

ADVANCED HYBRID
TECHNOLOGY...

IT'S IN
THE CORE.

Kingspan 2014 Full Year Results
23rd February 2015



Forward Looking Statements

This presentation contains certain forward-looking statements including, without limitation, regarding the Group's financial position, business strategy, plans and objectives of management for future operations. Such forward-looking information involves risks and uncertainties, assumptions and other factors that could cause the actual results, performance or achievements of the Group to differ materially from those in the forward-looking statements. The forward-looking statements in this presentation reflect views held only as of the date hereof. Neither Kingspan nor any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this presentation will actually occur. Kingspan undertakes no duty to and will not necessarily update any such statements in light of new information or future events, except to the extent required by any applicable law or regulation.

The Business

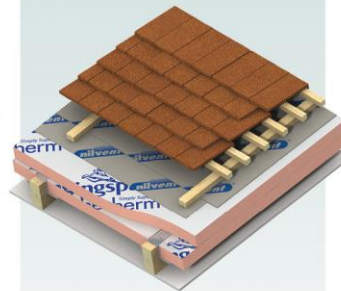


- A global leader in high performance insulation and building envelopes
- Market leading positions in UK, Mainland Europe, North America and Australasia
- Proprietary technology drives differentiation in product performance

59%
INSULATED
PANELS



25%
INSULATION
BOARDS

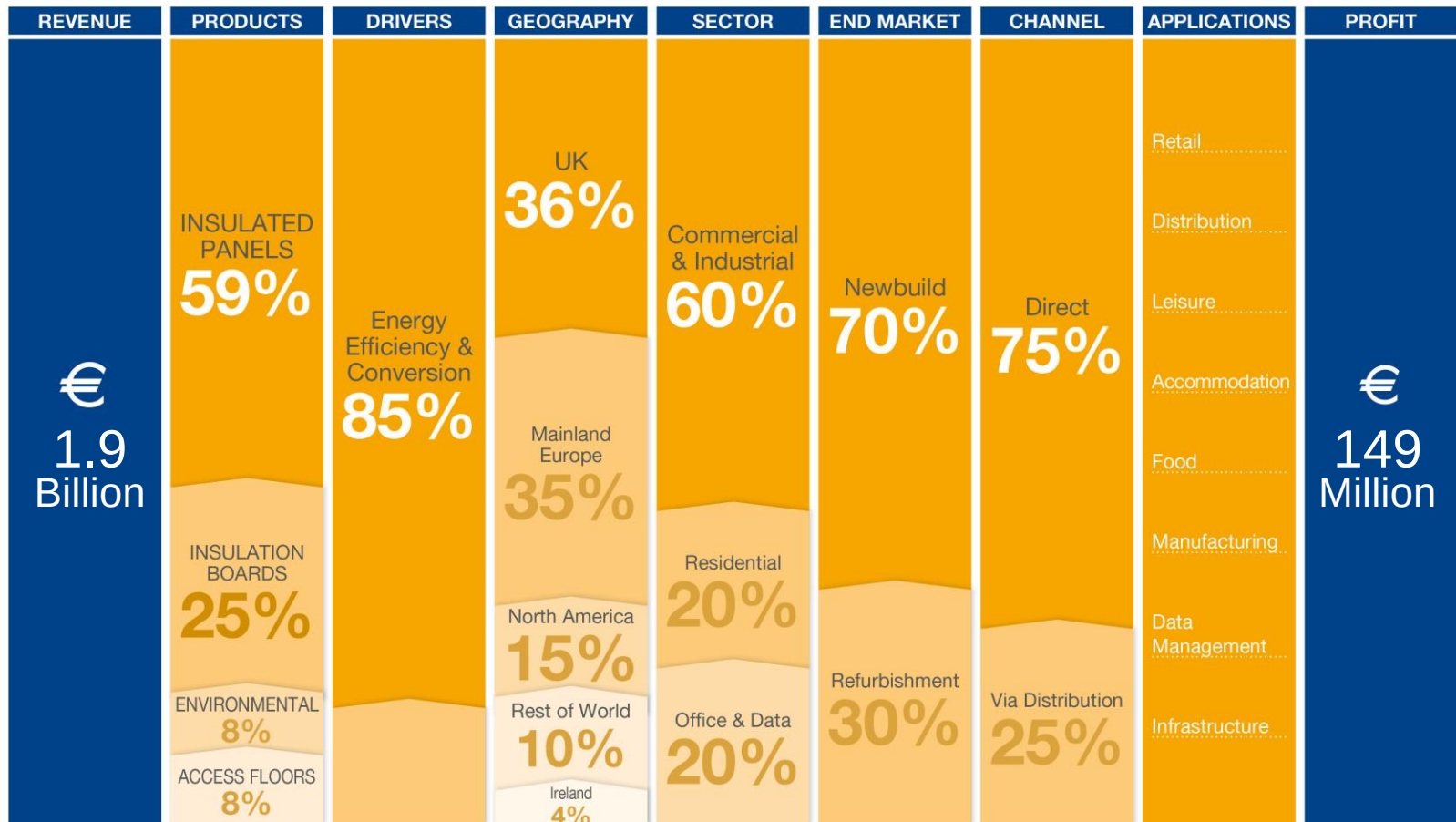


8%
ACCESS FLOORS



8%
ENVIRONMENTAL

2014 in a Nutshell



BRAND > SPECIFICATION > DIFFERENTIATION

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

Our Strategy



- Lead the field in high performance insulation globally with proprietary and differentiating technologies
- Become the world's leading provider of low energy building solutions – Insulate & Generate
- Achieve greater geographic balance, primarily focusing on The Americas, Western Europe and appropriate developing markets

The 3 Pillars

to achieve an average annual return on investment of ca.

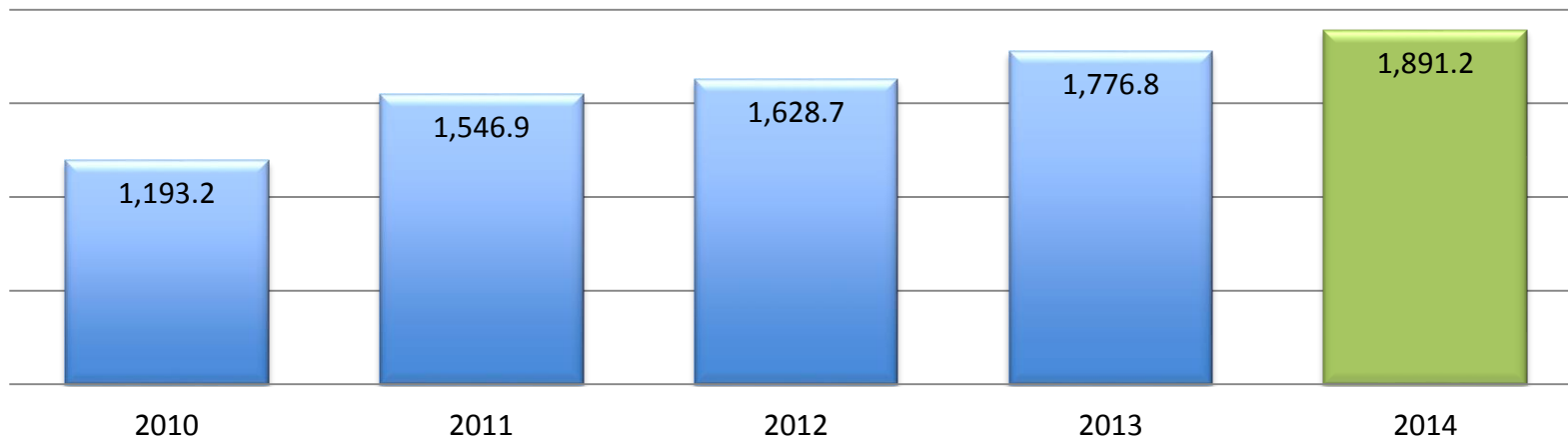
15%



5 Year Financial Performance



Revenue (€'m) (CAGR 12.2%)



Trading Profit (€'m) (CAGR 19.8%)



2014 In Summary



**Revenue
up 6%
to €1.89bn**

**Trading
Profit
up 21%
to €149m**

**Basic EPS
up 21%
to 62.6c**

- **Insulated Panels** sales up 7% and trading profit up 18%, reflecting continuing penetration gains, a positive business mix and an improvement in end markets in key regions.
- **Insulation Boards** sales up 8% and trading profit up 35%, with a good performance in the UK and Benelux in particular and continued penetration growth of Kooltherm across key markets.
- **Environmental** sales up 2% with a stable performance overall.
- **Access Floors** sales were in line with prior year (H2 +7%) with solid US activity overall, particularly data related, and a recovery in UK office volumes.

Financial Highlights

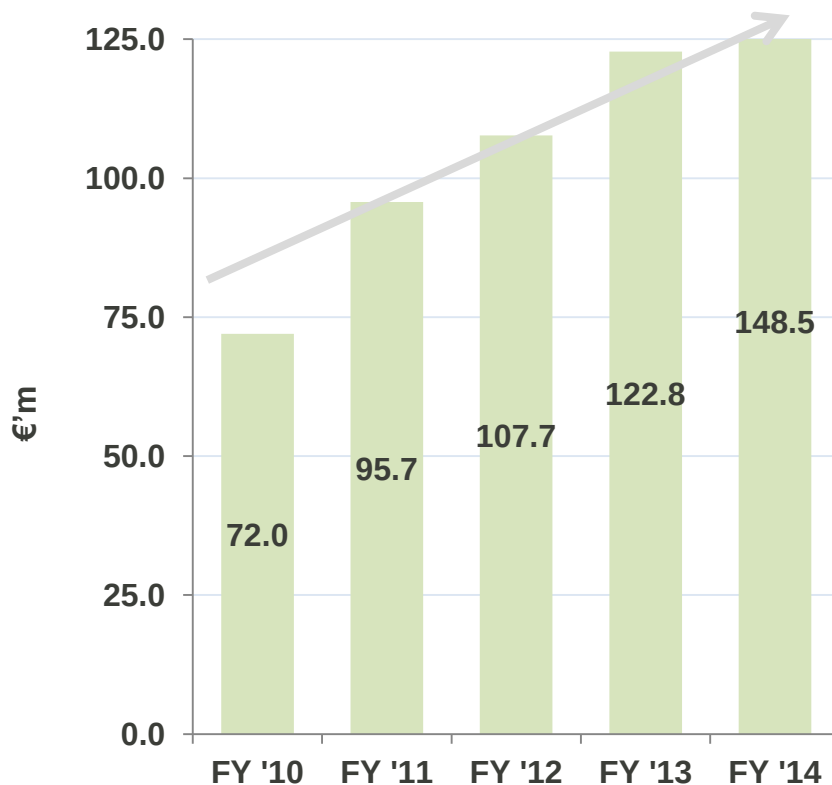


	2014	2013	Change
Revenue (€m)	1,891.2	1,776.8	+6%
Trading Profit (€m)	148.5	122.8	+21%
EBITDA (€m)	189.3	162.5	+16%
Earnings per share (cent)	62.6	51.7	+21%
Total Dividend (cent)	16.25	14.00	+16%
Free Cashflow (€m)	109.3	78.2	+40%
Net Debt (€m)	125.5	106.7	+18.8m
Trading Margin	7.9%	6.9%	+100bps
Net Debt/EBITDA	0.66x	0.66x	
ROCE	13.4%	12.3%	+110bps

Trading Profit & Margin Progression



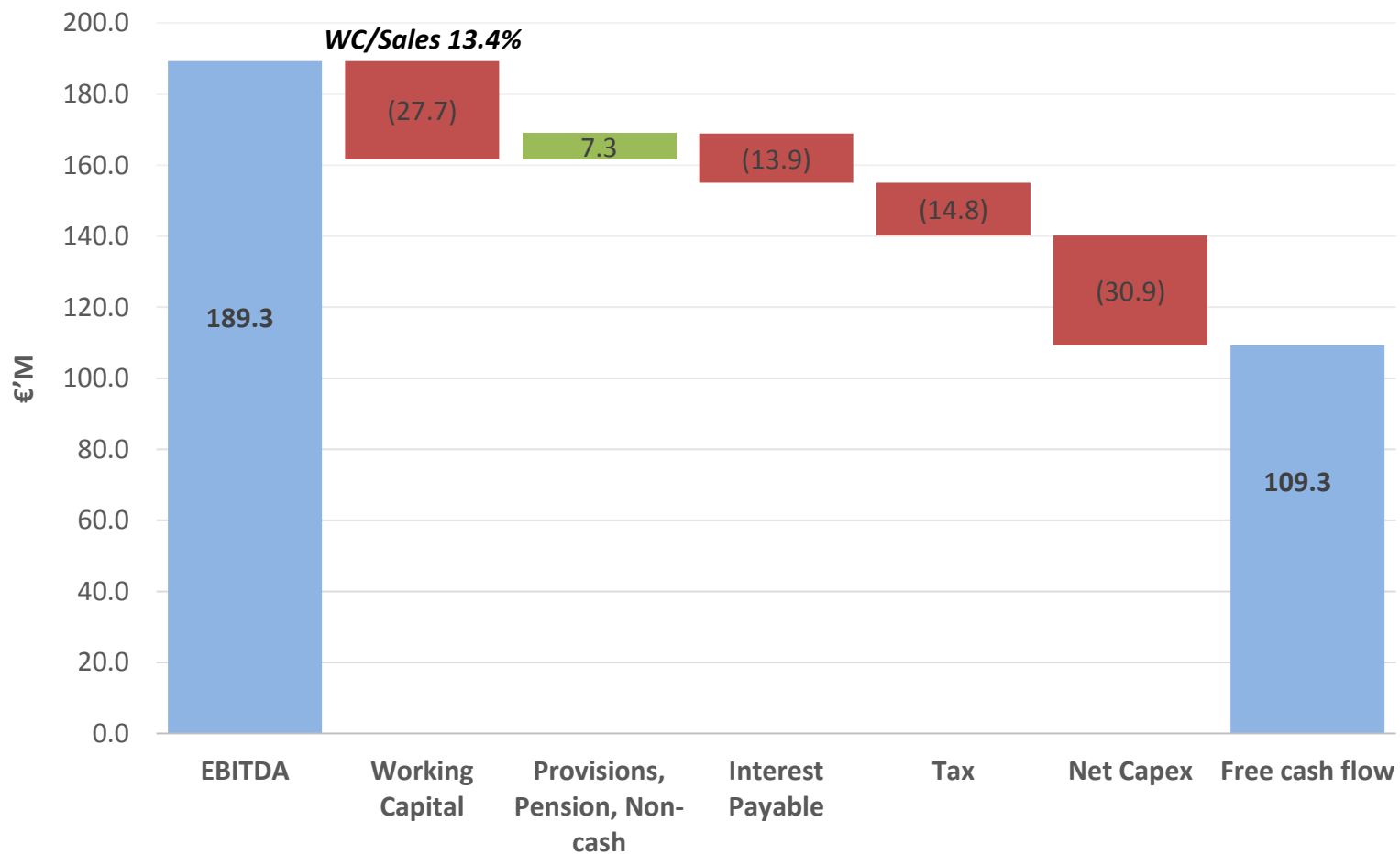
Trading Profit



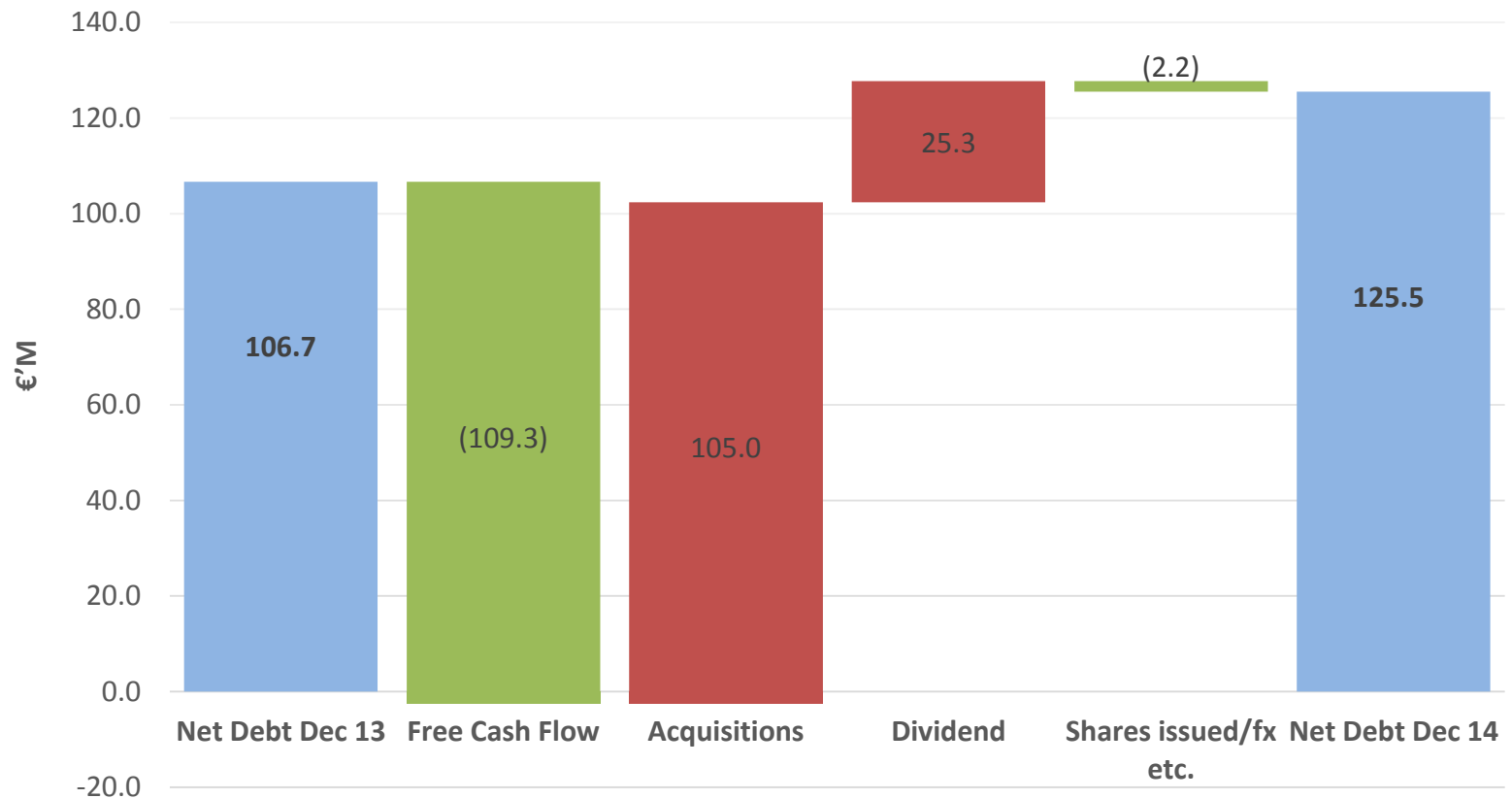
Margin %

	FY 12	FY 13	FY 14
Insulated Panels	7.3%	7.3%	8.0%
Insulation Boards	6.3%	6.7%	8.4%
Environmental	0.7%	1.0%	0.8%
Access Floors	9.9%	10.5%	11.7%
Group	6.6%	6.9%	7.9%

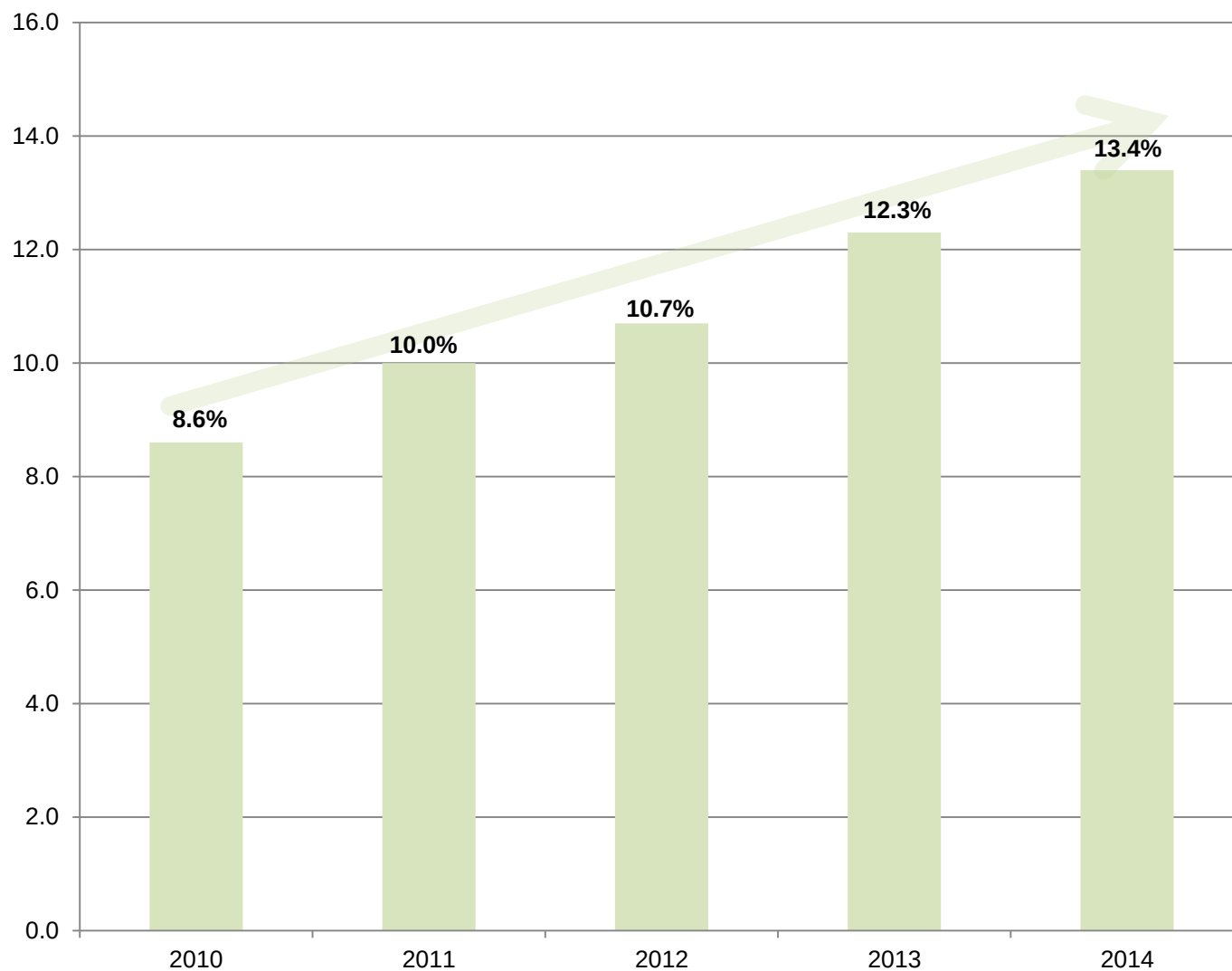
Strong Free Cash Flow



Movement in Net Debt



Growing ROCE



Financing and Interest

❑ Decrease in cash interest

	2014 €'m	2013 €'m	%
Bank and Loan Notes	13.1	14.0	(6.4%)
Non Cash Derivatives	0.8	(0.7)	
Non Cash Pension	0.1	0.3	
	14.0	13.6	2.9%

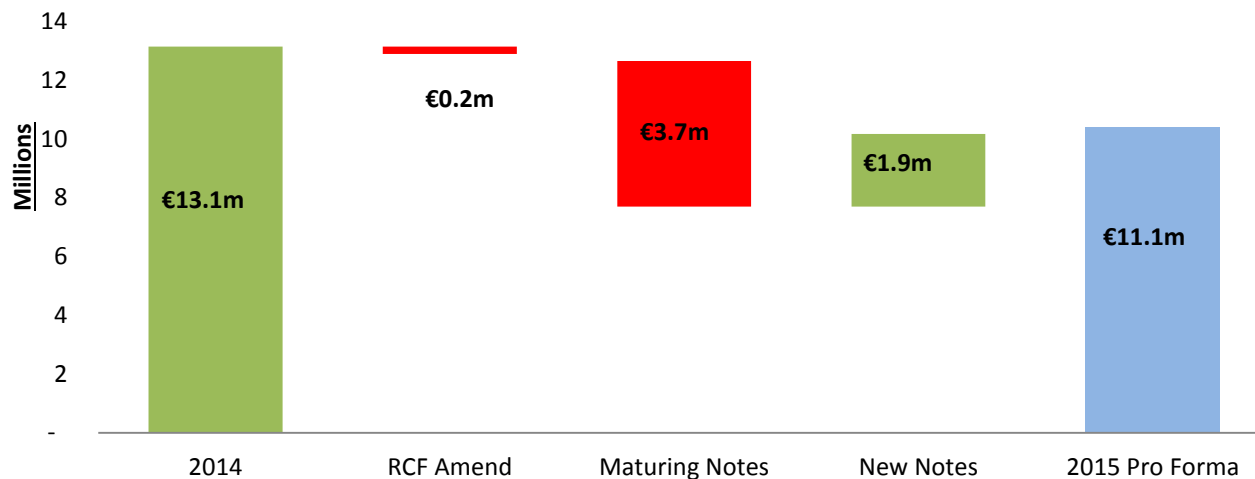
❑ Significant **Headroom**

	€'m
Revolving Credit Facility (undrawn)	300
Bi-Laterals (undrawn)	190
Cash	186
	676

In addition, a €127.5m loan note agreed in December 2014 with a deferred draw until March 2015 will be used to refinance a \$158m note which matures in March 2015

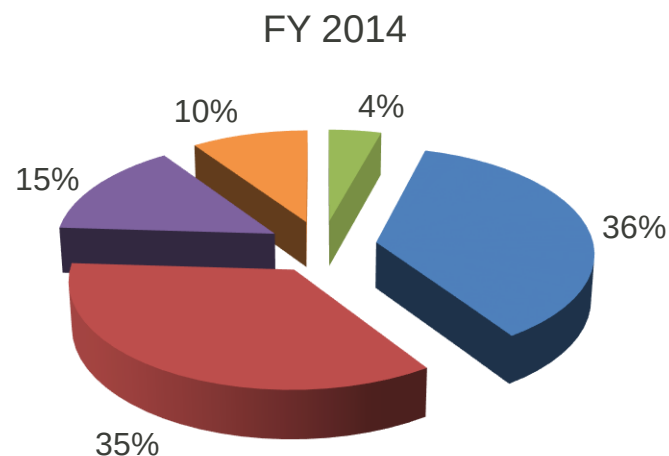
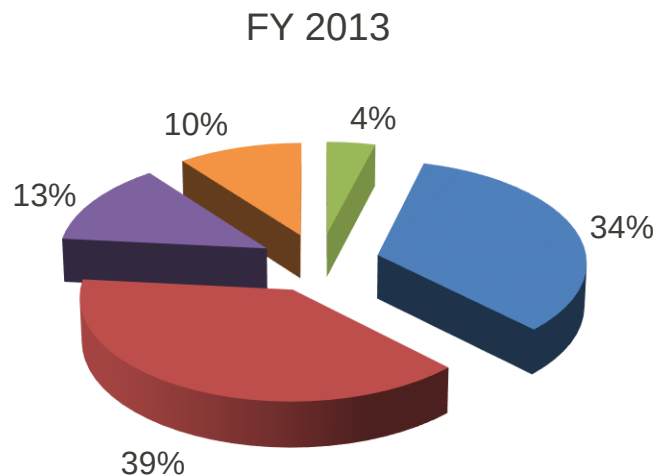
- Positive refinancing:
 - €3.8m annualised interest saving from refinancing activity during the year
 - Excluding acquisition related activity, cash interest will fall by €2m in 2015

2015 Interest Forecast



- At current rates the marginal cost of new short term debt is circa 1%. An additional €270m of gross debt could be added without increasing the €13.1m FY14 cash interest charge

Sales by Geography



- Republic of Ireland
- Britain & Northern Ireland
- Mainland Europe
- Americas
- Rest of World

€'m	FY 14	FY 13	Constant Currency Change	YoY % Change
Britain & Northern Ireland	687.4	595.2	+10%	+15%
Mainland Europe	668.0	693.2	-3%	-4%
Americas	274.1	231.9	+19%	+18%
Republic of Ireland	81.1	72.1	+12%	+12%
Rest of World	180.6	184.4	+1%	-2%
Group Sales	1,891.2	1,776.8	+5%	+6%

Insulated Panels

- Positive UK performance overall
- Benelux subdued but stable with France somewhat encouraging due to growing conversion
- Strong performance in Australasia and the Gulf region with significant growth in sales
- German activity stable overall
- Central and Eastern European markets weakened somewhat towards year end
- Turkey was weak due to fragile economic backdrop regionally
- Increasing penetration in Nordic markets

	FY 14	FY 13
Sales (€m)	1,111.4	1,036.0
% of Group Sales	59%	58%

Analysis of YoY % Change				
Currency	Volume	Price & Mix	Acquisitions	Total
-	+3%	+3%	+1%	+7%



Hotel, Vienna, Austria
Insulated Panels

Insulated Panels (Cont.)



- Strong performance in North America, with a double digit increase in sales
- Benchmark® architectural specifications well up on prior year
- A year of progress for Kingspan Energy (integrated roof solar solution) with pipeline and specification building



Newport, Vermont, US
Insulated Panels

Insulation Boards

- Good UK performance overall
- Kooltherm® sales robust with a positive impact on margin
- Improvement in Benelux and German sales driven by rising adoption of Kooltherm®
- New facility to serve eastern region of Germany and CEE commissioned
- Ireland volumes improving with margins remaining the priority
- Optim-R® specifications growing steadily as an ultra-thin solution
- Continued growth in penetration of Kooltherm in Australasia, on target for manufacturing presence by 2016
- Pactiv and PAL acquisitions bedding down and serve as platforms for North America and Middle East

	FY 14	FY 13
Sales (€m)	477.1	441.9
% of Group Sales	25%	25%

Analysis of YoY % Change				
Currency	Acquisitions	Volume	Price & Mix	Total
+2%	+3%	+2%	+1%	+8%



Norwich City Academy, UK
Insulation Boards

Access Floors

- Solid year overall with an improvement in sales (H2 +7%) following a subdued H1
- UK office construction improved markedly during 2014
- US new office construction still at low level. Data related product innovations gaining traction
- Pipeline in US indicates positive activity for late 2015 and beyond
- Strong UK pipeline building for 2015 and 2016

	FY 14	FY 13
Sales (€m)	155.1	154.2
% of Group Sales	8%	9%

Analysis of YoY % Change			
Currency	Volume	Price & Mix	Total
+2%	+5%	-6%	+1%



Tulsa, US
Access Floors

- Stable performance overall
- Improvement in Water solutions sales in UK
- Encouraging recent trends in fuel storage product set
- Emerging environmental service and telemetry activity
- Hot Water product segment highly competitive environment. Focus on driving down manufacturing costs
- Solar thermal volumes remain under pressure
- KW15 microwind product launched in Q4

	FY 14	FY 13
Sales (€m)	147.6	144.7
% of Group Sales	8%	8%

Analysis of YoY % Change		
Currency	Volume, Price & Mix	Total
+4%	-2%	+2%



Ruswill, Switzerland
Kingspan Solar

Outlook

- Positive momentum from second half of 2014 has continued into early 2015
- The UK and US in particular are demonstrating robust growth
- Mainland Europe remains mixed and can be anticipated to remain so in the near term. The Netherlands is gradually improving, Germany is stable, and Central Europe showing pockets of weakness



Kihei, Hawaii
Insulated Panels

2015 Big Rocks



**Continued momentum in
organic profit growth**

**Execute and integrate new
businesses:**

- Joris Ide (Mainland Europe)
- Vicwest (North America)
- Pactiv (North America)
- PAL (UAE)
- Dri-Design (North America)

ROCE c. 14%*

ROS c. 8.5%*

**Pre the integration of
Joris Ide & Vicwest*

**Develop next
generation
Kooltherm**

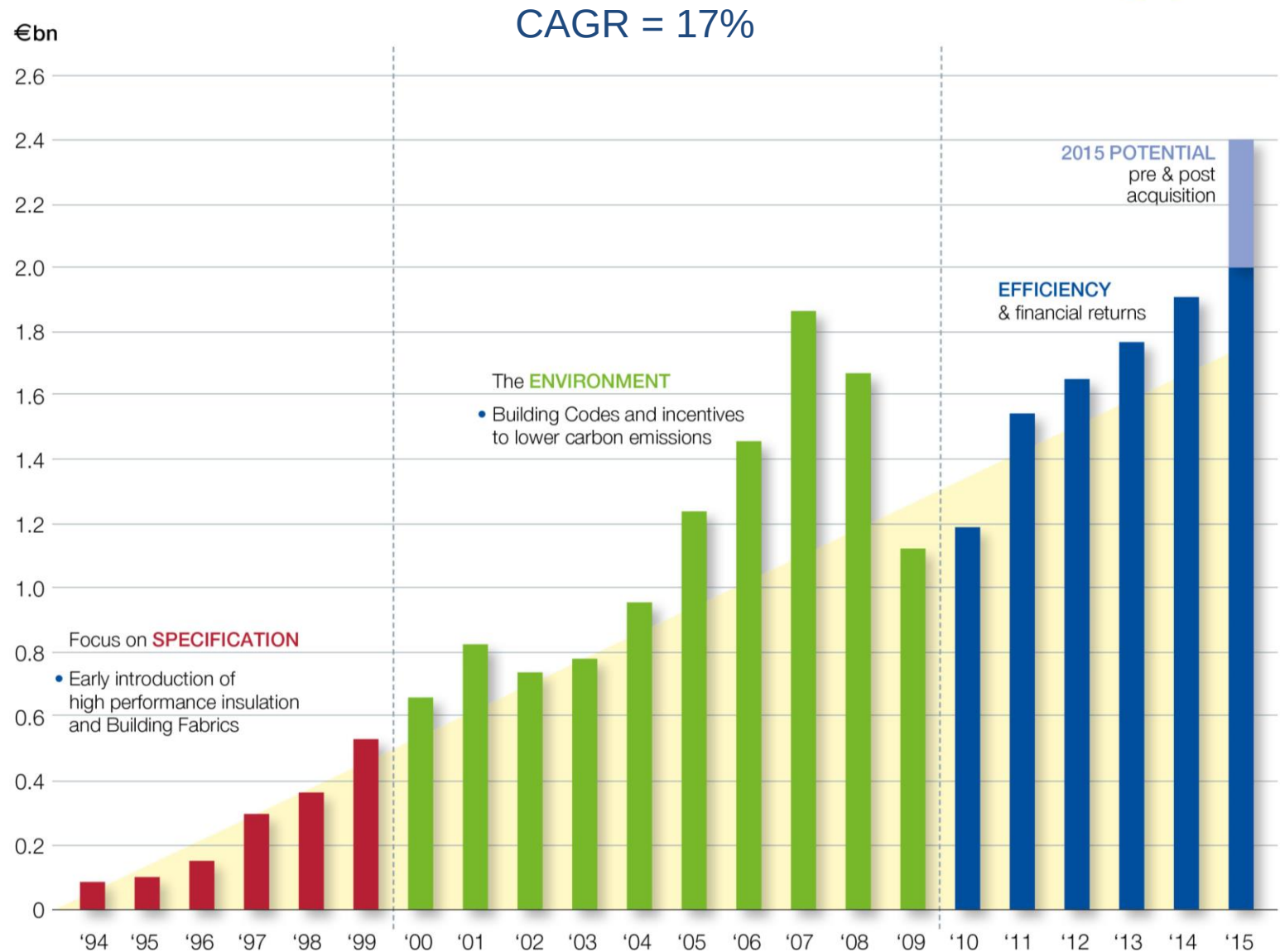
Launch QuadCore

ADDITIONAL INFORMATION

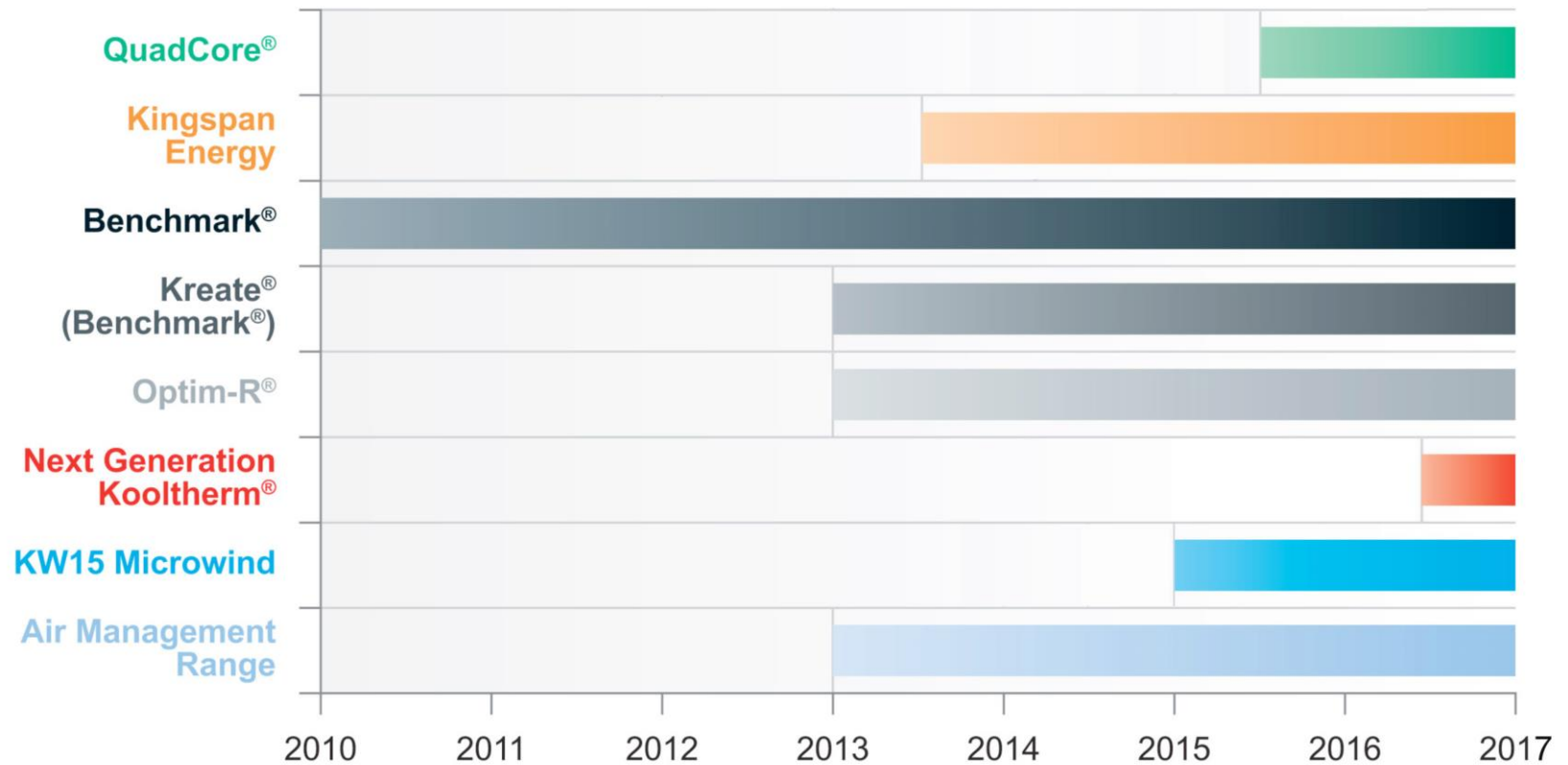


New Mexico, US
Insulated Panels

Our Evolution – Financial



Innovation Pipeline



Kingspan Insulates Better



Heat loss comparison assumes same thickness of insulation material.

**Kingspan
Optim-R**
0.007 W/m.K



**69%
LESS
HEAT LOSS¹**

**Kingspan
Kooltherm[®]**
0.020 W/m.K
(0.020-0.023)³



**13%
LESS
HEAT LOSS¹**

**Kingspan
IPN²**
0.020 W/m.K
(0.020-0.022)³



**13%
LESS
HEAT LOSS¹**

**Kingspan
PIR**
0.022 W/m.K
(0.022-0.027)³



**4%
LESS
HEAT LOSS¹**



**Reference
Point**
Polyurethane
0.023 W/m.K¹

**30%
MORE
HEAT LOSS¹**



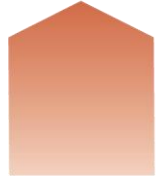
EPS
0.030 W/m.K
(0.030-0.038)³

**34%
MORE
HEAT LOSS¹**



**Glass
Fibre**
0.031 W/m.K
(0.031-0.044)³

**47%
MORE
HEAT LOSS¹**

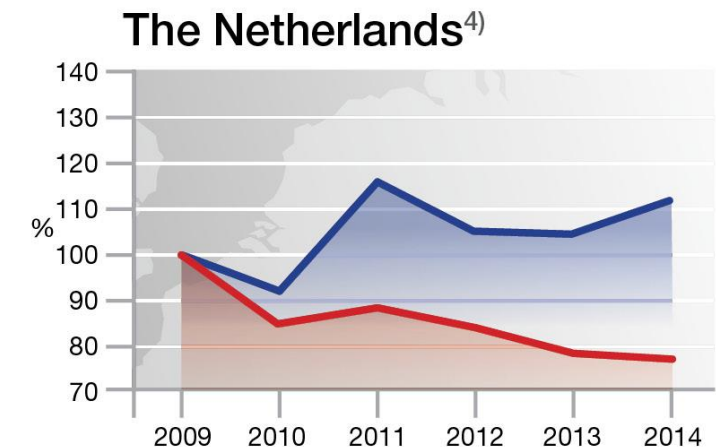
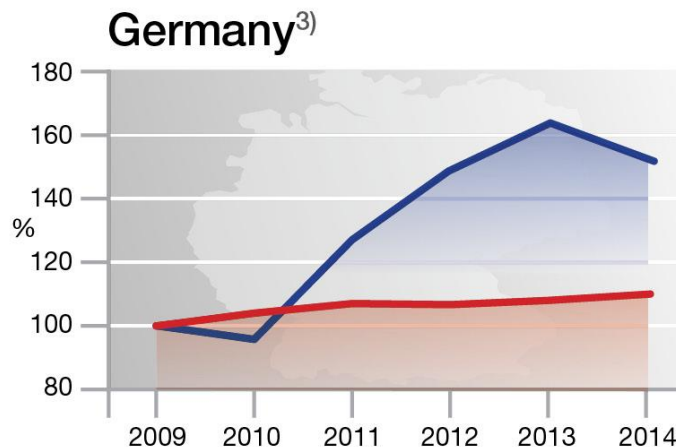
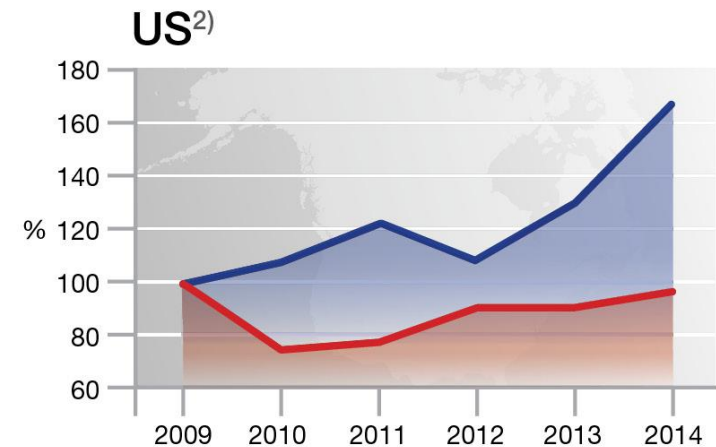
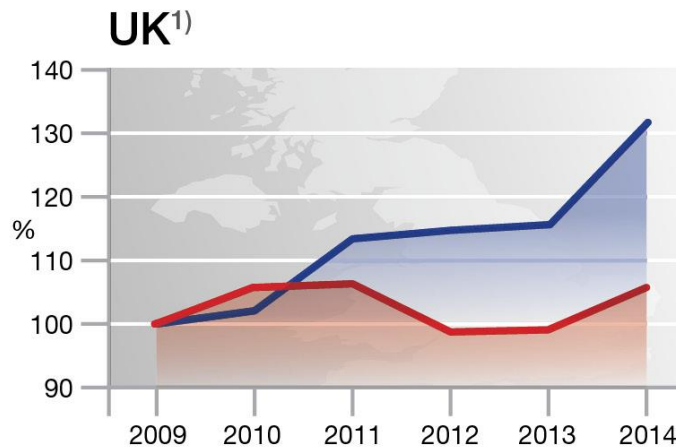


**Rock
Mineral Fibre**
0.034 W/m.K
(0.034-0.042)³

Notes:

- 1 Heat loss for each insulant is based on the best quoted lambda value compared to rigid polyurethane insulation with a typical lambda value of 0.023 W/m.K.
- 2 Kingspan IPN core used in metal faced insulated panels.
- 3 The thermal conductivity range is based on data from insulation manufacturers websites or Agreement certificates.
- 4 Thermal conductivity (Lambda) W/m.K values quoted at 10°C.

Kingspan v Construction Macro



— Kingspan — Macro

Source: Non-Residential Construction Stats Euroconstruct McGraw Hill

1. UK Insulated Panels & Rigid Board underlying sales (excluding acquisitions)

2. US Insulated Panels underlying sales (excluding acquisitions)

3. Germany Insulated Panels & Rigid Board underlying sales (excluding acquisitions)

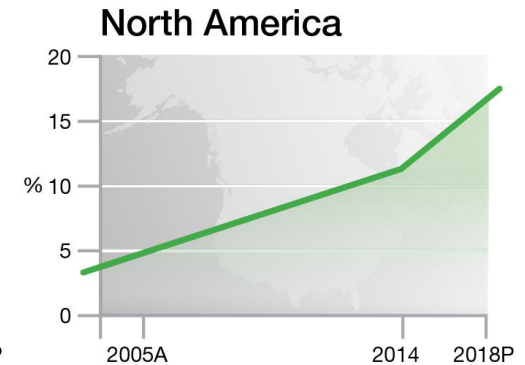
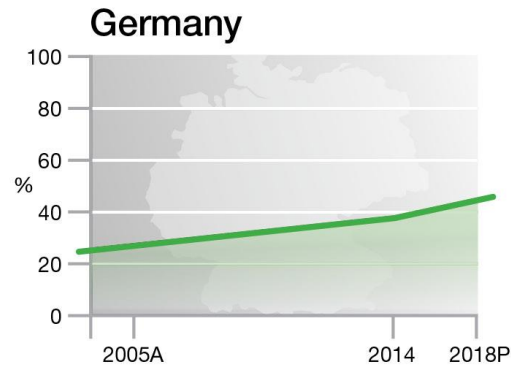
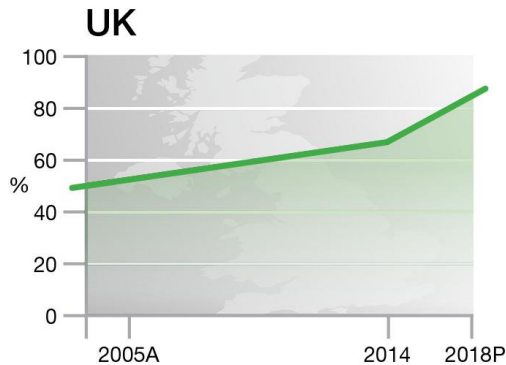
4. The Netherlands Insulated Panels & Rigid Board underlying sales (excluding acquisitions)

All Kingspan figures are at constant currency

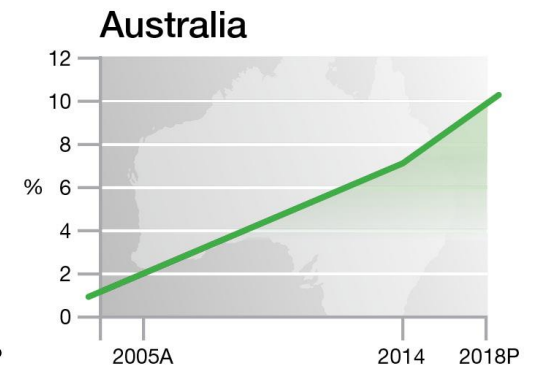
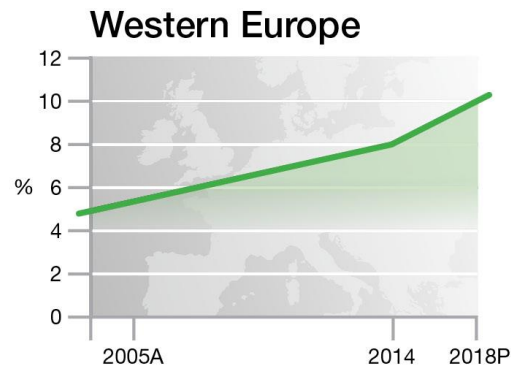
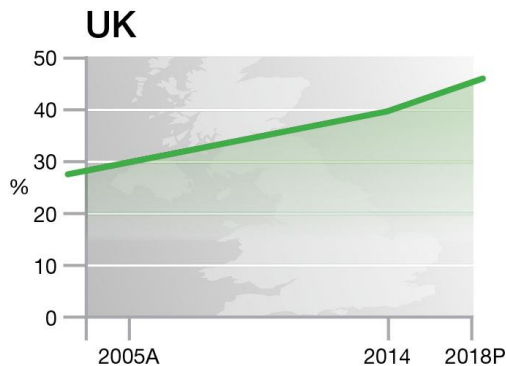
Driving Penetration Growth

Aim to change Building Practices / Material Choices

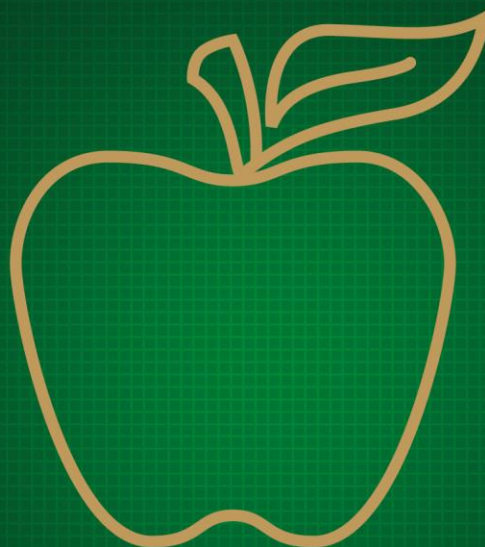
Insulated Panels



Insulation Boards



All above relates to either Insulated Panels or Insulation Boards Penetration as a % of the respective addressable markets.



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