

CRH Investor Day 2010

CRH

AMERICAS MATERIALS

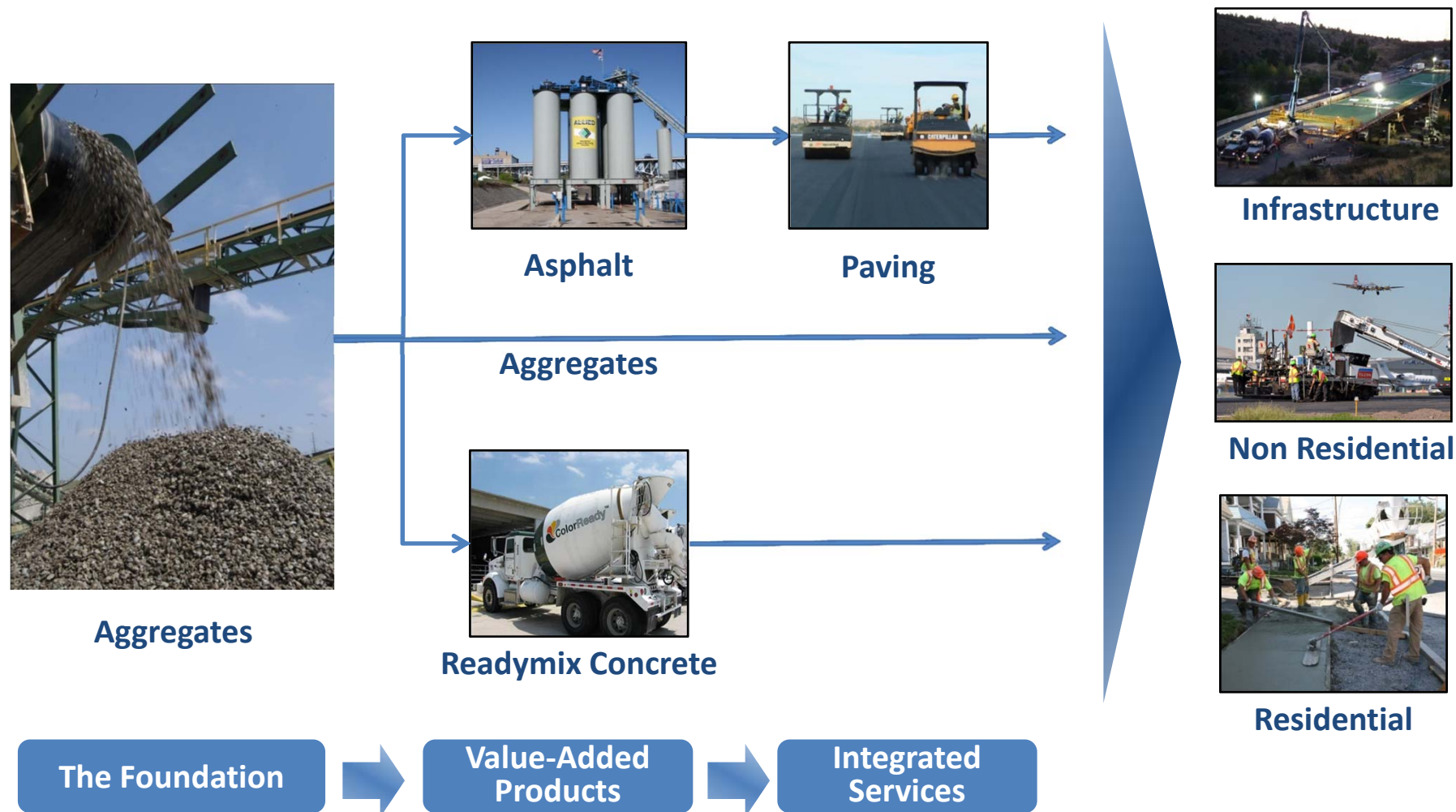
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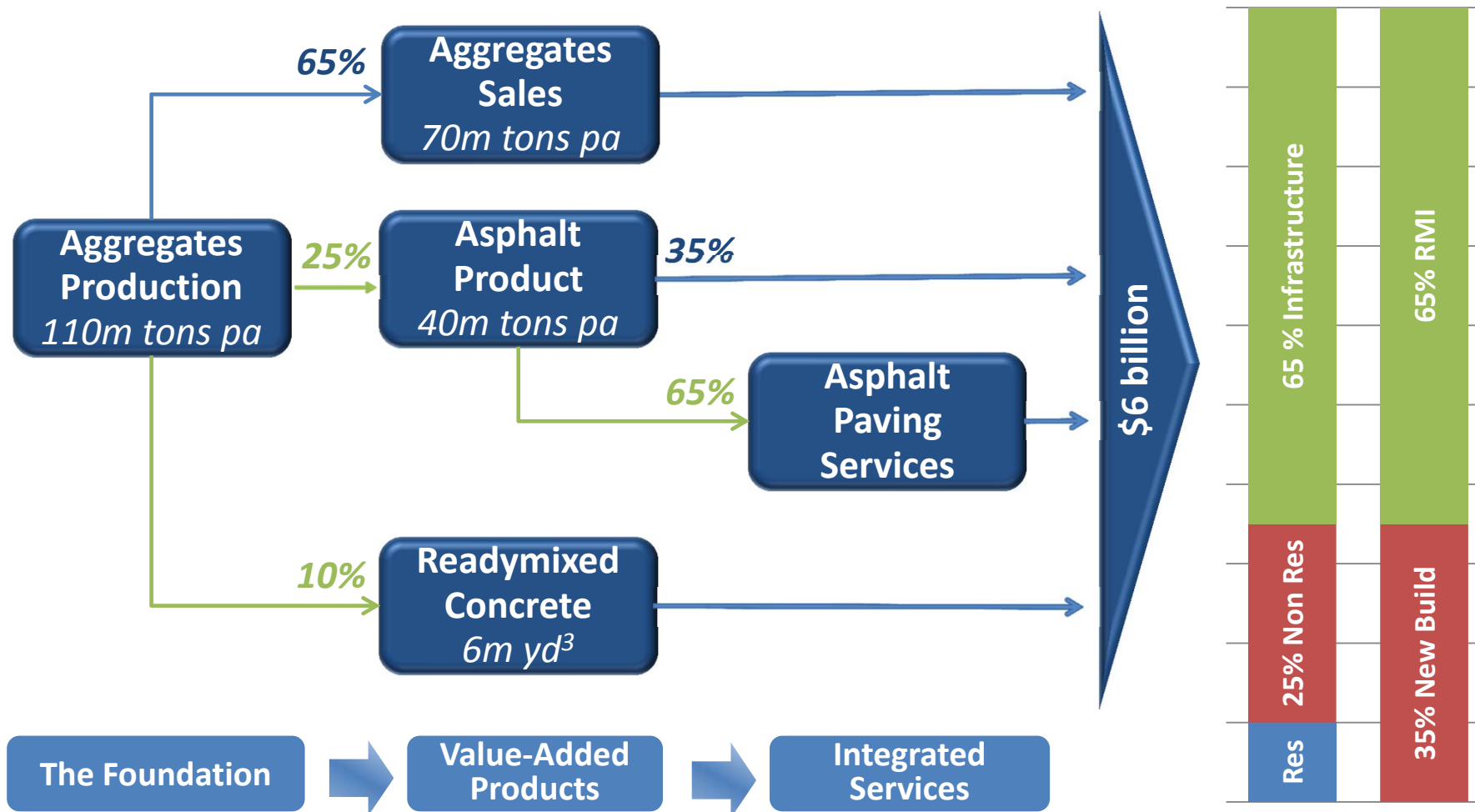
Americas Materials (AMAT)

- BUSINESS MODEL
- COMPETITIVE ADVANTAGES
- OPERATIONAL EXCELLENCE
- DEVELOPMENT OPPORTUNITY
- KEY TAKE-AWAYS

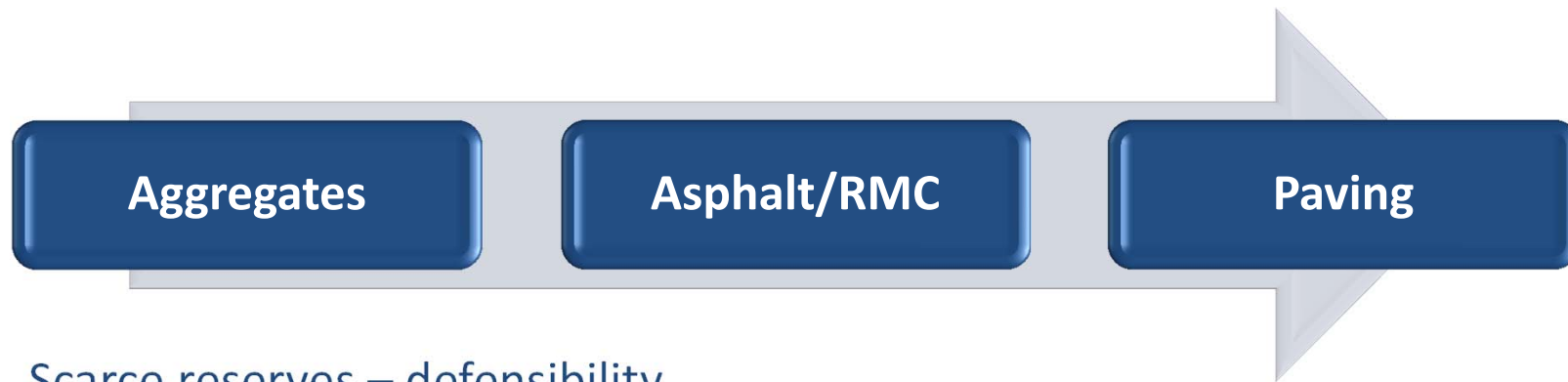
Americas Materials – What We Do



Americas Materials – Scale in 2009



Americas Materials – Why Integration Provides Strength

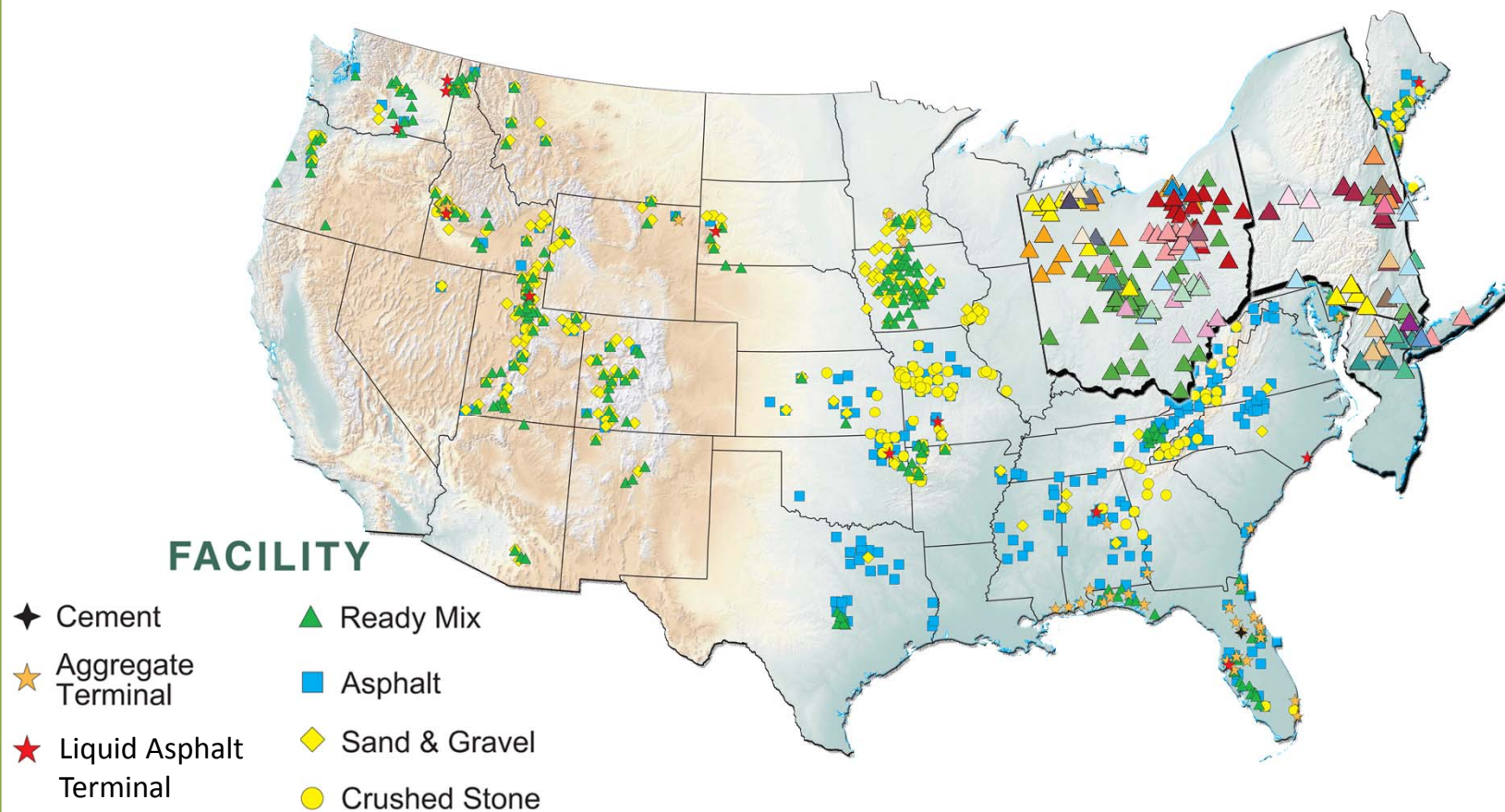


- Scarce reserves – defensibility
- Aggregates/Asphalt pull through – security of demand
- Economies of scale – integrated network
- Quality, logistics and efficiency – supports margin
- Decentralised model – difficult to replicate
- Local integrated players – available targets for growth

Effective value-added delivery of heavyside materials

Americas Materials – Building an Integrated Business

Americas Materials 1985 - 2010



Americas Materials – Today



Today

- Vertically integrated business
- Focused on infrastructure RMI
- Clustered for regional leadership

Leading Industry Position

- No. 1 Asphalt
- No. 3 Aggregates
- No. 3 RMC
- National footprint: 44 states
- Experienced management

From a standing start to No. 1 in 25 years

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Americas Materials Competitive Advantages

- ***Our Locations***

- 11.8 billion tons of aggregates reserves in 575 quarries; 50 stone terminals
- 490 asphalt facilities and 20 liquid AC terminals (830k tons)
- 300 RMC plants; one cement plant

- ***Our Operating Capability***

- Important economies of scale
- Significant logistics capability – road / rail / barge
- Manage locally yet drive performance & synergies nationally

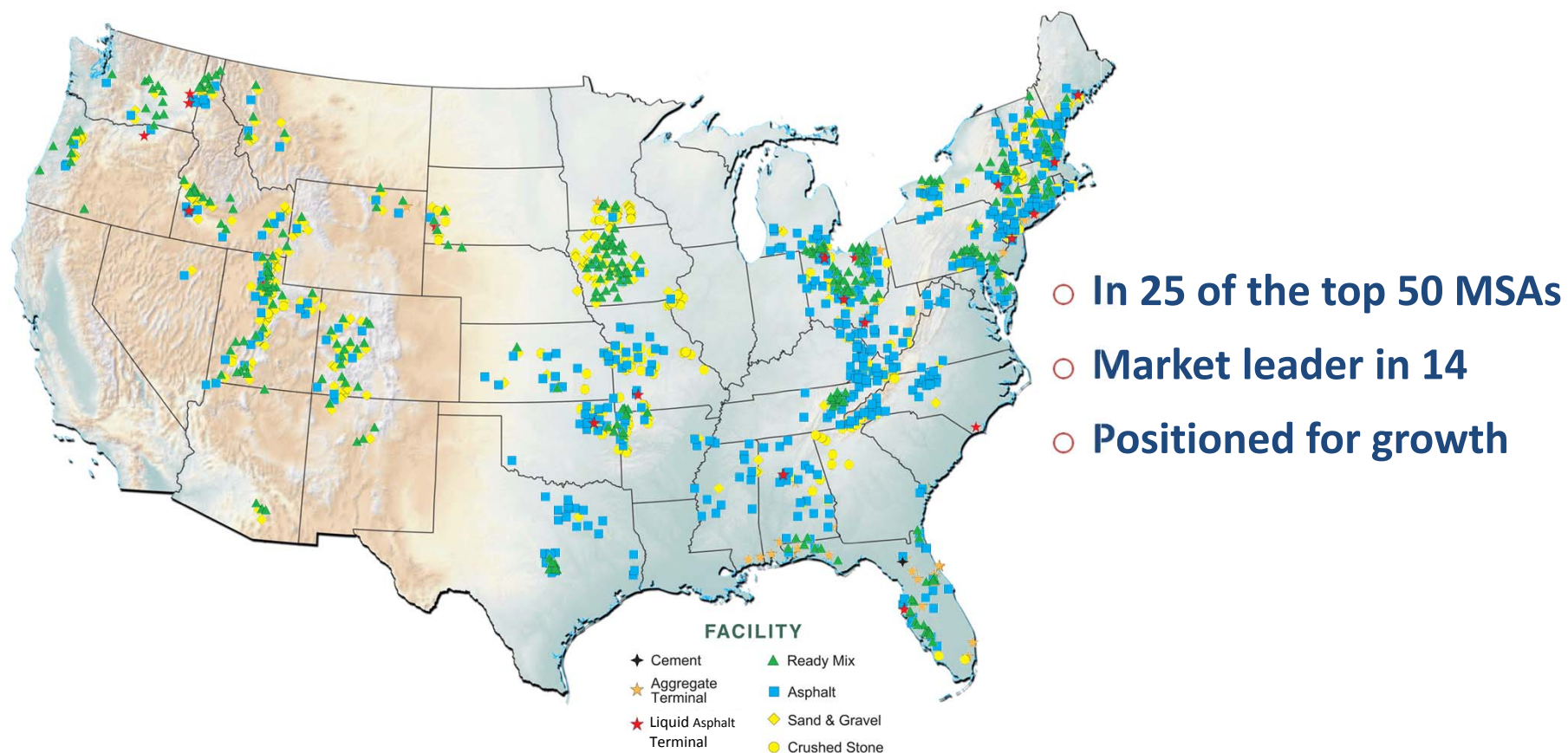
- ***Our Development Skills***

- 25 years of adding value
- Local and regional contacts are critical



Superior results

AMAT Competitive Advantages – Our Locations / Footprint



Strong, asset-backed business servicing key market areas

AMAT Competitive Advantage – Our Operational Capability



Large company resources – local company entrepreneurship

AMAT Competitive Advantage – Our Economies of Scale

Regional economies provide:

- Cost management across plant networks
- Scale in raw material purchases
- Leveraged fixed overhead

Enhanced by national scale – we are a leading purchaser of:

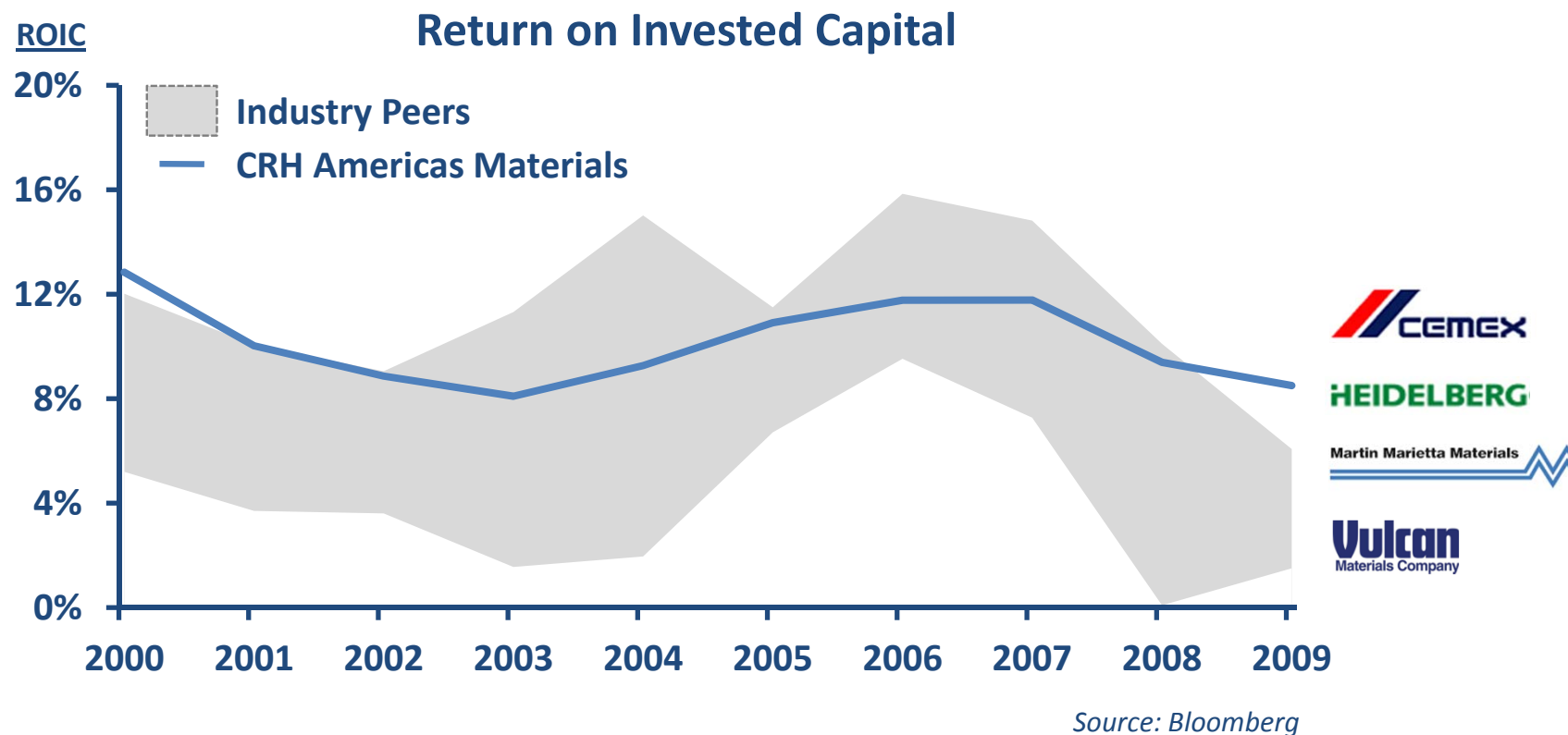
- Materials: liquid asphalt, cement, admixtures
- Energy: diesel, natural gas, recycled fuel oil
- Equipment: mobile, plant, repair parts, rail cars, barges
- Services: blasting, communications, utility

AMAT Competitive Advantage – Our Acquisition Capability

- Excellent reputation – purchaser of choice
- Extensive contacts – local and regional management
- Long-term relationships – lead to negotiated deals
- Capacity – to pursue, close and integrate multiple deals
- Devolved process – but rigorous focus on returns
- Flexible deal structures – tailored to CRH and owners' needs

25-year track record in creating value

AMAT Competitive Advantage – Our Returns

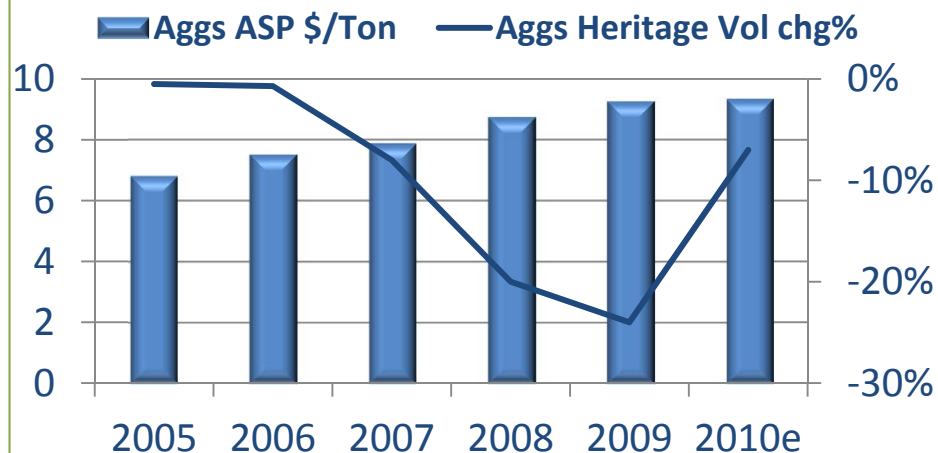


Industry-leading returns that will improve with market recovery

Americas Materials (AMAT)

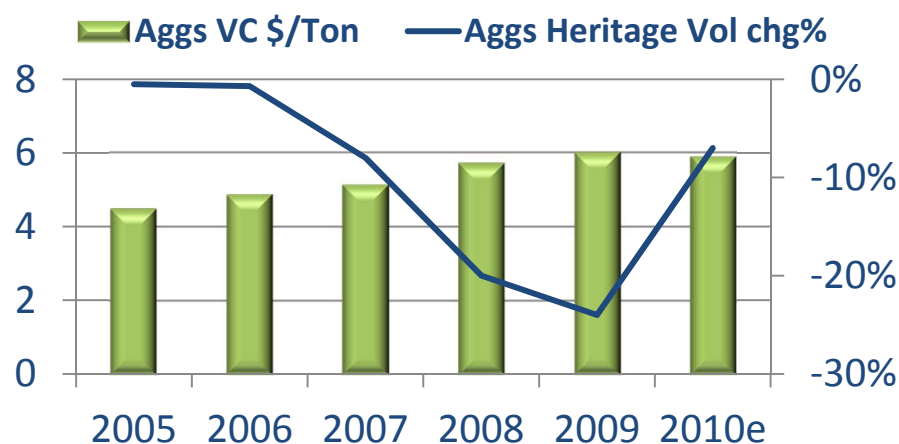
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AMAT Operational Excellence – Commercial & Cost



Commercial:

- Strong local price discipline
- Common analytical tools & metrics
- Structured sales management

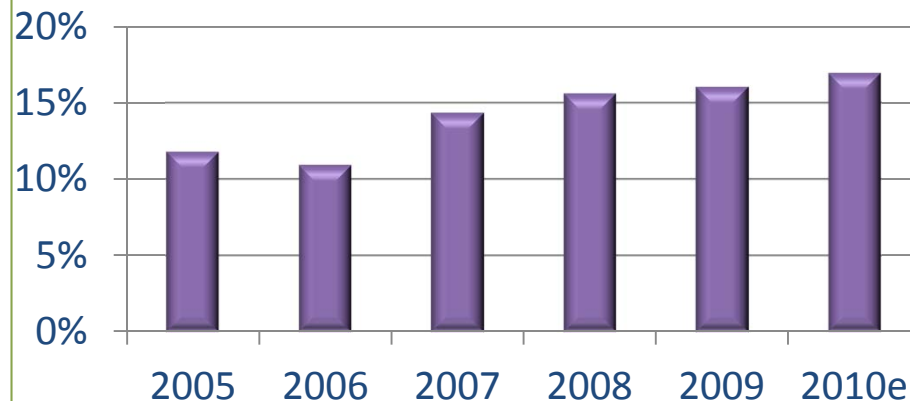


Cost:

- Hourly and daily tracking
- Aggressive best practice sharing
- Continuous improvement culture

AMAT Operational Excellence – Energy & Innovation

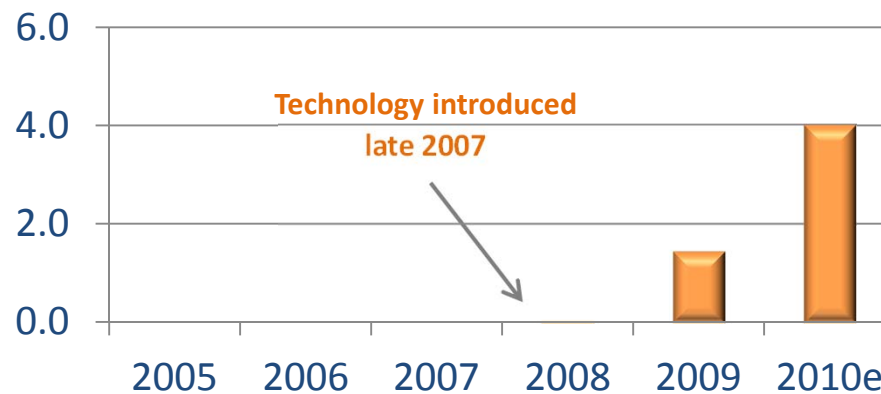
Reclaimed Asphalt Pavement (RAP) %



Energy:

- Continued increase in RAP
- Energy and fuel efficiency
- Reduced environmental impacts

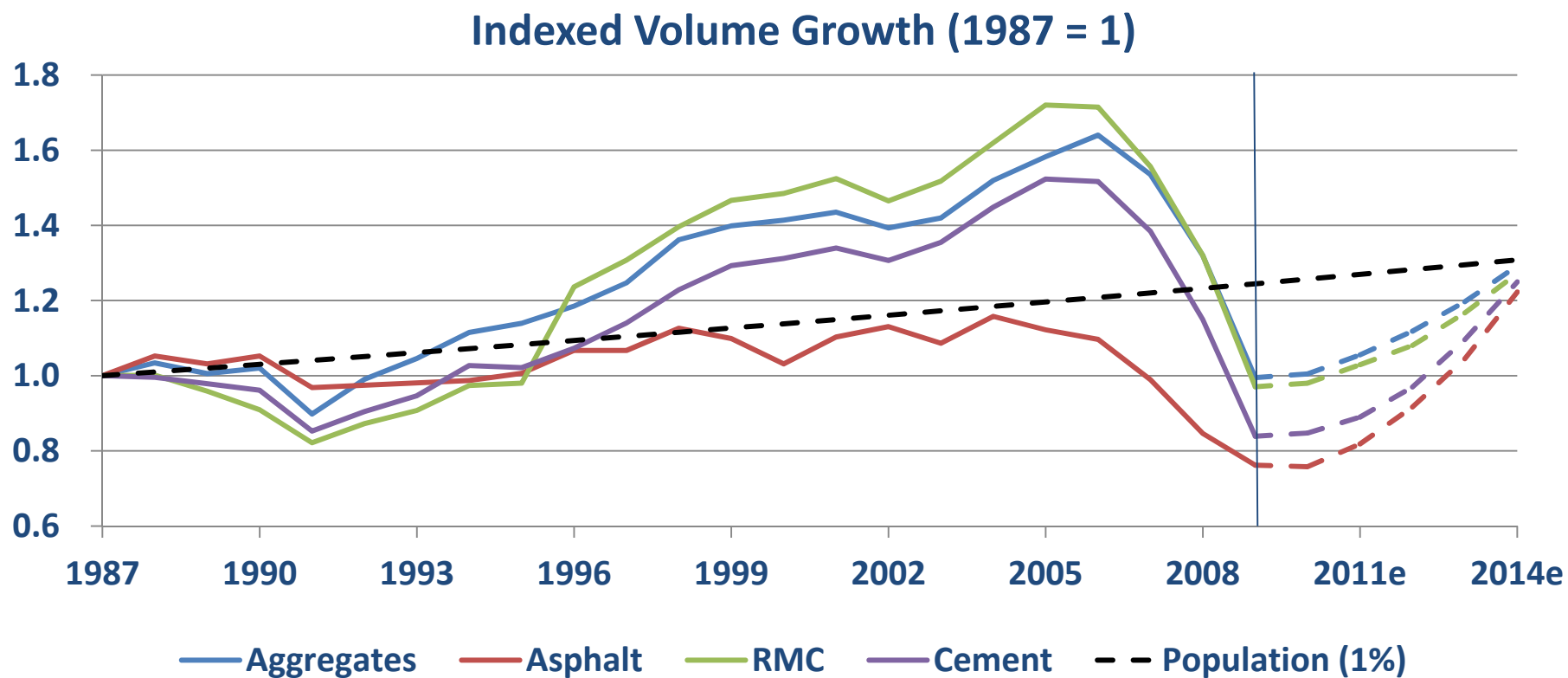
Warm Mix Asphalt (WMA) Tons (m)



Innovation:

- Rapid adoption of technology
- Group-wide technical support
- Local experts/champions

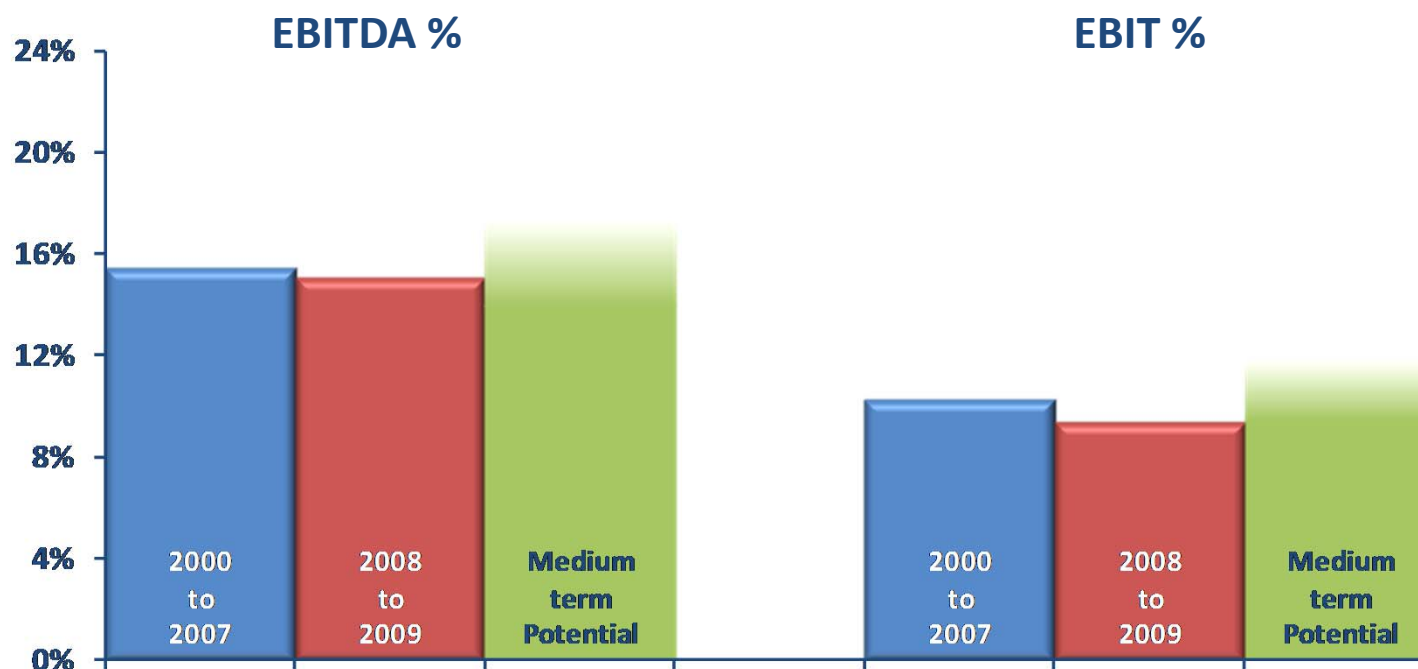
AMAT Operational Excellence – Margin Potential



Source: NAPA, NRMCA, USGS, PCA

Operational Excellence + Market Recovery = Strong Margin Opportunity

AMAT Operational Excellence – Our Margins



Upside leverage to margins as markets normalise

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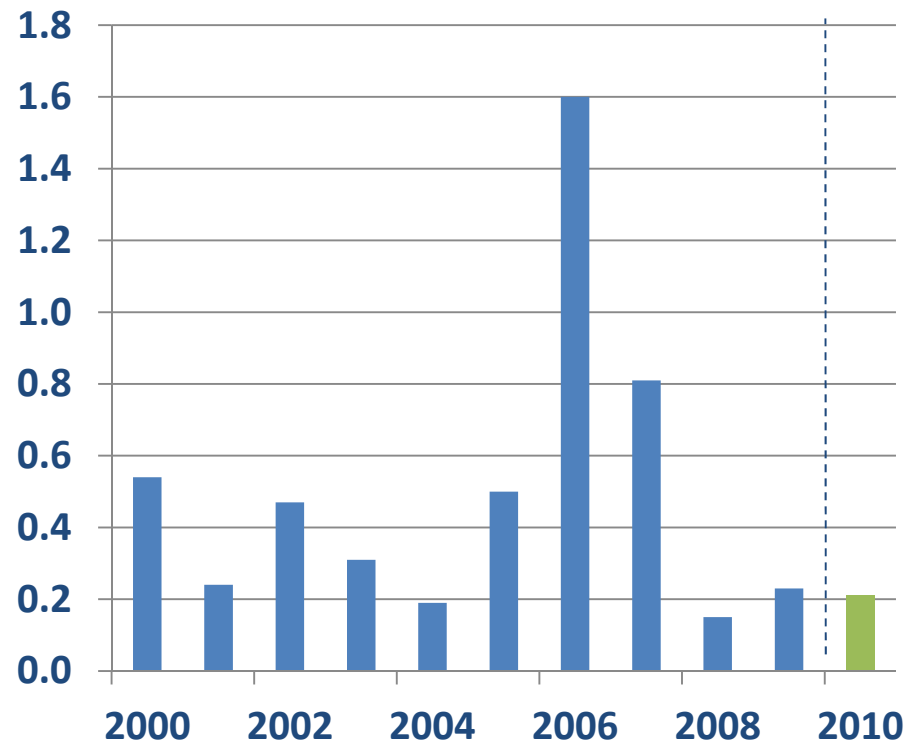
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AMAT Development – The Last 10 years

Development Activity 2000 - 2009

- 152 deals
- In 32 states
- c\$5 billion total spend
- Comprising deals valued ...
 - 112 <\$20m
 - 34 \$20 – 100m
 - 5 \$100 – 500m
 - 1 \$1.1Bn (2006: APAC)

Spend (\$ Bn)



Disciplined investment over time – multiple transactions

AMAT Development Opportunity – The Industry

	OMG	Estimated U.S. Market	OMG % U.S.	Top 10 % U.S.	Estimated Private %	Key Players
Aggregates (m tons)	110	2,100	5%	30%	60%	Vulcan, Martin, AMAT, Heidelberg, Cemex
Asphalt (m tons)	40	362	11%	25%	70%	AMAT, Colas, Vulcan, MDU, Holcim
Readymix (m yd ³)	6	258	2%	20%	60%	Cemex, Heidelberg, AMAT, Holcim, US Concrete
Cement (m tons)	1	77	1%	75%	15%	Cemex, Holcim, Lafarge, Heidelberg, Buzzi

Aggregates, Asphalt and RMC at early stages of consolidation

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Americas Materials – Key Takeaways

The U.S. Materials Market

- Aggregates, asphalt and readymix are core building construction materials
- Ongoing population growth and ageing infrastructure to drive robust recovery
- Largely unconsolidated sector with very fragmented regional markets

CRH Americas Materials

Market
Leader

Well-placed
Reserves

Integrated
Model

Experienced
Team

Structured & positioned to deliver superior returns