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The International Building Materials Group

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Overview

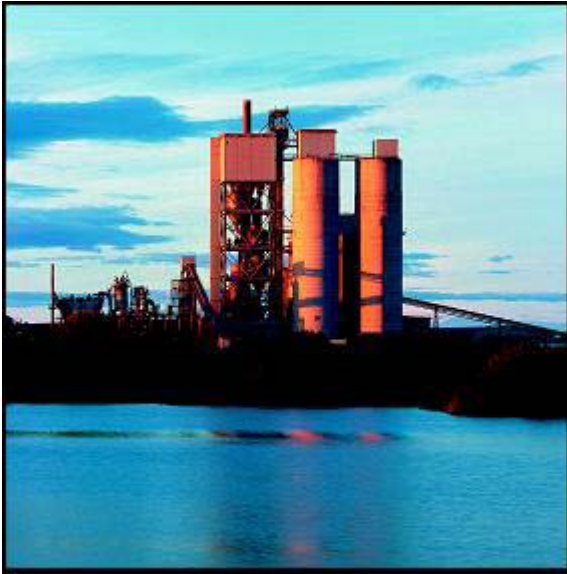
CRH Overview

- 1970: Irish Cement & Roadstone: Sales €26m, Ireland 95%
- Embarked on a clear, consistent development strategy
- Now 25 countries; 3 continents; 2,100+ locations; 60,000+ people
- Annualised Sales over €15bn across three core businesses
- Listed Dublin (CRH.I), London (CRH.L), NASDAQ (CRHCY); Eurotop 300 stock
- Market capitalisation circa €13bn: Top 5 in sector worldwide
- 19% CAGR in Total Shareholder Return since 1970

Three Core Businesses



Primary Materials



Cement, aggregates, asphalt and surfacing, readymixed concrete



Building Products

Precast concrete products; concrete blocks, pavers, roof tiles; clay bricks, pavers, tiles; insulation products; fencing & security; glass fabrication, rooflights & ventilation, construction accessories



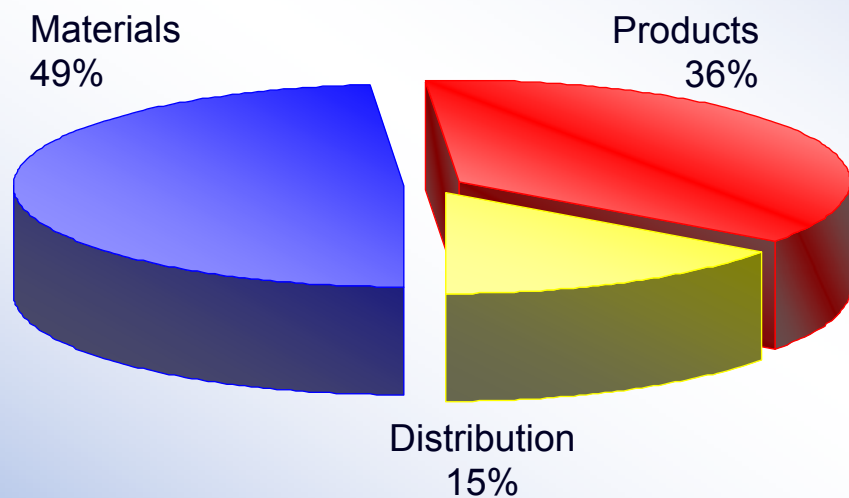
Distribution



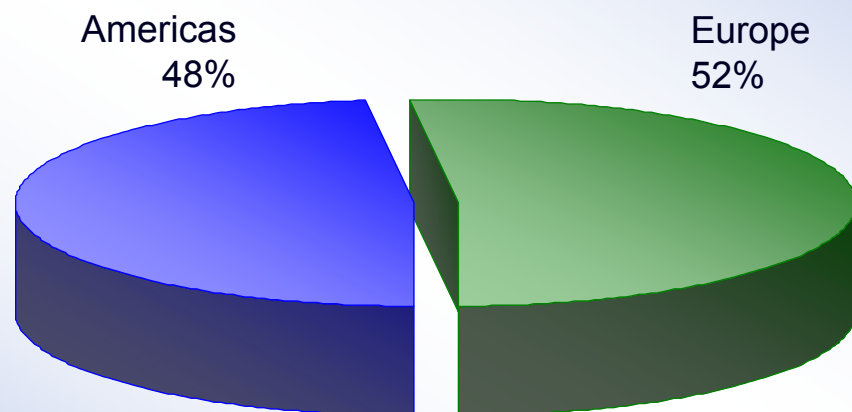
DIY stores, builders merchandising, specialist distribution

CRH Balance

Product Balance*



Geographic Balance*

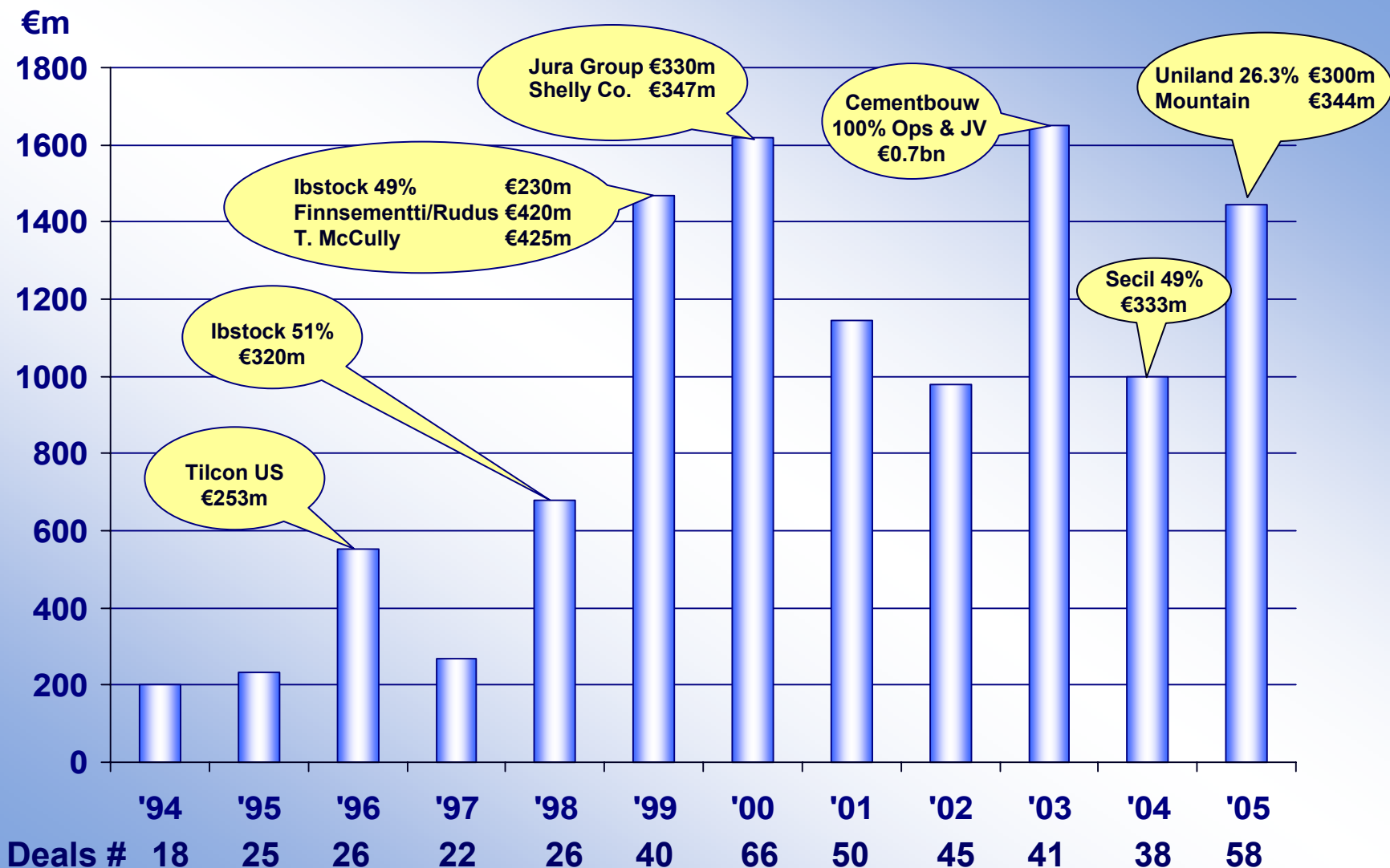


** based on 2004 Operating Profit (IFRS)*

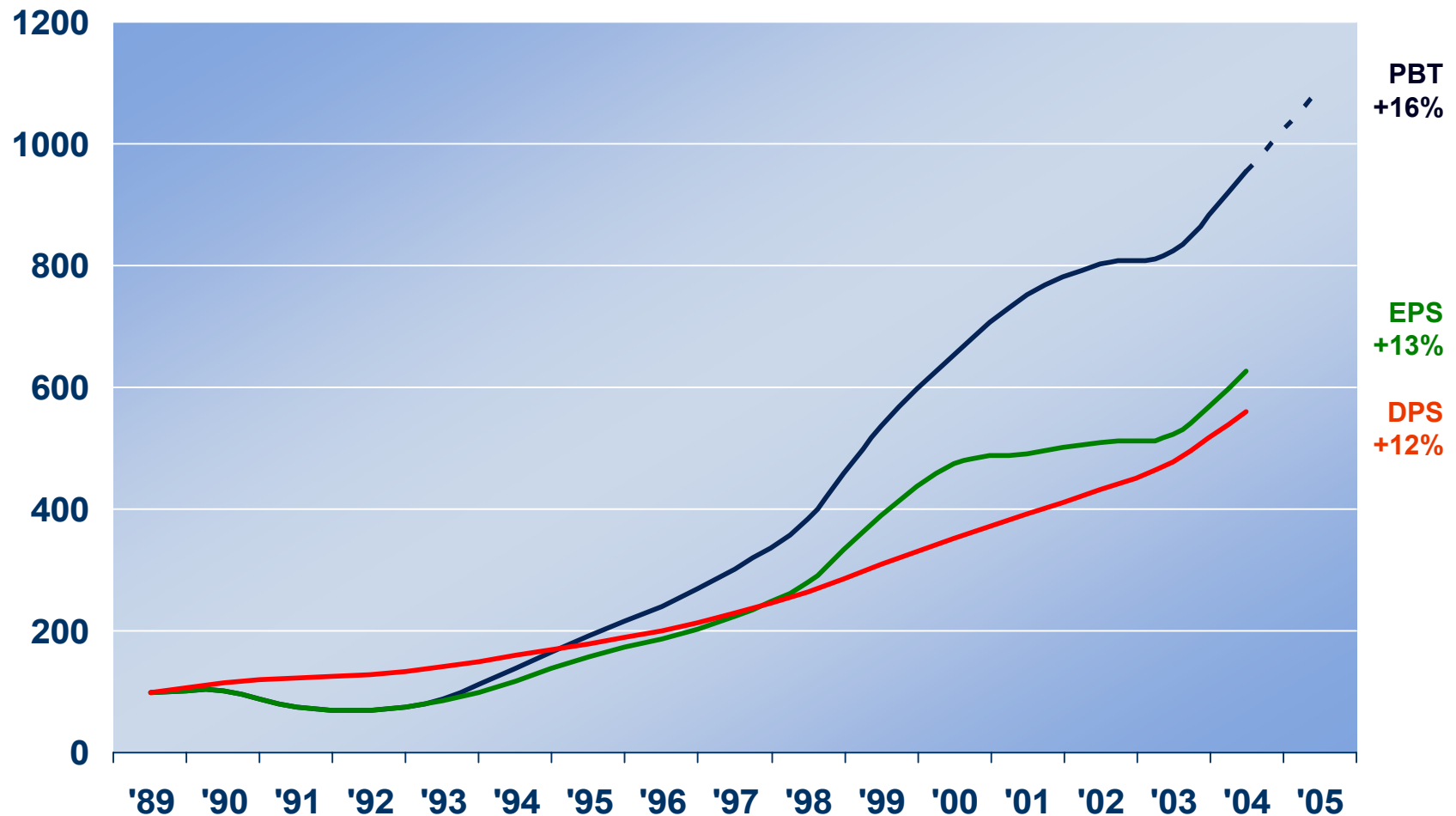
Clear Strategy

- Stick to core businesses in building materials - but broad
- Invest at “home”; be the low cost market leader
- Develop “overseas”; create platforms for future growth
- Generally mid-sized deals with some larger transactions
- Negotiate deals that meet sellers needs ... and our needs
- Rigorous approach to evaluation, approval and review
- Objective is to maintain and develop a balanced portfolio
- All underpinned by strong governance, prudent financing, transparent reporting
- Twin imperatives ... **performance and growth**

CRH Development 1994 - 2005



Delivering Superior Performance



Growth Index: 1989 = 100

.... Creating Significant Shareholder Value



Business Review 2005

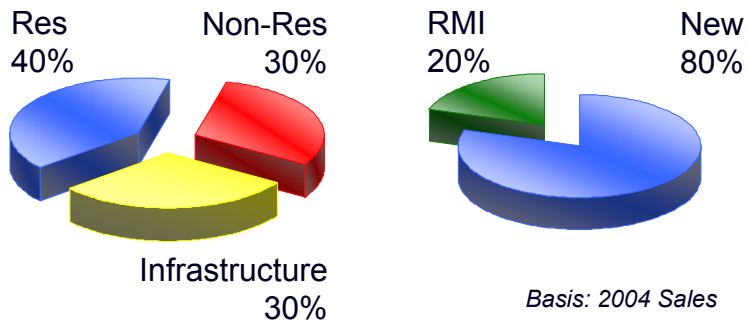
2005 Overview

- H1 strong; as anticipated H2 more challenging with higher energy input costs
- Solid €64m increase in H1 PBT to €383m (2004: €319m) reflected:
 - Strong organic growth in the Americas driven by volume and price improvements
 - Incremental contributions from acquisitions, in particular Secil in Portugal
- Expect a H2 PBT advance of the order of €90m (2004: €785m):
 - Americas have coped well with impact of rising energy costs and some market moderation
 - European markets, particularly in Materials, have seen improved trading
- Full Year PBT under IFRS expected to exceed €1.25bn; (2004: €1.1bn)
- With total Development Spend of approx. €1.45bn (H2: 1.22, H1: 0.23)

Europe Materials - Overview



Product End-use



IFRS Financials €m

2004

Sales	2,307
Operating Profit	320
Operating Margin	13.9%

Leadership Positions

Aggregates	No. 1 Finland, Ireland
Asphalt	No. 1 Ireland
Cement	No. 1 Finland, Ireland No. 2 Portugal, Switzerland No. 3 Poland
Readymix	No. 1 Finland, Ireland No. 2 Portugal, Switzerland

Europe Materials – 2005 Trading Review

- *Ireland:* Good overall volume increases; residential continues strong
- *Finland:* Activity picked up steadily through H2 after a flat H1
- *Poland:* Stronger H2 left full year cement volumes in line with 2004 (H1: -17%)
- *Switzerland:* Cement volumes up on 2004; major projects stronger than anticipated
- *Spain:* Markets remained strong throughout the year
- *Portugal:* Positive H1 but some softening of demand as the year progressed

Overall ... Expect full year operating profit to show satisfactory improvement on 2004

Europe Materials - Strategy



- Maintain and build existing operations in mature European markets
 - Selective expansion in related products
 - Geographic infill
- Selectively acquire Materials businesses in other mature European countries as opportunities arise
- Build on existing positions in central and eastern Europe
- Seek expansion opportunities in the Mediterranean basin

Europe Materials – 2005 Development

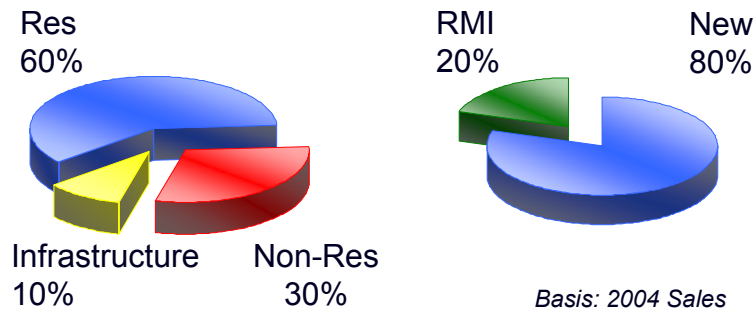
Total €350m – €300m investment in major Spanish cement producer

- **Spain; 26.3% equity stake in Corporación Uniland**
 - Leading cement producer in Catalonia, also active in ready-mix and mortar
 - Majority owner (88%) of leading Tunisian cement producer
 - 50/50 joint venture cement/ready-mix positions in Argentina and Uruguay
- **Poland; extension of existing product portfolio (sales €12m)**
 - Acquisitions in aerated concrete block (100%) and concrete paving 80%
 - New energy efficient kiln for Trzuskawica lime plant, to enhance fuel flexibility
- **Finland; strengthening concrete products position (sales €13m)**
 - 2 deals in Precast concrete elements; supporting existing business & adding new products
- **Ukraine; energy efficiency capital project**
 - Project to enhance fuel-type flexibility and realise cost savings in fuel usage

Europe Products - Overview



Product End-use



IFRS Financials €m **2004**

Sales	2,245
Operating Profit	191
Operating Margin	8.5%

Leadership Positions

Concrete Products	No. 1	across Europe
Precast	No. 1	Benelux, Denmark
Paving	No. 1	Ben, Ger, Fra, Slo
Clay bricks	No. 1	NL quality facing brick
	Top 2	UK
Insulation (EPS)	No. 1	Irl, NL, Pol, Nordics
Products	F&S No. 1	across Europe
	D&V No. 1	Benelux, Germany
Accessories	No. 2	across Europe

Europe Products – 2005 Trading Review

- *Concrete:* Improved overall profits despite some weaker markets & poor weather
Architectural: poor early weather/weak demand. Structural: performed well
- *Clay:* Modest UK decline: lower vols/high energy costs, but better pricing/productivity
Lower volumes in Germany & Poland partly offset by better prices/efficiencies
- *Insulation:* Severe H1 impact from energy-related raw materials costs; more stable H2
Good progress on restructuring initiatives; performance stabilising
- *B.Products:* Robust performances in Construction Accessories and F&S ...
... more than offset difficult conditions in D&V in Germany

Overall ... Subdued trading backdrop; operating profit expected to be lower

Europe Products - Strategy



- **Concrete:**

- Strengthen existing architectural and utility operations
- Acquire in neighbouring regions

- **Clay:**

- Consolidate in UK, grow in NL & Poland
- Expand to neighbouring European countries

- **Building Products:**

- Fencing & Security; develop in perimeter/access control systems
- Daylight & Ventilation; accelerate product/technology exchange
- Construction Accessories; expand in Benelux, France and Spain
- Look for new platforms

Europe Products – 2005 Development

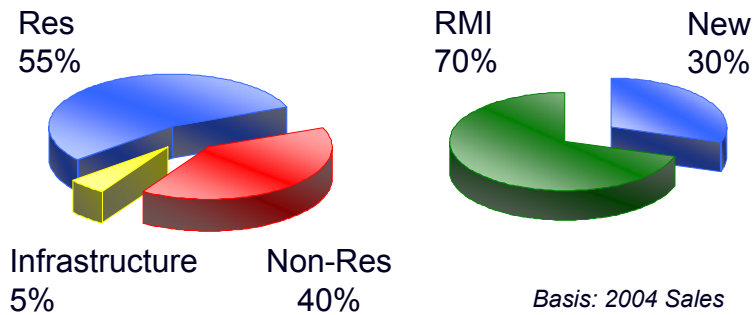
Total €235m – *major core move in France, significant expansion in Accessories*

- **Concrete Products; *strengthening of core activities position* (sales €215m)**
 - Leading French landscape, utility & infrastructural concrete products producer (Stradal)
 - 2 deals in Belgium in Precast structural elements and natural stone products
 - Acquisition of No. 2 Danish paving manufacturer
- **Clay Products; *broadening end-use / extending into solutions market* (sales €18m)**
 - 3 acquisitions adding to positions in Netherlands, Poland and UK
- **Building Products; *deals in F&S, D&V and Construction Accessories* (sales €109m)**
 - F&S: Specialised producer of fauna and railway fencing systems in Netherlands
 - D&V: Engineered glass roof manufacturer & installer in France & Belgium
 - Accessories: 2 acquisitions expanding annual turnover by c.75% to €150m

Europe Distribution - Overview



Product End-use



IFRS Financials €m **2004**

Sales	1,904
Operating Profit	121
Operating Margin	6.4%

Leadership Positions

Merchanting No.1 Netherlands

No.1 Switzerland (German speaking)

No.1 North West Germany

No.1 Austria

No.1 Burgundy, R.Alpes, F.Comté

No.2 Ile de France

DIY

Leading Dutch franchise

No.1 Portugal (50:50 JV)

Europe Distribution– 2005 Trading Review

- *DIY:*

- Benelux: Consumer confidence weaker; profits somewhat below 2004
- Portugal: Good performance; active programme of new store openings

- *Merchandising:*

- Benelux: Performance picked up through H2 after weather-affected H1
- France: Similar trading patterns to those in Benelux
- Switzerland: Steady progress throughout the year

Overall ... operating profit expected to be similar to 2004

Europe Distribution – Strategy



- **Builders Merchants:**

- Grow BM in NL, FR, DE, CH, AT
- Expand to neighbouring regions

- **DIY:**

- Grow Benelux and German businesses
- Expand formula in Portugal

Europe Distribution – 2005 Development

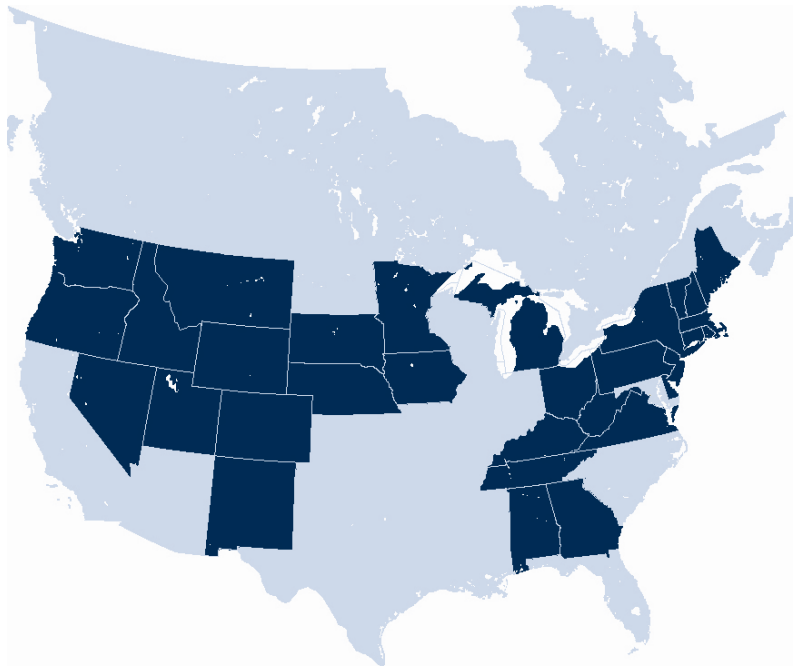
Total €170m – *significant expansion of geographic footprint*

- **Austria; entry to relatively fragmented Austrian BM market (sales €250m)**
 - Acquisition of leading national builders merchant with 32 branches (Quester)
 - Excellent platform for further growth in Austria
- **Germany; 48% JV investment in BM / DIY in Northern Germany (sales €254m*)**
 - Leading builders merchant & DIY operator in northwest Germany (BauKing)
 - Largest member of a major purchasing co-operative in Germany
- **Switzerland; bolt-ons for BauBedarf builders merchants (sales €14m)**
 - 2 deals (3 locations) adding to existing 32 branch network in German speaking Switzerland

**our share*



Americas Materials - Overview



IFRS Financials \$m

2004

Sales	3,512
Operating Profit	341
Operating Margin	9.7%

Leadership Positions

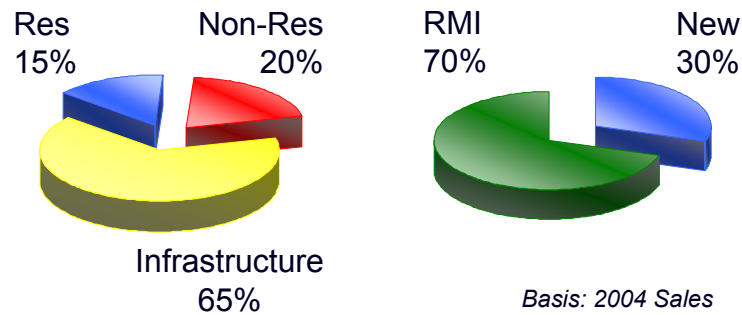
Aggregates No. 4 national producer

Asphalt No. 1 national producer

Readymix Top 10 in the US

Leading market positions throughout ops
Strong regional aggregate reserves

Product End-use



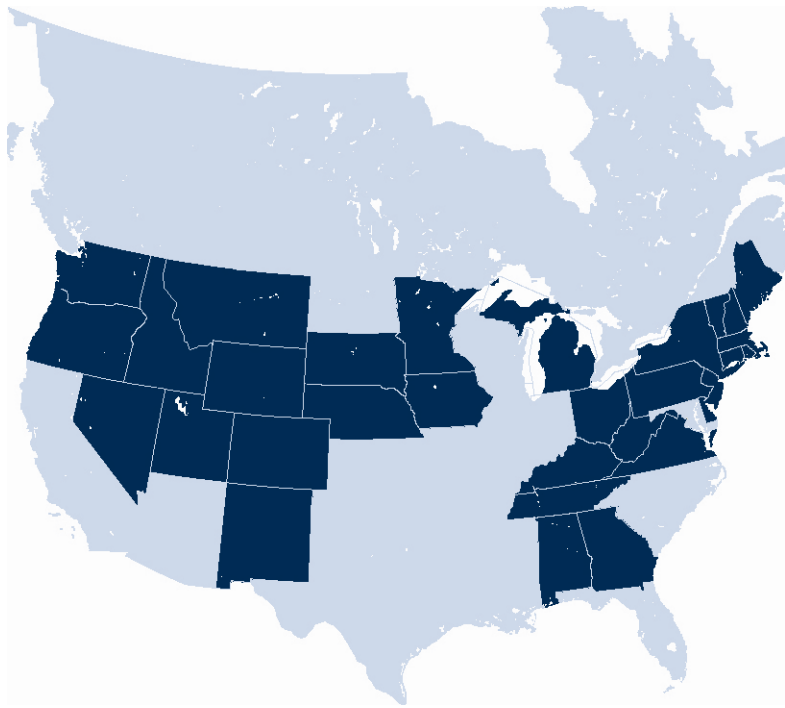
Basis: 2004 Sales

Americas Materials –2005 Trading Review

- Highway markets generally favourable, Res strong, Non-Res improving
- Realisation of strong price increases offset growing energy price pressures
- *New England:* Improvement in NH/VT partly offset by declines in ME/CT
- *NY/NJ:* NY-metro strong; Upstate NY similar
- *Central:* Better performance in OH/WV, some improvement in MI
- *West:* Strongest demand patterns; UT/ID particularly buoyant

Overall ... expect higher operating profit and improved margin

Americas Materials - Strategy



- **New England**

- Further vertical integration in NH, ME, VT
- Expand readymixed concrete operations

● New York / New Jersey

- Seek further bolt-ons in NJ
- Improve bitumen winter-fill capacity

- **Central**

- Selectively acquire in MI, OH, WV, KY, VA
- Seek add-ons/greenfield ops in PA, DE

● **West**

- Consolidate positions in Mountain regions
- Develop new opportunities in Northwest, Iowa and upper Midwest

- **Other**

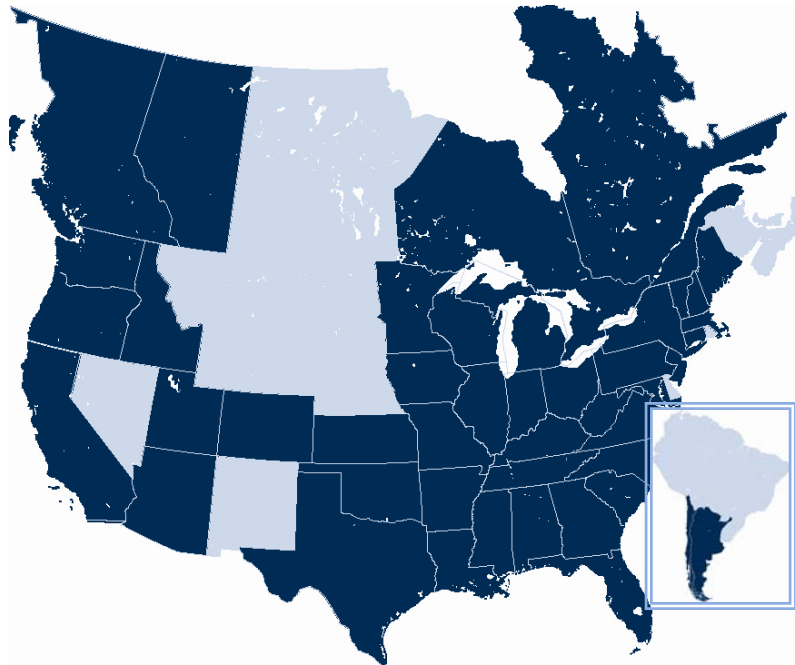
- Seek new growth platforms in regions where not currently represented

Americas Materials – 2005 Development

Total €416 million – new growth platforms in KY, VA, MN

- **Central; major expansion in KY, VA and MN plus 5 other bolt-ons (sales \$254m)**
 - Mountain(100%) / Bizzack(50%): integrated aggs, asphalt, paving & construction company
 - ... with excellent reserves in mountainous Appalachian region
 - 5 deals expanding ready-mix concrete, aggregate and asphalt operations in OH
- **West; 10 deals expanding in 4 States and adding Minnesota (sales \$120m)**
 - Leading aggregates, asphalt and ready-mix concrete producers in MN
 - 2 subsequent bolt-ons serving northeast Iowa and southern Minnesota
 - 3 bolt-ons in IA, plus one each in ID, UT, WY, OR and New Mexico
- **New England and NY/NJ Divisions; 1 deal in each division (sales \$22m)**
 - Integrated aggregate, asphalt & construction company near Portland (ME)
 - Small ready-mix concrete supplier in the greater Albany (NY) area

Americas Products - Overview



IFRS Financials \$m 2004

Sales	3,062
Operating Profit	312
Operating Margin	10.2%

Leadership Positions

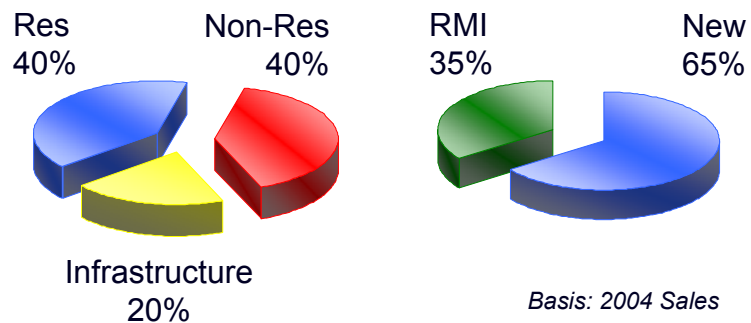
Concrete products No. 1 US masonry/paving
 No. 1 Northeast US Brick
 No. 1 Canada Paving

Precast products No. 1 US

Clay bricks No. 1 Northeast US

Glass No. 1 US fabricator

Product End-use

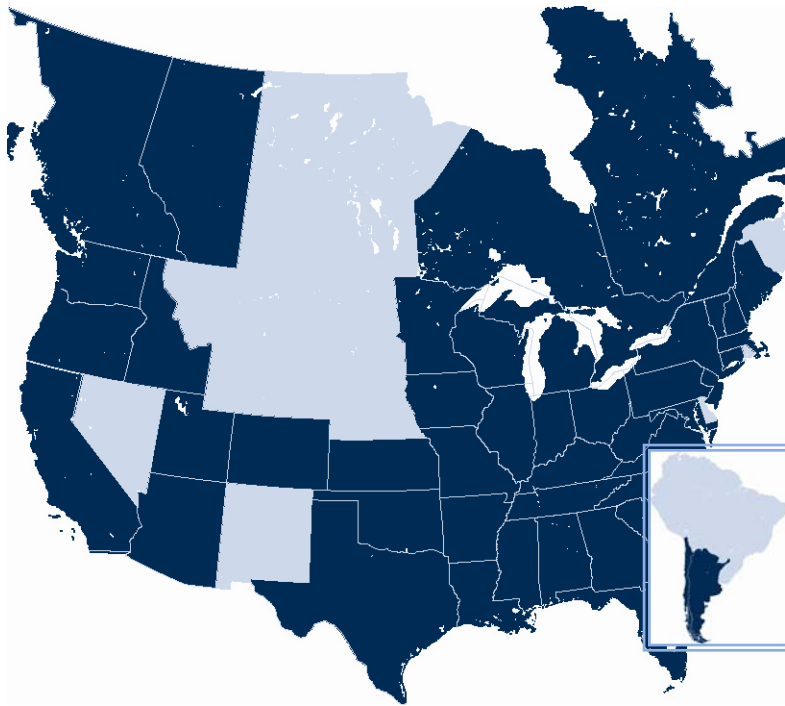


Americas Products– 2005 Trading Review

- Very strong H1 demand; some moderation in the pace of growth in H2
- Housing demand continuing strong, on-going recovery in Non-Residential
- *Precast:* Non-Res pick-up, disciplined pricing & good cost control; improved results
- *APG:* Very strong H1, slower H2 RMI demand; good progress for the year
- *Glass:* Strong organic growth helped by focus on higher value-added products

Overall ... expect a good improvement in operating profit and margin

Americas Products - Strategy



- **Precast**

- Geographic infill through acqs/greenfield dev
- Pursue new product/region opportunities

- **APG**

- Exploit retail platform through national programs and customer branding
- Increase penetration of professional hardscape market

- **Glass**

- Leverage plant network to build mkt share
- Develop products/brands across building envelope

- **South America**

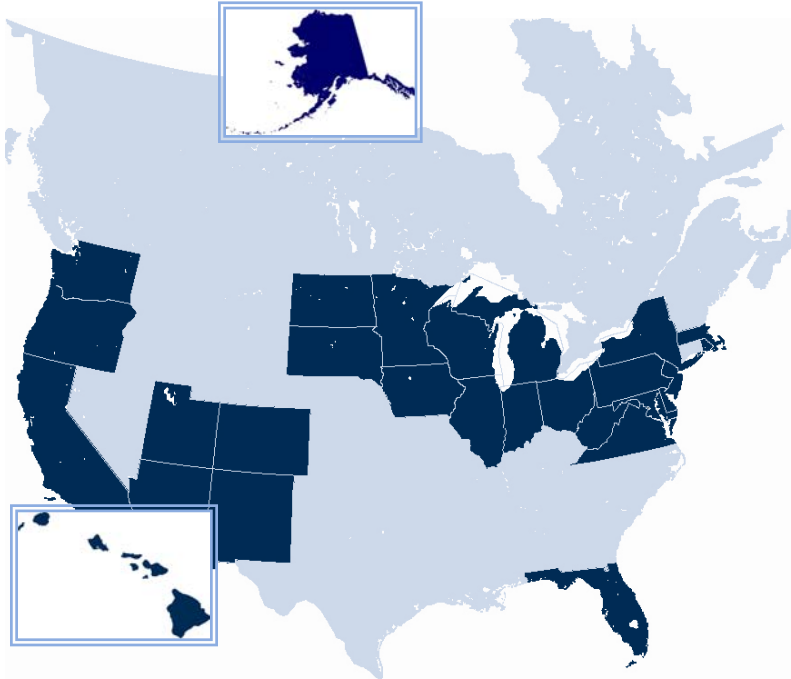
- Focused growth of existing operations
- Expand cautiously when environment allows

Americas Products – 2005 Development

Total €206 million – continued product and geographic expansion

- **APG; 6 deals plus 4 development CX projects (sales ±US\$169m)**
 - 3 deals expanding Homecenter offering in bagged mulch, soils and decorative stone
 - 3 deals – concrete block (NC), lightweight aggs (AK) and Hardscapes (Canada)
 - 4 capital projects (blocks/paver/bagged stone plants) to meet strong demand
- **Precast; 3 deals plus site relocation project (sales US\$19m)**
 - Acquisition of utilities products manufacturer / distributor in fast-growing AZ market
 - Deals in KS and WV: new states for Precast
- **Glass; continued extension into higher value-added products (sales US\$18m)**
 - Acquisition of leading Canadian architectural window/curtain wall manufacturer
 - 2 capital projects (MN, TX) to enhance efficiency, throughput & capacity

Americas Distribution - Overview



IFRS Financials \$m

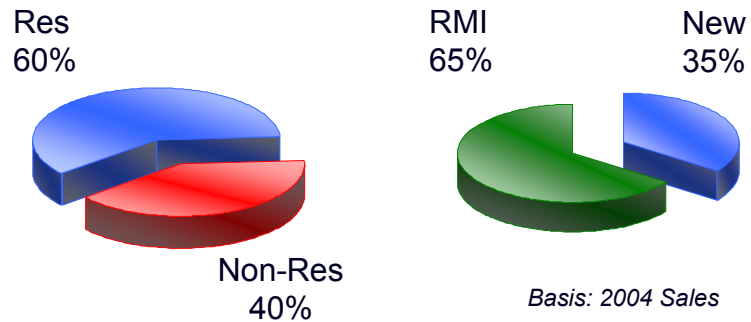
2004

Sales	1,261
Operating Profit	79
Operating Margin	6.2%

Leadership Positions

US Roofing & Siding	Top 3
US Interior Products	Top 6

Product End-use

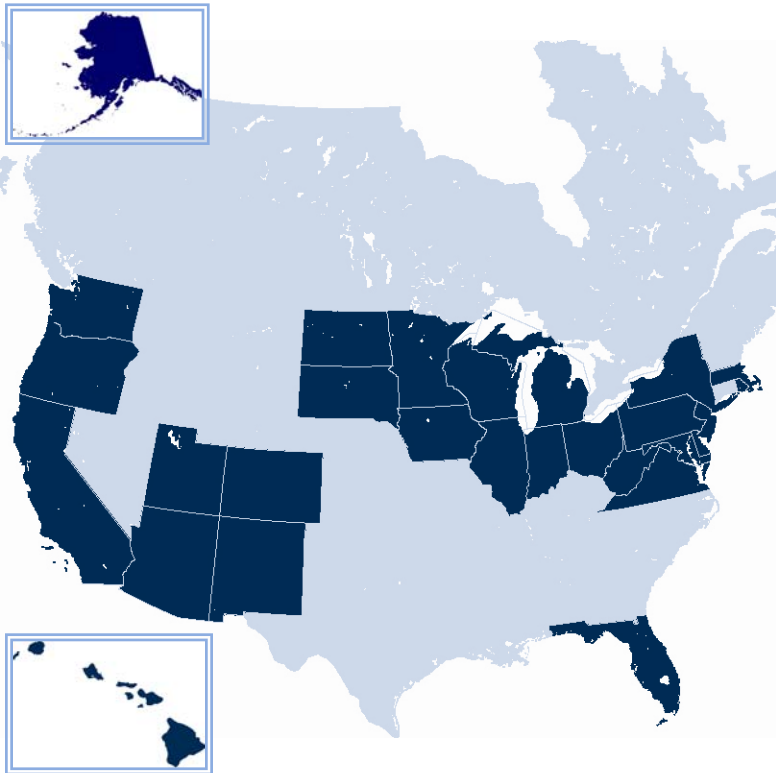


Americas Distribution – 2005 Trading Review

- Substantial H1 benefits from strong RMI demand post 2004 hurricanes
- Tougher H2 comparatives: Florida moderating; 2004 price gains not repeated
- Further organic growth and acquisition benefits across the network

Overall ... expect strong profit advance with further healthy improvement in margin

Americas Distribution - Strategy



- **Roofing & Siding**

- Create leading positions
in major metropolitan areas

- **Interior Products**

- Seek opportunities to expand and grow
this new segment

Americas Distribution– 2005 Development

Total €73 million – 8 deals with annualised sales US\$218m

- **Roofing & Siding; 3 deals (sales US\$58m)**

- Addition of 4 branches to existing extensive NJ presence
- 2 branches in north-central Utah which complement SLC position
- 3 branch business adding critical mass in Detroit & Toledo markets

- **Interior Products; 5 deals (sales US\$160m)**

- Acquisition of 9 branches in central Florida
- Purchase of 3 branch business in Washington D.C.
- 3 deals in NJ (2 branches), Ohio (1) and Hawaii (1)

Summary

Conclusion

- Strong 2005; significant organic growth, good acquisition contribution
- Operations responded well to the challenge of higher energy costs during 2005
- Ongoing energy cost recovery remains a priority for 2006
- Current outlook for the Group is on the whole positive
 - Signs of a pick up in the Dutch economy
 - Passage of new Highway Bill underpins US highway markets
 - Substantial H2 2005 acquisition activity
- We look to 2006 with confidence.

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