Performance and Growth

The International Building Materials Group

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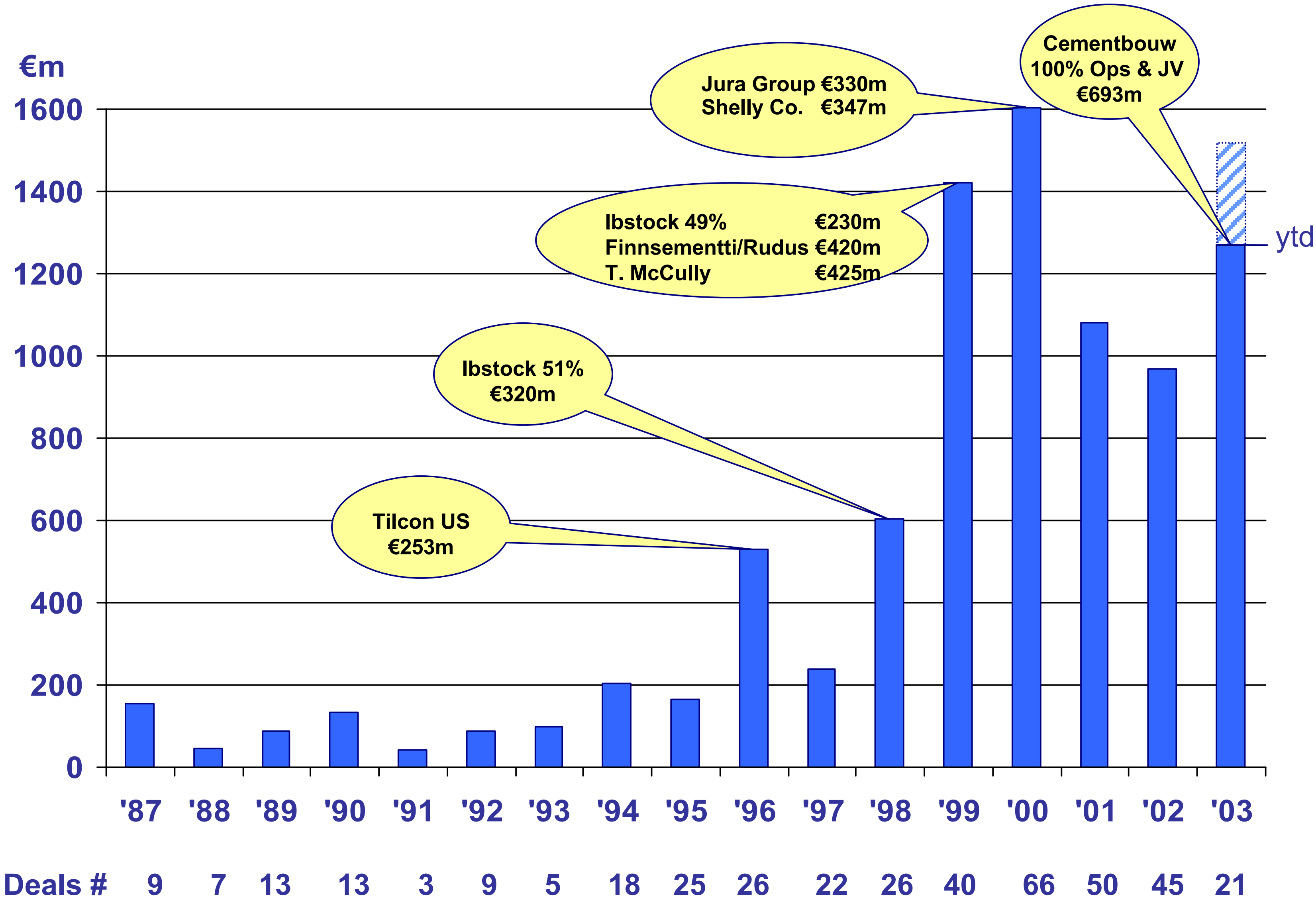
CRH - OVERVIEW

- 1970: Irish Cement & Roadstone: Sales €26m, Ireland 95%
- Embarked on a consistent development strategy
- Now 23 countries; 3 continents; +1,600 locations, 50,000 people
- Sales c. €11bn across three core businesses:
  - Primary Materials
  - Value-added Building Products
  - Distribution
- Listed Dublin, London, NASDAQ; Eurotop 300 stock
- Market capitalisation circa €8.4bn; Top 5 in sector worldwide
- 19% CAGR in Total Shareholder Return since 1970

CLEAR DEVELOPMENT STRATEGY

- Stick to core businesses in building materials
- Invest at “home”; be the low cost market leader
- Develop “overseas”; create platforms for future growth
- Pay fair prices that meet sellers need
- 14 devolved regional development teams
- Rigorous approach to evaluation, approval and review
- Generally mid-sized deals with some larger transactions
- Objective is to maintain and develop a balanced portfolio

CRH ACQUISITION SPEND



CSFB Building Materials Conference, October 15 2003

CRH - YTD 2003 ACQUISITIONS

€m	Europe	Americas	Total
S.E Johnson	-	189	189
H1 Update (19 deals)	152	236	388
Cementbouw 100%	646	-	646
Cementbouw JV	47	-	47
Announced YTD 2003	**845**	**425**	**1,270**
	67%	***33%***	***100%***

CEMENTBOUW - THE DEAL

CRH

- Largest ever CRH deal at €693m
- CRH has acquired:
  - 100% of DIY, Merchanting and Building Products activities
  - Enterprise Value €646m including debt acquired. Goodwill estd € 292m
  - 2002 Sales € 790m; EBITDA € 100m; EBITA € 73m.
- And invested:
  - €47m for a 45% JV stake in Materials Operations with EV € 330m
  - EV comprises €95m shareholders equity/loans + €235m non-recourse debt
  - 2002 Sales € 260m with double-digit EBITA margins
- A unique fit in a familiar market area with good synergies

CRH IN THE NETHERLANDS

CRH - NETHERLANDS

- Distribution
  - 1973 - Van Neerbos: Builders Merchanting, Concrete & 1 DIY store
  - Recognised attractions of DIY; now 54 DIY stores mainly by acquisition
- Concrete Products
  - 1988 - Acquisition of Verwo a leading producer of concrete paving
  - 1994 - Added Dycore Flooring a major precast concrete flooring producer
- Clay Products
  - 1989 - Acquisition of 3 high quality brick producers; 1992 added a fourth
  - 1999 - Purchase of Kooy, a leading Dutch Brick merchant
- Insulation
  - 1990 - 100% Sellink; 1995 merged with competitor in EcoTherm JV
  - 2002 - Buyout of remaining 50% of EcoTherm
- Fencing / Rooflights
  - 1986 - Acquired 80% of Heras Fencing; 1997 buyout of remaining 20%
  - 1996 - Brakel Rooflights; 2000 purchase of Yule Catto ops

CRH - NETHERLANDS

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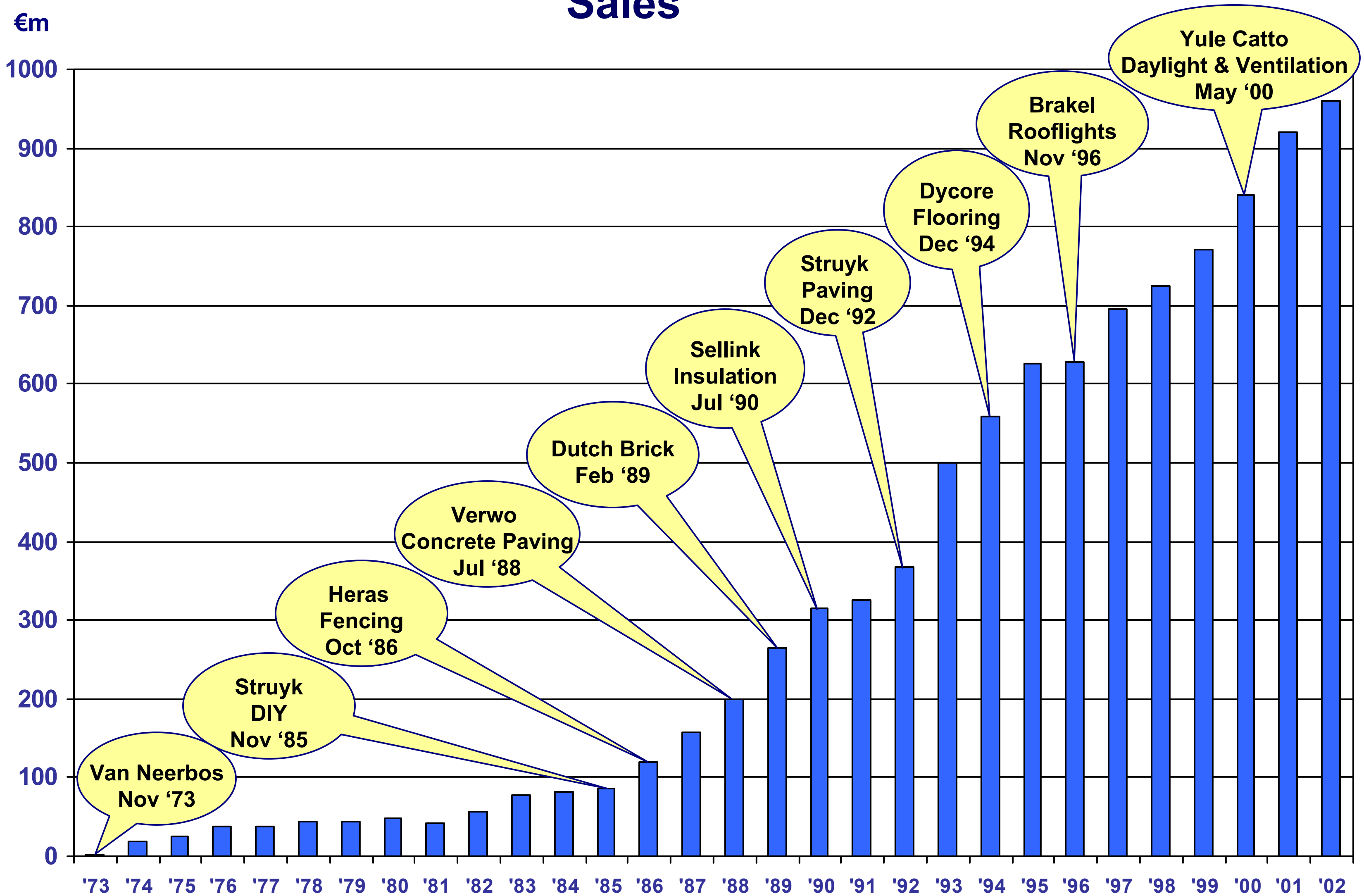
Sales



CRH NETHERLANDS P&D

	Sales €m
DIY	325
Builders Merchanting	285
Concrete & Clay	230
Fencing & Rooflights	100
Insulation	20
Total	**960**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CEMENTBOUW - THE COMPANY

- Leading Dutch building materials group
- DIY - 2nd largest franchisee of Intergamma, the Dutch market leader
- Merchanting - major builders merchant in the Netherlands
- Building Products - sand lime brick, concrete & clay products
- Materials Operations -
  - ➔ Cement Trading - largest independent player in the Netherlands
  - ➔ Readymix - Top 3 player in the concentrated Dutch market
  - ➔ Other ops - trader in sand, gravel, fly-ash and speciality minerals
- Strong management team, consistent profitability record

CEMENTBOUW DIY

100% Operations

- Cementbouw - Sales €270m
  - ➔ Second largest franchisee in Intergamma, the Dutch DIY market leader
  - ➔ 54 of the 236 Dutch Intergamma stores - 37 Gamma / 17 Karwei stores
  - ➔ 24% shareholding in Intergamma
- CRH + Cementbouw
  - ➔ By far the largest Intergamma franchisee, €650m+ Benelux sales
  - ➔ 115 of the 236 Dutch Intergamma stores - 86 Gamma / 29 Karwei stores
  - ➔ c 16% share of Dutch DIY market gives strong Residential RMI exposure
  - ➔ 14 Gamma stores in a consolidating Belgian DIY market
  - ➔ 48% shareholding in Intergamma
  - ➔ Minimal branch overlap, significant back-office integration benefits

CEMENTBOUW - MERCHANTING

100% Operations

- Cementbouw - Sales €320m
  - Leading Dutch builders merchants
  - Strong in North and West of the Netherlands with 36 locations
  - Top 5 roofing materials merchant
- CRH + Cementbouw
  - Combination with CRH Southern branches gives nation-wide coverage
  - Annualised sales €600m+ from 84 locations
  - Excellent fit with CRH Kelders roofing materials merchant
  - c 17% share of Dutch builders merchanting market
  - Significant benefits from combined purchasing and back office integration

CEMENTBOUW - MANUFACTURING

100% Operations

- Cementbouw - Sales €200m
  - ➔ Sand Lime Bricks - joint leader in Dutch market
  - ➔ Structural Concrete - Top 5 in flooring / pre-fabricated housing elements
  - ➔ Paving/APG - leading producer of clay and concrete paving
- CRH + Cementbouw
  - ➔ Sand Lime Bricks - profitable / cash generative new sector for CRH
  - ➔ Structural Concrete - strengthens CRH in flooring; adds wall elements
  - ➔ Paving - excellent fit with existing concrete / clay paving activities
  - ➔ Integration synergies

CEMENTBOUW - JV OPERATIONS

- Trading / Transport - Sales €150m*
  - Largest independent cement trader in the Netherlands
  - Major processor and trader of cementitious minerals
  - Significant logistics capability: storage depots, inland ships, road tankers
  - Potential to supply existing CRH concrete operations
- Readymixed Concrete - Sales €160m*
  - Top 3 player in The Netherlands
  - Key contractor on major infrastructure projects
  - Strategic stake in sand and gravel
  - Potential to supply CRH sand and gravel requirements

**Combined sales net of intercompany total €260m*

CEMENTBOUW - INTEGRATION

- Expect relatively straightforward integration process due to
  - ➔ Similar distinct business segments in both CRH and Cementbouw
  - ➔ No DIY branch overlaps; only 1 merchanting branch overlap
  - ➔ Only modest rationalisation required in manufacturing operations
  - ➔ Existing management with equity stake will continue to run JV ops
- Synergies expected to exceed 1% of acquired sales
  - ➔ Back office integration benefits in DIY and merchanting
  - ➔ Combined purchasing in merchanting and manufacturing ops
  - ➔ Expanded product range / geographic coverage in manufacturing ops
  - ➔ Potential for JV to supply CRH cement, sand and gravel requirements

CRH NETHERLANDS + CEMENTBOUW

Business	Sales €m	Position
DIY	600	c 16% of Dutch DIY market
Builders Merchanting	600	c 17% of Dutch market
Concrete/Clay/Sand Lime	430	market leader in sand lime bricks, concrete and clay pavers and precast flooring
Fencing & Rooflights	100	market leader
Insulation	20	
JV Materials Ops (45% share)	117	major trader & RMC producer
Total	1,867	

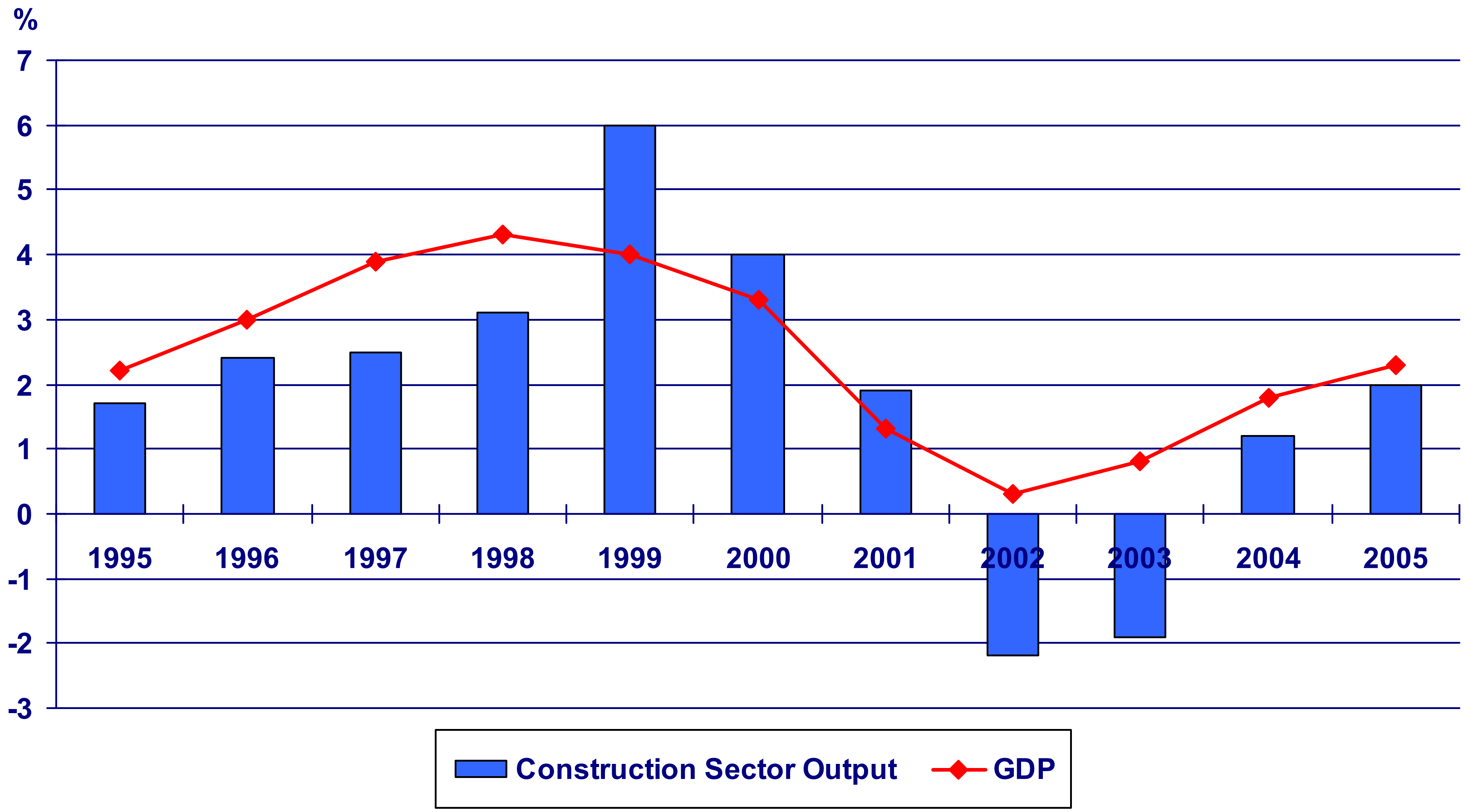
NETHERLANDS - CONSTRUCTION

	% change at constant prices			
Construction*	**2001A**	**2002A**	**2003F**	**2004F**
New Residential	-3.5%	-4.6%	+0.5%	+0.5%
RMI Residential	**+0.7%**	**+1.8%**	**+1.6%**	**+1.7%**
Non-Residential	+3.4%	-2.3%	-6.6%	+2.4%
Civil Engineering	+5.8%	-3.5%	-0.4%	-0.2%
Total Construction	+1.9%	-2.2%	-1.9%	+1.2%

**source: Euroconstruct June 2003*

- RMI Residential the most resilient construction sub-sector
- Approximately 45% of Cementbouw sales to RMI Residential

NETHERLANDS - ECONOMY



- Sharp slowdown in GDP and construction output since 2001
- Moderate recovery expected from 2004

CRH

2003 OUTLOOK

H1 2003 SUMMARY

€m	Sales	EBITA	EBT
H1 2002	4,801	295	196
Exchange effects	(575)	(25)	(10)
Acquisitions	517	34	18
Rationalisation	-	7	7
Organic	(82)	(66)	(50)
H1 2003	**4,661**	**245**	**161**
Change	**-3%**	**-17%**	**-18%**

- Difficult first half in context of:
  - Tough markets in most regions; severe weather in Poland, Finland, USA
  - €10m adverse foreign exchange translation effect at PBT level
- However, second half is seasonally much more important

FULL YEAR OUTLOOK - EUROPE

- Ireland
  - New residential strong; non-residential weak; infrastructure slower in H2
  - Strong H1; with lower overall H2 activity levels expect full year similar to '02
- Britain and Northern Ireland
  - Slightly softer tone to our markets in recent months
  - Continued Ibstock price improvements: Expect higher full yr Sterling profits
- Mainland Europe Materials
  - Better demand in Poland and Finland in recent months
  - Helped by acquisition contributions should largely recover H1 declines
- Mainland Europe P&D
  - Market backdrop remains weak, but benefits from '02 restructuring/'03 acqs
  - Good full year profit advance expected

FULL YEAR OUTLOOK - AMERICAS

- Materials
  - Good backlogs but clawback of H1 deficit hampered by wet July / August
  - Continuing high energy costs largely recovered through higher prices
  - TEA-21 extended to end-February 2004 at an annualised $33.8bn
  - Strong bi-partisan support should result in a positive SAFETEA outcome
- Products & Distribution
  - Precast: non-residential markets remain tough
  - APG: benefits from strength in housing and homecenters
  - Glass: out-performing competition in difficult markets
  - Distribution: margin improvement to continue
- Overall with reasonable weather expect higher full year US$ profits

FULL YEAR - OUTLOOK

- Good level of ongoing monthly bolt-on acquisition activity
- Continuing emphasis on cost control, cash flow optimisation
- Weakening of US$ will have a higher adverse impact in H2
  - ➔ A continuing \$1.18/€ rate would give '03 average \$1.13 ('02: \$0.9456)
  - ➔ And full year adverse translation impact of €85m (10% of 2002 PBT)
- With reasonable weather expect PBT, pre FX impact, ahead of 2002

SUMMARY

- Clear development strategy continues
- CRH twin focus - tight operations, prudent expansion
- Emphasis on cost control, cash flow, performance
- Uniquely strong balance sheet and development focus for growth
- Well positioned to benefit from eventual market upturn
- CRH's strategic vision is consistent and clear ….

"to be a leading international

building materials group delivering superior

performance and growth"

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