

■ Notes to the Financial Statements for the year ended 31st December 1999

1. REPORTING CURRENCY

The currency used in these financial statements is the Euro which is denoted by the symbol €. Results and cash flows of foreign subsidiary undertakings have been translated into Euro at the average exchange rates, and the related balance sheets have been translated at the rates of exchange ruling at the balance sheet date.

Exchange rates used were as follows:

Euro =	Average rate		Year end rate	
	1999	1998	1999	1998
Irish Pound	0.787564	0.787564	0.787564	0.787564
Pound Sterling	0.6592	0.6775	0.6217	0.7054
Dutch Guilder	2.2037	2.2239	2.2037	2.2037
Belgian Franc	40.3399	40.6954	40.3399	40.3399
Deutschemark	1.9558	1.9728	1.9558	1.9558
Hong Kong Dollar	8.2775	8.7095	7.8090	9.0925
Czech Koruna	36.8823	35.6762	36.1030	35.1671

2. TURNOVER

The analysis by class of activity is as follows:

	1999	1998
	€ '000	€ '000
Building components	304,555	255,111
Raised access flooring	69,692	-
Insulation boards	72,662	68,744
Environmental containers	60,853	44,939
Discontinued activities	24,779	-
	532,541	368,794

The analysis by geographical area is as follows:

Republic of Ireland	80,174	65,056
Britain and Northern Ireland	357,689	231,253
Mainland Europe	79,726	59,372
Other	14,952	13,113
	532,541	368,794

3. EMPLOYEES

The average number of persons employed by the Group in the financial year was:

Production	1,721	1,096
Sales and distribution	397	295
Management and administration	331	199
	2,449	1,590

Employment costs charged against Group operating profit were:

Wages and salaries	63,766	45,301
Social welfare costs	6,382	4,002
Pension contributions	2,602	2,312
	72,750	51,615

4. INTEREST PAYABLE AND SIMILAR CHARGES

	1999	1998
	€ '000	€ '000
Bank loans and overdrafts repayable within 5 years	7,428	3,981
Hire purchase and finance leases	70	10
	7,498	3,991

5. INTEREST RECEIVABLE AND OTHER INCOME

	1999	1998
	€ '000	€ '000
Interest received	1,176	710

■ Notes to the Financial Statements for the year ended 31st December 1999

6. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	1999	1998
The profit for the year is stated after charging / (crediting):	E '000	€ '000
Auditors' remuneration	320	277
Operating lease payments	340	716
Product development costs	1,351	1,037
Depreciation	13,477	10,105
Amortisation of intangible assets	2,989	965
Loss / (profit) on sale of tangible assets	56	(170)
Capital grants credited	(235)	(232)

7. DIRECTORS' EMOLUMENTS AND INTERESTS

Directors' emoluments are shown in the Report on Directors' Remuneration on pages 40 to 44 and Directors' interests are shown in the Report of the Directors' on pages 36 to 39.

8. TAX ON PROFIT ON ORDINARY ACTIVITIES	1999	1998
The charge for taxation, based on profits for the year, comprises:	E '000	€ '000
Corporation tax		
- Irish	2,085	2,173
- Overseas	8,285	9,155
Deferred taxation	2,505	(161)
	12,875	11,167

9. ORDINARY DIVIDENDS	1999	1998
	E '000	€ '000
Paid: Interim dividend 0.93c per share (1998: 0.63c per share) on 167,871,445 shares	1,562	1,065
Payable: Final dividend 1.57c per share (1998: 1.08c per share) on 167,895,445 shares	2,636	1,808
	4,198	2,873

10. EARNINGS PER SHARE	1999	1998
The calculation of earnings per share is based on the following:	E '000	€ '000
Profit attributable to ordinary shareholders	45,655	36,484

	Number of Shares ('000)	Number of Shares ('000)
Weighted average number of ordinary shares for the calculation of basic earnings per share	167,706	166,968
Dilutive effect of share options	2,630	3,330
Weighted average number of ordinary shares for the calculation of diluted earnings per share	170,336	170,298
	E cents	€ cents
Basic earnings per share	27.2	21.9
Basic earnings per share before goodwill amortisation	28.7	22.1
Diluted earnings per share	26.8	21.4

■ Notes to the Financial Statements for the year ended 31st December 1999

11. TANGIBLE ASSETS	Land and buildings E '000	Plant E '000	Motor vehicles E '000	Leased assets E '000	Total E '000
Cost or Valuation					
At 1st January	33,258	84,081	4,329	5,396	127,064
Acquisitions / Disposals	10,089	11,279	734	-	22,102
Additions	1,851	13,622	2,600	-	18,073
Disposals	-	(2,074)	(1,014)	(19)	(3,107)
Translation adjustment	2,859	6,980	329	513	10,681
At 31st December	<u>48,057</u>	<u>113,888</u>	<u>6,978</u>	<u>5,890</u>	<u>174,813</u>
Depreciation					
At 1st January	(6,387)	(37,701)	(1,878)	(3,899)	(49,865)
Acquisitions / Disposals	(367)	(3,823)	(272)	-	(4,462)
Provision for year	(1,535)	(10,423)	(1,319)	(199)	(13,476)
Provision on disposals	-	1,852	925	19	2,796
Translation adjustment	(216)	(2,071)	(118)	(14)	(2,419)
At 31st December	<u>(8,505)</u>	<u>(52,166)</u>	<u>(2,662)</u>	<u>(4,093)</u>	<u>(67,426)</u>
Net book value at 31 December 1999	<u>39,552</u>	<u>61,722</u>	<u>4,316</u>	<u>1,797</u>	<u>107,387</u>
Net book value at 31 December 1998	<u>26,871</u>	<u>46,380</u>	<u>2,451</u>	<u>1,497</u>	<u>77,199</u>

Certain land and buildings of the group were revalued at 31st December 1980 on a depreciated replacement cost basis. Additions since that date have been included at cost. Land and buildings would have been stated as follows under the historical cost convention:

	1999	1998
	E '000	£ '000
Cost	46,188	31,389
Accumulated depreciation	(7,046)	(4,963)
Net book value	<u>(39,142)</u>	<u>26,426</u>
12. INTANGIBLE ASSETS		
Patents	1999	1998
	E '000	£ '000
At 1st January	4,343	4,689
On acquisitions	551	126
On disposals	-	-
Translation adjustment	(1)	3
Amortised in year	(495)	(475)
At 31st December	<u>4,398</u>	<u>4,343</u>
Goodwill		
At 1st January	8,925	-
On acquisitions	61,291	9,776
On disposals	(4,798)	-
Translation adjustment	5,875	(361)
Amortised in year	(2,494)	(490)
At 31st December	<u>68,799</u>	<u>8,925</u>
Total		
At 1st January	13,267	4,689
On acquisitions	61,842	9,901
On disposals	(4,798)	-
Translation adjustment	5,875	(358)
Amortised in year	(2,989)	(965)
At 31st December	<u>73,197</u>	<u>13,267</u>

■ Notes to the Financial Statements for the year ended 31st December 1999

13. FINANCIAL ASSETS	1999	1998
	E '000	○'000
GROUP		
Listed on the London Stock Exchange (at cost)	13	9,152
Unlisted investments (at cost)	24	22
Treasury shares	519	-
	556	9,174

The market value of the listed investments at 31st December 1999 was ○26,664 (1998: ○8,740,877).

On 18th December 1998, Kingspan Group plc announced a recommended offer for Hewetson PLC for 200 pence (Sterling) in cash. At 31st December 1998, the Group owned 3,074,847 shares in Hewetson PLC (now Hewetson Limited), valued at ○8,718,022. This investment has been reflected in the current year in the calculation of goodwill of the acquired company.

On 8th December 1999, the Group acquired 220,000 ordinary shares which are being held as Treasury shares. These shares were acquired under the authority granted to the company by its shareholders at the Annual General Meeting held on 27th May 1999.

COMPANY	E '000	○'000
Shares in subsidiaries at cost - unlisted	11,960	10,485

14. STOCKS	1999	1998
	E '000	○'000
Raw materials and consumables	32,024	25,823
Work in progress	2,211	-
Finished goods	15,572	7,396
	49,807	33,219

The replacement cost of stock is not considered to be materially different from the amounts shown above.

15. TRADE AND OTHER DEBTORS	Group		Company	
	1999	1998	1999	1998
	E '000	○'000	E '000	○'000
<i>Amounts falling due within one year:</i>				
Trade debtors	127,008	83,018	-	-
Other debtors	5,739	3,475	-	-
Prepayments	3,226	989	-	-
Amounts due from subsidiaries	-	-	40,461	41,045
	135,973	87,482	40,461	41,045
<i>Amounts falling due after more than one year:</i>				
Other debtors	413	413	-	-
	136,386	87,895	40,461	41,045

16. TRADE AND OTHER CREDITORS	Group		Company	
	1999	1998	1999	1998
	E '000	○'000	E '000	○'000
<i>Amounts falling due within one year:</i>				
Trade creditors	68,361	43,833	-	-
Accruals and deferred income	19,529	10,798	4	4
Taxation and social welfare (note 17)	17,093	17,522	-	-
Amounts due to subsidiaries	-	-	6,138	8,309
	104,983	72,153	6,142	8,313

■ Notes to the Financial Statements for the year ended 31st December 1999

17. TAXATION AND SOCIAL WELFARE

	Group	
	1999 E '000	1998 £ '000
Corporation tax	8,939	11,607
Irish income tax & social welfare	346	376
Other income tax & social welfare	2,782	1,439
Value added tax	5,026	4,100
	17,093	17,522

18. BANK AND OTHER BORROWINGS

	Group		Company	
	1999 E '000	1998 £ '000	1999 E '000	1998 £ '000
<i>Amounts falling due within one year:</i>				
Bank loans and overdrafts	54,365	35,689	189	288
Finance lease and hire purchase obligations	491	29	-	-
	54,856	35,718	189	288

Amounts falling due after more than one year:

Bank loans repayable between:				
-two and three years	45,307	36,137	-	-
-four and five years	16,212	33,020	-	-
Finance lease and hire purchase obligations	390	14	-	-
	61,909	69,171	-	-

Bank loans and overdrafts are all unsecured but are supported by cross guarantees from Kingspan Group plc and certain subsidiary companies.

19. GROUP FINANCING ARRANGEMENTS

(i) Analysis of interest rate exposure

After taking into account interest rate swaps entered into by the Group, the interest rate profile of the Group's financial liabilities at 31st December 1999 is as follows:

Currency:	Floating rate financial liabilities E '000	Fixed rate financial liabilities E '000	Total E '000	Weighted average fixed debt interest rates (%)	Weighted average fixed debt period (years)
Euro	12,800	-	12,800	-	-
Sterling	95,924	8,041	103,965	7.01%	0.92
	108,724	8,041	116,765		

Floating rate debt comprises bank borrowings bearing interest at rates fixed in advance for periods ranging from overnight to three months by reference to interbank interest rates (Euribor, Sterling LIBOR).

As explained in the Financial Review on pages 21 to 26, the Group's policy is to finance overseas investments as far as possible by borrowings in the same currency. Interest rate swaps are entered into only for the purpose of managing the Group's mix of fixed and floating rate debt.

Further protection from interest rate movements is provided by interest rate collars on Stg£48 million at 6.17% floor / 8% cap commencing in May 2000 for a three year period on a straight line amortising basis.

■ Notes to the Financial Statements for the year ended 31st December 1999

19. GROUP FINANCING ARRANGEMENTS (CONT'D)

(ii) Fair values of financial assets and liabilities

The fair value of the Group's short term and long term financial assets and liabilities approximates to the carrying value at 31st December 1999 other than those set out below. The fair value of interest rate swaps and forward foreign currency contracts have been determined by reference to prices available from the markets on which the instruments involved are traded.

	Book value E '000	Fair value E '000
Sterling interest rate swaps	-	(33)
Forward foreign currency contracts	-	(2,303)

20. PROVISIONS FOR LIABILITIES AND CHARGES

	At 1.1.99 (restated)	Acquisitions /Disposals	Provided during year	Utilised during year	Provisions released	Translation adjustment	At 31.12.99
Deferred taxation	1,789	113	2,505	-	-	480	4,887
Guarantees and warranties	10,612	-	1,724	(2,925)	(2,677)	1,109	7,843
	12,401	113	4,229	(2,925)	(2,677)	1,589	12,730

Restatement of prior year

Following implementation of Financial Reporting Standard 12 - Provisions, Contingent Liabilities and Contingent Assets (FRS 12), provisions amounting to €10,612,000 at 31st December 1998 which were previously included in accruals and deferred income in note 16, are now analysed separately as part of provisions for liabilities and charges.

Deferred taxation	1999 E '000
Deferred taxation represents the following total timing differences:	
Accelerated capital allowances	5,267
Other timing differences	(380)
	<u>4,887</u>

No provision has been made for any taxation that might arise on the disposal of properties, as there is no intention to dispose of them in the foreseeable future. Full provision has been made for all other timing differences.

Guarantees and warranties

Some products carry formal guarantees of satisfactory performance of varying periods following their purchase by customers. Provision is made for the estimated cost of honouring unexpired warranties. The expected timing of any payments under guarantees and warranties is uncertain.

21. CAPITAL GRANTS

	Group	
	1999 E '000	1998 E '000
At 1st January	1,807	1,832
Translation adjustment	153	(39)
Received in year	15	246
Profit and loss account	(235)	(232)
At 31st December	<u>1,740</u>	<u>1,807</u>

■ Notes to the Financial Statements for the year ended 31st December 1999

22. CALLED-UP SHARE CAPITAL

	Group & Company	
	1999	1998
	E '000	o'000
Authorised		
220,000,000 Ordinary shares of €0.13 each (1998: 220,000,000 Ordinary shares of IR.£0.10 each)	28,600	27,934
Issued and fully paid		
Ordinary shares of €0.13 each		
Opening balance - 167,519,445 shares	21,271	21,136
Share options exercised - 376,000 shares	48	135
Redenomination and renominatisation of share capital to €0.13	508	-
Closing balance - 167,895,445 shares	21,827	21,271

On 27th May 1999, the ordinary shares of IR.£0.10 each in the capital of the company were redenominated into ordinary shares of €0.1269738 each. The redenominated ordinary shares were then renominatised into ordinary shares of €0.13 each. The sum of €508,000 representing the effect of the increase in the nominal value of ordinary share capital has been transferred from the profit and loss account.

23. SHARE PREMIUM ACCOUNT

	Group & Company	
	1999	1998
	E '000	o'000
At 1st January	15,747	15,683
Premium on shares issued	138	67
Expenses paid in respect of share issues	(1)	(3)
At 31st December	15,884	15,747

24. REVALUATION RESERVE

	Group	
	1999	1998
	E '000	o'000
At beginning and end of year	891	891

25. PROFIT AND LOSS ACCOUNT

	Group		Company	
	1999	1998	1999	1998
	E '000	o'000	E '000	o'000
At 1st January	53,959	20,348	4,103	5,075
Retained profit for the year	41,457	33,611	2,148	(972)
Redenomination and renominatisation of share capital	(508)	-	(508)	-
At 31st December	94,908	53,959	5,743	4,103

The Profit and Loss Account of the Company is not presented separately in the financial statements as the conditions laid down in Section 3(2) of the Companies (Amendment) Act, 1986 have been complied with.

■ Notes to the Financial Statements for the year ended 31st December 1999

26. OTHER RESERVES	Group	
	1999 E '000	1998 O '000
At 1st January	(2,580)	1,554
Translation adjustment arising in the year	8,571	(4,134)
At 31st December	5,991	(2,580)

27. MINORITY INTERESTS	Group	
	1999 E '000	1998 O '000
At 1st January	7,865	9,197
Translation adjustment	201	(49)
Arising on acquisitions	933	-
Arising on disposals	(910)	-
Acquisition of shares held by minorities	(1,554)	-
Dividends paid to minorities	(1,574)	(1,588)
Profit and loss account - equity interest	135	287
- non-equity interest	17	18
At 31st December	5,113	7,865
Equity interests	4,420	7,189
Non-equity interests	693	676
	5,113	7,865

The non-equity interests refer to redeemable preference shares in a subsidiary company, Mildenhall Limited.

Dividends paid to minorities during 1999 include O1.4 million paid to minority shareholders of Kingspan Research & Developments Limited.

28. RECONCILIATION OF OPERATING PROFIT TO NET CASH FLOW FROM OPERATING ACTIVITIES	Group	
	1999 E '000	1998 O '000
Operating profit	65,004	51,237
Depreciation charge	13,477	10,105
Amortisation of intangible assets	2,989	965
Loss / (profit) on sale of tangible assets	56	(170)
Capital grants amortised	(235)	(232)
(Increase) in stocks	(3,932)	(7,406)
(Increase) in debtors	(31,427)	(19,758)
Increase in creditors	11,494	8,856
	57,426	43,597

■ Notes to the Financial Statements for the year ended 31st December 1999

29. ACQUISITIONS AND DISPOSALS

The Group made the following acquisitions in the year:

Name of company / business acquired	Fair		Goodwill E '000
	Value E '000	Consideration E '000	
Entec (Pollution Control) Limited	2,538	4,078	1,540
Hewetson PLC (now Hewetson Limited)	13,560	56,762	43,202
Durabella (now trading as Durabella System Floors Limited)	1,492	7,819	6,327
Ferham (now trading as Ferham Products Limited)	2,245	9,378	7,133
Klargester (now trading as Klargester Environmental Limited)	7,583	10,672	3,089
	<u>27,418</u>	<u>88,709</u>	<u>61,291</u>

Goodwill arising on the acquisitions has been capitalised and is written off over 20 years. All the acquisitions have been accounted for by the acquisition method of accounting.

A summary of the effect of acquisitions during the year is as follows:

	Book value at acquisition E '000	Fair value adjustments E '000	Fair value to the Group E '000
Tangible fixed assets	21,508	(1,050)	20,458
Stocks	11,141	-	11,141
Debtors	16,444	-	16,444
Cash at bank and in hand	8,978	-	8,978
Creditors	(22,369)	(340)	(22,709)
Bank loans	(2,089)	-	(2,089)
Finance lease obligations	(806)	-	(806)
Deferred consideration	(2,895)	-	(2,895)
Deferred taxation	(171)	-	(171)
Minority interests	(933)	-	(933)
<i>Total net assets acquired</i>	<u>28,808</u>	<u>(1,390)</u>	<u>27,418</u>
Goodwill			<u>61,291</u>
Consideration			<u>88,709</u>
Satisfied by:			
Cash			
-paid in prior year (purchase of financial fixed assets)		9,123	
-paid in current year		<u>72,461</u>	81,584
Loan notes			<u>7,125</u>
			<u>88,709</u>

The subsidiary undertakings acquired during the year had the following effects on the principal headings of the group cash flow statement:

	1999 E '000
Net cash flow from operating activities	9,355
Returns on investments and servicing of finance	(27)
Taxation	(4,072)
Investing activities	<u>(3,332)</u>
	<u>1,924</u>

■ Notes to the Financial Statements for the year ended 31st December 1999

29. ACQUISITIONS AND DISPOSALS (CONT'D)

1999
E '000

A summary of the effect of disposals during the year is as follows:

Tangible fixed assets	2,818
Stocks	2,340
Debtors	7,733
Cash at bank and in hand	625
Creditors	(6,951)
Finance lease obligations	(80)
Deferred taxation	(58)
Minority interests	(910)
<i>Total net assets disposed</i>	<u>5,517</u>
Profit on disposal (set against goodwill)	<u>4,798</u>
Consideration	<u>10,315</u>
Satisfied by:	
Cash	<u>10,315</u>

30. ANALYSIS OF NET DEBT

	At 1.1.99 E '000	Cash flow E '000	Acquisitions & disposals (excl. cash & overdrafts) E '000	Other non-cash changes E '000	Exchange movements E '000	At 31.12.99 E '000
Cash at bank	64,282	(48,277)	-	-	8,327	24,332
Overdrafts	(6,896)	<u>(4,874)</u>	-	-	(378)	(12,148)
		<u>(53,151)</u>				
Term deposits	7,573	<u>(3,390)</u>	-	-	-	4,183
Bank loans						
- due within 1 year	(28,793)	(7,254)	(874)	(2,777)	(2,519)	(42,217)
- due after 1 year	(69,158)	16,211	(1,215)	2,777	(10,134)	(61,519)
Finance lease obligations	(43)	<u>298</u>	(726)	(319)	(91)	(881)
		<u>9,255</u>				
Deferred consideration						
- due within 1 year	(980)	1,030	(2,268)	-	(302)	(2,520)
- due after 1 year	(1,417)	<u>343</u>	(7,752)	-	(1,034)	(9,860)
		<u>1,373</u>				
	<u>(35,432)</u>	<u>(45,913)</u>	<u>(12,835)</u>	<u>(319)</u>	<u>(6,131)</u>	<u>(100,630)</u>

■ Notes to the Financial Statements for the year ended 31st December 1999

31. GUARANTEES AND OTHER FINANCIAL COMMITMENTS

(i) Capital grants

In certain circumstances, as set out in the grant agreements (the most significant of which are ceasing to trade, or the disposal of grant aided assets), grants may be repayable up to a maximum amount of £ 745,802 (1998: £ 1,262,800).

(ii) Guarantees and contingencies

The bank borrowings are secured by cross guarantees by Kingspan Group plc and its subsidiaries.

(iii) Financial commitments

Kingspan Group plc entered into a put and call option arrangement with the other shareholders in Hangar Industrial Doors Limited whereby it could purchase their 93.4% holding after 8th February 2000 at market value. This option was exercised on 18th February 2000.

Kingspan Group plc entered into a put and call option arrangement with the other shareholders in Kingspan GSP Limited whereby it could purchase their 65.3% holding after 22nd January 2001 at market value.

Rom Plastics Limited entered into a put and call option agreement with the other shareholders in Carlisle Limited whereby it could purchase 24.8% of their holding after 5th April 1999, and the remaining 74.2% of their holding after 5th April 2000 at market value. The option in respect of the 24.8% was exercised on 6th April 1999.

(iv) Leasing and hire purchase

Group	1999	1998
	£ '000	£ '000
Finance lease and hire purchase obligations net of interest are due as follows:		
-within one year	491	29
-after more than one year	390	14
	881	43
Operating lease obligations are due as follows:		
-within one year	481	740
-after more than one year	677	617
	1,158	1,357

(v) Future capital expenditure

Capital expenditure approved by the Directors but not provided in the financial statements, none of which relates to the holding company, is as follows:

	Group	
	1999	1998
	£ '000	£ '000
Contracted for	8,545	5,692
Not contracted for	5,846	4,501
	14,391	10,193

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32. PENSION OBLIGATIONS

The group operates a number of defined contribution and defined benefit schemes, the assets of which are administered by trustees in funds independent from those of the Group.

Total pension costs for the year amounted to € 2,601,693 of which € 981,508 related to defined benefit schemes.

The pension costs relating to the Group's defined benefit schemes are assessed in accordance with the advice of qualified actuaries using the attained age method. The most recent actuarial valuations range from 31st March 1998 to 5th April 1998.

The assumptions which have the most significant effect on the results of the actuarial valuations are those relating to the rates of return on investments and the rates of increase in remuneration and pensions. It was assumed that the rates of return on investments would, on average, exceed annual remuneration increases by 1.5% and present and future pensions would increase, on average, by 4.5% per annum.

At the dates of the most recent valuations, the market value of the assets of the Group's defined benefit schemes totalled € 15,865,377. The actuarial value of these assets was sufficient to cover between 100% and 111% (Group weighted average cover: 104%) of the benefits that had accrued to members, after allowing for expected increases in future earnings and pensions in payment. In general, actuarial valuations are not available for public inspection, although the results of valuations are advised to members of the various pension schemes.

33. RELATED PARTY TRANSACTIONS

Sensor Systems (Watchman) Limited is owned by Mr Sam Rusk, a non-executive Director of the Group. The Group purchased products to the value of € 1,744,284 (1998: € 471,516) and sold products to the value of € 241,078 (1998: € 76,972) to this company during the year. The Group was owed € 53,822 (net) as at 31st December 1999 by this company.

Four executives of the Group, namely Eugene Murtagh, Brendan Murtagh, Dermot Mulvihill and Eoin McCarthy have an interest in Kingspan Research & Development Limited, a subsidiary of the Group. A dividend of € 1.4 million was paid on this minority holding during the year as disclosed in Note 27.

■ Notes to the Financial Statements for the year ended 31st December 1999

34. GROUP COMPANIES

The principal subsidiary companies and the percentage shareholding held by Kingspan Group plc, either directly or in directly, at the balance sheet date are as follows:

Name and registered office	Country of incorporation	Nature of business	Shareholding %
Kingspan Holdings (Irl) Limited Dublin Road, Kingscourt, Co Cavan	Ireland	Administration	100%
Kingspan Holdings (Overseas) Limited Dublin Road, Kingscourt, Co Cavan	Ireland	Holding company	100%
Kingspan International Finance West Block, IFSC, Dublin 1	Ireland	Finance company	100%
Kingspan Building Products Limited Dublin Road, Kingscourt, Co Cavan	Ireland	Manufacturing	100%
Kingspan Insulation Limited Dublin Road, Kingscourt, Co Cavan	Ireland	Manufacturing	100%
Kingspan GSP Limited Dundalk Road, Carrickmacross, Co Monaghan	Ireland	Manufacturing	35%
Hangar Industrial Doors Limited Dublin Road, Kingscourt, Co. Cavan	Ireland	Manufacturing	7%
Kingspan Research & Developments Limited Dublin Road, Kingscourt, Co. Cavan	Ireland	Product development	77%
Thermal Product Developments Limited Dublin Road, Kingscourt, Co. Cavan	Ireland	Product development	96%
Mildenhall Limited Dublin Road, Kingscourt, Co. Cavan	Ireland	Holding company	100%
Rom Plastics Limited Dunmore Road, Glenamaddy, Co. Galway	Ireland	Manufacturing	100%
Rom Plastics (Sales) Limited Dunmore Road, Glenamaddy, Co. Galway	Ireland	Sales & marketing	100%
Carlisle Limited Dunmore Road, Glenamaddy, Co. Galway	Ireland	Manufacturing	26%
Kingspan Group Limited Greenfield Business Park No. 2, Holywell, Flintshire, North Wales	UK	Holding company	100%
Kingspan Building Products Limited Greenfield Business Park No. 2, Holywell, Flintshire, North Wales	UK	Manufacturing	100%
Ward Building Components Ltd Sherburn, Malton, North Yorkshire	UK	Manufacturing	100%
Kingspan Insulation Limited Pembroke, Leominster, Herefordshire	UK	Manufacturing	100%
Kingspan Industrial Insulation Limited Charlestown, Glossop, Derbyshire	UK	Manufacturing	100%
Interlink Holdings Limited Greenfield Business Park No. 2, Holywell, Flintshire, North Wales	UK	Holding company	100%
Interlink Fabrications Limited Greenfield Business Park No. 2, Holywell, Flintshire, North Wales	UK	Manufacturing	100%

■ Notes to the Financial Statements for the year ended 31st December 1999

34. GROUP COMPANIES (CONT'D)

Name and registered office	Country of incorporation	Nature of business	Shareholding %
Hewetson Limited Burma Drive, Marfleet, Hull	UK	Holding company	100%
Hewetson Floors Limited Burma Drive, Marfleet, Hull	UK	Manufacturing	100%
Durabella System Floors Limited Burma Drive, Marfleet, Hull	UK	Manufacturing	100%
Kingspan Environmental Containers Limited Seapatrick, Banbridge, Co. Down	UK	Holding Company	100%
Titan Environmental Limited Seapatrick, Banbridge, Co. Down	UK	Manufacturing	100%
Tyrrell Tanks Limited 37 Seagoe Industrial Estate, Portadown, Co. Armagh	UK	Manufacturing	100%
Polmeric Mouldings Limited 37 Seagoe Industrial Estate, Portadown, Co. Armagh	UK	Manufacturing	100%
Plastic Development Centre Limited Carnbane Industrial Estate, Newry, Co. Down	UK	Product development	100%
Entec (Pollution Control) Limited West Portway Industrial Estate, Andover, Hampshire	UK	Manufacturing	100%
Ferham Products Limited Greatbro Road, Tinsley Industrial Estate, Sheffield	UK	Manufacturing	100%
Klargester Environmental Containers Limited College Road, Aston Clinton, Buckinghamshire	UK	Manufacturing	100%
Kingspan Nederland BV 6669 ZG Dodeward	The Netherlands	Sales & marketing	100%
Kingspan Belgium BV 17 Bouwvelven, Industriepark Klein Gent, 2280 Grobbendonk	Belgium	Sales & marketing	100%
Kingspan Deutschland GmbH Am Schornacker 2, D-46485 Wesel	Germany	Sales & marketing	100%
Kingspan CZ a.s. Vázní 465, 500 03 Hradec Králové	Czech Republic	Manufacturing	100%
Kingspan Poland Sp. z o.o Al Wisniowa 83/87, 53-126 Wroclaw	Poland	Sales & marketing	100%
Titan-Eko Sp. z o.o ul. Dabrowskiego 75/54, 60-523 Poznan	Poland	Manufacturing	100%
Kingspan China Limited 26 Wong Chuk Hang Road, Aberdeen	Hong Kong	Manufacturing	51%
Kingspan (Asia) PTE Limited 11 Gul Drive, Singapore 629462	Singapore	Manufacturing	85%

35. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Directors on 23rd March 2000.