**Kingspan Group Plc**
**Interim Management Statement**

5 May 2016

Kingspan Group plc the global leader in high performance insulation, building fabric, and solar integrated building envelopes, is issuing this Interim Management Statement in advance of its Annual General Meeting which is being held today at 10.00am in Dublin.

Overall, Kingspan has experienced a strong start to the year reflecting a combination of solid underlying markets, a positive margin performance and a year on year benefit associated with acquisitions made during 2015. Group sales of €903.1m for the four months ended 30 April 2016 were 25% ahead of prior year (+27% pre-currency, +8% pre currency and acquisitions).

By market, in the UK over the last two months there has been an understandable easing in order placement in the non-residential segments in advance of the 23rd June referendum. Beyond that the project pipeline is encouragingly ahead of this time last year. In the US, the market is solid overall and in Insulated Panels we continue to prioritise margin over volume with some modest concession in market share which we expect to regain over the remainder of this year. Insulation Board sales in the US are very robust at a time when we are investing in additional capacity. In Mainland Europe, the Netherlands and France have been particularly strong performers with Germany and Eastern Europe very solid. The Nordic region is progressing well in advance of our commissioning of an insulated panels facility in Finland adjacent to our existing insulation boards plant. The GCC region and Australasia are relatively flat year-on-year.

***Insulated Panel*** sales revenues were up 37% (+40% pre-currency, +9% pre-currency and acquisitions) in the period with most key markets ahead, reflecting both penetration gains and increased market activity in some territories. The Joris Ide and Vicwest businesses are comfortably ahead of this time last year.

***Insulation Board*** sales revenues were up 11% (+13% pre-currency, +9% pre-currency and acquisitions) in the period reflecting a good UK performance, solid momentum in Mainland Europe and a strong start in the US and GCC.

***Access Floors*** sales revenues were up 6% (+8% pre-currency). US office and datacentre activity has been languishing somewhat. Conversely, activity in the UK has been strong.

***Environmental*** sales revenues were down 3% (+1% pre-currency) although 2016 to date has seen further progress on the recovery in divisional performance evidenced in 2015.

The Group's financial position is robust with significant headroom within existing facilities. Net debt at 30 April was €424m which reflects an aggregate amount of €72m incurred on two acquisitions made at the end of April. Further information in respect of these will be given in the Group's half yearly results.

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Looking ahead, the order backlog across the Group overall points towards a strong first half for the business. Equally, we are conscious that the second half will have a tougher comparative. Recently, and as expected, we have seen steel prices increase modestly and we anticipate more substantial increases to come in the third quarter. We have positioned the business to recover this although it will be challenging given the likely extent of the increases. In addition, at current levels, the Euro/Sterling exchange rate could be a progressive headwind as we move through the year. Overall, the Group is in good shape and the combination of recent development activity, organic expansion and our relentless focus on innovation positions the Group well for the years ahead.

Kingspan will issue its half-year financial report for the period ended 30 June 2016 on Monday 22 August 2016.

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