

ADVANCED HYBRID
TECHNOLOGY...

IT'S IN
THE CORE.

Kingspan Interim Results
24th August 2015



Forward Looking Statements

This presentation contains certain forward-looking statements including, without limitation, regarding the Group's financial position, business strategy, plans and objectives of management for future operations. Such forward-looking information involves risks and uncertainties, assumptions and other factors that could cause the actual results, performance or achievements of the Group to differ materially from those in the forward-looking statements. The forward-looking statements in this presentation reflect views held only as of the date hereof. Neither Kingspan nor any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this presentation will actually occur. Kingspan undertakes no duty to and will not necessarily update any such statements in light of new information or future events, except to the extent required by any applicable law or regulation.

The Business

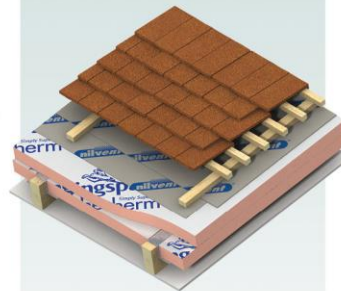


- A global leader in high performance insulation and building envelopes
- Market leading positions in UK, Mainland Europe, North America and Australasia
- Proprietary technology drives differentiation in product performance

61%
INSULATED
PANELS



26%
INSULATION
BOARDS

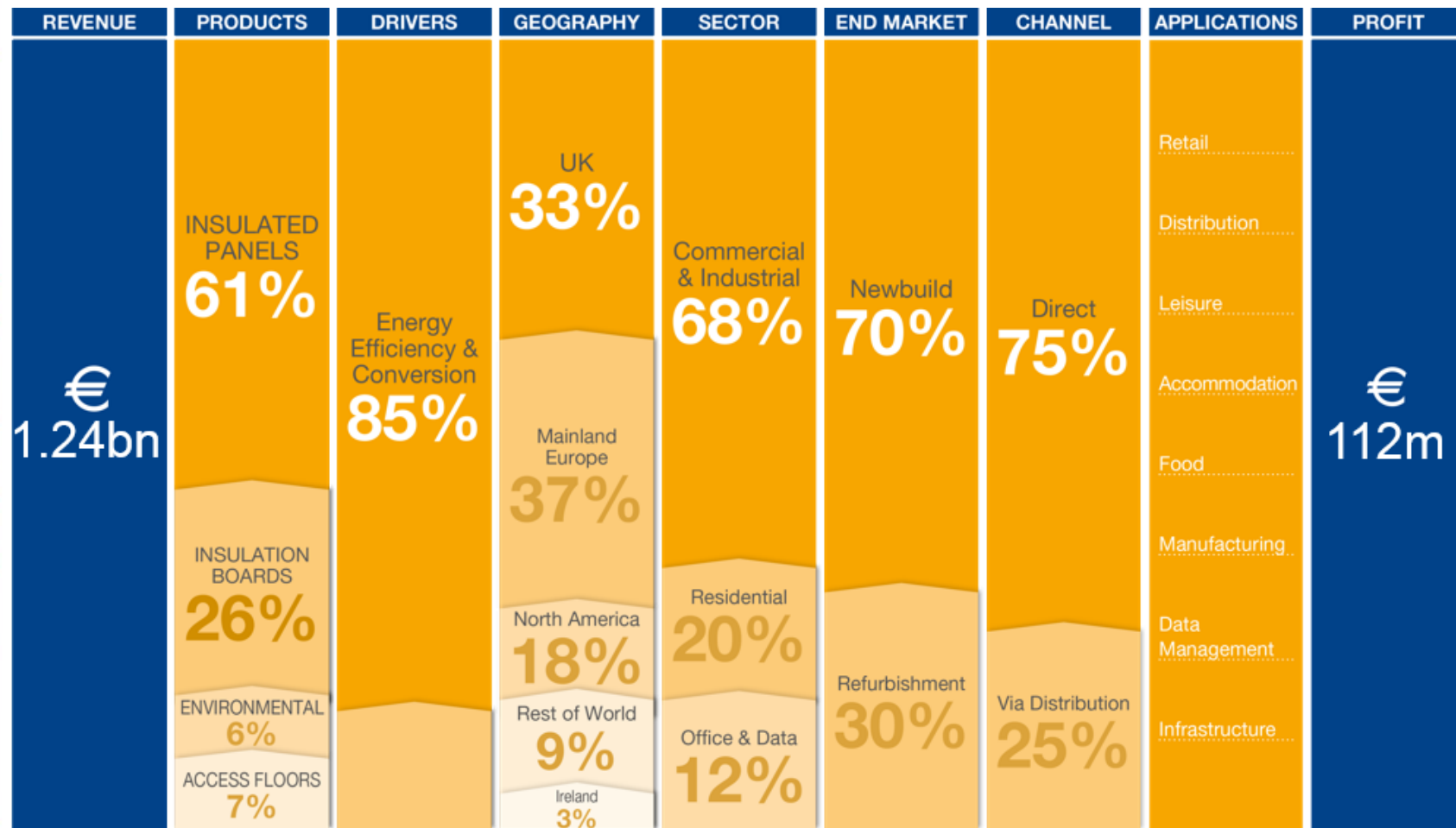


7%
ACCESS FLOORS



6%
ENVIRONMENTAL

H1 2015 In a Nutshell



BRAND > SPECIFICATION > DIFFERENTIATION

Our Strategy



- 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

to achieve an average annual return on investment of ca.

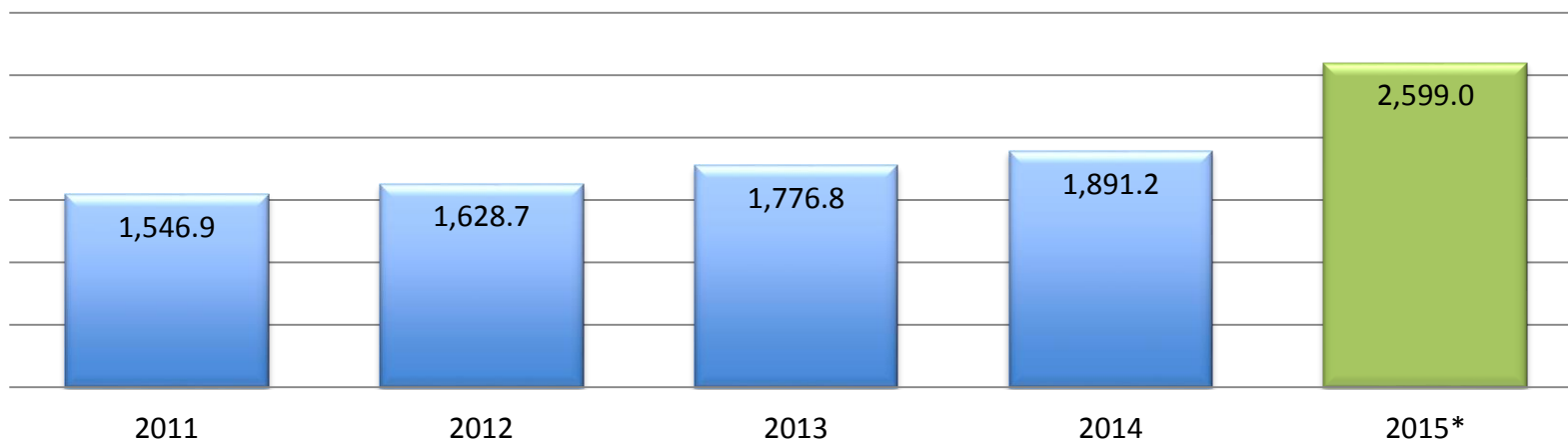
15%



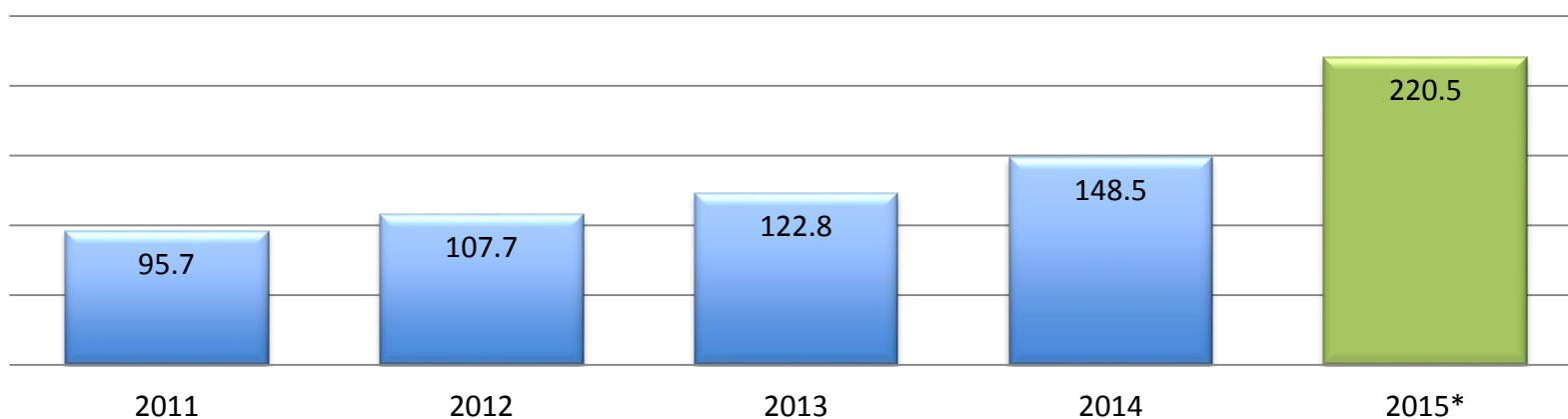
5 Year Financial Performance



Revenue (€'m) (CAGR 13.9%)



Trading Profit (€'m) (CAGR 23.2%)



* Analyst consensus

H1 2015 In Summary

**Revenue
up 39%
to €1.24bn**

**Trading
Profit
up 61%
to €112m**

**Basic EPS
up 59%
to 46.5c**

- **Strong** delivery overall with encouraging organic growth complemented by significant development activity.
- **Insulated Panel** revenue growth of 43% to €753m, reflecting solid organic growth in key markets, combined with the acquired sales of Joris Ide and Vicwest.
- **Insulation Boards** revenue growth of 44% to €319m, largely driven by the Pactiv and PAL acquisitions late in 2014, as well as robust sales growth in the UK and Western Europe.
- **Environmental** sales were slightly ahead and profitability has recovered significantly.
- **Access Floors** delivered a solid performance in North America, countered by slightly weaker EU sales. Sales overall were ahead by 22%.
- **Organic** capacity expansion and plant upgrades planned in Belgium, France, the Nordics, UAE, Mexico, US, Australia and Russia. These facilities, across both Insulated Panels and Insulation will come on stream progressively between now and 2020.

Financial Highlights



	H1 2015	H1 2014	Change	cc*
Revenue (€m)	1,235.3	889.3	+39%	+29%
Trading Profit (€m)	111.7	69.2	+61%	+44%
EBITDA (€m)	137.9	88.9	+55%	+40%
Earnings per share (cent)	46.5	29.2	+59%	
Interim Dividend (cent)	8.0	6.25	+28%	
Free Cashflow (€m)	105.7	28.7	+268%	
Net Debt (€m)	449.3	113.4	+335.9m	
Trading Margin	9.0%	7.8%	+120bps	
Net Debt/EBITDA	1.86x	0.66x		
ROCE **	11.3%	12.4%	-110bps	

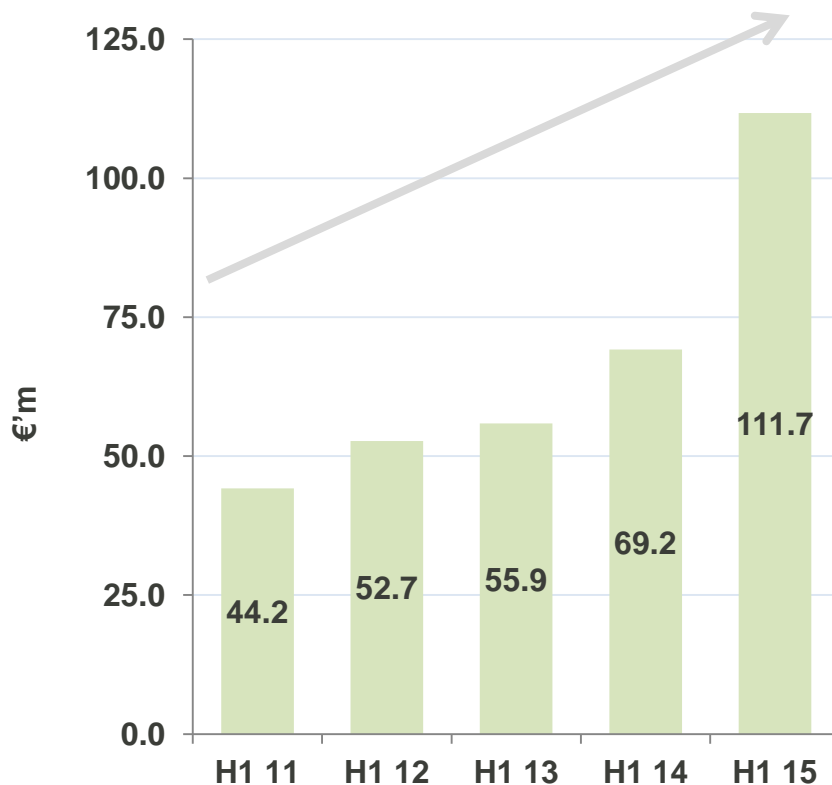
* Constant currency

** Annualised ROCE is 14.4% post the full year impact of current period acquisitions

Trading Profit & Margin Progression



Trading Profit



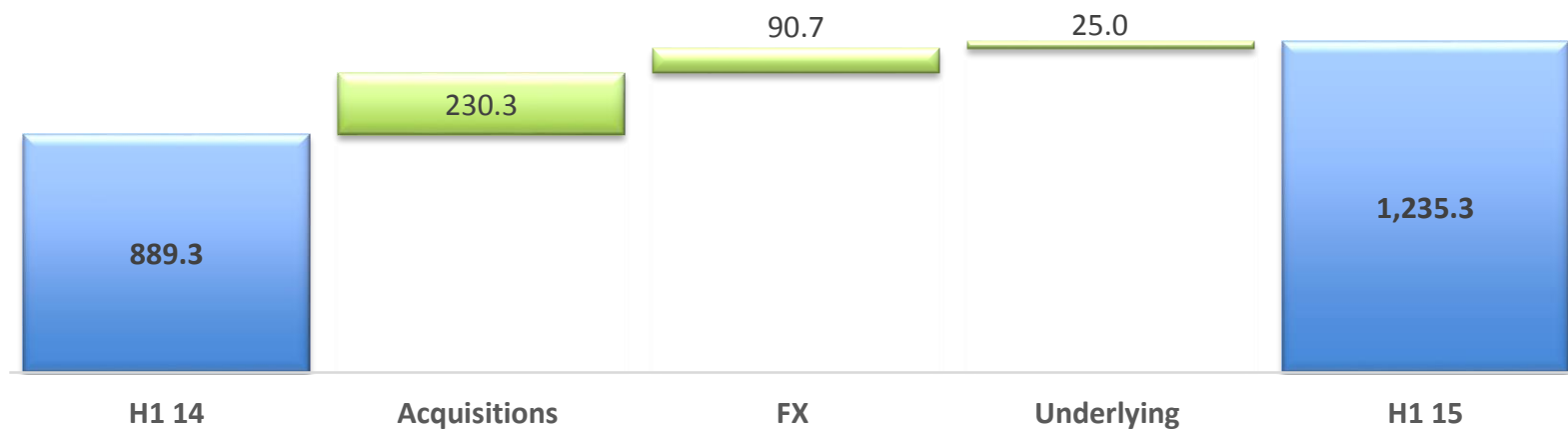
Margin %

	H1 14	FY 14	H1 15
Insulated Panels	8.3%	8.0%	9.3%
Insulation Boards	8.0%	8.4%	8.9%
Environmental	0.3%	0.8%	4.3%
Access Floors	10.8%	11.7%	11.4%
Group	7.8%	7.9%	9.0%

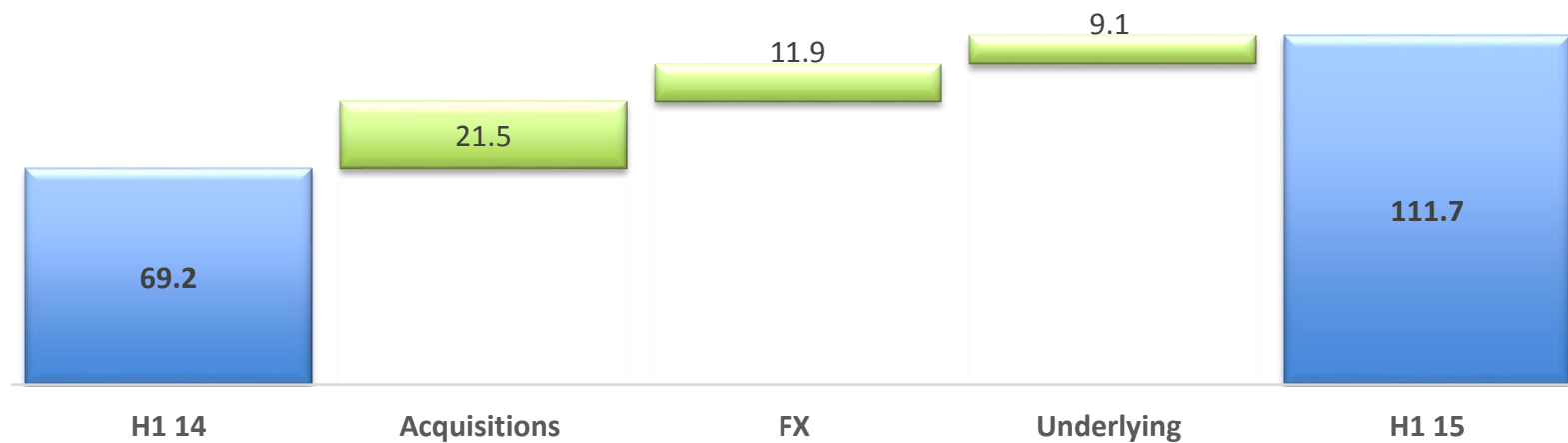
Group Sales & Profit Bridge



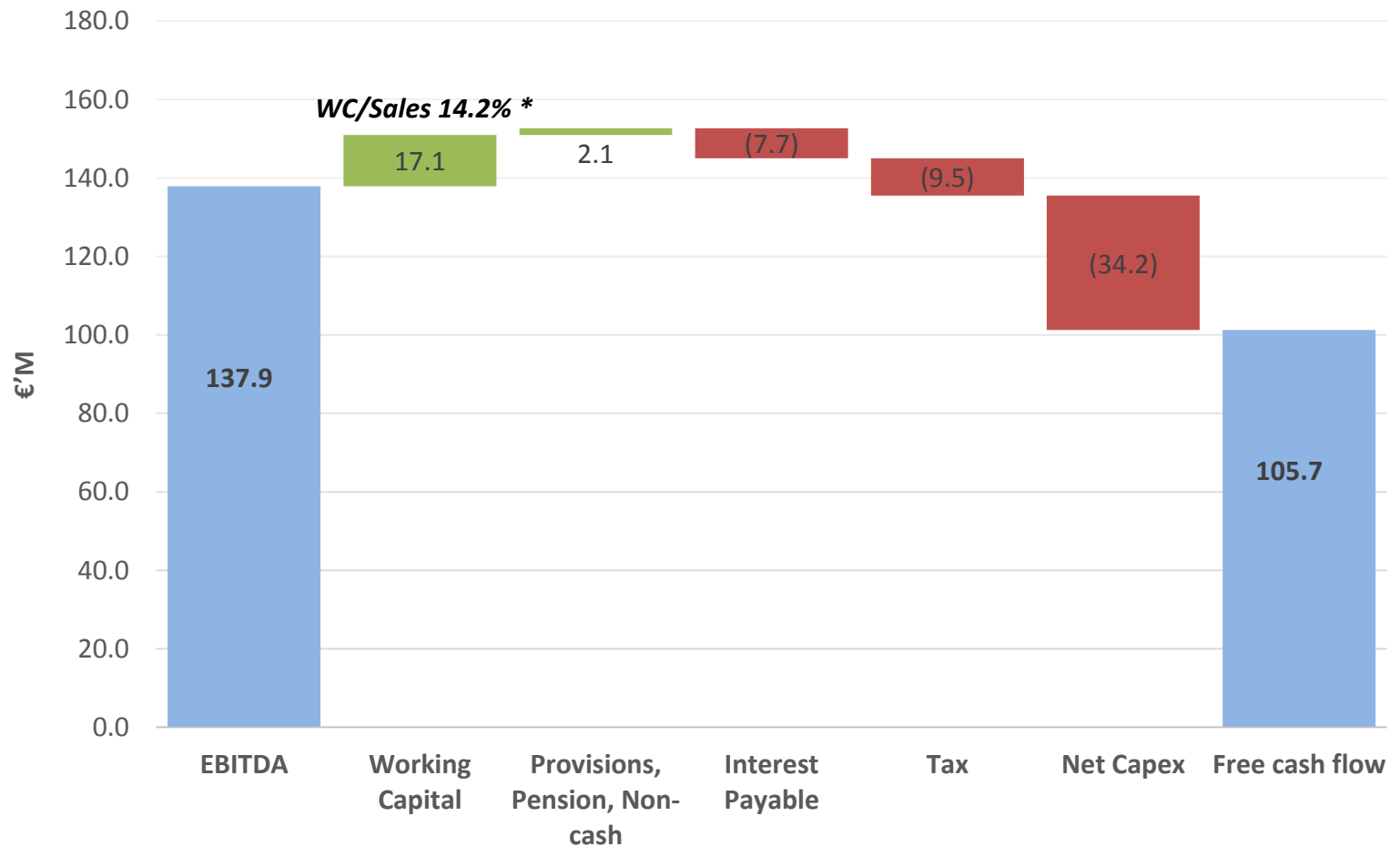
Sales



Trading Profit

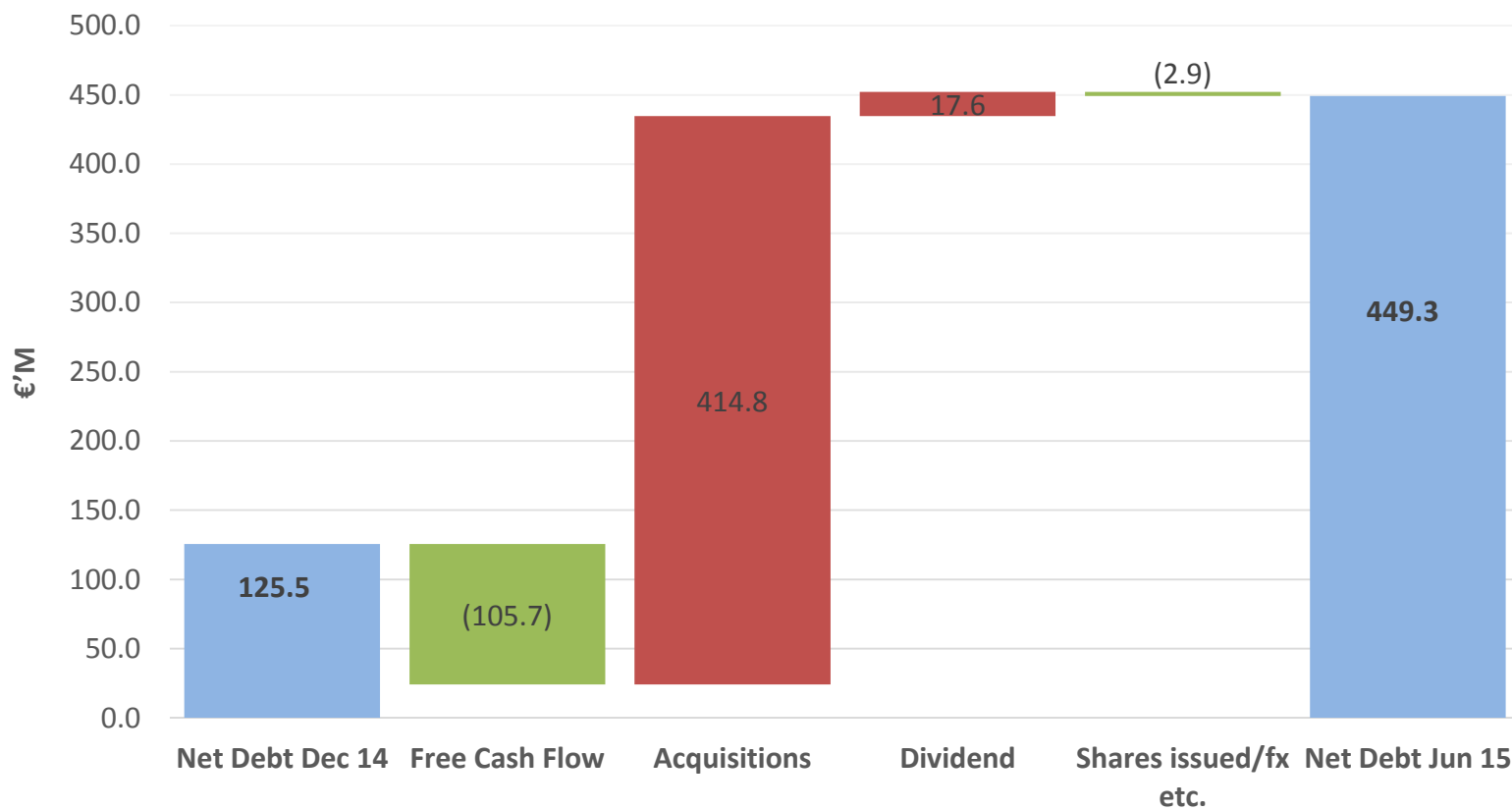


Strong Free Cash Flow

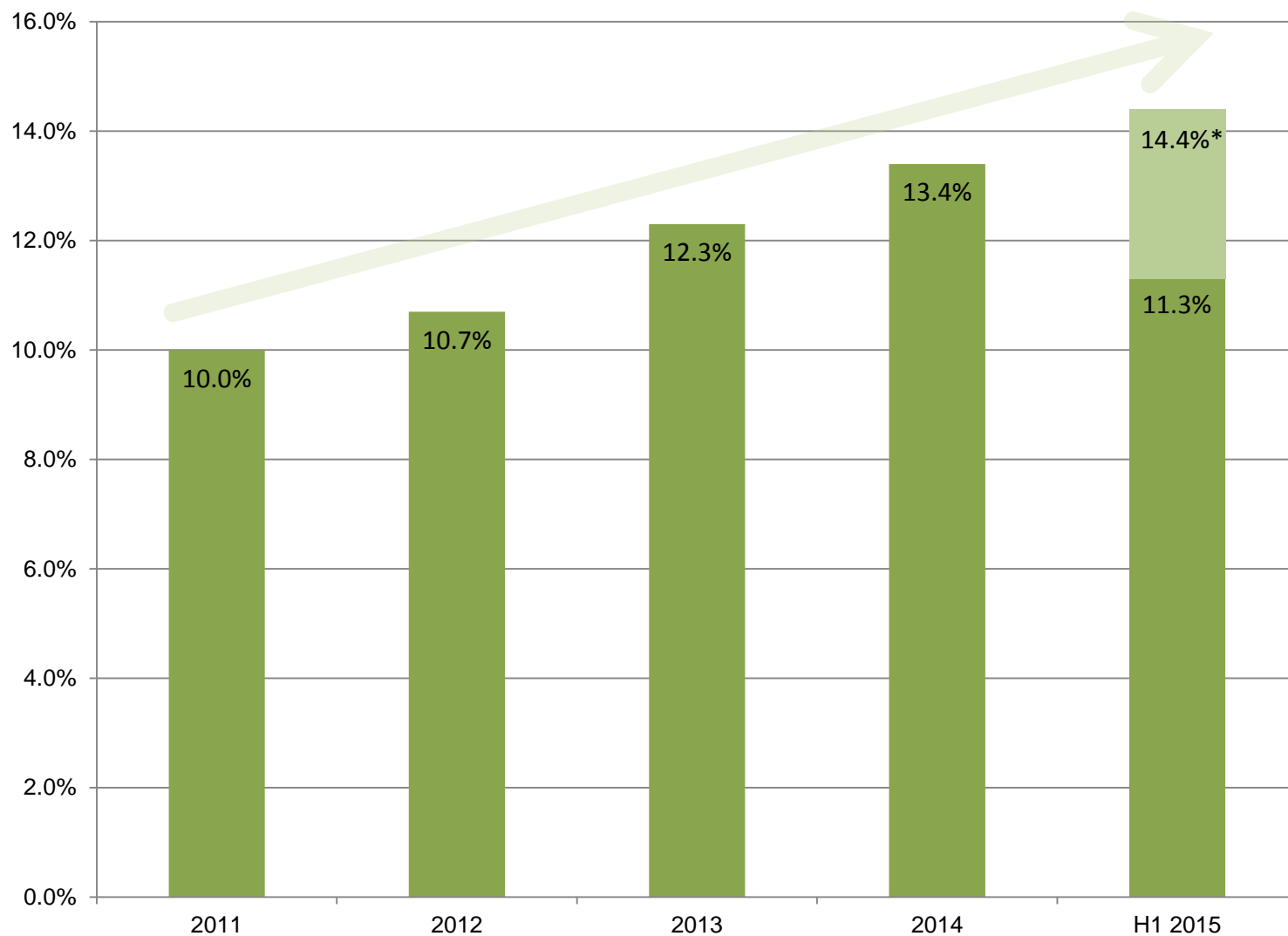


** Average working capital to sales % reduces to 11.5% when adjusted to reflect the annualised sales of the current period acquisitions.*

Movement in Net Debt



Growing ROCE



* Includes the full year profit of current period acquisitions

Financing and Interest

Interest Payable

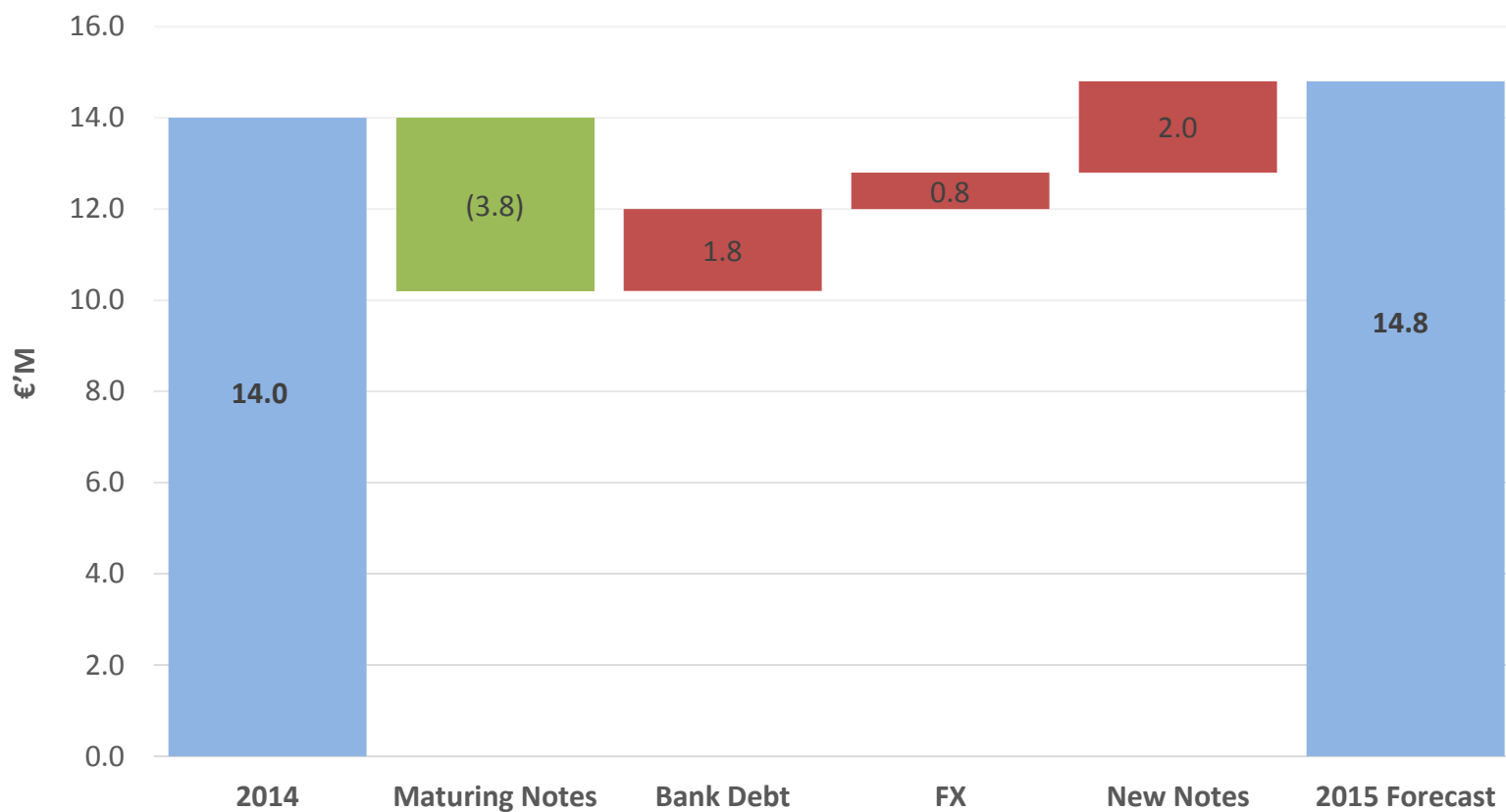
	2015 €'m	2014 €'m
Bank and Loan Notes	7.1	6.9
Non Cash Derivatives	0.4	-
Non Cash Pension	0.1	0.1
	7.6	7.0

Significant Headroom

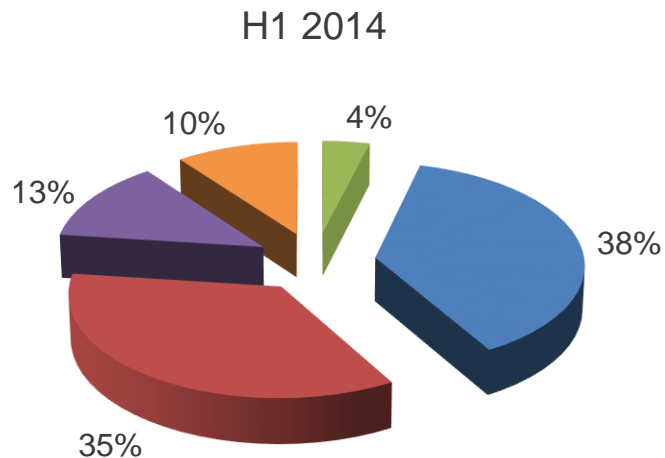
	€'m
Revolving Credit Facility (undrawn)	190
Bi-Laterals (undrawn)	40
Cash	170
	400

Efficient Debt Management

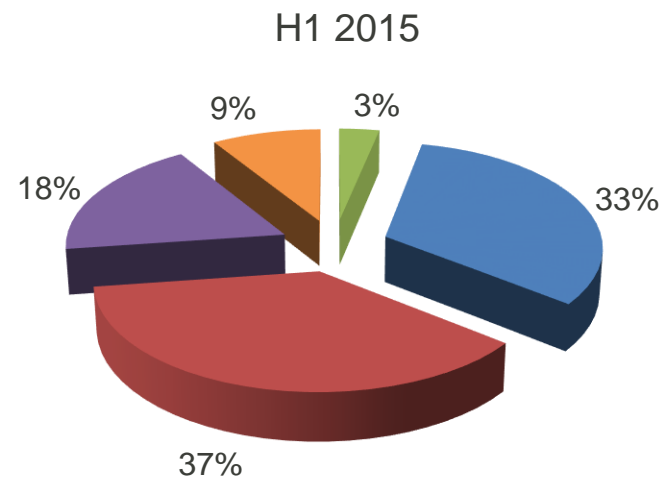
2015 interest is forecast to be in line with 2014



Sales by Geography



- Republic of Ireland
- Britain & Northern Ireland
- Mainland Europe
- Americas
- Rest of World



€'m	H1 15	H1 14	Constant Currency Change	YoY % Change
Britain & Northern Ireland	399.7	335.3	+7%	+19%
Mainland Europe	459.0	314.2	+46%	+46%
Americas	225.9	113.7	+66%	+99%
Republic of Ireland	40.4	35.1	+15%	+15%
Rest of World	110.3	91.0	+7%	+21%
Group Sales	1,235.3	889.3	+29%	+39%

Insulated Panels

- Strong start to 2015 reflecting solid organic growth combined with acquired sales of Joris Ide and Vicwest Inc.
- Robust UK performance overall, positive project pipeline
- Benelux sales continue to recover, aided by macro improvements in the Netherlands
- Solid performance in France across all brands in H1
- German activity stable overall
- Central Europe mixed but broadly flat
- Turkey showing signs of improvement
- Gulf region steady, notable improvement in order intake bodes well for H2

	H1 15	H1 14
Sales (€m)	752.9	526.1
% of Group Sales	61%	59%

Analysis of YoY % Change				
Currency	Volume	Price & Mix	Acquisitions	Total
+9%	+3%	-1%	+32%	+43%



Mattamy Cycling Centre, Toronto
Insulated Panels

Insulated Panels (Cont.)



- Australasia more challenging, prioritising margin over revenue
- Strong performance in North America, with a double digit increase in sales
- Strong orderbook in North America points towards positive H2
- Kingspan Energy continuing to gain traction, now with presence in North America
- Sustained concentration on integrating recent acquisitions



Insulation Boards

- UK sales grew strongly in H1 owing to increase in Kooltherm® penetration and general construction recovery
- Kooltherm® sales robust, benefitting margins
- Improvement in Continental Europe, particularly the Netherlands
- North America business developing well, target new line by mid 2017
- Strong H1 performance in Middle East; specification bank encouraging
- Ireland volumes improving driven by Kooltherm® sales
- Optim-R® specifications growing steadily albeit at embryonic levels
- SPU Insulation acquisition to provide platform for expansion in the Nordics

	H1 15	H1 14
Sales (€m)	319.2	221.1
% of Group Sales	26%	25%

Analysis of YoY % Change				
Currency	Acquisitions	Volume	Price & Mix	Total
+11%	+28%	+2%	+3%	+44%



Al Raha Beach Hotel, Abu Dhabi, UAE
Insulation Boards

Access Floors

- Overall sales increased by 22% with contrasting performances across the territories
- US grew significantly driven by data centre product sales
- Traditional office floor market remains subdued in US
- Weaker sales in Europe in H1 2015
- Outlook for H2 2015 and beyond positive due to strong orderbook in UK

	H1 15	H1 14
Sales (€m)	85.7	70.5
% of Group Sales	7%	8%

Analysis of YoY % Change			
Currency	Volume	Price & Mix	Total
+18%	-6%	+10%	+22%

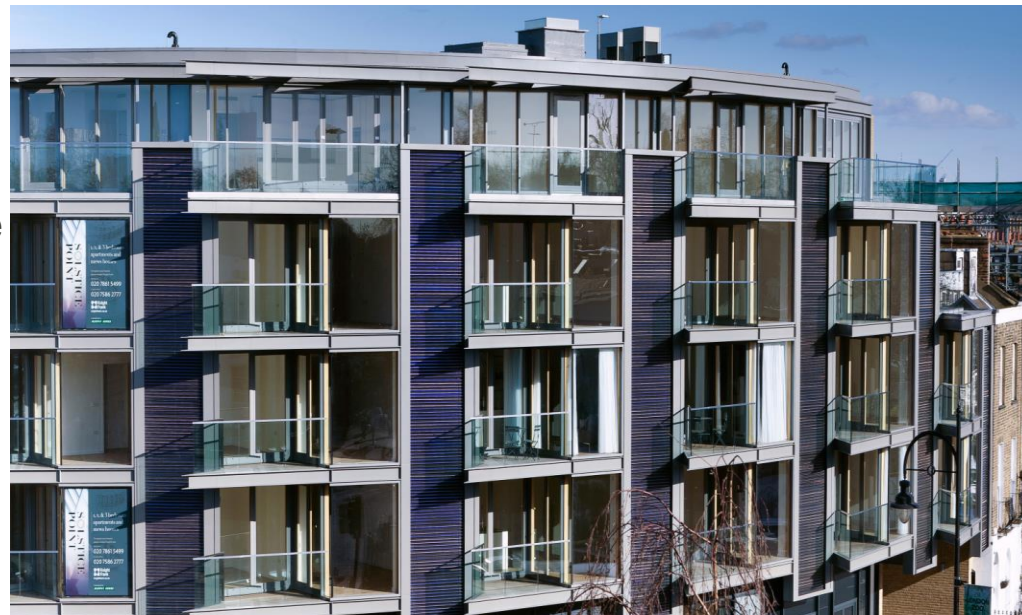


ValueAct Capital, San Francisco, USA
Access Floors

- Positive sales performance overall demonstrating tangible recovery
- Fuel storage solutions significant driver of growth
- Lower hot water product sales due to competitive environment in the UK
- Solar thermal volumes remain under pressure
- Profitability grew markedly due to additional leverage benefits from lower overhead base
- Focus on international growth

	H1 15	H1 14
Sales (€m)	77.5	71.6
% of Group Sales	6%	8%

Analysis of YoY % Change		
Currency	Volume, Price & Mix	Total
+9%	-1%	+8%



Delacey, London
Kingspan Solar

Outlook

- Improved momentum in UK and US anticipated to continue for time being, despite easing of UK activity in recent months
- Gradual and sustained market recovery expected in European markets
- Input environment at a cyclical low, likely to harden over time
- Good H2 expected overall



Skifield, New Zealand
Insulated Panels

ADDITIONAL INFORMATION



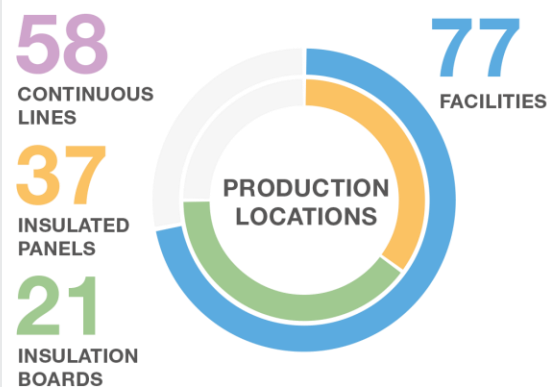
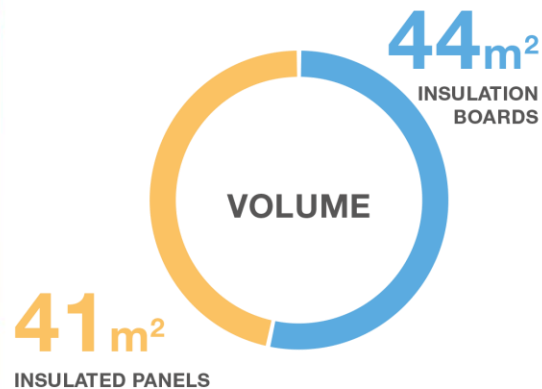
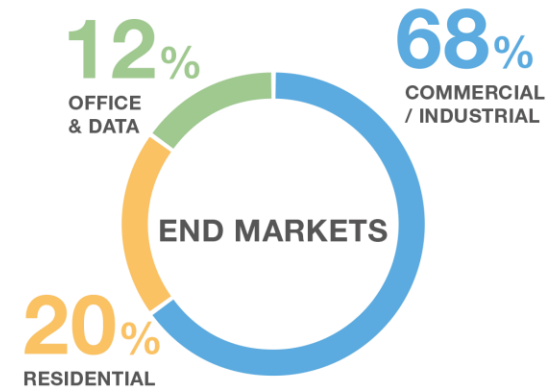
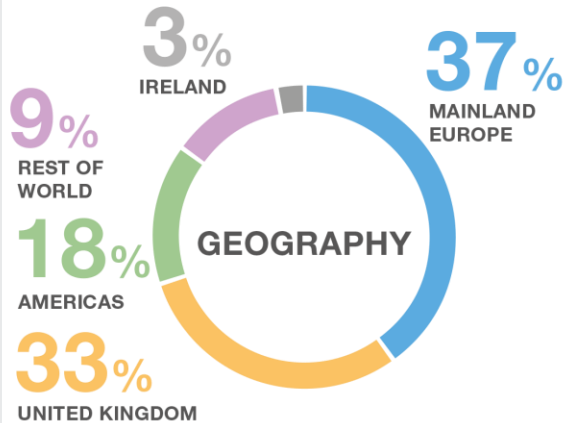
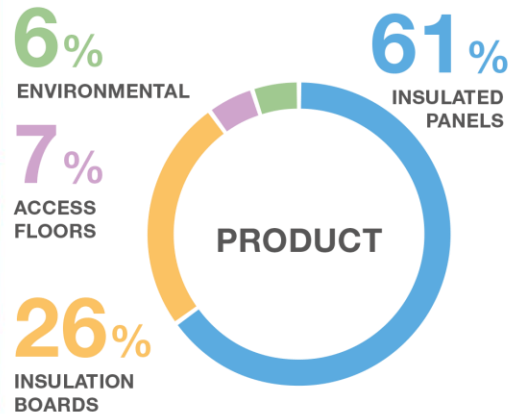
University of Arizona, USA
Dri-Design

2015 Snapshot

SALES
€2.6bn*

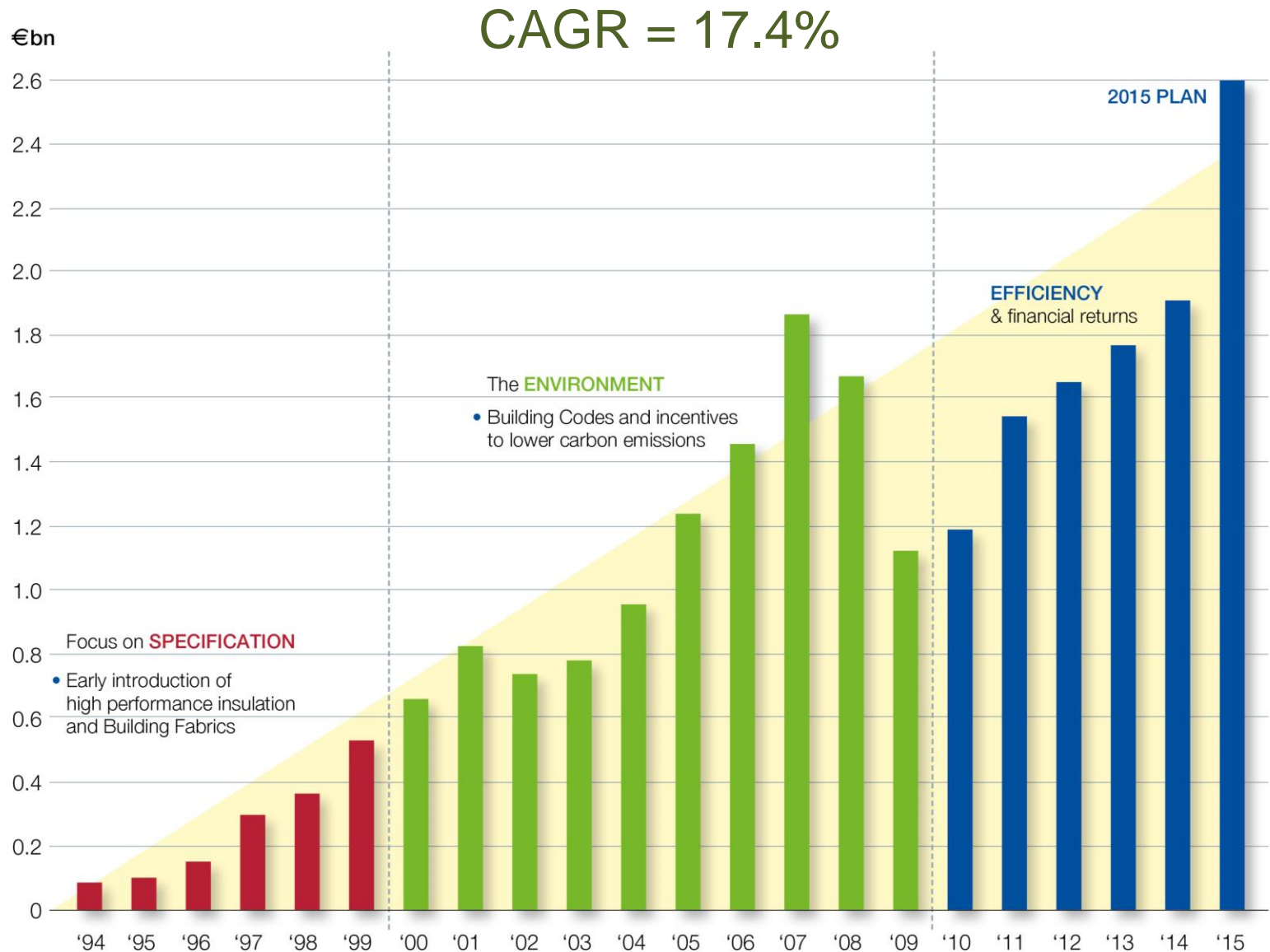
EBITDA
€280m*

TRADING PROFIT
€221m*



*Analyst Consensus

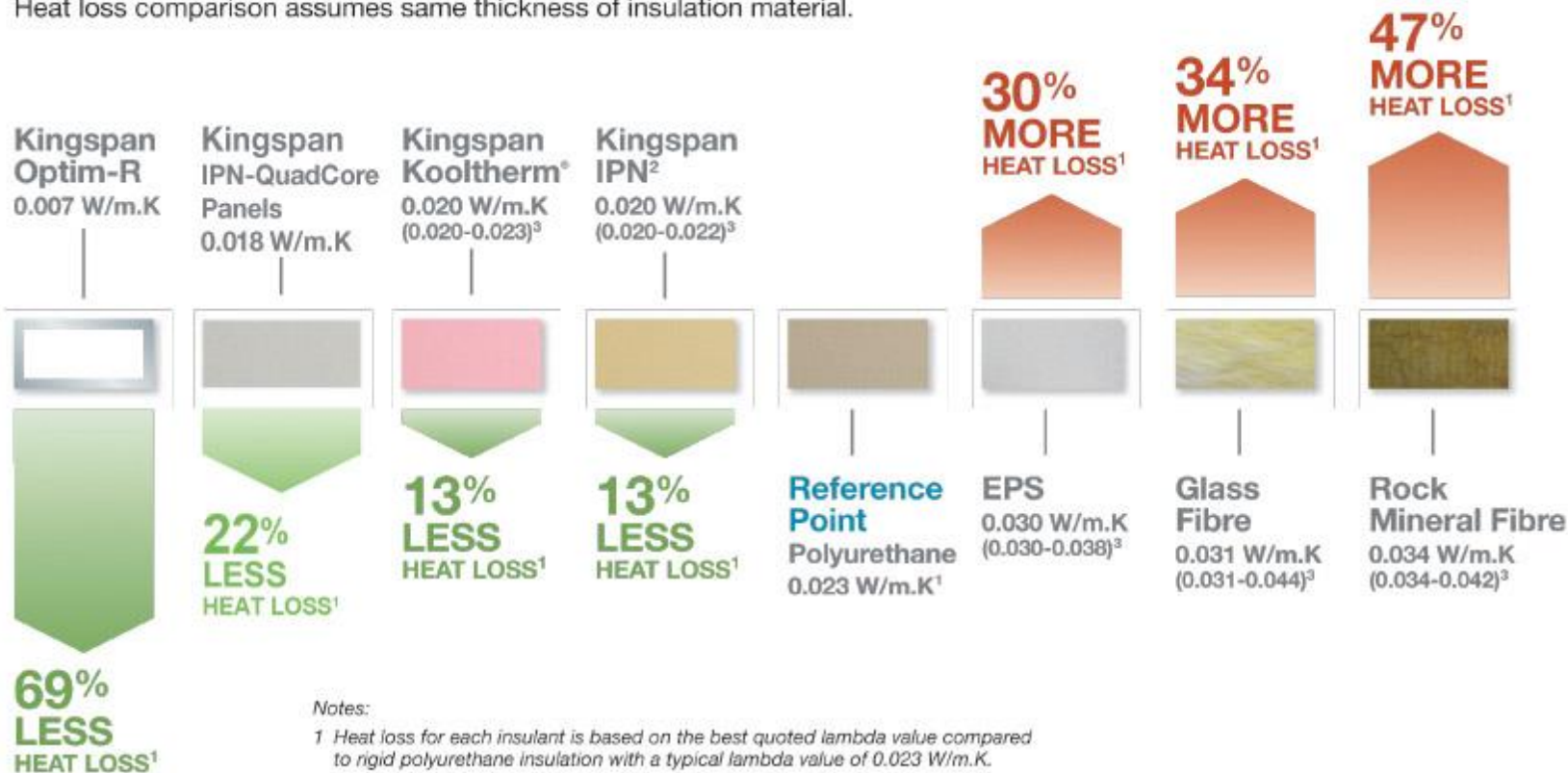
Our Evolution - Financial



Kingspan Insulates Better



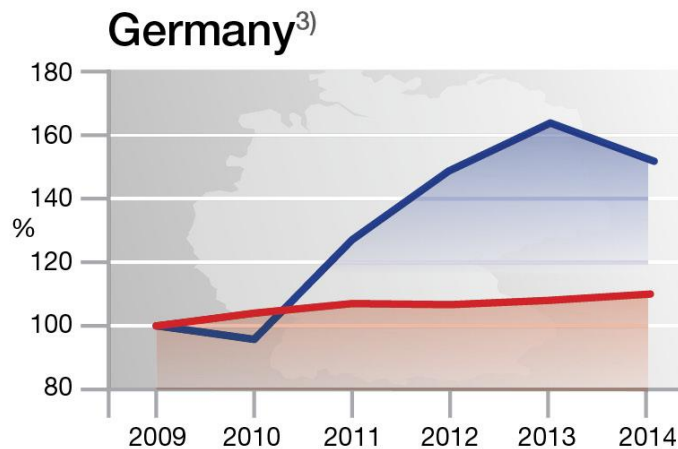
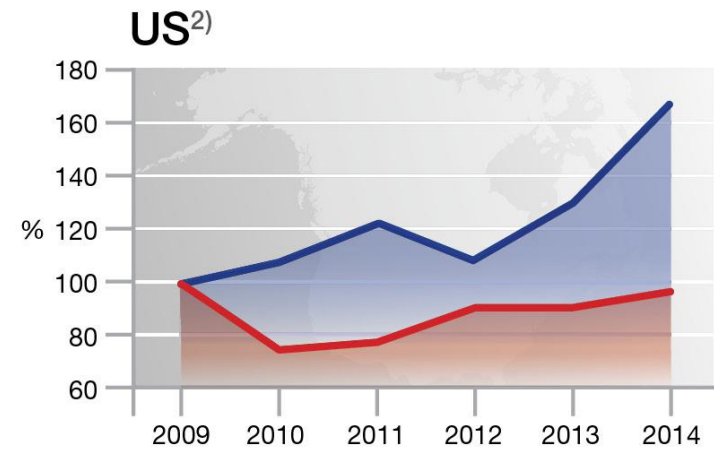
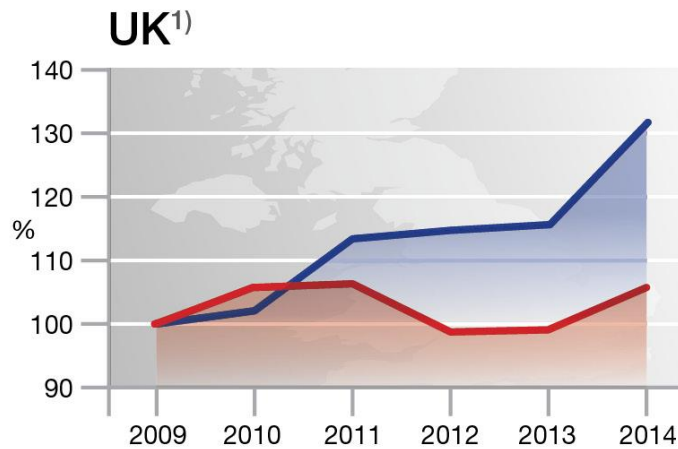
Heat loss comparison assumes same thickness of insulation material.



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.

Kingspan v Construction Macro



— Kingspan — Macro

Source: Non-Residential Construction Stats Euroconstruct McGraw Hill

1. UK Insulated Panels & Rigid Board underlying sales (excluding acquisitions)

2. US Insulated Panels underlying sales (excluding acquisitions)

3. Germany Insulated Panels & Rigid Board underlying sales (excluding acquisitions)

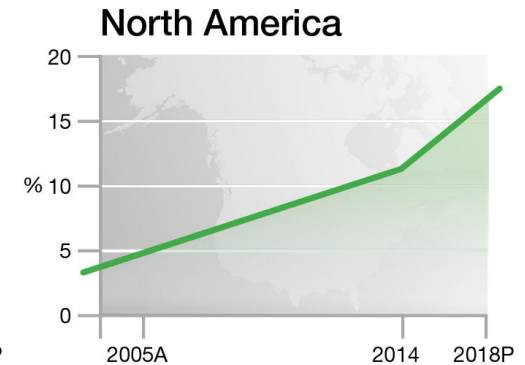
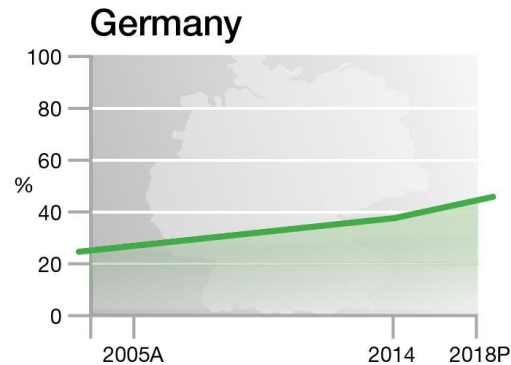
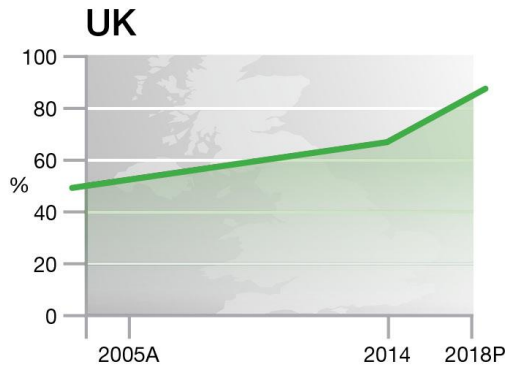
4. The Netherlands Insulated Panels & Rigid Board underlying sales (excluding acquisitions)

All Kingspan figures are at constant currency

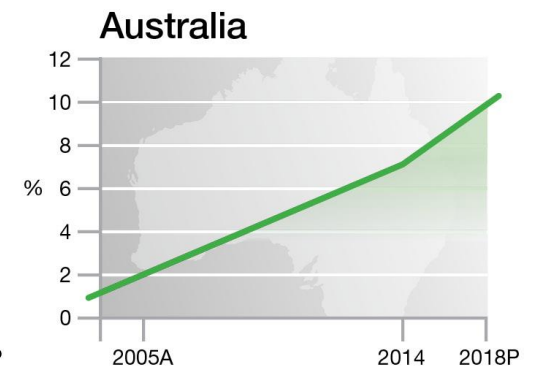
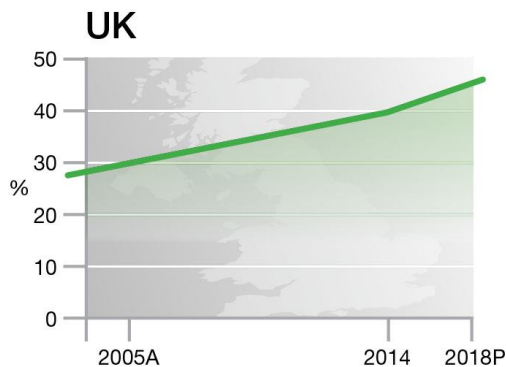
Driving Penetration Growth

Aim to change Building Practices / Material Choices

Insulated Panels



Insulation Boards



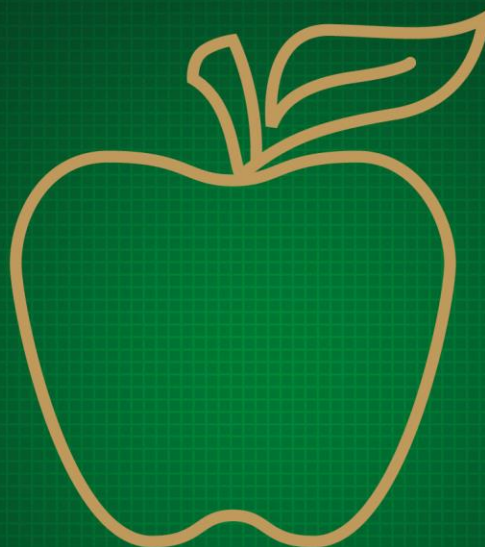
All above relates to either Insulated Panels or Insulation Boards Penetration as a % of the respective addressable markets.

Our Net Zero Energy Path



Year	Total Energy Use GWh	Total Renewable Energy GWh	NZE %
2012A	317	27	9
2013A	327	60	18
2014A	312	88	28
2015P	334	143	43
2016P	337	181	54
2017P	342	193	56

A=Actual; P=Plan



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