

CRH acquires major New Jersey quarry operation

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CRH plc, the international building materials group, announces the purchase by the Oldcastle Materials Group of the assets of Mount Hope Rock Products for a cash consideration, including debt assumed, of US\$138 million (euro 153.8 million) plus deferred consideration with a net present cost of US\$6 million (euro 6.7 million) payable over a period of three years. No goodwill arises on the transaction.

Mount Hope is an integrated aggregates, asphalt and paving company operating in the northern New Jersey and New York City markets. In the year to March 2001 the company produced 4.1 million tons of aggregates and 1.4 million tons of asphalt. Its main location is the major Mount Hope granite quarry at Wharton, New Jersey strategically located some 25 miles west of New York City. Permitted reserves at this quarry amount to over 300 million tons.

In the year to March, 2001 Mount Hope sales amounted to US\$105 million, on which adjusted EBITDA (profit before interest, tax, depreciation and goodwill amortisation) of US\$19 million was reported. Adjusted trading profits (EBIT), after depreciation of US\$6 million, amounted to US\$13 million.

Post-acquisition, Mount Hope will be integrated into our existing Tilcon New York operation, which serves the New York Metropolitan market, southern New York state and New Jersey. The acquisition is an excellent fit with Tilcon's Dell and Millington operations in central and northern New Jersey which were acquired in mid-1999, and it significantly strengthens the Group's market and reserves position in this heavily populated region.

Commenting on the acquisition, Tom Hill, Chief Executive Officer of Oldcastle Materials Group, said:

"The acquisition of this well equipped, strategically located quarry with substantial long term reserves, further enhances our position in the important New Jersey and New York City markets, where good demand prospects are underpinned by strong highway programmes. The combination of Mount Hope with our existing operations in the region provides excellent short-term opportunities to achieve greater efficiencies in purchasing, production and transport."