



CRH

Trading Statement & Development Strategy Update

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CRH Trading Statement

2007 - another robust year of performance for CRH

- Expect full year profit before tax of close to €1.9Bn
- Reflecting a high-teen % increase on 2006 (€1.6Bn)
- Despite adverse FX impact of c€70m on profit before tax
- Delivering CRH's 15th consecutive year of PBT and EPS growth
- Record €2.2Bn acquisition spend + €0.7Bn cement initiatives

CRH's broad balance & development strategy ... delivers again



CRH Financials

Continued focus on development delivery

- 2007 EBITDA/ net interest cover to remain high at c 9 times
- Phased reduction in dividend cover to c 3.5 times for FY'08 continues
- Board decision to introduce a share repurchase programme
- Limited to a maximum of 5% of Issued Shares, to be held as Treasury Shares
- Very well positioned to take advantage of strong development pipeline

Committed to maintaining investment grade debt rating



Europe

2007 Operating Profit Indications

<u>€bn</u>	<u>Materials</u>	<u>Products</u>	<u>Distribution</u>	<u>Total</u>
2007 Indications	~0.6	~0.3	~0.2	~1.1
2006 Actual	0.421	0.221	0.172	0.814

○ **Materials**

- Significant H1 advance; continued to perform strongly in H2
- CEE particularly busy; Irish activity continued at a high level

○ **Products**

- Marked H1 improvement in operating profit and margin
- Slower pace of demand growth in H2, particularly in Germany

○ **Distribution**

- H1 much improved; like-for-like progress slower in H2
- Strong performance from Getaz Romang acquired in May

Balance: Res c50% , Non-Res c30% , Infrastructure c 20%

Americas

2007 Operating Profit Indications

<u>US\$ bn</u>	<u>Materials</u>	<u>Products</u>	<u>Distribution</u>	<u>Total</u>
2007 Indications	>0.75	~0.47	~0.10	~1.35
2006 Actual	0.596	0.470	0.130	1.196

○ **Materials**

- Strong full year organic EBIT improvement; good margin delivery
- Excellent performance from APAC, acquired end-August 2006

○ **Products**

- Resilient H1 with Non-Res growth/profit-improvement measures
- Continued robust H2 performance despite credit / housing turbulence

○ **Distribution**

- H2 like-for-like comparisons improved somewhat vs. H1
- Expect full year EBIT margin in the range of 5.0 to 5.5%

Balance: Res c30% , Non-Res c35% , Infrastructure c35%

CRH 2007 Acquisition Delivery

€2.2 billion spend; a new record for CRH

Dimensions	EV (€Bn)	Annualised Sales* (€Bn)	EV / Sales (x)	EV / EBITDA** (x)
Europe	0.37	0.30		
Americas*	0.58	0.60		
Total Materials	0.95	0.90	1.05	6.5
Europe	0.24	0.30		
Americas*	0.36	0.50		
Total Products	0.60	0.80	0.75	6.5
Europe	0.45	0.70		
Americas*	0.20	0.35		
Total Distribution	0.65	1.05	0.60	7.7
2007 Acquisitions	2.20	2.75	0.80	6.9

* based on \$:€ rates at time of acquisitions

** pre-synergies

2007 Acquisition Sales ... c€1.2Bn (2007), c€1.5Bn (2008)

Materials Acquisitions

€0.95Bn Spend ... EV / EBITDA 6.5x ... Sales** €0.9Bn*

- **Europe/Asia ... 14 acquisitions ... EV €0.37Bn, Sales €0.3Bn**
 - 50% Denizli Cement (Turkey); 1.8 mtpa cement capacity
 - 100% Harbin Sanling Cement (China); 0.65 mtpa cement capacity
 - 11 other bolt-ons, 6 CEE/Med Basin, 5 Western Europe; +CB buyout
- **Americas ... 19 acquisitions ... EV €0.58Bn, Sales €0.6Bn**
 - CYDI aggregates distributor in Florida
 - Cemex DoJ assets in Florida and Arizona
 - 17 other bolt-ons extending existing national positions

Continuing to develop Cement/Aggregates Platforms

*Basis: * pre-synergies ... ** Annualised Sales*

Products Acquisitions

€0.6Bn Spend ... EV / EBITDA 6.5x ... Sales** €0.8Bn*

- **Europe ... 16 acquisitions ... EV €0.24Bn, Sales €0.3Bn**
 - Concrete Products: 8 bolt-ons with EV of approx €0.2Bn
 - Construction Accessories: 4 bolt-ons to No.1 European position
 - Building Products: 3 bolt-ons to Fencing & Security platform

- **Americas ... 15 acquisitions ... EV €0.36Bn, Sales €0.5Bn**
 - APG: 11 bolt-ons plus Paver Systems 50% buyout in Florida
 - Glass: Vistawall architectural glazing systems
 - Precast: Carson utility box manufacturer plus add-on in CA

Continuing to expand existing strong market positions

*Basis: * pre-synergies ... ** Annualised Sales*

Distribution Acquisitions

€0.65Bn Spend ... EV / EBITDA 7.7x ... Sales** €1.05Bn*

- **Europe ... 10 acquisitions ... EV €0.45Bn, Sales €0.7Bn**

- 100% publicly quoted Getaz Romang; CRH now #1 Swiss BM
- 7 BM and 2 DIY bolt-ons to existing networks [FR, DE, NL, ES, CH]

- **Americas ... 4 acquisitions ... EV €0.2Bn, Sales €0.35Bn**

- AMS: 21 Interior Products branches in Western US
- 3 bolt-ons adding 8 branches to existing Roofing/Siding network

Continuing to leverage successful Distribution business model

*Basis: * pre-synergies ... ** Annualised Sales*

CRH 2007 Major Cement Development

€0.7Bn Investment Commitment over 3 years

- Ireland: €200m investment ... on-stream end-2008
 - new state-of-the-art 1.3 mtpa line to replace old 0.4 mtpa kiln
- Ukraine: JI-0001 €210m investment ... on-stream end-2009
 - wet to dry conversion to give new state-of-the-art 3 mtpa plant
- Poland: €200m investment ... on-stream end-2009
 - capacity expansion of 1.8 mtpa to meet growing demand
- US: 50% JV in \$200m investment ... on-stream end-2008
 - new greenfield 1.1 mtpa cement plant in Florida

Investing for the Future - c€0.1bn ('07), c€0.4bn ('08), c€0.2bn ('09)

CRH Performance & Growth

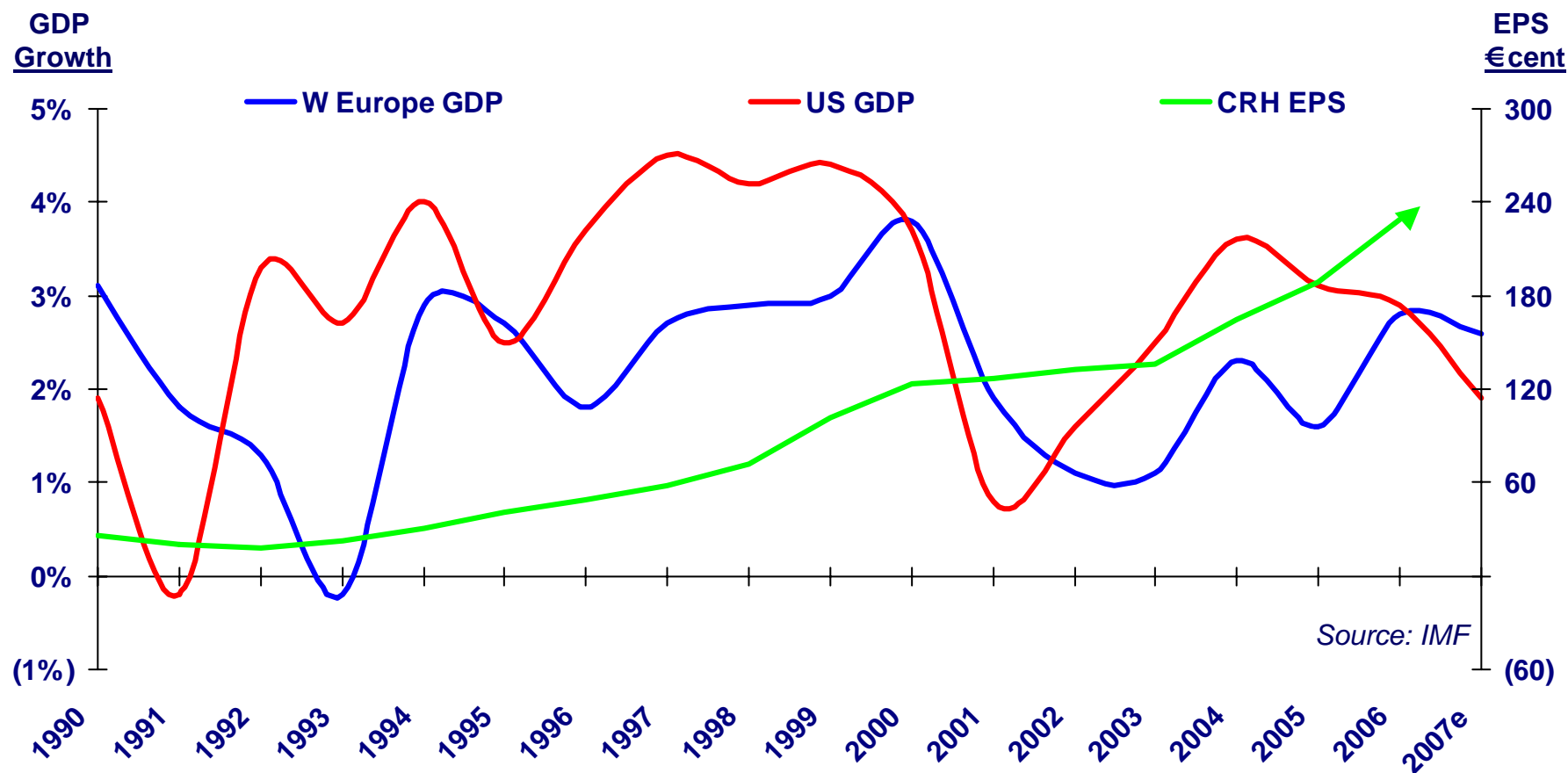
Our Twin Goals

- Diverse yet balanced geographic, sectoral and product end-use
- Disciplined approach to acquisition evaluation
- Dedicated people with ambition to achieve
- Experience of managing through economic cycles
- Devolved structure enables quick and effective response

Enabling strong delivery through the cycle

Delivering through the Cycle

CRH strong track record



1993 – 2007 ... 15 consecutive years of EPS growth

2008 Outlook

Continuing delivery ...

- 2008 economic f/casts show continued growth but slower pace than 2007
- Europe
 - CEE continuing strong dynamic, more moderate for broader EU
 - further benefits from 2007's €1Bn acquisition activity
- Americas
 - with balance, goal is to broadly maintain like-for-like profitability
 - deliver expectations from 2007's €1.2Bn acquisition activity
- While as ever there are risks, CRH is well positioned to:
 - deal with evolving market circumstances, and
 - take advantage of ongoing strong development pipeline

Focus on delivering 16th consecutive year of EPS growth in 2008

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