2000 INTERIM RESULTS

Six months ended 30th June, 2000

• **Sales - euro**	**3,646 m**	**up 27%**		
	Before goodwill amortisation		**After goodwill amortisation**	
• **Trading profit - euro**	**279 m**	**up 40%***	**261 m**	**up 34%***
• **Profit before tax - euro**	**198 m**	**up 22%***	**180 m**	**up 14%***
• **Earnings per share - cent**	**37.26 c**	**up 21%***	**32.75 c**	**up 10%***
• **Cash earnings per share - cent**	**76.73 c**	**up 31%***		
• **Dividend per share - cent**	**6.70 c**	**up 14%**		

- Trading profit in the **Republic of Ireland** increased by 18% to euro 58.9 million driven by continued good economic and construction activity.
- In **Britain and Northern Ireland,** trading profits from continuing operations rose by 18% to euro 32.8 million against a background of a flat UK housing market.
- Our **Mainland Europe** operations benefited from favourable weather and economic conditions in most markets, and from the first time inclusion of major 1999 and 2000 acquisitions. Trading profit rose to euro 71.3 million, up 81%.
- Trading profit in **the Americas** increased by 44% to euro 97.8 million despite high energy costs and unusually wet weather impacting the US Materials businesses.
- Development activity continued with euro 931 million spent on over 30 acquisitions.

* *The percentage changes quoted are based on Interim 1999 numbers excluding the net profit of euro 64.3m arising on exceptional items in 1999.*

Liam O'Mahony, Chief Executive, said today:

"Following the strong increases reported for the Group in the first half of 2000, and with the benefits from plant upgrades and acquisitions in 1999 and 2000, we are confident that 2000 will be a year of good progress for CRH."

Announced Tuesday, 5th September 2000

CONTACT
+353 (0) 1 404 1000

Liam O'Mahony, Chief Executive
Harry Sheridan, Finance Director
Myles Lee, General Manager - Finance

INTERIM STATEMENT

HIGHLIGHTS

The results highlights for the first six months of 2000 are set out below.

Throughout this Statement, percentage changes versus 1999 are based on the numbers for Interim 1999 excluding the net profit of euro 64.3m arising on exceptional items in 1999 (see note 2 on page 8).

- Sales: euro 3,646 million, up 27%
- Trading profit before goodwill amortisation: euro 279 million, up 40%
- Basic earnings per share before goodwill amortisation: 37.26c, up 21%
- Cash earnings per share: 76.73c, up 31%.

Translation effects in the first six months of 2000 arising from the strengthening of Sterling and the US Dollar versus the euro had a positive impact of euro 8 million on profit before tax compared with the first half of 1999. In addition, shareholders' funds were enhanced by euro 57 million due to translation effects.

Goodwill amortisation amounted to euro 17.7 million (1999: euro 4.1 million). Spending on acquisitions and investments in the first half of 2000 amounted to euro 931 million (1999: euro 424 million).

DIVIDENDS

The Board has decided to pay an interim dividend of 6.70c per share, an increase of 14% on the 1999 interim dividend of 5.90c. Dividends will be paid on 10th November, 2000 to shareholders registered at the close of business on 15th September, 2000. A scrip dividend alternative is being offered to shareholders.

REGIONAL REVIEW

REPUBLIC OF IRELAND

Sales	euro 305.4 m	up 10.7%
Trading profit *(after goodwill amortisation)*	euro 58.9 m	up 18.3%
Goodwill amortisation	nil	(1999: nil)

Continued good economic and construction activity in the Republic of Ireland has resulted in further volume increases for cement, concrete products and basic materials following a strong 1999. The infrastructure sector was particularly buoyant with a number of major road projects currently underway. With an overall demand increase of approximately 10%, Irish Cement and the Roadstone-Wood Group reported higher sales and profits while underlying margins were maintained.

BRITAIN AND NORTHERN IRELAND

		Continuing operations
Sales	euro 354.1 m	up 25.1%
Trading profit (*after goodwill amortisation*)	euro 32.8 m	up 18.2%
Goodwill amortisation	euro 2.5 m	(1999: euro 1.5 m)

The percentage changes for continuing operations are based on 1999 figures excluding the results of Keyline Builders Merchants for the five months to May 1999 (Keyline was sold on 4th June, 1999) and six months' trading for the Farrans Plant and Engineering division which was sold on 29th October, 1999. These operations contributed combined sales of euro 228 million and trading profits of euro 9 million in first half 1999.

Against the background of a flat UK housing market, Ibstock profits were broadly in line with first half 1999. The Forticrete concrete masonry business, which now incorporates Ibstock's stone walling and masonry operations, benefited from a firm industrial/commercial sector and profits advanced. With subdued activity in the residential sector and significant raw material cost hikes, our insulation activities reported reduced profits.

In Northern Ireland, Farrans reported improved profits with better volumes and modest price improvements.

MAINLAND EUROPE

Sales	euro 926.2 m	up 39.2%
Trading profit (*after goodwill amortisation)*	euro 71.3 m	up 80.5%
Goodwill amortisation	euro 8.7 m	(1999: euro 0.8 m)

Trading has been generally good in Mainland Europe, with favourable weather and economic conditions in most of our markets.

The Europe Materials Division includes operations in Spain, Poland and Finland; these results reflect the first-time inclusion of the January-June results for the Finnsementti/Lohja Rudus businesses, acquired in July 1999. With strong volume growth in Finland, results for these businesses were ahead of expectations. Cement prices in Poland continued to improve from a low base although strong price competition is being encountered in downstream concrete products markets. In Spain, our operations reported improved volumes and prices. All operations reported good profit increases.

Our Distribution businesses in the Netherlands, France and Portugal all reported improved results. In the Concrete Products Group, strong initial contributions from recent acquisitions combined with an improved performance in France more than offset the impact of lower profits from our Dutch operations which continue to suffer from over-capacity. Profits at the Clay Products Group advanced, primarily due to improved results from AKA in Germany following the rationalisation measures undertaken in 1999. In the Building Products Group, Heras reported a strong profit increase. The Rooflights & Ventilation division had a good first half aided by the inclusion of two months' trading from the rooflights business acquired from Yule Catto plc in May 2000. Insulation activities reported slightly lower profits than in 1999 due to raw material cost increases.

THE AMERICAS

Sales	euro 2,060.0 m	up 46.4%
Trading profit (*after goodwill amortisation)*	euro 97.8 m	up 43.6%
Goodwill amortisation	euro 6.5 m	(1999: euro 1.8 m)

In the Materials Division, market demand generally reflected the gradual pick-up in TEA 21 funded activity. Markets in the Northeast were robust with good demand levels while the Midwest experienced some weakness, particularly in relation to private construction. However, unusually wet weather affected both regions and overall volumes were lower than anticipated. Markets in the West enjoyed normal seasonal weather conditions and activity levels, though varied, were in line with expectations. On a sectoral basis, non-residential and highways markets were strong, with some flattening in residential demand. Cost increases due to the impact of the high energy and bitumen costs, which have persisted since the third quarter of 1999, have not yet been fully recovered in higher sales prices. Overall, the modest traditional first half loss in the Materials Division was higher than in 1999.

Profits from our Oldcastle Products & Distribution Division in North America advanced strongly with underlying profit improvements compared with the first half of 1999 enhanced by contributions from recent acquisitions. The Precast Group benefited from strong performances in its western operations and continuing good demand nationwide. The Glass and Architectural Products Groups also enjoyed favourable conditions across their operations, with the Glen-Gery brick business producing an excellent performance. The Distribution Group was slightly ahead of 1999 in the seasonally quieter and less profitable first half. In South America, results for the Canteras Cerro Negro clay products business in Argentina declined against a background of lower economic activity.

ACQUISITIONS AND DISPOSALS

First half total acquisition and investment expenditure at euro 931 million again surpassed previous records, reflecting expenditure of approximately euro 590 million on four large deals (The Shelly Company, The Dolomite Group and Northern Ohio Paving Company in North America, and the rooflights business acquired from Yule Catto plc in Europe); the remaining euro 341 million includes the cost of 27 small to medium-sized deals in Europe and the United States. Disposal proceeds of euro 14 million are significantly lower than 1999 (euro 300 million) which included the sale of Keyline Builders Merchants and of Ibstock's Caima Ceramica operations in Portugal.

FINANCE AND TAXATION

The higher first half interest charge reflects the financing costs of very significant 1999 and first half 2000 development activity.

As in prior years, the interim taxation charge is an estimate based on the current expected full year tax rate.

OUTLOOK

In the Republic of Ireland, good demographics and growing infrastructural requirements continue to underpin buoyant construction activity. In Britain, construction activity remains sluggish. The economic outlook in most of our markets in Mainland Europe is positive. However, over-capacity in clay and concrete products in the Netherlands and Germany continues to impact prices in these sectors.

In North America, order books remain strong and the continuing growth of the US economy and the positive impact of TEA 21 funded activity augur well for demand levels in the second half of the year. While higher energy and bitumen costs remain a concern, particularly for our Materials operations, we are confident that with a resumption of normal weather conditions, the balanced geographic and sectoral spread of our operations will combine to deliver a good full year outcome despite the challenging cost background. The outlook for our South American operations remains depressed for the remainder of 2000.

Overall, following the strong increases reported for the Group in the first half of 2000, and with the benefits from plant upgrades and acquisitions in 1999 and 2000, we remain confident that 2000 will be a year of good progress for CRH.

Group profit and loss account
for the six months ended 30th June, 2000 *(unaudited)*

	Continuing operations 2000 euro m	Acquisitions 2000 euro m	Total 2000 euro m	1999 euro m	% Change
Sales, including share of joint ventures	3,434.2	211.5	3,645.7	2,858.8	
Less: share of joint ventures	(79.8)	(9.2)	(89.0)	(63.8)	
Group sales	3,354.4	202.3	3,556.7	2,795.0	
Cost of sales	(2,340.9)	(141.9)	(2,482.8)	(1,914.0)	
Exceptional impairment cost – Premier Periclase	-	-	-	(15.3)	
Gross profit	1,013.5	60.4	1,073.9	865.7	
Operating costs	(766.2)	(42.1)	(808.3)	(690.9)	
Goodwill amortisation	(15.7)	(2.0)	(17.7)	(4.1)	
Operating profit	231.6	16.3	247.9	170.7	
Share of joint ventures' trading profit	7.3	0.1	7.4	5.8	
Profit on disposal of fixed assets	5.5	-	5.5	2.4	
Exceptional profit on disposal of Keyline	-	-	-	79.6	
Trading profit, including share of joint ventures	244.4	16.4	260.8	258.5	
Group interest payable and similar charges (net)			(80.1)	(35.6)	
Share of joint ventures' net interest			(0.5)	(0.5)	
Profit on ordinary activities before taxation			180.2	222.4	
Taxation on profit excluding exceptional items (estimated)			(50.5)	(42.0)	
Taxation on exceptional items (estimated)			-	(25.2)	
Profit on ordinary activities after taxation			129.7	155.2	
Profit applicable to equity minority interests			(1.2)	(0.7)	
Preference dividends			-	-	
Profit for the period attributable to ordinary shareholders			128.5	154.5	
Ordinary dividends			(26.5)	(23.1)	
Retained profit for the financial period			102.0	131.4	
Earnings per share for the period					
Basic					**% Change**
- Including 1999 exceptional items			32.75c	39.70c	-17.5
- Excluding 1999 exceptional items			32.75c	29.65c	+10.5
- Excluding goodwill amortisation and 1999 exceptional items			37.26c	30.70c	+21.4
Diluted					
- Including 1999 exceptional items			32.38c	39.53c	-18.1
- Excluding 1999 exceptional items			32.38c	29.53c	+9.7
Cash flow per share for the period			76.73c	58.40c	+31.4
Dividend per share			6.70c	5.90c	+13.6

Group balance sheet as at 30th June, 2000 *(unaudited)*

	2000		1999	
	euro m	euro m	euro m	euro m
Intangible assets				
Goodwill		**807.8**		**176.1**
Tangible fixed assets		**4,061.2**		**2,493.5**
Financial fixed assets				
Investment in joint ventures				
- share of gross assets	115.4		102.3	
- share of gross liabilities	(60.9)		(66.9)	
- loans to joint ventures	12.9		15.7	
Other investments	21.0		12.2	
		88.4		**63.3**
Current assets				
Stocks	866.4		629.8	
Debtors	1,514.9		1,088.4	
Cash, short-term deposits and liquid resources	885.0		1,215.4	
	3,266.3		2,933.6	
Creditors *(amounts falling due within one year)*				
Bank loans and overdrafts	1,245.2		347.6	
Trade and other creditors	1,274.5		933.0	
Corporation tax	41.7		59.4	
Dividends	26.4		23.1	
	2,587.8		1,363.1	
Net current assets		**678.5**		**1,570.5**
Total assets less current liabilities		**5,635.9**		**4,303.4**
Creditors *(amounts falling due after more than one year)*				
Loans	2,544.8		1,909.3	
Deferred acquisition consideration	236.6		91.2	
Corporation tax	32.2		31.1	
		2,813.6		**2,031.6**
Capital grants		**18.1**		**17.2**
Provisions for liabilities and charges		**391.9**		**323.4**
Capital and reserves				
Called-up share capital				
Equity share capital	133.9		129.0	
Non-equity share capital	1.2		1.2	
Equity reserves				
Share premium account	582.8		553.1	
Other reserves	9.9		9.9	
Profit and loss account	1,655.4		1,212.3	
Shareholders' funds		**2,383.2**		**1,905.5**
Minority shareholders' equity interest		**29.1**		**25.7**
		5,635.9		**4,303.4**

Supplementary information

1 Translation of foreign currencies

These financial statements are presented in euro. Results and cash flows of subsidiary and joint venture undertakings based in non-euro countries have been translated into euro at average exchange rates for the period, and the related balance sheets have been translated at the rates of exchange ruling at the balance sheet date. Adjustments arising on translation of the results of non-euro subsidiary and joint venture undertakings at average rates, and on restatement of the opening net assets at closing rates, are dealt with in retained profits, net of differences on related currency borrowings. Any other translation differences are included in arriving at operating profit.

Rates used for translation of results and balance sheets into euro were as follows:

	Average for six months to June		**As at 30th June**	
euro 1 =	**2000**	**1999**	**2000**	**1999**
US Dollar	0.9605	1.0888	0.9556	1.0328
Pound Sterling	0.6124	0.6721	0.6323	0.6563
Polish Zloty	4.0732	4.2036	4.1835	4.0580

2 Exceptional items - 1999

(a) Exceptional impairment cost – Premier Periclase

An impairment review of the fixed assets of Premier Periclase carried out during the first six months of 1999 indicated that the carrying value at that time was not supported and a write-down of euro 15.3 million was accordingly reflected in the 1999 results. The taxation impact of this write-down was estimated at 30th June, 1999 at euro 1.6 million.

(b) Exceptional profit on disposal of Keyline

In June 1999, the Group sold its UK subsidiary Keyline Builders Merchants. A profit of euro 79.6 million, net of goodwill of euro 57.6 million previously written off against Group reserves, was recorded in the interim results for 1999. Taxation on this profit was estimated at euro 26.8 million.

3 Geographical analysis

Analysis by destination

	2000		1999	
	euro m	%	euro m	%
Sales, including share of joint ventures				
Republic of Ireland	305.4	8.4	275.8	9.6
Britain and Northern Ireland	354.1	9.7	510.8	17.9
Mainland Europe	926.2	25.4	665.4	23.3
The Americas	2,060.0	56.5	1,406.8	49.2
	3,645.7	100	2,858.8	100
Less: share of joint ventures	(89.0)		(63.8)	
Group sales	3,556.7		2,795.0	
Trading profit, including share of joint ventures				
Republic of Ireland	58.9	22.6	49.8	25.6
Britain and Northern Ireland	32.8	12.6	36.8	19.0
Mainland Europe	71.3	27.3	39.5	20.3
The Americas	97.8	37.5	68.1	35.1
Trading profit, excluding exceptional items	260.8	100	194.2	100
Exceptional items, net	-		64.3	
Trading profit, including exceptional items	260.8		258.5	

Analysis by origin

	2000		1999	
	euro m	%	euro m	%
Sales, including share of joint ventures				
Republic of Ireland	320.8	8.8	289.1	10.1
Britain and Northern Ireland	346.7	9.5	503.2	17.6
Mainland Europe	918.0	25.2	659.5	23.1
The Americas	2,060.2	56.5	1,407.0	49.2
	3,645.7	100	2,858.8	100
Less: share of joint ventures	(89.0)		(63.8)	
Group sales	3,556.7		2,795.0	
Trading profit, including share of joint ventures				
Republic of Ireland	62.4	23.9	51.4	26.5
Britain and Northern Ireland	29.9	11.5	34.2	17.6
Mainland Europe	70.7	27.1	40.5	20.8
The Americas	97.8	37.5	68.1	35.1
Trading profit, excluding exceptional items	260.8	100	194.2	100
Exceptional items, net	-		64.3	
Trading profit, including exceptional items	260.8		258.5	

4 *Movements in shareholders' funds*

	2000 euro m	1999 euro m
At 1st January	2,201.7	1,554.0
Retained profit for the period	102.0	131.4
Currency translation effects	57.0	135.5
Issue of ordinary share capital (net of expenses)	22.5	27.0
Goodwill written-back on disposal of Keyline	-	57.6
At 30th June	2,383.2	1,905.5

5 *Summarised cash flow*

The table below summarises the Group's cash flows for the six months ended 30th June, 2000 and 30th June, 1999.

	2000 euro m	1999 euro m
Inflows		
Profit before tax (excluding exceptional items)	180.2	158.1
Depreciation and goodwill amortisation	172.6	111.9
Disposals	13.8	299.9
Share issues (net of expenses)	22.5	27.0
	389.1	596.9
Outflows		
Working capital movement	303.1	129.3
Capital expenditure	222.0	181.6
Acquisitions and investments	931.0	423.9
Dividends	55.9	47.4
Tax paid	49.1	33.2
Other	12.0	7.0
	1,573.1	822.4
Net outflow	(1,184.0)	(225.5)
Translation adjustment	(51.7)	(86.5)
Increase in net debt	(1,235.7)	(312.0)

6 Other

		2000	1999
EBIT interest cover * (times)	- six months to 30th June	3.2	5.4
	- rolling 12 months	5.3	8.9
EBITDA interest cover * (times)	- six months to 30th June	5.4	8.5
	- rolling 12 months	7.8	12.4

** including share of joint ventures; 1999 comparatives exclude exceptional items*

	2000	1999
Average shares in issue (millions)	392.4	389.2
Net dividend per share (cent) **	6.70	5.90
Dividend cover (times)	4.8	5.0

*** dividend payments made on or after 6th April, 1999 do not carry a tax credit*

	2000	1999
Depreciation charge - euro m	154.9	107.8
Goodwill amortisation charge - euro m	17.7	4.1
Net debt - euro m	2,905.0	1,041.5
Debt ratio	120%	53%
Debt to market capitalisation at 30th June	39%	16%

7 Distribution of Interim Report

These Interim results are available on the Group's website (www.crh.com). A printed copy will be posted to shareholders on Tuesday, 12th September, 2000 and will be available to the public from that date at the Company's registered office. Details of the Scrip Dividend Offer in respect of the Interim 2000 dividend will be posted to shareholders on Tuesday, 26th September, 2000.

Notes