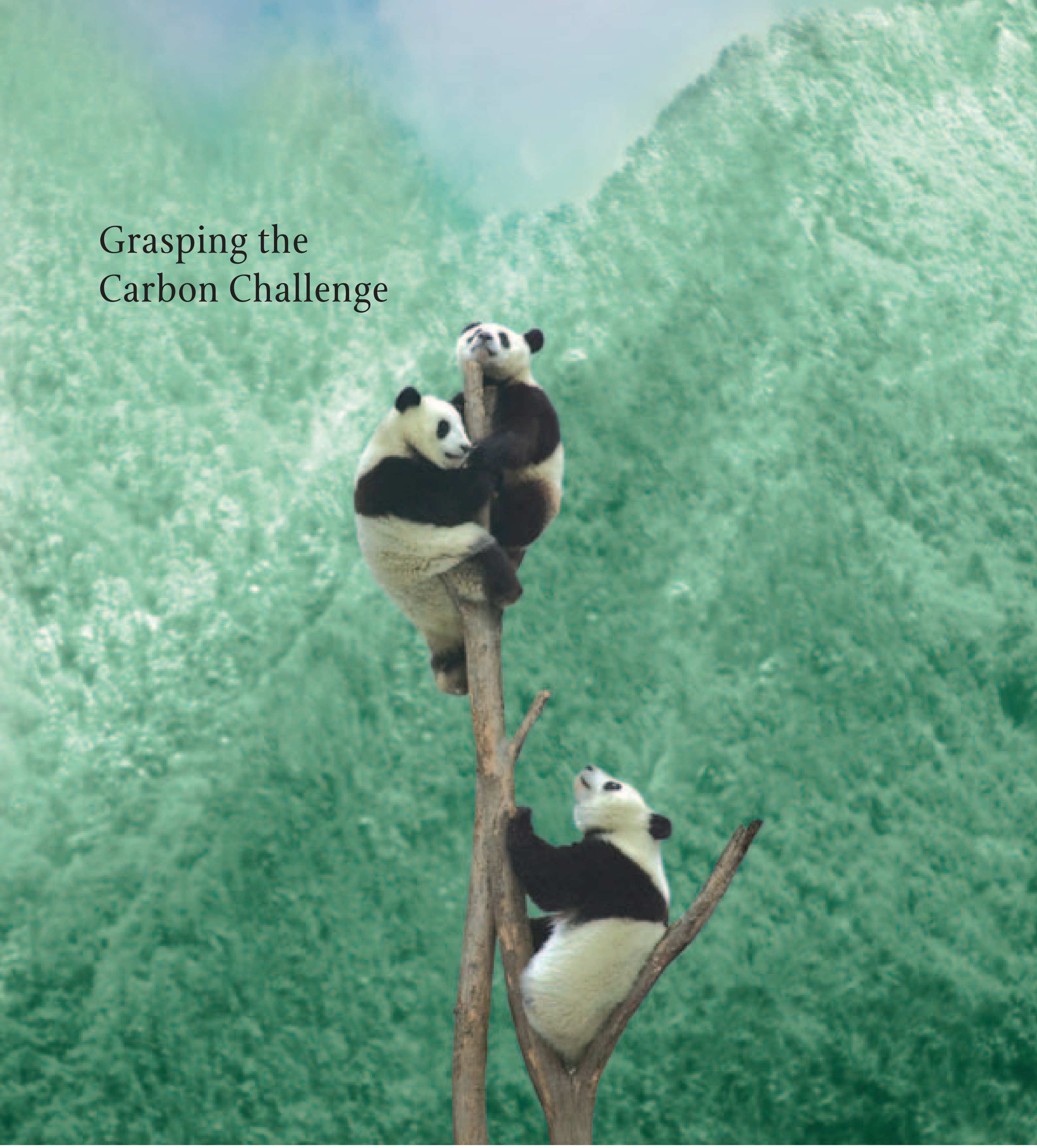
Grasping the Carbon Challenge



Interim Statement

Period ended 30 June 2008

Kingspan®

2008 Interim Results

Period ended 30 June 2008

	H1-2008	H1-2007	% Change at actual rates	% Change at constant rates
Revenue	€849.4m	€908.4m	-6.5%	+1.5%
Operating Profit	€90.1m	€114.2m	-21.1%	-16%
Operating Margin	10.6%	12.5%	-1.9%	-1.2%
Earnings Per Share	41.4 cent	52.7 cent	-21.4%	-16.7%
Dividend Per Share	8.00 cent	8.00 cent	0%	0%
Net Debt	194.2	246.7	-21.3%	
Interest Cover	18.0x	22.7x		

Operational Highlights:

- Strong growth of 27% in CEE revenue reflecting increased penetration, new product introductions, an expanded geographic presence, and rising prices.
- UK and Ireland Insulated Panels produced better than expected results given the trading environment. Sales were down just 8%.
- Insulation Boards declined slightly reflecting a robust Mainland European market but a weaker UK and Ireland residential environment.
- Excellent performance in Access Floors in both North America and Europe where office construction remained strong in the period.
- Significant general and headcount cost reductions in the most affected elements of the Group to help mitigate the impact of lower sales revenue.
- Consolidation of operations in both the Environmental and Off-site divisions in response to poor residential completions.
- Strong progress in the Group's Renewables businesses as rising energy costs and the international push to lower emissions drive a shift towards non-fossil and sustainable energy sources.

Interim Result Statement

Period ended 30 June 2008

- Turnover -6.5% to €849.4m
  +1.5% on a constant currency basis;
- Operating Profit -21% to €90.1m
  -16% on a constant currency basis;
- Basic Earnings 41.4c per share versus 52.7c in 2007;
- Interim Dividend maintained at 8c per share;
- Net Debt €194.2m;
- Interest Cover 18.0;
- Total Investment of €61.4m, including capex of €56.3m.

The first half of 2008 has been a period of mixed fortunes for Kingspan, characterised by a strong Western and Central European performance, solid progress in North America, and a weakened UK and Ireland construction environment. Clearly the Group's substantial presence in the latter markets has impacted on the results for the period, yet despite a particularly poor residential backdrop and unfavorable currency movements, the operating performance of Kingspan was comparatively robust, reinforced by deep cost reductions in a number of activities. The Group continued to invest throughout the period and remains fully committed to its current €250m capital expenditure programme. This will not only fortify Kingspan's position in all of its markets, but when the present cyclical weakness reverses, the Group will be very well positioned for a medium-term rebound, with significantly broadened geographic exposure.

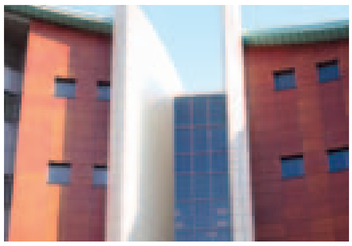
Insulated Panels & Boards

In this segment, turnover was €474.1m, down 6.2% on the same period in 2007.

Insulated Panels

Representing 40% of Group turnover in the period, sales were €337.6m, a decline of 8% over prior year.

In the UK volumes came under pressure, and were down c. 18% on prior year. This decline was particularly severe in the first quarter as it was for order intake, whereas quarter two's



performance represented an improvement, although still trailing 2007, with the gap closing towards mid year. Rising material costs have been a major feature of the first half. Passing on these costs is an ongoing process. The lag effect in recovering cost has impacted on margins during the period. Increasing penetration and a positive mix compensated for some of the decline which contributed towards a robust outturn given the economic circumstances. Reflecting this shift, new dedicated Architectural Wall Panel capacity came on stream in quarter two.

In Ireland comparisons against last year are more disappointing with volumes down over 20% as the retail and logistics construction segments in particular slowed significantly. An overhang in the building market and a severe lack of funding for speculative developments resulted in activity being dampened. It is a trend that is likely to remain for the foreseeable future, and costs in the business are being adjusted to reflect this.

In Mainland Europe the performance of the business was excellent, with volumes in the Benelux up over 10% and in CEE up 16%. Order intake for the period was also strong, which provides some comfort for activity levels in the second half. With the exception of the Czech Republic and Slovakia, where sales were similar to 2007, significant growth was achieved in all other markets and the business has now extended into Russia, Serbia, Croatia, Denmark, France and Finland where the early signs have been encouraging. The Roof Panel capital project for the Czech Republic is now commencing production, and will be key in supporting further organic growth in the region.

Further afield, Australia and New Zealand have both felt the impact of a tightening economic environment. Turkey has been making some progress, and the Group has begun marketing into India, establishing a sales organisation there during quarter two. Canada continued to perform well against prior year, but due to site disruption beyond the Group's control, the relocation project for the Ontario facility has been delayed by approximately nine months and is now anticipated to commence production in late 2009.

Insulation Boards

Representing 16% of Group sales in the period, turnover was €136.5m, a decline of 2.5% over prior year.

Despite the clear deterioration in the new housing environment in Ireland, this business unit managed to hold a volume decline, including Northern Ireland, to around 5%. Improving standards, an increase in RMI, a reasonable performance in the non-residential sector and a strong Northern Ireland insulation market all contributed to this outcome. We expect a tightening in the business during the second half, in line with a continuing weak new residential backdrop. Medium term however, insulation standards are on the rise in Ireland, and the high performance niche Phenolic offering from Kingspan continues to gain traction and provides growing differentiation in the Irish market.

In Britain volumes were down approximately 2% in the period, reflecting a reasonable first quarter, but a weaker quarter two as housing activity dropped off significantly in most regions. Again, however, penetration growth has shown no sign of abating, and Kingspan's Phenolic insulation has now established a firm and growing position in the higher end of the insulation market. Residential activity accounts for 40% of this business unit, and the housing slowdown will certainly maintain pressure on volumes and margins during the second half, yet despite this, other sectors and the growing attractiveness of high performance insulation should deliver reasonably solid sales in the second half of the year.

Insulation Boards continued to show good progress in the continental markets, particularly in Germany and Central Europe, where volumes rose by 20%. In support of the Group's longer term goals in the region, work is continuing on the establishment of new world class facilities in both the Netherlands and Poland. This forms part of the Division's broadening geographic balance, but more importantly, places capacity firmly in the under-penetrated markets of the continent. This market remains dominated by traditional low performance insulants, and has a rigid board penetration level still only in single digit percentages.

Environmental & Renewables

Representing 17% of Group sales in the period, turnover was €140.0m, broadly flat over prior year.

Relative to 2007, fuel storage and effluent treatment products have performed well, and although the UK and Irish markets have been tougher, excellent cost control led to a solid outcome. The ongoing product warranty issue continued to lean on margins however, and formal legal action to recover past and future losses commenced during the second quarter. If they run their full course, proceedings may last into 2010.

The Group's Unvented Hot Water Cylinder business has been focused on the new build housing market of the UK, a strategy that contributed strongly to its growth in recent years. This pattern has clearly been interrupted in the last few months as homebuilders have significantly reduced their output. Tight cost control, and expansion of the business into RMI segments will help sustain it through this period, but margins will suffer due to topline pressure. Although it's some time away yet, this business is well positioned for what we expect will be a strong sectoral rebound given the long term need for new housing in the UK.

The Group's Solar Hot Water activity has delivered a strong first half, and in doing so, has turned what was an underlying loss in 2007 into a positive return so far in 2008. This business is the Group's first step into building integrated renewables, a segment that will be focused on more intensely in the future. Kingspan views the combination of highly insulated building fabric and renewable energy sources as the most viable and marketable answer in the drive towards genuinely low carbon buildings. In recognition of this aspect, the Group has committed to growing its solar evacuated tubes capacity, the most efficient method of solar hot water generation, by 300% in 2009, rising to 500% by 2013. This investment is in addition to a site consolidation drive that will see six of the current Environmental & Renewables sites become one new facility, which began in phases from the second quarter this year. This move will yield greater process and operational efficiencies from early 2009.

Off-Site & Structural

Representing 16% of Group turnover in this period, sales were €138.0m, a decline of 18.5% over prior year.

In the first half of 2008, the Irish residential market has suffered a very considerable and widely reported slowdown. Volume estimates indicate that the level of housing starts has reduced by approximately 70% over the same period in 2007. Output from the Group's manufacturing locations has also experienced a commensurate decline, which has heavily impacted the operating return in the period. Despite such a steep decline, the business has operated at only a slight loss, owing largely to the timely and deep reduction in its operating and overhead costs over the preceding year. The business now operates from one site, having ceased production at the other two. Over the coming twelve months, the Group anticipates residential activity to decline slightly from current levels, and remain at those levels for a further year or so.

Structural Products in Ireland are down over 25%, but as the product range expands, a number of the new façade offerings have had positive market introductions, and an encouraging specification bank is being built.

In the UK, the Off-Site business produced a solid performance in the first six months, up 15% on 2007. Much of this was delivered in the early part of the year, with a noticeable drop-off towards the end of the half, which is anticipated to be the case for the remainder of the year also. As part of the ongoing consolidation process, one manufacturing location and sales offices have been closed, and activity is being concentrated at an existing site north of London. This is the geographic area in which the Group expects to invest in a centralised UK facility around 2010. Growing penetration, bolstered by a supportive legislative framework and an evolving product range leaves the Group satisfied that the medium to long term potential for this business is solid in the UK.

Structural Products sales in the UK were also robust, up approximately 10% on prior year, and largely due to reasonable low rise construction, and a strong high rise market into which the Group's floordeck product is supplied.

Access Floors

Representing 11% of Group turnover in the period, sales were €97.3m, growth of 5.5% over prior year.

In the US, sales grew substantially as the office construction market remained strong, and conversion to modern flooring solutions continued. Coupled with this has been a strong data construction environment in the US, led by the leading internet organisations, which resulted in the positive trend in laminated flooring product sales for the period. Order intake was up in excess of 30% in the six months, which reflected an element of pre price increase commitments made in June. This trend has reversed considerably in the third quarter.

The pattern of trade in the UK has been very similar to that of North America, where office construction, particularly in London, has been resilient, despite other aspects of the construction environment weakening. This trend in office activity is likely to continue at least through the rest of 2008.

Both businesses produced strong margins again, which at a combined 16%, is well up on prior year. In the second half, however, rising steel costs, and a degree of fixed contract pricing will erode margins, most noticeably in North America.

Acquisitions

On 22 August 2008, the Group acquired Metecno Inc., the second largest Insulated Panel and profile producer in the US, for a total consideration of $111m. Metecno operates out of 5 facilities across the US, and together with the Group's existing Canadian presence, gives Kingspan unrivalled geographic reach and a market leading position in the North American Insulated Panel market. This is a key strategic move for the Group and provides exposure to a market that longer term will trend towards more efficient methods of construction. While composite panels have traditionally occupied only a very small position in that market, the combination of environmental and energy cost pressures, together with a market leading position, provides Kingspan with an excellent opportunity to grow penetration of its product range in the medium term.

Outlook

Near term, a contracting market, rising raw material costs, and a foreign exchange headwind all present challenges to the Group. As previously indicated to the market, this will result in lower earnings in the current year. The tightening cost control measures, continued investment in growth markets, and a broadening geographic base, together with the opportunity created by high energy prices, should provide Kingspan with a stronger, more balanced position from which to build the business in the future.

Whilst the global economic environment is changing, the challenges of dealing with our ecological environment are not. There now exist clear international targets for longer term carbon emission reductions, which are increasingly reflected in national building codes and a rising pattern of low energy construction. Compounding this is the exceptionally high, and upward trending cost of energy, which in itself drives the choice towards high performance insulation and micro renewable energy. The economic and ecological case has never been more compelling for low energy building solutions and Kingspan will continue to pursue a strategy of broadening its geographic exposure to this changing environment.

Financial Review

Turnover and Operating Margins

On a constant currency basis Group turnover grew by 1.5%, however after currency impact is taken into account turnover decreased by 6.5% compared with the corresponding period last year.

The gross margin at 30.1% compares with 31.0% in the first half of 2007 and 29.5% in the second half. The slight weakening compared to the first half of 2007 is primarily attributable to the time lag in passing on steel price increases, the benefit of which will emerge in the second half of the year. Distribution costs as a percentage of sales increased from 4.9% to 5.4% year on year, with increasing transport costs a significant factor. There was a marginal increase in administration costs from 13.5% to 13.7%.

The operating margin at 10.6% compares with 12.5% in the same period last year and 12.7% for the full year 2007.

Free cash flow increased over 100% compared with the same period last year.

Sales by geographical market (H1-2008 versus H1-2007)

	H1 2007 €m	H1 2008 €m	% change in 2008	% change constant currency basis
Ireland	145.0	101.8	-30%	-28%
Britain and Northern Ireland	517.0	450.5	-13%	-1%
Mainland Europe	163.0	203.6	+25%	+25%
North America	66.0	69.3	+5%	+16%
Other	17.0	24.2	+41%	+41%

Sales by product group (H1-2008 versus H1-2007)

	H1 2007 €m	H1 2008 €m	% change in 2008	% change constant currency basis
Insulated Panel	365.2	337.6	-8%	-3%
Insulation Board	140.0	136.5	-3%	+7%
Off-Site & Structural	169.3	138.0	-18%	-9%
Environmental & Renewables	141.6	140.0	-1%	+9%
Access Floors	92.3	97.3	+5%	+18%

Cash Flow

The table below summarises the Group's funds flow for H1-2008, H1-2007 and FY07

	H1-2008 €m	H1-2007 €m	FY-07 €m
Inflows			
Operating profit	90.1	114.2	236.7
Depreciation	19.9	19.5	39.8
Amortisation	2.1	2.5	7.7
Pension contributions	(0.5)	(1.5)	(3.4)
Working capital increase/(decrease)	32.6	(63.5)	(66.8)
Interest paid	(6.4)	(5.5)	(12.3)
Taxation paid	(0.7)	(9.8)	(27.0)
Others	3.6	9.4	17.6
Free cash flow	140.7	65.3	192.3
Acquisitions	(5.3)	(29.5)	(49.8)
Net capital expenditure	(53.9)	(73.4)	(140.3)
Dividends paid	(29.0)	(20.8)	(35.5)
Share buyback	(20.0)	-	-
Cash flow movement	32.5	(58.4)	(33.3)
Debt translation	(1.8)	(0.7)	(4.1)
Decrease/(Increase) in net debt	30.7	(59.1)	(37.4)
Net debt at start of period	(224.9)	(187.6)	(187.6)
Net debt at end of period	(194.2)	(246.7)	(224.9)

Operational working capital at 30 June 2008 was €241.8m (30 June 2007: €297.6m) and represented 14.3% of turnover (30 June 2007:14.8%). Operational working capital has reduced by €43.5m from December 2007.

These cashflows were used to fund net capital expenditure of €56.3m, acquisition investment in two businesses of €5.1m and share buyback of €20.0m.

These movements resulted in net debt at the end of June 2008 of €194.2m, which represents a decrease of €30.7m from the €224.9m reported for the end of December 2007. This represents gearing of 29.4% (30 June 2007: 39.7%) and compares to current banking facilities of over c. €500m. Interest cover was 18.0 times (2007: 22.7 times) and the net debt: EBITDA ratio was 0.75 (2007: 0.93).

The core banking facility, which runs until December 2009, is in the process of being refinanced and this is expected to be finalised by the end of September.

Acquisition

On 22 August the Group announced the acquisition of Metecno Inc., a leading US based Insulated Panel and profile producer, for a gross consideration of $111m. This acquisition was funded out of the Group's existing financing facilities, and will be earnings positive for the full year. The acquisition will generate goodwill of c. $62m.

Share Buyback Update

Under the share buyback programme, 3,123,750 shares were purchased in H1 '08 and since that date an additional 2,113,267 shares have been purchased.

Tax

The effective tax rate for the period was 16.5%. However the full-year charge will be adversely affected by recently enacted changes to the UK's tax regime for capital allowances on industrial buildings, whereby previously available tax allowances have been abolished. As a result, the Group is forecasting a one-off deferred tax charge in 2008 in the region of €10m.

While the effective tax rate will be immediately impacted, the cash impact will be spread over a period in excess of 20 years.

Related Party Transactions

There were no material related party transactions during the period under review.

Responsibility Statement

We confirm that to the best of our knowledge, in accordance with Transparency (Directive 2004/109/EC) Regulations 2007 (TR) and the Transparency Rules of the Financial Regulator:

(a) the condensed set of financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting';

(b) the Interim Results Statement and the Financial Review include a fair review of the information required by Regulation 8 paragraph 2 of the TR (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and

(c) the Interim Results Statement and the Financial Review includes a fair review of the information required by Regulation 8 paragraph 3 of the TR (disclosure of related parties' transactions and changes therein).

By order of the Board

Gene Murtagh	*Dermot Mulvihill*
Chief Executive Officer	*Finance Director*
26 August 2008	*26 August 2008*

Consolidated Income Statement
for the period ended 30 June 2008

	Notes	**6 months ended 30.6.08 (Unaudited) €'000**	6 months ended 30.6.07 (Unaudited) €'000	Year ended 31.12.07 (Audited) €'000
REVENUE	3	**849,362**	908,377	1,863,239
COSTS OF SALES		**(594,115)**	(626,846)	(1,300,460)
GROSS PROFIT		**255,247**	281,531	562,779
Operating costs		**(165,099)**	(167,335)	(326,115)
OPERATING RESULT		**90,148**	114,196	236,664
Finance costs		**(7,002)**	(6,781)	(14,297)
Finance income		**772**	769	1,837
RESULT FOR THE PERIOD BEFORE TAX		**83,918**	108,184	224,204
Income tax expense		**(13,846)**	(18,505)	(36,877)
NET RESULT FOR THE PERIOD		**70,072**	89,679	187,327
Profit attributable to:				
Shareholders of Kingspan Group plc		**70,672**	89,171	187,295
Minority interest		**(600)**	508	32
Attributable to shareholders of Kingspan Group plc		**70,072**	89,679	187,327
EARNINGS PER SHARE FOR THE PERIOD FROM CONTINUING OPERATIONS	5			
Basic		**41.4c**	52.7c	110.5c
Diluted		**41.0c**	51.4c	108.5c

Consolidated Balance Sheet
for the period ended 30 June 2008

	6 months ended 30.6.08 (Unaudited) €'000	6 months ended 30.6.07 (Unaudited) €'000	Year ended 31.12.07 (Audited) €'000
ASSETS			
NON-CURRENT ASSETS			
Goodwill	**290,621**	302,017	303,966
Other intangible assets	**14,553**	16,116	14,164
Property, plant and equipment	**423,105**	359,165	398,688
Financial assets	**209**	208	209
Deferred tax assets	**2,401**	2,694	2,401
	730,889	680,200	719,428
CURRENT ASSETS			
Inventories	**164,603**	161,416	152,140
Trade and other receivables	**404,160**	431,820	386,744
Cash and cash equivalents	**80,866**	40,934	66,626
	649,629	634,170	605,510
TOTAL ASSETS	**1,380,518**	1,314,370	1,324,938
LIABILITIES			
CURRENT LIABILITIES			
Trade and other liabilities	**326,901**	295,248	253,454
Provisions for liabilities and charges	**51,789**	47,222	54,670
Deferred consideration	**330**	7,266	3,351
Financial liabilities	**105,847**	73,622	46,102
Current tax liabilities	**46,547**	35,080	32,861
	531,414	458,438	390,438
NON-CURRENT LIABILITIES			
Pension and other employee obligations	**7,759**	19,784	6,509
Financial liabilities	**160,797**	196,567	234,392
Deferred tax liabilities	**11,477**	8,372	12,933
Deferred consideration	**8,114**	10,161	7,750
	188,147	234,884	261,584
TOTAL LIABILITIES	**719,561**	693,322	652,022
NET ASSETS	**660,957**	621,048	672,916
EQUITY			
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF KINGSPAN GROUP PLC			
Called-up share capital	**22,250**	22,285	22,146
Additional paid-in share capital	**35,283**	29,144	31,917
Other reserves	**(104,880)**	(23,715)	(67,568)
Revaluation reserve	**713**	713	713
Capital redemption reserve	**723**	513	723
Retained earnings	**704,333**	588,263	681,755
	658,422	617,193	669,686
Minority interest	**2,535**	3,855	3,230
TOTAL EQUITY	**660,957**	**621,048**	**672,916**

Statement Of Recognised Income And Expense
for the period ended 30 June 2008

	6 months ended 30.6.08 (Unaudited) €'000	6 months ended 30.6.07 (Unaudited) €'000	Year ended 31.12.07 (Audited) €'000
Net result for financial period attributable to Group shareholders	**70,672**	89,171	187,295
Currency translation	**(37,062)**	2,044	(43,670)
Cash flow hedging in equity	**(248)**	(91)	1,702
Actuarial losses on defined benefit pension scheme	**(2,212)**	-	9,203
Income taxes relating to items charged or credited to equity	**619**	-	(3,110)
Total recognised income and expense for the period	**31,769**	91,124	151,420

Consolidated Cash Flow Statement
for the period ended 30 June 2008

	Notes	**6 months ended 30.6.08 (Unaudited) €'000**	6 months ended 30.6.07 (Unaudited) €'000	Year ended 31.12.07 (Audited) €'000
OPERATING ACTIVITIES				
Result for the period before tax		**83,918**	108,184	224,204
Adjustments	6	**30,174**	30,341	62,350
Change in inventories		**(15,750)**	(28,535)	(21,759)
Change in trade and other receivables		**(33,141)**	(67,997)	(37,829)
Change in trade and other liabilities		**80,848**	37,855	3,519
Pension contributions		**(526)**	(1,499)	(3,447)
Cash generated from operations		**145,523**	78,349	227,038
Taxes paid		**(716)**	(9,827)	(26,985)
Net cash flow from operating activities		**144,807**	68,522	200,053
INVESTING ACTIVITIES				
Additions to property, plant and equipment		**(56,404)**	(75,514)	(144,880)
Increase in finance leases		**(18)**	2,807	-
Proceeds from disposals of property, plant and equipment		**2,552**	2,110	7,310
Proceeds from financial assets		**-**	19	-
Purchase of subsidiary undertakings / Net cash acquired with acquisitions		**(4,009)**	(25,845)	(46,363)
Payment of deferred consideration in respect of acquisitions		**(3,088)**	(2,241)	(2,163)
Interest received		**786**	784	1,846
Net cash flow from investing activities		**(60,271)**	(97,880)	(184,250)
FINANCING ACTIVITIES				
Proceeds from bank loans and loan notes		**-**	46,924	-
Repayment of bank loans		**(13,633)**	(12,915)	35,487
Discharge of finance lease liability		**(433)**	(124)	(246)
Proceeds from share issues		**2,409**	2,188	4,644
Buyback of own shares		**(20,018)**	-	-
Interest paid		**(7,214)**	(6,313)	(14,188)
Dividends paid to shareholders		**(28,982)**	(20,767)	(35,546)
Dividends paid to minorities		**(74)**	-	(24)
Net cash flow from financing activities		**(67,945)**	8,993	(9,873)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		**62,938**	61,864	61,864
Net increase in cash and cash equivalents		**16,591**	(20,365)	5,930
Effects of exchange rate changes in the balance of cash held in foreign currencies		**(2,886)**	(568)	(4,856)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		**76,643**	40,931	62,938
Cash and cash equivalents as at 1 January 2008 were made up of:				
Cash and cash equivalents		**66,626**	69,060	69,060
Overdrafts		**(3,688)**	(7,196)	(7,196)
		62,938	61,864	61,864
Cash and cash equivalents as at 30 June 2008 were made up of:				
Cash and cash equivalents		**80,866**	40,934	66,626
Overdrafts		**(4,223)**	(3)	(3,688)
		76,643	40,931	62,938

Notes to the Financial Statements for the period ended 30 June 2008

Accounting policies (Notes 1 & 2)

1 Basis of preparation

The information presented in these condensed interim financial statements has been prepared in accordance with the IAS 34 issued by the International Accounting Standards Board and in accordance with the accounting policies as set out on pages 68 to 74 of the Annual Report for the year ended 31 December 2007.

The 2008 interim results and balance sheet are presented in Euro. Results and cash flows of foreign subsidiary undertakings have been translated into Euro at the actual exchange rates for the period, and the related balance sheets have been translated at the rates of exchange ruling at the balance sheet date.

The interim results for the half year to 30 June 2008 and 30 June 2007 are unaudited. The comparative figures for the year ended 31 December 2007 represent an abbreviated version of the Group's full accounts for that year which have been filed with the Registrar of Companies and on which the auditors, Grant Thornton, have issued an unqualified audit report.

These interim results are available on the Group's website (www.kingspan.com). A printed copy will be sent by post to all registered shareholders. Copies may also be obtained from the Company's Registrars: Computershare Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18.

Kingspan Group plc is a public limited company domiciled in Ireland with its registered office being held at Dublin Road, Kingscourt, Co. Cavan. Kingspan Group plc is a building product business focused on establishing leading market positions by providing innovative construction systems and solutions with a global reach.

2 Reporting currency

The currency used in this preliminary announcement is Euro. Results and cash flows of foreign subsidiary undertakings have been translated into Euro at the actual exchange rates, and the related balance sheets have been translated at the rates of exchange ruling at the balance sheet date.

Exchange rates used were as follows:

	Actual rate			Closing rate		
Euro =	**30.6.08**	30.6.07	31.12.07	**30.6.08**	30.6.07	31.12.07
Pound Sterling	**0.775**	0.675	0.685	**0.791**	0.673	0.738
US Dollar	**1.530**	1.330	1.371	**1.558**	1.346	1.471
Czech Koruna	**25.240**	28.172	27.782	**24.070**	28.700	26.335
Polish Zloty	**3.503**	3.852	3.792	**3.358**	3.789	3.625
Canadian Dollar	**1.542**	1.509	1.469	**1.577**	1.440	1.438
Australian Dollar	**1.657**	1.645	1.636	**1.629**	1.585	1.669

Notes to the Financial Statements for the period ended 30 June 2008

3 SEGMENT REPORTING

Analysis by class of business

Segment Revenue	Insulated Panels & Boards €m	Off-Site & Structural €m	Environmental & Renewables €m	Access Floors €m	Total €m
Total Revenue - H1 2008	474.1	138.0	140.0	97.3	**849.4**
Total Revenue - H1 2007	505.2	169.3	141.6	92.3	**908.4**
Total Revenue - 2007	1,047.8	326.8	291.5	197.1	**1,863.2**

Intersegment revenue is not material and is thus not subject to separate disclosure in the above analysis.

Segment Result (profit before finance costs)

	Insulated Panels & Boards €m	Off-Site & Structural €m	Environmental & Renewables €m	Access Floors €m	Total H1 2008 €m	Total H1 2007 €m	Total 2007 €m
Operating result - H1 2008	59.1	9.2	7.7	14.1	**90.1**		
Operating result - H1 2007	78.1	14.2	9.9	12.0		114.2	
Operating result - 2007	172.3	20.6	9.9	33.9			236.7
Finance costs (net)					**(6.2)**	(6.0)	(12.5)
Result for the period before tax					**83.9**	108.2	224.2
Income tax expense					**(13.8)**	(18.5)	(36.9)
Net result for the period					**70.1**	89.7	187.3

Segment Assets and Liabilities

	Insulated Panels & Boards €m	Off-Site & Structural €m	Environmental & Renewables €m	Access Floors €m	Total H1 2008 €m	Total H1 2007 €m	Total 2007 €m
Assets - H1 2008	737.3	171.3	255.1	133.5	**1,297.2**		
Assets - H1 2007	670.2	235.8	225.1	139.6		1,270.7	
Assets - 2007	659.9	204.3	249.4	142.3			1,255.9
Liabilities - H1 2008	(227.8)	(54.7)	(70.3)	(33.7)	**(386.5)**		
Liabilities - H1 2007	(193.4)	(77.4)	(52.1)	(39.3)		(362.2)	
Liabilities - 2007	(171.4)	(52.2)	(57.4)	(33.6)			(314.6)
Total assets less total liabilities					**910.7**	908.5	941.3
Cash and cash equivalents					**80.9**	40.9	66.6
Deferred tax asset					**2.4**	2.7	2.4
Interest bearing loans and borrowings (current and non-current)					**(266.6)**	(270.2)	(280.5)
Deferred consideration (current and non-current)					**(8.4)**	(17.4)	(11.1)
Income tax liabilities (current and deferred)					**(58.0)**	(43.5)	(45.8)
Total Equity as reported in Group Balance Sheet					**661.0**	621.0	672.9

Notes to the Financial Statements for the period ended 30 June 2008

Other Segment Information

	Insulated Panels & Boards €m	Off-Site & Structural €m	Environmental & Renewables €m	Access Floors €m	Total €m
Capital Investment - H1 2008	53.2	1.8	4.1	2.3	**61.4**
Capital Investment - H1 2007	77.3	9.6	13.5	2.7	**103.1**
Capital Investment - 2007	126.6	16.7	49.2	4.5	**197.0**
Depreciation included in segment result - H1 2008	(11.4)	(3.7)	(3.3)	(1.5)	**(19.9)**
Depreciation included in segment result - H1 2007	(10.7)	(3.6)	(3.3)	(1.9)	**(19.5)**
Depreciation included in segment result - 2007	(21.6)	(7.8)	(6.8)	(3.7)	**(39.9)**
Amortisation included in segment result - H1 2008	(0.5)	(0.9)	(0.7)	-	**(2.1)**
Amortisation included in segment result - H1 2007	(0.6)	(1.4)	(0.5)	-	**(2.5)**
Amortisation included in segment result - 2007	(1.2)	(2.4)	(4.0)	(0.1)	**(7.7)**
Non-Cash Items included in segment result - H1 2008	-	-	1.6	-	**1.6**
Non-Cash Items included in segment result - H1 2007	0.1	-	-	-	**0.1**
Non-Cash Items included in segment result - 2007	3.8	(0.1)	(0.4)	-	**3.3**

Analysis of Segmental Data by Geography

	Republic of Ireland €m	United Kingdom €m	Rest of Europe €m	Americas €m	Others €m	Total €m
Income Statement Items						
Segment Revenue - H1 2008	101.8	450.5	203.6	69.3	24.2	**849.4**
Segment Revenue - H1 2007	144.5	517.5	163.3	66.1	17.0	**908.4**
Segment Revenue - 2007	270.4	1,036.7	375.5	144.5	36.1	**1,863.2**
Balance Sheet Items						
Assets - H1 2008	197.2	727.4	243.1	112.3	17.2	**1,297.2**
Assets - H1 2007	188.2	750.4	195.3	118.5	18.3	**1,270.7**
Assets - 2007	189.1	730.6	208.3	111.8	16.1	**1,255.9**
Other segmental information						
Capital Investment - H1 2008	4.2	32.2	19.3	5.2	0.5	**61.4**
Capital Investment - H1 2007	15.1	57.2	12.4	17.5	0.9	**103.1**
Capital Investment - 2007	27.9	114.8	32.6	20.3	1.4	**197.0**

4 DIVIDENDS

An interim dividend at the rate of 8.00c per share (2007: 8.00c) is payable on 10 October 2008 to shareholders on the register at close of business on 12 September 2008.

The Final Dividend on Ordinary Shares for 2007 (€29.0m) was approved by shareholders in May 2008 and, in accordance with IFRS, was recognised as a charge to reserves in the six month period ended 30 June 2008.

Notes to the Financial Statements
for the period ended 30 June 2008

5 EARNINGS PER SHARE

	6 months ended 30.6.08 €'000	6 months ended 30.6.07 €'000	Year ended 31.12.07 €'000
The calculations of earnings per share are based on the following:			
Profit attributable to ordinary shareholders	**70,672**	89,171	187,295

	Number of shares ('000) 30.6.08	**Number of shares ('000) 30.6.07**	**Number of shares ('000) 31.12.07**
Weighted average number of ordinary shares for the calculation of basic earnings per share	**170,780**	169,150	169,567
Dilutive effect of share options	**1,625**	4,418	3,118
Weighted average number of ordinary shares for the calculation of diluted earnings per share	**172,405**	173,568	172,685

	€cent	**€cent**	**€cent**
Basic earnings per share	**41.4**	52.7	110.5
Diluted earnings per share	**41.0**	51.4	108.5

Notes to the Financial Statements for the period ended 30 June 2008

6 CASH FLOW STATEMENT

The following non-cash adjustments have been made to the pre-tax result for the period to arrive at operating cash flow:

	6 months ended 30.6.08 €'000	6 months ended 30.6.07 €'000	Year ended 31.12.07 €'000
Depreciation amortisation and impairment charges of property, plant and equipment and intangible assets	**21,979**	21,989	45,572
Employee equity-settled share options	**3,559**	2,392	5,650
Finance income	**(772)**	(769)	(1,837)
Finance cost	**7,002**	6,781	14,297
(Profit)/loss on sale of property, plant and equipment	**(1,594)**	(52)	(3,332)
Total	**30,174**	30,341	62,350

7 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	6 months ended 30.6.08 €'000	6 months ended 30.6.07 €'000	Year ended 31.12.07 €'000
Decrease in cash and bank overdrafts	**16,591**	(20,365)	5,930
Decrease/(Increase) in debt, lease finance and deferred consideration	**17,154**	31,644	(33,078)
Change in net debt resulting from cash flows	**33,745**	(52,009)	(27,148)
Loans and lease finance acquired with subsidiaries	**(38)**	(23)	(5,469)
Deferred consideration arising on acquisitions in the period	**(1,138)**	(3,590)	2,035
New finance leases	**18**	(2,807)	(2,704)
Translation movement	**(1,840)**	(689)	(4,119)
Net movement	**30,747**	(59,118)	(37,405)
Net debt at start of period	**(224,969)**	(187,564)	(187,564)
Net debt at end of period	**(194,222)**	(246,682)	(224,969)

8 STATUTORY ACCOUNTS

The financial information presented in the interim report does not represent full statutory accounts. Full statutory accounts for the year ended 31 December 2007 prepared in accordance with IFRS, upon which the Auditors have given an unqualified audit report, have been filed with the Registrar of Companies.

9 BOARD APPROVAL

This Interim Report was approved by the Board of Directors of Kingspan Group plc on 26 August 2008.

Independent Review Report to Kingspan Group plc

Introduction

We have been instructed by the Company to review a condensed set of financial statements in the half-yearly financial report for the period ended 30 June 2008 which comprises the Consolidated Income Statement, Consolidated Balance Sheet, Statement of Recognised Income and Expense and Consolidated Cash Flow Statement and the related explanatory notes that have been reviewed. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information. Our responsibilities do not extend to any other information.

Directors' Responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Transparency (Directive 2004/109/EC) Regulations 2007 and the Transparency Rules of the Financial Regulator.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting' as adopted by the European Union.

Our Responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of Review

We conducted our review in accordance International Standards on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in Ireland. A review of interim financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit performed in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the period ended 30 June 2008 are not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Transparency (Directive 2004/109/EC) Regulations 2007 and the Transparency Rules of the Republic of Ireland's Financial Regulator.

GRANT THORNTON
Chartered Accountants and Registered Auditors
24-26 City Quay
Dublin 2
26 August 2008

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

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