

CRH Investor Day 2010



AMERICAS PRODUCTS & DISTRIBUTION

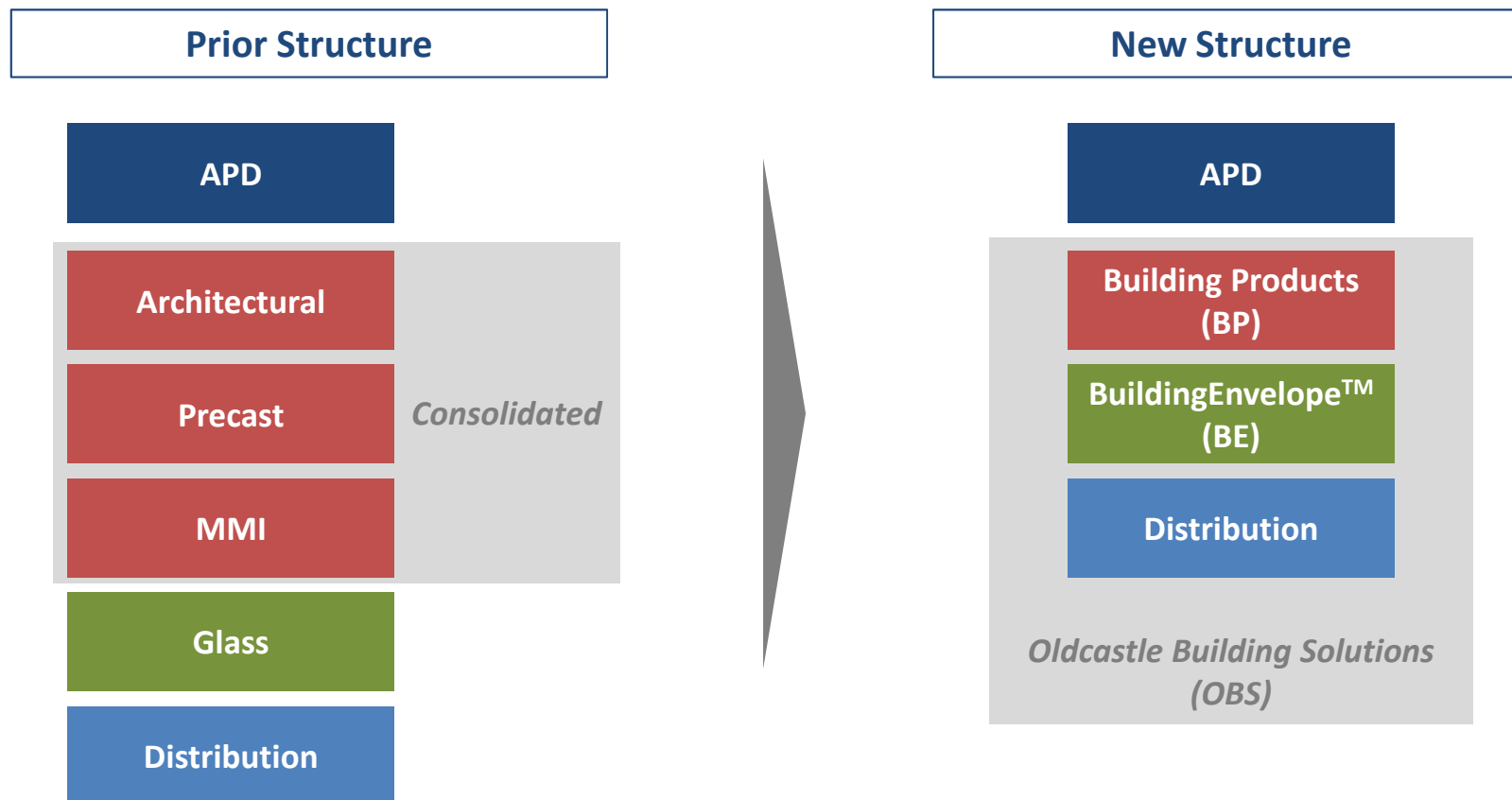
BILL SANDBROOK



Americas Products and Distribution (APD)

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

Americas P&D – Organisational Realignment



Streamlined operating model to leverage cross-product group synergies

Americas P&D – What We Do

APD Divisions

Building Products
\$2.6B

BuildingEnvelope™
\$0.9B

Distribution
\$1.6B

Commercial Products

- Architectural masonry
- Precast products
- Concrete accessories

- Architectural glass
- Aluminum glazing systems
- Curtain walls/windows

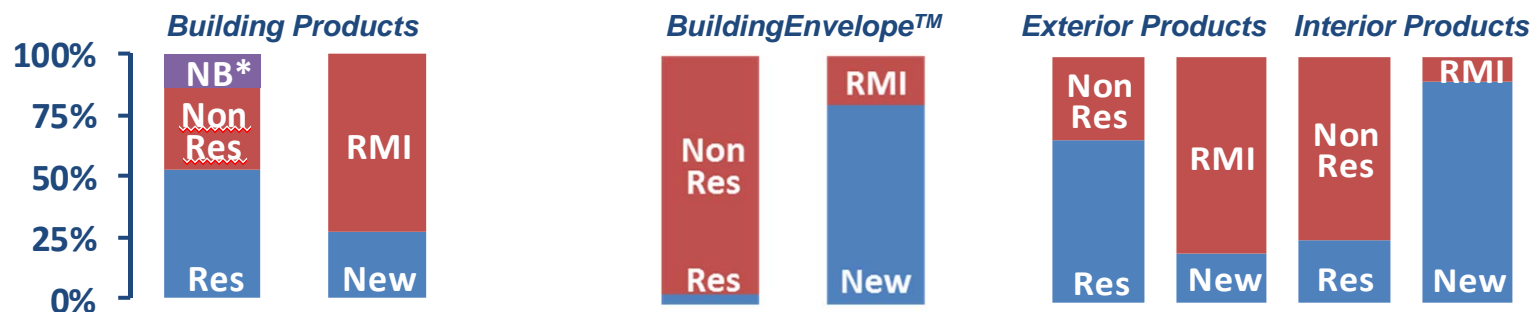
- Roofing systems
- Gypsum wallboard
- Waterproofing

Residential Products

- Hardscapes
- Soils/mulches/stone
- Fencing

- Impact resistant glass
- Shower enclosures
- Residential windows

- Shingles
- Siding
- Stucco

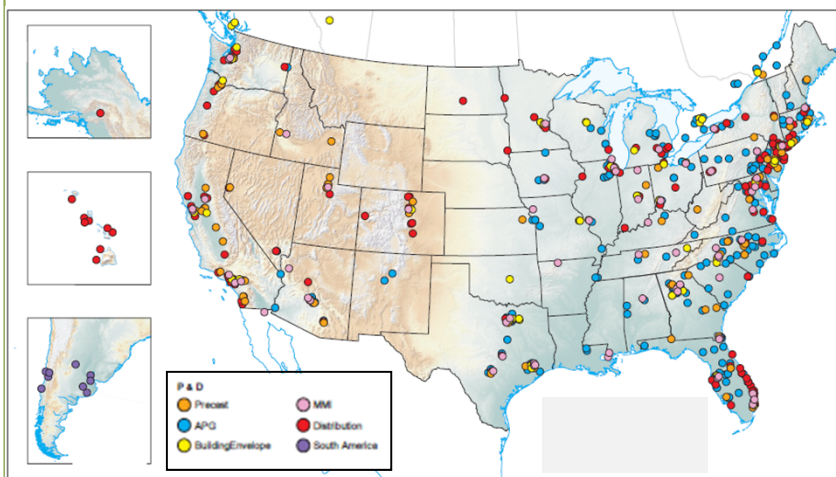


* NB: Non-Building

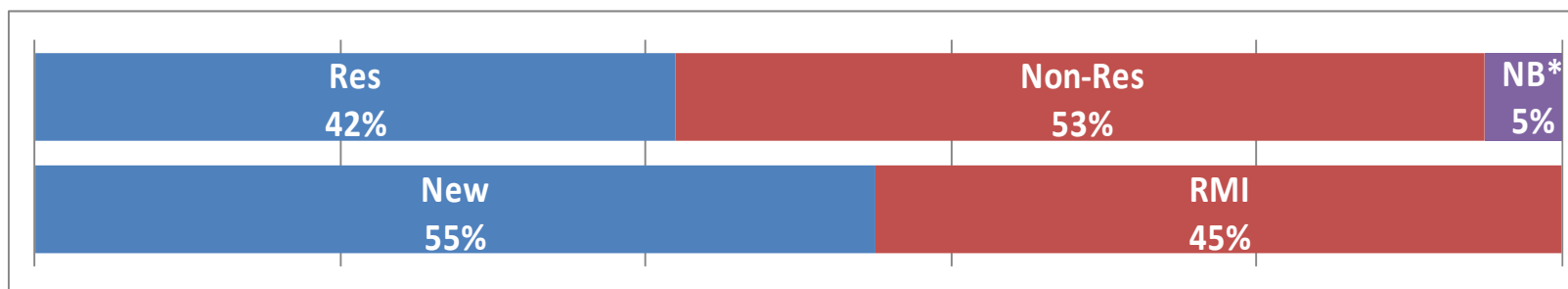
Americas P&D – A Balanced Product Portfolio

APD platform acquisitions:

Year	Business Area	Business Lines
1978	Building Products	Masonry, Precast
1990	BuildingEnvelope	Glass
1996	Distribution	Distribution
2006	Building Products	Constr. Accessories
2007	BuildingEnvelope™	Glazing Systems



Locations: 574
Employees: c17,500



* NB: Non-Building

Americas P&D – Today

- Leader in our markets in scope, scale and performance
- Organisational structure optimised to fit market reality

Leading Industry Positions



- No. 1 Masonry
- No. 1 Hardscapes
- No. 1 Specialised Precast
- No. 1 Brick – Northeast



- No. 1 Engineered Architectural Aluminium Glazing Systems
- No. 1 Engineered Glass Products



- No. 1 Integrated distributor of roofing, siding, drywall and ceiling systems

Broad footprint: 45 States, 4 Canadian Provinces, Chile, Argentina

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Americas P&D – Competitive Advantages

- ***Breadth of Product Offering***
 - Designed to support new and RMI construction needs
 - Simplified vendor coordination for customers
- ***National footprint***
 - Scope to support national customers with personal touch of local supplier
- ***Commitment to Operational and Commercial Excellence***
 - Disciplined approach to safety, quality and productivity
 - Enhanced customer experience
- ***Innovation capability***
 - Dedicated R&D resources to fill new product pipeline

Underpinned by culture of local, entrepreneurial focus

APD Competitive Advantage – Breadth of Product Offering

I: Site work



- Foundations
- Vaults
- Bridges
- Water mgmt.

II: Building Envelope



- Masonry
- Windows
- Siding
- Roofing

III: Exterior improvements/ Interior Finishes



- Pavers
- Wall board
- Soils/mulches
- Fencing

Coordinated support throughout the phases of construction

APD Competitive Adv. – Why coordination creates value

Increased Coordination/Integration

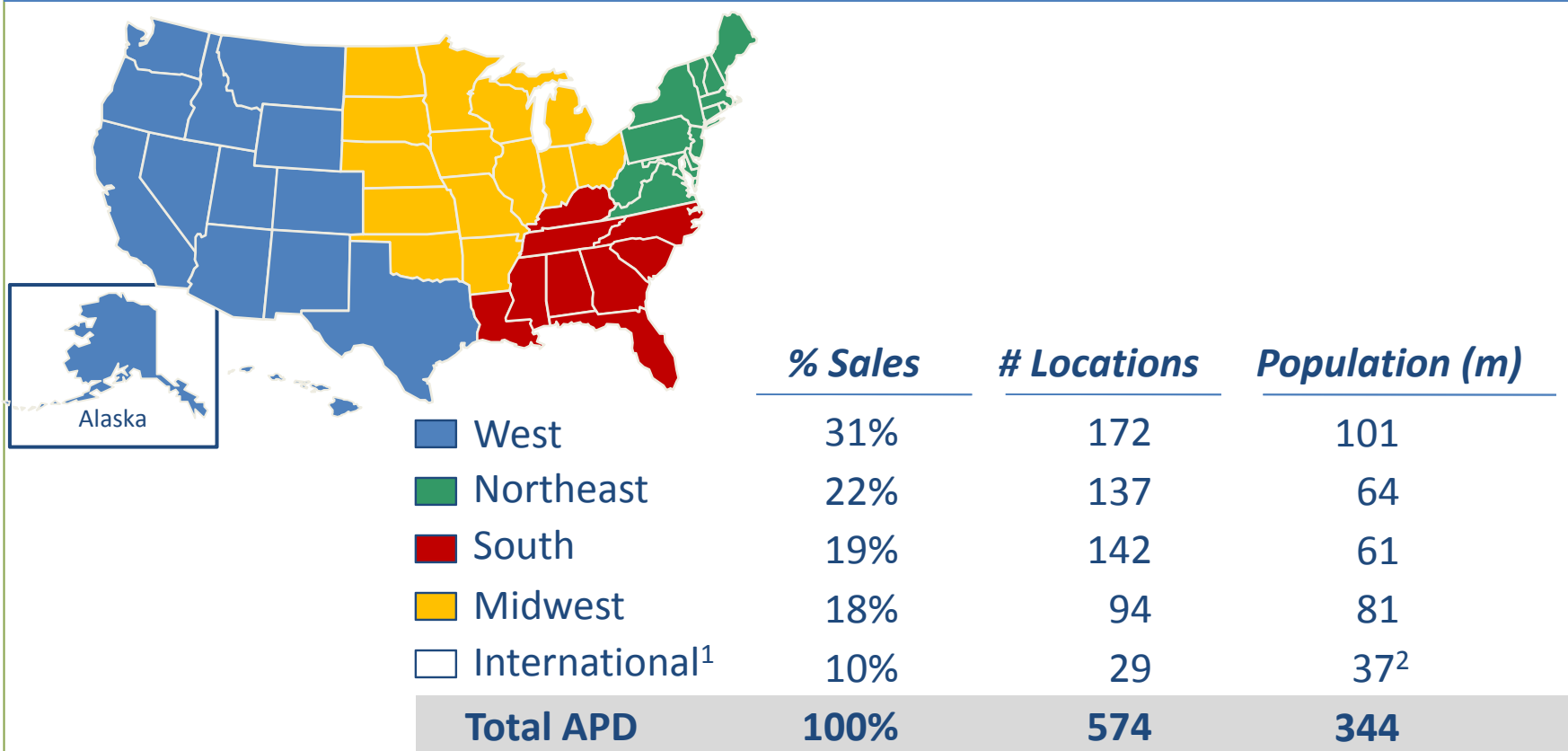
- Newly established Oldcastle Building Solutions to drive collaboration further
 - **Simplify** vendor coordination for customers
 - Offer **value-added** solutions unique to Oldcastle
 - Supporting **national** customers with personal touch of a **local** supplier

Why?

- Increase market share
- Servicing common customers (Owners, Architects, General Contractors)
- Offering customers a broad range of products and building solutions

Multiple opportunities to differentiate based on breadth of scale & scope

APD Competitive Advantage – National footprint



Strong, asset-backed business servicing key market areas

¹ International includes Canada, Mexico, Caribbean basin, Argentina and Chile.

² Includes populations of Ontario, Quebec, Alberta, British Columbia, Buenos Aires (Argentina) and Santiago (Chile).

APD Competitive Adv. – Operational/Commercial Excellence



Adding Value:

- Capitalize on regional/national economies of scale on common inputs
- Share best practices to drive operational/commercial improvement
- Leverage IT to enhance customer experience and improve coordination
- Oldcastle Building Solutions uniquely positioned to provide value added offering

A full service supplier of building materials

APD Competitive Advantage – Innovation Capability

APD Division

Consistent focus on innovation...

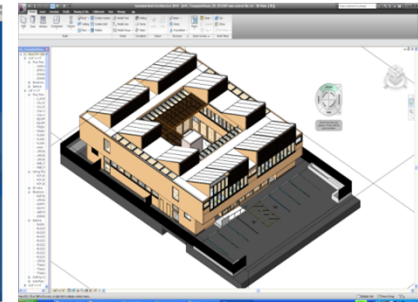
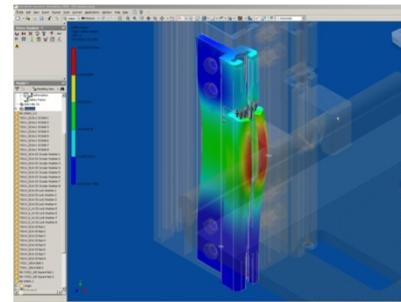
Building Products (BP)

- R&D Center
- New Product Development



Building Envelope™ (BE)

- Project Management
- Design Solutions

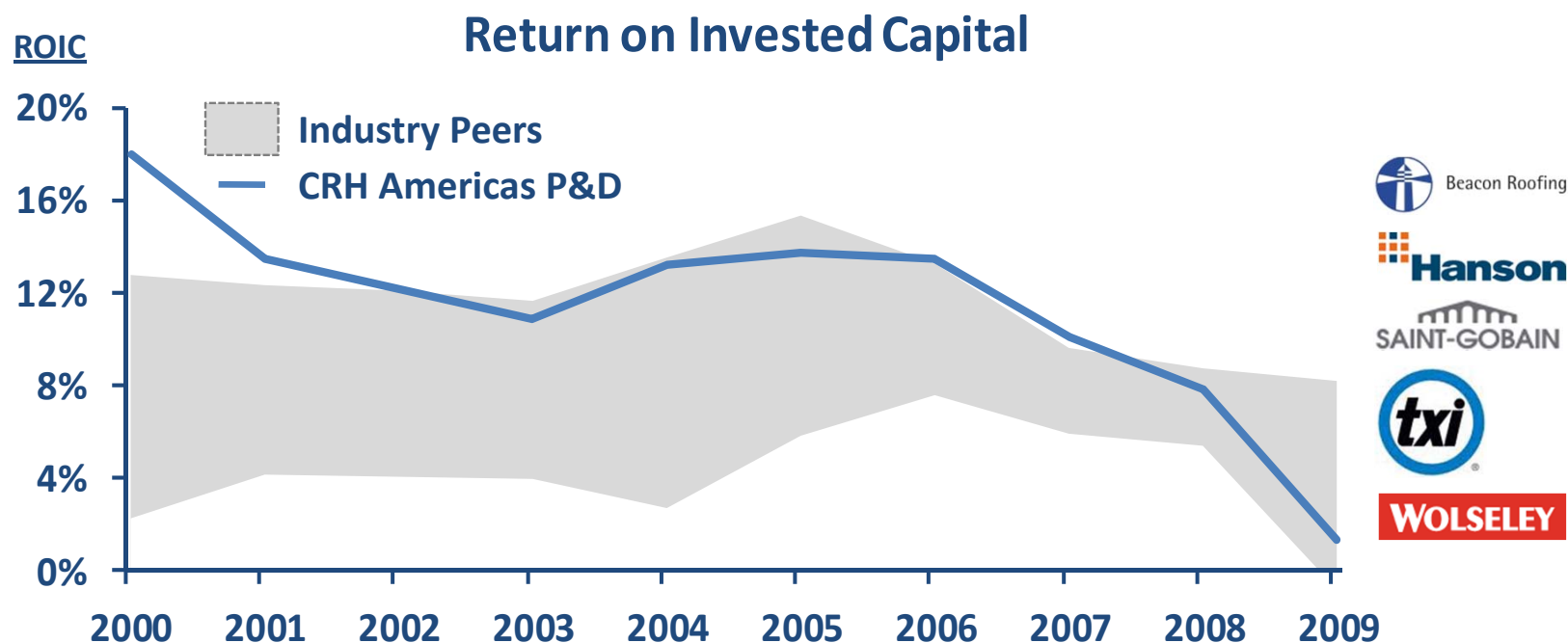


Distribution

- Green Products
- Private Label



APD Competitive Advantage – Our Returns



*Americas P&D 2009 ROIC impacted by exceptional MMI costs
Industry-leading returns will recover when US Res/NonRes normalises*

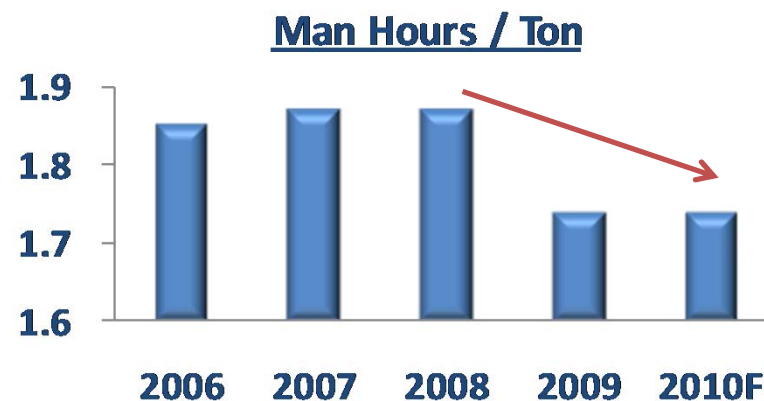
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Americas P&D – Operational Excellence

A Focus on the Fundamentals

- Operational Efficiency
- Cash Generation
- Product Quality & Customer Service

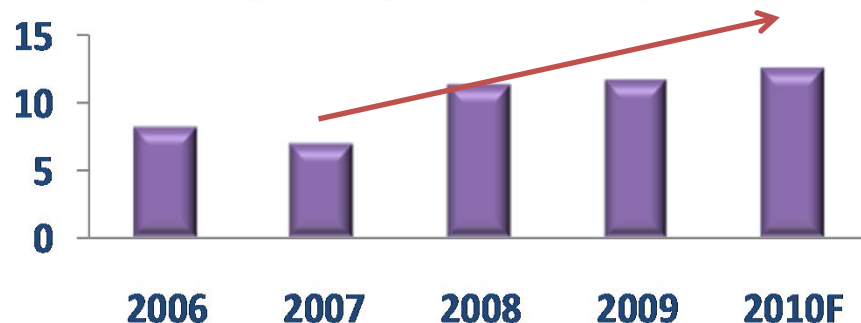


Precast

- 7% improvement 2008-2010fc
- Maximising productivity of reduced workforce

Americas P&D – Operational Excellence

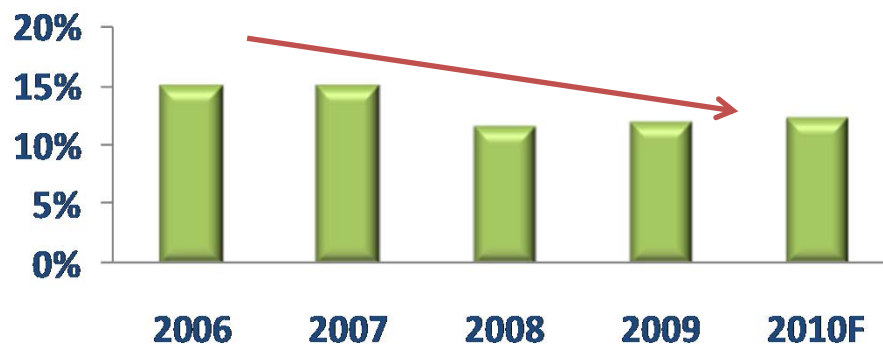
BuildingEnvelope™ Inventory Turns



BuildingEnvelope™

- 79% improvement in inventory turns
- Increased focus on managing inventory levels

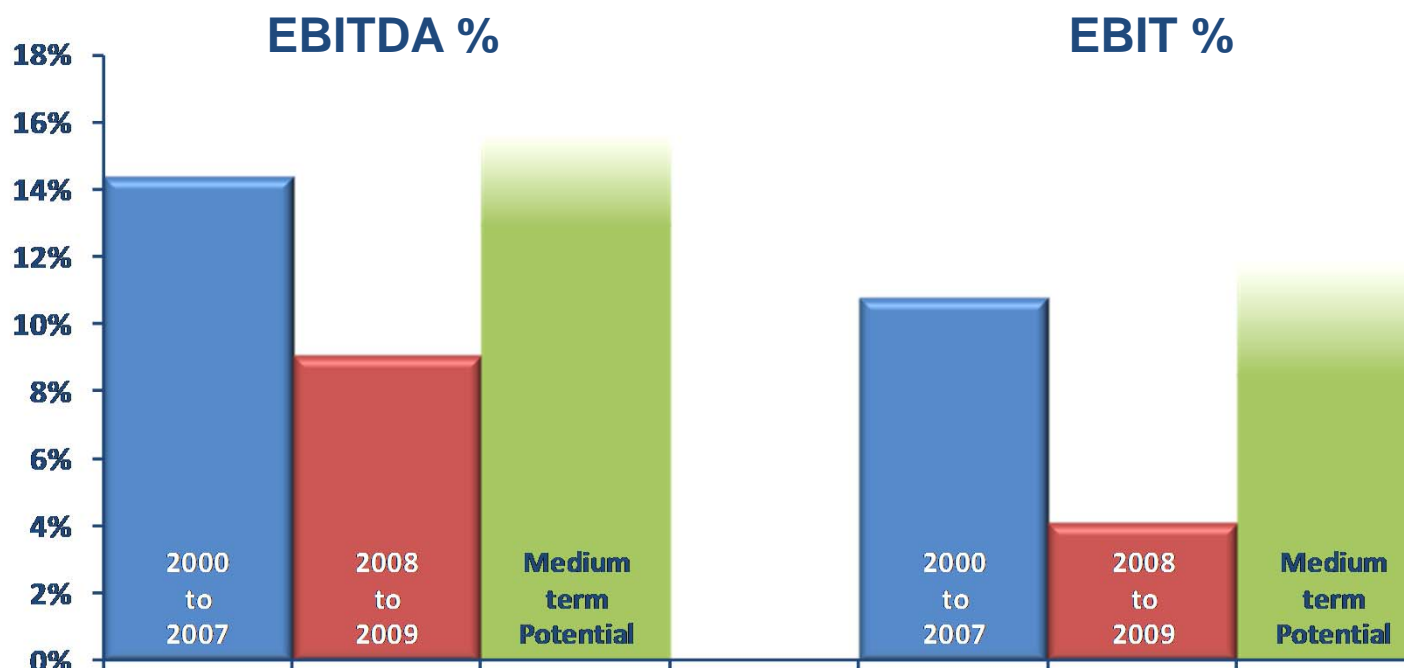
Distribution TWC / Sales



Distribution TWC / Sales

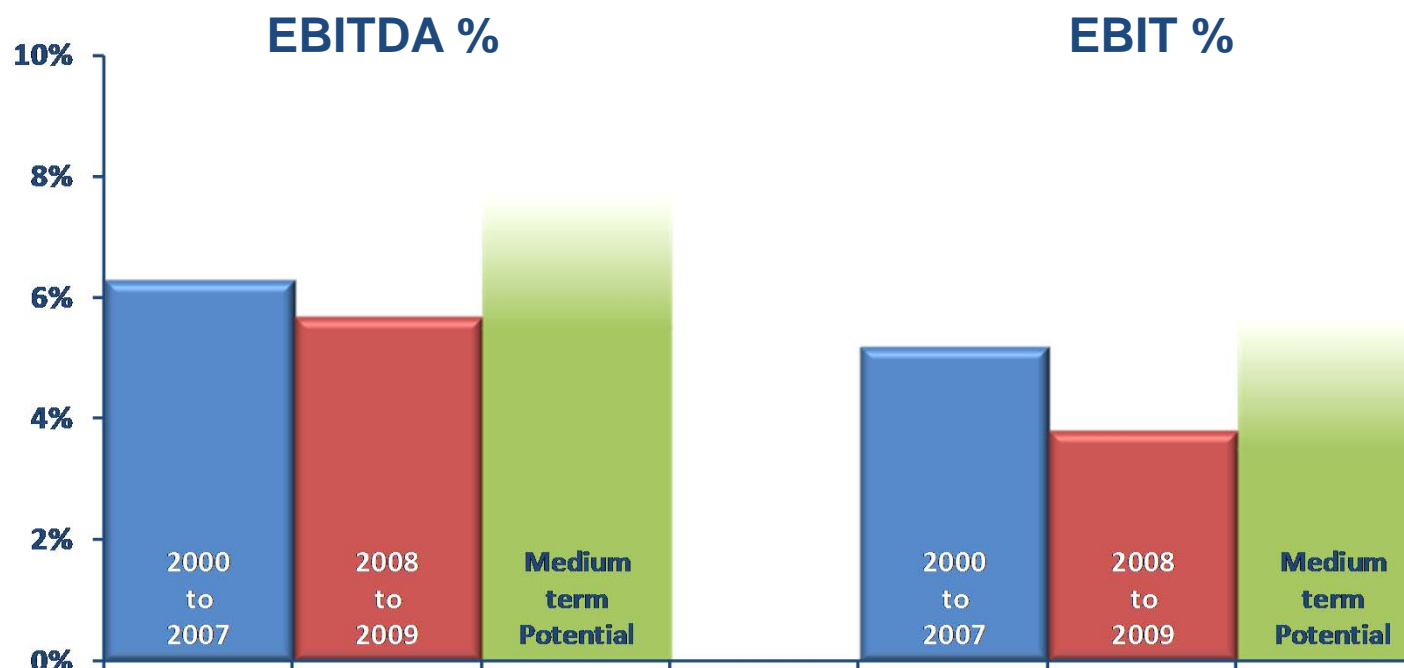
- Improved 2.8%pts in 4 years
- Disciplined and focussed cash conservation through downturn

APD Operational Excellence – Our Products Margins



Upside leverage to margins as markets normalise

APD Operational Excellence – Our Distribution Margins



Upside leverage to margins as markets normalise

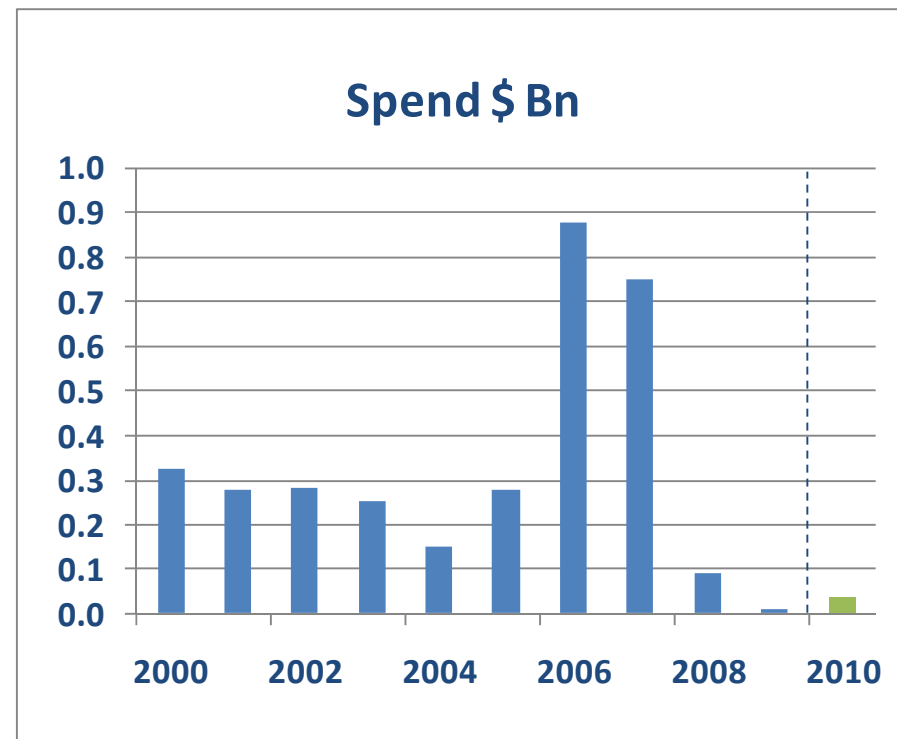
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Americas P&D Development – The Last 10 years

Development Activity 2000 - 2009

- 121 acquisitions
- Across all 3 APD Divisions
- With a total value of c\$3 billion
- Comprising deals valued:
 - 86 <\$20 million
 - 24 \$20-50 million
 - 7 \$50-100 million
 - 4 >\$100 million



Disciplined investment over time – robust set of platforms

Americas P&D Development – Opportunities

Objectives

Internal Development

- Building solutions
- Commercial performance improvement
- Automation and IT investment
- New product innovation
- Increased brand recognition

Acquisitions

- Optimise product portfolio
- Distressed asset opportunities
- Fill geographic gaps

Internal development complemented by disciplined acquisition spend

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Americas P&D – Key Take-Aways

The US Market

- Residential / Non-Residential challenges remain
- Large customers seeking strong resilient suppliers ... with national footprint
- Specifiers seeking value-added business solutions

CRH Americas Products & Distribution

National
Footprint

Local
Presence

Broad Product
Range

Innovative
Solutions

*Unique product offering, market position
and geographic scope*