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FORM 6-K

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of 1934

May 28, 2003

JAMES HARDIE INDUSTRIES N.V.

(Exact name of Registrant as specified in its charter)

4th Level, Atrium, unit 04-07
Strawinskylaan 3077
1077 ZX Amsterdam, The Netherlands
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F ☒ Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): Not Applicable

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): Not Applicable

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ☐ No ☒

(If “Yes” is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): Not Applicable

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Safe Harbor Statement

The exhibits attached to this Form 6-K contain forward-looking statements. Words such as “believe,” “anticipate,” “plan,” “expect,” “intend,” “target,” “estimate,” “project,” “predict,” “forecast,” “guideline,” “should,” “aim” and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors, which are further discussed in our reports submitted to the Securities and Exchange Commission on Forms 20-F and 6-K and in our other filings, include but are not limited to: competition and product pricing in the markets in which we operate; general economic and market conditions; compliance with, and possible changes in, environmental and health and safety laws; dependence on cyclical construction markets; the supply and cost of raw materials; our reliance on a small number of product distributors; the consequences of product failures or defects; exposure to environmental or other legal proceedings; and risks of conducting business internationally. We caution you that the foregoing list of factors is not exclusive and that other risks and uncertainties may cause actual results to differ materially from those contained in forward-looking statements. Forward-looking statements speak only as of the date they are made.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

James Hardie Industries N.V.

Date: May 28, 2003	By:	/s/ Sanneke Parabirsing
		Sanneke Parabirsing Company Secretary

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James Hardie

media release

15 May 2003

4th Qtr Operating Profit Up 59% to US$23.4m
Full Year Operating Profit US$85.4m
Capital Return of US 15 cents per share

James Hardie today announced a 59% increase in operating profit from continuing operations of US$23.4 million for the three months ended 31 March 2003. Operating profit for the full year was up 202% to US$85.4 million.

The strong 4th quarter results included a 26% increase in net sales, a 46% increase in gross profit and a 28% lift in EBIT. The results were achieved despite the impact of normal seasonal industry slowdowns in our major markets and the effects of bad weather and reduced consumer confidence in the USA.

The USA Fibre Cement business was again the standout performer in the quarter, with net sales up 25% and EBIT increasing 56%. In Australia and New Zealand, net sales increased 28% and 34%, respectively, compared to the same quarter last year.

For the full year, total company net sales increased 32%, gross profit was up 47% and EBIT* increased 71% to US$130.6 million. Earnings per share increased 217% from US 6 cents to US 19 cents.

Capital Return and Dividend

The Board has approved a capital return of US 15 cents (€13.05 cents**) a share and a final dividend of US 2.5 cents a share. The dividend will be paid in July 2003 and the capital return in November 2003.

4th Quarter and Year To Date at a Glance

US$ Million	Q4 FY 03	Q4 FY 02	%+\(-)	FY 03	FY 02	%+\(-)
Net Sales	$ 198.5	$ 158.0	26	$803.7	$606.9	32
Gross Profit	79.8	54.5	46	301.8	205.3	47
EBIT/Operating Profit before restructuring and other operating expenses***	28.4	22.1	29	130.6	76.4	71
Restructuring and other operating income (expenses)	—	0.1	—	1.0	(28.1)	—
EBIT/Operating Profit	28.4	22.2	28	131.6	48.3	172
Operating Profit/Income from continuing operations	23.4	14.7	59	85.4	28.3	202
Net Operating Profit/Net Income including discontinued operations	54.5	16.7	226	170.5	30.8	454

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www.jameshardie.com

The bottom line profit for the quarter increased from US$16.7 million to US$54.5 million and includes a US$30.0 million profit for the sale of the Las Vegas Gypsum land that was completed on 21 March 2003. The sale finalised the company's exit from the Gypsum business.

The bottom line profit for the full year increased from US$30.8 million to US$170.5 million. The full year profit includes a profit of US$54.0 million on the sale of our Gypsum operations that was completed in April 2002, in addition to the profit related to the Las Vegas Gypsum land sale. Including discontinued operations, earnings per share increased 429% from US 7 cents to US 37 cents.

Commentary

James Hardie's CEO, Peter Macdonald said: "The 4th quarter results have capped off a very satisfactory year and results so far suggest that another good year is in prospect.

"Housing activity in North America is expected to remain at high levels over the balance of 2003 and we are continuing to grow revenues and profits much faster than the wider industry as we win market share.

"We expect to continue to take market share in both the southern and northern regions of the United States and in both the exterior and interior product categories in which we compete.

"More new products are on the way and production capacity is being expanded further to capitalise on growing demand.

"In the past year, sales of our differentiated, higher-priced products have generated strong top-line growth and higher margins and this is expected to continue," said Mr Macdonald.

"The capital return announced today provides shareholders with further rewards as we implement our strategy and we have retained sufficient funds to maintain a strong and conservatively geared balance sheet.

"At the same time, we can fund our ambitious growth agenda from operating cash flows," Mr Macdonald said.

USA Fibre Cement – Strong Top-line Growth and Higher Margins

Net sales increased 25% to US$146.2 million in the 4th quarter due to a 12% increase in sales volume to 297.9 million square feet and an 11% increase in the average selling price to US$491 per thousand square feet.

Despite bad weather in some regions and some weakening in consumer confidence, demand for the company's products remained at high levels.

The average selling price was 11% higher due to a further increase in sales of higher-priced, differentiated products.

The strong top line growth and a further reduction in the cost of sales lifted EBIT 56% to US$37.8 million for the quarter. The EBIT margin also increased, to 25.9%.

For the full year, revenue was up 35% to US$599.7 million and EBIT* was 58% higher to US$155.1 million. The EBIT margin for the full year was 25.9%.

Australia – Higher Sales and Volumes

Net sales increased 28% to US$31.5 million for the quarter due to a 13% lift in sales volume and a favourable exchange difference, partially offset by a lower average selling price. EBIT was lower in the quarter due to one-time redundancy costs but was higher excluding these costs. For the full year, EBIT increased 29% to US$23.8 million due mainly to higher volumes and the EBIT margin was 19.1%.

New Zealand – Higher Sales and Volumes

Net sales were up 34% for the quarter due to a 27% increase in sales volumes and a favourable exchange difference. EBIT was lower in the quarter due to one-time redundancy costs but was higher excluding these costs. For the full year, EBIT increased 17% to US$6.1 million due mainly to higher volumes and the EBIT margin was 11.8%.

Philippines – EBIT Positive

Increased domestic demand and manufacturing cost savings helped the business return a small operating profit for the quarter and the full year.

Chile – Strong Revenue and Volume Growth

Both net sales and volumes more than doubled in both the quarter and full year as the business continued to penetrate its targeted market segments.

USA FRC Pipes – Strong Growth and Efficiency Gains

Both net sales and volumes more than doubled in both the quarter and full year as the company's pipes continued to attract orders from construction contractors. The business also continued to reduce production costs as it achieved significant improvements in manufacturing efficiency.

USA Roofing

Construction of a new pilot plant to make a new generation of fibre cement roofing products has been completed and the plant is now being commissioned. Sales of the first product are expected to occur within the next few months.

Outlook

The short-term outlook for housing construction in the United States remains positive. New housing approvals remain at high levels, the inventory of new homes for sale remains at low levels and there is a 3-6 month backlog of orders for new homes. Prices of new and existing homes also remain at high levels and the outlook for inflation and interest rates is also encouraging.

The US-based National Association of Home Builders (NAHB) recently reported at its Construction Forecast Conference that housing construction in 2003 is likely to either equal or surpass last year's exceptional rate of 1.7 million units.

Over the medium-term, the fundamental drivers of housing demand also continue to look positive with demographic factors such as immigration, internal migration and household formation all suggesting strong demand for housing over the medium to longer term.

The company's USA Fibre Cement business expects to continue to win market share across its product range and in both the north and south of the country. Our increased focus on the repair and remodel market, new products, continued penetration against vinyl in the north and new strategic marketing initiatives should help drive top line growth and further strengthen our overall market position.

In Australia, the housing sector is continuing to show signs of slowing which is expected to lead to softer demand, although strong growth in renovations and in commercial applications is forecast to continue. Additionally, the Australian Fibre Cement business is expected to perform satisfactorily as it implements a range of initiatives to increase demand and reduce costs.

In New Zealand, demand is expected to remain relatively solid in the short-term but some softening is expected later in the year. Revenue for the first quarter should reflect improved sales volumes of higher-priced, differentiated products.

In the Philippines, while we expect that the business will continue to grow share domestically, regional economic uncertainty continues to cloud the outlook for both domestic and export demand. The business has in place a number of initiatives to further reduce manufacturing costs.

In Chile, further market penetration and share growth is expected as awareness of the company's expanded product range continues to grow.

The US-based FRC Pipes business is continuing to increase production to meet growing demand, and further improvements in operating efficiency are expected.

Overall, the strong results achieved in the past year are continuing into the first quarter and prospects for strong growth over the full-year are encouraging.

Ends.

Footnotes

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* *Operating Profit/EBIT before restructuring and other operating expenses.*

** *Capital return was declared in Euro and will be converted to AUD and USD at the prevailing exchange rate on the record date. The record date is likely to be October 2003.*

*** *Presentation of this line item not required under US GAAP.*

Notes

1. *Unless otherwise stated, results are for continuing operations only and comparisons are of the 4th quarter of the current fiscal year versus the 4th quarter of the prior fiscal year; or of the 12 months ended 31 March 2003 versus the 12 months of the prior fiscal year.*

2. *This media release forms part of a package of information about the company's results. It should be read in conjunction with the other parts of this package, including Management's Discussion and Analysis (MD&A), a Management Presentation and a Results at a Glance document.*

3. *Management has used EBIT before restructuring and other operating expenses because this measure provides a more accurate indication of operating performance.*

Disclaimer

This press release contains forward-looking statements. Words such as "believe," "anticipate," "plan," "expect," "intend," "target," "estimate," "project," "predict," "forecast," "guideline," "should," "aim" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors, which are further discussed in our reports submitted to the Securities and Exchange Commission on Forms 20-F and 6-K and in our other filings, include but are not limited to: competition and product pricing in the markets in which we operate; general economic and market conditions; compliance with, and possible changes in, environmental and health and safety laws; dependence on cyclical construction markets; the supply and cost of raw materials; our reliance on a small number of product distributors; the consequences of product failures or defects; exposure to environmental or other legal proceedings; and risks of conducting business internationally. We caution you that the foregoing list of factors is not exclusive and that other risks and uncertainties may cause actual results to differ materially from those contained in forward-looking statements. Forward-looking statements speak only as of the date they are made.

Exhibit 99.2

James Hardie

results at a glance

4th Quarter and Full Year Results – 31 March 2003

James Hardie	4th Qtr FY 03				FY 03			
Net Sales	Up	26%	to	US$198.5	Up	32%	to	US$803.7
EBIT[2]	Up	29%	to	US$ 28.4	Up	71%	to	US$130.6
Operating Profit	Up	59%	to	US$ 23.4	Up	202%	to	US$ 85.4
Net Operating Profit[1]	Up	226%	to	US$ 54.5	Up	454%	to	US$170.5
EBIT/Net Sales[2]	Up	0.2 pts	to	14.3%	Up	3.7 pts	to	16.2%
USA Fibre Cement								
Net Sales	Up	25%	to	US$146.2	Up	35%	to	US$599.7
EBIT[2]	Up	56%	to	US$ 37.8	Up	58%	to	US$155.1
EBIT/Net Sales[2]	Up	5.3 pts	to	25.9%	Up	3.7 pts	to	25.9%
Volume	Up	12%	to	297.9 mmsf	Up	29%	to	1273.6 mmsf
Asia Pacific Fibre Cement								
Net Sales	Up	24%	to	US$ 48.5	Up	24%	to	US$194.4
EBIT	Down	26%	to	US$ 4.9	Up	34%	to	US$ 30.1
EBIT/Net Sales	Down	6.8 pts	to	10.1%	Up	1.2 pts	to	15.5%
Volume	Up	12%	to	92.0 mmsf	Up	15%	to	368.3 mmsf

Key Ratios	FY 02	FY 03
Earnings Per Share (Basic)	6.4 cents	18.7 cents
EBIT/Sales	8.0%	16.4%
Return on Shareholders Funds[1]	8.9%	42.3%
Return on Capital Employed	8.6%	21.2%
Gearing[1]	44.7%	21.4%
Net Interest Cover (EBIT[1]/ Net interest expense)	3.0x	6.6x

All comparisons are against the 4th quarter or 12 months of the previous fiscal year.
All dollar amounts are in US$ millions.
Results are for continuing businesses only unless otherwise stated.
mmsf = millions of square feet

Note: This document should be read in conjunction with other 4th quarter and Full Year results materials including a Media Release, a Management's Discussion and Analysis and a Management Presentation.

1 Includes discontinued operations

2 Before restructuring and other operating expenses. Management has used EBIT before restructuring and other operating expenses because this measure provides a more accurate indication of operating performance. Refer Management Discussion and Analysis for reconciliation with US GAAP measure.

Exhibit 99.3

James Hardie

Management's Discussion and Analysis

15 May 2003

James Hardie Industries N.V.
Results for 4th Quarter Ended 31 March 2003

US GAAP — US$ Millions

	Three Months Ended 31 March		
	FY 2003	FY 2002	% Change
Net Sales			
USA Fibre Cement	$ 146.2	$ 117.3	25
Asia Pacific Fibre Cement	48.5	39.0	24
Other Fibre Cement	3.8	1.7	124
Total Net Sales	198.5	158.0	26
Net Sales	$ 198.5	$ 158.0	26
Cost of goods sold	(118.7)	(103.5)	15
Gross profit	79.8	54.5	46
SG&A	(45.9)	(29.0)	58
Research and development	(5.5)	(3.4)	62
EBIT/Operating profit before restructuring and other operating expenses*	28.4	22.1	29
Restructuring and other operating income	—	0.1	—
EBIT/Operating profit	28.4	22.2	28
Net interest expense	(2.1)	(3.3)	(36)
Other income, net	0.6	0.3	100
Operating profit/Income from continuing operations before income taxes	26.9	19.2	40
Income tax expense	(3.5)	(4.5)	(22)
Operating Profit/Income From Continuing Operations	$ 23.4	$ 14.7	59
Net Operating Profit/Net Income Including Discontinued Operations	$ 54.5	$ 16.7	226
Effective tax rate	13.0%	23.4%	
Volume (mmsf)			
USA Fibre Cement	297.9	265.2	12
Asia Pacific Fibre Cement	92.0	82.3	12
Average sales price per unit (per msf)			
USA Fibre Cement	US$491	US$442	11
Asia Pacific Fibre Cement	A$816	A$879	(7)

Unless otherwise stated, results are for continuing operations only and comparisons are of the 4th quarter of the current fiscal year versus the 4th quarter of the prior fiscal year.

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Total Net Sales

Total net sales increased 26% compared to the same quarter of the previous year, from US$158.0 million to US$198.5 million.

Net sales from USA Fibre Cement increased 25% from US$117.3 million to US$146.2 million due to continued strong growth in sales volumes and higher selling prices.

Net sales from Asia Pacific Fibre Cement increased 24% from US$39.0 million to US$48.5 million due mainly to higher sales volumes and favourable exchange differences.

Net sales from Other Fibre Cement increased 124% from US$1.7 million to US$3.8 million as the Chilean flat sheet business and the USA-based FRC Pipes business continued to ramp up, following their start-up early in the 2001 calendar year.

USA Fibre Cement

Net sales increased 25% from US$117.3 million to US$146.2 million.

Sales volume increased 12% from 265.2 million square feet to 297.9 million square feet, due to strong growth in primary demand for fibre cement and increased housing construction activity.

The residential housing market remained healthy during the quarter, buoyed by low mortgage rates and strong house prices, although this was partly offset by bad weather in some regions and some softening in consumer confidence.

There were further market share gains against vinyl, which is the dominant siding material in the north, and against other materials, particularly engineered wood in the southern region of the country.

In the northern region, market penetration strategies designed to build awareness of our products' attributes among builders, distributors and homeowners continued to help generate increased demand.

In the southern region, a greater focus on the repair and remodel segment and increased selling activity in rural areas helped to increase demand.

In the exterior products market, there was strong growth in sales of higher-priced, differentiated products such as vented soffits and Heritage® panels. Sales of the ColorPlus™ Collection of pre-painted siding almost doubled compared to the same quarter of the previous year.

In the interior cement board market, sales of HardiBacker 500™, our 1/2 inch backerboard manufactured using proprietary G2 technology, continued to grow strongly, increasing by more than 50% compared to the same quarter of the previous year.

The average selling price increased 11% compared to the same quarter of the previous year from US$442 per thousand square feet to US$491 per thousand square feet. The improvement was due to an increased proportion of sales of higher-priced, differentiated products.

During the quarter, we continued the roll out of our new XLD Trim product in targeted markets across the country.

Asia Pacific Fibre Cement

Net sales for this segment increased 24% from US$39.0 million to US$48.5 million. Sales volume increased 12% from 82.3 million square feet to 92.0 million square feet.

Australia Fibre Cement

Net sales increased 28% from US$24.7 million to US$31.5 million. In local currency, the increase was 5%.

The growth in net sales was due to a 13% increase in sales volume, from 54.7 million square feet to 61.7 million square feet partially offset by a lower average selling price.

Residential building activity remained relatively strong during the quarter, supported by low interest rates. However, some softening in demand was evident towards the end of the quarter.

New housing approvals continued to slow, but robust residential renovation activity helped to maintain strong demand.

New Zealand Fibre Cement

Net sales increased 34% from US$9.2 million to US$12.3 million due to an increase in sales volume, partly offset by a decrease in the average selling price. In local currency, net sales increased 4%.

Sales volume increased 27% from 8.6 million square feet to 10.9 million square feet due to stronger demand arising from increased residential building activity and increased penetration of key residential and non-residential market segments.

New residential housing starts increased 17% compared to the same period of the previous year, buoyed by sustained low interest rates and strong house prices.

The new Linea® weatherboard cladding and trim product range continued to generate strong demand from all sectors of the residential market. Sales of Linea® increased 155% compared to the third quarter of this fiscal year.

Non-residential building activity during the quarter was 3% lower compared to the same period last year. The impact of this decline was partially offset by continued growth in sales of Hardipanel™ Titan, our flexible, medium density cladding product, which increased 127% compared to the same quarter in the previous year.

The average selling price decreased 9% due to an increased proportion of lower priced export sales.

Philippines Fibre Cement

Net sales decreased by 6% from US$5.1 million to US$4.8 million. In local currency, net sales decreased 3%. This was due to a lower average selling price, partly offset by a 3% increase in sales volume compared to the same quarter of the previous year, from 19.0 million square feet to 19.5 million square feet. Sales volume increased 16% compared to the third quarter of this fiscal year.

Domestic demand continued to grow during the quarter despite building activity slowing as a result of price increases in key construction materials, war-related uncertainty and some terrorist activity in the south of the country.

The business continued to penetrate the building boards market taking further market share from the main competing material, plywood. HardiFlex® lite, a thinner, lighter sheet designed for ceiling applications, continued to generate strong sales, as did HardiFlex®, used in external ceiling and internal wall applications.

The average selling price decreased 5% compared to the same quarter of the previous year due to a lower proportion of higher-priced export sales.

Other Fibre Cement

Chile Fibre Cement

Our Chilean operation, which began commercial production in March 2001, continued to increase its penetration of the local market.

Net sales increased 171% compared to the same quarter last year due to a 132% increase in sales volume and a higher average selling price.

Domestic market conditions improved during the quarter due to the normal seasonal increase in construction activity. However, economic conditions continued to be negatively affected by economic instability in the neighbouring countries of Argentina and Brazil.

Domestic selling prices remained low during the quarter due to aggressive pricing by competitors as they continued to try to maintain their market positions.

USA FRC Pipes

Our FRC Pipes business continued to penetrate the south-east market of the United States. Net sales increased by 120% compared to the same quarter last year.

The increased sales have resulted in a doubling of our share of our targeted large diameter pipe market in Florida compared to the same period last year.

We are continuing to lower costs and improve the manufacturing performance of the plant resulting in increased output, particularly of the larger diameter pipes.

Despite a small increase in the average selling price compared to the third quarter of this fiscal year, selling prices remain low due to competitors' use of aggressive pricing tactics in response to our market entry. The average selling price is down compared to the same quarter of the previous year.

The Florida civil construction market has remained relatively buoyant. Activity is increasing due to the start of projects funded by TEA-21 and the Florida State Mobility Act, both of which involve significant increases in government spending on highway construction.

Gross Profit

Gross profit increased 46% from US$54.5 million to US$79.8 million due to strong improvements in USA Fibre Cement and Asia Pacific Fibre Cement. The gross profit margin increased 5.7 percentage points to 40.2%.

USA Fibre Cement gross profit increased 50% due to higher sales volumes, a higher average selling price and lower unit cost of sales as a result of manufacturing efficiencies. The gross profit margin increased 7.3 percentage points.

Asia Pacific Fibre Cement gross profit increased 25% following strong improvements from Australia Fibre Cement, New Zealand Fibre Cement and Philippines Fibre Cement, which increased 28%, 19% and 38%, respectively. Increased volumes and improved manufacturing efficiencies were major factors in the improved results. The gross profit margin increased 0.3 of a percentage point.

Adjustments Related to Stock Option Accounting

Effective in fiscal 2003, we adopted retrospectively the fair value based method of accounting for stock options as outlined in Statement of Financial Accounting Standards No. 123, *Accounting for Stock-based Compensation* ("SFAS 123"). SFAS 123 requires the company to value stock options issued based upon an option pricing model and recognize this value as compensation expense over the periods in which the options vest. Previously, the company used variable plan accounting. As a result, fiscal 2002 has been restated to reflect lower compensation cost of US$1.4 million that would have been recognised under the fair value based accounting method for all options granted, modified or settled in fiscal years beginning after 15 December 1994.

Selling, General and Administrative (SG&A) Expenses

SG&A expenses increased 58% compared to the same quarter last year, from US$29.0 million to US$45.9 million. The amount previously reported for fiscal 2002 is adjusted and decreased by US$1.4 million for the adoption of SFAS 123. Excluding this adjustment, this increase in SG&A expenses was due mainly to sales and marketing expenses associated with the funding of growth initiatives in the USA, redundancy costs and costs associated with the expansion of the regional operations team in Asia Pacific. SG&A expenses were 4.7 percentage points higher as a percentage of sales, at 23.1%.

Research and Development (R&D) Expenses

Research and development includes costs associated with "core" research projects that are aimed at benefiting all fibre cement business units. These costs are recorded in the Research and Development segment rather than being attributed to individual business units. These costs increased 71% to US$3.6 million.

Other research and development costs associated with commercialisation projects in business units are included in the business unit segment results. In total, these costs increased 46% to US$1.9 million, reflecting a greater number of projects in the development and commercialisation phase.

Total research and development costs were 0.6 percentage points higher as a percentage of sales, at 2.8%.

EBIT/Operating Profit

EBIT increased 28% from US$22.2 million to US$28.4 million. The amount previously reported for fiscal 2002 is adjusted and increased by US$1.4 million for the adoption of SFAS 123. After this adjustment, the EBIT margin increased 0.2 of a percentage point to 14.3%.

USA Fibre Cement EBIT increased 56% from US$24.2 million to US$37.8 million. The increase was due to strong sales volume growth driven by increased primary demand for fibre cement, higher average selling prices, and lower unit cost of sales resulting from improved manufacturing efficiencies, partly offset by higher SG&A costs. The EBIT margin increased 5.3 percentage points to 25.9%.

Australia Fibre Cement EBIT decreased 25% from US$5.2 million to US$3.9 million. In local currency, the decrease was 40%. The weaker EBIT performance was due to higher SG&A expenses that included redundancy costs of US$1.6 million associated with business restructuring and a lower average selling price, partly offset by lower unit cost of sales. The EBIT margin decreased 8.7 percentage points to 12.4%. Excluding redundancy costs, EBIT increased 6% and the EBIT margin decreased 3.6 percentage points to 17.5%.

New Zealand Fibre Cement EBIT decreased 61% from US$1.3 million to US$0.5 million. In local currency, the decrease was 76%. The decrease was due mainly to redundancy costs of US$0.6 million associated with business restructuring, partly offset by increased sales volumes. The EBIT margin decreased 10.0 percentage points to 4.1%. Excluding redundancy costs, EBIT decreased 15% and the EBIT margin was 5.2 percentage points lower at 8.9%.

Our Philippines business recorded a small operating profit for the quarter due to increased domestic sales and manufacturing cost savings.

Both USA FRC Pipes and Chile Fibre Cement incurred operating losses during the quarter as these businesses continued to ramp up.

General corporate costs increased by US$4.0 million from US$3.7 million to US$7.7 million. The amount previously reported for fiscal 2002 is adjusted and decreased by US$1.4 million for the adoption of SFAS 123 and by US$0.1 million related to activities that are now a part of Other Fibre Cement. Excluding these adjustments, the increase is primarily due to increased bonus expense, in line with the significant improvement in operating profit. General corporate costs of US$7.7 million consisted of bonus expense of US$2.7 million, SFAS 123 expense of US$1.7 million, and other general costs of US$3.3 million.

Refer note 3 for the definition of EBIT and EBIT margin.

Net Interest Expense

Net interest expense decreased by US$1.2 million from US$3.3 million to US$2.1 million as a result of a decrease in borrowings.

Income Tax/Expense

Income tax expense decreased by US$1.0 million from US$4.5 million to US$3.5 million primarily due to lower Dutch tax expense of US$1.3 million after allowing for exempt releases under our Financial Risk Reserve Regime.

Operating Profit/Income from Continuing Operations

Income from continuing operations increased by US$8.7 million, from US$14.7 million in the fourth quarter of the previous year to US$23.4 million in this quarter. Income from continuing operations previously reported for fiscal 2002 is adjusted and increased by US$1.7 million for the adoption of SFAS 123, which includes a deferred tax benefit of US$0.3 million.

Discontinued Operations

Included in Discontinued Operations is a US$30.0 million profit for the sale of the Las Vegas Gypsum land. The sale was completed on 21 March 2003 and finalised the company's exit from the Gypsum business.

End.

Footnotes

*	*Presentation of this line item is not required under US GAAP.*

Notes

*1.	This Management's Discussion and Analysis document forms part of a package of information about the company's results. It should be read in conjunction with the other parts of this package, including a Media Release, a Management Presentation and a Results at a Glance document.*

*2.	Management has used EBIT before restructuring and other operating expenses because this measure provides a more accurate indication of operating performance.*

*3.	EBIT is defined as operating income. EBIT margin is defined as EBIT as a percentage of our net sales. We believe EBIT and EBIT margin to be relevant and useful information as these are the primary measures used by our management to measure the operating profit or loss of our business. EBIT is one of several metrics used by our management to measure the cash generated from our operations, excluding the operating cash requirement of our interest and income taxes. EBIT and EBIT margin should be considered in addition to, but not as a substitute for, other measures of financial performance reported in accordance with accounting principles generally accepted in the United States of America. EBIT and EBIT margin, as we have defined them, may not be comparable to similarly titled measures reported by other companies.*

Disclaimer

This report contains forward-looking statements. Words such as "believe," "anticipate," "plan," "expect," "intend," "target," "estimate," "project", "predict", "forecast," "guideline," "should," "aim" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors, which are further discussed in our reports submitted to the Securities and Exchange Commission on Forms 20-F and 6-K and in our other filings, include but are not limited to: competition and product pricing in the markets in which we operate; general economic and market conditions; compliance with, and possible changes in, environmental and health and safety laws; dependence on cyclical construction markets; the supply and cost of raw materials; our reliance on a small number of product distributors; the consequences of product failures or defects; exposure to environmental or other legal proceedings; and risks of conducting business internationally. We caution you that the foregoing list of factors is not exclusive and that other risks and uncertainties may cause actual results to differ materially from those contained in forward-looking statements. Forward-looking statements speak only as of the date they are made.

James Hardie

Management's Discussion and Analysis

15 May 2003

James Hardie Industries N.V.

Results for the 12 Months Ended 31 March 2003

US GAAP — US$ Millions

	Year Ended 31 March		
	FY 2003	FY 2002	% Change
Net Sales			
USA Fibre Cement	$ 599.7	$ 444.8	35
Asia Pacific Fibre Cement	194.4	156.9	24
Other Fibre Cement	9.6	5.2	85
Total Net Sales	803.7	606.9	32
Net Sales	$ 803.7	$ 606.9	32
Cost of goods sold	(501.9)	(401.6)	25
Gross profit	301.8	205.3	47
SG&A	(153.1)	(114.8)	33
Research and development	(18.1)	(14.1)	28
EBIT/Operating profit before restructuring and other operating expenses*	130.6	76.4	71
Restructuring and other operating income (expense)	1.0	(28.1)	(104)
EBIT/Operating profit	131.6	48.3	172
Net interest expense	(19.9)	(16.0)	24
Other income/(expense), net	0.7	(0.4)	(275)
Operating profit/Income from continuing operations before income taxes	112.4	31.9	252
Income tax expense	(27.0)	(3.6)	—
Operating Profit/Income From Continuing Operations	$ 85.4	$ 28.3	202
Net Operating Profit/Net Income Including Discontinued Operations	$ 170.5	$ 30.8	454
Effective tax rate	24.0%	11.3%	
Volume (mmsf)			
USA Fibre Cement	1,273.6	988.5	29
Asia Pacific Fibre Cement	368.3	320.7	15
Average sales price per unit (per msf)			
USA Fibre Cement	US$471	US$450	5
Asia Pacific Fibre Cement	A$843	A$861	(2)

Unless otherwise stated, results are for continuing operations only and comparisons are of the current fiscal year versus the prior fiscal year.

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Total Net Sales

Total net sales increased 32% compared to the same period of the previous year, from US$606.9 million to US$803.7 million.

Net sales from USA Fibre Cement increased 35% from US$444.8 million to US$599.7 million due to continued growth in sales volumes and higher selling prices.

Net sales from Asia Pacific Fibre Cement increased 24% from US$156.9 million to US$194.4 million due mainly to higher sales volumes.

Net sales from Other Fibre Cement increased 85% from US$5.2 million to US$9.6 million as the Chilean flat sheet business and the US-based FRC Pipes business continued to ramp up, following their start-up early in the 2001 calendar year.

USA Fibre Cement

Net sales increased 35% from US$444.8 million to US$599.7 million.

Sales volume increased 29% from 988.5 million square feet to 1,273.6 million square feet, due to strong growth in primary demand for fibre cement, increased housing construction activity and sales of product from the Cemplank operations acquired in December 2001.

The residential housing market remained healthy during the period buoyed by low mortgage rates and strong house prices despite a softening in consumer confidence and bad weather-related slowdown in activity during the fourth quarter.

There was strong volume growth across all major markets. Market share increased in the siding, backer and trim segments and in both the southern and northern regions of the country.

In the northern region, we continued to take market share from the dominant siding material, vinyl. Market penetration strategies designed to build awareness of our products' attributes among the region's builders, distributors and homeowners helped to generate increased demand in the region.

In the southern region, growth strategies, including a greater focus on the repair and remodel segment and increased selling activity in rural areas helped the business increase demand in the region.

In the exterior products market, there was strong sales growth in higher-priced, differentiated products such as trim, vented soffits, Heritage® panels and the ColorPlus™ Collection of pre-finished siding.

In the interior cement board market, sales of HardiBacker 500™, our 1/2 inch backerboard that is manufactured using proprietary G2 technology, continued to grow strongly compared to the same period of the previous year.

The average selling price increased 5% compared to the previous year, from US$450 per thousand square feet to US$471 per thousand square feet, due to an increased proportion of sales of higher-priced, differentiated products.

During the period, we commenced construction of a 160 million square feet panel line at Waxahachie, Texas, and a pilot roofing products plant at Fontana, California. At the Peru plant in Illinois, we began to manufacture products on a newly-commissioned second production line in September 2002.

On 22 October 2002, we announced that our Blandon, Pennsylvania plant will undergo a US$15.3 million upgrade that will increase its annual production capacity from 120 million square feet to 200 million square feet to meet rapidly growing demand in the north-east region.

Asia Pacific Fibre Cement

Net sales increased 24% from US$156.9 million to US$194.4 million. Sales volume increased 15% from 320.7 million square feet to 368.3 million square feet.

Australia Fibre Cement

Net sales increased 24% from US$100.7 million to US$124.7 million. In local currency, the increase was 13%.

The growth in net sales was due to a 16% increase in sales volume, from 219.5 million square feet to 254.4 million square feet, partly offset by a 2% decrease in the average selling price due to pricing pressure from competitors.

Demand for new residential housing remained at high levels during the period buoyed by a relatively strong economy and low interest rates.

Despite new housing approvals slowing in the second half of the year, robust residential renovation activity and the 3-6 month lag between the start of house construction and the sale of our products helped to maintain strong demand.

During the year, we relocated our corrugate production line, which manufactures HardiFence™, from Perth to Brisbane.

During the year, we launched two new internal lining products. HardiRock™ is a fibre cement wet area lining board that is more flexible and is easy to cut and nail. EziGrid™ Tilebacker is another wet area lining sheet designed to make tile installation easier for internal lining. Both products are expected to strengthen our share of the internal lining segment.

New Zealand Fibre Cement

Net sales increased 36% from US$38.0 million to US$51.7 million due to an increase in sales volume, partly offset by a small decrease in the average selling price. In local currency, net sales increased 16%.

Sales volume increased 22% from 36.4 million square feet to 44.3 million square feet due to stronger demand arising from increased residential building activity, which is being fuelled by low and stable interest rates, strong house prices and a stronger economy. The lower average selling price resulted from an increased proportion of lower priced export sales and increased domestic price competition.

The new Linea® weatherboard cladding range of products launched in March 2002 continued to penetrate its targeted markets, taking market share from alternative products such as brick. Linea® is a thicker, lightweight weatherboard that uses our proprietary low-density technology and offers a number of performance advantages, notably superior durability, over timber weatherboards.

Despite the non-residential building market being weaker during this fiscal year compared to the prior fiscal year, sales of panel products such as Hardipanel™ Titan and Hardipanel™ Compressed sheet were up strongly during this fiscal year compared to the previous year.

The business gained several key customers during the year and increased its share of fibre cement sales.

Philippines Fibre Cement

Net sales decreased by 1% from US$18.2 million to US$18.0 million. In local currency, sales revenue was flat. This was due to an increase in sales volume, offset by a lower average selling price.

Sales volume increased 8% compared to the prior fiscal year, from 64.8 million square feet to 69.7 million square feet due to increased demand in the domestic building boards market.

We continued to penetrate the domestic building boards market during the year, taking further share from the main competing material, plywood. Strong demand for HardiFlex® lite, a thinner, lighter sheet designed for ceiling applications, and HardiFlex®, used in ceiling and internal wall applications, continued during the year.

During the year, we launched our first plank product, Hardiplank™ Select Cedarmill, which is being marketed to architects and developers. The launch of plank is expected to increase sales to large residential projects.

Export sales were weaker compared to the previous year, due primarily to supply issues and lower export demand.

The average selling price decreased 7% compared to the previous year due to a decrease in sales of higher-priced exports.

Other Fibre Cement

Chile Fibre Cement

Our Chilean operation, which began commercial production in March 2001, is penetrating the market at its targeted rate.

Economic instability in the neighbouring countries of Argentina and Brazil continued to have a negative effect on the Chilean economy.

Despite weak market conditions during the year, net sales revenue and volumes were significantly higher than last year, increasing 153% and 120%, respectively.

During the year, the business moved to the next stage of its market penetration strategy with the launch of new interior and exterior products. These include HardiBacker™, for interior applications, and textured panels and planks, for exterior cladding.

Selling prices continued to be negatively affected by aggressive pricing by competitors as they continued to try to maintain market positions.

USA FRC Pipes

Our FRC Pipes business continued to penetrate the south-east market of the United States and improve its operational efficiencies. Net sales more than doubled compared to the prior year.

Sales volumes have continued to grow since the business began operating early in calendar year 2001, as awareness among construction contractors has increased and as the product range has been progressively expanded.

The increased sales have resulted in a doubling of our share of our targeted large diameter drainage pipe market in Florida compared to the prior year.

Competition has reacted to our market entry with aggressive pricing. As a result, our average net selling price is lower compared to the previous fiscal year. This decrease is being offset by unit production costs that have continued to decline during the year as we achieve significant improvements in manufacturing efficiencies.

The Florida civil construction market remains buoyant. Activity is increasing due to the start of projects funded by TEA-21 and the Florida State Mobility Act, both of which involve significant increases in government spending on highway construction.

Gross Profit

Gross profit increased 47% from US$205.3 million to US$301.8 million due to strong improvements in USA Fibre Cement and Asia Pacific Fibre Cement. The gross profit margin increased 3.8 percentage points to 37.6%.

USA Fibre Cement gross profit increased 49% due to higher sales volumes, higher average selling prices and lower unit cost of sales. The gross profit margin increased 3.8 percentage points.

Asia Pacific Fibre Cement gross profit increased 35% following strong improvements from all businesses. Increased volumes, lower raw material costs and improved manufacturing efficiencies were major factors in the improved results. The gross profit margin increased 3.2 percentage points.

Adjustments Related to Stock Option Accounting

Effective in fiscal 2003, we adopted retrospectively the fair value based method of accounting for stock options as outlined in Statement of Financial Accounting Standards No. 123, *Accounting for Stock-based Compensation* ("SFAS 123"). SFAS 123 requires the company to value stock options issued based upon an option pricing model and recognize this value as compensation expense over the periods in which the options vest. Previously, the company used variable plan accounting. As a result, fiscal 2002 has been restated to reflect lower compensation cost of US$1.4 million that would have been recognised under the fair value based accounting method for all options granted, modified or settled in fiscal years beginning after 15 December 1994.

Selling, General and Administrative (SG&A) Expenses

SG&A expenses increased 33% compared to last year, from US$114.8 million to US$153.1 million. The amount previously reported for 2002 is adjusted and decreased by US$1.4 million for the adoption of SFAS 123. After this adjustment, the increase in SG&A expenses was mainly due to the funding of growth initiatives in the USA, an increase in bonus accruals in line with the significant improvement in operating profit and redundancy costs associated with restructuring in the Asia Pacific business. As a percentage of sales, SG&A expenses increased by 0.1 of a percentage point to 19.0%.

Research and Development (R&D) Expenses

Research and development includes costs associated with 'core' research projects that are aimed at benefiting all fibre cement business units. These costs are recorded in the Research and Development segment rather than being attributed to individual business units. These costs increased 27% to US$10.4 million due to increased project costs and intellectual property costs.

Other research and development costs associated with commercialisation projects in business units are included in the business unit segment results. In total, these costs increased 30% to US$7.7 million, reflecting a greater number of projects in the development and commercialisation phase.

Total research and development costs as a percentage of sales remained comparable to prior year, at 2.3%.

Restructuring and Other Operating Income (Expenses)

During the current fiscal year, we realised a US$1.0 million gain from the settlement of our pulp hedge contract.

In the previous fiscal year, there was a charge of US$28.1 million related to a number of costs that did not recur in this fiscal year.

EBIT/Operating Profit Before Restructuring and Other Operating Expenses

EBIT before restructuring and other operating expenses increased 71% from US$76.4 million to US$130.6 million. The amount previously reported for fiscal 2002 is adjusted and increased by US$1.4 million for the adoption of SFAS 123. After this adjustment, the EBIT margin before restructuring and other operating expenses increased 3.7 percentage points compared to last year to 16.2%. EBIT before restructuring and other operating expenses is used because on this occasion management believes this measure provides a better indication of business performance.

EBIT/Operating Profit

EBIT increased 172% from US$48.3 million to US$131.6 million. The amount previously reported for fiscal 2002 is adjusted and increased by US$1.4 million for the adoption of SFAS 123. After this adjustment the EBIT margin increased 8.4 percentage points to 16.4%.

USA Fibre Cement EBIT increased 81% from US$85.8 million to US$155.1 million. The increase in USA Fibre Cement EBIT was due to strong sales volume growth driven by increased primary demand for fibre cement and lower unit cost of sales from improved manufacturing efficiencies, partly offset by higher SG&A costs. In addition, a US$12.6 million one-time charge was recorded in the previous year to settle litigation involving certain products. Excluding this charge, EBIT increased 58% and the EBIT margin increased 3.7 percentage points to 25.9%.

Australia Fibre Cement EBIT increased 29% from US$18.4 million to US$23.8 million. In local currency, the increase was 18%. The stronger EBIT performance was due to higher sales volume and lower unit cost of sales, partly offset by higher SG&A costs. The EBIT margin increased 0.8 of a percentage point to 19.1%.

New Zealand Fibre Cement EBIT increased 17% from US$5.2 million to US$6.1 million. In local currency, the increase was 3%. The increase was primarily due to higher sales volumes and lower manufacturing costs, partly offset by higher SG&A costs. The EBIT margin decreased 1.9 percentage points to 11.8%.

Our Philippines business recorded a small operating profit for the year, compared to a small operating loss for the previous year. The profit was primarily due to increased domestic sales and lower costs of production and SG&A.

Both USA FRC Pipes and Chile Fibre Cement incurred operating losses during the period as these businesses continued to ramp up.

General corporate costs decreased by US$11.2 million from US$41.1 million to US$29.9 million. The amount previously reported for fiscal 2002 is adjusted and decreased by US$1.4 million for the adoption of SFAS 123 and by US$0.6 million related to activities that are now a part of Other Fibre Cement. Excluding these adjustments, the decrease in general corporate costs was primarily due to a US$8.1 million charge for a decrease in the fair value of the pulp hedge contract and a US$7.4 million charge related to our corporate restructuring being incurred in the year ended 31 March 2002, which were not repeated in fiscal year 2003, partially offset by increased bonus expense, in line with the significant improvement in operating profit. For the fiscal year 2003, general corporate costs consist of bonus expense of US$7.1 million, SFAS 123 expense of US$1.7 million, and other general costs of US$21.1 million.

See note 3 for the definition of EBIT and EBIT margin.

Net Interest Expense

Net interest expense increased 24% from US$16.0 million to US$19.9 million. This increase was primarily due to a US$9.9 million make-whole payment, which was partially offset by a decrease in net borrowings following the receipt of proceeds from the sale of our Gypsum business in April 2002. Excluding the one-time make-whole payment, interest costs decreased 37% to US$10.0 million.

The make-whole payment resulted from the early retirement of US$60 million of long-term debt in December 2002. The retirement of the debt will result in a saving of approximately US$24.4 million in interest costs for the remaining term of the debt.

Income Tax Expense

Income tax expense increased by US$23.4 million from US$3.6 million to US$27.0 million.

Operating Profit/Income from Continuing Operations

Income from continuing operations increased by US$57.1 million from US$28.3 million for the full year ended 31 March 2002 to US$85.4 million for the full year ended 31 March 2003. Income from continuing operations previously reported for fiscal 2002 is adjusted and increased by US$1.7 million for the adoption of SFAS 123, which includes a deferred tax benefit of US$0.3 million.

Dividend and Capital Return

The Board has approved a capital return of US 15 cents a share and a final dividend of US 2.5 cents a share. The dividend was declared in United States dollars and will be paid in the Australian dollar equivalent at record date. ADR holders will receive United States dollars. The capital return was declared at 13.05 Euro cents (equivalent to US 15 cents at declaration) and will be paid in the Australian dollar equivalent to the Euro amount at record date. ADR holders will receive the United States dollar equivalent. Currency exchange rates at record date will determine the amounts actually received by CUFS and ADR holders.

Liquidity and Capital Resources

We have historically met our working capital needs and capital expenditure requirements through a combination of cash flow from operations, proceeds from the divestiture of businesses, credit facilities, proceeds from the sale of property, plant and equipment and proceeds from the redemption of investments. Seasonal fluctuations in working capital generally have not had a significant impact on our short-term or long-term liquidity. We believe that we can meet our present working capital requirements for at least the next 12 months based on our current capital resources.

We had cash and cash equivalents of US$55.1 million as of 31 March 2003. At that date, we also had credit facilities totalling US$412.8 million of which US$173.8 million was outstanding. Our credit facilities are all unsecured and consist of the following:

Description	Effective Interest Rate at 31 March 2003	Total Facility at 31 March 2003	Principal Outstanding at 31 March 2003
		(In millions of US$)	
US$ notes, fixed interest, repayable annually in varying tranches from 2004 through 2013	7.09%	$ 165.0	$ 165.0
A$ revolving loan, can be drawn down in either US$ or A$, variable interest based on US$ LIBOR or A$ bank bill rate plus margin, can be repaid and redrawn until maturity, in November 2005	N/A	120.8	—
US$ stand-by loan, can be drawn down in either US$ or A$, variable interest based on US$ LIBOR or A$ bank bill rate plus margin, until maturity, in October 2003	N/A	117.5	—
US$ line of credit, can be drawn down in Chilean Pesos, variable interest based on Chilean Tasa Activa Bancaria rate plus margin, maturity December 2003	4.80%	9.5	8.8
Total		**$ 412.8**	**$ 173.8**

Cash Flows

Cash Flows from Operating Activities

Net operating cash inflows decreased by US$11.8 million to US$64.8 million for the year ended 31 March 2003 compared to the prior year. Excluding the gain on disposal of subsidiaries, net cash inflows increased by US$71 million primarily due to the increase in operating profit.

Cash Flows from Investing Activities

Net investing activity cash flows produced a cash inflow of US$237.9 million for the year ended 31 March 2003 compared to a net cash outflow of US$77.2 million in the prior year. The primary increase was due to US$383.4 million generated from the sale of our Gypsum business and land, less US$57.1 million cash paid for the transfer of control of ABN 60. Also, we spent US$37.8 million more on capital expenditures in the current year. We also had a business acquisition cash outflow in the prior year of US$40.8 million that did not recur in the current year.

Cash Flows from Financing Activities

Net financing activities used US$279.4 million for the year ended 31 March 2003 compared to US$40.8 used in the prior year. Net repayments of borrowings increased by US$42.6 million, proceeds from the issuance of common stock decreased by US$109.7 million, repayment of capital increased by US$72.3 million and dividends paid increased by US$14.0 million.

Other Balance Sheet Items

On 31 March 2003, James Hardie deconsolidated and transferred control of its subsidiary ABN 60 Pty Limited (formerly James Hardie Industries Limited) to a newly created independent company called ABN 60 Foundation Pty Limited (“ABN 60 Foundation”). ABN 60 has obligations to make payments to the Medical Research and Compensation Foundation (“MRCF”) consistent with the arrangements that were in place in February 2001.

Discontinued Operations

In fiscal year 2002, we successfully completed the transformation of our company into a purely fibre cement business when we sold our Windows business and signed a definitive agreement to sell our USA-based Gypsum operations. We completed the sale of our Gypsum operations on 25 April 2002 and the sale of land related to our Gypsum operations on 21 March 2003. We recorded a net profit from discontinued operations of US$85.1 million during the year and US$2.5 million in the prior year.

End

Footnotes

***** *Presentation of this line item is not required under US GAAP.*

Notes

1. This Management's Discussion and Analysis document forms part of a package of information about the company's results. It should be read in conjunction with the other parts of this package, including a Media Release, a Management Presentation and a Results at a Glance document.

2. Management has used EBIT before restructuring and other operating expenses because this measure provides a more accurate indication of operating performance.

3. EBIT is defined as operating income. EBIT margin is defined as EBIT as a percentage of our net sales. We believe EBIT and EBIT margin to be relevant and useful information as these are the primary measures used by our management to measure the operating profit or loss of our business. EBIT is one of several metrics used by our management to measure the cash generated from our operations, excluding the operating cash requirement of our interest and income taxes. EBIT and EBIT margin should be considered in addition to, but not as a substitute for, other measures of financial performance reported in accordance with accounting principles generally accepted in the United States of America. EBIT and EBIT margin, as we have defined them, may not be comparable to similarly titled measures reported by other companies.

Disclaimer

This report contains forward-looking statements. Words such as "believe," "anticipate," "plan," "expect," "intend," "target," "estimate," "project," "predict," "forecast," "guideline," "should," "aim" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors, which are further discussed in our reports submitted to the Securities and Exchange Commission on Forms 20-F and 6-K and in our other filings, include but are not limited to: competition and product pricing in the markets in which we operate; general economic and market conditions; compliance with, and possible changes in, environmental and health and safety laws; dependence on cyclical construction markets; the supply and cost of raw materials; our reliance on a small number of product distributors; the consequences of product failures or defects; exposure to environmental or other legal proceedings; and risks of conducting business internationally. We caution you that the foregoing list of factors is not exclusive and that other risks and uncertainties may cause actual results to differ materially from those contained in forward-looking statements. Forward-looking statements speak only as of the date they are made.

Exhibit 99.5

James Hardie

4TH QUARTER AND FULL YEAR RESULTS
15 MAY 2003

Agenda

- Overview – Peter Macdonald, CEO
- Financial Review – Phillip Morley, CFO
- Operating Review – Peter Macdonald, CEO
- Questions and Answers

Strong Performance

4th Quarter and FY'03

		Q4 '03		FY
Sales Revenue	up	26%	up	32%
Gross Profit	up	46%	up	47%
EBIT[1]	up	29%	up	71%
Operating Profit[2]	up	59%	up	202%
Net Operating Profit[3]	up	226%	up	454%

[1]Before restructuring and other operating expenses

[2]Continuing operations only

[3]Includes discontinued operations and profit on sale of Gypsum

Strong Performance

4th Quarter

- USA Fibre cement EBIT up 56%
- Australia and New Zealand Fibre Cement EBIT down 32% including redundancy costs. Up 2% excluding redundancy costs
- Philippines – small profit
- Finalised Las Vegas Gypsum land sale – US$48.4 million net proceeds

Strong Growth Momentum

Full Year

- USA Fibre Cement EBIT* up 58%
- Australia Fibre Cement EBIT up 29%
- New Zealand Fibre Cement EBIT up 17%
- Philippines – EBIT positive
- Capital return of US 15 cents a share (EUR 13.05) plus US 2.5 cents a share final dividend

*Before restructuring and other operating expenses

Exceeding Targets

	Long Term Target p.a	FY03 Actual
Revenue Growth	>15%	32%
EBIT*/Sales Margin	>15%	16%
ROA (EBIT/GCE)	>15%	21%

*Before restructuring and other operating expenses

Capital Return and Dividend

- Capital return of US 15 cents a share (EUR 13.05 cents)
  - Requires shareholder approval (August AGM)
  - Payment likely in November 2003
  - Withholding tax free
- Final dividend of US 2.5 cents a share
  - Payment in July 2003

Financial Review

Phillip Morley, CFO

Income Statement – Q4

US$ Million	Q4 '03	Q4 '02	% Change
Net Sales	198.5	158.0	26
Gross Profit	79.8	54.5	46
SG&A	(45.9)	(29.0)	58
Research & Development	(5.5)	(3.4)	62
EBIT before restructuring and other operating expenses	28.4	22.1	29
Restructuring and other operating expenses	-	0.1	-
EBIT	28.4	22.2	28
Net Interest Expense	(2.1)	(3.3)	(36)
Other Income, Net	0.6	0.3	100
Income Tax Expense	(3.5)	(4.5)	(22)
Operating Profit	23.4	14.7	59

Continuing businesses only

Income Statement - FY

US$ Million	FY '03	FY '02	% Change
Net Sales	803.7	606.9	32
Gross Profit	301.8	205.3	47
SG&A	(153.1)	(114.8)	33
Research & Development	(18.1)	(14.1)	28
EBIT before restructuring and other operating expenses	130.6	76.4	71
Restructuring and other operating expenses	1.0	(28.1)	(104)
EBIT	131.6	48.3	172
Net Interest Expense	(19.9)	(16.0)	24
Other Income (Expense), Net	0.7	(0.4)	(275)
Income Tax Expense	(27.0)	(3.6)	-
Operating Profit	85.4	28.3	202

Continuing businesses only

Segment Sales – Q4

US$ Million	Q4 '03	Q4 '02	% Change
USA Fibre Cement	146.2	117.3	25
Asia Pacific Fibre Cement	48.5	39.0	24
Other Fibre Cement	3.8	1.7	124
Total	198.5	158.0	26

Continuing businesses only

Segment Sales - FY

US$ Million	FY '03	FY '02	% Change
USA Fibre Cement	599.7	444.8	35
Asia Pacific Fibre Cement	194.4	156.9	24
Other Fibre Cement	9.6	5.2	85
Total	803.7	606.9	32

Continuing businesses only

EBIT – Q4

US$ Million	Q4 '03	Q4 '02	% Change
USA Fibre Cement	37.8	24.2	56
Asia Pacific Fibre Cement	4.9	6.6	(26)
Other Fibre Cement	(2.5)	(2.2)	(14)
R & D	(4.1)	(2.7)	(52)
Total Segment EBIT	36.1	25.9	39
Corporate Costs	(7.7)	(3.7)	(108)
Total EBIT	28.4	22.2	28

Continuing businesses only

EBIT - FY

US$ Million	FY '03	FY '02	% Change
USA Fibre Cement*	155.1	85.8	81
Asia Pacific Fibre Cement	30.1	22.4	34
Other Fibre Cement	(10.7)	(8.8)	21
R & D	(13.0)	(10.0)	30
Total Segment EBIT*	161.5	89.4	81
Corporate Costs	(29.9)	(41.1)	27
Total EBIT*	131.6	48.3	172

Continuing businesses only

*After restructuring and other operating expenses

Corporate Costs – Q4

US$ Million	Q4 '03	Q4 '02
Economic Profit Bonus Accrual	2.7	-
Stock Options Expense (SFAS 123)*	1.7	(1.4)
Ongoing Costs – Variable (Pulp Hedge (settled in Q4'03), Employee Share Plan)	0.1	1.9
Corporate Costs	3.2	4.9
Total	7.7	5.4

* Q4 '02 amounts is the net SFAS 123 adoption adjustment. It includes SFAS 123 expense of US$1.3 million

Corporate Costs - FY

US$ Million	FY '03	FY '02
Restructure Costs (Corporate Restructure)	-	7.4
Economic Profit Bonus Accrual	7.1	-
Stock Option Expense (SFAS 123)*	1.7	(1.4)
Ongoing Costs – Variable (Pulp Hedge (settled in Q4'03), Employee Share Plan)	1.3	20.0
Corporate Costs	19.8	15.1
Total	29.9	41.1

* Q4 '02 amount is the net SFAS 123 adoption adjustment. It includes SFAS 123 expense of US$1.3 million

Net Interest Expense

US$ Million	Q4 '03	Q4 '02	% Change
Ongoing Net Interest Expense	2.1	3.3	(36)

	FY '03	FY '02	% Change
Ongoing Net Interest Expense	10.0	16.0	(38)
Make-Whole Payment[1]	9.9	-	-
Net Interest Expense	19.9	16.0	24

[1] Make-whole payment associated with the early retirement of US$60 million of long-term debt.

Income Tax Expense

US$ Million	Q4 '03	Q4 '02	% Change
Income Tax Expense	(3.5)	(4.5)	(22)
Rate	13.0%	23.4%	(44)
	FY '03	FY '02	% Change
Income Tax Expense	(27.0)	(3.6)	-
Rate	24.0%	11.3%	112

Income Tax Expense

Tax Rate

- Dutch effective tax rate 15% on finance company profits
- Lower rates than 15% apply if finance company profits reinvested in qualifying capital projects
- Major capital expenditure program funded from Dutch finance company
- Capital releases in Q4

EBITDA – Q4

US$ Million	Q4 '03	Q4 '02	% Change
EBITDA			
USA Fibre Cement	42.2	28.3	49
Asia Pacific Fibre Cement	7.7	8.6	(10)
Other Fibre Cement	(2.4)	(2.2)	(9)
R & D	(4.1)	(2.7)	(52)
Total Segment EBITDA	43.4	32.0	36
Corporate	(7.7)	(3.7)	(108)
Total EBITDA	35.7	28.3	26
EBIT/Operating Profit			
USA Fibre Cement	37.8	24.2	56
Asia Pacific Fibre Cement	4.9	6.6	(26)
Other Fibre Cement	(2.5)	(2.2)	(14)
R & D	(4.1)	(2.7)	(52)
Corporate	(7.7)	(3.7)	(108)
Depreciation and Amortization			
USA Fibre Cement	4.4	4.1	7
Asia Pacific Fibre Cement	2.8	2.0	40
Other Fibre Cement	0.1	0.0	-
Total	35.7	28.3	26

Continuing businesses only
Reconciliation of EBITDA to USGAAP measure - Regulation G

EBITDA - FY

US$ Million	FY '03	FY '02	% Change
EBITDA			
USA Fibre Cement*	173.3	100.3	73
Asia Pacific Fibre Cement	39.0	31.2	25
Other Fibre Cement	(10.3)	(8.6)	(20)
R & D	(13.0)	(10.0)	(30)
Total Segment EBITDA*	189.0	112.9	67
Corporate*	(29.7)	(40.8)	27
Total EBITDA*	159.3	72.1	121
EBIT\Operating Profit			
USA Fibre Cement	155.1	85.8	81
Asia Pacific Fibre Cement	30.1	22.4	34
Other Fibre Cement	(10.7)	(8.8)	(22)
R & D	(13.0)	(10.0)	(30)
Corporate	(29.9)	(41.1)	27
Depreciation and Amortization			
USA Fibre Cement	18.2	14.5	26
Asia Pacific Fibre Cement	8.9	8.8	1
Other Fibre Cement	0.4	0.2	100
Corporate	0.2	0.3	(33)
Total	159.3	72.1	121

Continuing businesses only *Before restructuring and other operating expenses
Reconciliation of EBITDA to USGAAP measure - Regulation G

Capital Expenditure – Q4

US$ Million	Capital Expenditure		Depreciation	
	Q4 '03	Q4 '02	Q4 '03	Q4 '02
USA Fibre Cement	27.8	2.8	4.4	4.0
Asia Pacific Fibre Cement	0.5	3.2	2.8	2.0
Other Fibre Cement	0.5	0.2	0.1	-
Total Segments	28.8	6.2	7.3	6.0

Continuing businesses only

Capital Expenditure - FY

US$ Million	Capital Expenditure FY '03	Capital Expenditure FY '02	Depreciation FY '03	Depreciation FY '02
USA Fibre Cement	81.0	39.2	18.0	14.4
Asia Pacific Fibre Cement	6.7	8.1	8.9	8.7
Other Fibre Cement	2.1	3.3	0.4	-
Total Segments	89.8	50.6	27.3	23.1

Continuing businesses only

Key Ratios

	FY '03	FY '02	FY '01	FY '00
EPS (Basic) *	18.7c	6.4c	7.3c	6.1c
Return on Shareholders' Funds	42.3%	8.9%	14.7%	58.1%
Return on Capital Employed *	21.2%	8.6%	8.6%	14.1%
EBIT/Sales *	16.4%	8.0%	7.6%	11.7%
Gearing $\frac{\text{Net debt}}{\text{Net debt \& Equity}}$	21.4%	44.7%	56.1%	48.8%
Net Interest Cover *	6.6x	3.0x	3.1x	3.0x

*Continuing businesses only

Economic Profit

US$ Million	FY'03	FY'02*
NOPAT	111.3	55.0[1]
Average Capital	627.6	583.7
WACC Rate	9.8%	9.8%
Capital Charge	61.5	57.2
Economic Profit	49.8	(3.7)

*Restated using updated WACC Rate for FY'03; USGAAP; excluding Gypsum
[1]Restated for stock compensation

Operating Review
Peter Macdonald, CEO

USA Fibre Cement

USA Fibre Cement

4th Quarter Result

Net Sales	up	25% to US$146.2 million
Sales Volume	up	12% to 297.9 mmsf
Average Price	up	11% to US$491 per msf
EBIT*	up	56% to US$37.8 million
EBIT Margin*	up	5.3 pts to 25.9%

*Before restructuring and other operating expenses

USA Fibre Cement

Full Year Result

Net Sales	up	35% to US$599.7 million
Sales Volume	up	29% to 1,273.6 mmsf
Average Price	up	5% to US$471 per msf
EBIT*	up	58% to US$155.1 million
EBIT Margin*	up	3.7 pts to 25.9%

*Before restructuring and other operating expenses

4th Quarter Trading Conditions

- Housing construction remained relatively healthy
- Bad weather in some regions
- Some softening in consumer confidence
- Normal seasonal industry slowdown

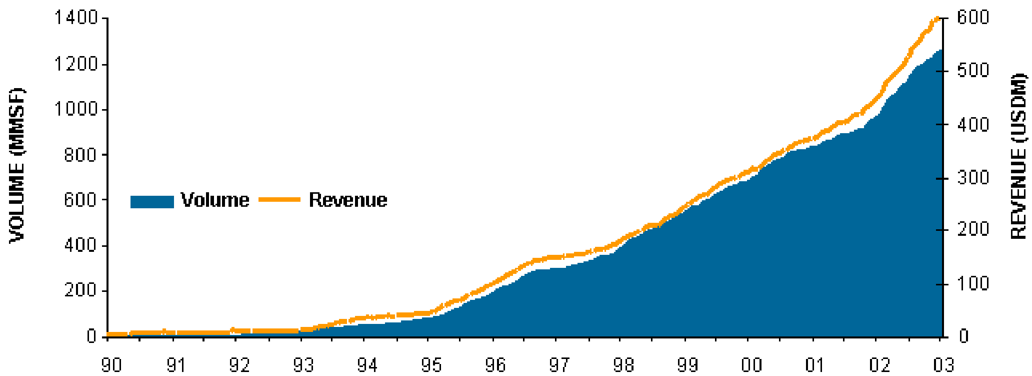
USA Fibre Cement

Key Points Q4

- Continued strong demand for fibre cement
- Increased penetration in both exterior and interior markets
- Increased penetration in the north and south
- Strong growth in differentiated, higher priced products
- Further roll out of XLD Trim in targeted markets

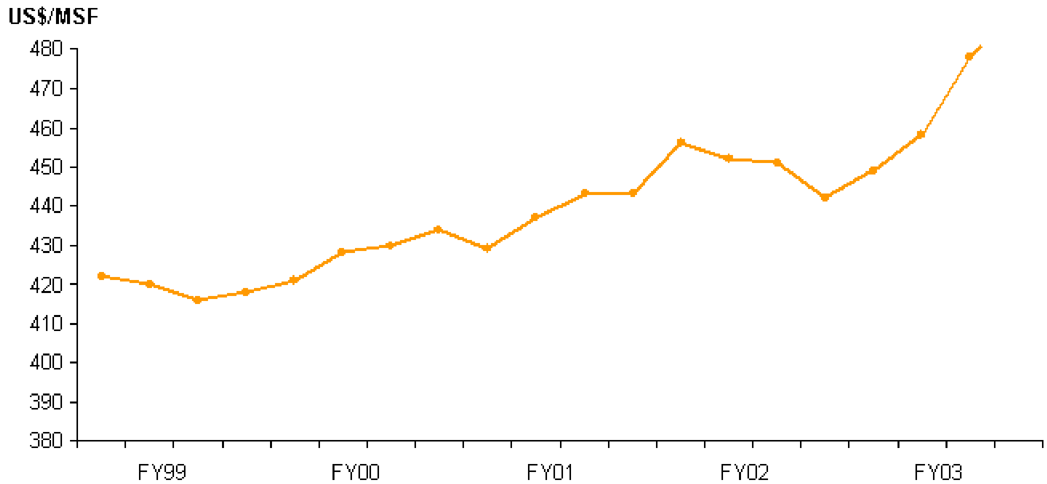
USA Fibre Cement

Revenue Growth Continuing to outstrip Volume Growth



USA Fibre Cement

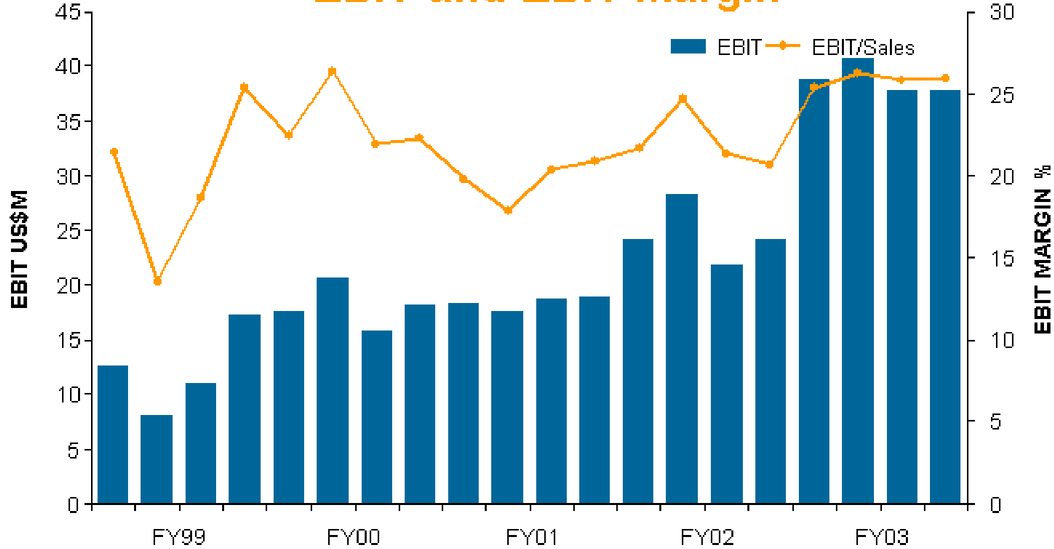
Average Quarterly Selling Price



* Excludes impact of reversal of sales rebate accrual

USA Fibre Cement

EBIT and EBIT Margin*



*Excludes restructuring and other operating expenses

USA Fibre Cement

Strategy

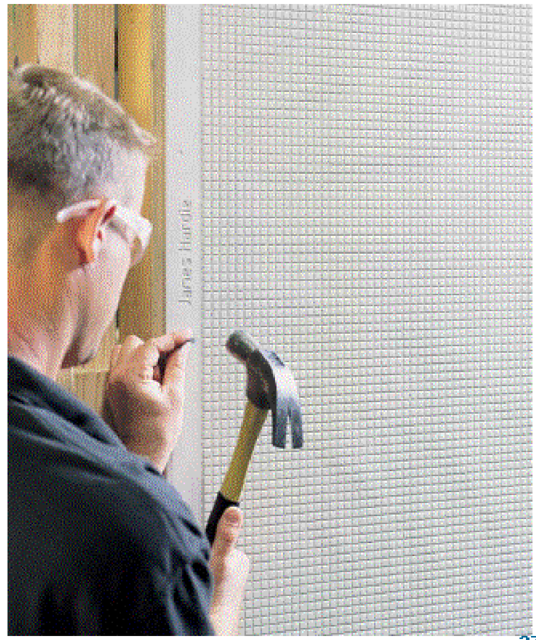
- Aggressively grow market for fibre cement
- Grow our overall market position while defending our share in existing market segments
- Offer products with superior value to that of our competitors, introducing differentiated products to reduce direct price competition
- Optimise earnings with desired rate of market penetration

USA Fibre Cement

Outlook

- Continued growth in primary demand
- Housing construction to remain healthy over short-term
  - Approvals up, inventories low, house prices high and interest rates low
  - Consumer confidence lifted from lows
- Fundamental drivers of housing suggest strong demand over medium to longer-term
- Further market share gains in the north, south and across product range
- Strong growth in differentiated, higher priced products

Asia Pacific Fibre Cement



Asia Pacific Fibre Cement

4th Quarter Result

Net Sales	up	24% to US$48.5 million
Sales Volume	up	12% to 92.0 mmsf
EBIT	down	26% to US$4.9 million
EBIT Margin	down	6.8 pts to 10.1%

Asia Pacific Fibre Cement

Full Year Result

Net Sales	up	24% to US$194.4 million
Sales Volume	up	15% to 368.3 mmsf
EBIT	up	34% to US$30.1 million
EBIT Margin	up	1.2 pts to 15.5%

Asia Pacific Fibre Cement

Strategy

- Grow primary demand for fibre cement
- Focus on supply chain efficiencies across the region
- Ongoing manufacturing improvements to further lower cost of production
- Introduce new differentiated products to increase share in existing markets
- Grow the Asian market through participation in strategic markets

Asia Pacific Fibre Cement

Australia – Key Points Q4

- Relatively strong level of building activity but some softening towards end of quarter
- Volumes up 13% helped by robust level of renovation activity
- Gross profit up 28%
- EBIT down 25% and EBIT margin down to 12.4% due mainly to redundancy costs
- EBIT up 6% excluding redundancy costs (US$1.6M)

Australia – Outlook

- Further softening in housing sector
- Renovations and commercial segments to remain buoyant
- Cost reductions
- New products and strategies to increase demand
- Strong EBIT performance

New Zealand – Key Points

- Residential building activity remained healthy
- Increased penetration in key markets helped lift volumes 27%
- Further strong growth in Linea® weatherboard cladding and trim products
- Non residential building activity remained soft but panel sales continued to be strong
- Gross profit up 19%
- EBIT down 61% and EBIT margin down to 4.1% due mainly to redundancy costs ($0.6M)
- EBIT down 15% excluding redundancy costs (US$0.6M)

New Zealand – Outlook

- Healthy residential building activity to continue in short term, but some softening expected late in year
- Increase sales of differentiated, higher price products
- Further weakness in non-residential segment
- Cost reductions
- Strong EBIT performance

Asia Pacific Fibre Cement

Philippines – Key Points

- Slower construction activity due to higher material prices and regional economic uncertainty
- Domestic volumes up 8% for quarter, 27% for full year
- Continued growth in domestic demand helped lift total volumes 3%
- Further market share taken from plywood
- Export demand remained weak for quarter, export volumes down 38%, full year down 54%
- Improved manufacturing performance
- Small operating profit for the quarter and full year

Philippines – Outlook

- Construction activity to slow due to continued regional economic uncertainty
- Further growth in domestic sales
- Export sales to remain weak
- More manufacturing cost improvements

Business Portfolio Strategy

- Business portfolio balanced to achieve short and long term growth
  - USA expected to double between 2002 - 2007
  - Growth and attractive returns from ANZ
  - Numerous opportunities for growth > 5 years
  - Asset mix reflects this

High Growth From Unique Technology

James Hardie Business Portfolio – FY 03

	GCE	Sales	EBIT
USA			
– Established high growth/high return	70%	75%	89%
Asia Pacific			
– Established high return	21%	24%	17%
Other			
– Emerging opportunities (Pipes, Roofing, Europe, Chile)	9%	1%	(6%)
Total	100%	100%	100%

Chile Fibre Cement – Key Points

- Continued penetration of domestic market
- Normal seasonal increase in construction activity
- Revenue and volumes more than doubled despite weaker economic conditions
- Prices remained low due to competitive pressures

Chile Fibre Cement – Outlook

- Further penetration of the domestic market
- Continued strong growth in sales revenue and volumes
- Increased sales of differentiated, higher price products

FRC Pipes – Key Points

- Continued to penetrate the south-east market
- Sales more than doubled
- Lower costs and improved manufacturing performance
- Increased output – particularly large diameter pipes
- Prices continue to be affected by competition

FRC Pipes – Outlook

- Continued market penetration as awareness increases
- Further improvements in manufacturing costs and performance
- Competitive pressures to keep prices weak

Roofing

- Pilot plant completed and being commissioned
- Plant located at Fontana, California – 25mmsf
- Field product testing has commenced
- First woodshake sales expected in June

Europe

- Initially pursuing a low cost, low risk strategy
- Products imported from US
- Selling into UK and France
- Initial products: Backerboard, Plank and Trim

Research and Development

- Key driver of growth
- Core projects
  - engineered raw materials
  - product formulations
  - engineering and process technologies
  - lightweight and durable products for all climates
- Sustainable competitive advantage continuing to be built

Outlook

- The fundamental drivers of future demand in North America suggest that the housing sector should remain healthy over the medium to long-term
- In the short term, the strong results achieved in the past year are continuing into the first quarter
- In Asia Pacific, there are initiatives in place to address some softening in building activity
- Overall, the prospects for another good year are very encouraging

Disclaimer

- ***Notes***

1. *Unless otherwise stated, results are for continuing operations only and comparisons are of the 4th quarter of the current fiscal year versus the 4th quarter of the prior fiscal year.*
2. *This Management Presentation forms part of a package of information about the company's results. It should be read in conjunction with the other parts of this package, including Management's Discussion and Analysis (MD&A), a Media Release and Results at a Glance document.*
3. *Management has used EBIT before restructuring and other operating expenses because this measure provides a more accurate indication of operating performance. Presentation of this line item is not required under US GAAP. Refer to the MD&A for information reconciling this measure to the comparable US GAAP measure.*

Disclaimer

This presentation contains forward-looking statements. Words such as "believe," "anticipate," "plan," "expect," "intend," "target," "estimate," "project," "predict," "forecast," "guideline," "should," "aim" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors, which are further discussed in our reports submitted to the Securities and Exchange Commission on Forms 20-F and 6-K and in our other filings, include but are not limited to: competition and product pricing in the markets in which we operate; general economic and market conditions; compliance with, and possible changes in, environmental and health and safety laws; dependence on cyclical construction markets; the supply and cost of raw materials; our reliance on a small number of product distributors; the consequences of product failures or defects; exposure to environmental or other legal proceedings; and risks of conducting business internationally. We caution you that the foregoing list of factors is not exclusive and that other risks and uncertainties may cause actual results to differ materially from those contained in forward-looking statements. Forward-looking statements speak only as of the date they are made.

James Hardie

4TH QUARTER AND FULL YEAR RESULTS
15 MAY 2003

Exhibit 99.6

Appendix 4B (Rule 4.13(b))

Preliminary final report

Name of entity

JAMES HARDIE INDUSTRIES N.V.

Incorporated in The Netherlands

ARBN	Half yearly	Preliminary final	Financial year ended ('current period')
097 829 895		**X**	**31-March-03**

For announcement to the market

		US$ million
Sales revenue (item 1.23)	Up 32.4% to	**803.7**
Revenues from ordinary activities *(item 1.1)*	Up 32.5% to	**807.6**
Profit (loss) from continuing, ordinary operations after tax *(item 1.7a)*	Up 201.8% to	**85.4**
Profit (loss) from discontinued operations after tax *(item 1.7b)*	Up $82.6 million to	**85.1**
Profit (loss) from ordinary activities after tax attributable to members *(item 1.22)*	Up 453.6% to	**170.5**
Profit (loss) from extraordinary items after tax attributable to members *(item 2.5)*	Gain (loss) of	—
Net profit (loss) for the period attributable to members *(item 1.11)*	Up 453.6% to	**170.5**

Dividends (distributions)	Amount per security cents	Franked amount per security
Final dividend *(Preliminary final report only — item 15.4)*	US 2.5¢	—
Interim dividend *(Half yearly report only — item 15.6)*	—	
Previous corresponding period		
Final dividend *(Preliminary final report — item 15.5)*	US 5.0¢	—
Interim dividend *(Half yearly report only — item 15.7)*	—	—

Record date for determining entitlements to the dividend, (in the case of a trust, distribution) *(see item 15.2)* 12 June 2003

Brief explanation of omission of directional and percentage changes to profit in accordance with Note 1 and short details of any bonus or cash issue or other item(s) of importance not previously released to the market:

Not applicable

Condensed consolidated statement of financial performance

		Current period 31 Mar 03 US$ million	Previous corresponding period 31 Mar 02 US$ million	Current period 31 Mar 03 A$ million	Previous corresponding period 31 Mar 02 A$ million
1.0a	Sales revenue (see item 1.23)	803.7	606.9	1,431.3	1,182.4
1.0b	Other revenues from ordinary activities (see items 1.24 - 1.25)	3.9	2.4	6.9	4.7
1.1	Revenues from ordinary activities (see items 1.23 - 1.25)	807.6	609.3	1,438.2	1,187.1
1.2	Expenses from ordinary activities (see items 1.26a - 1.26e)	(671.4)	(559.0)	(1,195.7)	(1,089.1)
1.3	Borrowing costs (excluding interest revenue)	(23.8)	(18.4)	(42.4)	(35.8)
1.4	Share of net profits (losses) of associates and joint venture entities (see item 16.7)	—	—	—	—
1.5	**Profit (loss) from continuing, ordinary activities before tax**	112.4	31.9	200.1	62.2
1.6	Income tax on continuing ordinary activities	(27.0)	(3.6)	(48.1)	(7.0)
1.7a	**Profit (loss) from continuing, ordinary activities after tax**	85.4	28.3	152.0	55.2
1.7b	Profit (loss) from ordinary activities of discontinued operations after tax	85.1	2.5	151.6	4.9
1.7c	**Profit (loss) from ordinary activities after tax**	170.5	30.8	303.6	60.1
1.8	Profit (loss) from extraordinary items after tax (see item 2.5)	—	—	—	—
1.8b	Cumulative effect of a change in accounting principle after tax	—	—	—	—
1.9	**Net profit (loss)**	170.5	30.8	303.6	60.1
1.10	Net profit (loss) attributable to outside equity interests	—	—	—	—
1.11	**Net profit (loss) for the period attributable to members**	170.5	30.8	303.6	60.1
	Non-owner transaction changes in equity				
1.12	Increase (decrease) in revaluation reserves	—	—		
1.13	Net exchange differences recognized in equity	21.9	(14.9)		
1.14a	Stock compensation	1.9	1.8		
1.14b	Tax benefit from stock options exercised	0.8	0.2		
1.14c	Employee loans	0.4	3.1		
1.14d	Unrealised transition loss on derivative instruments classified as cash flow hedges	—	(4.9)		
1.14e	Amortization of unrealised transition loss on derivative instruments	1.1	1.1		
1.14f	Net unrealised gains on available-for-sale securities	—	1.3		
1.14g	Additional Minimum Pension liability adjustment	(7.7)	—		
1.15	Initial adjustments from UIG transitional provisions	N/A	N/A		
1.16	Total transactions and adjustments recognized directly in equity (items 1.12 to 1.15)	18.4	(12.3)		
1.17	**Total changes in equity not resulting from transactions with owners as owners**	188.9	18.5		
	Earnings per security (EPS)				
1.18	Basic EPS	0.37	0.07		
1.19	Diluted EPS	0.37	0.07		

Notes to the condensed consolidated statement of financial performance

Profit (loss) from ordinary activities attributable to members

		Current period 31 Mar 03 US$ million	Previous corresponding period 31 Mar 02 US$ million
1.20	Profit (loss) from ordinary activities after tax *(item 1.7c)*	170.5	30.8
1.21	Less (plus) outside equity interests	—	—
1.22	**Profit (loss) from ordinary activities after tax, attributable to members**	170.5	30.8

Revenue and (expenses) from continuing, ordinary activities

		Current period 31 Mar 03 US$ million	Previous corresponding period 31 Mar 02 US$ million
1.23	Revenues from sales or services	803.7	606.9
1.24	Interest revenue	3.9	2.4
1.25	Other relevant revenue	—	—
1.26a	Cost of goods sold	(501.9)	(401.6)
1.26b	Selling, general and administrative expenses	(153.1)	(114.8)
1.26c	Research and development expenses	(18.1)	(14.1)
1.26d	Restructuring and other operating expenses	1.0	(28.1)
1.26e	Other income (expense), net	0.7	(0.4)
1.27	Depreciation and amortisation excluding amortization of intangibles (included in items 1.26a & 1.26b)	(27.4)	(23.5)
	Capitalized outlays		
1.28	Interest costs capitalized in asset values	1.7	6.5
1.29	Outlays capitalized in intangibles (unless arising from an acquisition of a business)	—	—

Consolidated retained profits

		Current period 31 Mar 03 US$ million	Previous corresponding period 31 Mar 02 US$ million
1.30	Retained profits (accumulated losses) at the beginning of the financial period	(91.8)	(102.3)
1.31	Net profit (loss) attributable to members (item 1.11)	170.5	30.8
1.32	Net transfers from (to) reserves	—	—
1.33	Net effect of changes in accounting policies	—	—
1.34	Dividends and other equity distributions paid or payable	(34.3)	(20.3)
1.35	**Retained profits (accumulated losses) at end of financial period**	44.4	(91.8)

Intangible and extraordinary items

		Consolidated Current period to 31 March 2003			
		Before Tax US$ million (a)	Related Tax US$ million (b)	Related outside +equity interests US$ million (c)	Amount (after tax) attributable to members US$ million (d)
2.1	Amortisation of goodwill	—	—	—	—
2.2	Amortisation of other intangibles	0.2	—	—	0.2
2.3	**Total amortisation of intangibles**	0.2	—	—	0.2
2.4	Extraordinary items	—	—	—	—
2.5	**Total extraordinary items**	—	—	—	—

Comparison of half year profits

		Current period 31 Mar 03 US$ million	Previous corresponding period 31 Mar 02 US$ million
(Preliminary final report only)			
3.1	Consolidated profit (loss) from ordinary activities after tax attributable to members reported for the 1st half year (item 1.22 in the half yearly report)	100.5	9.5
3.2	Consolidated profit (loss) from ordinary activities after tax attributable to members for the 2nd half year	70.0	21.3

Condensed consolidated statement of financial position

		At end of current period 31 Mar 03 US$ million	As shown in last annual report 31 Mar 02 US$ million	As shown in last half-yearly report 30 Sep 02 US$ million	At end of current period 31 Mar 03 A$ million	As shown in last annual report 31 Mar 02 A$ million	As shown in last half-yearly report 30 Sep 02 A$ million
	Current assets						
4.1	Cash	55.1	31.1	321.8	91.2	58.5	591.0
4.2	Receivables	91.4	80.3	86.6	151.3	151.0	159.1
4.3	Investments	—	—	—	—	—	—
4.4	Inventories	75.2	65.4	50.6	124.5	123.0	92.9
4.5	Tax assets	43.5	32.5	22.5	72.1	61.1	41.3
4.6a	Other — prepayments	6.6	7.2	7.3	10.9	13.5	13.4
4.6b	Other — current assets of discontinued operations	—	41.4	—	—	77.9	—
4.7	**Total current assets**	271.8	257.9	488.8	450.0	485.0	897.7
	Non-current assets						
4.8	Receivables	3.7	5.5	5.7	6.1	10.3	10.5
4.9	Investments (equity accounted)	—	—	—	—	—	—
	Other investments	6.0	6.7	6.6	9.9	12.6	12.1
4.11	Inventories	—	—	—	—	—	—
4.12	Exploration and evaluation expenditure capitalised	—	—	—	—	—	—
4.13	Development properties (mining entities)	—	—	—	—	—	—
4.14	Other Property, plant, equipment (net)	521.3	451.0	463.4	863.2	848.2	851.1
4.15	Intangibles (net)	3.4	3.6	3.3	5.6	6.8	6.1
4.16	Tax assets	21.4	5.8	2.1	35.4	10.9	3.9
4.17a	Other — prepaid pension	—	8.9	9.3	—	16.7	17.1
4.17b	Other — non-current assets of discontinued operations	—	228.4	—	—	429.6	—
4.18	**Total non-current assets**	555.8	709.9	490.4	920.2	1,335.1	900.8
4.19	**Total assets**	827.6	967.8	979.2	1,370.2	1,820.1	1,798.5
	Current liabilities						
4.20a	Payables	75.2	59.7	74.3	124.5	112.3	136.5
4.20c	Dividends payable	—	—	22.8	—	—	41.9
4.21	Interest bearing liabilities	8.8	4.9	6.1	14.6	9.2	11.2
4.22	Tax liabilities	8.7	18.3	36.0	14.4	34.4	66.1
4.23	Provisions exc. tax liabilities	43.9	40.3	36.4	72.7	75.8	66.9
4.24	Other — current liabilities of discontinued operations	—	19.6	—	—	36.9	—
4.25	**Total current liabilities**	136.6	142.8	175.6	226.2	268.6	322.6
	Non-current liabilities						
4.26	Payables	—	—	—	—	—	—
4.27	Interest bearing liabilities	165.0	325.0	225.0	273.2	611.3	413.2
4.28	Tax liabilities	65.5	23.0	32.7	108.5	43.3	60.1
4.29a	Provisions exc. tax liabilities	25.8	21.8	27.6	42.7	41.0	50.7
4.29b	Liability to Medical Research & Compensation Foundation	—	50.2	51.4	—	94.4	94.4
4.30	Other — non-current liabilities — discontinued operations	—	34.3	—	—	64.5	—
4.31	**Total non-current liabilities**	256.3	454.3	336.7	424.4	854.5	618.4
4.32	**Total liabilities**	392.9	597.1	512.3	650.6	1,123.1	941.0
4.33	**Net assets**	434.7	370.7	466.9	719.6	697.0	857.5
	Equity						
4.34	Capital/contributed equity	441.0	528.9	534.8			
4.35a	Accumulated other comprehensive income (loss)	(46.3)	(61.6)	(46.1)			
4.35b	Employee loans	(4.4)	(4.8)	(4.7)			
4.36	Retained profits (Accumulated losses)	44.4	(91.8)	(17.1)			
4.37	**Equity attributable to members of the parent entity**	434.7	370.7	466.9			
4.38	Outside equity interests in controlled entities	—	—	—			
4.39	**Total equity**	434.7	370.7	466.9			
4.40	Preference capital included as part of 4.37	—	—	—			

Notes to the condensed consolidated statement of financial performance

Exploration and evaluation expenditure capitalised
To be completed only by entities with mining interests if amounts are material. Include all expenditure incurred regardless of whether written off directly against profit.

		Current period 31 Mar 03 US$ million	Previous corresponding period 31 Mar 02 US$ million
5.1	Opening balance	—	—
5.2	Expenditure incurred during current period	—	—
5.3	Expenditure written off during current period	—	—
5.4	Acquisitions, disposals, revaluation increments, etc.	—	—
5.5	Expenditure transferred to Development Properties	—	—
5.6	**Closing balance as shown in the consolidated balance sheet** (item 4.12)	—	—

Development properties
To be completed only by entities with mining interests if amounts are material.

		Current period 31 Mar 03 US$ million	Previous corresponding period 31 Mar 02 US$ million
6.1	Opening balance	—	—
6.2	Expenditure incurred during current period	—	—
6.3	Expenditure transferred from exploration and evaluation	—	—
6.4	Expenditure written off during current period	—	—
6.5	Acquisitions, disposals, revaluation increments, etc.	—	—
6.6	Expenditure transferred to mine properties	—	—
6.7	**Closing balance as shown in the consolidated balance sheet** (item 4.13)	—	—

Condensed consolidated statement of cash flows

		Current period 31 Mar 03 US$ million	Previous corresponding period 31 Mar 02 US$ million	Current period 31 Mar 03 A$ million	Previous corresponding period 31 Mar 02 A$ million
	Cash flows related to operating activities				
7.1	Net Income	170.5	30.8	303.6	60.1
	Adjustments to reconcile net income to net cash provided by operating activities:				
7.2	Gain on disposal of subsidiaries and business	(84.8)	(2.0)	(151.0)	(3.9)
7.3	(Gain)/Loss on disposal of investments and negotiable securities	(0.4)	1.3	(0.7)	2.5
7.4	Other dividends received	—	—	—	—
7.5	Depreciation and Amortization	28.7	39.9	51.1	77.7
7.6	Deferred income taxes	(10.6)	(0.6)	(18.9)	(1.2)
7.7	Prepaid pension cost	(0.3)	(0.7)	(0.5)	(1.4)
7.8	Tax benefit from stock options exercised	0.8	0.2	1.4	0.4
7.8a	Stock Compensation	1.9	1.8	3.4	3.5
7.8b	Other	—	(0.4)	—	(0.9)
	Changes in operating assets/liabilities:				
7.8c	Accounts receivable, prepaids, and other current assets	(20.7)	(29.1)	(36.8)	(56.7)
7.8d	Inventories	(8.5)	16.4	(15.1)	32.0
7.8e	Accounts payable, accrued liabilities and other liabilities	(11.8)	19.0	(21.0)	37.0
7.9	**Net operating cash flows**	64.8	76.6	115.5	149.1
	Cash flows related to investing activities				
7.10	Payment for purchases of property, plant and equipment	(90.2)	(52.4)	(160.6)	(102.1)
7.11	Proceeds from sale of property, plant and equipment	49.0	0.3	87.3	0.6
7.12	Payment for purchases of equity investments and businesses	—	(40.8)	—	(79.5)
7.13	Proceeds from sale of equity investments and businesses	335.5	11.7	597.5	22.8
7.14	Loans to other entities	—	—	—	—
7.15	Loans repaid by other entities	0.7	4.0	1.2	7.8
7.16	Other (Cash transferred on establishment of ABN 60 Foundation)	(57.1)	—	(101.7)	—
7.17	**Net investing cash flows**	237.9	(77.2)	423.7	(150.4)
	Cash flows related to financing activities				
7.18	Proceeds from issues of securities (shares, options, etc)	4.2	113.9	7.5	221.9
7.19	Proceeds from borrowings	5.5	230.4	9.8	448.9
7.20	Repayment of borrowings	(160.0)	(342.3)	(284.9)	(666.9)
7.21	Dividends paid	(34.3)	(20.3)	(61.1)	(39.6)
7.22	Other — Repayments of capital	(94.8)	(22.5)	(168.8)	(43.8)
7.23	**Net financing cash flows**	(279.4)	(40.8)	(497.5)	(79.5)
7.24	**Net increase (decrease) in cash held**	23.3	(41.4)	41.7	(80.8)
7.25	Cash at beginning of period *(see Reconciliation of cash)*	31.1	75.1	58.5	153.3
7.26	Exchange rate adjustments to item 7.25	0.7	(2.6)	(9.0)	(14.0)
7.27	**Cash at end of period** *(see Reconciliation of cash)*	55.1	31.1	91.2	58.5

Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.

Not applicable

Reconciliation of cash

	Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows:	Current period 31 Mar 03 US$ million	Previous corresponding period 31 Mar 02 US$ million
8.1	Cash on hand and at bank	40.2	11.1
8.2	Deposits at call	14.9	20.0
8.3	Bank overdraft (excluded from reconciliation under US GAAP)	—	—
8.4	Other (provide details)	—	—
8.5	**Total cash at end of period** *(item 7.27)*	55.1	31.1

Ratios

		Current period 31 Mar 03	Previous corresponding period 31 Mar 02
	Profit before tax / revenue		
9.1	Consolidated operating profit (loss) from continuing, ordinary activities before tax (item 1.5) as a percentage of revenue *(item 1.1)*	13.9%	5.2%
	Profit after tax / equity interests		
9.2	Consolidated net profit (loss) from ordinary activities after tax attributable to members *(item 1.11)* as a percentage of equity (similarly attributable) at the end of the period *(item 4.37)*	39.2%	8.3%

Earnings per security (EPS)

10.1	Calculation of the following in accordance with *SFAS 128: Earnings per Share*	US$	US$
	(a) Basic EPS	$ 0.37	$ 0.07
	(b) Diluted EPS (if materially different from (a))	$ 0.37	$ 0.07
	(c) Weighted average number of ordinary shares outstanding during the period used in the calculation of the Basic EPS	456,665,162	438,368,414
	(d) Weighted average number of ordinary shares outstanding during the period used in the calculation of the Diluted EPS	459,367,999	440,407,504

NTA backing

		Current period 31 Mar 03 US$	Previous corresponding period 31 Mar 02 US$
11.1	Net tangible asset backing per ordinary security	$ 0.80	$ 0.72

Discontinuing Operations

		Current period 31 Mar 03 US$ million	Previous corresponding period 31 Mar 02 US$ million
12.1	Discontinuing Operations (US GAAP)		
	Gypsum		
	Net sales	18.7	247.6
	Income (loss) before income taxes	1.8	0.9
	Income tax benefit (expense)	(0.7)	(0.4)
	Net Income (loss)	1.1	0.5
	Gain (loss) on disposal, net of income taxes	84.0	2.0
	Income (loss) from discontinued operations	85.1	2.5

Gypsum

On 13 March 2002, the Company announced that it had signed an agreement to sell its US-based Gypsum operations to a third party. The transaction was completed on 25 April 2002. A pre-tax gain of $81.4 million represented the excess of net proceeds from the sale of $334.4 million over the net book value of assets sold of $253.0 million. The sale resulted in an income tax expense of $26.1 million. The proceeds from the sale were comprised of cash of $345.0 million less selling costs of $10.6 million

On 28 June 2001, the Company entered into an agreement to sell its gypsum mine property in Las Vegas, Nevada to a developer. The transaction was completed on 21 March 2003. A pre-tax gain of $49.2 million represented the excess of net proceeds from the sale of $48.4 million less the cost of assets sold of $0.7 million and the assumption of $1.5 million in liabilities by the buyer. The sale resulted in income tax expense of $19.2 million. The proceeds from the sale were comprised of cash of $50.6 million less selling costs of $2.2 million.

ABN 60 Pty Ltd

On 31 March 2003, the company transferred control of ABN 60 Pty Limited (“ABN 60”, formerly James Hardie Industries Limited) to a newly established company named ABN 60 Foundation Pty Ltd (ABN 60 Foundation). ABN 60 Foundation was established to fund medical research into asbestos related diseases and to hold the shares in ABN 60. Following the establishment of the ABN 60 Foundation, JHI NV no longer owns any shares of ABN 60. ABN 60 and ABN 60 Foundation are managed by independent directors and operate entirely independently of the Company. The Company does not control the activities of ABN 60 or ABN 60 Foundation in any way. The Company has no economic interest in ABN 60 or ABN 60 Foundation, has no right to dividend or capital distributions, nor will it benefit in the event that there is ultimately a surplus of funds in ABN 60 Foundation or ABN 60. As a result of the change in ownership of ABN 60 on 31 March 2003, a loss on disposal of $0.4 million was recorded by the Company at 31 March 2003, representing the liabilities of ABN 60 (to the Medical Research and Compensation Foundation) of A$ 94.6 million ($57.2 million), the A$94.5 million ($57.1 million) in cash held on the balance sheet, and costs associated with the establishment and funding of ABN 60 Foundation.

JHI NV has agreed to indemnify ABN 60 Foundation for any non asbestos related legal claims made on ABN 60. There is no maximum amount of the indemnity and the term of the indemnity is in perpetuity. The Company believes that the likelihood of any material non asbestos-related claims occurring is remote. As such, the Company has not recorded a liability for the indemnity. The Company has not pledged any assets as collateral for such indemnity.

Control gained over entities having material effect

13.1	Name of entity (or group of entities)	Not applicable
13.2	Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity (or group of entities) since the date in the current period on which control was acquired	Not applicable
13.3	Date from which such profit has been calculated	Not applicable
13.4	Profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the whole of the previous corresponding period	Not applicable

Loss of control of entities having material effect

14.1	Name of entity (or group of entities)	James Hardie Gypsum, Inc. Western Mining and Minerals, Inc.
14.2	Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the current period to the date of loss of control	Pre-tax US$1.8 million Tax US$0.7 million After-tax US$1.1 million
14.3	Date to which the profit (loss) in item 14.2 has been calculated	25 April 2002
14.4	Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) while controlled during the whole of the previous corresponding period	US$0.5 million
14.5	Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	US$85.1 million

Dividends

15.1	Date the dividend (distribution) is payable	2 July 2003
15.2	Record Date to determine entitlements to the dividend (distribution) (ie, on the basis of proper instruments of transfer received by the Company's registrar by 5:00 pm if securities are not CHESS approved, or security holding balances established by 5:00 pm or such later time permitted by SCH Business Rules if securities are CHESS approved)	12 June 2003
15.3	If it is a final dividend, has it been declared? *(Preliminary final report only)*	Yes

Amount per security

		Amount per security cents	Franked amount per security	Amount per security of foreign source dividend
	(Preliminary final report only)			
15.4	**Final dividend:** Current Year	2.5¢	N/A	N/A
15.5	Previous Year	5.0¢	N/A	N/A
	(Half yearly and preliminary final reports)			
15.6	**Interim dividend:**			
	Current Year: Declared September 2002	US 5.0¢	—	—
	Current Year: Declared November 2002	US 2.5¢	—	—
	Total	US 7.5¢	—	—
15.7	Previous Year	—	—	—

Total dividend (distribution) per security (interim *plus* final)

(Preliminary final report only)

		Current year	Previous year
15.8	Ordinary securities	10.0¢	5.0¢
15.9	Preference securities	—	—

Half yearly Report — interim dividend (distribution) on all securities or

Preliminary final report — final dividend (distribution) on all securities

		Current period 31 Mar 03 US$ million	Previous corresponding period 31 Mar 02 US$ million
15.10	Ordinary securities	34.3	22.8
15.11	Preference securities	—	—
15.12	Other equity instruments	—	—
15.13	**Total**	34.3	22.8

The dividend or distribution plans shown below are in operation

Not applicable

The last date(s) for receipt of election notices for the dividend or distribution plans

Not applicable

Any other disclosures in relation to dividends (distributions)

(i) This dividend and future dividends will be unfranked for Australian taxation purposes

(ii) This dividend is subject to Dutch witholding tax of 25%. Many Australian resident holders may reduce the withholding tax rate to 15% deduction if they are eligible and have completed and lodged special Form A before dividend record date with the Company's registrar, Computershare Investor Services Pty Ltd, Level 3, 60 Carrington Street, Sydney NSW 2000, Australia. Holders with 25% withholding tax may be eligible to reclaim a portion of the tax after payment date. For withholding tax information see: www.jameshardie.com (select Investor Relations, then Shareholder services then Tax Information) or contact Computershare. Withholding tax Form A lodged for the previous dividend or since remains valid for this dividend.

(iii) The Australian currency equivalent amount of the dividend to be paid to CUFS holders will be announced to the ASX on 13 June 2003.

Details of aggregate share of profits (losses) of associates and joint venture entities

Group's share of associates' and joint venture entities:

		Current period 31 Mar 03 US$ million	Previous corresponding period 31 Mar 02 US$ million
16.1	Profit (loss) from ordinary activities before income tax	—	—
16.2	Income tax on ordinary activities	—	—
16.3	**Profit (loss) from ordinary activities after income tax**	—	—
16.4	Extraordinary items net of tax	—	—
16.5	**Net profit (loss)**	—	—
16.6	Adjustments	—	—
16.7	**Share of net profit (loss) of associates and joint venture entities**	—	—

Material interests in entities which are not controlled entities

The economic entity has an interest (that is material to it) in the following entities:

Name of entity		Percentage of ownership interest held at end of period or date of disposal		Contribution to net profit (loss) *(item 1.9)*	
		Current period 31 Mar 03 %	Previous corresponding period 31 Mar 02 %	Current period 31 Mar 03 US$ million	Previous corresponding period 31 Mar 02 US$ million
17.1	**Equity accounted associated and joint venture entities**				
17.2	**Total**	—	—	—	—
17.3	Other material interests				
17.4	**Total**	—	—	—	—

Issued and quoted securities at end of current period

	Category of securities	Total Number	Number quoted	Issue price per security A$	Amount paid up per security A$
18.1	**Preference securities**	—	—	—	—
18.2	Changes during current period				
	(a) Increases through issues				
	(b) Decreases through returns of capital, buybacks, redemptions	—	—	—	—
18.3	**Ordinary securities**				
	Ordinary Shares	457,514,598	457,514,598	N/A	N/A
18.4	Changes during current period				
	(a) Increases through issues	2,076,079	2,076,079	A$3.53	A$3.53
	(b) Decreases through returns of capital, buybacks	—	—	—	—
18.5	**Convertible debt securities**	—	—	—	—
18.6	Changes during current period				
	(a) Increases through issues				
	(b) Decreases through securities matured, converted	—	—	—	—
18.7	**Options**			*Exercise Price*	*Expiry Date*
	Options over Ordinary Shares				
	PD Macdonald	1,200,000	—	A$3.39	Nov-09
	PD Macdonald	624,000	—	A$4.97	Jul-11
	KMEIP November 1999	847,670	—	A$3.34	Nov-09
	KMEIP November 2000	1,777,763	—	A$3.30	Nov-10
	Equity Incentive Plan-2001 Grant	3,121,591	—	A$5.27	Dec-11
	Equity Incentive Plan-2002 Grant	3,889,000	—	A$6.66	Dec-12
	PD Macdonald	1,950,000	—	A$5.92	Jul-12
18.8	Issued during current period				
	PD Macdonald	1,950,000	—	A$5.92	Jul-12
	Equity Incentive Plan-2002 Grant	4,037,000	—	A$6.66	Dec-12
18.9	Exercised during current period	2,059,879		A$3.57	N/A
18.10	Expired during current period	1,486,659	—	A$4.95	N/A
18.11	**Debentures**	—	—		
18.12	Changes during current period				
	(a) Increases through issues				
	(b) Decreases through securities matured, converted	—	—		
18.13	**Unsecured notes**	—	—		
18.14	Changes during current period				
	(a) Increases through issues				
	(b) Decreases through securities matured, converted	—	—		

SEGMENT INFORMATION US$ million

	Sales		Profit/(loss) before tax and abnormals		Total Assets	
	12 mths 31.03.03	12 mths 31.03.02	**12 mths 31.03.03**	12 mths 31.03.02	**31.03.03**	31.03.02
Industry segments						
USA Fibre Cement	**599.7**	444.8	**155.1**	85.8	**492.2**	420.3
Asia Pacific Fibre Cement	**194.4**	156.9	**30.1**	22.4	**154.6**	147.6
Research & Development	**—**	—	**(13.0)**	(10.0)	**—**	—
Other Fibre Cement	**9.6**	4.2	**(10.7)**	(8.9)	**48.2**	45.5
Segments total	**803.7**	605.9	**161.5**	89.3	**695.0**	613.4
General Corporate	**—**	1.0	**(29.9)**	(41.0)	**132.6**	84.6
Interest	**—**	—	**(19.9)**	(16.0)	**—**	—
Other income (expense)	**—**	—	**0.7**	(0.4)	**—**	—
Worldwide total from continuing operations	**803.7**	606.9	**112.4**	31.9	**827.6**	698.0
Discontinued operations					**—**	269.8
Worldwide total					**827.6**	967.8

	Sales		Total Assets	
	12 mths 31.03.03	12 mths 31.03.02	**31.03.03**	31.03.02
Geographic segments				
United States	**605.0**	447.3	**528.3**	456.0
Australia	**124.7**	100.7	**87.7**	80.6
New Zealand	**51.7**	38.0	**27.3**	24.7
Other Countries	**22.3**	19.9	**51.7**	52.1
Segments total	**803.7**	605.9	**695.0**	613.4
General Corporate	**—**	1.0	**132.6**	84.6
Worldwide total from continuing operations	**803.7**	606.9	**827.6**	698.0
Discontinued operations			**—**	269.8
Worldwide total			**827.6**	967.8

Compilation of segmental information

James Hardie's operations are organised into the following four segments: (1) USA Fibre Cement, which manufactures and sells fibre cement flat sheet products in the United States; (2) Asia Pacific Fibre Cement, which manufactures and sells fibre cement products in Australia, New Zealand, the Philippines and Asian export markets; (3) Research and Development, which includes the research and development centre in Sydney, Australia; and (4) Other Fibre Cement, which includes the fibre reinforced cement pipes operations in the United States and the Chile and Europe fibre cement operations.

Research and development assets are included in the Asia Pacific Fibre Cement segment.

In the analysis of total assets all deferred taxes are included in General Corporate.

Prior year segmental information has been restated to reflect current industry segments.

Comments by directors

Basis of accounting preparation

Background

On 24 July 2001, JHIL announced a plan of reorganisation and capital restructuring (the "2001 Reorganisation"). Completion of the 2001 Reorganisation occurred on 19 October 2001. In connection with the 2001 Reorganisation, James Hardie Industries N.V. ("JHI NV"), formerly RCI Netherlands Holdings B.V., issued common shares represented by CHESS Units of Foreign Securities ("CUFS") on a one for one basis to existing JHIL shareholders in exchange for their shares in JHIL such that JHI NV became the new ultimate holding company for JHIL and JHNV.

Following the 2001 Reorganisation, JHI NV controls the same assets and liabilities as JHIL controlled immediately prior to the 2001 Reorganisation.

Basis of Presentation

The consolidated financial statements represent the financial position and results of operations of JHINV and its wholly owned subsidiaries, collectively referred to as either the "Company" or "James Hardie", unless the context indicates otherwise. For the periods prior to 19 October 2001, the effective date of the 2001 Reorganisation, the consolidated financial statements represent the financial position and results of operations of JHIL and its wholly owned subsidiaries.

In accordance with accounting principles generally accepted in the United States of America, the transfers to JHINV have been accounted for on a historical cost basis using the "as-if" pooling method on the basis that the transfers are between companies under common control.

The profit and loss account, assets, liabilities and statement of cash flows of the Company have been presented with accompanying Australian dollar (A$) convenience translations. These A$ convenience translations are not prepared in accordance with accounting principles generally accepted in the United States of America. The exchange rates used to calculate the convenience translations are as follows (US$1=A$):

	31 March		30 September
	2003	2002	2002
Assets and liabilities	1.6559	1.8808	1.8359
Profit and loss account	1.7809	1.9483	1.8196
Statement of cash flows — beginning cash	1.8808	2.0408	1.8808
Statement of cash flows — ending cash	1.6559	1.8808	1.8359
Statement of cash flows — current period movements	1.7809	1.9483	1.8196

19.1 N/A if preliminary final report.

19.2 Material factors affecting the revenues and expenses of the economic entity for the current period. Provide explanatory comments about any seasonal or irregular factors affecting operations.

Refer to attached Results Announcement and Managements Discussion and Analysis.

19.3 A description of each event since the end of the current period which has had a material effect and which is not already reported elsewhere in this Appendix or in attachments, with financial effect quantified (if possible).

None material.

19.4 Franking credits available and prospects for paying fully or partly franked dividends for at least the next year.

There are no franking credits available. It is anticipated that future dividends will be unfranked.

19.5 Disclose changes in accounting policies in the preliminary final report.

In fiscal year 2003, the Company adopted the fair value provisions of SFAS No. 123, "Accounting for Stock-Based Compensation," which requires the Company to value stock options issued based upon an option pricing model and recognise this value as compensation expense over the period in which the options vest. In accordance with the provisions of SFAS No. 148, "Accounting for Stock-Based Compensation — Transition and Disclosure, an amendment of SFAS No. 123," the Company has elected to recognize stock-based compensation using the retroactive restatement method. Under this change in accounting method, the Company has restated its consolidated financial statements for all years presented herein to reflect stock-based compensation expense under a fair value based accounting method for all options granted, modified or settled in fiscal years beginning after 31 March 1995.
The table below sets forth the effect of the retroactive restatement of prior periods:

(Millions of US dollars, except per share amounts)	31 March 2002	2001
Net Income:		
As previously reported	$29.3	$38.2
As restated	$30.8	$38.6
Net income per share — basic:		
As previously reported	$0.07	$0.09
As restated	$0.07	$0.09
Net income per share — diluted:		
As previously reported	$0.07	$0.09
As restated	$0.07	$0.09

Compensation expense arising from stock option grants as determined using the Black-Scholes fair value option model was $1.9 million, $1.6 million and $0.1 million for the years ended 31 March 2003, 2002 and 2001, respectively. All prior periods presented have been restated to reflect the compensation costs that would have been recognised had the recognition provisions of SFAS No. 123 been applied to all options granted after 31 March 1995. As a result of this change in accounting method, a transition adjustment consisting of a $1.1 million increase in retained earnings and a $1.1 million decrease in additional paid-in capital has been reflected in the accompanying consolidated statements of stockholders' equity as of 1 April 2000, to reflect the effect on these accounts for periods from 1 April 1995 (the date of initial application of SFAS No. 123) through 31 March 2000.

19.6 Revisions in estimates of amounts reported in previous interim periods. The nature and amount of revisions in estimates of amounts reported in previous annual reports if those revisions have a material effect in this half year.

Refer to attached Results Announcement and Managements Discussion and Analysis.

19.7 Changes in contingent liabilities or assets. Changes in contingent liabilities and contingent assets since the last annual report.

None Material

Additional Disclosures For Trusts

20.1	Number of units held by the management company or responsible entity or their related parties.	Not applicable.
20.2	A statement of the fees and commissions payable to the management company or responsible entity. Identify: - initial service charges - management fees - other fees	Not applicable.

Annual Meeting

(Preliminary final report only)

The annual meeting will be held as follows:

Place	Amsterdam
Date	15 August 2003
Time	9:00 AM
Approximate date the annual report will be available	4 July 2003

Compliance statement

1 This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Urgent issues Group Consensus Views or other standards acceptable to ASX

Identify other standards used USGAAP

2 This report, and the accounts upon which the report is based (if separate), use the same accounting policies.

3 This report does give a true and fair view of the matters disclosed.

4 This report is based on accounts to which one of the following applies.

(Tick one)

☒	The accounts have been audited	☐	The accounts have been subject to review
☐	The accounts are in the process of being audited or subject to review	☐	The accounts have not yet been audited or reviewed

5 If the audit report or review by the auditor is not attached, details of any qualifications are attached. There were no qualifications.

6 The entity has a formally constituted audit committee.

Sign here: /s/ Peter Shafron Date: 15 May 2003
(Company Secretary)

Print name: PETER SHAFRON