



2001 INTERIM RESULTS

Six months ended 30th June, 2001

• Sales - euro	4,496 m up 23%			
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	Before goodwill amortisation		After goodwill amortisation	
• Trading profit - euro	308 m	up 11%	281 m	up 8%
• Profit before tax - euro	213 m	up 8%	186 m	up 3%
• Earnings per share - cent	32.91 c	down 3%*	27.36 c	down 8%*

• Cash earnings per share - cent	75.75 c up 8%*			
• Dividend per share - cent	6.75 c up 11%*			

* Percentage changes in per share amounts are based on 2000 figures adjusted for the March 2001 Rights Issue.

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- Trading profit in the **Republic of Ireland** increased to euro 80 million, with continued good economic and construction activity boosted by an increase of euro 12.6 million in profit on disposal of fixed assets. Trading profit excluding profit on disposal increased by 15%.
 - In **Britain and Northern Ireland**, trading profits fell slightly by 2% to euro 32 million against a background of a weak UK housing market.
 - In **Mainland Europe**, our operations were affected by mixed trading patterns and profits were reduced by rationalisation costs of euro 5.9 million and by a euro 5.1 million loss on disposal of Vebofoam (primarily goodwill previously written-off against reserves). Total trading profit fell by 17% to euro 59 million. Excluding the impact of rationalisation and the Vebofoam loss trading profits declined by 2%.
 - Trading profit in **the Americas** increased by 12% to euro 110 million. The impact of the first-time inclusion of the traditionally loss-making winter period for 2000 Materials acquisitions and varied demand patterns in certain Products & Distribution markets were more than offset by the benefits of lower bitumen costs, contributions from current year acquisitions and favourable translation effects.
 - Development activity continued with euro 515 million spent on over 20 acquisitions.
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Liam O'Mahony, Chief Executive, said today:

"Overall, current conditions in our various markets are less favourable than in recent years. Nevertheless, supported by our balanced spread of operations and contributions from 2000 and 2001 acquisitions, we look forward to a year of further progress in 2001."

Announced Tuesday, 4th September, 2001

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Liam O'Mahony, Chief Executive
Harry Sheridan, Finance Director
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INTERIM STATEMENT

HIGHLIGHTS

The results highlights for the first six months of 2001 are set out below.

- Sales: euro 4,496 million, up 23.3%
- Trading profit before goodwill amortisation: euro 308 million, up 10.6%
- Basic earnings per share before goodwill amortisation: 32.91c, down 3.0%
- Cash earnings per share: 75.75c, up 8.4%

Following the March 2001 Rights Issue, the average number of shares in issue increased by 13.4% to 488.6 million (2000: 430.8 million). Percentage changes in per share amounts are based on 2000 figures adjusted for the Rights Issue.

Translation effects in the first six months of 2001 arising from the strengthening of the US Dollar versus the euro had a positive impact of euro 4 million on profit before tax compared with the first half of 2000. In addition, shareholders' funds were enhanced by euro 239 million due to translation effects.

Goodwill amortisation amounted to euro 27.1 million (2000: euro 17.7 million). Spending on acquisitions and investments in the first half of 2001 amounted to euro 515 million (2000: euro 931 million).

DIVIDENDS

The Board has decided to pay an interim dividend of 6.75c per share, an increase of 10.7% on the 2000 interim dividend (adjusted for the effect of the March 2001 Rights Issue) of 6.10c. Dividends will be paid on 9th November, 2001 to shareholders registered at the close of business on 14th September, 2001. A scrip dividend alternative is being offered to shareholders.

REGIONAL REVIEW

REPUBLIC OF IRELAND

Sales	euro 338.2 million	up 10.7%
Trading profit*	euro 80.1 million	up 36.0%
* <i>Trading profit after including:</i>	<u>2001</u>	<u>2000</u>
- Goodwill amortisation charge	nil	nil
- Profit on disposal of fixed assets	euro 14.5 million	euro 1.9 million

Following good growth in the first quarter, general activity levels in the second quarter were more subdued reflecting both the impact of measures to prevent the spread of foot and mouth disease and a decline in residential construction activity. However, the infrastructure sector remained buoyant and trading profit (excluding profit on disposals) advanced by 15%. The profit on disposal of fixed assets arises primarily on the sale of surplus lands.

BRITAIN AND NORTHERN IRELAND

Sales	euro 335.4 million	down 5.3%
Trading profit*	euro 32.0 million	down 2.4%
* <i>Trading profit after including:</i>		
- Goodwill amortisation charge	<u>2001</u> euro 2.7 million	<u>2000</u> euro 2.5 million
- Profit on disposal of fixed assets	nil	euro 0.2 million

The weakness in the UK housing sector, Ibstock Brick's key market, which was exacerbated by exceptionally wet weather in the early months of the year, resulted in lower brick deliveries. However, price increases and efficiency gains helped Ibstock offset the volume declines. Forticrete's concrete masonry business was adversely impacted by weather conditions, but our insulation activities benefited from lower input costs and from the integration of the Springvale operations acquired in May 2000 with Combat, our legacy expanded polystyrene insulation company in Britain.

In Northern Ireland, good Private Finance Initiative (PFI) demand was offset by weaker demand in residential markets.

MAINLAND EUROPE

Sales	euro 1,242.4 million	up 34.1%
Trading profit*	euro 59.2 million	down 17.0%
* <i>Trading profit after including:</i>		
- Goodwill amortisation charge	<u>2001</u> euro 11.7 million	<u>2000</u> euro 8.7 million
- (Loss)/profit on disposal of fixed assets	euro (4.5) million	euro 0.8 million

These results reflect the first-time inclusion of the January-June results for the Jura Group's materials and distribution activities in Switzerland (acquired at end-November 2000).

Trading patterns in Mainland Europe in the first half of the year were mixed.

The Europe Materials Division's operations in Spain enjoyed further volume increases in a good market. In Poland, construction activity in the first half was significantly lower than 2000 and profits declined. The Finnish market also saw lower demand, particularly for aggregates and readymixed concrete in the Helsinki region, resulting in lower profits. In Switzerland, Jura's materials operations met expectations in a growing market.

Our Distribution businesses in the Netherlands, France and Portugal all reported improved results. In the Concrete Products Group, modest improvements in our existing Dutch and Belgian operations and strong initial contributions from recent acquisitions were more than offset by tough trading conditions together with rationalisation costs of euro 2.4 million in our French operations. Results from the Clay Products Group declined sharply with further difficult trading conditions in Holland and Germany and rationalisation costs of euro 3.5 million associated with the closure of production capacity at AKA in Germany. In the Building Products Group, results for the Heras Fencing & Security operations were slightly below 2000 levels, while the Insulation and Rooflights & Ventilation divisions reported similar profits in difficult markets.

The loss on sale of fixed assets includes euro 5.1 million (primarily goodwill previously written-off against reserves) arising on the transfer of our Vebofoam insulation business to the Gefinex Jackson joint venture in which CRH acquired a 49% stake.

THE AMERICAS

Sales	euro 2,580.2 million	up 25.3%
Trading profit*	euro 109.6 million	up 12.1%
* <i>Trading profit after including:</i>	<u>2001</u>	<u>2000</u>
- Goodwill amortisation charge	euro 12.7 million	euro 6.5 million
- Profit on disposal of fixed assets	euro 2.7 million	euro 2.6 million

In the Materials Division, market demand generally in the first half reflected the ongoing gradual pick-up in TEA-21 funded activity. Better pricing and lower bitumen costs resulted in underlying gains compared with first half 2000, but these benefits were largely offset by the first-time inclusion of winter losses from acquisitions completed during 2000, in particular The Shelly Group (acquired February 2000) and Dolomite (acquired June 2000). Markets in the Northeast generally saw strong activity levels with a good initial contribution from New Jersey-based Mount Hope Rock Products which was acquired at end-April. In the Midwest, while Thompson-McCully operations in Michigan benefited from better demand, Shelly's West Virginia operations were adversely impacted by slower state spending. The Mountain states remain depressed, but operations in the Northwest performed well. Overall, the traditional first half loss in the Materials Division was lower than in 2000.

Profits from our Products & Distribution Division in North America advanced with acquisition benefits compensating for underlying declines. The Precast Group was adversely impacted by difficulties in the telecommunications sector and the electrical utility market in California. Although order backlogs in the Architectural Products Group continued strong, mixed weather conditions and economic uncertainty resulted in a varied pattern of order drawdown. Plant start-ups and increases in the cost of natural gas impacted profitability. The Glass Group continued to perform well despite softness in some regional markets and benefited from a good contribution from the Hoffer's acquisition completed in September 2000. The Distribution Group reported similar profits in its seasonally less profitable first half. Despite very difficult economic circumstances, our operations in South America reported improved results.

ACQUISITIONS AND DISPOSALS

First half total acquisition and investment expenditure of euro 515 million includes expenditure of euro 154 million on Mount Hope Rock Products in North America while the remaining euro 361 million includes the cost of over 20 small to medium-sized deals in Europe and North America. Proceeds from disposal of fixed assets and from the sale of Vebofoam to Gefinex Jackson amounted to euro 52 million.

FINANCE AND TAXATION

The higher first half interest charge reflects the financing costs of significant 2000 and first half 2001 development activity, partly offset by interest income on the proceeds of euro 345 million from the 5% share placing in September 2000 and from the 1 for 4 Rights Issue completed in March which raised approximately euro 1.1 billion (net of expenses). These equity issues ensure that the Group is not constrained in its plans to take full advantage of attractive acquisition opportunities as they arise in our various geographic, product and sectoral markets.

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, although the pace of growth in both economic and construction activity has slowed significantly, underlying demand is supported by a strong infrastructural investment programme. In Britain, the outlook remains flat with a continuing focus on achieving efficiency and price improvements. In Mainland Europe, while Spain and Switzerland remain generally positive, we face slowing demand in our markets in the Benelux, France and Finland as well as very difficult conditions in Germany and Poland.

In North America, our Materials operations should continue to benefit from the positive impact of TEA-21, and the current outlook for bitumen and energy costs is more favourable than in 2000. For our Products & Distribution operations, despite economic uncertainties, the demand outlook remains reasonably steady. Stable energy costs and normal weather patterns remain key to the full year outcome.

Overall, current conditions in our various markets are less favourable than in recent years. Nevertheless, supported by our balanced spread of operations and contributions from 2000 and 2001 acquisitions, we look forward to a year of further progress in 2001.

GROUP PROFIT AND LOSS ACCOUNT
for the six months ended 30th June, 2001 (*unaudited*)

	Continuing operations		Total 2001 euro m	2000 euro m	% Change
	2001 euro m	Acquisitions 2001 euro m			
Sales , including share of joint ventures	4,396.2	100.0	4,496.2	3,645.7	+23.3
Less: share of joint ventures	(75.8)	(2.3)	(78.1)	(89.0)	
Group sales	4,320.4	97.7	4,418.1	3,556.7	+24.2
Cost of sales	(3,063.6)	(70.2)	(3,133.8)	(2,482.8)	
Gross profit	1,256.8	27.5	1,284.3	1,073.9	
Operating costs	(983.6)	(13.4)	(997.0)	(808.3)	
Goodwill amortisation	(26.0)	(1.1)	(27.1)	(17.7)	
Group operating profit	247.2	13.0	260.2	247.9	
Share of joint ventures' operating profit	8.0	-	8.0	7.4	
Operating profit, including share of joint ventures	255.2	13.0	268.2	255.3	
Profit on disposal of fixed assets	12.7	-	12.7	5.5	
Trading profit , including share of joint ventures	267.9	13.0	280.9	260.8	+7.7
Group interest payable (net)			(94.3)	(80.1)	
Share of joint ventures' net interest			(0.7)	(0.5)	
Profit on ordinary activities before taxation			185.9	180.2	+3.2
Taxation on profit on ordinary activities			(52.0)	(50.5)	
Profit on ordinary activities after taxation			133.9	129.7	
Profit applicable to equity minority interests			(0.2)	(1.2)	
Preference dividends			-	-	
Profit for the period attributable to ordinary shareholders			133.7	128.5	+4.0
Ordinary dividends			(35.1)	(26.5)	
Profit retained for the financial period			98.6	102.0	
Earnings per share for the period					
<i>Basic</i>					
- Including goodwill amortisation			27.36c	29.83c *	-8.3
- Excluding goodwill amortisation			32.91c	33.94c *	-3.0
<i>Diluted</i>			27.09c	29.49c *	-8.1
Cash flow per share for the period			75.75c	69.89c *	+8.4
Dividend per share			6.75c	6.10c *	+10.7

* Prior year per share amounts have been restated for the bonus element of the March 2001 1 for 4 Rights Issue.

MOVEMENTS ON PROFIT AND LOSS ACCOUNT

for the six months ended 30th June, 2001 (*unaudited*)

	2001 euro m	2000 euro m
At 1st January	1,992.2	1,496.4
Profit retained for the period	98.6	102.0
Currency translation effects	239.1	57.0
Goodwill written back on disposal of Vebofoam*	5.8	-
At 30th June	2,335.7	1,655.4

* In May 2001, as part of the acquisition of the Gefinex insulation business in Germany, the Group transferred its wholly-owned Vebofoam expanded polystyrene business to Gefinex Jackson, a joint venture in which CRH acquired a 49% stake. The loss recognised on this transfer amounted to euro 5.1 million, including euro 5.8 million of goodwill previously written-off against reserves.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

for the six months ended 30th June, 2001 (*unaudited*)

	2001 euro m	2000 euro m
Profit for the period attributable to ordinary shareholders	133.7	128.5
Currency translation effects	239.1	57.0
Total recognised gains and losses for the period	372.8	185.5

GROUP BALANCE SHEET AS AT 30TH JUNE, 2001 *(unaudited)*

	2001		2000	
	euro m	euro m	euro m	euro m
Fixed assets				
Intangible asset - goodwill		1,062.4		807.8
Tangible assets		5,182.3		4,061.2
Financial assets				
Investment in joint ventures - share of gross assets	167.3		115.4	
- share of gross liabilities	(84.4)		(60.9)	
- loans to joint ventures	25.4		12.9	
Other investments	42.3		21.0	
		150.6		88.4
		6,395.3		4,957.4
Current assets				
Stocks	1,093.2		866.4	
Debtors	2,099.8		1,514.9	
Cash, short-term deposits and liquid resources	1,307.7		885.0	
	4,500.7		3,266.3	
Creditors (amounts falling due within one year)				
Bank loans and overdrafts	645.8		1,245.2	
Trade and other creditors	1,641.6		1,274.5	
Corporation tax	63.8		41.7	
Dividends proposed	34.2		26.4	
	2,385.4		2,587.8	
Net current assets		2,115.3		678.5
Total assets less current liabilities		8,510.6		5,635.9
Creditors (amounts falling due after more than one year)				
Loans	3,130.4		2,544.8	
Deferred acquisition consideration	212.3		236.6	
Corporation tax	41.3		32.2	
		3,384.0		2,813.6
Capital grants		16.5		18.1
Provisions for liabilities and charges		574.3		391.9
Capital and reserves				
<i>Called-up share capital</i>				
Equity share capital	176.8		133.9	
Non-equity share capital	1.2		1.2	
<i>Equity reserves</i>				
Share premium account	1,985.9		582.8	
Other reserves	9.9		9.9	
Profit and loss account	2,335.7		1,655.4	
Shareholders' funds		4,509.5		2,383.2
Minority shareholders' equity interest		26.3		29.1
		8,510.6		5,635.9

GROUP CASH FLOW STATEMENT

for the six months ended 30th June, 2001 (*unaudited*)

	2001 euro m	2000 euro m
Net cash inflow from operating activities	146.6	109.5
Dividends received from joint ventures	1.6	1.2
Returns on investments and servicing of finance		
Interest received	33.2	25.4
Interest paid	(140.6)	(98.2)
Finance lease interest paid	(0.1)	(0.2)
	(107.5)	(73.0)
Taxation		
Irish corporation tax paid	(14.4)	(11.3)
Overseas tax	1.4	(37.8)
	(13.0)	(49.1)
Capital expenditure		
Purchase of tangible assets	(246.8)	(222.0)
Less: Capital grants received	0.1	-
New finance leases	0.4	-
Disposal of fixed assets	43.6	13.8
	(202.7)	(208.2)
Acquisition and disposal of subsidiary undertakings and joint ventures		
Acquisition of subsidiary undertakings	(407.6)	(875.9)
Disposal of subsidiary undertaking	8.1	-
Deferred acquisition consideration	(32.3)	(19.0)
Advances repaid and investment in joint ventures	(16.5)	(5.4)
	(448.3)	(900.3)
Equity dividends paid	(53.7)	(41.2)
Cash outflow before use of liquid resources and financing	(677.0)	(1,161.1)
Cash inflow from management of liquid resources	72.7	116.7
Financing		
Issue of shares	1,096.4	7.9
Expenses paid in respect of share issues	(19.8)	(0.1)
(Decrease)/increase in term debt	(556.3)	921.1
Capital element of finance leases repaid	(2.1)	(0.2)
	518.2	928.7
Decrease in cash and demand debt in the period	(86.1)	(115.7)
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT		
Decrease in cash and demand debt in the period	(86.1)	(115.7)
Cash outflow/(inflow) from movement in term debt	558.4	(920.9)
Cash inflow from management of liquid resources	(72.7)	(116.7)
Change in net debt resulting from cash flows	399.6	(1,153.3)
Loans and finance leases, net of liquid resources, acquired with subsidiaries	(58.7)	(30.7)
New finance leases	(0.4)	-
	340.5	(1,184.0)
Translation adjustment	(189.2)	(51.7)
Movement in net debt for the period	151.3	(1,235.7)
Net debt at 1st January	(2,619.8)	(1,669.3)
Net debt at 30th June	(2,468.5)	(2,905.0)

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 trading profit.

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

euro 1 =	Average for six months to 30th June		As at 30th June	
	2001	2000	2001	2000
US Dollar	0.8983	0.9605	0.8480	0.9556
Pound Sterling	0.6237	0.6124	0.6031	0.6323
Polish Zloty	3.6321	4.0732	3.3696	4.1835
Swiss Franc	1.5308	n/a	1.5228	n/a

2 Geographical analysis

Analysis by destination

	2001		2000	
	euro m	%	euro m	%
Sales, including share of joint ventures				
Republic of Ireland	338.2	7.5	305.4	8.4
Britain and Northern Ireland	335.4	7.5	354.1	9.7
Mainland Europe	1,242.4	27.6	926.2	25.4
The Americas	2,580.2	57.4	2,060.0	56.5
	4,496.2	100	3,645.7	100
Less: share of joint ventures	(78.1)		(89.0)	
Group sales	4,418.1		3,556.7	
Trading profit, including share of joint ventures				
Republic of Ireland	80.1	28.5	58.9	22.6
Britain and Northern Ireland	32.0	11.4	32.8	12.6
Mainland Europe	59.2	21.1	71.3	27.3
The Americas	109.6	39.0	97.8	37.5
Trading profit	280.9	100	260.8	100

2 Geographical analysis (continued)

Analysis by origin

	2001		2000	
	euro m	%	euro m	%
Sales, including share of joint ventures				
Republic of Ireland	355.8	7.9	320.8	8.8
Britain and Northern Ireland	327.3	7.3	346.7	9.5
Mainland Europe	1,233.6	27.4	918.0	25.2
The Americas	2,579.5	57.4	2,060.2	56.5
	4,496.2	100	3,645.7	100
Less: share of joint ventures	(78.1)		(89.0)	
Group sales	4,418.1		3,556.7	
Trading profit, including share of joint ventures				
Republic of Ireland	82.6	29.4	62.4	23.9
Britain and Northern Ireland	29.2	10.4	29.9	11.5
Mainland Europe	59.5	21.2	70.7	27.1
The Americas	109.6	39.0	97.8	37.5
Trading profit	280.9	100	260.8	100

3 Summarised cash flow

The table below summarises the Group's cash flows for the six months ended 30th June, 2001 and 30th June, 2000.

	2001 euro m	2000 euro m
Inflows		
Profit before tax	185.9	180.2
Depreciation and goodwill amortisation	236.4	172.6
Disposals	51.7	13.8
Share issues (net of expenses)	1,090.9	22.5
	1,564.9	389.1
Outflows		
Working capital movement	362.3	303.1
Capital expenditure	246.8	222.0
Acquisitions and investments	515.1	931.0
Dividends	68.0	55.9
Tax paid	13.0	49.1
Other	19.2	12.0
	1,224.4	1,573.1
Net inflow/(outflow)	340.5	(1,184.0)
Translation adjustment	(189.2)	(51.7)
Decrease/(increase) in net debt	151.3	(1,235.7)

4 Movements in shareholders' funds

	2001 euro m	2000 euro m
At 1st January	3,075.1	2,201.7
Retained profit for the period	98.6	102.0
Currency translation effects	239.1	57.0
Issue of ordinary share capital (net of expenses)	1,090.9	22.5
Goodwill written back on disposal of Vebofoam	5.8	-
At 30th June	4,509.5	2,383.2

5 Other

	2001	2000
EBITDA interest cover (times) - six months to 30th June	5.4	5.4
- rolling 12 months	6.7	7.8
EBIT interest cover (times) - six months to 30th June	3.0	3.2
- rolling 12 months	4.4	5.3

EBITDA = earnings before interest, tax, depreciation and goodwill amortisation, including share of joint ventures

EBIT = earnings before interest and tax, including share of joint ventures

Average shares in issue (millions)	488.6	430.8 **
Net dividend per share (cent)	6.75	6.10 **
Dividend cover (times)	3.8	4.8
** 2000 figures are restated for bonus element of March 2001 1 for 4 Rights Issue		
Depreciation charge - euro m	209.3	154.9
Goodwill amortisation charge - euro m	27.1	17.7
Net debt - euro m	2,468.5	2,905.0
Debt ratio	54%	120%
Debt to market capitalisation at 30th June	24%	39%

6 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 Thursday, 6th September, 2001 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 2001 dividend will be posted to shareholders on Thursday, 27th September, 2001.