

Report of the statutory auditor

with financial statements as of 31 December 2014 of

CRH Finance Switzerland AG, Baar

To the General Meeting of
CRH Finance Switzerland AG, Baar

Basle, 23 March 2015

Report of the statutory auditor on the financial statements

As statutory auditor, we have audited the accompanying financial statements of CRH Finance Switzerland AG, which comprise the balance sheet, income statement, statement of changes in equity, cash flow statement and notes, for the year ended 31 December 2014.

Board of Directors' responsibility

The Board of Directors is responsible for the preparation of the financial statements in accordance with Swiss GAAP FER, the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended 31 December 2014 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with Swiss GAAP FER, comply with Swiss law and the company's articles of incorporation.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd



Bernadette Koch
Licensed audit expert
(Auditor in charge)



Philippe Wenger
Licensed audit expert

Enclosure

- ▶ Financial statements (balance sheet, income statement, statement of changes in equity, cash flow statement and notes)
- ▶ Proposed appropriation of available earnings

Assets**31.12.2014**
CHF**31.12.2013**
CHF**Current Assets**

Cash and equivalents		43'103	99'767
Other receivables		8	2
Accrued income and prepaid expenses	1)	708'793	0
<u>Total Current Assets</u>		<u>751'904</u>	<u>99'769</u>

Fixed Assets

Financial assets	2)	386'078'006	0
<u>Total Fixed Assets</u>		<u>386'078'006</u>	<u>0</u>

Total Assets**386'829'910** **99'769**

Liabilities and Equity

		31.12.2014 CHF	31.12.2013 CHF
Liabilities			
Accrued expenses and deferred income	3)	1'357'125	25'000
<u>Total Current Liabilities</u>		<u>1'357'125</u>	<u>25'000</u>
Bonds	4)	330'000'000	0
<u>Total Long-term Liabilities</u>		<u>330'000'000</u>	<u>0</u>
<u>Total Liabilities</u>		<u>331'357'125</u>	<u>25'000</u>
Equity			
Share Capital		100'000	100'000
Capital Reserves		55'000'000	0
Retained Earnings			
- Loss carried forward		-25'231	0
- Profit/Loss of the Financial Year		398'016	-25'231
Total Retained Earnings		<u>372'785</u>	<u>-25'231</u>
<u>Total Equity</u>		<u>55'472'785</u>	<u>74'769</u>
<u>Total Liabilities and Equity</u>		<u>386'829'910</u>	<u>99'769</u>

Income Statement

		2014	12.06.-
		CHF	31.12.13
			CHF
<u>Expense</u>			
Operating expenses	5)	-1'572'522	-127'637
Total Operating Expenses		<u>-1'572'522</u>	<u>-127'637</u>
<u>Financial result</u>			
Finance income	6)	3'193'939	10
Finance expenses	7)	-1'160'401	-649
Total Financial result		<u>2'033'538</u>	<u>-639</u>
Operating Profit		461'016	-128'276
Extraordinary income	8)	0	103'045
Profit before Tax		461'016	-25'231
Income tax	9)	-63'000	0
<u>Net Profit / Net Loss</u>		<u>398'016</u>	<u>-25'231</u>

Earnings per share CHF 3'980.16 (prior year CHF -252.31).

Statement of Changes in Equity

	Share Capital	Capital Reserves	Retained Earnings	Total Equity
Balance as of 12.6.2013	0	0	0	0
Share capital	100'000			100'000
Loss of the financial year 2013			-25'231	-25'231
Balance as of 31.12.2013	100'000	0	-25'231	74'769
Capital contribution		55'000'000		55'000'000
Profit of the financial year 2014			398'016	398'016
Balance as of 31.12.2014	100'000	55'000'000	372'785	55'472'785

The Share Capital consists of 100 registered shares with a nominal value of CHF 100 each.

All 100 shares are held by JURA-HOLDING AG, Aarau (Switzerland), which is a wholly-owned and fully consolidated subsidiary of CRH pls., Dublin (Ireland).

The non-distributable reserves amount to CHF 50'000 (after appropriation of profit).

Cash Flow Statement

	2014 CHF	12.06.- 31.12.13 CHF
Net Profit / Net Loss	398'016	-25'231
+/- Accrued income and prepaid expenses and other current receivables	22'859	-2
+/- Accrued expense and deferred income and payables	1'332'125	25'000
Cash flow from operating activities	1'753'000	-233
Investment in interest-bearing loans	-386'078'006	0
Cash flow from investing activities	-386'078'006	0
Capital increase	0	100'000
Capital contribution	55'000'000	0
Issuance of bond	329'268'342	0
Cash flow from financing activities	384'268'342	100'000
Decrease/Increase in cash and cash equivalents	-56'664	99'767
<u>Reconciliation of opening to closing cash and cash equivalents</u>		
Cash and cash equivalents as of 1.1.	99'767	0
Cash and cash equivalents as of 31.12.	43'103	99'767
Decrease/Increase in cash and cash equivalents	-56'664	99'767

Notes to the Financial Statements

Accounting Policies

The financial statements of CRH Finance Switzerland AG have been prepared in accordance with the Swiss accounting and reporting recommendation of Swiss GAAP FER according to the principle of "true and fair view".

Based on the first-time adoption the prior-year figures have been adjusted accordingly.

A reconciliation is not disclosed as the prior-year figures comply with the applied accounting policy.

The financial statements also correspond to the Statutory financial statements.

Accounting Principles

Current Assets

Cash and cash equivalents comprise cash on hand, demand deposits and time deposits with a residual term to maturity from the balance sheet date of 90 days at the most. Cash and cash equivalents are reported at their nominal value

Financial Assets

The financial assets are recognized at acquisition costs less impairment, if any.

Liabilities

The liabilities consist of short-term and long-term debts. The accrued expenses and deferred income and payables are reported at its nominal amount. The bonds are recorded at par value.

Related Party Transaction

Related party transactions refer to the parent company and to other fully-consolidated subsidiaries of the parent company. Related party transactions and related party balances are properly disclosed in the relevant line item of the financial statements or the notes.

All transactions with related parties are conducted at arm's length.

Other Notes

Company Information

CRH Finance Switzerland AG was founded on 12 June 2013. Its registered office is in Baar.

Employees

The company has no employees.

Segment Information

As CRH Finance Switzerland AG is a group finance company in Switzerland the business activities comprise only one segment

Risk Assessment

The Board of Directors has periodically performed sufficient risk assessments. Based on these risk assessment, the Board of Directors decide on measures to be taken to address the identified risks and to minimize the probability of any significant false statement in the financial accounts.

Events after the Balance Sheet Date

No material events have occurred after the Balance Sheet date which could adversely affect the validity of the annual financial statements 2014 or which would have to be disclosed. The Board of Directors approved and authorised the Financial Statements in respect of the year ended 31 December 2014 on 23 March 2015.

Notes to the Financial Statements

(all amounts in CHF)

1) Accrued Income	2014	2013
Total capitalized costs of bond issuance	708'793	0

The costs related to the issuance of the bond have been capitalized. These costs are amortised over the term to maturity.

2) Financial Assets	2014	2013
Loans to Related Parties	386'078'006	0

Loans are granted in Swiss francs to the parent company plus two affiliated companies. The interest rates are based on the principles of the Swiss Tax Authorities.

Maturity date of CHF 55 Mio is August 2019 and of CHF 330 Mio is September 2022. There are no security arrangements.

3) Accrued expenses and payables	2014	2013
Interest	1'134'375	0
Income Tax	104'000	0
Other Services	118'750	25'000
Total Accrued expenses and payables	1'357'125	25'000

4) Long-term Liabilities	2014	2013
Total Bonds	330'000'000	0

Information of the issued Bonds

Security Number	25359273 / ISIN: CH0253592734
Nominal Amount	CHF 330 Mio.
Issue Price	100.989%
Interest Rate	1.375% (30/360)
Term	From 30.09.2014 until 30.09.2022 (8 years)
Maturity Date	on 30.09.2022 at nominal value

The Bonds are secured by the listed Group company CRH plc. The annual guarantee fee is paid on 31 December.

The proceed of the bond issue amounted to CHF 333'263'700. After deduction of the bond issue costs of CHF 3'995'358 the net cash flow amounted to CHF 329'268'342 (see Cash Flow Statement).

The difference of CHF 731'658 between this net cash flow and the nominal value has been capitalized and will be depreciated straight line over the term of the bond.

5) Operating Expenses	2014	2013
Guarantee fee CRH plc.	-1'434'675	0
Management fees related parties	-54'000	0
Capital tax	-41'039	0
Other administration expenses	-42'808	-127'637
Total Operating Expenses	-1'572'522	-127'637
6) Financial Income	2014	2013
Interest income related parties	3'193'924	0
Other interest income	15	10
Total Financial Income	3'193'939	10
7) Financial Expenses	2014	2013
Interest expenses on Bonds	-1'134'375	0
Interest expenses related parties	-3'162	-649
Other interest expenses (see 1)	-22'864	0
Total Interest expenses	-1'160'401	-649
8) Extraordinary Expenses	2014	2013
Total extraordinary expenses	0	103'045
Jura-Holding AG declared a debt waiver amounting to CHF 103'045 on 28 May 2014 with retroactive effect to 31 December 2013.		
9) Income Tax	2014	2013
Total income tax	-63'000	0

The average Income Tax Rate is 13.67% (Prior year 0%). The tax loss carry forward of CHF 25'231 from prior year has not been capitalized but fully offset against this year's taxable profit (tax effect CHF 3'500).

Proposal for the appropriation of Retained Earnings

	31.12.2014	31.12.2013
Loss carried forward	-25'231	0
Net Profit / Net Loss	398'016	-25'231
Retained Earnings	<u>372'785</u>	<u>-25'231</u>
Allocation to legal reserves	-50'000	0
Dividends paid	0	0
Carried forward to the next year	<u>322'785</u>	<u>-25'231</u>