
2019 FULL YEAR RESULTS

21st February 2020

Disclaimer

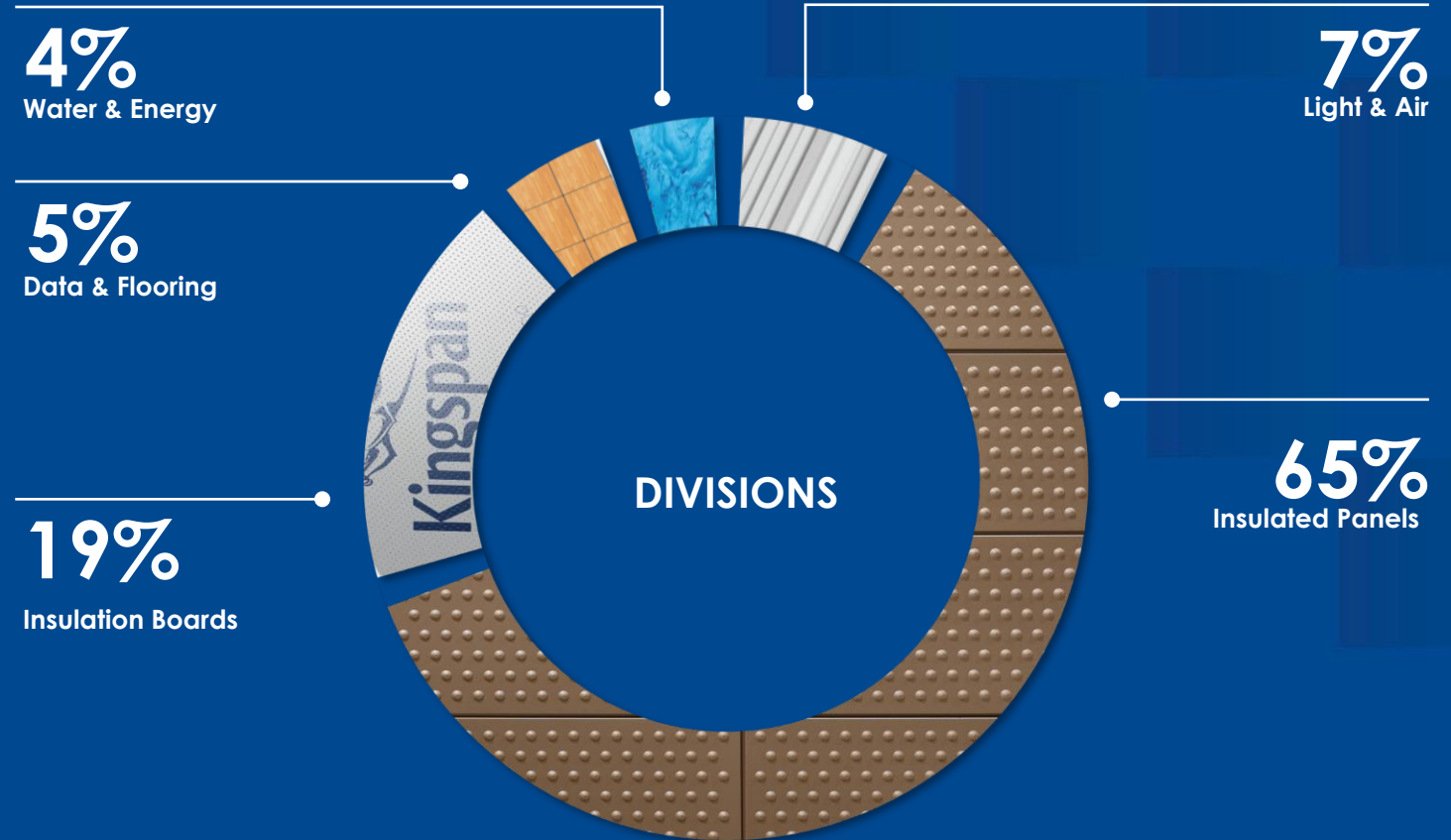
Forward Looking Statements

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The Business

- > Global leader in high-performance insulation and building envelopes
- > Market leading positions in UK, Europe, North America, Brazil, Australasia and India
- > Global leader in innovating energy efficient building envelope solutions, offering differentiated performance
- > Global leader in sustainable business practices



Our Strategy

- > To be the leader in high-performance insulation globally with proprietary and differentiating technologies
- > To be the world's leading provider of low energy building envelopes – Insulate and Generate
- > To expand globally, bringing our solutions to markets evolving to high-performance building envelopes
- > To lead the advancement of materials, building systems and digital technologies to address issues such as climate change and circularity
- > To progress our Net Zero programme by delivering on our ambitious 10-year Planet Passionate goals
- > To deliver 20% Return on Investment

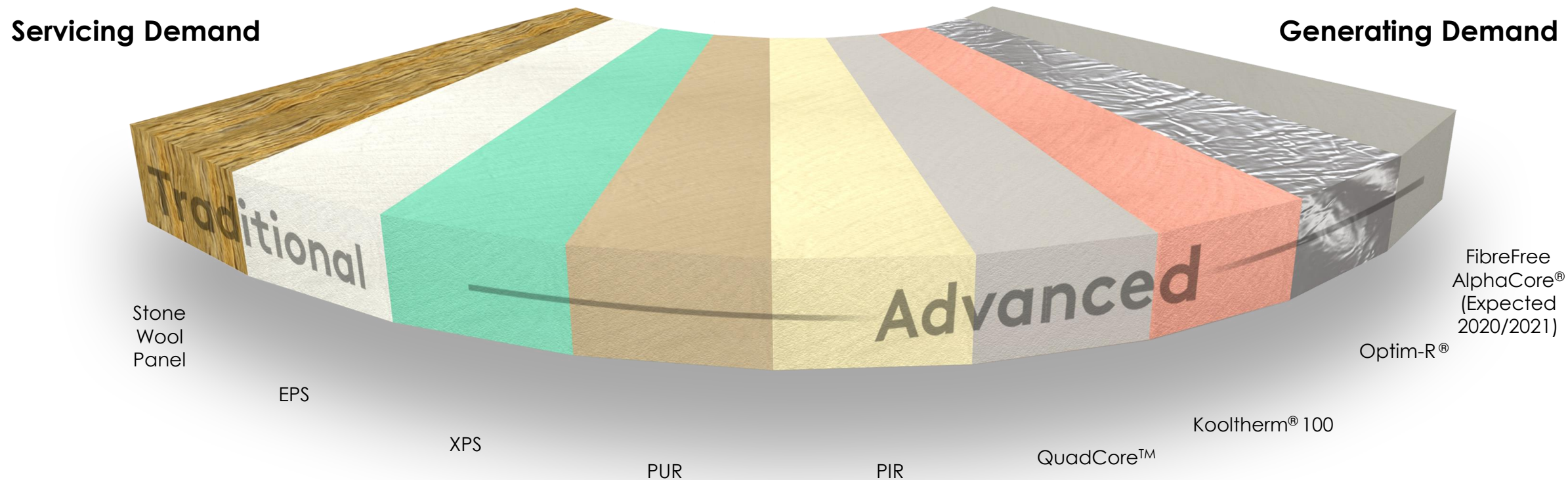
PENETRATION

INNOVATION

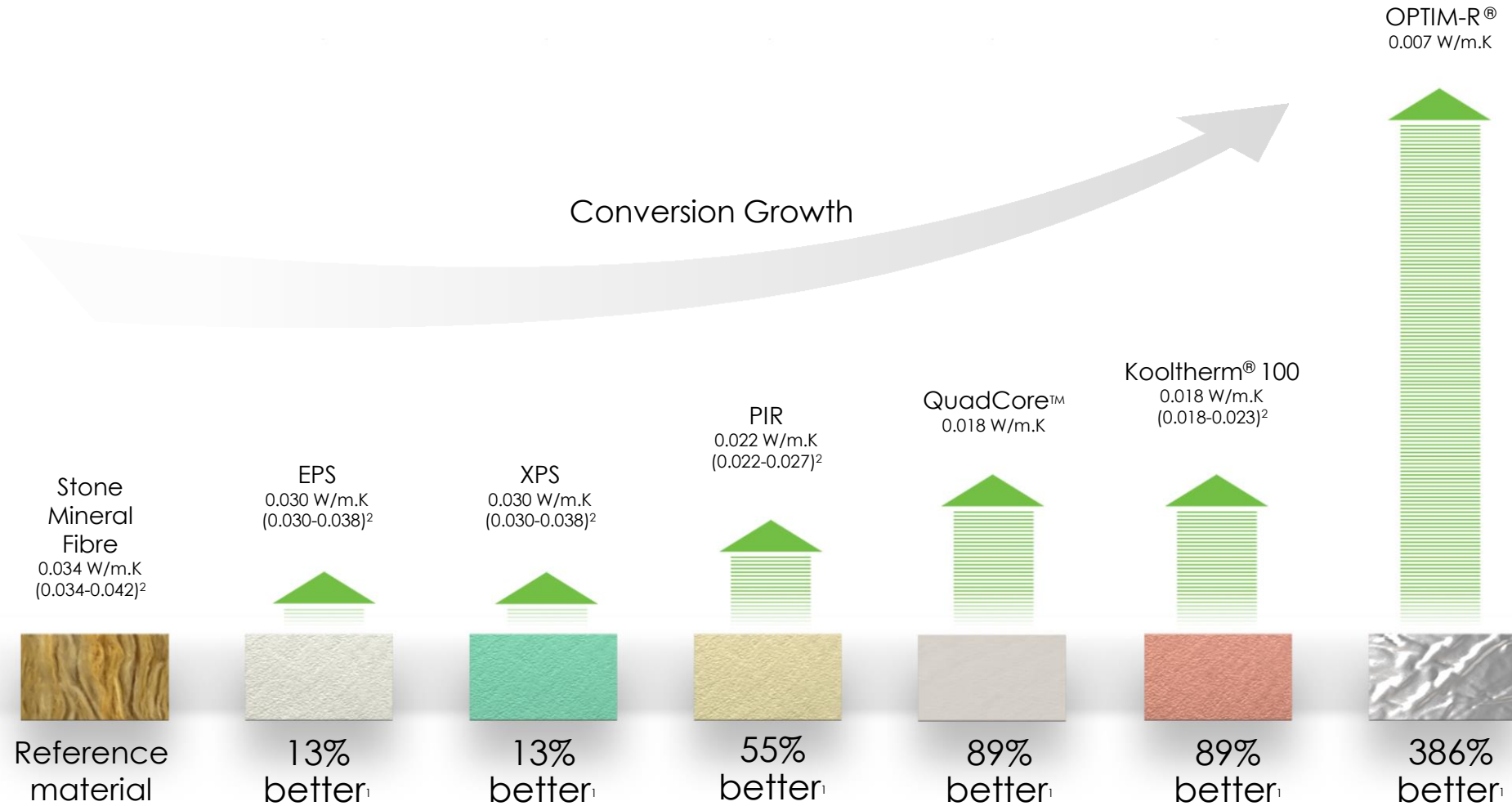
PLANET PASSIONATE

GLOBAL

Kingspan – The Full Spectrum



Kingspan Insulates Better

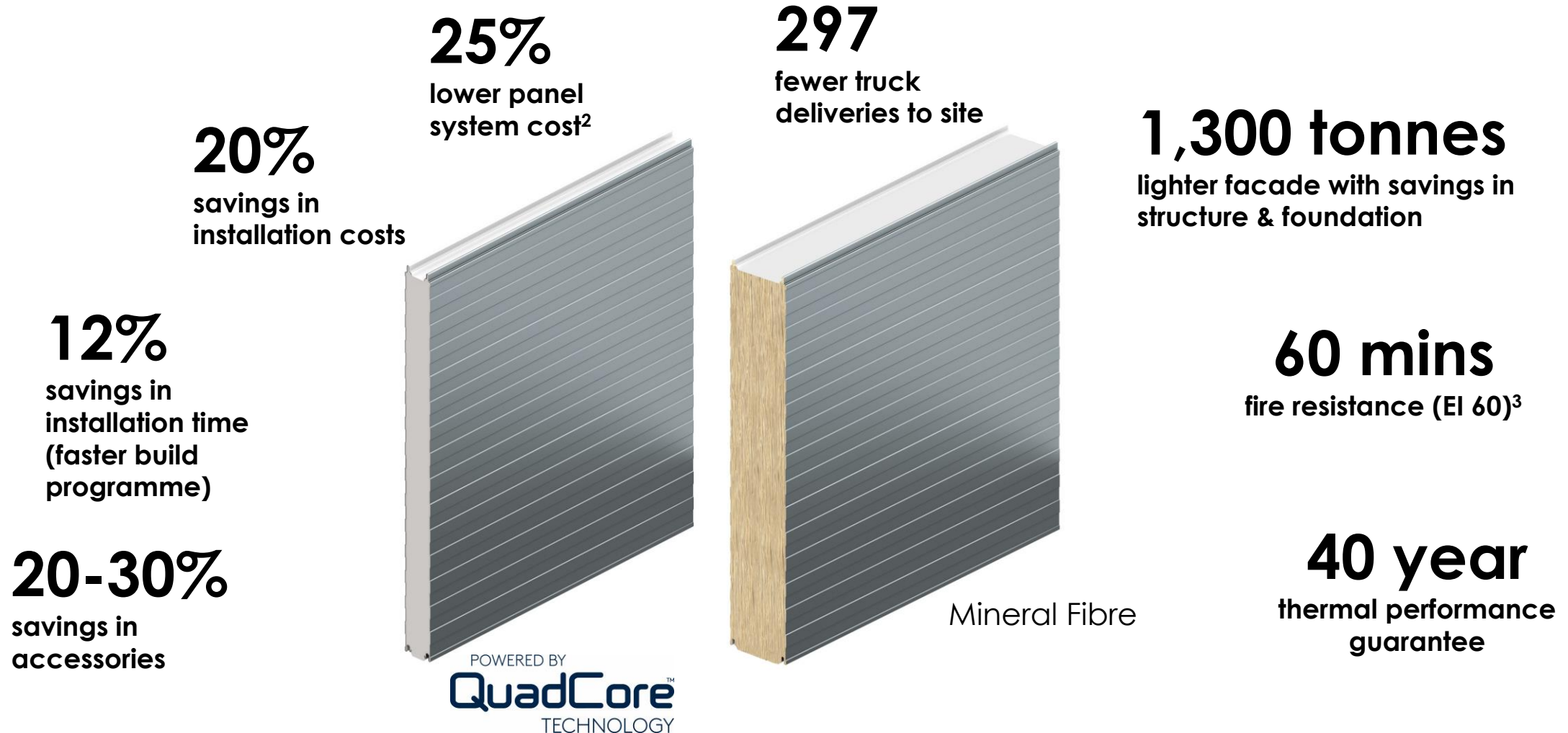


1 Insulation performance (R-value) compared to stone mineral fibre of the same thickness.

2 The thermal conductivity range is based on data from insulation manufacturers websites or Agrément certificates.

3 Thermal conductivity (Lambda) W/m.K values quoted at 10°C.

QuadCore™ versus Mineral Fibre¹ for a 100,000 m² facility



¹ Estimates based on a 150mm QuadCore™ wall panel system versus a 300mm Mineral Fibre wall panel system (to achieve equivalent u-value)

² Estimate based on Continental European prices

³ QuadCore™ AWP-S 150mm wall panel system tested to EN 1364-1

Completing the Envelope

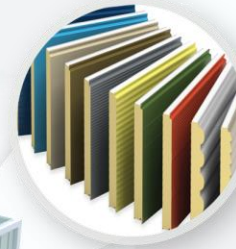
Kingspan Insulation Boards

Global Leadership – continue to drive worldwide reach through greenfield and consolidation



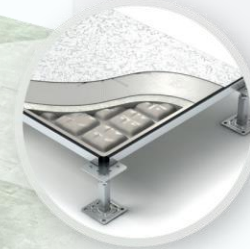
Kingspan Insulated Panels & Façades

Global Leadership – continue to drive worldwide reach through greenfield and consolidation



Kingspan Data & Flooring Technology

Global Leadership – continue to drive worldwide reach through greenfield and consolidation



Kingspan Flatroof Membrane

Embryonic position presently – Global Scale Opportunity



Kingspan Light & Air

Global Leadership – continue to drive worldwide reach through greenfield and consolidation



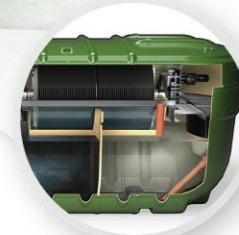
Kingspan Industrial Insulation

Embryonic position presently – Global Scale Opportunity



Kingspan Water & Energy

Global Leadership – continue to drive worldwide reach through greenfield and consolidation



Planet Passionate – Our Commitments



Energy

- Maintain our **net zero** energy status
- **Increase** our direct use of renewable energy to **60%** by 2030
- **Increase** our on-site generation of renewable energy to **20%** by 2030
- Install solar PV systems on **all wholly owned facilities** by 2030



Carbon

- **Net zero** carbon manufacturing by 2030
- **50% reduction** in product CO₂ intensity from our primary supply partners by 2030
- **100% zero emission** company funded cars by 2025



Circularity

- **1 billion** PET bottles upcycled into our manufacturing processes by 2025
- **All QuadCore™** insulation to utilise upcycled PET by 2025
- **Zero company waste** to landfill by 2030



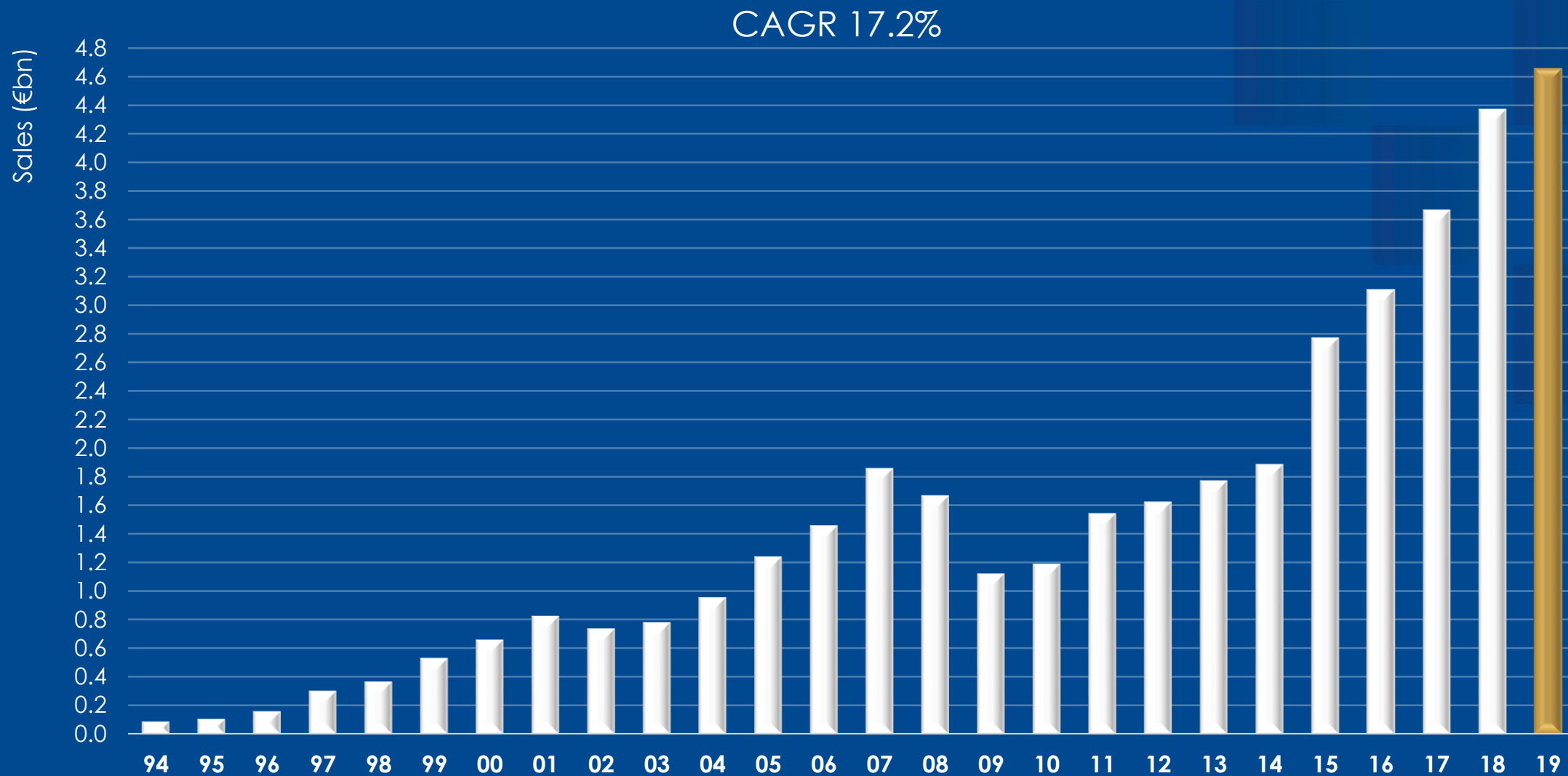
Water

- **5 active** ocean clean-up projects by 2025
- **100 million** litres of rainwater harvested by 2030

Global Organic Expansion



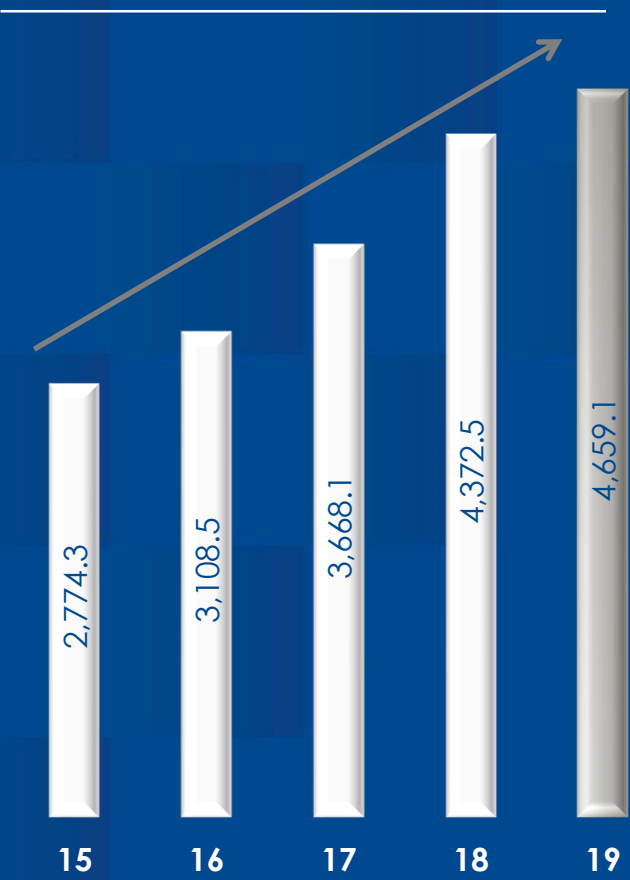
Our Evolution - Revenue



5 Year Financial Performance

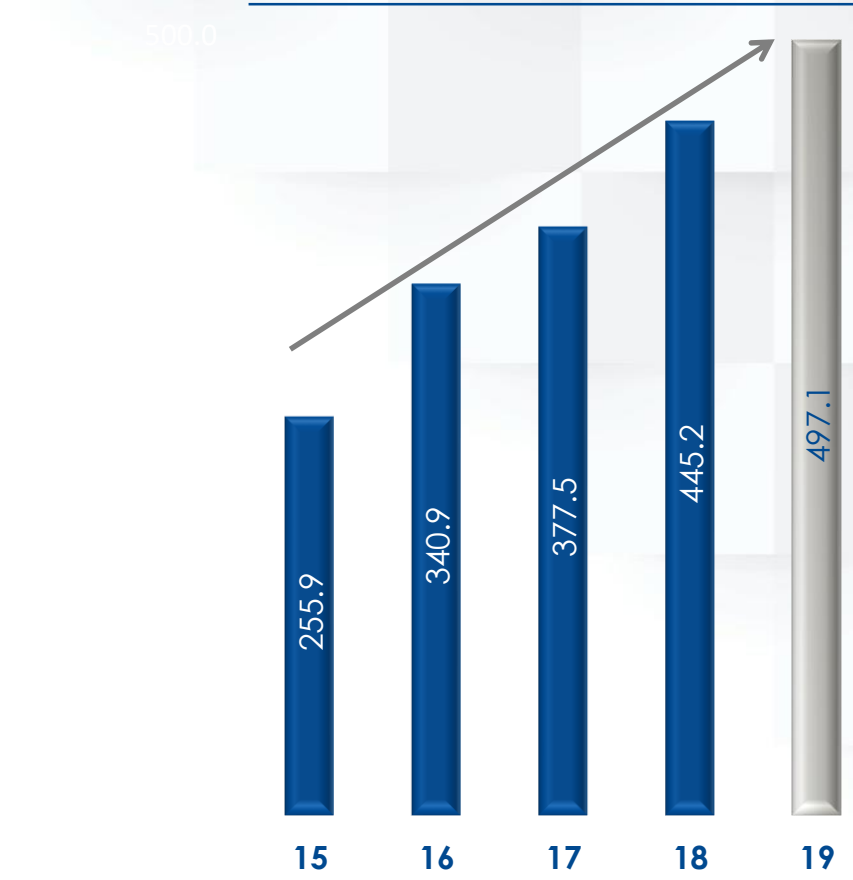
Revenue (€m)

CAGR (13.8%)

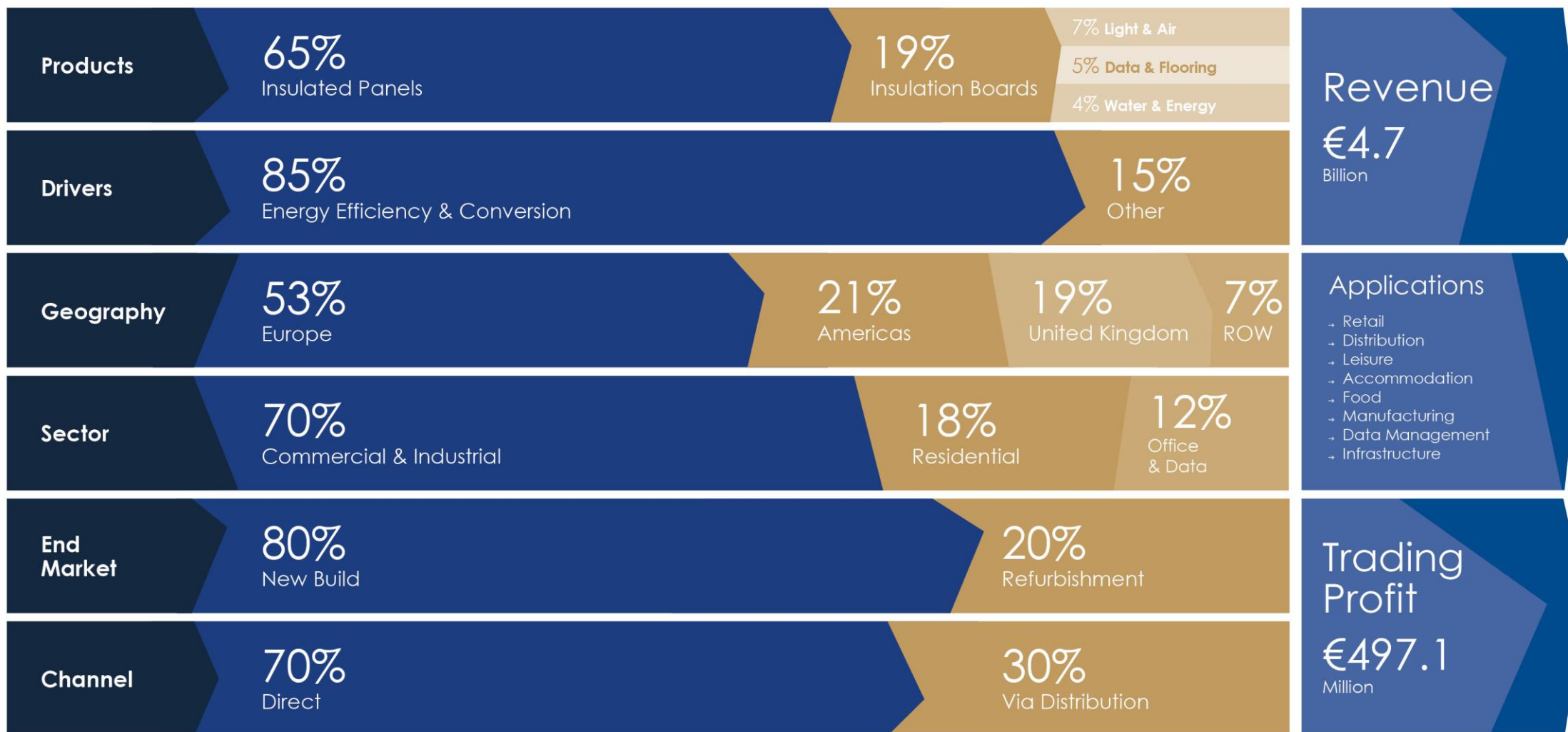


Trading Profit (€m)

CAGR (18.1%)



2019 In A Nutshell



Brand -> Specification -> Differentiation

Above are based on internal estimates, and are directional rather than precise. Profit is EBITA.

2019 In Summary

- > Insulated Panels sales growth of 7% driven by strong performance in the Americas, Mainland Europe performed well overall with exception of Germany and difficult UK market particularly in second half. Further headway in key markets on QuadCore™
- > Insulation Boards sales growth of 2% with continuing progress on Kooltherm® and share gain from traditional materials
- > Strong volume growth in Insulated Panels (+4%) and Insulation Boards (+8%) partially offset by pricing impact of raw material deflation
- > Light & Air sales growth of 12% buoyed by a strong performance in the US and solid activity in Mainland Europe
- > Water & Energy sales growth of 3% with progress in the Nordics, a difficult UK environment and more subdued rainwater harvesting activity in Australia
- > Data & Flooring sales growth of 13% reflecting strong data centre activity and geographic expansion in Europe



Revenue
UP 7% to
€4.7bn



Trading Profit
UP 12% to
€497m



Basic EPS
UP 11% to
204.6c

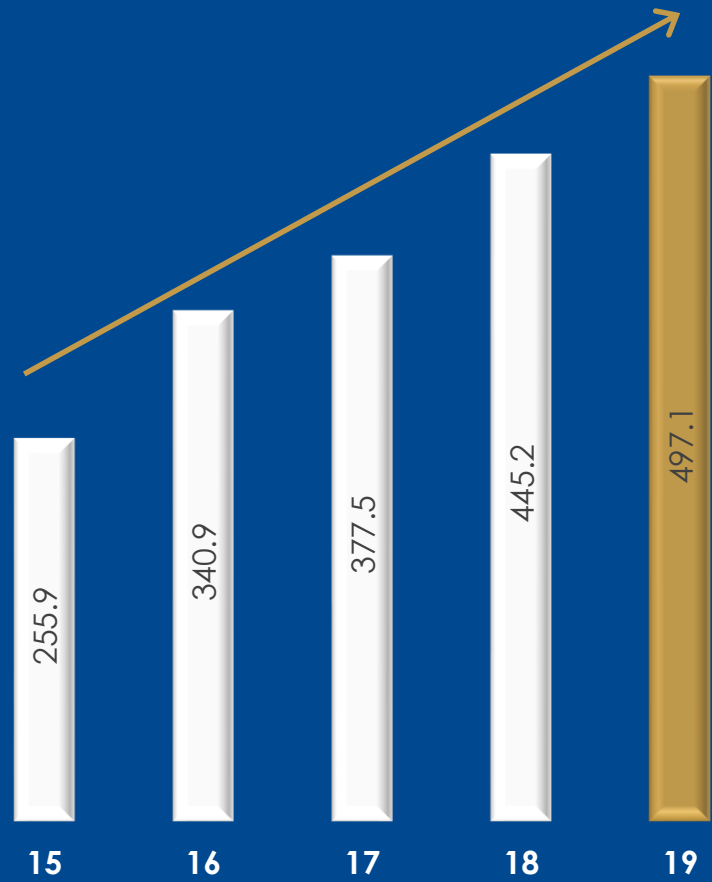
Financial Highlights

	2019	2018	Change	CC Change*
Revenue (€m)	4,659.1	4,372.5	+7%	+6%
Trading Profit (€m)	497.1	445.2	+12%	+10%
Earnings per share (cent)	204.6	184.0	+11%	–
Total Dividend (cent)	46.5	42.0	+11%	–
Free Cashflow (€m)	337.1	308.4	+9%	–
Net Debt (€m)	633.2	728.3	-95.1m	–
Trading Margin	10.7%	10.2%	+50bps	–
Net Debt/EBITDA	1.1x	1.4x	–	–
Effective Tax Rate	16.9%	17.1%	-20bps	–
ROCE	17.3%	16.8%	+50bps	–

* Constant currency change

Trading Profit & Margin

CAGR 18.1%



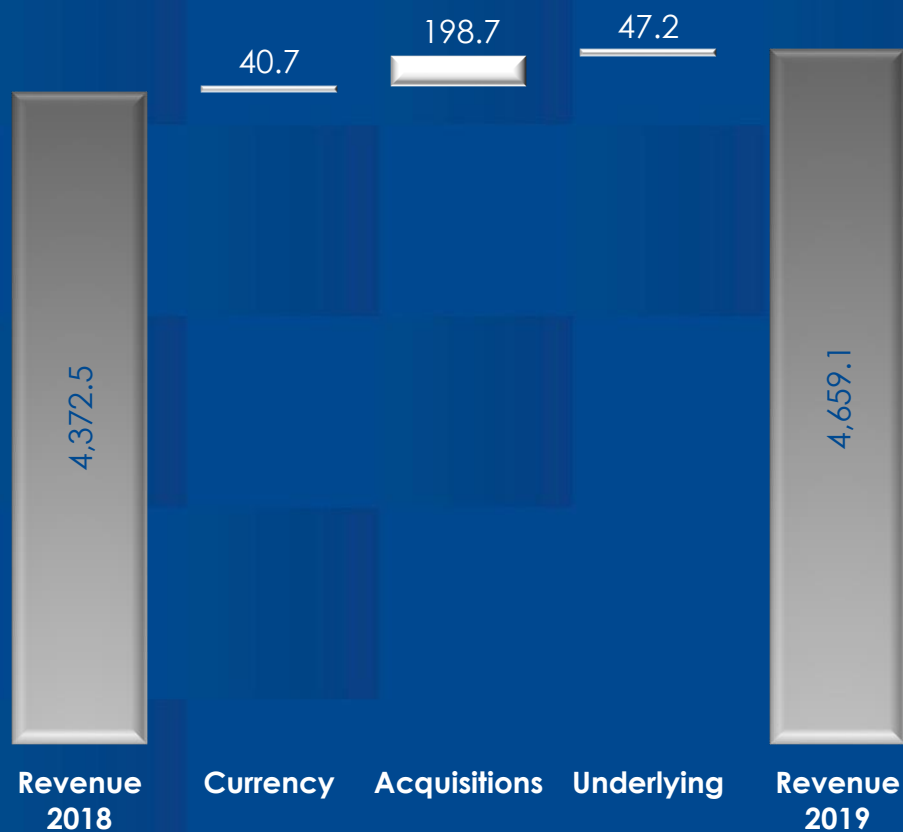
Trading Margin	FY 19	FY 18	FY 17
Insulated Panels	10.4%	10.0%	10.0%
Insulation Board	13.4%	12.2%	11.9%
Light & Air	7.7%	7.4%	7.2%
Water & Energy	6.8%	7.0%	9.0%
Data & Flooring	11.4%	11.9%	11.8%
Group	10.7%	10.2%	10.3%

Sky Venture, Abu Dhabi
Insulated Panels

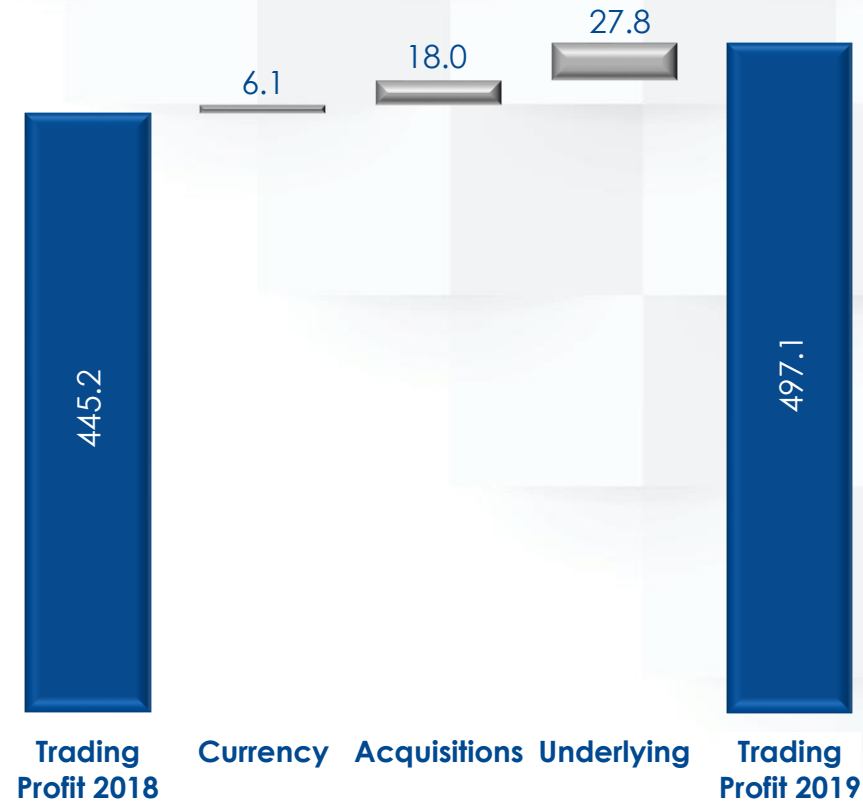


Group Sales & Profit Bridge

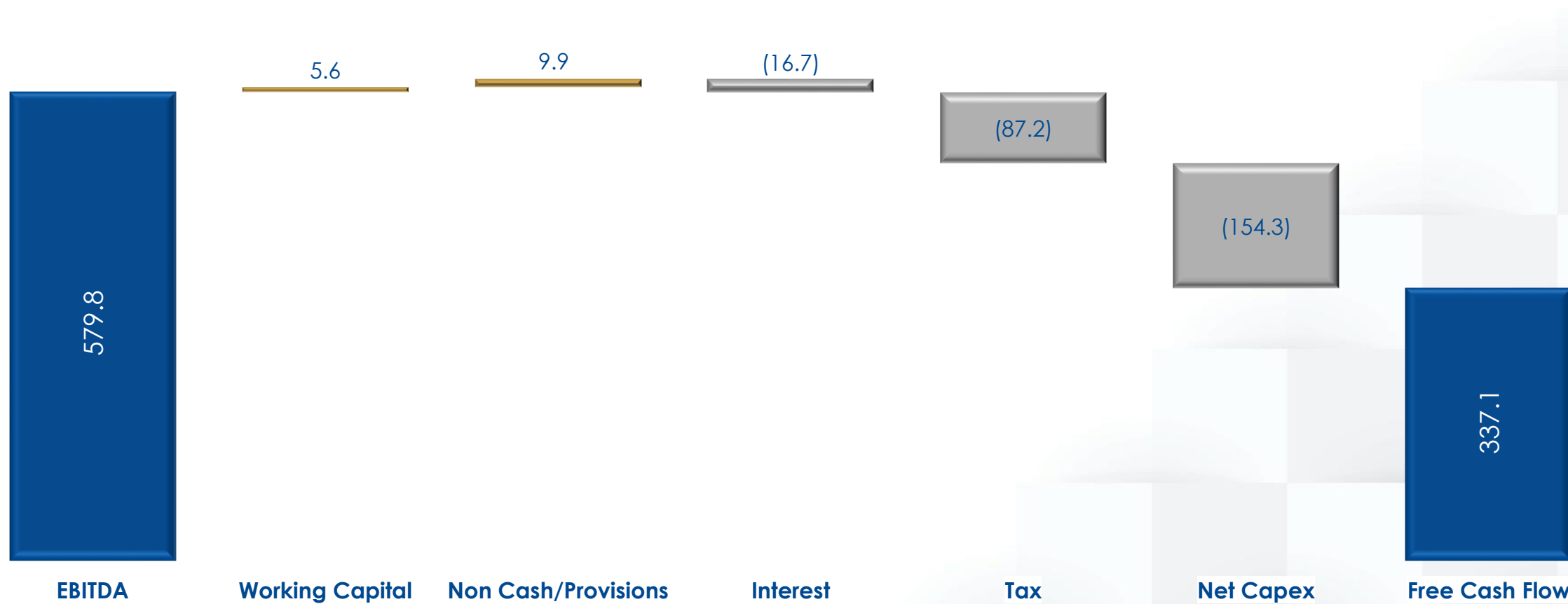
Revenue (€m)



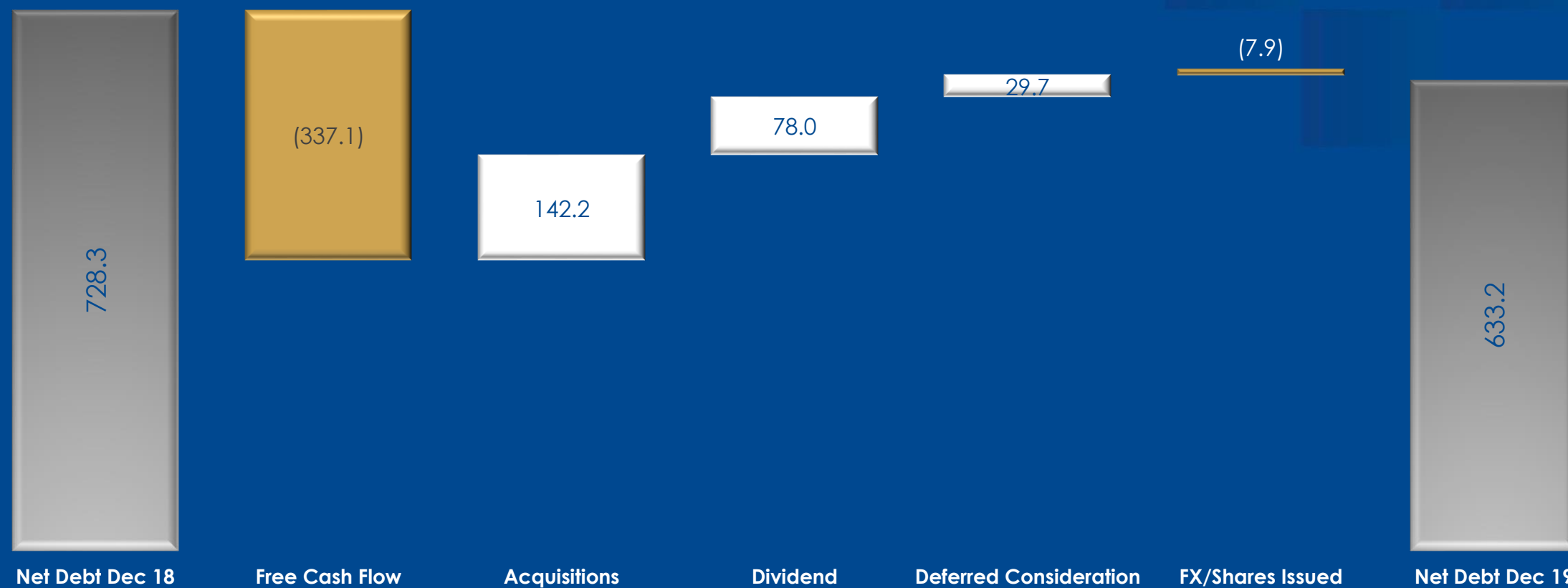
Trading Profit (€m)



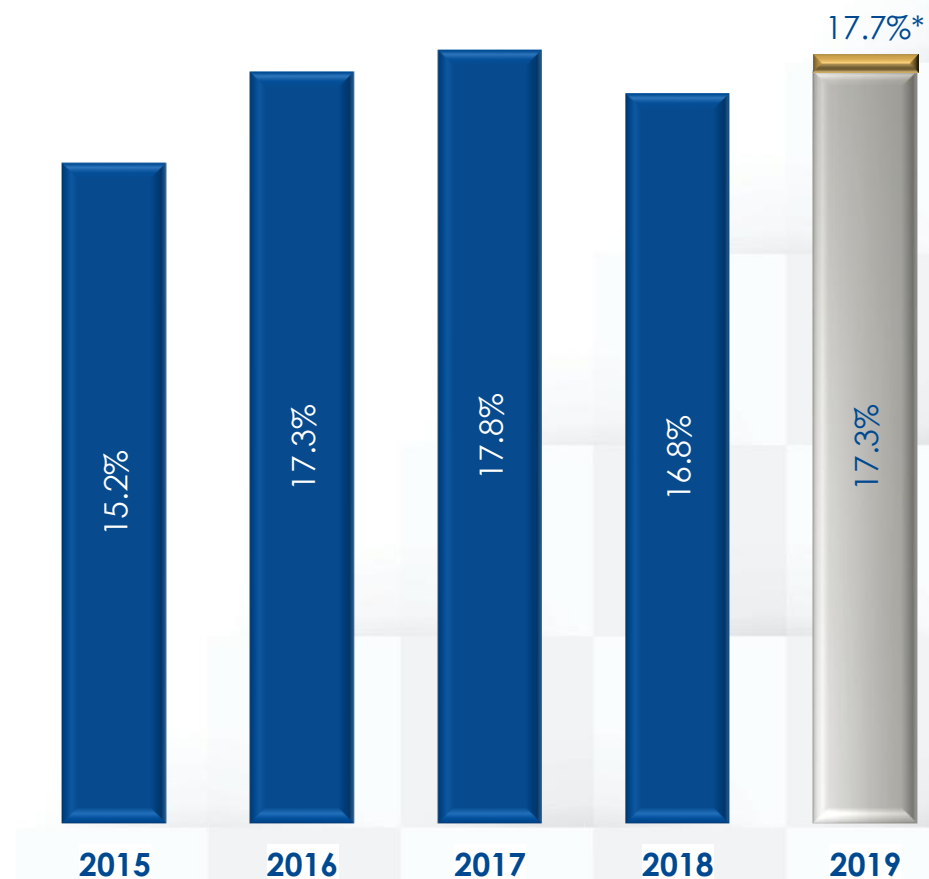
Strong Free Cash Flow



Net Debt Reconciliation



Strong ROCE

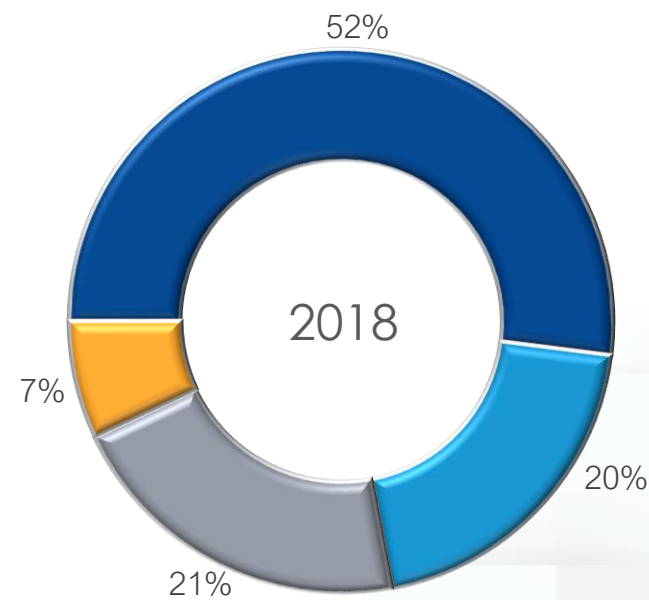
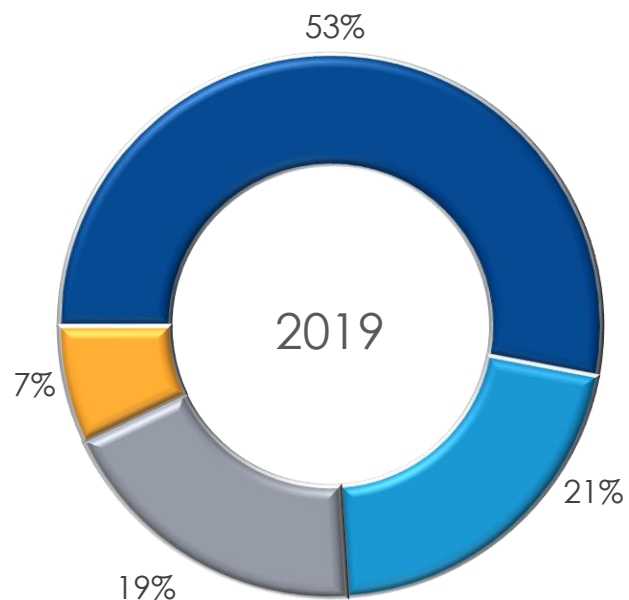


* After annualised impact of acquisitions

IMC Cinema, Ireland
Dri-Design



Sales by Geography



■ Europe ■ Americas ■ UK ■ Rest of World

€'m	2019	2018	Constant Currency Change	YOY % Change
Europe	2,462.7	2,248.3	+10%	+10%
Americas	990.9	887.6	+8%	+12%
UK	891.8	938.2	-6%	-5%
Rest of World	313.7	298.4	+4%	+5%
Group Sales	4,659.1	4,372.5	+6%	+7%

Strong Balance Sheet

- > €300m revolving credit facility arranged in June 2019 – undrawn at 31 December 2019
- > €451m revolving credit facility in place until June 2022 – undrawn at 31 December 2019
- > €50m green loan to fund Planet Passionate initiatives signed in February 2020
- > Total available cash balances and committed undrawn facilities of €992m
- > Weighted average maturity of debt is 4.5 years



Insulated Panels

- > Solid 2019 sales overall
- > Mainland Europe quite mixed across the continent – France and Spain performed particularly well, revenue was marginally ahead in Benelux while the Netherlands weakened in Q4 owing to environmental legislation
- > Germany, a key market, stagnated during 2019. Steps now taken to ensure competitiveness is enhanced including significant focus on QuadCore™ rollout
- > Poland and broader Central European markets were steady as was activity in the Nordics
- > UK backlog and general activity was healthy at the outset of 2019 and showed no signs of the weakness that ensued in the second half of 2019
- > Disappointing outturn in the UK overall as building projects were postponed off the back of political uncertainty combined with accelerating deflation in the latter part of the year
- > QuadCore™ continues to gain share in UK. This combined with a more stable political backdrop should see improved activity levels in 2020

	2019	2018
Sales (€m)	3,031.9	2,823.1
% of Group Sales	65%	64%

Analysis of YoY % Change			
Underlying	Currency	Acquisitions	Total
+1%	+1%	+5%	+7%



Project Showrooms, Ireland
Insulated Panels

Insulated Panels (cont.)

- > Significant progress across Americas
- > Penetration in USA and Canada continued to grow
- > QuadCore™ rollout is gaining momentum with new production line in Modesto, California nearing completion
- > Encouraging progress in Latin America with gradual gain in position in Mexico and continuing momentum in Brazil with opening of new facility in Cambui in late 2019
- > Solid year for Australia while business in New Zealand advanced significantly over 2018
- > Our Indian business delivered to plan while Middle East remains a challenge for the Panels business
- > Volume growth in Ireland was healthy for most of the year but weakened towards year-end pointing towards a slow start to 2020

*The Western Australia Museum, Australia
Insulated Panels*



Insulation Boards

- > Solid performance overall given heavy raw material price inflation in 2018 followed by rapid deflation through 2019 leading to challenge in maintaining price and margins
- > Volumes grew substantially in the Benelux and Southern Europe and improved in Germany and the Nordics
- > UK volumes were strong in early 2019, followed by more weakness in the latter half, largely owing to the uncertain political backdrop
- > Progress continued in North America albeit limited to a single XPS facility in the North East. Plan to build and commission a new PIR/QuadCore™ board facility during 2021/2022
- > Middle East delivered another solid year of growth, largely in the Industrial Insulation sphere
- > Strong recovery in Australasia as Kooltherm® grew its presence
- > Solid outcome in Ireland across both the Insulation board and structural residential Timberframe business units

	2019	2018
Sales (€m)	876.9	864.1
% of Group Sales	19%	20%

Analysis of YoY % Change

Underlying	Currency	Acquisitions	Total
-1%	+1%	+2%	+2%

Haus Gables, Atlanta, USA



Light & Air

- > Strong sales performance overall, underlying revenue up 9%, aided by improved synergies and efficiencies
- > Mixed geographical performance with Germany notably weakening in the second half and Benelux performed similarly
- > In contrast France and Southern Europe experienced attractive growth
- > A stand-out performance in North America across both standard and more architecturally bespoke offerings
- > UniQuad® wall-light has been launched across Europe with penetration growth anticipated over the coming years
- > Work commenced on significant plant expansion in Ireland to extrude polycarbonate daylighting for both roof and wall applications. Production to commence mid 2021

	2019	2018
Sales (€m)	327.7	291.8
% of Group Sales	7%	7%

Analysis of YoY % Change			
Underlying	Currency	Acquisitions	Total
+9%	+1%	+2%	+12%

Madison Fire Station, US
Light & Air



Water & Energy

- > Stable sales performance overall
- > UK and Ireland were broadly flat
- > Growth was achieved in Mainland Europe
- > Australia sales weakened as housing starts in New South Wales came under pressure. This pattern is expected to continue into 2020
- > Longer term expect to grow large scale storage applications in more rural and afforested areas of Australia
- > The wider divisional focus will increasingly revolve around water applications with a plan to establish a more global footprint

	2019	2018
Sales (€m)	208.1	202.9
% of Group Sales	4%	5%

Analysis of YoY % Change			
Underlying	Currency	Acquisitions	Total
-3%	-	+6%	+3%



Marrickville Library, NSW, Australia
The Strategy for a Water Sensitive Community

Data & Flooring

- > Positive year overall due to increased product offering into the data sector and growing geographic presence in Europe
- > UK was predictably weak, particularly office construction in the greater London area, with trend anticipated to continue into 2020
- > Growth in Germany and the Benelux helped to compensate for weaker UK
- > Data opportunity remains front and central to the division's future. The projects can be large and lumpy with respect to the timing, resulting in an inconsistent pattern of revenue
- > 2020 expected to be no different in that regard

	2019	2018
Sales (€m)	214.5	190.6
% of Group Sales	5%	4%

Analysis of YoY % Change			
Underlying	Currency	Acquisitions	Total
+4%	+3%	+6%	+13%



British Sugar, UK
Data & Flooring

Outlook

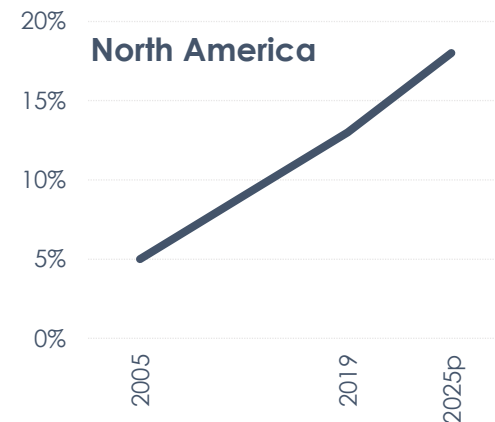
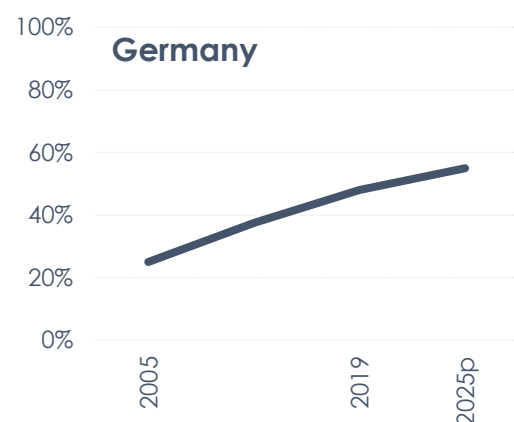
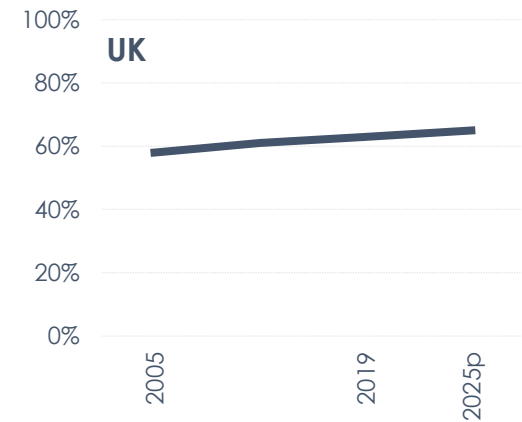
- > Underlying sales in the early part of 2020 are behind prior year
- > Despite the slow start we have experienced some element of recovery and global backlog is in reasonable shape which could point towards an improved second quarter
- > Acquisition pipeline is healthy with a number of projects under consideration
- > Ratcheting of climate debate fits well with our advanced energy efficiency solutions and Planet Passionate agenda
- > Global footprint of our business and strong balance sheet positions Kingspan well for the years ahead

*RAD Building, Nottingham University, UK
Insulation*

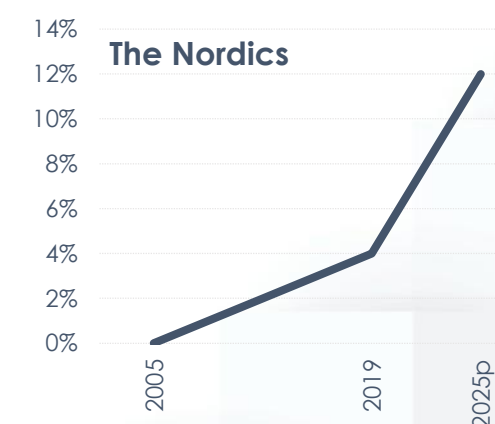
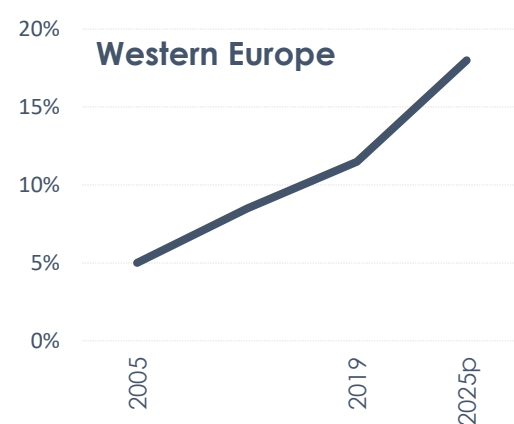
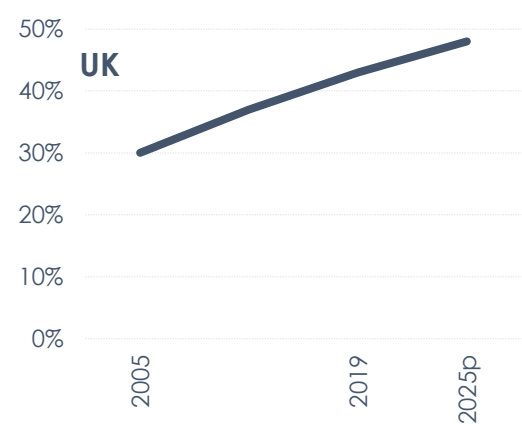


Driving Penetration Growth

INSULATED PANELS



INSULATION BOARDS



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www.kingspan.com

Dublin Road
Kingscourt
Co Cavan
Ireland
A82 XY31

Tel: +353 42 969 8000
Email: admin@Kingspan.com

