



Capital Markets Day

Europe Products & Distribution



Europe Products & Distribution

Overview

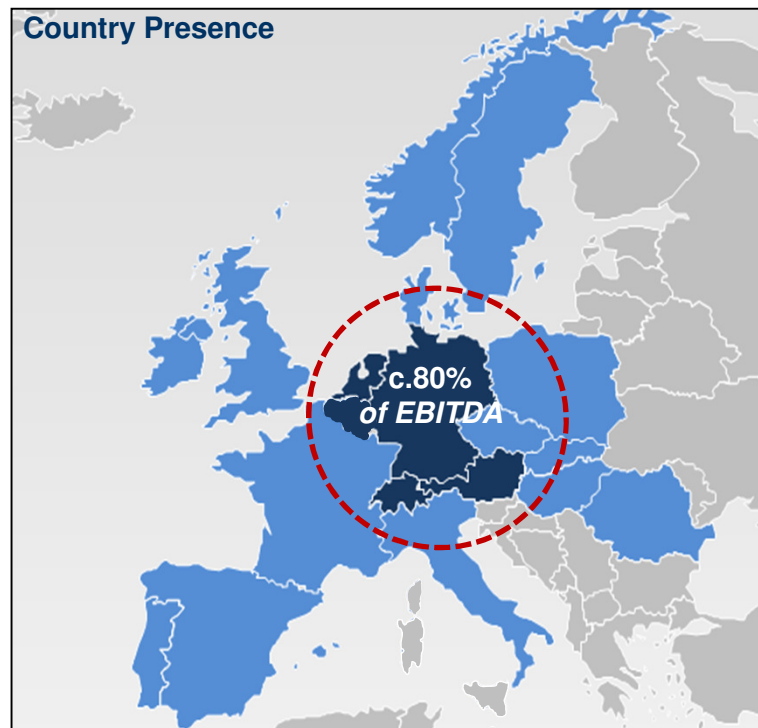
Products

Distribution

Wrap Up



Overview



Products	
Countries	Market Positions
Germany	No.1 Paving/landscape walling
Benelux	No.1 Paving and precast
W. Europe	No. 1 Construction Accessories

Distribution	
Countries	Market Positions
N. Germany	No.1 Builders Merchants
Netherlands	No.1 Builders Merchants and DIY
Switzerland	No.1 Builders Merchants
Austria	No.1 Builders Merchants

... c.80% of EBITDA from five mature, relatively stable markets ...



Overview

CRH Identity

- Customers & suppliers value financially strong parent
- Development benefit of CRH name
- Corporate Social Responsibility

People

- Strong operational teams
- Performance culture and entrepreneurial spirit
- Cooperation to capture synergies



Europe Products

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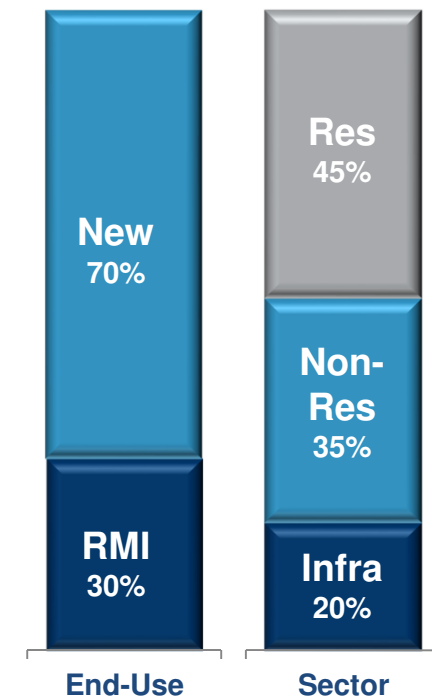


Our business

	Concrete Products	Clay Products	Lightside Products	
			Construction Accessories	Other
Benelux	✓	✓	✓	✓
Germany	✓	✓	✓	✓
United Kingdom	✓	✓	✓	✓
France	✓		✓	✓
Switzerland	✓		✓	
2011 Sales	€1.4Bn	€0.4Bn	€0.4Bn	€0.4Bn

12% of Group EBITDA (2011)

- Operates in 20 countries... 400 locations
- Broad range of value-add, engineered products
- Balanced exposure to demand drivers



... Fragmented markets with opportunities for consolidation ...



Our strategy

Europe Products (40% of EP&D EBITDA)

- Develop leadership positions in attractive markets
- Further penetrate growing RMI markets of developed Europe
- Drive product innovation and customer solutions
- Re-position towards higher value-add products
- Continue to review portfolio... optimise product mix

... Focus on growth opportunities in mature markets ...



Managing through the downturn



Main Initiatives

- Plant and production line closures
- Strong reduction in FTE's
- Launch of operational and commercial excellence programs

... Almost €300m savings in 2007-2011 ...



Further
targeted
initiatives

Structural

- Reconfiguring organisation structures; back office integration
- Reducing workforce

Process

- Rationalisation of production footprint
- Reducing overcapacity

Procurement

- Central co-ordination of procurement
- Improved IT systems

... Further savings of c.€85m by 2015 ...



Positioned for the future

- Tough short-term environment in Netherlands ... Germany and Belgium more robust
- Further integration of operating companies to squeeze out cost
- Focus on product innovation... higher value-add products
- Increase share of wallet by offering engineered solutions
- Re-evaluate businesses which are not achieving targeted returns

AVG 2013-2015	Germany	Netherlands	Switzerland	EU Average
Debt / GDP	80%	72%	44%	89%
GDP growth	1.2%	1.2%	1.7%	1.3%

... On-going pro-active management of product portfolio ...



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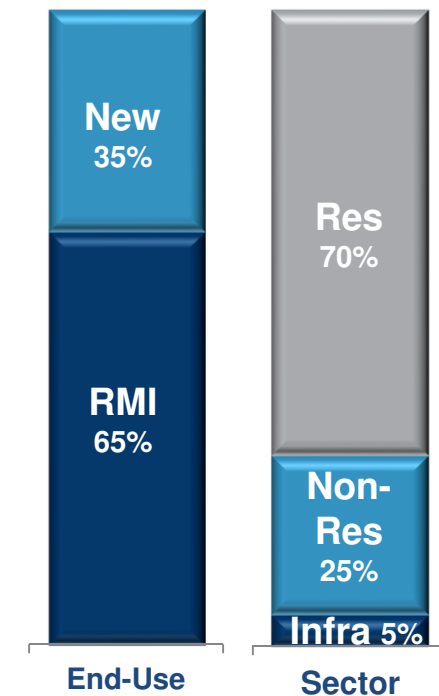


Our business

Country	Builders Merchants	DIY	SHAP *
Netherlands	✓	✓	
Germany	✓	✓	✓
Belgium	✓	✓	✓
Switzerland	✓		✓
Austria	✓		
France	✓		
2011 Branches	419	241	103

16% of Group EBITDA (2011)

- Strong brands and local franchises
- 760+ branches
- Consolidation opportunities in Germany, France, Belgium and Austria



... Growing RMI focus in mature markets ...



Our strategy

Distribution (60% of EP&D EBITDA)

- Leadership in key markets ... consolidate fragmented RMI markets
- Continue to build size and scale... drive synergies from repeatability
- Continuously improve ... operational excellence
- Combine organic growth with acquisitions
- Accelerate development of SHAP platform and CEE

... Distribution growth in mature, RMI-focused markets ...



Managing through the downturn



Main Initiatives

- Rationalisation of branch network; market exits
- Integration of back office activities
- Development and implementation of profit improvement programmes

... Almost €130m savings to 2007-2011 ...



Further
targeted
initiatives

Structural

- Building scale; “one company” integration
- De-layering organisation

Process

- Standardise formats across branch network
- Optimising logistics; higher truck load factor

Procurement

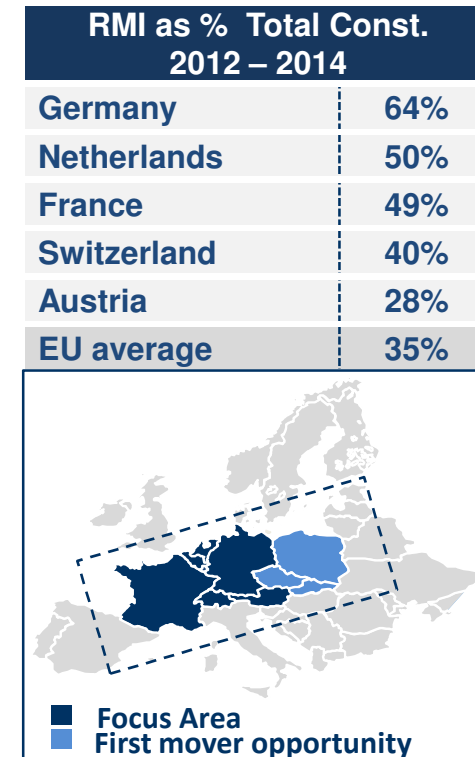
- Leveraging pan-European footprint
- European master solution in ERP



... Further savings of c.€55m by 2015 ...

Positioned for the future

- Focus on category management driving top line
- Extracting synergies through integration/scale
- Further consolidation in key RMI markets building on successful SHAP platform
- Leveraging Group experience in CEE



... Strong footprint in key European RMI markets ...

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Wrap Up

- Strong footprint at Europe's core
- Profit improvement is our first priority
- Continuing portfolio review
- Experienced management team



... Actions in 2012-2015 will deliver further savings of c.€140m ...