ATTACHMENT L2 - FIT AND PROPER PERSON

Roadstone Ltd. considers that it is a fit and proper person to hold a Waste Licence and has provided the requisite information required by Section 40(7) of the Waste Management Acts 1996 (as amended) to demonstrate this below :

a) *Indicate whether the applicant or other relevant person has been convicted under the Waste Management Acts 1996 to 2003, the EPA Act 1992 and 2003, the Local Government (Water Pollution) Acts 1977 and 1990 or the Air Pollution Act 1987.*

Neither Roadstone Ltd. nor any of its predecessor companies (which includes Roadstone Dublin, Roadstone Provinces, John A. Wood and Roadstone Wood), has ever been convicted of any offence under the Waste Management Act 1996 (as amended), the Environmental Protection Agency Act 1992 (as amended), the Local Government (Water Pollution) Acts 1977 and 1990 or the Air Pollution Act 1987.

b) *Provide details of the applicant's technical knowledge and/or qualifications, along with that of other relevant employees.*

The person with overall responsibility for the ongoing (and future) operation of the inert waste recovery facility at Huntstown is Roadstone's recycling manager, Leonard Grogan. As indicated in Section C of this waste licence review application, Leonard holds a National Certificate in Applied Chemistry and a Degree in Analytical Science (both from Carlow IT), Diplomas in Quarry Engineering and Asphalt Technology (both from Doncaster College, UK) and a Diploma in Project Management (from Griffith College).

Leonard currently also has responsibility for managing Roadstone's recycling and recovery business across several sites in the Greater Dublin Area, including the licensed waste recovery facility at Fassaroe in Bray, Co. Wicklow (Licence Ref W0269-01), the licensed facility at Milverton, in Skerries, Co. Dublin (W0272-01) and a number of smaller permitted sites at Belgard Quarry in Tallaght, Dublin 24. He is responsible for

- liaison with the EPA and Local Authorities;
- ensuring compliance with waste licence and waste facility permit conditions;
- management of staff (including consultants), contractors and plant;
- waste acceptance, classification and testing;
- environmental monitoring.

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Leonard will be assisted in managing the expanded recovery operations at Huntstown by at least one other Roadstone colleague (John Fennnel) who is based there on a full-time basis. John is a qualified hydrogeologist and has been based at Huntstown for the past ten months and has gained significant experience overseeing waste activities at the site. In time, he expects to attend at a relevant certificate / diploma course in waste management organised by SOLAS, one of the Institutes of Technology (eg Environmental Sustainability and Integrated Waste Management at Limerick IT) or a private provider.

Should the need arise for any specialist technical or environmental assistance, Roadstone staff will seek assistance from in-house and/or external advisors and consultants.

c) *Provide information to show that the person is likely to be in a position to meet any financial commitments or liabilities that may have been or will be entered into or incurred in carrying on the activity to which the application relates or in consequence of ceasing to carry out that activity.*

Roadstone Ltd is a 100% owned subsidiary of CRH plc, the international building materials group with a market capitalisation of approximately €32,000 million. The size and scale of the company's balance sheet means that it has the financial strength and capacity to shoulder any economic or environmental costs or liabilities incurred by the proposed waste recovery facility entirely from its own financial reserves. No external source of funding will be sought or required to finance the set-up and operation of the proposed facility.

Extracts from the 2016 Annual Report for CRH plc, including extracts from an audit report and a business performance review, are attached for information purposes.

Notwithstanding the above, due allowance will be made in the local (Irish) company accounts for compliance with all financial, legal and environmental responsibilities likely to be incurred in respect of the continued operation of the waste recovery facility at Huntstown Quarry.

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2016 Annual Report and Form 20-F

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Contents

Our Global Business	2
Our Balanced Portfolio	4
Chairman's Introduction	5

Strategy Review

Chief Executive's Review	8
Strategy	10
Business Model	12
Measuring Performance	14
Sustainability	16
Risk Governance	18

Business Performance

Business Overview	22
Finance Director's Review	23
Segmental Reviews	28

Governance

Board of Directors	59
Corporate Governance Report	62
Directors' Remuneration Report	72
Directors' Report	96

Financial Statements

Independent Auditor's Reports	110
Consolidated Financial Statements	120
Accounting Policies	125
Notes on Consolidated Financial Statements	136

Additional Information

Supplementary 20-F Disclosures	210
Shareholder Information	236
Other Information	248
Cross Reference to Form 20-F Requirements	257
Index	258

This document constitutes the Annual Report and Financial Statements in accordance with Irish and UK requirements and the Annual Report on Form 20-F in accordance with the US Securities Exchange Act of 1934, for CRH plc for the year ended 31 December 2016. A cross reference to Form 20-F requirements is included on page 257.

The Directors' Statements (comprising the Statement of Directors' Responsibilities, the Viability Statement and the Directors' Compliance Statement on pages 98 to 100), the Independent Auditor's Report (on pages 110 to 117) and the Parent Company financial statements of CRH plc (on pages 204 to 209) do not form part of CRH's Annual Report on Form 20-F as filed with the Securities and Exchange Commission.

Forward-Looking Statements

This document contains forward-looking statements, which by their nature involve risk and uncertainty. Please see Disclaimer/Forward-Looking Statements on page 97 for more information about these statements and certain factors that may cause them to prove inaccurate.

Our business

CRH manufactures and distributes a diverse range of superior building materials and products for the modern built environment. From foundations, to frame and roofing, to fitting out the interior space and improving the exterior environment, to on-site works and infrastructural projects including roads and bridges, our materials and products are used extensively in construction projects of all sizes, all across the world.

Heavyside Materials

- Aggregates
- Cement
- Asphalt
- Readymixed Concrete
- Precast Concrete
- Architectural Concrete

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Lightside Products

- Glass and Glazing Systems
- Construction Accessories
- Shutters and Awnings
- Perimeter Protection
- Network Access Products

Building Materials Distribution

- General Builders Merchants
- Sanitary, Heating and Plumbing Outlets
- DIY Stores

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CRH at a glance

CRH plc is a leading global diversified building materials group, employing 87,000 people at close to 3,800 operating locations in 31 countries worldwide.

CRH is the second largest building materials company globally and the largest in North America. 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, residential and non-residential projects.

A Fortune 500 company, CRH is listed in London and Dublin and is a constituent member of the FTSE100 index, the EURO STOXX 50 index and the ISEQ 20. CRH's American Depositary Shares (ADSs) are listed on the New York Stock Exchange (NYSE). CRH's market capitalisation at 31 December 2016 was approximately €27 billion.

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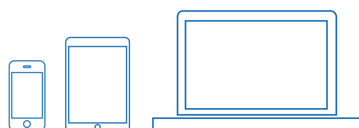

Visit our Investor Relations Centre
http://www.crh.com/investors

View Annual Report and Form 20-F Online
http://www.crh.com/reports/2016-annual-report-20-f.pdf

2016 Performance highlights

Sales
€27.1 billion +15%

EBITDA (as defined)*
€3.1 billion +41%

Operating Profit
€2.0 billion +59%

Profit After Tax
€1.3 billion +74%

Earnings Per Share
150.2 cent +69%

Dividend Per Share
65.0 cent +4%

** EBITDA is defined as earnings before interest, taxes, depreciation, amortisation, asset impairment charges, profit on disposals and the Group's share of equity accounted investments' profit after tax. Details of how non-GAAP measures are calculated are set out on pages 213 to 215.*

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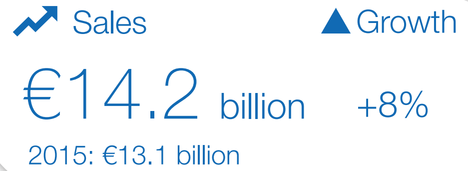
Our Global Business

CRH's global footprint spans 31 countries and close to 3,800 operating locations, serving customers across the entire building materials spectrum, on five continents, worldwide.

CRH in the Americas

- #1 Building Materials Company in North America
- Organised in three segments:
  - Heavyside Materials
  - Heavyside & Lightside Products
  - Building Materials Distribution
- Operations in all 50 states, nine Canadian provinces and Southeast Brazil
- c. 42,800 employees
- c. 1,750 operating locations



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CRH Timeline

Founded in Ireland in 1970

First acquisition in mainland Europe

First acquisition in the United States

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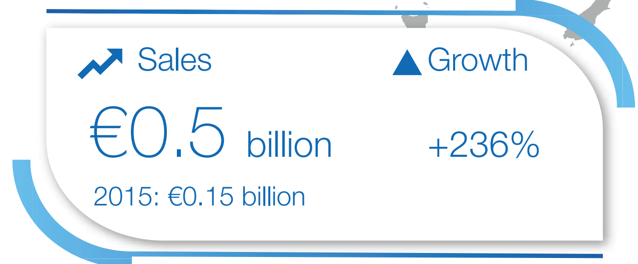
CRH in Europe

- #1 in He
- Organise
  - Heavys cts
  - Lightsic
  - Building
- Operatio
- c. 42,60
- c. 2,000 operating locations

CRH in Asia

- #2 Ceme ppines
- Regional China and India
- Lightside and Australia
  report to on
- c. 1,400
- Ten opera



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1995 — First acquisitions in Central and Eastern Europe, Canada and South America

2007 — First acquisition in Asia

2015 — First acquisitions in the Philippines, Brazil and Serbia. Major expansion in Canada and Eastern Europe

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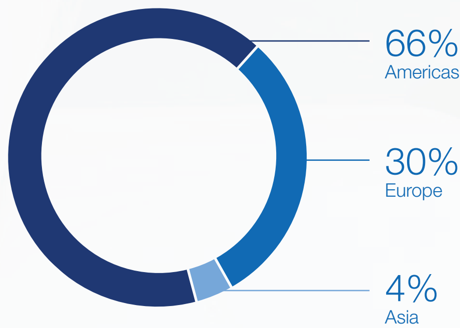
Our Balanced Portfolio

Building a balanced portfolio is a core constituent of our strategy and a key determinant of value creation for CRH.

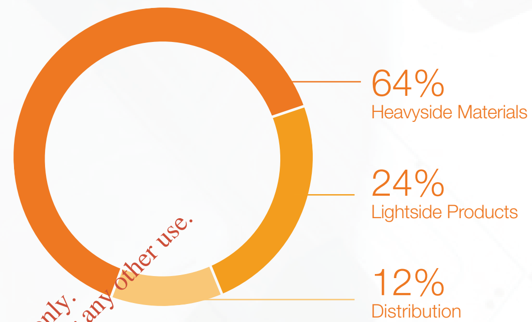
By Geography



- Americas
- Europe
- Asia

Percentages based on 2016 Operating Profit

By Division



- Heavyside Materials
- Lightside Products
- Distribution

Percentages based on 2016 Operating Profit

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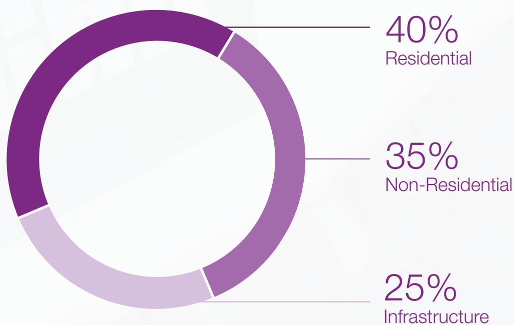
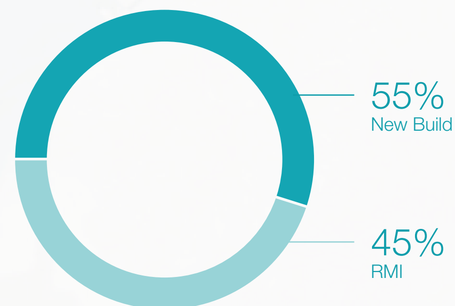
By End-use



- Residential
- Non-Residential
- Infrastructure

Percentages based on 2016 Group Sales

New Build vs RMI



- New Build
- Repair, Maintenance & Improvement (RMI)

Percentages based on 2016 Group Sales

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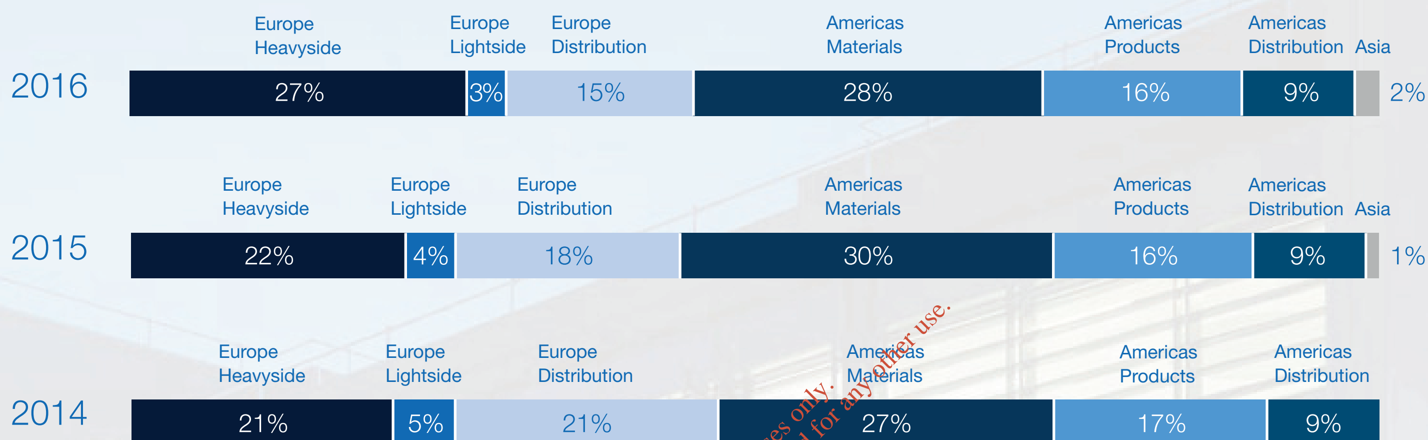
Business Overview

The percentage of Group revenue and operating profit for each of the reporting segments for 2016, 2015 and 2014 is as follows (i):



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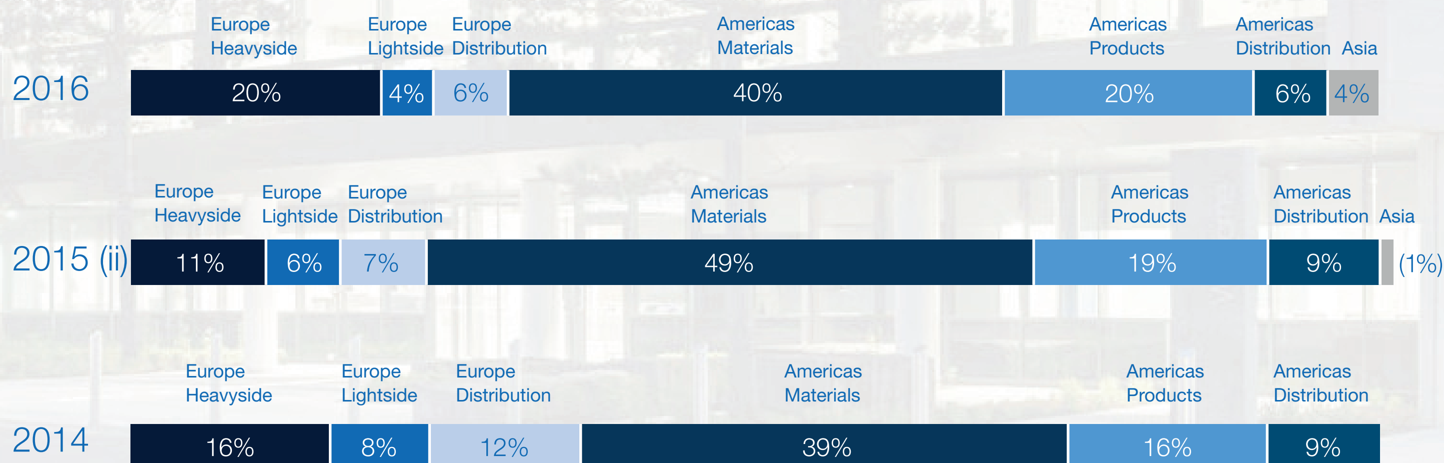

(i) As set out in note 1 to the Consolidated Financial Statements (page 136), the Group has seven reporting segments, including the newly formed Asia Division. For 2014, the Group had six reporting segments. Comparative amounts have been restated where necessary to reflect the new format for segmentation.

(ii) The operating profit as reported by CRH in 2015 is stated after €197 million of one-off charges related to the acquisition of LH Assets.

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Finance Director's Review 2016†

Senan Murphy

Finance Director

The overall trading backdrop in 2016 was positive with good momentum in both the Americas and Europe, albeit at different paces, supported by a good performance from the newly established Asia Division. In addition, our businesses benefited from favourable weather patterns in the Americas at the start of the year. With a relentless focus on performance in all our businesses, coupled with our vertically integrated business model for heavyside materials, good operational leverage underpinned improved margins and returns. Following the two major acquisitions of the LH Assets and CRL in the second half of 2015, the Group focused in 2016 on completing their integration, extracting synergies and on prudent financial management to return debt metrics to nomalised levels. With this focus, €89 million of synergies were realised while operating cash flow for the year amounted to €2.3 billion (2015: €2.2 billion) and year-end net debt finished at €5.3 billion bringing net debt/EBITDA (as defined)* to 1.7 times.

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Key Components of 2016 Performance

Overall sales of €27.1 billion for the period were 15% ahead of 2015 reflecting the inclusion of full-year results from the two major acquisitions, while organic sales* from underlying operations were up 3%, reflecting positive momentum in the Group's major markets.

An increase of 8% in the America's sales reflected the inclusion of the Canadian element of the LH Assets and CRL. Notwithstanding this, organic sales from underlying operations increased 2% benefiting from favourable early weather with more normalised demand patterns experienced in the second half. Americas Materials benefited from stable federal funding underpinned by increased state spending and improved non-residential activity. At Americas Products, continued positive momentum in construction markets was supported by low interest rates and increasing employment, while Americas Distribution also benefited from the good underlying demand. With higher sales and good cost control, profits and margins improved in all three Americas segments.

In Europe total sales were up 20% compared with 2015 and organic sales were 4% ahead on the back of continued recovery in some key markets. In addition to the full-year contributions from the LH Assets in the UK and mainland Europe, Europe Heavyside faced a mixed backdrop, benefiting from a broad-based recovery in the Netherlands, Ireland, Finland and Ukraine with more subdued activity in Switzerland and Poland. Europe Lightside experienced strong demand in key markets while Europe Distribution benefited from improving demand in the Netherlands with a more challenging backdrop in Switzerland.

The Asia Division reflects results from the Philippines operations acquired as part of the LH Assets in the second half of 2015 together with CRH Asia's divisional costs. Separately, the Group's investments in India and China are equity accounted. In the Philippines, construction demand is supported by good economic growth, strong domestic consumption and low inflation. In India, a favourable economic backdrop continues to drive construction demand but pricing remains challenging while reduced construction activity in China had a negative impact on volumes and prices.

EBITDA (as defined)* for the year amounted to €3.1 billion, a 41% increase on 2015 and reported profit after tax was €1.3 billion (2015: €0.7 billion).

The euro strengthened versus most major currencies during 2016, particularly the Pound Sterling which weakened from an average 0.7258 in 2015 to 0.8195 in 2016. The effect of this was only partially offset by a small change in the average euro/US Dollar rate, which, despite strengthening towards the end of 2016, averaged 1.1069 for the year and was broadly similar to the prior year (2015: 1.1095). Overall currency movements resulted in an unfavourable net foreign currency translation impact on our results as shown on the table on page 24. The average and year-end 2016 exchange rates of the major currencies impacting on the Group are set out on page 135.

The two major acquisitions (the LH Assets and CRL) account for the vast majority of the acquisition impact included in the table on page 24.

† See cautionary statement regarding forward-looking statements on page 97.
** EBITDA is defined as earnings before interest, taxes, depreciation, amortisation, asset impairment charges, profit on disposals and the Group's share of equity accounted investments' profit after tax.*
** Details of how non-GAAP measures are calculated are set out on pages 213 to 215.*

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Finance Director's Review 2016 - continued

Key Components of 2016 Performance

€ million	Sales revenue	EBITDA (as defined)*	Operating profit	Profit on disposals	Finance costs (net)	Assoc. and JV PAT (i)	Pre-tax profit
2015	23,635	2,219	1,277	101	(389)	44	1,033
Exchange effects	(333)	(29)	(11)	(7)	3	1	(14)
2015 at 2016 rates	23,302	2,190	1,266	94	(386)	45	1,019
Incremental impact in 2016 of:							
- 2015/2016 acquisitions	3,624	546	337	-	(33)	2	306
- 2015/2016 divestments	(506)	(29)	(13)	(51)	3	(14)	(75)
- LH Assets integration costs (ii)	-	152	152	-	-	-	152
- Swiss fine	-	32	32	-	-	-	32
- Early bond redemption	-	-	-	-	38	-	38
- Organic	684	239	253	12	(5)	9	269
2016	27,104	3,130	2,027	55	(383)	42	1,741
% Total change	15%	41%	59%				69%
% Organic change	3%	11%	20%				26%

(i) CRH's share of after-tax profits of joint ventures and associated undertakings.

(ii) LH Assets integration costs of €45 million were incurred in 2016 (2015: €197 million).

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Liquidity and Capital Resources – 2016 compared with 2015

The comments that follow refer to the major components of the Group's cash flows for 2016 and 2015 as shown in the Consolidated Statement of Cash Flows on page 124.

As noted already, following the significant acquisition spend in 2015, prudent financial management to return debt metrics to normalised levels was a key objective for 2016. The Group focused on working capital in particular, and operating cash flow increased to €2.3 billion (2015: €2.2 billion). Year-end working capital of €2.1 billion represented just 7.8% of sales (2015: 8.9%). This performance delivered a net positive movement (inflow) for the year of €56 million (2015: €585 million). CRH believes that its current working capital is sufficient for the Group's present requirements.

Strong control of spending on property, plant and equipment concentrating on markets and businesses with increased demand backdrop and efficiency requirements resulted in lower cash outflows of €853 million (2015: €882 million), with spend in 2016 representing 85% of depreciation (2015: 105%).

During the year the Group spent €213 million on 24 bolt-on transactions (2015: €7.4 billion) which was financed by divestment and disposal proceeds of €283 million (net of cash disposed and deferred proceeds) (2015: €889 million).

Cash dividend payments of €360 million (2015: €383 million) reflect the Group's continued focus on returns to shareholders. Net proceeds of €52 million from share issues in 2016 is significantly less than 2015 proceeds of €1.6 billion due to the 74 million shares placed in February of that year.

Year-end interest-bearing loans and borrowings decreased by €1.4 billion to €7.8 billion (2015: €9.2 billion). The strengthening of the US Dollar versus the euro at 31 December 2016 (versus 31 December 2015) had a negative impact on net debt, but this was offset by the positive translation impact of a weakening Pound Sterling, such that the net translation impact was broadly neutral.

Reflecting all these movements, net debt of €5.3 billion at 31 December 2016 was €1.3 billion lower than year-end 2015. The Group is in a good financial position. It is well funded and net interest cover (EBITDA (as defined)*/net debt related interest costs) is 9.9x. As set out in note 23 to the Consolidated Financial Statements the Group is significantly in excess of the minimum requirements of its covenant agreements.

** EBITDA is defined as earnings before interest, taxes, depreciation, amortisation, asset impairment charges, profit on disposals and the Group's share of equity accounted investments' profit after tax.*

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The Group successfully completed one eurobond issue in 2016, raising €600 million in October through the issue of a 12-year bond with a coupon of 1.375%, our longest tenor in the Eurobond market and a historical low rate for the Group. Proceeds from the bond were partly used to repay the remaining bank term loan financing put in place to fund the purchase of the LH Assets.

The bond issue reflects CRH's commitment to prudent management of our debt and the timing of the related maturities and also to maintaining an investment grade credit rating.

The Group ended 2016 with total liquidity of €5.5 billion comprising almost €2.5 billion of cash and cash equivalents on hand and €3.0 billion of undrawn committed facilities, €2.7 billion of which do not mature until 2021. At year-end the cash balances were enough to meet all maturing debt obligations for the next 4.3 years and the weighted average maturity of the remaining term debt was 10.1 years.

Contractual obligations and Off-Balance Sheet arrangements are disclosed on page 216 of this Annual Report and Form 20-F.

Segmental Reviews

The sections on pages 28 to 55 outline the scale of CRH's business in 2016, and provide a more detailed review of performance in each of CRH's reporting segments. As set out in note 1 to the Consolidated Financial Statements (page 136), following the integration of the LH Assets, the Group has seven reporting segments, including Asia. Comparative amounts have been restated where necessary to reflect the new format for segmentation.

Development Review 2016

During 2016, the Group completed 21 bolt-on acquisitions and three investment transactions for a total spend of €213 million (including deferred and contingent consideration in respect of prior year acquisitions).

In Europe, eight acquisitions and two investments with a total spend of c. €43 million were completed. Our Heavyside business acquired 11 readymixed concrete plants in the UK, three quarries in Ireland, an aggregates terminal in Belgium and entered into a sand & gravel joint venture in France, adding reserves of 11 million tonnes. Further investments were also made to buy out a minority position in Spain and add to an existing joint venture in Ireland. Our Lightside Division completed two acquisitions in the UK: a supplier of composite products, which is highly complementary to our Network Access Products business, and a strategic bolt-on to our UK shutters business. The Distribution Division acquired a small builders merchant in Austria.

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In the Americas, c. €170 million was spent on 13 acquisitions and one investment. Our Materials Division completed eight bolt-on acquisitions and one investment in 2016. The principal acquisition was of a significant aggregates and asphalt operation in Utah. Seven further bolt-on acquisitions in New Mexico, New Jersey, Michigan, Ohio, Washington and Canada were completed. In total 93 million tonnes of permitted reserves were added during the year. The Products Division completed five acquisitions, the largest of which was of a Canadian exterior surfaces company which is a strong addition to the core hardscape business of our Architectural Products Group (APG). Three precast bolt-on operations were acquired in Colorado, Louisiana and California. Finally, a glass hardware company was added in Perth, Australia, which will significantly enhance our CRL operations in Western Australia.

On the divestment front, the Group completed 13 transactions and realised total business and asset disposal proceeds of €283 million.

Business divestments during the year generated net proceeds of €123 million. In Europe, our Distribution Division disposed of a roofing products company in the Netherlands while the Heavyside business divested a precast concrete operation in Poland, a small aggregates business in Switzerland and a roof tile operation in Romania. Two small joint venture holdings in France and Germany were also divested. The Americas Materials Division disposed of select aggregates and asphalt operations in Missouri, a small waterproofing business in Michigan and a readymixed concrete operation in Iowa/Minnesota. Certain aggregates assets in Oregon/Montana were also disposed in a cash neutral swap. Finally, our Americas Products Division disposed of a pavement products operation in North Carolina, certain precast operations in Canada and the assets of a burial vaults business. In addition to these business divestments, the Group realised proceeds of €160 million from the disposal of surplus property, plant and equipment.

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Finance Director's Review 2015

2015 was a year of growth for CRH, with continued positive momentum in the Americas and more mixed market conditions in Europe. The Group also benefited from more normal weather patterns in the Americas at the start of 2015 compared with 2014 and favourable conditions through to the end of 2015 in all markets. The post-acquisition contribution from the LH Assets was ahead of expectations. The Group continued to focus on cash generation with operating cash flow for 2015 amounting to €2.2 billion (2014: €1.2 billion) and year-end 2015 net debt finished at €6.6 billion. This was achieved with significant acquisition spend of almost €8 billion being partly offset by the strong cash inflows from operations, net proceeds from disposals of €889 million and a net €1.6 billion from shares issues, relating to the 74 million shares placed in February 2015.

Key Components of 2015 Performance

Reported sales of €23.6 billion for 2015 were 25% ahead of 2014. On a like-for-like basis, excluding the impact of acquisitions, divestments and the benefit of positive currency impacts, 2015 sales were 3% higher than 2014. An increase of 6% in the Americas reflected the continued positive momentum in construction markets, while 2015 like-for-like sales in Europe were broadly in line with 2014. Group profits and margins increased with good operating leverage also delivered. Overall EBITDA (as defined)* in the Americas was 52% ahead of 2014, with our European operations delivering EBITDA (as defined)* growth of 10%.

Group profit after tax for 2015, including the contribution from the newly formed Asia Division, amounted to €0.7 billion, a 25% increase on 2014.

During 2015, most major currencies strengthened in value compared with the euro, the US Dollar strengthened 20% from an average of 1.33 versus the euro in 2014 to an average of 1.11 in 2015, while the Swiss Franc strengthened from an average of 1.21 in 2014 to 1.07 in 2015. These movements, partly offset by the weakening of certain other currencies, particularly the Ukrainian Hryvnia, resulted in a favourable foreign currency translation impact on our results; this is the principal factor behind the exchange effects shown in the table below. The average and year-end 2015 exchange rates of the major currencies impacting on the Group are set out on page 135.

We continued to advance the significant cost reduction initiatives which were progressively implemented since 2007 and which by year-end 2015 had generated cumulative annualised savings of over €2.5 billion. Total restructuring costs associated with these initiatives (which generated gross savings of €110 million in 2015) amounted to €29 million in 2015 (2014: €51 million).

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Key Components of 2015 Performance

€ million	Sales revenue	EBITDA (as defined)*	Operating profit	Profit on disposals	Finance costs (net)	Assoc. and JV PAT (i)	Pre-tax profit
2014	18,912	1,641	917	77	(288)	55	761
Exchange effects	2,198	218	137	6	(27)	4	120
2014 at 2015 rates	21,110	1,859	1,054	83	(315)	59	881
Incremental impact in 2015 of:							
- 2014/2015 acquisitions	2,738	412	225	-	(50)	1	176
- 2014/2015 divestments	(855)	(100)	(69)	20	6	(10)	(53)
- LH Assets integration costs	-	(197)	(197)	-	-	-	(197)
- Swiss fine	-	(32)	(32)	-	-	-	(32)
- Early bond redemption	-	-	-	-	(38)	-	(38)
- Organic	642	277	296	(2)	8	(6)	296
2015	23,635	2,219	1,277	101	(389)	44	1,033
% Total change	25%	35%	39%				36%
% Organic change	3%	15%	28%				34%

(i) CRH's share of after-tax profits of joint ventures and associated undertakings.

*EBITDA is defined as earnings before interest, taxes, depreciation, amortisation, asset impairment charges, profit on disposals and the Group's share of equity accounted investments' profit after tax.

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Liquidity and Capital Resources – 2015 compared with 2014

The comments that follow refer to the major components of the Group's cash flows in 2015 and 2014 as shown in the Consolidated Statement of Cash Flows on page 124.

Throughout 2015 the Group remained focused on cash management, targeting in particular working capital, and operating cash flow increased to €2.2 billion (2014: €1.2 billion). Year-end 2015 working capital of €2.1 billion represented just 8.9% of sales, an improvement compared with year-end 2014 (10.6%). This performance delivered a net positive movement (inflow) for 2015 of €585 million (2014: €35 million).

Controlled spending on property, plant and equipment, focusing on markets and businesses with increased demand backdrop and efficiency requirements, particularly the Americas, resulted in increased cash outflows of €882 million (2014: €435 million), with spend in 2015 representing 105% of depreciation (2014: 69%). Capital expenditure in the acquired LH Assets businesses amounted to €155 million in the post-acquisition period (95% of depreciation), while the currency translation impact due to the weakening euro was €85 million.

During 2015 the Group spent €7.4 billion (excluding net debt arising on acquisition) on 20 bolt-on transactions together with acquisition of the LH Assets and CRL (2014: €181 million) which was partly offset by divestment and disposal proceeds of €889 million (net of cash disposed and deferred proceeds) (2014: €345 million).

Cash dividend payments of €383 million (2014: €357 million) and net proceeds of €1.6 billion (2014: nil) from share issues (relating to the 74 million shares placed in February 2015) reflected the Group's focus on balanced financing and returns to shareholders.

Development Review 2015 and 2014

2015

In 2015, the Group completed 20 bolt-on acquisition and investment transactions. These deals, together with the acquisition of the LH Assets, the CRL acquisition and net deferred consideration payments, brought development spend for 2015 to approximately €8 billion (including debt arising in acquired companies).

In Europe, four bolt-on acquisitions and one investment with a total cost of €20 million were completed. Our Lightside business completed one acquisition in Australia and a small further investment in the Netherlands, accelerating the introduction of the Cubis network access chamber range to Australia's growing market. 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 plumbing operations of a steel and tool merchant in the Bern area of Switzerland.

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

A total of 30 divestments, together with asset disposals generated proceeds of €1 billion in 2015; the largest of which was the sale of the clay and concrete products operations in the UK and the Group's clay business in the US for €0.43 billion.

Our Europe Heavyside business completed 13 further 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 Europe Lightside Division, while the Distribution Division disposed of its 45% stake in Doras, a builders merchant in France.

In the Americas, our Materials Division disposed of five non-core operations.

Our Products Division sold six operations across the US, including the disposal of Merchants 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.

2014

Total acquisition and investment activity for 2014 amounted to €188 million (including debt arising in acquired companies) on a total of 21 bolt-on transactions. Our Heavyside operations in Europe acquired selected readymixed concrete and aggregates assets of Cemex Ireland (including 12 million tonnes of high quality reserves) and a precast concrete business in Denmark. Our Europe Distribution business completed six acquisitions in the Benelux, France and Germany which added a total of nine branches to our network.

Eight bolt-on acquisitions were completed by our Americas Materials Division in 2014 across the US adding over 230 million tonnes of aggregates reserves. Our Americas Products Division completed five transactions in the Precast, Architectural Products and Construction Accessories businesses.

A total of 16 divestments, together with asset disposals, generated proceeds of €345 million in 2014.

In Europe, the disposal of CRH's 50% equity stake in Denizli Çimento, the Group's only involvement in the Turkish construction market, was the largest single divestment completed in 2014, realising proceeds of €170 million. The Heavyside Division also disposed of a number of readymixed concrete and concrete products businesses, while all three European Divisions realised proceeds from the disposal of surplus assets. As most of the divested entities had been equity accounted by CRH, the impact of these divestments on 2014 Group sales was not material.

In the Americas, our Materials Division disposed of several non-core operations across the US. The Products Division sold five operations in the Precast, Architectural Products and BuildingEnvelope® businesses.

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Independent Auditor's Irish Report

to the members of CRH plc

Our opinion on the financial statements

In our opinion:

- CRH plc's Group financial statements and Company financial statements (the 'financial statements') give a true and fair view of the assets, liabilities and financial position of the Group's and of the Company's affairs as at 31 December 2016 and of the Group's Profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the Company financial statements have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland, including FRS 101 *Reduced Disclosure Framework*; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2014, and, as regards the Group financial statements, Article 4 of the IAS Regulation

What we have audited

CRH plc's financial statements comprise:

Group	Company
Consolidated Income Statement for the year ended 31 December 2016	Balance Sheet as at 31 December 2016
Consolidated Statement of Comprehensive Income for the year then ended	Statement of Changes in Equity for the year then ended
Consolidated Balance Sheet as at 31 December 2016	Related notes 1 to 13 to the Company Financial Statements
Consolidated Statement of Changes in Equity for the year then ended	
Consolidated Statement of Cash Flows for the year then ended	
Accounting Policies	
Related notes 1 to 33 to the Consolidated Financial Statements	

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The financial reporting framework that has been applied in the preparation of the Group Financial Statements is Irish law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the Company Financial Statements is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland), including FRS 101 *Reduced Disclosure Framework.*

Overview of our audit approach

Risks of material misstatement	• Assessment of the carrying value of goodwill • Assessment of the carrying value of property, plant and equipment and financial assets • Revenue recognition for construction contracts • Finalisation of provisional accounting for the LafargeHolcim acquisition (the 'LH Assets')
Audit Scope	• We performed an audit of the complete financial information of 20 components and performed audit procedures on specific balances for a further 47 components • The components where we performed either full or specific audit procedures accounted for 93% of Profit before tax, 87% of Revenue and 93% of Total Assets • 'Components' represent business units across the Group considered for audit scoping purposes
Materiality	• Overall Group materiality was assessed to be €87 million which represents approximately 5% of Profit before tax

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Our assessment of risk of material misstatement

We identified the risks of material misstatement described below as those that had the greatest effect on our overall audit strategy, the allocation of resources in the audit and the direction of the efforts of the audit team. In addressing these risks, we have performed the procedures below which were designed in the context of the financial statements as a whole and, consequently, we do not express any opinion on these individual areas.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Assessment of the carrying value of goodwill The impairment review of goodwill, with a carrying value of €7.4 billion, is considered to be a risk area due to the size of the balance as well as the fact that it involves significant judgement by management. Judgemental aspects include assumptions of future profitability, revenue growth, margins and forecast cash flows, and the selection of appropriate discount rates, all of which may be subject to management override. There has been no change in this risk from the prior year. Refer to the Audit Committee Report (page 64); Accounting policies (page 125); and note 14 of the Consolidated Financial Statements (page 153).	Our specialist valuations team performed an independent assessment against external market data of key inputs used by management in calculating appropriate discount rates, principally risk-free rates, country risk premium and inflation rates. We challenged the determination of the Group's 25 cash-generating units (CGUs) including the integration of prior year acquisitions for which goodwill was unallocated at 31 December 2015, and flexed our audit approach relative to our risk assessment and the level of excess of value-in-use over carrying amount in each CGU. For all CGUs selected for detailed testing, we corroborated key assumptions in the models and benchmarked growth assumptions to external economic forecasts and construction activity measures. We challenged management's sensitivity analyses and performed our own sensitivity calculations to assess the level of excess of value-in-use over the goodwill carrying amount in place based on reasonably expected movements in such assumptions. We considered the adequacy of management's disclosures in respect of impairment testing and whether the disclosures appropriately communicate the underlying sensitivities. The above procedures were performed predominantly by the Group audit team.	We completed our planned audit procedures with no exceptions noted. Consistent with the previous year, two CGUs had allocated goodwill balances of between 10% and 25% of total goodwill which the Group considered significant and therefore warranted separate disclosure. An impairment charge of €23 million was recorded in respect of the total goodwill of one CGU. One additional CGU was determined to be sensitive in respect of the excess of value-in-use over its carrying value, compared to 4 in the previous year.

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Independent Auditor's Irish Report - continued

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Assessment of the carrying value of property, plant and equipment (PP&E) and financial assets The impairment review of PP&E and financial assets, with a carrying value of €12.7 billion and €1.3 billion respectively, is considered to be a risk area due to the size of the balances as well as the judgemental nature of key assumptions, which may be subject to management override, similar to that noted in the assessment of the carrying value of goodwill above. There has been no change in this risk from the prior year. Refer to the Audit Committee Report (page 64); Accounting policies (page 125); and note 13 and note 15 of the Consolidated Financial Statements (pages 152 and 157).	In respect of the discount rate, we performed similar procedures to those noted above for goodwill. The Group operates a variety of business models and as a result the identification of CGUs for testing is based on these business models and management's assessment of impairment indicators. Similar audit procedures to those noted under goodwill above are performed in respect of the key assumptions underpinning the impairment models. We performed the above procedures in 37 components representing 94% of total PP&E and financial asset carrying values.	Our planned audit procedures were completed without exception.
Revenue recognition for construction contracts There are significant accounting judgements including determining the stage of completion, the timing of revenue recognition and the calculation under the percentage-of-completion method, made by management in applying the Group's revenue recognition policies to long-term contracts entered into by the Group. The nature of these judgements results in them being susceptible to management override. The majority of the Group's construction contracts have a maturity within one year. There is significant seasonality to when services are rendered under these construction contracts, with the majority of the work historically performed in the summer months and, consequently, most are completed prior to the year-end. Total revenue for construction contracts was €5.1 billion which represents 19% of the Group's revenue in 2016. There has been no change in this risk from the prior year. Refer to the Audit Committee Report (page 64); Accounting policies (page 125); and note 1 of the Consolidated Financial Statements (page 136).	We performed a range of audit procedures which included obtaining a sample of contracts, reviewing for change orders, retrospectively reviewing estimated profit and costs to complete and enquiring of key personnel regarding adjustments for job costing and potential contract losses. We performed the above procedures in 8 components representing 97% of construction contract revenue recognised during the year.	As a result of our audit procedures, we believe that revenue has been appropriately recognised in relation to construction contracts and that the judgements made by management in recognising revenue, margin and provisioning on loss-making contracts are reasonable.

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Risk	Our response to the risk	Key observations communicated to the Audit Committee
Finalisation of provisional accounting for the LH Assets The acquisition of the LH Assets was a material acquisition completed in the second half of 2015 and spanned 11 countries. The fair value of the identifiable net assets acquired was €4.7 billion and the transaction resulted in the recognition of €2.3 billion of goodwill. Due to both the timing of when the acquisition was completed and the size and scale of the acquisition, the allocation of the purchase price and the determination of the fair values of identifiable assets acquired and liabilities assumed were only provisional as of 31 December 2015. Under IFRS 3 *Business Combinations*, CRH is permitted to revise its preliminary purchase price allocation during the 12 month measurement period following the date of the acquisition. Because of the significant scale of this acquisition, we identified a risk over the finalisation of the provisional accounting adjustments to the purchase price allocation and the opening balance sheet assets and liabilities relating to the LH Assets. The accounting treatment of certain assets and liabilities recognised under IFRS 3 may involve significant estimates and judgements to be made by management. The emphasis related to the risk concerning the purchase price allocation for the LH Assets has been revised in 2016 to focus on where we deem the risk to reside in relation to this significant transaction which took place in 2015. Refer to the Audit Committee Report (page 64); Accounting policies (page 125); and note 30 of the Consolidated Financial Statements (page 188).	We audited the final opening balance sheets for each location acquired and purchase price allocation for material adjustments at both Group and component levels. We provided an independent challenge to key judgements, assumptions and calculations made by management. We obtained an understanding of the adjustments identified by management and management's specialists and we assessed the reasonableness of the adjustments by way of reference to IFRS 3. We performed an evaluation of any experts engaged by management and utilised our own specialists where necessary. In respect of the fair value adjustments to PP&E, we performed an evaluation of valuation methodologies, assessed the appropriateness of the underlying data used, and tested significant assumptions in conjunction with our valuations specialists. We performed corroborative procedures including examining relevant external third party benchmarks and performing sensitivity analyses on key assumptions, being the useful lives, direct costs inputs and economics of relevant countries. We also held discussions with the experts employed by management to assist in this area and evaluated the findings and conclusions in their valuation report. These procedures were predominantly performed by the Group audit team and our valuations specialists, although we also leveraged the knowledge and expertise of our component teams. We also determined whether adjustments to the preliminary opening balance sheet and preliminary purchase price allocation fell within the measurement period as defined under IFRS 3 and were correctly recognised/not recognised in goodwill.	Measurement period adjustments to the preliminary opening balance sheet and preliminary purchase price allocation as defined under IFRS 3 were deemed to be reasonable.

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In the prior year, our auditor's report included risks of material misstatement in relation to accounting for acquisitions and disposals and in relation to the C.R. Laurence (CRL) acquisition, and the identification and valuation of acquired intangible assets. In the current year, we have removed these two risks of material misstatement as there were no material acquisitions and disposals in 2016 and, in relation to the CRL acquisition, this was a specific 2015 event. In addition, we have revised the wording of the prior year risk of material misstatement "in relation to the acquisition of the LH Assets, fair value accounting for property, plant and equipment and provisions" to "finalisation of provisional accounting for the LH Assets" to ensure that all adjustments made during the measurement period under IFRS 3 have been appropriately accounted for.

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Independent Auditor's Irish Report - continued

The scope of our audit

Tailoring the scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for each entity within the Group. Taken together, this enables us to form an opinion on the Consolidated Financial Statements.

In determining those components in the Group to which we perform audit procedures, we utilised size and risk criteria in accordance with International Standards on Auditing (UK and Ireland).

In assessing the risk of material misstatement to the Group financial statements, and to ensure we had adequate quantitative coverage of significant accounts in the financial statements, we selected 67 components covering entities across Europe and the Americas, as well as the Philippines, which represent the principal business units within the Group.

Of the 67 components selected, we performed an audit of the complete financial information of 20 components ('full scope components') which were selected based on their size or risk characteristics. For the remaining 47 components ('specific scope components'), we performed audit procedures on specific accounts within that component that we considered had the potential for the greatest impact on the significant accounts in the financial statements either because of the size of these accounts or their risk profile.

The reporting components where we performed audit procedures accounted for 93% (2015: 98%) of the Group's Profit before tax, 87% (2015: 90%) of the Group's Revenue and 93% (2015: 87%) of the Group's Total Assets.

For the current year, the full scope components contributed 78% (2015: 93%) of the Group's Profit before tax, 80% (2015: 81%) of the Group's Revenue and 78% (2015: 78%) of the Group's Total Assets. The specific scope components contributed 15% (2015: 5%) of the Group's Profit before tax, 7% (2015: 9%) of the Group's Revenue and 15% (2015: 9%) of the Group's Total Assets. The audit scope of these components may not have included testing of all significant accounts of the component but will have contributed to the coverage of significant risks tested for the Group.

Of the remaining components, which together represent 7% of the Group's Profit before tax, none is individually greater than 5% of the Group's Profit before tax. For these components, we performed other procedures, including analytical review, testing of consolidation journals and intercompany eliminations and foreign currency translation recalculations to respond to any potential risks of material misstatement to the Consolidated Financial Statements.

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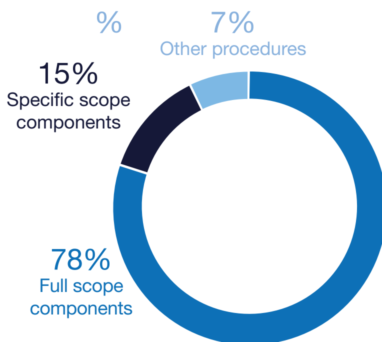
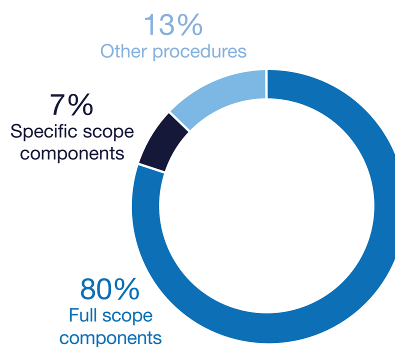
The charts below illustrate the coverage obtained from the work performed by our audit teams.

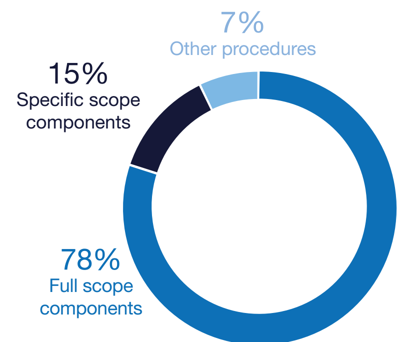
Profit before tax



Revenue



Total Assets



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Involvement with component teams

In establishing our overall approach to the Group audit, we determined the type of work that needed to be undertaken at each of the components by us, as the Group audit team, or by component auditors from other EY global network firms operating under our instruction.

We issued detailed instructions to each component auditor in scope for the Group audit, with specific audit requirements and requests across key areas. The Group audit team continued to perform a programme of site visits at key locations across the Group, visiting 10 component teams during 2016 and visiting 42 component teams in the past 5 years. The visits conducted during the year involved discussing with the component team the audit approach and any issues arising from their work, meeting with local management, attending planning and closing meetings and reviewing key audit working papers on risk areas. The Group audit team interacted regularly with all component teams where appropriate during various stages of the audit, reviewed key working papers and were responsible for the scope and direction of the audit process. This, together with the additional procedures performed at Group level, gave us appropriate evidence for our opinion on the Consolidated Financial Statements.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

We determined materiality for the Group to be €87 million (2015: €50 million), which is approximately 5% (2015: 5%) of Group Profit before tax. Profit before tax is a key performance indicator for the Group and is also a key metric used by the Group in the assessment of the performance of management. We therefore considered Profit before tax to be the most appropriate performance metric on which to base our materiality calculation as we consider it to be the most relevant performance measure to the stakeholders of the Group.

During the course of our audit, we reassessed initial materiality and the only change in final materiality was to reflect the actual reported performance of the Group in the year.

Performance materiality

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality should be set at 50% (2015: 50%) of our planning materiality, namely €43.5 million (2015: €25 million). We have set performance materiality at this percentage due to our past experience of the risk of misstatements, both corrected and uncorrected.

Audit work at component locations for the purpose of obtaining audit coverage over significant financial statement accounts is undertaken based on a percentage of total performance materiality. The performance materiality set for each component is based on the relative scale and risk of the component to the Group as a whole and our assessment of the risk of misstatement at that component. In the current year, the range of performance materiality allocated to components was €7.5 million to €22.7 million (2015: €4.1 million to €13 million).

Reporting threshold

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of €4.35 million (2015: €2.1 million), which is set at approximately 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's and the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Respective responsibilities of Directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 100 the Directors are responsible for the preparation of the financial statements and for being satisfied that those statements give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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Independent Auditor's Irish Report - continued

Opinion on other matters prescribed by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit
- In our opinion the information given in the Directors' Report is consistent with the financial statements and the description in the Corporate Governance Statement of the main features of the internal control and risk management systems in relation to the process for preparing the Consolidated Financial Statements is consistent with the Consolidated Financial Statements
- In our opinion the accounting records of the Company were sufficient to permit the Company financial statements to be readily and properly audited
- The Company Balance Sheet is in agreement with the accounting records

Matters on which we are required to report by exception

ISAs (UK and Ireland) reporting	We are required to report to you if, in our opinion, financial and non-financial information in the Annual Report is: • materially inconsistent with the information in the audited financial statements; or • apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Group acquired in the course of performing our audit; or • otherwise misleading In particular, we are required to report whether we have identified any inconsistencies between our knowledge acquired in the course of performing the audit and the Directors' statement that they consider the Annual Report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the entity's performance, business model and strategy; and whether the Annual Report appropriately addresses those matters that we communicated to the Audit Committee that we consider should have been disclosed.	We have no exceptions to report.
Companies Act 2014 reporting	We are required to report to you if, in our opinion: In respect of Sections 305 to 312 of the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of Directors' remuneration and transactions specified by law are not made.	We have no exceptions to report.
Listing Rules review requirements	We are required to review: • the Directors' statement in relation to going concern, set out on page 98, and longer term viability, set out on page 98; • the part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review; and • certain elements of the report to shareholders by the Board on Directors' remuneration	We have no exceptions to report.

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Statement on the Directors' Assessment of the Principal Risks that would threaten the Solvency or Liquidity of the Entity

ISAs (UK and Ireland) reporting	We are required to give a statement as to whether we have anything material to add or to draw attention to in relation to: • the Directors' confirmation in the Annual Report that they have carried out a robust assessment of the principal risks facing the entity, including those that would threaten its business model, future performance, solvency or liquidity; • the disclosures in the Annual Report that describe those risks and explain how they are being managed or mitigated; • the Directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the entity's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements; and • the Directors' explanation in the Annual Report as to how they have assessed the prospects of the entity, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the entity will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions	We have nothing material to add or to draw attention to.

Pat O'Neill

for and on behalf of Ernst & Young
Chartered Accountants and Statutory Audit Firm
Dublin

28 February 2017

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Independent Auditor's US Reports

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of CRH public limited company (CRH plc):

We have audited the accompanying Consolidated Balance Sheets of CRH plc as of 31 December 2016 and 2015, and the related Consolidated Income Statements and Consolidated Statements of Comprehensive Income, Changes in Equity and Cash Flows for each of the three years in the period ended 31 December 2016. These Consolidated Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Consolidated Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall Consolidated Financial Statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the Consolidated Financial Statements referred to above present fairly, in all material respects, the consolidated financial position of CRH plc at 31 December 2016 and 2015, and the consolidated results of its operations and its consolidated cash flows for each of the three years in the period ended 31 December 2016, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), CRH plc's internal control over financial reporting as of 31 December 2016, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organisations of the Treadway Commission (2013 Framework) and our report dated 28 February 2017 expressed an unqualified opinion thereon.

/s/ ERNST & YOUNG

Dublin, Ireland

28 February 2017

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 Note that the report set out above is included for the purposes of CRH plc's 2016 Annual Report on Form 20-F only.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON INTERNAL CONTROL OVER FINANCIAL REPORTING

To the Board of Directors and Shareholders of CRH public limited company (CRH plc):

We have audited CRH plc's internal control over financial reporting as of 31 December 2016, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organisations of the Treadway Commission (2013 Framework) (the 'COSO criteria'). CRH plc's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated Financial Statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

As indicated in the accompanying Management's Report on Internal Control over Financial Reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of business combinations during the year ended 31 December 2016, which are included in the 2016 Consolidated Financial Statements of CRH plc and constituted 0.5% and 1.0% of total and net assets, respectively, as of 31 December 2016 and 0.4% and 0.1% of revenues and group profit, respectively, for the year then ended. Our audit of internal control over financial reporting of CRH plc also did not include an evaluation of the internal control over financial reporting of business combinations completed during the year ended 31 December 2016.

In our opinion, CRH plc maintained, in all material respects, effective internal control over financial reporting as of 31 December 2016, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the 2016 Consolidated Financial Statements of CRH plc and our report dated 28 February 2017 expressed an unqualified opinion thereon.

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/s/ ERNST & YOUNG

Dublin, Ireland

28 February 2017

Note that the report set out above is included for the purposes of CRH plc's 2016 Annual Report on Form 20-F only.

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Consolidated Income Statement

for the financial year ended 31 December 2016

Notes		2016 €m	2015 €m	2014 €m
1	Revenue	27,104	23,635	18,912
2	Cost of sales	(18,267)	(16,394)	(13,427)
	Gross profit	8,837	7,241	5,485
2	Operating costs	(6,810)	(5,964)	(4,568)
1,3,5,6	Group operating profit	2,027	1,277	917
1,4	Profit on disposals	55	101	77
	Profit before finance costs	2,082	1,378	994
8	Finance costs	(325)	(303)	(254)
8	Finance income	8	8	8
8	Other financial expense	(66)	(94)	(42)
9	Share of equity accounted investments' profit	42	44	55
1	Profit before tax	1,741	1,033	761
10	Income tax expense	(471)	(304)	(177)
	Group profit for the financial year	1,270	729	584
	Profit attributable to:			
	Equity holders of the Company	1,243	724	582
	Non-controlling interests	27	5	2
	Group profit for the financial year	1,270	729	584
12	Basic earnings per Ordinary Share	150.2c	89.1c	78.9c
12	Diluted earnings per Ordinary Share	149.1c	88.7c	78.8c

All of the results relate to continuing operations.

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Consolidated Statement of Comprehensive Income

for the financial year ended 31 December 2016

Notes		2016 €m	2015 €m	2014 €m
	Group profit for the financial year	1,270	729	584
	Other comprehensive income			
	Items that may be reclassified to profit or loss in subsequent years:			
	Currency translation effects	(82)	661	599
24	Gains/(losses) relating to cash flow hedges	14	(2)	(6)
		(68)	659	593
	Items that will not be reclassified to profit or loss in subsequent years:			
27	Remeasurement of retirement benefit obligations	(61)	203	(414)
10	Tax on items recognised directly within other comprehensive income	3	(30)	69
		(58)	173	(345)
	Total other comprehensive income for the financial year	(126)	832	248
	Total comprehensive income for the financial year	1,144	1,561	832
	Attributable to:			
	Equity holders of the Company	1,128	1,538	830
	Non-controlling interests	16	23	2
	Total comprehensive income for the financial year	1,144	1,561	832

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Consolidated Balance Sheet

as at 31 December 2016

Notes		2016 €m	2015 €m
	ASSETS		
	Non-current assets		
13	Property, plant and equipment	12,690	13,062
14	Intangible assets	7,761	7,820
15	Investments accounted for using the equity method	1,299	1,317
15	Other financial assets	26	28
17	Other receivables	212	149
24	Derivative financial instruments	53	85
26	Deferred income tax assets	159	149
	Total non-current assets	22,200	22,610
	Current assets		
16	Inventories	2,939	2,873
17	Trade and other receivables	3,979	3,977
	Current income tax recoverable	4	5
24	Derivative financial instruments	23	24
22	Cash and cash equivalents	2,449	2,518
	Total current assets	9,394	9,397
	Total assets	31,594	32,007
	EQUITY		
	Capital and reserves attributable to the Company's equity holders		
29	Equity share capital	284	281
29	Preference share capital	1	1
29	Share premium account	6,237	6,021
29	Treasury Shares and own shares	(14)	(28)
	Other reserves	286	240
	Foreign currency translation reserve	629	700
	Retained income	6,472	5,800
	Capital and reserves attributable to the Company's equity holders	13,895	13,015
31	Non-controlling interests	548	529
	Total equity	14,443	13,544
	LIABILITIES		
	Non-current liabilities		
23	Interest-bearing loans and borrowings	7,515	8,465
24	Derivative financial instruments	-	5
26	Deferred income tax liabilities	2,008	2,023
18	Other payables	461	410
27	Retirement benefit obligations	591	588
25	Provisions for liabilities	678	603
	Total non-current liabilities	11,253	12,094
	Current liabilities		
18	Trade and other payables	4,815	4,761
	Current income tax liabilities	394	401
23	Interest-bearing loans and borrowings	275	756
24	Derivative financial instruments	32	19
25	Provisions for liabilities	382	432
	Total current liabilities	5,898	6,369
	Total liabilities	17,151	18,463
	Total equity and liabilities	31,594	32,007

N. Hartery, A. Manifold, Directors

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ATTACHMENT L3 - WASTE HIERARCHY

The waste hierarchy set out by national and European legislation requires that the following priority apply in the development and implementation of waste management policy:

(i) prevention

(ii) re-use / preparation for re-use

(iii) recycling

(iv) recovery

(v) disposal.

The waste recovery facility at Huntstown Quarry provides for recovery of excavated inert, uncontaminated soil and stone waste through backfilling of existing quarry voids (at the North and West Quarries). It also provides for the recycling of inert construction and demolition waste to produce recycled (secondary) aggregate for re-use as low grade fill on construction projects (at the Central Quarry).

Recovery is defined in the Waste Framework Directive as '*any operation, the principal result of which, is waste serving a useful purpose by replacing materials which would otherwise have been used to fulfil a particular function, or waste being prepared to fulfil that function, in the plant or in the wider economy'*.

Recycling is defined as '*any recovery operation by which waste materials are reprocessed into products, materials or substances whether for the original or other purposes. It includes the reprocessing of organic material but does not include energy recovery and the reprocessing into materials that are to be used as fuels or for backfilling operations'*.

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The inert C&D wastes imported to the waste recovery facility at Huntstown Quarry is generated at construction / development sites or in the course of utilities installation / maintenance works. Given that the excavation, processing and handling of such wastes incurs costs, it can be implicitly assumed that engineering designers and/or works contractors will avoid or minimise, insofar as possible, the volume of excess material or waste to exported off-site and will look to maximise re-use or recycling opportunities within the planned or approved development works.

It can also be implicitly assumed that excess excavated materials will only be exported off-site where it is not possible to re-use or recycle it within the planned or approved development works.

Where soil waste is inert, it can be re-used at off-site locations for practical and beneficial purposes without the need for treatment, processing or other form of recycling.

Where C&D waste is inert, it can be processed at off-site locations to produce a recycled (secondary) aggregate. In general, the recycled aggregates will be re-used as low grade general fill for construction sites or as foundation / capping material for roads or pavement foundations. With greater control and effort, the recycled aggregates could be re-used in concrete or asphalt production.

It is therefore evident that where excess inert soil and/or C&D waste is generated by approved development works and requires to be exported off site, the highest tier activity on the waste hierarchy to which it may be assigned is a waste recovery activity.

The proposed backfilling of the worked out quarry void(s) at Huntstown Quarry to former ground level using inert waste soils and the recycling of construction and demolition waste will both conserve natural resources which would otherwise be required.

As outlined in Chapter 1 of the Environmental Impact Statement which accompanies this waste licence review application, the continuation of C&D waste recovery activities at the existing facility and the future development of the replacement facility in the north-eastern corner of the Huntstown complex is consistent with the objectives of the Eastern Midlands Regional Waste Management Plan 2015 -2012 and will be an important component of regional waste infrastructure for the Greater Dublin Area and wider Eastern Midlands region.

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ATTACHMENT L4 - PRINCIPLES OF SELF-SUFFICIENCY AND PROXIMITY

Article 16 of the Waste Framework Directive 2008/98/EC and Section 37A of the Waste Management Act 1996 (as amended) requires state bodies and agencies, in carrying out their respective functions under waste management and waste prevention legislation, to take appropriate measures to establish an integrated and adequate network of ***waste disposal installations*** and of ***installations for the recovery of mixed municipal waste,*** taking into account best available techniques.

This legislation further stipulates that the planned network of installations should enable waste to be disposed of, or mixed municipal waste to be recovered, in nearby appropriate installations, by means of the most appropriate methods and technologies, in order to ensure a high level of protection for the environment and public health.

It is considered that the requirements of Section 37A of the Waste Management Act do not apply to the inert soil / C&D waste recovery facility at Huntstown Quarry as

(i) the licensed waste activities are not waste disposal activities and

(ii) the waste stream to be recovered is not mixed municipal waste.

Notwithstanding this however, Roadstone considers that the inert soil / C&D waste recovery facility at Huntstown Quarry

- is strategically located close to, and readily accessible from, high capacity national road infrastructure (the M50 Motorway, N2 Dual Carriageway and R135 North Road, the former N2 National Primary Road) and therefore minimises the need for HGVs to travel over extended lengths of local or regional road network;
- is close to the largest urban population centre in the State and within a region in which national economic activity is concentrated;
- holds all legal permits and consents required for the activity and has existing environmental management, control and monitoring systems in place and
- provides good separation distance from surrounding commercial and residential development, thereby minimising negative environmental impacts.

Being close to construction markets, originating sites and/or relevant waste sources in Dublin City and the Greater Dublin Area helps users / hauliers to minimise fuel consumption and carbon emissions, maximise operational efficiency and exploit opportunities to reduce the overall number of transport journeys to and from construction sites through the introduction of a backloading system (whereby HGVs delivering aggregates from the adjoining quarry will return with inert soil / C&D waste from the destination site or another construction site *en route*).

By virtue of being co-located within an existing extractive site and maximising use / sharing of existing resources and site infrastructure, the recovery facility at Huntstown also minimises consumption of natural resources.

As such, the waste recovery facility at Huntstown comfortably addresses the requirement that waste facilities ideally be located close to population or economic centres where waste arises and/or requires treatment and also assures a high level of protection for the environment and public health.

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