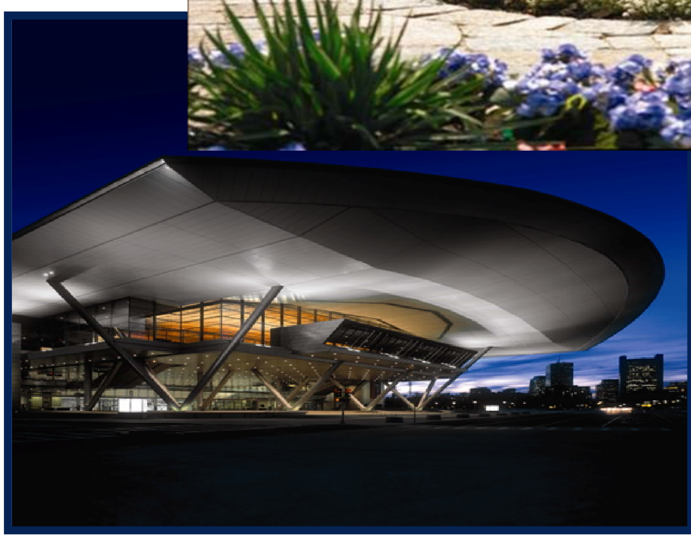
Americas Products & Distribution

Joe McCullough
CEO



Today's Agenda

- **Monday, October 10th**
  - Presentations

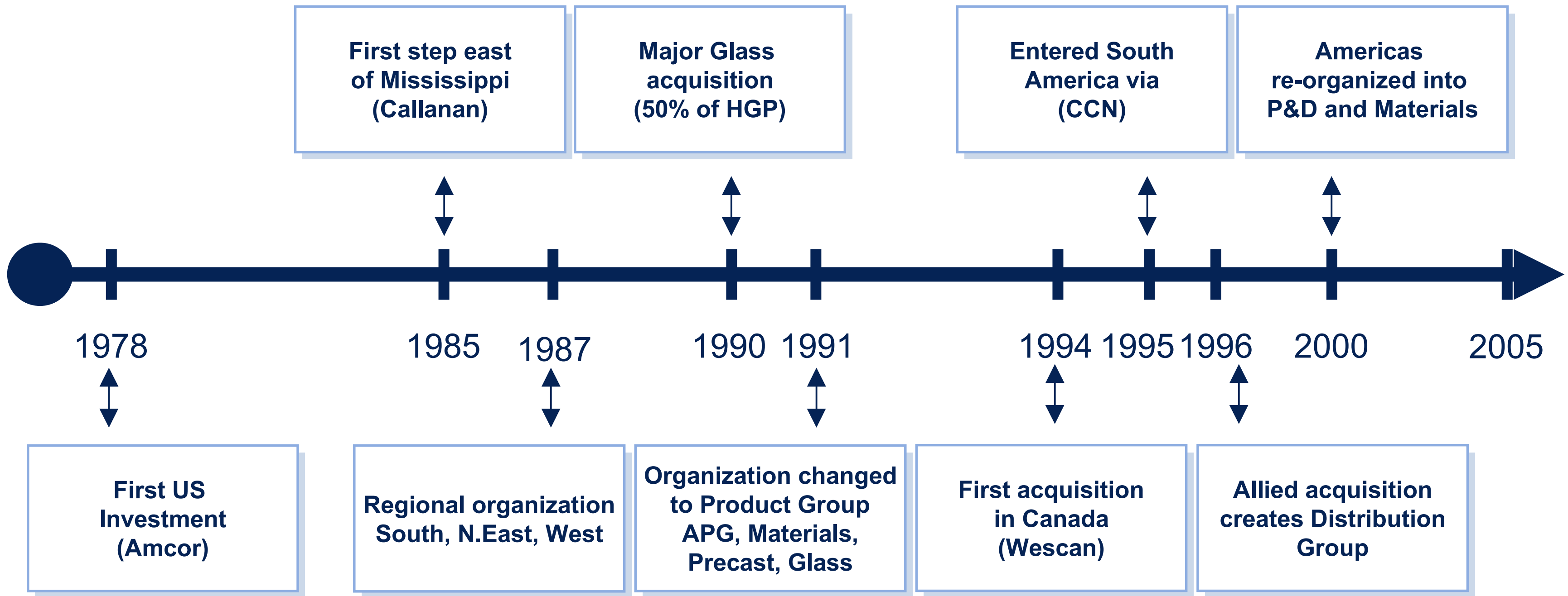
07:40	Products & Distribution Overview	Joe McCullough
08:00	Oldcastle Glass	Ted Hathaway
08:20	Oldcastle Precast	Jim Schack
08:40	Oldcastle APG	Doug Black
09:00	Q&A … to close at 09:30	

  - Site Visits

10:45	Glass Operation in Moorestown, NJ
12:45	Precast Operation in Telford, PA
14:45	APG Operation in Easton, PA

  - Dinner at 19:00

Americas Development History

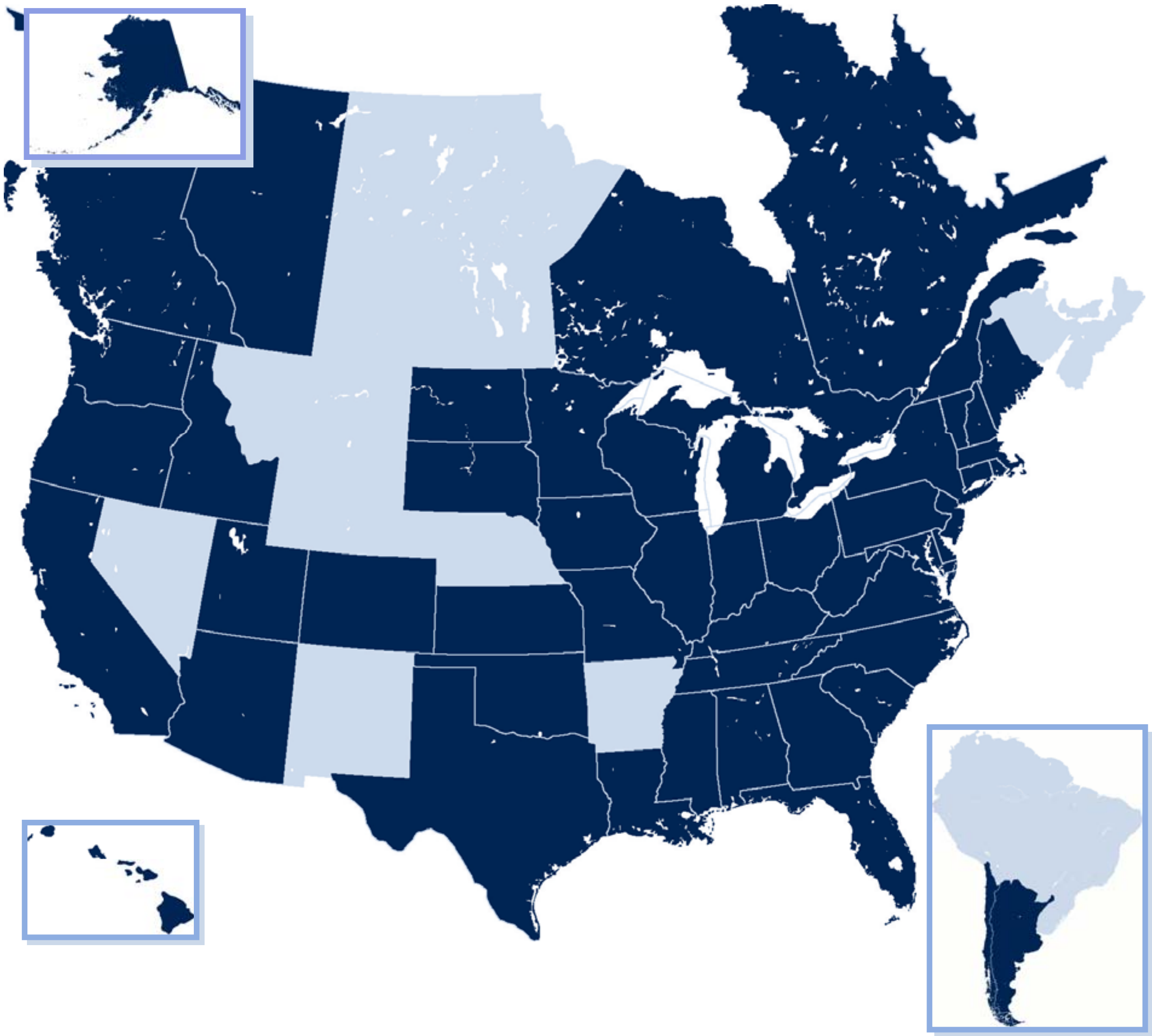


$14m Sales

2004

P&D:	***$4.3 bn Sales***
Materials:	***$3.5 bn Sales***
Americas:	***$7.8 bn Sales***

Americas P&D - Overview



$4.3bn	Sales (2004)
14.4%	5-yr Sales CAGR
9%	Op. Margin (2004)

400	Locations
44	US States
4	Canadian Provinces
4	Countries
+17,800	Employees

50 : 40 : 10	Res/Non-res/Infra
55 : 45	New/RMI

Americas P&D - Organization

Chief Executive Officer
Joe McCullough

CFO
Michael O'Driscoll

VP Development
David Clark

Distribution
CEO
Michael Lynch

Architectural
CEO
Doug Black

Glass
CEO
Ted Hathaway

Precast
CEO
Jim Schack

South America
CEO
Juan Carols Girotti

Product Group Organization …

- ➔ **Within which focused on Regional / Customer groups**
- ➔ **Significant opportunities for cross-fertilization of business know-how**

Americas P&D - Strategy

Maintain & Build

- APG
- Precast
- Glass
- Distribution

Extend

- Geographically
- Product Extensions
- New Channels

Development

- Heritage Products in S. America
- New Sectors
- New Geography

Growth Options

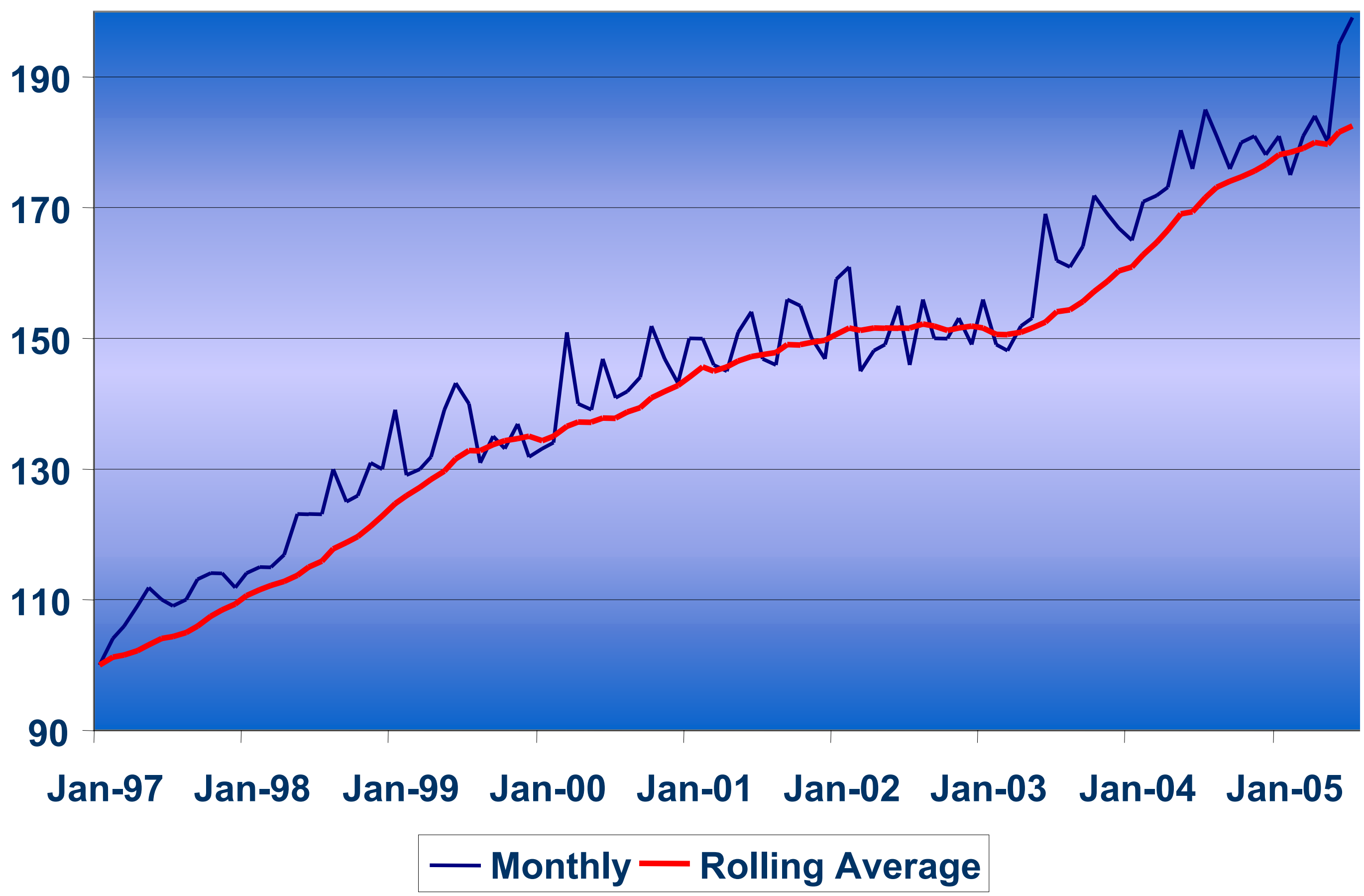
- 5th Product Group in N.A.
- Mexico / Brazil

Product Group Strategies

Precast	• Geographical in-fill and penetration • Broaden product range for growth sectors; branding for national accounts • Focus on cost efficiency / recovery
Architectural	• Exploit retail platform: National programs: Customer branding • Strong Regional Positions: Masonry/Hardscapes/Brick: Product Branding • Harvest specialty businesses
Glass	• Leverage plant network to build market share • Develop proprietary products / brands across building envelope • Pursue related growth platforms in engineered products / services
Distribution	• Focus on RSI: Create leading positions in major metros • Margin improvement via organization / IT initiatives • Grow Interior Products segment
South America	• Focused growth of existing operations with rigorous cost control • Pursue opportunities to augment domestic markets • Move out cautiously when environment more favorable

Construction Spending

- Strong growth evident since '03
  - ➔ Res staying strong, Non-res recovering, Infra steady



Source: Composite index from Dodge (contract data); Base: 1996 Monthly average = 100

Housing Sustainability

- Long-term trend favorable
  - ➔ Demographics: immigration, employment growth etc.
  - ➔ 20M new units over next 10 years according to Joint Center for Housing Studies
- Price inflation concerns
  - ➔ But most (77 out of 110) metro areas still affordable
  - ➔ Price : income < 4: 1
- Long term interest rates while rising, are still historically low
  - ➔ 30 year fixed mortgage ~ 6% … Still below Freddie Mac avg. 9.2%* (5.8% ’03, 16.6% ’81)
- A shallow cycle … unemployment rates significantly lower than prior troughs
- Inventory levels which have risen this year remain at historically low levels (4.7 mos.)
  - ➔ “New home sales would have to fall by a third and stay there for a year to create anywhere near a buyers market” (JCHS – State of the Nation’s Housing 2005)
- New financial products may add risk of frothy markets, but provide home buyers greater flexibility and opportunity

** Freddie Mac Private Mortgage Market Survey (PMMS) Conventional, Conforming 30-year fixed-rate mortgage series since 1971*

Summary

- Four strategic businesses:
  - ➔ sector leaders, strong management teams, compelling business propositions
- S. America foothold: longer-term development
- Each product group creating sustainable advantage through:
  - ➔ Best in class products and service
  - ➔ Superior sales / marketing / branding
  - ➔ Best people – recruitment, training and development
- US Construction markets appear resilient to increased input costs
  - ➔ Housing “bubble” overestimated?
- Growth opportunities exist across all groups
- Sufficient opportunity for a new growth platform