

# 2002 INTERIM RESULTS

Six months ended 30th June 2002

	2002	2001	% change
	euro m	euro m	
• Sales	4,801	4,496	+7%
• Operating profit *	295	296	-
• Profit before tax	196	186	+5%
	euro cent	euro cent	
• Earnings per share - before goodwill amortisation	33.51	32.95	+2%
• Earnings per share - after goodwill amortisation	26.78	27.36	-2%
• Cash earnings per share	76.59	75.79	+1%
• Dividend	7.43	6.75	+10%

\* Operating profit including share of joint ventures but before goodwill amortisation and profit on disposal of fixed assets.

- Operating profit in the **Republic of Ireland** fell by 8% to euro 60.4 million against a background of a c.10% decline in overall construction activity compared with the first half of last year. Despite volume declines in most products, price improvements and production / supply efficiencies in our cement operations helped maintain margins.
- In **Britain and Northern Ireland**, operating profits fell by 15% to euro 29.5 million, with phased price increases during the period not sufficient to offset higher energy costs for our brick operations, and weaker activity in all sectors in Northern Ireland.
- In **Mainland Europe**, overall operating profits increased by 24% to euro 93.6 million. The results benefited from the incremental impact of inclusion of results from acquisitions and investments, while underlying operations recorded slightly lower profits against a background of weak demand and increased competition in many of our major markets.
- Operating profit in **The Americas** declined by 7% to euro 111.3 million. The impact on the Materials Division of unseasonably wet weather in May and early June, and the continued market weakness affecting our Precast Group, were only partly offset by strong starts to the year by the Architectural Products, Glass and Distribution Groups.
- Development activity continued with euro 607 million spent on 20 acquisitions.

## Liam O'Mahony, Chief Executive, said today:

"We believe these results demonstrate clearly the merits of our balanced spread of operations across both geographical regions and construction sectors. Conditions in many of our markets are tougher than in recent years and the weaker US Dollar will have an impact for the year as a whole. We continue our determined internal emphasis on cost efficiency, overhead reduction and cash flow generation. We are confident that these efforts, combined with contributions from 2001 and 2002 acquisitions and normal second half weather patterns, will lead to a year of further progress in 2002."

*Announced Tuesday, 3rd September 2002*

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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 2002 are set out below.

- Sales: euro 4,801 million, up 6.8%
- Operating profit before goodwill and profit on sale of assets : euro 295 million, down 0.2%
- Basic earnings per share before goodwill amortisation: 33.51c, up 1.7%
- Cash earnings per share: 76.59c, up 1.1%

The average number of shares in issue during the first six months of 2002 increased by 6.8% to 522.0 million (2001: 488.6 million) reflecting the full period impact of the March 2001 Rights Issue.

Translation effects in the first six months of 2002 had a negligible impact on profit before tax compared with the first half of 2001, with average US Dollar and Sterling exchange rates in 2002 broadly similar to 2001.

Goodwill amortisation (including share of joint ventures' goodwill) amounted to euro 35.1 million (2001: euro 27.3 million). Spending on acquisitions and investments in the first half of 2002 amounted to euro 607 million (2001: euro 515 million).

## DIVIDENDS

The Board has decided to pay an interim dividend of 7.43c per share, an increase of 10% on the 2001 interim dividend of 6.75c. Dividends will be paid on 8th November 2002 to shareholders registered at the close of business on 13th September 2002. A scrip dividend alternative is being offered to shareholders.

## REGIONAL REVIEW

### REPUBLIC OF IRELAND

	<u>2002</u> euro m	<u>2001</u> euro m	% change
Sales	<u>308.8</u>	<u>338.2</u>	-9%
Operating profit	60.4	65.7	-8%
Goodwill amortisation	(0.1)	(0.1)	
Profit on disposal of fixed assets	<u>3.5</u>	<u>14.5</u>	
Trading profit	<u>63.8</u>	<u>80.1</u>	-20%

In line with the slower trends experienced in the second half of last year, volumes of most products declined sharply in the first quarter of 2002 compared with the very strong trading levels of the first three months of 2001. Although the second quarter was adversely affected by poor weather in May and June, demand for our products improved relative to the first quarter, particularly in the housing sector which has responded to taxation changes in the 2001 Government Budget. Activity levels on major infrastructural projects under the National Development Plan also gathered pace in the second quarter. While overall construction activity is estimated to have declined by approximately 10% in the first six months of the year, price improvements across the Group's businesses and production / supply efficiencies in our cement operations resulted in operating margins in the Republic of Ireland being held in line with the first half of 2001.

## BRITAIN AND NORTHERN IRELAND

	<u>2002</u> euro m	<u>2001</u> euro m	% Change
Sales	<u>329.9</u>	<u>335.4</u>	-2%
Operating profit	29.5	34.7	-15%
Goodwill amortisation	(2.7)	(2.7)	
Profit on disposal of fixed assets	<u>1.2</u>	<u>-</u>	
Trading profit	<u>28.0</u>	<u>32.0</u>	-13%

Ibstock brick volumes in the first half of 2002 benefited from a continuing recovery in market share. However, higher volumes and phased price increases commencing in the second quarter were not sufficient to offset the impact of higher energy costs, and profits declined. The generally positive trend in UK brick delivery levels in the early months of the year reversed somewhat in June when overall volumes weakened. Our UK concrete activities enjoyed strong demand in the roofing and architectural sectors and reported improved profits. The Group's insulation businesses in the UK faced higher input costs resulting in a modest profit decline.

In the **Materials Division**, generally weak activity levels in all sectors resulted in lower profits from our operations in Northern Ireland.

## MAINLAND EUROPE

	<u>2002</u> euro m	<u>2001</u> euro m	% change
Sales	<u>1,399.1</u>	<u>1,242.4</u>	+13%
Operating profit	93.6	75.4	+24%
Goodwill amortisation	(15.0)	(11.7)	
Profit/(loss) on disposal of fixed assets	<u>3.5</u>	<u>(4.5)</u>	
Trading profit	<u>82.1</u>	<u>59.2</u>	+39%

Trading patterns in Mainland Europe in the first half of 2002 were generally weak.

Overall results for the **Materials Division** were just below last year's level. In Spain, construction activity continued at a high level and our operations generated further strong volume and operating profit advances. Our Polish businesses maintained profits in difficult markets before recording a charge of euro 7 million for a major redundancy programme in the cement operations. In Finland, slower demand resulted in a decline in profits which was partly offset by improved performances from our operations in Estonia and St. Petersburg. Our Swiss operations reported similar results despite some project delays. Overall results benefited from the initial first half contribution from our 25% joint venture interest in Israel's sole cement producer acquired in August 2001.

Our **Products and Distribution Division** reported a strong profit improvement principally reflecting good acquisition contributions.

The acquisition in May of the EHL Group, Germany's leading producer of concrete paving and landscape walling products, contributed strongly to first half results for the *Concrete Products* group with the months of May and June being the peak selling season for EHL's products. The Zoontjens and BMI acquisitions completed in 2001 in the Netherlands and France respectively performed to expectations. However, a sharp slow down in concrete flooring demand in the Netherlands impacted performance and resulted in a rationalisation charge of euro 2 million.

In *Clay Products*, our Dutch operations reported similar results with modest volume and price improvements. In Germany, AKA reported reduced losses following the restructuring measures undertaken in 2001, and was cash neutral for the half year.

In the *Building Products* group, our Insulation activities benefited from 2001 acquisitions Gefinex and ThermiSol while underlying insulation profits were maintained. The Fencing & Security group also maintained profits in tougher markets but overall profits declined for our Daylight & Ventilation activities which were particularly affected by a difficult German market.

Contributions from acquisitions completed in 2001 and 2002 in the Netherlands, Belgium and France boosted profits in the *Distribution* group, which also reported modest underlying improvements most notably from our Max.Mat joint venture in Portugal.

## THE AMERICAS

	<u>2002</u> euro m	<u>2001</u> euro m	% change
Sales	<u>2,762.8</u>	<u>2,580.2</u>	+7%
Operating profit	111.3	119.7	-7%
Goodwill amortisation	(17.3)	(12.8)	
Profit on disposal of fixed assets	<u>2.1</u>	<u>2.7</u>	
Trading profit	<u>96.1</u>	<u>109.6</u>	-12%

After generally good early-season activity levels, the **Materials Division** was significantly impacted by unseasonably wet weather in May and early June as its main construction season got underway, and overall results for the period declined.

Activity levels were generally strong in the *Northeast* although markets in Vermont and New Hampshire were slower than in 2001. The New York metro market remained strong and first-time winter losses for Mount Hope Rock Products (acquired in April 2001) were lower than anticipated. The *Central* division was worst affected by the wet weather conditions, particularly our operations in Michigan, while Ohio also suffered a decline. In the *Western* division, markets in Iowa and Washington were steady, while construction activity in Utah remained sluggish in a weakening local economy. Initial contributions from acquisitions completed to date this year in the region, principally Nuckolls Concrete Services in Iowa and U.S. Aggregates' operations in Idaho and Utah, were in line with expectations.

The **Products and Distribution Division** benefited from continuing strong residential and RMI demand offset by sharply lower activity in commercial markets.

The *Precast Group* continued to be affected by difficulties in the telecommunications sector and marked reductions in demand in its commercial markets resulting in a profit decline. The *Architectural Products Group* turned in a good underlying performance boosted by strong homecentre demand for its lawn and garden products and the continuing strength in housing. This was augmented by strong contributions from acquisitions, in particular W.R. Bonsal (acquired October 2001) and Anchor Concrete Products (acquired March 2002). Despite the weakness in commercial construction activity, the *Glass Group* performed well in tougher commercial markets with profits only modestly behind last year's levels. The *Distribution Group* reported continuing margin improvement and this, combined with acquisition benefits, resulted in a significant advance in first half profitability.

Despite exceptionally difficult economic conditions in Argentina, our operations reported improved results in local currency terms.

## ACQUISITIONS AND DISPOSALS

First half total acquisition and investment expenditure of euro 607 million includes expenditure of euro 155 million on the EHL Group in Germany while the remaining euro 452 million includes the cost of 19 small to medium-sized deals in Europe and North America. Proceeds from disposal of fixed assets amounted to euro 50 million.

## FINANCE AND TAXATION

The lower first half interest charge in 2002 reflects interest income on the proceeds of euro 1.1 billion (net of expenses) from the 1 for 4 Rights Issue completed in March 2001 plus the benefits of lower interest rates worldwide, partly offset by the additional financing costs of significant 2001 and first half 2002 development activity. In March 2002, the Group completed a 10-year US\$1 billion Global Bond issue which substantially extended the maturity profile of the Group's net debt. This, combined with the benefits of last year's Rights Issue and the Group's strong internal cash flow, places the Group in an exceptionally strong position to avail of attractive acquisition opportunities as they arise in our various geographic, product and sectoral markets.

Exchange rate movements between year-end 2001 and 30th June 2002 (mainly the weakening of the US Dollar rate) reduced the euro amount of foreign currency net debt by euro 224 million while shareholders' funds were reduced by euro 365 million.

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

## OUTLOOK

In Ireland, the pick-up in housing activity continues and we anticipate strong levels of infrastructural activity through to the end of the year. While second half year-on-year volume comparisons will benefit from the marked decline seen in the second half of 2001, we expect a decline in construction activity for the year as a whole.

In Britain, the outlook has softened somewhat and while lbstock price increases should yield greater benefits in the second half, high energy costs remain a challenge.

In Mainland Europe, the weak trends in construction activity - first flagged at the Interim 2001 stage - continue with little or no construction growth forecast in 2002 other than in Iberian markets.

In North America, our Materials operations continue to benefit from a solid infrastructure sector, although good backlogs are somewhat slow in generating activity on the ground and bitumen costs are still running higher than 2001 levels. Ongoing strong residential and RMI activity is supporting our Products and Distribution activities, only partially offset by declines in the commercial sector.

We believe these results demonstrate clearly the merits of our balanced spread of operations across both geographical regions and construction sectors. Conditions in many of our markets are tougher than in recent years and the weaker US Dollar will have an impact for the year as a whole. We continue our determined internal emphasis on cost efficiency, overhead reduction and cash flow generation. We are confident that these efforts, combined with contributions from 2001 and 2002 acquisitions and normal second half weather patterns, will lead to a year of further progress in 2002.

## GROUP PROFIT AND LOSS ACCOUNT

	Six months ended 30th June - Unaudited				
	Continuing operations				Year ended
	Acquisitions	Total	Total		31st December
	2002	2002	2002	2001	2001
					Audited
	euro m	euro m	euro m	euro m	euro m
Sales, including share of joint ventures	4,651.5	149.1	4,800.6	4,496.2	10,443.5
Less: share of joint ventures	(134.2)	(0.8)	(135.0)	(78.1)	(236.7)
Group sales	4,517.3	148.3	4,665.6	4,418.1	10,206.8
Cost of sales	(3,208.7)	(108.7)	(3,317.4)	(3,133.8)	(7,023.3)
Gross profit	1,308.6	39.6	1,348.2	1,284.3	3,183.5
Operating costs	(1,049.6)	(17.3)	(1,066.9)	(997.0)	(2,189.9)
Group operating profit	259.0	22.3	281.3	287.3	993.6
Share of joint ventures' operating profit	13.7	(0.2)	13.5	8.2	26.5
Operating profit, including share of joint ventures	272.7	22.1	294.8	295.5	1,020.1
Goodwill amortisation, including share of joint ventures	(33.6)	(1.5)	(35.1)	(27.3)	(60.6)
Profit on disposal of fixed assets, including share of joint ventures	10.3	-	10.3	12.7	16.7
Trading profit, including share of joint ventures	249.4	20.6	270.0	280.9	976.2
Group interest payable (net)			(70.1)	(94.3)	(169.7)
Share of joint ventures' net interest			(4.3)	(0.7)	(3.6)
Profit on ordinary activities before taxation			195.6	185.9	802.9
Taxation on profit on ordinary activities			(53.0)	(52.0)	(217.0)
Profit on ordinary activities after taxation			142.6	133.9	585.9
Profit applicable to equity minority interests			(2.8)	(0.2)	(3.8)
Preference dividends			-	-	(0.1)
Profit for the period attributable to ordinary shareholders			139.8	133.7	582.0
Dividends paid			-	-	(35.3)
Dividends proposed			(38.9)	(35.1)	(84.7)
Profit retained for the financial period			100.9	98.6	462.0
Earnings per share for the period					
Basic					
- Including goodwill amortisation			26.78c	27.36c	115.32c
- Excluding goodwill amortisation			33.51c	32.95c	127.32c
Diluted					
- Including goodwill amortisation			26.56c	27.09c	114.25c
- Excluding goodwill amortisation			33.23c	32.62c	126.15c
Cash flow per share for the period			76.59c	75.79c	213.73c
Dividend per share			7.43c	6.75c	23.00c

## MOVEMENTS ON PROFIT AND LOSS ACCOUNT

	Six months ended 30th June - Unaudited		Year ended 31st December
	2002	2001	2001
	euro m	euro m	Audited euro m
At beginning of period	2,544.5	1,992.2	1,992.2
Profit retained for the financial period	100.9	98.6	462.0
Currency translation effects			
- on results for the period	(2.8)	(4.7)	0.5
- on foreign currency net investments	(362.3)	243.8	83.5
Goodwill written-back on disposal *	-	5.8	6.3
At end of period	<u>2,280.3</u>	<u>2,335.7</u>	<u>2,544.5</u>

\* 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

	Six months ended 30th June - Unaudited		Year ended 31st December
	2002	2001	2001
	euro m	euro m	Audited euro m
Profit for the period attributable to ordinary shareholders	139.8	133.7	582.0
Currency translation effects			
- on results for the period	(2.8)	(4.7)	0.5
- on foreign currency net investments	(362.3)	243.8	83.5
Total recognised gains and losses for the period	<u>(225.3)</u>	<u>372.8</u>	<u>666.0</u>

# GROUP BALANCE SHEET

	As at 30th June - Unaudited				31st December
	2002		2001		2001 - Audited
	euro m	euro m	euro m	euro m	euro m
<b>Fixed assets</b>					
Intangible asset - goodwill		1,119.9		1,062.4	1,153.5
Tangible assets		5,074.3		5,182.3	5,150.5
Financial assets					
Joint ventures - share of gross assets		406.5		167.3	434.6
- share of gross liabilities		(164.9)		(84.4)	(180.2)
- loans to joint ventures		28.5		25.4	27.1
Other investments		24.4		42.3	34.3
		<u>294.5</u>		<u>150.6</u>	<u>315.8</u>
		6,488.7		6,395.3	6,619.8
<b>Current assets</b>					
Stocks		1,123.5		1,093.2	1,002.1
Debtors		1,824.8		2,099.8	1,693.0
Cash, short-term deposits and liquid resources		1,355.8		1,307.7	1,463.3
		<u>4,304.1</u>		<u>4,500.7</u>	<u>4,158.4</u>
<b>Creditors (amounts falling due within one year)</b>					
Bank loans and overdrafts		544.5		645.8	503.5
Trade and other creditors		1,523.7		1,641.6	1,478.7
Corporation tax		96.6		63.8	91.9
Dividends proposed		38.8		34.2	84.7
		<u>2,203.6</u>		<u>2,385.4</u>	<u>2,158.8</u>
<b>Net current assets</b>		<u>2,100.5</u>		<u>2,115.3</u>	<u>1,999.6</u>
<b>Total assets less current liabilities</b>		<u>8,589.2</u>		<u>8,510.6</u>	<u>8,619.4</u>
<b>Creditors (amounts falling due after more than one year)</b>					
Loans		3,138.5		3,130.4	2,853.5
Deferred acquisition consideration		179.7		212.3	173.8
Corporation tax		41.3		41.3	50.9
		<u>3,359.5</u>		<u>3,384.0</u>	<u>3,078.2</u>
<b>Capital grants</b>		<u>15.5</u>		<u>16.5</u>	<u>15.7</u>
<b>Provisions for liabilities and charges</b>		<u>601.8</u>		<u>574.3</u>	<u>655.0</u>
		<u>4,612.4</u>		<u>4,535.8</u>	<u>4,870.5</u>
<b>Capital and reserves</b>					
<i>Called-up share capital</i>					
Equity share capital		177.9		176.8	177.3
Non-equity share capital		1.2		1.2	1.2
<i>Equity reserves</i>					
Share premium account		2,027.3		1,985.9	2,002.5
Other reserves		9.9		9.9	9.9
Profit and loss account		2,280.3		2,335.7	2,544.5
<b>Shareholders' funds</b>		<u>4,496.6</u>		<u>4,509.5</u>	<u>4,735.4</u>
Minority shareholders' equity interest		<u>115.8</u>		<u>26.3</u>	<u>135.1</u>
		<u>4,612.4</u>		<u>4,535.8</u>	<u>4,870.5</u>



## GROUP CASH FLOW STATEMENT

	Six months ended 30th June - Unaudited 2002 euro m	2001 euro m	Year ended 31st December 2001 - Audited euro m
<b>Net cash inflow from operating activities</b>	<b>280.0</b>	146.6	1,383.0
<b>Dividends received from joint ventures</b>	<b>6.3</b>	1.6	11.3
<b>Returns on investments and servicing of finance</b>			
Interest received	25.8	33.2	62.9
Interest paid	(83.9)	(140.6)	(248.3)
Finance lease interest paid	(0.4)	(0.1)	(0.5)
Preference dividends paid	-	-	(0.1)
	<b>(58.5)</b>	<b>(107.5)</b>	<b>(186.0)</b>
<b>Taxation</b>			
Irish corporation tax paid	(15.1)	(14.4)	(15.2)
Overseas tax	(36.4)	1.4	(63.9)
	<b>(51.5)</b>	<b>(13.0)</b>	<b>(79.1)</b>
<b>Capital expenditure</b>			
Purchase of tangible assets	(211.9)	(246.8)	(452.3)
Less: Capital grants received	-	0.1	0.1
New finance leases	0.8	0.4	0.1
Disposal of fixed assets	49.5	51.7	89.0
	<b>(161.6)</b>	<b>(194.6)</b>	<b>(363.1)</b>
<b>Acquisition and disposal of subsidiary undertakings and joint ventures</b>			
Acquisition of subsidiary undertakings	(470.2)	(407.6)	(748.7)
Deferred acquisition consideration	(35.9)	(32.3)	(77.8)
Investments in and advances to joint ventures	(7.5)	(16.5)	(187.5)
	<b>(513.6)</b>	<b>(456.4)</b>	<b>(1,014.0)</b>
<b>Equity dividends paid</b>	<b>(70.1)</b>	(53.7)	(78.9)
<b>Cash outflow before use of liquid resources and financing</b>	<b>(569.0)</b>	(677.0)	(326.8)
<b>Cash (outflow) / inflow from management of liquid resources</b>	<b>(45.8)</b>	72.7	(53.1)
<b>Financing</b>			
Issue of shares	5.6	1,096.4	1,104.7
Issue of preference shares by a subsidiary to minority interests	-	-	109.2
Expenses paid in respect of share issues	(0.1)	(19.8)	(20.6)
Increase / (decrease) in term debt	543.6	(556.3)	(791.4)
Capital element of finance leases repaid	(3.1)	(2.1)	(6.6)
	<b>546.0</b>	<b>518.2</b>	<b>395.3</b>
<b>(Decrease) / increase in cash and demand debt in the financial period</b>	<b>(68.8)</b>	<b>(86.1)</b>	<b>15.4</b>
<b>RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT</b>			
(Decrease) / increase in cash and demand debt in the financial period	(68.8)	(86.1)	15.4
Cash (outflow) / inflow from movement in debt	(540.5)	558.4	798.0
Cash outflow / (inflow) from management of liquid resources	45.8	(72.7)	53.1
Change in net debt resulting from cash flows	(563.5)	399.6	866.5
Loans and finance leases, net of liquid resources, acquired with subsidiaries	(93.4)	(58.7)	(66.1)
New finance leases	(0.8)	(0.4)	(0.1)
	<b>(657.7)</b>	<b>340.5</b>	<b>800.3</b>
Translation adjustment	224.2	(189.2)	(74.2)
Movement in net debt for the financial period	(433.5)	151.3	726.1
Net debt at 1st January	(1,893.7)	(2,619.8)	(2,619.8)
Net debt at end of financial period	<b>(2,327.2)</b>	<b>(2,468.5)</b>	<b>(1,893.7)</b>

## 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			Period ended		
	Six months ended 30th June		Year ended 31st December	30th June		31st December
	2002	2001	2001	2002	2001	2001
US Dollar	<b>0.8979</b>	0.8983	0.8956	<b>0.9975</b>	0.8480	0.8901
Pound Sterling	<b>0.6217</b>	0.6237	0.6218	<b>0.6498</b>	0.6031	0.6120
Polish Zloty	<b>3.6679</b>	3.6321	3.6721	<b>4.0598</b>	3.3696	3.4953
Swiss Franc	<b>1.4690</b>	1.5308	1.5104	<b>1.4721</b>	1.5228	1.4774
Argentine Peso	<b>2.4395</b>	0.8983	0.8956	<b>3.7870</b>	0.8480	1.4019

### 2 Geographical analysis

#### Sales

	Six months ended 30th June - Unaudited				Year ended 31st December 2001	
	2002		2001		Audited	
	euro m	%	euro m	%	euro m	%
<b>Analysis by destination</b>						
Republic of Ireland	<b>308.8</b>	<b>6.4</b>	338.2	7.5	703.6	6.7
Britain and Northern Ireland	<b>329.9</b>	<b>6.9</b>	335.4	7.5	680.0	6.5
Mainland Europe	<b>1,399.1</b>	<b>29.1</b>	1,242.4	27.6	2,652.2	25.4
The Americas	<b>2,762.8</b>	<b>57.6</b>	2,580.2	57.4	6,407.7	61.4
Sales, including share of joint ventures	<b>4,800.6</b>	<b>100</b>	4,496.2	100	10,443.5	100
Less: share of joint ventures	<b>(135.0)</b>		(78.1)		(236.7)	
Group sales	<b>4,665.6</b>		4,418.1		10,206.8	
<b>Analysis by origin</b>						
Republic of Ireland	<b>322.0</b>	<b>6.7</b>	355.8	7.9	736.9	7.1
Britain and Northern Ireland	<b>324.0</b>	<b>6.7</b>	327.3	7.3	664.8	6.4
Mainland Europe	<b>1,392.1</b>	<b>29.0</b>	1,233.6	27.4	2,635.7	25.2
The Americas	<b>2,762.5</b>	<b>57.6</b>	2,579.5	57.4	6,406.1	61.3
Sales, including share of joint ventures	<b>4,800.6</b>	<b>100</b>	4,496.2	100	10,443.5	100
Less: share of joint ventures	<b>(135.0)</b>		(78.1)		(236.7)	
Group sales	<b>4,665.6</b>		4,418.1		10,206.8	

## 2 Geographical analysis (continued)

### Operating profit

#### Six months ended 30th June - Unaudited

	2002					2001				
	Operating profit	Goodwill	Profit on disposal	Trading profit		Operating profit	Goodwill	Profit on disposal	Trading profit	
	%	euro m	euro m	euro m	euro m	%	euro m	euro m	euro m	euro m
<b>Analysis by destination</b>										
Republic of Ireland	20.5	60.4	(0.1)	3.5	63.8	22.2	65.7	(0.1)	14.5	80.1
Britain and Northern Ireland	10.0	29.5	(2.7)	1.2	28.0	11.8	34.7	(2.7)	-	32.0
Mainland Europe	31.8	93.6	(15.0)	3.5	82.1	25.5	75.4	(11.7)	(4.5)	59.2
The Americas	37.7	111.3	(17.3)	2.1	96.1	40.5	119.7	(12.8)	2.7	109.6
Total including joint ventures	100	294.8	(35.1)	10.3	270.0	100	295.5	(27.3)	12.7	280.9
Less: share of joint ventures		(13.5)	1.6	(0.3)	(12.2)		(8.2)	0.2	-	(8.0)
Total excluding joint ventures		281.3	(33.5)	10.0	257.8		287.3	(27.1)	12.7	272.9
<b>Analysis by origin</b>										
Republic of Ireland	21.3	62.7	(0.1)	3.5	66.1	23.1	68.2	(0.1)	14.5	82.6
Britain and Northern Ireland	9.0	26.5	(2.7)	1.2	25.0	10.8	31.9	(2.7)	-	29.2
Mainland Europe	32.0	94.3	(15.0)	3.5	82.8	25.6	75.7	(11.7)	(4.5)	59.5
The Americas	37.7	111.3	(17.3)	2.1	96.1	40.5	119.7	(12.8)	2.7	109.6
Total including joint ventures	100	294.8	(35.1)	10.3	270.0	100	295.5	(27.3)	12.7	280.9
Less: share of joint ventures		(13.5)	1.6	(0.3)	(12.2)		(8.2)	0.2	-	(8.0)
Total excluding joint ventures		281.3	(33.5)	10.0	257.8		287.3	(27.1)	12.7	272.9

#### Year ended 31st December 2001 – Audited

	Operating profit	Goodwill	Profit on disposal	Trading profit	
	%	euro m	euro m	euro m	euro m
<b>Analysis by destination</b>					
Republic of Ireland	13.1	133.9	(0.2)	16.5	150.2
Britain and Northern Ireland	6.0	61.8	(5.2)	4.9	61.5
Mainland Europe	18.9	192.4	(25.2)	(4.0)	163.2
The Americas	62.0	632.0	(30.0)	(0.7)	601.3
Total including joint ventures	100	1,020.1	(60.6)	16.7	976.2
Less: share of joint ventures		(26.5)	1.4	(0.4)	(25.5)
Total excluding joint ventures		993.6	(59.2)	16.3	950.7
<b>Analysis by origin</b>					
Republic of Ireland	13.7	140.0	(0.2)	16.5	156.3
Britain and Northern Ireland	5.5	56.5	(5.2)	4.9	56.2
Mainland Europe	18.9	191.7	(25.2)	(4.0)	162.5
The Americas	61.9	631.9	(30.0)	(0.7)	601.2
Total including joint ventures	100	1,020.1	(60.6)	16.7	976.2
Less: share of joint ventures		(26.5)	1.4	(0.4)	(25.5)
Total excluding joint ventures		993.6	(59.2)	16.3	950.7

### 3 Earnings per share

The computation of basic and diluted earnings per share is set out below:

	Six months ended 30th June - Unaudited		Year ended
	2002	2001	31st December 2001
	euro m	euro m	Audited euro m
<i>Numerator for basic and fully diluted earnings per share</i>			
Profit for the period attributable to ordinary shareholders	139.8	133.7	582.0
Goodwill amortisation	35.1	27.3	60.6
Attributable profit, excluding goodwill amortisation	174.9	161.0	642.6
<i>Denominator for basic earnings per share</i>			
Weighted average number of shares (millions) in issue (i)	522.0	488.6	504.7
Effect of dilutive potential Ordinary Shares (employee share options)	4.3	5.0	4.7
Denominator for diluted earnings per share	526.3	493.6	509.4
<b>Basic earnings per Ordinary Share</b>			
	euro cent	euro cent	euro cent
- Including goodwill amortisation	26.78	27.36	115.32
- Excluding goodwill amortisation (ii)	33.51	32.95	127.32
<b>Diluted earnings per Ordinary Share</b>			
	euro cent	euro cent	euro cent
- Including goodwill amortisation	26.56	27.09	114.25
- Excluding goodwill amortisation (ii)	33.23	32.62	126.15

- (i) In March 2001, 103,622,311 new Ordinary Shares were issued at €10.50 per share on the basis of one new Ordinary Share for every four existing Ordinary Shares under the terms of a Rights Issue. The average number of shares in issue for the six months ended 30th June 2002 reflects the inclusion of the new Rights shares for the full period, compared with three months in the corresponding period of 2001.
- (ii) Interim and full year 2001 earnings per Ordinary Share figures excluding goodwill amortisation presented here for comparative purposes have been adjusted to add back CRH's share of goodwill amortisation relating to joint ventures. In the Interim 2001 and Preliminary Full Year 2001 results announcements, earnings per share figures excluding goodwill (32.91c and 127.05c respectively) were computed by adding back only subsidiaries' goodwill amortisation.

### 4 Movements in shareholders' funds

	Six months ended 30th June - Unaudited		Year ended
	2002	2001	31st December 2001
	euro m	euro m	Audited euro m
At beginning of period	4,735.4	3,075.1	3,075.1
Profit retained for the financial period	100.9	98.6	462.0
Currency translation effects			
- on results for the period	(2.8)	(4.7)	0.5
- on foreign currency net investments	(362.3)	243.8	83.5
Issue of ordinary share capital (net of expenses)	25.4	1,090.9	1,108.0
Goodwill written-back on disposal of subsidiary	-	5.8	6.3
At end of period	4,496.6	4,509.5	4,735.4

## 5 Summarised cash flow

The table below summarises the Group's cash flows for the six months ended 30th June 2002 and 30th June 2001 and for the full year ended 31st December 2001.

	Six months ended 30th June - Unaudited		Year ended 31st December 2001
	2002	2001	Audited
	euro m	euro m	euro m
<b>Inflows</b>			
Profit before tax	196	186	803
Depreciation	225	209	436
Goodwill amortisation, excluding joint ventures	34	27	59
Disposals	50	52	89
Share issues (net of expenses)	25	1,091	1,108
Issue of preference shares in subsidiary to minority	-	-	109
	<u>530</u>	<u>1,565</u>	<u>2,604</u>
<b>Outflows</b>			
Working capital movement	214	363	61
Capital expenditure	211	247	452
Acquisitions and investments	607	515	1,080
Dividends	90	68	103
Tax paid	52	13	79
Other	13	19	29
	<u>1,187</u>	<u>1,225</u>	<u>1,804</u>
<b>Net (outflow) / inflow</b>	<b>(657)</b>	340	800
Translation adjustment	224	(189)	(74)
<b>(Increase) / decrease in net debt</b>	<b>(433)</b>	151	726

## 6 Key components of first half 2002 performance

euro million	H1 2001	Exchange translation effects	Incremental effect in 2002 of acquisitions and investments completed during 2001	2002	Disposed businesses	Benefits of 2001 Rights Issue	Incremental effect in 2002 of rationalisation costs charged in 2001	2002	Ongoing operations	H1 2002
Sales	4,496	(8)	341	149	(28)	-	-	-	(149)	4,801
Operating profit	296	(1)	22	22	-	-	6	(9)	(41)	295
Goodwill amortisation	(27)	-	(6)	(2)	-	-	-	-	-	(35)
Profit on disposals	12	-	-	-	-	-	-	-	(2)	10
Trading profit	281	(1)	16	20	-	-	6	(9)	(43)	270
Finance costs	(95)	1	(23)	(7)	-	13	-	-	37	(74)
Profit before tax	186	-	(7)	13	-	13	6	(9)	(6)	196
<i>Change</i>		-	-4%	+7%	-	+7%	+3%	-5%	-3%	+5%

## 7 Other

		Six months ended 30th June		Year ended
		Unaudited		31st December 2001
		2002	2001	Audited
EBITDA interest cover (times)	- six months to 30th June	7.4	5.4	n/a
	- rolling 12 months	10.0	6.6	8.5
EBIT interest cover (times)	- six months to 30th June	3.7	2.9	n/a
	- rolling 12 months	6.4	4.4	5.6

*EBITDA = earnings before interest, tax, depreciation and goodwill amortisation, excluding share of joint ventures*  
*EBIT = earnings before interest and tax, excluding share of joint ventures*

Average shares in issue (millions)	522.0	488.6	504.7
Net dividend per share (cent)	7.43	6.75	23.00
Dividend cover (times)	3.59	3.81	4.85
Depreciation charge - euro m	224.9	209.3	436.1
Goodwill amortisation charge, subsidiaries - euro m	33.5	27.1	59.2
Goodwill amortisation charge, joint ventures - euro m	1.6	0.2	1.4
Net debt - euro m	2,327.2	2,468.5	1,893.7
Debt ratio	51%	54%	40%
Debt to market capitalisation at period-end	26%	24%	18%

## 8 Distribution of Interim Report

These Interim Results are available on the Group's website ([www.crh.com](http://www.crh.com)). A printed copy will be posted to shareholders on Thursday, 5th September 2002 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 2002 dividend will be posted to shareholders on Thursday, 26th September 2002.