

CRH PLC ANNOUNCED ACQUISITION OF ASH GROVE CEMENT COMPANY

Transaction Overview

September 21st, 2017 - CRH plc, the international building materials group, announced that it has reached an agreement to acquire Ash Grove Cement Company, a leading US cement manufacturer headquartered in Overland Park, Kansas, for a total consideration of \$3.5 billion. Through the acquisition, CRH adds extensive readymixed concrete, aggregates and logistics assets across the U.S. Midwest. The proposed transaction is subject to Ash Grove shareholder and regulatory approvals and will be financed through existing financial resources.

- CRH and Ash Grove published the following details regarding the transaction:
 - Total consideration of \$3.5 billion (no published multiple)
 - Ash Grove reported pre-tax profit of \$215 million in 2016 and the transaction is expected to close around year end 2017
 - Ash Grove shareholders will receive cash comprised of a pro-rata share of the company's enterprise value, minus adjustments for non-controlling interests and other liabilities. The final amount paid will be in the range of \$449 to \$454 per share based on Ash Grove's June 30 balance sheet

CRH 1-Year Stock Performance



Ticker:	NYSE:CRH
Revenue:	\$31,270
Gross Margin:	32.5%
EBITDA Margin:	11.5%
EV / LTM EBITDA:	10.1x

Transaction Commentary



"Ash Grove is an excellent addition to CRH's portfolio of businesses across North America as we seek to deploy our capital into high quality businesses that enhance our global asset base and provide opportunities to create shareholder value. We welcome the Ash Grove team to CRH and look forward to further developing our longstanding relationship as part of one company."

-Albert Manifold, *CEO*



"CRH, as our largest customer, has enjoyed a close and highly productive relationship with Ash Grove for many decades. The Board of Directors believes that CRH will be able to bring Ash Grove on the next phase of its development after 135 years in operation and over a century under the stewardship of the Sunderland family"

-Charlie Sunderland, *Chairman of the Board*