

Results for the six months ended 30th June 2006

05/09/2006

	H1-2006	H1-2005	% Change
	€'mn	€'mn	
Sales	675.9	580.1	+16.5%
Operating profit	88.0	67.0	+31.4%
Operating margin %	13.0%	11.5%	+150bp
Profit before tax	83.4	62.4	+33.7%

	€ 'cent	€'cent	
Earnings per share	40.4	30.7	+31.6%
Dividend per share	6.0	4.45	+35%

- Strong momentum was maintained in the first six months with sales up 16.5% and operating profits up 31.4%.
- The trend of Insulated Panels in the UK gaining market share over built-up systems was maintained in the first half and is underpinned going forward by ongoing product development and regulatory change.
- From a regional perspective group sales were particularly strong in Western and Eastern Europe with growth of 26% and 50%, respectively.
- Investment in future growth continued in the first half with net capital expenditure of €24.9m versus depreciation of €18.9m.
- Reflecting an ongoing programme of geographic expansion, Kingspan acquired a 51% stake in Eurobond Pacific, an insulated panel manufacturer in Australia, a market which has significant growth potential.
- The construction industry and property owners globally are becoming increasingly aware of both the costs and environmental implications of higher energy consumption. This in conjunction with increasing acceptance of Modern Methods of Construction (MMC) and ever more stringent building regulations are the key drivers behind Kingspan's growth.

Gene Murtagh, Chief Executive Officer, commented:

"Results for the first six months represent a tremendous outcome for the Group. Our products continue to gain share against traditional alternatives, bolstered by the increasing awareness of the advantages of sustainable energy construction. This dynamic, coupled with ongoing regulation change underpins demand for our products and gives us confidence that substantial earnings growth will be achieved for the year as a whole".

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