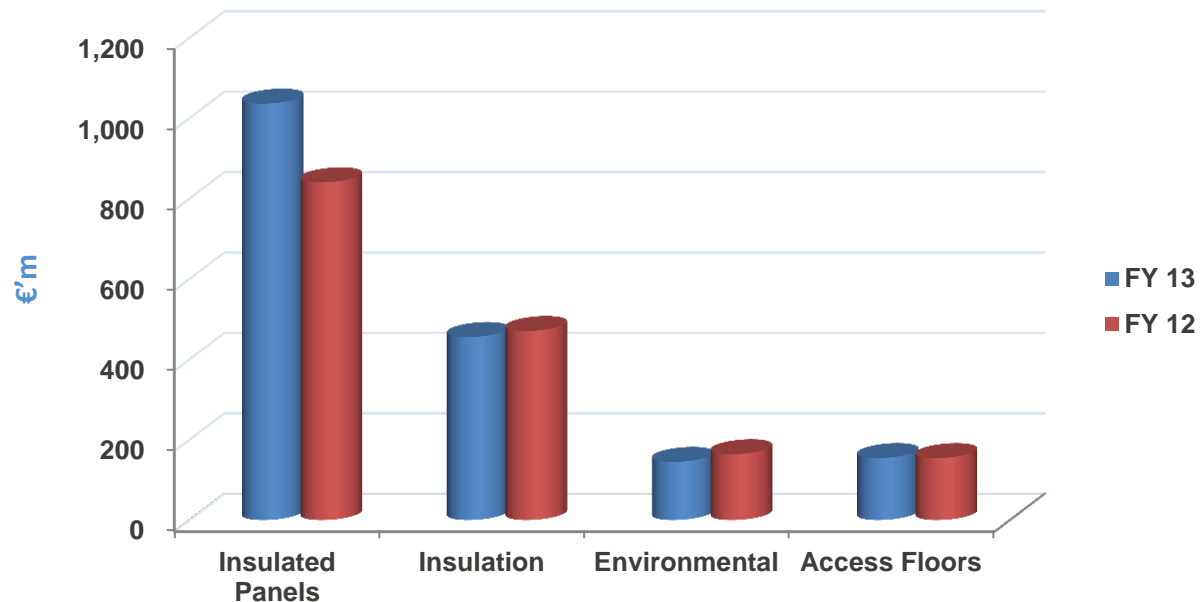
Group Sales Outside UK/IRL



- Internationalisation of the Group through the cycle



Sales by Product Group



€m	FY 13	FY 12	Constant Currency	YoY % Change
Insulated Panels	1,036.0	840.4	+26%	+23%
Insulation Boards	455.4	470.4	-	-3%
Environmental	144.7	163.8	-8%	-12%
Access Floors	154.2	154.1	+5%	-
Group Sales	1,790.3	1,628.7	+13%	+10%



It's in the core

Insulated Panels



Mosaic Village Charlotte, North Carolina
Insulated Panels



It's in the core

Insulated Panels UK, IRL, WE



- Slow start to 2013
- UK Sales up 1% overall recovering from poor Q1
- Improvement in general sentiment during H2, particularly UK
- Benelux stable, and improvement visible in commercial and industrial
- New technology driving differentiation
- Kingspan Energy has begun trading with an encouraging H1 pipeline
- Australia business performance was weaker in 2013 although project momentum improvement remarkable in Q4
- Good contribution from ThyssenKrupp Construction & Rigidal Industries LLC acquisitions

	FY 13	FY 12
Sales (€m)	525.6	453.1
% of Group Sales	29%	28%

Analysis of YoY % Change				
Currency	Volume	Price & Mix	Acquisitions	Total
-3%	+5%	-7%	+21%	+16%



Fonteinj ede, The Netherlands
Insulated Panels



It's in the core

Insulated Panels CEMEI



- Improving sentiment generally
- Germany penetration continues to grow and is now a key market post ThyssenKrupp Construction acquisition (sales +70%)
- Poland recovering (sales +10%)
- Hungary activity improving largely through foreign direct investment (sales +34%)
- Turkey buoyant with strong finish to year (sales +22%), and with a significant pipeline of opportunity from the wider neighbouring markets
- Encouraging performance in Russia, although the absolute volumes are as yet relatively small

	FY 13	FY 12
Sales (€m)	364.8	251.1
% of Group Sales	20%	16%

Note: The above figures include Germany and Turkey

Analysis of YoY % Change				
Currency	Volume	Price & Mix	Acquisitions	Total
-1%	+6%	-3%	+43%	+45%



GUD Kraftwerk, Bonn, Germany
Hoesch



It's in the core

Insulated Panels North America



- Solid progress building upon that achieved in 2012
- H2 in the US impacted by Government shutdown
- Canada improved towards end of year
- Market penetration continues to build
- Strong orderbook at the exit of 2013 points towards a positive start to 2014

	FY 13	FY 12
Sales (€m)	145.6	136.2
% of Group Sales	8%	8%

Analysis of YoY % Change			
Currency	Volume	Price & Mix	Total
-4%	+15%	-4%	+7%



Northern Arizona University, University Services Building Flagstaff, Arizona
Insulated Panels



It's in the core

On-roof integrated or plant-on Insulated Panel and
Solar PV in combination

Funding Options

Client

- > Direct sale of system to end client

Kingspan

- > Lease client roofspace for 25 years in return for a Power Purchase Agreement
- > Lock-in the income streams (ROCs, FITs, PPA)
- > Bundle and sell the 25 year cashflows to financial investors
- > O&M Contract

2014 FY Revenue Target ca. €25m



Insulation

Perth Arena, Australia
Insulation



It's in the core

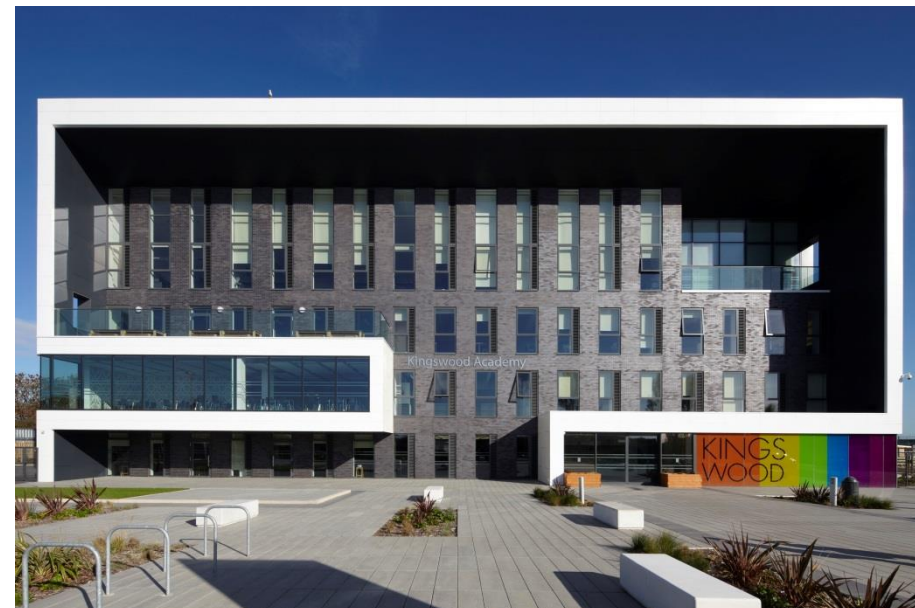
Insulation



- UK market improved through 2013
- Strong newbuild compensating for weaker refurbishment
- Improving sentiment and activity levels in the Benelux
- New facility to serve eastern region of Germany and CEE scheduled for commissioning mid 2014
- Optim-R® facility is now in production and early specifications bank is encouraging
- Australasia +11%, continued growth in penetration of Kooltherm®

	FY 13	FY 12
Sales (€m)	455.4	470.4
% of Group Sales	25%	29%

Analysis of YoY % Change			
Currency	Volume	Price & Mix	Total
-3%	-3%	+3%	-3%



Kingswood Academy, UK
Insulation



Access Floors



The Walkie Talkie , The Cheesegrater, and Heron Tower, London, UK
Access Floors



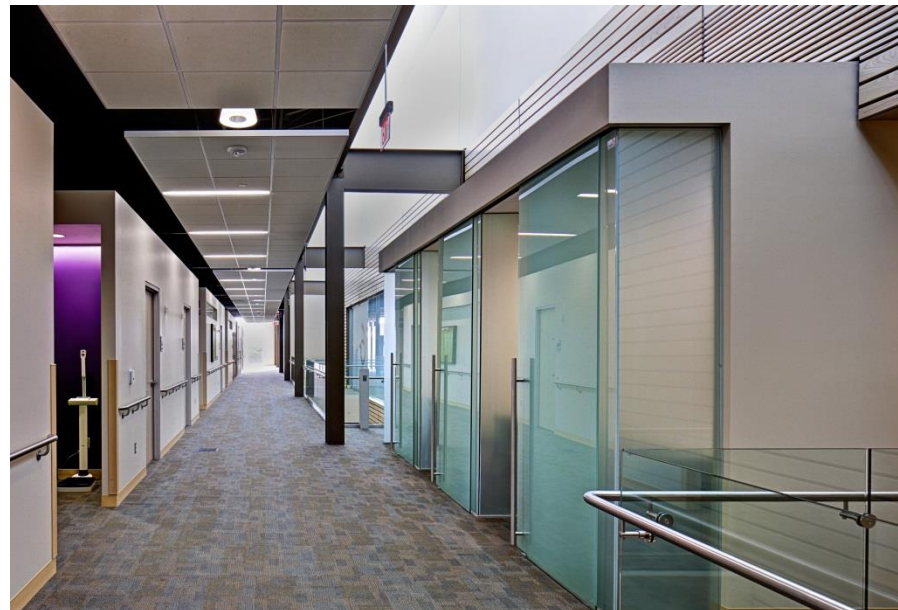
It's in the core

Access Floors

- Recovery underway in UK office market
- Resilient datacentre activity, particularly in North America
- New airflow management products supporting datacentre activity
- US new office construction still at low levels but early signs of potential pick up in 2015

	FY 13	FY 12
Sales (€m)	154.2	154.1
% of Group Sales	9%	9%

Analysis of YoY % Change			
Currency	Volume	Price & Mix	Total
-5%	+1%	+4%	-



Spectrum Health Medical Group, Grand Rapids, USA
Access Floors



Environmental



Lane Community College, Eugene, Oregon, US
Kingspan Solar



It's in the core

Environmental



- A year of stabilisation
- Restructuring of cost base with €4m reduction in fixed costs
- Improving sales trend through the year (Q1 -27%, Q4 -2%)
- Solar thermal challenging

	FY 13	FY 12
Sales (€m)	144.7	163.8
% of Group Sales	8%	10%

Analysis of YoY % Change		
Currency	Volume, Price & Mix	Total
-4%	-8%	-12%



Vineyard, France
KingspanWind



It's in the core

Outlook

- Tentative economic recovery, although patchy
- Growing global footprint creating wider opportunity
- Improvement in sentiment in the UK
- New products and propriety technology are key to continued margin recovery
- Encouraging start to 2014



Bro Alu School, UK
Kingspan Benchmark



It's in the core

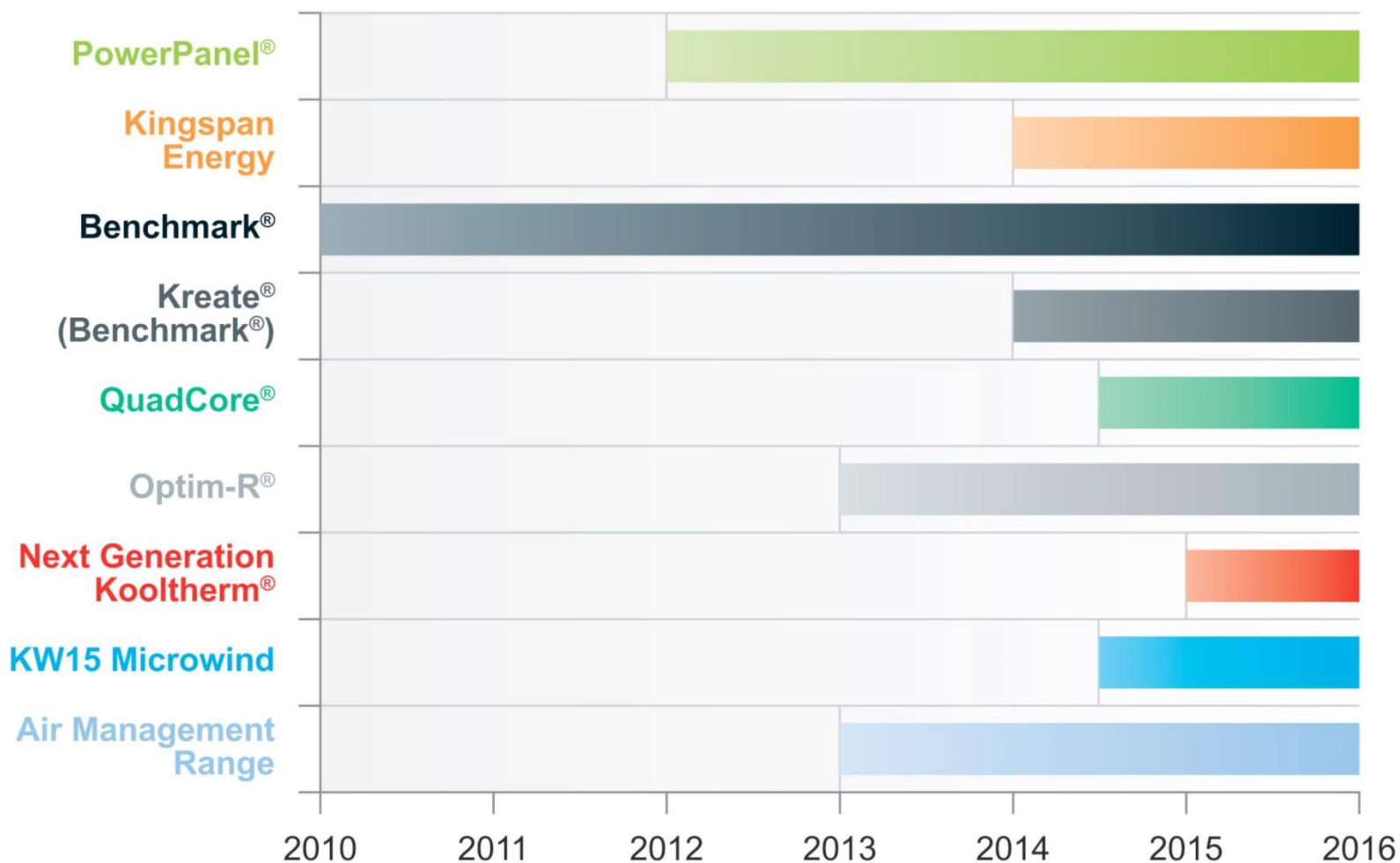
Additional Information



Seattle Commercial Hangar Seattle, Washington
Insulated Panels

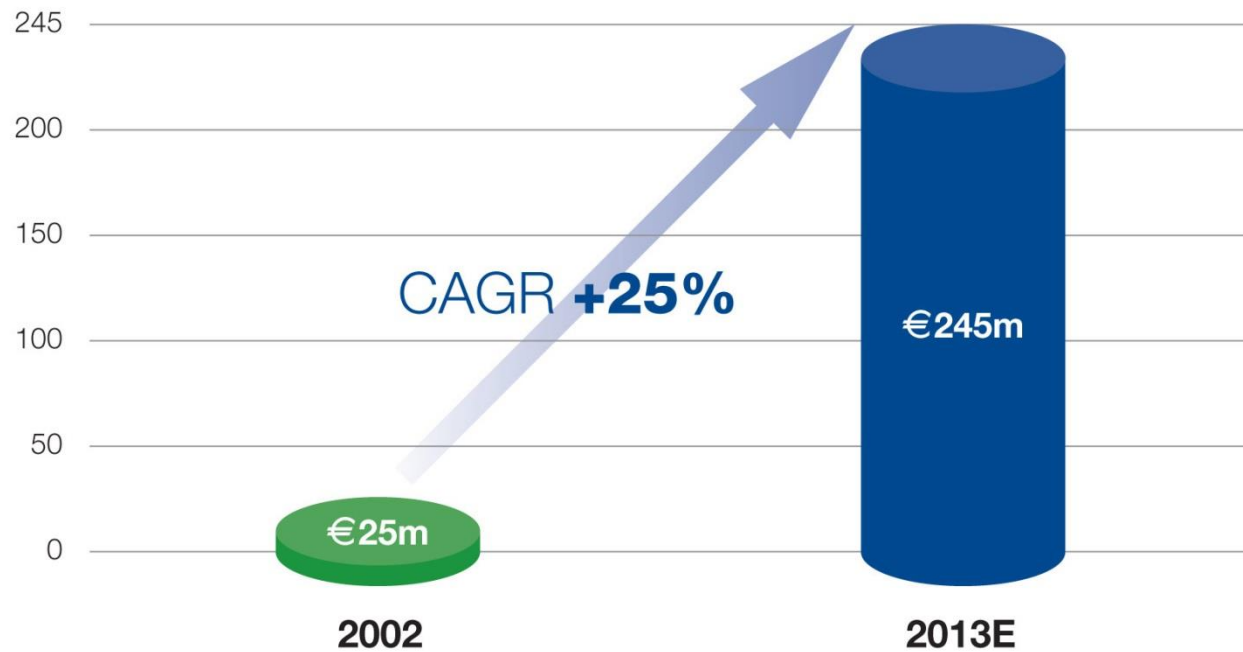


Innovation Pipeline



It's in the core

10 year organic growth of new/embryotic products*



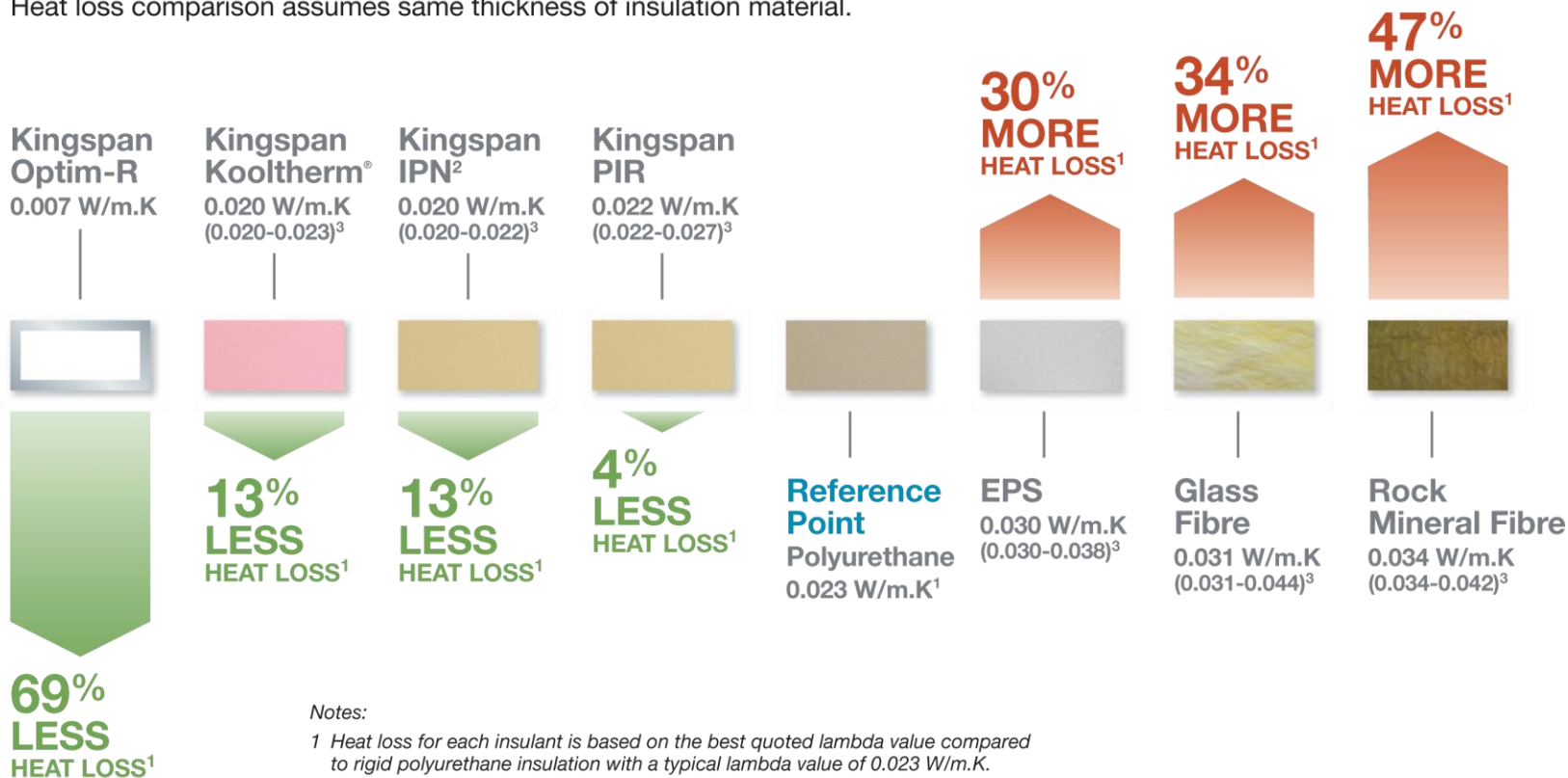
* Includes Kooltherm®, Optim-R®, BENCHMARK, Topdek, Kingspan Energy, X-Dek®



Kingspan Insulates Better



Heat loss comparison assumes same thickness of insulation material.



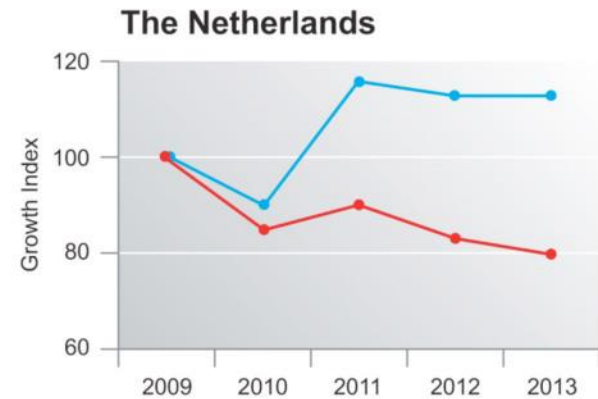
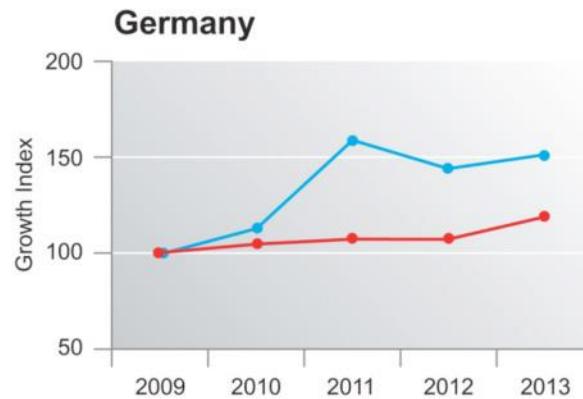
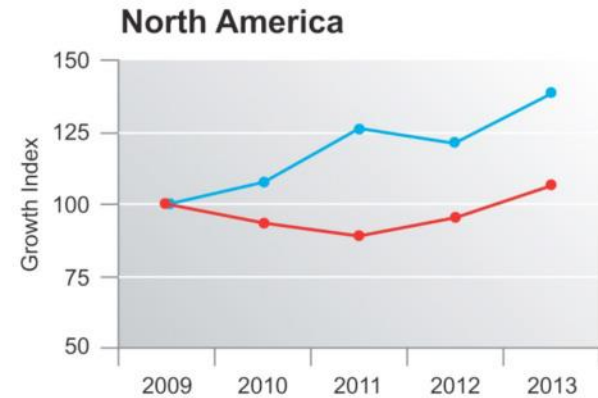
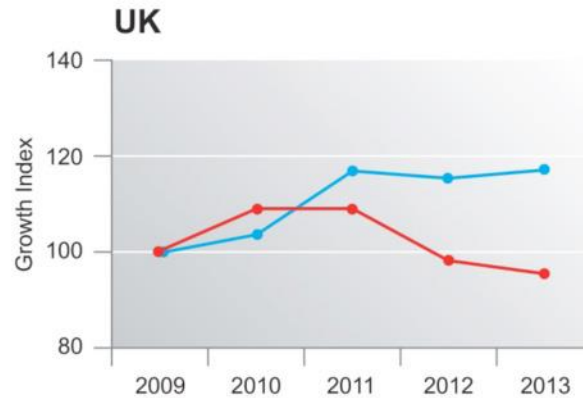
Notes:



- ¹ Heat loss for each insulant is based on the best quoted lambda value compared to rigid polyurethane insulation with a typical lambda value of 0.023 W/m.K.
- ² Kingspan IPN core used in metal faced insulated panels.
- ³ The thermal conductivity range is based on data from insulation manufacturers websites or Agreement certificates.
- ⁴ Thermal conductivity (Lambda) W/m.K values quoted at 10°C.



It's in the core

Kingspan v Construction Macro



Kingspan 
Other 

*Addressable macro comparison with Insulated Panels and Rigid Boards.
Source: Euroconstruct, McGraw Hill.*

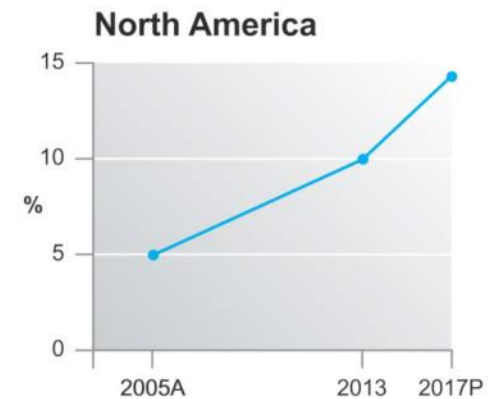
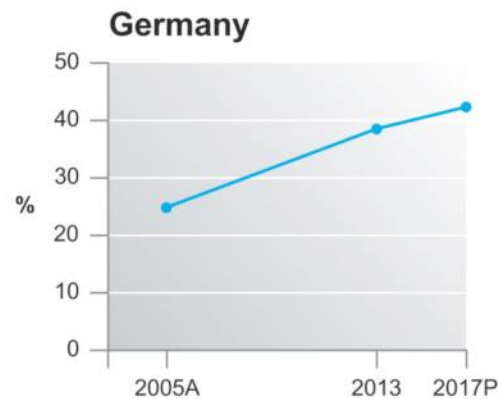
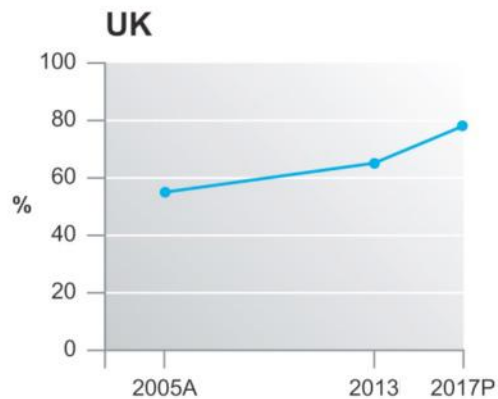


It's in the core

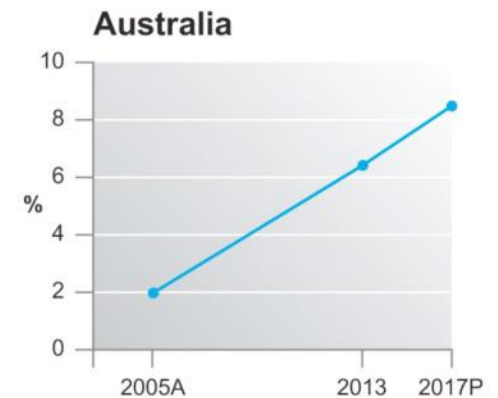
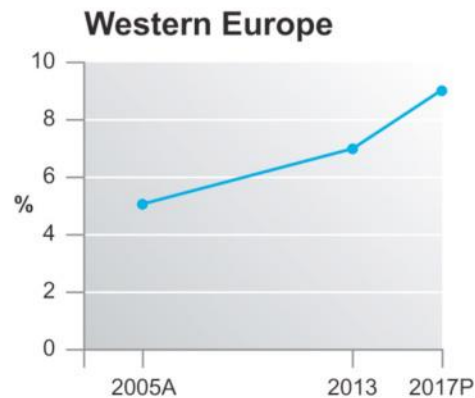
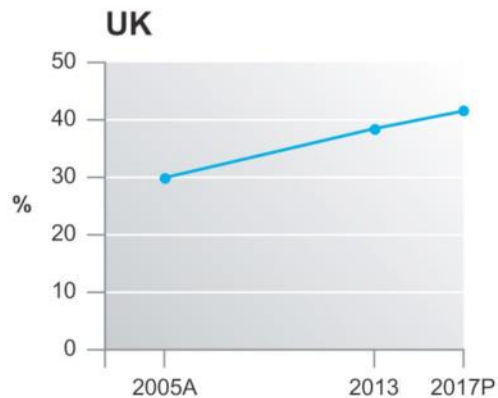
Penetration Rates



Insulated Panels



Insulation Boards



It's in the core



Kingspan Group plc
Dublin Road, Kingscourt, Co. Cavan, Ireland
Telephone: +353 42 969 8000
Fax: +353 42 966 7501
Email: admin@kingspan.ie
www.kingspan.com