



KINGSPAN GROUP PLC

RESULTS FOR THE YEAR ENDED 31 DECEMBER 2017

Kingspan, the global leader in high performance insulation and building envelope solutions, reports its preliminary results for the year ended 31 December 2017.

Financial Highlights:

- Revenue up 18% to €3.7bn, (pre-currency, up 20%).
- Trading profit up 11% to €377.5m, (pre-currency, up 14%).
- Acquisitions contributed 9% to sales growth and 8% to trading profit growth in the year.
- Group trading margin of 10.3%, a decrease of 70bps.
- Basic EPS up 11% to 159.0 cent.
- Final dividend per share of 26.0 cent. Total dividend for the year up 10% to 37.0 cent.
- Year-end net debt of €463.9m (2016: €427.9m). Net debt to EBITDA of 1.05x (2016: 1.06x).
- Strong ROCE of 17.8% (2016:17.3%).

Operational Highlights:

- Insulated Panel sales growth of 17%. A positive performance in Continental Europe, and a solid outcome in North America both drove this number despite the sharp slowdown in the UK towards year end.
- Insulation Board sales growth of 12% owing to significant price inflation and the structural shift to Kooltherm[®] in the UK, Ireland and Mainland Europe.
- Light & Air sales of €205m marking a strong first full year of trading for this division and the development of a unique US and European footprint.
- A strong year for Environmental with ongoing improvement in profitability. Access Floors had a solid year, albeit with a weakening UK backdrop.
- The recovery of raw material inflation was a key theme during 2017. Supply eased somewhat toward year-end, although prices remain high into the current period.
- A record committed acquisition spend of €614m, of which €174m was completed during 2017. Key developments completed or pending include market entry into Brazil, Colombia and Southern Europe as well as an extension of our presence in Western and Central Europe.

Summary Financials:

	<i>2017</i>	<i>2016</i>	<i>% change</i>
Revenue €m	3,668.1	3,108.5	+18.0%
EBITDA €m	441.7	404.1	+9.3%
Trading Profit* €m	377.5	340.9	+10.7%
Trading Margin	10.3%	11.0%	-70bps
Profit after tax €m	285.9	255.5	+11.9%
EPS (cent)	159.0	143.8	+10.6%

**Operating profit before amortisation of intangibles and non trading items*

Gene M. Murtagh, Chief Executive of Kingspan commented:

“2017 was another year of strong performance for Kingspan. We have continued our globalisation strategy with several significant acquisitions, including establishing a market leading presence in Latin America. Our new Light & Air division is performing ahead of expectations and expanding the range of product solutions the business offers. The challenge of increased input costs has been effectively managed to minimise the impact on profit margins. Notwithstanding the weakening UK market our well diversified business is well placed for the longer term”.

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