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Agenda

- **Introduction to the Group—Wayne Sheppard**
- Overview—Wayne Sheppard
- Financial review—Kevin Sims
- Operating review and strategic update—Wayne Sheppard
- Q&A



Presenting today

Wayne Sheppard – CEO (20 years at Ibstock)



- Over 20 years experience at managing director level gained across a broad range of businesses within the building and construction products sector in Europe
- Chartered engineer, Principal of the Construction Products Association, Director of the Brick Development Association, Director and past President of the British Ceramics Confederation

Kevin Sims – CFO (29 years at Ibstock)

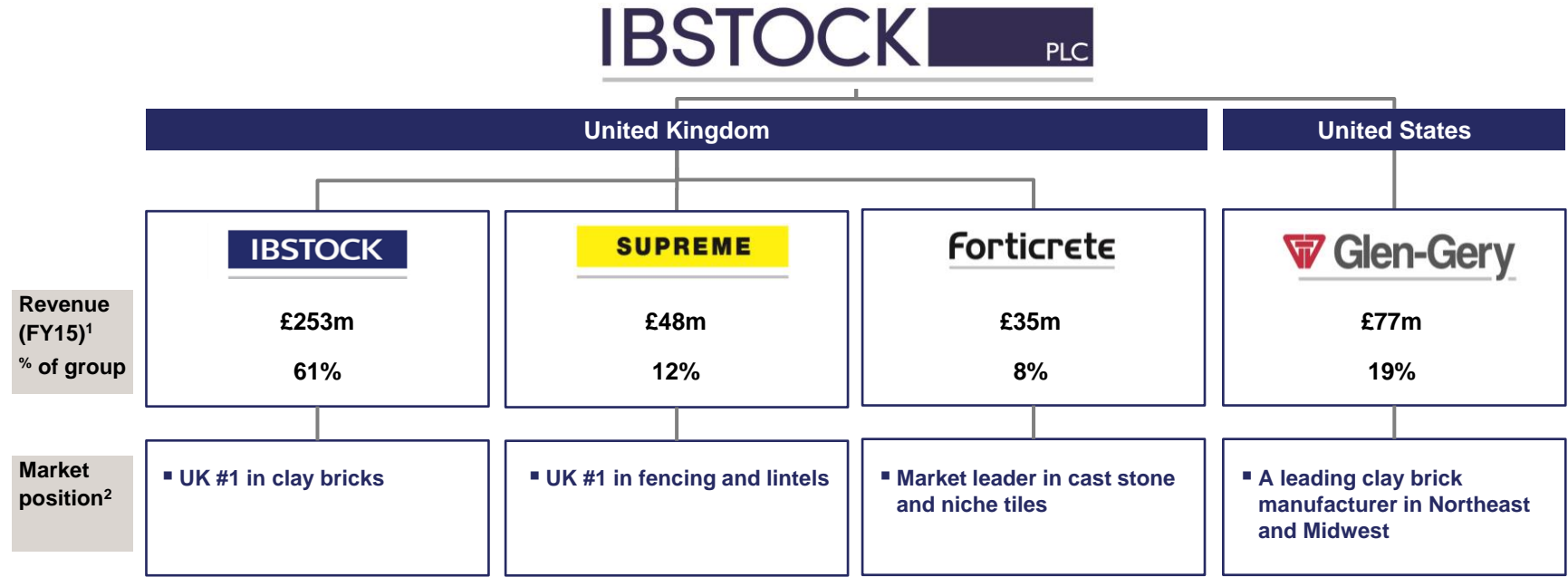


- ACMA chartered accountant with 30 years experience within manufacturing businesses
- Chairman of Ibstock pension scheme trustees



Introduction to the Group

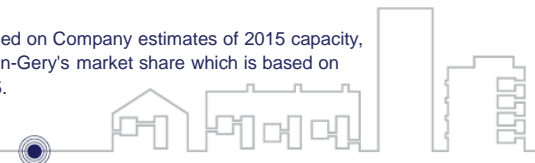
Market leadership positions—diversified across regions, products & sales channels



Source Company estimates

Notes

(1) Figures extracted from the Company's management accounts; (2) All market positions based on Company estimates of 2015 capacity, other than Forticrete's cast stone market share, which is based on FY14 revenue, and Glen-Gery's market share which is based on Company estimates of 2015 shipments; (3) Group data for year ended 31 December 2015.



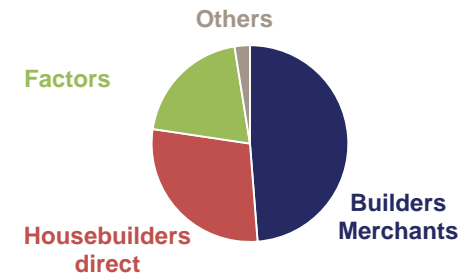
Introduction to the Group

A whole house product range & more



- Key supplier to the housing sector
- Complementary product offering
- Cross-selling opportunities
- Innovative solutions
- Opportunity to add new product sectors
- Significant share of RMI providing cyclical resilience

Sales channels (UK example)¹



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Overview

Financial Highlights – 12 months to 31st December 2015

- Results in line with expectations – strong growth in revenue and profit
- Group revenue up 11% to £413m
- Adjusted EBITDA up 65% to £107m
- Free cash flow generated from operations £69m reduced net debt to £145m (1.4x EBITDA)
- Final dividend of 4.4p per share

Operational Highlights

- Market fundamentals remain supportive in UK and US
- Major capital projects progressing to plan and on budget
- Safety and customer service metrics compare favourably with peers



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Presentation of Results

- The Group's statutory results for the period ended 31st December 2015 reflect:
 - the incorporation of the Group in November 2014
 - the acquisition of the trading businesses from CRH plc in February 2015 and the resulting fair value adjustments
- Statutory results only include 10 months trading with no comparatives






Statutory Results for the period to Dec '15 (£m)

SALES	358
EBITDA ¹	185
EBIT	164
PAT	102

- To assist shareholders Istock is presenting its results for the year to 31st December 2015 on an adjusted basis to give a full 12 month trading performance with comparatives



Financial highlights - 12 months to 31st December 2015

Revenue	£413m	 11%
Adjusted EBITDA	£107m	 65%
EBITDA Margin %	26%	 9 ppt
ROCE	20%	
Cash conversion	86%	 9 ppt
Net Debt to EBITDA	1.4	
Final dividend	4.4p	

A high return, attractive growth, cash generative business



P&L & EPS reconciliations

Statutory Ebitda to 12 month Adjusted Ebitda (£m)	
Statutory EBITDA (10 months to Dec '15)	185
Negative goodwill on acquisition	(124)
IFRS fair value stock uplift	16
Transaction costs	11
IPO expenses	14
Adjusted EBITDA (10 months to Dec '15)	102
EBITDA Jan and Feb '15	5
Adjusted EBITDA (12 months to Dec '15)	107

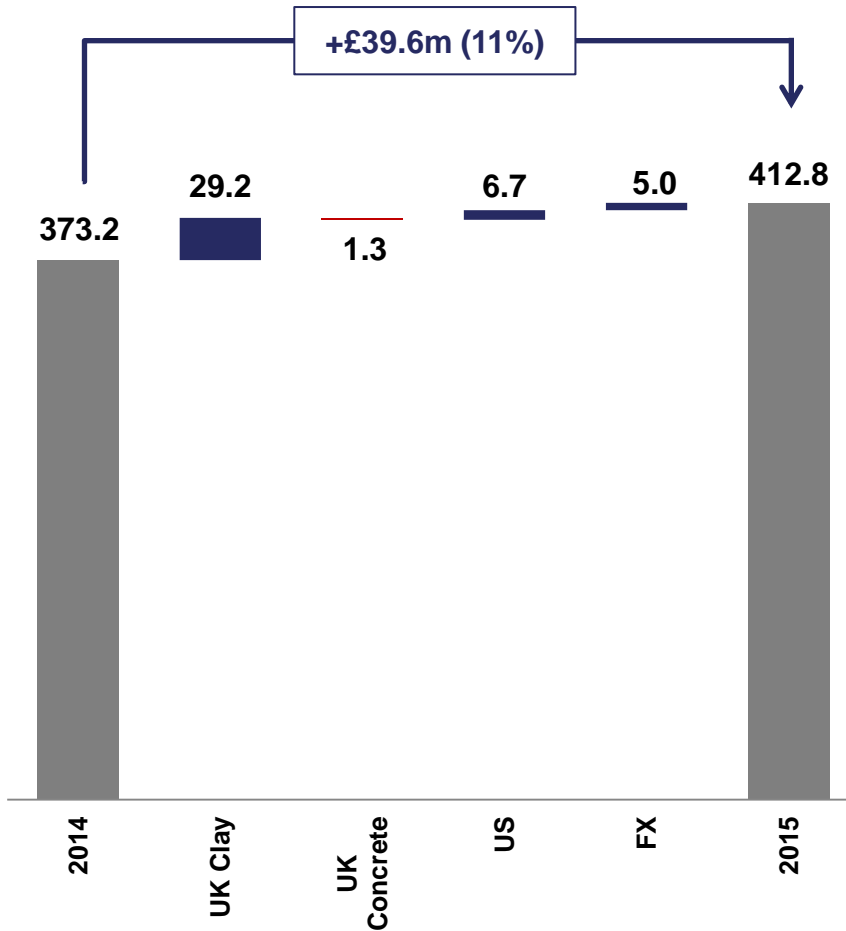
Adjusted Ebitda (£m) to Adjusted EPS	
Adjusted EBITDA (12 months to Dec '15)	107
Depreciation	(19)
Amortisation	(6)
Fair value depreciation & amortisation adjustment ¹	9
Interest charge	(7)
Taxation	(17)
Adjusted Earnings	67
<i>Shares in issue 406.1m</i>	
Adjusted EPS (12 months to Dec '15)	16.4p

Note
 (1) Adjustment reflects Amortisation £6m and Depreciation £3m

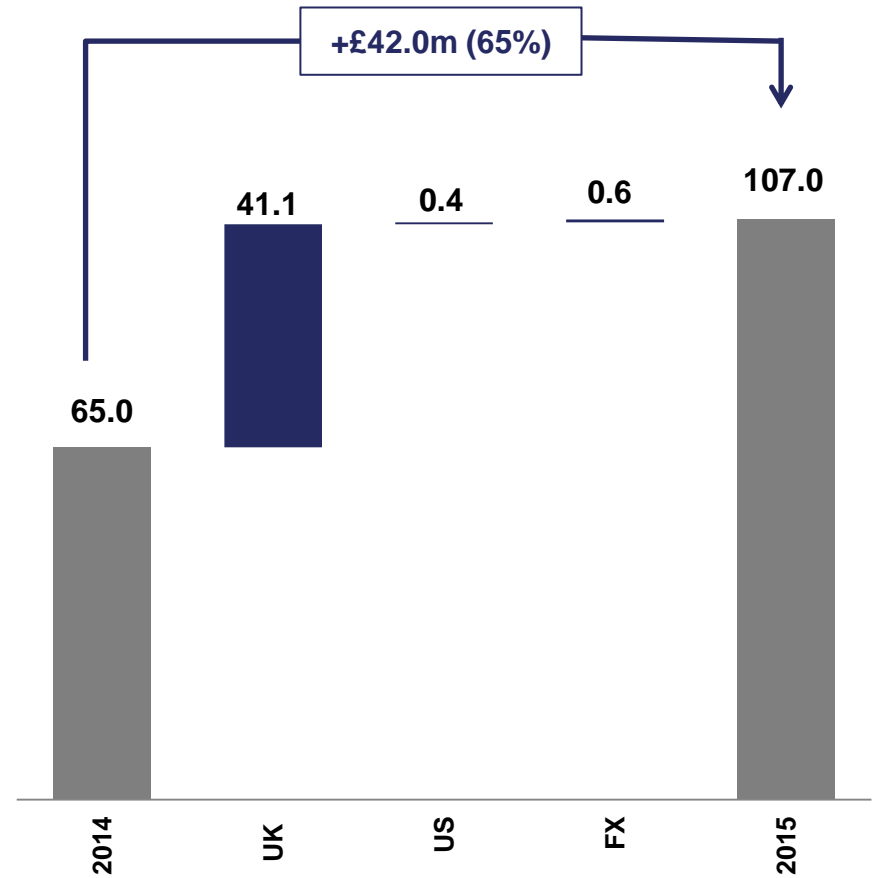


Revenue & Ebitda bridges

Revenue bridge (in £m)



Ebitda bridge (in £m)



Highly cash generative

Year end 31-Dec (£m)	2015	2014	Change	% change
Adj. EBITDA	107	65	42	65%
Capex (excl major projects)	(9)	(3)	(6)	
Adj. Δ in net working capital	(6)	0	(6)	
Adj. EBITDA – capex – Δ in NWC	92	62	30	48%
<i>Cash conversion (%)</i>	86	95	-	
Major project capex	(6)	(1)	(5)	
Cash from operating and investment activities¹	86	61	25	41%
Normalised net interest ²	(6)	(2)	(4)	
Normalised tax ²	(9)	(2)	(7)	
Post-employment benefits	(2)	(1)	(1)	
Adj. free cash flow	69	56	13	23%

- Continued focus on working capital management
- Cash generation for 2015 ahead of expectations
- Continued expenditure on capex and repairs underpin a well invested asset base
- Guidance 2016
 - Cash outflow major projects c£42m
 - Other capital spend c£12m
 - Depreciation and amortisation c£26m (includes £9m for fair value uplifts)
 - Interest charge c£5m
 - Tax rate c22%

Note

(1) Before interest, tax and post employment benefits and therefore differs from IFRS accounts

(2) Normalised for 2015 only



Financial management

Dividend policy

- The Group is strongly cash generative
- Dividend policy reflects the long-term earnings and cash flow potential of the Group
- Dividend pay-out ratio of 40% – 50% of adjusted profit after tax over a business cycle
- Maintain a capital structure that is conservative yet efficient in terms of providing long-term returns to shareholders
- Final dividend of 4.4p per share (2/3 Full Year)

Debt

Facilities	Amount (£m)	Margin Range p.a.
Term facility	200	1.25% - 2.50%.
Revolving facility	40	1.25% - 2.50%.
Total facilities	240	

- Debt leverage 1.4x at December 2015
- Term and RCF facility at blended interest rate
 - LIBOR + 225bps currently
 - LIBOR + 175bps leverage < 1.75x – review April 2016
- Comfortably within interest cover and debt leverage ratio covenants
- Debt repayments £15m p.a. October anniversary

Pension scheme

- UK schemes IAS 19R surplus of c£17m (after Barber adjustment) which is not recognised. Gross liabilities are c£551m
- US £8m of post retirement obligations recognised



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Overview

- Operating segment review and market dynamics
- Major expansion and innovation capital projects
- Capital priorities
- Safety update
- Summary and outlook

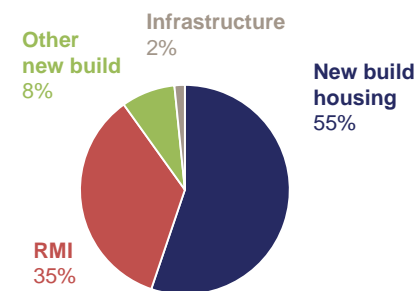


Operating segment review—UK

	2015	2014	% Growth
Revenue	£336m	£308m	9%
Adjusted EBITDA ¹	£99m	£58m	71%
Adjusted EBITDA margin	29.4%	18.8%	

- Growth in Ebitda largely driven by clay brick pricing
 - Growing new build housing demand
 - Strong underlying fundamentals – Government support
- Energy costs reduced in 2015 (expected to stay benign in 2016)
- Concrete products profitability improved
- Major capital expenditure development projects at Istock (clay brick) and Leighton Buzzard (concrete roof tiles) commenced during the year
- Pricing outlook for 2016 in UK in line with expectations

FY'15 UK revenue by end use²



Note
 (1) Before exceptional items
 (2) Company estimates

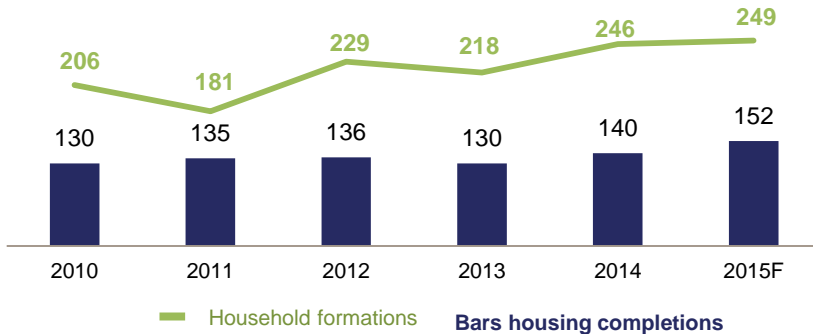


Supportive market dynamics in the UK

Long term demand dynamics underpin expected growth in housing volumes

Demand dynamics

Total housing completions and formations in GB (000s)



- 500k formations in excess of completions 2010 -2015
- Formations driving substantial increase in demand for homes
- Formations forecast to continue at c250k p.a.
- Government targeting 200k completions p.a.

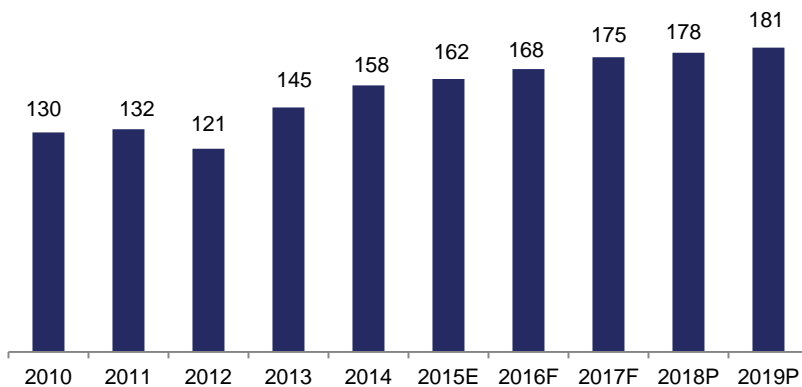
Supportive UK government policies

"We will do everything we can to get Britain building and let more people have the security that comes with a home of their own."

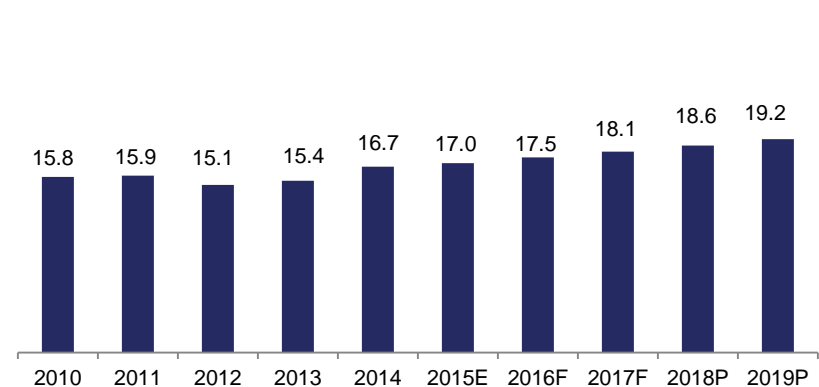
David Cameron
(Prime Minister)
4 Jan 2016

Positive Market Forecasts

GB Housing Starts 000's



GB Private RMI Output £bn (2012 Constant Prices)



Expansion at Ibstock

Major capital expenditure development project

Ibstock Leicester – soft mud 3 (SM3)

- Addition of 100m brick capacity p.a. (c.13% of Ibstock's total and 5% of UK market)
- Clay reserves and resources of c.45 years
- Project underway – full commissioning planned end 2017
- State of the art efficiency and unit cost profile
- High incremental EBITDA margin

Key highlights

Budgeted total project cost	c.£54m
Phasing of capital spend – 2015/16 /17	c.£5m / £35m / £14m
Ramp up profile (bricks millions) – 2017/18/19	c.30m / 75m / 95m
Targeted to start commissioning	H2 2017
Typical life	>30 years
Proposal IRR	>25%

...project in progress

Project status

- Planning permission received Sept 2015
- Orders placed with design and build contractor and plant equipment suppliers
- Work commenced Dec 2015 on a building site covering c20 acres
- Buildings total size 22k m2 (237k sq.ft)
- Currently on plan and on budget



Expansion at Forticrete

Major capital expenditure innovation and expansion project

Continued focus on innovation...

Forticrete Leighton Buzzard – tile line addition

- Enables Forticrete to offer a full range of tile solutions
 - New innovative large format design
 - Cost efficient plant & machinery
- Tile design protected by IP
- Project commenced Q3'15
- Volumes assumed 5% of total concrete tile market (1.1m m2)

Key highlights

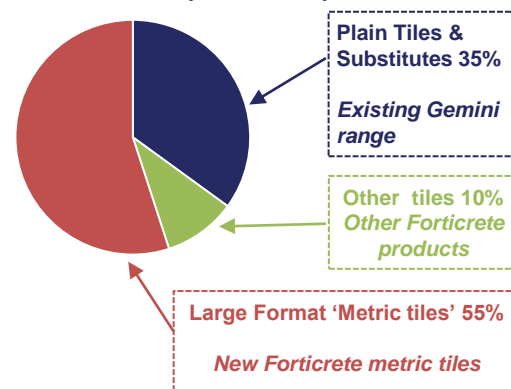
Budgeted total project cost	c.£8.0m
Phasing of capital spend – 2015/16	c£1m / £7m
Ramp up profile – 2017/18	c 55% / 100%
Targeted to start commissioning	H2 2016
Typical life	>30 years
Proposal IRR	>15%

...project in progress

Leading the evolution of concrete tile design in the UK

- Turnkey orders placed for plant and equipment
 - Design phase complete
 - Machinery under construction
 - Installation commenced
- Commissioning second half of 2016
- Formal product launch January 2017
- Currently on plan and on budget

UK concrete tile market (new build)¹



Operating segment review—US

	2015	2014	% Growth
Revenue	\$117m (£77m)	\$107m (£65m)	10%
Adjusted EBITDA ¹	\$12m (£8m)	\$11m (£7m)	5%
Adjusted EBITDA margin	10.4%	10.9%	

FY'15 US revenue by end use²

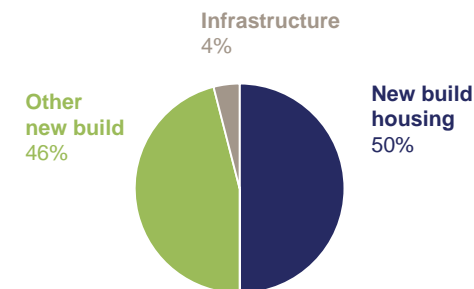
■ Growth in Ebitda:

- Improving volumes
- Higher average prices benefiting from favourable sales mix
- Masked by one off benefits in 2014

■ Scope for operational leverage

- Available manufacturing capacity >40%
- Factored sales are c20% of total

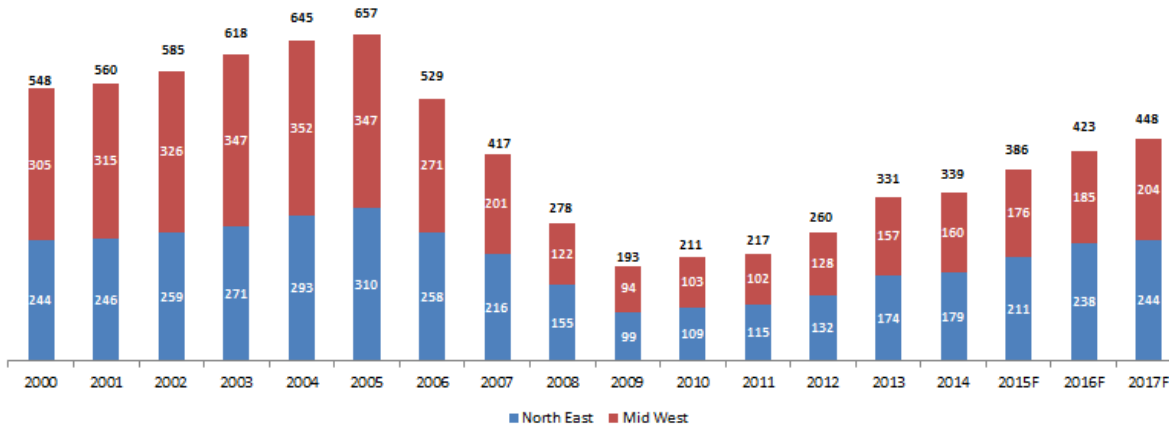
■ Market continues to suggest a steady improvement in trading conditions into 2016



Supportive market dynamics in the US

Growth in both residential and non-residential housing

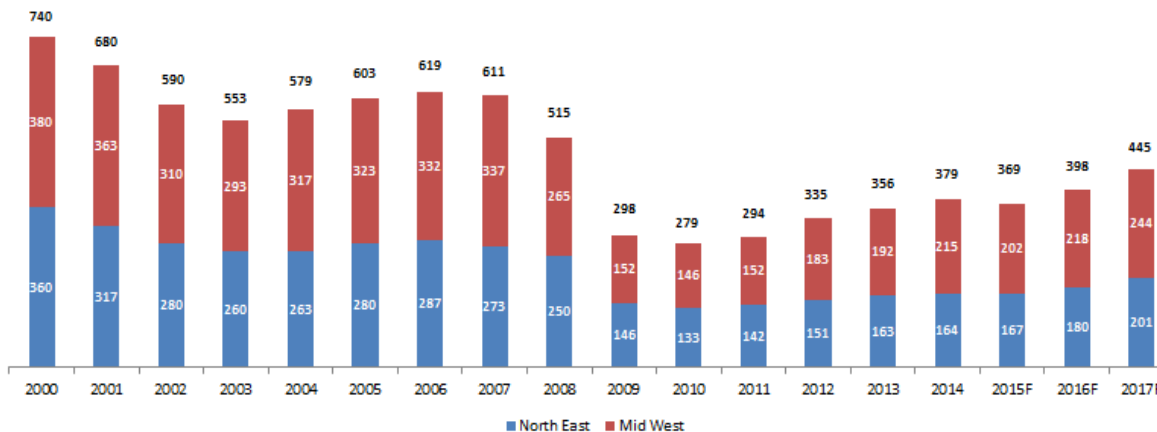
Residential housing starts in Glen-Gery primary markets^{1,2} ('000s)



Commentary

- New build housing c50% of Glen-Gery's sales in 2015
- Housing starts in Glen-Gery's primary markets fell sharply from 2006 – 2009 following 2005 peak (c.70%)
- Household formations driven by Millennial generation, with support coming from improvement in the economy and employment growth

Non-residential square feet floor area in Glen-Gery primary markets^{1,2,3} (millions)



Commentary

- Non residential sales c46% of Glen-Gery's sales in 2015
- Non-residential starts will advance in Glen-Gery's regions broadly in line with the whole of the US³
- Commercial building has grown by double digits consistently since 2011 and expected to perform well
- Institutional construction expected to be driven by education, recreational and transportation facilities

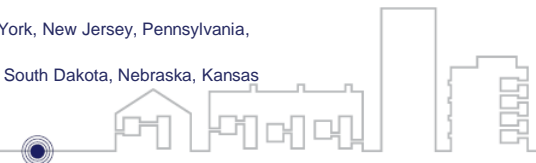
Source Dodge Data & Analytics,

Notes

(1) Northeast states: Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, District of Columbia, Virginia, West Virginia

(2) Midwest states: Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, Kansas

(3) As measured by non-residential square feet



Capital Priorities

CAPITAL PRIORITIES

- **Maintain current asset base**
- **Grow ordinary dividends within a 40% - 50% target pay-out ratio**
- **Capacity and innovation investments**
- **Disciplined acquisitive growth or surplus cash to be returned to shareholders**

UK

- **Expand existing positions**
- **Expand into new complementary products with comparable routes to market**
- **Grow components capability**

Complementary products and components growth to be achieved primarily via acquisitions

US

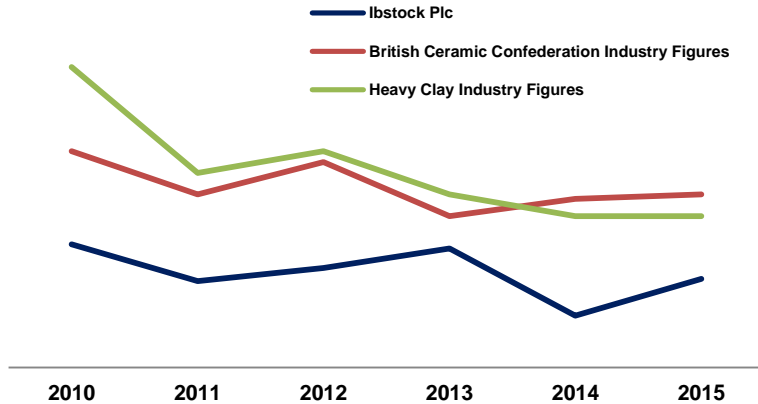
- **Capture market recovery**
- **New product investments**
- **Strengthen regional positions**
- **Diversify product range**



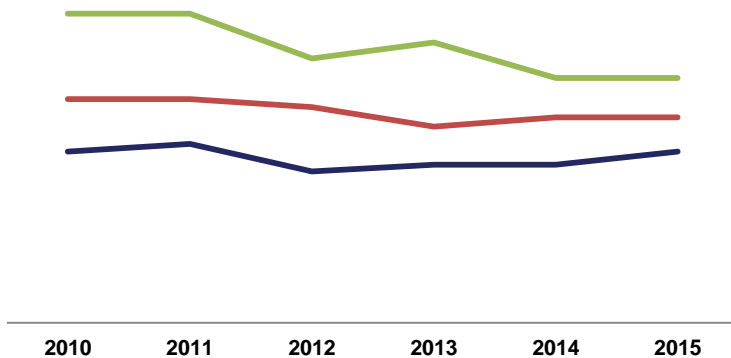
Safety Update

Performing well compared to industry peers

Lost Time Accidents (> 3 day absence)



Accident Rate



...ongoing initiatives

- Continued focus on 12 Ibstock Health and Safety Fundamentals
- Training programme – internally designed and delivered courses including e-learning
- Development of Health and Safety Management System
- Ongoing communication through newsletters and safety alerts
- Monitoring through audit protocols
- Implementation of Behavioural Safety Observations

■ Definitions and calculation

- LTA's – accidents resulting in greater than 3 days absence divided by average number of employees
- Accident Rate – all accidents divided by average number of employees

Source: - Company, British Heavy Clay Association and British Ceramic Confederation



Summary

- A strong performance for 2015 delivering on IPO expectations
- Price negotiations for 2016 concluded - all major customers and channels in line with management expectations
- Major capital projects progressing well
 - Concrete tile line expected to be operational in the second half of 2016
 - Additional brick factory expected to commence commissioning in the second half of 2017



Current Trading and Outlook

Early in the year for any real visibility - expectations for the full year remain unchanged.

- **UK Clay**
 - New residential and most other sectors growing to expectations
 - RMI below expectation (yard sales ~ destocking)
 - Overall a slower start than expected
- **UK Concrete**
 - Good start to 2016
- **USA**
 - Good start to 2016
- **Overview**
 - Anticipate further progress in the year ahead



Q & A



Board of Directors

The Istock Board is comprised of a Non-Executive Chairman, three independent Non-Executive Directors, two other Non-Executive Directors and two Executive Directors

Jamie Pike

Non-Executive Chairman



Wayne Sheppard

Chief Executive Officer



Kevin Sims

Chief Financial Officer



Jonathan Nicholls

Senior Independent Director



Michel Plantevin

Non-Executive Director



Matthias Boyer Chamard

Non-Executive Director



Tracey Graham

Independent Non-Executive Director



Lynn C. Minella

Independent Non-Executive Director



Balance Sheet as at 31st December 2015

Balance Sheet	
Year end 31-Dec (£m)	2015
Assets	
PP&E	347
Intangible	128
Non-current assets	475
Inventories	83
Trade receivables	59
Other	1
Current assets	143
Total assets	618
Payables	(79)
Other liabilities excl debt	(78)
Net assets	461

