



The International  
Building Materials  
Group

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## Development Strategy Update

CRH confirms total disposal proceeds of c.€1 billion for 2015; bolt-on transactions of c.€0.2 billion bring total acquisition spend to c.€8 billion

CRH plc, the international building materials group, confirms total disposal proceeds of approximately €1 billion in 2015. This comprises the previously announced sale of its clay and concrete products operations in the UK and the Group's clay business in the US (€0.43 billion) plus several additional divestments across Europe and the Americas for total proceeds of c.€0.53 billion.

During 2015, the Group also completed 20 bolt-on acquisition and investment transactions. These deals, together with the acquisition of assets from Lafarge and Holcim, the C.R. Laurence acquisition and net deferred consideration payments, bring development spend for 2015 to approximately €8 billion.

### Commenting on these developments, Albert Manifold, CRH Chief Executive, said:

*"Portfolio management, and in particular the reallocation of capital from lower growth areas into core businesses for growth, is a cornerstone of our value creation model. We are pleased with our progress in 2015, which brought cumulative proceeds from our multi-year divestment programme to almost €1.4 billion, while our targeted bolt-on investments strengthened our existing businesses and complemented the major acquisition activity which saw total acquisition spend of approximately €8 billion in 2015."*

### Europe: 15 Divestments and 5 Acquisitions

#### **Divestments - €260 million:**

Our Heavyside business completed 13 divestments in 2015, the largest of which was the disposal of CRH's 25% equity stake in its Israeli operation. Other disposals comprised a number of non-core readymixed concrete and concrete products businesses. One small disposal was completed by the Lightside Division, while the Distribution Division disposed of its 45% stake in Doras, a builders merchant in France.

#### **Acquisitions - €21 million:**

Our Lightside business completed one acquisition in Australia and a small further investment in the Netherlands, accelerating the introduction of the *Cubis* access chamber range to Australia's growing market and adding annualised sales of c.€24 million. Our Heavyside operations set up a new joint venture with its existing readymixed concrete operations in St. Petersburg, Russia in addition to acquiring a concrete paviour production plant in Poland. Our Distribution business acquired the remaining 50% of an aluminium wholesale business from its joint venture partner in the Netherlands.



## Americas: 14 Divestments and 15 Acquisitions

### **Divestments - €267 million:**

Our Materials Division disposed of four non-core operations and completed an asset exchange. Our Products Division sold six operations across the United States, including the disposal of Merchant Metals, a national distributor of fencing systems and perimeter control products. The Products Division also divested of all of its businesses in Argentina and Chile.

### **Acquisitions - €140 million:**

Nine bolt-on acquisitions and three investments were completed by our Americas Materials Division in 2015 adding annualised sales of c.US\$200 million and over 253 million tonnes of aggregate reserves. Our Americas Products Division completed three transactions in 2015 adding annualised sales of c.US\$55 million.

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### **About CRH**

CRH (LSE:CRH, ISE:CRG, NYSE:CRH) is a leading diversified international building materials group, employing c.93,000 people at c.4,000 operating locations in 37 countries worldwide. With a market capitalisation of c.€21 billion (Jan 2016), CRH is the largest building materials company in North America and the third largest worldwide. The Group has leadership positions in Europe as well as established strategic positions in the emerging economic regions of Asia and South America. CRH is committed to improving the built environment through the delivery of superior materials and products for the construction and maintenance of infrastructure, housing and commercial projects. A Fortune 500 company, CRH is a constituent member of the FTSE 100 index and the ISEQ 20. CRH's American Depositary Shares are listed on the NYSE.

For more information visit [www.crh.com](http://www.crh.com)