



CRH

**Davy European Conference, New York,
9th September 2009**

**Myles Lee
Chief Executive Officer**

Agenda

1 CRH Overview

2 CRH in North America

3 H1 2009 Trading, Outlook & Summary

CRH Overview

The International Building Materials Group

- 1970: merger of Irish Cement and Roadstone; Sales €26M, 95% Ireland
- Now: 35 countries; 3,700+ locations; 80k people; 2008 Sales €20+Bn
- Evenly balanced across geographies, products and sector end-use
- Market Cap c.€12Bn, a building materials sector leader worldwide
- Indices: ISEQ, FTSE Eurofirst 300, DJ Select Div 30, DJ Euro Stoxx 50_(21 Sep 09)

Listed ... Dublin (CRH.I), London (CRH.L) and NYSE (CRH)

CRH ... A Leading Player

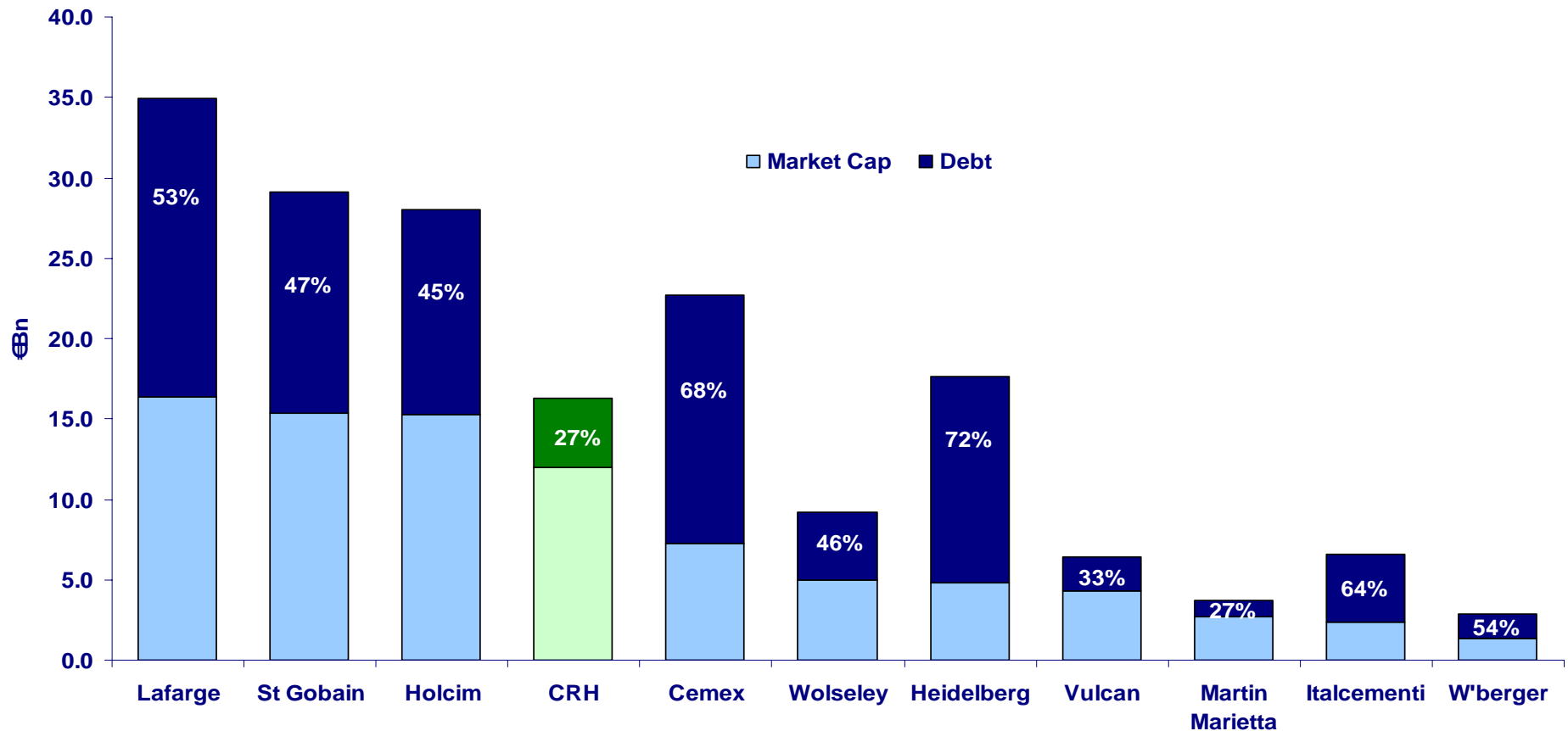
in the Building Materials Sector worldwide



***No. 4 by Market Capitalisation; No. 6 by Enterprise Value ...
... with the strongest Debt / Equity profile***

CRH ... A Leading Player

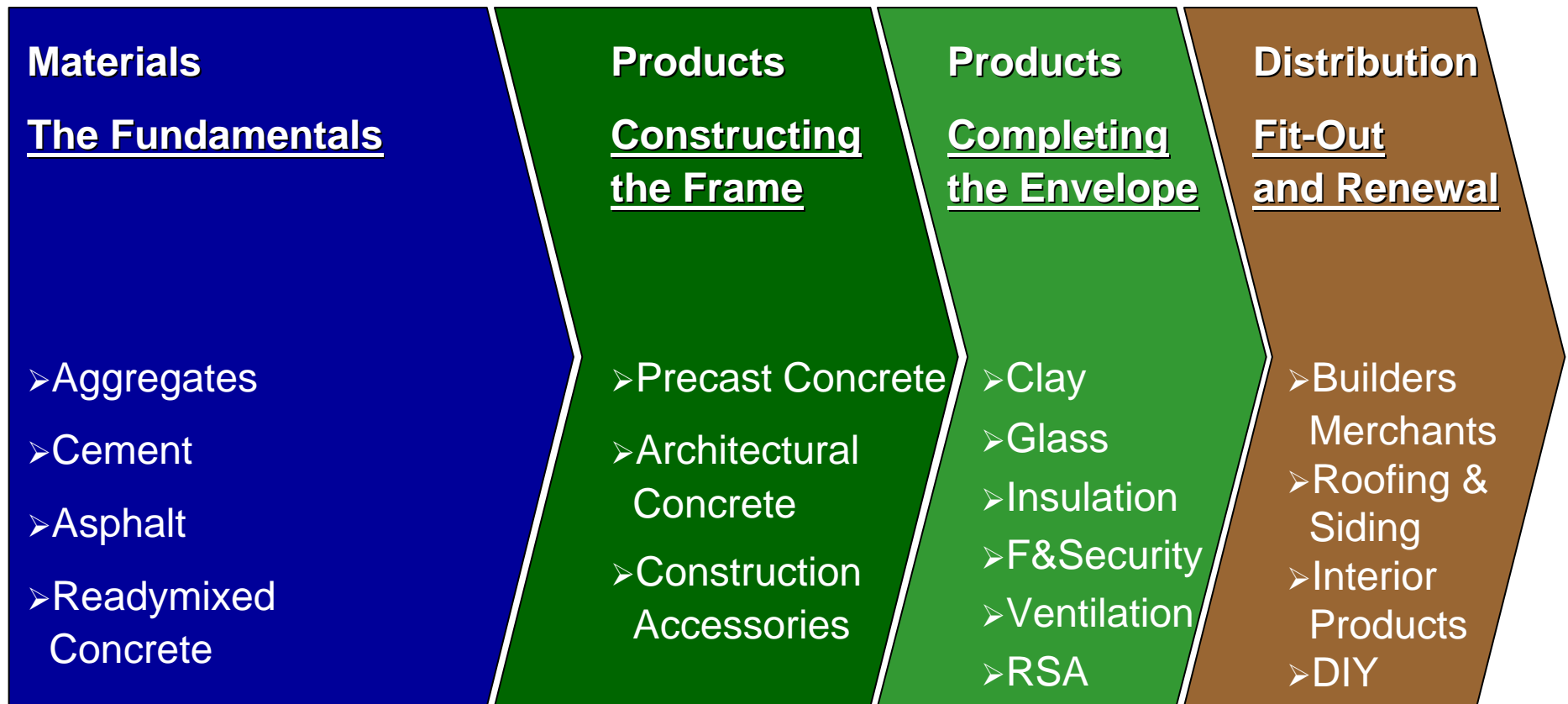
in the Building Materials Sector worldwide



***No. 4 in terms of Market Capitalisation; No. 6 by EV ...
... with the strongest Debt / Equity profile***

CRH... A Balanced Portfolio

Providing Building Materials for Our World



Embracing the benefits of Integrated & Complementary Businesses

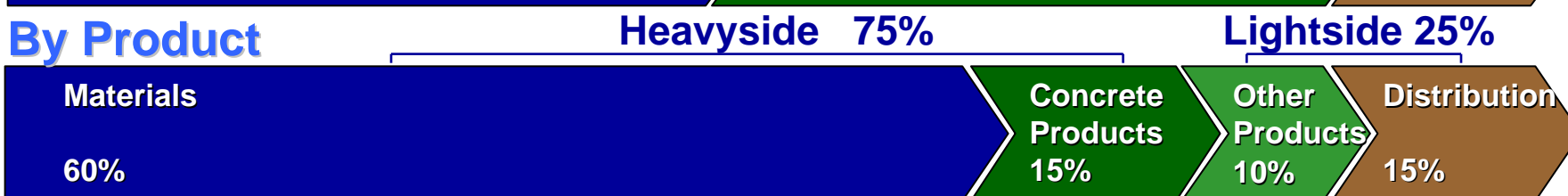
CRH ... Broad-based Exposure

International and Balanced

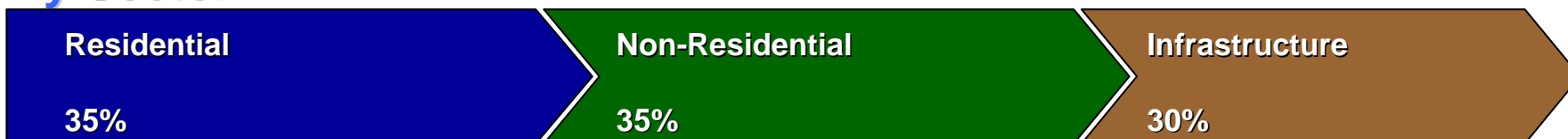
By Geography



By Product



By Sector



By End-use



*Consistent strategy and broad exposure to industry demand drivers ...
... yields stability of performance*

Agenda

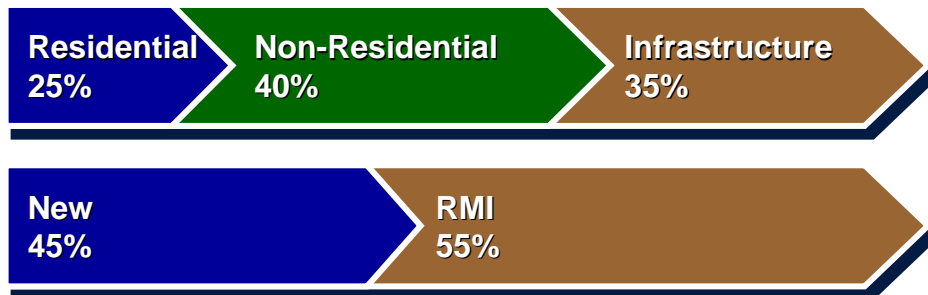
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CRH in North America

The largest integrated Building Materials Group



1978 – First Step

- Acquired Amcor a Utah-based concrete products manufacturer

Today

- In Materials, Products & Distribution
- In all 50 States & 4 Canadian Provinces

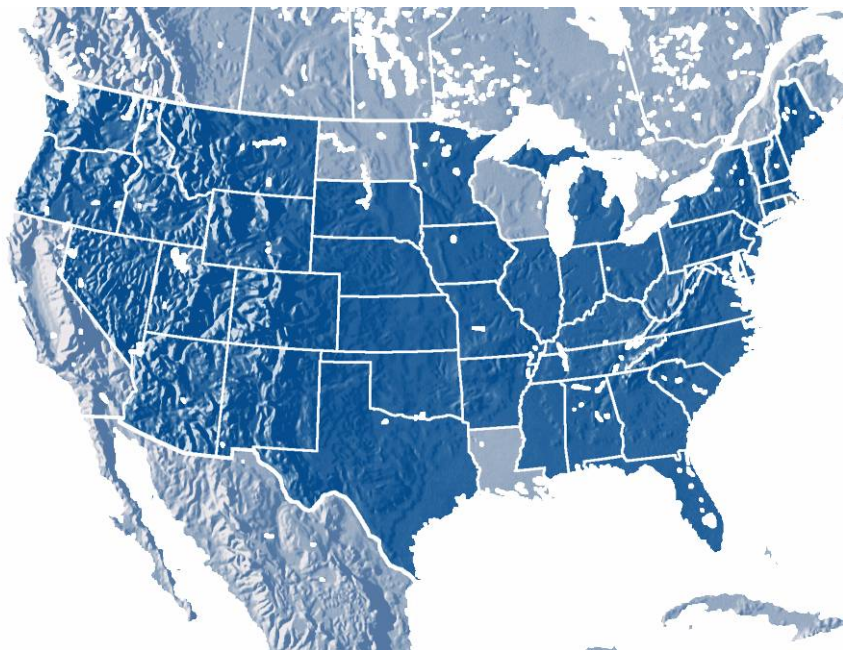
2008 Results:

Sales	\$14.3Bn
Operating Profit	\$ 1.2Bn
Avg Net Assets	\$10.2Bn

- c.50% of CRH Group

Americas Materials

#1 Asphalt and a Top 3 Aggregates player



Industry Comparisons:

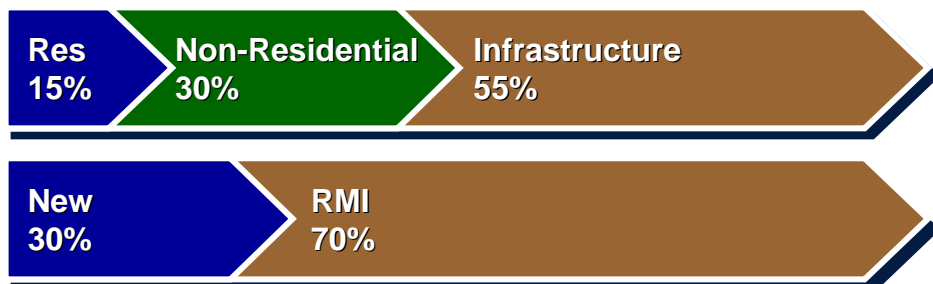
	CRH*	VMC	MLM
Aggregates (m tons)	165.1	204.3	155.6
Asphalt (m tons)	50.1	9.5	n/a
RMC (m yd ³)	10.5	6.4	n/a
Reserves (Bn tons)	11	13.5	10

2008 Results:

Sales	\$7.4Bn
Op. Profit	\$0.7Bn
Avg Net Assets	\$6.4Bn

Seasonal Operational bias to H2:

Volume split	Q1	H1
Aggregates	15%	45%
Asphalt	5%	35%



Market Shares ... c7% US Aggregates ... c12% US Asphalt

Americas Materials

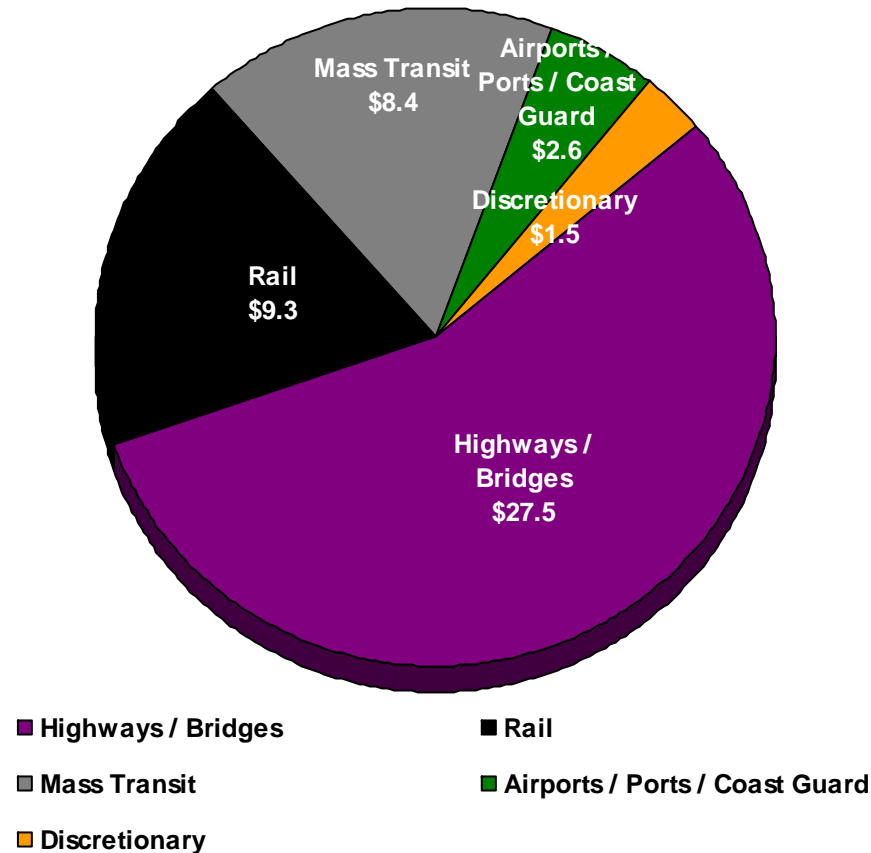
Structured to service US Infrastructure demand

- Current underlying SAFETEA-LU funding for US Infra **c\$80Bn p.a.**
Funded 45:55 from Federal Programmes and State/Local budgets
- Supported by:
 - Federal and State gasoline taxes
 - Vehicle excise duties and registration fees
 - Bond Revenues
- American Recovery & Reinvestment Act (ARRA) ...
 - Providing US\$787Bn to the US economy over 2009 – 2012
 - Of which \$49 billion is allocated to Transportation
 - Which includes **\$27.5 billion** to Highways and Bridges

*Increasing recognition of need to redress
long-term under-investment in US Infrastructure*

Americas – Infrastructure Sector

What ARRA means for Highways & Bridges – US\$27.5Bn



○ Estimated timing of \$27.5Bn spend

➤ '09 c\$ 6Bn

➤ '10 c\$12Bn

➤ '11 c\$ 8Bn

➤ '12 c\$ 2Bn

○ \$18.1Bn obligated to 31 August

○ \$1.4Bn gross outlays to 31 August

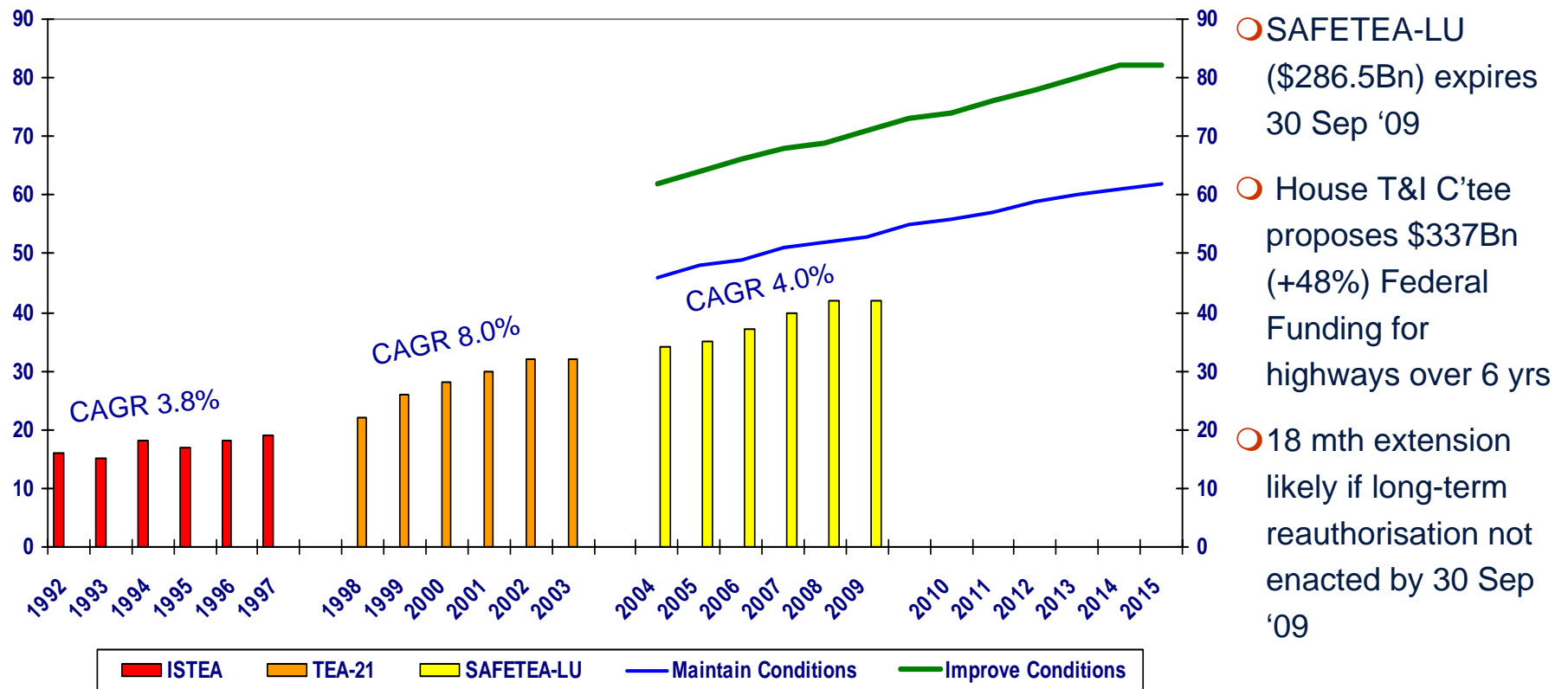
○ 3,351 projects under construction

Source: ARTBA

***CRH Americas Materials strongly positioned to service ARRA projects ...
... in particular resurfacing, restoration & rehabilitation work***

Americas – Infrastructure Sector

Federal Funding programmes



Source: ARTBA

***CRH Americas Materials strongly positioned ...
... to service long-term US infrastructure development needs***

Americas Products

#1 Concrete Products; #1 Glass & Aluminum Glazing Systems



Residential
30%

Non-Residential
60%

Infra
10%

New
65%

RMI
35%

Business areas:

- Arch. Concrete Products
- Precast Concrete Products
- Glass Fabrication
- Engineered Glazing Systems
- Construction Accessories

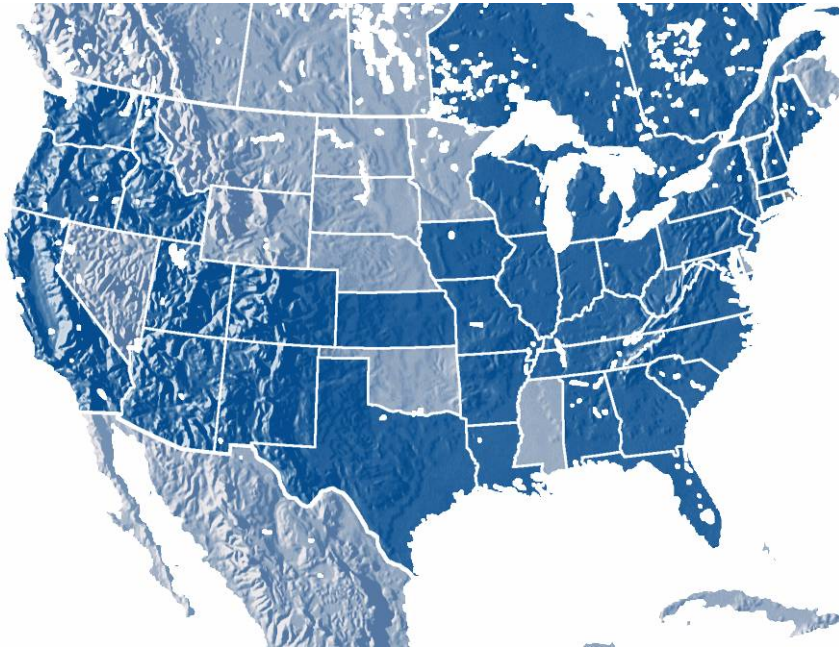
2008 Results*:

Sales	\$ 4.8Bn
Operating Profit	\$ 0.4Bn
Avg Net Assets	\$ 3.0Bn

**includes South America*

Americas Products – APG

National leader in Architectural Concrete Products – '08 Sales \$1.9Bn



Residential
60%

Non-Residential
35%

Infra
5%

New
40%

RMI
60%

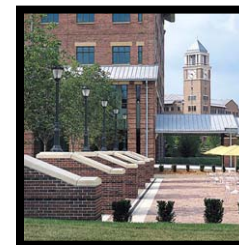
No.1 Concrete Masonry, Patio Products, Rooftiles



No.2 Prepackaged Concrete Mixes

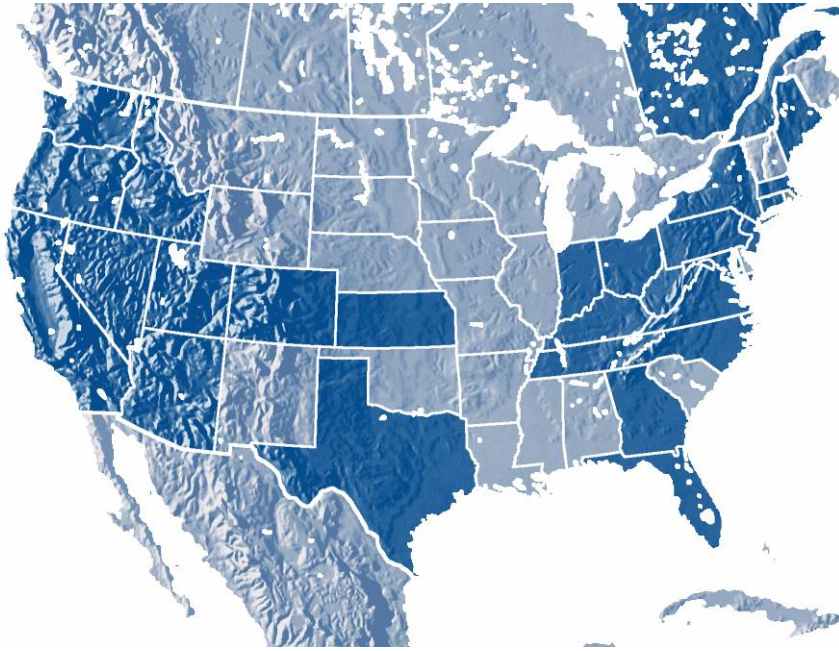


No.1 Clay Brick n/east & m/west US



Americas Products – Precast

National leader in Precast Concrete Products – '08 Sales 0.8Bn



Residential
40%

Non-Residential
35%

Infra
25%

New
85%

RMI
15%

No.1 – Precast Concrete



Utility Vaults



Modular Building



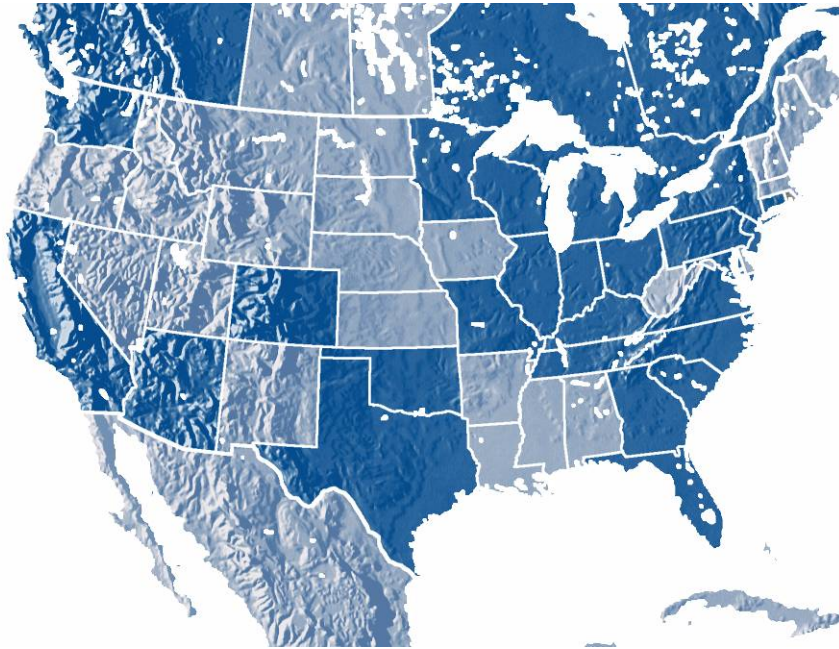
Concrete Pipe



Telecom Enclosures

Americas Products – Glass

National leader in Building Envelope Systems – '08 Sales 1.2Bn



Residential
5%

Non-Residential
95%

New
80%

RMI
20%

No.1 Architectural Glass
Fabrication

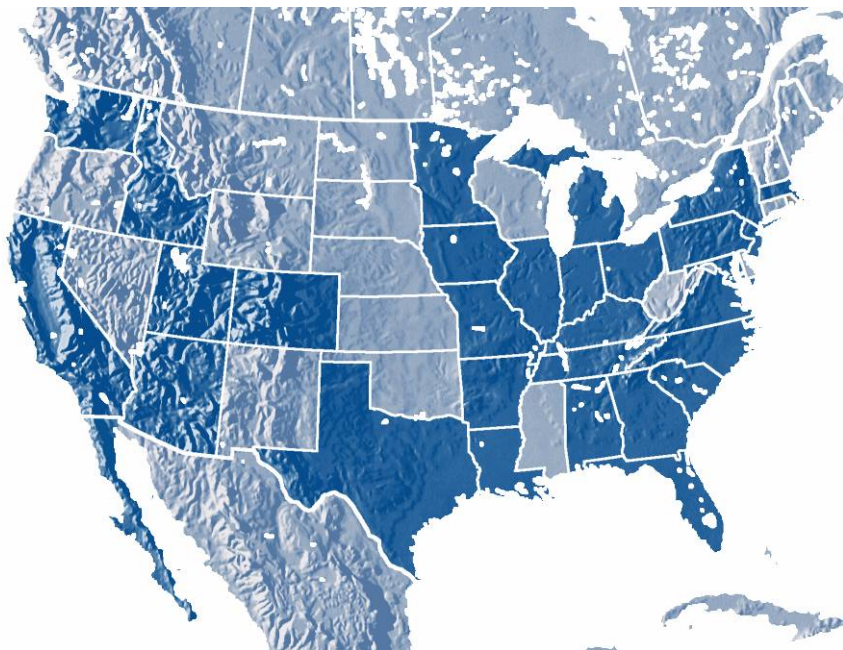


No.1 US Engineered Aluminum
Glazing Systems



Americas Products – MMI

Construction Accessories, Wire & Fencing Products – '08 Sales 0.7Bn



Residential
15%

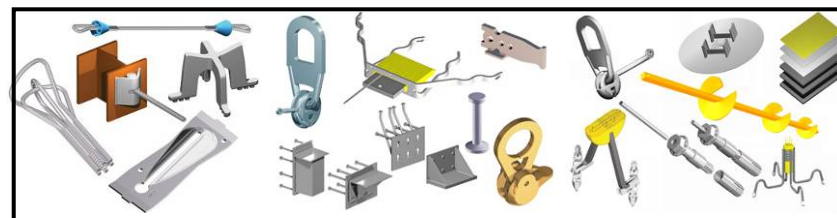
Non-Residential
50%

Infra
35%

New
85%

RMI
15%

No.2 Construction Accessories



No.1 Welded Wire Reinforcement

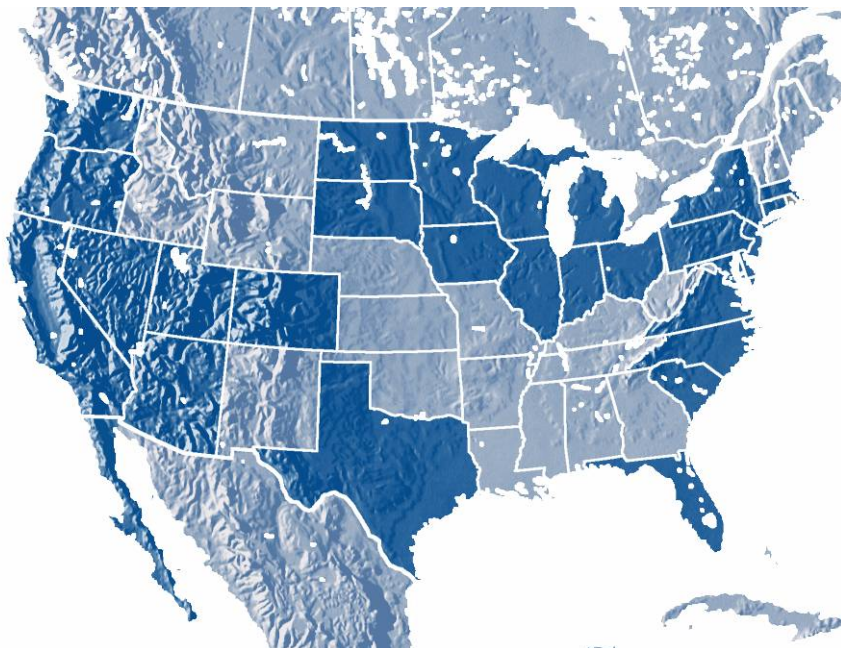


No.1 Fencing distributor & manufacturer



Americas Products – Distribution

#4 Exterior Products & #3 Interior Products – '08 Sales \$2.1Bn



Exterior: Roofing, Siding & related products

Interior: Wallboard, steel studs, insulation etc.

Industry Comparisons:

		CRH	Industry
Exterior Products (vs. <i>Beacon Roofing</i>)	States	26	35
	Branches	c139	c170
	2008 Sales	\$1.2Bn	\$1.8Bn
Interior Products (vs. <i>L&W Supply</i>)	States	19	35
	Branches	c63	200+
	2008 Sales	\$0.9Bn	\$2.0Bn

Residential
60%

Non-Residential
40%

New
60%

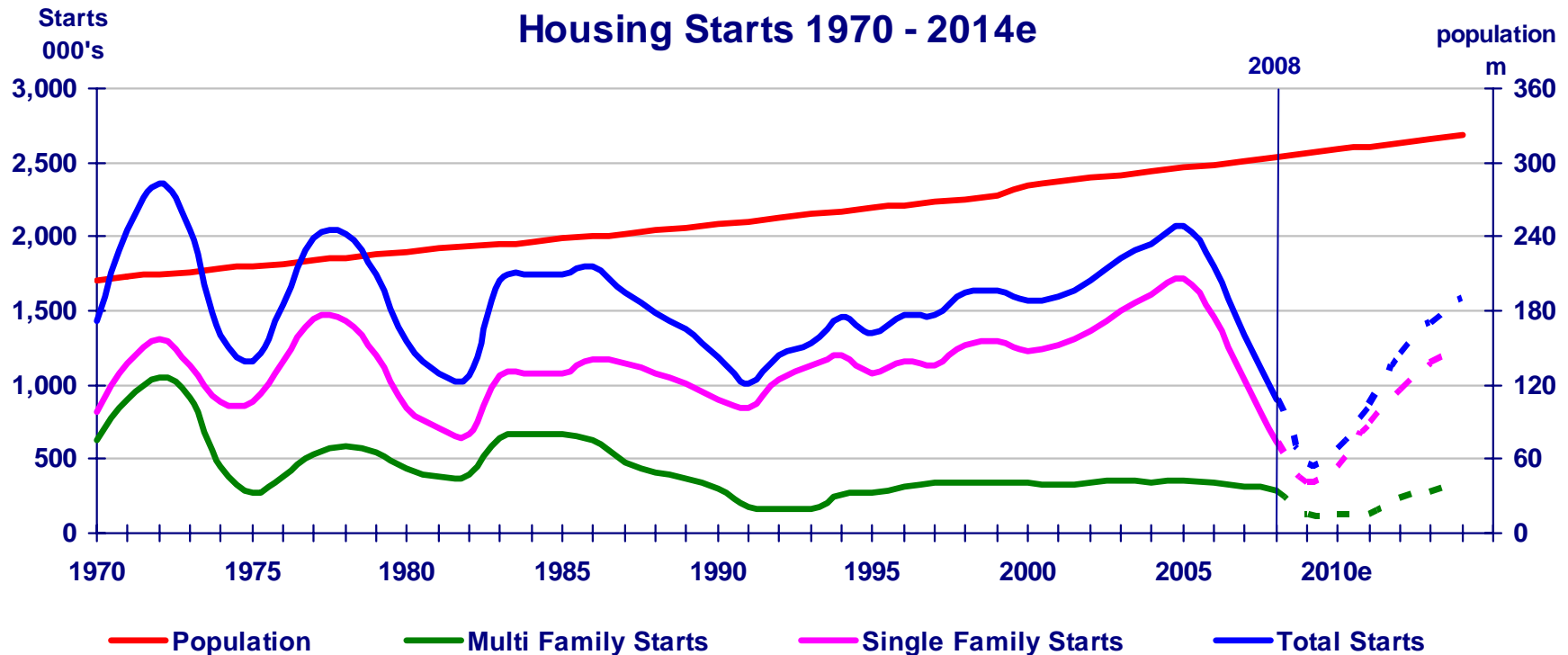
RMI
40%

2008 Results:

Sales	\$2.1Bn
Op. Profit	\$0.1Bn
Avg Net Assets	\$0.8Bn

Americas – Residential Sector

Indication of recovery commencing 2010

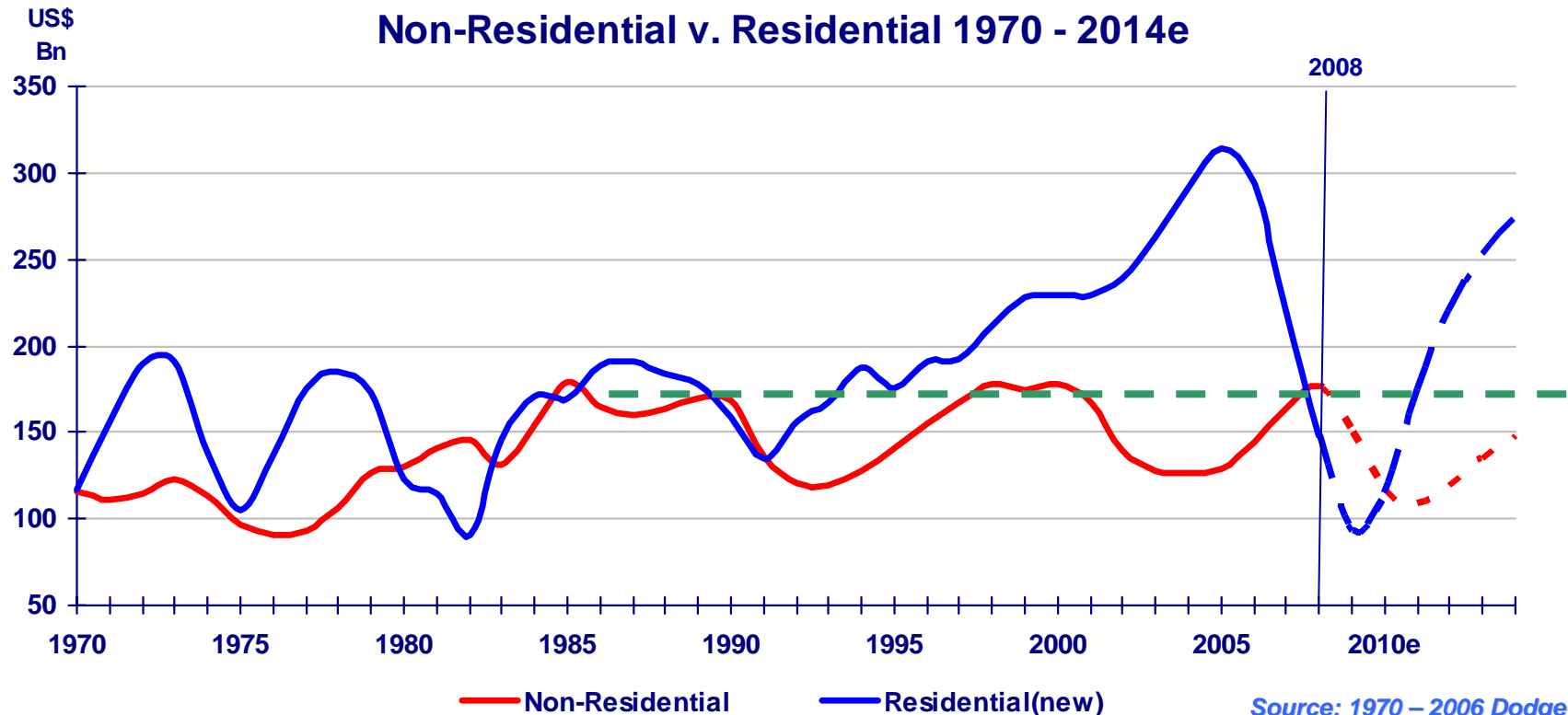


Source: 1970 – 2014 US Census Bureau
2007 – 2014 PCA, August 2009

Harvard JCHS – “... household growth in 2010–20 could total as much as 14.8 million or remain closer to 12.5 million ...”

Americas – Non Residential Sector

Indication of Non-Res recovery to lag Res by c12-24 mths

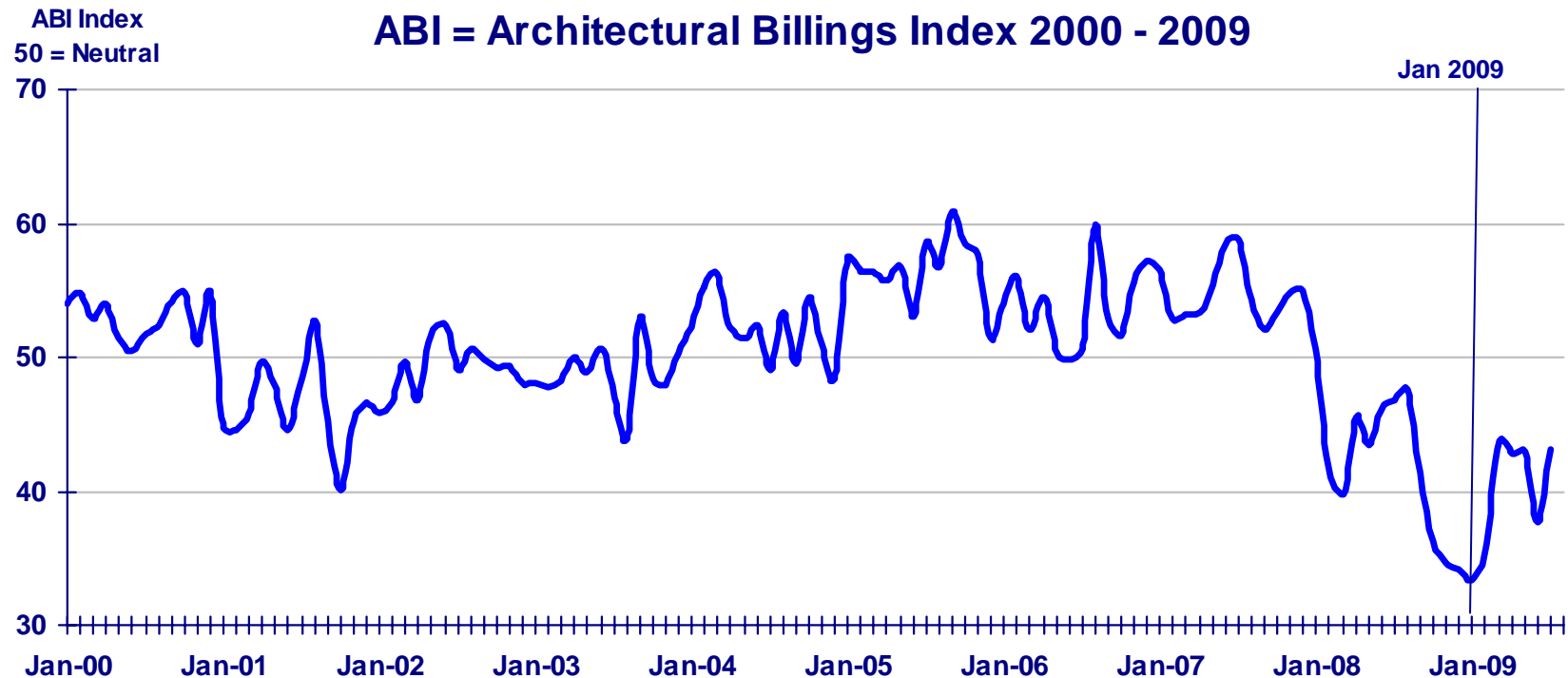


Source: 1970 – 2006 Dodge
2007 – 2014 PCA, August 2009

***Non-Res recession 2001-2005 ... recovery 2006-2007
2009-2010 decline impacted by constrained credit***

Americas – Non Residential Sector

ABI improving from Jan 2009 low



Source: US ABI 2000 – Jul 2009

***ABI considered to be ...
... a 12 – 18 month lead indicator of Non-Residential activity***

H1 2009 – Americas Performance

Impacted by poor weather and rapid Non-Res fall-off

	Americas Total		Americas Materials		Americas Products		Americas Distribution	
\$m	<u>H1'09</u>	<u>H1'08</u>	<u>H1'09</u>	<u>H1'08</u>	<u>H1'09</u>	<u>H1'08</u>	<u>H1'09</u>	<u>H1'08</u>
Sales	4,902	6,400	2,196	2,868	1,923	2,542	783	990
EBITDA	321	608	180	242	127	305	15	61
EBITDA margin	6.6%	9.5%	8.2%	8.4%	6.6%	12.0%	1.9%	6.2%

○ Materials:

- Heritage volume declines: aggs -30%, asphalt -25%, rmc -34%
- Continued operational best practice delivered stable EBITDA margin

○ Products:

- MMI hit by weak demand, intense competition and steel prices
- Cost measures held Precast margins and limited APG/Glass declines

○ Distribution:

- Exterior: US\$ Sales down 17%; poor weather/weaker consumer confidence
- Interior: US\$ Sales down 26% with sharp reduction in Non-Res activity

2009 Outlook

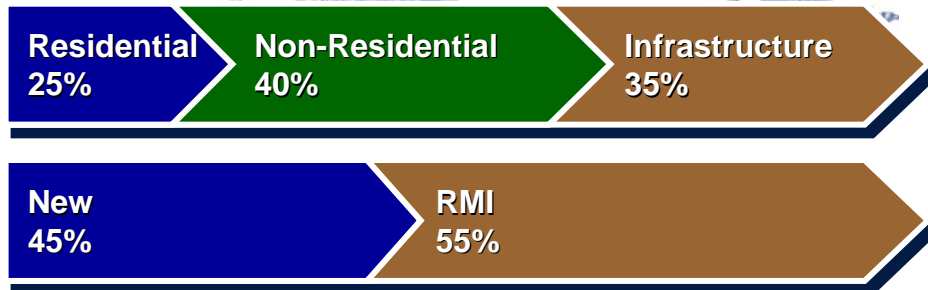
Americas

- Some indications of stabilisation in US Res; Non-Res fall-off continuing
- Products & Distribution operations face ongoing challenges in H2
- Infra activity continues to gain momentum under Stimulus package
- Look to a strong full year performance in Materials operations

CRH Americas is well positioned to respond to & take advantage of evolving market and trading circumstances

Summary – CRH in North America

No. 1 in North America



- No.1 Building Materials player with strong regional/national positions
- Prompt response to deteriorating market conditions 2007-2009
- Significant cost/cash generation measures implemented
- Well positioned to participate in Stimulus activity and economic recovery

CRH ... Committed to the US for the long-term

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H1 2009 Key Points

Results in line with July IMS guidance

Results / Cost Reduction

- Reported Revenue -15%; EBITDA -41%; Operating Profit -66%
- PBT €108m after €74m restructuring and €21m adverse FX effects
- Increased cost savings tempered profit declines

Cash Flow / Balance Sheet

- Traditional H1 Op. cash outflow reduced to €0.2Bn (H1 2008: €0.6Bn)
- 18.50c Interim dividend; maintains rights-adjusted '08 Interim of 18.48c
- Net debt EBITDA 2.3x: strong debt maturity profile

***Intensified focus on Cost and Cash Management
delivers strong Cashflow in challenging trading environment***

Increased Cost Savings

Announced July 2009

Cumulative annualised 2007 - 2010

Announced

Jan-09

Gross Savings of

€895m

Updated

July-09

to Gross Savings of

€1,450m

***Total annualised savings increased by €555m
to €1,450m***

Cost Savings Overview

Announced July 2009

Initiatives (€m)	Impact				Gross Annualised Savings
	'07	'08	'09	'10	
2007	50	-	-	-	50
2008	-	447	398	-	845
2009	-	-	450	105	555
Gross savings	50	447	848	105	1,450
Cost to implement	-	62	158	30	
Net savings	50	385	690	75	

Implementation ongoing

H1 2009 Components of Performance

Cost reduction tempered impact of organic sales decline

€m	<u>Sales</u>	<u>EBITDA</u>	Op. <u>Profit</u>	Profit on <u>Disposals</u>	Finance <u>Costs</u>	Assoc. <u>PAT</u>	<u>PBT</u>
H1 '08 Reported	9,704	1,104	712	24	(161)	31	606
FX effects	455	11	(11)	1	(10)	(1)	(21)
H1'08 @ '09 FX rates	10,159	1,115	701	25	(171)	30	585
<u>Incremental impact of:</u>							
2008/2009 Acquisitions	259	26	22	-	(20)	2	4
Organic	(2,126)	(490)	(482)	(12)	24	(11)	(481)
H1'09 Reported	8,292	651	241	13	(167)	21	108

Organic Sales down 21% : EBITDA/EBIT leverage ~ 23%

H1 2009 Funds Flow

Cash generation focus delivered strongly in H1

€m	<u>H1 2009</u>	<u>H1 2008</u>	<u>12 mths to June 2009</u>
Inflows			
Profit before tax	108	606	1,130
Depreciation	388	371	798
Amortisation of intangibles	22	21	44
	<u>518</u>	<u>998</u>	<u>1,972</u>
Outflows			
Working capital	(96)	(606)	439
Tax Paid	(41)	(149)	(214)
Dividends	(258)	(259)	(368)
Capital expenditure	(316)	(560)	(795)
Other	(7)	(1)	(86)
	<u>(718)</u>	<u>(1,575)</u>	<u>(1,024)</u>
Operating cash (outflow) / inflow	(200)	(577)	948

Dividend

Maintained Interim Dividend

- Good H1 operating cash flow delivery despite profit decline
- Expect strong operating cash inflow in seasonally more profitable H2
- 18.50c Interim dividend; maintains rights adjusted '08 Interim of 18.48c
- Board will decide and announce final dividend decision in March '10
- Taking account of economic / trading outlook & other relevant factors

Debt Ratios & Interest Cover

Amongst the best in the sector

	<u>H1 2009</u>	<u>H1 2008</u>	<u>Year-end 2008</u>
Total Net Debt (incl share of JVs) €m	5,122	6,563	6,091
Total Equity €m	9,222	7,546	8,157
Debt/Total Equity	56%	87%	75%
Debt/Market Capitalisation	45%	66%	64%

Debt/EBITDA* (times)	2.3x	2.3x	2.3x
EBITDA Net interest cover (times)*	6.3x	9.0x	7.8x

Committed to maintaining an investment grade credit rating

June 2009 Debt Maturity Profile

No undue concentration of maturities

June 2009		
CRH Debt €Bn (incl. Derivatives)	Gross Debt by Maturity (incl. JVs)	Undrawn Committed Facilities
O/Ds	0.1	-
Within 1 year	0.9	0.5
2 years	0.4	0.4
3 years	1.2	0.7
4 years	0.1	0.1
5 years	1.3	0.1
5 years +	2.2	0.1
Total	6.2	1.9
Cash/Liquid Invs	1.0	

Since end-June Debt due within 1 yr has been reduced by €0.4Bn

2009 Outlook

H1 Overview and Recent Economic Indicators

H1 Overview

- Very tough H1 trading but rate of decline eased substantially in Q2
- Significant cost reduction measures tempered H1 profit decline
- With marked reduction in seasonal operating cash outflow

Recent Economic Indicators

- Generally more positive economic/financial newsflow in past two months
- If sustained will take time to feed through to demand
- Meanwhile, trading conditions on the ground remain extremely difficult

2009 Outlook

Overall

- Overall we expect H1 rate of profit decline to moderate in H2
- with benefits from aggressive cost reduction measures and
- more moderate H2 energy related input costs than in '08
- Continuing focus on commercial delivery & cash generation to ensure...
 - CRH is well positioned to respond to and take advantage of
 - evolving market and trading circumstances

Summary

CRH Investment Highlights

- Consistent strategy and growth record over c.40 years
- Disciplined approach to acquisitions through the cycle
- Geographic, sectoral and product balance a key strength
- Strong market positions and well located strategic reserves
- Consistent strong cash flow generation and interest cover
- Experienced senior management team with strength and depth
- Proactively managing short-term challenges
- Positioning CRH for development opportunities and eventual upturn

Focused on delivery – Short-term and Long-term



Contact Us

CRH plc
Investor Relations
Belgard Castle
Clondalkin
Dublin 22
Ireland

Phone: + 353 1 404 1000
Fax: + 353 1 404 1007
Email: ir@crh.com

or look up our Website - www.crh.com



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