



KINGSPAN GROUP PLC

RESULTS FOR THE HALF YEAR 30 JUNE 2018

Kingspan, the global leader in high performance insulation and building envelope solutions, issues its half-yearly financial report for the six-month period ended 30 June 2018.

Financial Highlights:

- Revenue up 15% to €2.0bn, (pre-currency, up 19%).
- Trading profit* up 10% to €195.3m, (pre-currency, up 13%).
- Group trading margin** of 9.7%, a decrease of 50bps versus the same period in 2017.
- Acquisitions contributed 15% to sales growth and 12% to trading profit growth in the period.
- Net debt of €739.4m (H1 2017: €440.3m). Net debt to EBITDA of 1.59x (H1 2017: 1.06x).
- Basic EPS up 8% to 80.7 cent (H1 2017: 74.4 cent).
- Interim dividend per share up 9% to 12.0 cent (H1 2017: 11.0 cent).
- ROCE of 15.6% (H1 2017: 17.3%), 16.6% when the annualised impact of acquisitions is taken into account.

Operational Highlights:

- Insulated Panels sales growth of 14% with a notable improvement in most key markets in the second quarter after a sluggish start. UK solid overall and improved since the turn of the year. Quadcore™ revenue increased by 76%, now 6% of global insulated panel sales and 18% of UK and Ireland.
- Insulation Board sales growth of 15% reflecting, in the main, inflation recovery on pricing. Kooltherm® revenue increased by 12%, now comprising 35% of rigid board sales (37% excluding acquisitions).
- Light & Air sales of €128.6m, were up 57% (up 11% pre-currency and acquisitions). Good performance in Continental Europe offsetting softer activity in the US. Second half is seasonally more significant.
- Water & Energy (formerly Environmental) broadly in line with prior year after a slow start. Acquisition in the Nordic region completed during the period.
- Access Floors sales 7% behind H1 2017 reflecting a subdued US market and some slowdown in the UK.
- Significant position established in Southern European insulated panels and boards markets through the acquisition of Synthesia Group.
- Entry into India, an embryonic insulation market, with the establishment of Kingspan Jindal.

Summary Financials:

	<i>H1 '18</i>	<i>H1 '17</i>	<i>Change</i>
Revenue €m	2,009.9	1,749.3	+15%
EBITDA €m	231.6	209.2	+11%
Trading Profit* €m	195.3	177.8	+10%
Trading Margin**	9.7%	10.2%	-50bps
EPS (cent per share)	80.7	74.4	+8%

**Operating profit before amortisation of intangibles*

*** Operating profit before amortisation of intangibles divided by total revenue*

Gene Murtagh, Chief Executive of Kingspan commented:

“We delivered a record performance in the first half of the year, with revenue over €2bn for the first time. Performance was helped by improved momentum in the second quarter after a sluggish start to the year due to prolonged winter weather conditions. This momentum has continued into the second half in a number of key markets, and underpins our encouraging outlook for the rest of the year. Kingspan’s geographical footprint continues to expand, with development activity in Latin America, Southern Europe and India opening up exciting growth opportunities.”

For further information contact:

Murray Consultants
Douglas Keatinge

Tel: +353 (0) 1 4980 300