



# Interim Results

2019



# Agenda

Market Backdrop

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Trading Performance

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Financial Performance

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H1 Key Developments

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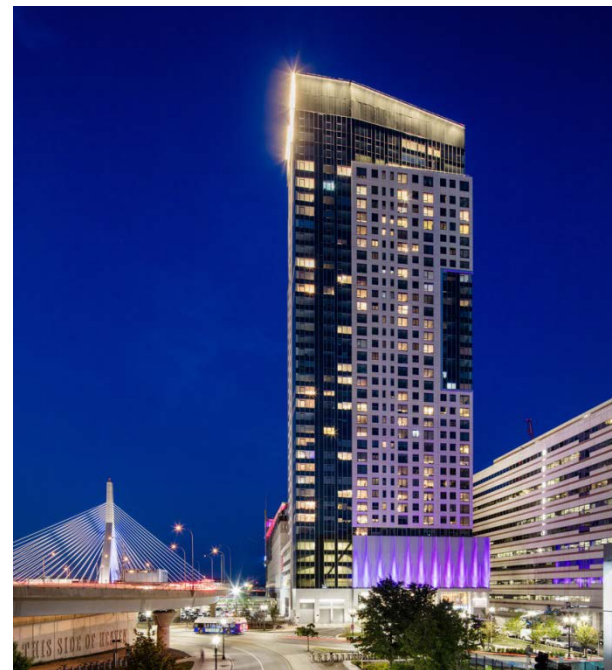
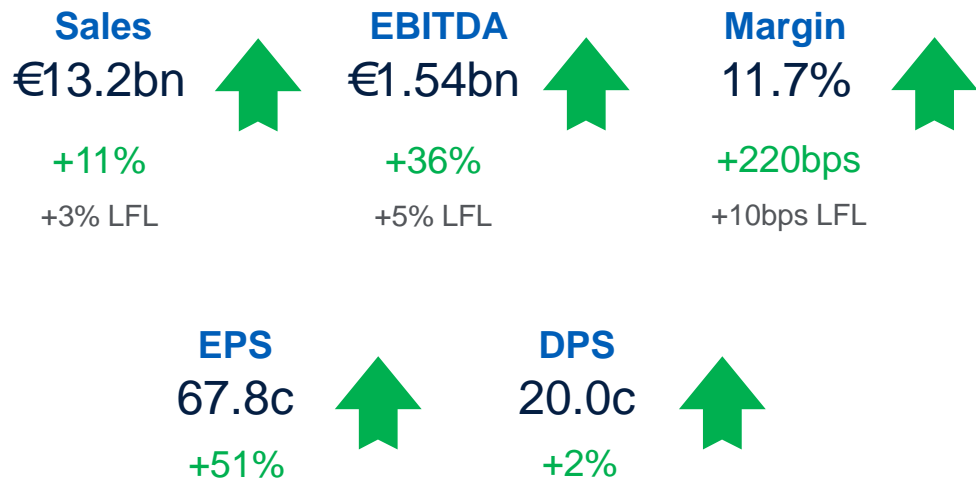
Outlook & Key Takeaways

# Key Messages

- Record H1 profit performance ... margin ahead
- Positive underlying demand backdrop ... Europe & North America
- Active portfolio management ... ~€2bn divestments; ~€470m bolt-on acquisitions
- Continued focus on disciplined & efficient capital allocation ... €550m share buyback YTD; further €350m planned by year end
- Profit improvement programme progressing as planned



# H1 Financial Highlights



# Agenda

## Market Backdrop

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H1 Key Developments

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Outlook & Key Takeaways

# Market Backdrop – Europe & North America

- Positive construction activity across main markets  
... UK impacted by ongoing political uncertainty
- Solid underlying demand in Res & Non-Res markets
- Good momentum in Infrastructure activity
- Supportive pricing environment



# Agenda

Market Backdrop

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**Trading Performance**

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Financial Performance

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H1 Key Developments

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Outlook & Key Takeaways

# Americas Materials – Trading Performance

- Sales, EBITDA & margin ahead
- Volumes impacted by weather disruption in Q2
- Positive pricing offsetting higher input costs
- North America Cement integration progressing well
- Backlogs strong ... volumes & margins ahead

H1 2019	€m	Change vs. H1 2018	
			LFL
<b>Sales</b>	4,012	+26%	+2%
<b>EBITDA</b>	502	+69%	+3%
<b>Margin</b>	12.5%	+320bps	+20bps



# Europe Materials – Trading Performance

- Cement volumes ahead
- Good pricing momentum across all markets
- Margins impacted by challenging UK trading environment
- Strong focus on cost recovery & margin improvement in H2

H1 2019	€m	Change vs. H1 2018	
			LFL
<b>Sales</b>	4,085	+7%	+6%
<b>EBITDA</b>	461	+17%	+2%
<b>Margin</b>	11.3%	+100bps	-40bps

# Building Products – Trading Performance

- Good progress in sales, EBITDA & margin
- Strong operating leverage  
... cost control & product mix optimisation
- Integration of global products platform progressing well
- Continued refinement of product portfolio ... divesting  
Shutters & Awnings; Perimeter Protection; Europe Distribution

H1 2019	€m	Change vs. H1 2018	
			LFL
<b>Sales</b>	5,120	+4%	+3%
<b>EBITDA</b>	577	+32%	+8%
<b>Margin</b>	11.3%	+240bps	+60bps

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**Financial Performance**

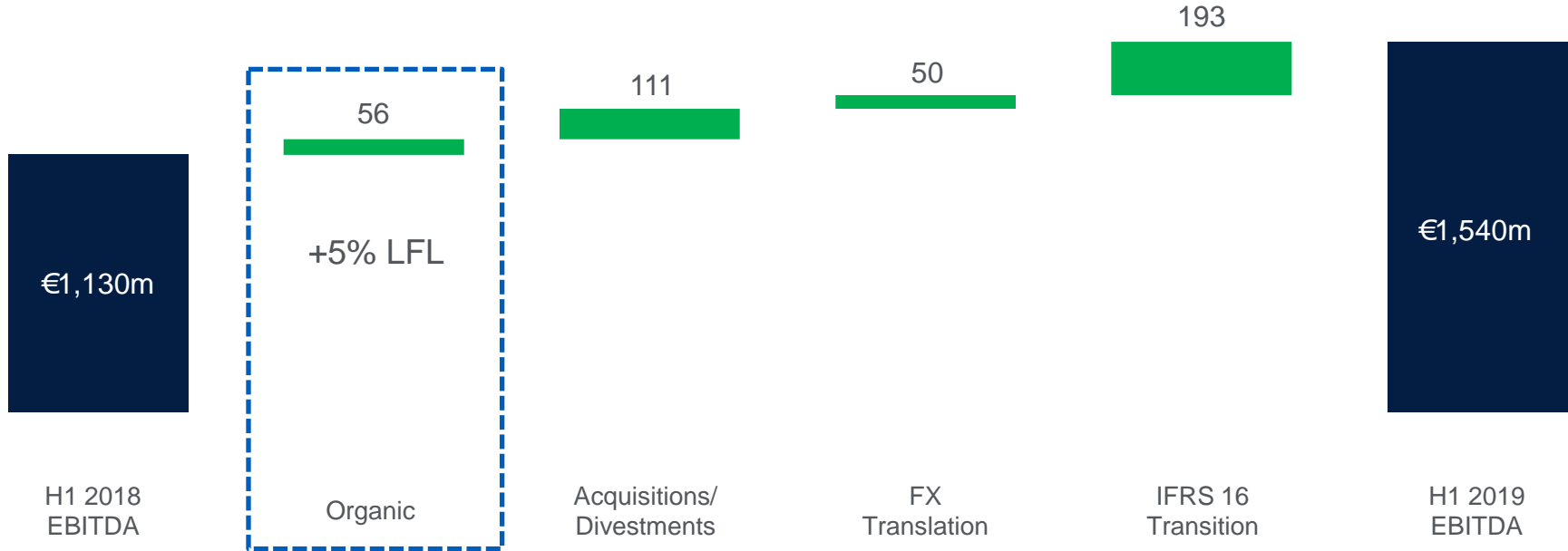
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H1 Key Developments

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Outlook & Key Takeaways

# Components of Financial Performance



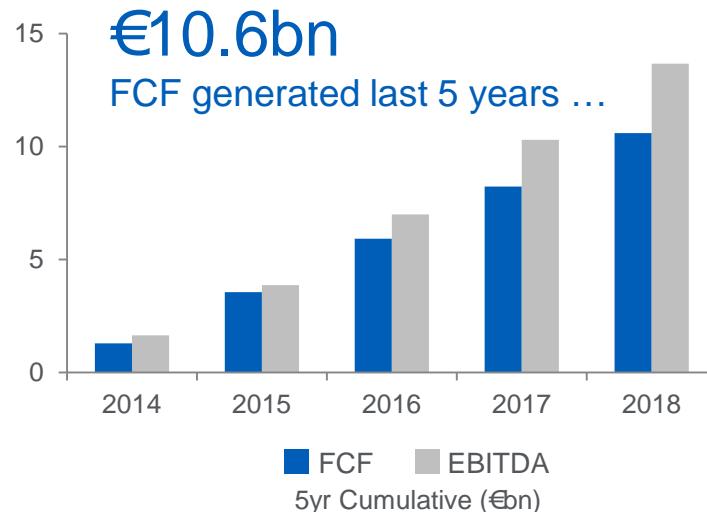
# H1 2019 Cash Flow Movements ...

€m	H1 2018	H1 2019
<b>EBITDA</b>	<b>1,130</b>	<b>1,540</b>
Working Capital	(1,108)	(1,002)
Interest	(158)	(202)
Tax	(215)	(111)
Other	40	45
<b>Net Cash Inflow/(Outflow)</b>	<b>(311)</b>	<b>270</b>

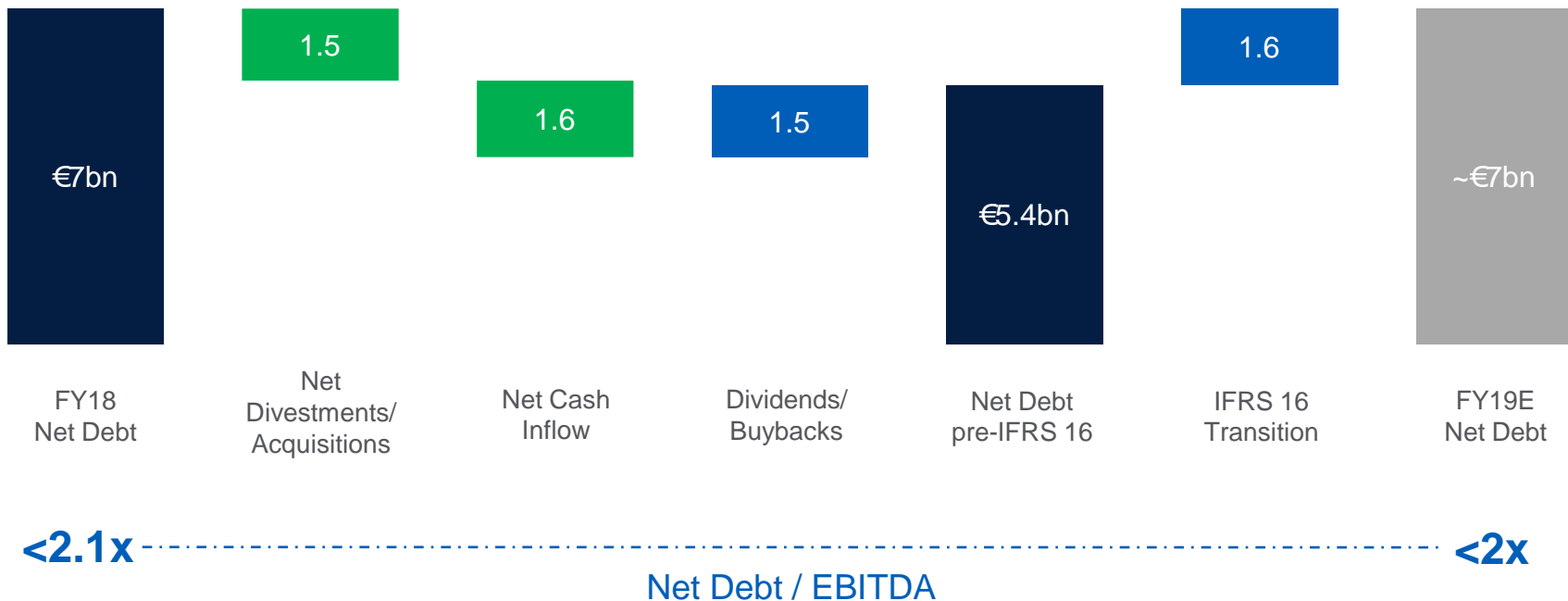
- Strong focus on efficient cash management
- Good working capital control
- Lower combined interest & tax charges
- Expect strong seasonal inflow in H2

# Consistently Strong Cash Delivery

- Substantial profit growth; organic & acquisition  
... relentless focus on cash generation
- ~80% conversion of EBITDA to FCF  
... industry-leading through the cycle
- Significant optionality for further value creation

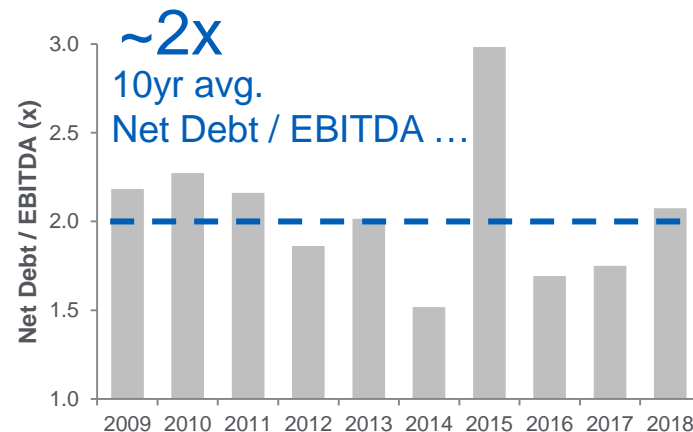


# FY 2019 Balance Sheet ... Key Components



## Financial Discipline ...

- Committed to maintaining strong investment grade rating  
... ~2x Net Debt / EBITDA maintained through the cycle
- Significant value created last 5 years  
... ~€7bn divestments at 11x EBITDA  
... re-invested into value accretive acquisitions at 8x
- Allocating & re-allocating capital for superior returns & cash



*... through the cycle*



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**H1 Key Developments**

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Outlook & Key Takeaways

# Building a Better Business ...

## Portfolio Management ...

*Re-shaping our business for superior growth, returns & cash generation*

## Synergy Delivery ...

*Creating shareholder value through greater integration*

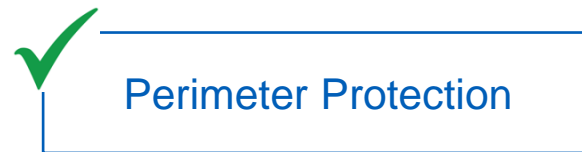
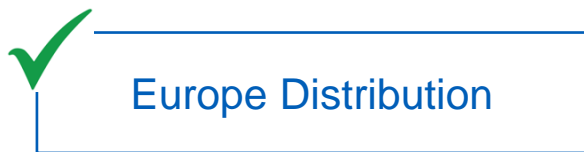
## Continuous Business Improvement ...

*Making businesses better through internal self-help initiatives*

*... delivering structurally higher margins, returns & cash*

# Portfolio Management

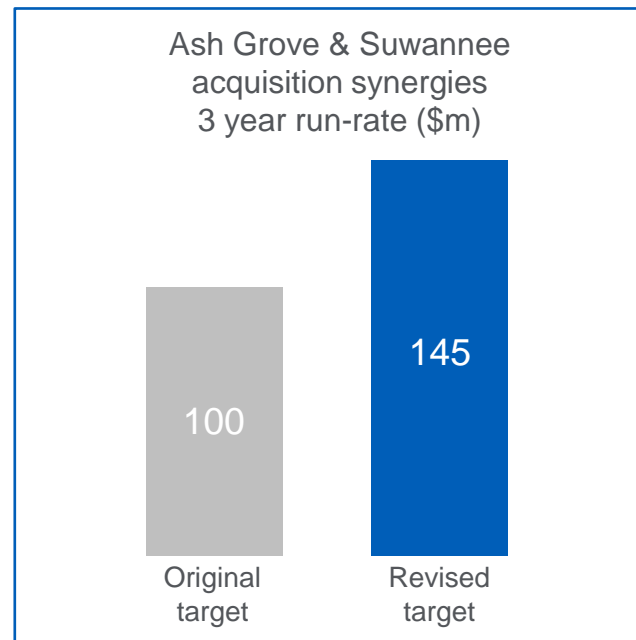
- Re-shaping our business for superior growth, returns & cash generation
- Agreement reached on ~€2bn divestments YTD
- Crystallising value for shareholders ... attractive double-digit exit multiples
- Clear execution of our strategy ... value creation through active portfolio management



*Becoming a narrower, deeper, more focused Group*

# Synergy Delivery

- Creating shareholder value through greater integration
- Ash Grove / Suwannee integration progressing well ... synergies ahead of expectations
- Leveraging global scale & best practice  
... commercial & operational excellence  
... network optimisation & self-supply opportunities



# Continuous Business Improvement ...

- Making businesses better through internal self-help initiatives
- Proven best-in-class operators
- Detailed plans in place for further profit improvement  
... progressing as planned
- Improving efficiency & effectiveness  
through greater integration across our businesses



*... delivering structurally higher margins, returns & cash*

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**Outlook & Key Takeaways**

# EBITDA Outlook

- **Americas Materials:** Positive underlying momentum; increased rate of growth in H2
- **Europe Materials:** UK to remain challenging; similar pace of growth in H2
- **Building Products:** Positive momentum to continue in H2
- **Group:** Further growth in H2 ... another year of progress



# Key Takeaways

*Record H1 EBITDA ...  
further progress in H2*

*Profit improvement programme  
progressing well*

*Allocating & reallocating capital  
for superior shareholder value*

*Continue to maintain strong,  
flexible balance sheet*







# Appendices

# Group Components of Performance

€million	Sales revenue	EBITDA	Operating profit	Profit on disposals	Finance costs (net)	Assoc. and JV PAT <sup>1</sup>	Pre-tax profit
<b>H1 2018</b>	<b>11,944</b>	<b>1,130</b>	<b>592</b>	<b>46</b>	<b>-160</b>	<b>19</b>	<b>497</b>
Exchange effects	394	50	31	4	-6	-	29
<b>H1 2018 at 2019 rates</b>	<b>12,338</b>	<b>1,180</b>	<b>623</b>	<b>50</b>	<b>-166</b>	<b>19</b>	<b>526</b>
<i>Incremental impact in 2019 of:</i>							
- 2018/2019 acquisitions	819	144	64	-	-29	-	35
- 2018/2019 divestments	-368	-33	-3	115	1	-	113
- IFRS 16 impact	-	193	17	-	-35	-	-18
- Organic	428	56	50	6	-6	1	51
<b>H1 2019</b>	<b>13,217</b>	<b>1,540</b>	<b>751</b>	<b>171</b>	<b>-235</b>	<b>20</b>	<b>707</b>

<sup>1</sup> CRH's share of after-tax profits of joint ventures and associated undertakings.

# Americas Materials

## Analysis of change

€million	H1 2018	Exchange	Acquisitions	Divestments	IFRS 16	Organic	H1 2019	% Change
Sales revenue	3,178	+205	+597	-19	-	+51	4,012	+26%
EBITDA	297	+24	+126	-4	+49	+10	502	+69%
Operating profit	94	+12	+56	-3	+4	+4	167	+78%
EBITDA/sales	9.3%						12.5%	
Op. profit/sales	3.0%						4.2%	

# Europe Materials

## Analysis of change

€million	H1 2018	Exchange	Acquisitions	Divestments	IFRS 16	Organic	H1 2019	% Change
Sales revenue	3,827	+26	+25	-23	-	+230	4,085	+7%
EBITDA	395	+4	+1	-	+54	+7	461	+17%
Operating profit	194	+2	-	+2	+4	+7	209	+8%
EBITDA/sales	10.3%						11.3%	
Op. profit/sales	5.1%						5.1%	

# Building Products

## Analysis of change

€million	H1 2018	Exchange	Acquisitions	Divestments	IFRS 16	Organic	H1 2019	% Change
Sales revenue	4,939	+163	+197	-326	-	+147	5,120	+4%
EBITDA	438	+22	+17	-29	+90	+39	577	+32%
Operating profit	304	+17	+8	-2	+9	+39	375	+23%
EBITDA/sales	8.9%						11.3%	
Op. profit/sales	6.2%						7.3%	

# Cement Volumes & Pricing

YoY % Change	Volumes	Price (LC)
Finland	-	=
France	++	+
Germany	--	+
Hungary	--	++
Ireland	++	++
Poland	++	++
Romania	=	++
Serbia	++	+

YoY % Change	Volumes	Price (LC)
Slovakia	++	+
Spain	+	++
Switzerland	-	+
Ukraine	=	++
United Kingdom	=	+
North America <sup>1</sup>	-	+
Philippines	+	++
Brazil	++	+

## Legend

>5%	++
2% to 5%	+
-1% to +1%	=
-5% to -2%	-
<-5%	--

<sup>1</sup> Proforma basis to account for partial year ownership of US cement acquisitions.

# Americas Materials Volumes & Prices

YoY % Change	Total		Heritage	
	Volumes	Price	Volumes	Price
Aggregates	+6%	+6%	-1%	+6%
Asphalt	-3%	+7%	-4%	+7%
RMC	+22%	+4%	+1%	+5%

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This document contains statements that are, or may be deemed to be forward-looking statements with respect to the financial condition, results of operations, business, viability and future performance of CRH and certain of the plans and objectives of CRH. These forward-looking statements may generally, but not always, be identified by the use of words such as "will", "anticipates", "should", "could", "would", "targets", "aims", "may", "continues", "expects", "is expected to", "estimates", "believes", "intends" or similar expressions. These forward-looking statements include all matters that are not historical facts or matters of fact at the date of this document.

By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that may or may not occur in the future and reflect the Company's current expectations and assumptions as to such future events and circumstances that may not prove accurate.

A number of material factors could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements, certain of which are beyond our control, as detailed in the section entitled “Risk Factors” in our 2018 Annual Report on Form 20-F as filed with the US Securities and Exchange Commission.

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A modern, multi-story office building with a dark facade and large glass windows, illuminated from within at dusk. The building is surrounded by landscaping, including trees and a paved area. A "Welcome" sign is visible near the entrance.

## CRH plc

Investor Relations  
Stonemason's Way  
Rathfarnham  
Dublin 16  
D16 KH51  
Ireland

**Telephone:** +353 1 404 1000

**Email:** [ir@crh.com](mailto:ir@crh.com)

**Website:** [www.crh.com](http://www.crh.com)