

CORNERSTONE

A QUARTERLY REVIEW FROM OLDCASTLE APG

SPRING '06

VOL. 3

In This Issue

Innovation Pays for Thinking
"Outside the Box"
page 3

2006 Presidents' Meeting
awards company excellence
page 4

**Conquering the Language
Barrier** builds Teamwork
at Big Rock Industries
page 7



(L to R) Oldcastle Inc. CFO Michael O'Driscoll, NYSE Group CEO John Thain, CRH CEO Liam O'Mahony, Oldcastle Products & Distribution CEO Joe McCullough, Oldcastle Materials CEO Tom Hill and CRH Finance Director Myles Lee gather for CRH's transfer from NASDAQ to the NYSE on April 4, 2006.

CRH on the Move

APG's Parent Company Lists on New York Stock Exchange, Purchases 5th P&D Product Group

On April 4, 2006, CRH plc CEO Liam O'Mahony enjoyed the honor of ringing the New York Stock Exchange's opening bell, just two weeks after announcing the company would be moving its listing from NASDAQ to the NYSE. As the NYSE formally welcomed the U.S.'s largest building materials group, an Irish bagpipe band played on the trading floor. CRH and Oldcastle banners flew alongside the American flag in front of the Exchange, marking CRH's official listing on Wall Street.

Trading of CRH's American Depositary Shares (ADS) on the NYSE commenced

on March 31st, under the symbol CRH. The company was previously traded on the NASDAQ under the symbol CRHCY.

O'Mahony made a number of television appearances the same day, including spots on CNBC's "Squawk Box" and Bloomberg TV, commenting that the change makes CRH the largest European company to transfer to the NYSE.

After expressing her delight of CRH's new trading home, NYSE President and Co-Chief Operating Officer Catherine R. Kinney said that "research studies have shown [that] companies that have transferred from NAS-

DAQ to the NYSE have enjoyed improved efficiencies and reduced volatility in trading, lower order execution costs, and overall higher market quality."

On April 26, CRH acquired Houston, Texas based MMI Products, Inc. (MMI), a leading metal fencing and construction accessories manufacturer. MMI's operations fall into three sector-leading product segments: Merchants Metals - fencing and security products; Meadow-Burke - specialized construction accessories, and Ivy Steel and Wire - welded wire reinforcement products.

Continued on page 8



COACH'S COLUMN

A message from CEO, Doug Black

At the beginning of the year we committed to "walking the talk" in 2006. Walking the talk means every employee doing things right every day for every order, every product, every customer, every shipment, and every invoice. If we focus on doing our daily fundamentals, every day, together we can achieve excellence.

With one third of the year behind us, I am pleased to see strong evidence that we are indeed walking the talk across APG. Armed with ample capacity, new products and solid control of the fundamentals, our strong teams are taking advantage of good markets and getting results. While we still certainly have areas to improve, collectively we have gotten off to a good start and are well-positioned for a terrific year.

A few highlights for the year through April:

- ◆ with 10% more employees, we have achieved 12% fewer recordable and 9% fewer days away accidents than last year
- ◆ we are approximately 4% ahead of our profit goals for the year
- ◆ quality and service continues to improve across the group
- ◆ our new product and marketing programs are contributing strongly to our sales growth
- ◆ the Everyday Excellence program has significantly improved plant performance in the first companies; the program will roll out to all APG concrete plants
- ◆ nine new plants commissioned in 2005 and two in 2006 have given us ample capacity to supply growth in our markets
- ◆ we have completed two new acquisitions to date, with three more pending
- ◆ we have made good progress in becoming SOX compliant

Congratulations to all of the teams who are

Continued on page 8



Innovation Pays! winner Bob Whitson with his original product design, The Georgian Edger.

Innovation Pays!

Bend Industries' Bob Whitson rewarded for "outside the box" thinking

Last year, APG began encouraging its employees to "think outside the box". Before settling into retirement, Bend Industries' Bob Whitson did just that, and won \$5,000 for his effort.

APG started the "Innovation Pays!" program to encourage employees to share new product concepts and ideas, that may lead to successful new products for the company. The goal is to get more new product ideas across the entire group and reward employees for their contribution to our success - a win-win!

As the program's first-year winner, Whitson sees some significance in his original product, The Georgian Edger. With a broad background in engineering and marketing, and having worked for Bend for more than 20 years, Whitson has developed a keen eye for products the paver

and patio market needs. He's made a living out of product innovation and development for approximately two decades.

Whitson describes his chic, elegant edgers as "unique... they're a completely new shape." His development brings a breath of fresh air to the world of concrete pavers and edgers, many of which follow the same basic structure.

Bob says "there is a need for new edgers, blocks and pavers with rare, geometrical shapes." And he seems to have a knack for coming up with such imaginative ideas. "I have about 7 or 8 patents pending right now," he says.

The introduction of the "Innovation Pays!" program served as Bob's motivation to get his creative juices flowing. He has even more product ideas up his sleeve and plans to submit them as well.

As for his \$5,000 reward, Bob plans to start his retirement off right by investing in a brand new Model A Ford truck. 🚗

**...the
"Innovation Pays"
program served
as Bob's
motivation to
get his creative
juices flowing.**

Victory is Sweet the Second Time Around

Schuster's Building Products named "Best All Around Company" at 2006 Presidents' Meeting

In January 2006, APG's best-of-class companies were rewarded for outstanding performance in key areas during 2005. The awards ceremony, part of APG's Presidents' Meeting, was held in Puerto Rico. Select companies were acknowledged for superior service to customers, great safety results, substantial financial growth and environmental performance.



CEO Doug Black congratulates Chris Liberatore - President, North Atlantic Region, as he receives a 2005 President's Award for Domine Building Supply

Schuster's Building Products topped the ceremony, winning "Best All Around Company". Schuster's was recognized for meeting and exceeding all four deciding factors. Being named "Best All Around Company" is no new phenomenon to the Schuster's team – the company won the same award in 2005 and is the only company to win the award twice.



Rick Curtis (Schuster's GM - Best All Around Company) and Jay Fredrickson (Miller GM - Most Improved) celebrate their multiple awards with Midwest Regional President, Paul Valentine

2005 PRESIDENTS' AWARDS WINNERS

Best All Around Company

Schuster's Building Products

Most Improved Company

Oldcastle Miller

World Class Award

Paver Systems

Schuster's Building Products

Sierra Building Products

Westile Casa Grande

President's Award

Anchor Concrete Products

Concrete Design

Domine Building Supply

Goria Enterprises

Permacon/BCM

Superlite Block

According to Marketing VP John Kemp, Schuster's was chosen again because "they have the ability to control costs while growing their business." Schuster's prides itself with a knack for producing quality goods while keeping production costs down.

Schuster's success seemed eminent early on. By July 2005, Schuster's already achieved architectural sales far beyond their YTD budget, mostly by servicing some of the top home improvement retailers in the world. The company also launched an aggressive ad campaign last summer, consisting of thousands of newspaper inserts in Cincinnati, Louisville, and other Midwest metropolitan areas. With exceptional plant and environmental practices, the company was an obvious candidate for many of the Presidents Awards, including the high honor of "Best All Around Company"


"I felt that winning "Best All Around Company" for the second time was a tribute to the dedication and hard work of the entire Schuster's team," says Schuster's VP and GM Rick Curtis. "All the employees have a great sense of accomplishment for receiving this award



CEO Doug Black with Steve Berry - GM Paver Systems, a winner of the World Class Award (exceeded \$5 million in sales)

and we had a good time celebrating this achievement."

Rick goes on to say that "we are all committed to doing whatever it takes to win it a third time!"

And surely all other APG companies are just as proud of the credit they've received. APG is proud to recognize all winners of this year's Presidents' Awards. 

The Bottom Line

Kelly Elliott / Finance

SOX Compliance, Axapta ERP System Rollout are major 2006 Finance Initiatives



Kelly Elliott

“Walk the Talk” is APG’s theme for 2006. Two major Finance initiatives currently underway at APG embrace this theme: achieving SOX compliance and continuing the rollout


of APG’s ERP system, Axapta.

The Sarbanes-Oxley (“SOX”) Act, passed by Congress in 2002, requires publicly traded companies to document, evaluate and test the effectiveness of internal control systems over financial reporting. These controls are designed to ensure the integrity of information reported to the investing public. As an NYSE listed company, CRH and its subsidiaries, in-

cluding APG, are subject to SOX compliance requirements. APG management, in both finance and operations, is actively documenting the current system of internal controls, which will be evaluated and tested by CRH internal auditors throughout the rest of 2006. Reaching SOX compliance is a tremendous undertaking, requiring APG’s decentralized organization to approach controls and compliance in a consistent fashion. Thus far, each Region’s General Managers and Company Presidents, Controllers and their respective teams have walked the talk by actively executing and evidencing an appropriate system of internal controls. Success will be determined by passing a final review performed by CRH’s external auditors.

On a parallel front, APG has reached the mid-

point in implementing Microsoft’s Axapta ERP system. Full use of Axapta across all companies will ultimately facilitate benchmarking best practices, comparing pricing/costs/margins, and looking across APG business segments to strengthen performance and growth. By the end of 2007, all APG companies will be using Axapta to support accounting and operational best practices.

Both of these initiatives require substantial change. Change is never easy, but must continue in order to preserve APG’s place as a financially strong leader in the building materials industry. Performance and growth, CRH’s traditional benchmarks, will be enhanced by successfully completing both the SOX and Axapta initiatives within APG. 

Jewell Concrete Products’ experiment provides colorful donation to history

Jewell Concrete Products, Waco, Texas recently assisted a local veterans group in constructing a veterans’ memorial at Veteran’s Memorial Park in Decatur, Texas.

The Wise County Veterans Association of Texas planned to build a memorial park dedicated to local veterans serving in the U.S. military. The monument recognizes Wise County veterans of the past, present and future, as far back as the Civil War. Partnering with local Wise County and Decatur city officials, the Veterans Association contacted many local businesses, including Jewell Concrete, for donations of money and materials for the well deserved memorial.


At the time, Jewell Concrete was testing out a new color blend for its Keystone retaining wall collection, which the Veterans Association thought would be perfect for the memorial. In appreciation of local veterans and war heroes, Jewell donated the new Keystone units to the project.

The Wise County Veterans Memorial project is a resounding success, featuring an



Jewell Concrete’s experimentation with Keystone retaining wall new colors turned out to be a major contribution to the Wise County Veterans’ Memorial.

eternal flame, benches for visitors and an ever-growing collection of bricks bearing the names of Wise County veterans. Jewell Concrete was honored as major contributor to the project with a plaque positioned at the memorial. The memorial park is ex-

pected to be the central location for local Veterans Day and Memorial Day events in Wise County, Texas. 

REGIONAL SNAPSHOTS **APG Midwest**

One of three full sized custom homes on the "Boulevard of Dreams" featuring Sheffield's Belgard products during the 63rd Annual National City Cleveland Home and Garden Show.

Ohio: Oldcastle Sheffield landed a feature spot for its Belgard line at the 63rd annual National City Cleveland Home and Garden Show, held February at the I-X Center. Sheffield showcased Belgard products at three full-size houses custom built inside the convention center on the "Boulevard of Dreams". Each home was designed to motivate homeowners and home builders to use Belgard products, igniting new product awareness to over 250,000 show visitors.



Tiger Cub Troop #3707 visits 4-D

Midland, MI: 4-D: On February 9th, Tiger Cub Troop #3707 visited 4-D's Midland plant to learn about concrete block manufacturing. Under the watchful eye of Plant Manager Jim Ranck, the Tiger Cubs were immediately issued hard hats and safety glasses, a gesture made by the plant emphasizing "safety first." The children toured the plant to see the equipment and to learn how blocks are made, including stops at the control room and the block and curber machines. The troop was invited by Keystone Retaining Wall Sales Representative Shane Jenkins, whose son, Noah, is a Tiger Cub himself.

APG West

Spokane, WA: Central Pre-Mix was named Supplier of the Year by the Western Building Materials Association for 2005. WBMA is a group of northwest-based independent retail building supply accounts. CPM was selected over 86 other qualifying suppliers throughout the area. Also, CPM's Jeff Mancheni was elected as WBMA's Suppliers Council President for 2005-2006. CPM



Central Pre-Mix was honored for their work on the Eastmont Junior High School building in East Wenatchee, Washington

was recognized for contributions to two construction projects: Gonzaga University's McCarthy Athletic Center, and the Eastmont Junior High School in East Wenatchee, WA. Both used CPM's custom blended and Spec Mix mortars.

Glen-Gery Brick

Pennsylvania: Glen-Gery Brick was selected by the readers of Architecture magazine to receive a 2005 ACE Award – Architect's Choice for Excellence. In 2005, Glen-Gery ranked second among the top

five in the Best Masonry/Brick Manufacturer category. This is the third year running that Glen-Gery has won an ACE Award.

Winners were selected via special ballot by the magazine's 88,000 subscribers.

Glen-Gery was profiled in the December 2005 issue of Architecture magazine, featuring all 2005 award winners. The ACE Awards recognize manufacturers serving the architectural and design community for their commitment to excellence in product durability, customer service, value and design.

APG South

Atlanta, Georgia: New faces abound at APG South's Regional Headquarters.

Tom Conroy was recently named President of APG South. Conroy, a longtime Oldcastle veteran, began his career as VP – Development for APG before moving on to Division President roles at Oldcastle Precast.

Ian Crabtree also joins the group as CFO. Ian was formerly Senior Manager at KPMG.

Supporting Conroy and Crabtree is Sherry Knight, Administrative Assistant. Sherry was formerly supporting the VP of Sales and the Marketing department at McKesson Corporation.

North Carolina: Adams Products Company has acquired Morehead Block and Tile, located in Morehead City, NC near Cape Hatteras. Morehead Block and Tile is a masonry products distribution company and block manufacturer serving the rapidly growing coastal region of North Carolina. The single site facility will join Adams as a bolt-on sales yard.

David Creech, currently managing Adams' Jacksonville store, will take over at Morehead City. David joined Adams with the Unicon acquisition in 2001 and has 20 years in the industry.

APG Canada

Gilles Vermette

Montreal, Quebec: Gilles Vermette has held down the fort at Permacon for nearly 44 years. Gilles began his career with Permacon in December 1962 as a heavy machinery mechanic at the tender

age of twenty-three, when the company was known as Montco. Gilles advanced steadily in his career. He's worn the hats of production supervisor, and was even the maintenance superintendent responsible for all Montreal plant locations.


The Eyes Have It

APG Teams with Lens Crafters to Offer Discounts on Prescription Safety Glasses

In an effort to support ongoing safety best practices, APG is now offering a prescription safety glasses discount purchase program in conjunction with vision care expert Lens Crafters. APG employees can take part in the tremendous savings offered by the eye care company by choosing from a selection of prescription safety eyewear benefits, including a full line of Z87.102003 safety

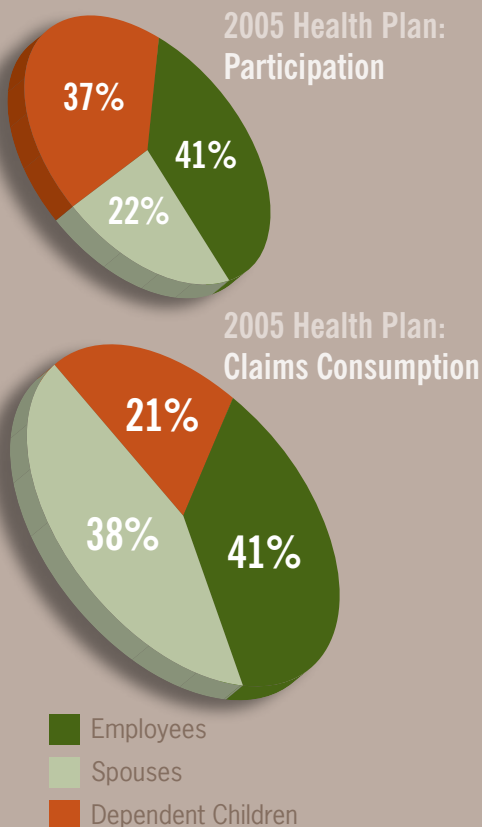
frames and lenses, most available in less than an hour at any Len Crafters location.

Under the Lens Crafters plan, employees pay a small portion of the total prescription safety glasses cost due to APG's significant discount allotment. Prices vary according to individual prescription needs, but employees can choose from a wide array of

single vision, bifocal, trifocal and progressive lenses, as well as lens coatings and frame selections. Workers are encouraged to participate in the safety glasses discount purchase program to take advantage of extra savings. Detailed program pricing information, as well as benefit forms, are available from local Human Resources contacts. 

APG SNAPSHOTS

In 2005, APG spent over \$16 million to cover employees and dependents in the Oldcastle Group Health Plan. The plan covered APG employees, spouses and dependent children. While spouses made up 22% of insureds, they consumed 38% of claim dollars paid in 2005:



Western Shuffle

Regional Reorganization Opens Advancement Opportunities

APG's West Region recently made several essential management moves in an effort to strengthen its position in its local markets. In an effort to hone managerial focus, the West Region was parsed into three territories – Pacific West Coast, Southwest and Superlite Block.


Wade Ficklin was named President of the new Pacific West Coast territory. Formerly Vice President and General Manager of CPM Block, Ficklin assumes his new responsibilities to jumpstart 2006 for companies located in California and the Pacific Northwest. Charlie May, former Sales Manager, replaces Ficklin at the helm of CPM Block in Spokane, WA.

Eduardo Lorrando, previously Vice President and General Manager of Young Block, stepped into the presidency of the Region's Southwest territory, which includes operations in Arizona, Colorado and Texas, as well as acquisition opportunities in Mexico.

After his stint as GM at Oldcastle Stockton in California, Randy Finch assumes the GM

role at Young Block in Tucson, AZ. Taking over for Finch at Stockton is Ed Gerak, formerly APG's Safety Director. Gerak has stepped up to become General Manager of Oldcastle Stockton, transferring from Arizona to California to carry out his new responsibilities.

Doug Ward, former Chairman of Superlite Block in Arizona has returned to the fold after a semi-retirement to assume the company's President mantle. Because of its size, Phoenix-based Superlite Block operates functionally as the West's third "territory".

Within the new Southwest territory, Eagle-Cordell welcomes Jerry Sherwood as its new Vice President and General Manager. Sherwood, who formerly managed at both Superlite Block and Westile, will be relocating to Houston as a result of his promotion. Dave Skierkowski returns to Westile as Sherwood's successor, bringing with him finely honed skills in project management as customer service, perfected at both Superlite Block and Westile. 

Cerro Negro S.A. Employee Gets First-Hand Look at American-Style Marketing Strategies



Mariano Lopez

Buenos Aires-based Mariano Lopez recently journeyed from Cantera Cerro Negro S. A. to Atlanta, Georgia to learn first hand how APG's products are marketed to U.S.


consumers. Mariano's marketing internship is designed to expose him to all of APG's products and promotional strategies. Although based at APG's head office during his two month tenure in the states, Mariano travels all over the country, gaining exposure to various marketing and manufacturing processes. "I'm mainly focused on marketing and sales, but I'm also learning about

the whole group, the construction business in the U.S., and the way Americans work." he says.

According to Mariano, he's been learning new things everyday and is especially impressed with APG's electronic marketing tool, the Integrated Oldcastle Network (ION). The goal of his job with APG is to learn APG's marketing strategies and to transfer his new knowledge back to Cerro Negro, providing them with best practices to grow their own business.

Mariano has taken note of one of the most prevalent differences between the way business is run in South America versus the United States. "In Argentina, 40% of the market is concentrated in the province of

Buenos Aires," he says. "In the U.S., every business has lots of different locations with each one focused on its own regional market while in Argentina, there is only one location responsible for reaching the entire country."

Although he works hard during the week, Mariano still has made time for some play. In his spare time in Atlanta, Mariano enjoys playing soccer, a sport he is a huge fan of back home. While he is thoroughly enjoying his time with APG, Mariano has not forgotten the goal of his visit. With superior leadership, instruction and guidance from APG's marketing pros, Mariano's short time in the States will surely pay off upon his return to Cerro Negro. 

Big Rock Builds Team with Two New Training Initiatives

Competition in today's job market is fierce. Seeking to build its workforce, Big Rock Building Products, Rockwood, TN recently launched two new training initiatives.

With half of its tumbling crew of Hispanic origin, to conquer language barriers and improve efficiency, Big Rock requested and received a grant from the state of Tennessee Incumbent Worker Training Program. The grant, which covers tuition for the English-speaking employees, was approved and courses commenced in January 2006.

The courses last for 16 weeks and are three-dimensional. Spanish-speaking workers learn to read and write English, in addition to learning to read and write in Spanish. English-speaking workers are learning Spanish so verbal communication within Big Rock will become the norm. Eight Spanish-speaking and ten English-speaking workers are enrolled in the program.

"The benefits of the classes will outweigh the cost," says Kim Andrews, Office Manager. VP and General Manager David Melton says Big Rock will maintain a healthy and safe environment by enabling all workers to

successfully communicate with one another. Ongoing training initiatives and overall job performance are expected to be greatly and positively impacted by implementation of the language skills program.


"We're not trying to be fluent by any means. We just want to learn the workplace basics that will help in day-to-day activities," says

Andrews. She also says that Big Rock's involvement in the program would not have been possible without the help and vision of David and Keith Melton.

To further cultivate its experienced workforce, Big Rock also sponsors four employees – Kim Andrews, LeAnn Capps, Jared Laymance and Darryl Sapp – in the Contemporary Management Program at Roane State Community College in Harriman, Tennessee. The program is an



(L to R) Big Rock employees Jared Laymance, Kim Andrews, LeAnn Capps and Darryl Sapp made the 2005 Dean's List as participants in the Roane State Community College Contemporary Management Program.


accelerated degree curriculum designed for working adults, with out-of-class assignments and condensed class time designed to accommodate busy schedules. Upon successful completion, each of the four students will receive an A.A.S. in Contemporary Management. Big Rock's scholars are already showing signs of achievement – all four made the Dean's List for the Fall 2005 semester. 

Anchor Concrete Products' Annual Expo Mixes Business With Pleasure

In February, New Jersey-based Anchor Concrete Products, Inc. held its 6th Annual Expo, a three day event providing educational opportunities, project awards and recognition to more than 300 valued dealers and customers.

Anchor is a proud sponsor of a number of educational programs including ICPI certification, NCMA-SRW certification, and AIA/CES accreditation. These options are available to contractors, engineers, architects and Anchor employees. The Expo offers a great networking environment for all participants. Year after year, Anchor's sales and management team uses the Expo as an opportunity to communicate one-on-one with customers and dealers.

This year's event included keynote speaker William Connelly of the New Jersey Division of Consumer Affairs. Connelly discussed the complexity of architecture design in a post-9/11 era.

Anchor capped the final evening of the Expo with a customer appreciation casino party and awards presentation. Prizes and awards were given to Anchor dealers for the year's most outstanding projects, as well as for contributions to company growth. 




Customers and employees at Anchor Concrete Products, Inc.'s 6th Annual Expo enjoy light-hearted fun and networking opportunities at the game table.

CRH On the Move Continued from page 1

MMI becomes the fifth product group within the Products and Distribution Group, and is the first major product group acquisition since CRH purchased APG's sister company, Allied Building Products, Inc., in 1996.

According to O'Mahony, "This is a very exciting development for CRH. We are delighted to have the opportunity to acquire MMI, a business with a reputation for excellence in product quality and customer service. MMI

will be a valuable addition to our businesses in North America."

MMI employs approximately 2,500 people and operates 19 principal manufacturing facilities located throughout the US and Mexico, as well as 62 distribution centers located in 30 US states. John Wittstock, former Managing Director, P&D Europe will be responsible for integrating MMI into the CRH family. 


Coaches Column Continued from page 2

creating a great place to work, serving your customers well and exceeding your financial goals. You are truly "walking the talk". We have several challenges remaining in 2006.

During the busy season we must be especially careful to stay safe. Remember that safety is always the number one priority – no short cuts! We will also have to work hard during the busy season to ensure that all of our customers are served well. Every customer, from the smallest local customer to the largest national home center is critically important to us – let's

ensure that all are delighted with our quality and service.

Finally, every company faces unique challenges in achieving our financial goals for the remainder of the year. I wish your team the best of luck in overcoming these challenges and achieving success. Your collective skill, preparation, and passion will make the difference.

We have strong and committed teams, the best in the business. Let's walk the talk every day in order to continue making 2006 a successful year for APG. 



Oldcastle[®] Architectural

Oldcastle Architectural is a manufacturer of concrete masonry, hardscapes and select DIY building/landscaping products. Our goal is to provide excellent value to our customers while growing our employees and earning superior financial returns.

Oldcastle Architectural is a member of the Oldcastle family. Established in 1978, Oldcastle has grown to become one of the top building materials companies in the U.S. with over \$8 billion sales in 2005. Through investments in well-managed companies and greenfield plants, Oldcastle has become a national leader while maintaining the local identity of each individual company. This affords the ability to understand local building codes, provide local/regional service and continue to grow long-lasting customer relationships.

Cornerstone is a quarterly newsletter for employees of the Oldcastle Architectural Products Group (APG). Please email your suggestions, submissions and questions to Tiffany Newman at:

cornerstone@oldcastleapg.com

375 Northridge Road, Suite 250
Atlanta, Georgia 30350
www.oldcastleapg.com