KINGSPAN GROUP PLC
Interim Management Statement

14 November 2011

Kingspan Group Plc, the leading international provider of low energy building solutions, today issues the following Interim Management Statement for the period from 1 July to 30 September 2011.

Business Performance
Sales in the nine months to 30 September were €1.14 billion, up 30% on prior year (up 14% excluding acquisitions), with quarter three sales up 24% (up 9% excluding acquisitions). Margins have gradually improved during the year as the earlier spikes in material increases have been recovered, combined with some easing of costs in the third quarter.

Our Markets
As a general comment, the strong sales growth we have experienced year to date has been driven largely by market penetration, refurbishment and geographic expansion rather than macro-economic growth in any of the Group's key markets. Furthermore, building activity in our markets globally has eased in recent months due largely to persistent economic uncertainty, particularly in the EU. This has been evident in the Group's quotation levels and order intake levels where modest reductions have been experienced during the third quarter. The Group's non-residential project pipeline however, grew slightly, which points towards positive medium term activity.

UK activity levels have remained resilient overall, against an uncertain economic backdrop, reflecting the wide range of end use activities of our product range. Western Europe has been solid overall and activity in Germany has remained strong, albeit with lower levels of growth than experienced earlier in the year. Eastern Europe has been challenging due to a combination of over-capacity and general economic weakness. The US construction market remains at low levels of activity overall but our Insulated Panel sales to date in that region are well ahead of last year reflecting further growth in market penetration. We continue to experience year on year growth in Australia, and activity in Ireland remains subdued at exceptionally low levels.

Divisional Reviews

Insulated Panels
Sales revenue increased by 19% in the first nine months compared to the same period last year, and was up 13% in the third quarter. In the UK and Western Europe year to date order intake was 8% and 16% ahead of last year with lower levels of growth in more recent months. In Central and Eastern Europe order intake was 7% ahead of last year with strong volumes in Germany offsetting weakness in other markets in the region. In North America year to date sales were well ahead with order intake 7% behind the comparable period last year. In summary, therefore, whilst the year to date has been characterised by strong sales growth the lower level of intake generally does point towards a lower level of sales growth in the coming months.

Insulation Boards
Sales revenue increased by 80% in the nine months to the end of September reflecting the acquisition of the European insulation business, with underlying sales 8% ahead year on year. Sales revenue in the third quarter was 72% ahead of last year with underlying sales, excluding the acquisition, 3% behind. Activity in the UK has been weaker since the summer with more erratic order patterns from month to month. Activity in Western Europe has been very solid overall with the acquired business now fully integrated and on plan. Australia has performed well experiencing sales growth year on year, but again that pace has eased in recent months.

Environmental & Renewables

Sales revenue was up 21% in the first nine months reflecting the continuation of a strong sales performance in Mainland Europe, with quarter three sales up 27%. Profitability has improved since the first half with a reduction in warranty charges and the benefit of strong continental European sales. A court decision in respect of the Borealis claim is expected in early 2012.

Access Floors

Sales revenue has performed resiliently in a difficult market with sales decreasing by approximately 5% overall year on year, with quarter three sales behind by 3%. New product introductions in the data centre segment have helped offset some of the weakness in the overall office market. Quotation levels are well ahead of last year which could point towards a recovery in office volumes in 2013.

Financial Position

Net debt at the end of September 2011 was €215.0m, a slight decrease on the amount of €216.5m reported at 30 June last, reflecting the timing of dividend and interest payments partially offsetting operating cash-flow in the period. Net debt is expected to be approximately €195m by year end.

Outlook

By any comparative measure of historic global activity, construction markets remain very weak with construction levels in the US and UK down approximately 50% on a 20 year average. This context is not likely to alter materially in the foreseeable future. Against this weak backdrop Kingspan has grown its sales, profits and geographic reach in the past year, driven by market penetration and conversion.

Should the macro environment remain stable, albeit moribund, Kingspan's product range and orientation towards energy efficient building solutions should support further gradual progress. The threat of markets retreating somewhat in 2012, however, remains a real possibility although visibility is more difficult in this environment. Given the Group's performance year to date, together with the current order-book and inquiry levels into quarter four, we expect a full year 2011 operating profit in the range of €82m-€85m, up significantly from the €67.4m achieved in 2010.

For further information contact:

Gene Murtagh, Chief Executive Officer Tel: +353 (0) 42 9698000

Geoff Doherty, Chief Financial Officer Tel: +353 (0) 42 9698000

Ed Micheau, Murray Consultants Tel: +353 (0) 1 4980300