



IFRS to U.S. GAAP Transition February 29, 2024

CRH plc, the leading provider of building materials solutions, today published its full year results for the financial year ended December 31, 2023. As previously announced, the Company has transitioned to U.S. GAAP reporting for periods beginning on and after January 1, 2023. This document contains financial restatements under U.S. GAAP, including IFRS to U.S. GAAP reconciliations.

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The impact on key financial metrics^{1,2} is summarised as follows:

IFRS Captions	IFRS			U.S. GAAP			U.S. GAAP Captions	Comment on principal accounting adjustments
	FY23	FY22	FY21	FY23	FY22	FY21		
	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m		
Revenue	34,949	32,723	29,206	34,949	32,723	29,206	Total revenues	No change
Adjusted EBITDA	6,500	5,692	5,028	6,176	5,388	4,806	Adjusted EBITDA	Primarily reclassification of operating lease expense
Net Debt	(6,792)	(5,105)	(6,253)	(5,406)	(3,867)	(4,665)	Net Debt	Removal of operating lease liabilities from net debt
Operating Cash Flow ³	5,036	3,954	4,210	5,017	3,800	3,979	Operating Cash Flow ³	Primarily reclassification of operating lease payments
Basic EPS pre-impairment	\$4.62	\$3.50	\$3.06	\$4.65	\$3.58	\$3.12	Basic EPS pre-impairment	Immaterial net impact on EPS

¹ Reconciliations of non-GAAP metrics are provided in the "Non-GAAP Reconciliations" section of this document.

² Trading metrics are presented on a continuing operations basis, excluding the results of the Building Envelope business which was divested in April 2022.

³ FY22 operating cash flow is net of a \$0.4bn one-off tax charge on the profit on divestiture of the Building Envelope business.

Condensed Consolidated Statements of Income for the year ended December 31, 2023 (in \$ millions)								
IFRS Captions	IFRS Total	Leases	Provisions	Pensions	Other	Reclass	U.S. GAAP Total	U.S. GAAP Captions
Revenue	34,949	-	-	-	-	(8,793)	26,156	Product revenues
	-	-	-	-	-	8,793	8,793	Service revenues
Revenue	34,949	-	-	-	-	-	34,949	Total revenues
Cost of sales	(22,919)	(32)	(48)	-	(17)	8,275	(14,741)	Cost of product revenues
	-	-	-	-	-	(8,245)	(8,245)	Cost of service revenues
Cost of sales	(22,919)	(32)	(48)	-	(17)	30	(22,869)	Total cost of revenues
Gross profit	12,030	(32)	(48)	-	(17)	30	11,963	Gross profit
Operating costs	(7,743)	(11)	(14)	6	15	261	(7,486)	Selling, general and administrative expenses
	-	-	-	-	-	66	66	Gain on disposal of long-lived assets
	-	-	-	-	-	(357)	(357)	Loss on impairments
Operating profit	4,287	(43)	(62)	6	(2)	-	4,188	Operating income
Finance costs	(457)	43	-	-	38	-	(378)	Interest expense
Finance income	206	-	-	-	-	-	206	Interest income
Other financial expense	(54)	-	24	4	24	-	(2)	Other nonoperating (expense) income, net
Loss from equity method investments	(17)	-	-	-	-	17	-	-
Profit before tax from continuing operations	3,965	-	(38)	10	60	17	4,014	Income from continuing operations before income tax expense and income from equity method investments
Income tax expense	(941)	-	-	-	16	-	(925)	Income tax expense
	-	-	-	-	-	(17)	(17)	Loss from equity method investments
Profit for the financial year from continuing operations	3,024	-	(38)	10	76	-	3,072	Income from continuing operations
Profit after tax for the financial year from discontinued operations	-	-	-	-	-	-	-	Income from discontinued operations, net of income tax expense
Profit for the financial year	3,024	-	(38)	10	76	-	3,072	Net income

Condensed Consolidated Statements of Income for the year ended December 31, 2022 (in \$ millions)								
IFRS Captions	IFRS Total	Leases	Provisions	Pensions	Other	Reclass	U.S. GAAP Total	U.S. GAAP Captions
Revenue	32,723	-	-	-	-	(8,204)	24,519	Product revenues
	-	-	-	-	-	8,204	8,204	Service revenues
Revenue	32,723	-	-	-	-	-	32,723	Total revenues
Cost of sales	(21,844)	(30)	(45)	(2)	13	7,785	(14,123)	Cost of product revenues
	-	-	-	-	-	(7,785)	(7,785)	Cost of service revenues
Cost of sales	(21,844)	(30)	(45)	(2)	13	-	(21,869)	Total cost of revenues
Gross profit	10,879	(20)	(45)	(2)	13	-	10,815	Gross profit
Operating costs	(6,935)	(9)	(22)	-	(40)	(50)	(7,056)	Selling, general and administrative expenses
	-	-	-	-	-	50	50	Gain on disposal of long-lived assets
Operating profit	3,944	(39)	(67)	(2)	(27)	-	3,809	Operating income
Loss on divestitures	(99)	-	-	-	-	-	(99)	Other nonoperating (expense) income, net
Finance costs	(401)	39	-	-	18	-	(344)	Interest expense
Finance income	65	-	-	-	-	-	65	Interest income
Other financial expense	(40)	-	14	36	20	-	30	Other nonoperating (expense) income, net
Profit before tax from continuing operations	3,469	-	(53)	34	11	-	3,461	Income from continuing operations before income tax expense and income from equity method investments
Income tax expense	(785)	-	-	-	23	-	(762)	Income tax expense
Profit for the financial year from continuing operations	2,684	-	(53)	34	34	-	2,699	Income from continuing operations
Profit after tax for the financial year from discontinued operations	1,190	-	-	-	-	-	1,190	Income from discontinued operations, net of income tax expense
Profit for the financial year	3,874	-	(53)	34	34	-	3,889	Net income

Condensed Consolidated Statements of Income for the year ended December 31, 2021 (in \$ millions)								
IFRS Captions	IFRS Total	Leases	Provisions	Pensions	Other	Reclass	U.S. GAAP Total	U.S. GAAP Captions
Revenue	29,206	-	-	-	-	(7,019)	22,187	Product revenues
	-	-	-	-	-	7,019	7,019	Service revenues
Revenue	29,206	-	-	-	-	-	29,206	Total revenues
Cost of sales	(19,350)	(33)	(5)	-	9	6,562	(12,817)	Cost of product revenues
	-	-	-	-	-	(6,562)	(6,562)	Cost of service revenues
Cost of sales	(19,350)	(33)	(5)	-	9	-	(19,379)	Total cost of revenues
Gross profit	9,856	(33)	(5)	-	9	-	9,827	Gross profit
Operating costs	(6,487)	(10)	(7)	1	3	(38)	(6,538)	Selling, general and administrative expenses
	-	-	-	-	-	-	-	Gain on disposal of long-lived assets
Operating profit	3,369	(43)	(12)	1	12	-	3,327	Operating income
Profit on divestitures	78	-	-	-	-	-	78	Other nonoperating (expense) income, net
Finance costs	(357)	43	-	-	(1)	-	(315)	Interest expense
Other financial expense	(42)	-	15	19	20	-	12	Other nonoperating (expense) income, net
Profit from equity method investments	55	-	-	-	-	(55)	-	-
Profit before tax from continuing operations	3,103	-	3	20	31	(55)	3,102	Income from continuing operations before income tax expense and income from equity method investments
Income tax expense	(661)	-	-	-	11	-	(650)	Income tax expense
	-	-	-	-	-	55	55	Income from equity method investments
Profit for the financial year from continuing operations	2,442	-	3	20	42	-	2,507	Income from continuing operations
Profit after tax for the financial year from discontinued operations	179	-	-	-	-	-	179	Income from discontinued operations, net of income tax expense
Profit for the financial year	2,621	-	3	20	42	-	2,686	Net income

Key Principles: IFRS to U.S. GAAP Transition

Leases:

- Operating leases are charged to the income statement via depreciation and interest under IFRS, whereas U.S. GAAP requires recognition of a single operating lease expense apportioned equally over the life of the lease.
- CRH's operating lease expenses are accounted for within "Total cost of revenues" and "Selling, general and administrative expenses" according to the use of the related leased asset.

Provisions:

- Primarily relates to the remeasurement of asset retirement obligations ("ARO provisions") which have different discount rate methodologies under U.S. GAAP and IFRS.
- A smaller portion of the adjustment relates to the unwinding of discounting applied to certain non-ARO provisions under IFRS where the underlying amount and timing of cash payments are not deemed fixed and determinable under U.S. GAAP.

Pensions:

- Primary difference between accounting standards relates to U.S. GAAP amortization of pension gains and losses into the income statement over time, in addition to utilizing an expected return on plan assets based on an expected long-term rate of return.

"Other" primarily relates to:

- (1) Reversal of hedge accounting for certain cash flow hedges that do not meet the relevant criteria under U.S. GAAP;
- (2) Reversal of fair value adjustments historically recorded for certain contingent consideration arrangements that are recognised as redeemable noncontrolling interests under U.S. GAAP;
- (3) Income tax expense adjustment primarily due to the change in recognition and measurement of uncertain tax positions and valuation allowances under U.S. GAAP; and
- (4) Recognition of a foreign currency gain in the year ended December 31, 2023, arising in part due to recognition of a dividend liability under U.S. GAAP.

Reclassifications primarily relate to:

- (1) Product revenues, service revenues, cost of product revenues and cost of service revenues are each reported as separate line items under U.S. GAAP;
- (2) Loss on impairments and gain on disposal of long-lived assets are reported within "Cost of sales" and "Operating costs" under IFRS, and are each reported as separate line items under U.S. GAAP; and
- (3) CRH's (loss)/profit from equity method investments was reported in "Profit before tax" under IFRS, and is reported after income tax expense under U.S. GAAP.

Condensed Consolidated Balance Sheets at December 31, 2023 (in \$ millions)								
IFRS Captions	IFRS Total	Leases	Provisions	Pensions	Other	Reclass	U.S. GAAP Total	U.S. GAAP Captions
Property, plant and equipment	19,116	(1,290)	15	-	-	-	17,841	Property, plant and equipment, net
Intangible assets	10,199	-	2	-	-	(9,158)	1,292	Operating lease right-of-use assets, net
Equity method investments	620	-	-	-	-	-	1,041	Intangible assets, net
Other financial assets	81	-	-	-	-	-	9,158	Goodwill
Other receivables	181	-	-	-	-	-	620	Equity method investments
Retirement benefit assets	248	-	-	23	-	-	81	Other noncurrent assets
Derivative financial instruments	1	-	-	-	-	-	181	Other noncurrent assets
Deferred income tax assets	115	-	-	-	(17)	-	271	Other noncurrent assets
Total non-current assets	30,561	-	17	23	(17)	-	30,584	Other noncurrent assets
Inventories	4,291	-	-	-	-	-	4,291	Inventories
Trade and other receivables	4,792	-	-	-	-	(285)	4,507	Accounts receivable, net
Current income tax recoverable	93	-	-	-	-	285	285	Other current assets
Derivative financial instruments	47	-	-	-	53	-	146	Other current assets
Cash and cash equivalents	6,341	-	-	-	-	-	47	Other current assets
Assets held for sale	1,272	-	-	-	(4)	-	6,341	Cash and cash equivalents
Total current assets	16,836	-	-	-	49	-	16,885	Total current assets
Total assets	47,397	-	17	23	32	-	47,469	Total assets
Lease liabilities	1,211	(86)	-	-	-	-	1,125	Noncurrent operating lease liabilities
Interest-bearing loans and borrowings	9,776	86	-	-	-	-	86	Other noncurrent liabilities
Derivative financial instruments	58	-	-	-	-	-	9,776	Long-term debt
Deferred income tax liabilities	2,715	-	-	-	23	-	58	Other noncurrent liabilities
Other payables	651	-	-	-	(323)	-	2,738	Deferred income tax liabilities
Retirement benefit obligations	254	-	-	-	-	-	328	Other noncurrent liabilities
Provisions for liabilities	771	-	(15)	-	2	-	254	Other noncurrent liabilities
Total non-current liabilities	15,436	-	(15)	-	712	-	15,835	Other noncurrent liabilities
Lease liabilities	286	(31)	-	-	-	-	255	Operating lease liabilities
Trade and other payables	6,106	-	-	-	-	(2,957)	31	Other current liabilities
Current income tax liabilities	774	-	-	12	-	661	3,149	Accounts payable
Interest-bearing loans and borrowings	1,866	-	-	-	740	-	2,296	Accrued expenses
Derivative financial instruments	27	-	-	-	(645)	-	1,413	Other current liabilities
Provisions for liabilities	464	-	7	-	1	-	129	Other current liabilities
Liabilities associated with assets classified as held for sale	395	-	(17)	-	(3)	-	1,866	Current portion of long-term debt
Total current liabilities	9,918	-	(10)	12	93	-	10,013	Total current liabilities
Total liabilities	25,354	-	(25)	12	907	-	25,848	Total liabilities
Capital and reserves attributable to the Company's equity holders	21,522	-	42	11	(721)	-	20,854	Total shareholders' equity attributable to CRH plc shareholders
Non-controlling interests	521	-	-	-	(87)	-	434	Noncontrolling interests
Total equity	22,043	-	42	11	(808)	-	21,288	Total equity
Total equity and liabilities	47,397	-	17	23	32	-	47,469	Total liabilities, redeemable noncontrolling interests and equity

Condensed Consolidated Balance Sheets at December 31, 2022 (in \$ millions)								
IFRS Captions	IFRS Total	Leases	Provisions	Pensions	Other	Reclass	U.S. GAAP Total	U.S. GAAP Captions
Property, plant and equipment	18,921	(1,172)	19	-	-	-	17,768	Property, plant and equipment, net
Intangible assets	10,287	-	3	-	-	(9,199)	1,175	Operating lease right-of-use assets, net
Equity method investments	649	-	-	-	-	-	1,088	Intangible assets, net
Other financial assets	14	-	-	-	-	-	9,199	Goodwill
Other receivables	164	-	-	-	-	-	649	Equity method investments
Retirement benefit assets	261	-	-	86	-	-	14	Other noncurrent assets
Derivative financial instruments	3	-	-	-	-	-	164	Other noncurrent assets
Deferred income tax assets	88	-	-	-	(9)	-	347	Other noncurrent assets
Total non-current assets	30,387	-	22	86	(9)	-	30,486	Other noncurrent assets
Inventories	4,194	-	-	-	-	-	4,194	Inventories
Trade and other receivables	4,569	-	-	-	-	(269)	4,300	Accounts receivable, net
Current income tax recoverable	63	-	-	-	32	-	269	Other current assets
Derivative financial instruments	39	-	-	-	-	-	95	Other current assets
Cash and cash equivalents	5,936	-	-	-	-	-	39	Other current assets
Total current assets	14,801	-	-	-	32	-	14,833	Total current assets
Total assets	45,188	-	22	86	23	-	45,319	Total assets
Lease liabilities	1,059	(59)	-	-	-	-	1,000	Noncurrent operating lease liabilities
Interest-bearing loans and borrowings	8,145	59	-	-	-	-	59	Other noncurrent liabilities
Derivative financial instruments	77	-	-	-	-	-	8,145	Long-term debt
Deferred income tax liabilities	2,868	-	-	-	17	-	77	Other noncurrent liabilities
Other payables	691	-	-	-	(282)	-	2,885	Deferred income tax liabilities
Retirement benefit obligations	277	-	-	(5)	-	-	409	Other noncurrent liabilities
Provisions for liabilities	845	-	(59)	-	-	-	272	Other noncurrent liabilities
Total non-current liabilities	13,962	-	(59)	(5)	605	-	14,238	Other noncurrent liabilities
Lease liabilities	260	(22)	-	-	-	-	238	Operating lease liabilities
Trade and other payables	5,872	-	-	-	(281)	(2,661)	22	Other current liabilities
Current income tax liabilities	702	-	-	15	(25)	529	2,930	Accounts payable
Interest-bearing loans and borrowings	1,491	-	-	-	(560)	-	2,132	Accrued expenses
Derivative financial instruments	51	-	-	-	-	-	519	Other current liabilities
Provisions for liabilities	513	-	3	-	-	-	142	Other current liabilities
Total current liabilities	8,889	-	3	15	(866)	-	8,041	Total current liabilities
Total liabilities	22,851	-	(56)	10	(526)	-	22,279	Total liabilities
Capital and reserves attributable to the Company's equity holders	21,691	-	78	76	312	-	22,157	Total shareholders' equity attributable to CRH plc shareholders
Non-controlling interests	646	-	-	-	(71)	-	575	Noncontrolling interests
Total equity	22,337	-	78	76	241	-	22,732	Total equity
Total equity and liabilities	45,188	-	22	86	23	-	45,319	Total liabilities, redeemable noncontrolling interests and equity

Unaudited Condensed Consolidated Balance Sheets at December 31, 2021 (in \$ millions)								
IFRS Captions	IFRS Total	Leases	Provisions	Pensions	Other	Reclass	U.S. GAAP Total	U.S. GAAP Captions
Property, plant and equipment	19,502	(1,480)	17	-	-	-	18,039	Property, plant and equipment, net
	-	1,480	4	-	-	-	1,484	Operating lease right-of-use assets, net
Intangible assets	9,848	-	-	-	-	(9,451)	397	Intangible assets, net
	-	-	-	-	-	9,451	9,451	Goodwill
Equity method investments	653	-	-	-	-	-	653	Equity method investments
Other financial assets	12	-	-	-	-	-	12	Other noncurrent assets
Other receivables	239	-	-	-	-	-	239	Other noncurrent assets
Retirement benefit assets	166	-	-	(5)	-	-	161	Other noncurrent assets
Derivative financial instruments	97	-	-	-	-	-	97	Other noncurrent assets
Deferred income tax assets	109	-	-	-	(31)	-	78	Other noncurrent assets
Total non-current assets	30,626	-	21	(5)	(31)	-	30,611	
Inventories	3,611	-	-	-	-	-	3,611	Inventories
Trade and other receivables	4,569	-	-	-	-	(251)	4,318	Accounts receivable, net
	-	-	-	-	-	251	251	Other current assets
Current income tax recoverable	42	-	-	-	-	-	124	Other current assets
Derivative financial instruments	39	-	-	-	82	-	39	Other current assets
Cash and cash equivalents	5,783	-	-	-	-	-	5,783	Cash and cash equivalents
Total current assets	14,044	-	-	-	82	-	14,126	Total current assets
Total assets	44,670	-	21	(5)	51	-	44,737	Total assets
Lease liabilities	1,374	(59)	-	-	-	-	1,315	Noncurrent operating lease liabilities
	-	59	-	-	-	-	59	Other noncurrent liabilities
Interest-bearing loans and borrowings	9,938	-	-	-	-	-	9,938	Long-term debt
Deferred income tax liabilities	2,734	-	-	-	21	-	2,755	Deferred income tax liabilities
Other payables	717	-	-	-	(314)	-	403	Other noncurrent liabilities
Retirement benefit obligations	475	-	-	(7)	-	-	468	Other noncurrent liabilities
Provisions for liabilities	937	-	(117)	-	-	-	820	Other noncurrent liabilities
	-	-	-	-	579	-	579	Other noncurrent liabilities
Total non-current liabilities	16,178	-	(117)	(7)	286	-	16,337	
Lease liabilities	297	(24)	-	-	-	-	273	Operating lease liabilities
	-	24	-	-	-	-	24	Other current liabilities
Trade and other payables	5,692	-	-	-	(281)	(2,682)	2,729	Accounts payable
	-	-	-	-	-	2,184	2,184	Accrued expenses
	-	-	-	17	(25)	498	490	Other current liabilities
Current income tax liabilities	550	-	-	-	(476)	-	74	Other current liabilities
Interest-bearing loans and borrowings	549	-	-	-	-	-	549	Current portion of long-term debt
Derivative financial instruments	14	-	-	-	-	-	14	Other current liabilities
Provisions for liabilities	479	-	2	-	-	-	481	Other current liabilities
Total current liabilities	7,581	-	2	17	(782)	-	6,818	Total current liabilities
Total liabilities	23,756	-	(115)	10	(496)	-	23,155	Total liabilities
	-	-	-	-	336	-	336	Redeemable noncontrolling interests
Capital and reserves attributable to the Company's equity holders	20,233	-	136	(15)	260	-	20,614	Total shareholders' equity attributable to CRH plc shareholders
Non-controlling interests	681	-	-	-	(49)	-	632	Noncontrolling interests
Total equity	20,914	-	136	(15)	211	-	21,246	Total equity
Total equity and liabilities	44,670	-	21	(5)	51	-	44,737	Total liabilities, redeemable noncontrolling interests and equity

Key Principles: IFRS to U.S. GAAP Transition

Presentation:

- All assets and liabilities have been presented in order of liquidity under U.S. GAAP (see the "U.S. GAAP Financial Statements" section of this document).

Leases:

- Relates to operating lease assets and liabilities being separately disclosed line items on the U.S. GAAP balance sheet.

Provisions:

- Primarily relates to the remeasurement of ARO provisions under U.S. GAAP, partly offset by an increase in non-ARO provisions due to the reversal of discounting under IFRS.

Pensions:

- Primarily relates to the removal of a plan asset ceiling for specified pension plans under IFRS which is not applicable under U.S. GAAP, in addition to different defined benefit plan classification criteria.

"Other" primarily relates to:

- (1) Reclassification of certain contingent consideration arrangements from "Other payables" under IFRS to "Redeemable noncontrolling interests" under U.S. GAAP;
- (2) Reversal of the share buyback liabilities at December 31, 2022, and at December 31, 2021, which are accrued within "Trade and other payables" under IFRS and are not recognised under U.S. GAAP;
- (3) Tax adjustments due to the change in recognition, measurement and classification of uncertain tax positions, and jurisdictional netting for income taxes; and
- (4) Recognition of the dividend liability at December 31, 2023, which is accrued within "Other current liabilities" under U.S. GAAP and is not recognised under IFRS.

Reclassifications primarily relate to:

- (1) Goodwill is included within "Intangible assets" under IFRS and is separately disclosed on the face of the U.S. GAAP balance sheet;
- (2) "Trade and other receivables" under IFRS are further disaggregated into "Accounts receivable, net" and "Other current assets" under U.S. GAAP; and
- (3) "Trade and other payables" under IFRS are further disaggregated into "Accounts payable," "Accrued expenses" and "Other current liabilities" under U.S. GAAP.

Condensed Consolidated Statements of Cash Flows for the year ended December 31, 2023 <i>(in \$ millions)</i>						
IFRS Captions	IFRS Total	Leases	Interest Received	Other	U.S. GAAP Total	U.S. GAAP Captions
Net cash inflow from operating activities	5,036	(229)	206	4	5,017	Net cash provided by operating activities
Net cash outflow from investing activities	(2,218)	-	(206)	33	(2,391)	Net cash used in investing activities
Net cash outflow from financing activities	(2,572)	229	-	(37)	(2,380)	Net cash used in financing activities

Condensed Consolidated Statements of Cash Flows for the year ended December 31, 2022 <i>(in \$ millions)</i>						
IFRS Captions	IFRS Total	Leases	Interest Received	Other	U.S. GAAP Total	U.S. GAAP Captions
Net cash inflow from operating activities	3,954	(221)	65	2	3,800	Net cash provided by operating activities
Net cash outflow from investing activities	(884)	-	(65)	32	(917)	Net cash used in investing activities
Net cash outflow from financing activities	(2,686)	221	-	(34)	(2,499)	Net cash used in financing activities

Condensed Consolidated Statements of Cash Flows for the year ended December 31, 2021 <i>(in \$ millions)</i>						
IFRS Captions	IFRS Total	Leases	Interest Received	Other	U.S. GAAP Total	U.S. GAAP Captions
Net cash inflow from operating activities	4,210	(235)	-	4	3,979	Net cash provided by operating activities
Net cash outflow from investing activities	(2,546)	-	-	33	(2,513)	Net cash used in investing activities
Net cash outflow from financing activities	(3,305)	235	-	(37)	(3,107)	Net cash used in financing activities

Key Principles: IFRS to U.S. GAAP Transition

Leases:

- Relates to the payments of operating lease obligations which is reclassified from "financing activities" under IFRS to "operating activities" under U.S. GAAP.

Interest received:

- Reclassed from "investing activities" under IFRS to "operating activities" under U.S. GAAP.

Other:

- Primarily relates to the reclassification of deferred and contingent acquisition consideration paid from "investing activities" under IFRS to "financing activities" under U.S. GAAP.

	<u>FY23</u>	<u>FY22</u>	<u>FY21</u>
	<u>\$'m</u>	<u>\$'m</u>	<u>\$'m</u>
Adjusted EBITDA (IFRS) to Adjusted EBITDA (U.S. GAAP) Reconciliation:			
Adjusted EBITDA (IFRS)*	6,500	5,692	5,028
<u>U.S. GAAP adjustments:</u>			
Leases	(293)	(255)	(265)
Provisions	(36)	(22)	31
Pensions	6	(2)	1
Other	(1)	(25)	11
Total U.S. GAAP adjustments	(324)	(304)	(222)
Adjusted EBITDA (U.S. GAAP)	6,176	5,388	4,806

Total revenues	34,949	32,723	29,206
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Adjusted EBITDA margin (IFRS)	18.6%	17.4%	17.2%
Adjusted EBITDA margin (U.S. GAAP)	17.7%	16.5%	16.5%

*2023 IFRS Adjusted EBITDA includes \$0.07 billion of profit on disposal of long-lived assets which was not included in prior guidance of IFRS EBITDA \$6.3 billion. Amounts of \$27 million and \$nil million relating to substantial acquisition-related costs and \$50 million and \$38 million relating to gain on disposal of long-lived assets have been included in Adjusted EBITDA for 2022 and 2021 respectively to conform to current year presentation.

	<u>FY23</u>	<u>FY22</u>	<u>FY21</u>
	<u>\$'m</u>	<u>\$'m</u>	<u>\$'m</u>
Net Debt Reconciliation			
IFRS captions			
Interest-bearing loans and borrowings	(11,642)	(9,636)	(10,487)
Cash and cash equivalents	6,390	5,936	5,783
Lease liabilities	(1,503)	(1,319)	(1,671)
Derivative financial instruments (net)	(37)	(86)	122
Net Debt (IFRS)	(6,792)	(5,105)	(6,253)
Reclassification - Operating lease liabilities	1,386	1,238	1,588
Net Debt (U.S. GAAP)**	(5,406)	(3,867)	(4,665)

Adjusted EBITDA (IFRS)	6,500	5,692	5,028
Net Debt/Adjusted EBITDA (IFRS)	1.0x	0.9x	1.2x

Adjusted EBITDA (U.S. GAAP)	6,176	5,388	4,806
Net Debt/Adjusted EBITDA (U.S. GAAP)	0.9x	0.7x	1.0x

**As part of CRH's transition to U.S. GAAP, our definition of Net Debt has been amended to exclude operating lease liabilities. FY23 cash and cash equivalents include \$49 million related to assets which are held for sale at December 31, 2023, while the FY23 reclassification includes \$6 million related to operating lease liabilities which are held for sale at December 31, 2023.

	<u>FY23</u>	<u>FY22</u>	<u>FY21</u>
	<u>\$'m</u>	<u>\$'m</u>	<u>\$'m</u>
Earnings per Share (EPS) Reconciliation			
IFRS captions			
Profit for the financial year from continuing operations	3,024	2,684	2,442
Loss/(profit) attributable to non-controlling interests	106	(27)	(56)
Impairment of property, plant and equipment and intangible assets	224	-	-
Tax related to impairment charges	(9)	-	-
Profit attributable to equity holders of the Company from continuing operations - pre-impairment (IFRS)	3,345	2,657	2,386
Net U.S. GAAP adjustments to net income	48	15	65
Adjustment of redeemable noncontrolling interests to redemption value***	(24)	40	(18)
Income from continuing operations for EPS - pre-impairment (U.S. GAAP)	3,369	2,712	2,433

Weighted average common shares outstanding - Basic	723.9	758.3	780.2
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Basic EPS from continuing operations - pre-impairment (IFRS)	\$4.62	\$3.50	\$3.06
Basic EPS from continuing operations - pre-impairment (U.S. GAAP)	\$4.65	\$3.58	\$3.12

***Under U.S. GAAP, the basic EPS calculation includes an adjustment below net income to reflect changes in the redemption value of redeemable noncontrolling interests.

	FY23			FY22			FY21		
	IFRS	Adjustments	U.S. GAAP	IFRS	Adjustments	U.S. GAAP	IFRS	Adjustments	U.S. GAAP
	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
Segment Data Reconciliation									
Revenues									
Americas Materials Solutions	15,435	-	15,435	14,324	-	14,324	12,407	-	12,407
Americas Building Solutions	7,017	-	7,017	6,188	-	6,188	4,628	-	4,628
Europe Materials Solutions	9,690	-	9,690	9,349	-	9,349	9,389	-	9,389
Europe Building Solutions	2,807	-	2,807	2,862	-	2,862	2,782	-	2,782
Total Group	34,949	-	34,949	32,723	-	32,723	29,206	-	29,206
Adjusted EBITDA									
Americas Materials Solutions	3,146	(87)	3,059	2,786	(148)	2,638	2,610	(67)	2,543
Americas Building Solutions	1,521	(79)	1,442	1,283	(64)	1,219	772	(52)	720
Europe Materials Solutions	1,516	(121)	1,395	1,255	(60)	1,195	1,298	(70)	1,228
Europe Building Solutions	317	(37)	280	368	(32)	336	348	(33)	315
Total Group	6,500	(324)	6,176	5,692	(304)	5,388	5,028	(222)	4,806
Depreciation, depletion and amortization									
Americas Materials Solutions	847	(66)	781	839	(62)	777	800	(50)	750
Americas Building Solutions	362	(63)	299	284	(48)	236	194	(39)	155
Europe Materials Solutions	526	(62)	464	497	(31)	466	553	(63)	490
Europe Building Solutions	121	(32)	89	101	(28)	73	112	(28)	84
Total Group	1,856	(223)	1,633	1,721	(169)	1,552	1,659	(180)	1,479

Americas Materials Solutions		Analysis of change					
U.S. GAAP, \$ million	FY22	Currency	Acquisitions	Divestitures	Organic	FY23	% Change
Total revenues	14,324	-44	+242	-	+913	15,435	8%
Adjusted EBITDA	2,638	-6	+42	-	+385	3,059	16%
Adjusted EBITDA/total revenues	18.4%					19.8%	

Americas Building Solutions		Analysis of change					
U.S. GAAP, \$ million	FY22	Currency	Acquisitions	Divestitures	Organic	FY23	% Change
Total revenues	6,188	-14	+751	-	+92	7,017	13%
Adjusted EBITDA	1,219	-4	+153	-	+74	1,442	18%
Adjusted EBITDA/total revenues	19.7%					20.6%	

Europe Materials Solutions		Analysis of change					
U.S. GAAP, \$ million	FY22	Currency	Acquisitions	Divestitures	Organic	FY23	% Change
Total revenues	9,349	+186	+61	-157	+251	9,690	4%
Adjusted EBITDA	1,195	+30	+10	-12	+172	1,395	17%
Adjusted EBITDA/total revenues	12.8%					14.4%	

Europe Building Solutions		Analysis of change					
U.S. GAAP, \$ million	FY22	Currency	Acquisitions	Divestitures	Organic	FY23	% Change
Total revenues	2,862	+69	+95	-	-219	2,807	-2%
Adjusted EBITDA	336	+4	+8	-	-68	280	-17%
Adjusted EBITDA/total revenues	11.7%					10.0%	

CRH Group		Analysis of change					
U.S. GAAP, \$ million	FY22	Currency	Acquisitions	Divestitures	Organic	FY23	% Change
Total revenues	32,723	+197	+1,149	-157	+1,037	34,949	7%
Adjusted EBITDA	5,388	+24	+213	-12	+563	6,176	15%
Adjusted EBITDA/total revenues	16.5%					17.7%	

Americas Materials Solutions		Analysis of change					
U.S. GAAP, \$ million	FY21	Currency	Acquisitions	Divestitures	Organic	FY22	% Change
Total revenues	12,407	-41	+511	-60	+1,507	14,324	15%
Adjusted EBITDA	2,543	-4	+40	-13	+72	2,638	4%
Adjusted EBITDA/total revenues	20.5%					18.4%	

Americas Building Solutions		Analysis of change					
U.S. GAAP, \$ million	FY21	Currency	Acquisitions	Divestitures	Organic	FY22	% Change
Total revenues	4,628	-15	+1,104	-4	+475	6,188	34%
Adjusted EBITDA	720	-1	+368	-	+132	1,219	69%
Adjusted EBITDA/total revenues	15.6%					19.7%	

Europe Materials Solutions		Analysis of change					
U.S. GAAP, \$ million	FY21	Currency	Acquisitions	Divestitures	Organic	FY22	% Change
Total revenues	9,389	-1,019	+71	-44	+952	9,349	-
Adjusted EBITDA	1,228	-136	+5	-4	+102	1,195	-3%
Adjusted EBITDA/total revenues	13.1%					12.8%	

Europe Building Solutions		Analysis of change					
U.S. GAAP, \$ million	FY21	Currency	Acquisitions	Divestitures	Organic	FY22	% Change
Total revenues	2,782	-284	+53	-	+311	2,862	3%
Adjusted EBITDA	315	-17	+7	-	+31	336	7%
Adjusted EBITDA/total revenues	11.3%					11.7%	

CRH Group		Analysis of change					
U.S. GAAP, \$ million	FY21	Currency	Acquisitions	Divestitures	Organic	FY22	% Change
Total revenues	29,206	-1,359	+1,739	-108	+3,245	32,723	12%
Adjusted EBITDA	4,806	-158	+420	-17	+337	5,388	12%
Adjusted EBITDA/total revenues	16.5%					16.5%	

Condensed Consolidated Statements of Income under U.S. GAAP
(in \$ millions, except share and per share data)
For the years ended December 31

	2023	2022	2021
	(Audited)	(Audited)	(Audited)
Product revenues	26,156	24,519	22,187
Service revenues	8,793	8,204	7,019
Total revenues	34,949	32,723	29,206
Cost of product revenues	(14,741)	(14,123)	(12,817)
Cost of service revenues	(8,245)	(7,785)	(6,562)
Total cost of revenues	(22,986)	(21,908)	(19,379)
Gross profit	11,963	10,815	9,827
Selling, general and administrative expenses	(7,486)	(7,056)	(6,538)
Gain on disposal of long-lived assets	66	50	38
Loss on impairments	(357)	-	-
Operating income	4,186	3,809	3,327
Interest income	206	65	-
Interest expense	(376)	(344)	(315)
Other nonoperating (expense) income, net	(2)	(69)	90
Income from continuing operations before income tax expense and income from equity method investments	4,014	3,461	3,102
Income tax expense	(925)	(762)	(650)
(Loss) income from equity method investments	(17)	-	55
Income from continuing operations	3,072	2,699	2,507
Income from discontinued operations, net of income tax expense	-	1,190	179
Net income	3,072	3,889	2,686
Net (income) attributable to redeemable noncontrolling interests	(28)	(27)	(22)
Net loss (income) attributable to noncontrolling interests	134	-	(34)
Net income attributable to CRH plc	3,178	3,862	2,630
Basic earnings per share attributable to CRH plc			
Continuing operations	\$4.36	\$3.58	\$3.12
Discontinued operations	-	\$1.57	\$0.23
Net income	\$4.36	\$5.15	\$3.35
Diluted earnings per share attributable to CRH plc			
Continuing operations	\$4.33	\$3.55	\$3.09
Discontinued operations	-	\$1.56	\$0.23
Net income	\$4.33	\$5.11	\$3.32
Weighted average common shares outstanding			
Basic	723.9	758.3	780.2
Diluted	729.2	764.1	786.8

Condensed Consolidated Balance Sheets under U.S. GAAP
(in \$ millions)
At December 31
Assets

Current assets:

Cash and cash equivalents

Accounts receivable, net

Inventories

Assets held for sale

Other current assets

Total current assets

Property, plant and equipment, net

Equity method investments

Goodwill

Intangible assets, net

Operating lease right-of-use assets, net

Other noncurrent assets

Total assets
Liabilities, redeemable noncontrolling interests and shareholders' equity

Current liabilities:

Accounts payable

Accrued expenses

Current portion of long-term debt

Operating lease liabilities

Liabilities held for sale

Other current liabilities

Total current liabilities

Long-term debt

Deferred income tax liabilities

Noncurrent operating lease liabilities

Other noncurrent liabilities

Total liabilities

Redeemable noncontrolling interests

Shareholders' equity

Preferred stock

Common stock

Treasury stock

Additional paid-in capital

Accumulated other comprehensive loss

Retained earnings

Total shareholders' equity attributable to CRH plc shareholders

Noncontrolling interests

Total equity
Total liabilities, redeemable noncontrolling interests and equity

	2023 (Audited)	2022 (Audited)	2021 (Unaudited)
Assets			
Current assets:			
Cash and cash equivalents	6,341	5,936	5,783
Accounts receivable, net	4,507	4,300	4,318
Inventories	4,291	4,194	3,611
Assets held for sale	1,268	-	-
Other current assets	478	403	414
Total current assets	16,885	14,833	14,126
Property, plant and equipment, net	17,841	17,768	18,039
Equity method investments	620	649	653
Goodwill	9,158	9,199	9,451
Intangible assets, net	1,041	1,088	397
Operating lease right-of-use assets, net	1,292	1,175	1,484
Other noncurrent assets	632	607	587
Total assets	47,469	45,319	44,737
Liabilities, redeemable noncontrolling interests and shareholders' equity			
Current liabilities:			
Accounts payable	3,149	2,930	2,729
Accrued expenses	2,296	2,132	2,184
Current portion of long-term debt	1,866	1,491	549
Operating lease liabilities	255	238	273
Liabilities held for sale	375	-	-
Other current liabilities	2,072	1,250	1,083
Total current liabilities	10,013	8,041	6,818
Long-term debt	9,776	8,145	9,938
Deferred income tax liabilities	2,738	2,885	2,755
Noncurrent operating lease liabilities	1,125	1,000	1,315
Other noncurrent liabilities	2,196	2,208	2,329
Total liabilities	25,848	22,279	23,155
Redeemable noncontrolling interests	333	308	336
Shareholders' equity			
Preferred stock	1	1	1
Common stock	296	302	309
Treasury stock	(2,199)	(297)	(195)
Additional paid-in capital	454	443	458
Accumulated other comprehensive loss	(616)	(787)	(425)
Retained earnings	22,918	22,495	20,466
Total shareholders' equity attributable to CRH plc shareholders	20,854	22,157	20,614
Noncontrolling interests	434	575	632
Total equity	21,288	22,732	21,246
Total liabilities, redeemable noncontrolling interests and equity	47,469	45,319	44,737

Condensed Consolidated Statements of Cash Flows under U.S. GAAP
(in \$ millions)
For the years ended December 31
Cash Flows from Operating Activities:

	2023 (Audited)	2022 (Audited)	2021 (Audited)
Net income	3,072	3,889	2,686
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation, depletion and amortization	1,633	1,577	1,551
Loss on impairments	357	-	-
Share-based compensation	123	101	110
Gains on disposals from discontinued operations, businesses and long-lived assets, net	(66)	(1,422)	(119)
Deferred tax (benefit) expense	(64)	(63)	99
Loss (income) from equity method investments	17	-	(55)
Pension and other postretirement benefits net periodic benefit cost	31	30	61
Non-cash operating lease costs	293	273	318
Other items, net	68	45	11
Changes in operating assets and liabilities, net of effects of acquisitions and divestitures:			
Accounts receivable, net	(164)	(226)	(404)
Inventories	(60)	(655)	(439)
Accounts payable	144	403	539
Operating lease liabilities	(276)	(269)	(299)
Other assets	25	(45)	(124)
Other liabilities	(72)	205	95
Pension and other postretirement benefits contributions	(44)	(43)	(51)
Net cash provided by operating activities	5,017	3,800	3,979

Cash Flows from Investing Activities:

Purchases of property, plant and equipment	(1,817)	(1,523)	(1,554)
Acquisitions, net of cash acquired	(640)	(3,253)	(1,494)
Proceeds from divestitures and disposals of long-lived assets	104	3,827	387
Dividends received from equity method investments	44	36	32
Settlements of derivatives	(1)	(11)	-
Deferred divestiture consideration received	6	52	120
Other investing activities, net	(87)	(45)	(4)
Net cash used in investing activities	(2,391)	(917)	(2,513)

Cash Flows from Financing Activities:

Proceeds from debt issuances	3,163	38	-
Payments on debt	(1,462)	(364)	(1,183)
Settlements of derivatives	7	(11)	(37)
Payments of finance lease obligations	(26)	(28)	(29)
Deferred and contingent acquisition consideration paid	(22)	(24)	(29)
Dividends paid	(940)	(917)	(906)
Distributions to noncontrolling and redeemable noncontrolling interests	(35)	(23)	(40)
Transactions involving noncontrolling interests	(2)	(3)	-
Repurchases of common stock	(3,067)	(1,178)	(896)
Proceeds from exercise of stock options	4	11	13
Net cash used in financing activities	(2,380)	(2,499)	(3,107)

Effect of exchange rate changes on cash and cash equivalents

208 (231) (297)

Increase/(decrease) in cash and cash equivalents

454 153 (1,938)

Cash and cash equivalents at the beginning of year

5,936 5,783 7,721

Cash and cash equivalents at the end of year
6,390 5,936 5,783
Supplemental cash flow information:

Cash paid for interest (including finance leases)	418	329	340
Cash paid for income taxes	959	1,043	642

Reconciliation of cash and cash equivalents

Cash and cash equivalents presented in the Consolidated Balance Sheets	6,341	5,936	5,783
Cash and cash equivalents included in assets held for sale	49	-	-
Total cash and cash equivalents presented on the Consolidated Statements of Cash Flows	6,390	5,936	5,783

Non-GAAP Reconciliations

Adjusted EBITDA

Adjusted EBITDA is defined as earnings from continuing operations before interest, taxes, depreciation, depletion, amortization, loss on impairments, gain/loss on divestitures, income/loss from equity method investments, substantial acquisition-related costs and pension expense/income excluding current service cost component. It is quoted by management in conjunction with other GAAP and non-GAAP financial measures to aid investors in their analysis of the performance of the Company. Adjusted EBITDA by segment is monitored by management in order to allocate resources between segments and to assess performance. Adjusted EBITDA margin is calculated by expressing Adjusted EBITDA as a percentage of total revenues. Reconciliation to its nearest GAAP measure is presented below:

	FY23	FY22	FY21
	\$'m	\$'m	\$'m
Net income	3,072	3,889	2,686
Income from discontinued operations, net of income tax expense	-	(1,190)	(179)
Loss (income) from equity method investments	17	-	(55)
Income tax expense	925	762	650
Loss (gain) on divestitures (i)	-	99	(78)
Pension income excluding current service cost component (i)	(3)	(30)	(9)
Other interest, net (i)	5	-	(3)
Interest expense	376	344	315
Interest income	(206)	(65)	-
Depreciation, depletion and amortization	1,633	1,552	1,479
Loss on impairments (ii)	357	-	-
Substantial acquisition-related costs (iii)	-	27	-
Adjusted EBITDA	6,176	5,388	4,806
Total revenues	34,949	32,723	29,206
Adjusted EBITDA margin	17.7%	16.5%	16.5%

(i) Loss (gain) on divestitures, pension income excluding current service cost component and other interest, net have been included in Other nonoperating (expense) income, net in the Consolidated Statements of Income in the Annual Report on Form 10-K.

(ii) For the year ended December 31, 2023, the total impairment loss comprised of \$62 million within Americas Materials Solutions and \$295 million within Europe Materials Solutions.

(iii) Represents expenses associated with non-routine substantial acquisitions, which are those not bolt-on in nature and are separately reported in Note 4 "Acquisitions" of the audited financial statements in the Annual Report on Form 10-K. Expenses in 2022 include legal and consulting expenses related to the acquisition of Barrette.

Net Debt

Net Debt is used by management as it gives additional insight into the Company's current debt position less available cash. Net Debt is provided to enable investors to see the economic effect of gross debt, related hedges and cash and cash equivalents in total. Net Debt comprises short and long-term debt, finance lease liabilities, cash and cash equivalents and current and noncurrent derivative financial instruments (net). Reconciliation to its nearest GAAP measure is presented below:

	FY23	FY22	FY21
	\$'m	\$'m	\$'m
Short and long-term debt	(11,642)	(9,636)	(10,487)
Cash and cash equivalents (i)	6,390	5,936	5,783
Finance lease liabilities	(117)	(81)	(83)
Derivative financial instruments (net)	(37)	(86)	122
Net Debt	(5,406)	(3,867)	(4,665)

(i) Includes \$49 million cash and cash equivalents reclassified as held for sale.

EPS pre-impairment

EPS pre-impairment is a measure of the Company's profitability per share from continuing operations excluding any loss on impairments (which is non-cash) and the related tax impact of such impairments. It is used by management to evaluate the Company's underlying profit performance and its own past performance. EPS information presented on a pre-impairment basis is useful to investors as it provides an insight into the Company's underlying performance and profitability. EPS pre-impairment is calculated as income from continuing operations adjusted for (i) net (income) attributable to redeemable noncontrolling interests (ii) net loss (income) attributable to noncontrolling interests (iii) adjustment of redeemable noncontrolling interests to redemption value and excluding any loss on impairments (and the related tax impact of such impairments) divided by the weighted average number of common shares outstanding for the year. Reconciliation to its nearest GAAP measure is presented below:

<i>in \$ millions, except share and per share data</i>	FY23	Per share - basic	FY22	Per share - basic	FY21	Per share - basic
Weighted average common shares outstanding - Basic	723.9		758.3		780.2	
Income from continuing operations	3,072	\$4.24	2,699	\$3.56	2,507	\$3.21
Net (income) attributable to redeemable noncontrolling interests	(28)	\$(0.04)	(27)	\$(0.03)	(22)	\$(0.03)
Net loss (income) attributable to noncontrolling interests	134	\$0.19	-	-	(34)	\$(0.04)
Adjustment of redeemable noncontrolling interests to redemption value	(24)	\$(0.03)	40	\$0.05	(18)	\$(0.02)
Income from continuing operations for EPS	3,154	\$4.36	2,712	\$3.58	2,433	\$3.12
Impairment of property, plant and equipment and intangible assets	224	\$0.30	-	-	-	-
Tax related to impairment charges	(9)	\$(0.01)	-	-	-	-
Income from continuing operations for EPS – pre-impairment (i)	3,369	\$4.65	2,712	\$3.58	2,433	\$3.12

(i) Reflective of CRH's share of impairment of property, plant and equipment and intangible assets (\$224 million) and related tax effect.



Disclaimer

This IFRS to U.S. GAAP transition information does not constitute statutory financial statements for the purposes of the Companies Act 2014. The Company's statutory financial statements for the years ended December 31, 2021, December 31, 2022, and December 31, 2023, in each case upon which the auditors have expressed an unqualified opinion, were delivered to the Registrar of Companies of Ireland (in the case of the 2021 and 2022 financial statements) and are expected to be delivered to the Registrar of Companies within 28 days of the annual return date in 2024 (in the case of the 2023 financial statements).