CRH

CRH Interim Management Statement
10th November 2009

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Chief Operating Officer

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CRH Interim Management Statement

Third Quarter Trading and Cash Flow

- Recent economic and financial market news flow more positive than H1
- Trading remains difficult; Q3 like-for-like Sales down c19% *(H1: -21%)*
- Rate of profit decline eased; cost benefits, lower energy than 2008
- Q3 EBITDA down approximately 25% *(H1: -41%)*
- Very strong Q3 cashflow with c€0.9 billion reduction in Net Debt

Continued strong focus on Cost and Cash Management

Year-to-date Acquisitions

Focus on Heavyside, Compelling Value, Synergistic Fit

H1 total development spend €280 million comprising:

- €224 million for 26% stake in Yatai Cement in northeastern China
- 6 further bolt-ons in our Materials and Distribution segments

A further €50 million invested July 2009 to-date:

- Americas Materials: Hilty Quarries (MI) acquisition; 105mt Aggs reserves

  Excellent geographic and strategic fit with existing APAC operations
- Yatai Cement platform: increased market presence in northeastern China

CRH remains very well positioned to take advantage of further appropriate development prospects

Cashflow

Resolutely focussed on Cash Generation & Financial Flexibility

- Continued tight working capital management
- Year-to-date Capex running at c50% of 2008 levels *(2008: €1.039Bn)*
- Depreciation & Amortisation in 2009: c€0.8Bn
- Debt reduced by €0.9 billion in Q3
- End September Net Debt c€4.2Bn ... *(end June 5.1Bn)*

Excellent debt maturity profile – next 5 years

Net Debt further Reduced

Long debt maturities; Cash reserves/Undrawn facilities of €3bn

September 2009 – Including JVs		
CRH Debt € Bn (incl. Derivatives)	**Gross Debt by Maturity**	**Undrawn Committed Facilities**
Overdrafts	**0.1**	**-**
2009	**0.2**	**0.2**
2010	**0.3**	**0.3**
2011	**0.6**	**0.4**
2012	**0.8**	**0.8**
2013	**0.5**	**0.1**
2014	**1.0**	**0.1**
2015 +	**2.0**	**0.0**
Total	**5.5**	**1.9**
Cash/Liquid Invs	**1.3**	

No undue concentration of Debt Maturities

2009 Outlook

Expect approx. one-third decline in EBITDA (2008: €2.665Bn)

- Q4 EBITDA % decline likely to exceed Q3
- Due to poor October weather and additional one-off cost effects
- Expect full year PBT in the range €0.73-0.76Bn *(2008: 1.628Bn)*
- After cost reduction implementation costs of c€200m*
- And before any asset impairment charges
- PBT forecast reflects adverse FX impact of c€45m *(principally PLN)*

** Higher than the €158m estimated in July reflecting the cost of further initiatives undertaken since mid-year*

2009 Full Year Europe Outlook

Currently expect c40% decline on 2008 EBITDA

Indications	Materials	Products	Distribution	Total
2009 Change	c45 % decrease	c30 % decrease	c25 % decrease	c40 % decrease
2008 Actual	€806m	€392m	€258m	€1,456m

- **Materials**
  - Q3 PL cement volumes in line with 2008; elsewhere H1 trends continue
- **Products**
  - Benefits from restructuring; Some improvement in UK Brick demand
- **Distribution**
  - Underlying Sales continuing to run c10% below 2008

2009 Full Year Americas Outlook

Currently expect c30% US$ EBITDA decline; -c25% in euro

Indications	Materials	Products	Distribution	Total
2009 Change	c15 % decrease	c50 % decrease	c70 % decrease	c30 % decrease
2008 Actual	$1,065m	$543m	$170m	$1,778m

- **Materials**
  - Margins ahead with strong cost/commercial delivery despite lower volumes
- **Products**
  - Non-Res difficult; sharp like-for-like sales declines continue
- **Distribution**
  - Exterior Prods declines have stabilised; Interior Prods continue to fall

Summary

- While trading conditions remain extremely difficult
- Our businesses continue to generate strong cashflow
- And are focussed on commercial delivery
- Good benefits from ongoing Cost Savings programmes
- Strong B.Sheet supports development for compelling value and fit

CRH …
well positioned to respond to evolving trading circumstances and take advantage of suitable development opportunities