Kingspan Group plc
Interim Management Statement

9 November 2015

Kingspan Group plc, the global leader in high performance insulation and building envelope solutions, today issues an Interim Management Statement, with trading information for the period to 30 September 2015.

Sales in the nine month period to 30 September were €2.0bn, up 44% on the comparable period in the prior year (+34% pre currency). A strong sales performance was recorded in the third quarter boosted by the contribution from acquisitions with sales up 54% (+46% pre currency). Underlying sales, pre currency and acquisitions, were up 3% both in the year to date and third quarter.

**Insulated Panel** sales in the first nine months increased by 54% (+46% pre currency), and by 73% (+65% pre currency) in the third quarter. Underlying sales were 4% ahead year to date and by 5% in the third quarter. The UK continues to perform solidly, albeit with some moderation since September. Mainland Europe recorded a steady sales performance overall with reasonable activity in most key markets. North American sales have grown strongly in the year to date with the US outpacing Canada, which has been more variable. Activity in Australasia has stabilised more recently although year to date sales are behind the prior year.

**Insulation Board** sales in the first nine months were up 39% (+29% pre currency) and by 38% in quarter three (+29% pre currency). Underlying sales growth, pre currency and acquisitions, was 4% year to date and 1% in the third quarter. In particular, the pace of sales growth in certain segments of the UK market has moderated since late summer and we have seen a decline in sales in Australia in a tighter market. Mainland European sales have been relatively stable overall, and growing in the Benelux, whilst North American sales continue to progress positively.

**Environmental** sales in the first nine months and in the third quarter were up 8% (-1% pre currency). The trend of improvement in profitability evident in the first half has continued in the period since.

**Access Floors** sales in the first nine months increased by 17% (+1% pre currency). Sales in the third quarter increased by 9% (-3% pre currency). The US office market has been softer in more recent months, albeit relatively stable at current levels.

Net debt at the end of September 2015 was €413.8m, which is €306.1m higher than at the same point in 2014 due to acquisition activity year on year. Net debt at year end is forecast to be in the region of €380m.

2015 to date has been a significant period for Kingspan with a further step up in the breadth of the Group providing strong channels for future growth in market penetration. Integration of both the Joris Ide and VicWest businesses remains fully on track. Group underlying sales have shown c. 3% growth for much of the year with individual markets trending differently. Considering our current orderbook, this revenue pattern is likely to continue over the coming months. Profitability has benefitted from strong operating leverage, and has been further complemented by unusually favourable exchange rates and a positive input cost environment.
Assuming current exchange rates prevail, we expect to deliver a full year trading profit of approximately €250m (+68% versus 2014), cognisant that much of the seasonally variable fourth quarter remains. We are also mindful that the first quarter of 2016 will include the full weakness of the winter season for the businesses acquired this year, and which were not consolidated in the Group’s results in the early part of 2015.

For further information contact:

Gene Murtagh, Chief Executive Officer       Tel: +353 (0) 42 9698000
Geoff Doherty, Chief Financial Officer      Tel: +353 (0) 42 9698000
Douglas Keatinge, Murray Consultants        Tel: +353 (0) 1 4980300