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BDO Statsautoriseret revisionsaktieselskab
Havneholmen 29
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CVR no. 20 22 26 70

KINGSPAN INSULATION APS
UNIVERSITETSPARKEN 7, 4000 ROSKILDE
ANNUAL REPORT
1 JANUARY - 31 DECEMBER 2016

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 30 May 2017**

Geoff Doherty

The English part of this document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.

CVR NO. 35 89 18 03

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COMPANY DETAILS**Company**

Kingspan Insulation ApS
Universitetsparken 7
4000 Roskilde

CVR no.: 35 89 18 03
Established: 10 June 2014
Registered Office: Roskilde
Financial Year: 1 January - 31 December

Board of Executives

David Mark MacDonald
Patrick Alan Lawlor
Peter Charles Wilson

Auditor

BDO Statsautoriseret revisionsaktieselskab
Havneholmen 29
1561 Copenhagen V

STATEMENT BY BOARD OF EXECUTIVES

Today the Board of Executives have discussed and approved the Annual Report of Kingspan Insulation ApS for the year 1 January - 31 December 2016.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the the Company's financial position at 31 December 2016 and of the results of the the Company's operations for the financial year 1 January - 31 December 2016.

The Management's Review includes in our opinion a fair presentation of the matters dealt with in the review.

The board of executives remain of the opinion that the conditions for opting out of audit have been fulfilled.

We recommend the Annual Report be approved at the Annual General Meeting.

Roskilde, 9 May 2017

Board of Executives

David Mark MacDonald

Patrick Alan Lawlor

Peter Charles Wilson

ENGAGEMENT TO COMPILE FINANCIAL INFORMATION

To the Shareholder of Kingspan Insulation ApS

We have compiled the Financial Statements of Kingspan Insulation ApS for the financial year 1 January - 31 December 2016 based on the Company's accounting records and other information provided by management.

The Financial Statements comprise a summary of income statement, balance sheet, notes and significant accounting policies.

We performed this compilation engagement in accordance with the International Standard, Compilation Engagements.

We have applied our professional expertise to assist management in the preparation and presentation of the Financial Statements in accordance with the Danish Financial Statements Act. We have complied with relevant provisions of the Danish Accountants Act and FSR - Danish auditors' Ethical rules applying to auditors, including principles of integrity, objectivity, professional competence and due care.

The Financial Statements and the accuracy and completeness of the information used to compile the Financial Statements are management's responsibility.

Since an engagement to compile financial information is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided by management to us to compile the Financial Statements. Accordingly, we do not express an audit opinion or a review conclusion on whether the Financial Statements are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 9 May 2017

BDO Statsautoriseret revisionsaktieselskab
CVR-nr. 20 22 26 70

Brian Olsen Halling
State Authorised Public Accountant

MANAGEMENT'S REVIEW

Principal activities

The company's activities is marketing and sales of insulation boards and other related activities.

Significant events after the end of the financial year

No events have occurred after the end of the financial year of material importance for the company's financial position.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2016 DKK	2015 DKK
GROSS PROFIT		1.732.006	1.098.184
Staff costs.....	1	-2.059.127	-1.571.314
OPERATING LOSS		-327.121	-473.130
Other financial expenses.....		-9.073	-2.671
PROFIT BEFORE TAX		-336.194	-475.801
Tax on profit/loss for the year.....	2	281.763	0
PROFIT FOR THE YEAR		-54.431	-475.801
PROPOSED DISTRIBUTION OF PROFIT			
Accumulated profit.....		-54.431	-475.801
TOTAL		-54.431	-475.801

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2016 DKK	2015 DKK
Receivables from group enterprises.....		31.208	14.075
Other receivables.....		66.136	61.937
Receivable tax from joint taxation.....		73.963	0
Prepayments and accrued income.....		52.006	64.714
Receivables.....		223.313	140.726
Cash and cash equivalents.....		1.341.943	1.669.900
CURRENT ASSETS.....		1.565.256	1.810.626
ASSETS.....		1.565.256	1.810.626

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2016 DKK	2015 DKK
Share capital.....		80.000	80.000
Retained profit.....		-922.015	-867.584
EQUITY.....	3	-842.015	-787.584
Trade payables.....		61.586	8.740
Payables to group enterprises.....		1.814.030	2.311.887
Other liabilities.....		531.655	277.583
Current liabilities.....		2.407.271	2.598.210
LIABILITIES.....		2.407.271	2.598.210
EQUITY AND LIABILITIES.....		1.565.256	1.810.624
 Contingencies etc.	 4		
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NOTES

	2016 DKK	2015 DKK	Note
Staff costs			1
Average number of employees 3 (2015: 3)			
Wages and salaries.....	1.905.709	1.436.127	
Pensions.....	153.418	135.187	
	2.059.127	1.571.314	
 Tax on profit/loss for the year			 2
Calculated tax on taxable income of the year.....	-73.963	0	
Adjustment of tax for previous years.....	-207.800	0	
	-281.763	0	
 Equity			 3
	Share capital	Retained profit	Total
Equity at 1 January 2016.....	80.000	-867.584	-787.584
Proposed distribution of profit.....		-54.431	-54.431
Equity at 31 December 2016.....	80.000	-922.015	-842.015
 Contingencies etc.			 4
Contingent liabilities			
Rental obligations			
The company has entered into a lease for rent to third parties. The rental obligation amounts to DKK ('000) 166 at balance sheet date (last year DKK ('000) 293). The rent contract expires as at 18 March 2018. During this period, the company can terminate the agreement with 6 months notice until the 1st in a month.			
Operational lease			
The company has entered into operational lease agreements and lease contracts with an average annual lease payment of DKK ('000) 71.			
The lease contract have a residual term of 42 months with a total residual lease payment of DKK ('000) 247.			
Joint liabilities			
The company is jointly and severally liable together with the parent company and the other group companies in the jointly taxed group for tax on the group's jointly taxed income and for certain possible withholding taxes such as dividend tax and royalty tax.			
Tax payable/tax receivable of the group's jointly taxed income is stated in the annual report of Kingspan A/S, which serves as management company for the joint taxation.			
 Charges and securities			 5
None.			

NOTES**Note****Consolidated financial statements****6**

The Company is included in the consolidated financial statements of Kingspan Group plc, Dublin Road, Kingscourt, Co Cavan, A82 XY31, Ireland.

ACCOUNTING POLICIES

The annual report of Kingspan Insulation ApS for 2016 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B with additional choice of rules relating to reporting class C.

The Annual Report is prepared consistently with the accounting principles used last year.

INCOME STATEMENT

Net revenue

Net revenue from commission from sale of merchandise and finished goods is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received. Net revenue is recognised exclusive of VAT, duties and less discounts related to the sale.

Other external expenses

Other external expenses include cost of sales, advertising, administration, buildings, bad debts, operational lease expenses, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security etc. for the company's employees. Repayments from public authorities are deducted from staff costs.

Financial income and expenses in general

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

Tax on profit for the year

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

ACCOUNTING POLICIES

BALANCE SHEET

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by impairment losses to meet expected losses.

Accruals, assets

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The Company is subject to joint taxation with Danish group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the on account tax scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date would be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the income statement over the term of loan.

Amortised cost of current liabilities usually corresponds to nominal value.